



2013 **INTEGRATED REPORT**





2013
INTEGRATED REPORT

MAKING
WATER
PERFORM

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*Another year committed to
transparency and sustainability.*

“Overall, 2013 was a complex year but Fluidra was nevertheless able to demonstrate the **strength of its financial discipline, and the soundness of its business strategy** focused on internationalisation, diversification and the sustainable growth of all of its business areas” [1.1]



Dear friends,

I am addressing you once again this year to give you a breakdown of the Group's most relevant events in 2013. Overall, it was a complex year but **Fluidra was able to demonstrate that we are still on very solid foundations** in terms of its management: firm financial discipline, and sound business strategy focused on internationalisation, diversification and the sustainable growth of all of its business areas.

The culmination of a number of events in 2013 had a direct impact on the performance of our business: the exceptionally adverse weather conditions in the northern hemisphere in spring, a generally weak macroeconomic situation in Europe and the higher exchange rates of certain currencies. In addition, certain irregularities in the accounts of one of the divisions came to our attention, as a result of which we had to take the decision to shut it down.

Faced with this scenario, the Fluidra Group once again demonstrated its ability to come out fighting. The close of the company's accounts and its management of the shutdown of the above mentioned division proved to be complex, but I am now in a position to assure you that **we have started out 2014 with a healthy balance sheet and full confidence in our expertise.**

The drive that characterises our Group enabled us to continue to work on two factors in 2013 that will prove to be key

in consolidating our future, namely, **the process of the internationalisation and diversification of our business**, which has enabled us to secure our position in Brazil, with the aim of turning the region of Latin America into a focus of the overall growth of our business.

However, businesses do not prosper on financial results alone. **The Group is firmly committed to corporate sustainability, the ethics of its performance and its responsibility to its social environment.** Efficient management and our commitment to R&D are the vectors of our strategy for sustainable development. I invite you to learn about the relevant events in 2013 in depth by reading the information provided in this integrated report.

Kind regards,

JOAN PLANES
CHAIRMAN

“Fluidra is a solid Group with great fighting spirit and a consistent plan for the future. **We started out the new year on strong footing with confidence** in our abilities” [1.1]



As the Group's CEO, what is your appraisal of 2013?

We had to deal with exceptional circumstances that had a significant impact on our accounts. Spring was particularly cold and rainy throughout the northern hemisphere, the macroeconomic situation in Europe was generally weak, certain exchange rates went up and the profit margins of the Projects division dropped, as a result of which it was subsequently shut down.

What was the sales performance?

Fluidra made sales of 592.7 million euros, which is 5.7% less than in 2012. The impact of fluctuating currencies, especially in the last two quarters, was extremely significant, as it accounted for 2.1 points of the 5.7 fall. Despite the efforts made in internationalisation and diversification, this was not enough to offset the fall in consumption in Europe (due to the weather) and the strong impact of higher exchange rates in the second and third quarters.

■ Eloi Planes, Fluidra's CEO, gives an appraisal of the 2013 business year and explains the key strategies that enabled the Group to start out in 2014 on solid foundations of sustained and sustainable growth.

One exceptional event was the shutdown of the Projects division. How is that reflected in the accounts?

Given that what happened to the Projects division in 2013 was exceptional, the main figures presented have been adjusted of our turnkey projects. The company's normalised EBITDA of 61.3 million euros reflects the impact of both the liquidation of the Projects division (5 million euros) and the losses made over the business year by it (8.6 million euros). The EBITDA before the cost of the liquidation totalled 52.7 million euros. The cost of the liquidation amounted to 5 million euros before tax. All of these figures are in the range of estimates announced in August 2013.

Of all of the events in the business year, which one had the greatest impact on results?

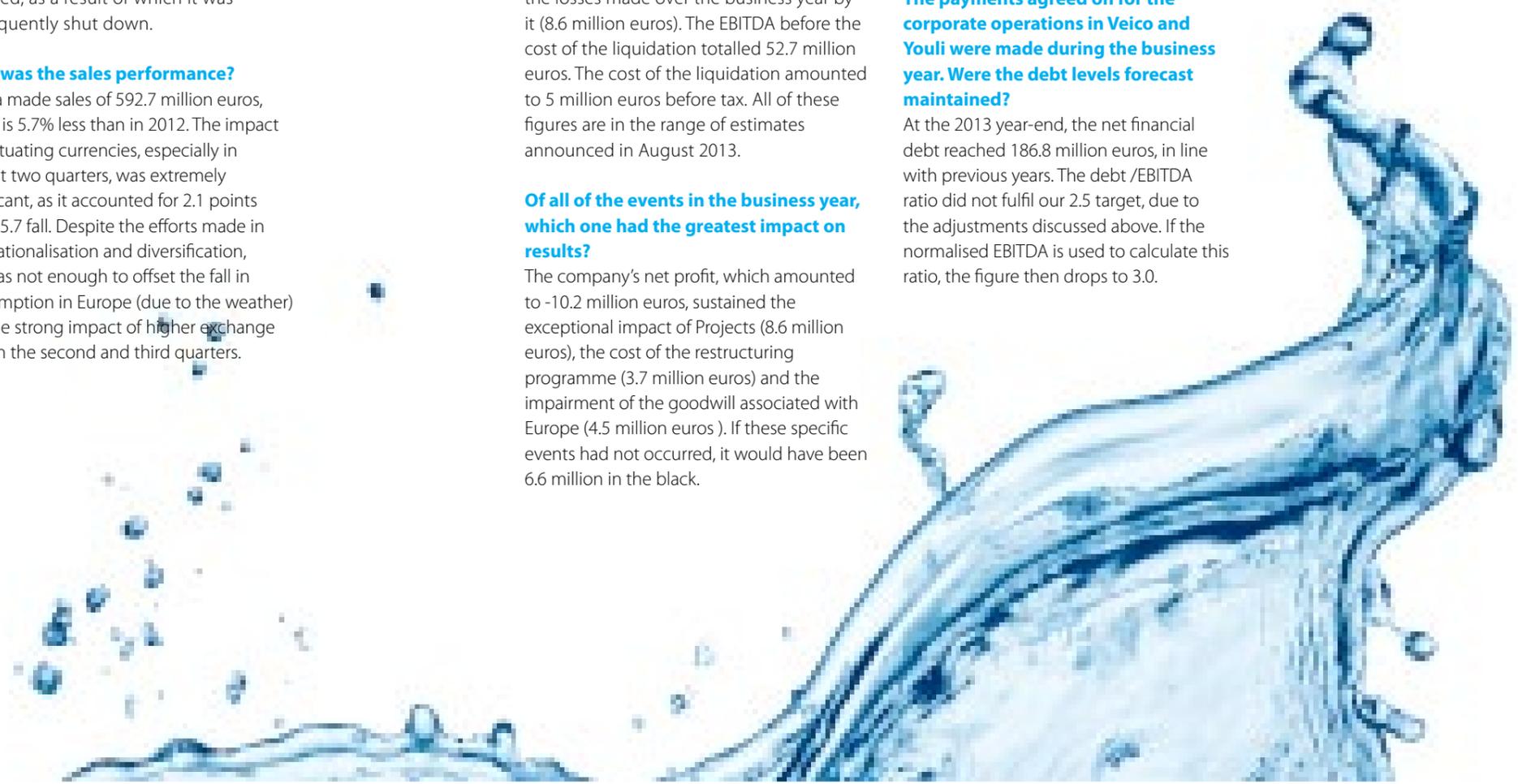
The company's net profit, which amounted to -10.2 million euros, sustained the exceptional impact of Projects (8.6 million euros), the cost of the restructuring programme (3.7 million euros) and the impairment of the goodwill associated with Europe (4.5 million euros). If these specific events had not occurred, it would have been 6.6 million in the black.

How have these unusual situations affected the Group's balance sheet?

A great deal of work was done in the last quarter of the year to reduce net working capital, which amounted to 181.6 million euros (9.6% less than the previous year). This made it possible to partially offset the lower cash flow generated in the profit and loss account with a final total of 16.8 million euros.

The payments agreed on for the corporate operations in Veico and Youli were made during the business year. Were the debt levels forecast maintained?

At the 2013 year-end, the net financial debt reached 186.8 million euros, in line with previous years. The debt /EBITDA ratio did not fulfil our 2.5 target, due to the adjustments discussed above. If the normalised EBITDA is used to calculate this ratio, the figure then drops to 3.0.



How does the Group tackle the current global economic climate, in which the south of Europe is hardly growing at all in comparison with emerging countries?

In 2013, Fluidra accelerated its deleveraging of operations in southern Europe through a programme that it is expected will save 15 million euros in comparison with the 2012 business year. We also continued to work to create the foundations for growth, as reflected by Fluidra's process of transformation based on its internationalisation strategy, thanks to which we have strengthened our position in South America, particularly in Brazil. Part of this strategy involved expanding our branch office in São Paulo through a manufacturing base that will serve to ensure future growth.

What is the strategy for Brazil?

One major milestone was the acquisition of Veico in February 2013. This company specialised in the manufacture of pool accessories was set up five years ago. It is located in the province of Santa Caterina, in southern Brazil, where it has a 1,500 m² facility. In the medium-term, we hope that this step will secure us a relevant market share in this enormous country, whose market we estimate to be worth 200 million euros and that currently has a park of 1.4 million pools, which is 8% of the world's park.

Innovation is another of Fluidra's key strategies. What would you highlight from this area?

Without a doubt, the creation of AstralPool MAC[®]. This is a device for the physical and chemical treatment of pools that can make savings of up to 90% on chemicals, and 50% on power and water. The presentation of AstralPool MAC[®] at the sector's main fairs all over the world has been a success and will mark a milestone in the management of pools in terms of its efficiency, its contribution to the environment, its state-of-the-art design and its easy handling from any mobile device.

What is the outlook for the company in 2014?

Although 2013 was a bad year overall for Fluidra, we have worked hard to remedy the situation and once again occupy a good position in the market. The close down of the Projects division, the opening of international operations, the restructuring plan and the investments made in new products makes us confident that our performance will recover in 2014.

Fluidra is a solid Group with a great fighting spirit and we have a consistent plan for the future. We started out the new year on strong footing with confidence in our abilities.

Would you say that the Group has come out stronger so that it can perform better in the future?

Without a doubt. Today our company is more efficient, more innovative, more international and more diverse, with a constant capacity for investing in future sources of growth. We believe that our performance in 2014 will be better across the board. We will take it day by day in the mature markets so that we can continue to expand our market share through diversification, our strong presence and leading position, whilst continuing to focus on the deleveraging of operations thanks to the initiatives we have underway.

What do you predict will happen to Fluidra in the future?

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 up our commitment to society and the environment. Our aim is to become a global group able to deliver sustainable solutions and applications that use water efficiently. 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.

“Although 2013 was a bad year overall for Fluidra, we have worked hard to remedy the situation and **once again occupy a good position in the market.**

The close of the Projects division, the opening of international operations, the restructuring plan and the investments made in new products makes us confident that our performance will recover in 2014”



Main figures for 2013

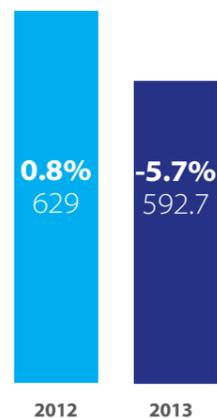
[2.5, 2.7, 2.8]

The results reflect the impact of the exceptional events consisting of the closure of the Projects division, restructuring and the impairment of goodwill. Before these extraordinary events the net profit amount to 6.6 million euros.

Turnover

592.7
million euros

Performance in the year **was marked** by the impact of exchange rates (2.1%), the Projects division (1.4%) and adverse weather conditions at the beginning of the year's marketing campaign.



* Figures in million euros according to IFRS-EU standards.

Normalised EBITDA

61.3
million euros



The normalised EBITDA was adjusted for the close of the Projects division. Including this impact, the EBITDA in 2013 amounted to 47.7 million euros.

Operating investments

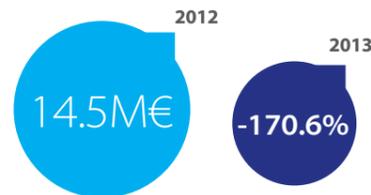
22.1
million euros

They remained practically **the same** as in the previous business year.



Net profit

-10.2
million euros



This reflects the impact of the cost of the restructuring programme, the impairment of goodwill and the expenses associated with the liquidation of the Projects division. Without these factors, **the normalised net profit** would have been 6.6 million euros.

Tax payments

33.1
million euros

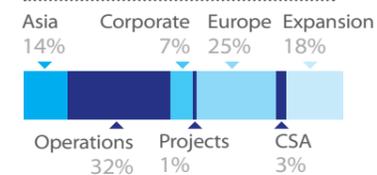
Most of the **tax** is paid in Spanish territory.

Staff

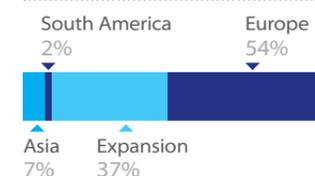
3,600
people



By business division



By commercial division



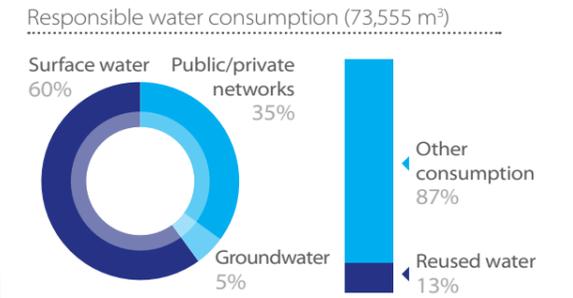
Active customers

40,000
firms and institutions

Environment

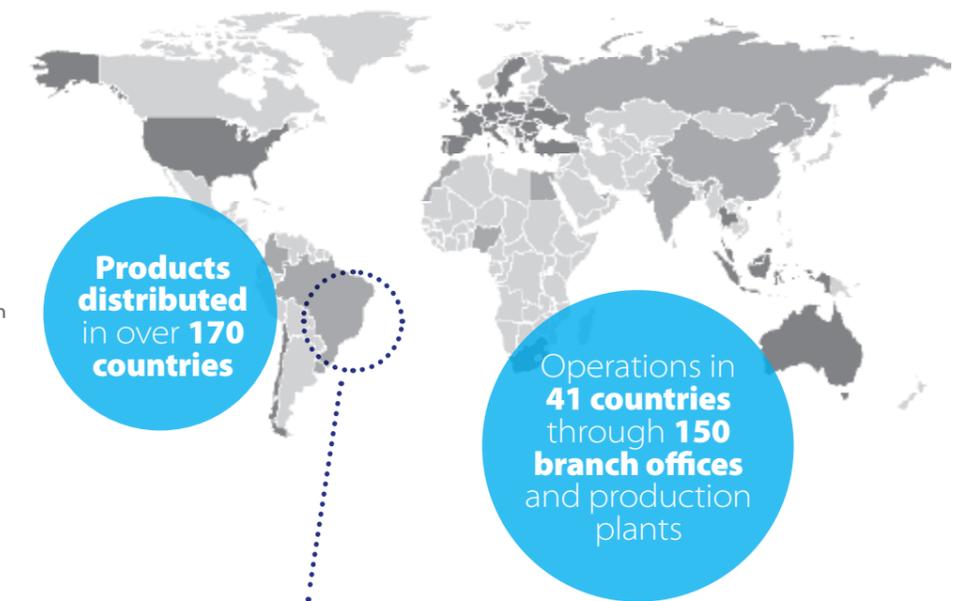
-4.1%
Kwh

Reduction in the Group's basic power consumption in 2013. Cogenerated power **fell by 25.4%** in comparison with 2012.



Given the nature of its business, the Group is particularly sensitive to **saving water**.

International expansion



Highlights of 2013

Fluidra acquired Veico, a Brazilian company specialised in the manufacture of pool accessories, located in the state of Santa Catarina, in the south of the country. It has a turnover of over 3 million euros and industrial facilities of 1,500 m². The estimated size of the Brazilian pool market is 200 million euros.

1

THE FLUIDRA GROUP

 GRI Indicators reported in this chapter: 1.2, 2.3, 2.5, 2.8, 2.9, 2.10, EC9.

Fluidra is a multinational group devoted to developing applications for the sustainable and rational use of water. The company, which became a listed company on 31 October 2007, delivers solutions for the preservation, handling, treatment and enjoyment of water however it is used (pleasure, domestic and industrial use). Fluidra is divided into four specialised business units: Pool/Wellness, Water treatment, Irrigation and Fluid handling.

With a business strategy focused on internationalisation and diversification in order to ensure the sustained growth of all of its lines of business, Fluidra 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.



Fluidra is today a solid group with a consistent plan for the future, which is the result of the efforts of two generations and a great team of experts.

A solid company in a sector with a bright future

[1.2, 2.5]



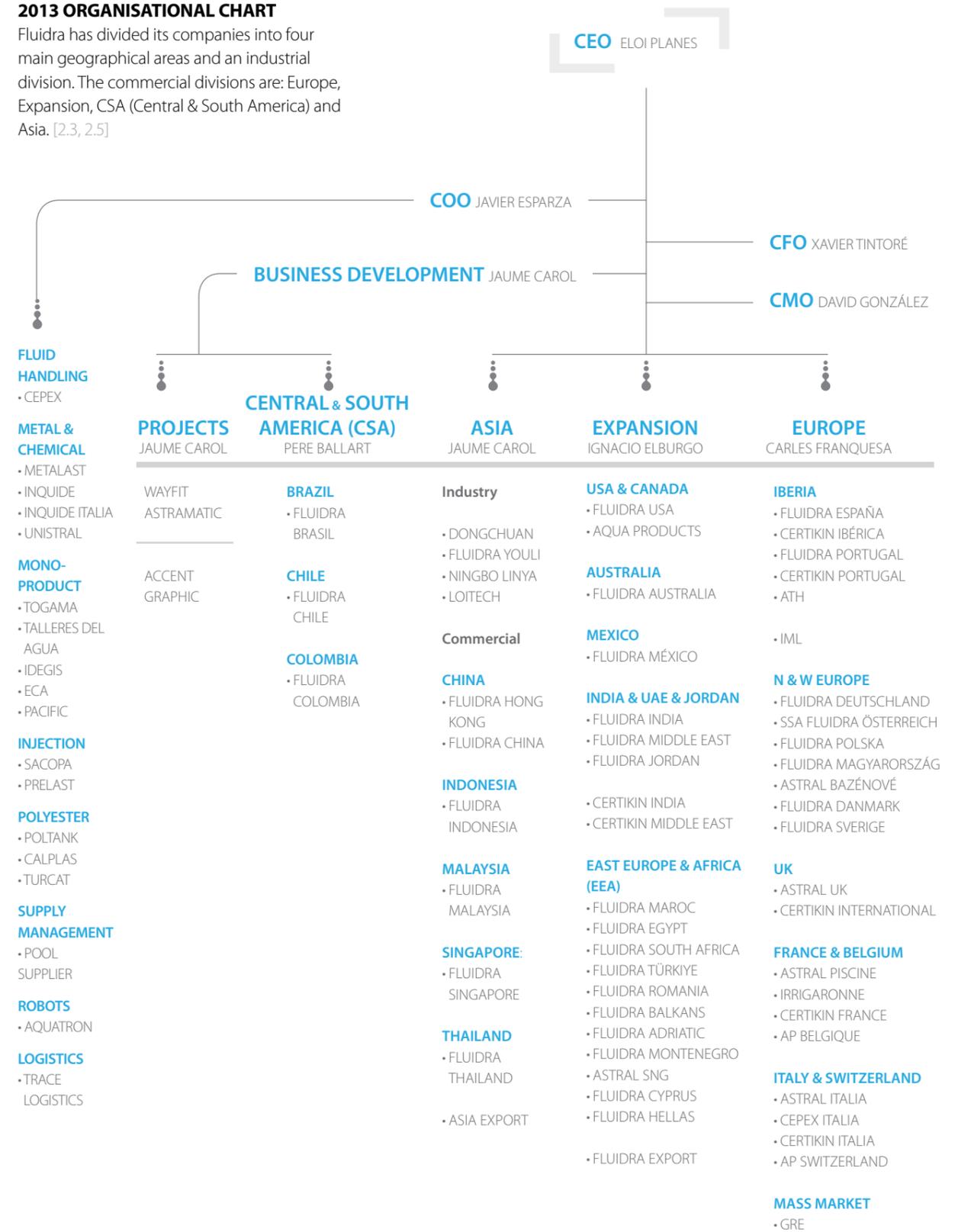
The Fluidra Group currently concentrates its efforts on the following key strategies:

- **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 of sustainable use of water and it will continue to grow in the future because it is a scarce resource.
- **Leading position.** Fluidra is one of the main 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 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 41,000 customers, none of whom account for more than 1% of its turnover.
- **Capacity for consolidation.** Fluidra's capacity for acquiring and merging with companies enables it to strengthen its position in a specific area and/or add to its current catalogue of products.
- **Financial stability.** In the current complex economic climate, Fluidra is a strong and healthy business, with a very solid balance sheet.

2013 ORGANISATIONAL CHART

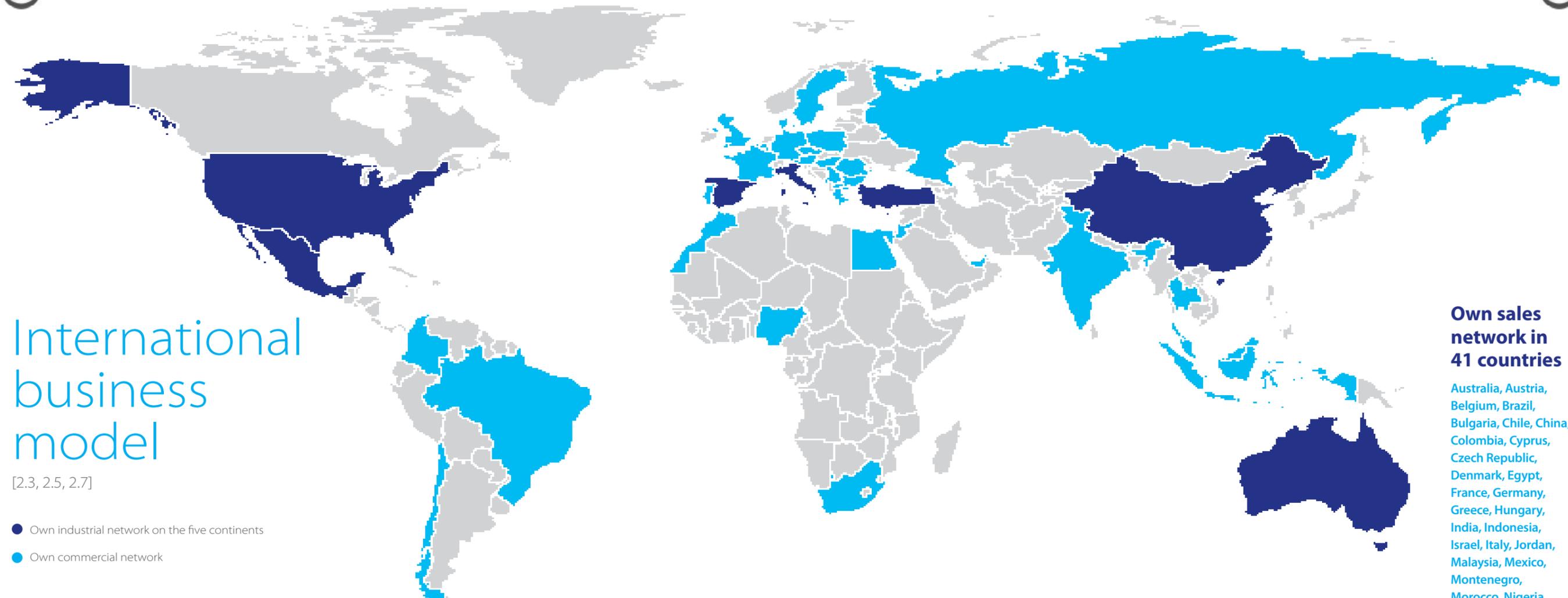
Fluidra has divided its companies into four main geographical areas and an industrial division. The commercial divisions are: Europe, Expansion, CSA (Central & South America) and Asia. [2.3, 2.5]



International business model

[2.3, 2.5, 2.7]

- Own industrial network on the five continents
- Own commercial network



Own sales network in 41 countries

Australia, Austria, Belgium, Brazil, Bulgaria, Chile, China, Colombia, Cyprus, Czech Republic, Denmark, Egypt, France, Germany, Greece, 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.

Fluidra has a vertical business model that covers R&D+i, production, logistics and marketing through its extensive international network. This model makes it possible to diversify risks 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 a direct presence in 41 countries with 120 branch offices.

OWN INDUSTRIAL NETWORK

Fluidra's production plants are found in Group's main markets and they work with different technologies: plastic injection, extrusion, polyester projection, blow 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.

Production plants in Australia, Brazil, China, Spain, United States, Israel, Italy,



INJECTION
Plastic injection
Spain-Australia-China



POLYESTER
Laminated & bobbin-wound filters
Spain-China-Turkey-USA



METAL PROCESSING
Spain-Australia-China



THERMOPLASTIC AND BLOW MOULDING
Spain-Australia-China

Mexico and Turkey.



RUBBER INJECTION
Spain



CHEMICALS
Spain-Mexico-Italy



EXTRUSION
Spain-China



VITREOUS TILING
Spain



ELECTRONICS
Spain-Australia

BUSINESS UNITS

Fluidra 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. [2.2]

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

It is also worth highlighting the brands Ignialight and Igniagreen for their LED lighting and urban gardening systems, respectively.

Main milestones in 2013

[1.2, 2.9, 2.10, EC9]

Over the year, there was a place for almost everything in the company's performance: prizes, new contracts, international expansion, sponsorships and, above all, great teamwork.



THE CROSS OF SAINT GEORGE FOR FLUIDRA'S CHAIRMAN

Joan Planes, Fluidra's chairman was awarded the Cross of Saint George by the Government of Catalonia. This award recognises those personalities and organisations that "have rendered outstanding services to Catalonia in upholding its identity or, more generally, for civil and cultural contributions". It is one of the highest decorations awarded by Catalonia's government whose design is based on the Cross of Saint George, the patron Saint of Catalonia.

The chairman of Fluidra wished to share this recognition with everybody: "Thank you to everybody who belongs to the Fluidra Group. I would like to share this with all of you because without your contributions and commitment we would not have come so far."



FLUIDRA HOSTS DINNER FOR 300 INTERNATIONAL CLIENTS

Fluidra held this year's dinner for its international clients at the Mandarin Oriental Hotel in Barcelona. Around 300 people filled the hotel's Blanc Brasserie & Gastrobar.

Clients from 15 different countries, many from Spain but also from as far afield as Singapore, Argentina, Libya, Lebanon and Russia came together in the centrally located hotel and enjoyed a pleasant evening.

Eloi Planes, the Fluidra Group's CEO, made a short speech to express his gratitude for their loyalty and the trust placed in Fluidra with a very clear message: "At Fluidra we are optimists and we wish to leave the crisis behind us and focus on building the future, joining efforts, inspiring hope and selling with great determination".

"Thank you to everybody who belongs to the Fluidra Group. I would like to share this prize with all of you because without your contributions and commitment we would not have come so far"

JOAN PLANES, AT THE CROSS OF SAINT GEORGE AWARD CEREMONY
CHAIRMAN OF THE GROUP



Certikin's 50th anniversary

Acquired by Fluidra in 2003, 50 years of history have made Certikin one of the market leaders in the pool and spa sector.

Certikin, a Fluidra subsidiary in the United Kingdom, celebrated its 50 years in business with a visit from Britain's prime minister, David Cameron, at the company's factory in Witney, a town near Oxford.

During his visit, David Cameron showed an interest in the company's innovative products and highlighted that "Certikin not only brings jobs and a real boost to the UK's economy but also makes the country more competitive".

Founded in 1963, Certikin has built up a reputation as a leading brand in the world of pools and wellness. The company markets all types of equipment and fittings for pools, from filters, outdoor materials, pool covers and heaters to a select range of spas. It also distributes chemical products and water testing kits, control and dosing systems, and disinfection equipment in Spain under the CTX trademark.

Fluidra España, Certikin-CTX, GRE, IML, Idegis and Aquagroup attended the 2013 International Aquatic Exhibition held in Barcelona

The 2013 Barcelona International Aquatic Exhibition, which has just celebrated its eleventh edition, features the latest products developed for private pools, wellness, and water, sports and leisure facilities. With over 300 exhibitors, 62% of whom came from abroad, this fair is the sector's most international platform, both in terms of trade and information.



FLUIDRA ESPAÑA

The company's stand of over 600 m² saw the launch of the AstralPool brand's new positioning strapline: The Pool Brand. This year's latest products were also on display at the show. Firstly, AstralPool Mac[®], which was awarded the exhibition's "most innovative product" prize, the Viron variable speed filtration pumps, the latest innovations in pool cleaners (Hurricane, Max1 and Ultra 250), the LumiPlusDesign range of LED lighting and the Neolysis devices for public and private use. The Cepex and Idrania brands also had a display area for their latest

products: the full range of public and private irrigation systems by Cepex, and the new water softener, Idrasoft Silence by Idrania.

The Fluidra Retail Experience was run for the first time ever. It consisted of a workshop with experts for clients devoted to offline and online retail sales. Everybody was impressed with the "Ideal Store" that Fluidra España had set up in an adjoining space. The initiative was very well received by clients.



GRE

Gre's stand, just next to Fluidra's, featured its principal new products including pool cleaners, combined salt electrolysis and pH systems, dual speed pumps, monoblock filters and other accessories for above-ground pools. The pool cleaners presented were the Track 4 x 4 model and the Track SALT model with a built-in salt electrolysis system.



CERTIKIN - CTX

Two new products stood out on Certikin's stand: Mineralpools, a mineral enriched salt for looking after your pool water and the health of your body (www.mineralpools.com), and CTX WaterLink, a new revolutionary water testing laboratory that is able to test 10 parameters from a single sample in just 60 seconds without the need for conducting the bothersome measuring processes using reagents. CTX WaterLink uses DataMate software, which stores a log file with all tests conducted for clients and the recommendations given to them.



IDEGIS

Idegis displayed its full range of salt electrolysis and control systems for pools. From the latest products on show, it is worth highlighting the home automation platform PoolStation and its Neolysis system, in addition to the new range of salt electrolysis systems for public pools, and the new product range in series 200 and 300 of integrated pH/ORP/Free chlorine control panels.



IML

The decorated filters painted by hand with motifs of the city of Barcelona on the IML stand attracted a great deal of attention. This season's latest products on display included heat pumps, exchangers, the 1500 rpm pump and dual speed pumps.

Fluidra España's stand of over 600m²

saw the launch of the AstralPool brand's new positioning strapline: The Pool Brand



AQUAGROUP

Aquagroup displayed the Aquabot pool cleaners on its stand, one of the most comprehensive ranges of pool cleaners on the market. The new Viva model in yellow attracted a great deal of attention



FULL COMMITMENT TO BRAZIL

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 components and has its own production plant in the province of Santa Caterina, in the south of the country. By acquiring VEICO, Fluidra now has a manufacturing base that will allow it to expand over the coming years.

With a park of around 1.4 million pools, Brazil is the world's third largest pool market after the United States and France. The growth currently being experienced in the country, which in the next few years will host the World Football Cup and the Olympic Games in Rio de Janeiro, means that the pool market grows by double digit figures every year and has now reached 200 million euros. Furthermore, the water sector in Brazil is still a highly segmented market with no clear leader, in which Fluidra wishes to become a leading player.

Fluidra's entry into the Brazilian market is a major step in Fluidra's internationalisation strategy. Latin America is one of the company's chief points of focus with its own subsidiaries in Brazil, Chile, Colombia and Mexico.



FLUIDRA BOOSTS ITS PRESENCE IN RUSSIA FOLLOWING THE ACQUISITION OF AKVA-LANDSCHAFT

The Group has strengthened its irrigation business unit following the acquisition of the assets of the Russian company Akva-Landschaft, the official distributor in Russia for Rain Bird, the world's leading manufacturer of irrigation systems.

This operation is yet another step forward in the capacity of its irrigation business unit to penetrate the global market, one of the targets of its strategic plan. The acquisition will thus strengthen a part of its business that is gaining increasing importance on a market as strong as Russia, where Fluidra already occupies a leading position in the pool segment.

Akva-Landschaft, whose annual turnover is just over 1.5 million euros, makes 40% of its income from the distribution of irrigation and gardening products, and 60% from the direct installation of irrigation systems in large green spaces, an area of business with a promising future in the country.

Fluidra Russia acquired Akva-Landschaft's business and client portfolio in an operation in which the outlay of the Spanish multinational was limited to the firm's fixed assets, at a cost below the net book value.



FLUIDRA WINS A CONTRACT FOR TWO SHANGRI-LA RESORTS IN INDONESIA AND THE PHILIPPINES

Fluidra has taken another step forward in its international expansion process that will strengthen its already significant presence in Asia. The company was the successful bidder in the award of two projects, worth one million dollars, to build the water area in two hotel complexes owned by the Shangri-La chain in Indonesia and the Philippines: Shangri-La At The Fort in Manila (Philippines) and Shangri-La Nusa Dua Resort & Spa in Bali (Indonesia). The two projects involve the design, supply and installation of the pools, spas, cascades, ornamental water features, ponds and fountains.

Moreover, Fluidra has once again been signed up to a project by Shangri-La, a company for which it had worked in the past. Specifically, it worked for the company in the construction of the water areas in the chain's hotel complexes in the Philippines (Shangri-La Boracay Resort & Spa) and the Maldives (Shangri-La Villingili Resort & Spa). This new contract has boosted the confidence that the company already enjoys in the market and in a region – Asia-Pacific – that is currently the fastest growing economy in the world.



AstralPool MAC wins the best product of the year category in the Plus X Award [2.10]

Fluidra obtained two prizes: the Plus X Award best product of the year category. AstralPool Mac® is Fluidra's state-of-the-art device for the smart control of pools.

At this edition, the jury of the Plus X Awards, the most prestigious international awards for innovative technologies, sport and lifestyle products, awarded the prize to AstralPool Mac® because of its innovation, quality, user friendliness and eco-efficiency.

Launched last June in Spain, AstralPool Mac® has revolutionised the world of pools by providing users with an easy-to-use touch screen from which they can control all pool settings, from the level of efficiency to filtration and product dosing through to temperature. In addition, to make things even easier for users, pools can be fully controlled remotely from their mobile telephones and tablets.

The innovative technology developed by Fluidra enables savings to be made of up to 50% on energy, 90% on chemical products and 50% on backwashing in comparison with conventionally controlled pools. It is able to adjust features such as the volume of water, adapt settings to the number of bathers and set filtration times, all of which results in maximum pool performance in terms of energy and water savings, as well as optimising maintenance.

AstralPool MAC® is the result of the efforts Fluidra has devoted to innovation and was developed at a cost of approximately 1.5 million euros.

This technology was also recognised in the shape of a Red Dot Design Award, one of the world's most prestigious design awards, which are judged on the basis of aspects such as innovation, functionality, ergonomics, ecology and durability.



OFFICIAL SUPPLIER TO THE SPANISH FEDERATION AT THE 2013 WORLD SWIMMING CHAMPIONSHIPS

Following the signing of an agreement with the Royal Spanish Swimming Federation (RFEN), Fluidra became one of its official suppliers for the 15th World Swimming Championships held in Barcelona in 2013.

The shorts of the Spanish swimming, open water swimming, diving, synchronised swimming and water polo teams bore Fluidra's logo.

“We want to show our support to sport, swimming and Barcelona, as well as contribute to the success of the Championships”

ELOI PLANES
THE CEO OF THE GROUP

2 FINANCIAL RESULTS

GRI Indicators reported in this chapter: EC.a, EC.b, EC.c, EC.d, EC.1, EC.8, 2.9.

Fluidra has continued to develop its deleveraging strategy in Europe and to invest internationally, despite the exceptional circumstances found in 2013.

The restructuring plan that was fast-tracked in 2013 will begin to bear fruit in 2014. Fluidra has great strengths and a great capacity to fight back, which enables it to look forward to a future with good prospects.



The Group has a new structure and is now divided into five divisions: Europe, Expansion, Asia, CSA and Operations.

Economic performance

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

The Fluidra Group reported a drop in its turnover in the 2013 business year of 5.37%, basically due to three factors: the effect of the depreciation of some currencies where it operates (the fall in sales at a constant exchange rate was -3.7%), the adverse weather conditions in the summer months and the shutdown of the Projects division.

In a year swayed by exceptional events, at 47.7 million euros the EBITDA dropped significantly in comparison with the previous year, whilst the evolution of the net financial debt showed an increase of 6.2 million euros, despite the significant reduction in working capital. Subsequent to acquisitions, the free cash flow stood at 16.8 million euros in comparison with the 28.7 million euros in the previous year. This decrease in the generation of cash flow was fundamentally due to the negative results obtained over the year.

THE GROUP'S PROFITABILITY

EBITDA performance showed a fall of 24.5 million euros, which was partly brought about by the liquidation of the Projects division that impacted the EBITDA by 5 million euros. If the profit and loss account is normalised, without counting the negative impact of the Projects division, the EBITDA would have shown a

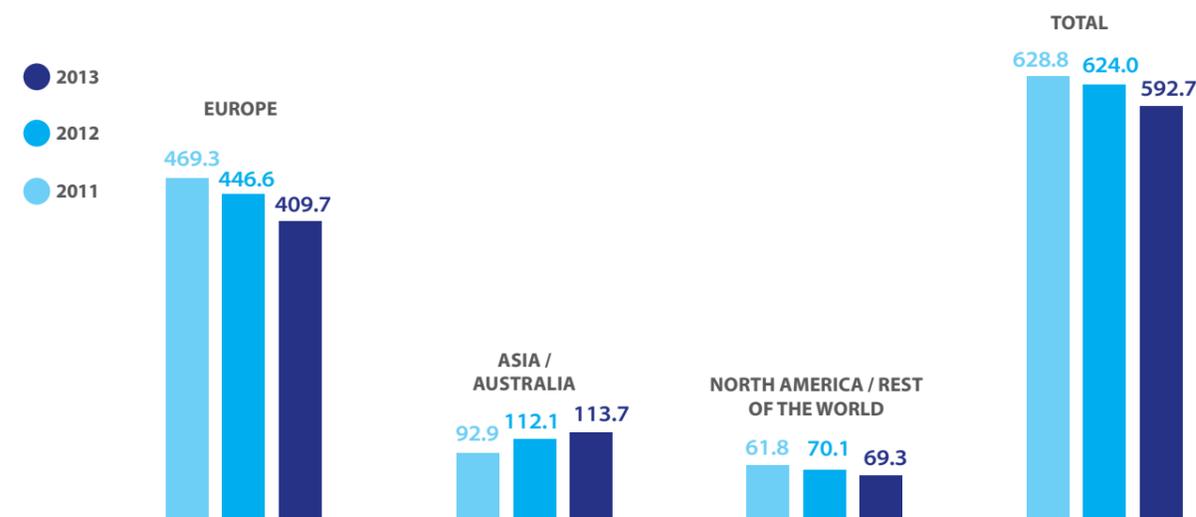
fall of 10.2 million euros as a result of the drop in sales.

The performance of the gross margin, which fell by 0.8%, was brought about by the negative profit margins on the projects completed during this business year. Putting the effects of these projects to one side, the company's gross margin would have shown stable behaviour.

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 provisions for trade receivables) showed a drop of 1.4%, due in part to the effect of the liquidation of the Projects division, in addition to the fall in sales in the middle of the summer season.

The performance of the provisions for trade receivables, with a 5.5 million euro

Net sales to third parties
Million euros



increase, was basically brought about by the liquidation of the Projects division (3.5 million euros) and losses on bad debt in the Italian market (1.8 million euros).

In order to analyse the performance of 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. The negative impact of differences in exchange rates must also be highlighted. Losses were incurred as a result of the euro's performance in comparison with other currencies, particularly the South African rand, the Australian dollar and the Israeli shekel.

The evolution of the net profit made by the parent company showed a downward trend of 24.7 million euros in line with the negative performance of the EBITDA that dropped from 2.3% on sales to -1.7% on sales.

Sales performance by geographical area

If the sales turnover is analysed by markets, it should be highlighted that sales fell on the French market (14%) and the rest of southern Europe (11%) due to the weather, macroeconomic performance and the closure of the Projects division. This fall means that southern Europe's weighting dropped to below 50%. A more moderate fall of 6.5% in the Spanish market should also be mentioned. Asia and the Rest of the World stand out as growing markets, with sales up by 11.5 and 5.9%, respectively. There was a good evolution on international markets, which were strongly affected by exchange rates. Following adjustments due to rates of exchange, Asia and Australia grew by 8.3%, Eastern Europe by 3.7% and the Rest of the World by 3.0%. As a result of all of the above, the company's international presence is increasingly gaining ground in regions outside of Europe.

Sales performance by business unit



Pool

Overall, its performance over the year continued to be acceptable, despite the macroeconomic environment and the adverse weather.

The **private pool** market showed a certain resistance with a drop of 3.5% in sales, whilst the **commercial pool** sector saw a fall in consumption due to the weak economy in southern Europe.



Irrigation

The Irrigation Unit performed well overall after making up for a slow start in the first half of the year.



Fluid handling

The Fluid Handling Unit increased its contribution to the Group's overall results thanks to Fluidra Youli, although the effect of exchange rates was felt.



Turnkey projects

In terms of sales by product families, it should be highlighted that the Projects division was discontinued with an impact in absolute value of 8.7 million euros.

PERFORMANCE OF THE FINANCIAL STRUCTURE

Fluidra's net equity totalled 303.1 million euros as at 31 December 2013. This amount accounts for 42% of the Group's total assets, thus making its leverage ratio 2.4 above that reported at the 2012 year-end. It has thus managed to stick to the Group's policy of keeping the leverage ratio to between 2 and 2.5.

Insofar as the Group's consolidated balance sheet is concerned, it should be highlighted that the net working capital fell by 9.6% (19.2 million euros), which was well above the drop in sales, although the collection ratio of accounts receivable improved by six days. The positive evolution of accounts payable and stock figures should also be mentioned, with an evolution of +10% and -4.8%, respectively.

The net financial debt increased by 6.2 million euros as it took in the 9.9 million euros paid for acquisitions, basically comprising the outstanding payments for Youli.

The strategy in 2013, which did not change in respect of previous business years, was to keep the overall leverage ratio and the net debt to EBITDA ratio to between 2 and 2.5. In the case of the debt/

EBITDA ratio, the exceptional circumstance arose whereby the aforementioned target was exceeded in 2013. The Group will make every endeavour to hit this target in the shortest possible time.

In 2013, all net financial expenses (total financial expenses minus other financial expenses) that were incurred amounted to 17.6 million euros as compared with 14.3 million euros in the previous year. This variation was basically due to the increase in underlying interest rates for the contingent liabilities of the acquisitions made, in addition to the higher average net financial debt during the business year, the average cost of which remained stable.

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, the Australian dollar, the Chinese renminbi and the Israeli shekel. As at 31 December 2013, the contingent consideration for the acquisition of 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

Division performance

Following the introduction of its new structure, the Group is now divided into three divisions, two of which concentrate on its sales and distribution activities by geographic region. The third one covers the Group's operations and logistics chain.

Business activity by geographic region

Covers operations + the Group's logistics chain

EUROPE DIVISION

This division was affected by the discontinuation of the projects it used to undertake. Therefore, the sales of 397.4 million euros in 2012 fell to 356.3 million euros in 2013. There was an extremely negative decrease in EBITDA, which fell from 27.4 million euros in 2012 to 6.8 million euros in 2013. The discontinuation of the Projects division accounted for 13.6 million euros in this fall in EBITDA.

EXPANSION DIVISION

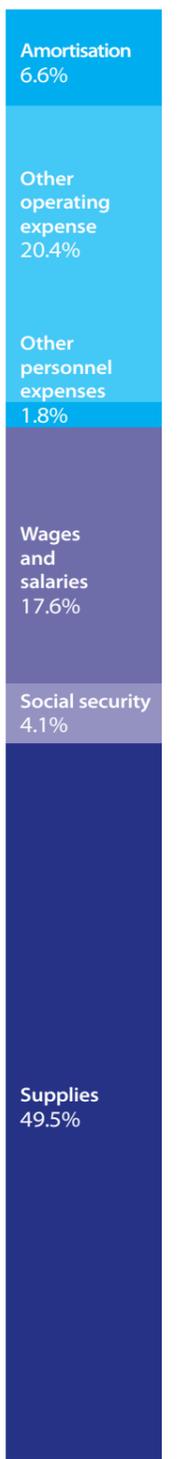
Its sales turnover remained stable with a slight upward trend from 192.3 million euros in 2012 to 193.3 million euros in 2013. EBITDA fell from 22.7 million euros to 17.7 million euros due to increased operating expenses and the loss of the gross margin in the American market in particular.

OPERATIONS DIVISION

It showed a very stable performance with a slight fall in sales from 297.7 million euros in 2012 to 295.4 million euros in 2013. EBITDA amounted to 49.4 million euros with a slight drop as compared to 51.1 million euros in the previous year.

The stability of the Expansion and Operations divisions with a slight drop in EBITDA, the loss of **13.6 million euros** due to the closure of the Projects division and the impact of the weather on the Europe division [EC2] to the tune of **7 million euros** should all be highlighted

Breakdown of expenditure in 2013



(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 US dollars through natural hedging (offsetting of receipts and payments) with forward rates to cover any surpluses or shortfalls. 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 impact of the exchange rate risk was significant in the 2013 business year due fundamentally to the negative performance

of the Israeli shekel, the South African rand, the Chinese renminbi and the Australian dollar against the euro.

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.

“Global macroeconomic data* are extremely positive for Fluidra as internationalisation is one of the main driving forces behind our growth”

XAVIER TINTORÉ,
CFO



* Data posted on the official websites of the IMF, the European Union and the Bank of Spain.

Based on his extensive experience working in finance and international affairs, Xavier Tintoré analyses the macroeconomic environment in which the Fluidra Group operates.

How does Spain's economy currently stand?

Spain's GDP fell in 2013 by 1.2%, which was slightly offset by the good performance of the Spanish economy in the fourth quarter. As household spending and investments in capital goods went up by 0.5 and 1.9%, respectively, there is good reason to be optimistic about the country's performance in 2014.

It is particularly worth noting that the European Commission increased its forecast for Spain's growth in 2014 from 0.5 to 1.0%. The government has also upped its growth forecast for 2014 to 1.0%. Both of these events reflect the positive evolution of short-term economic indicators, and the advances made to offset the main imbalances that have built up in the Spanish economy.

Will this upward trend continue?

Everything would seem to indicate that it will. The improved job market and the new loan extended should ensure that this drive does not go off course in 2014. Furthermore, industrial output and power consumption by industry have increased significantly over the past months. In addition, the risk premium has remained below 200 bps, which was also boosted by the better rating given to Spain. These are all positive signs that point to economic recovery.

Does this mean that Spanish consumers have regained confidence?

That's right; there is less uncertainty about the economic climate, which, coupled with the generally positive outlook, means that domestic demand is picking up following its downturn over the past few years. The consumer confidence indicator, for example, increased significantly in January and February 2014, and is now clearly well above levels recorded in the fourth quarter of 2013.

Could these promising signs also extend across the eurozone?

Growth gained in momentum in the fourth quarter of 2013 in the eurozone. In addition, the relative growth shown in peripheral economies and the good performance of economic indicators in the first months of 2014 mean that there is good reason to

be optimistic. Therefore, the European Commission upped its growth forecast for 2014 in the eurozone to 1.2%. These are very positive figures, in which the expected domestic demand plays a major role, thanks to the renewed confidence of consumers.

What are the key factors for consolidating this economic recovery?

I think that this should be our number one priority, but it should be handled with caution. Over the past few quarters, the world economy has shown signs of recovery thanks to better performance in developed countries, but this recovery process is not without its risks. Firstly, the Fed must calculate and make very clear the speed at which it will withdraw the funding policies implemented over the past few years. Secondly, there is still risk of underlying financial constraints in emerging countries. Whilst in the eurozone the prospect of low inflation has once again highlighted the lack of consensus on the economic policy that European institutions should follow.

It seems that this recovery is making faster progress in the US. Why is this?

In general terms, it would seem that there is an underlying trend towards recovery in the US, but the time this will take depends on job creation and business investment. The quick negotiations and the passing of the extension of the debt ceiling to March 2015 by the two houses gives the country stability and will enable it to make less drastic fiscal adjustments. However, there are still uncertainties about future investment trends and the problems arising from the recovery of the job market.

Are emerging markets in a more favourable position?

It depends. On the international arena, some emerging countries have been subject to considerable financial pressure. The perspective of a standard US monetary policy, and the resulting worldwide liquidity shortage, would explain these differences in emerging markets. The hardest hit economies are those with greater external imbalances and a high dependency on foreign capital. In contrast, the fact that investors are now more wary has had less of an impact on those countries that are more committed to the drive for reform.

What is the outlook for 2014 in these markets?

There are ups and downs. In the case of India, the decisive action taken by its central bank has

managed to stabilise the constraints on inflation and its current account deficit, but the bad news is that the general climate is still very fragile and the risk of increased turmoil is on the rise. In contrast, China started the year with some signs of weakness, although this is not particularly worrying in the context of the turnaround of industry and investments towards services and consumption. In other emerging markets, the episode of financial pressure that began in mid-January has quelled but the risk is still very high.

Does that mean that these countries are less attractive for investors?

What is important, and this is seen positive, is that there has not been a general outbreak of these risks or an escalation of the crisis. Investors are doing a good job choosing between countries. And the economies that they have hit the hardest are the same as those that were under greatest pressure in May–June 2013. These countries must address considerable macroeconomic imbalances and their respective central banks have taken decisive, resolute action, which has made it possible to alleviate pressure and avoid risk from spreading.

Which countries have the most promising future?

Some of the figures that have been published for emerging countries give better clues about their outlook.

The drop in inflation and improved current account deficit in India stand out as positive signs.

Likewise, Indonesia also made progress and its year-on-year growth in Q4 2013 resulted in an overall annual growth of 5.8%. In Latin America, Brazil's year-on-year growth in Q4 2013 was 1.9% (2.2% in Q3) and 2.3% in 2013 overall, all of which was in line with forecasts by analysts. In the case of Mexico, the year-on-year growth in Q4 2013 was 0.7%, which was below what was forecast, and resulted in an annual rate of 1.1%. However, analysts have given a better outlook for 2014.

How does this situation influence the strategy of a company like Fluidra?

These global macroeconomic data are extremely relevant and positive for Fluidra, as internationalisation is one of our main driving forces behind growth.

Comes from
page 29

Investments [EC.8]

Investments amounting to 22.1 million euros were made, of which it is worth highlighting the ongoing spending on R&D (4.8 million euros as compared with 5.8 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.

OPERATING INVESTMENTS (thousands of euros)	2013	2012	2011
Land and buildings	1,496	282	813
Technical plants and machinery	2,888	2,758	3,928
Other fixtures, tools and furniture	5,703	6,067	6,445
Other fixed assets and work in progress	2,906	4,450	3,717
Total	12,993	13,558	14,903

Income statement

INCOME STATEMENT IN THOUSANDS OF EUROS [EC.1]	31/12/2013	31/12/2012
OPERATING INCOME		
Sale of goods and finished products	592,678	628,758
Income from services	11,495	11,922
Work carried out by the group for non-current assets	5,400	6,855
Other income	-	-
Total operating income	609,573	647,535
OPERATING EXPENSES		
Variations in the inventory of finished products and products in process and procurement of raw materials	(301,397)	(315,163)
Personnel expenditure	(142,700)	(142,686)
Amortisation expenses and impairment losses	(39,851)	(46,255)
Other operating expenses	(123,783)	(122,007)
Total operating expenses	(607,731)	(626,111)
Operating profit	1,842	21,424
FINANCIAL EXPENSES/INCOME		
Financial income	8,512	18,191
Financial expenses	(23,624)	(19,080)
Exchange rate differences	(2,551)	183
Net financial profit	(17,663)	(706)
Share in the year's profits by the entities recorded in the accounts using the equity method	40	88
Profit before tax	(15,781)	20,806
EXPENDITURE ON CAPITAL GAINS TAX		
Profit after tax	4,199	(4,232)
Profit attributed to minority interests	(1,345)	2,068
Profit attributed to holders of net equity in the parent company	(10,237)	14,506
EBITDA	47,702	72,215
DILUTED AND BASIC EARNINGS PER SHARE (IN EUROS)	0.09114	0.13133

Shares

[2.9]

During 2013 business year the Fluidra share price recovered most of the ground lost in the last months of 2012. The renewed interest in the Spanish stock market by institutional investors boosted the recovery of practically the whole of the Spanish trading floor.

Thus, the Fluidra share price rose sharply at the beginning of 2013, as did the number of share certificates taken out, but this initial fervour waned over the following months.

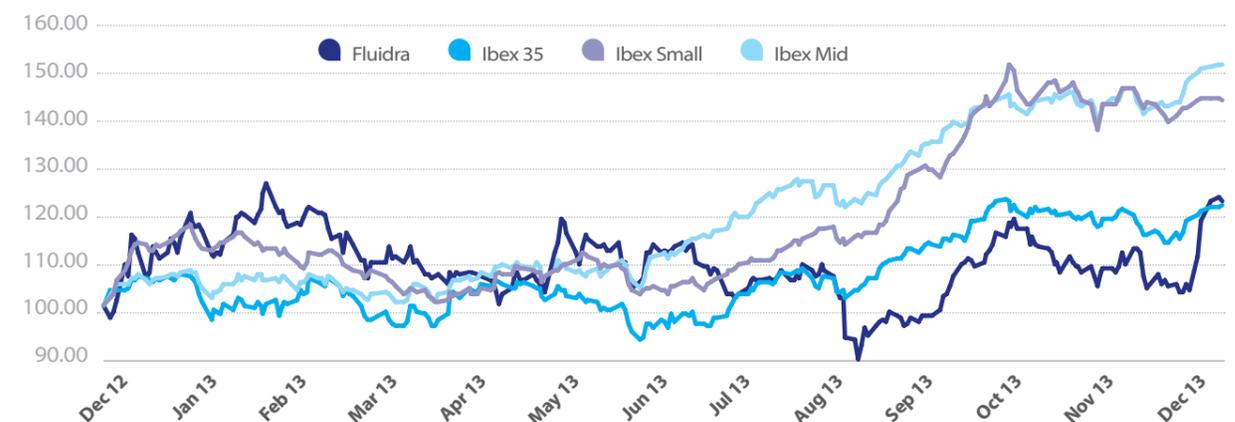
The announcement of the close of the Projects division, coupled with the review of the impact it would have on the year's overall results and the publication of the results of the first half of 2013, affected the share price but not the number of shares held, which facilitated recovery following the release of this news.

As a result, the Fluidra share price at the year-end was 2.72 euros, which translates as an accumulated revaluation of 21.7% over the year.

SHARE DETAILS*	2013	2012	2011
Capitalisation (thousands of euros)	306,351	250,600	215,122
No. shares (x 1,000)	112,629	112,629	112,629
Year-end price (euros)	2.720	2.235	1.910
Highest price over the year (euros)	2.930	2.640	3.130
Lowest price over the year (euros)	2.025	1.820	1.760
Number (thousands of shares)	23,454	17,438	21,414
Dividends (euros/share)	0.071	0.071	0.072
Return on dividends	2.6%	3.2%	3.8%
Pay out (%)	55.2%	53.1%	44.2%

* Official figures posted on the Madrid Securities Market website.

Graph showing 2013 stock market performance
Base 100: 31 Dec 2012



3 CORPORATE GOVERNANCE

 GRI Indicators reported in this chapter: 2.1, 2.6, 4.1, 4.2, 4.3, 4.5, 4.6, 4.10 and LA13.

Fluidra remains firmly committed to the best practices in governance used internationally by businesses, as they are at the core of sustainable development and corporate responsibility.

The Group's governing bodies are its AGM and Board of Directors, which has an internal self-assessment system in place that provides an overall assessment of the work the directors do.

Values such as transparency and honesty are at the core of the Group's corporate governance.

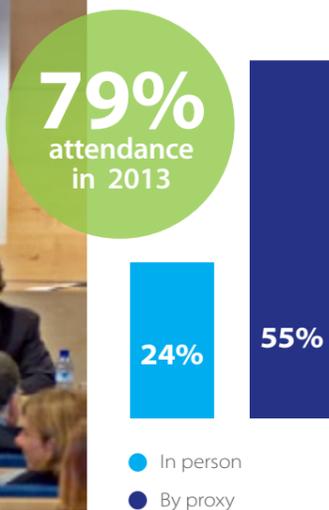


Governance structure [4.1]

The Group's governing bodies are its AGM and Board of Directors, which have in turn set up the following committees: the Delegate Committee, the Appointments and Remuneration Committee and the Audit Committee.



Attendance figures at the 2013 AGM (5 June 2013)



Fluidra's 2013 AGM, held at the Sabadell Chamber of Commerce, on 5 June.

RULES OF GOVERNANCE ADOPTED BY THE COMPANY

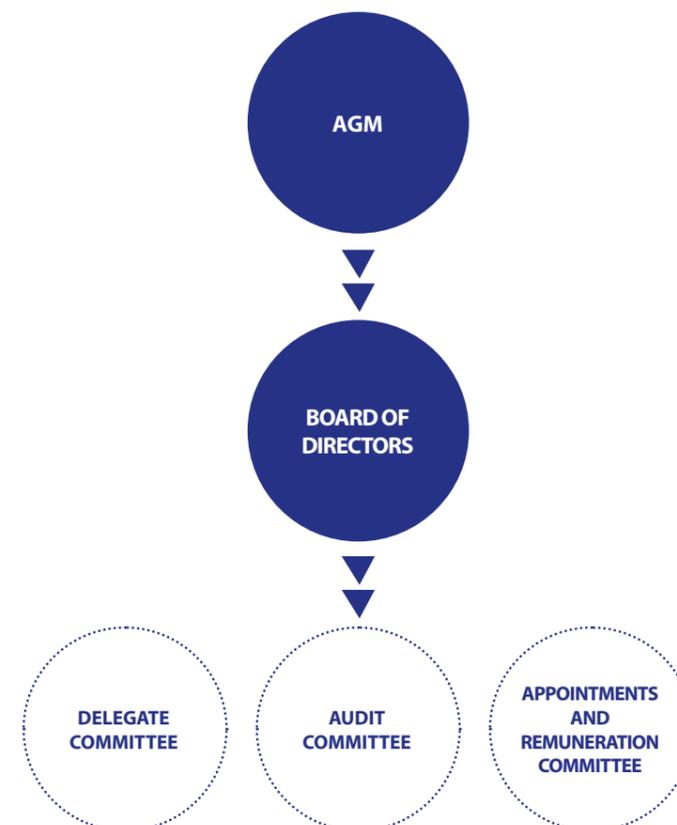
The company bases its actions on the regulations set out in the following documents, which are subject to adaptation and modification on a continual basis in order to improve its practices in good governance:

- Articles of Association.
- Regulations of the AGM.
- Regulations of the Board of Directors.
- Internal Regulations of Conduct in Markets.

- Code of Ethics.

The company's internal regulations were modified during the 2013 business year. The biggest changes made were in the Articles of Association and the Regulations of the Board of Directors in order to reduce the maximum term of office of directors in their posts from six (6) to four (4) years. The amendments made to the Articles of Association were passed at the AGM held on 5 June 2013, whilst the Regulations of the Board of Directors were modified at its meeting held on 24 April 2013 and subsequently

Governance structure



Share capital and voting rights

Fluidra is a public listed company in Spanish stock exchange with the following share capital as at 31 December 2013:

Share capital	112,629,070€
Number of shares	112,629,070
Number of voting rights	112,629,070

submitted to the AGM for it to pass a resolution approving them.

In the preceding business years of 2012 and 2011, the Articles of Association, the Regulations of the AGM and the Regulations of the Board of Directors were reviewed and substantially modified so that they could be adapted to the numerous changes made in legislation and to the improved practices in corporate governance implemented.

Fluidra approves and publishes its Annual Corporate Governance Report, which gives details of all of the information relating to

the organisation's good governance and best practices.

As can be concluded from the 2013 Annual Corporate Governance Report, of the 53 recommendations of Fluidra's Standard Code of Good Governance it complies with 48 of them, partially fulfils three of them (14, 25 and 44) and is not subject to two of them (2 and 35).

AGM

The AGM represents all shareholders, and its rules on the way it is organised and works can be found in the Articles of Association and the Regulations of the AGM.

Board of Directors

[4.2, 4.3, LA13]

CARLES VENTURA
MEMBER

ALBERT COLLADO
SECRETARY

BERNAT CORBERA
MEMBER

JUAN PLANES VILA
CHAIRMAN

ELOY PLANES CORTS
CEO & MEMBER

ÓSCAR SERRA
MEMBER

JUAN IGNACIO ACHA-ORBEA
MEMBER



BERNAT GARRIGÓS
VICE-SECRETARY & MEMBER

RICHARD J. CATHCART
MEMBER

KAM SON LEONG
MEMBER

- DELEGATE COMMITTEE
- AUDIT COMMITTEE
- APPOINTMENTS AND REMUNERATION COMMITTEE

The Board of Directors is made up of nine (9) members who are appointed by the AGM, thereby complying with the guidelines set out in the company's Articles of Association, which recommend that the Board be made up of a minimum of five (5) and a maximum of 15 members.

All of the members are men and 60% of them are over 45 years of age.

The Board of Directors' main responsibilities are to represent and

manage the company and to carry out all the duties described in the company's Articles of Association and the Regulations of the Board of Directors, with the exception of those that are expressly reserved for the AGM.

A director's term of office is four (4) years. The Regulations of the Board of Directors, which draw on the guidelines in the Standard Code of Good Governance, establish that independent directors may stand for a maximum of three terms of office, that is, 12

The members of the Board of Directors whose terms of office were due to expire were re-elected to the posts to which they were appointed: Kam Son Leong, Richard J. Cathcart, Juan Ignacio Acha-Orbea Echeverría, Juan Planes Vila, Bansabadell Inversió Desenvolupament, S.A.U., Bernardo Corbera Serra and Oscar Serra Duffo. As a result of the sale of its full shareholding in Fluidra in 2013, the dominical director Grupo Corporativo Empresarial de la Caja de Ahorros y Monte de Piedad de Navarra, SAU was removed from the Board.

MEMBERS OF THE BOARD OF DIRECTORS AND THE COMMITTEES (as per 12/31/2013)

Name or company name of director	Position on the Board	Date of last appointment as director	Status	Delegate Committee	Audit Committee	Appointments and Remuneration Committee
Mr Juan Planes Vila	Chairman	06/05/2013	●		Member	
Mr Eloi Planes Corts	CEO and member	06/08/2011	●	Chairman and member		
Bansabadell Inversió Desenvolupament, S.A.U., represented by Mr Carles Ventura Santamans	Member	06/05/2013	●	Member	Secretary and member	
Mr Bernardo Corbera Serra	Member	06/05/2013	●	Member		
Mr Juan Ignacio Acha-Orbea Echeverría	Member	06/05/2013	●	Member	Chairman and member	
Mr Kam Son Leong	Member	06/05/2013	●			Member
Mr Oscar Serra Duffo	Member	06/05/2013	●	Member		
Mr Richard J. Cathcart	Member	06/05/2013	●			Chairman and member
Aniol, S.L., represented by Mr Bernat Garrigós Castro	Vice-Secretary and member	06/06/2012	●	Secretary (non-member)		Secretary and member

● Dominical Director ● Executive Director ● Independent Director

years. There is no limit on the number of times all the other directors may be re-elected by the AGM, but their terms of office will always be a maximum of four years.

In the 2013 business year, the Board of Directors met seven (7) times, with an attendance rate of 97%.

The Board of Directors has an internal self-assessment system in place that provides an overall assessment of the work the directors do.

Based on the assessment conducted in 2013, an improvement plan was drawn up, which will be implemented in 2014. It will focus on examining the benefits of bringing in new experts to the Board, increasing the time spent on strategic matters and devising a succession plan, as well as sending out information about meetings to directors longer in advance so they are able to better prepare for them and thus make them more efficient.

Continued on page 44

The Board of Directors, a group of experts



JUAN PLANES VILA
CHAIRMAN

Born in 1941 in Estamariu (Seu d'Urgell, Lleida).
In 1969 he and three other partners founded Astral Construcciones Metálicas S.A., a company devoted to the manufacture of metal accessories for pools. By 2002, the success and continued internationalisation of the company led him to drive forward the creation of the Fluidra Group, of which he was CEO until October 2006, when he was appointed as its Chairman.
In 2013, he was awarded one of the highest decorations awarded by the Government of Catalonia, the Cross of Saint George.



ELOY PLANES CORTÉS
CEO AND MEMBER

Born in 1969 in Barcelona.
He has been the CEO of the Group since 31 October 2006. Under his leadership Fluidra became a listed company in 2007 and underwent restructuring in 2008/09.
He earned a degree in Industrial Engineering at the Technical University of Catalonia and a master's degree in Business Management at EADA business school.
He is currently also the President of the International Swimming Pool Exhibition of Barcelona, forms part of the Advisory Committee of the Government of Catalonia's investment agency, ACCIÓ, and is a member of the Board of Directors of Dispur.



CARLES VENTURA
MEMBER

Born in Sabadell (Barcelona) in 1969.
He earned a bachelor's and master's degree in Business Management at ESADE business school.
He is currently the Deputy Managing Director of Banco Sabadell and Managing Director of Banca de Empresas, a network belonging to the Banco Sabadell Group, where he has worked for most of his life.



ALBERT COLLADO
SECRETARY

Born in Barcelona in 1964.
He earned a degree in Law at the University of Barcelona and a master's degree in Taxation at the CEU-Abat Oliba Foundation.
He is currently a partner at the law firm J&A Garrigues in Barcelona, the Joint Chairman of the Tax Committee of the IBA and Chairman of the Committee for Legal and Tax Affairs of the Spanish Association of Senior Managers.



BERNAT CORBERA
MEMBER

Born in Barcelona in 1965.
He earned a degree in Business Studies and passed the Senior Management Programme at the IESE business school.
He is currently the Managing Director of the Board of Directors of Edrem, although he has worked for various companies in the Fluidra Group throughout his working life since 1969.



ÓSCAR SERRA
MEMBER

Born in Barcelona in 1962.
He earned a degree in Business Administration at the Escuela Management School.
He is currently the Chairman of the Board of Directors of Boyser, although his career has involved working for the marketing and communications departments of companies in the Fluidra Group.



JUAN I. ACHA-ORBEA
MEMBER

Born in San Sebastián in 1956.
He earned a degree in Economic Sciences at the Complutense University and a master's degree in Business Administration at the IESE Business School.
He is currently the Chairman of the company Equity Contraste Uno and a director of Spain's airport operator AENA.



BERNAT GARRIGÓS
VICE-SECRETARY AND MEMBER

Born in Barcelona in 1967.
He earned a degree in Biology at the University of Barcelona and a master's degree in Environmental Management at Duke University.
He is currently the CEO of Aniol, before which he worked for companies in the Fluidra Group between 1995 and 2002.



RICHARD J. CATHCART
MEMBER

Born in Washington (USA) in 1944.
He graduated as a pilot from the US Air Force Academy.
He is currently a member of the Board of Directors of Watts Water Technology Co.



KAM SON LEONG
MEMBER

Born in Selangor (Malaysia) in 1955.
He earned a master's degree in Mechanical Engineering at the University of Iowa (USA).
He currently also sits on the boards of the following companies: Vast Lava, HL Partners, Airtac International and BG International Holdings.

The Group's governance committees

[4.1, 4.3, 4.5, 4.10]

5
meetings
were held
in 2013

DELEGATE COMMITTEE

It is made up of the Executive Director, three dominical directors and an independent director. In addition, a dominical director acts as the Delegate Committee's non-member secretary.

The members of the Delegate Committee reflect the composition of the Board and the balance between executive, dominical and independent directors.

The Delegate Committee held five (5) meetings during 2013.

7
meetings
were held
in 2013

AUDIT COMMITTEE

The Committee is made up of two dominical directors and an independent director, and it is chaired by 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 ensuring compliance with regulations, legal requirements, the fulfilment of the Internal Code of Conduct and, in general, the company's rules of good governance.

This body is also responsible for ensuring the fulfilment and dissemination of Fluidra's Code of Ethics, which was implemented in 2009, as well as for processing and responding to queries and/or complaints submitted by employees through the Ethical Channel.

The latter function 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.

The Audit Committee held seven (7) meetings during 2013.

6
meetings
were held
in 2013

APPOINTMENTS AND REMUNERATION COMMITTEE

It is made up of two independent directors and one dominical director. The independent directors come from the United States and Malaysia, and between them they have broad experience in dealing with international remuneration matters, which enhances the review of the remunerations policy and the way in which decisions are taken for setting the remuneration of the Fluidra Group's Board and senior management.

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 groups. [4.10]

The Committee drafts the annual Remunerations Report, in which full details are given in a transparent manner about the Board of Directors' remuneration, as well as the future Remunerations Policy.

The Appointments and Remuneration Committee held six (6) meetings during 2013.

Remuneration model of the Board of Directors

The remuneration of the members of the Board of Directors is made up of an annual fixed sum and attendance fees for the Board's meetings.

Any directors who are members of the Board's committees, that is, the Delegate Committee, the Audit Committee and the Appointments and Remuneration Committee, are entitled to additional remuneration.

Maximum payout

The maximum amount the company can pay in remuneration to its directors overall for the above items is decided by the AGM, based on the criterion that the payout must reflect their actual performance.

On the recommendations of proxy advisors on good governance in international businesses, in 2012 it was decided not to link the Board's remuneration to the performance of the organisation through variable remuneration. Therefore, there are no variable payouts in the Board's remunerations structure [4.5], with the exception of the Executive Director and his management team, whose remuneration is partly linked to a number of economic performance indicators and to the company's strategic management targets.

It should be highlighted that given the international economic climate of the past few years, the directors' remuneration was not subject to any increases between 2009 and 2012. Furthermore, it was agreed in 2013 that the directors' overall remuneration would be cut by 8% as a measure to reduce spending.

Executive Committee, expert management

Comes from page 39

CONFLICTS OF INTEREST [4.6]

Fluidra established a system to assess possible conflicts of interest of Board members who sit on other boards of directors, as provided for in article 29 of the Regulations of the Board of Directors and in the 2013 Corporate Governance Report.

- Directors must report the existence of any conflicts of interest to the Board of Directors, and refrain from attending and participating in deliberations on matters in which they have a personal interest, whether directly or indirectly through persons with whom they have a personal relationship.
- Directors may not use the company name or their status as a director when carrying out transactions on their own behalf or on behalf of persons with whom they have a personal relationship.
- Directors may not directly or indirectly engage in professional or business transactions with the Company unless they have previously reported the conflict of interest and the Board approves the transaction.
- Directors may engage in transactions that are part of the ordinary course of business and that are of a habitual or recurring nature, providing they have been granted a general authorisation to do so by the Board of Directors.
- Directors must report any direct or indirect stake that they or persons with whom they have a personal relationship have in the capital of a company that carries out the same, a similar or a complementary activity

Powers exclusive to the Board

In accordance with recommendation No. 8 of the Standard Code of Good Governance, the Board has reserved the right to approve the following policies and general strategies of the company at its plenary meetings:

- The strategic or business plan, management goals and annual budgets.
- Investment and finance policy.
- The definition of the Group's corporate structure.
- Corporate governance policies.
- Corporate Social Responsibility Policy.
- 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.

to that contained in the company's corporate purpose.

- Furthermore, directors may not carry out (on their own account or on behalf of others) the same, similar or complementary activities to those that are contained in the company's corporate purpose, or hold the office of director or manager in companies that are competitors of the company, with the exception of any posts they may hold in group companies, unless expressly authorised by the AGM, notwithstanding the provisions of articles 227 to 229 of the Capital Companies Act.

Any conflict of interest related to the directors must be reported in the Annual Report.

The goals of the Committee are to monitor the operations of divisions and geographic areas, and to establish strategies for mid- and long-term development. Every endeavour should be made to ensure future growth and the plans on which Fluidra is working.

The members of Fluidra's Executive Committee meet regularly. They held

14 meetings in 2013, of which 10 were monthly meetings and four quarterly meetings. At these meetings, the members reviewed the risk management policies, the macroeconomic situation of European markets, the evolution of the markets in Brazil and China, as well as potential mid- and long-term strategic investments.

EXECUTIVE COMMITTEE



ELOY PLANES
CEO

XAVIER TINTORÉ CFO

He has been Fluidra's CFO since 2010 and is responsible for the departments of Finance, HR, IT, Legal Affairs and Investor Relations. Prior to that, he worked as the Director of Finance and Operations for Spain and Portugal at Dade Behring, where he held a number of posts in Brazil and the United States.



CARLOS FRANQUESA GENERAL MANAGER FOR EUROPE

He has been General Manager for Europe since 2013 and as such is responsible for operations in Spain, Portugal, France, Belgium, Italy, Switzerland, the United Kingdom and Northeast Europe, for 15 subsidiaries. He joined Fluidra in 2007, where he has been the General Manager of the holding Auricpool and the Industry Division, with responsibility for all manufacturing plants in Europe.



IGNACIO ELBURGO GENERAL MANAGER FOR EXPANSION

He has been the General Manager for the new Expansion Division since 2013 and as such is responsible for North America, Australia, the Middle East & India, and East Europe & Africa, for 21 subsidiaries. He joined Fluidra in 2004, where he has been the General Manager of the holding Cepex and General Manager for North-Eastern Europe/Middle East/Africa (NEEMEA).

JAUME CAROL GENERAL MANGER FOR BUSINESS DEVELOPMENT, ASIA AND CSA

He is the current General Manager for Asia and CSA. He joined Fluidra in 1991 as a production manager. Subsequently, he has held posts as Fluidra's COO and the General Manager of the holding Auric Pool.



JAVIER ESPARZA COO

He has been COO since 2012. Before that, he had held executive posts in a number of companies in the automotive sector in Europe.



DAVID GONZÁLEZ CMO

He has been the CMO since 2012. Before that, he worked in an executive capacity at BASF as its Marketing and Communications Manager. He is also a lecturer in marketing at Barcelona-Tech (UPC), and the EADA and EAE business schools

Risk Management

[1.2, 4.9, 4.11]

In order to successfully devise and attain targets, as well as to draw up the future business plan of an organisation, all potential risks must be managed efficiently. As an international industrial group, the management of business risk is core to Fluidra's success.

The Audit Committee has been made responsible for business risk management at Fluidra by the Board of Directors as an advisory body appointed by it. The risk management system in place is based on identifying, analysing and assessing risk, whether related to business activities or the circumstances that may arise at any given time, as well as on the controls and action plans for mitigating risk.

Risk assessment takes strategic, financial, operational, technological, regulatory and unforeseeable risks into consideration. The risk management system works on a comprehensive and ongoing basis by consolidating it in subsidiaries and geographic areas, and by falling back on the departments that give support to corporate affairs.

In managing risk, the Audit Committee's functions are as follows:

- (a) To identify the different types of risk (strategic, operational, technological, financial, legal, reputational and unforeseen), including contingent liabilities and other off-balance sheet risks.
- (b) To identify the measures envisaged in order to mitigate the impact of the risks identified, should they materialise.
- (c) To check and monitor the Corporate Risk Map so that it can be used to identify, manage and follow up any risks that could have a significant impact on the Group's goals.

The various risks are identified and assessed following an analysis of events that could cause them. Risk assessments are conducted using metrics that calculate the probability and impact of risks. Controls that are already in place are chosen to mitigate them and additional action plans put in place if considered necessary.

This process, which is conducted and coordinated annually by the Internal Audit department, enables the company to obtain its Risk Map. The most relevant risks are taken from this map and, together with the main variations as compared with the previous business year, are submitted to the Audit Committee for discussion and approval.

The levels of risk severity and probability are set based on qualitative and quantitative criteria. Once critical risks have been identified and re-assessed, the company's senior management decides on the specific actions to be taken, the person responsible for implementing them and the deadline for mitigating their impact and probability, as well as reviewing the controls to which such risks are currently subject.

The analysis of risk, the controls conducted and the actions taken to mitigate their impact and probability are submitted annually to the Audit Committee for review and approval. Subsequently, the Audit Committee reports its findings to the Board of Directors.

RISKS INCURRED IN THE 2013 BUSINESS YEAR

The shutdown of the subsidiary responsible for turnkey projects resulted in losses of

4.1 million euros after tax

SHUTDOWN OF A SUBSIDIARY

During the 2013 business year, irregularities came to light in the accounts of a subsidiary in respect of the degree to which progress had been made on certain turnkey projects. The adjustments made affected net equity (€7.2 M), current assets (€9.5 M), non-current assets (€3.7 M) and current liabilities (€1.4 M). As a result of the above, following an analysis of risk to profit, the turnkey projects subsidiary was shut down.

The impact of the cost of the shutdown in 2013 was 4.17 million euros, after tax. These irregularities came to light in the second quarter of the year following one of the internal control procedures put in place by the parent company. The Group's various control bodies immediately examined the situation in depth and the possible alternatives to solve it and mitigate its impact on the Group insofar as possible. The whole of this process went on until August 2013, at which time the problem detected was disclosed to the market, alongside a breakdown of potential alternatives. Having completed its examination of the events, Fluidra took the decision to shut the subsidiary down at the beginning of the fourth quarter. It disclosed its decision to the market at the same time that it released its results for the third quarter of 2013 at the beginning of November.

Over 80% of sales are made in the northern hemisphere

WEATHER

Over 80% of our sales are made in the northern hemisphere. Spring and the beginning of summer were unusually cold and wet in 2013. The control of production systems and the management of inventories made it possible to mitigate this situation despite the intrinsic difficulties in forecasting weather patterns sufficiently in advance in the various areas in which the Group operates.

70% of sales in the eurozone

NEGATIVE IMPACT OF SOME EXCHANGE RATES

With 70% of sales in the eurozone, the euro is the main currency in which Fluidra operates. Most of the Group's assets are also concentrated in the eurozone. This explains why the variations in exchange rates have a relatively low impact on the company's results even though they include those of subsidiaries outside of the eurozone. The risk of individual currencies is not very significant. However, in 2013 five of these currencies (Israeli shekel, Turkish lira, Australian dollar, Indonesian rupiah, South African rand) performed in the same way. Overall, they impacted Fluidra's financial results by €2.55 M. These currencies are not subject to hedging arrangements because most assets are concentrated in the eurozone, which in broad terms reduces the impact of fluctuating exchange rates into the euro on the profit and loss account.

RESPONSE AND SUPERVISION PLANS FOR THE MAIN RISKS TO WHICH FLUIDRA IS SUBJECT [1.2, 4.9, 4.11]

Impact of the tough economic situation in Europe



A multidisciplinary team works constantly on assessing the company's assets in order to anticipate any downturns and decide what action should be taken so that operations in the area continue to make a profit.

Development of new products



The sales figures of new strategic products are continually being analysed and compared with competitors using market research tools, and statistical databases able to break figures down by market and product type.

Comparative studies are conducted that enable figures to be measured against those of competitors and to update the assessments of the products using the information obtained.

Specific action plans have been designed to ensure production output adapts to the levels of demand forecast for these new products.

Financial risks



Amongst others, risks of a financial nature are subject to the continual monitoring of exposure to the exchange rate risk and interest rate risk of each business unit, based on which senior management responsible for corporate financial affairs proposes policies and decides on the actions to be taken.

Credit risks



The Fluidra Group has a highly diverse portfolio of national and international clients, in which no one particular client accounts for a significant proportion of its annual sales turnover, which means that the credit risk is also mitigated.

Technological risks



Given the lines of business in which Fluidra's various business units are involved, protecting its technology and the products developed is one of its prime targets in maintaining its competitive edge. The Group has put certain criteria and policies in place on actions to be taken, as well as legal protocols to ensure this protection.

Irregularities in the management of a subsidiary



Through its internal control mechanisms, Fluidra detected irregularities in the accounts of the subsidiary responsible for turnkey projects at the beginning of the second quarter. On the basis of this event, the company reviewed its internal control procedures, following which it adopted a number of additional measures, of which the following can be highlighted:

- The dismissal of the people responsible for these irregularities from the Group.
- The reorganisation and strengthening of the internal audit team involved in the company's internal control procedure.
- The redefinition of the way powers of attorney are granted and the introduction of changes in the design of the governing bodies of the Group's subsidiaries.
- The centralisation of the management of the accounts and general administration of the Group's Spanish companies.

Human capital risks



The companies in the Fluidra Group have a variable remunerations policy linked to performance and the attainment of personal targets so that it is able to identify and reward its best employees.

The parent company has a whistleblower channel set up by the Audit Committee that is jointly managed by the corporation's RH, Internal Audit and Legal departments so that any employee in the Group is able to report any matters related to internal controls, the accounts and audits.

The company has an Internal Code of Conduct on matters related to the securities market.

Risks related to processes



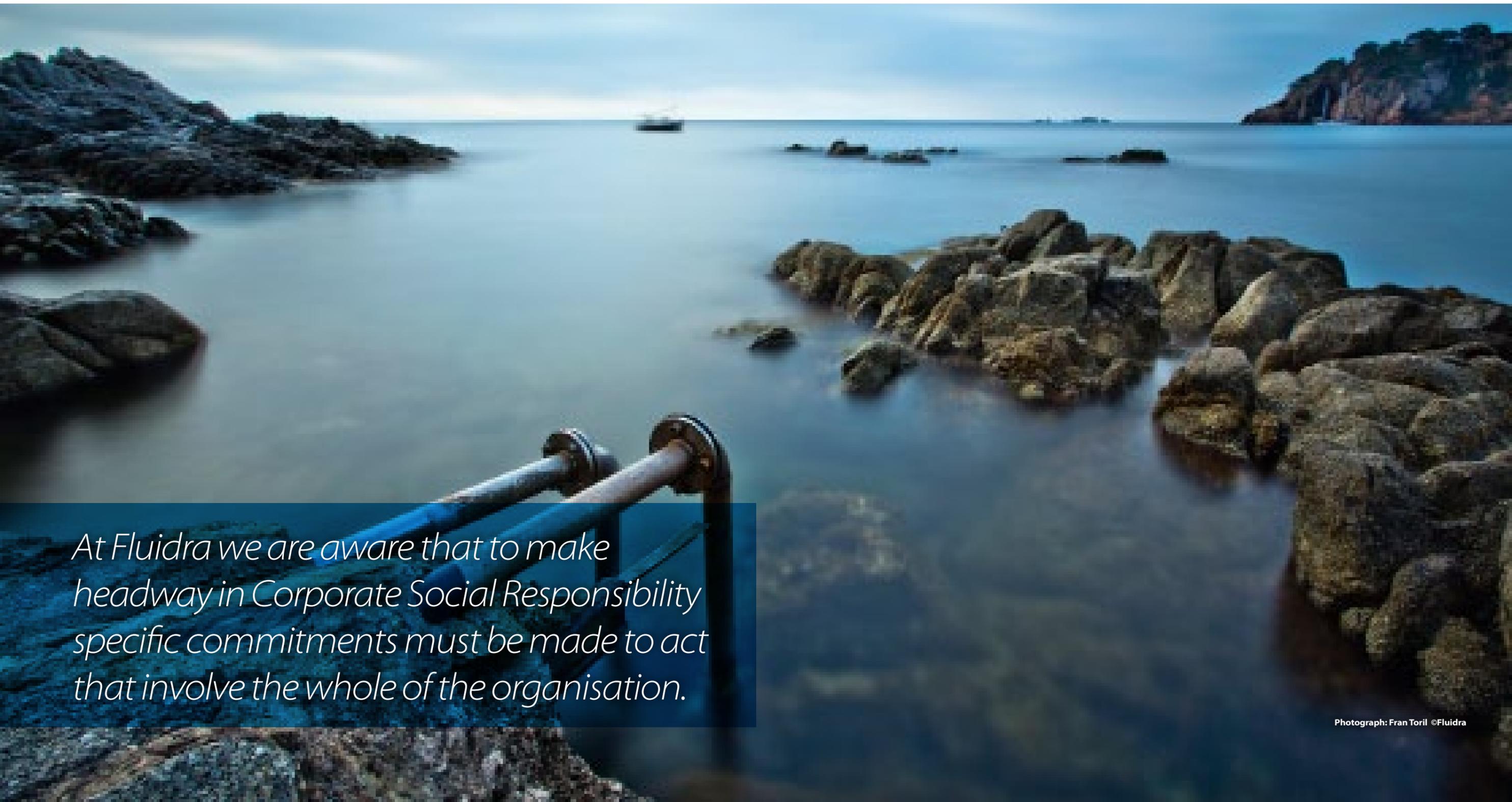
These risks are managed by the corresponding business unit and monitored at headquarters by the department of Control and Management, and checked by the Internal Audits department. The processes for obtaining consolidated financial and economic information are conducted at headquarters following corporate criteria. Both the consolidated annual accounts and the individual accounts of each subsidiary are checked by external auditors.

4 RESPONSIBLE MANAGEMENT

 GRI Indicators reported in this chapter: 4.8, 4.12, 4.14, 4.15, 4.16, 4.17, HR.a, HR.b, HR.c, HR.d, HR.e, HR.f, HR.g, HR3, HR4, SO3.

Corporate Social Responsibility forms an integral part of Fluidra's business strategy, based on which it is able to create shared values, improve its competitiveness and give out a message throughout its value chain to promote sustainability in its global business.

The company has set itself the target of gradually making advances in its contribution to economic, environmental and social progress within the context of sustainable development by strengthening and renewing its commitments with third parties and stakeholders in all operational areas.



At Fluidra we are aware that to make headway in Corporate Social Responsibility specific commitments must be made to act that involve the whole of the organisation.

Corporate Social Responsibility

[3.5, 4.8, 4.12, 4.14, 4.15, 4.16, 4.17, HR.a, HR.b, HR.c, HR.d, HR.e, HR.f, HR.g, HR3, HR4, SO3]

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

The Group's management structure includes a CSR Committee, whose main purpose is to ensure that corporate responsibility policies are implemented throughout the organisation with the direct involvement of all staff, as well as to promote relations and dialogue with its stakeholders and create a culture of sustainability in the company by changing conduct and attitudes.

The Corporate Social Responsibility Committee has direct links with the Executive Committee as it is chaired by Fluidra's CFO. [HR.d]

CONTINUING PROGRESS IN INFORMATION SYSTEMS

One of the challenges the Committee tackled in 2013 was to develop and implement a new data collection and reporting system for the Group's sustainability indicators. The Data System for the Environment, Labour, Products, Human Rights, Operations and Society

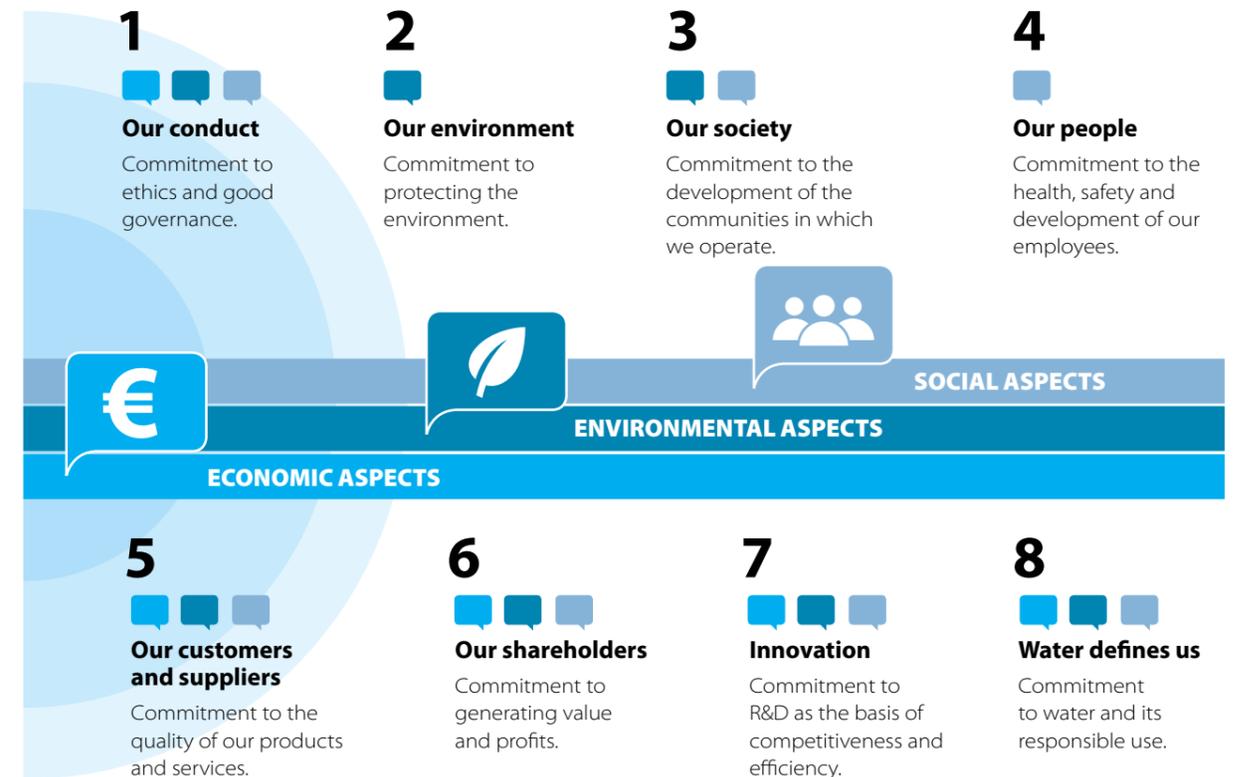
(DELPHOS) is a flexible IT tool that has been customised for each of the Group's companies. Using it, a common repository can be created with data unique to the company so that they can be automatically integrated and stored using business intelligence (BI) applications.

This tool will enable us to make progress in the coverage of the report. However, in this first year the company has concentrated on consolidating it as a corporate reporting tool for companies that contribute to the report. At a more general level, it is used to monitor companies not covered by the report to obtain information about the indicators for human resources management.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Fluidra's Corporate Social Responsibility policy is based on eight strategic lines or commitments with its stakeholders.

Strategic commitments



Mission and values

[3.5, 4.8, 4.14, 4.15, 4.16]

MISSION

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

VALUES

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

CLIENTS

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.

ADAPTABILITY

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.

SUPPLIERS

We aim to progress together, building long-lasting relationships based on respect and mutual benefit.

SOCIETY

We are committed to contributing, in a solidary manner, to the development of our community.

ENVIRONMENT

Our commitment to future generations is to encourage the responsible use of water and apply rigorous sustainability criteria.

ACCESSIBILITY

We are interested in the concerns of those who trust in us.

TRANSPARENCY

We are committed to honesty, coherency and respect in our everyday practices.

FLUIDRA'S CSR COMMITTEE

From left to right, standing: Xavier Tintoré, CFO, 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.

Sitting: Joan Carles Cifre, Director of HR/CSR, Trini Lado HR/CSR consultant



This determines that structural actions have been implemented to favour its development.



Global Compact

The company first signed up to the United Nations' Global Compact in 2007, since when it has renewed its commitment to it year after year. The Group has adopted the Compact's principles as its own, as is the case of those set out in United Nations' Declaration of Human Rights. Together with the Code of Ethics, these principles serve as a guideline on how employees should conduct themselves on a daily basis in their relations with other staff and people from outside the company. [HR3, HR.e, HR.a, HR.b, HR.c]

Code of Ethics

Fluidra's Code of Ethics is a set of internal guidelines on conduct that has been translated into eight languages and is distributed to all of the countries in which the Group operates. All of the company's employees are given training and information about the good practices set out in it, and it is included in the welcome pack given to new recruits as it is considered essential to their successful induction into the Group.

The Code of Ethics includes an internal procedure for dealing with breaches through the reports submitted via its open line of communication called the Ethical Channel. Once a report has been submitted,

the Committee for the Promotion of the Code of Ethics, on which the most senior representatives from the Audit, Legal and HR departments sit, reviews the case and proceeds to act as established. [HR4]

The Code of Ethics, which includes clauses on anti-corruption, has recently been modified to adapt it to the legislation in force. In 2013, an online version was posted in English, French and Spanish for consultation by anyone in the Group. [HR.g, SO3]

Suppliers' Code of Ethics

Another of the foundations for the development of the Group's Corporate Social Responsibility is its Suppliers' Code of Ethics. Written and implemented in 2011, it includes clauses from the Declaration of Human Rights in order to establish social responsibility criteria in the supply chain. Fluidra's main suppliers are aware of the Code and they must have accepted its terms and conditions in order to become approved Fluidra suppliers. It is now also included in all new contracts entered into with suppliers.

Although there are currently no mechanisms for directly monitoring its compliance, work is being done to establish future protocols on actions that could be taken and the ways to best monitor compliance given the variation in the type of suppliers the company deals with. [HR.f]

The CSR Strategic Plan in 2013

[3.5, 4.12, 4.17]

Since it was first introduced in 2011, the Strategic Plan has addressed the four strategic lines in Fluidra's CSR policy. A concerted effort is therefore made on introducing continual improvements to internal management, in addition to the ongoing development of products and services by committing to innovation and by taking a more sustainable approach to design and development, all of which help customers to make the best possible savings on water and power consumption, and on spending.

Lines of action, status and challenges in 2014

LINE OF ACTION	ACTION	TARGET	STATUS IN 2013	CHALLENGE IN 2014
CORPORATE POLICIES		Implementation of the system for assessing performance by business areas and groups .	79% of staff subject to one to one assessments went through the process.	To fully implement the process. To extend the system by families and posts.
	Strengthening the corporate policy on human resources.	Review of, decision on and implementation of the remunerations policy by level and country.	Implemented in 83% of cases in Spain .	To fully implement the policy in Spain.
		Implementing a corporate policy on flexibility and mediation .	Under review.	To define the policy on flexibility and mediation that covers the wide range of Fluidra's operations.
CORPORATE CULTURE	Procurement policy and supplier relations.	Development and distribution of the Suppliers' Code of Ethics, and training on its use.	The Suppliers' Code of Ethics has been rolled out and is attached to all contracts.	To include the Code with orders if there is no official contract in place and to design a system for monitoring its compliance.
	Extending the corporate environmental policy.	Introduction of a standard environmental policy based on existing ones.	Policy drawn up and pending approval.	Although production plants have an environmental policy in place, the aim is to approve a single policy for the Group and disseminate it .
	Policy on relations with stakeholders.	Defining a proactive policy for each stakeholder and implementing actions.	A policy is being drawn up for shareholders. All other stakeholders are under review.	Design of specific actions for each stakeholder.
ORGANISATION	Involvement of employees with society and the environment.	Involvement of employees with society and the environment: awareness-raising, corporate voluntary work and improving internal communications tools.	The initiatives set up in 2012 remain in place, including Fluidra Day for which a charity is chosen to which all employees can contribute.	To continue along the same lines.
	Indicators for measuring and monitoring CR and sustainability systems.	Strengthening the map of indicators for measuring and monitoring CSR on a corporate level.	The DELPHOS system for collecting CSR indicators was developed and implemented. The system for reporting management indicators using a corporate business intelligence tool was in process.	To continue improving and upgrading these systems.
COMMUNICATIONS	Communications plan for Fluidra's employees.	Creation of in-house community projects.	Under review.	Extending the scope of the Report to an international level.
	Plan to take part in forums on CR and sustainability.	Drawing up of a plan to ensure greater inclusion in sustainability indices and CSR forums.	Under review.	

5 DIALOGUE WITH OUR STAKEHOLDERS

See the GRI indicators in the pertinent sections of this chapter.

The Fluidra Group is committed to continuous and open dialogue with our stakeholders and to that end we practise “active listening” with the different groups using a variety of communication channels.

This serves the dual purpose of enabling our stakeholders to contribute to the Group’s business development while allowing Fluidra to implement our business strategy and meet our goals by accurately interpreting the needs of the communities in which we do business. [3.5, 4.17]

Understanding the needs and expectations of our stakeholders strengthens the company’s ties with them.

Dialogue with our stakeholders

Communication channels with our stakeholders

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 and 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 senior management • 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 and 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 assessment • 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 • Partnerships and contributions
<p>SOCIETY Solid commitment to contribute to the development of the social environment</p>	<ul style="list-style-type: none"> • Charity events and contributions • Corporate website • Telephone and email • Publications • Participation in trade shows, events, conferences and talks

In addition to the stakeholders identified by Fluidra, the company also maintains stable and ongoing relationships with other groups that are also important to us, such as:

- **Foreign investors and analysts**, by participating in road shows, conferences and forums.

- **The media**, by issuing information regularly (press releases) and granting interviews.
- **Business schools**, e.g. by preparing case studies on different aspects of Fluidra.
- **The world of academia** in general, by receiving groups of students from different countries who are interested in Fluidra's trajectory.

Opinion survey [4.16]

Since 2012, the Group has included an opinion survey along with the annual report intended for shareholders, investors, clients, suppliers, employees and society at large to express their suggestions on how to improve the Integrated Annual Report.



Participation

While it continues to be low, participation in the survey by **employees, suppliers, shareholders and investors increased** by 42% over last year.



Opinion

The opinion on **the format of the report** is very positive: 84% believe that the company should continue along the same lines. As for **the quality and clarity of the information** provided, opinions have improved compared to 2012, with more than 84% of participants responding favourably, while 87% said that the **coverage of the report** is satisfactory, although there is room for improvement.



Positive perception

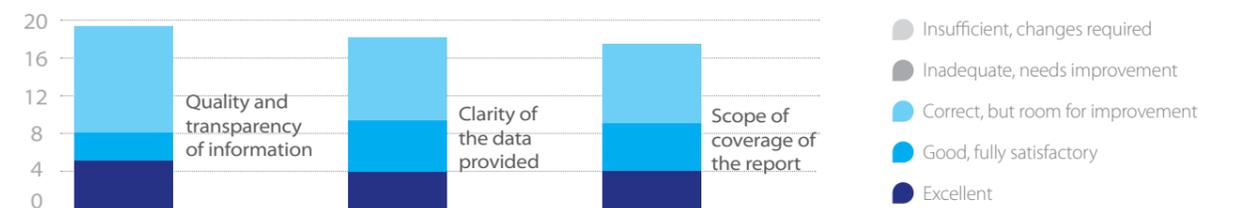
67% of respondents expressed a positive opinion of the company in relation to the **quality of its public information**. There were notable improvements in the perception of the information being Good and Correct in the sections on People (87%), Clients (87%), the Company (81%) and Appendices (94%), with the rest of the report being positively perceived.



Improvements made

The survey also revealed different **qualitative recommendations** that have been incorporated into the reports in recent years to improve contents, such as the treatment of risk management in this year's report.

Evaluation of contents



- **End users**, through the Astral Pool website where an online pool configuration tool was launched. With this tool, users can run simulations to calculate their energy savings by selecting different parameters such as: country, climate, pool measurements, etc.
- **Public administrations**, by participating as a member of the Sustainability and Environmental Committee of the Barcelona Chamber

of Commerce. In 2014, Fluidra is expected to become a member of the Legal and Fiscal Affairs Committee and to participate actively in the Government of Catalonia's meetings on administrative simplification.

5.1 Creating value for shareholders and investors

[4.4]



The Spanish stock market closed business year 2012 with a resounding rejection by large institutional investors of anything Spanish. Beginning in July 2012, Fluidra felt the direct effects of this decision by international investors. However, in November 2012, the sentiment towards Spain began to change and money returned to the Spanish floor. At that point, institutional investors began to focus on Fluidra's stock once again and that interest put the company's stock price on the road to recovery.

Initially, 2013 began the same way 2012 had ended: with rising prices and growing trading volumes. Fluidra, an international leader in its industrial sector, with nearly 80% of sales coming from outside of Spain, was once again attractive to investors.

So it went until the month of August, a month that is traditionally quiet for Fluidra's stock and also the time of the year when the Group publishes the financial results for the first half of the year. Coinciding with the publication of results, Fluidra announced certain accounting irregularities that had been discovered in its Projects division.

At first, the market was somewhat concerned with the announcement

but intensive efforts on the part of the Company to be transparent and communicative, combined with the revised estimates for the year-end incorporating the impact of the discovery and the celerity with which Fluidra reacted to the discovery, analysed the information and closed the division down were rewarded by investors. At around the same time, in early October, N+1 acquired an 8% stake in Fluidra from Caixabank. The news was received by the market with enthusiasm because of the prestigious reputation of N+1 in the domestic market. In the end, the trading levels and prices continued the upward climb with which the 2013 business year had begun.

The level of investor trust in Fluidra is also evidenced by the volume of activity of the Investor Relations Office. In 2013, this was supported by three fundamental pillars:

1. Spanish and international financial analysts who cover the value of Fluidra totalled 15, between analysts on the buy side and those on the sell side. This is a higher figure than in previous years and is clearly related to the good performance of Fluidra's stock on the Spanish stock exchange.

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 39% with respect to 2012, thanks to the fact that international investors are once again looking at the Spanish stock market with greater confidence and considering Fluidra's stock a viable investment option. In 2013, the Company participated in a total of 347 meetings with investors and 14 national and international road shows.

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.

In the 2013 edition, Fluidra was one of the listed companies with the greatest number of meetings scheduled with investors.

SHAREHOLDERS' DAY

In order to promote transparency and communication with our current and future investors, in 2013 Fluidra hosted the fifth consecutive edition of Minority Shareholders' Day. The CEO, the Director of Corporate Finance and the Director of Investor and Shareholder Relations presented to the shareholders certain aspects of interest about the Fluidra Group as well as the current macroeconomic and financial environment.



CRISTINA DEL CASTILLO
DIRECTOR OF INVESTOR AND
SHAREHOLDER RELATIONS

"The dissemination of Fluidra's fundamentals was the primary objective of Investor and Shareholders Relations. The positive evolution of our stock prices reinforces our conviction that we are on the right track. Minority and institutional investors know that here at Fluidra we are always attentive to their queries and suggestions. We are working together to create value and to create a future!"

Thanks to these types of events, the company is building valuable relationships between individual shareholders and the Group. During the event, shareholders had a chance to express to the CEO their opinions on how the business was progressing, the company's strategy and the evolution of the market, and to share their concerns in a cordial, lively and enthusiastic dialogue.

With these types of events, Fluidra shares the reality of the Group and its business with small investors through actions that bring shareholders and senior management closer together.

AGM

As usual, the Fluidra's AGM was held on 5 June 2013 in the Chamber of Commerce of Sabadell. The meeting approved all points on the agenda, including the distribution of a total dividend of 8 million euros, thus maintaining the distribution level reported in 2012, and representing a payout of 55%.

Shareholder structure

The company's shareholder structure remains practically unchanged in terms of the portion controlled by the founding partners and Banco de Sabadell. The floating capital on the stock exchange likewise remains unchanged in absolute terms. The 8% share of Fluidra's capital owned by Caixabank was acquired by N+1, a Spanish institutional investor. This acquisition reflects the investor's confidence in Fluidra and its management team.

5.2 A great team of experts

[LA.a, LA.b, LA.c, LA.d, LA.e, LA.f, LA2, LA3, LA8, LA10, LA11, LA12, LA14, EC5, EC7, HR.a, HR4, HR5, HR6, 2.8, 4.4]



The Fluidra Group's primary asset are the people who make it up and whose talents and daily contributions are an essential part of the company's current and future business success. To this end and in order to ensure the best working environment and working conditions, Fluidra develops corporate management policies to facilitate the professional development of staff members and to foster the gradual assimilation of the corporate culture and values within the geographical and cultural diversity of the companies in the Group.

In today's business context, which is highly complex economically and socially, it is essential to develop human resources policies to support the business and create added value, while offering a response to the educational and developmental needs of the people who make up the organisation by primarily focusing on reinforcing the commitment and the creativity of those people in order to ensure Fluidra's success. In this regard, it is important to underscore

the Group's efforts to maintain a high level of quality employment where a significant percentage of staff are permanent employees, despite an economic and labour context that is complicated not only at the global level but particularly in the countries of southern Europe. In 2013 the percentage of permanent staff was 96% of the total aggregate staff mentioned in the report. Fluidra continues to place a priority on hiring local staff in the geographical areas where our facilities are located. [EC7]

In 2013 certain organisational changes were made to adapt the staff structure to the ongoing internationalisation and diversification strategy. At the year-end, the total number of employees of the companies covered in this report was 1,635, 68% of whom were men and 32% women. A total of 61% of all employees fell into the 39–45 year old age range.

During the year, 298 people left the company, 24.6% of whom were employees



JOAN CARLES CIFRÉ
DIRECTOR OF HR/CSR

"For us, it is essential to develop HR policies that support the business and create added value for it. To that end, training and personal development are key. Another key aspect is the creation of stable teams: in 2013, 96% of the employees making up the aggregate staff referred to in this report were permanent employees. We have a great team of committed professionals!"

over the age of 45, of whom 33% were women. In 2013, the Group revised the method used to calculate the structural turnover rate (permanent employees), including amortised and unamortised positions, as a result of which the figure, at 10.4%, was one point below the previous year's (11.6%). [LA2]

In the area of compensation policy, the Group continued to implement a management policy based on salary ranges which makes it possible to improve internal equity and keep salaries competitive. Once again this year, the minimum starting salary for new hires was about 30% above the 2013 legal minimum wage in Spain, taking as a reference the lowest salary in Fluidra's Spanish companies that represent the majority of the companies included within the scope of the report. [EC5]

EMPLOYEE BENEFITS

In terms of employee benefits, 58% of the employees of the companies covered by the report have life insurance and 56% have accident insurance. One of the benefits offered is the Fluidra Flex flexible compensation programme implemented in 2012 in Spain. This programme offers employees the chance to take advantage of tax and cash savings by purchasing products such as meal vouchers, child care vouchers, education, computer equipment, public

transport pass and health insurance, thus adapting compensation to each employee's individual needs. One of the most popular products purchased by employees is health insurance. In 2013 the programme was expanded to include 15 companies in Spain which account for 60% of the companies covered in the report, with 53% of employees purchasing at least one product under the programme. During the year plans were put in place to extend the Fluidra Flex plan to four more companies in 2014. [LA3]

Regarding flexible working hours, maternity and paternity leave, breastfeeding breaks, etc., all employees enjoy these rights under the labour laws in force. [LA3]

The company has the utmost respect for employees' rights and they are entitled to the freedom of association and to hold labour representation meetings at all of our facilities. In 2013 no situations of risk were identified in this regard. [HR5]

Overall staff figures for the Fluidra Group* [2.8]

A structural change was introduced in 2013 that divided the companies into the Expansion, Europe, Asia and CSA (Central and South America) commercial divisions together on the one hand, and the industrial companies into the Operations division on the other.

2013 Staff by business division

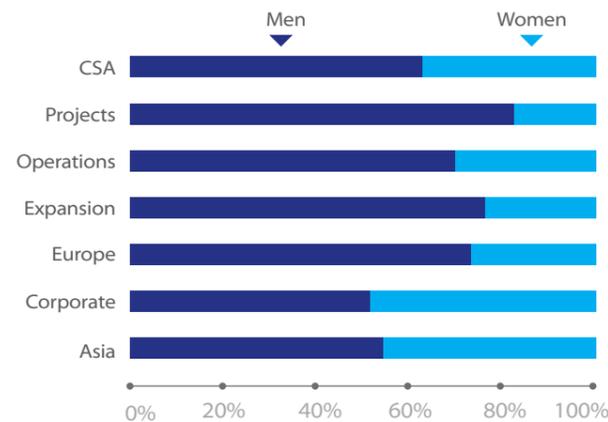


Staff by gender



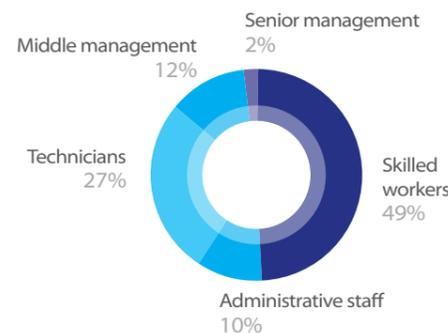
The overall ratio of men to women is influenced by the local characteristics and business activities of the companies making up each of the divisions.

Staff by gender/commercial division

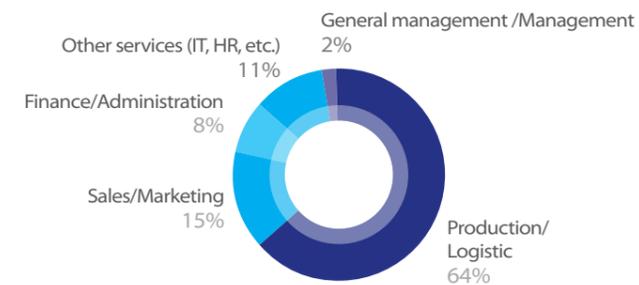


Figures for the staff of the companies included in the 2013 report [2.8, LA2]

By professional category



By functional areas



TALENT MANAGEMENT [LA.e, LA11, LA12]

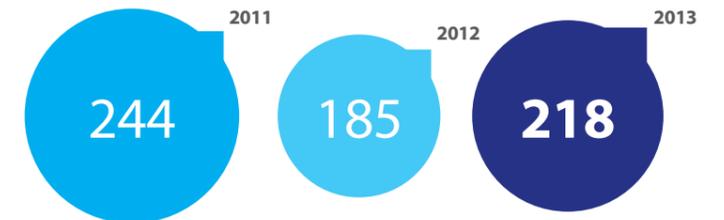
In an environment as competitive as today's, talent is a key asset to any organisation. That is why Fluidra's Human Resources department promotes employee development with management tools and processes to evaluate and build up the right personal and professional skills to respond to the different challenges faced by the company.

Fluidra Talent [LA12]

To optimise the ONE to ONE performance evaluation system, the entire process has been computerised in a system that speeds up the process, as well as the input, consultation and use of the information. The new tool, called Fluidra Talent, launched in time for 2013 evaluations, is an advanced e-cloud application that facilitates the internal evaluation process and the detection and development of internal talent for managers and human resources.

In 2013, 34% of the staff covered by this report participated in this programme, with an 11% increase in the number of evaluations compared to the year before.

2011-2013 investment in training
Thousands of euros



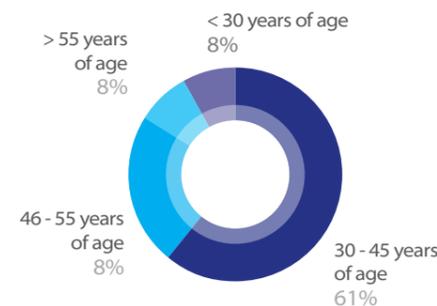
This tool serves the dual purpose of favouring dialogue between managers and employees, and helping them to prioritise objectives and identify training and career development plans.

Training

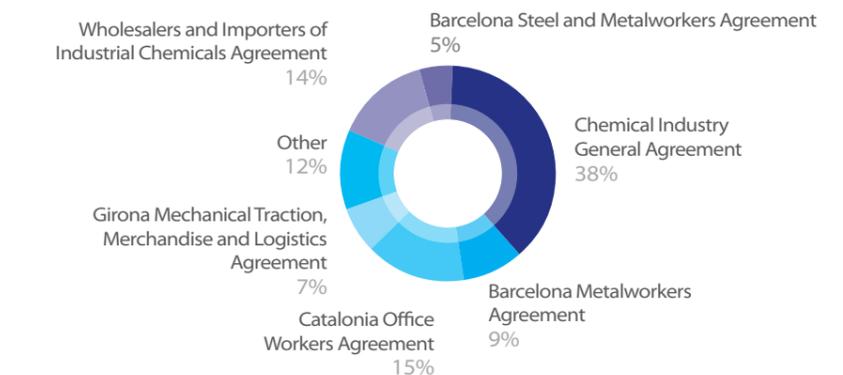
In 2013, the investment in training compared to the year before increased by 18%, with nearly 1,100 employees receiving approximately 17,000 hours of training.

The total number of training hours was slightly lower than the year before, although the total number of employees participating in some sort of training was higher.

Staff by ages

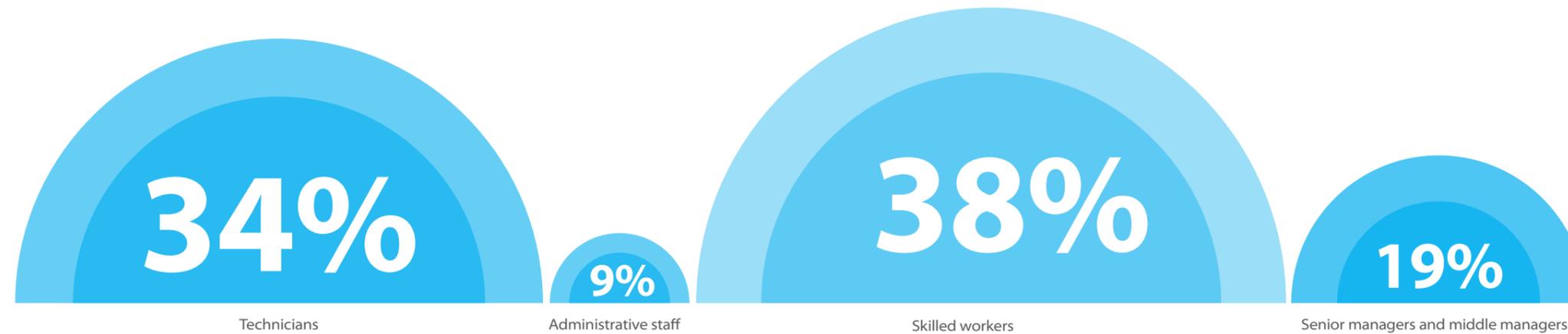


Percentage of employees per collective bargaining agreement



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

Staff training by professional category



More specifically, the average number of hours per employee for managers and middle managers increased in 2013 compared to the year before, thanks to the Executive Skills Programme which is taking place and is considered a strategic tool for improving leadership and, hence, the employee management skills which in turn will raise the company's productivity.

The implementation of a new global consolidation system resulted in an increase in the training hours and number of employees trained in this area, although at a cost that was lower than in 2012. Efforts were reinforced in the commercial area also, with programmes offered by the Marketing Department for both domestic and international employees.

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.

Along this line, specific training for the Group's business lines was offered in the corporate environment in 2013: languages, finances for non-financiers, patents, product (irrigation) and office automation, among others.

The Group's international expansion in recent years has made us a more multicultural company, which has in turn made it essential to improve our team management tools and processes. Examples of such tools are the Online welcome pack, the Code of Ethics, Fluidra Talent, the Executive Skills Programme mentioned above and lean training programmes.

Executive Skills Programme

The Executive Skills Programme for senior and middle managers continued in 2013. Based on a learning by doing methodology, one international and three Spanish groups were trained, with a total of 45 people participating. The goal is to continue to extend this programme internationally.

Fluidra Talent

To familiarise managers and teams with the new tool, 536 employees from the companies taking part in the programme

received face-to-face training while 314 received distance training.

Google Apps

In 2013, a key decision was made to change to the Google Apps email platform in all Fluidra Group companies. The purpose of making the change was to improve internal communications and increase productivity, mobility and innovation within the Group by using the most innovative workplace technologies.

Google Apps is a very easy-to-use and highly effective solution with a set of powerful and innovative functions such as an email service (Gmail) and other utilities that can be accessed from anywhere using any device (computers, tablets, smartphones, etc.)

The IT team was successful in performing the migration gradually so that everyone would be working with Google in 2014. To facilitate the transition, there were Google Angels in all Fluidra locations. They are employees who volunteer to facilitate the change by assisting colleagues with their questions and doubts during the transition period.

Lean management

In 2013, lean management training programmes, which the Company considers essential in order to achieve excellence in all areas of the organisation, were openly available to all employees.

850 employees received training on Fluidra Talent courses,

536 employees of whom attended face-to-face sessions while

314 employees took the courses online.

2013 TRAINING HOURS [LA10]

BY PROFESSIONAL CATEGORY

Category	Hours	Employees	Average Hours/Employee
Senior management	400	11	36
Middle management	4,158	197	21
Technicians	7,417	363	20
Administrative staff	2,615	96	27
Skilled workers	2,183	406	5
Total	16,773	1,073	16

BY FUNCTIONAL AREA

Category	Hours	Employees	Cost
Management	1,327	70	43,462 €
Finance/Administration	1,185	59	2,831 €
Sales/Marketing	2,194	163	43,773 €
Languages	6,940	219	76,693 €
Other services (IT, HR...)	1,195	60	9,065 €
Production/Maintenance	1,366	309	9,297 €
Logistics/Purchases	484	94	10,623 €
Technical/R&D/QC	2,082	99	23,097 €
Total	16,773	1,073	218,481€

The investment in language learning was maintained, with an increase in the number of participants, thanks to a change of approach to standardise the training and make it more efficient by substituting part of the face-to-face sessions with online sessions offered by two approved providers of recognised prestige who are able to satisfy the Group's needs at a time of intense international expansion.

Moreover, due the reorganisation of the IT Department, whose organisational and functional structure has been changed to offer a new service model, efforts were stepped up in technical and team management programmes. There was also an increase in the office automation courses offered to other employees.

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



Another innovation this year was the new online welcome pack for new hires

New online welcome pack

Yet another innovation this year was the introduction of a new online welcome pack for new hires that provides a history of the Group, the business, the people, the structure, etc. The new online welcome pack is available in Spanish, English and French and there are plans to add more languages in the future. The course in paper format is still available to all employees.

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.

Notable in 2013 were the special efforts made by companies like Metalast and Inquide in running health and safety campaigns at all of their locations. More specifically, fire protection and first responder courses on how to act in the case of an emergency were run, as were first aid training course and awareness-raising programmes on the use of PPE (personal protective equipment) in the factory, and training was given in the proper use and handling of organic solvents. In addition, as part of the reporting and prevention policy, information on workplace accidents and internal safety inspections is posted on bulletin boards. There were also numerous health-related campaigns on topics such as preventing stress in the workplace, smoking, nutrition and healthy lifestyles.

Each Group company in Spain 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 staff appointed to posts abroad, although the International Mobility Policy does not expressly refer to training on hazards, illnesses and serious accidents, they are informed and advised about these matters individually and directly. [LA8]

EQUALITY, DIVERSITY AND WORK-LIFE BALANCE

Fluidra 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, and make no differences between staff who work in the same categories and job positions. [LA14]

The following initiatives were carried out (in Spain) in 2013:

- To define an indicators table for monitoring the management of the Equality Plan.
- To include content on equality and workplace harassment in the Online Welcome and Code of Ethics programme.

There are plans in 2014:

- 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.

With regard to conciliation and in order to create a favourable workplace environment, Fluidra strives to ensure a proper work-life balance for employees through measures that can be adapted to meet both a person's and the organisation's needs. One of the most highly valued of such measures is flexitime, especially when it comes to maternity and paternity leave. [LA3]

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.

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]

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 2013, the Committee for the Promotion of the Code of Ethics received two reports 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]

Online version of the Code of Ethics and Conduct

In 2013, Fluidra issued a revised and updated Code of Ethics and Conduct adapted to new technologies which was distributed to the entire organisation. This initiative, spearheaded by the Group's CEO, Eloi Planes, is a mandatory online training session that is part of Fluidra's Welcome and Integration Policy. The Group has therefore demonstrated that it is committed to ensuring that the entire organisation be guided by the same values and codes of conduct. Everyone with a user name registered in the system was enrolled by FluidraAcademy to take the course online, while those with no computer access were provided with hard copies of the documents.

Our annual internal audits check that the Code of Ethics has been properly distributed to all concerned

Communication and activities for employees

[EC8, 4.4]

Fluidra employees are active and dynamic. The company encourages them to participate in various leisure, family, charity and/or sporting activities.

Management Meeting in Montserrat

The annual international meeting of Fluidra executives was held at a very special venue in 2013: Montserrat. The reason for this was clear to Eloi Planes, CEO of Fluidra: *"Beyond individual religious beliefs, Montserrat represents certain values that I believe are very important to us, both personally and professionally speaking. Montserrat is synonymous with austerity, tranquillity, the ability to listen, honesty, professionalism, versatility, doing things right and giving the best of oneself... I hope that we can all share these values and make them a reality here and in our daily work at Fluidra!"*



Coffee mornings with senior management

One of the most valued initiatives by employees are the so-called Coffee Mornings with Senior Management, 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.

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 respond to the concerns put forward by employees.



Football tournament

In 2013 Fluidra participated again 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 financial contribution to a charity Project.

The Trace Logistics team, on behalf of Fluidra, won the indoor football category for the third 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 2013

Fluidra Day was held on 22 March coinciding with World Water Day. The slogan for the 2013 edition was *Thanks to you, they're better off*. Objective: To foster the active participation of the Group's employees in the choice of the charity projects to which the company contributes each year.

The three projects chosen by the panel receive a donation of €3,000 each. The employees who propose the projects that are ultimately selected participate in presenting the donations to the recipients. The person who proposes a winning project receives an award/gift valued at €300.



Summer photography competition

Employees are encouraged to participate in the summer photography competition. In 2013, the topic of the contest was *My workplace* (above, the winning photo by Pedro Ribeiro, Fluidra Portugal).



Children's drawing competition

During the Christmas season, Fluidra sponsors an international drawing contest for the children of Fluidra Group employees. In this year's edition, the topic was *When I'm Happy* (in the image, the winning drawing by Sofiya Fontana, 6 years old). A total of 178 entries were received, which were compiled in a book for the Group's employees.

Fluidra Day 2013's winning projects



Adaptation of the Mother Teresa of Calcutta senior citizen centre to accommodate the use of alternative energies.

Ana Georgina Romero, Fluidra México S.A. de C.V.



Hydrotherapy pool for Ty Hafan, an organisation that provides support for children with problems and their families.

Simon L. Jones, AstralPool UK



Bamba Project, construction of a well to supply water to the future food bank in Kabarnet (Kenya).

Alicia Aparicio, Fluidra S.A.

Multiple Sclerosis Foundation

The Group collaborated for another year on the Mójate-Mulla't (Take a Plunge for Multiple Sclerosis) 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 8 July, Fluidra organised, for the second consecutive edition, a corporate volunteering programme in some of the swimming pools. All those who had not been able to participate as volunteers did their bit by making a small donation through the website: www.migranodearena.org.

5.3 We stand by our customers

[PR.a, PR.b, PR.c, PR.d, PR.e, PR.f, PR.g, PR1, PR6, EN6, EN26]

Fluidra actively promotes responsible innovation in the interest of enhanced security. The Group has been a member of the European Standardisation Committee (CEN) since around 2002, for which it has been working on the development of standards for pools. The Group has also worked on the development of the EN15288 and EN 13451 standards for pool design and safety through the European Standardisation Committee CEN/TC-136 WG8. We also participate actively on the CEN-TC402 technical committee which strives to standardise the safety requirements for residential pools, the results of which will be submitted for approval in 2015 through the draft documents prEN 16582 and prEN 16713. The issues addressed by these new documents are Domestic swimming pools - General requirements including safety and test methods, and Domestic swimming pools - Water systems, respectively.

In addition, since 2013 the company has participated actively in the preparation of the European Ecodesign Directive/ Lot 29, which is dedicated to the preliminary study of energy efficiency requirements for pools, aquariums, fountains and similar facilities.

We are committed to a responsible innovation system to ensure that our products are safe and sustainable. To do so, the company has created an internal structure that facilitates proactive participation on the CEN-TC 136 /WG8, CEN-TC402 WG1 and WG2 committees and Ecodesign/Lot29. This structure combines the efforts of professionals ranging from senior management to technical staff at production centres and sales offices. [PR.6]

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 the excellence and quality of its products, and the provision of services is always present in its relations with customers.

We know that our clients also need good technical assistance and after-sale service, which is why we are constantly striving to improve in this area in order to satisfy the needs of the companies that have placed their trust in Fluidra.

Innovation is intended to satisfy **customers' needs** by developing **sustainable, value added** products and solutions

Another of our objectives is to constantly improve product availability to enable us to meet the market demands as expeditiously as possible.

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

RESPONSIBLE MANAGEMENT OF INNOVATION [PR.A, PR.D, PR.F, PR.G]

Innovation is one of the core aspects that define Fluidra's strategy. Our innovation is clearly geared to satisfying the current and future needs of our customers and end users by developing sustainable, value added products and solutions. With this objective in mind, there is a multidisciplinary decentralised R&D model for the company's centres of excellence with a focus on technological specialisation, coordinated from the R&D Central Services in Polinyà (Barcelona).

The Innovation Committee is the body responsible for setting the innovation strategy and validating all projects related to products undertaken in the Group, as well as for designing the resources needed



DAVID TÁPIAS
DIRECTOR OF R&D

"Our innovation is clearly geared to satisfying the current and future needs of our customers and end users by developing sustainable, value added products and solutions. Our efforts are focused on three main areas: customer-orientation, efficient processes and profitable projects"

to convert these projects into a reality. The Innovation Committee has defined a series of corporate guidelines to serve as the standard for all centres of excellence in the product development process.

Fluidra has set up 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 the R&D, technical, quality and marketing departments. These committees define the new products to be developed based on the requirements in each market.

The corporate R&D department is responsible for ensuring that our products meet all of the technical and legal requirements in each of the countries where our products are sold. It also coordinates the technological oversight and management of intellectual property, with special emphasis on protecting our portfolio of patents and trademarks and taking the measures needed to avoid any kind of conflict due to violations of third party rights.

Ignia Light, state-of-the-art LED technology

Ignia Light is the Sacopa division that manufactures products with LED technology. Located in La Garrotxa (Girona), this is a company where innovation, the ability to design and transform its own products, a great R&D team and other highly qualified professionals, combined with the latest and most innovative technology have made it a trusted partner on the most technologically demanding projects. Thanks to the synergies created by these areas, Fluidra has diversified its product range to include lighting for ornamental fountains, industries and roads.



The first area in which Ignia Light has managed to build a notable presence is updating lighting for ornamental fountains. Replacing the old light bulbs with LED technology lighting makes significant savings without architectural changes. The most avant-garde projects so far include the fountain at the intersection of Passeig de Gràcia and Gran Via (Barcelona) and the lighting for the Cibeles Fountain in Madrid. Notable products in the industrial sector include the lighting of the cold storage warehouse for Casa Tarradellas, with 32 m high ceilings, lighting in the

warehouse of Condis supermarkets and in the Corte Inglés' logistics centre in Parets del Vallés. Relevant projects in the road lighting sector have included changing the old lighting to achieve a considerable reduction in CO2 atmospheric emissions and energy savings. This in turn has led to many city councils turning to Fluidra when they make plans for their municipalities, such as the project in Alt Empordà for the replacement of all of the village's lights – a total of 400 units – with LED technology.

INNOVATION POLICIES

Fluidra understands innovation as constant improvement. It therefore reviews and analyses the innovation process with the aim of improving its efficiency and effectiveness. Our work on innovation focuses on three main areas: customer-orientation, efficient processes and profitable projects. [PR.c]

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 Indescat Sports Cluster, which foster the innovation

and development of new products and solutions. [PR6]

The Group's policies establish the guidelines for guaranteeing safe services and high quality products that are environmentally friendly, which therefore entails: [PR.b]

- Supplying products with zero or the minimum possible risk.
- Designing more sustainable and competitive products that imply a real saving of resources (energy, water, etc.).
- Helping customers make the best possible use of their products.

Customer training [PR.e]

Work continued on the development of the Customer Training Plan, which the Group started in 2012.

FLUIDRA MEXICO

Training of staff and some clients at Fluidra Mexico in pools, fluid handling and irrigation. The basic training touched on all of the essential aspects of our markets and products.

CEPEX ITALY

Technical training for some of Cepex Italia's best customers, who visited the company's facilities in La Garriga to visit both the factory and Trace Logistics. These customers met with the technical staff to learn more about the characteristics of our fluid handling products.

FLUIDRA ESPAÑA

Fluidra España presentations are scheduled 2014 for some clients of the irrigation lines.

- Developing innovative technologies for water treatment that foster sustainability and responsible water use.
- Establishing the necessary controls on the design and finish of the products.
- To increase customer satisfaction.
- To reach the target of zero incidents.

Once again in 2013, Fluidra demonstrated its commitment to innovation and the application of guidelines with the launch of new pioneering products such as the ones presented at the 2013 Barcelona International Aquatic Exhibition. [PR1, EN6, EN26]

IMPROVEMENT OF SERVICE AND PRODUCT AVAILABILITY

Customer satisfaction is the ultimate goal of all Fluidra's efforts and activities. A key element is to offer excellent service in terms of product supplies and equipment.

In 2013 Fluidra launched a series of actions with the aim of improving the Company's level of service. These measures focused more intensely on Fluidra's upstream supply chain: production plants and Trace Logistics.

To do so, two indicators were implemented to enable comprehensive monitoring of the improvements:

- **Availability indicator in Trace Logistics.** Since most of the supplies and direct sales to customers are served from this warehouse, measuring availability on a daily basis was critical. Starting out with 85%, a target of 95% was set. The objective was met and this improvement was sustained even during the Company's busiest season.
- **% compliance with deadlines confirmed with customers.** A goal of 95% was set and the actual result was 96%.

GREEN FRIENDLY SEAL [PR6]

Fluidra's Green Friendly Seal identifies the products and equipment that provide the most sustainable solutions. Those described below are noteworthy within this range for their technological relevance and efficiency:

TRACEABILITY CONTROL [PR5]

The various Group companies have systems and tools in place for supervising, controlling and monitoring their products in order to detect and evaluate possible deficiencies. To do this, traceability controls



MARC PÉREZ
DIRECTOR OF POOLS /WELLNESS

that allow preventive and corrective actions are used.

Considering the importance of the customer in the product development process, Fluidra uses the Fluidra Surveys application to measure the customer's level of satisfaction.

'E-BUSINESS' DEVELOPMENT

Fluidra has taken the first steps towards a consistent and continuous strategy to develop an e-business channel. Throughout 2013, clients of Fluidra Spain, Certikin Ibérica and Fluidra Magyar were able to place orders and view technical product information on the new B2B sales platform. Over 1,000 orders processed and about 500 customers who have used this tool give an idea of its reliability and consistency.

This platform will help to improve our sales efficiency through digital promotion techniques, up-selling and cross-selling and will increase customers' autonomy by providing a platform for sales information and management that will in turn free up our sales and order management areas.

In 2014 our customers in France, Portugal, Britain and at least two more countries will have this same tool. It will be equipped with additional features that will increase sales potential and added value for our customers by incorporating comprehensive technical information and the sale of spare parts, simulators for the sale of custom order products or a minisite for special offers and impulse sales.

QUALITY AND SATISFACTION [PR1]

Throughout 2013, the company continued with the implementation of the Integral Quality Management project, the mission of which is to improve the quality of its

"We support our customers by offering them the most efficient and cutting-edge products for all types of pools and wellness centres so that we can build a project for the future together"



AstralPool launches a pool configuration tool with more than 15,000 different combinations

AstralPool has posted a new configuration tool on its website (www.astralpool.com) that allows customers to create a fully equipped pool in just 12 steps.

Without entering any data, the tool allows you to query all kinds of possibilities before purchasing a new pool or renovating an existing one

The AstralPool configuration tool is designed to be functional and easy to use. To achieve this, photo-quality 3D artwork, intuitive navigation menus and the option to choose between the front view and the top view have been used throughout the process.

In keeping with the sustainable pool philosophy of AstralPool, it includes information on the energy and/or water savings offered by the different solutions.

[PR5]



PAULO FÉLIX
DIRECTOR OF IRRIGATION AND FLUID HANDLING

"Efficient water management in our irrigation and fluid handling applications is one of our strategic objectives"



Pioneering and sustainable products [PR1,EN6, EN26]

AstralPool Mac®, the ultimate smart device for total pool management

AstralPool Mac® is a groundbreaking and revolutionary product for the sector. Going beyond innovative, it is a new way of understanding and managing pools. Fluidra invested 1.5 million euros in R&D to develop it.

AstralPool MAC® provides total and intuitive pool control thanks to its Smart Manager software that allows users to adjust all of the pool's settings (efficiency level, filtration, dosing, temperature) using a touch screen display.

The AstralPool MAC has received different awards for innovation, functionality, ergonomics, sustainability and durability. In particular, the Red Dot Award, one of the most prestigious honours in the world of design since 1955, the X-Plus Awards and the award for most innovative product at the 2013 Barcelona International Aquatic Exhibition.

AstralPool MAC® was the centre of attention at the international trade shows in Lyon, Beijing, Singapore, Australia, Barcelona, Russia, Egypt and Bologna. Presentations and training sessions were offered to clients, opinion makers and the press in different countries in order to publicise the AstralPool MAC®.

Recognition of AstralPool MAC



products and services, always considering customers and the improvement of its internal processes.

Fluidra's Quality Committee, led by management, has continued to work to meet the commitment to continuous improvement and customer satisfaction. Its main objectives include:

- Introducing a standard complaints system for all companies that is both objective and expeditious.
- Identifying and implementing a single framework of action, with the same level of service for all Group companies.
- Implementing and monitoring corrective improvements in quality analysis to produce better and more competitive products.
- Establishing open and constant communications with customers to inform them of the continuous improvements being made.
- Providing ongoing training to customers on products and services so that they are knowledgeable and well advised.

In 2013 the sales and production companies and the logistics operator were added to the Single Complaints System. At the same time, the Group is promoting the use of the quality database (QDB), available on the intranet. Developed exclusively for Fluidra and available to all Group companies, it applies 8D (8 Disciplines) analysis for continuous improvement in order to meet customers' requirements. It also ensures that the achievements are effectively communicated to the entire Group.

5.4 Joint responsibility with our suppliers

[HR1, HR2, SO2, EC6, EN18]

The relations between Fluidra and its suppliers 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, quality certifications and corporate ethics.

The Suppliers' Code of Ethics for new contracts and renewals remained unchanged in 2013 and no new trade agreements were signed. It currently includes the 10 largest suppliers who represent 40 % of the Group's purchases for operations. In this regard, we are working to include a clause in all supplier orders if no formal contract or the Suppliers' Code of Ethics have been signed, and we are also designing a system for monitoring compliance. [HR1, HR2, SO2]

As is our practice, priority is given to local suppliers in order to boost the development of the areas in which Fluidra operates. In 2013, local (European) suppliers accounted for 88% of the suppliers to the company's main production centres covered in this report. [EC6]

RENTING AND TRAVEL POLICIES

The implementation of diverse service policies affecting employee expenses and productivity generated positive results in 2013. For example, the new vehicle policy has introduced concepts of environmental friendliness such as the obligation to set CO2 emission limits on all vehicles and the introduction of hybrid vehicles in the senior management fleet. One-third of the fleet was replaced in 2013. As they expire, the current leases will be renewed under these sustainability criteria. [EN18]

In 2013, following the approval of the corporate travel policy in 2012, which regulates the travel services and limits the use of corporate travel to cases of real need, there is a single travel provider to optimise the efficiency of service and ensure compliance with established policy. It is important to note that with the introduction of Google apps and its technological functionalities, there has been a change in the Group's communications which offers an effective alternative to travel in many cases. [EN18]

Both of these policies promote respect for the environment and for the responsible use of these services by staff, while helping to improve the life and work balance of Fluidra's employees.



CARLOS PICOLA
DIRECTOR OF PURCHASING

"We are aware that we are jointly responsible with our suppliers. The Corporate Purchasing Policy is currently being developed and will be governed by the principles of respect for the environment, human rights and quality certifications"

5.5 We strive to protect the environment

[EC2, EN.a, EN.b, EN.c, EN.d, EN.e, EN.f, EN.g, EN1, EN2, EN3, EN4, EN5, EN6, EN7, EN8, EN9, EN10, EN11, EN12, EN13, EN14, EN15, EN16, EN17, EN18, EN19, EN20, EN21, EN22, EN23, EN24, EN25, EN26, EN27, EN28, EN29, EN30]



The goals of the Groups environmental policy [EN.b]

- 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.

Fluidra is aware of the importance of environmental protection, which is why the corporate management guidelines make reference in the Mission, Vision and Values statement to our commitment to the responsible use of water and the application of rigorous sustainability criteria. Our operations have an impact on the environment and we aim to minimise the potential environmental impact of our operations by focusing on the commitment to the efficient use of raw materials, energy and water as well as the proper treatment of emissions, waste and dumping. [EN.a]

The maximum environmental responsibility lies with the management of each of the companies. Depending on how each company is organised, there may be a special delegate who is responsible for environmental and health and safety matters. [EN.d]

The companies in the Fluidra Group are involved in diverse operations and those listed in the table below have implemented environmental management systems based on ISO 14001 or EMAS. Consequently, their environmental objectives are set independently on the basis of significant



XAVIER TINTORÉ
CFO (PRESIDENT OF THE CSR COMMITTEE)

Sustainable use of water, Fluidra's market [EC.2]

"Efficient water management has become a strategic sector worldwide. It is a sector of the present but more importantly of the future. According to the report Charting our Water Future, under a medium growth scenario and without efficiency gains, global water requirements for 2030 will rise from 4,500 million cubic meters to 6,900 current million cubic meters.

The sustainable use of water as a scarce and finite resource that is essential for life will be one of the main challenges of the future for humanity, with specific requirements for each country and each in all areas (agriculture, industry, households, etc.). Therefore, water management requires a deep and thorough understanding of the evolution of society and its needs in order to tailor the solutions to each reality.

Fluidra, with increasingly eco-efficient products in all of its business units, is responding to these requirements"

environmental aspects as mandated by ISO 14001 or EMAS standards, but always adhering to the general environmental guidelines of the Group.

The Group companies listed in the table below have environmental management systems such as ISO 14001 or EMAS audited by external companies to verify their compliance with the established environmental requirements of the ISO 14001 standard or EMAS Regulations. [EN.c]

Environmental certifications [EN.c, EN.f]

Companies	ISO 14001	EMAS
Astramatic	2011	
Cepex	2005	
GRE	2008	
Inquide	2006	
Metalast	2011	
Poltank	2004	2004
Sacopa	2008	2007
Talleres del Agua	2010	

Main environmental objectives for 2013 [EN.b]

- 
 Energy efficiency and reduction of power consumption
- 
 Reduction of contaminating atmospheric emissions
- 
 Training and awareness-raising [EN.e]
- 
 Improved waste management
- 
 Reduction of waste from packaging

Energy efficiency and minimisation of power consumption [EN3, EN4, EN5, EN6, EN16, EN17]



Fluidra has cut energy usage by 4.1 % and the use of fuel oil by 5.8%. Fluidra promotes energy efficiency in its companies. In 2013, actions were taken to contribute to this goal.

DIRECT ACTIONS

- Awareness-raising campaigns to sensitise employees to the need to use energy efficiency in order to reduce consumption (ATH, Sacopa, Cepex, Astramatic).
- Some of our production facilities have compressors with frequency inverters and energy-efficient equipment (Prelast added this equipment in 2013, Cepex, Sacopa)
- Replacement of injection machinery (Sacopa).
- Our companies have also installed energy-efficient LED lighting: Poltank (Poltank2 assembly section, savings of 25000 kWh/year), Sacopa 7 (Sant Jaume de Llerca building), Cepex (UP-1 shop), Trace Logistics (LED lighting in Silo). It is important to note that the LED lighting installed by these companies was made at our Sacopa factory.
- Centralised climate control systems make it possible to set the temperature and control usage, thereby avoiding unnecessary consumption (Sacopa).
- Application of good environmental practices: switching off lights and air when the rooms are not in use and at the end of the day reduces energy consumption (Fluidra, SAU, Sacopa, Poltank, Metalast, Inquide, Cepex, ATH, Astramatic).
- Electricity usage also decreased in 2013 due to reduced production hours at some of our locations to adapt to customer demand.

ENERGY CONSUMPTION [EN3, EN4, EN7]				
Source	2011	2012	2013	Var.
Natural gas (m ³)	141,851	110,119.8	256,137	132.6%
Fuel oil (litres)	913,385	886,281.2	834,500.0	-5.8%
Co-generation (kWh) for internal use	4,738,115	2,973,526	2,219,041	-25.4%
Basic electricity (kWh)	31,236,426	28,111,262.5	26,970,477	-4.1%
Total usage (GJ)*	168,484	148,651	145,628	-2.0%

*GRI rates were used for the conversion to GJ.

- 
 Reduction of water usage to a minimum
- 
 Optimisation of natural resources: materials used
- 
 Respect for biodiversity
- 
 Reduction of wastewater to a minimum [EN21, EN23, EN25]
- 
 Optimisation of waste processing and management

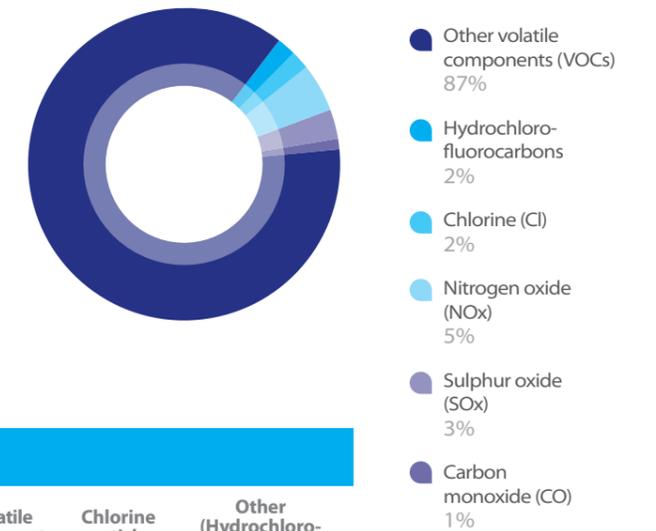
Reduced atmospheric pollution emissions [EN19, EN20]



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, and the assessment of alternative products to totally or partially replace them.

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. [EC2] Emissions of sulphur oxides, chlorine particles and hydrofluorocarbons were reduced in 2013 as a result of changing and improving drying filters and enhancing the concentration of some emitters such as nitrogen oxide and carbon monoxide, as a result of the commissioning of the ATCC plant that was shut down in 2012.

2013 Components

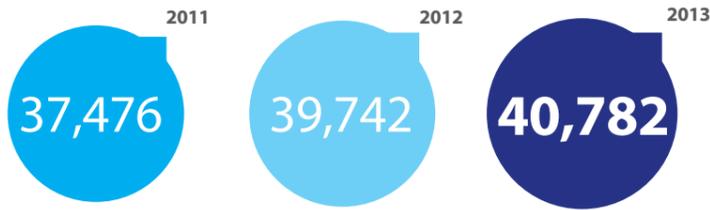


ATMOSPHERIC EMISSIONS [EN17, EN19, EN20]
COMPONENTS (TONNES)

	Nitrogen oxide (NOx)	Sulphur oxide (SOx)	Carbon monoxide (CO)	Volatile components (VOCs)	Chlorine particles (Cl)	Other (Hydrochloro-fluorocarbons particles) (HCFCs)
2011	3.40	2.34	1.03	45.06	2.17	3.54
2012	1.71	1.80	0.52	46.00	3.40	2.29
2013	2.28	1.59	0.69	42.00	0.84	0.79

* VOCs account for 7% of the styrene contained in the resins.

Allocated emissions 2011-2013
t/CO₂



Fluidra Group companies take measures to **optimise shipping** using full truck loads and **managing shipments to customers efficiently**

Emissions related to transportation [EN29] Transportation of goods (Subcontracted Full truck loads)		
	Km	% Inc
2011	32,910,777	19.4%
2012	39,063,794	18.7%
2013	41,254,645	5.6%

[EN29] Fluidra Group companies use our logistics warehouse, where measures are taken to optimise transport by using full truck loads and efficiently managing shipments to customers. In 2013, the number of kilometres travelled increased due to a higher number of shipments and increased commercial activity. The values

of the vehicle emissions are shown in the table above.

At Fluidra, total GHG emissions in 2013 from production processes and road transportation was t/CO₂ 40782.1, which represents an increase of 2.6% over the previous year. This increase is primarily due to an increase in the kilometres travelled by shipping vehicles during the year, especially a considerable increase in the shipments handled by our centralised logistics company.* [EN16, EN17, EN18, EN19, EN20]

DIRECT ACTIONS

- With regard to vehicle leasing, Fluidra, S.A. has centralised this service in a single department which has conducted a cost analysis and chosen a single provider to reduce the cost. Fluidra, S.A. has designed a policy that not only optimises costs but reduces travel and therefore minimises CO₂ emissions.
- Replacing a large number of face-to-face meetings with teleconferences and online programmes we have been able to do reduce the number of domestic and international trips. (Fluidra Spain).
- Greater use of the Group's logistics warehouse by all companies, concentrating shipments in full truckloads.

* The IDEA conversion parameters and the guidelines published by the Government of Catalonia were used for the calculations. The data were calculated following the ISO 14064 guidelines.



Photograph: Joan Soriano © Fluidra

Training and awareness-raising actions [EN.e]



The Welcome Pack includes the company's Mission, Vision and Values Statement and is available to employees via the intranet.

The Code of Ethics discusses appropriate business conduct and is also provided to employees. Code of Ethics training was offered in 2013.

On the EveryDay microsite, Fluidra tries to sensitise employees to the responsible use of natural resources such as water and

encourages employees to participate in competitions and community activities.

In the workplace, employees receive instructions on how to properly recycle waste, the efficient use of energy, the responsible use of water, proper handling of chemicals and emergency procedures (Inquide, Cepex, Sacopa Poltank, ATH, IDEGIS).

Improved management of waste generated [EN26]



DIRECT 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 [EN27]



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:

DIRECT ACTIONS

- 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, 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).
- To reuse wooden pallets from the raw material received for internal use (Poltank).
- To reuse cardboard boxes received with materials from suppliers and customers for packaging deliveries (Idegis).
- To employ tools that transform waste cardboard boxes into filling for picking boxes, thereby reducing cardboard waste (Trace).
- To use reusable boxes to move components between buildings. To reuse raw materials pallets. To enter into agreements with customers for delivering products in reusable packaging (Cepex).
- To encourage companies to adhere to the SIG: ECOEMBES standards, related to packaging recycling.

Responsible water consumption

[EN8, EN9, EN10]



Fluidra 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, prevent 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.

DIRECT ACTIONS

- Many of our locations use closed mould cooling circuits (Cepex, Poltank, Sacopa, Prelast) and some have water tanks and reservoirs for product testing (ATH). These tanks optimise water consumption. Other companies reuse water for production purposes. This water often comes from equipment

cleaning or is reclaimed from settling tanks or press filters, among others (Inquide).

- Sacopa has a sprinkler system for cooling the closed mould cooling circuit fans which has saved the company 60% in water consumption since 2011.
- At Inquide, the water used to clean machinery, water from settling tanks and water recovered from the press filter at the wastewater treatment plant (WWTP) and the evaporation plant (condensates) is used for production.
- Since 2011 ATH has had a water tank with a pressure pump for conducting hydraulic product testing.

With this initiative, ATH has saved approximately 66,000 litres of water per year.

- Inquide, located in Monzón, is the only company in the Group that has a special system for collecting surface water from the Ebro river basin for domestic and industrial consumption. Industrial demand on the Ebro river basin is 470 hm³, 258 hm³ of which is from industries not connected to municipal mains. In 2013, Inquide collected 0.044 hm³, representing 0.0094% of the total.

[EN9]

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



We are committed to reducing the underselling of raw materials, avoiding exploitation, optimising consumption and minimising waste from the design phase through procurement and production by applying good environmental practices.

Aside from the reduction measures implemented by the Group, the significant decrease in the use of some plastics is due to a decline in the products that use this material as a component of the manufacturing process.

Worthy of note is the fact that Poltank has managed to reduce the use of acetone by 16% by applying good practices and monitoring distribution in the workplace.

The decrease in trichloroisocyanuric acid in 2013 was due to internal production following the commissioning of the ATCC plant that closed down in 2012.

1,680
tonnes
saved

Since 2011, Fluidra has been reducing constantly its use of plastic materials.

PLASTIC MATERIALS USED [EN1, EN2] (t)		2011	2012	2013	Var 12/13
Polyvinyl chloride (PVC)	Virgin	7,008.6	6,249.7	4,437.3	-29.0%
Polypropylene (PP)		2,875.4	2,903.8	3,799.0	30.8%
Acrylonitrile butadiene styrene (ABS)		1,389.1	1,337.4	1,260.1	-5.8%
Polyester resin	Virgin	1,210.4	1,258.8	1,150.0	-8.6%
Polyethylene (PE)		883.1	636.8	1,032.5	62.1%
Ion-exchange resin		350.9	343.5	343.7	0.1%
Polyphenylene oxide (PPO)		137.1	193.7	177.3	-8.5%
Polystyrene (PS)		235.9	141.3	169.9	20.3%
Polyamides (PA)		133.9	119.0	152.7	28.3%
Polycarbonates (PC)		86.8	125.6	122.9	-2.1%
Synthetic rubber		138.0	101.0	110.0	8.9%
Acrylonitrile styrene acrylate (ASA)		68.0	63.1	67.3	6.6%
Copolyester		48.0	52.4	35.7	-31.9%
Polyurethane (PUR)		0.0	34.0	31.0	-8.8%
Acetyl		17.0	23.9	27.1	13.3%
Ethylene vinyl acetate (EVA)		31.0	32.4	17.2	-47.1%
Methacrylate		5.8	5.4	5.4	0.2%
TOTAL PLASTIC	Virgin	14,619	13,622	12,939	-5.0%
					% Rec.
Polyvinyl chloride (PVC)	Recovered internally	1,542	1,126	1,219	27.5%
Polypropylene (PP)		36	42	48	1.3%
Acrylonitrile butadiene styrene (ABS)		27	27	16	1.2%
Polyvinyl chloride (PVC)	Recovered internally	15	20	9	0.2%
Polypropylene (PP)		292	390	143	3.8%
Acrylonitrile butadiene styrene (ABS)		10	12	7	0.5%

CHEMICALS USED [EN1, EN2] (t)				
	2011	2012	2013	Var 12/13
Sodium hydroxide	11,448.5	5,519.5	7,733	40.1%
Chlorine	7,599.1	3,627.5	5,070	39.8%
Trichloroisocyanuric acid	2,449.0	6,259.0	3,028.0	-51.6%
Cyanuric acid (isocyanuric)	3,500.0	2,020.0	2,160.0	6.9%
Sulphuric acid	1,209.3	1,928.5	2,151.5	11.6%
Sodium thiosulphate	2,133.0	975.2	1,353.0	38.7%
Sodium hypochlorite	127.5	1,256.0	1,293.0	2.9%
Dichloroisocyanuric acid	2,046.3	1,031.5	1,147.0	11.2%
Sodium bisulphate	1,152.9	1,071.5	1,079.0	0.7%
Dense sodium carbonate	946.7	868.5	831.0	-4.3%
Aluminium polychloride	785.7	630.1	733.0	16.3%
Boric acid (EP)	540.4	417.6	413.0	-1.1%
Peroxide (acetyl acetone + MEK)	20.0	20.1	19.8	-1.6%
Phosphoric acid	15.9	14.3	13.6	-4.7%
Acetone recovered internally	0	0	28	--
Acetone recovered externally	78.0	81.0	60.5	-25.3%
Total chemicals	34,052	25,720	27,113	5.4%

16%
reduction
in acetone

usage by applying good practices at Poltank locations

OTHER MATERIALS USED [EN1] (t)					
	2011	2012	2013	Var 12/13	
Metal	Steel	3,887.5	4,161.7	2,611.8	-37.2%
	Iron	350.6	341.7	205.3	-39.9%
	Copper	16.9	15.7	15.9	1.1%
	Aluminium	41.8	35.2	31.4	-11.0%
	Titanium	9.9	9.9	9.7	-1.6%
Glass	Cables	177.8	151.3	149.0	-1.5%
	Recycled glass	0.0	4,000.0	4,533.0	13.3%
	Glass fibre	826.3	859.4	790.2	-8.1%
Packaging	Wood pallets	3,608.2	3,456.0	2,161.8	-37.4%
	Cardboard boxes	3,026.6	2,820.4	2,025.6	-28.2%
	Plastic (film, bags, packaging, etc.)	1,139.4	930.4	926.7	-0.4%
	Other (cork, foam, etc.)	0.3	1.1	1.1	3.8%
Other materials	Oil drums	62.7	69.8	48.0	-31.1%
	Pigments	0.0	17.5	19.9	13.3%
Total other materials	13,148	16,870	13,529	-19.8%	

3,341
tonnes
saved

Since 2012, Fluidra has reduced the use of other materials by reinforcing its commitment to the Group's environmental responsibility

Respect for biodiversity

[EN11, EN12, EN13, EN14, EN15]



The environmental management of biodiversity by companies in the Fluidra Group allows them to enforce its risk reduction policies, as a result of which it has not been necessary to restore degraded natural habitats caused by the companies' operations.

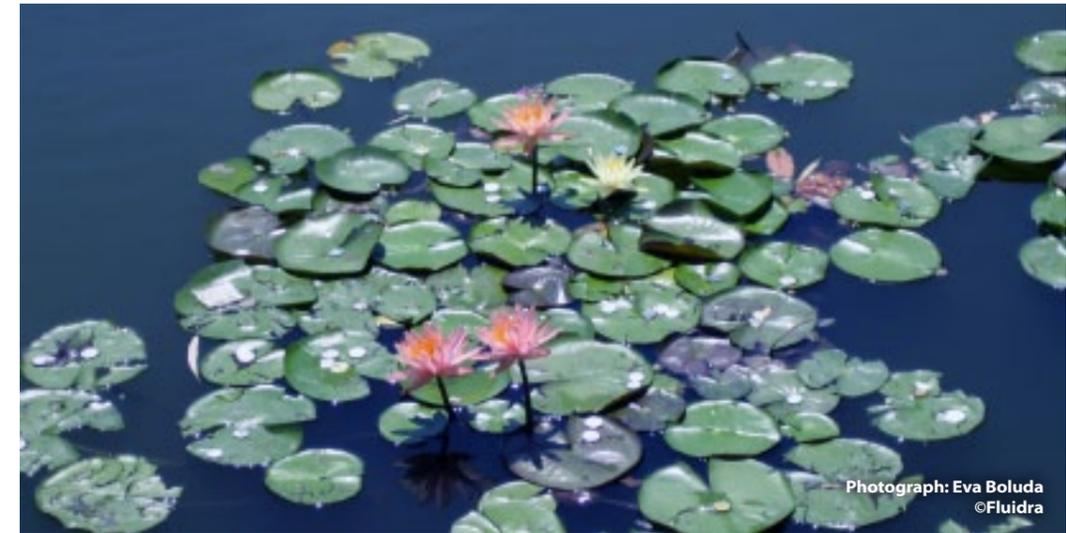
One of the actions around respect for biodiversity in the natural environment in Fluidra's work centres includes the use of high-efficiency LED amber lighting by production companies in the La Garrotxa region for lighting areas near protected areas due to their special natural interest. This facilitates 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.

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.

DIRECT ACTIONS

- Inquide Monzón is 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 Habitat Recovery Plan for the bearded vulture (*Gypaetus barbatus*). This is a protected species that is not on the IUNC Red List.

- Inquide's 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.
- The companies Poltank and Sacopa, on premises of 17,626 m² and 9,662 m², respectively, carry out their activities in the La 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.



Photograph: Eva Boluda
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Minimisation of wastewater

[EN21, EN23, EN25]



Wastewater was mainly discharged directly into the public network as it is basically for domestic consumption and in some Group companies it is also incorporated into production processes. In 2012, a total of 78,563.3 m³ of wastewater was discharged, and in 2013 a total of 73,555m³.

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. All wastewater disposal complies with the laws in force.

DIRECT ACTIONS

- 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 steerage 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.

WASTEWATER REDUCTION [EN21, EN23] (m³)

	Sewage	Process/ product water*	Water from osmosis	Leaks and spills	Total dumping	Var.
2011	24,215.4	74,661.6	2,354.0	5.0	101,236.0	6%
2012	21,707.1	55,406.0	1,445.0	5.2	78,563.3	-22%
2013	19,443.0	52,813.0	1,299.0	0.0	73,555.0	-6%

* Process/industrial water accounts for about 80% of total water usage.

Optimisation of waste management and treatment

[EN22, EN24]



Waste is separated and processed as mandated by the laws in force. Waste management is aimed at reducing, reusing and recycling onsite by authorised managers, as well as by-product management.

Of the waste generated by Fluidra in 2013, 66% was classified as non-hazardous. In 2013, 76.7% of all waste generated by our facilities was treated onsite, recovered or used for its by-products, while 23.3% was treated or discarded.

In 2012, 73.7% of all waste generated by our facilities was treated onsite, recovered or used for its by-products, while 26.3% was treated or discarded.

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. [EN24]

WASTE TREATMENT [EN22] (t)					
Type	Treatment method	Hazardous* 2012	Hazardous 2013	Non Hazardous 2012	Non Hazardous 2013
Onsite management	Recovery of onsite waste. Use of onsite waste	135.4	120	12,025	16,135.5
	Treatment, disposal and/or energy recovery of onsite waste	5,140.7	5,603	0	0
Offsite management	Reuse at waste management facilities	120.4	107.8	1,939.8	1,996
Managed as by-product	Waste treatment for disposal	168.4	192.6	867.07	1,082
	Used as a by-product	2,792.8	4,015	279.5	250.3
Total		8,357.7	10,038.4	15,111.3	19,463.7

*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".

Environmental cost and investments

Following the environmental investment efforts in 2012, the cost was considerably less this year as we await the results of those investments. The cost of managing and treating waste has increased due to higher production rates.

Total environmental cost and investments 2011–2013 (euros)



ENVIRONMENTAL COSTS AND INVESTMENTS [EN28, EN30] (€)							
	Expenses	Regulation	Investments	Total environmental cost			Var.
	Cleaning and remediation of spills	Waste management and treatment	Emission treatment (filters, chemical agents, etc.)	Environmental fines and penalties	Environmental investment		
2011	82,346.1	203,022.1	1,200	10,785.6	297,754.7	595,109	-58.1%
2012	77,750.5	154,163.1	12,060	600	688,150	932,724	56.7%
2013	66,800	462,690	432	500	61,811	592,233	-36.5%



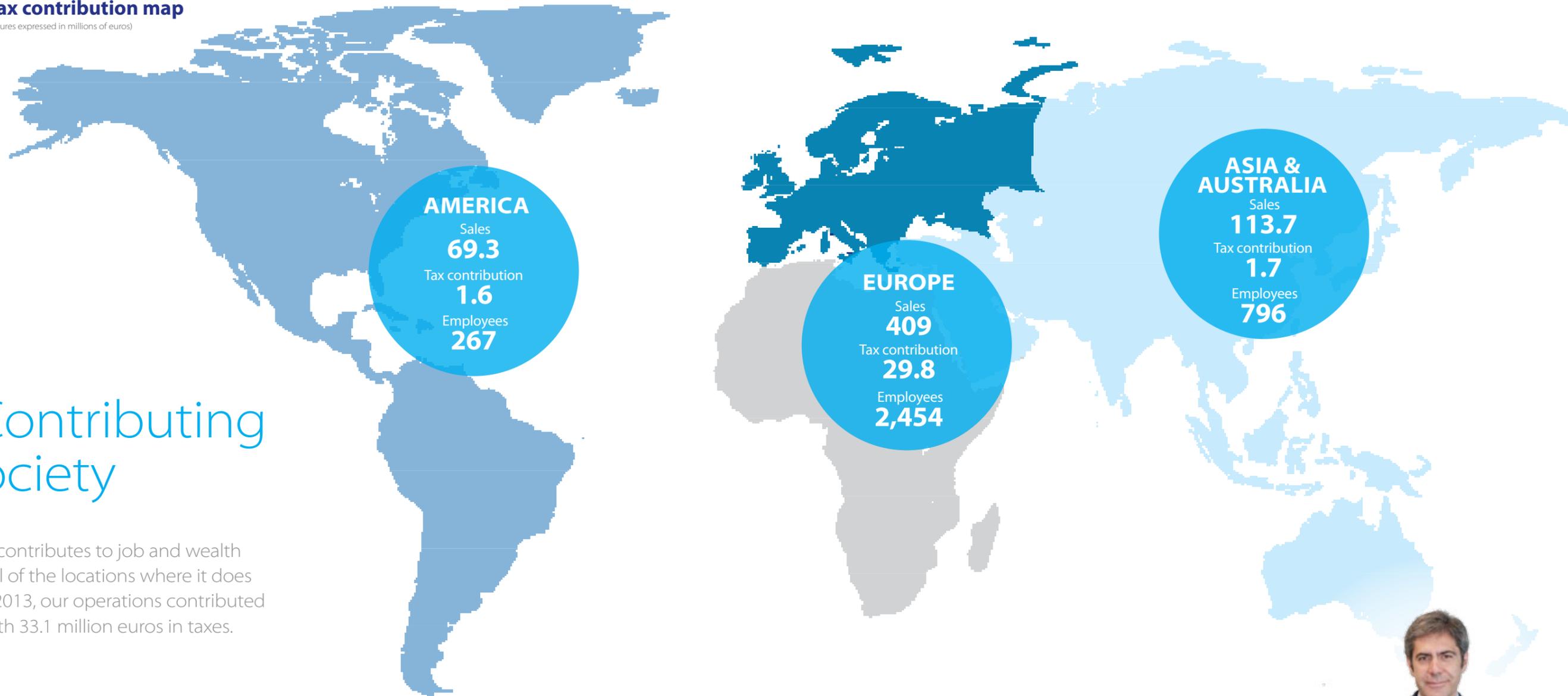
Future environmental management goals

[EN26, ENg]

- To maintain Environmental ISO 14001 Management Systems (EMS) in certified companies.
- To reduce the environmental impact of our operations by optimising waste management, reducing air emissions, reducing pollution by dumping, and improving energy efficiency.
- To apply good environmental practices and 5s criteria to improve housekeeping and cleanliness.
- To raise environmental awareness to educate the staff about environmental issues such as energy consumption in order to reduce waste, recycle waste properly, use water responsibly (avoiding leaks, reuse), handle chemicals and train staff for environmental emergencies -fires and spills- (Sacopa, Poltank, Inquide, Cepex, Metalast, Idegis).
- To explore possibilities for the reuse of diluted water from descaling processes (Cepex).
- To reduce consumption of acetone as a cleaning agent finding alternatives non-evaporable products (Poltank).
- To study the possibility of reusing process water physical-chemical treatment plant (Metalast).
- To control and reduce emissions of chlorine and particles from dryers (Inquide).
- To reduce the tons of waste by recovering the waste obtained internally or externally (Poltank, Sacopa, Cepex, Inquide).
- To comply with plans to reduce packaging waste for obligated companies (Sacopa, Poltank, Cepex, Inquide, Tallers del Agua).

Tax contribution map

(Figures expressed in millions of euros)



5.6 Contributing to society

Fluidra contributes to job and wealth creation in all of the locations where it does business. In 2013, our operations contributed to society with 33.1 million euros in taxes. [EC1]

SOCIALLY ACTIVE

Fluidra defines itself as a responsible and socially committed company and as such it plays an active role in society and develops its business model using approaches based on innovation and sustainability to help improve the quality of life of the societies where it does business. [SO1, SO.a, SO.b, SO.c, SO.d, SO.g]

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 guidelines and regulations with the aim of promoting an environmentally sustainable environment around the activities of the company's products.

The managing directors of Fluidra companies, following the Group's guidelines, are responsible for informing employees about the responsibility of their actions in their day-to-day interactions with their colleagues and with external organisations in their work with public administrations, the environment and, in general, with society and their local communities around them. [SO.e]

The companies work transparently and independently in their dealings with the

ANDRÉS BOTELLA
DIRECTOR OF FISCAL & LEGAL COMPLIANCE



"Our team of specialists keeps the entire Group informed and advised of the applicable regulations in the different areas and countries where we operate. As a listed company, we promote transparency and corporate ethics"



Fluidra used as a case study at universities in Barcelona, New York and Uppsala (Sweden)

New York University Stern School of Business
Fluidra's success story came to the classrooms of New York in 2012 and again in 2013. Company executives received a delegation of 50 students from the New York University Stern School of Business, a top US business school. The students (pictured) visited the Group's Cepex factory in La Garriga (Barcelona) to learn about the company's strategy, future plans and lean management.

On their return to university, the students will prepare a group presentation on the company's international strategy using the materials gathered during their visit.

Lundellska School of Uppsala (Sweden)

Fluidra welcomed twenty students from the economics institute of the Lundellska School of Uppsala (Sweden), who attended a corporate presentation by Bea Strebl, Director of Communications and Cristina del Castillo, Director of Institutional Relations.

Master's degree in Sport Management and Administration at Pompeu Fabra University (UPF)

Also in 2013, for the second consecutive year, students on the Sport Management and Administration master's programme at Pompeu Fabra University (UPF) paid a visit to Metalast in Polinyà as part of the programme's module dedicated to sport management and administration. Students learned about the company's history and other important information from Bea Strebl, the Group's Director of Communications and then took a guided tour of the Metalast factory and showroom with AstralPool MAC innovation.

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. [S05, S06].

SPONSORSHIP AND PATRONAGE [EC1]

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 the 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.

Fluidra collaborates with the MAR Foundation that works to preserve and improve the marine environment and coastline in an effort to preserve biodiversity.

In 2013, the Fluidra employees who work with this foundation proposed it as one of

the charity projects to which the Fluidra Group could contribute. (Information about the winning projects in the section titled Fluidra Day 2013).

Sports

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 Catalanian Indecat 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

The Catalan Water Partnership chaired by Jaume Carol, Fluidra's General Manager of

BEA STREBL
DIRECTOR OF COMMUNICATIONS



"We like to participate in society, share knowledge and help to create value! For example, we collaborate actively in clusters and workshops, receiving visits from students or associations related to water management and we participate in activities such as the development of codes and standards to promote a more sustainable environment as far as water is concerned. We work with various organisations in four main areas: water and environment, sports, society and culture"

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.

Social collaboration

"Creativación" Foundation

We are one of the founding companies of this initiative whose mission is to develop and disseminate creativity and innovation in educational settings for the primary purposes of giving younger generations the ability and motivation required for bringing about change and transformation in society, and for realising their full potential.



Attendance at seminars

Most of the company's executives have acted as the Group's ambassadors by attending workshops on business and finance:

- **Round table discussion at the 10th BBVA Corporate Workshop in Sitges**
Ignacio Elburgo
- **Barcelona Chamber of Commerce: India**
Ignacio Elburgo
- **Terrassa Chamber of Commerce: Fluidra's trajectory**
Ignacio Elburgo
- **Breakfast at ESADE business school, Madrid: Fluidra, a global company**
Eloi Planes
- **FemCAT Foundation, Schools and Business programme**
Eloi Planes
- **Portugal, Fomento de Trabajo, Barcelona.**
Carlos Franquesa.
- **FOMM Fluidra: then and now**
Eloi Planes y Xavier Tintoré
- **Times of Leadership at ESADE business school, Barcelona**
Eloi Planes
- **Alt Pirineu Business Congress: Round table on successful businesses in the region of Lleida**
Joan Planes
- **University of Barcelona (UB): Transformation of a family business**
Xavier Tintoré

Multiple Sclerosis Foundation

For the past 10 years, Fluidra has been actively involved in the annual awareness-raising event Mójate-Mulla't por la Esclerosis Múltiple (Take a Plunge for Multiple Sclerosis), which is held in 800 swimming pools throughout Spain. It enables the general public to show its support for the 40,000 people who currently suffer from this disease in Spain.

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 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 business school, the company is involved

with institutions that foster educational and training activities for young people and adults.

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.

Culture

Gran Teatre del Liceu

Fluidra has sponsored the Gran Teatre del Liceu for several years. As Barcelona's opera house, it is 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.

Montserrat Abbey Foundation, 2025

Fluidra's involvement with the Foundation last year was through the Chorister School of Montserrat to promote the musical arts among the youngest members of society.

Sant Vicenç d'Estamariu Church

Fluidra funds the maintenance of and visits to the murals found under the paint on the walls of inside the church of Sant Vicenç in Estamariu, a Roman construction dating from the early 11th century.

Local collaborations

Fluidra also makes donations to local

associations that promote major festivals, sports facilities and cultural associations in the towns and surrounding areas where its worksites are located. [4.13]

Local sports and cultural associations with which the Fluidra Group is involved

- 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

6 APPENDICES

*This 2013 Integrated Annual Report follows the standards of version 3.0 of the international Global Reporting Initiative (GRI), for which it fulfils the requirements of application level **A+***

About this report

REPORT GUIDELINES AND OVERVIEW

The number of companies included in the 2013 report is the same as in the previous year, which covers 97% of the total number of employees in Spain. The implementation last year of the new corporate reporting tool DELPHOS will help us to broaden the coverage of the report in the near future by enabling us to include new international companies that have joined the Group. [3.6, 3.7]

The information in this report is perfectly comparable to that disclosed in 2012. However, as discussed in the main body of the report it should be highlighted that the change to the new corporate reporting system has meant reviewing

the criteria used for calculating some of the indicators, in which case this is pointed out in the tables and texts, whilst maintaining comparability as the criteria are consistent with those used in previous years. [3.1, 3.11, 3.2, 3.10]

Of particular relevance to the environmental data is the fact that one of the company's largest production plants stopped operations for six months in 2012 and resumed them for six months of 2013.

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]

METHODOLOGY

This document follows the same lines and format as the 2012 report, namely, a single document containing the annual accounts and the directors' report, in order to facilitate its comprehension by our stakeholders. [3.2]

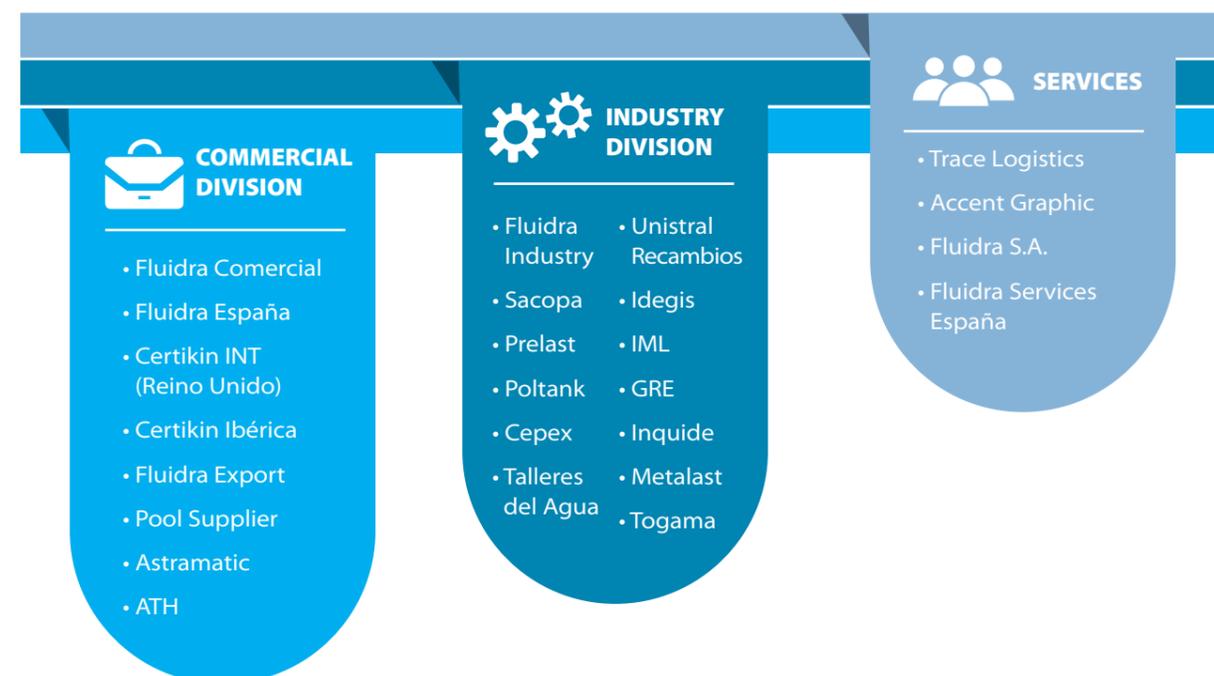
The fact that consolidated financial figures are used and that the report contains the annual accounts means that some of the information presented, such as financial figures and the management policies of each area, refers to the Group as a whole.

The report, which is published annually by the company, is based on the guidelines set out in version 3.0 of the international Global Reporting Initiative (GRI). 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 last report on the 2012 business year is posted with all other reports on our corporate website at www.fluidra.com. [3.3, 3.5]

The Fluidra Group has put a great deal of work into standardising the collection of data from companies through a new corporate reporting system, the Data System for the Environment, Labour, Products, Human Rights, Operations and Society (DELPHOS), which has been customised to deal with the profiles of each individual company to facilitate reporting.

Subsequently, the data are extracted using the company's business intelligence application that makes it easier to better consolidate, analyse and interpret the data. In order to facilitate the changeover to this new data tool, the coordinators from each company went on a training course. [3.9]

Classification of the divisions [3.6]



Your opinion counts

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 2013 Integrated Report by answering the questions in the survey that is available at the following link: <http://bit.ly/EncuestaFluidra2013>

EXTERNAL AUDIT (AENOR AND GRI) [3.13]

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



Performance indicators

PEOPLE



	GRI	UNIT	2011	2012	2013	VAR. 12/13
Staff (31.12.2013)	LA1	Nº. of employees	1,664	1,670	1,635	-2.10%
Open-ended contracts	LA1		1,610	1,592	1,576	-1.01%
Temporary contracts	LA1		103	78	59	-24.36%
Full-time staff	LA1		1,553	1,516	1,499	-1.12%
Part-time staff	LA1		57	76	77	1.32%
% foreign staff	LA1		6.35%	5.96%	5.38%	-0.57
Self-employed staff	LA1		3	6	7	1
Rate of staff turnover	LA2	Reduction of staff on open-ended contracts x 100, over average staff	n.d.	11.62%	10.47%	-1.15
Staff recruited	LA2		275	242	314	72
Staff removed	LA2		234	341	289	-52
Staff recruited > 45	LA2		n.d.	n.d.	22	--
Staff removed > 45	LA2		25	44	71	27
Staff representatives		Nº.	69	68	59	-9
Works committees		Nº. of companies	11	9	10	1
Representatives on health and safety committees	LA6	%	78%	61%	77%	15.27
Health and safety committees	LA6	Nº.	11	10	11	1
Number of occupational hazard prevention officers	LA6		52	54	33	-21
Participation in emergency drills	LA6		297	502	382	-120
Rate of absenteeism	LA7	Hours of absenteeism x 100, total scheduled hours	3.69%	3.31%	1.77%	-1.53
Hours of absenteeism	LA7	Nº. of hours	111,147	96,984	50,913	-47.50%
Working days lost	LA7		8,294	7,116	6,817	-4.20%
Scheduled hours worked	LA7		3,008,137	2,933,878	2,872,543	-2.09%
Accidents with medical leave	LA7	Nº.	80	59	27	-32
Accidents without medical leave	LA7		108	110	37	-73
Work-related medical leave	LA7		4	2	2	0
Fatalities	LA7		0	0	0	---
Accident rate	LA7	Nº. accidents x 100 over average staff	10.39%	9.67%	3.76%	-61.08%
Accident frequency rate	LA7	Nº. accidents x 100 over average staff	62.50	57.60	22.28	-35.32
Severity rate	LA7	Working days lost x 1,000 over total scheduled working hours	2.76	2.43	2.37	-0.05
External training in occupational hazard prevention	LA8	Nº. of people	376	135	80	-55

	UNIT	GRI	2011	2012	2013	VAR. 12/13
Internal training in occupational hazard prevention		LA8	523	532	621	89
Training in first aid		LA8	93	107	86	-21
Internal awareness-raising programmes		LA8	47	262	288	26
HOURS OF TRAINING BY PROFESSIONAL CATEGORY Nº. of hours						
Senior management		LA10, LA11	866	72	400	455,56%
Middle management		LA10, LA11	5,573	5,596	4,158	-25.70%
Technicians		LA10, LA11	18,352	7,889	7,417	-5.98%
Administrative staff		LA10, LA11	3,042	4,141	2,615	-36.85%
Skilled workers		LA10, LA11	1,871	5,560	2,183	-60.74%
HOURS OF TRAINING BY FUNCTIONAL AREA Nº. of hours						
Management		LA10, LA11	1,676	1,070	1,327	24.02%
Administration/Finance		LA10, LA11	1,598	884	1,185	34.05%
Commercial		LA10, LA11	9,307	2,854	2,194	-23.13%
Languages		LA10, LA11	11,719	8,285	6,940	-16.23%
Other (HR, IT, etc.)		LA10, LA11	583	1,879	1,195	-36.40%
Production/Maintenance		LA10, LA11	1,328	4,508	1,366	-69.70%
Logistics/Purchases		LA10, LA11	799	326	484	48.47%
Technical/R&D/Quality		LA10, LA11	2,694	3,453	2,082	-39.70%
AVERAGE HOURS OF TRAINING PER EMPLOYEE AND PROFESSIONAL CATEGORY Nº.						
Senior management		LA10, LA11	14	7	36	405.05%
Middle management		LA10, LA11	23	24	21	-10.61%
Technicians		LA10, LA11	35	24	20	-14.27%
Administrative staff		LA10, LA11	33	32	27	-15.14%
Skilled workers		LA10, LA11	5	19	5	-71.86%
Investment in training		LA10, LA11	244,993 €	185,858 €	218,481 €	17.55%
PERFORMANCE ASSESSMENTS Nº. of employees						
% women		LA13	30.23%	32.28%	32.84%	1.76%
% women on the Board of Directors		LA13	0%	0%	0%	0.00
% employees over 45		LA13	31.25%	29.76%	30.52%	0.76
% employees over 45 on the Board of Directors		LA13	60%	60%	60%	0.00
% foreign staff on the Board of Directors		LA13	20%	20%	20%	0.00
% women in management positions		LA13	15.63%	7.22%	9.35%	2.13

PEOPLE



	Unit	GRI	2011	2012	2013	VAR. 12/13
STAFF BY FUNCTIONAL AREAS		N° of employees				
General Management/Management		LA13	30	32	27	-5
Production/Logistics		LA13	1,072	1,060	1,045	-15
Sales/Marketing		LA13	275	252	244	-8
Administration/Finance		LA13	116	123	136	13
Other (HR, IT, etc.)		LA13	171	203	183	-20
STAFF BY PROFESSIONAL CATEGORY		N° of employees				
Senior management		LA13	41	37	32	-5
Middle management		LA13	201	224	203	-21
Technicians		LA13	316	312	431	119
Administrative staff		LA13	229	259	175	-84
Skilled workers		LA13	877	838	794	-44
STAFF BY AGE RANGE		N° of employees				
Under 30		LA13	196	177	139	-38
Between 30 and 45		LA13	948	996	997	1
Between 46 and 55		LA13	380	370	373	3
Over 55		LA13	140	127	126	-1
OSHAS certifications			2	1	1	0

ENVIRONMENT



	unit	GRI	2011	2012	2013	VAR. 12/13
PLASTIC MATERIALS USED		t				
Polyvinyl chloride (PVC)		EN1	7,008.6	6,249.7	4,437.3	-29.0%
Polypropylene (PP)		EN1	2,875.4	2,903.7	3,799.0	30.8%
Acrylonitrile butadiene styrene (ABS)		EN1	1,389.1	1,337.4	1,260.1	-5.8%
Polyester resin		EN1	1,210.4	1,258.8	1,150.0	-8.6%
Polyethylene (PE)		EN1	883.1	636.8	1,032.5	62.1%
Ionic exchange resin		EN1	350.9	343.5	343.7	0.1%
Polyphenylene oxide (PPO)		EN1	137.1	193.7	177.3	-8.5%
Polystyrene (PS)		EN1	235.9	141.3	169.9	20.3%
Polyamides (PA)		EN1	133.9	119.0	152.7	28.3%
Polycarbonates (PC)		EN1	86.8	125.6	122.9	-2.1%
Synthetic rubber		EN1	138.0	101.0	110.0	8.9%
Acrylonitrile styrene acrylate (ASA)		EN1	68.0	63.1	67.3	6.6%

ENVIRONMENT



	UNIT	GRI	2011	2012	2013	VAR. 12/13
Copolyester		EN1	48.0	52.4	35.7	-31.9%
Polyurethane (PUR)		EN1	0.0	34.0	31.0	-8.8%
Acetal		EN1	17.0	23.9	27.1	13.3%
Ethylene vinyl acetate (EVA)		EN1	31.0	32.4	17.2	-47.1%
Methacrylate		EN1	5.8	5.4	5.4	0.2%
Polyvinyl chloride (PVC)		EN2	14.8	19.7	8.7	-55.5%
Polypropylene (PP)		EN2	292.2	390.0	191.4	-50.9%
Acrylonitrile butadiene styrene (ABS)		EN2	10.5	12.0	22.5	87.9%
METALS USED		t				
Steel		EN1	3,887.5	4,161.7	2,611.8	-37.2%
Iron		EN1	350.6	341.7	205.3	-39.9%
Copper		EN1	16.9	15.7	15.9	1.1%
Cables		EN1	177.8	151.3	149.0	-1.5%
Aluminium		EN1	41.8	35.2	31.4	-11.0%
Titanium		EN1	9.9	9.9	9.7	-1.6%
CHEMICAL PRODUCTS USED		t				
Sodium hydroxide		EN1	11,448.5	5,519.5	7,733.0	40.1%
Chlorine		EN1	7,599.1	3,627.5	5,070.0	39.8%
Trichloroisocyanuric acid		EN1	2,449.0	6,259.0	5,028.0	-51.6%
Cyanuric acid (isocyanuric)		EN1	3,500.0	2,020.0	2,160.0	6.9%
Sulphuric acid		EN1	1,209.3	1,928.5	2,151.5	11.6%
Sodium thiosulphate		EN1	2,133.0	975.2	1,353.0	38.7%
Sodium hypochlorite		EN1	127.5	1,256.0	1,293.0	2.9%
Dichloroisocyanuric acid		EN1	2,046.3	1,031.5	1,147.0	11.2%
Sodium bisulphate		EN1	1,152.9	1,071.5	1,079.0	0.7%
Dense sodium carbonate		EN1	946.7	868.5	831.0	-4.3%
Aluminium polychloride		EN1	785.7	630.1	733.0	16.3%
Boric acid (EP)		EN1	540.4	417.6	413.0	-1.1%
Peroxides (acetylacetone + MEK)		EN1	20.0	20.1	19.8	-1.6%
Phosphoric acid		EN1	15.9	14.3	13.6	-4.7%
Reused acetone (int.)		EN2	0.0	0.0	28.0	--
Recovered acetone (ext.)		EN2	78.0	81.0	60.5	-25.3%
OTHER MATERIALS		t				
Recycled glass		EN1	0.0	4,000.0	4,533.0	13.3%
Fibreglass		EN1	826.2	859.4	790.2	-8.1%
Pigments		EN1	0.0	17.5	19.9	13.3%
PACKAGING MATERIALS		t				
Wooden pallets		EN1	3,378.2	3,456.0	2,161.8	-37.4%
Cardboard boxes		EN1	2,885.6	2,820.4	2,025.6	-28.2%
Plastic (film, bags, packaging, etc.)		EN1	1,138.4	930.4	926.7	-0.4%
Other (cork, foam, etc.)		EN1	0.3	1.1	1.1	3.8%
Oil drums		EN1	62.7	69.8	48.0	-31.1%

ENVIRONMENT



	GRI	UNIT	2011	2012	2013	VAR. 12/13
ENVIRONMENTAL CERTIFICATIONS						
Nº. COMPANIES						
EMAS			2.0	2.0	2.0	0.0%
ISO 14001			8.0	8.0	8.0	0.0%
ENERGY						
Natural gas consumption	EN3	GJ	5,534.0	4,296.0	9,992.0	132.6%
Fuel oil consumption	EN3	GJ	33,443.0	32,450.0	30,554.0	-5.8%
Electricity consumption	EN4	GJ	11,2451.0	101,201.0	97,094.0	-4.1%
Co-generation	EN4	GJ	1,7057.0	10,705.0	7,989.0	-25.4%
WATER						
M³						
Total consumption	EN8		104,864.0	83,383.0	73,555.0	-11.8%
Public/private networks	EN8		34,835.0	31,918.0	25,877.0	-18.9%
Groundwater	EN8		3,762.0	5,209.0	3,380.0	-35.1%
Surface water	EN8		66,267.0	46,256.0	44,298.0	-4.2%
Reused/recycled water	EN10		19,159.0	5,945.0	9,378.0	57.7%
EMISSIONS						
t						
NOx	EN19, EN20		3.40	1.71	2.28	33.3%
SOx	EN19, EN20		2.34	1.80	1.59	-11.7%
CO	EN19, EN20		1.03	0.52	0.69	32.7%
VOCs	EN19, EN20		45.06	46.0	42.0	-8.7%
Cl particles	EN19, EN20		2.17	3.40	0.84	-75.3%
Other (HCFC and HCl particles)	EN19, EN20		3.54	2.29	0.79	-65.5%
Total direct CO2 emissions (gas, fuel oil, transport, power)	EN16, EN17		37,475.9	39,742.0	40,782.1	2.6%
WASTE						
M³						
Total waste	EN21		101,236.0	78,563.3	73,555.0	-6.4%
Public/private sanitation networks	EN21		24,215.4	21,707.1	19,443.0	-10.4%
Process/industrial water	EN21		74,661.6	55,406.0	52,813.0	-4.7%
Reverse osmosis wastewater	EN21		2,354.0	1,445.0	1,299.0	-10.1%
Leaks	EN21		5.0	5.2	0.0	-100.0%
WASTE						
t						
TOTAL NON-HAZARDOUS WASTE	EN22		35,419.6	15,111.3	19,463.7	28.8%
Internal/onsite management	EN22		31,908.2	12,025.0	16,135.5	34.2%
Offsite management (no by-products)	EN22		3,158.7	2,806.9	3,078.0	9.7%
Recovery of onsite waste, use of onsite waste	EN22		2,072.0	1,939.8	1,996.0	2.9%
Treatment, disposal and/or energy recovery of onsite waste	EN22		1,086.7	867.07	1,082.0	24.8%
Used as a by-product	EN22		352.7	279.5	250.3	-10.5%
TOTAL HAZARDOUS WASTE	EN24		12,085.2	8,357.7	10,038.4	20.1%
Internal/onsite management	EN24		6,725.2	5,276.1	5,723.0	8.5%
Recovery of onsite waste, use of onsite waste	EN24		169.2	135.4	120.0	-11.4%
Treatment, disposal and/or energy recovery of onsite waste	EN24		6,556.0	5,140.73	5,603.0	9.0%
Offsite management (no by-products)	EN24		338.7	288.8	300.4	4.0%
Recovery of onsite waste, use of onsite waste	EN24		120.3	120.4	107.8	-10.5%
Treatment, disposal and/or energy recovery of onsite waste	EN24		218.4	168.4	192.6	14.4%
Used as a by-product	EN24		5,021.3	2,792.8	4,015.0	43.8%

ENVIRONMENT



	GRI	UNIT	2011	2012	2013	VAR. 12/13
TRANSPORT						
KM						
Shipping of merchandise	EN29		32,910,777.0	39,063,794.0	41,254,645.0	5.6%
INVESTMENTS AND OVERHEADS						
€						
Cost of fines and penalties	EN28		10,785.6	600.0	500.0	-16.7%
Investments and total environmental costs	EN30		595,108.6	932,723.6	592,233.0	-36.5%

Contents of GRI G3 3.0 [3.12]



1. STRATEGY AND ANALYSIS

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, 6	
1.2	Description of key impacts, risks, and opportunities.	12, 14, 19, 46, 48	



2. ORGANISATIONAL PROFILE

2	ORGANISATIONAL PROFILE	PAGE	COMMENTS
2.1	Name of the organisation.	118	
2.2	Primary brands, products, and/or services.	18	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures (JVs).	12, 15, 16	
2.4	Location of the organisation's headquarters.	118	
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	10, 12, 14, 15, 16	
2.6	Nature of ownership and legal status.	34	
2.7	Markets served (including geographical breakdown, sectors served, and types of customers/beneficiaries).	10, 16	
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. 	10, 12, 62, 64	
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; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organisations). 	12, 19, 24, 33	
2.10	Awards received in the reporting period.	12, 19, 23	

3. REPORT PROFILE



3	REPORT PROFILE	PAGE	COMMENTS
3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	102	
3.2	Date of most recent previous report (if any).	102,103	
3.3	Reporting cycle (annual, biannual, etc.).	103	
3.4	Contact point for questions regarding the report or its contents.	118	
	Process for defining report content, including:	52,53,54,55,56,59, 103	
3.5	<ul style="list-style-type: none"> • Determining materiality. • Prioritising topics within the report. • Identifying the stakeholders the organisation expects will use the report. 		
3.6	Scope of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	102	
3.7	State any specific limitations on the scope or boundary of the report	102	
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 between organisations.	103	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of Indicators and other information in the report.	103	
3.10	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).	102	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	102	
3.12	Table identifying the location of the Standard Disclosures in the report.	111	
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organisation and the assurance provider(s).	104	

4. GOVERNANCE, COMMITMENT AND STAKEHOLDER PARTICIPATION



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.	34, 36, 42	
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).	34, 38	
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.	34, 38, 42	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	62, 62, 69, 70	
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).	34, 42, 43	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	34, 44	
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.	112	Carried out by the Appointments and Remuneration Committee.

ECONOMIC PERFORMANCE INDICATORS



	GOVERNANCE, COMMITMENT AND STAKEHOLDER PARTICIPATION	PAGE	COMMENTS
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.	50, 52, 53	
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.	46,48	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	34, 42, 43	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	46, 48	
4.12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	50, 52, 55	
	Memberships in associations (such as industry associations) and/or national/international organisations in which the company:	99	
	<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. 		
4.13			
4.14	List of stakeholder groups engaged by the organisation.	50, 52, 53	
4.15	Basis for identification and selection of stakeholders with whom to engage.	50, 52, 53	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	50, 52, 53, 59	
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.	50, 52, 5, 57	

ECONOMIC PERFORMANCE INDICATORS



	ECONOMIC PERFORMANCE INDICATORS	PAGE	COMMENTS
EC.a	Management approach.	24, 26	
EC.b	Goals and performance.	24, 26	
EC.c	Policy.	24, 26	
EC.d	Additional information.	24, 26	
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, 32, 94-99	Retained earnings and reserves amount to a total of €90,076,000.
EC2	Financial consequences and other risks and opportunities for the organisation due to climate change.	29, 80, 81, 83, 98	
EC3	Coverage of the organisation's obligations in terms of social benefit programmes.	113	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.	113	No significant financial aid has been received.
EC5	Range of relations between initial standard wage and local minimum wage in areas with significant operations.	62, 63	



	ECONOMIC PERFORMANCE INDICATORS	PAGE	COMMENTS
EC6	Policy, practice and proportion of costs corresponding to local suppliers in areas with significant operations.	78	
EC7	Procedures for local recruitment and proportion of senior management from the local community in areas with significant operations.	62	All members of senior management in the companies included in the report are from the local community.
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, 32, 74	
EC9	Understanding and description of significant indirect economic impact including the extent of said impact.	12, 19, 114	There is no system in place for measuring indirect economic impact.

ENVIRONMENTAL PERFORMANCE INDICATORS



	ENVIRONMENTAL PERFORMANCE INDICATORS	PAGE	COMMENTS
EN.a	Management approach	80	
EN.b	Goals and performance	80, 82	
EN.c	Policy	80, 81	
EN.d	Organisational responsibility	80	
EN.e	Training and awareness-raising	80, 82, 85	
EN.f	Evaluation and follow-up	80, 81	
EN.g	Additional contextual information	93	
EN1	Material used by weight or volume.	80, 88, 108, 109	
EN2	Percentage of materials used that are recycled input materials.	80, 88, 89, 109	
EN3	Direct consumption of energy broken down by primary sources.	80, 82, 110	
EN4	Indirect consumption of energy broken down by primary sources.	80, 82, 110	
EN5	Energy savings due to storage and efficiency improvements.	80, 82	
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.	80, 82, 72	
EN7	Initiatives to reduce indirect consumption of energy and reductions achieved with said energy.	80, 82	
EN8	Total water collection by sources.	80, 87, 110	
EN9	Water sources significantly affected by water collection.	80, 82	
EN10	Percentage and total volume of recycled and reused water.	80, 87, 110	
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.	80, 90	
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.	80, 90	
EN13	Protected or restored habitats.	80, 90	
EN14	Strategies and actions taken and planned for the management of impacts on biodiversity.	80, 90	
EN15	Number of species broken down by risk of extinction, included on the IUCN red list and national lists whose habitats are found in areas affected by operations according to the degree of threat to the species.	80, 90	
EN16	Total direct and indirect emissions of greenhouse effect gases by weight.	80, 82, 84, 110	
EN17	Other indirect greenhouse effect gases by weight.	80, 82, 83, 84, 110	
EN18	Initiatives for the reduction of greenhouse effect gas emissions and reductions achieved.	78, 79, 80, 84	



	ENVIRONMENTAL PERFORMANCE INDICATORS	PAGE	COMMENTS
EN19	Emissions of substances harmful to the ozone layer by weight.	80, 83, 84, 110	
EN20	NOx, SOx and other significant emissions into the atmosphere by type and weight.	80, 83, 84, 110, 115	According to the element used in lighting fixtures, direct regular measurements are taken on an annual or quarterly basis. Mass balance measurements are used for VOCs.
EN21	Total spillage of waste water according to its nature and destination.	80, 83, 91, 110	
EN22	Total weight of waste products managed according to type and treatment method.	80, 92, 110	
EN23	Total number and volume of significant accidental spillages.	80, 83, 91	
EN24	Weight of waste products transported, imported, exported or treated which are considered dangerous according to the Basel Convention, Appendices I, II, III, and VIII, and percentage of waste transported internationally.	80, 92, 110	
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.	80, 83, 91	
EN26	Initiative to reduce the environmental impact of products and services and degree of reduction of this impact.	72, 75, 77, 80, 85, 93	
EN27	Percentage of products sold and packaging materials recovered at the end of their useful life by product category.	80, 86	No products or packaging are recovered at the end of their useful life.
EN28	Cost of significant fines and number of non-monetary sanctions for failure to comply with environmental regulations.	80, 93, 111	
EN29	Significant environmental impact of the transport of products and other goods and materials used for the activities of the organisation, such as the transport of personnel.	80, 84, 111	
EN30	Breakdown by type of total environmental costs and investments.	80, 93, 111	

SOCIAL PERFORMANCE INDICATORS



	SOCIAL PERFORMANCE INDICATORS	PAGE	COMMENTS
WORK-RELATED PRACTICES			
LA.a	Management approach.	62	
LA.b	Goals and performance.	62	
LA.c	Policy.	62	
LA.d	Organisational responsibility.	62	
LA.e	Training and awareness-raising.	62, 65	
LA.f	Evaluation and follow-up.	62, 69	
LA1	Breakdown of the workforce by type of employment, by contract and by region.	106	
LA2	Total number of employees and average turnover of employees broken down into groups of age, sex and region.	62, 63, 64, 106	Employee figures are not broken down into groups as there are no significant differences in sex, age or race.
LA3	Social benefits for full-time employees not offered to temporary or part-time employees broken down by principal activity.	62, 63, 69	
LA4	Percentage of employees covered by collective bargaining agreements.		All employees are represented on works committees or by staff representatives.
LA5	Minimum period(s) of notice relative to organisational changes including whether these notices are specified in collective bargaining agreements.	65	The minimum periods of notice are established by the collective bargaining agreements, failing which, by the articles of association. As a general rule, these periods fall between 15 days and 3 months.
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.	106	
LA7	Absenteeism rates, professional illness, days lost and number of work-related fatalities by region.	106	



SOCIAL PERFORMANCE INDICATORS		PAGE	COMMENTS
LA8	Education, training, advice, risk prevention and control programmes applied to workers, their families or members of the community in relation to serious illness.	62, 64, 106, 107	
LA9	Health and safety matters covered by formal agreements with trade unions.		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.	66, 107	
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	62, 65, 107	Career endings are managed on an individual basis in line with the relevant labour laws in force.
LA12	Percentage of employees receiving regular professional performance and development assessments.	62, 65, 107	
LA13	Composition of corporate and staff governing bodies broken down by sex, age group, minority groups and other diversity indicators.	34, 38, 107, 108	
LA14	Ratio of basic salary of men to women by employee category.	62, 69	The basic salary of each employee category is set according to the collective bargaining agreements in place, regardless of sex. Therefore, there are no salary differences between men and women, thus making the ratio 1:1.
HUMAN RIGHTS			
HR.a	Management approach.	50, 52, 54, 62, 68	
HR.b	Goals and performance.	50, 52, 54	
HR.c	Policy.	50, 52, 54	
HR.d	Organisational responsibility.	50, 52	
HR.e	Training and awareness-raising.	50, 52, 54	
HR.f	Evaluation and follow-up.	50, 52, 54	
HR.g	Additional contextual information.	50, 52, 54	
HR1	Percentage and total number of significant investment agreements which include human rights clauses or have been subject to analysis for human rights.	72	
HR2	Percentage of main distributors and contractors who have been subjected to human rights analysis and measures adopted as a consequence.	78	
HR3	Total employee training hours on policies and procedures related to human right aspects related to their activities, including percentages of employees trained.	50, 52, 54	
HR4	Total number of discrimination incidents and measures taken.	50, 52, 54, 62, 69	
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.	62, 63	
HR6	Activities identified which carry a potential risk of child exploitation and measures adopted for their elimination.	62, 69	
HR7	Operations identified as having a significant risk of causing episodes of forced or compulsory labour and measures taken for their elimination.		Does not apply as no risk of forced or compulsory labour has been reported, nor have matters related to corruption.
HR8	Percentage of security personnel trained in human rights policies and procedures relevant to their activity.		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 have security staff under contract.
HR9	Total number of incidents related to breaches of native rights and measures taken.		Does not apply as no incidents related to breaches of native rights have been reported.
SOCIETY			
SO.a	Management approach.	94	
SO.b	Goals and performance.	94	



SOCIAL PERFORMANCE INDICATORS		PAGE	COMMENTS
SO.c	Policy.	94	
SO.d	Organisational responsibility.	94	
SO.e	Training and awareness-raising.	94	
SO.f	Evaluation and follow-up.	94	
SO.g	Additional contextual information.		
SO1	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.	94	There is no system in place for measuring this type of impact.
SO2	Percentage and total number of business units analysed with respect to risk related to corruption.	78	
SO3	Percentage of employees trained in the organisation's anti-corruption policies and procedures.		
SO4	Measures taken in response to corruption incidents.	96	Does not apply as no incidents have been reported.
SO5	Position on public policies and participation in their development and lobbying activities.	96	
SO6	Total value of financial contributions and contributions in kind to political parties or related institutions by country.	96	
SO7	Total number of actions for causes related to monopolistic practices and against free competition and their results.		There have been no reports of conduct that could be classed as monopolistic practices or a threat to free competition.
SO8	Financial value of significant sanctions and fines, and total number of non-monetary fines derived from failure to comply with laws and regulations.		No significant fines or sanctions have been imposed for failure to comply with laws and regulations
PRODUCT RESPONSIBILITY			
PR.a	Management approach.	72, 73	
PR.b	Goals and performance.	72, 74	
PR.c	Policy.	72, 74	
PR.d	Organisational responsibility.	72, 73	
PR.e	Training and awareness-raising.	72, 75	
PR.f	Evaluation and follow-up.	72, 73	
PR.g	Additional contextual information.	72, 73	
PR1	Phases of the lifecycle of the products and services that 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.	72, 75, 76, 77	
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 information requirements.		There are no regulations that require such information.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.		No such failure to comply with regulations has been reported.
PR5	Practices with respect to customer satisfaction, including results of customer satisfaction surveys.	75, 76	
PR6	Programmes for compliance with laws, standards or voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	72, 74, 75	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcomes.		No such incidents related to marketing communications have been reported.
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.		No complaints about the Data Protection Act have been reported.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.		No fines have been imposed for failure to comply with regulations on the provision and use of products and services.

Useful addresses

[2.1, 2.4]

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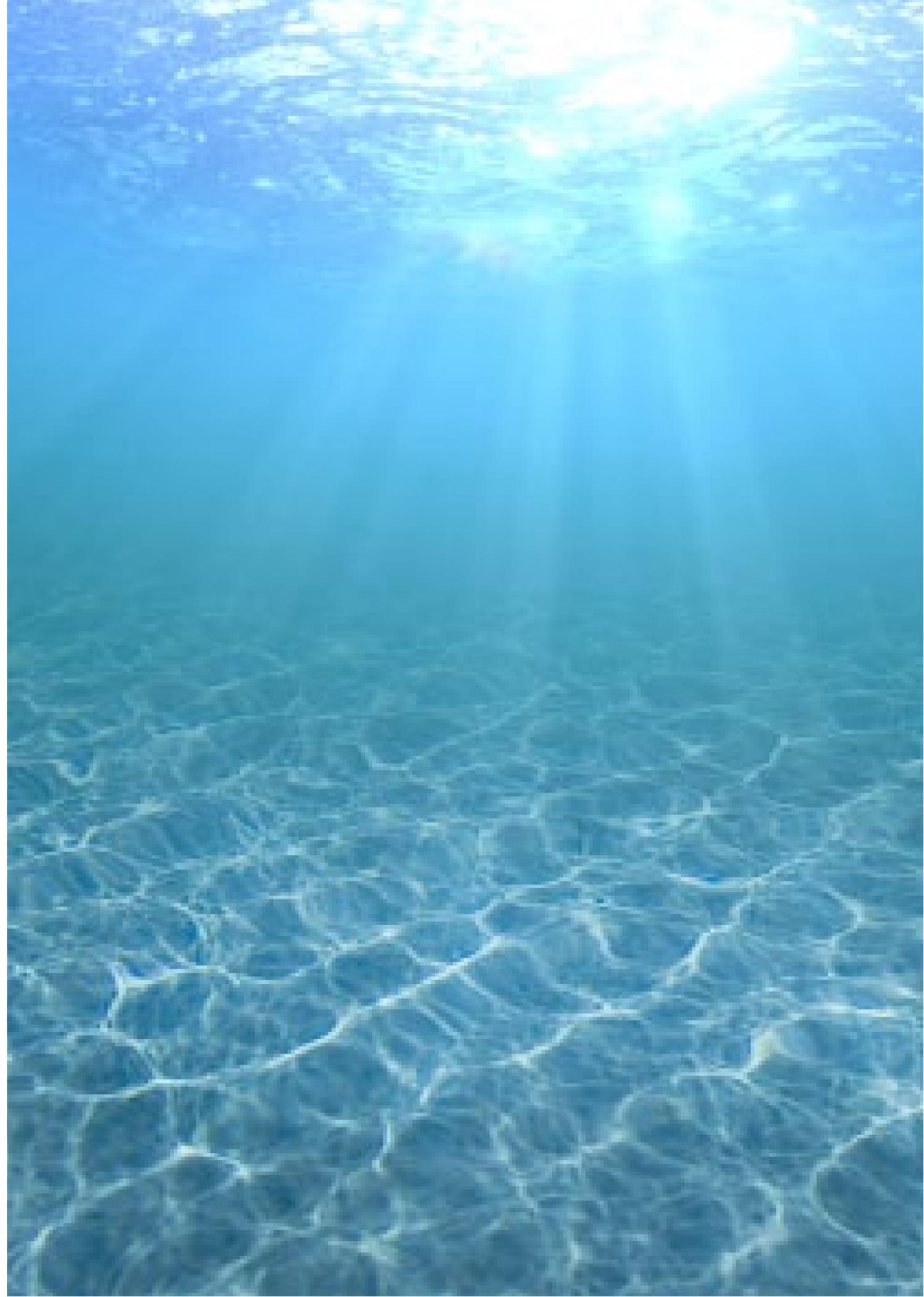
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