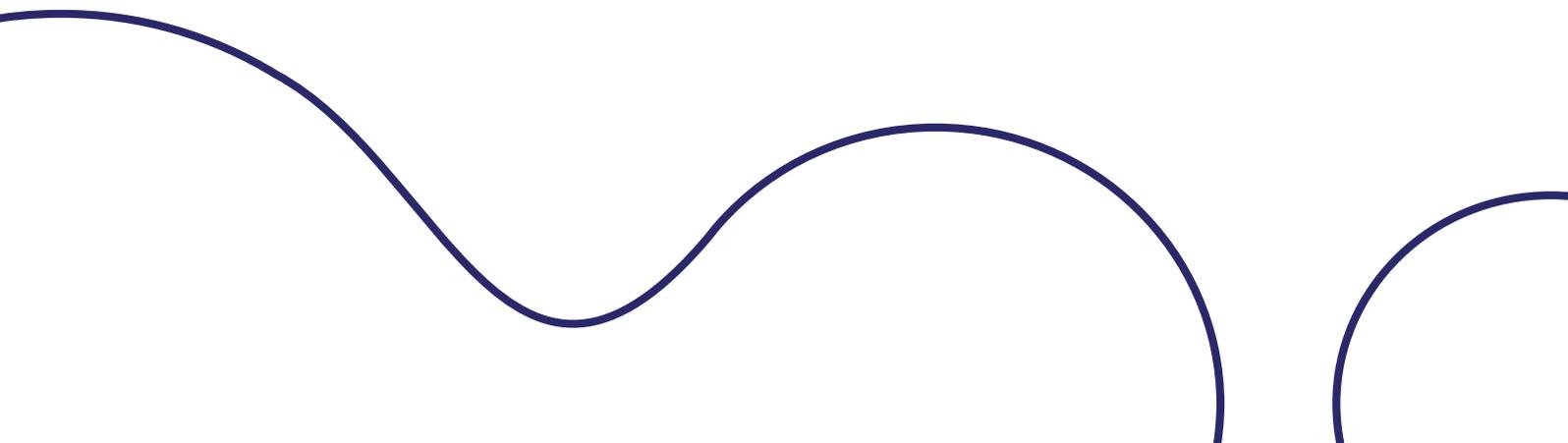


FLUIDRA

ANNUAL REPORT ON THE ACTIVITIES
OF THE APPOINTMENTS AND
COMPENSATION COMMITTEE

2020



2020

1

PRESENTATION

2

COMPOSITION,
COMPETENCES AND
FUNCTIONING OF
THE APPOINTMENTS
AND COMPENSATION
COMMITTEE AND
MEETINGS IN 2020

3

ACTIVITIES IN 2020

4

CONCLUSIONS

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 Compensation **Committee** (the “Committee”) of Fluidra, S.A. (“**Fluidra**” or the “**Company**”) for 2020 is attached. The report was approved by the Committee on March 24, 2021 and ratified by the Company’s Board of Directors (the “**Board**”) on March 25, 2021.

2. COMPOSITION, COMPETENCES AND FUNCTIONING OF THE APPOINTMENTS AND COMPENSATION COMMITTEE AND MEETINGS IN 2020

The Appointments and Compensation Committee is regulated in article 14 of the Board Regulations. Likewise, it is hereby informed that it is foreseen the immediate approval of the Regulations of the Appointments and Compensation Committee which, based on the current article 14 of the Regulations of the Board of Directors, will further develop the functions and the regulation of the organization and operation of the Appointments and Compensation Committee, in accordance with the best practices in corporate governance (as updated in June 2020) and the CNMV Technical Guide on Appointments and Compensation Committees.

2.1 COMPOSITION

According to article 14 of the Board Regulations, the Committee is made up of four non-executive directors, two of whom 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.

The Board Regulations stipulate that the Chairman of the Committee must necessarily be an independent director, elected from among the independent directors on the Committee.

At December 31, 2020, the Committee was made up of the following directors designated by the Board:

Name	Office	Category	Committee member since
Esther Berrozpe Galindo	Chairwoman	Independent	06/09/2019
Jorge Valentín Constans Fernandez	Member	Independent	01/12/2015
Piumoc Inversions, S.L.U., represented by Bernat Garrigós Castroo	Secretary	Dominical	02/07/2018
Sébastien Simon Mazella di Bosco	Member	Nominee	02/07/2018

The executive directors have also participated sporadically in various meetings of the Committee, as have certain internal Fluidra staff members, for the purpose of reporting on matters falling within the scope of their competences.

These are, specifically, the Executive Chairman, the CEO, the lead director, the HR Global Director, and the nondirector secretary of the board of directors.

THE PROFILES OF THE COMMITTEE MEMBERS ARE AS FOLLOWS:

Esther Berrozpe Galindo

Degree in Economics and Business Studies from Universidad de Deusto en San Sebastián.

Esther Berrozpe was president for Europe, the Middle East and Africa and executive vice president of Whirlpool Corporation, a world leader in the large appliances sector, which in 2018 had annual sales of 21 billion dollars, 92,000 employees and 65 production, research and development centers. Esther Berrozpe led the process of integration and transformation of the company after Whirlpool acquired 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 has broad experience in the commercial, industrial and logistics fields and in managing talent and the culture of change, as well as in mergers and acquisitions.

Apart from her position in Fluidra, she is an Independent Director of the companies Pernod Ricard and Roca Corporación Empresarial, and of Ontex Group, up until December 2020 when she was appointed as CEO of Ontex Group with effect as from January 1, 2021.

Jorge Valentín Constans Fernández

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.

In addition to being a director of Fluidra, he is currently a member of the boards of directors of THOM Europe (leading jewelers in France) and Puig.

Piumoc Inversions, S.L.U., represented by Bernat Garrigós Castro

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.

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.

He has directed Aniol, S.L. since 2004. He is currently involved in various projects involving new technologies.

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

Sébastien Simon Mazella di Bosco

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

Sébastien Mazella di Bosco joined Rhône in 2005 and became Managing Director and a member of the firm's Investment Committee 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.

During his time at Rhône, he 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 all types of sectors in the French market and that of the Benelux countries. He has previously formed part of the boards of directors of various companies in the Rhône investments portfolio, such as Ranpak, Arizona Chemical and Eden Springs.

In addition to being a director of Fluidra, Sébastien Mazella di Bosco monitors Rhône's investment in Vista Global Holding.

2.2 POWERS

The functions and competencies of the Appointments and Compensation Committee have included the following, among others:

- Prepare and review the criteria to be followed in configuring the management team of the Company and its subsidiaries and in selecting candidates.
- 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 compensation 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 compensation 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 compensation.
- 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.

It also performs the following additional functions:

- Propose to the Board of Directors the Directors selection policy, so as to ensure that the proposed appointments of Directors are based on a previous analysis of the skills required by the Board, and which favours a diversity of knowledge, experiences, age and gender.
- Ensure that the selection procedures are free from any implied bias entailing any kind of discrimination.
- Within the framework of the evaluation of the Board of Directors, submit a proposal for an action plan and with recommendations to correct any deficiencies identified or to improve the functioning of the Board of Directors.
- Assess the necessary skills, knowledge and experience of the Board of Directors, through the development of a matrix of functions.
- Ensure that the corporate culture of the Company is aligned with its purpose and values.
- Verify the independence of any external consultant that may periodically advise the Board of Directors on the assessment of the performance of the Board of Directors.
- Verify the alignment of the selection and remuneration policies with the Company's situation and its short, medium and long-term strategy and with the market conditions.
- Verify that the information published by the Company on its corporate website regarding remuneration is sufficient and appropriate.
- Supervise compliance with the Company's corporate Environmental, Social and Governance (ESG) strategic plan, to confirm that it is fulfilling its mission of promoting the corporate interest and take into account, as appropriate, the legitimate interest of the remaining stakeholders. Supervise that the Company's environmental and social practices are in accordance with the established policies.
- Review the non-financial information prepared on the Company.

All of the above without prejudice to any other functions that may be assigned to it by the Board of Directors and the approval, if applicable, of the Regulations of the Appointments and Compensation Committee which, based on the current article 14 of the Regulations of the

Board, will further develop the functions and the regulation of the organization and operation of the Appointments and Compensation Committee, in accordance with best practices in corporate governance (as updated in June 2020) and the CNMV Technical Guide on Appointments and Compensation Committees.

2.3 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.

3. ACTIVITIES IN 2020

During 2020, the Committee met 7 times (one face-to-face meeting and six by video-conference).

Various matters which fall within the scope of the Committee's competences and responsibilities, according to the Bylaws and the Board Regulations, have been discussed at the meetings.

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

(a) Composition of the board of directors

- It proposed to the Board that the re-election of the independent directors Jorge Constans and Gabriel López be submitted to the Shareholders' Meeting, issuing the corresponding favorable report.
- It reported to the Board in favor of: (i) ratification of the appointment by co-option and appointment, respectively, of Esther Berrozpe and Brian McDonald as members of the Company's Board of Directors; and (ii) the appointment, for the duration of their term of office, of Esther Berrozpe as member of the Appointments and Compensation Committee, with the post of chairman of such Committee, and Brian McDonald as a member of the Audit Committee, with the post of chairman.
- It reported to the Board in favor of the appointment of Jorge Constans as lead director.

(b) Composition of the management team

- It analyzed and reported favorably to the Board regarding approval of the proposal for the composition of the Fluidra *management committee* (MAC), to reflect the group's new organizational structure.

(c) Corporate governance & corporate social responsibility

- It revised the ESG ("Environmental, Social and Good Governance") Policy and Strategic Plan and reported to the Board in favor of its approval.
- It reviewed the steps taken by the HR crisis committees created in each region in response to the Covid-19 pandemic.
- It reviewed developments relating to corporate governance and prepared a work plan to address the various issues involved.

- It analyzed the level of compliance with the CNMV's good governance recommendations (the Good Governance Code and the Technical Guide on appointments and compensation committees) and drew up a plan of action.
- 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' Compensation 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 reported to the Board in favor of approval of Eloy Planes' membership of the board of trustees of Fundación Empresa & Clima, as representative of Fluidra.
- It analyzed and reported favorably to the Board on the compatibility of the directorship positions held in Fluidra with the acceptance, by some directors, of certain positions on the boards of directors of other companies.
- It analyzed, and reported favorably to the Board on the proposal to amend article 15.5 of the Board Regulations.
- It analyzed and reported favorably to the Board regarding the amount of compensation corresponding to the board of directors and senior management team for 2020.
- It analyzed and reported favorably to the Board on the individual annual targets for the executive directors and the senior management team for 2020.
- It analyzed the impact that the change of accounting treatment pursuant to IFRS 16 could have on the metrics under the current long-term incentive plan ("2018-2022 LTI").
- It analyzed the impact that Covid-19 could have on the targets for annual variable compensation for 2020 and under the 2018-2022 LTI.
- It analyzed and reported favorably to the Board on the changes in the assignment of units under the 2018-2022 LTI that affect certain beneficiaries with an employment relationship, due to new hires, changes in their duties or departures.
- It began to analyze how the new long-term incentive to be implemented by the Group, once the measurement period for the metrics under the plan currently in force has come to an end, should be configured.
- It began to analyze the directors' compensation policy to be approved by the 2021 shareholders' meeting and applicable as from 2022.

(d) Evaluation of the Board

- It carried out the evaluation of the Board, this year without the support of an external consultant.
- It analyzed the degree of compliance with the action plan to improve governance and the capacity for improvement following the Board's evaluation in 2019.
- It approved and presented to the Board the Evaluation Report on the composition and functioning of the Board and its Committees.

(e) Compensation of the members of the managing body and management team

- It evaluated the professional performance, in 2019, of the executive directors and senior management team, and reported favorably to the Board regarding the annual amount of variable compensation, for 2019, to be received by the executive directors, the senior management team and the internal audit and compliance director, in light of the level of attainment of the strategic targets to which such compensation was linked.

(f) Talent management

- It reviewed the methodology and steps taken in relation to the Succession Plan for the senior management team, and in particular the CEO and members of the MAC.
- It reviewed and reported favorably to the Board regarding the approval of the director selection policy applicable as from its approval by the Board.

4. CONCLUSIONS

In 2020, the Committee has adequately exercised the duties assigned to it by the bylaws and Board Regulations of the Company.