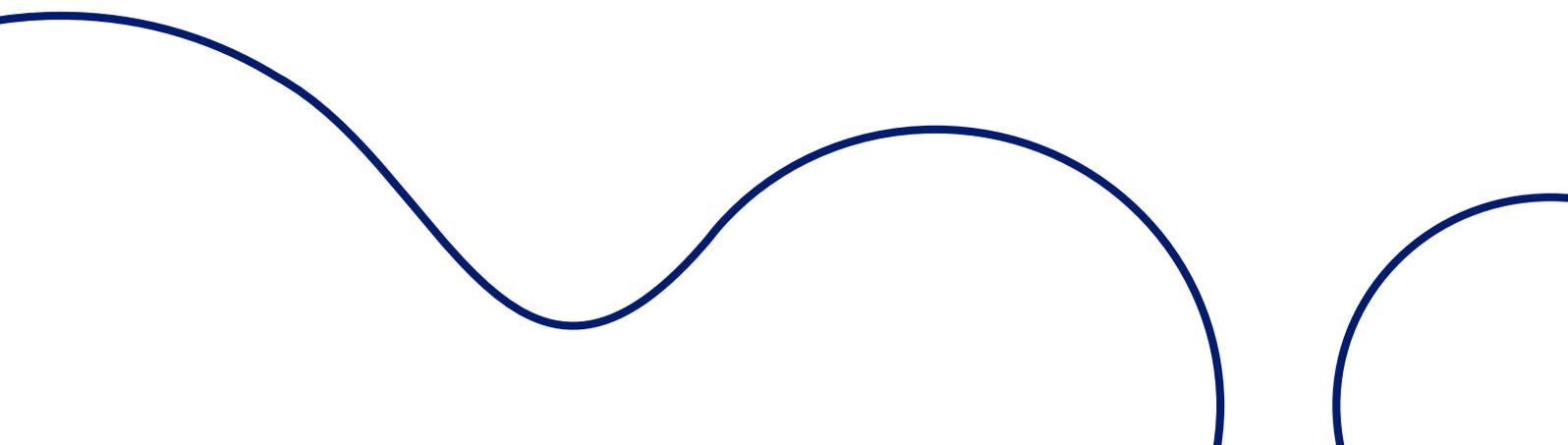


FLUIDRA

ANNUAL REPORT ON THE ACTIVITIES
OF THE APPOINTMENTS AND
REMUNERATION COMMITTEE IN 2019

2019



1. INTRODUCTION

Following the 6th recommendation of the Good Governance Code for Listed Companies prepared by the National Securities Market Commission, the Annual Report on the functioning and activities of the Appointments and Remuneration Committee of Fluidra (the “Committee”) for 2019 is attached. The report was approved by the Committee on March 24, 2020 and ratified by the Company’s Board of Directors (the “Board”) on March 25, 2020.

2. COMPOSITION OF THE APPOINTMENTS AND REMUNERATION COMMITTEE AND MEETINGS IN 2019

2.1. COMPOSITION

On December 31, 2019 the Committee was made up of the following directors designated by the Board:



COMMITTEE CHAIRMAN

Jorge Valentín Constans. Independent Director. Date of last appointment: May 08, 2019.

MEMBERS

Esther Berrozpe. Independent Director. Date of last appointment: September 06, 2019.

Piñoc Inversions, S.L.U., represented by Bernat Garrigós. Nominee Director. Committee secretary. Date of last appointment: June 27, 2018.

Sébastien Simon Mazella di Bosco. Nominee Director. Date of last appointment: July 02, 2018.

The profiles of the Committee members are as follows:

Jorge Constans

Jorge Constans has a degree in economics from Universidad de Barcelona, and has studied general management at IESE and business administration at ESADE. Over his long career spanning 22 years at Danone he held several positions in sales, marketing and general management in Spain and went on to be president and general manager of Danone France. He was subsequently made responsible for Europe and later on for the USA. Over the last two years at the company he was president of the dairy products division, with revenues of 12 €B and a presence in over 50 countries. At Louis Vuitton he held the position of president and CEO.

He is a member of the boards of directors of THOM Europe (leading jewelers in France), Puig and Fluidra.

Esther Berrozpe

Esther Berrozpe was president for Europe, the Middle East and Africa of Whirlpool Corporation and executive vice president of the company, one of the leading companies worldwide in the large household appliances sector, with annual sales in 2018 of 21 billion dollars, 92,000 employees and 65 production, research and development centers.

With a degree in Economics and Business Studies from Universidad de Deusto in San Sebastián, she headed the integration and transformation process of the company following Whirlpool's acquisition of Indesit Company in 2014.

She has a long international track record of over two decades in consumer goods companies and has held positions of responsibility both in Europe and the US. She has also worked for Paglieri, Sare Lee and Wella Group. She also has extensive experience in brand consolidation in the industrial and logistics area, in managing talent and the culture of change and in

mergers and acquisitions.

Apart from in Fluidra, she holds the position of Independent Director of the companies Pernod Ricard, Roca Corporación Empresarial, and Ontex Group.

Bernat Garrigós

The individual who represents Piumoc Inversions, S.L.U. as Director is Bernat Garrigós, his profile is as follows:

Born in Barcelona in 1967. Degree in biology from Universidad de Barcelona in 1991, subsequently, in 1994, he studied for a Master's Degree in Environmental Management at Duke University and enrolled on a Management Development Program at IESE Business School.

He has directed Aniol, S.L. since 2004. He is currently involved in various projects involving new technologies. His professional career within the Fluidra Group has been at several companies. Between 1995 and 1998 he was product manager at Astral Grup and subsequently, until 2002, he held the position of head of production at Servaqua, SA.

Bernat Garrigós is chief executive officer of Aniol, S.L.

Sébastien Mazella di Bosco

Sébastien Mazella di Bosco joined Rhône in 2005 and became Managing Director of the firm in 2013. Before this, he worked in the investment banking department of Lazard Frères in New York, specializing in mergers, acquisitions and north American and transatlantic capital markets in the consumer, food and retail sector.

In his fourteen years at Rhône, he has participated in detecting, executing and monitoring investments in a wide range of sectors, such as industry, packaging, aviation, services and fast-moving consumer goods.

He also covers the French and Benelux markets.

At present he forms part of Fluidra's Board of Directors and monitors investment in Rhône at Vista Global Holding. He previously served on the Boards of Directors of Ranpak, Arizona Chemical and Eden Springs.

Sébastien Mazella di Bosco is a graduate of HEC School of Management and holds a degree in philosophy from the La Sorbonne in Paris.

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According to article 14 of the Board Regulations, the Committee is made up of four non-executive directors, two of which are independent directors. The members of the Committee have been appointed having regard to their knowledge, skills and experience, as well as to the duties of the Committee.

According to the Board Regulations, the Committee Chairman is an independent director, Jorge Constans.

In the meeting held on September 6, 2019, Esther Berrozpe was appointed director of the Company, replacing Richard J. Cathart as Committee member. Richard J. Cathart tendered his resignation in accordance with the Board Regulations, after 12 years in the position of independent director.

2.2. MEETINGS

In 2019 the Committee met on 8 occasions with all of its members attending all of the face-to-face meetings. Resolutions were also adopted in writing without holding a meeting on three occasions.

3. POWERS AND FUNCTIONING

OF THE COMMITTEE

3.1. POWERS

According to article 14 of the Board Regulations, without prejudice to any other powers assigned to it by law, the Bylaws or the Board of Directors, the Committee has been assigned the following functions:

- To draw up and review the criteria to be adhered to regarding the composition of the management team of the Company and its subsidiaries and in the selection of candidates.
- To evaluate the balance of skills, knowledge and experience on the Board; define, on that basis, the roles and capabilities required of the candidates to fill each vacancy; and decide the time and dedication necessary for them to properly perform their duties.
- To report on, and submit to the Board proposals for appointments and dismissals of senior executives and other executives as proposed by the executive chairman and/or the managing director, as well as the basic conditions of their contracts.
- To report to the Board on gender diversity matters and the qualifications of directors.
- To propose to the Board: (i) the remuneration policy for directors and general managers or persons performing senior management functions who report directly to the Board, to the Executive Committee or to managing directors; (ii) the individual remuneration of executive directors and the other terms of their contracts; (iii) the recruitment policies and basic terms of the contracts of the Company's senior executives.
- To examine and organize, in appropriate form, the process for succession of the Chairman and Managing Director, making recommendations to the

Board so the handover proceeds in a planned and orderly manner.

- To ensure compliance with the compensation policy established by the Company and the transparency of the remuneration.
- To establish a target for the representation of the underrepresented gender on the Board and prepare guidelines on how to achieve this target.
- To submit to the Board the proposed appointments of independent directors for their designation by co-option or for submission to a vote at the Shareholders' Meeting, as well as proposals for the re-appointment or removal of such directors by the Shareholders' Meeting.
- To report on the proposed appointments of other directors for their designation by co-option or for submission to a vote at the Shareholders' Meeting, as well as on proposals for their re-appointment or removal by the Shareholders' Meeting.

3.2. FUNCTIONING

Although the Committee meets ordinarily on a quarterly basis, it will also meet when called by the Chairman, provided that the Board or the Board Chairman request the issue of a report or the adoption of proposals and, in any event, when it is appropriate for the proper pursuit of its functions.

The Committee shall be deemed to be validly assembled when at least the majority of committee members are present in person or by proxy.

Resolutions shall be adopted by a majority of the members in attendance, in person or by proxy. In the event of a tie, the chairman shall not have the casting vote.

In addition, pursuant to the power granted by the

Board Regulations, to best perform its functions, the Committee may seek advice from external experts when it considers it necessary for the correct fulfillment of its duties.

The Committee reports on and is accountable for its activities in the first plenary meeting of the Board following its own meeting. The Committee also draws up minutes of its meetings, sending a copy to all the Committee members and making the minutes available, where applicable, to all of the Board members.

The Committee must consult with the Company's Chairman and Managing Director, especially on matters relating to executive directors and senior executives.

4. ACTIVITIES IN 2019

Various matters have been discussed at the Committee meetings regarding its powers and responsibilities, according to the bylaws and the Board Regulations.

The Committee's principal activities in this fiscal year have been the following:

1. Composition of the board of directors

- In 2019 two of the Company's independent directors formalized their resignation following 12 years in the position, since according to the Board Regulations, independent directors who have held that office for a continuous period of 12 years must tender their resignation.

As was indicated in the Annual Corporate Governance Report for 2018, published in March 2019, in 2018 the Company's Appointments and Compensation Committee started a

recruitment process to cover these vacancies. An evaluation process of the Board of Directors was carried out beforehand, with the help of an external advisor, in order to identify the profiles that it was considered should be strengthened on the Board in view of its skills.

The Company was able to rely on the external advice of the independent firm Spencer Stuart in the recruitment process.

For purposes of corporate interest, the recruitment process was fundamentally based on meritocracy. However, the external advisor was expressly asked to make sure that there were female candidates and where potential candidates were on an equal footing, to give particular consideration to women with the profile that the Company was looking for.

The Committee analyzed the report drawn up by the external company engaged by the Company to look for candidates. The candidates proposed were assessed, avoiding any bias that could lead to discrimination and, in particular, that obstructed the recruitment of female directors. One of the vacancies was covered by Ms. Esther Berrozpe. The other vacancy could not be filled by a female candidate since none of the female candidates had the knowledge or skills comparable to or which surpassed those of the candidate that was finally chosen, Mr. Brian McDonald.

The Committee concluded that they both met the requirements of suitability, skills, experience, training, availability, merits and independence necessary to be directors of the Company. It proposed to the Board the appointment by co-option of Esther Berrozpe and Brian McDonald, classifying them as independent directors, with the reservation of their ratification by the first

Shareholders' Meeting of the Company.

- It proposed to the Board that the proposal for re-election of the independent directors Jorge Constans and Gabriel López be presented to the Shareholders' Meeting, through the relevant report.
- It reported favorably to the Board, that Esther Berrozpe be appointed as member of the Appointments and Compensation Committee and Brian McDonald as member of the Audit Committee, for the duration of their positions.

2. Corporate governance & corporate social responsibility

- It analyzed the information to be included in the Annual Corporate Governance Report in those matters within its remit, and reported favorably to the Board on its approval.
- It analyzed the information to be included in the Annual Report on Directors' Remuneration and reported favorably to the Board on its approval.
- It analyzed the information to be included in the Annual Report on the non-financial information statement in those matters within its remit and reported favorably to the Board on its approval.
- It analyzed the impact that the Spanish National Securities Market Commission's Technical Guide on appointments and compensation committees could have on Fluidra.
- It carried out periodic monitoring of the work that the company is carrying out in connection with the group's integration process following the merger with the Zodiac group, in connection with human resources and corporate social responsibility.

3. Evaluation of the Board

- It analyzed the degree of compliance with the action plan to improve governance and capability of improvement following the Board's evaluation in 2018 with the participation of an external consultant.
- It prepared and presented to the Board the Report on the evaluation of the composition and functioning of the Board and its Committees with a proposal for an action plan.

4. Composition of the managerial team

- It actively participated in the recruitment process and reported favorably to the Board on the appointment of Ms. Amalia Santallusía as the Company's human resources director, and on the ratification of her employment contract and appointment as beneficiary of the Company's Long-Term Incentives Plan 2018- 2022 and assignment of units.
- It analyzed and reported favorably to the Board for its approval of the proposal for the composition of the management committee (MAC) following the group's new organizational structure.

2. Compensation of the members of the managing body and management team

- It analyzed and reported favorably to the Board on its approval of the amount of the variable annual compensation in 2018 to be received by the executive directors and management team, according to the degree of achievement of the strategic objectives to which it was linked.
- It analyzed and reported favorably to the Board for its approval of the individual annual targets of the executive directors and the management team for 2019.
- It analyzed and reported favorably to the Board

for its approval of the changes in the assignment of units of the long-term incentives plan 2018-2022 that affect certain beneficiaries with an employment relationship, due to new hires, changes in their duties or vacations of office.

- It analyzed and reported favorably to the Board for its approval of the amount of the compensation of the board of directors for 2020.

5. CLOSING SUBMISSIONS

In 2019, the Committee has adequately exercised the duties assigned to it by the bylaws and Board Regulations of the Company.