

A graphic element consisting of a yellow line that forms a large, irregular shape on the left side of the page. The word 'FLUIDRA' is written in white, bold, uppercase letters within the upper portion of this shape.

FLUIDRA

The background is a dark blue gradient with a pattern of light blue circles of varying sizes, resembling water droplets. On the right side, there is a large, semi-transparent light blue circle that overlaps the background pattern.

Integrated Report
2021



INDEX

1.

2021 in a glance

- 1.1. Historical figures in the post-pandemic year **4**
- 1.2. Letter from the Executive Chairman **6**
- 1.3. Interview with the CEO **9**

2.

Winning Identity

- 2.1. A company focused on success **12**
- 2.2. One Fluidra, One Culture **13**
- 2.3. Business Structure **15**
- 2.4. Our products and solutions **19**

3.

Leading the Pool and Wellness Business

- 3.1. Milestones of the year **42**
- 3.2. Strategic Plan 2022 **44**
- 3.3. Analysis of economic results **45**
- 3.4. Analysis of the financial situation **57**
- 3.5. Shareholder Returns **60**

4.

We create the perfect pool & wellness experience, responsibly

- 4.1. Fluidra's Commitment to Sustainability **70**
- 4.2. Responsibility Blueprint: Our Roadmap **72**
- 4.3. Relationship with stakeholders **85**
- 4.4. Sustainability indexes and rankings **88**
- 4.5. Partnerships **90**

5.

At the forefront of corporate governance best practices

- 5.1. Governing bodies **93**
- 5.2. Risk and opportunity management **115**
- 5.3. Ethics and Integrity **125**
- 5.4. Responsible Supply Chain Management **133**
- 5.5. A Customer-Centric Model **139**
- 5.6. Commitment to Innovation and Technology **148**
- 5.7. Tax **155**
- 5.8. Information security **159**

6.

Contributing to sustainable development

- 6.1. Environmental Management **164**
- 6.2. Climate Change **169**
- 6.3. Circular Economy **181**
- 6.4. Water **184**
- 6.5. Biodiversity **185**

7.

We improve people's wellbeing

- 7.1. We stand up for human rights **188**
- 7.2. Keeping the Best Team **194**
- 7.3. Health, Safety and Wellbeing **218**
- 7.4. Committed to the community **228**

8.

About this report

- 8.1. Materiality analysis **240**
- 8.2. Data tables **247**
- 8.3. GRI Table of Contents **282**
- 8.4. Table of Contents according to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) **296**
- 8.5. External verification **297**



1. 2021 in a glance

- 1.1. Historical figures in the post-pandemic year 4
- 1.2. Letter from the Executive Chairman 6
- 1.3. Interview with the CEO 9

1.1. Historical figures in the post-pandemic year



Economic indicators

	2021	2020	Evolution (%)
Sales	2.186,9 M€	1.488,1 M€	47,0%
EBITDA*	548,8 M€	302,8 M€	71,1%
Cash earnings per share	1,72 M€	0,85 M€	103,6%
Net Operating Working Capital	341,3 M€	341,3 M€	52,2%
Net Debt	1.067,2 M€	581,9 M€	83,4%
Net Debt /EBITDA	1,9x	1,8x	0,1x

Note: EBITDA adjusted to include Run Rate - synergies and exclude non-recurring expenses. Evolution at constant perimeter and currency.



Environmental indicators

	2021	2020	Evolution (%)
Scope 1&2 Emissions (tCO ₂ eq) ¹	20.108	18.644	8%
Scope 3 Emissions (tCO ₂ eq) ²	9.251.451	18.594.371	-50%
Renewable electricity	80,7%	60%	35%
Energy intensity (Gj/Sales €)	0,00023	0,00022	2%
% sales of "Eco-Conscious" products	56%	50,4%	11%
Waste recycled or reused (%)	73,8%	59,8%	49%
Water consumption (m ³)	122.066	124.713	-2,12%

¹Scope 2 Emissions are "Market-Based"

²The data for fiscal year 2020 for categories 1, 2, 11 and 12 of Scope 3 have been corrected.

1.1. Historical figures in the post-pandemic year

Social Indicators

	2021	2020	Evolution (%)
No. of employees*	6.995	5.436	+29%
Female workforce (%)	35%	33%	+6%
Permanent contracts (%)	96,5%	95,3%	+1%
No. of people with disabilities	59	48	+23%
Training hours	51.428	43.698	+15%
Accident rate (TRIR)	0,77	2,2	-65%
Investment in social action (€)	699.101	450.000	+11%

*As of December 31st, 2021

Good Governance Indicators

	2021	2020	Evolution (%)
Suppliers evaluated in ESG	297	80	+371%
% local purchases	65%	63%	+3%
S&P score (CSA)	60	47	+28%
CDP score	B-	C	N/A



1.2. Letter from the Executive Chairman



Dear Stakeholders,

At the time of writing this letter, the world is in turmoil. I would be remiss not to mention the terrible situation unfolding in Ukraine at this time. Here at Fluidra, we believe in dialog and consensus as the best way to ensure everyone's wellbeing. We hope that this situation will be resolved as quickly as possible and that all those affected can soon return to a life of peace and safety.

Turning now to Fluidra, once again this year it is with great satisfaction that I present the Integrated Annual Report, which shows that Fluidra has consolidated its position as a global leader in a sector that is healthier than it has ever been in recent years and, I would even go so far as to say, than in the last decades.

In Europe we are the undisputed leader in all key regions. Because it is such a highly fragmented market, we are poised to continue gaining market share and growing our margins. 2021 was a year of consolidation of growing demand, especially in continental and northern Europe which, along with the southern and Mediterranean regions, are driving growth. This growth is supported by technology, which makes it possible not only to create more sustainable pools but also to extend the pool season.

In North America, the world's leading market in terms of size and development, we are in a solid third position as we narrow the gap with the top two, developing our platform and expanding our product portfolio. It is the fastest-growing market, largely due to demographic trends, with families looking for homes outside the cities that have more out-

door space and a net migration to the south, where the climate is much sunnier. All of this is good for our sector in the short and long term. While there is high market-wide growth, Fluidra is growing even above the market, gaining market share.

We are also a global leader in other key markets such as Australia, South Africa and Asia, where we have also experienced growth that has outperformed all figures in the company's history.

From a product perspective, in 2021 we continued to focus on and invest in the Internet of Things (IoT) and digitization as part of our strategic plan for the future. This year we increased our portfolio of connected pools by 30% to more than half a million, with the goal of exceeding one million by 2025. These are the early days of the revolution in our sector, but we are already the leaders. The IoT will be a strategic flagship for the swimming pool sector and we want to lead the transformation, convinced that it will create an even larger, more

“ We are a global leader in other key markets such as Australia, South Africa and Asia ”



1.2. Letter from the Executive Chairman

sustainable market with tremendous advantages for users and suppliers.

The market is fragmented, but our experience with acquisitions and a healthy balance sheet will enable us to pursue our strategy of acquiring brands and companies that will strengthen both our product lines and the company's capabilities, creating a great deal of value for all stakeholders. The acquisition of BuiltRight, CMP, S.R Smith and Taylor Water Technologies, all in North America, and Splash & Zen in Europe, are part of our global strategy and will help us achieve our medium and long-term goals.

All of this translates into exceptional results. I must take a moment to congratulate the entire team, the whole Fluidra family, on the historic results we achieved in 2021, a year in which we surpassed the targets set for 2022. Sales topped €2.1 billion, up 47% over 2020. Net cash profit rose to €337.5 million, more than double what it was in 2020. Adjusted EBITDA was 25.1%, more than three percentage points higher than 2020. ROCE was 22.3% and even with the acquisitions during the year we managed to keep the net debt/EBITDA ratio under 2.

Looking ahead to 2022, the business fundamentals are sound and we are confident that we will be able to consolidate the surge experienced in recent years with even further growth over our 2021 highs. The current outlook is positive, thanks to continued demand for new construction, aftermarket sales and a recovering commercial swimming pool sector, as well as value from possible future acquisitions.

The medium to long term outlook is even more promising. The addition of new pools built in 2020 and 2021 feeds into the total number of existing pools, which creates a larger base for aftermarket sales, the main driver of our business and the industry. We have made great progress in our operations in recent years, but we know that there is still much more to do. We must build on the momentum to transform our organization, simplify and streamline the way we operate in order to continue improving our performance and become even more efficient so that we are ready for further growth.

Although not a goal in itself, Fluidra's inclusion in the IBEX 35 at the beginning of 2021 is the result of many years of hard work by our excellent professionals. Our commitment to our customers and the support from stakeholders have given us increased visibility and a more notable presence in the financial markets.

Fluidra's mission is to create perfect pool and wellness experiences around the world, responsibly. We have the systems in place to improve our efficiency year after year. However, aware that water is a vital resource, we also want Fluidra to be a more sustainable and responsible company that contributes to a better future for generations to come. In 2020 we launched our 2020-2026 ESG Plan, the "Responsibility Blueprint", and 2021 was the first full year of implementation of the ten strategic lines for the three prongs of the Plan (Environmental, Social and Good Governance). In this report, we describe the progress made during the year, which is critical to meeting the challenges we have set for ourselves. We are confident in our ability to achieve them and doing

“ Sales topped €2.1 billion, up 47% over 2020. ”

so will demonstrate just how seriously we take our commitment to the Ten Principles of the Global Compact and the United Nations Sustainable Development Goals (SDGs). Recent examples of our commitment on this front are the positive changes to our ESG ratings, with CDP raising our score from "C" to "B-" and Sustainalytics from 31.7 to 24.6.

This year, as in the past, I'd like to once again highlight the work of the Fundació Fluidra, for which 2021 was a year of consolidation, especially in the "social pools" area, which was the focus of more than 60% of the Foundation's budget.

The construction of a swimming pool in a town outside Dakar and the funding of a study being conducted at the Sant Joan de Deu Hospital in Barcelona to demonstrate the benefits of aquatic activity for patients

1.2. Letter from the Executive Chairman

with severe mental illnesses are two of the most significant projects launched in 2021, not to mention the winning projects proposed by employees of Fluidra Group from around the world as part of the Fluidra Day event. Thanks to this solidarity, people with different issues and needs have received water therapy treatments that have directly benefited their health and wellbeing. At Fluidra, we fully support the Foundation's efforts to bring the pool experience to all people and groups in support of life, health and wellbeing.

With the best team, the best strategy and the most solid foundation ever, I'd like to conclude by thanking each and every one of the members of the Fluidra family for their dedication and hard work. And I want to thank you for your constant support of this very exciting and innovative journey. We have a brilliant future ahead of us in a structurally attractive sector.

Thank you for placing your trust in Fluidra and best wishes for good health.

Eloi Planes

Executive Chairman





1.3. Interview with the CEO

If 2020 was marked by uncertainty stemming from the health crisis, 2021 was marked by supply chain issues. How did this affect Fluidra and how was it handled?

At the outset of 2021, evidence pointed to migration trends being favorable for the company, as we had started to see in the second half of 2020. Families invested more time and resources fixing up their homes and improving the home and by extension the backyard experience. Swimming pools played a major role in this trend, leading to an extraordinary increase in demand.

Faced with this high demand, the challenge for both Fluidra and the industry as a whole has been to respond to customer needs despite the supply chain shortages and rising costs, both in raw materials and in the transport of goods. Fortunately, we are in an industry that can take price, so we were able to pass along these cost increases to our customers. Although there are inevitably some timing issues, we were able to protect our profit margins, ensuring our resiliency and confirming the low elasticity of demand in the sector. Our team did an outstanding job staying close to our customers while increasing capacity in this capacity constrained environment. We are proud to share that in this challenging landscape, we were recognized as "Supplier of the Year" by three of the USA's largest distributors, demonstrating the fact that our team performed extraordinarily well vs our peers.

Meanwhile, the business most affected by the pandemic in 2020 because of the resulting health restrictions, the Commercial Pool business, started to recover in 2021 as control measures were relaxed, and tourism and the hotel sector started to return. Although we are still cautious, we expect further growth in 2022 thanks to the new projects that are beginning to be rolled out.

What is your assessment of Fluidra's performance in 2021?

Fluidra's performance in 2021 was spectacular. Throughout the year, EBITDA grew by 71% to €548.8 million on the back of excellent operating leverage, despite the difficulties in the supply chain. We made a Net Profit two and a half times higher than in 2020, at €252 million, while Net Cash Profit, a key indicator for the company since it excludes non-cash items and non-recurring expenses, increased by 104%, to €337 million. We have continued to generate high cash flow, which has allowed us to continue to consolidate our sector with accretive M&A. We have also increased our dividends and, despite all the above, we have maintained a relatively low debt ratio of 1.9 times EBITDA.

Perhaps the most satisfying aspect of the year is that all the objectives of the 2022 Strategic Plan, "The perfect pool experience", have been met a year early in terms of sales, EBITDA, net profit in cash and cash flow, net debt and ROCE.

1.3. Interview with the CEO

What new goals has Fluidra set for 2022 and the future?

In 2022, we are focusing on consolidating the growth achieved in 2020 and 2021. We are still experiencing healthy demand that will enable us to drive the growth in sales in 2022 by between 12% and 17% driven by the acquisitions completed in 2021, the rise in prices and a greater volume of sales. This year, we will have to keep a close eye on inflation and on price management to maintain and even increase our margins.

In the medium-term, we are moving forward with some of the goals that we already set and announced at the 5th Capital Markets Day in April last year. We expect to continue growing above the sector average, with an annual increase of more than 6%, an EBITDA margin expansion equal to or more than 50 basis points and an annual increase in net cash profit of more than 15%.

But we're not going to stop there. We are well-positioned to continue to grow and boost our value because we have the best global platform. We have a unique, diversified and powerful geographic footprint, with access to markets that have high expansion potential and where our business model is unbeatable.

We lead in innovation and IoT, where we are already a leading company in connected pools, and we will continue to focus on this path as a growth vector, confident that it is the future of the market.

We will also continue to pursue growth through strategic acquisitions. Our strong cash generation and liquidity will allow us to continue to be a consolidator in the pool space leveraging our footprint and outstanding team.

None of this can be achieved without internal evolution. We will continue to work on digitalization and the improvement or streamlining of the company's own processes in conjunction with being increasingly sustainable thanks to our ESG blueprint. Our goal is not only to improve our results, but to do so in a more sustainable way.

Bruce Brooks

CEO





2.

Winning Identity

2.1. A company focused on success **12**

2.2. One Fluidra, One Culture **13**

2.3. Business Structure **15**

2.4. Our products and solutions **19**

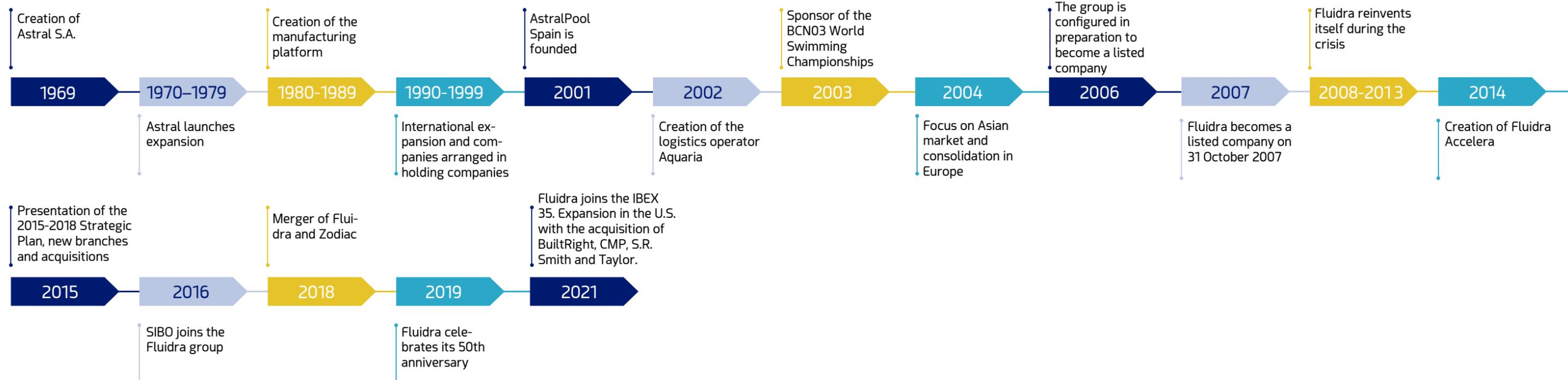


2.1. A company focused on success

Founded in 1969, Fluidra has vast experience developing, producing, distributing and marketing innovative products and services for the residential and commercial pool sector on a global scale. Our portfolio includes some of the most recognized brands in the industry, such as Jandy®, AstralPool®, Polaris®, Cepex®, Zodiac®, CTX Professional® and Gre®.

We are a global leader in the Pool and Wellness sector following the merger with Zodiac in 2018. Fluidra has more than 140 sales offices and nearly 40 factories in 47 countries. At the end of 2021, the workforce totaled nearly 7,000 people.

The company has been listed on the Spanish stock exchange since 2007 and in March 2021 joined the IBEX 35, which comprises the 35 most liquid companies traded on the Spanish stock exchange regardless of the sector they belong to.



2.2. One Fluidra, One Culture

Fluidra's mission, vision and values are our pole stars, guiding the daily performance of the people who make up the organization and contributing to the creation of a strong and integrated corporate culture.

When Fluidra merged with Zodiac in 2018, one of the most important tasks at hand was to understand the culture and values of both companies in order to define the culture of the new Fluidra. At the time, we sought to define a new way of doing things without neglecting the particularities of each company's cultural contexts.

Following the approval of the ESG Master Plan (Responsibility Blueprint), Fluidra's mission, vision and values were reviewed in an effort to integrate the commitment to responsible business conduct into the corporate culture.

Misión

“ Our mission is to create the perfect Pool and Wellness experience responsibly ”

Visión

“ To enhance lives through innovative and sustainable solutions that transform the way people enjoy water for recreation and health ”



2.2. One Fluidra, One Culture

All Fluidra employees receive training on the mission, vision and values when they join the company, with practical examples of their daily application. Likewise, the organizational culture is deployed in all new companies that join the group as a key element in the integration process.

This training is subsequently supplemented with regular promotional campaigns highlighting our values and reinforced with signs posted in the group's facilities around the world. Similarly, each one of the values is linked to the organization's processes and initiatives as a way of showing how Fluidra's philosophy is put into practice on a day-to-day basis.



Introduction of Fluidra's culture to newly acquired companies

At the end of 2021, the group sponsored a series of activities to introduce Fluidra's values to the team at CMP, one of the companies acquired during the year. The HR teams worked closely with the CEO of the new company, Tom Moore, to look for synergies between CMP's and Fluidra's values in order to identify how the new values worked together and to share those experiences during the rollout.

During this process, several meetings were held to make each one of our values known, explaining what they mean to Fluidra, how they are manifested in daily life and putting them into practice in a fun competition. The CMP team showed their competitive spirit and enjoyed learning about Fluidra's values through real-life examples.

These initiatives will continue in 2022 with the rest of the companies acquired in 2021.

2.3. Business Structure

2.3.1. Integrated Business Model

Fluidra has an integrated business model that covers all phases, from design to the delivery of products to customers.



R&D+i & Design

Research, development and innovation are built into Fluidra's DNA. Fluidra has the experience and the highest standards of innovation to create pool products and equipment that are reliable, and easy to use and to maintain.

Moreover, the team of design experts uses the most highly advanced technology to offer customers complete 360° solutions in line with international quality standards. For more information see [page 148](#).

- 230-strong team of engineers, designers and technicians.
- More than 1,600 active patents.
- €31.1M allocated to R&D+i projects in 2021.



Production

Fluidra's production centers are a benchmark in their category, always striving to achieve the objectives of sustainable operational excellence and maximum product quality. In 2021, Fluidra had 27 production companies, covering nearly 40 production centers. Learn more about our extensive product portfolio on [page 19](#).

Applied Production Technologies

Injection-molded plastic

Laminating and bobbin-wound

Thermoplastic and blow-molding technique

Metal processing

Glass tiling



Logistics

Thanks to the extensive network of logistics centers on different continents, Fluidra is able to deliver a wide range of products when and where they are needed.



Distribution

Fluidra has its own distribution network that offers assistance and training to professional customers around the world on our wide range of products and solutions. Learn more about the distribution model on [page 139](#).



Fluidra Projects

Fluidra Projects (formerly known as "Fluidra Engineering Services") is Fluidra's project department. The team has extensive experience in conceptualizing, designing and executing water and wellness projects around the world.

Fluidra Projects offers consultancy, advisory and development of conceptual designs services through preliminary research and needs studies, as well as advice on the general layout of spaces and the user circuit. Some of their projects can be consulted on the [corporate website](#).

2.3. Business Structure

2.3.2. Business Lines

Pool & Wellness

Fluidra's core business unit is Pool & Wellness. The Fluidra Group is responsible for **manufacturing and distributing** practically all the components necessary for the construction, renovation, improvement and maintenance of residential and commercial pools in the broadest sense. Thanks to continuous innovation, Fluidra is able to offer products and services that are increasingly automated, connected, efficient, sustainable and more economical to maintain.

This unit, in turn, is divided into four business lines:

1. Residential pools

Residential pools are the **group's primary business line**. With approximately **17 million pools installed** worldwide, it is estimated that one out of every four residential pools in the world has some component manufactured by Fluidra.

Fluidra's portfolio of residential pools includes alternative solutions to traditional concrete pools, such as GRE brand above-ground pools, Laghetto's high-end pools, AquaForte's natural pools and AstralPool's Inoxpool luxury pools.

Thanks to our R&D centers, factories on all continents and an unrivaled distribution network, the Fluidra Group distributes and supplies the products and services that keep residential pools in perfect condition. Pumps and filtration equipment (the heart of every pool), LED lighting, protection and safety elements, liners, ornamental waterfalls, climate control, automatic pool cleaners and a world of connectivity... all contribute to creating the perfect pool & wellness experience, responsibly.

2. Commercial Pools

The commercial pool line refers to water facilities for public use such as hotel and resort pools, water parks, municipal pools, elite competition pools, spa & wellness centers, aquariums, lagoons and fountains. Beyond the sale of equipment and components, the company has its own engineering department, Fluidra Projects, with a team of professionals that brings together all the expertise necessary for the conceptualization, design and construction of water projects around the world.



2.3. Business Structure

2.3.2. Business Lines

3. Pool Water Treatment

Proper disinfection and treatment of pool and spa water is essential for users' health. In this regard, Fluidra offers the best and most comprehensive solutions currently available on the market, from products for manual dosing to fully automated measurement and regulation systems.

4. Fluid Handling

Fluidra manufactures and distributes the high-end valves and accessories needed to build the pool's hydraulic circuit under the Cepex and AstralPool brands.



[102-6]



Irrigation, Industrial and Others

In some southern European countries, Fluidra supplements its core Pool & Wellness business with irrigation **accessories for gardens** that are often adjacent to swimming pools. This unit represents only 2% of total sales for the year.

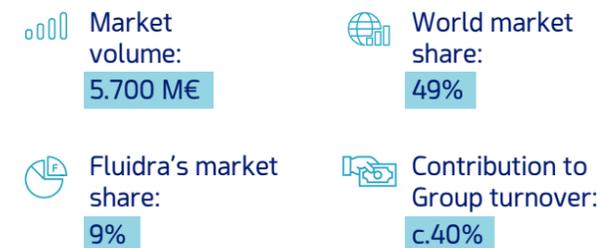
We also work in the field of fluid handling and flow control for the industry, an area that shares technology and know-how with Pools and Wellness.

2.3. Business Structure

2.3.3. Geographical Presence

In a global pool market worth €11,500 million euros, Fluidra is the global leader with a market share of 13%³ and a presence in 47 countries around the world. The business is organized into three main geographical areas, supported by a global team located at the corporate headquarters in Sant Cugat del Vallès:

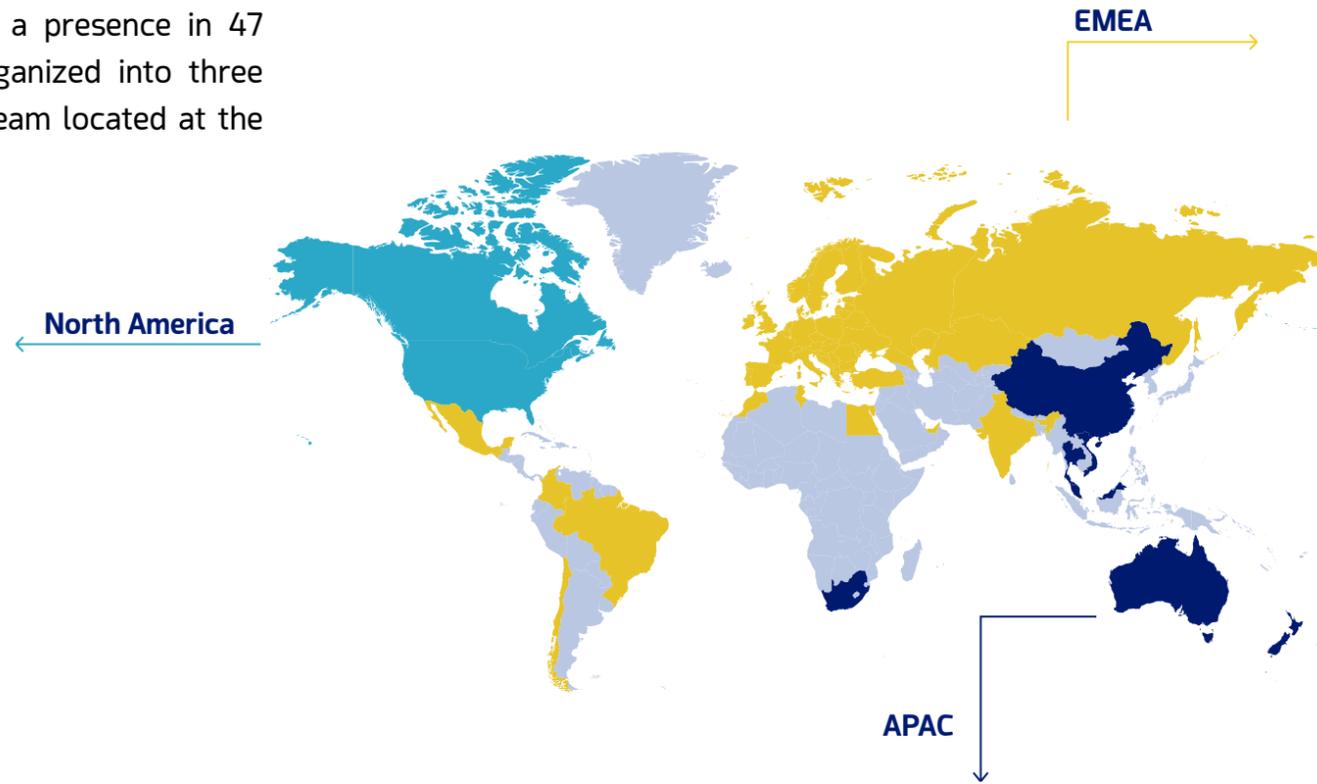
Countries: United States and Canada



Characteristics:

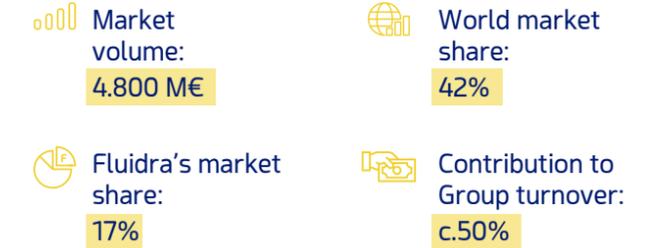
In these markets, the Company manufactures products and components which are distributed through third parties. Pool professionals are approached by the manufacturers themselves, building close ties of trust and collaboration with them. The group competes in the most important segments of the Pool & Wellness, residential and commercial pool sectors.

North America



EMEA

Countries: Europe, Middle East/India, North Africa and Latin America



Characteristics:

In these markets the company has a unique and vertically integrated business model, with our own R&D department, production centers, logistics and wholesale operators. Fluidra is unique within this sector which has few global players but many national or even regional players.

APAC

Countries: Australia, China, Indonesia, Malaysia, New Zealand, Singapore, South Africa, Thailand, Vietnam



Characteristics:

In these markets, the company has different strategies for different countries depending on the total installed pools. In some, there is vertical integration, while in others only manufacturing and still others only distribution centers. Direct collaboration with pool professionals to offer advice and solutions to satisfy their needs. Predominance of commercial pools, focus on new construction in highly fragmented markets with tourism as the main driver. Markets without a player of reference.

³Figures corresponding to year 2020

2.4. Our products and solutions

2.4.1. Product Catalog

75,000
references

Fluidra's product portfolio includes more than 75,000 references of innovative and sustainable solutions for the pool and wellness sector. This includes ladders, showers, pumps, valves, filters, heaters, grids, pool cleaning robots, underwater lighting, fountains, disinfection equipment, fittings and chemicals, among others.

QUALITY

SUSTAINABILITY

SAFETY & COMPLIANCE

CONNECTIVITY

OUR
PILLARS
ARE:

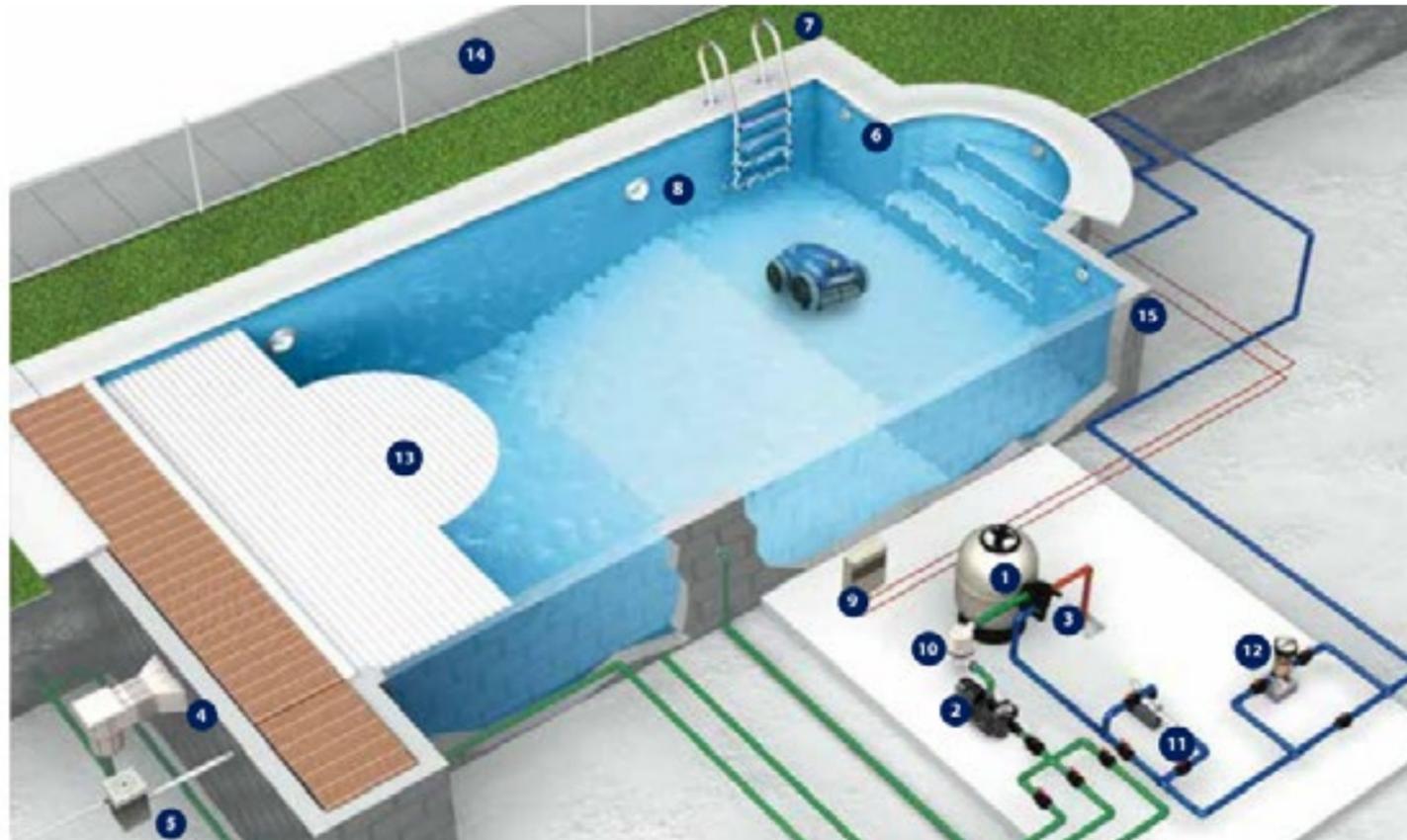


2.4. Our products and solutions

2.4.1. Product Catalog

General diagram of installation of pool equipment

This wide range of products, the most complete in the market, is supported by some of the most recognized brands in the swimming pool and wellness sector worldwide.



- | | | | |
|-------------------|-------------------|----------------------------|-------------------------|
| 1 Filterer | 5 Level regulator | 9 Electric control cabinet | 13 Automatic pool cover |
| 2 Pump | 6 Return inlet | 10 Hydrosprin | 14 Safety barriers |
| 3 Multiport valve | 7 Ladder | 11 Heat exchanger | 15 Pool shell |
| 4 Skimmer | 8 Light spot | 12 Chlorine dispenser | |

Fluidra brands



AstralPool

Worldwide leading brand in the swimming pool and wellness sector (Europe - Latin America - Africa - Asia - Oceania)



Polaris

A world reference in pool cleaners for their quality, elegant design, innovative technology and high reliability (Europe - USA and Canada - Oceania).



Zodiac

Brand with a wide range of products that enhance the pool owner's comfort and peace of mind (Europe, USA and Canada, Oceania - Africa)



Gre

Pioneers in the latest generation of wood, steel and composite above ground pools (Europe - Africa - Latin America).



Jandy

A complete line of innovative energy-efficient equipment for residential pools and spas (USA and Canada)



CEPEX

Plastic valves and fittings to deliver the best fluid handling experience (Global).

2.4. Our products and solutions

2.4.1. Product Catalogue

In 2021, Fluidra earned the following recognitions for its products and solutions:



Recognition to our products



Best Product Hardware and Building

2021 Australian Good Design Award (Australia)

-Halo Connect



Innovative Connectivity Product Award

Feria de Piscina & Wellness (Barcelona, Spain)

-Neolysis Solution 2UV + Salt Electrolysis by AstralPool



Pool Nation Awards

Pool Nation Association (USA)

-Heater of the year, to Jandy JxiTM Pool & Spa Heater

-Automation of the year, to Jandy AquaLink® RS

-Best Value Automation, to Jandy iAquaLink® iQ904 Bundle.

-Favorite Test Kit, to Taylor K-2005 Complete™ Test Kit



SPASA Awards of Excellence 2021

Swimming Pool & Spa Association of New Zealand (New Zealand)

-Product of the Year and New Product Award, to EvoluX EX5000 IQ.

-Finalist to Innovative Product Award, to MagnaPool.



2.4. Our products and solutions

2.4.2. Quality Management

Quality at Fluidra is focused on achieving customer satisfaction within a framework of sustainable and profitable growth. To that end, we listen and respond to the needs and concerns of our customers in order to be recognized as a company that is easy to do business with and that offers the highest quality products on the market.

One of Fluidra's priorities is to build a culture based on common attitudes, methodologies and tools to arrive at a global concept of quality that permeates all elements of the value chain. This philosophy is key to achieving profitable and sustainable performance, but also to building customer loyalty through a positive buying experience that is driven by more than just price.

“ At Fluidra, we strive to provide our customers with the perfect pool and wellness experience in a responsible manner, delivering exceptional products and services driven by a quality-focused approach in line with our values ”



2.4. Our products and solutions

2.4.2. Quality Management

Global Quality Management System

Following the merger with Zodiac, in 2020 Fluidra formed the Global Quality Department within the Global Operations Area, with a mandate to promote a quality-focused culture across the business globally.

The Global Quality Department has a diverse and multidisciplinary team of professionals in each of the regions where Fluidra does business. Together, they are collectively responsible for developing processes, assessing risks and opportunities, and driving continuous improvement in this area.

Since its creation, the Department has made significant strides in improving Fluidra's business processes and promoting quality concepts on a global level, while at the same time understanding the particularities and critical points on which the company must focus on at a local level.

These positive results are largely due to the implementation of the new **Global Quality Management System** in 2021, developed in accordance with ISO 9001:2015.

This is a set of tangible policies and procedures to emphasize the corporate vision and better align quality resources with high-level business objectives. This approach will allow us to raise the quality maturity level, reduce gaps and drive organizational alignment, as well as increase employee engagement.



The **Global Quality Policy** and the **Quality Management System Manual** contain Fluidra's guiding principles in this area, which are reinforced with more specific procedures for supplier management, new product development, or the management of non-conformities and corrective actions, among others. All policies and procedures are available to the entire organization in the Quality area on MyFluidra.

With the implementation of the Management System, progress has been made in the areas of customer satisfaction, handling problems by offering faster and more effective solutions, improving quality in the design of new products and enhancing the customer's experience. A clear example of this is the introduction of new quality requirements for design validation testing and manufacturing preparations, which contributes to significant reductions in product warranty costs and improved customer satisfaction.

Finally, like other areas of the company, the Quality team continues to focus much of its efforts on mitigating the risks associated with Covid-19. The restrictions on movement in the countries where the Group operates kept global quality teams restricted to their home bases.

Milestone:

The new Global Quality Management System has improved processes and increased customer satisfaction.

2.4. Our products and solutions

2.4.2. Quality Management

This led Fluidra to implement an aggressive risk mitigation program, reinforcing the process quality teams at key locations, which has made it possible to considerably increase the scope and frequency of audits and thus guarantee compliance with all aspects of the Management System.

At present, the following companies have Quality Management Systems certified under ISO 9001:2015. Fluidra Global Distribution was certified for the first time in 2021 and the certification of Metalast and Inquide has been unified in the latter, following the merger of the two companies during the year. In addition, the certificates that expired in 2021 were renewed.

Certification of the rest of the key locations around the world will continue in the coming years.



- Agrisilos SRL (valid from July 31, 2018 to December 14, 2021).
- CEPEX (valid from September 28, 2021 to September 27, 2024)
- Fluidra Brazil Indústria e Comércio (valid from February 18, 2020 to February 17, 2023)
- Fluidra Global Distribution (valid from January 12, 2022 to January 11, 2025)
- Fluidra Industry France (valid from February 26, 2019 to February 25, 2022)
- Fluidra Waterlinx (Pty) Ltd (valid from July 22, 2019 to July 16, 2022)
- Inquide (valid from April 26, 2021 to April 25, 2024)
- Manufacturas GRE (valid from February 25, 2019 to February 25, 2022)
- Poltank (valid from May 18, 2021 to May 17, 2024)
- Productes Elastòmers (valid from March 1, 2021 to February 28, 2024)
- Sacopa (valid from August 4, 2021 to August 4, 2024)
- Talleres del Agua (valid from November 25, 2019 to November 8, 2022)
- Trace Logistics (valid from March 7, 2021 to March 6, 2024)
- Togama (valid from December 14, 2020 to December 13, 2023)

2.4. Our products and solutions

2.4.3. Product Safety and Compliance

In line with its commitment to quality, **Fluidra continuously ensures that all products that are brought to market are free from risks to people and the environment**, and also that they comply with the laws in force both at an international level and in the countries where they are sold.

To that end, Fluidra has a **Global Product Compliance Department** which, under the supervision of the Chief Technology Officer, is responsible for assessing the safety and compliance of all Fluidra products at all stages of their life cycle.

Product Safety

Fluidra strives to ensure that all of its products meet mandatory safety standards so that they do not pose any risk to users, customers, employees or the environment.

The company has had a **Product Safety Council** since 2019, which is an internal, global body where employees can go to seek information and guidance, ask questions and raise concerns about product safety and compliance.

A global strategy was implemented that same year, designed not only to continue effectively managing potential product safety considerations, but also to drive Product Compliance and Safety requirements prior to the New Product Development (NPD) process.

In 2021, the **Product Safety Council focused on maintaining cadence, discipline, communication and risk mitigation across the global organization**, and ensuring that issues were addressed promptly and effectively. To that end the council held quarterly meetings in each of the three operating regions (EMEA, Americas and APAC) to address the major incidents identified in each region.

The Group continued to manage the safety incident detected in 2020 in certain gas heater models manufactured and sold in Australia. In early 2021, Fluidra reported the situation to the ACCC (Australian Competi-

tion and Consumer Commission), which subsequently required Fluidra to recall the product. The recall was announced to the market in April 2021. At the year-end, the affected products were still being withdrawn from the market and those efforts will continue in 2022.

Fluidra has made a [website](#) available to its customers in Australia with information related to the process of recalling the affected products from the market. It explains the steps to follow to identify whether your product is among the affected models, along with a claim form. However, this incident did not result in a violation of the applicable regulations, and there were no cases of non-compliance in 2021 (as in 2020).



The Product Safety Council focused on maintaining cadence, discipline, communication and risk mitigation

2.4. Our products and solutions

2.4.3. Product Safety and Compliance

Product Compliance

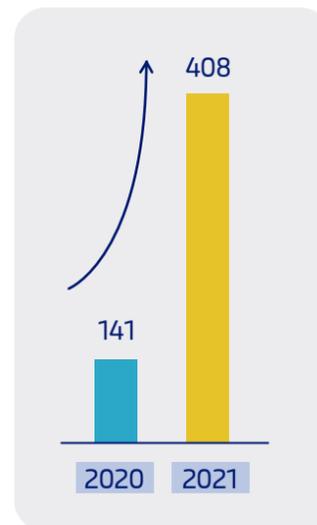
Due to the geographical dispersion of its operations and sales, Fluidra is subject to a wide variety of regulations affecting its products.

The Group closely monitors all applicable local and international regulations on a continuous basis, which allows us to anticipate regulatory changes and thus have sufficient time to integrate them into our processes and to inform and train our customers and suppliers. The most important regulations applicable to Fluidra include REACH (chemical substances), BPR (biocides), and CLP (classification, labeling and packaging of substances), as well as UNE-EN regulations on disinfectant products and chemicals.

Fluidra is assisted in this area by Assent Compliance, a company that helps Fluidra manage all stages of regulatory compliance, from data acquisition to reporting.

Fluidra is also in contact with the European Chemicals Agency (ECHA) on a regular basis as well as other international organizations such as CEFIC (European Chemical Industry Council), Euro Chlor and IIAHC (Isocyanurate Industry Ad Hoc Committee) to keep track of the laws that apply to chemical products. At the end of 2021, Fluidra had 408 biocide products registered in the various countries where we operate, compared to 141 the year before. The sharp increase stems from the modification of national registrations for all tablets containing more than 0.3% boric acid in all European Union countries.

The Group also monitors labeling requirements closely in order to clearly and transparently communicate to customers and end users information on the origin, components and instructions for use, as well as product disposal and waste management, as required.



In 2021, there were two instances of non-compliance, both related to problems with the labeling on refrigerants used in heat pumps and dehumidifiers sold in Europe. In both cases, once the incident was reported by customers, Fluidra set up a working group with members from Compliance, Engineering, After-Sales and Quality to analyze the possible causes and identify the preventive and corrective measures needed to solve the problem.

In the **first case**, it was determined that the labeling on 48 dehumidifiers was missing the required “flammable” symbol, and that the refrigerant indicated on the label was not the correct one. In response, Fluidra immediately re-labeled the product, a process that was completed at the end of February 2021.

The **second incident** was detected at the end of November and affected 66 heat pumps sold to a customer, where the refrigerant indicated on the label was also not the correct one. As of the date of this report, the units were in the process of being relabeled in the field.



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool

One of the main challenges faced by Fluidra in ESG matters is to promote **the sustainability of the products** it produces and distributes so as to have a lower environmental impact by significantly reducing the consumption of resources (water, power and consumables), but **without losing sight of viability** in terms of maintenance costs and return on the initial investment.

Fluidra's efforts in the coming years will focus on two main lines of work: promoting the range of sustainable products to customers and end users, and reinforcing sustainability in all phases of the product life cycle.

Next steps:

1. Promoting the range of sustainable products.
2. Reinforcing sustainability in all phases of the product life cycle.

Our Sustainable Product Range

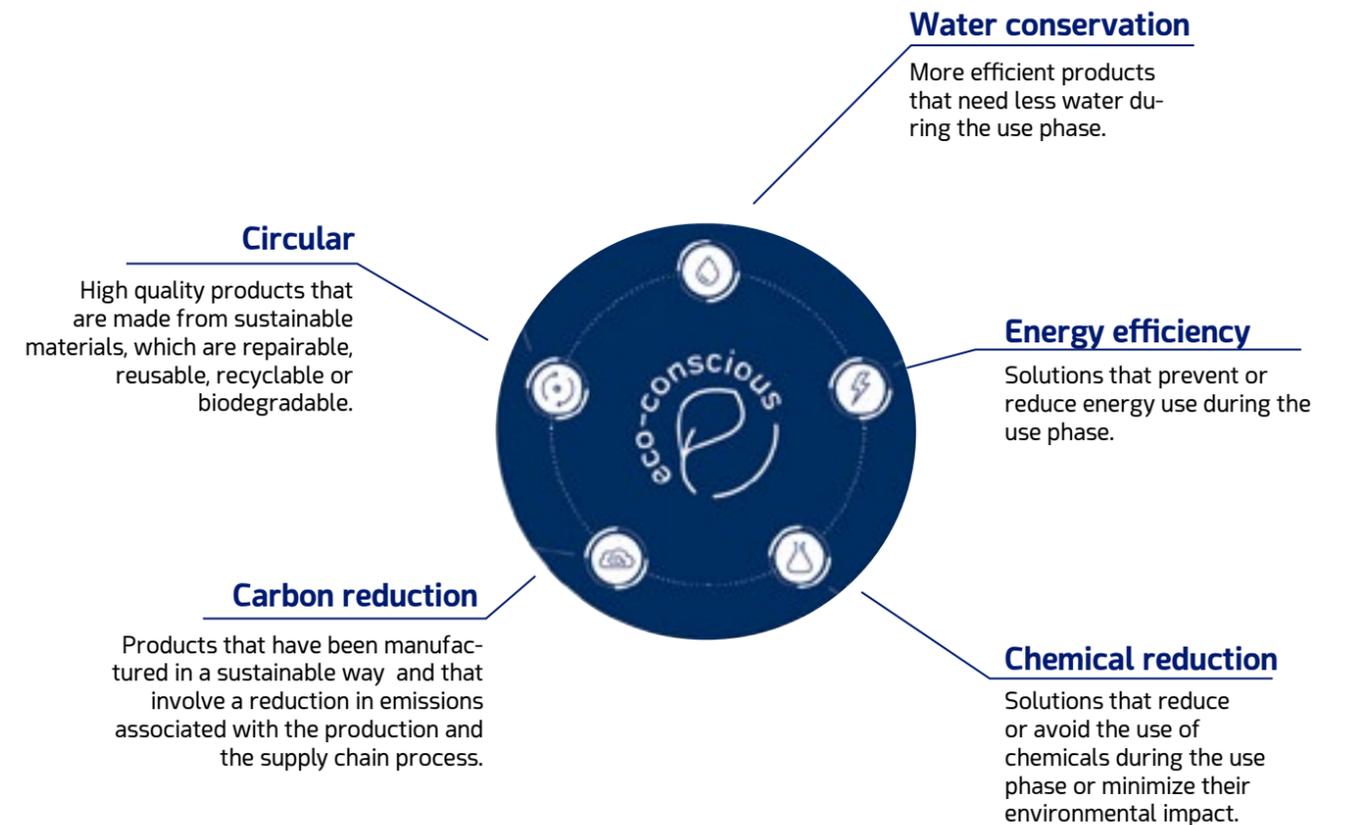
In 2021, 82% of the Fluidra Group's CO₂ emissions were associated with the use phase of its products. In response to this reality, in 2021 the organization has made progress in defining the concept of "Eco-Conscious" products, with which it seeks to classify all those products in its catalog that generate a lower environmental impact and/or promote the social well-being of users.

Fluidra has set itself the **target of having 60% of its product sales classified as "Eco-Conscious" by 2026, and 80% by 2035**. In 2021, 55% of Fluidra's total sales (25% of units sold) were classified in at least one of the product categories considered in this classification, compared to 50.4% in 2020.

The new Global ESG Products Department, created within the Innovation area, is tasked with promoting innovation and the development of increasingly sustainable and responsible products and solutions. Because of the nature of its responsibilities, this department works closely and coordinates its activities with the regional business areas, as well as the Marketing and ESG departments.

This framework is currently composed of five product categories, although it is expected to be expanded in the future to incorporate other criteria such as "carbon neutral" products.

"Eco-Conscious" Product Range



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool | "Eco-Conscious" Product Range

Water conservation

Water scarcity and **water stress** are two of the main challenges that Fluidra faces in terms of guaranteeing the continuity of its business. The company is therefore committed to more efficient products that make it possible to **reduce water usage**. In 2021, products that save on water usage accounted for **10% of Fluidra's sales** (9% in 2020).

Generally speaking, the operation of a pool involves a series of processes that consume water: evaporation, filtration, filter washing, water replacement due to quality issues, structural leaks or water lost through pool usage.

There are several products in Fluidra's catalog that promote water savings in three different ways: preventing evaporation, reducing the need for water replacement and using water-saving filtration processes.

Evaporation is influenced by climate conditions and pool design. For indoor pools, dehumidification equipment can be used to control environmental conditions (temperature and humidity) and to recover condensation. For outdoor pools, the most appropriate way to minimize evaporation losses is to use isothermal covers during periods when the pool is not in use.

Fluidra also markets **filtration solutions** that reduce the amount of water needed for backwash and keep it in good condition, such as cartridge, diatomaceous or regenerative media filters.

CS
Cartridge filter



Water conservation

Active Clear Glass
filtration media

ASTRALPOOL



Water conservation

Polycarbonate thermal Cover

ASTRALPOOL

Energy efficiency
 Water conservation



Buble thermal cover

ASTRALPOOL

Energy efficiency
 Water conservation



Finally, the **concentration of disinfection by-products** in the pool water requires that the water be renewed periodically, to keep the levels of these by-products within the authorized limits. Furthermore, the water that is discarded may be hot water (indoor pools) that needs to be not only replenished but also heated. Fluidra produces and markets technologies that reduce the formation and accumulation of these by-products, which in turn lessens the need for water renewal (for more information, see the "fewer chemicals" category).

2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool | "Eco-Conscious" Product Range

⚡ Energy efficiency

These are **solutions that reduce the electricity usage** associated with pool operation. Water filtration pumps account for most of the electricity required to operate pools, in addition to water heating and climate control for indoor pools. In 2021, products that save on electricity usage accounted for **21% of Fluidra's sales** (19% in 2020).

Using a **variable speed pump** makes it possible to adjust the water flow rate to the pool's needs at any given time and thereby reduces electricity usage. For example, a 50% reduction in speed means a 50% reduction in the flow rate and a 75% reduction in electricity consumption.

When it comes to **heating pool water**, energy efficiency can be increased by using a heat pump, which extracts the thermal energy naturally present in the air and transfers it to the pool water. A heat pump can transfer to the pool water up to five times more thermal energy than the electricity it consumes to run.

Z550iQ
Inverter heat pump



⚡ Energy efficiency



Pro Elyo Touch
Inverter heat pump

⚡ Energy efficiency



FloPro VS
Filtration pump



⚡ Energy efficiency



Classic Plus
Multiport valve



⚡ Energy efficiency



Victoria Plus Silent VS
Filtration Pump



⚡ Energy efficiency



There are other energy-saving products such as the previously-mentioned **floating covers**. These covers significantly reduce evaporation from the pool surface and this reduces water and energy losses. They are recommended primarily for heated pools.

Another example is the use of **LED lighting** which can result in savings of 80% compared to the old incandescent and halogen solutions. In September 2021, Fluidra stopped marketing in Europe any pool lighting that does not use LED technology, in accordance with (EU) Directive 2019/2020.

LumiPlus Flexi



⚡ Energy efficiency



LumiPlus FlexiMini



⚡ Energy efficiency



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool | "Eco-Conscious" Product Range

Chemical reduction

These solutions reduce the **quantity or eliminate the need for disinfectant chemicals to keep the pool running**, or minimize their environmental impact. In 2021, **5% of Fluidra's sales** were products in this category, same as in 2020.

For example, the use of UV-C equipment to disinfect the water reduces the amount of disinfectant needed to keep the pool in good condition and compliant with national regulations. Salt electrolysis equipment is another example, as is the combination of UV-C and electrolysis, which is called Neolysis. In addition, Free-Pool technology eliminates the need to add a pH regulator since it uses CO₂ gas to regulate pH.

Neolysis 2 Salt water electrolysis + UV treatment



No disinfection chemicals used
Less chlorine

Chemical reduction



Magnapool Magnesium-based | Electrolysis solution



No disinfection chemicals used

Chemical reduction



Carbon reduction

These are all the **products manufactured using sustainable methods** that contribute to reducing the **emissions associated with the production and supply chain processes**. This includes all the products that require fewer raw materials for production or which are produced at facilities with renewable energy sources (in the case of products manufactured in Spain and Portugal).

Fluidra is also conducting two Life Cycle Assessment pilot projects (LCA, according to international standards ISO 14040 - 14044) that will allow us to do a global analysis of the life cycle of residential robots and pumps. These assessments will focus on manufacturing and production, but also on all the processes involved throughout the life cycle which will make it possible to analyze the hidden impacts (e.g. the carbon associated with extracting, shipping and producing the materials), and will help us make decisions and identify options for improvement.

In 2021, 14% of product sales met the requirements defined by Fluidra to be classified in this category, same as in 2020.



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool | "Eco-Conscious" Product Range

Circular

With these products we can transition from a linear economy model to a circular economy model by promoting the principles of **reuse, repair, exchange, renew and recycle**. In doing so, Fluidra is able to extend the life cycle of its products.

The Company is currently developing a pilot project in collaboration with the specialized consulting firm EIG to analyze the circularity of our products and to determine which actions will allow us to improve the circularity of our products according to the principles of **Cradle to Cradle™ certification**.

This project focuses on two key products offered by Fluidra: filtration pumps (specifically, AstralPool's Victoria Plus Silent pump, in both fixed and variable speed versions) and cleaning robots (Zodiac's Voyager RE-4400 iQ model). The first was selected for its impact, since it is a product that all pools require and one that accounts for a large part of the pool's electricity usage. The robots were chosen because of the strategic importance of these products.

In the coming years, further studies of the most relevant product families will be conducted. The goal is to make at least six products 100% circular by 2026.

Throughout the year several training sessions were held for the ESG, R&D and Purchasing teams and for factory engineers on the most salient features of the Circular Economy, with an emphasis on the circularity of products.

Environmental Certification of Products

In addition to this internal categorization, Fluidra's products have other environmental certificates issued by internationally recognized organizations, such as **Energy Star** (U.S. Federal Government) or the **Climate Care Certificate** (SPASA, Australia).

In 2021, Fluidra had 39 certified references, which accounted for 4.66% of sales during the year (1.9% in 2020). In the coming years, Fluidra plans to strengthen the environmental certification of its products, with the aim of complying with the new regulations on Minimum Energy Performance Standards (MEPS), increasingly required by the countries in which the Group operates, as a requirement for the marketing of our products.

Victoria Plus Silent VS
Filtration pump



Voyager™
Robotic Cleaner



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool

Accessible Pools

In addition to our range of “eco-conscious” products, Fluidra also has a number of products that promote the social wellbeing of users, especially people with disabilities or reduced physical mobility, including a wide variety of automatic lifts, stairs and handrails for better accessibility to both commercial and residential pools.

Fluidra’s catalog of products designed to promote pool accessibility has increased this year thanks to the recent acquisition of SR Smith in North America, a company specializing in this field.



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool

Sustainability in the Life Cycle of Products

The ESG Product Department, in collaboration with the EMEA project office, has worked to include ESG criteria as an integral part of the new product development process. In doing so, Fluidra seeks to integrate sustainability as early as the design stage and to document in greater detail the benefits that Eco-Conscious products offer over other products.

This initiative is in addition to the efforts already being made by the company in the different phases of the product life cycle.



Raw Material Selection

Fluidra has been working in recent years on the **selection of materials and components with smaller environmental footprints**, prioritizing those sourced from local suppliers, those made from renewable sources (as permitted by the product's technical requirements) or those that contribute to reducing water or electricity consumption as well as hazardous substances.

Several group companies, such as Sacopa and CEPEX, recover and reuse leftover injection materials which cuts down on the volume of raw materials used.

Production and Manufacturing

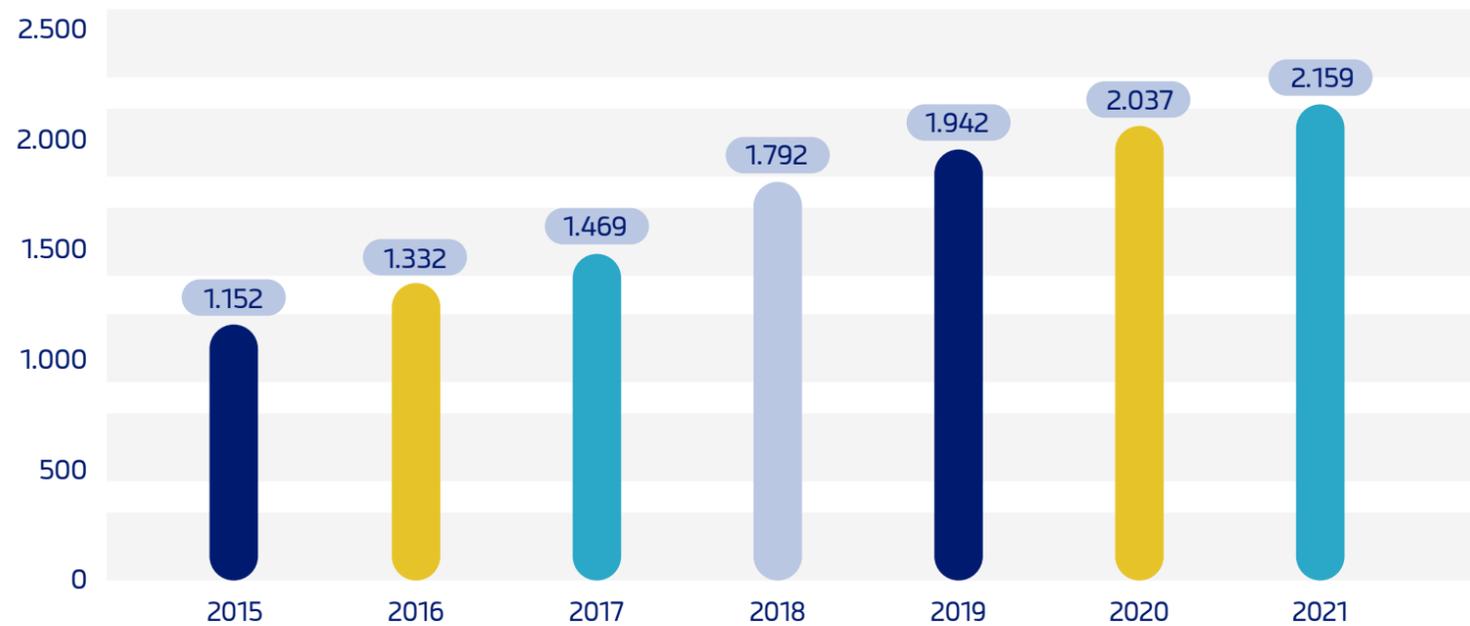
LEAN management is one of the fundamental pillars of Fluidra's production plants. Fluidra uses this methodology to focus its efforts on optimizing and continuously improving management and production processes, thereby minimizing waste and the inefficient use of resources while maximizing the creation of value for the customer.

Every year, Fluidra develops various training sessions and other activities to extend the LEAN culture at production plants and some of the company's suppliers. In 2021, a total of 2,159 employees participated, which represents 83% of the total workforce at the company's production plants (compared to 2,037 people the year before, representing 79% of the workforce at production plants).

2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool | Production and Manufacturing

People trained in LEAN Methodology



The new tools, systems and technologies derived from this methodology are implemented through **Value Improvement projects** (also known as value generation or value-added projects) and by sharing best practices between factories.

The entire product creation and manufacturing chain is analyzed, from design to procurement and from manufacturing to logistics. This makes it possible to identify opportunities for improvement at any point, which translates into OPEX savings and consistently better margins, but also a positive ESG impact. Thanks to these projects, opportunities are identified to reduce the consumption of materials and energy, in line with the group's environmental impact reduction policy.

Fluidra's LEAN projects are focused on three main areas: processes, purchasing and product. In 2021, 219 Value Improvement projects were defined (97 processes, 60 purchasing and 62 product projects) compared to 62 projects in 2020. Some of the key initiatives in each one of these areas are described below.

Processes:

In 2021, the company managed to save 551,119 kWh of electricity and 11,780 kg of materials thanks to the initiatives targeting the following areas: productivity, shrinkage, shipping and facility maintenance.

1. Productivity:

Value Improvement projects increase productivity while reducing electricity consumption at facilities. The application of the LEAN methodology to plastic injection molding technology has improved overall equipment effectiveness (OEE), while reducing energy consumption by 180,000 kWh in 2021 compared to 2020 (approximately 35.85 tCO₂ emissions).

2. Shrinkage:

Shrinkage is defined as the loss of materials. At the Poltank plant (a manufacturing plant of laminated and wound filters in Spain), the wastage of fiberglass, a material used to make the filters watertight, has been reduced. By installing an automated fiber cutting machine the plant was able to reduce wastage of this material by 11,780 kg 2021 compared to 2020.

2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool | Production and Manufacturing

3. Shipping:

For companies that deal with physical products, shipping is a significant cost that is coming under increasingly closer scrutiny. Fluidra has analyzed the routes traveled by trucks from production plants to Trace Logistics warehouses in order to optimize routes. In 2021, the company managed to reduce the distances traveled by almost 30,000 km.

4. Facility Maintenance:

To reduce the electricity use for lighting, Fluidra has been developing initiatives to replace halogen lighting with LEDs. LED lighting has a useful life that is 20 times longer and reduces electricity consumption by up to 97% compared to halogen bulbs. As an example of this effort, Fluidra South Africa replaced 274 halogen bulbs with LEDs. This change led to a reduction in electricity usage of 371,119 kWh in one year (approximately 347.60 tCO₂ emissions).

Purchases:

In 2021, Fluidra implemented a group-wide project to reduce the rental cost of the forklift trucks used by group companies. As a result, more than 100 forklifts were replaced, mainly at Trace Logistics, but also at other group companies such as Cepex, Sacopa, Poltank or Inquide, resulting in annual cost savings of 150,000 euros (27% savings).

In addition to reducing operating costs, the project has also made it possible to replace some of the old diesel forklifts with electric equipment, cutting CO₂ emissions by 26 tons per year. In other cases, electric machines with old technology have been replaced with electric forklifts equipped with lithium batteries, which are 30% more efficient than traditional batteries.

Products:

In 2021, Fluidra developed 45 cost improvement projects that impacted nearly all product families. For example, using simulation tools for calculations to optimize the materials and quality of commercial wound filters has saved 2,400 kg of material and enhanced quality by improving the distribution in the filter.

The goal for 2022 is to continue supporting Fluidra production companies, consolidate the activities begun in 2021 and define new value-generating projects that will help us to continue optimizing processes and reducing costs in a sustainable manner.



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool

Packaging

With regard to packaging, Fluidra prioritizes the use of **recycled and recyclable materials** that meet the technical requirements of resistance in order to ensure the integrity of our products. Several projects have been carried out in recent years to optimize packaging, to the extent possible, and this has reduced the quantity of materials used.

Since 2021, Styrofoam packaging has been replaced with 100% cardboard packaging of some products. So, for example, in the Sena pump family alone this has prevented the use of approximately 2.8 tons of Styrofoam.

In addition, for products that are already packed in 100% cardboard, efforts have been made to reduce the amount of cardboard used by cutting down on the subcases, which is the case of the Std valve product family.

These initiatives will continue in 2022 and will be extended to include new products such as the Victoria Silent and Victoria Plus filtration pumps. Likewise, tests will continue on the use of compostable bags in spare parts packaging, with the aim of consolidating their use in 2023.

Fluidra is also starting work on a pilot project to shift the materials used for internal shipments to reusable packaging (i.e. to move components between factories).



“ We have prevented the use of approximately 2.8 tons of Styrofoam. ”

Distribution, Storage and Shipping

Fluidra has a network of European distribution centers which are basically supplied by four logistics hubs located very close to the production centers. These centers are operated by Trace Logistics, the group's logistics operator.

In 2021, it was created a working group to measure and reduce its carbon footprint by using **more efficient shipping solutions** (e.g. multimodal transport by road and rail), decreasing the kilograms transported by reducing reverse logistics and using new truck loading solutions, thereby saturating all modes of transport to the fullest (i.e., double-decker trucks) and reducing the frequency of shipments through better product availability.

There have also been various initiatives to reduce shipping-related incidents in order to mitigate the impact of reverse logistics on emissions (i.e. those resulting from the goods having to be returned to the warehouse and subsequently reshipped to the customer). In addition to training operators in pallet assembly, Fluidra has made improvements to the packaging used by the group's suppliers and factories. This makes it more resistant to possible friction during transport and ensures that the product is delivered in perfect condition.



2.4. Our products and solutions

2.4.4. Towards an increasingly Sustainable Pool

Product Usage

Products are designed to be as efficient as possible for their intended use, while avoiding any type of environmental pollution and waste of natural resources (for more information, see the section "[Our Sustainable Product Range](#)").

Fluidra encourages product repairs using our own spare parts to extend the useful life of our products. This reduces the quantity of materials used by eliminating the need to replace the entire product.

Consumers are increasingly looking to incorporate sustainable technologies into their homes, and swimming pools are an important part of that overall experience. Brands like Zodiac or AstralPool provide pool professionals with various calculation tools that can be used to assist customers in choosing the most efficient equipment in terms of the resources used (energy consumption, minerals, etc.), which will depend on the size of the pool and the end consumer's location.

Product Management at the End of Useful Life

Fluidra is committed to ensuring that all injected parts of the product are made of one material to facilitate subsequent recycling. Whenever possible, the company uses international material identification symbols to indicate the materials that were used to make each part of the product. Instructions on how to manage products at the end of their useful life are included in the product manuals.

In 2021 a campaign was launched at all Pro Centers in Spain to encourage customers to return halogen lamps and filter pumps that are no longer usable. In exchange, they receive a special discount on the purchase of new LEDs and variable speed filter pumps, respectively. The purpose was to promote the correct recycling of these products, while at the same time encouraging customers to replace these products with other more environmentally friendly ones.



2.4. Our products and solutions

2.4.5. Connected Pool: loP

The Connected Pool (Internet of Pools or loP) is made up of all the connected products that can make a pool smarter and more autonomous.

In 2021, Fluidra increased the number of customers with loP solutions at their facilities by 30%, with a total of 560,000 customers by the end of the year. As a global leader in the industry and a pioneer in this segment, the group's goal is to reach one million connected pools by 2025.

For Fluidra, IoT applied to pools is critical to increasing user and customer engagement, generating a new income stream and, at the same time, a flow of data that provides a source of valuable information when developing new products and improving the performance of those already installed in its growing base of connected pools.

In 2021 the focus remained on the continued development and launch of connected products in key strategic product families, while continuing to modernize existing loP platforms to deliver a best-in-class experience.

Efforts continued to expand internal resources in the loP and Digital space to build industry-leading capabilities, always with security as the top priority in our quest to offer a secure loP ecosystem at all levels. The advent of 5G is expected to trigger a quantum leap in the functionality of connected services.

Internet of Pools is not just about smart products and services; it is also about enjoying a perfect pool experience in a responsible way

EFFICIENCY AND SUSTAINABILITY

Connected products can act together to manage the pool more efficiently.

Users are free to let their pools adapt to the surrounding conditions or they can adjust the parameters remotely if they wish.

ADDED SERVICES

Product connectivity makes it possible to offer services within the application, such as tips for easier pool maintenance or forecasts to better adjust pool settings.

Pool maintenance can also be entrusted to Pool Pros to optimise workloads



2.4. Our products and solutions

2.4.5. Connected Pool: IoP

Connected Pool Brands



Products for easy control and total pool automation from your cell phone, tablet or internet-connected device. With iAquaLink, pool and spa elements such as lights, temperature, water features, pumps and cleaners can be easily managed anytime, from anywhere.



Advanced pool automation system, designed for both the user and the professional, that allows the pool to be controlled remotely from the computer. With Fluidra Connect, the pool's temperature, lighting, disinfection levels and filtration settings can be controlled from any location, allowing for remote maintenance.

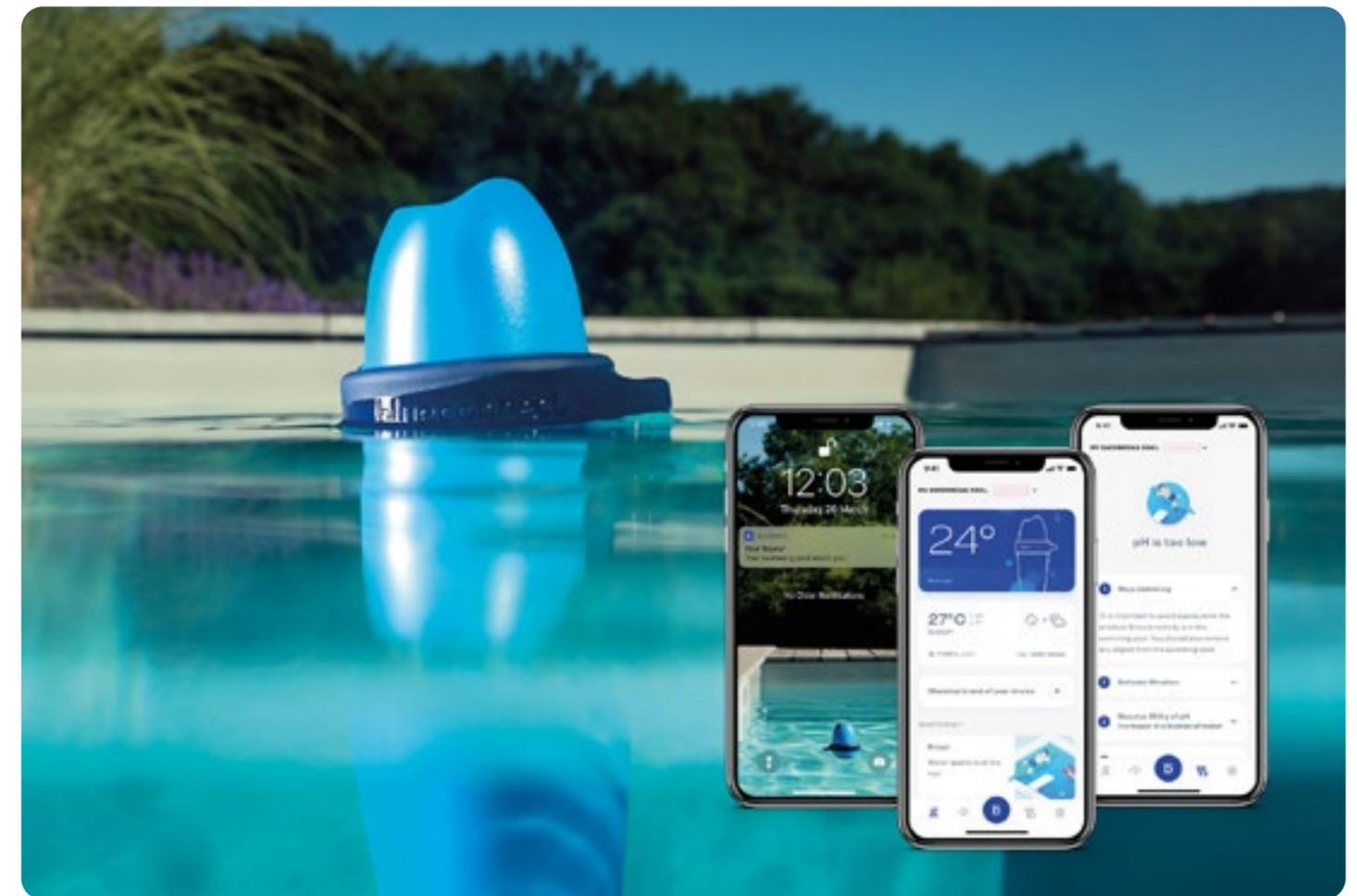


Smart pool water analyzer that requires no installation. It works 24/7 and indicates the product to use and the right dosage to keep the pool in perfect condition.



Domotic platform that allows an easy and intuitive control of all the functions of the garden and pool elements. This product is aimed at both professional users (integrators, installers, maintainers, etc.) and end users. With Poolstation®, the user can control all his home automation from any device (computer, cell phone, tablet, etc.) and from anywhere in the world.

Internet of Pools





3.

Leading the Pool and Wellness Business

3.1. Milestones of the year **42**

3.2. Strategic Plan 2022 **44**

3.3. Analysis of economic results **45**

3.4. Analysis of the financial situation **57**

3.5. Shareholder Returns **60**

3. Leading the Pool and Wellness Business

Fluidra achieved record figures in 2021 and met all the goals of its strategic plan a year ahead of schedule. Its business model enabled Fluidra to meet the extraordinary demand from its customers, thus demonstrating the company's resilience and flexibility in supporting its customers, even in a difficult environment.

Despite the inflationary environment, Fluidra managed to increase its gross margins due to the existing price controls; these controls will also enable Fluidra to maintain its margins in the medium term.

The group's good performance has also benefited its shareholders as they have seen their dividends double in the last financial year.



5 new acquisitions in 2021, 4 of them in the U.S.
€494M of inorganic investment



€341 M
Net Operating Working Capital
15.6% of sales ratio



Global leader
in a market with structural growth



€2.187 M
Sales
+47%



Leverage ratio
below 2x EBITDA



€549 M
EBITDA*
25.1% margin on sales



€252 M
Net income
+162%

€69M
CapEx
3% of sales

+68%
Share price
€35,20

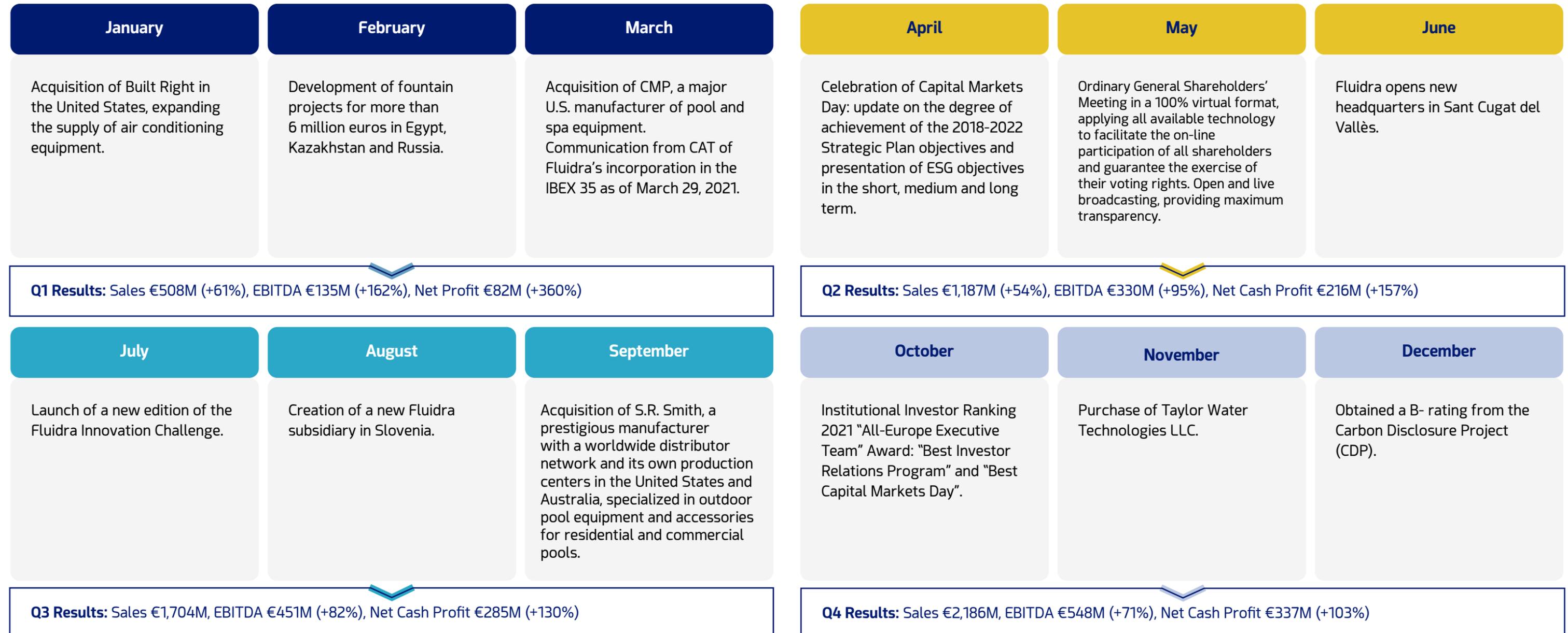


€0,40
Dividend/share

*EBITDA is adjusted to include Run Rate Synergies and exclude Non-Recurring Expenses.



3.1. Milestones of the year



3.1. Milestones of the year

3.1.1. A year of recognition

2021 was a year full of successes and awards for Fluidra. The following are some of the most relevant awards received during the year:

- Value Creation Award granted by the newspaper El Economista for our outstanding performance in the creation of shareholder value.
- Proyecta Award granted by El Periódico de Catalunya for our international vocation and implementation.
- Company of the Year Award granted by the Brazil-Catalonia Chamber of Commerce, which recognizes the work of outstanding companies and executives of the year.
- "Legal Team of the Year" award granted by Iberian Lawyer magazine in the "Consumer Goods and Manufacturing" category.
- Internationalization Award, as part of the 14th Carles Ferrer Salat Awards granted by Foment del Treball.
- Propeller Award granted by the Propeller Club of Barcelona, in recognition of Fluidra's business career and industrial progress over its more than 50 years of history, linked to growth and development in areas such as internationalization, exports, innovation and sustainability.



3.2. Strategic Plan 2022

Fluidra's 2022 Strategic Plan "The perfect pool experience" was conceived to drive the company's sustained growth in a sector that moves 7.1 billion euros worldwide and strengthen its leadership position, with the forecast of reaching 1.7 billion euros in turnover in four years, with an annual growth in sales of between 5% and 8% and reaching an EBITDA of over 350 million euros.

Main targets

**€1.700M sales 5% - 8% growth in sales
+€350M EBITDA**

In this strategy, Fluidra defines clear objectives for each market, set to deliver value, providing operational and financial leverage, supporting the generation of significant cash flow and improving current returns.

North America is a key area in Fluidra's strategic growth plans. In the North American pool market, whose volume amounted to €3.5 billion in 2018, the organization planned to accelerate its growth at an average annual rate of 7% until 2022. Key components of the plan include expanding the company's product ranges, increasing focus on the installed pool segment and fostering a steady progression in the number of connected pools (Internet of Pools).

In Europe and the southern hemisphere, the Fluidra Group continued to develop its business model based on increasing its capillarity, developing customer relations and creating integration synergies. The objective was to record sales growth at an average annual rate of 5% during the period covered by the plan. The current market situation is very favorable for the organization, which has a strong professional customer base in the residential swimming pool market.

In emerging markets located in Asia, Africa and South America, it aimed to work to increase its market share with a sales growth target of 8% on average per year until 2022. The combination of good existing market indicators with the group's existing platform in these regions, wide range of commercial equipment and specific expertise in water engineering have been the main drivers.

And although this strategy had a deadline of 2022, we can now speak of it in the past because each and every one of the objectives set and previously mentioned have been met in terms of sales, EBITDA, net cash profit and cash flow, net debt and ROCE.

2022 Target	Sales	Adj. EBITDA Margin	Cash Net Profit
	€1.7Bn	22% ⁽¹⁾	22% ⁽¹⁾
2021 Actual	€2.2Bn	25.1%	25.1%
2022 Target	FCF	Net Debt	ROCE
	€247M	2,0x	>20%
2021 Actual	€363M	1.9x	22.3%

¹22% EBITDA margin adjusted for IFRS-16. Original plan in 2018 stated 21% (pre IFRS-16).

3.3. Analysis of economic results

3.3.1. Economic and industry context

At the date of preparation of this Report, the international situation is uncertain and unstable due to the Russian invasion in Ukraine. Therefore, the comments in this section have been prepared on the basis of public information prior to this situation.

Forecasts and data from the World Monetary Fund indicate that the world economy experienced growth of 5.9% in 2021 and that, with a view to 2022, although a positive result will be maintained there will be a deceleration, which would leave the final figure at 4.9%. This figure is below the IMF's initial estimates and is supported by a worsening of market dynamics due to the pandemic and, in particular, its effect on the supply chain, which has led to logistical bottlenecks and shortages for industries. Even so, the short-term outlook remains good for those emerging and developing countries whose economies are based on the export of raw materials.

Beyond 2022, the growth projection points to a moderation, with a figure close to 3.3% in the medium term, but in an uneven manner. While advanced economies will continue with rising GDP, persistent GDP declines are expected in the emerging and developing market group due to slower immunization campaigns and generally weaker policy support. Especially in comparison to policies seen in advanced countries, such as the United States, with measures aimed at stimulating business activity.

Analysts point out that there is a latent inflationary risk if the mismatches between supply and demand

caused by the pandemic and by problems in the supply chain continue for a long time, which in turn would force the governments of advanced economies to adopt measures to normalize their monetary policies with interest rate hikes. To all this must be added the negative effect on the world economy of the war between Russia and Ukraine, which at

“Analysts point out that there *is a latent inflationary risk*”

the time this report was prepared had already disrupted financial markets and energy prices, but the extent of its impact was still unknown.

In addition to these issues, the IMF remains concerned about the challenges following the crisis: that job creation will not grow at the same rate as GDP recovery and the need to develop strategies to reduce unemployment by **focusing on digitalization, the use of green technologies, the reduction of inequality and the sustainability of public finances**. All this without forgetting the challenge posed by the fight against climate change, which requires greater efforts to limit greenhouse gas emissions in the face of the dangerous rise in global temperatures.

The year **2020 marked an unprecedented growth** for the pool and wellness industry. **Demand for pools continued to rise** in 2021 and double-digit growth became a norm in major markets and for many types of products.



3.3. Analysis of economic results

3.3.1. Economic and industry context

According to data shared by different analysts, forecasts indicate that the global swimming pool market will continue to grow in the coming years, at an estimated annual rate of 3.9%, thanks to a sustained residential volume, the strength of the aftermarket on a larger pool base and the reactivation of the commercial sector associated with hotels and tourism.

The key driver of market progress will continue to be urbanization and, in particular, that generated by out-migration to suburban areas close to large cities. In 2016, more than half of the world's population resided in suburban areas and this figure is likely to continue to rise in the following years. This change is accompanied by the aspiration for a better lifestyle and the increase in the construction of infrastructure, with a preference for having all the amenities within the home itself, whether single-family or community, where the swimming pool occupies a key position.

However, despite being a record year in many ways and with a demand that continues to grow, what is most worrying for 2022, and was already felt in 2021, is the shortage of raw materials, coupled with long delivery times, high transportation costs and a sharp increase in energy prices. All these factors had a significant impact on the supply chain and led to higher prices.

It is a peculiar situation since pool builders already have stocks even for the second half of 2022. Therefore, although there are interesting sales and turnover expectations in terms of price and demand, the shadow of the lack of supplies and products generates a fear of a possible stoppage or slowdown of projects, creating some tension for the supply chain, especially in the high season.



3.3. Analysis of economic results

3.3.2. Overall economic results

The 2021 financial year was a historic one for Fluidra, making it possible to achieve the objectives set out in its 2022 Strategic Plan a year ahead of schedule. During the year, it was possible to observe how the trend started the previous year in the sector continued, with strong growth in the residential business thanks to the “stay at home” effect brought about by the Covid-19 pandemic, which led to greater use of existing facilities, with the consequent expenditure on maintenance and improvements, as well as the construction of new pools in the residential sector.

In the year's evolution, the first quarter saw an unusual increase in business of 61% due, on the one hand, to the distortion of figures in the first quarter of 2020 with the onset of the Covid-19 crisis and, on the other hand, to the impact of the storm that hit Texas (USA) in February, as well as the early start of the season. The increase was maintained in the rest of the quarters, although more moderately. In the second quarter, it was 49%, thanks to the continued growth trend in the aftermarket and new residential pools. In the third and fourth quarters, the figures were 39.1% and 40% respectively due to the momentum of demographic trends in North America and the forecast of products by installers, factors, which, together with Fluidra's good management, have made it possible to avoid the negative effects of supply chains at the global level in the second half of the year.

At the end of 2021, **sales reached 2,187 million euros, 47% more than in 2020**, and substantially **above the target set for 2022** of 1,700 million euros. EBITDA rose sharply by 71% to €549 million, with a margin on sales of 25.1%. Net profit grew by 162% to €252m, while net cash profit stood at €337m, more than double that of 2020.

Price increases and value enhancement initiatives helped to offset inflationary pressures (particularly higher raw material prices and increased transportation costs) on the gross margin, which remained at 53.1%.

Cash generation continued to be strong, allowing the debt ratio to remain below 2x despite intense activity in **new acquisitions** during the year (such as S.R. Smith and Taylor Water Technologies) and the increase in shareholder remuneration, with a total dividend of 0.40 euros per share for 2021 (90% higher than in 2020).

Looking ahead to 2022, **Fluidra's forecasts point to an increase in sales of between 12% and 17%**, placing the EBITDA margin above 25.5%, with 50 basis points or more of margin improvement. In addition, the group expects an increase in net cash earnings per share of between 10% and 16%.

Financial results

Millions of €	2021	% Sales	2020	% Sales	Change 21/20
Sales	2,186.9	100%	1,488.1	100%	47.0%
Gross profit margin	1,161.9	53.1%	787.2	52.9%	47.6%
Opex before Dep. and Amort.	613.2	28.0%	466.0	31.3%	31.6%
Bad debt provisions	0.4	0.0%	3.7	0.2%	(90.3%)
EBITDA	548.8	25.1%	320.8	21.6%	71.1%
Depreciation	66.5	3.0%	58.1	4.0%	14.4%
EBITA	482.3	21.1%	262.7	17.6%	83.6%

3.3. Analysis of economic results

3.3.2. Overall economic results

Millions of €	2021	% Sales	2020	% Sales	Change 21/20
Amortization (related PPA)	58.2	2.7%	59.9	4.0%	(2.8%)
Non-Recurring Expenses and Run Rate Synergies	42.5	1.9%	18.7	1.3%	127.0%
Net Financial Profit (Loss)	44.2	2.0%	45.1	3.0%	(2.0%)
Tax expense	81.5	3.7%	39.1	2.6%	108.4%
Minority	3.6	0.2%	3.5	0.2%	2.6%
Net profit	252.4	11.5%	96.4	6.5%	161.8%
Net Cash Profit	337.5	15.4%	165.8	11.1%	103.6%

Note: EBITDA and EBITA are adjusted to include Run Rate Synergies and exclude Non-Recurring Expenses.



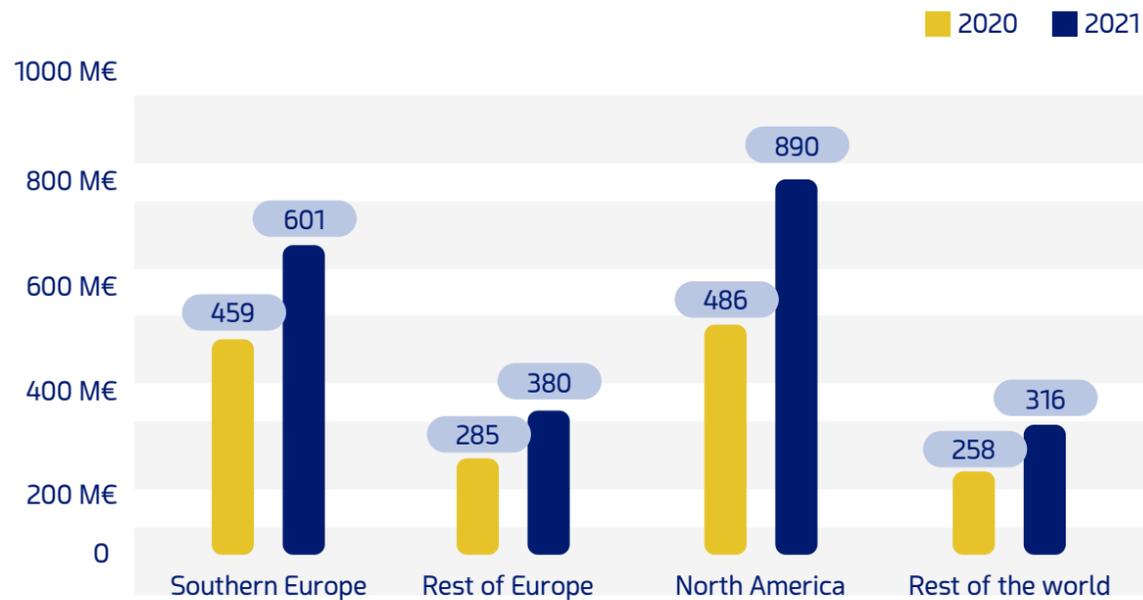
Milestone

The 2021 financial year was a historic one for Fluidra, making it possible to achieve its objectives a year ahead of schedule.

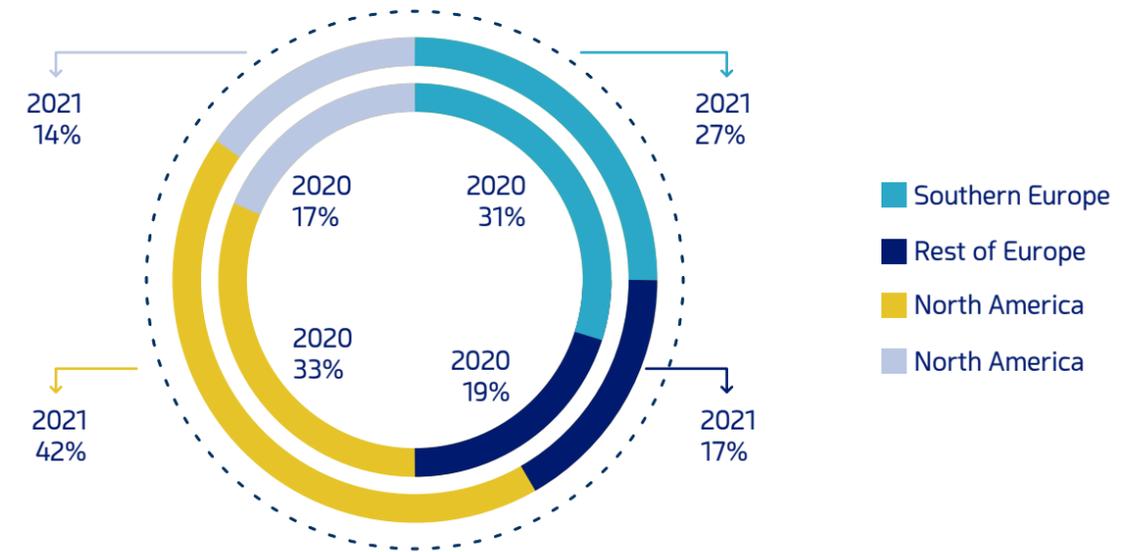
3.3. Analysis of economic results

3.3.3. Results by geography

Sales by geography



Sales (% group)



Sales evolution by region

Sales performance	Southern Europe	Rest of Europe	North America	Rest of the world	Total
2021 vs 2020	31.0%	33.3%	83.2%	22.3%	47.0%
At constant currency and perimeter	30.7%	31.1%	55.9%	15.3%	36.1%

3.3. Analysis of economic results

3.3.3. Results by geography

North America

The North American pool market throughout 2021 was characterized by the prolongation of the “cocooning” effect already felt in 2020 and the migration of people, thanks to the proliferation of telecommuting, to suburbs and places with warmer climates, mainly in the southern U.S. (California, Arizona, Texas and Florida), which are very powerful pool markets. (California, Arizona, Texas and Florida), which are very strong pool markets.

The year has been marked by **strong consumer demand** in virtually all sectors, not just swimming pools. In addition, in early 2021, a deep freeze occurred in Texas, a major pool market, which further boosted demand for replacement equipment due to damage to pool systems caused by this weather event.

At the same time, however, there have been problems of transportation and availability of materials, together with inflationary pressures on raw materials and commodities. This combination has strained the distribution chain, causing a shortage of components and, therefore, manufacturing problems and delays in the delivery of products to the end consumer and in project execution deadlines.

Even with these constraints, Fluidra in North America recorded a record year with sales of 890 million euros, representing an increase of 83.1% over the previous year, impressive considering the strong growth in the area in 2020 (17.2%).

This growth has been achieved both organically, with double-digit increases in key categories such as heaters, robotic pool cleaners, lighting, pumps, pool automation, and through intense M&A activity:

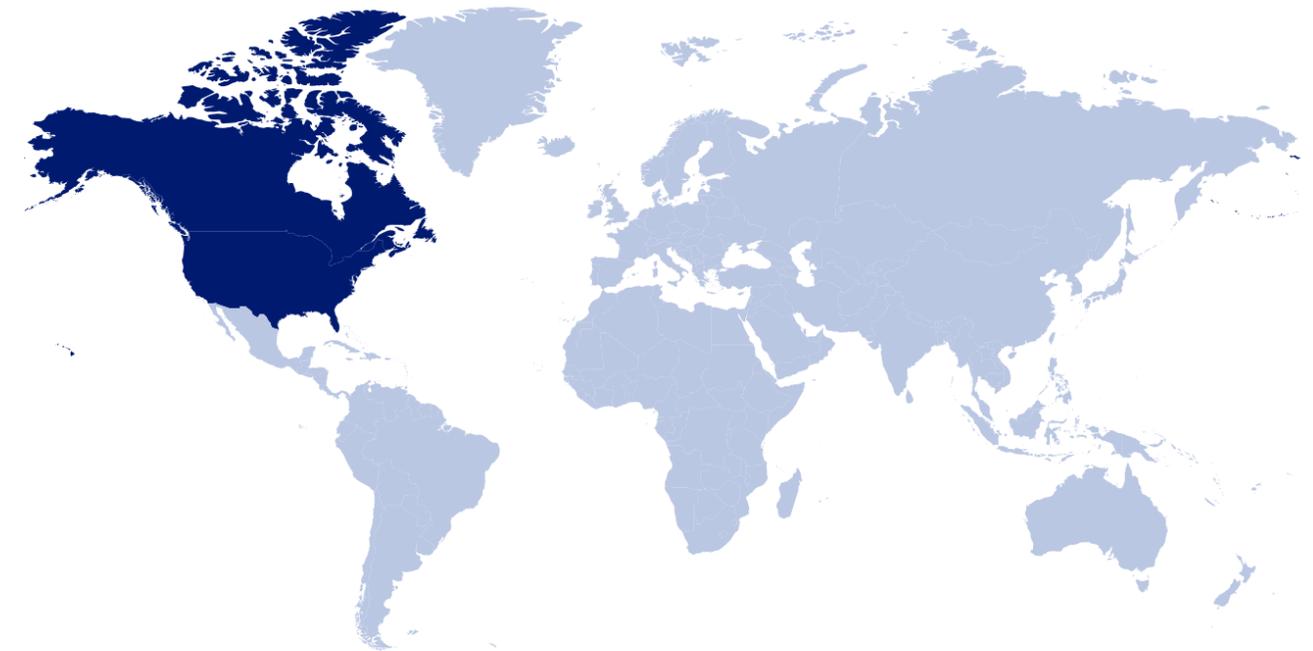
Built Right, which gives Fluidra the capacity to manufacture energy-efficient heat pumps and pool heaters.

CMP, to strengthen the water disinfection offering with ultraviolet and ozone expertise, and expand the white goods portfolio, such as skimmers and drains.

SR Smith, a renowned brand in pool access equipment and in the commercial and residential segment.

Taylor Water Technologies, a leading water testing brand with a broad portfolio of test kits and test strips, reagents and new IoT water testing solutions.

These acquisitions help the North American business offer an even broader product package to both pool builders and aftermarket customers, as well as give Fluidra the even more dominant portfolio of prestige pool brands on the continent.



3.3. Analysis of economic results

3.3.3. Results by geography

Milestones of the year

The 2021 results represent that, since 2017, the Fluidra North America team has tripled the growth of the business lines. It is also worth noting the response of the team of professionals who have been able to cope with the shortage of components to deliver products to distributors and end consumers. This strategy has allowed customers to plan more efficiently and Fluidra's efforts have been rewarded by some of the most prestigious awards in the industry in 2021, as explained in section [5.5.1. of this report](#).

At the same time, a rigorous focus on processes and increasing quality scores has been maintained, with 2021 achieving the best year to date. Particularly noteworthy in 2021 was the good pace of growth in the connected customer base (IoP), reflecting the group's ability to meet consumer demand in this segment. The year saw the launch of new products such as the Polaris Epic iQ robotic pool cleaner, as well as the continued growth in sales of AquaLink pool and spa automation systems, with the iAquaLink pool and spa app becoming the highest rated in the industry.

Future trends

Forecasts for 2022 are for continued strong demand as well as sales growths, something evidenced by the pipeline of new pool construction projects and order activity carried over from 2021. People movement to both suburban areas of major cities and warmer areas of the area is also expected to be sustained.

The company is investing in increased production capacity to meet anticipated demand and will look to leverage strategic synergies from new brands added in 2021 through integration and leveraging collective strengths to grow aggressively in new segments such as water testing, spa and commercial.

Another basic point of the strategy in 2022 and going forward is that the focus will remain on making Fluidra not only a trusted supplier, but a more complete partner by highlighting the two enterprise software solutions:

ProEdge Software for new construction customers.

iON Software for pool service companies.

Forecasts for 2022 are for continued strong demand as well as sales growths.

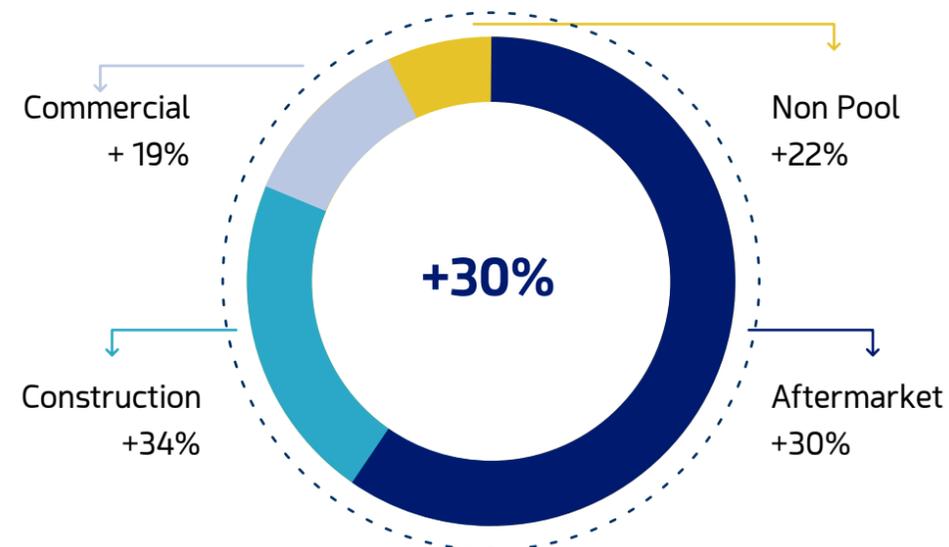
3.3. Analysis of economic results

3.3.3. Results by geography

EMEA (Europe, Middle East, North Africa and Latin America)

The pandemic-driven “stay-at-home” effect has been one of the main drivers of performance in EMEA, driving growth to previously unattained levels. All the territories included in this geographic area grew by more than 20%, reaching an average of 30% for their combined results in 2020. Europe, in particular, saw a 31% increase in sales, while the rest of the region achieved 24% growth, for a total EMEA sales volume of 1.1 billion euros.

By product category, the families most closely related to the **construction of new facilities** outperformed the average for the region, growing by 34% compared to last year, while the other products for the residential market achieved growth of 30%. At the same time, the Commercial Swimming Pool market took off again following changes in access restrictions by the health authorities during the year. This has allowed a 19% growth and the recovery of sales levels prior to the pandemic.



Milestones of the year

Throughout 2021, the challenge has been to maintain the key driver for the creation of value for distributors in the EMEA area: the availability of Fluidra’s wide range of products and its technical support.

Fluidra has been able to overcome the problems of market closures, transport shortages and the rising cost of raw materials by keeping a large part of its manufacturing in Europe and anticipating purchases just before the start of the season. These two factors combined have been a key element of success throughout 2021.

On the other hand, the objective in the coming years is to deploy the Fluidra Pro Centers model, where the market structure allows, by opening new branches and transforming those points of sale with the conventional counter system (Order & Collect) towards this new model, with the aim of reaching 65 Fluidra Pro Centers by 2022. Fluidra currently has 52 Pro Centers in seven markets in the region, which account for 21% of turnover.



3.3. Analysis of economic results

3.3.3. Results by geography

At the management level, in 2021, the deployment of the Salesforce tool to improve the productivity of the sales force, as well as customer relations, continued in 2021. This same tool is being used for the development of an after-sales process that will enable the management of customer incidents with products and an immediate reaction to seek solutions. It also provides essential data for product improvement processes, as well as for the development of new commercial proposals.

Future trends

Fluidra's objectives for 2022 in EMEA, aligned with those of the entire Group, are:

- To continue to deepen the new manufacturing and distribution organizational structure in the area.
- Avoid loss of margins in the face of the current inflationary risk.
- Return to pre-pandemic customer service standards.
- Integrate ESG culture in all countries and levels of the organization.
- Continue with the implementation of the Customer Relationship survey and take it to 15 new countries.
- Commit to new HR policies to improve the professional development of the people who work at Fluidra as well as their commitment to the Group.
- Accelerate the digitalization of the company.

The **opening of the borders** of EU countries and the relaxation of regulations on the movement of tourists in the Group's usual EMEA markets will make it possible to resume and develop many of the projects that have been put on hold over the past two years as of 2022.

The spectacular results of 2021 and the optimistic forecasts for 2022, despite the inflation of raw material costs and its impact on product sales prices, are not expected to **affect demand** until the end of the year, by which time the season has already ended for Fluidra.

APAC (South Africa, Asia and Pacific)

In APAC, unlike in other territories, the "stay-at-home" effect generated by the pandemic has not translated into increased sales. The slowdown and reduction in travel and tourism, together with the stoppage or delay of projects, have had a negative impact on turnover in the region. However, this effect has been offset by Fluidra's focus on its distribution business in the region, which has increased compared to last year.

The residential businesses in Australia and South Africa increased their sales by 10% compared to 2020 and represent one of the most interesting growth opportunities for Fluidra in the region. Australia more than doubled its EBITDA compared to the previous year, while South Africa closed a solid year, despite the fact that in the fourth quarter it suffered from lower activity due to cost pressure and product shortages.

Despite the modest growth in sales, overall, Fluidra's results in the APAC area can be described as very satisfactory, with strong growth in EBITDA.





3.3. Analysis of economic results

3.3.3. Results by geography

Milestones of the year

As a result of the global acquisition of S.R. Smith, the Sunbather business was added in Australia, a leading brand in the manufacture and installation of a wide range of solar heating systems, as well as floating protective covers for swimming pools, products that are in line with Fluidra's objective of developing an increasingly **sustainable and eco-responsible catalog**.

Moreover, thanks to the efforts and investment of the region's new quality team, the Cost of Failure, a key factor in optimizing sales, continued to decline during 2021. In addition, the customer satisfaction index showed a significant improvement of more than 11% (from 6.15 to 6.80 points).

Finally, in South Africa, Fluidra presented and won a global corporate initiative to **reduce its carbon emissions**. The funds raised will be used to install solar panels at the Denver production plant, which will ensure that all manufacturing energy needs are carbon neutral.



Future trends

For the coming years, the organization maintains the same objectives and initiatives for the APAC area that have been so successful in 2021, with the **focus always on providing** the best service to customers. Although business across Asia in 2022 is expected to experience a somewhat more challenging first half of the year, the start-up in the second half of projects that had been stalled, together with the return of tourism, represent increased opportunities for the group.

During 2022, in particular, the merger of the commercial divisions of S.R. Smith and Astralpool in Australia is expected to be completed, which will give rise to the new **Fluidra Commercial Australia**, which will seek to take advantage of the significant growth opportunities in that market. This will also see the merger and full integration of Fabtronics' P&L, acquired in 2020, within the Keysborough manufacturing plant. At the same time, the **residential pool market** in that country has exciting prospects due to growing demand, combined with the limited ability of pool builders to scale their business. As a result, most of them are almost fully booked by 2022, which is a solid business opportunity for which Fluidra is better prepared than any competitor.

3.3. Analysis of economic results

3.3.4. Results by business lines

Results by business lines

€M	2021	% sales	2020	% sales	Change 21/20
Pool & Wellness	2,136	98%	1,447	97%	47.6%
Residential	1,660	76%	1,073	72%	54.7%
Commercial	111	5%	90	6%	23.5%
Pool Water Treatment	256	12%	202	14%	26.6%
Fluid Handling	108	5%	82	6%	32.3%
Irrigation, Industrial and Other	51	2%	41	3%	24.7%
Total	2,187	100%	1,488	100%	47.0%

Pool & Wellness

Fluidra's Pool and Wellness business unit closed the year 2021 with a record figure: 2,136 million euros, representing a growth of 47.6% compared to last year, and maintaining its position as the organization's main source of income with 98% of total sales for the year.

The acquisitions of BuiltRight, CMP, S.R. Smith and Taylor in 2021 in the USA and the "Splash & Zen" mass market brands in Belgium contributed to the increase in sales in this business unit.

Residential Pool

This business continues to be the main driver of the organization in the most relevant markets in which it operates. The pandemic has accelerated certain global macro trends that have favored the sector. Increased migration of people out of cities to less populated areas, as well as the "stay-at-home" effect, the direct consequence of which **is that families invest more time and resources in improving their home experience**. These factors have undoubtedly benefited the organization's performance following the extraordinary increase in demand.

In terms of global supply, Fluidra, like other organizations, is not immune to the exceptional situation we are experiencing, especially from the second half of the year onwards. The high cost increases in both raw materials and transport of goods have led the organization to make an effort in price increases (an additional one in the middle of the campaign in the northern hemisphere), in order to protect the gross margin with greater assurance. One of the advantages of the sector in which Fluidra operates is its ability to absorb price increases and pass them on to the end customer, which enables the organization to be one of the most resilient in this regard.





3.3. Analysis of economic results

3.3.4. Results by business lines

In 2021, sales reached 1,661 million euros, representing 76% of Fluidra's total sales for the whole year, with a growth of 54.7% compared to 2020, which was already starting from a high base.

The outlook for 2022 is favorable, in the sense that more normal growth is expected on the high base built over the last 18 months.

Commercial Pool

This unit has been recovering throughout 2021, ending the year with total sales of 111 million euros, up 23.5% on the previous year. This is largely due to the gradual lifting of travel restrictions, as well as the measures imposed on the hospitality sector, as the process of vaccinating the population worldwide has progressed.

For this reason, in 2021, the **aftermarket** has been the major driver of the commercial pool unit, a fact that is expected to continue in 2022, with the launch of new projects that are expected to drive the unit's growth. Although at the date of publication of this report, the outlook is positive, Fluidra remains cautious about potential developments.

The organization also continues to consolidate ornamental fountain projects as one of the pillars of its Commercial Pool division, a business that is still booming despite the Covid-19 crisis.

Pool Water Treatment

The situation in southern Europe has marked the evolution of this business unit, which during the first half of the year posted slightly negative growth with a flat evolution of Water Treatment Equipment and a lower performance of the Chemicals business due to the containment. However, this picture changed in the third quarter and during the summer season in Europe, which coincided with the end of the containment measures. As a result, double-digit growth was recorded in the last quarters of the year, especially in

the Water Treatment line, which offset the lower performance of Chemicals.

The acquisition of Taylor Water Technologies, a US manufacturer of test-kits, test strips and instruments for measuring and controlling water quality, complements and expands Fluidra's offering for both commercial and residential pools and paves the way for future innovations that will make water maintenance easier for professionals and pool owners alike.

At the close of 2021, sales of this business unit stood at 256 million euros, 26.6% more than in 2020, and comprising 12% of the group's total.

Fluid Handling

Like the other business units, the fluid handling business unit was particularly affected by the situation in the first half of the year and, after the end of the stricter measures to control the pandemic, its performance soared in the last two quarters of the year.

In line with new residential construction and the large increase in new swimming pool construction projects, the second half of the year offset the first months of the year to reach 108 million euros in sales, up 32.3% compared to 2020.

Irrigation, Industrial and Other

This business unit maintains its very minority position within Fluidra's business, accounting for 2% of total sales. In 2021, its sales were 51 million euros, 24.7% more than in 2020.

3.4. Analysis of the financial situation

3.4.1 Financial position

During 2021 Fluidra managed to **maintain a solid financial position**, starting the year with a net debt to EBITDA ratio of 1.8 times and closing the year at a level of 1.9 times, a particularly commendable figure if the M&A operations carried out during the year are taken into account.

Net debt increased from 581.9 million euros to 1,067.2 million euros, due to the payments made on acquisitions, the increase in investments (explained below), the increase in working capital and the purchase of treasury stock to meet the needs of the long-term variable remuneration plan, as well as the dividend, which reached 78 million euros, almost doubling that of 2020.

Overall, the total amount of capital available through Fluidra's various sources of financing amounted to 419 million euros (compared to 454 million euros in 2020). The closest maturity of the secured loan is in July 2025 and there are no refinancing needs pending in the next 12 months. At the end of 2021, the maturity of the A.B.L. is set in June 2023 and that of the revolving credit facility in June 2024 and Fluidra has no financial maintenance commitments on its secured loan. No new loan has been signed during 2021.

In order to reduce financial costs and diversify sources of financing, the group launched a promissory note program in the Alternative Fixed Income Market (MARF), and in June 2021 the program was renewed for another year and for an amount of 150 million euros, with an outstanding amount of 120 million euros at the end of the year.

Operating cash **flow showed an excellent evolution**, reaching 342.6 million euros (50.2 million more than in 2020), driven by the good operating performance throughout 2021, while investment cash flow increased by more than 500 million euros, to 562.5 million euros as a result of the acquisitions made.

To hedge currency risk, Fluidra enters into forward contracts (derivatives) on currencies of the main mar-

kets in which it operates. In 2020, the value of these derivatives amounted to 52.6 million euros, of which 18.7 million euros were exclusively to hedge transactions between US and Australian dollars. In 2021, the figure fell to €23.3 million, with the highest amount being for hedging between sterling and euros (€11 million).

In January 2022, Fluidra **restructured its financing** to adapt it to its needs. On the one hand, the maturity of the secured loan was extended to 2029. On the other hand, the revolving credit has been extended to 450 million euros and its maturity has been extended to 2027. Finally, the A.B.L. has been canceled with this capital structure. With this operation, Fluidra is ready to execute its plans in the coming years.

Financial figures

€M	2021	2020	Change 21/20
Reported EBITDA	506.4	302.1	204.3
Net Interest Paid	(33.2)	(34.2)	1.0
Income Taxes Paid	(96.9)	(35.2)	(61.8)
Working Capital	(69.8)	34.3	(104.0)

3.4. Analysis of the financial situation

3.4.1 Financial position

€M	2021	2020	Change 21/20	€M	2021	2020	Change 21/20
Other Operating Cash Flows	36.1	25.1	11.0	Net Debt Prior Year Before	581.9	756.8	(174.9)
Cash Flow from Operations	342.6	292.1	50.5	FX Impact	75.4	(22.6)	98.0
Capex	(68.8)	(43.5)	(25.3)	Free Cash Flow	410.0	(152.3)	562.3
Acquisitions / Divestitures	(494.2)	(19.1)	(475.1)	Net Debt	1,067.2	581.9	485.3
Other Investment Cash Flows	0.4	1.9	(1.5)	Leases, Net	(167.8)	(114.1)	(53.6)
Cash Flows from Investments	(562.5)	(60.7)	(501.9)	Net Financial Debt	899.5	467.7	431.7
Payments on Lease Liabilities	(26.2)	(20.3)	(5.9)				
Treasury Stock	(86.1)	(15.9)	(70.2)				
Dividends and Other	(77.6)	(42.8)	(34.8)				
Cash Flows from Financing	(190.0)	(79.1)	(110.9)				
Free Cash Flow	(410.0)	152.3	(70.2)				

3.4. Analysis of the financial situation

3.4.2. Investments

Part of **Fluidra's growth** strategy is based on the search for **opportunities to acquire** companies that **add value** to its business model, supported by its financial strength and integrated structure.

Already in 2020, the group carried out a series of operations in different geographical areas (from the Australian Fabtronics, to the Brazilian Ten Four, to Aquafive in Europe), which have been followed by others in 2021.

In January, the purchase of **Built Right**, a company based in Florida (USA) specializing in the production and service of high-quality heat pumps, was formalized, enabling Fluidra to strengthen its business in this segment. The cost of the transaction amounted to 11.1 million US dollars. Two months later, in March, there was a new incorporation in the USA, in this case Custom Molded Products (CMP), one of the leaders in the US business of designing, manufacturing, marketing and selling pool and spa products, and which also has several manufacturing and distribution facilities in multiple locations in the United States and China. With this transaction, valued at US\$189.8 million, Fluidra complements its technological and product offering, in addition to increasing its capacity to supply customers.

In August, the acquisition of **S.R. Smith** for US\$229.0 million was announced. This company, based in Oregon (USA), is the leading U.S. manufacturer of commercial and residential pool equipment, outdoor materials and accessories, with manufacturing facilities in the USA and Australia, and distributors in Canada and Europe.

Also, in the U.S. market, **Taylor Water Technologies**, a leading manufacturer of reagents and kits for water analysis, was acquired in November. The acquisition was closed for US\$76.4 million.

In addition to the acquisition transactions, investments in property, plant and equipment, rights of use and other intangible assets increased by 56.2 million euros to 116.2 million euros. The main reasons for this increase were the new lease agreements in the English subsidiary, the move into the new corporate headquarters in Sant Cugat del Vallès (Barcelona, Spain) and the investments in the production plants and distribution subsidiaries.



3.5. Shareholder Returns

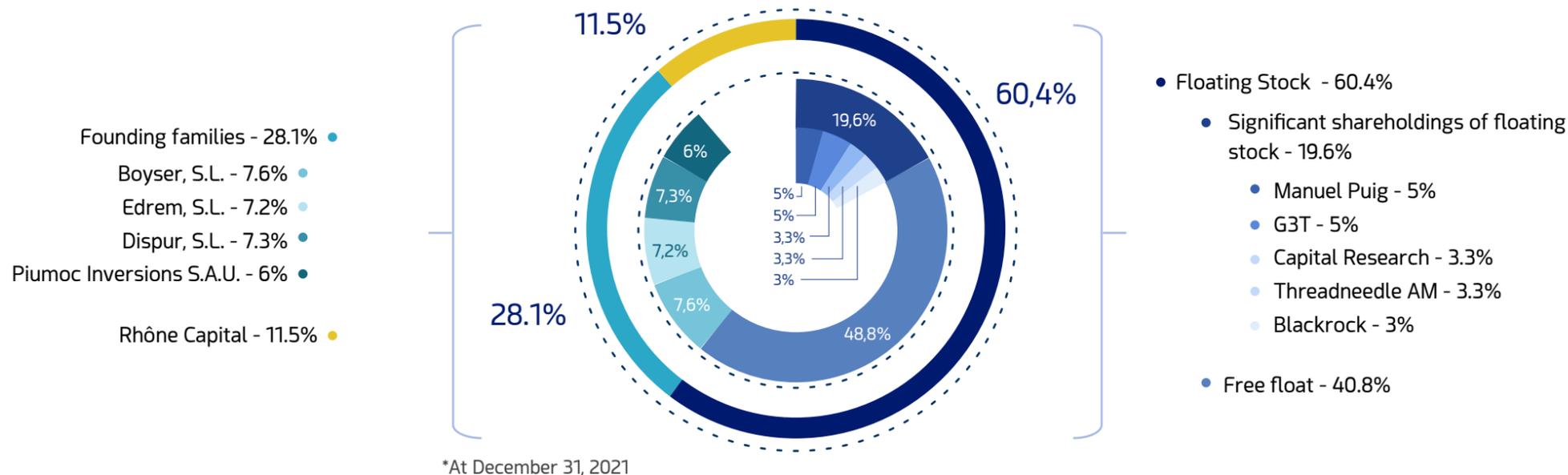
At the end of 2021, the capital amounted to €195,629,070, divided into 195,629,070 registered shares, fully subscribed and paid in, with a par value of one euro (€1) each. All shares are in the same series and class and all have identical political and economic rights.

The number of shares has remained unchanged since July 2018, when the capital was increased as a result of the merger with Zodiac. Fluidra also has no bond issues or convertible securities.

Fluidra's treasury stock position at the end of 2021 is 5,796,311 shares, which accounts for **2.96% of total capital** (compared to 2,553,007 treasury shares in 2020). At the end of 2021, the Board of Directors controlled nearly 39.6% of the company's total capital, while other significant shareholders held 19.6% of floating stock, leaving 40.8% as the remaining free float. The holdings of the company's significant shareholders are as shown on the shareholding chart

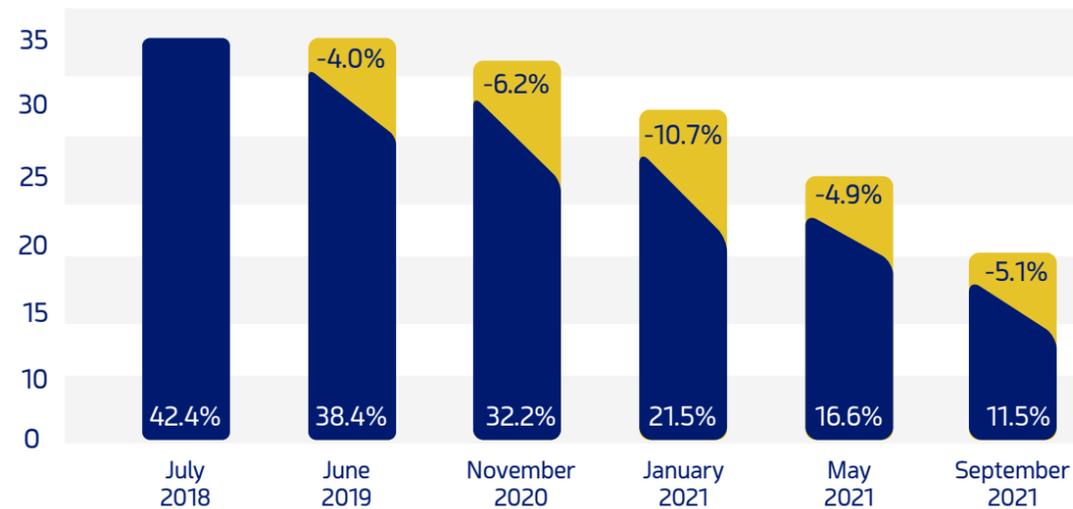
With regard to significant shareholdings and stock controlled by the Board of Directors, 28% of Fluidra's shares at the end of the year were distributed among the companies representing **the four founding families** of Fluidra, namely: Boyser, S.L., Dispur, S.L., Edrem, S.L. and Piumoc Inversions S.A.U.

In 2021, Rhône Capital successfully carried out three accelerated bookbuilds, gradually unwinding its overall position in Fluidra (from controlling 32.2% of the company to only 11.5%, i.e. it placed 20.7% of its shares during the year). **Rhône Capital** is a New York-based private equity firm with a strong presence in the European corporate market in a diverse range of companies, including business services, chemicals, consumer products, industrial products, food, packaging, specialty materials and transportation. In 2016 it acquired Zodiac and following the merger of the latter with Fluidra in 2018, it became a majority shareholder of the group at 42.2%, albeit with the intention of gradually divesting.



3.5. Shareholder Returns

Changes in Rhône Capital's shareholding



These movements allowed other international funds of great reputation and prestige, such as Threadneedle Asset Management or Capital Research and Management Company, to take a larger stake in the company's capital (both exceeded 3% of the capital at the end of the year).

Shareholder Agreements

There are currently **two shareholders' agreements** between Fluidra's shareholders. One was signed in November 2017 at the beginning of the merger between Zodiac and Fluidra between those who had been the shareholders up to that time (the founding families) and Piscine Luxembourg Holdings 1, S.à.r.l. owned by Rhône Capital. This agreement established the commitment to support and vote in favor of the cross-border merger of Fluidra (absorbing company) and Piscine Luxembourg Holdings 2 S.à.r.l. (absorbed company) and regulated the rights and obligations of the future shareholders of the company resulting from the merger.

Previously, in September 2007, an agreement was signed between the founding families to regulate voting rights for four years from the date on which the shares of the company were admitted to trading. This agreement was amended six times between 2007 and 2020.

For further information on the shareholders' agreements, please refer to the specific section of the corporate [website](#).



3.5. Shareholder Returns

3.5.1. Stock Market Information

The Fluidra Group's shares are listed on the Madrid and Barcelona Stock Exchanges through the Stock Exchange Interconnection System (Continuous Market), under the symbol FDR.

In 2021, volatility and uncertainty once again set the tone for international markets, just as they had the previous year. An environment marked by the pandemic and the cost of raw materials and transportation. The world, and society in general, tried to return to a new normal, reopening borders, restaurants and entertainment venues, while the hotel sector prepared for a season that they hoped would offset the closures of the previous season.

It has been an extraordinary and unpredictable time for the world's stock markets. In this environment, some sectors have suffered terribly while others have benefited. For Fluidra, the end result has been excellent in terms of stock price. The 2021 fiscal year started out with relative expectations of continued share price appreciation, given that in 2020 the share price had started out at €12.20 euros/share and ended at €20.95 euros/share, an appreciation rate of 72%.

Share price evolution in 2021



3.5. Shareholder Returns

3.5.1. Stock Market Information

From the beginning of the year through mid-February, the share was hovering around €21 euros, with a low of €19.90 euros per share.

However, following the publication of fiscal year 2020 results in February, the share price began to increase steadily, a trend that continued through the end of the year with some corrections that did not hinder the underlying upward trend.

The gradual exit of Rhône Capital from the shareholding allowed it to increase the free float and the liquidity of the organization. This, together with the increase in capitalization thanks to the revaluation of the share, led to Fluidra being selected by the Technical Advisory Committee (CAT) of the Ibex in March 2021 to join the Spanish selective index.

Fluidra revised its guidance for the whole of 2021 on three occasions. On 15 April, the company held its fifth **Capital Markets Day (CMD)**. Although the Strategic Plan covers the period from 2018 to 2022, a meeting with the markets was necessary to explain that in 2021, not only would the targets for 2022 be met, but in all likelihood would be exceeded. These messages and the general guidance for medium-term growth in a normalized environment were very well received by the markets. Proof of this is that the share price stood at €35.20 at the end of 2021.



Operating and financial performance

	Past	Step change		Future
	2017-19	2020**	2021E	Medium term
Sales Growth	5.1%* p.a.	11.2%	40-45%	>6% p.a.
EBITDA margin expansion	-75 bps p.a.	190 bps	340-390 bps	>50 bps p.a.
Cash EPS growth	8.9% p.a.	57.4%	83-93%	>15% p.a.
Dividends % of cash Net Profit	N.A.	-40%	-50%	-50%

*As reported growth of 3.1% increases to 5.1% on constant currency and perimeter, including Aquatron's remedy implementation.

** At constant FX.

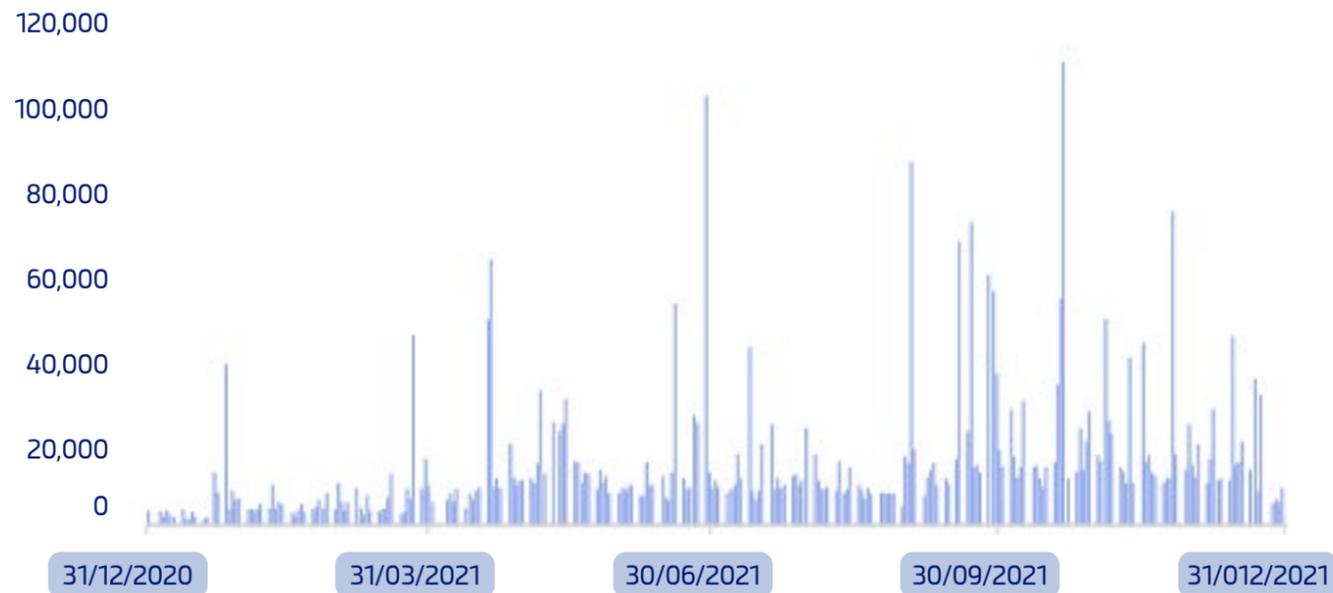


3.5. Shareholder Returns

3.5.1. Stock Market Information

Communications at the highest levels of the Investor Relations Department to bring Fluidra and the Pool and Wellness business closer together have been very intense and trading prices show they have had an effect.

Trading volume (in thousands €)



*Excluding Rhone sales blocks

The visibility provided by the increase in free float, the increase in liquidity, the inclusion on the IBEX-35 and the confidence in the group's numbers and growth expectations have driven Fluidra's share price to a new high: **€38.25 per share** on the intraday marked on September 23.

After the summer, the markets became more heavily conditioned by the impact on margins of higher prices due to inflation as well as supply chain and transport issues. This, combined with the possibility of returning to a more normalized growth environment or even moving backward should there be a new wave of the pandemic, means that stock market players see less capacity for Fluidra's stock to appreciate (especially since it is up by 189% since 2019) compared to other stocks that have suffered greatly during the pandemic.

Following the intraday high on September 23, Fluidra has had weeks of consolidation and correction of trading levels, although trading volumes have remained steady.



3.5. Shareholder Returns

3.5.1. Stock Market Information

Stock Market information

	2021	2020	2019	2018
Capitalization (thousands of euros)	6,886,143	4,098,429	2,386,675	1,915,209
No. of shares (x 1,000)	195,629	195,629	195,629	195,629
Closing price for the period (€)	35.20	20.95	12.20	9.79
High for period (€)	38.25	20.95	12.74	14.40
Minimum for period (€)	18.76	7.72	8.90	9.35
Average volume (thousands of shares)	177,630	47,494	37,965	41,539
Dividend (euros/share)	0.40	0.21	n/a	n/a
Dividend yield (%)	1.13%	1.00%	n/a	n/a
Pay out (%)	47%	39%	n/a	n/a
Total Shareholder Return (TSR)	69.1%	72.7%	24.6%	-17.1%



3.5. Shareholder Returns

3.5.2. Dividend

In view of the company's good performance, the excellent cash flows generated and the prospects for the year, in May the Ordinary General Shareholders' Meeting approved the distribution of **€78.3 million** in dividends to all issued shares (195,629,070 shares, all with equal rights), or in other words, €0.40 per share.

The payment was made in two equal tranches. The first on July 6 (€0.20 per share) and the second on November 3 (€0.20 per share). This was almost double the dividend paid in 2020, which totaled €41 million.

Dividend

€0.40
per share



€41M



3.5. Shareholder Returns

3.5.3. Shareholder and Investor Relations

For the second year in a row it was an extraordinary year for investor relations, due to the worldwide situation brought about by the pandemic and the evolution of Fluidra's market value, with times of widespread confusion, uncertainty and volatility.

After a year (2020) in which everyone had been working remotely, Fluidra decided to hold a Capital Markets Day (CMD) in April 2021, given the company's excellent numbers and the fact that the company was going to surpass the targets set in the 2022 Strategic Plan a year earlier than expected.

Fluidra's fifth CMD was recognized by Institutional Investor as the best event for analysts and investors in Europe in terms of the organization itself and the clarity of the messages communicated, as well as the ease of access and the ability to participate live and interact with the group's key executives.

The same publication chose Fluidra as the winner of the best investor relations program, highlighting the communication policy, transparency, clarity and speed in transmitting messages to both analysts and institutional investors on an equal footing.

The work of the Investor and Shareholder Relations Department is reflected in the data on the following table.

Events and interactions with analysts and investors

Activity	2020	Total	2021	Total %	% change 20/21
Telephone calls	304	84%	256	76%	(16%)
Virtual conference	42	12%	65	19%	55%
In-person meetings	12	3%	12	4%	0%
Face-to-face conference	2	1%	1	0%	(50%)
Roadshows	1	0%	0	0%	(100%)
Visits	2	1%	2	1%	0%
Total Events	363	100%	336	100%	(7%)
Total Interactions	949	-	928	-	(2%)

3.5. Shareholder Returns

3.5.3. Shareholder and Investor Relations

The Shareholders Service Office handles all inquiries from minority shareholders. A total of 12 were received in 2021, of which 10 were related to dividend payments and documentation for the General Shareholders' Meeting; one was related to the purchase price of shares for the purpose of calculating capital gains; and one was related to share price performance.

Despite the pandemic-related restrictions on in-person meetings, there were 928 interactions with analysts and investors (only 2% less than in 2020) and 336 events (7% less than in 2020). In addition, Fluidra participated remotely in forums and seminars organized by investment banks such as Santander, Exane BNP, ODDO, JP Morgan, Citi, Berenberg or Baird, to highlight a few.

In 2021 there has been an excellent financial analysis coverage with a total of 16 analysts following Fluidra's performance very closely with whom the company maintains close contact. Details of consensus among these analysts can be found on the corporate [website](#).

At the end of 2021, Fluidra had a market cap of more than €6.89 billion and in March 2021 it joined the IBEX 35. This means there is now a much broader range of potential investors and analysts interested in the stock. With greater market visibility, the company's response has been more frequent communications about its business and more interaction with market agents. All of this leads to higher levels of liquidity and trading which, as a whole, makes Fluidra more attractive to investors and analysts.

2021 was a year of greater visibility among ethical investors or those more focused on sustainable investments. At the same time, analysts are starting to be more aware of the importance of these aspects in their analysis and valuations. In this sense, Fluidra is present in different rankings and indexes that measure ESG aspects, as detailed in "Sustainability Indexes and Ratings" on [page 88](#).

In 2022, the Investor Relations area will continue to increase the level of interaction and to hold a new edition of the CMD to consolidate the company's strategy, reporting on the fundamentals of our business and the market in which we operate.

The company continues to communicate with and maintain the trust of all stakeholders through *transparency, fairness and honesty in its relationship with analysts, investors and shareholders. And in the same vein, it has strengthened its ESG philosophy.*



4.

We create the perfect Pool & Wellness experience, responsibly

4.1. Fluidra's Commitment to Sustainability **70**

4.2. Responsibility Blueprint: Our Roadmap **72**

4.3. Relationship with stakeholders **85**

4.4. Sustainability indexes and rankings **88**

4.5. Partnerships **90**

4.1. Fluidra's Commitment to Sustainability

Fluidra is convinced that **a company with high environmental, social and governance (ESG) standards** is a more **economically sustainable company** and more highly valued by its stakeholders.

Our company works to create the perfect pool and wellness experience, responsibly, and continuously striving to improve people's well-being, protect the environment, and promote a responsible business culture all along the value chain.

These commitments are all reflected in the [Global ESG Policy](#), which was approved by Fluidra's Board of Directors in 2020 and applies to all Group companies. In it, the company makes the following commitments:

Implement due diligence based on ESG risk analysis and assessment in order to identify, prevent or mitigate actual or potential negative impacts.

Develop and implement effective management systems to ensure optimal management of all aspects and build trust.

Encourage our business partners (suppliers, contractors, etc.) to apply principles of responsible business conduct, to the extent possible.

Encourage communication with local stakeholders when planning and making decisions regarding projects that may affect them.

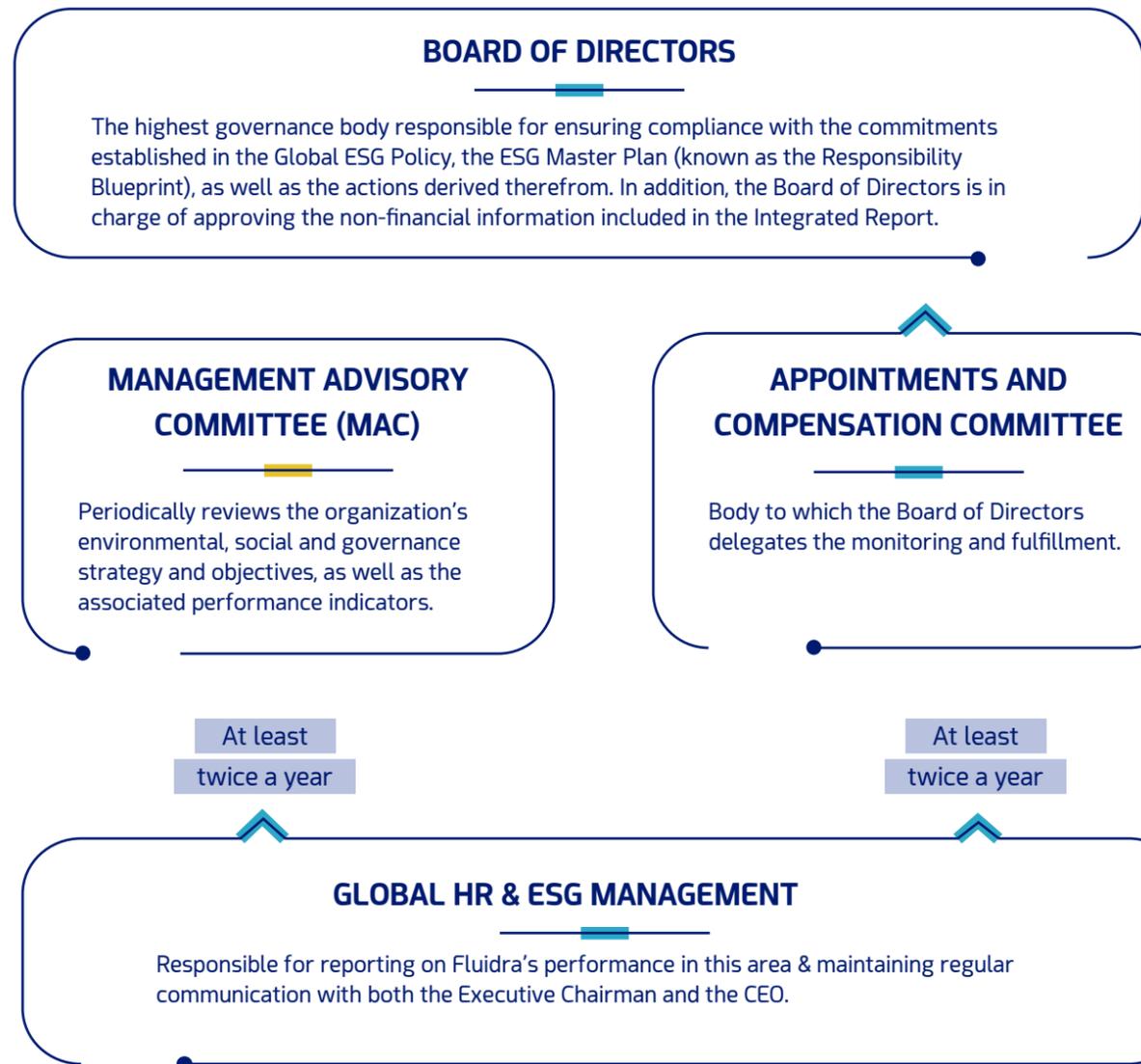
This policy in line with the company's mission, vision and values, serves as a framework for all of the company's non-financial policies.





4.1. Fluidra's Commitment to Sustainability

ESG Governance



4.2. Responsibility Blueprint: Our Roadmap

To ensure compliance with the commitments assumed in the Global ESG Policy, in 2020 Fluidra approved the ESG Master Plan (known as the "Responsibility Blueprint") for the period 2020 - 2026.

With this roadmap, the organization seeks to align itself **with the highest international ESG** standards to become the leader in sustainability in the pool industry by the end of 2026. A working committee was created by the Board of Directors composed of the Executive Chairman, the CEO and several independent directors, whose main task was to formalize and approve the plan. The results of the 2019 materiality analysis, in which 129 people representing all stakeholders participated, were also taken into consideration in this process, integrating their needs and expectations on ESG issues.

The Responsibility Blueprint is made up of **10 strategic lines** that cover the three pillars of ESG (Environmental, Social and Good Governance), all of them associated with one of the nine Sustainable Development Goals (SDGs) that Fluidra has identified as priorities based on the risks and opportunities they pose for our business.



FLUIDRA
RESPONSIBILITY BLUEPRINT





4.2. Responsibility Blueprint: Our Roadmap

Environment

Contribute to sustainable development through Fluidra's products and services.

Challenges	Commitments	Indicator	Results		Targets			Page
			2020	2021	2021	2022	2026	
Sustainable Products	Increase the number of "ESG Friendly" products in our catalog	% of "Eco-Conscious" sales (€)	50.4%	56%	N/A	N/A	60%	27
		No. of circular products	0	0	0	2	6	31
Environmental Management	Certification of the Environmental Management System	No. of ISO 14001-certified sites	8	8	8	10	18	166
		Improve waste segregation at our facilities	Waste generated send to landfill (% over total waste)	39.6%	25%	33%	20%	15%
Water	Reduce water consumption (own facilities)	Ratio of water consumption (liters) to sales (€)	0.084	0.056	0.079	0.053	0.042	184



4.2. Responsibility Blueprint: Our Roadmap

Environment

Contribute to sustainable development through Fluidra's products and services.

Challenges	Commitments	Indicator	Results		Targets			Page
			2020	2021	2021	2022	2026	
Climate Change	Achieve climate neutrality	Emissions from operations (Scopes 1 and 2) in tnCO ₂ (vs. 2021) ⁴	18,644	20,108	N/A	-10%	-90%	173
		Value chain emissions (Scope 3) in tnCO ₂	18.5 million ⁵	9,2 million	N/A	N/A	N/A	178
	Reduce energy consumption (own facilities)	Ratio of energy consumption (GJ) to sales (€)	0,00022	0,00023	0,00018	0,00022	0,00018	176
	Increase use of energy from renewable sources	% of electricity from renewable sources	60%	80,7%	63%	83%	95%	176

In environmental matters, the significant increase in the percentage of electricity consumed from renewable sources stands out, significantly exceeding the targets that Fluidra had set for the coming years. The same applies to the targets for the reduction of water and the percentage of waste sent to landfill. As a result, the organization has recalculated its targets for 2022 and 2026 in order to increase its ambition.

⁴ Scope 2 emissions on a market basis.

⁵ The data for categories 1, 2, 11 and 12 of Scope 3 relating to fiscal year 2020 have been corrected.



4.2. Responsibility Blueprint: Our Roadmap

Social

Improve the well-being of employees, the value chain and society.

Challenges	Commitments	Indicator	Results		Targets			Page
			2020	2021	2021	2022	2026	
Quality employment	Promote employee engagement	Participation in engagement survey (%)	72%	80%	75%	N/A	N/A	196
		Engagement index (%)	82%	89%	80%	N/A	N/A	196
	Ensure occupational health and safety	Accident rate (own workforce and third parties)	2.78	1.04	2.08	1	1	223
		Promote respect for human rights throughout the value chain	No. of potential human rights impacts assessed (internal operations)	0	5	5	10	23
		No. of potential impacts assessed with action plans (internal operations)	0	0	0	5	23	188
Diversity, Equity, and Inclusion	Equal pay for equal work	Wage gap (adjusted)	23% ⁶	6%	N/A	5.50%	±1%	215
	Increase the presence of women in positions of responsibility	Women identified as successors to MAC and MAC-1 positions (%)	N/A	28%	N/A	32%	36%	199

⁶Non-adjusted



4.2. Responsibility Blueprint: Our Roadmap

Social

Improve the well-being of employees, the value chain and society.

Challenges	Commitments	Indicator	Results		Targets			Page
			2020	2021	2021	2022	2026	
Community engagement	Positively impact local communities through solidarity	Invest in social action initiatives	€ 450k	€ 699k	€ 500k	€ 850k	1M€	228
		No. of people benefited	N/A	3,385	N/A	12,320	136,255	228

In the social pillar, the good results in Health and Safety stand out, with a 62% reduction in the overall accident rate (including own and external workers), almost 40% more than the reduction planned for 2021.





4.2. Responsibility Blueprint: Our Roadmap

Good Governance

Be at the forefront of the best corporate governance practices.

Challenges	Commitments	Indicator	Results		Targets			Page
			2020	2021	2021	2022	2026	
Responsible management	Improve customer satisfaction	Customer Satisfaction Index	6.90	7.20	7.05	7.30	7.40	146
	Promote responsible business practices on the supply chain	Suppliers trained in ESG (% expenditure in €)	0	43.3%	10%	50%	75%	137
		No. Suppliers evaluated (cumulative)	80	297	250	320	350	137
		No. of suppliers audited (cumulative)	3	17	6	35	100	137
Transparency	Improve scores on the ESG indexes and rankings in which we participate	S&P CSA	47	60	52	63	72	88
		CDP	C	B-	B-	B-	A-	88



4.2. Responsibility Blueprint: Our Roadmap

Good Governance

Be at the forefront of the best corporate governance practices.

Challenges	Commitments	Indicator	Results		Targets			Page
			2020	2021	2021	2022	2026	
Partnerships	Develop partnerships to promote sustainable development	No. of alliances with ESG organizations	2	2	2	3	6	90

In the area of Good Governance, the targets set for 2021 have been met and, in many cases, even exceeded. Looking ahead to next year, Fluidra expects to continue to improve its performance in all indicators, with the exception of the CDP rating, where it plans to maintain the score achieved this year.



4.2. Responsibility Blueprint: Our Roadmap

Organizational focus on ESG objectives

The achievement of the ESG objectives defined in the Responsibility Blueprint is linked to the variable compensation of both the MAC (Executive Committee) and the directors who report to it (MAC-1). For more information on this matter, go to [page 114](#).

In 2021, Fluidra converted the credit facility taken out in 2018 in the amount of €130 million into sustainable financing. The economic conditions of this financing then became the subject to the company's performance in environmental, social and governance matters, assessed by S&P through its "ESG Evaluation".

At the beginning of 2022, Fluidra refinanced its syndicated debt to increase the loan limits and extend the terms to 2029. In line with its ESG commitments, Fluidra has linked the terms of the financing to the achievement of two objectives set in the Responsibility Blueprint: 1. Climate neutrality for its own operations by 2027 (scopes 1 and 2), and 2. 100% of electricity consumption from renewable sources by 2027.

The funding was extended in accordance with the Sustainability-Linked Loan Principles. The KPIs will be checked by an external independent auditor on an annual basis as part of the verification of the Integrated Report.



4.2. Responsibility Blueprint: Our Roadmap

4.2.1. Our contribution to the Sustainable Development Goals

As a member of the United Nations Global Compact, Fluidra is committed to contributing to the achievement of the Sustainable Development Goals through its ESG strategy. To that end, the company has analyzed the goals and targets defined by the UN in order to prioritize and focus its efforts on those most closely linked to our business.

There are three SDGs that Fluidra has identified as priorities and in response to which we will take actions to promote sustainable development:

SDG 17

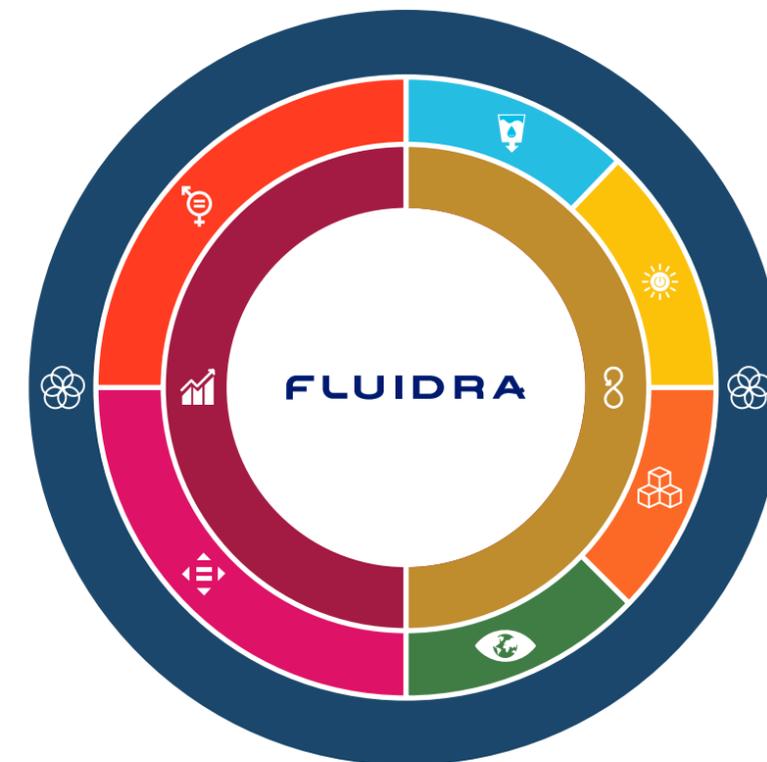
Partnerships for the Goals: the object here is to foster cross-cutting partnerships and collaborations with other organizations to progress in achieving the goals indicated above.

SDG 8

Decent Work and Economic Growth: commitments and initiatives in this area are aimed at promoting the sustainable development of people, both from within (people employed) and outside the organization (supply chain, society, etc.). In connection with this goal, SDG 5 (Gender Equality) and SDG 10 (Reduced inequalities) have been identified as goals to which the group can contribute through our activities.

SDG 12

Responsible Consumption and Production: focuses on actions associated with the life cycle of products, from design to consumption by the end user. SDG 6 (Clean water and Sanitation), SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation and Infrastructure), and SDG 13 (Climate Action) have been identified by Fluidra as goals to which we can contribute through our operations, products and services.



4.2. Responsibility Blueprint: Our Roadmap

4.2.1. Our contribution to the Sustainable Development Goals

Based on this classification, the company has defined which objectives associated with each of the identified goals are relevant to the company in order to set specific objectives and indicators that allow us to measure and monitor our contribution.

Throughout this Integrated Report we report on the key objectives and actions carried out by Fluidra in relation to each one of them in 2021:

SDGs and associated goals	Commitments	Pages
SDG 8. Decent work and economic growth		
8.5	Contribute to the creation of employment in the countries where we operate and promote decent work for all people, ensuring equal pay for equal work.	194
8.7	Prohibition of child labor and forced labor along the value chain.	128
8.8	Promote healthy and safe working environments.	218

[103-1, 103-2, 103-3]

SDGs and associated goals	Commitments	Pages
SDG 5. Gender equality		
5.1	End gender-based discrimination.	198
5.5.	Advance towards equal leadership opportunities for women at all levels of the organization.	198
SDG 10. Reduce inequalities		
10.2	Promote the social inclusion of all people.	198
10.3	Promote equal opportunities and reduce inequalities.	198
SDG 12. Sustainable consumption and production		
12.2	Promote the sustainable management and efficient use of natural resources.	164
12.4	Ensure the rational management of chemicals.	27
12.5	Reduce the amount of waste generated through prevention, reduction, recycling and reuse.	182



4.2. Responsibility Blueprint: Our Roadmap

4.2.1. Our contribution to the Sustainable Development Goals

SDGs and associated goals	Commitments	Pages	SDGs and associated goals	Commitments	Pages
SDG 6. Water and sanitation			SDG 13. Climate action		
6.4	Encourage the efficient use of water resources in production processes and during the use phase of products.	184	13.1	Adapt to climate risks.	167
SDG 7. Affordable and clean energy			SDG 17. Partnerships to achieve the goals		
7.2	Increase the proportion of renewable energy consumed by the company.	176	17.17	Foster and promote the formation of partnerships.	90
7.3	Encourage energy efficiency in production processes and during the use phase of products.	33			
9.4	Promote sustainable innovation.	148			

4.2. Responsibility Blueprint: Our Roadmap

4.2.2. Raising awareness on our commitments

Making Fluidra's ESG commitments and objectives known throughout the entire value chain is essential to achieving them.

In order to ascertain the communication and training needs of stakeholders on ESG issues, Fluidra sent out a survey regarding the organization's performance and to identify opportunities for improvement during the materiality analysis. All stakeholders indicated that there was room for the company to make improvements in this area.

As a result, the **ESG Training and Communication Model** was defined and developed with both internal actions (for Fluidra employees) and external actions (for external stakeholders like suppliers) to communicate, raise awareness and provide training on the importance of responsible business conduct. The pillars supporting this plan are as follows:



- **ESG Training to employees**

- Mandatory training on Fluidra's Responsibility Blueprint.
- Specific trainings on ESG issues (Circular Economy, Human Rights,...), according to the needs of the company.
- On demand, as request by area managers.

- **Raising ESG awareness among all our stakeholders**

- Suppliers (Code of Ethics, Human Rights,...).
- Customers and Pool Pro's (Sustainable Pools)

- **Communicating our commitments and performance**

- Global & Local tips on specific ESG issues (Living Fluidra, email, Responsibilities,...).
- Social Media
- Corporate website & My Fluidra

Employee-oriented training

Fact

New ESG training incorporated into onboarding plan

Mandatory training on the Responsibility Blueprint (ESG Master Plan) was launched for all employees in early 2022. This training has also been incorporated into the Onboarding training plan, so from now on anyone who joins the group must complete it in the days following the signing of the contract.

In addition, during the year the ESG Department has offered training to different areas of the company on human rights, carbon footprint or circular economy in connection with projects that are currently underway. A total of **72 employees received 127 hours of ESG training** in 2021.

The ESG training and engagement program that won the 2020 edition of the Fluidra Innovation Week (now Fluidra Innovation Challenge) will be implemented gradually in 2022. This program will be delivered through a mobile application (known as "ResponseAbilities") available to the group's employees in several languages. Aside from learning how they can contribute to sustainability in their daily lives, employees can actively participate in the ESG strategy, proposing improvements throughout the organization and receiving awards for their level of involvement in the program.

In addition, in early 2022 a training session was offered to the Board of Directors on ESG and its strategic relevance to reinforce their knowledge in these areas.



4.2. Responsibility Blueprint: Our Roadmap

4.2.2. Dando a conocer nuestros compromisos

Promoting sustainability along the value chain

As part of the commitment to encourage the group's business partners to apply principles of responsible conduct, Fluidra has trained its suppliers on the principles of its Code of Ethics and Human Rights (for more information, see [page 128](#)).

With regard to customers and users, at the Pool & Wellness Trade Fair in Barcelona, Fluidra dedicated a space at its stand to the company's ESG commitments and gave attendees the opportunity to participate in the Materiality Analysis.

In 2022, the ESG department, in collaboration with the Marketing Department, plans to design a communication and training itinerary for these stakeholders with a view toward effecting a change in their consumption trends towards more sustainable products.



[103-1, 103-2, 103-3]

Communicating Fluidra's ESG commitments and performance

Along with the Training Plan, a series of information pills were created to publicize specific ESG aspects, both internally and externally.

Marking the sixth anniversary of the approval of the Sustainable Development Goals, Fluidra joined the "We support the SDGs" campaign sponsored by the UN Global Compact office in Spain. Each week, the company shared with employees its commitments, objectives and actions for each of its nine priority SDGs identified and offered advice on how they can contribute to the attainment of those goals in their daily lives.

Coinciding with the celebration of the World Water, Environment and Human Rights Days, among others, messages were posted on Fluidra's social networks to raise awareness of the importance of these issues, as well as the organization's objectives and commitments in these areas.

New ESG sections were also enabled on the corporate website and the intranet (MyFluidra), where the ESG Policy, the Responsibility Blueprint, and the company's Annual Reports are all available, along with other relevant information regarding the commitments adopted by Fluidra.

Finally, at the new corporate headquarters in Sant Cugat del Vallès (Barcelona) there is a space in the building dedicated to displaying the commitments of the Responsibility Blueprint. The information also appears on screens distributed throughout the headquarters.

4.3. Relationship with stakeholders

Stakeholders are those groups whose needs, interests or expectations affect or are affected, directly or indirectly, by the company's business activities and who therefore have the ability to directly or indirectly influence Fluidra's strategy.

At the time of the merger with Zodiac in 2018, the company redefined its stakeholders, identifying as such all groups that help us or benefit from the achievement of our mission: to create a pool and wellness experience responsibly.

Fluidra provides stakeholders with various two-way communication channels through which they can convey their needs and expectations to the company for consideration.

Fluidra also invites stakeholders' representatives to participate in the biannual Materiality Analysis. In 2021, there were 14 Focus Groups with a total of 252 participants, including employees, suppliers, shareholders, investors, customers, end users and representatives of the Fluidra Foundation who were asked to evaluate material issues for the company. The results for the year are available in section [8.1 Materiality analysis in this report](#).





4.3. Relationship with stakeholders

Stakeholders	Shareholders and investors	Employees	Customers	Suppliers	End users	Planet and Society
Description	People or institutions that invest money in the group or plan to invest at some point.	People who work at Fluidra, regardless of their employment relationship.	Individuals or legal entities that purchase products marketed by Fluidra.	Individuals or legal entities that provide goods or services to Fluidra.	People who are occasional end users of a product marketed by Fluidra.	The environment in which Fluidra works.
Target	We create value in an ethical business and financial environment.	We provide an excellent environment where employees can develop their full potential and be recognized.	We help you grow your business by providing quality products and innovative services.	We develop strong partnerships through innovation, quality, service and cost control.	We create the perfect pool and wellness experience for your well-being and enjoyment.	We are committed to responsible and sustainable business conduct to protect present and future generations.
What Fluidra needs from them	Know what their concerns and interests are in order for the relationship with the company to continue.	Involvement in business development.	Information on demand and demand trends. Marketing agreements.	Financing, adequacy of market trend inputs (traceability).	Information on their preferences.	Identify needs in order to channel the response through the company's actions and the Fluidra Foundation.
What are their interests in Fluidra	Economic return.	Generation of quality and sustainable employment.	Response to market trends, quality products and correct delivery times.	Viability and profitability. Continuous supply.	Quality, price, diversity, others.	Allocation of resources and definition of social and environmental projects in line with the group's strategy.

4.3. Relationship with stakeholders



4.4. Sustainability indexes and rankings

One of the commitments adopted within the framework of the Responsibility Blueprint is to promote greater transparency regarding the company's ESG performance. To that end, Fluidra participates in and is evaluated annually by various sustainability indexes and ratings which measure the company's performance and progress in environmental, social and good governance matters.

In 2021, Fluidra was recognized for its efforts to improve its environmental, social and good governance performance, boosting its score in rankings such as S&P, CDP or Sustainalytics. Based on the results obtained, Fluidra draws up action plans to integrate best practices and continue to improve its ESG performance.



Carbon Disclosure Project (CDP)

For the second year in a row, Fluidra has been evaluated by the Carbon Disclosure Project (CDP), which evaluates companies' commitments for managing and adapting their own operations and their supply chains to climate change.

In 2021, the company earned a grade of B- (Management level) on the CDP Climate Change Questionnaire, compared to a grade of C (Awareness level) the year before, thus meeting the target set for this fiscal year (Scoring date: December 7, 2021). The information on the results of the evaluation is available [here](#).

Fluidra got high grades for the governance of climate issues within the organization (A rating), energy management, initiatives to reduce carbon emissions, and climate risk management processes (B rating).

In addition, based on the answers provided on the questionnaire, Fluidra earned a B- in the Supplier Engagement Rating (SER) category, which evaluates the company's supply chain actions involving the supply chain.

S&P Global Ratings

Standard & Poors (S&P)

This was the second year in which Fluidra has been evaluated by this rating, which consists of two parts: On the one hand, Fluidra participates in the S&P ESG Evaluation, where the organization's strategy and ability to prepare for potential future risks and opportunities in ESG issues are evaluated. In 2021, Fluidra obtained a rating of 71/100, compared to the 69 points it obtained in 2020 (Score date: April 88, 2022).

In addition, the organization completes the S&P Global Corporate Sustainability Assessment (CSA), an annual assessment that analyzes the ESG performance and practices of participating companies.

Fluidra scored 60/100, which is a 13-point improvement over last year's results, when the company scored 47/100 (Scoring date: November 12, 2021).

Fluidra scored 61/100 on the environmental dimension (46/100 in 2020), 60/100 on the social dimension (47/100 in 2020) and 60/100 on the economic and governance dimension (49/100 in 2020). Looking ahead to 2022, Fluidra has been invited to participate for the first time in the Dow Jones Sustainability Index World and Europe. The information on the results of the evaluation is available [here](#).

ISS ESG

ISS

Fluidra was evaluated for the first time by the ISS ESG Corporate Rating, earning a score of C (on a scale from D- to A+). Scoring date: September 13, 2021.

4.4. Sustainability indexes and rankings

Clarity AI

Fluidra is also evaluated by Clarity AI, a technology platform that provides information on the social and environmental impact of more than 30,000 organizations.

In 2021, Fluidra earned a total of 72 points out of 100, a 10-point increase compared to the previous year (62 points). By dimension, the score increased for the environmental (77 points compared to 58 in 2020) and social areas (70 points compared to 60 in 2020) while the good governance score was maintained (68 in 2020 and 2021).

Sustainalytics

Every year since 2018, Morningstar's Sustainalytics rating evaluates Fluidra's exposure to ESG risks. In 2021, the company scored 24.6 points out of 100, which means that the risk level is medium (Score date: September 2, 2021).

This is a 7-point improvement over the 2020 score of 31.7 (high risk level), and a nearly 16-point improvement over the 2019 score of 40.3 (severe risk level).

MSCI

In 2021, Fluidra received a rating of BBB (on a scale of AAA to CCC) in the MSCI ESG Ratings. This is the same score the company received last year (Scoring date: December 17, 2021).

FTSE4Good

Fluidra continues to participate in the FTSE4Good index, where it has obtained a score of 3 points out of 5, which places the company above the average for the subsector (2.3) and the industry (2.1).

Specifically, Fluidra stands out in the Governance area, where we earned a score of 4.5 points out of 5, thanks to the high score obtained for anti-corruption (5/5 points). Fluidra also earned 3 points in the social area, and 2 in the environmental area (Scoring date: September 30, 2021).

Informe Reporta

Finally, Fluidra is among the Top 10 best companies in the ranking prepared by Informe Reporta annually, based on the information reported to stakeholders by the companies listed on the Madrid Stock Exchange General Index (IGBM) (Scoring date: October 10, 2021).

Specifically, Fluidra ranks 7th out of 116 with a score of 83.1 out of 100, an improvement of 7 positions and 2.3 points compared to 2020. Moreover, the company was recognized as the best one in the ranking in the area of transparency. For more information on the results, please follow this [link](#).

4.5. Partnerships

Through partnerships with other stakeholders we can make faster progress achieving our goals, since sharing information and being part of working groups provides access to a number of valuable resources. In the field of ESG, Fluidra has been a signatory of the **United Nations Global Compact** since 2007, a United Nations instrument that seeks to find solutions that address global challenges from the corporate sphere. As a member of the initiative, Fluidra has integrated the UN's ten principles into the Responsibility Blueprint, thus reinforcing its commitments to human rights, labor, the environment and the fight against corruption in the operation of the business.

Moreover, Fluidra has been a member of the board of trustees of the **Enterprise and Climate Foundation (Fundación Empresa y Clima)** since 2011. This organization provides companies with the tools needed to face the challenges of climate change, along with guidance for actions to improve efficiency in reducing emissions.

Outside the field of sustainability, Fluidra is a member of various associations and organizations in the field of water and sports. It also partners with organizations to promote innovation, such as:

Eurecat Technology Center

Catalan Water Partnership

Acció: Innovation Office of the Generalitat de Catalunya

Leitat Technological Center

Tech Barcelona

University of Girona

Catalonia School of Engineers

Barcelona and Sabadell Chambers of Commerce

French Chamber of Commerce

Sant Joan de Deu Hospital



5.

At the forefront of corporate governance best practices

5.1. Governing bodies **93**

5.2. Risk and opportunity management **115**

5.3. Ethics and Integrity **125**

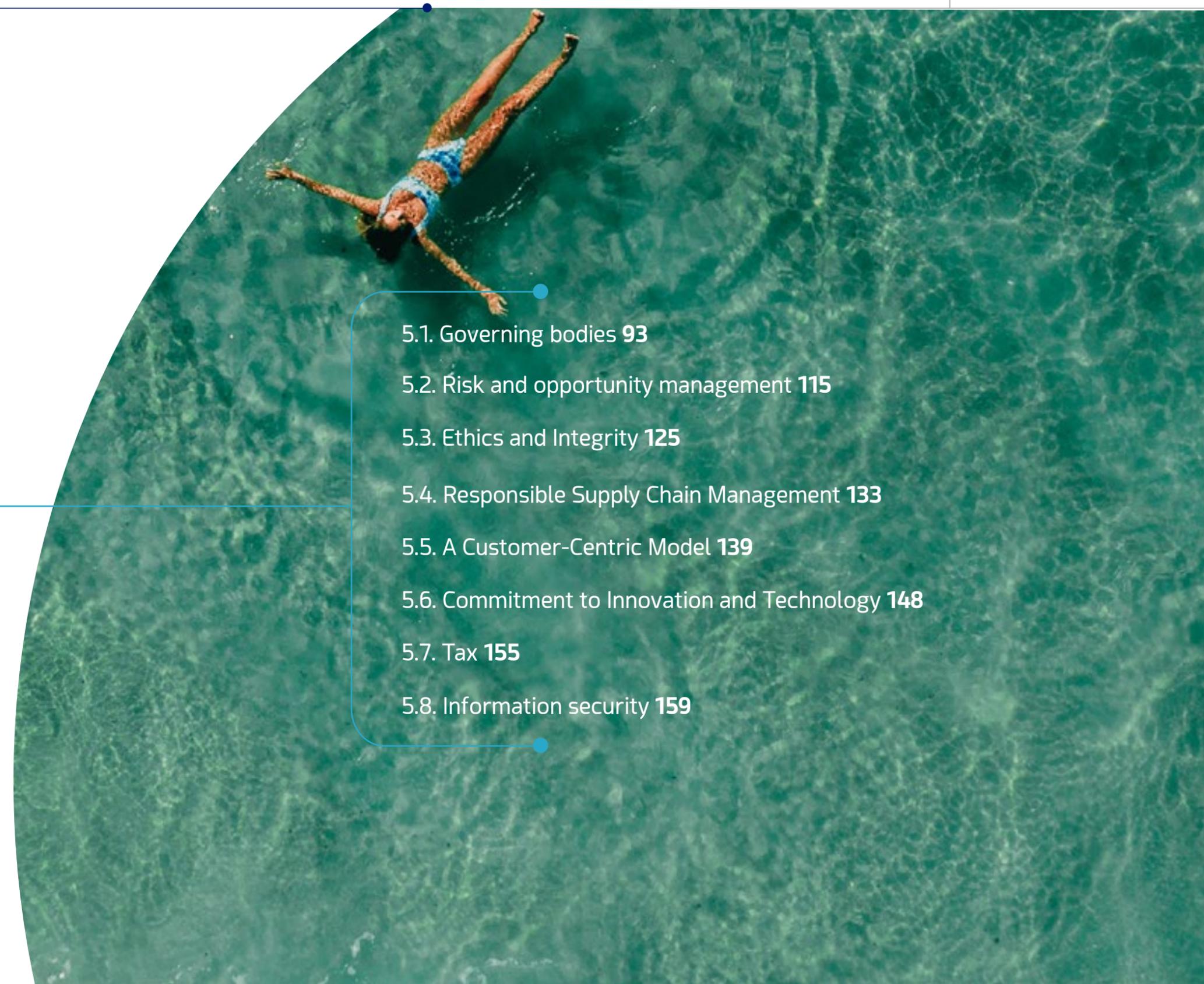
5.4. Responsible Supply Chain Management **133**

5.5. A Customer-Centric Model **139**

5.6. Commitment to Innovation and Technology **148**

5.7. Tax **155**

5.8. Information security **159**





5. At the forefront of corporate governance best practices

Fluidra is committed to promoting responsible business management, both in its activities and throughout its value chain, transmitting our commitments and encouraging responsible and sustainable conduct in business relations with customers and suppliers.

Likewise, the Group works to lead best practices in corporate governance and transparency, making honest and accurate information on our performance and activities available to our stakeholders, both through this report and in the various ESG ratings and indexes in which we participate.

Finally, Fluidra periodically identifies and evaluates the risks it faces, with the aim of preventing them and offering a rapid response in case they materialize.

6,3% en 2020

17% of Board members are women

Independent board members
41,7% en 2021
Target: 50%



New Global Risk Management Policy approved

78% of staff received training on the Code of Ethics
75% in 2020



297 suppliers evaluated on ESG issues



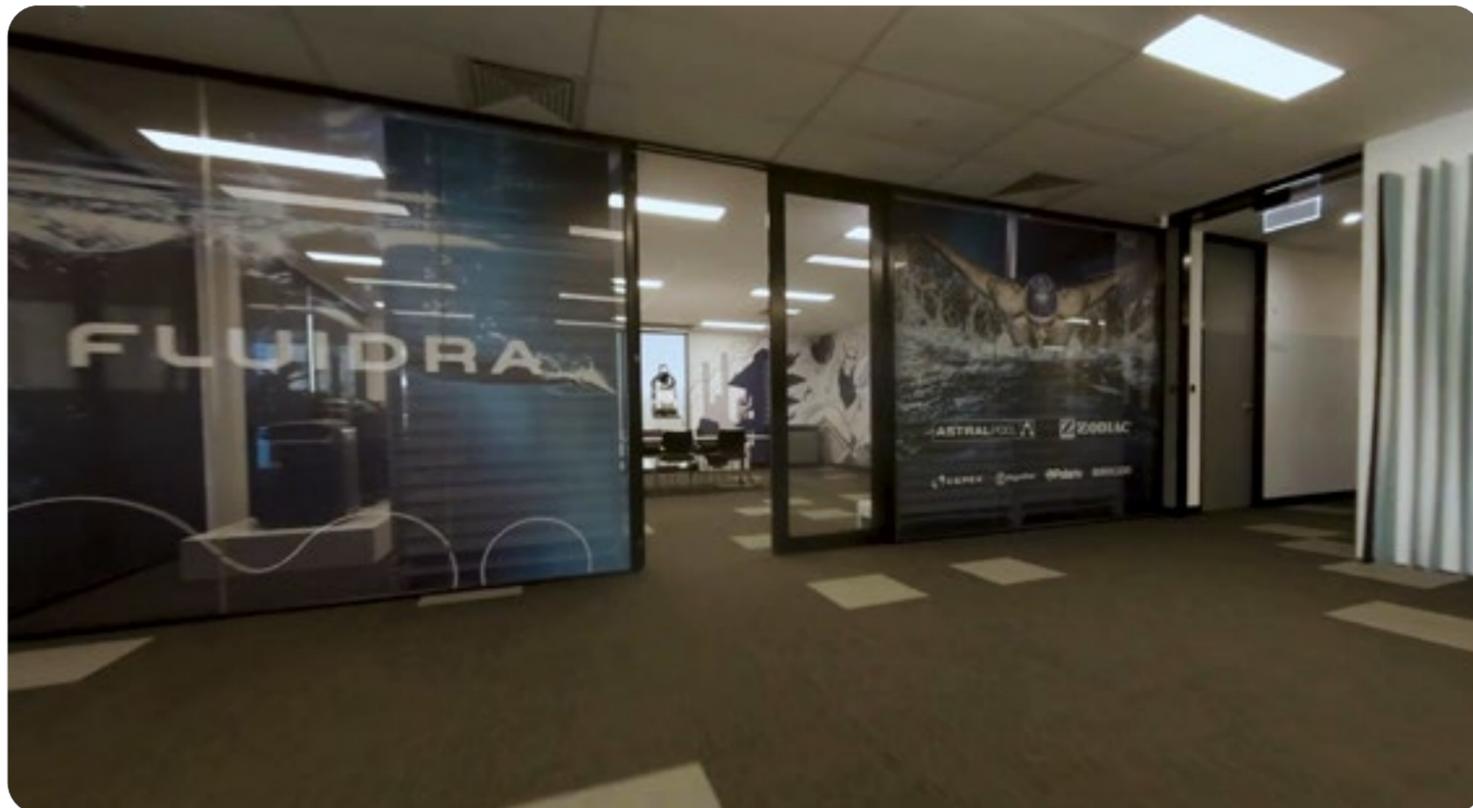
1.316 hours spent on cybersecurity training



5.1. Governing bodies

The Bylaws, regulations (of both the General Shareholders' Meeting and the Board of Directors) and other internal standards and procedures make up the corpus of rules that govern Fluidra's corporate governance system. The company ensures compliance with the recommendations and the international good governance best practices, continuously revising and updating its rules.

Fluidra approves and publishes the [Annual Corporate Governance Report](#) each year, which is governed by the corporate governance recommendations for listed companies. This document is available since its approval on the corporate website.



FLUIDRA GOVERNING BODIES

General Shareholders' Meeting

Board of Directors

Appointments and Compensation Committee

Audit Committee

Delegate Committee

Management Advisory Committee (MAC)



5.1. Governing bodies

5.1.1. General Shareholders' Meeting

The General Shareholders Meeting is Fluidra's ultimate decision-making and control body in the matters falling under its control, and the venue through which shareholders exercise their right to take part in the Company's decision-making process.

The rules governing the organization and functioning of the General Shareholders' Meeting, updated in May 2021, are publicly available on Fluidra's [website](#). The document regulates matters such as shareholders' voting and attendance rights (regardless of the number of shares held), remote meeting attendance and participation, remote voting, etc., among others. Fluidra reports to its shareholders transparently on shareholders' agreements in a specific section of the [website](#).

In 2021, as in 2020, due to the restrictions imposed by the authorities in response to the Covid-19 public health crisis, Fluidra's General Shareholders' Meeting was held entirely online, with no shareholders or their representatives physically present, on the corporate website with the members of the Board of Directors participating via audio or video conference.

Held on May 6, 2021, 81.45% of the share capital was present and represented at the session, where all the resolutions proposed on the agenda were unanimously approved:

- Approval of the annual financial statements and of the management report, both of the Company and of its consolidated group of companies, for the financial year ended December 31, 2020.
- Approval of the non-financial information consolidated statement of Fluidra, S.A. for the financial year ended December 31, 2020.
- Approval of the proposed allocation for the financial year ended December 31, 2020.

- Approval of the management by the Board of Directors during the financial year 2020.
- Shareholder remuneration: distribution of dividends out of reserves.
- Re-election of directors Mr. Eloi Planes, Mr. Bernardo Corbera, Mr. Oscar Serra Duffo.
- Creation of article 28.bis (electronic or telematic attendance) and amendment of articles 31 (remote voting before the General Meeting), 33 (deliberation and adoption of resolutions) and 45 (delegated bodies of the Board) of the Company's Articles of Association.
- Creation of article 10.bis (remote attendance) and amendment of articles 7 (meeting announcement), 8 (making information available from the date of the announcement on the Company's website), 10 (right to attend), 12 (proxy), 14 (AGM planning, resources and venue), 18 (shareholder registration), 19 (attendance list), 23 (remote voting before the General Meeting) and 27 (publication of resolutions) of the Regulations of the General Meeting of Shareholders.
- Approval of the directors' compensation policy for 2022, 2023 and 2024
- Consultative vote on the annual report on directors' compensation for the financial year 2020.
- Delegation of powers to notarize, construe, supplement, implement, remedy and execute the resolutions adopted by the Shareholders' Meeting.

For more information on the resolutions adopted at the 2021 General Meeting, please see the pertinent section of the corporate [website](#).

5.1. Governing bodies

5.1.2. Board of Directors

The Board of Directors, as the core of its mission, approves the Company's strategy and the organization required to put it into practice, as well as supervises and controls that Management complies with the objectives set and respects the Company's corporate purpose and interests. Its functions and activities are regulated in the Regulations of the Board of Directors, publicly available on the Company's [website](#).

Fluidra's Board of Directors performs its functions with unity of purpose and independence judgment, treating shareholders equally and guided by the company's best interests. Its responsibilities include:

Approving the company's strategy and organization and overseeing and supervising compliance.

Proposing the appointment and removal of directors and the appointment of internal positions.

Approving certain operations or investments of relevance to the group.

Convening the General Shareholders' Meeting.

Formulating the annual accounts, the directors' report and the proposed allocation of the Company's results.

It should also be noted that on March 25, 2021 Fluidra's Board of Directors approved, separately from the General Regulations of the Board of Directors, **two regulations in relation to the operation of the Appointments and Compensation Committee**, on the one hand, and the **Audit Committee**, on the other. The purpose is to reinforce the principles of action of these two committees, the basic rules governing their organization and operation, and the rules of conduct of their members.

In the performance of their duties, all directors may obtain from the Company the advice they need to carry out their functions. To this end, the Company shall provide the appropriate channels which, in certain cases, include external advice.

Likewise, among other measures aimed at improving the knowledge of the governing body in matters within its competence and, in particular, in matters of an economic, environmental and social nature, is the annual review and updating by the Board of the Crime Prevention Plan and the Company's Risk Map.



5.1. Governing bodies

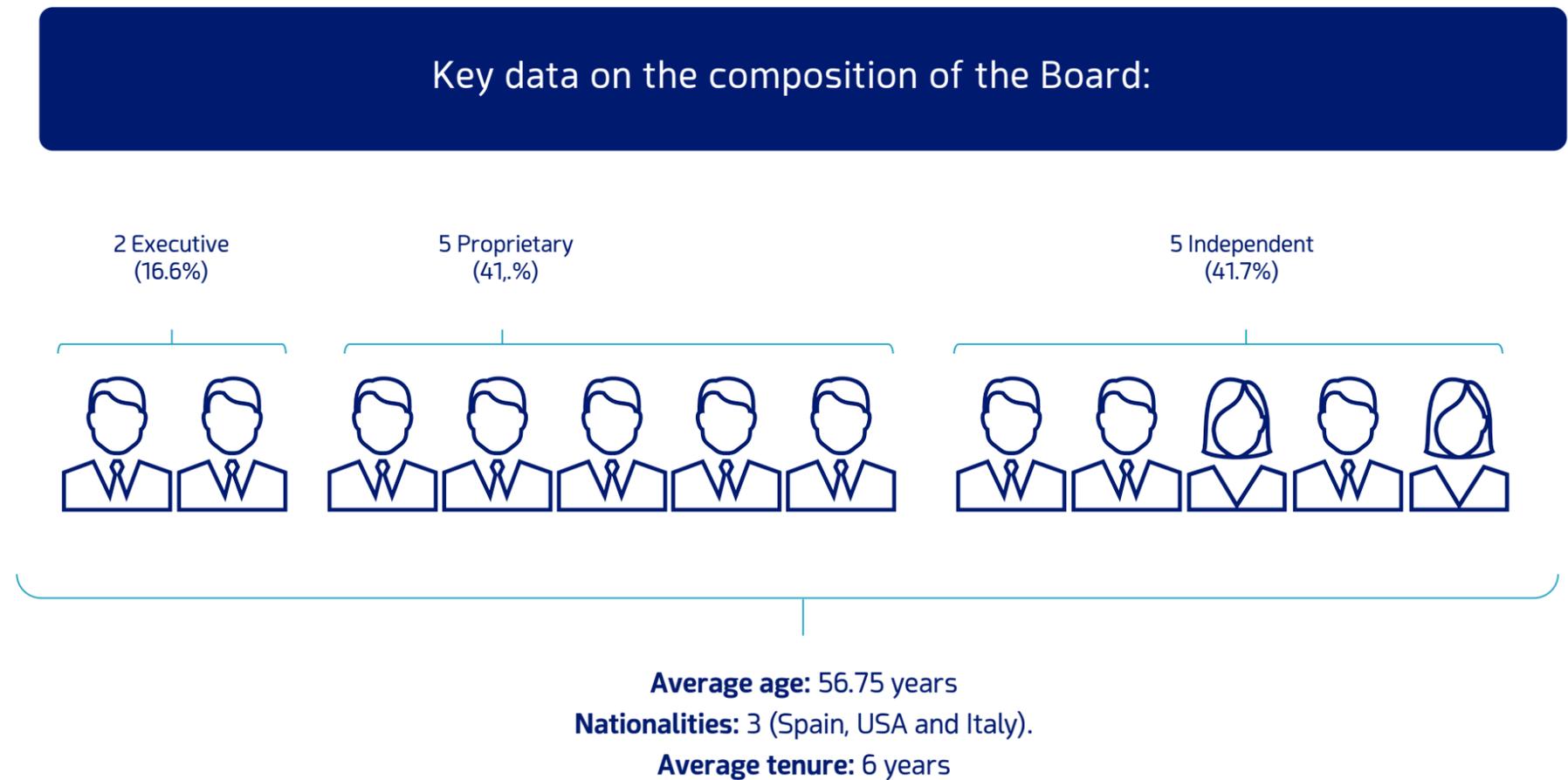
5.1.2. Board of Directors

Structure and composition

One of the objectives of the Appointments and Compensation Committee in relation to the selection policy for directors and senior managers is to **promote professional diversity, knowledge, nationality and, in particular, gender diversity**. The Appointments and Compensation Committee is aware that Fluidra does not currently comply with the Corporate Governance recommendation regarding the percentage of female directors, and is therefore taking the necessary measures to increase the number of women on the Board of Directors and in senior management.

However, such an increase can only occur when selecting new candidates to fill **future vacancies** on the Board, provided that the competence profile of women is comparable or superior to that of male candidates. The proof that the measures adopted in the selection of female directors and senior managers are working is that the latest vacancies on the Board and in senior management have been filled by women.

According to Fluidra's Bylaws, the Board of Directors is composed of 12 members, broken down as follows:



5.1. Governing bodies

5.1.2. Board of Directors

In 2021, Fluidra increased the number of **independent directors** (from 4 to 5), and the number of **women** (from 1 to 2) on its Board of Directors. The average tenure of the Board has increased to six years. For more information on the changes in the composition of the Board, see the "Election of the Board" section of this report.

The Appointments and Compensation Committee is working to raise the number of independent directors on the Board to 50% of members (currently 41.7%).



Óscar Serra Duffo

Vice-Chairman - Proprietary

He began his professional career in the marketing area of several family-owned companies, including La Casera and Schweppes. In 1989 he joined Plasteral's Sales Department, where he was responsible for the Spas division.

Eloi Planes Corts

Executive Chairman – CEO | Executive

Eloi Planes joined Fluidra ("Astral" at the time) as R&D Director in 1994. In 2000, Mr. Planes assumed the general management of AstralPool. In 2006 he was appointed CEO of the group and in 2016 he became Fluidra's Executive President.



Gabriel López Escobar

Director - Proprietary

Former Chairman of the Supervisory Committee of PwC Spain. He has been a Fluidra independent director since October 2014.



Bruce Brooks

CO-CEO - Executive

Bruce Brooks began his professional career at Black & Decker Corporation in 1996, where he held various positions over more than 20 years. In 2011 he joined Zodiac Pool Solutions as its CEO.



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

Director - Proprietary

His professional career within the Fluidra Group spans several different companies. From 1995 to 1998 he was a Product Manager at Astral Group and until 2002 he was the Production Manager at Servaqua, SA. He is also the CEO of Aniol, S.L.

5.1. Governing bodies

5.1.2. Board of Directors



Bernardo Corbera Serra

Director - Proprietary

Corbera held various positions within the Fluidra Group over the years, in particular at Astral Export, S.A., where he was in charge of international expansion. He has been a member of Fluidra's Board of Directors since 2000 and is also the CEO of Edrem S.L.



Bárbara Borra

Director - Independent

With more than 35 years of international experience, including senior management positions at Whirlpool and General Electric, she is currently the President and CEO of the Franke Group's Home Solutions division.

Jorge Valentín Constans Fernández

Lead / Coordinating Director - Independent

Over a lengthy 22-year career at Danone, Constans held various management positions. At Louis Vuitton, he served as President and CEO. He is a member of the boards of directors of THOM Europe, Puig and Fluidra.



José Manuel Vargas Gómez

Director - Proprietary

Senior advisor to Rhône since 2006 and partner since November 2017.



Steven M. Langman

Director - Proprietary

Mr. Langman co-founded Rhône in 1996 and is a member, manager and director of Rhône. In addition to Fluidra, S.A., Mr. Langman serves on the Board of Directors of CSM Bakery Solutions, Hudson's Bay Company and Vista Global.



Brian McDonald

Director - Independent

Served as CEO of RGIS from 2014 to 2017. RGIS is the world's leading inventory management company, a \$680 billion business with 53,000 associates located in 30 countries around the world.

5.1. Governing bodies

5.1.2. Board of Directors



Esther Berrozpe Galindo

Director - Independent

As of January 2021, Esther Berrozpe is CEO of Ontex, a leading international personal care group. Previously, Esther Berrozpe was President Europe, Middle East and Africa for Whirlpool Corporation and Executive Vice President of the company.

Albert Collado Armengol

Non-Member Secretary

Maximino Montero Lastres

Non-director Vice-Secretary

Until the merger with Zodiac in 2018, the role of Chairman and CEO was held by Mr. Eloi Planes Corts. Following the merger, the role was split, with Mr. Bruce Brooks assuming the role of Co-Chief Executive Officer and Mr. Eloi Planes Corts assuming the role of Executive President-CEO. Since the Chairman of the Board is an Executive Director, Fluidra's Board of Directors has incorporated the role of a Lead/Coordinating Director, having chosen Mr. Jorge Constans Fernández for this role from among the independent directors in June 2020.

According to article 15.5 of the Board Regulations, the Lead/Coordinating Director is especially empowered to request a Board meeting or the inclusion of new items on the agenda of a Board meeting that has already been called. His functions also include coordinating and reflecting the concerns of the external directors, coordinating and bringing together the non-executive directors and directing the periodic evaluation of the Chairman of the Board of Directors.



*For more detailed bios please visit the corporate [website](#).

5.1. Governing bodies

5.1.2. Board of Directors

Election of the Board

According to article 17 of the Board Regulations, Board members are appointed by the General Meeting or by the Board of Directors, pursuant to the provisions of the Capital Companies Act. Voting on the proposed appointment of directors is carried out individually and separately, as required by law. In any case, for each appointment there must be:

A prior proposal from the Appointments and Compensation Committee, in the case of independent directors, or



A prior report from the Appointments and Compensation Committee, in the case of all other directors.

Fluidra has adopted a [Selection Policy for the Board of Directors](#) which describes the requirements to be met by board members candidates, as well as the selection procedure. The process is intended to favor diversity of gender, experience and knowledge, always subject to the principles of merit and suitability.



Board member candidates must be **honorable, solvent, competent, experienced, qualified, available and committed** to the function. In particular, they must be professionals of integrity, whose conduct and professional career is aligned with the mission, vision and values of the Fluidra Group, as well as with the principles set out in the company's Code of Ethics.

Regarding the election of independent directors, this is in line with the independence criterion set in article 529 duodecies (fourth paragraph) of the Spanish Capital Companies Act, including term limits of 12 years.

Likewise, the Appointments and Compensation Committee assesses the skills, knowledge and experience required on the Board and defines the functions and skills required of the candidates proposed to fill each vacancy, evaluating the time and dedication required for them to carry out their duties properly.

Although there is no upper limit in the Board Regulations on the number of corporate boards on which directors may serve, this information is taken into account when assessing the candidate's suitability in the appointment and re-election process in order to evaluate how much time they have available to properly perform their duties as directors. Each case is analyzed individually, considering best practices of good governance in this area. At year-end, only Ms. Esther Berrozpe served on the Board of Directors of another publicly listed company (Ontex Group N.V.). For more information on the positions held by Fluidra's Directors at other companies, listed or not, please see section C.1.11. of the [Annual Corporate Governance Report](#).

5.1. Governing bodies

5.1.2. Board of Directors

On the other hand, article 21.2. of the Board Regulations defines the circumstances under which Board members must resign. In 2021, Mr Sébastien Mazella di Bosco resigned as a proprietary director of the Company (appointed on the recommendation of Rhône Capital LLC) and, consequently, as a member of the Delegate Committee and the Appointments and Compensation Committee. To fill this vacancy, on the recommendation of Rhône Capital LLC and with a favorable report from the Appointments and Compensation Committee, on June 14, 2021 Mr. Martín Ariel Atlas was appointed by co-option as a proprietary director of the Company.

However, because Rhône's stake in Fluidra's share capital has been reduced, the investment fund's right to propose directors was reduced from four to three directors under the shareholders' agreement signed on November 3, 2017 in relation to the merger between the Company and Piscine Luxembourg Holdings 2 S.à r.l. Therefore, on December 30, 2021, Mr Martín Ariel Atlas resigned from his position as a proprietary director of Fluidra appointed by Rhône.

On the same date, Fluidra formalized the appointment by co-option of Ms. Bárbara Borra as a new independent director of the Fluidra Group.



Fact

Ms. Bárbara Borra

New independent director of the Fluidra Group.



5.1. Governing bodies

5.1.2. Board of Directors

Performance evaluation of the Board of Directors

In keeping with recommendation no. 36 of the Code of Good Governance for Listed Companies, Fluidra's Appointments and Compensation Committee is responsible for promoting and coordinating the annual performance evaluation of the Board of Directors. During this process, the operation and performance of the Board and its members are analyzed on an aggregate and individual basis, with a view to:

- Detecting needs and gaps to be filled in order to obtain a healthy, balanced and effective Board.
- Presenting a complete scorecard of the characteristics of the board including the following variables, among others: experience, workload, gender diversity and independence of judgment.
- Providing a report that justifies the definition of the profiles required for the selection of new directors.

For the 2021 evaluation, advice was provided by an independent external consultant. On this occasion, the assessment was undertaken by Seeliger y Conde consulting firm, which applied its own "Balance Board Methodology©", focused heavily on international best practices in corporate governance.

During this process, the consulting firm had the following interactions with the Board of Directors and its Committees.

- Detailed analysis of the profiles of the directors and their dedication.
- Completion of a personal questionnaire in line with the recommendations of the European Banking Authority (EBA).
- Personalized and individualized interviews with each of the board members separately to assess their professional profile, level of functional experience and technical skills.
- Shadowing or monitoring a full meeting of the Board and its Committees.
- Individual feedback meetings with each Board member (voluntary).

The results and conclusions of the evaluation were presented to the Chairman of the Board and the Chairman of the Appointments and Compensation Committee for the purpose of defining action plans to improve the Board's performance in the coming years. The following opportunities for improvement were identified, among others:

- Invite members of senior management to participate in Board meetings.
- Detect training needs and implement them.
- Reduce presentations and increase participation and discussion at Board meetings.
- Conduct surveys after each board meeting to monitor improvements to discussions, summaries, interventions, etc.

Regarding the action plans identified in the 2020 evaluation, the Board focused on the following points:

- Implementation of the CEO and senior management succession plan.
- Search for director profiles to fill possible vacancies that may arise on the Board of Directors, taking into account the organization's selection and diversity policies.

5.1. Governing bodies

5.1.2. Board of Directors

Board meetings

The Bylaws also provide that the Board will ordinarily meet at least six times a year, at least once per quarter, and in any case as often as necessary to perform its duties. In 2021, the Board met on 11 occasions, with an attendance rate of 100% of the Board members present or represented.

Fluidra takes the necessary steps to ensure that whenever possible the Directors receive adequate information, specifically prepared for meetings of the Board and its Committees, sufficiently in advance.

In this regard, according to article 15 of the Board Regulations, Board meetings are announced at least five days in advance and the announcement must always include the meeting agenda and the information necessary for the deliberation and adoption of resolutions on the agenda items, unless the Board of Directors has been convened on an emergency basis. The Chairman, as the person responsible for the Board's operations, in collaboration with the Secretary, must ensure that the Directors receive all such information.



Conflicts of interest

Conflicts of interest are regulated in detail in the company's internal operating rules. Directors must adhere to the following rules of conduct:

- Board members must notify the existence of conflicts of interest to the Board of Directors and refrain from attending and intervening in deliberations that affect matters in which they are personally interested, directly or indirectly through persons related to them. Agreements or decisions affecting them as directors, such as appointments or removals to and from positions on the Board or other analogous ones, are excluded from the foregoing duty of abstention.
- Board members may not use the name of the Company or invoke their status as directors to carry out transactions on their own behalf or on behalf of persons related to them.
- Directors may not participate, directly or indirectly, in professional or commercial transactions with the Company without first informing the Board of the potential conflict of interest and obtaining the Board's approval to go forward with 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 authorization to do so by the Board of Directors.
- Likewise, directors must disclose any direct or indirect shareholding that they or their related parties may possess in the capital of a company whose corporate purpose is identical, similar or analogous to the company's.

*The Board met on 11 occasions,
with an attendance rate of 100%*

5.1. Governing bodies

5.1.2. Board of Directors

- Likewise, directors may not engage, on their own account or on behalf of others, in activities that are identical, similar or complementary to the company's, nor may they act as directors or managers in companies that compete with the Company, with the exception of any positions they may occupy in group companies, unless expressly authorized by the General Shareholders' Meeting, and without prejudice to the provisions of Articles 227 to 229 of the Spanish Capital Companies Act.
- Directors may not use the Company's assets or use their position within the Company to obtain advantages for themselves without the payment of an appropriate consideration.
- Directors may not take advantage, for their own benefit or that of anyone related to them, of a business opportunity available to the company without the opportunity first being offered to the Company and the Company waiving the opportunity.

The directors' conflicts of interest are disclosed in the notes to the financial statements.





5.1. Governing bodies

5.1.3. Board Committees

Audit Committee

In compliance with the provisions of its internal regulations, Fluidra has an Audit Committee made up of five members, three of whom are independent, and one of whom is the Chairman.

The main functions of the Audit Committee are:

- To supervise the effectiveness of the company's internal control system, in particular the internal control of financial reporting, internal audit and risk management, including the analysis of environmental risks.
- To review the company's accounts, overseeing compliance with legal requirements and the correct application of accounting principles.
- To supervise the fulfillment of the audit contract, ensuring that the opinion on the annual accounts and the key contents of the audit report are written in clear and concise language and evaluating the results of each audit.
- To examine compliance with the Internal Rules of Conduct and the Board of Directors Regulations.

The Audit Committee ordinarily meets quarterly to review the periodic financial information to be submitted to the stock exchange authorities and any information that the Board of Directors must approve and include in its annual public reporting.

It also meets at the request of any of its members and when convened by the Chairman, who must call a meeting whenever the Board or its Chairman requests that a report be issued or a proposal be adopted, and otherwise whenever necessary for the proper performance of its duties.

The Committee met 6 times in 2021. The activities of this Committee are reported annually in the Annual Report of the Audit Committee which is published and available in the reporting section of the Shareholders and Investors area of Fluidra's website.

Composition of the Audit Committee

Name or corporate name of director	Representative	Position	Category
Brian McDonald	-	Chairman	Independent
Gabriel López Escobar	-	Member	Independent
Jorge Valentín Constans Fernández	-	Member	Independent Director and Coordinator
Bernardo Corbera Serra	-	Member	Proprietary
José Manuel Vargas Gómez	-	Member	Proprietary
Albert Collado Armengol	-	Non-Member Secretary	-

5.1. Governing bodies

5.1.3. Board Committees

Appointments and Compensation Committee

This Committee currently has 4 members, two of them independent and one of whom is the Chairwoman.

The main functions of the Committee are:

- To evaluate the skills, knowledge and experience required to be a Board member.
- To propose the appointment of independent directors for appointment by co-option or by resolution of the General Shareholders' Meeting.
- To examine or organize the succession of the Chairman and Chief Executive Officer.
- To formulate and review the criteria for determining the composition of the management team.
- To report and submit to the Board of Directors the appointments and removals of senior managers.
- To report to the Board of Directors on issues of gender diversity and directors' qualifications.

- To set a target for the female members of the Board of Directors and develop guidelines on how to achieve this target.
- To propose to the Board of Directors: the remuneration policy for directors and senior executives and the individual remuneration of directors and senior executives.

According to the Committee Regulations, the Committee meets on a quarterly basis. The Committee may also meet at the request of any member and as convened by the Chairwoman. A meeting must be convened any time the Board or the Chairman of the Board requests that a report be issued or a proposal adopted and as needed for the Committee to properly discharge its duties.

The Committee met 8 times in 2021. All of the Committee's activities for 2021 can be consulted in the corresponding Report on Activities of the Appointments and Compensation Committee in the reporting section of the Shareholders and Investors area of Fluidra's website.

In 2021, Mr. Steven M. Langman, a proprietary director, was appointed to the Company's Appointments and Compensation Committee to replace Mr. Sébastien Mazella di Bosco, who, as explained above, resigned as a director of the Company in June 2021.



5.1. Governing bodies

5.1.3. Board Committees

Composition of the Appointments and Compensation Committee

Name or corporate name of director	Representative	Position	Category
Esther Berrozpe Galindo	-	Chairwoman	Independent
Jorge Valentín Constans Fernández	-	Member	Independent
Steven M. Langman	-	Member	Proprietary
Piumoc Inversions, S.L.U.	Bernat Garrigós Castro	Secretary and member	Proprietary

Delegate Committee

The Delegate Committee is made up of the two executive directors, two proprietary directors and one independent director. As indicated in Article 12 of the Board of Directors Regulations, the Delegate Committee is responsible for delegating some or all of the powers that are eligible for delegation under the law to one or more directors, on a temporary or permanent basis.

The members of the Delegate Committee reflect the composition of the Board and the balance between executive, proprietary and independent directors. The Delegate Committee met 4 times in 2021.

In 2021, Mr José Manuel Vargas Gómez, a proprietary director, was appointed to the Company's Delegate Committee to replace Mr Sébastien Mazella di Bosco, who, as explained above, resigned as a director of the Company in June 2021.

Members of the Delegate Committee

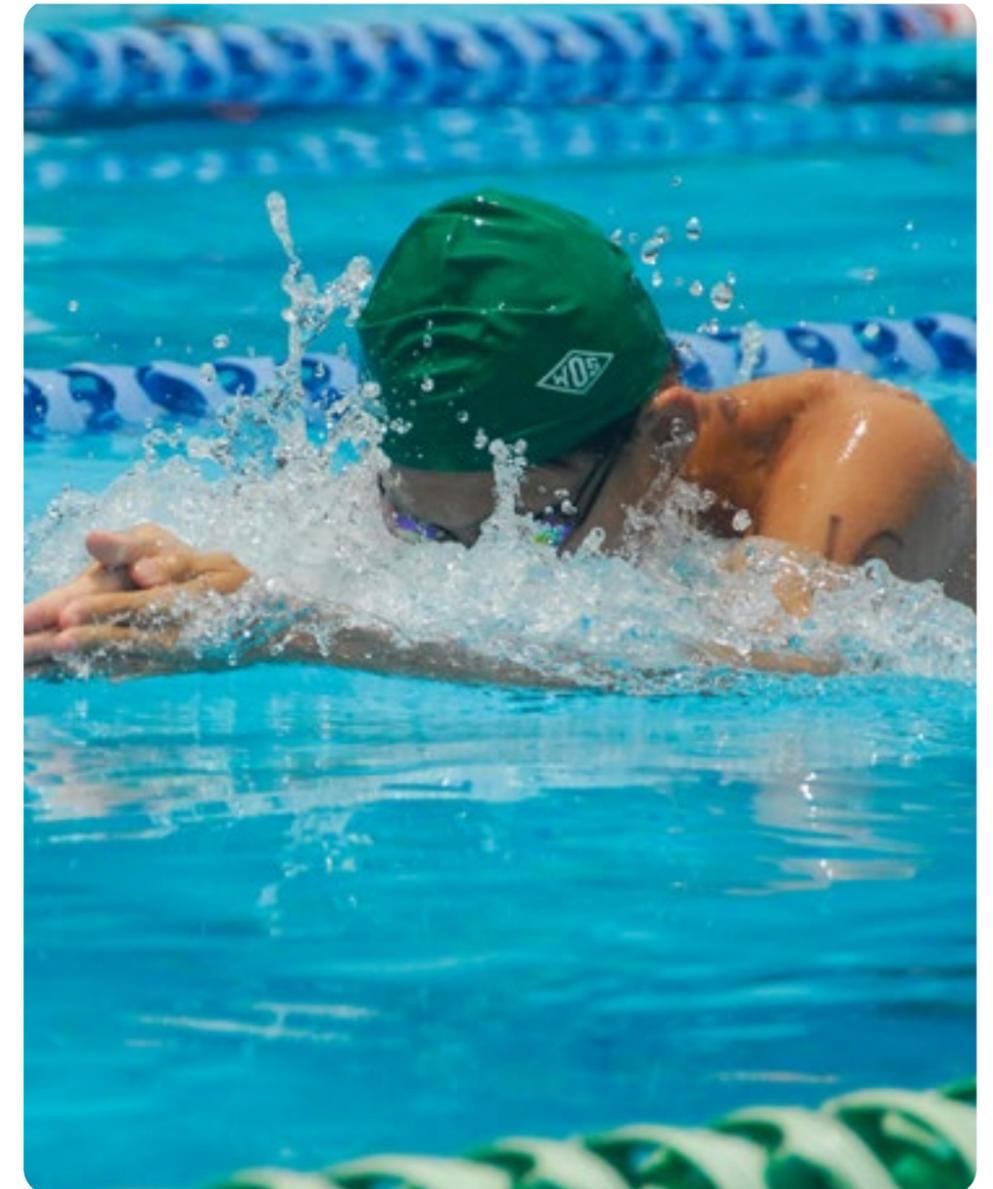
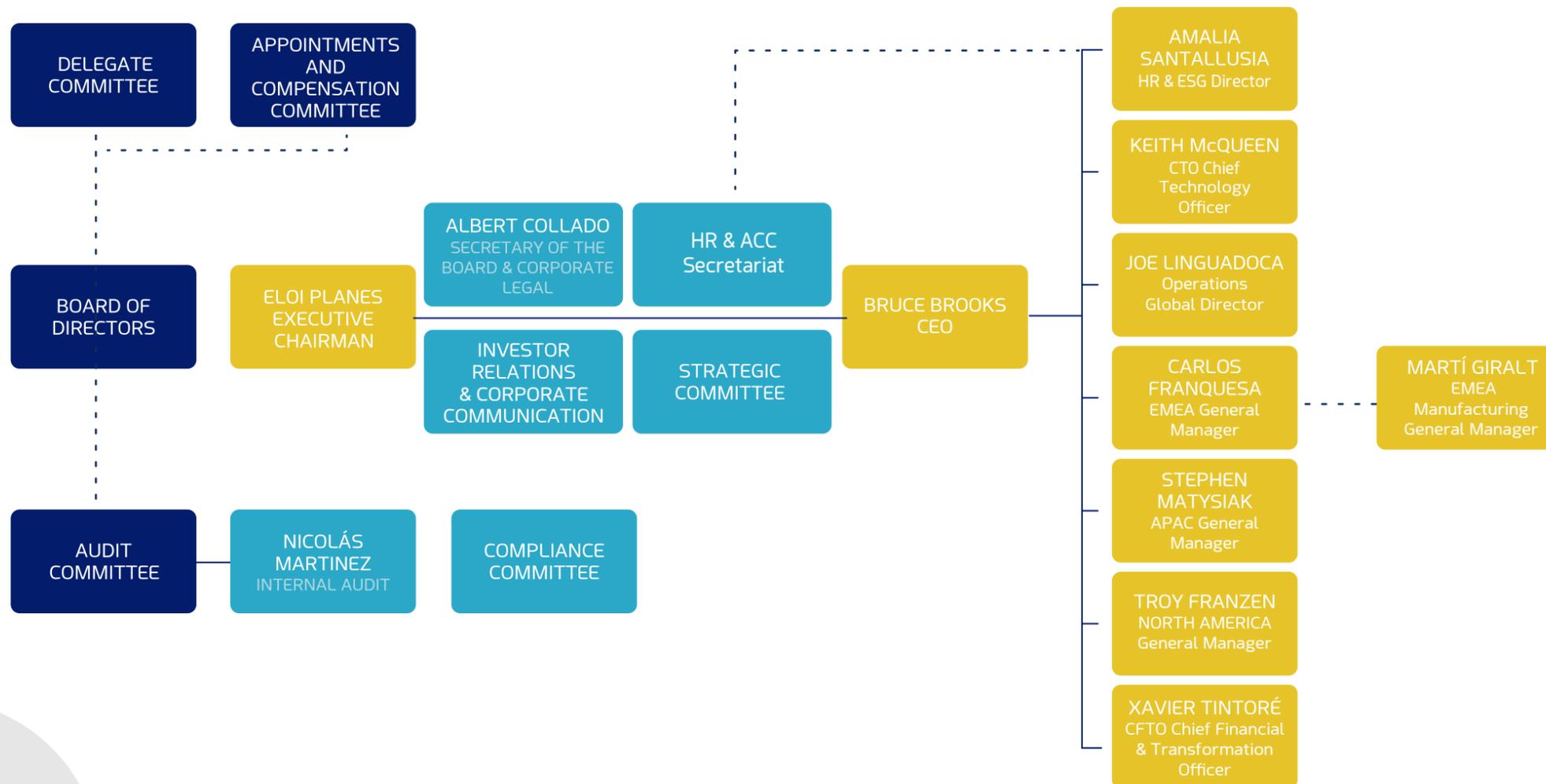
Name or corporate name of director	Representative	Position	Category
Eloi Planes Corts	-	Chairman	Executive
Bruce W. Brooks	-	Member	Executive
Jorge Valentín Constans Fernández	-	Member	Independent
José Manuel Vargas Gómez	-	Member	Proprietary
Óscar Serra Duffo	-	Member	Proprietary
Albert Collado Armengol	-	Non-Member Secretary	-

5.1. Governing bodies

5.1.4. Management Advisory Committee (MAC)

The Management Advisory Committee (MAC) is the body in charge of the group's day-to-day management. It is made up of the Executive Chairman-CEO, the Co-CEO and the directors of the company's business areas.

Organizational Chart





5.1. Governing bodies

5.1.4. Management Advisory Committee (MAC)

MAC members

Eloi Planes (Executive Chairman - CEO)

A company director since 1994, he has held different posts in the group until he was appointed as CEO in 2006, and has been the Executive Chairman since 2016.

Bruce Brooks, Chief Executive Officer (Co-CEO)

More than 30 years of experience in global consumer and industrial products industries. Previously spent over 20 years at Stanley Black & Decker in various general management positions. Joined Zodiac as CEO in 2011.

Xavier Tintoré, Chief Financial and Transformation Officer (CFTO)

Joined Fluidra in 2010. Over 25 years of corporate and finance experience in multinationals and public companies.

Troy Franzen, North America General Manager

Joined Zodiac in 2010. More than 30 years of business, sales and operations experience.

Stephen Matysiak, APAC General Manager

Joined Zodiac in 2002. More than 25 years of business, sales and operations experience.

Carlos Franquesa, EMEA General Manager

Joined Fluidra in 2007. More than 30 years of business, sales and operations experience.

Martí Giralt, EMEA Manufacturing General Manager

Joined Fluidra in 2013. More than 30 years of operations and management experience.

Joe Linguadoca, Global Operations Director

Joined Zodiac in 2012. Over 25 years of operations experience in manufacturing and durable consumer goods.

Keith McQueen, Chief Technology Officer (CTO)

Joined Zodiac in 1995. More than 30 years of engineering and operations experience.

Amalia Santallusia, Global HR & ESG Director

Joined Fluidra in 2019. More than 25 years of experience managing human resources departments.

5.1. Governing bodies

5.1.5. Remuneration Policy for Governing Bodies

The Remuneration Policy for the Board and Senior Management is based on the following general principles:

Long-term value creation.

Non-discrimination on grounds of gender, age, culture, religion or race.

Consistency with the Group's ESG objectives.

Competitiveness, in line with remuneration trends and benchmarks for comparable companies in the domestic and international market.

Rewards for quality, dedication, responsibility, business knowledge, impact on value creation and commitment to the Company.

The composition of the remuneration packages of Board members and senior management for 2021 is described below.

Board of Directors' Remuneration

At the ordinary General Meeting held on June 27, 2018 the shareholders approved the [Board Members' Remuneration Policy](#) for 2018-2021 fiscal years (both inclusive).

The remuneration system differentiates between the remuneration of directors for the supervisory and

collegiate decision-making functions inherent to their status as directors, and the remuneration for the performance of executive functions in the company.

Remuneration of directors for non-executive functions

Remuneration consists, on the one hand, of a fixed and determined annual allowance and, on the other hand, of allowances for attending meetings of the Board of Directors and its delegated and consultative committees, depending on the position and responsibility within the Board of Directors and its committees.

The fixed remuneration of the President and the Coordinator of the Board of Directors is higher than that of the other members in view of their greater responsibility for the efficient functioning of the Board. Likewise, the amount received by the chairmen and chairwomen of the three board committees is higher than that of the other members. There are no other remuneration systems for directors for non-executive functions, nor other share-based incentive systems.



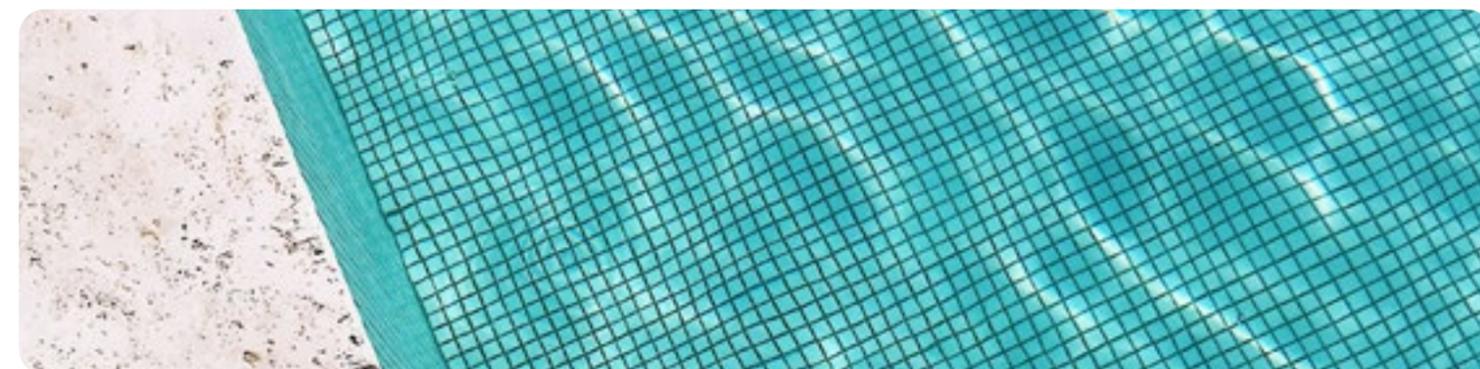
5.1. Governing bodies

5.1.5. Remuneration Policy for Governing Bodies

In 2021, the Board of Directors received a total of €1,334,000 for the performance of non-executive functions, which represents an average of €102,000 per director for men and €110,000 for women.

Fluidra does not differentiate based on gender and/or type of director (proprietary or independent) when defining the fixed remuneration for members of the Board. The difference in the average is due to the committee membership and chairmanships. In addition, until mid-December the Board had only one female member who also chaired the Appointments and Compensation Committee, with a higher remuneration than the rest of the directors who do not chair any of the committees.

In thousands of euros	2021	2020	2019
Fixed annual remuneration	1,214	1,216	1,216
Allowances	120	120	120
Total	1,334	1,336	1,336



Average remuneration by gender (including allowances for board and its committees meeting attendance)

In thousands of euros	2021	2020	2019
Men	102	112	100
Women	110	108	35*
Total	103	112	95

* Ms. Esther Berrozpe joined as a Director of the Fluidra Group in the middle of the year.

The remuneration paid to directors for their executive functions has not changed since 2019. However, this year there is a slight decrease in the total remuneration due to the resignation of the proprietary director, Mr Sebastien Mazzella, on June 8 and the subsequent appointment of Mr Martín Ariel Atlas on June 14. This imbalance in the pro rata number of days of remuneration explains this variation.

The average remuneration of women increased due to the fact that the independent director, Ms. Esther Berrozpe, served as Chairwoman of the Appointments and Compensation Committee for the entire year in 2021, a position that carries a higher remuneration (the appointment was effective in mid-2020, so she did not earn the full additional remuneration last year).

5.1. Governing bodies

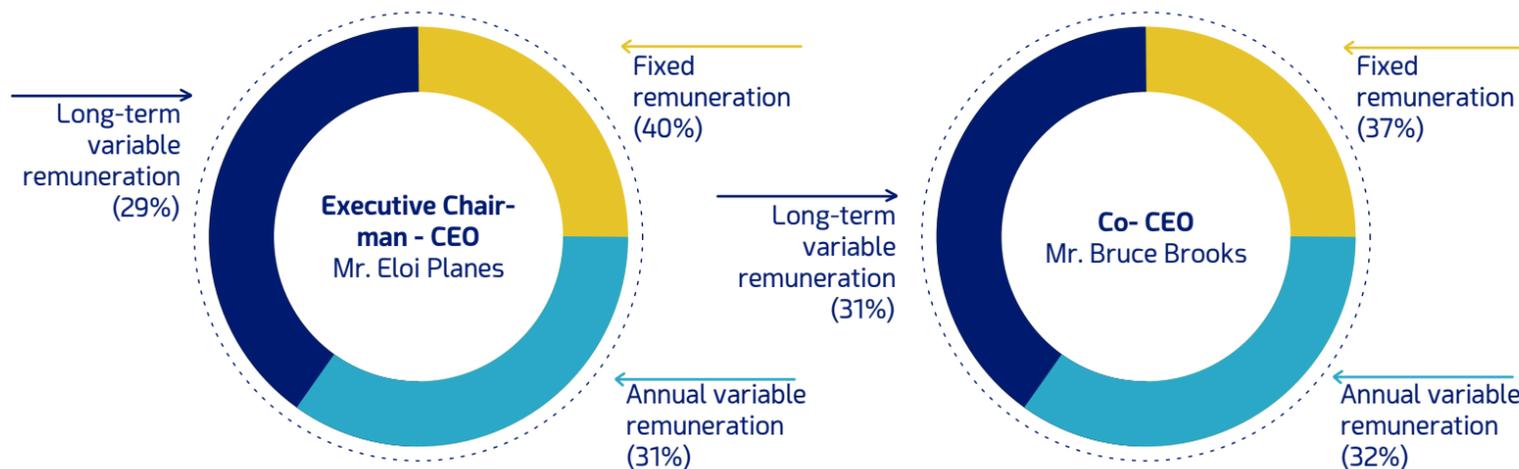
5.1.5. Remuneration Policy for Governing Bodies

Directors' remuneration for executive functions

The remuneration of Executive Directors is a key issue for the Board of Directors and the Appointments and Compensation Committee. Therefore, the remuneration model is continuously reviewed, evaluated and updated by both bodies.

Fluidra has defined a competitive executive remuneration program which motivates and rewards executives for achieving financial and strategic objectives that generate long-term value for shareholders, while providing rewards commensurate with performance. This program applies to both executive directors and other senior executives who are considered critical to the company as a way of incentivizing growth and innovation, and attracting and retaining the best talent.

Executive remuneration consists mainly of the following three components: fixed remuneration, annual variable remuneration and long-term variable remuneration. In 2021, the remuneration of the two directors with executive duties, (the Executive Chairman - CEO, Eloi Planes, and the Co-CEO, Bruce Brooks) was as follows:

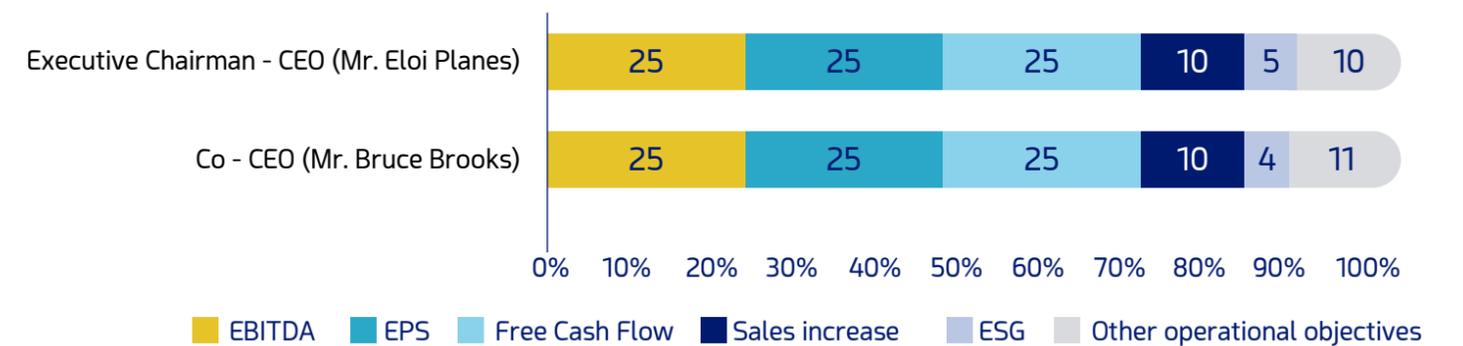


Fixed remuneration

The fixed remuneration based on level of responsibility assumed and professional background.

Fixed remuneration

Linked to the achievement of previously-set annual objectives. In 2021, the annual variable remuneration was distributed as follows:



In both cases, the weight of financial targets (EBITDA, EPS, Free Cash Flow and Sales Growth) was 85%, while individual targets (Implementation of the ESG Responsibility Blueprint and other operational targets associated with the Strategic Plan) accounted for 15%.



5.1. Governing bodies

5.1.5. Remuneration Policy for Governing Bodies

Under the policy, annual variable remuneration may not exceed 100% of fixed remuneration for directors with executive functions. The achievement scale for economic objectives ranges up to a limit of 200% if the maximum values for each indicator are met or exceeded. For individual targets, it cannot be higher than 100%, so the maximum target achievement is 185%.

On February 24, 2022, the Appointments and Compensation Committee verified the degree of compliance with the objectives to which the accrual of the annual variable remuneration for 2021 was linked and submitted it for approval by the Board of Directors. In accordance with this verification, the degree of compliance is 184% for Mr. Eloi Planes and 184.6% for Mr. Bruce Brooks. The corresponding amounts to be paid to each of them are detailed in section B.7. of the [Annual Report on Remuneration of Directors](#).

Long-term variable remuneration

The executive directors participate in a long-term variable remuneration system based on share delivery plans (LTIP).

The current plan covers the period 2018-2022. It is a single-cycle plan in which units are allocated in the first year (2018), which turn into shares at the end of the plan. The period for measuring compliance with the economic objectives linked to the plan is four years, from January 1, 2018 through December 31, 2021.

The main features of the plan are detailed below:

Instrument: PSP (Performance share plan)

Metrics: 70% TSR and 30% EBITDA

Plan Duration: Five years with a performance period of four years and one year of vesting.

Clawback, Malus and Holding period:
- Executive directors must hold at least two times their annual salary in shares for a period of three years.
- Malus: Two years after settlement.

At the end of the measurement period of the metrics, on December 31, 2021, the Board, on the recommendation of the Appointments and Compensation Committee, determined that the degree of achievement of the targets was 170% for the TSR metric and 170% for EBITDA. Consequently, the number of shares to be delivered to the beneficiaries will be 170% for executive directors and certain members of senior management and 156% for all other participants. The shares will be delivered in January 2023 subject to the participants remaining in Fluidra during 2022.

At the ordinary General Meeting held on May 6, 2021, the Fluidra Group's shareholders approved the [Board of Directors' Remuneration Policy](#) for fiscal years 2022-2024 (both inclusive).

5.1. Governing bodies

5.1.5. Remuneration Policy for Governing Bodies

Remuneration of senior management

Regarding the remuneration of the members of the Management Advisory Committee (MAC), all members are bound by the same conditions governing the fixed and variable compensation that applies to the rest of the employees.

In this sense, 85% of the annual variable remuneration is linked to the achievement of financial objectives (EBITDA, cash flow and sales growth) and 15% to the achievement of personal management objectives (i.e., those defined in the Responsibility Blueprint, business objectives, people management, etc.).

In addition, all members of the MAC are part of the 2018-2021 long-term incentive plan (ILP), together with the executive directors. However, the terms and conditions of application vary for executives who are not directors. The Malus & Clawback clauses do not apply to non-directors, the weight of the metrics varies and is just a Performance Share Plan (PSP). The ILP also applies to those who report directly to the MAC (MAC-1), with the exception of the HR staff and secretaries, and in some very specific cases at MAC-2 and subsequent levels.

The average remuneration of the MAC members in 2021 (excluding executive directors) was €535,701 per annum (compared to €434,555 in 2020). As was the case last year, this information is not broken down by gender for confidentiality reasons, as the MAC has only one female member.

In short, the MAC's remuneration policy seeks to link the compensation of senior management to the following factors, always making sure it is competitive within the market:

Fluidra has decided to link the bonuses of senior management to specific ESG objectives, aligning them with the commitments of the Responsibility Blueprint

In 2021, both MAC members and those who report to them directly in EMEA (MAC-1) had sustainability-related objectives representing 5% and 3% of their total bonus, respectively.

Following the communication of the ESG objectives last April, in 2022 Fluidra has decided to link the bonuses of both MAC and MAC-1 members (all regions) to these specific objectives, aligning them with the commitments of the Responsibility Blueprint.

For the members of the MAC (Management Advisory Committee), 4% of the Executive President's and CEO's bonus, and 3% in the case of the other members of the MAC, will be linked to the achievement of nine of the objectives defined in the framework of the Responsibility Blueprint (three for each ESG dimension) at the group level. For MAC-1 members, 3% of their bonus will be linked to the achievement of four objectives in their region (1 environmental, 2 social and 1 governance).

The objectives defined for 2022 include increasing renewable energy consumption, reducing the carbon footprint, increasing the percentage of women in succession plans, narrowing the gender pay gap, raising the customer satisfaction index and increasing the number of suppliers audited under ESG criteria. For more information on ESG objectives, see pages [71](#) to [74](#).

Achievement of financial and non-financial objectives

Individual and group performance

Alignment with shareholders' interests

5.2. Risk and opportunity management

5.2.1. Risk Control and Management System

The efficient management of potential risks is critical to the proper development, achievement of objectives and the future plans of any company. As an international industrial enterprise, Fluidra understands that managing corporate risks and opportunities is the backbone of our operations.

In 2021, Fluidra's Board of Directors approved the [Global Risk Management Policy](#), that applies to all group companies and establishes the principles, key risk factors and general lines of action for monitoring and managing the risks that affect the group. This policy is further developed and supplemented by specific internal policies or regulations for certain areas of the group.

The company has also updated the Enterprise Risk Management Framework, known as ERM, to adapt it to the guidelines of the new Policy. These two documents make up Fluidra's Risk and Opportunity Management System.

This system strives to identify, evaluate and prioritize business risks and opportunities, and to define the mitigation plans needed to minimize and control the likelihood and impact of adverse events on the business, in addition to maximizing the realization of opportunities.

The three pillars of the risk management structure are as follows:

- Common management systems specifically designed to mitigate business risks.
- Internal control procedures to mitigate financial reporting risks and improve the reliability of financial information, designed in accordance with ICFR.
- Corporate Risk Map: this is the methodology used by Fluidra to identify, understand and assess the risks faced by the company. Its aim is to offer an overview of the risks in order to design an efficient response system aligned with the business objectives.

The Risk Control and Management System works comprehensively and continuously to enable effective risk management and mitigation at all levels of the organization. It is a global and dynamic system that encompasses the entire organization and its orbit, including all subsidiaries and geographical areas. Compliance with the system is mandatory for everyone employed by the group, in particular by the company's managers and directors.

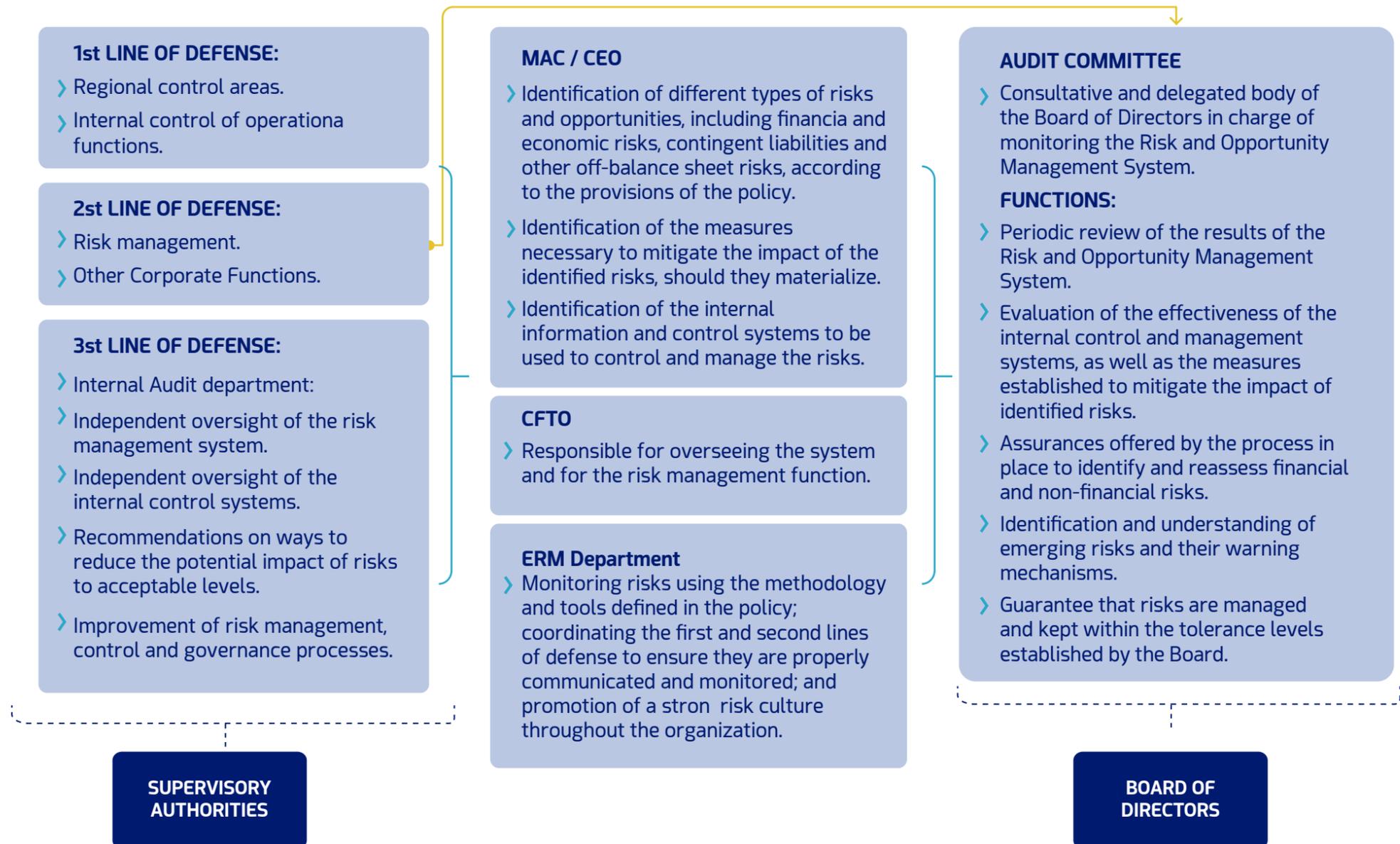


5.2. Risk and opportunity management

5.2.1. Risk Control and Management System

Three lines of defense

Fluidra's Risk and Opportunity Management System, based on the ISO 31000:2018 standard, is structured around three lines of defense: the regional businesses and their transactional support functions; the corporate functions of supervision and control of the group's operations; and Internal Audit. This structure was modified in 2021 to incorporate a risk management function separate from the internal audit team.



5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

Fluidra's Risk and Opportunity Management System is designed to mitigate risks and to open up potential opportunities available to the company in the course of its business.

Through the Enterprise Risk Management (ERM) Framework, Fluidra has identified the 30 business risks that make up the group's **Corporate Risk Map** at present. Each of these risks has been classified into one of the following categories: strategic, operational, financial, regulatory and compliance, environmental, human resources and reputational.

The ERM department launched a survey to the heads of the different regions and business units, as well as the MAC, to prioritize the universe of risks identified in prior years by assessing their potential impact and probability of occurrence. At the same time, participants had the opportunity to complete the analysis by indicating new risks that were not included in the assessment but which, in their experience, affect or could affect Fluidra. Once validated by the MAC, these risks were then considered in the analysis.

The results of the assessment were first shared with the MAC and then with the Audit Committee and the Board of Directors for review and approval. Finally, following the discussion and comments, the company's existing controls to mitigate identified risks were reviewed. If the existing action plans were deemed insufficient, new ones were devised, assigning the people responsible for monitoring and following up on their progress.

In 2021, Fluidra sought the assistance of an external expert to analyze and quantify the impacts of three risks on the Corporate Risk Map, by means of sensitivity analyses and stress tests under different scenarios: Cybersecurity, exchange rate fluctuations and climate change (risk of flash flooding and water stress in particular). For each of these risks, we proceeded to define the mitigation plans that will reduce the impact of these events should they materialize and help the company to boost its resilience to them. The results of these analyses were presented to and approved by the Audit Committee.





5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

Risk Universe

Strategic risks

They include a wide range of external events and trends (such as global megatrends, changes in government policies, technological evolution, etc.), which could impact Fluidra's strategic path and impede the generation of value for shareholders. Fluidra identified the following actions to prevent and mitigate any potential impact in this area:

- Sales of strategic new products are continuously analyzed and compared with those of our competitors using market research tools and statistical databases capable of breaking down figures by market and product type.
- Comparative studies are conducted to measure figures against those of competitors and to update product valuations with the information obtained.
- The company is aware of the constant changes happening in the markets linked to new technologies and therefore allocates resources to technological research and development.
- Fluidra is aware that customers' needs and expectations are constantly evolving and that they are increasingly aware of sustainability. The company therefore plans to conduct an in-depth study to identify risks and opportunities in market trends from an ESG point of view.
- The group is constantly analyzing new lines of business that add value to Fluidra. Aware that any new activity involves an intrinsic risk, the company engages the services of specialized external consultants to provide advice on development processes.
- A potential risk recently identified by Fluidra is the risk arising from requests for changes in the group's management and strategy, or even the risk of divestments if an activist investor or group of investors disagrees with the Fluidra management's decisions. Fluidra therefore monitors its investors in order to anticipate any impact in this regard.

- At the time of issuance of this report, Fluidra was also monitoring the current context of war between Russia and Ukraine, in order to be able to identify and assess as soon as possible any necessary action in relation to the Fluidra Group's activities in that environment.

Operational Risks

These are the internal and external risks associated with the group's day-to-day operations insofar as the interaction with customers, suppliers and other stakeholders are concerned. They include the risks associated with the eventuality of extraordinary events beyond Fluidra's control (fires, natural disasters, strikes by shipping companies or key suppliers, cyber attacks, etc.) that could significantly impact normal operations:

- Given the business lines of Fluidra's various business units, protecting their technology and the products they develop is one of the most important aspects of maintaining a competitive advantage. To that end, the company has development criteria, policies and legal protocols in place to guarantee this protection, covering both information security and cybersecurity.
- Specific action plans have been designed to ensure that production matches anticipated demand for both new products and those already in the catalog.
- Fluidra seeks to expand within those territories where it already operates by acquiring companies in the sector. Clear examples of this are the acquisition during the year of CMP and SR Smith, among others. The group is aware of the importance of effectively integrating technology, regulations, processes, information systems and personnel management for the seamless integration of the newly acquired companies.

5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

- The impacts of climate change on Fluidra's operations are closely monitored to avoid disruptions in the group's supply chain. For more information on this subject, please refer to [section 6.2.2.](#)



Financial risks

Financial risks include exchange rate, interest rate and credit risks, among others.

- Fluidra is fully convinced that reinforcing and standardizing internal procedures and controls at the Group's subsidiaries is the right way to promptly detect and eradicate any irregularity in the management of the subsidiaries. To that end, the Company has a Corporate Management Control department made up of professionals who provide support and analyze the procedures of subsidiaries located in different countries around the world in order to ensure the standardization of financial statements and daily practices. In an effort to standardize procedures and ensure the robustness of controls, there is also a plan to implement and update the subsidiaries' IT systems.
- Process-related risks are monitored and managed centrally by the Management Control Department and checked by the Internal Audit Department. The processes for obtaining and consolidating both financial and non-financial information are handled at headquarters following corporate guidelines, and are subsequently reviewed by external auditors.
- The geographical spread of Fluidra's production and commercial operations means that it is exposed to exchange rate risks, such as transaction risk and conversion risk. Although the group's functional currency is the euro, its operations in 47 countries entail international transactions involving many currencies. In 2021, a stochastic analysis was prepared to estimate Fluidra's value-at-risk. The group actively hedges transaction risk by reducing global exposure.
- Credit risk is continuously monitored, analyzing the financial health and profits obtained from those customers that represent a higher risk in relation to the fixed costs assumed by Fluidra.

5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

Regulatory and compliance risks

These are the risks arising from regulatory changes introduced by regulators, such as intellectual property, data protection and privacy regulations, as well as changes to regulated activities, mandatory supply conditions, tax codes or regulations of publicly listed companies. This includes risks related to political changes that can affect legal protections and the legal framework applicable to the group's businesses in each jurisdiction (nationalization or expropriation of assets, cancellation of operating licenses, among others).

- Fluidra has defined a procedure for identifying and assessing legal and fiscal risks that it applies on a regular basis. The object of this procedure is to identify conflicts or litigation that could have an impact on the company's assets, or differences of opinion that may arise due to divergent interpretations of the law with respect to a specific tax. The company analyzes the situation and makes the appropriate accounting provisions to adequately cover the risk should it materialize.
- The company is subject to different non-financial reporting regulations according to which it must provide annual disclosures on environmental performance and management. The company strives to ensure the reliability and completeness of the information provided on energy use, waste generation or GHG emissions through the external verification of its Non-Financial Information Statement and Integrated Reports.



5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

Environmental Risks

These are the risks related to the impact which the company has on the environment and climate change, the adaptation to new climate conditions, waste management and the use of natural resources and energy.

- Fluidra calculates the risk and financial impact associated with this risk as a result of the possibility of lower sales of seasonal products, as well as potential material damage and interruptions to its activity. The system currently used to offset the risk consists of diversifying the business geographically, increasing the portfolio of products for adverse weather conditions and researching and developing products with low water, energy and chemical consumption, as well as products and services that enable the swimming pools to be operated efficiently at any time of the year and in any weather situation.
- In addition, the ESG department performs a qualitative analysis of the physical and transitional risks associated with climate change and how they could affect the business, thus considering the double materiality of environmental aspects. Specifically, it has been determined that the acute physical risks of climate change on the company's infrastructures and the costs associated with prevention, adaptation and mitigation are the ones most likely to occur in the medium term and could have the greatest financial and operational impacts on the business. Because these risks have been identified as the ones with the greatest potential impact, in 2021 Fluidra continued to quantify the impacts associated with them. For more information on the results, see the section on Climate Change Risk Management on page 171.
- In the environmental law arena, the subsidiaries and regions are responsible for regulatory compliance, and are supported by the corporate ESG and HSE departments to study current and future regulations in this area in order to comply with all existing and future requirements.





5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

Risks associated with Human Resources management

These are risks that stem from potential dependency on key personnel and the difficulty in properly identifying and retaining talent, as well as maintaining an optimal workplace environment at all locations.

- Talented employees are essential to the achievement of the company's objectives, and their absence can be detrimental to the group's success. Likewise, good people management reduces labor conflicts and helps to detect problems at an early stage, before they can affect the company's performance.
- Fluidra companies have bonus policies linked to the company's results and the individual contribution of employees through their personal goals, which helps to identify and reward the best professionals in order to attract and retain talent.
- It is also vital to define a succession plan that guarantees the company's continuity and this entails defining the individual and collective development plans.
- Occupational health and safety has always been a priority for Fluidra. Investments are made in the factories on a regular basis and the workforce receives continuous workplace accident prevention training.
- The group has a Confidential Channel managed by the Ethics Committee through which any employee can file a complaint about any issue of concern to them.
- Fluidra is committed to respecting internationally recognized Human Rights. As such, we strive to prevent and mitigate any potential and/or actual risk that may arise from our activities and/or business relationships. All company personnel and suppliers make a commitment to uphold the principles of the Universal Declaration of Human Rights by accepting the organization's Codes of Ethics.

Reputational risks

This refers to the possible negative effects on the company caused by behavior that does not meet stakeholders' (customers, employees, shareholders, society and suppliers) expectations, including the management of best corporate governance practices.

- Fluidra favors transparency in its communications with stakeholders and compares itself against different international benchmarks and ratings by external agencies to ensure compliance and plans for future improvements.
- The company publishes an Integrated Annual Report in which it reports on its management and performance in environmental, social and good governance matters, as well as the results of the sustainability indexes and rankings in which it participates, such as the S&P Corporate Sustainability Assessment or CDP.
- Finally, some of the countries in which Fluidra operates are not members of the United Nations Global Compact or the ILO principles. In 2021 the company continued to evaluate and audit suppliers and to offer suppliers training on the human rights commitments contained in the Code of Ethics.

5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

Materialized Risks

The Fluidra Group operates globally and is therefore exposed to various external risks. In 2021, we witnessed an increase in raw material and commodity prices which also affected the Fluidra group. There were disruptions in the supply chain of some materials which delayed material deliveries affecting Fluidra's sales.

Also, in 2021, the risk of flash floods materialized again at our factory located in Dongchuan (China), shutting down operations for a month and a half. Heavy rain in the area caused the river adjacent to the facilities to overflow, resulting in flooding that reached one meter in height, twice as high as in 2019. The measures taken after that first flood were obviously insufficient to cope with the most recent one. To prevent a repeat of this situation, the company is studying the option of relocating the production plant to a safer area that would eliminate the risk of flooding.

Emerging risks

The Risk and Opportunity Management System monitors emerging risks, which could lead to the inclusion of new risk assessments and mitigation plans if necessary.

Fluidra understands emerging risk as any newly identified risk that is expected to have a long-term impact on the company's business, although there may even be times when the risk has already started to affect the company's business.

Environmental regulations on products

In recent years, there has been a significant increase in the number of regulations concerning the environmental requirements that products in the pool sector must meet in order to be marketed. Among others, it is worth mentioning the entry into force on September 1 of the new regulation prohibiting the manufacture of halogens for pool lighting in the European Union.

Although until now, the European Union led the legislative efforts in this area, in the last year other countries in the North America and APAC regions have made progress in the approval of their own regulations. As a result, Fluidra must face a disparity of regulatory requirements that can vary significantly from one country to another, having to adapt the products in its catalog and/or their packaging depending on the country of sale.

For this reason, in 2021 the functions of product compliance and ESG products were unified under a single figure reporting to the Chief Technology Officer, with the aim of coordinating the response to this new regulatory scenario.



5.2. Risk and opportunity management

5.2.2. Corporate Risk Map

Flash floods

Several of the group's facilities have suffered flash floods in recent years as a result of the effects of adverse weather events, such as Storm Gloria, which affected the Cepex facilities (Spain) in 2020, or, more recently, the floods at the Dongchuan facilities (China).

In 2021, Fluidra subscribed to the Verisk Maplecroft platform to monitor the evolution of a set of environmental, social and governance risks at its facilities in the countries where we operate in order to detect risks at certain locations and prioritize them for more in-depth analysis.

As a result, it was identified that facilities located in areas currently at low risk of flooding could be affected by this type of phenomena in the medium and long term as a result of climate change. The potential materialization of this risk at some of Fluidra's most critical facilities could lead to a stockout affecting the operation and supply of various group companies, in addition to raising the cost of repairing and replacing the affected assets. All of this could also lead to higher insurance premiums.

In response, in 2021 Fluidra engaged the services of independent experts to analyze the potential risk of flash flooding at the most critical facilities in terms of sales in each operating region. This risk was analyzed

and quantified using the Task Force on Climate-Related Financial Disclosures (TCFD) methodology. For more information on the methodology and the results of the assessment, please refer to the section on Climate Risk Management ([page 171](#)).

In 2021 the functions of product compliance and ESG products were unified under a single figure

5.2.3. Risk Culture

Fluidra's risk culture is characterized by "Tone at the top" leadership, i.e., the commitment and leadership exercised by the Board of Directors and Senior Management in this area.

Among the measures implemented in 2021 to strengthen the culture of risk and opportunity management within the organization is the publication of a new Global Risk Management Policy which was distributed to the entire organization.

The ERM department received risk management training from companies specialized in the field. In addition, everyone responsible for the group's various regions and business units received training on how to identify and assess risks, in accordance with Fluidra's updated risk tolerance policy. As a result, several people in positions of responsibility identified new risks to the company that had not previously been considered.

Each business unit developed its own training courses to disseminate the risk culture to their areas of influence within the organization. Also notable is the training offered in 2021 on ESG risks, cybersecurity or occupational risk prevention.

Fluidra is building a stronger risk culture with the implementation of new tools and the analysis of ERM mitigation plans, as well as the definition of key risk indicators for all analyzed risks that are being monitored.

5.3. Ethics and Integrity

The company has an internal regulatory corpus of policies, standards and procedures that define and specify the conduct that is expected of the employees of the Fluidra group and the people and organizations with which it has commercial relationships. These policies are reviewed periodically and updated to align with the company's commitment to corporate governance best practices and continuous improvement of its compliance management systems.

Following the integration of the Compliance function in the Internal Audit Department in 2020, the Board of Directors defined and approved the **General Compliance Policy** in 2021, which lays out the structure, roles and responsibilities in this area.

The core function of the Internal Audit and Compliance Department is to promote a preventive culture based on the principle of "zero tolerance" for any illegal act or breach of the principles of ethical and responsible behavior, both within the company and in its relations with customers and suppliers or any other third party.

Moreover, the department reports periodically to the Audit Committee, which is the body responsible for supervising the operation of and compliance with the group's compliance model.

To assist the department in discharging the duties assigned to it in the policy, Fluidra created a **Compliance Coordination Committee** composed of the Internal Audit and Compliance Director, the CFTO, the Human Resources Director and the legal teams both at the corporate and US level. The Committee met six times in 2021, although starting in 2022 it plans to hold quarterly meetings.



5.3. Ethics and Integrity

5.3.1. Promoting Ethical Behavior

Fluidra has two codes of ethics that are mandatory and that lay out the values that should guide the conduct of the company, its employees and its partners: the Fluidra Group Code of Ethics and the Code of Ethics for Suppliers.

Both documents are based on the ten principles of the United Nations Global Compact, in addition to the international best practices contained in documents such as the OECD Guidance for Responsible Business Conduct, the Declaration of the International Labor Organization (ILO), or the Universal Declaration of Human Rights. They do not replace or override the application laws in each country, the internal regulations of the individual companies or the collective bargaining agreements that may apply.

Fluidra's commitments and expectations with regard to its stakeholders are presented below:

Society and Human Rights

Respect for the principles of the Universal Declaration of Human Rights.

Fluidra Members

Compliance and enforcement of current labor laws, creating workplace environments where respect, equality and safety prevail, with a special focus on the promotion of transparency and the fight against corruption and money laundering.

Stakeholders

Respectful conduct and a vocation of usefulness to shareholders, customers, suppliers, public administrations and competitors.

Environment

Preservation of the environment and respect for the balance of natural systems, embodied in a vocation to minimize and rationalize the consumption of resources and a thorough knowledge of the applicable regulations.

Legal Compliance

The company and its employees are committed to obey the law and to encourage compliance by others.



5.3. Ethics and Integrity

5.3.1. Promoting Ethical Behavior

Code of Ethics

The [Fluidra Code of Ethics](#) was adopted by the Board of Directors in 2008 and subsequently revised in 2019 to reflect the new Mission and Values that define the new Fluidra following the merger with Zodiac. Given the group's multinational nature, the document is available to stakeholders in ten languages: Spanish, English, French, Italian, German, Portuguese, Turkish, Russian, Chinese, and Thai.

It is binding on all Group staff and management, regardless of position or function (including administrative bodies, management positions and other control bodies). In addition to compliance with the law, it strives to guarantee ethical and responsible behavior.

Anyone who joins any Fluidra Group company receives training in the principles and values of the Code as part of the onboarding process and must read and accept the rules of conduct established therein. By the end of the 2021 financial year, 5,474 people had been trained in this regard, which represents 78% of the total workforce, and 94% of the workforce of the companies that were part of the Fluidra Group in 2020 (compared to 2,616 people, 75% of the workforce in 2020).

78%
workforce
trained in
Code of Ethics

With a view to the year 2022, Fluidra's objective is to communicate and train the employees of the new companies acquired during the year on the commitments and objectives of the Code of Ethics.

The Code of Ethics is also available to customers, distributors, external professionals and representatives of the Fluidra Group on the corporate website.



5.3. Ethics and Integrity

5.3.1. Promoting Ethical Behavior

Code of Ethics for Suppliers

In 2019, Fluidra's Board of Directors formalized the [Code of Ethics for Suppliers](#) with the aim of transmitting the group's values and principles throughout the supply chain and thereby ensuring the ethical and responsible behavior, the respect for human rights and the protection of the environment of all companies with which Fluidra does business.

Since it was approved, the group asks suppliers to accept and commit to the principles set out in the document in writing. By signing the document, suppliers agree that representatives of the group may visit their facilities to confirm their good practices. In the event of non-compliance with the provisions of the Code, the company reserves the right to propose a series of corrective measures or, as a last resort, to suspend the contractual relationship.

At the end of 2021, a total of 3,058 suppliers had accepted the Code of Ethics for Suppliers, representing 22.7% of the total number of suppliers, and 65.9% of the total volume of purchases for this fiscal year. Also during the year, Fluidra developed for the first time several training sessions on the principles of the Code of Ethics for Suppliers and Fluidra's commitments and expectations on Human Rights. In all, 73 suppliers (0.5% of total suppliers) were trained, representing 43.3% of the total volume of purchases this year.

	2021		2020	
	Number	% suppliers	Number	% suppliers
Suppliers who accepted and signed the Code of Ethics for Suppliers	3,053	22.7%	2,746	20%
Suppliers trained on the commitments of the Code of Ethics for Suppliers	73	0.5%	0	0%

[102-17, 207-2, 406-1]

Suppliers can report suspected breaches of the Code of Ethics for Suppliers through Fluidra's Confidential Channel or by contacting Fluidra's local purchasing teams. No breaches were detected in 2021 or the year before, nor were any complaints or warnings received in this regard. There are no reports of child labor or forced labor violations or in relation to the freedom of association or collective bargaining rights.

Confidential Channel

Fluidra provides all stakeholders with a Confidential Channel through which to ask questions, request advice or report irregularities in relation to the laws applicable to Fluidra, as well as the principles and values contained in the Code of Ethics, the Code of Ethics for Suppliers or the developing regulations of the Codes. The Channel can be accessed through the [corporate website](#) or by sending an email to ethics@fluidra.com.

The communications received through the Confidential Channel are handled by the Ethics Committee which is composed of the Global HR & ESG Director, the Global Tax & Legal Director, and the Internal Audit & Compliance Director. The Committee meets at least once per quarter to monitor the Confidential Channel, and urgently when a non-compliance is reported. In 2021, there were six meetings.

6 Ethics Committee meetings

73 Suppliers trained on the commitments of the Code of Ethics



5.3. Ethics and Integrity

5.3.1. Promoting Ethical Behavior

According to the Ethics Committee Regulations, all communications received are treated confidentially and are only made public if it is considered essential to prevent the commission of a crime or to avoid serious risks. In all cases the protection of the whistleblower is guaranteed, avoiding any type of retaliation for reporting an illegal act or an act that goes against the internal policies of the Fluidra Group.

In 2021, a total of eight communications were received, which were accepted for processing and investigated as provided for in the Committee's Regulations. 100% of the reports were settled with no disciplinary action required.

As happened in 2020, none of the reports received were related to equality, non-discrimination, human rights or corruption breaches.

8 communications received
Confidential Channel



5.3. Ethics and Integrity

5.3.2. Criminal Risk Prevention and Control Model

Fluidra has had a Global Crime Prevention and Control Model in place since 2016 to detect, prevent and mitigate the risk of criminal offenses within the organization and assign the corresponding responsibilities of each one of the member companies within the Fluidra Group. This model was reviewed by an independent expert that same year to ensure its effectiveness and the existence of a reasonable control environment.

Within this framework, Fluidra has a **Global Crime Prevention and Control Policy** that defines the resources available to prevent violations of the applicable laws, especially those acts that could be classified as crimes under the Spanish Penal Code or the applicable laws in the countries where the group operates.

The Internal Audit and Compliance Department is currently in the process of reviewing and updating the model and the accompanying Risk and Control Map in order to align it with the most recent regulatory developments and to reflect the company's current reality.

Below is a description of Fluidra's commitments and the actions it takes to prevent and mitigate criminal risks.

Anti-corruption

As stated in the Code of Ethics, Fluidra's relationships are based on the principles of transparency and equal opportunities, and the company rejects actions aimed at gaining an advantage over competitors in the market or in public or private contracts by illegal means.

In order to uphold this commitment, the Board of Directors approved the **Anti-Corruption Policy** in 2016, which prohibits any type of action or activity that could be interpreted as corruption or money laundering.

This policy is binding for all Fluidra Group companies and must therefore be observed by all members of the organization. Whenever possible, the policy will also apply to suppliers, distributors and customers.

In addition to the Code of Ethics training that all employees receive when they join the company, a Q&A was

launched in 2021 with advice and guidance for detecting and dealing with conflicts of interest, in order to raise the organization's awareness of this particular risk described in the policy.

Fluidra is not bound by the European regulations on the prevention of money laundering and terrorist financing. Despite this, the policy prohibits any Fluidra employee from directly or indirectly taking part or being involved in activities that could imply the commission of a crime of this kind. Moreover, employees must be vigilant and report any customer or supplier who attempts to use the Fluidra's corporate structure for a money laundering operation.

In line with this commitment, Fluidra limits the use of cash in payments to the extent possible. If they cannot be avoided, records must be kept of the payments made in cash. The records must specify the amount paid, for what purpose, the date of payment and the recipient of the payment. Under no circumstances payments to or from individuals or enterprises other than the ones named on the invoice will be allowed.

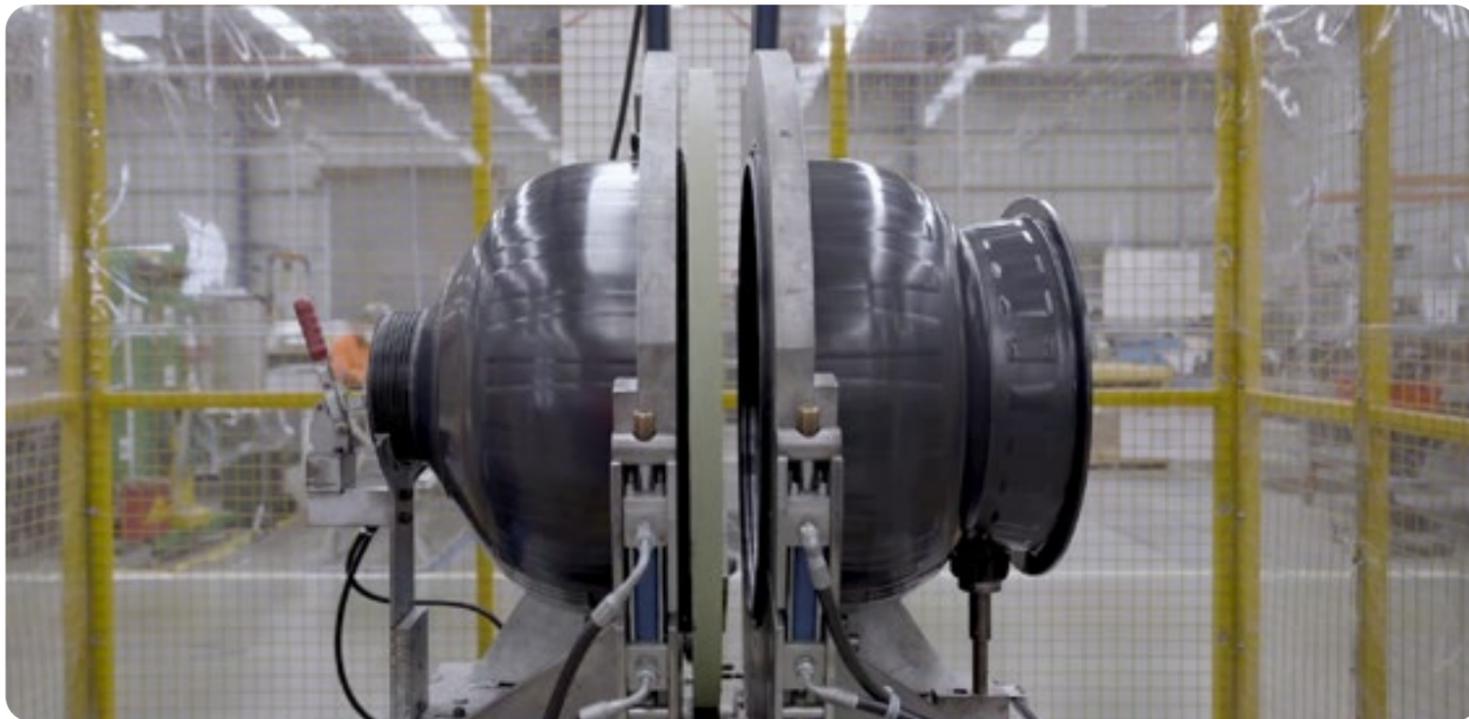


5.3. Ethics and Integrity

5.3.2. Criminal Risk Prevention and Control Model

Finally, Fluidra's employees assume the commitment to only contribute to or collaborate with political parties and/or public institutions, organizations or entities on a personal level and independently from the company. Contributions on behalf of Fluidra or that could be associated with it are prohibited.

No incidents involving corruption, bribery or money laundering were identified or reported in 2021 or 2020. Fluidra made no contributions to political parties or their representatives.



Trade Sanctions Policy

In recent years, the United Nations, the European Union and the United States, among other countries and bodies, have approved a series of economic sanctions and trade embargoes on certain countries, territories, institutions and individuals and these measures have both a direct and indirect impact on Fluidra's activity.

In 2020, the MAC approved the **Global Sanctions Policy** which is intended to prevent violations of the regulations on sanctions and trade embargoes and to ensure a rapid and effective response by the company to any investigation into its conduct.

Under this policy, Fluidra and its subsidiaries are prohibited from doing business with any distributor, customer or supplier that directly or indirectly involves or benefits any sanctioned or embargoed territory, country, institution or person.

5.3. Ethics and Integrity

5.3.2. Criminal Risk Prevention and Control Model

Market competition rules

Fluidra's conduct in the market is guided by the principles of free competition and equal opportunities. The company rejects any action aimed at obtaining an unfair or illegitimate benefit or advantage over customers, suppliers, competitors and/or other market players. In accordance with the Code of Ethics, all members of the Fluidra organization agree not to take part in illicit agreements that may limit the free competition of the market in which it operates.

In 2021, Fluidra's Legal Department proposed and created a **Competition Policy**, which is intended to provide basic knowledge and a better understanding of Antitrust Law.

Along with the Competition Policy, the Legal Department has developed a series of supporting documents to provide employees with a better understanding of prohibited conducts, best practices and a practical guide on how to proceed in the event of a surprise inspection by the competition authorities. This supporting documentation is available to employees on Fluidra's intranet, along with a link for employees to submit their questions to the Legal Department.

This department, together with channel program, also provides training to the Fluidra Group subsidiaries' management and sales teams, introducing them to the Antitrust Law, vertical agreements and prohibited conducts, while at the same time providing them with practical tools and advice to avoid breaching these laws.

To ensure compliance with antitrust regulations, the Legal Department has assigned a team member who works closely with Marketing and Sales teams to ensure the correct implementation of the Competition Policy and to identify and implement appropriate measures to avoid possible infringements. The Legal Department also reports to the Compliance Coordination Committee on all initiatives developed, controls implemented, ongoing competition proceedings and possible fines or sanctions in this area.

In 2021, unlike the previous year, no sanctions were imposed by the competent authorities for violations of free market competition. It should be recalled that in 2020 Fluidra was sanctioned by the Austrian Federal Competition Authority. The policies mentioned above were approved to prevent similar occurrences in the future.

Fluidra also has a rigorous [Internal Code of Conduct for the Markets](#), which is binding on all Subject Persons, a group encompassing a broad spectrum of people within the organization (directors, managers, employees who work in areas related to the stock market, etc.). Subject Persons conduct themselves with diligence and transparency in all their actions to minimize the risk of conflicts of interest and to ensure, in short, that adequate and timely information is provided to investors to safeguard the integrity of the market.

*In 2021, no sanctions were imposed by the competent authorities for **violations of free market competition***

5.4. Responsible Supply Chain Management

Fluidra's relationship with suppliers of products and services is essential for building solid and lasting relationships based on transparency and honesty, creating value and mutual benefits. Suppliers are critical to the company's operations, to optimizing production processes and improving our products and services.

The Procurement Department has a matrix organizational structure, with some functions that are centralized, such as strategic decisions and purchases of intersectional or strategic categories for the Group, while others are decentralized, such as local purchases or the management of non-strategic categories.

The Supply Chain is highly relevant to Fluidra's results, given the impact which the cost of raw materials can have on the cost of our products, whether they are manufactured or purchased. 2021 was an extremely difficult year in this regard, in a context of product shortages and generalized inflation. The most widely used tool to reduce inflationary effects and secure supplies has been medium-to long-term planning, along with the value-enhancing projects that are present in all regions and areas of the company. For more information on this, see [page 123](#).

Beyond the ever-present pursuit of cost savings in our day-to-day activities, one of the top concerns of the Purchasing and Supply Chain area is ensuring that the products and services required by the organization are available in the right quantities at the right time. To that end, we rely on a combination of local suppliers and suppliers in other parts of the world to optimize costs and availability while minimizing risk.

Given the international situation, one of the goals for 2022 will be to continue ensuring the availability of raw materials. We will also work on strengthening suppliers' commitment to Fluidra's ESG objectives.



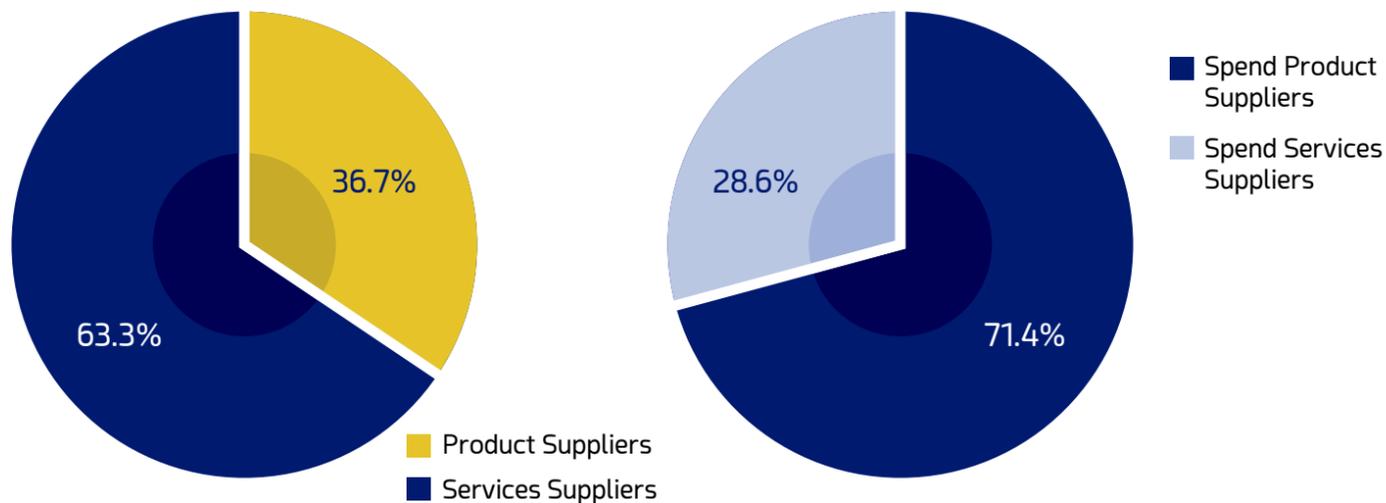
5.4. Responsible Supply Chain Management

5.4.1. Structure of the supply chain

Fluidra works with a varied and complex distribution of product and service suppliers, reaching a purchasing volume of around 1,478 million euros (around 960 million euros in 2020), with 13,452 active product and service supplier accounts in 2021 (around 14,000 in 2020)⁷.

The company procures both raw materials and components for our manufacturing facilities, as well as finished products for the brands or products we do not manufacture ourselves. There are no significant changes in the shareholding structure or location of Fluidra's suppliers that affect our supply chain, beyond the companies acquired by Fluidra directly in 2021, in which case they ceased to be suppliers and became part of the group.

In 2021, 36.7% of the Group's suppliers were product suppliers, accounting for 71.4% of the volume of purchases for the year (compared to 35% of suppliers and 70.3% of purchases the year before). By contrast, there are more service providers (63.3% of total suppliers in 2021, 65% in 2020), but they represent a smaller volume of purchases (28.6% in 2021 compared to 29.7% in 2020).



In terms of criticality, Fluidra considers critical suppliers to be those that exceed 500,000 euros in purchasing expenditure. At the close of the 2021 financial year, Fluidra had 440 suppliers classified as critical (compared to 314 in 2020), which represented 3.3% of the total number of suppliers and 76.5% of the total purchase (compared to 2.25% and 71% respectively in 2020).



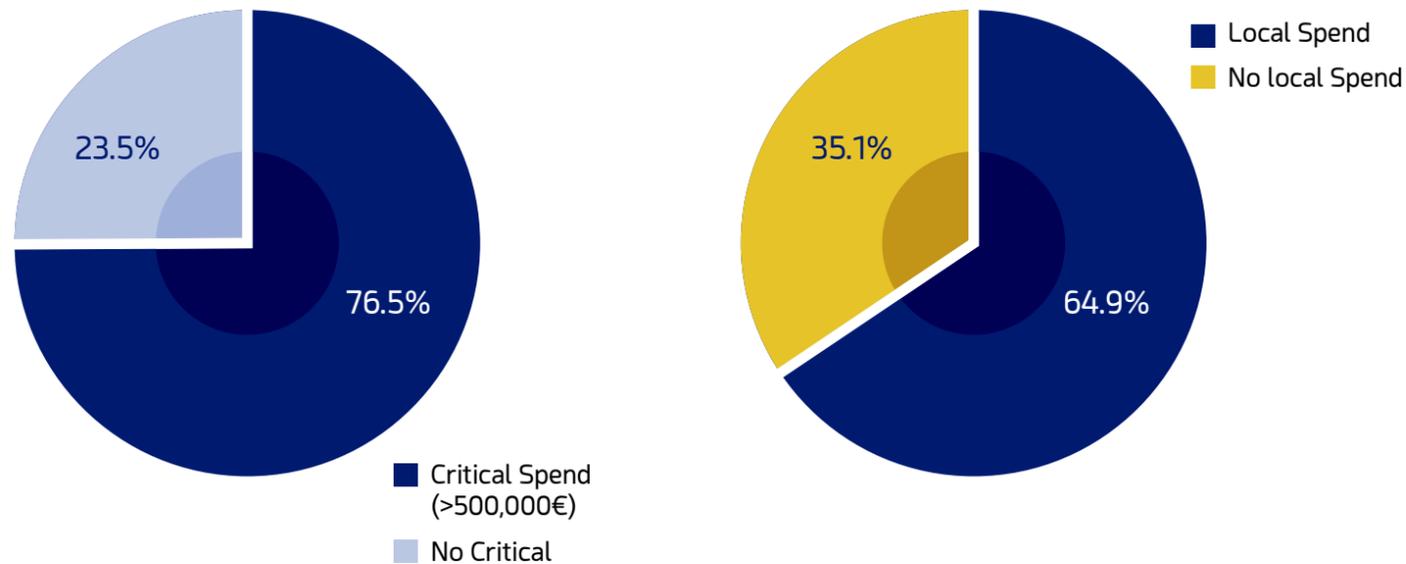
⁷The data relating to the structure and composition of the Supply Chain covers 97.25% of the Fluidra Group in terms of sales for the 2021 financial year. The following countries of operation are excluded: Belgium, Bosnia and Herzegovina, Croatia, Czech Republic, Kazakhstan, Montenegro, New Zealand, Russia, Serbia, Slovenia and Turkey

5.4. Responsible Supply Chain Management

5.4.1. Structure of the supply chain

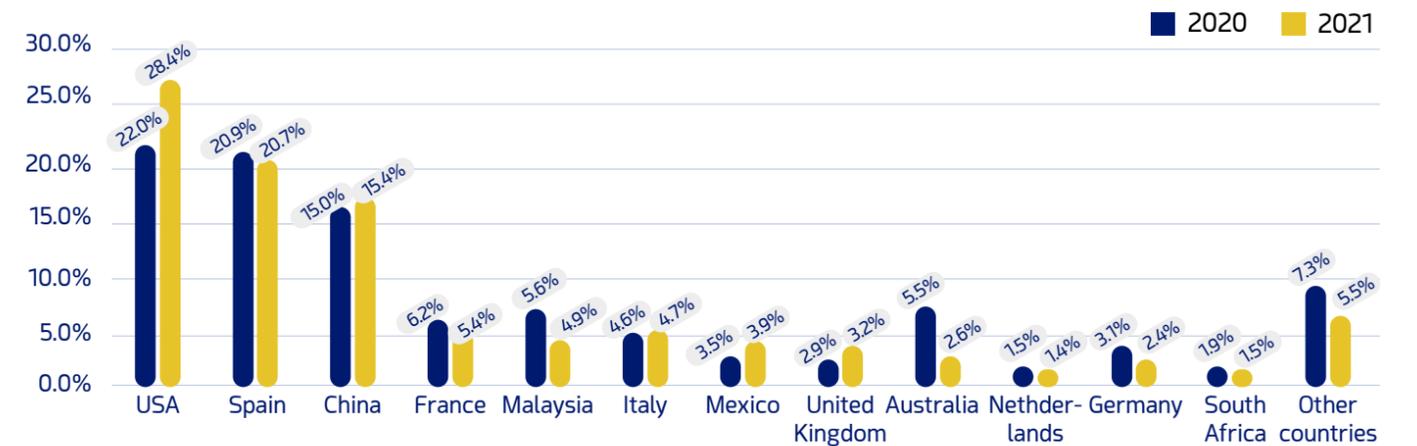
The increase in the number of critical suppliers is due, on the one hand, to the increase in purchasing volume to meet the increase in production levels and, on the other hand, to the increase in prices as a result of the global supply crisis experienced during the year 2021.

In line with its ESG commitments, Fluidra makes extensive use of the network of suppliers of local products and services in all cases where, due to efficiency and product availability, it is possible. Local purchasing is defined as when the country of origin is the same as the country of destination, thus, in 2021 local purchasing at Fluidra represented 64.9% of total purchasing compared to 63% in 2020.



Fluidra works in different countries and currencies, with the United States, Spain and China being the most significant of these, and the euro and the US dollar being the most common currencies, the same as in 2020.

Purchases by country 2020- 2021



Purchases by currency 2020- 2021



The average days to pay suppliers in 2021 was 65.92 days (compared to 66.27 days in 2020). Fluidra reports this information on a timely and regular basis in compliance with article 539.2 of the Capital Companies Act.

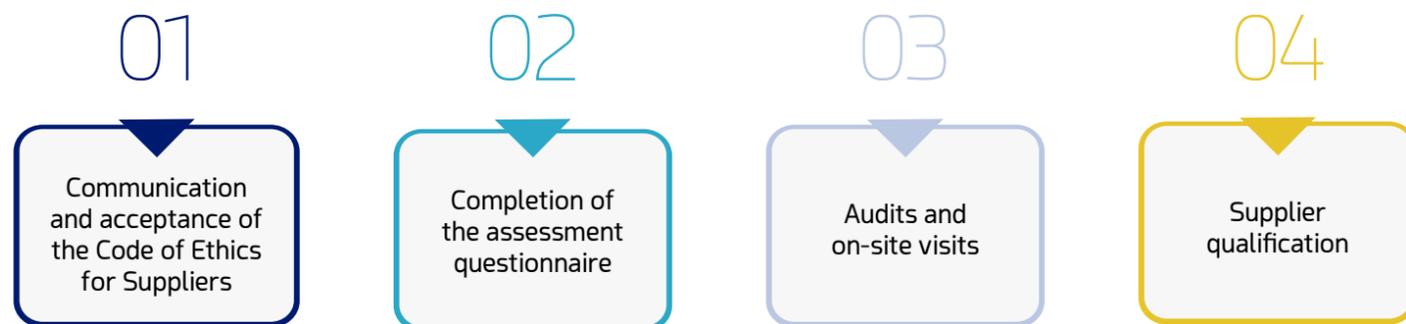
5.4. Responsible Supply Chain Management

5.4.2. Promoting responsible business conduct

Fluidra maintains ongoing relationships with its suppliers in order to convey our commitment to responsible business conduct throughout the entire supply chain.

In this line, in 2017 the MAC approved the update of the Procurement Policy, incorporating ESG criteria in the requirements to the supply chain. These commitments have been reinforced with the approval, at the end of 2021, of the new Supplier Qualification Procedure by the MAC, with the aim of defining the minimum criteria (environmental, social, corporate governance, regulatory compliance, information security and financial) that suppliers must meet in order to work with any of the companies in the Fluidra Group.

This new procedure, which will take effect in 2022, will apply to all suppliers (new or existing) with the potential to be considered critical (annual purchasing volume greater than €500,000), who produce or supply products that are considered complex, strategic or subject to strict legal and regulatory requirements, or who are considered risky by the Purchasing, ESG, Human Resources, Quality or Compliance departments. In these cases, the approval process will consist of the following phases:



1. Communication and acceptance of the Code of Ethics for Suppliers

Suppliers must first accept the Fluidra's Code of Ethics for Suppliers, either in a personalized Letter of Acceptance or in the specific clauses contained in all corporate contracts or on the order forms for products and services.

In the case of new companies that have been acquired or purchased, these clauses are being added gradually as they are incorporated into the corporate systems. This requirement does not apply when the supplier presents a Code of Ethics aligned with the principles of Fluidra's code or the ten principles of the United Nations Global Compact.

To ensure the understanding of and compliance with the principles set in Fluidra's Code of Ethics for Suppliers, a training program was developed in 2021 for the Group's main suppliers in Europe, the United States, Asia and Australia, during which the Group's Human Rights Management Framework was also presented (for more information, see [page 193](#)).

2. Completion of the assessment questionnaire

Once the Code of Ethics for Suppliers has been accepted, the next step is to complete an evaluation questionnaire on the Achilles platform. Among other things, the questionnaire asks whether suppliers have Management Systems certified in accordance with ISO 9001 (Quality), 14001 (Environment) and 45001 (Health and Safety) standards, or whether they have Human Rights policies or equality plans.

Fluidra evaluates and scores these suppliers based on the answers provided via the online platform. For a supplier to be considered qualified to work with Fluidra, it must exceed the threshold of 50% of the possible points in the evaluation questionnaire. Regardless of the overall score, a supplier may be automatically disqualified from working with Fluidra if it does not comply with some basic exclusionary restrictions, such as working with any of the countries embargoed by the United Nations.



5.4. Responsible Supply Chain Management

5.4.2. Promoting responsible business conduct

Suppliers with a lower score will be invited to undergo an audit, and to implement an action plan within the next twelve months in order to give them an opportunity to align themselves with Fluidra's standards. If they refuse to undergo this process or if the results are unsatisfactory, the supplier will not be qualified to work for Fluidra and no Group company will be allowed to do business with the supplier.

The supplier evaluation process began in 2020, with a pilot test involving 80 suppliers. The program continued in 2021 with the evaluation of 217 new suppliers (1.6% of total suppliers), bringing the total number of suppliers evaluated in the last three years to 297, and the implementation of the scoring system provided for in the procedure. At the end of the year, the score obtained by the suppliers ranged from 86% of possible points for the best positioned to 60% for the worst positioned, and no significant impact was identified in the matters evaluated that required the definition of an action plan.

In accordance with the procedure, the evaluation process is repeated and updated every three years for existing suppliers.

	2021		2020	
	Number	% suppliers	Number	% suppliers
Suppliers evaluated in the last three years	297	2.21%	80	0.57%
Of which, "Critical Suppliers"	42	9.5%*	39	12.4%*

*Calculated on the total number of critical suppliers.

3. Audits and on-site visits

In addition to the platform, there is a program of on-site audits which is intended to further verify compliance with Fluidra's environmental, social, corporate governance and financial standards. These are external and independent audits also carried out by Achilles, which allows for the coordinated management of the entire supplier approval and evaluation process.

In addition to the evaluations, Fluidra ran a pilot test in 2020 in which it audited three of its main suppliers (Tier-1). In 2021, Fluidra continued to audit critical suppliers, from the highest to the lowest volume of spending, conducting 14 of the 17 audits planned for 2021 before the end of the financial year: 10 to Tier 1 suppliers and 4 to Tier 2 suppliers. The remaining 3 audits will take place in early 2022, having been delayed due to Covid-19 restrictions in China and Mexico.

In 2022, the objective is to increase supplier monitoring with the performance of 20 more audits, as well as to reach 320 suppliers analyzed and evaluated through the Achilles platform.

	2021		2020	
	Number	% purchases	Number	% purchases
Total number of suppliers audited in the year	14	14.26%	3	1.16%



5.4. Responsible Supply Chain Management

5.4.2. Promoting responsible business conduct

As a result of the audits, Achilles proceeds to the definition and monitoring of corrective plans, which must be implemented by the suppliers within a maximum period of 3 months for major incidents and 12 months for minor incidents in order to solve the detected incidents.

With regard to the results of these audits, in 2021, 87 nonconformities were detected (5 major and 82 minor), which must be resolved in the coming months by the suppliers in accordance with the deadlines indicated above. In the case of the non-conformities detected in 2020, all were resolved during the year.

	2021 Audits		2020 Audits	
	Major non-conformities	Minor non-conformities	Major non-conformities	Minor non-conformities
Detected	5	82	1	10
Of which related to ESG areas	4	25	1	9
Resolved	1	4	1	10
Of which related to ESG areas	1	3	1	9

4. Supplier qualification

Based on the results of the evaluation and audits, suppliers are classified into three categories: A, B and C. This classification will become operational in 2022, once the procedure has been communicated and implemented.

- Category A** (Qualified) includes suppliers who score higher than 50% on the evaluation questionnaire, have not been flagged for any Compliance, Procurement, ESG, HR, HSE, Quality and/or Finance issues and who have satisfactorily passed the on-site audit.
- Category B** (Conditional Qualification) includes suppliers that meet the first two requirements mentioned above and who have an approved audit, but are subject to the implementation of corrective plans.

Once the corrective plans are implemented, these suppliers are re-qualified and move into category A. If they do not take the required steps within the allotted time, they will be re-classified in category C.
- Finally, category C** (Disqualified) refers to suppliers who score less than 50% of the points on the questionnaire and, in addition, have been flagged for the issues mentioned above or who fail the audit.

As mentioned above, these suppliers will have the opportunity to implement a corrective action plan agreed with Fluidra before a final decision is made on their disqualification from working with the Group's companies.

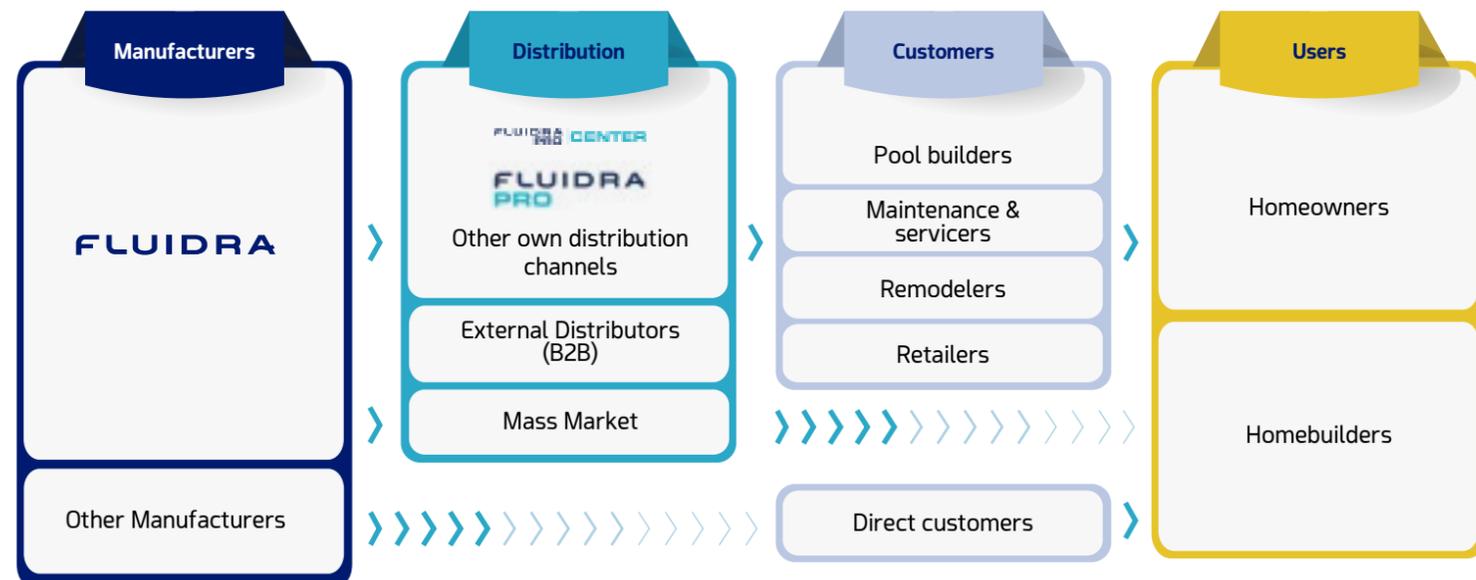
5.5. A Customer-Centric Model

At Fluidra, we are committed to helping our customers grow their business by providing them with quality products and innovative services. We are also committed to creating the perfect pool and wellness experience for end users to enhance their enjoyment and wellbeing.

Fluidra has a B2B business model (Business to Business). The Company identifies and segments customers, dividing them into two groups: on the one hand, pool professionals dedicated to the installation, care and sale of pool and wellness products for end users; on the other hand, public or private customers who operate aquatic, sports or wellness centers.

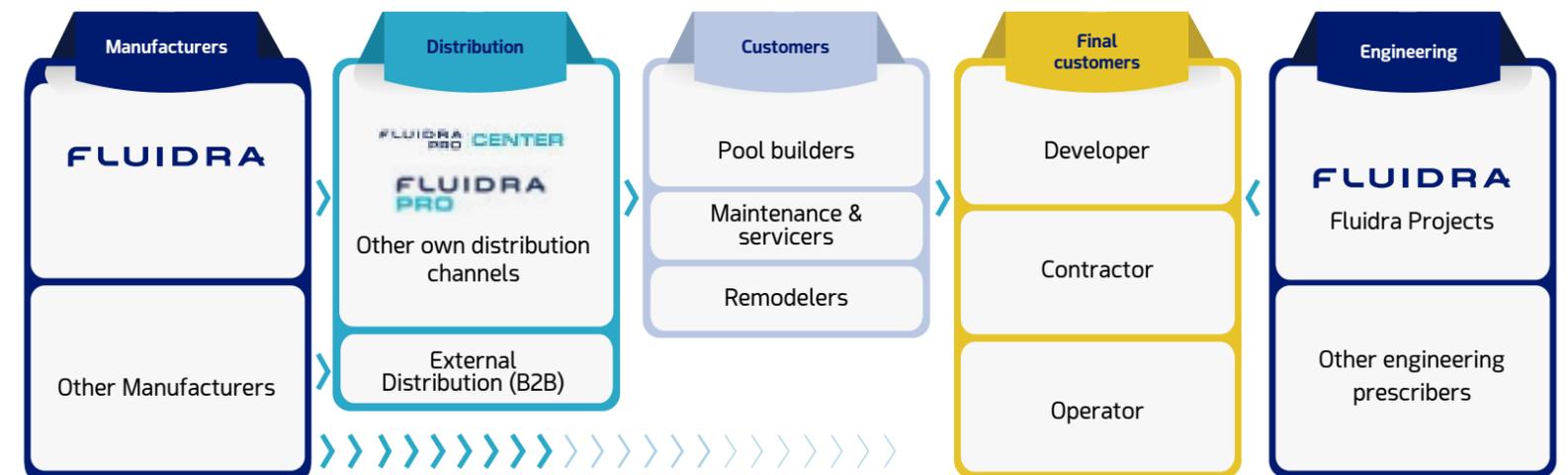
Fluidra's relations with customers varies slightly depending on Residential or Commercial pool and also depending on the geographical region (while in EMEA and APAC much of the distribution is handled by the Company's own network, in North America the predominant model is a network of external B2B distributors).

Residential Pool Model



[102-6, 103-1, 103-2, 103-3]

Commercial Pool Model



Fluidra has various methods for marketing and distributing our products, depending on whether we are targeting pool professionals or end users. For pool professionals, we have our own extensive distribution network (known as Fluidra Pro), but we also have agreements with external B2B distributors who are responsible for selling to these customers. On the other hand, Fluidra markets its products through large supermarkets (known as Mass Market), where the pool owners purchase the products directly.

Finally, the Fluidra Projects department is responsible for the conception, design and construction of Olympic pools, athletic pools, leisure pools, fountains, spas and lagoons all over the world, within the commercial pool business line.

5.5. A Customer-Centric Model

5.5.1. Distribution Network

FLUIDRA PRO CENTER

Fluidra Pro Centers are on-site stores dedicated to pool professionals. Over the past few years, Fluidra has worked to transform traditional stores and self-service centers (known as "Cash & Carries") into customer meeting points through which to offer a complete experience to pool professionals.

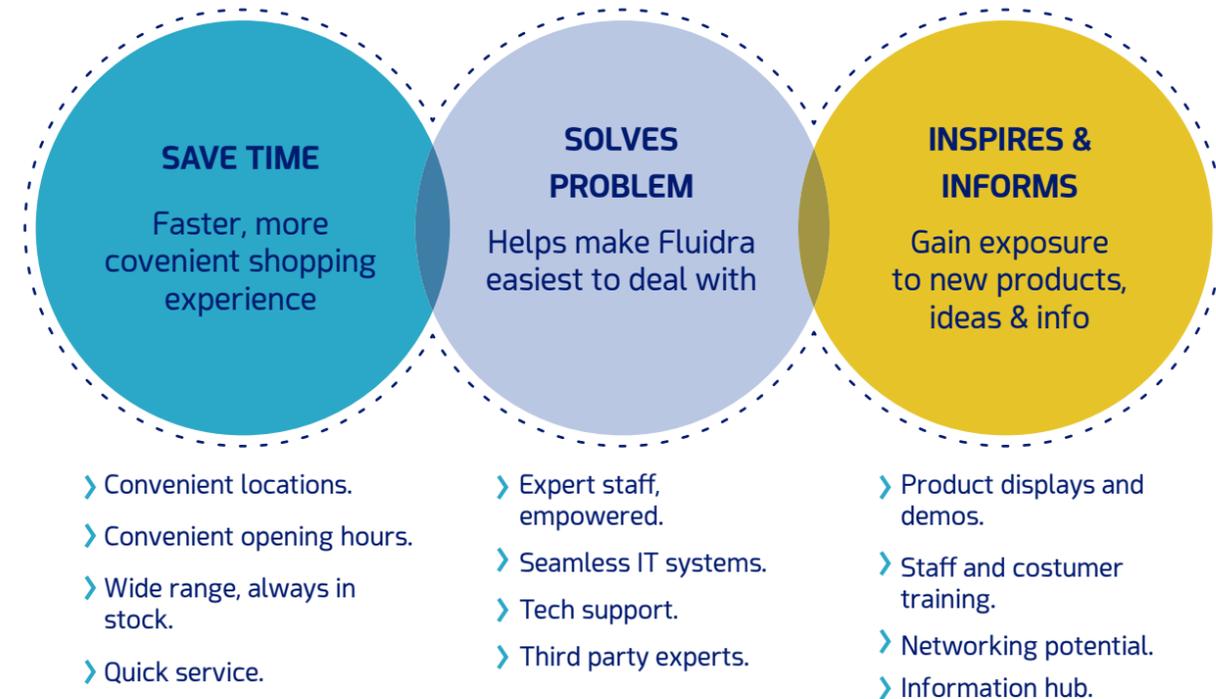
The current model of centers consists of a store area, and a warehouse area. Fluidra also offers other services and exclusive advice for pool professionals, so that they can solve any problems or learn more about the latest products on the market, thanks to the training sessions that Fluidra holds on a regular basis.



[102-6]

A SHOP FOR POOL PROFESSIONALS

"Convenience + Service" Model



5.5. A Customer-Centric Model

5.5.1. Distribution Network

At the end of 2021, Fluidra had 67 Fluidra Pro Centers distributed in 9 countries (Spain, France, Italy, Portugal, Belgium, Switzerland, Brazil, Australia, and South Africa). In 2022, 10 new centers are planned to open in the EMEA region, while in the APAC region, three of the existing Fluidra Pro Centers in Australia will move to more modern and larger facilities.

FLUIDRA PRO

Fluidra PRO is the exclusive online portal for pool professionals aimed at making our customers' day-to-day life easier. Through this digital platform, Fluidra provides customers with the tools and information they need to manage their relationship with our company in a more agile and efficient way by integrating all interactions in a single space.



[102-6]

In 2021, Fluidra undertook a project to improve the user's overall experience.

- Improved performance by reducing the loading time of the website so that product information is displayed more quickly.
- Real-time information: the product catalog, available stock by warehouse and order status information is updated in real time, so that the latest information is always available to professionals.
- Enhanced usability thanks to the redesign of the website, simplifying the catalog structure and reducing the number of clicks needed to consult product information and process an order.
- More references available online by including more products and spare parts in the online catalog. Customers will now be able to consult and download information and documentation and place their orders at any time.
- The website's search engine has been improved, making it easier to search by product name. In addition, the new catalog structure facilitates the search for spare parts.

The platform is currently implemented in 11 countries (Spain, France, Italy, Portugal, United Kingdom, Romania, Bulgaria, Austria, Netherlands, Australia and New Zealand). In 2021, more than 5,000 customers made use of Fluidra Pro, representing 15% of customers in those countries (11.88% in 2020), and sales amounted to €110.8 million, 5.1% of the Fluidra Group's total sales in 2021 (€46.4 million, 3.10% in 2020).

5.5. A Customer-Centric Model

5.5.1. Distribution Network

External Distributors

Fluidra supplements its internal distribution network with an external distribution network for pool professionals under agreements with wholesale distributors of pool equipment and products.

In 2021, Fluidra was recognized by its distributors as one of the best organizations to work with, receiving the following awards in North America:

- Excellence in Sales and Marketing, awarded by the Independent Distributors Network, one of the largest groups of independent distributors in the United States of America and Canada. This award recognizes Fluidra as a top-tier manufacturer for consistently providing the best sales and marketing support.
- Vendor of the Year and President's Award from WINDO, an independent group of distributors in the United States of America and Canada, recognized Fluidra with these two distinctions, noting the company's ability to continually meet customer demand and provide consistent and transparent communication.
- 2021 Blue Vendor of the Year awarded by PoolCorp. Pool Corp is North America's leading distributor of pool equipment and products.

While in the EMEA and APAC regions the Fluidra Pro Centers network is mostly widespread, in North America agreements with external distributors prevail, who are responsible for selling products directly to professional customers, who are in turn responsible for the installation and sale of Fluidra products to consumers.



Mass Market

The Mass Market is Fluidra's channel for large supermarkets targeting end consumers. Through its GRE and Baracuda brands, Fluidra offers above ground pools with different formats and finishes, a complete line of accessories and maintenance equipment, and a series of chemical products designed specifically for pool water.



The Mass Market business was reinforced in 2021 with the acquisition of the Splash & Zen brands of Realco S.A., which sells and distributes a range of maintenance products for swimming pools and spas. This new business will be integrated into the existing operations of Manufacturas Gre (a subsidiary of the Fluidra Group), which will expand its presence in Belgium through a portfolio of leading products, while also providing enhanced service to its broad customer base and enabling Fluidra to become a Mass Market leader in that country.



5.5. A Customer-Centric Model

5.5.2. Growing with our Customers

Fluidra continues to invest in technology, e-commerce and customer loyalty which enables us to drive customer engagement as well as personalized communication and offerings, through digital and personal interactions via Fluidra Pro Centers, loyalty in-store cards, website, online stores or mobile applications.

Fluidra's current programs include the Fluidra Pro Academy learning platform, as well as the loyalty and incentive program, Fluidra Pro Club.



The Fluidra Pro Academy is a training platform designed for both pool professionals and Fluidra's sales teams.

On this platform, Fluidra offers videos, tutorials and online advice to equip them with the technical expertise, experience and tools necessary to market and install our products. This program is supplemented with face-to-face sessions offered by Fluidra periodically at the Pro Centers.



ACCESSIBLE

Anytime, anywhere



QUICK AND EASY

Greater technical expertise at your fingertips



LEVELS

Basic, Intermediate, Advance.



EXCLUSIVE CONTENT

Learn what nobody else knows. For professionals



THE VERY LATEST

Be the first to find out about new market launches



In 2021, this initiative received the "Excellence in Education and Training Award" from SPASA Australia (Swimming Pool & Spa Association of Australia).

5.5. A Customer-Centric Model

5.5.2. Growing with our Customers

FLUIDRA | **PRO CLUB**

Fluidra Pro Club is an incentive program built to support the independent pool professionals and to reward those for their continued support, making their businesses more visible, offering advisory services, among other benefits. With the main objectives in mind each country has defined specific loyalty program mechanics based on their customer's needs.

In addition to this program, Fluidra offers other types of incentives, such as discounts and bonuses for large distributors.





5.5. A Customer-Centric Model

5.5.3. The Customer's Voice

For Fluidra, it is essential to listen to and capture the opinions and experiences of customers in order to keep their needs and expectations present in the organization's daily decision-making. That is what our Voice of the Customer (VOC) Program is all about.

The VOC is currently operational for customers in 25 countries, namely: Angola, Austria, Botswana, China, Cyprus, France, Germany, Greece, Ireland, Italy, Kenya, Malaysia, Mauritania, Namibia, Portugal, Slovakia, South Africa, Spain, Swaziland, Switzerland, United Kingdom, United States of America, Vietnam, Zambia and Zimbabwe. However, aside from this specific program, all Fluidra companies provide customers with various channels through which to ask technical questions about the industry, product specifications, quality incidents, etc. in relation to the products we manufacture and/or sell. Fluidra intends to extend the implementation of the program in the rest of the countries where we do business so that it becomes an essential part of daily operations in all the countries where our products are sold.

The program encompasses all channels of communication with customers, from Customer Service (daily interactions) to satisfaction and engagement surveys (twice a year).

One of the main challenges facing the Group in 2021 was the global supply chain crisis. Faced with this situation, Fluidra focused on providing as much information as possible to customers about product availability and shipments, which was reflected in an increase in customer loyalty throughout the year.

This open and transparent communication has enabled the Group to attract new distributors and consolidate new customers. Over the next few years, Fluidra will focus on building loyalty with these new customers by actively listening to their needs and expectations.

Customer Service

Fluidra's Customer Service Department offers pool professionals a channel through which to ask questions or raise concerns in the following areas:



In line with our commitment to operational excellence and quality, Fluidra pays special attention to all incidents reported by customers in relation to the products manufactured and/or marketed by the Group. Since Fluidra does not have direct contact with the end consumers of our products, incidents are handled by our customers, and not by Fluidra itself.

Fluidra also monitors complaints or dissatisfaction reported by customers regarding the performance of the products or services offered by the company through the relationship survey and by analyzing the feedback on other platforms. A total of 2,580 complaints were received in 2021, of which 100% were analyzed and resolved by the end of the year⁸.

⁸This year, the scope of the indicator has been reviewed in order to stop counting as complaints requests for product replacement within the warranty period. For this reason, the number of complaints reported in 2021 has decreased significantly compared to the data provided in 2020 (7,072 complaints). As for the 2021 data, in North America, complaints received through the relationship survey as well as other customer relationship tools (CRM) have been taken into consideration, in EMEA, complaints received through the survey have been considered, and in APAC, complaints managed through the customer relationship tool (CRM) have been considered.

5.5. A Customer-Centric Model

5.5.3. The Customer's Voice

Relationship Survey

Twice a year (in spring and fall) Fluidra launches a **Relationship Survey** that is intended to hear the opinions of our customers in order to better understand their experiences, with the aim of systematically analyzing the quality of our products, services and processes from their perspective.

In 2021, more than 22,000 customers in the 25 countries mentioned above were invited to respond to the questionnaire, 14% of whom (a total of 3,207 customers) participated. This represents a considerable increase compared to 2020, when 1,161 clients participated out of the 14,686 to whom the surveys were sent (8%).

It should be noted that in many of the countries mentioned above, the survey has only been in place for a short time. In those countries, the idea is to conduct the survey for at least two years before establishing benchmarks or baselines to drive change.

Based on the responses to the survey questions, Fluidra has calculated the following metrics on a global and/or regional level: Customer Satisfaction Index, C-SAT and Brand Promise.

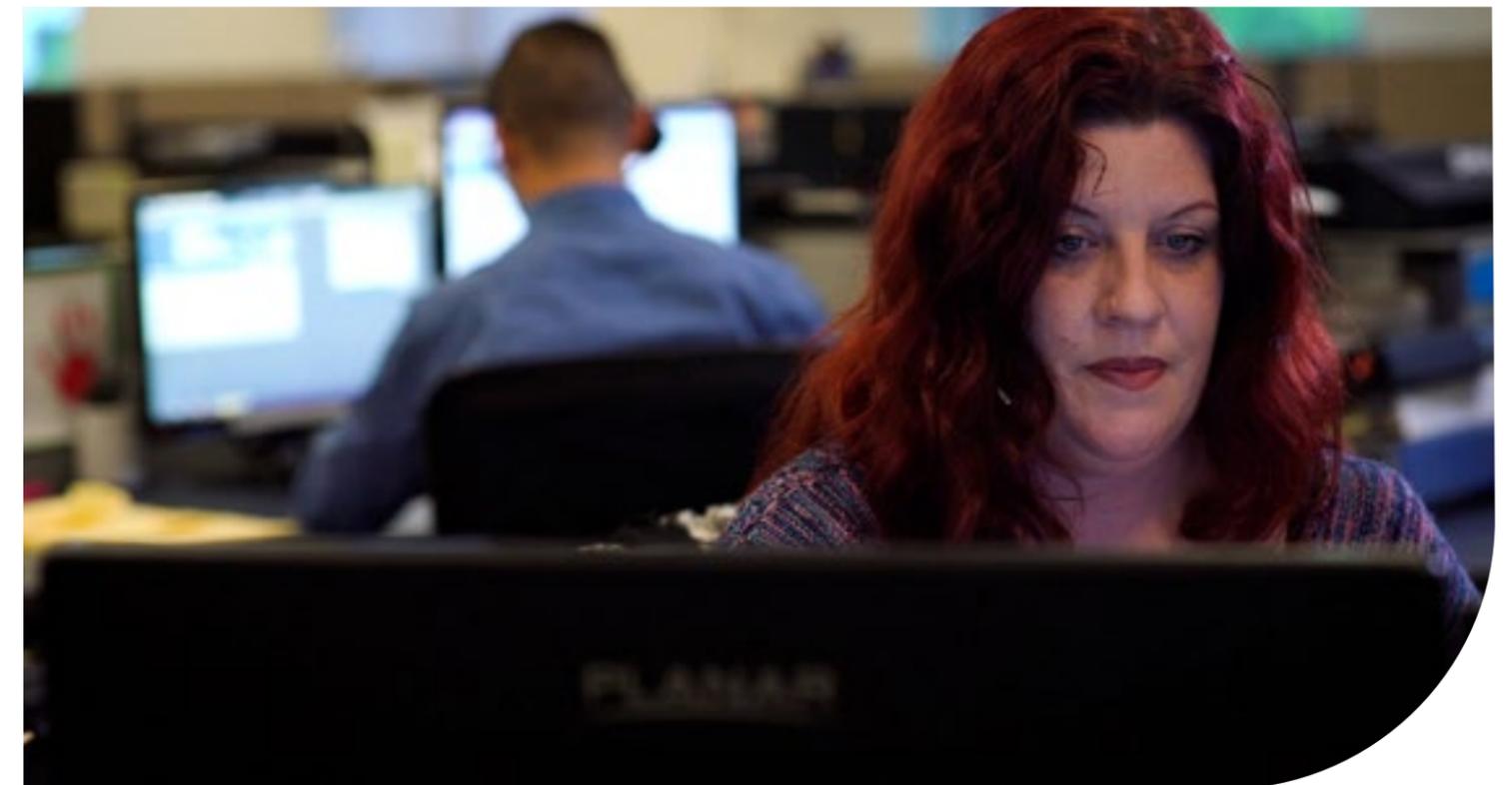
Global Customer Satisfaction Index

The Customer Satisfaction Index is a global measure through which customer satisfaction is primarily measured based on how likely they would be to recommend Fluidra to a family member or friend. This question is based on a scale of 0 to 10, where 0 is "Very unlikely" and 10 is "Would definitely recommend".

In 2021, the global satisfaction index increased by 0.30 points compared to 2020, reaching a total score of 7.20 out of 10, and exceeding the target set for 2021 by 0.15 points.

C-SAT (Customer Journey Measurement)

C-SAT is a local indicator that measures customer satisfaction during three phases of the customer journey: Product, Usage and Evaluation. Each country has different journeys to measure satisfaction depending on the particular characteristics of customers and the business model in that area.



5.5. A Customer-Centric Model

5.5.3. The Customer's Voice

Brand Promise

Finally, the **Relationship Survey** is used by Fluidra to determine overall customer satisfaction with Fluidra's performance on the six promises adopted by the Group to ensure the pool and wellness experience in a responsible way:

-  Ease of doing business.
-  Innovative products and services
-  Knowledge of the customer
-  Customer support
-  Product reliability
-  Environmental responsibility and sustainability

In addition to calculating these metrics, Fluidra analyzes the responses to the survey through a process called "closing the circle". Based on the comments received from customers, a team member specialised in that area is assigned to follow up on their comments in order to correctly identify their needs and expectations.

Subsequently, the information is shared with the interdepartmental and multifunctional group composed of members from the quality, finance, customer experience, sales and marketing departments, among others, who are responsible for defining and driving the relevant action plans and improvements in each of the regions and business accounts, in order to ensure that customer feedback plays a central role in daily decision-making throughout the organization. Finally, the results are presented to the MAC (Management Advisory Committee) which reviews the variations in the scores obtained on these surveys.

Fluidra is aware of how important confidentiality and data protection are to our customers and takes the necessary measures in this regard. There were no claims for breach of data protection or privacy rights by customers in 2021 or the year before. Likewise, no administrative fines or penalties were imposed for non-compliance with regulations and legislation in relation to the use of our products and services.





5.6. Commitment to Innovation and Technology

Research, development and innovation are built into Fluidra's DNA and part of the company's core values. Success in the pool market depends on equipment that is easy to use, install and maintain and, above all, reliable. That success lies in offering customers the best solutions tailored to their needs and the perfect user experience. Engineering is one of the critical aspects that sets Fluidra apart by offering added value through highly innovative products.

Fluidra's R&D+I Pillars



Quality

Rigorous satisfaction of user expectations.



Added value and continuous improvement

Continuous product improvement (cost, quality) in all categories.



Sustainability

Continuous reduction of the environmental impact of our products and solutions.

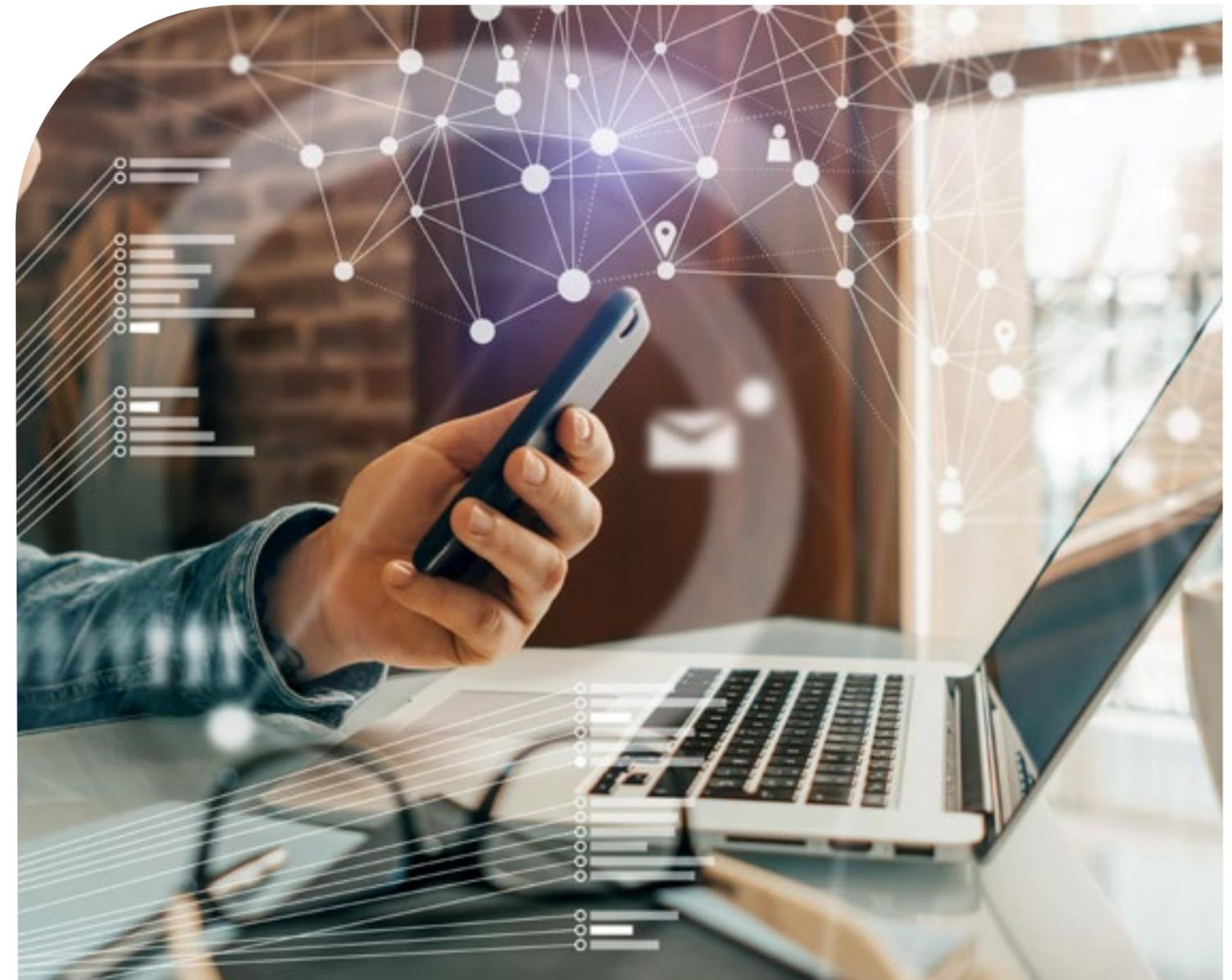


Digitalization and connectivity



Innovation

Inclusion of high-level innovation in key products.





5.6. Commitment to Innovation and Technology

5.6.1. Fluidra's Innovation Model

The R&D+i model at Fluidra includes all of the activities that lead to continuous and progressive innovation, enabling us to bring more efficient, higher quality products to market that are better adapted to the changing needs of customers and users.

Fluidra has a multidisciplinary team of more than 230 people comprising of engineers, designers and technicians, as well as a network of four own R&D+i centers strategically positioned in the main markets to meet the particular demands of each region with new products and solutions:

- **North America:**
Carlsbad (San Diego, California) is responsible for the development of pool products and solutions for the North American market primarily.
- **EMEA:**
 - > Polinyà (Barcelona, Spain): coordinates the activity of several R&D centers focused on different technologies and product families for both residential and commercial pools and wellness centers, mainly for the European, Asian and Southern Hemisphere markets.
 - > Belberaud (France) is in charge of developing robotic pool cleaners for the global market, as well as automatic heating and disinfection equipment for the European markets.
 - > The project to build a new R&D+i center in Polinyà was officially launched in the second quarter of 2021. This facility will centralize the region's activities, gaining in efficiency and focus. The new center will include a modern testing area with different pools and bodies of water as well as a fully-equipped R&D+i laboratory. We expect to complete the first phase of the project in 2022, including the integration of a considerable part of the engineering resources, as well as the commissioning of the testing area and the part of the laboratory dedicated to hydraulics and IoP.

- **APAC:**
The product development center in Braeside, (Victoria, Australia) is where product development efforts for the Australian market are concentrated..

Key R&D+i figures

	2021	2020	2019	2018
Investment in R&D+i (millions of euros)	31.1	36.9	24.8	21.3
Investment vs. Sales (%)	1.44%	2.48%	1.81%	1.61%

Investment in R&D+i was 18% lower in 2021 than the year before due to the fact that a large part of the work done in 2021 was on projects already underway the year before. Likewise, the 47% increase in sales in 2021 also contributed to the investment vs. sales ratio falling to 1.44%.

5.6. Commitment to Innovation and Technology

5.6.1. Fluidra's Innovation Model

Product Innovation

In line with recent years, 2021 was once again a prolific year in terms of new products. In all there were 42 new product development projects during the year, with a total of 2,192 new reference codes.

In order to monitor its progress in this area, Fluidra takes as a reference the vitality index, i.e. the amount of sales in the current year of those new products launched in the last three years over total sales, thus analyzing the impact of R&D&I expenditure. In 2021, the vitality index amounted to €206.3 million, an increase of 70.3% compared to 2020 (€121.1 million).

Among the main product innovations launched in 2021, the following are noteworthy:

Automatic pool covers

AstralPool has created two new models of end supports for automatic above-ground covers: Sveltea & Octeo. Specifically, the latter model is a motorized roller system with end travel sensors and interlocking with the salt chlorinator.

Polaris® Epic™ iQ robotic pool cleaner

The Polaris Epic iQ robotic pool cleaner offers enhanced maneuverability and energetic scrubbing action to clean any pool. Plus, the Epic iQ can be controlled from anywhere via the iAquaLink app.



VersaTemp™ heat/chill pump®.

This is a dual-purpose, energy-efficient temperature control unit that can both heat and cool a pool. With SoundShield™ technology, it operates quietly in the background and offers ease of use through the iAquaLink app.



Sirocco 2 Dehumidifier

Sirocco 2 is a monobloc dehumidifier marketed by Zodiac that requires no ductwork for installation. Thanks to its vertical air discharge, the air is blown directly upwards and it works in silent mode to cut noise emissions in half.

Open Innovation

As previously mentioned, the development of new products is essential to the company's short- and medium-term operations and success. However, just as important is the ability to analyze and explore beyond the limits of the organization and its current business models and services to identify future opportunities and possible threats.

5.6. Commitment to Innovation and Technology

5.6.1. Fluidra's Innovation Model



Fluidra LAB was created in order to act as the agent that promotes innovation within the company and to coordinate all open innovation activities. Specifically, it is responsible for:

- Identifying, analyzing and responding to the company's internal needs by collaborating with different entities in the global innovation ecosystem.
- Explore industry trends to identify opportunities.
- Promote a culture of innovation by encouraging employee participation in innovation processes, such as the Fluidra Innovation Challenge or the Fluidra Lab Talks.

The Fluidra LAB Board is responsible for determining the company's main innovation challenges for the coming years and for validating the activation of the opportunities detected by Fluidra LAB in the course of its activities. The members of the Board are the Executive Chairman of the Fluidra Group, the EMEA Regional Director, the Global R&D Director, the US Marketing Director and the Fluidra LAB Director and they meet on a quarterly basis.

By the end of the year, more than 75 initiatives had been identified, between external opportunities and internal requests. Of these, a total of 12 are in the study phase; 6 are in the development phase, 14 have been transferred to the pertinent business unit and are in the follow-up phase, while the rest have been discarded due to lack of alignment or for reasons of priority.

Fact

75 Initiatives managed by Fluidra LAB

Examples of Open Innovation

1. Parameter measurement sensors

In collaboration with several technology centers and a startup, Fluidra is researching a new sensor technology to measure the chemical and physical parameters of pool water.

The potential benefits include a drastic reduction in the cost of the sensors and greater ease of installation, as they can be installed in both new and existing pools. Another potential benefit is that the measurement of new parameters could facilitate better overall pool management.

2. Filtering technologies

In collaboration with a swim club, a supplier and Fluidra's R&D teams, a new filtering technology for commercial pools is being tested that is currently not available in the Group's product catalog.

In the initial phase, the technology's performance was compared to that of traditional sand filters to identify the pros and cons and also to determine those instances where the use of this technology is most appropriate. In a subsequent phase of the collaboration, both entities will work on improving the product and making it available to Fluidra's customers within two years.

Through its work on this project, Fluidra has acquired new knowledge that did not previously exist within the organization and has reduced the cost of testing the technology thanks to the synergies of the partnership.

5.6. Commitment to Innovation and Technology

5.6.1. Fluidra's Innovation Model

Employee involvement in innovation processes

Fluidra's innovation model is inclusive and encourages employee participation through an internal entrepreneurship program called Fluidra Innovation Challenge and Fluidra Lab Talks.

Fluidra Innovation Challenge

The fifth edition of this program, which was recently renamed Fluidra Innovation Challenge, was held in 2021. Formerly called Fluidra Innovation Week, the name was changed in response to the implementation of a fully online program to adapt to the travel restrictions imposed during the pandemic.



This year's challenge was "How to Improve Customer Experience through Digitalization" and more than 75 employees from 11 different countries took part. The five teams with the best ideas were selected to participate in **Fluidra Innovation Week**, where the ideas are refined and adjusted in collaboration with mentors from inside and outside the company. Finally, after this process, Demo Day is where the teams present their ideas to a panel of judges made up of managers from different areas of Fluidra and to the public, in this case Fluidra staff. In this edition, three prizes were awarded: winner of the challenge, best execution and the public's choice.

It should be noted that the winning projects from the previous edition were being developed by Fluidra in 2021.

Fluidra Lab Talks

This is a series of webinars organized by Fluidra LAB where different technologies or fields of knowledge that may have an impact on the company are presented. These sessions include the participation of an expert who explains the main concepts and gives practical examples of their application.

The object is to disseminate knowledge, but also to inspire possible new projects in which these technologies can be deployed. Following the success of the first Fluidra Lab Talk on "chatbots" at the end of 2020, the initiative continued, with Fluidra Lab organizing three sessions on digital twins, artificial intelligence and blockchain technology, where more than 200 attendees gained insight into how these concepts could impact the pool sector.



5.6. Commitment to Innovation and Technology

5.6.1. Fluidra's Innovation Model

Process Innovation

As discussed in the section on "Sustainability in the Product Life Cycle" (see [page 33](#)), LEAN management is one of the fundamental pillars of Fluidra's production plants which allows us to continuously improve and innovate by pursuing efficiency in all processes.

New processes have contributed to a significant reduction in production costs thanks to increased productivity, better use of resources, optimization of value-added operations and reduced variability. The total cost reduction in 2021 as a percentage of COGS (cost of goods sold) due to these new processes was approximately 0.35%, compared to 0.30% in 2020.

In addition to reducing costs, the process innovations implemented by Fluidra through value-added projects offer the following advantages:

Enhanced product quality: improved efficiency frees up staff and resources for innovation and quality control that previously would not have been possible.

Improved lead times: by streamlining manufacturing processes, companies can better respond to fluctuations in demand and other market variables, resulting in fewer delays and better lead times.

Sustainability: less waste and greater adaptability make the organization better equipped to thrive in the future.

Employee satisfaction: employees know when their daily routine is bloated or filled with unnecessary work, and this has a negative effect on morale.

Productivity: of course, higher productivity with less waste and better quality translates into a more profitable organization.



5.6. Commitment to Innovation and Technology

5.6.2. Intellectual Property Protection

Fluidra is a leader in its sector in intellectual property, with a portfolio of approximately 1,607 active patents, 84 of which were obtained in 2021 thanks to the company's efforts to increase its patent portfolio internationally, especially in key technologies.

Intellectual Property rights give Fluidra the power to request that third parties stop selling competing products that infringe its rights, change the designs of their products and/or that they compensate Fluidra accordingly.

Because the company makes considerable investments in R&D+i, it is crucial to obtain these rights in order to protect its developments and prevent them from being misused by competitors. One of the main challenges for the company is to ensure that the scope of its intellectual property rights is sufficient to adequately protect itself from competitors' products. At the same time, the company is fully committed to respecting the rights of third parties and competitors.

In this regard, Fluidra regularly checks to find out whether intellectual property protection should be sought for its developments (in particular, patents). If so, there are procedures in place to evaluate how, when and where to file the applications. The applications made by third parties are also monitored on a regular basis.

Finally, Fluidra trains key employees in intellectual property practices in order to raise awareness of the importance of this issue within the company.



Fact

1,607 Active patents

5.7. Tax

Fluidra upholds its commitments to good governance, transparency and integrity at all times. This, together with the creation of value for shareholders and investors, is an integral part of the management of its business activities.

Compliance with the tax laws in force at all times and in all places is a cornerstone of the Fluidra Group's corporate responsibility. By meeting our tax obligations in the 47 countries where we operate, we contribute to their development.



5.7.1. Tax strategy

During the 2021 financial year, Fluidra's Board of Directors approved the update of the Group's Tax Strategy with the aim of incorporating some references to the most recent anti-abuse regulations, as well as certain aspects associated with ESG. The [Tax Strategy](#) is applicable to the entities that make up the group in all the countries in which it operates and lays the foundations that should govern the decisions and actions adopted by the Group in tax matters.

These regulations are based on excellence and commitment to the application of good tax practices, within the framework of the Group's corporate and governance structure. Its main objective is to ensure compliance with the applicable tax regulations and to ensure adequate coordination of the tax practices followed by the Group's companies.

The Tax Strategy applies to all direct taxes on corporate profits, indirect taxes and taxes on earned income and other income that are globally applicable to the Fluidra Group. Likewise, it includes the information obligations that exist with the corresponding Tax Authorities. Due to the confidential nature of these matters, the participation of other external stakeholders in the determination of the group's tax policy is not considered.



5.7. Tax

5.7.1. Tax strategy

The principles governing Fluidra's Tax Strategy are as follows:

Comply with all applicable tax obligations in the territories where the group does business.

Promote a collaborative relationship with the tax authorities.

Protect the generation of sustainable value for stakeholders by promoting efficiency in the fulfillment of tax obligations and by supporting initiatives to provide stakeholders with information on the taxes paid by the group.

Refrain from using opaque or artificial structures unrelated to the company's business for the sole purpose of reducing the tax burden.

Refrain from operating in jurisdictions considered by the European Union to be tax havens for purposes other than Fluidra's normal business operations.

Consider legal implications in the decision-making process, with the aim of minimizing tax risks, including reputational risk.

Fluidra also has a **Corporate Tax Policy** that develops the general principles established by the [Tax Strategy](#). It defines the areas that must be monitored and controlled, while establishing the hierarchical and functional levels of the group with the duty to report certain controls to the Corporate Tax Department. These controls are established in the **Tax Risk Control Procedures**.

With regard to transfer pricing and related party transactions, because the Group is present in multiple jurisdictions, the preparation and presentation of transfer pricing documentation in these jurisdictions is especially important and something that the Group takes seriously. In fact, Fluidra has a global transfer pricing advisor to ensure compliance with our transfer pricing obligations.

The Corporate Tax Department, reporting directly to the CFTO, is responsible for implementing the tax strategy through the tax policy and for designing and implementing the internal procedures and control mechanisms needed to ensure compliance with current tax laws.

The rest of the group's areas, departments, and companies must report to and consult with the Corporate Tax Department on any actions or transactions that may have tax implications.

The Audit Committee is responsible for supervising the effectiveness of the tax risk management and control systems implemented by the Corporate Tax Department, and for reporting to the Board of Directors regularly on the Group's policies for managing and meeting its tax obligations.

5.7. Tax

5.7.2. Tax contribution

The Fluidra Group is made up of 121 companies with a presence in 47 countries. In 2021, Fluidra allocated more than 37.4% of its profit before taxes paid to the payment of taxes in the different jurisdictions where it is present (compared to 42.1% in 2020). Likewise, as in the previous year, Fluidra did not receive any tax penalties.

Tax Contribution (in thousands of euros)	2021	2020
Turnover	2,186,919	1,488,108
Profit Before Tax	337,489	139,021
Pre-tax profit *	384,470	179,418
Total tax paid	143,931	75,587
Total tax collected	181,659	104,953
Tax Contribution**	325,590	180,540

*It does not consider corporate income tax or social security payments payable by the company.

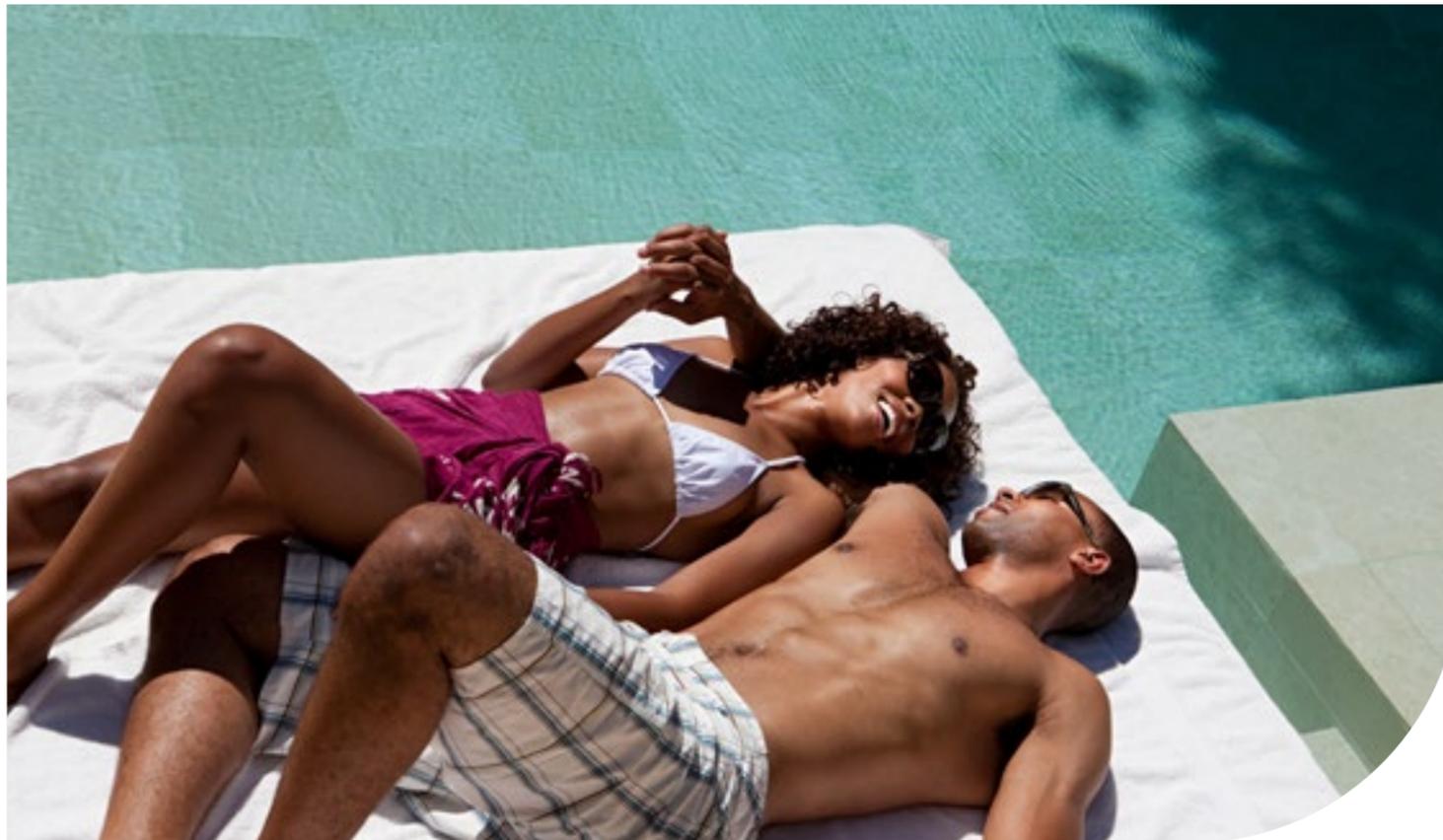
**The tax contribution includes the corporate income tax paid, the social security paid by the company, the VAT charged minus the VAT borne, as well as the withholdings made on income classified as earned income.

Taxes Paid (in thousands of euros)	2021	2020
Corporate tax		
Corporate tax	96,949	35,191
Payroll tax		
Social security tax payable by the company	46,982	40,397
Taxes Collected (in thousands of euros)	2021	2020
Tax on products and services		
Value added tax	128,057	73,402
Payroll tax		
Personal income tax withholdings	53,602	31,551

5.7. Tax

5.7.3. Grants received

During the 2021 financial year, Fluidra received a total of €656,000 in public subsidies, compared to €1.2 million in 2020, mostly aimed at training workers, and boosting innovation and technology. Spain, France and China top the list of countries that have provided the largest subsidies to Fluidra Group companies in the last year. In any case, Fluidra does not have a state presence in its shareholding structure.



[201-4]

Grants (in thousands of euros)	2021	2020
Germany	13	0
Australia	0	530
Belgium	6	46
Chile	12	10
China	100	84
Croatia	0	13
Cyprus	0	6
France	138	9
Greece	1	1
The Netherlands	6	0
Poland	0	32
Singapore	55	98
Spain	325	418
Total	656	1,247

5.8. Information security

In 2020, Fluidra adopted the Information Security Policy with the aim of developing and implementing a proactive security program

Fluidra views Information Security and Cybersecurity as an integral part of our business. Aware of the high level of threat, since 2020 the company has had a Chief Information Security Officer (CISO), in addition to a Security Committee (ISSC) whose members include the CIO, the CISO and other corporate directors, and two members of the MAC: the CTO and the CFTO.

Starting at the end of 2021, the CIO and CISO now report to the Chief Technology Officer (CTO) instead of the Chief Financial and Transformation Officer (CFTO), who will jointly manage all areas impacting IT, IoT and Data. The CISO reports directly to the CTO at the same level as the CIO to ensure adequate independence of functions.

The CISO and the CIO also give regular updates (at least twice a year) to the Group's Audit Committee of the Group Board of Directors on security risk management and the steps taken by the organization to protect its assets. This ensures real and effective communication with senior management.

The Group has various policies and procedures in this area. A new Data Protection Policy was written in 2018 to bring internal corporate rules in line with new legal requirements in the European Union, Spain and other countries where Fluidra does business. This policy guarantees the protection of personal data, establishing the necessary mechanisms to prevent breaches of stakeholders' rights and liberties in this area.

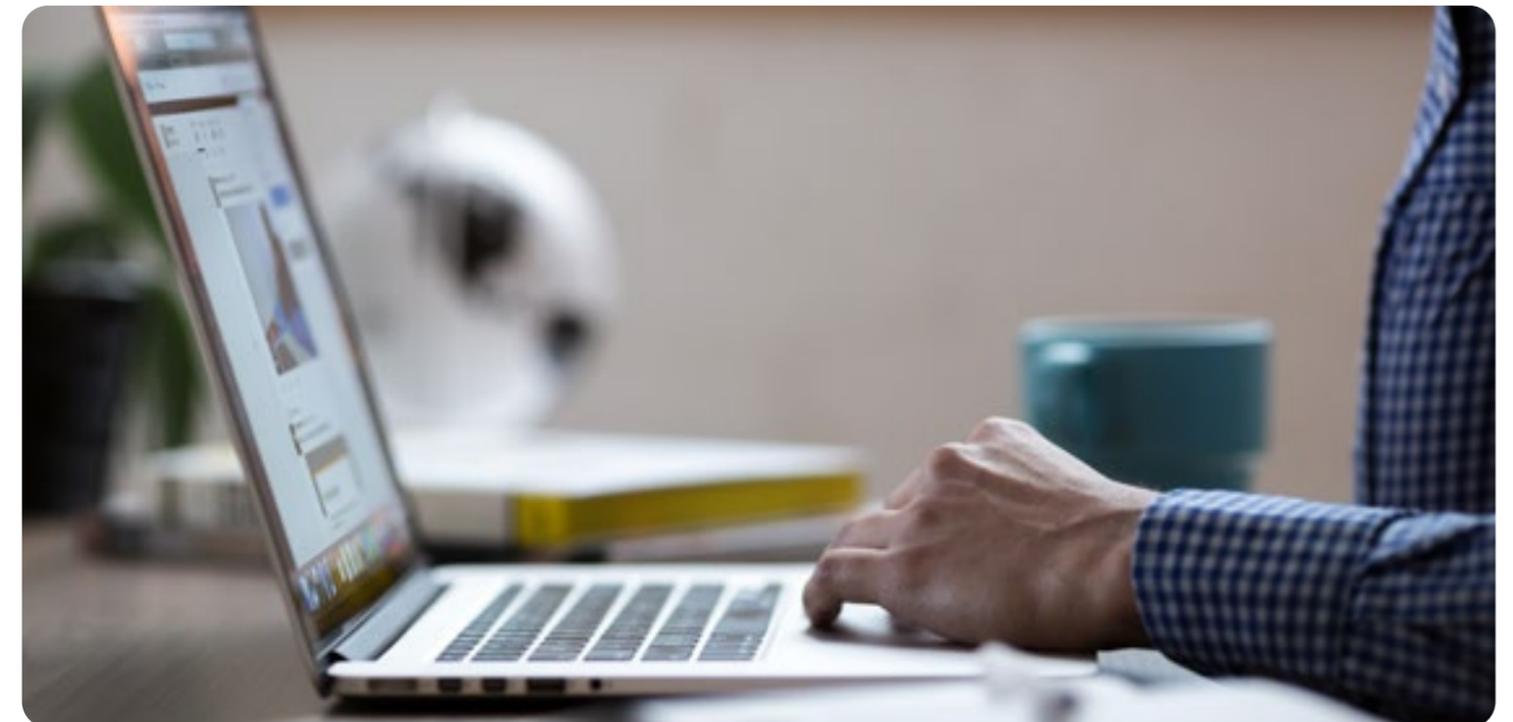
Any breach of the provisions of this policy must be reported through Fluidra's Confidential Channel (see [page 128](#)). In 2021, no serious security incidents affecting the Group's data and/or assets were detected. There were no complaints or reports of data breaches or violations of Personal Data Protection rights.

In 2020, Fluidra adopted the Information Security Policy with the aim of developing and implementing a company-wide proactive security program to support Fluidra's strategic business objectives. With the approval of this policy, the management team has confirmed its commitment to protecting the data of

Group companies, customers and employees from internal and external threats, in accordance with its business needs.

Under this policy, any employee who becomes aware of or suspects any incident that could affect the organization's security must immediately report it through the established channels. All reports are handled by the Fluidra Security Operations Center (FSOC), which analyzes them and proceeds accordingly.

In recent years, work has been ongoing to implement new technical and organizational data security measures based on the objectives and commitments set out in the group's policies, improving current internal controls and promoting Security-by-Design. The key initiatives that have been implemented are detailed below:



5.8. Information security

5.8.1. Security awareness

The information security awareness program continues to be crucial in the cybersecurity strategy.

For this reason, in 2021, the new security procedure for staff onboarding and offboarding was approved. The main objectives of this procedure are to ensure that Fluidra's employees are aware of and comply with their responsibilities in terms of Information Security and to preserve the confidentiality, availability and integrity of data as part of the start, change or termination of the employment relationship.

An information security awareness program has been developed as part of this process, which consists of various training sessions and social engineering simulation exercises (phishing and similar), which all Fluidra employees must complete when they join the Group or during their employment.

In 2021, 1,316 hours of training were offered to all employees who work with IT resources, focused on phishing, social engineering, password security, corporate email obligations and secure remote access. In addition, coding courses were offered to external and internal software developers to train them in honing the skills needed to avoid security problems, fix vulnerabilities and write secure code.

1,316
hours of
cybersecurity
training

Those who do not successfully complete these exercises are required to undergo additional training to ensure that they are aware of and prepared to deal with security risks.



5.8. Information security

5.8.2. Information security management

Fluidra Security Operations Center (FSOC)

In 2021, Fluidra continued to improve the internal processes and technologies of the Security Operations Center for the detection, protection and response to security issues. Multidimensional projects have been put in place to reinforce perimeter and internal security in order to prevent and control cyber-attacks and data breaches.

Security maturity and metrics

The organization has enhanced its cyber risk management framework to identify and monitor cyber risks, measuring security maturity through NIST and CIS controls, and enabling risk treatment plans.

Security-by-Design

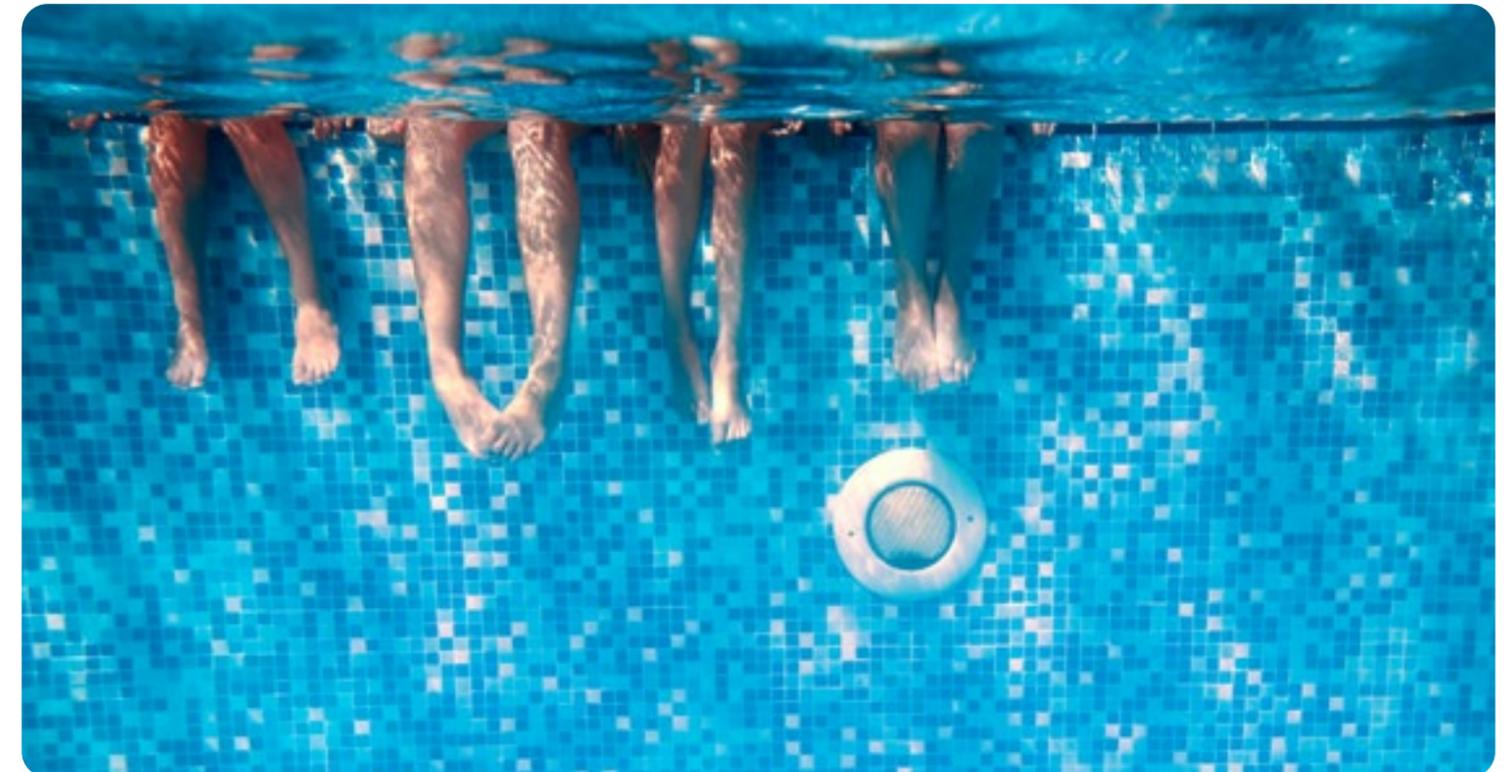
Fluidra is focused on continuing to develop Security-by-design in the different business units. Cybersecurity is taken planned for and incorporated into each layer of the system, beginning with a secure architectural design.

With this in mind, the Red Team and security architects have conducted numerous architecture reviews, security assessments of IT systems or applications and the infrastructures of IoT-connected devices. Fluidra also arranges for external vulnerability assessments and penetration tests (including hacking simulations) on a regular basis.

Incident Response Plan

Fluidra is updating the **Global Incident Response Plan** in an effort to continuously improve our ability to respond to cyber incidents, minimize impact, maximize recovery and ensure continuity of operations.

The Incident Response Plan also foresees the continuation of annual tests based on specific scenarios. The objective of these tests is to involve various departments of the organization in a simulation of the real-time decision-making process involved in reacting to a critical incident. During 2022, several simulations are planned with different working groups to identify areas for improvement of plans and procedures.



6.

Contributing to sustainable development

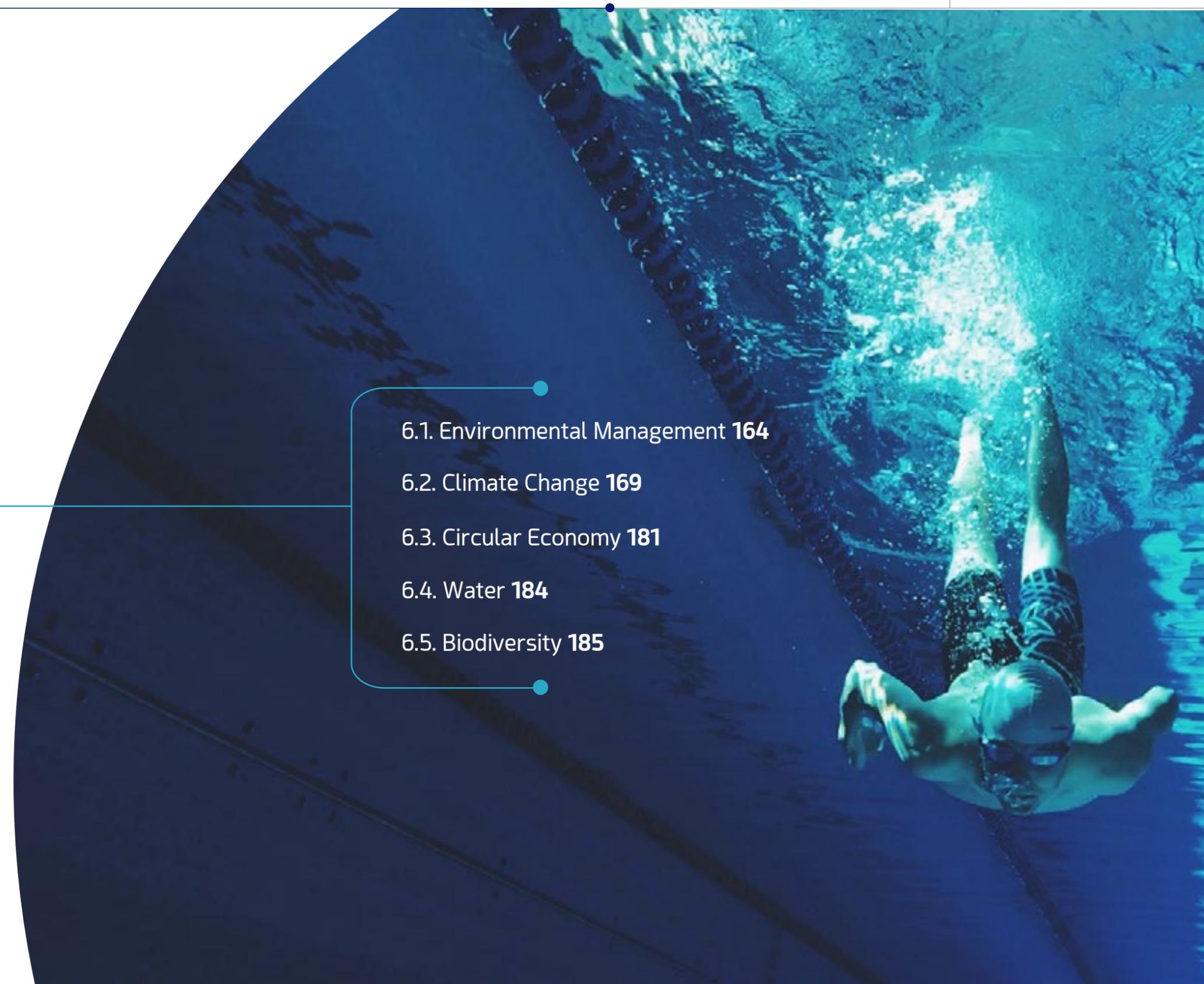
6.1. Environmental Management **164**

6.2. Climate Change **169**

6.3. Circular Economy **181**

6.4. Water **184**

6.5. Biodiversity **185**





6. Contributing to sustainable development

Through the environmental pillar of its ESG strategy, Fluidra works to contribute to sustainable development, implementing actions to reduce the impact on the planet as a result of our products and activity. The Fluidra Group's activity revolves around water, whether for sports, leisure or therapeutic use in the world of pools and wellness. That is why, due to the very nature of the company's business, sustainability and the protection of and commitment to the environment are its priorities.

One of the company's objectives is also to be the market leader in environmental matters and therefore strives to act responsibly, building a sustainable business in the long term. To this end, Fluidra is committed to promoting responsible resource management by applying rigorous sustainability and efficiency criteria in the development, manufacture, marketing and maintenance of its products and services, going beyond what is required by law in each of the geographies in which it operates.

For this reason, the Responsibility Blueprint defines four main lines of action in environmental matters: the fight against climate change, reduction of environmental impact, water management and sustainable products. The first three are addressed in this chapter, while the last is developed in section, [Towards an increasingly sustainable pool.](#)



24,095 Tn
Recycled materials
+21%

0.0010 GJ/EBITDA

Energy intensity **-11%**



492,993 GJ
Energy consumption
+50%



29.62%
production companies certified in accordance with ISO 14001



9,235,559 tCO₂eq **Emissions**
-50%



80.7%
renewable electricity

-4.3%
Emissions reduction target*

*Scopes 1 & 2



122,066 m³
Water consumed
-2.12%



24%
reduction in waste sent to landfill

⁹Scope 2 emissions are "Market-based"

6.1. Environmental Management

Fluidra applies rigorous environmental criteria to its manufacturing and marketing processes on a daily basis, promoting the use of clean technologies and applying correct and appropriate treatment and recycling of resources, waste and spills. At the same time, the group seeks to minimize its carbon footprint and the environmental impact of its activity through the efficient use of raw materials, energy, water and the reduction of greenhouse gas emissions.

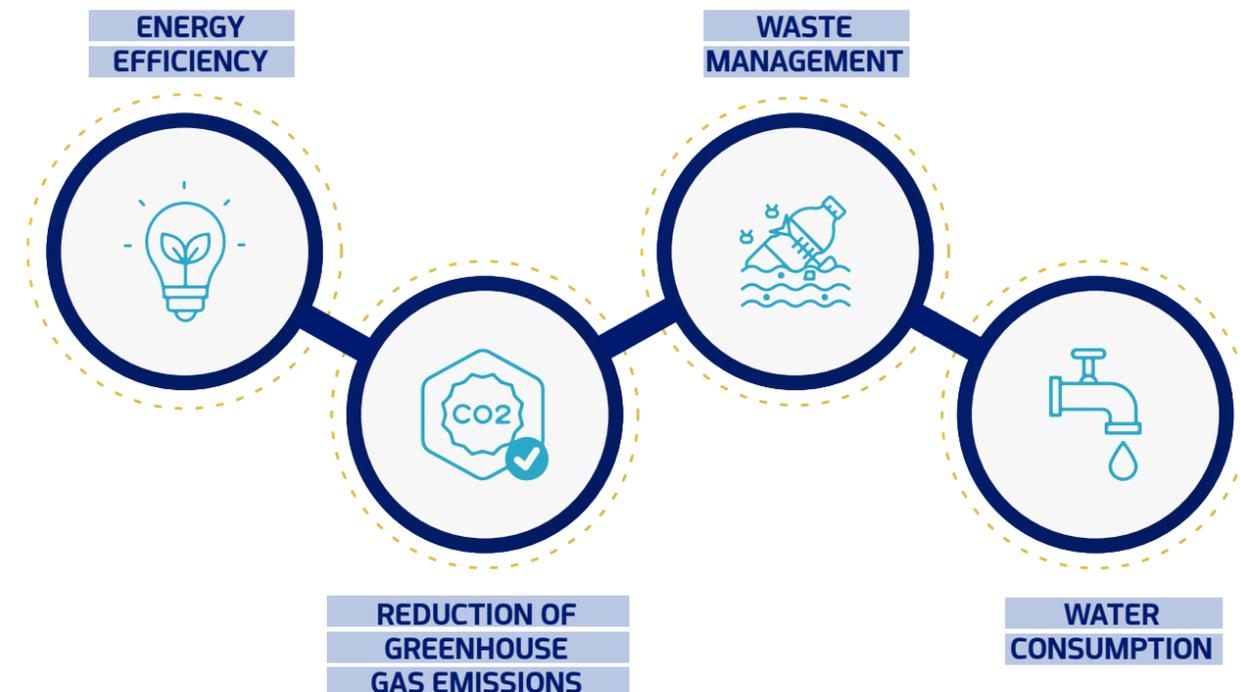
The HSE Department, under the Global Operations Area, is responsible for defining the global strategy in this topic, including the development of the policies, procedures and standards that make up the Environmental Management System; the definition of short, medium and long-term objectives; monitoring of results to identify risks and opportunities for improvement; and the promotion of a positive HSE culture through training and communication initiatives.

The HSE Department also advises and assists company management in their responsibility to ensure proper environmental management at the Group's facilities.

6.1.1. Environmental Policy

The [Global HSE Policy](#) (Health, Safety and Environment), approved in 2019 by the Fluidra Group's Board of Directors, constitutes the main reference framework in the field of the Environment, laying the foundation for the rest of the processes and procedures.

This policy is intended to protect employees, business assets, natural resources, the environment and any social group that is in contact with the company's activity, both in its manufacturing activity and when using its products and services. The Policy's commitments are structured in four main areas that will be addressed throughout this chapter:



[103-1, 103-2, 103-3]



6.1. Environmental Management

6.1.1. Environmental Policy

Although the HSE Policy is coordinated at corporate level, in line with the requirements of ISO 14001 and EMAS standards, the managers or directors of each of the group's companies are responsible for defining the environmental objectives, and these, in turn, delegate this function to the corresponding environmental and safety managers.

Together with the Policy, Fluidra has various standards through which it develops the commitments of the Policy, such as the procedures for Hazardous Waste Management, Energy Management and Chemicals.

In line with the policy's commitments, Fluidra has set the following environmental objectives for 2021.

Target	Results
Improvements in the manufacture, storage and management of chemical products to avoid any risk of contamination in the event of an accident.	A global operating procedure (GOP) on chemical storage has been implemented in 2021. A GOP on hazardous waste management is planned for 2022.

Target	Results
Continue with ISO 14001 certification in those production plants that do not yet have it.	No new ISO 14001 certification was planned for 2021. Certification of the plants in South Africa and Brazil is planned for 2022.
Definition of the HSE Communication Plan	The HSE 2021 Communication Plan has been developed to share Health, Safety and Environment advice among the Group's companies.
15% reduction in waste sent to landfill, and 3% increase in renewable energy consumption, in order to reduce the Carbon Footprint.	The 2021 target was to reduce waste sent to landfill by 15%. The final result has been a 24% reduction in waste sent to landfill, out of total waste. With regard to renewable energy, during 2021 the purchase of Energy Attribute Certificates (EACs) took place, in order to offset the emissions associated with electricity consumption in South Africa and North America. Fluidra has also promoted other measures such as the change of electricity supply with a guarantee of origin or the installation of photovoltaic panels, which will come into effect in 2022.

6.1. Environmental Management

6.1.2. Environmental Management System

The company has an Environmental Management System, developed in accordance with European regulations and ISO standards, which is applicable to all the Group's companies.

Fluidra currently has a plan to progressively certify its production facilities in accordance with the ISO 14001 standard. Likewise, during this year, 4 of the certificates in force in the production companies in Spain have been renewed, while 3 will be renewed in 2022 and 1 in 2023.

On the other hand, it should be noted that in 2021, the merger of the companies Metalast and Inquide under the name of the latter took place, although the renewal of the ISO 14001 certification has continued separately. Currently, 8 of the Group's 27 production companies (29.62%) are certified under the ISO 14001 standard:

In addition, Poltank and Sacopa are also EMAS certified.

The certification of plants according to ISO 14001 will continue in the coming years until all of production plants have their environmental management systems certified. The certification of plants in Brazil and South Africa is planned for 2022, reaching 18 certified production plants by 2026.

Cepex - Effective: 2020-06-18 until 2023-06-17 (first audit 2011).	Togama - Effective: 2020-10-27 until 2022-12-08 (first audit 2019).
Metalast Center - Effective 2021-04-26 until 2024-07-25 (first certification 2016). Inquide - Polinyà and Monzón Centers. Effective: 2021-09-15 until 2024-09-14 (first certification 2015).	Manufacturas GRE - Effective: 2019-02-25 until 2022-02-25.
Poltank - Effective: 2021-05-16 through 2024-05-15. (first certification 2004)	Sacopa - Effective: 2021-09-10 until 2024-09-09. (first certification 2009)
Trace Logistics - Effective: 2021-03-07 to 2024-03-06. (first certification 2018)	Talleres del Agua - Effective: 2019-11-25 until 2022-11-08.



6.1. Environmental Management

6.1.3. Environmental risks

Environmental risks are integrated into the Group's risk management and, as such, are not treated differently, although the ESG and HSE departments carry out a more in-depth analysis of them.

Although Fluidra's activities are predominantly carried out in industrial estates and commercial offices, there may be a risk of causing some type of negative environmental impact, either directly or indirectly.

For this reason, based on the precautionary principle, Fluidra develops a risk assessment, both environmental and for the health and safety of people, prior to the start of any activity. This allows the organization to identify potential risks associated with the company's activity and location, and to adopt specific action plans to prevent them.

In 2021, costs for environmental risk management reached 1,780,385 euros (181,819 euros in 2020). On the one hand, Fluidra allocated 1,281,644 euros (39,176 euros in 2020), to remedy the impacts arising from the flooding at the Fluidra Group's facilities in Dongchuan (China). On the other hand, Fluidra has allocated 498,741 euros to the development of prevention measures and environmental improvements at the Group's facilities (691,405 euros in 2020), including the initiatives awarded in the Carbon Neutrality Contest, which will be implemented during 2022.

Thus, direct emissions associated with production and waste generation, which would be the most significant and direct impact on the environment, are managed and minimized by the teams dedicated to their control within each plant. Likewise, the production plants carry out annual emission controls in order to carry out the necessary repairs, changes or modifications, and thus proceed to their reduction.

Thanks to these measures, in line with previous years, in 2021 no negative impacts have been detected in the communities where the group operates. There is also no record of any fine related to environmental issues in any of the companies of the Fluidra Group.

In 2020 a request was received from the CHE (Confederación Hidrográfica del Ebro) to carry out a series of tests and analyses on the land of Inquide SAU's facilities in Monzón. In February 2021 the corresponding report was provided to this entity, with the results obtained after the tests were carried out by an external company contracted for this purpose. Since then, no other official communication has been received from the CHE. In the meantime, the company Inquide SAU's facility continues with its plan to dismantle the brine ponds.

Finally, in compliance with current legislation, the Group has taken out an environmental insurance policy for a value of five million euros for the activity of the companies Inquide SAU, Metalast SAU and Trace Logistics S.A.



6.1. Environmental Management

6.1.4. Training and awareness

Fluidra carries out various training and awareness-raising activities for its staff with the aim of raising awareness of the commitments made by the Group and improving our performance in this area.

Firstly, the corporate HSE department is responsible for training the people who carry out the HSE function at each of the facilities, in order to ensure the correct understanding and application of the requirements defined in the standards and global operating procedures. Likewise, training has been provided on the operation of the HSE reporting tool to the people designated as responsible for providing these indicators in each of the companies of the Fluidra Group.

On the other hand, each of the companies complements this global training itinerary with specific training adapted to their needs. This year, the companies have developed training courses on waste management and the incompatibility of chemical products, among other areas.

The HSE Department also prepares the HSE Corporate Communication Plan, through which advice, best practices and information that help to increase awareness and sensitization on Health, Safety and the Environment are passed on.

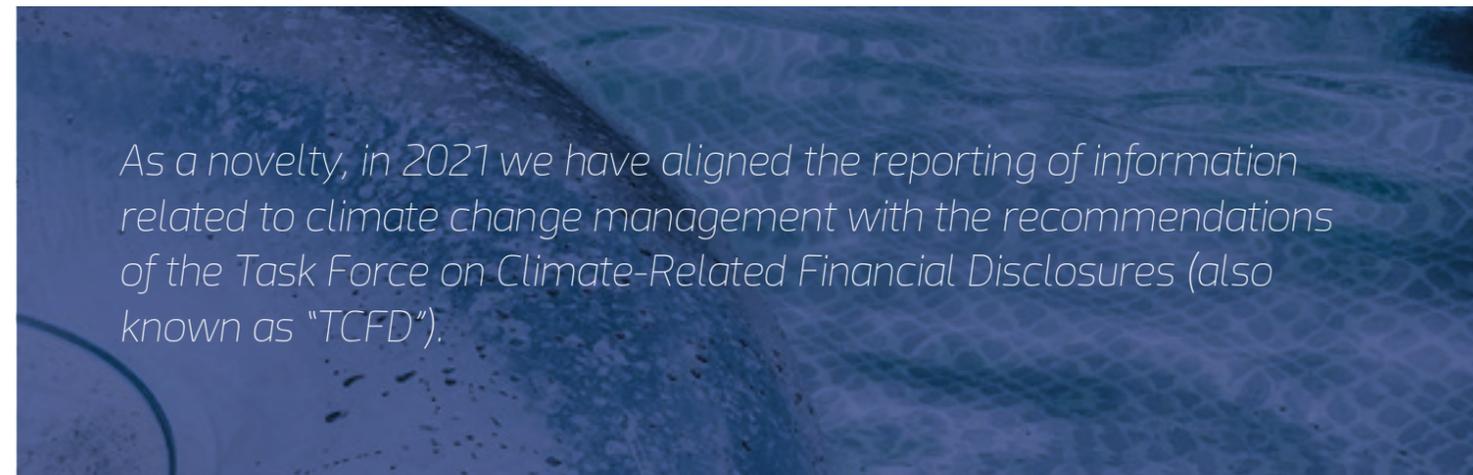
This communication plan consists of monthly communications to all employees of the group, with advice on how to work safely and to collaborate in the preservation of the environment. Among other initiatives, in 2021, specific communications were launched on the occasion of World Recycling Day, World Environment Day and World Energy Efficiency Day.



6.2. Climate Change

Fluidra is aware of the challenge posed by climate change for the world, for our society and for the business, which is why this issue is one of the main priorities within corporate ESG management.

The management approach is based on both mitigation and adaptation to climate change, so we are working both on analyzing and quantifying the potential risks and opportunities arising from this phenomenon, as well as on the direct management of greenhouse gas emissions.



For more information in this regard, please refer to the table of contents in accordance with the TCFD available on [page 296](#) of this report.

6.2.1. Climate Change strategy

In 2020, the first steps were taken to define Fluidra's Climate Change Strategy, with the first calculation of the complete corporate carbon footprint in its three scopes, following the GHG Protocol methodology (operational control).

This allowed the organization to understand in which areas it had a greater contribution to global warming and to define emission reduction targets throughout its value chain. Thus, at the beginning of this year, Fluidra defined its carbon neutrality targets establishing 2027 as the target year for Scope 1 and 2 emissions and 2050 for Scope 3 emissions, although the ambition of these objectives is expected to be redefined and significantly increased.

During 2021, efforts at the strategic level have focused on defining an action plan for carbon reduction for scopes 1 and 2, where the most relevant emission sources of the group have been analyzed, and reduction targets have been established that are in line with the recommendations of the SBTi and the Paris Agreement. This is why during 2022 all group companies will have specific carbon reduction targets for scopes 1 and 2 in absolute value compared to those of 2021 (base year). This strategy aims to reduce the group's emissions in these two scopes by 4.3%.

Target: emission reduction
4.3% for Scope 1 and Scope 2

6.2. Climate Change

6.2.1. Climate Change strategy

As a first initiative within the framework of this strategy, on the occasion of World Environment Day the Group launched an internal competition aimed at the companies with the greatest contribution to Fluidra's Carbon Footprint in scopes 1 and 2, so that they could present projects that would allow us to make progress towards achieving the goal of carbon neutrality in our own operations by 2027.

To this end, Fluidra made available a budget of nearly 500,000 euros to be invested in those initiatives that would contribute the most to reducing carbon emissions in the development of our activity. A total of 16 companies were involved, representing nearly 80% of the group's emissions in these two scopes.

As a result, 5 projects were awarded, which will begin to be implemented during 2022. Among the projects selected were initiatives such as the installation of solar panels, the replacement of the combustion fleet with an electric one, or improvements to the energy efficiency of the production process.

On the other hand, 2022 will be the year in which Fluidra will work on a detailed reduction strategy for Scope 3 emissions, analyzing the contribution to the carbon footprint by each stage of the value chain and defining our involvement with administrations, suppliers and customers to minimize it.

To this end, this year, the calculation has been extended to incorporate the impact associated with products more extensively, so that 2021 will be considered the base year on which to establish the reduction targets both globally and at the level of each company in the group.

Additionally, to reinforce and accelerate the achievement of carbon neutrality, it is expected to be able to offset part of the residual emissions associated with the company's activity from 2022 onwards, while continuing to invest in efforts to reduce the ratios of energy consumed and carbon emitted throughout the organization.



6.2. Climate Change

6.2.2. Climate Change related risk management

Fluidra's Climate Change Strategy is fully integrated into the risk management processes of the entire company, as reflected in the Global Risk Management Policy.

In line with the commitment adopted the previous year, in 2021 Fluidra developed a qualitative analysis of the climate risks that may affect business activity over the next three to five years and began assessing their quantification. To this end, the organization contracted the Verisk Maplecroft platform with the aim of monitoring, among others, the evolution of the likelihood of risks associated with Climate Change at its locations.

Based on Fluidra's activity and the potential vulnerability of business interruption, combined with flooding in previous years at some of the Group's facilities, as well as increased regulation during periods of drought, Fluidra selected the following risks for analysis, in order to analyze and quantify them with the help of independent experts in the field, in accordance with the recommendations of the TCFD.

- Risk of flash floods caused by a change in rainfall patterns causing material damage and interruption of production and/or supply chain (acute risk).
- Risk of water stress caused by a change in rainfall patterns resulting in water use restrictions and decreased demand for Fluidra's products (chronic risk).

For the analysis of both risks, an environmental model was developed that integrates historical data, as well as different climate future scenarios based on the Representative Concentration Pathways ("RCP 4.5 and 8.5") of the IPCC ("Intergovernmental Panel on Climate Change"). The results were integrated into a financial model to estimate the economic impact generated by these risks and identify potential opportunities. In both processes, various probability and statistical models (e.g. Gumbel distribution) were considered.

*Fluidra will begin to strengthen its resilience to future impacts arising from Climate Change by **creating mitigation plans.***

In the case of flash flood risk, the project focused on the most relevant facilities in terms of sales within each of Fluidra's operating regions. Therefore, for this first analysis, those locations were selected in which the materialization of such events could cause a significant interruption in the group's supply chain. However, from next year onwards, the analysis will be extended to those facilities where, according to the Verisk Maplecroft tool, there is a higher likelihood of this type of adverse weather phenomena occurring, regardless of their potential impact on the Group's operations.

Although this analysis confirmed the absence of significant short-term risks, it identified potential medium and long-term impacts on the continuity of production and distribution as a result of extreme weather events. Based on these results, Fluidra will begin to strengthen its resilience to future impacts arising from Climate Change by creating mitigation plans focused on:

- Preparation of flood prevention plans, including measures to be implemented at the facilities to prevent or reduce damage caused by flooding, including safe evacuation procedures for personnel working at the facilities.
- Preparation of business continuity plans including flood scenarios.
- Integration of Climate Change risk analysis in M&A processes, as well as the opening of new operation centers in existing companies.

6.2. Climate Change

6.2.2. Climate Change related risk management

Following the same methodology as in the previous risk, Fluidra, in collaboration with external experts, developed a stress test for the evaluation and quantification of the impacts related to water stress and water restrictions in one of the main sales regions for the group.

As a result of this analysis, growth opportunities were identified in sales of existing and innovative products focused on energy efficiency and water use reduction (products for indoor pools, robotic cleaners, electric heaters, etc.). In addition, Fluidra is currently following up on the mitigation plans already in place in the organization to reduce the impacts derived from this risk.

It should be noted that, during 2021, the risk of flash floods has materialized in the production plant that Fluidra has in Dongchuan (China). For more information in this regard, see [page 123](#). In previous years, this risk had also materialized at the company Cepex (Spain), where retaining walls have been installed and the size of the collectors has been increased to prevent future impacts. Likewise, the company Itajai AstralPool Brazil is in an area where the risk of heavy rains and strong winds is periodic, which could affect the integrity of the plant, especially the roof.



6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint

The global results of the Fluidra Group's **Carbon Footprint** in 2021 are shown below. Only information about those categories of emissions that are applicable to the organization as a result of its activities and products is included.

	2021 (tnCO ₂ eq)	%	2020 (tnCO ₂ eq)	%
Scope 1	15,083	0.16%	8,037	0.04%
Scope 2 (Market)	5,025	0.05%	10,607	0.06%
Scope 3	9,215,451	99.78%	18,594,371*	99.90%
Total	9,235,559	100%	18,613,015*	100%

* The data corresponding to fiscal year 2020 for categories 1, 2, 11 and 12 of Scope 3 have been corrected.



[302-1, 305-1, 305-2, 305-3, 305-5]

Direct emissions (Scope 1)

Fluidra's direct emissions come from the consumption of natural gas and diesel (both for production/heating and vehicles).

Energy consumption

	2021 (GJ)	%	2020 (GJ)	%
Natural Gas	55,371	21.2%	45,239	32.4%
Diesel (Production / Heating)	56,022	21.4%	32,404	23.2%
Diesel (Vehicles)	150,336	57.4%	62,100	44.4%
Total	261,729	100%	139,743	100%

The upward trend in fuel consumption that began last year due to the pandemic has been further accentuated this year with an unprecedented growth in production and, consequently, in the use of diesel (for production and heating) and natural gas in most of our own plants (87.3% compared to 2020).

On the other hand, the cost of energy was €7,742,921 in 2021 (compared to €6,051,453 in 2020), equivalent to 1.26% of the year's operating expenses. This year 2021, there has been a significant inflation in the cost of energy worldwide and more specifically in Europe due to the shortage of Natural Gas reserves and the restriction of supply in the CO₂ emission permits market, as well as other geopolitical conflicts that have affected the energy markets. At Fluidra, this energy cost inflation has been cushioned, especia-

6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint | Direct emissions (Scope 1)

lly in Spain and Portugal, since the purchase of energy is carried out in the long-term futures markets. This helps us to set prices in advance and ensure a sufficiently competitive cost range.

In 2021, we also proceeded to replace 85 diesel forklifts with electric forklifts in several of the group's companies (Fluidra Comercial España, Sacopa, Poltank, Inquide, Trace Logistics, among others). This change has led to a reduction in fuel consumption (and therefore in Scope 1 emissions), and although it contributes to an increase in electricity consumption, this increase will not be reflected in Scope 2 emissions, as it is produced in facilities that use 100% renewable energy.

With regard to the calculation of Scope 1 of the Carbon Footprint, this has been increased by 88% compared to 2020, as a result of new acquisitions, increased production levels and increased mobility following the relaxation of the restrictions resulting from the pandemic last year.



[305-1, 305-5]

Direct emissions (Scope 1)

	2021 (tnCO ₂ eq)	2020 (tnCO ₂ eq)	Variation %
Natural Gas	2,817	2,311	22%
Diesel (Production / Heating)	3,546	2,062	72%
Diesel (Vehicles)	8,717	3,649	139%
Fugitive Emissions	3	15	-80%
Total	15,083	8,037	88%

The direct GHG emissions are determined based on the use of fossil fuels for production, heating, fugitive emissions and the mobility of its own or rented vehicles in all the group's offices, points of sale, warehouses and factories. The calculation has been developed by an independent expert organization using the following formula: Total liters or kWh of fuel consumed (by type) multiplied by the corresponding emission factor. For this purpose, the factors published by DEFRA in its latest version of the document have been considered.

To calculate leakage in tons of CO₂ equivalent, the Global Warming Potentials (GWP) published in the fourth IPCC 100-year report, (Regulation 517/2014), as indicated in the document issued by DEFRA of the corresponding year, are used.

6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint

Indirect emissions derived from electricity (Scope 2)

Fluidra maintains a strict policy and commitment to the optimization of resources through the implementation of energy efficiency improvements and behaviors among the group's companies and employees.

In 2021, the total electricity consumed by the Fluidra group companies amounted to 231,264 GJ, 22% more than in 2020, which includes consumption in all offices, points of sale, warehouses and own factories. This increase is due to the acquisition of five new companies, four of them in North America, where consumption has increased by nearly 160% compared to 2020, as well as a consequence of the increase in activity globally. Despite this increase, the ratio of electricity consumption intensity (GJ) per EBITDA has decreased by 27%.

Of this total, 188,685 GJ (80.7%) came from renewable sources, 64% more than in 2020 (60%). As a result, we have exceeded the target to increase the renewable energy consumed by 3% by 2022. This increase is the result of higher electricity consumption in Spain, where the vast majority of the Group's production plants are located and which has a Guarantee of Origin (GOs) electricity supply, as well as Fluidra's purchase of Energy Attribute Certificates (EACs) in North America and South Africa, covering 100% and 94% of the electricity consumption in these countries respectively.

Electricity Consumption

	2021 (GJ)	%	2020 (GJ)	%
Renewable sources	186,685	80.7%	113,896	60%
Grid supply with GOs	152,006	65.7%	113,896	60%
Energy Attribute Certificates (EACs)	34,679	15%	0	0%
Non-renewable sources	44,579	19.3%	74,965	40%
Total	231,264	100%	188,861	100%

Fluidra's strategy in this area is structured around two main lines of action: the implementation of energy efficiency measures to reduce its electricity consumption, and the increase in the percentage of electricity consumed from renewable sources, with the aim of reaching 100% by 2027, in line with the defined neutrality strategy.

6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint | Indirect emissions derived from electricity (Scope 2)

Energy Efficiency

In 2021, it moved its headquarters from Sabadell to new energy-efficient offices in Sant Cugat del Vallès (Barcelona, Spain). This change has also enabled the unification of six work centers in the group's new headquarters, significantly reducing the energy consumption associated with them. In the coming years, several group companies are expected to move to new, more energy-efficient facilities.

Moreover, Fluidra Group Australia's facilities in Keysborough have had the "6 Star Energy Rating" certification since 2018, which ensures that both the construction and management of the facilities are environmentally friendly.

This is in addition to the various projects implemented by the group's companies to reduce their energy consumption, thanks to the Value Improvement projects implemented in the production centers (for more information, see [page 34](#)).

By 2022, Fluidra has set itself the target of reducing its energy consumption by 3% compared to 2021.



Electricity from renewable sources

Fluidra began its commitment to renewable energies several years ago. Thus, since 2016, all the electricity consumed in Spain and Portugal comes from renewable sources with Guarantees of Origin by the trader that settles in the National Competition Market as the system regulator. Likewise, in 2021, 86% of the electricity consumed in the United Kingdom and 70% in Belgium also had this certification.

In line with the commitments acquired in the Responsibility Blueprint, Fluidra is working to extend the consumption of renewable energy to the rest of the countries in which it is present, through the change to suppliers that offer this type of energy, the installation of solar panels and the purchase of EACs.



100% of electricity in Spain and Portugal, 86% in United Kingdom and 70% in Belgium was renewable.

Expansion to France, Italy and the Group's main facilities in Australia in 2022.

Grid Supply



Self-consumption solar panel installations at major sites in South Africa and Australia (during 2022) and also planned for the West Coast Distribution center in the United States.

Self-consumption solar panels



Purchase of certificates in those countries with the greatest impact on our Carbon Footprint, where the transition to renewable energy is more complicated. In 2021, certificates have been purchased to cover 94% of electricity consumption in South Africa and 100% in North America.

Energy Attribute Certificates (EACs)

6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint | Indirect emissions derived from electricity (Scope 2)

In terms of Scope 2 carbon emissions, although location-based emissions have increased by 10% (as a result of new acquisitions and increased activity), Fluidra's efforts to increase renewable energy consumption have reduced the market-based carbon footprint by 53% compared to 2020.

Indirect emissions (Scope 2)

	2021 (tnCO ₂ eq)	2020 (tnCO ₂ eq)
Market Based	5,025	10,607
Location Based	18,436	16,705

The indirect GHG emissions produced by the Fluidra Group are the result of the electricity purchased from third parties and consumed. For Scope 2 emissions, this was calculated by multiplying the electricity consumption in kWh by the corresponding emission factor in each case. The calculation is performed on both a location and market based, following the recommended best practices, using the electricity mix rated for each country based on the data published by the regulators, by the traders coefficients; alternatively, it is calculated from the data published by the International Energy Agency, using the methodology of the Corporate Accounting and Reporting Standard, GHG Protocol.

In the case of the United States and Canada, they have RECs certificates for 100% of their electricity, while in South Africa it is 94%. For more information on Fluidra's Carbon Footprint by region, please see the [page 281](#).



6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint

Other indirect emissions (Scope 3)

For Fluidra, Scope 3 represents the greatest challenge to be addressed within carbon management. As is usual in many companies, Scope 3 is where most of the organization's carbon emissions are concentrated, especially in category 11, which represents 82% of the total carbon footprint of the entire organization. This category covers the emissions associated with the energy consumption of the products sold in the year during their entire useful life.

Based on the 15 categories defined in the GHG Protocol (GHG Protocol Corporate Value Chain (Scope 3) Standard), the relevance and applicability of each of them for Fluidra has been evaluated, with the following categories being relevant:

Other indirect emissions (Scope 3)

Source	2021 (tnCO ₂ eq)	2020 (tnCO ₂ eq)	Variation %
Cat 1: OPEX	1,125,471	271,795*	314%
Cat 2: CAPEX	35,924	23,734*	51%
Cat 3: Fuel- and energy-related activities	5,759	4,231	36%
Cat 4: Upstream transportation and distribution	89,962	120,678	-25%
Cat 5: Waste generated in operations	3,080	3,809	-19%
Cat 6: Business travel	929	1,297	-28%

[305-3, 305-5]

Source	2021 (tnCO ₂ eq)	2020 (tnCO ₂ eq)	Variation %
Cat 7: Employee Commuting	7,238	5,723	26%
Cat 9: Downstream transportation and distribution	331,932	105,001	216%
Cat 11: Use of sold productss	7,609,181	18,055,394*	-58%
Cat 12: End-of-life treatment of sold products	5,973	2,709*	120%
Total	9,215,451	18,594,371	-50%

*Data for categories 1, 2, 11 and 12 for fiscal year 2020 have been corrected.

In 2021, Fluidra has continued to work on improving the methodology used to calculate Scope 3 emissions, with the aim that the data for 2021 will be considered as a base year for future reductions and action plans.

As a result, there have been significant variations in several of the categories, derived from corrections made to some of the data reported last year, the increase in the scope of the information (as is the case of categories 1, 4 and 9) or the integration of methodological adjustments in its calculation (category 11). Likewise, the 2021 data are affected by the growth experienced by Fluidra during 2021, both from the point of view of the activity (as reflected in categories 3, 4 and 9), as well as the new companies acquired (affecting categories 2 and 6, among others). In the case of category 5, the reduction in emissions derives from the increase in the percentage of waste recycled or reused.

6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint | Other indirect emissions (Scope 3)

It is worth highlighting the work done in category 11, integrating in the calculation the emissions associated with the energy consumption of more products in their use phase, such as pool cleaning robots, lighting elements and disinfection equipment, in addition to the filtration and heat pumps that were already being considered in 2020. However, despite this increase in the scope of products considered, the emissions associated with this category have decreased by 58% as a result of an adjustment in the emission factor considered. Thus, while in 2020 the same Ecolinvent emission factor was considered in all cases, in 2021 the IEA emission factor corresponding to the country of sale of the product has been considered. Looking ahead to 2022, Fluidra will continue to integrate the emissions associated with the energy consumption of its products during their useful life, until the entire catalog is covered.

Based on the results observed, one of the main focuses of action will be to increase the energy efficiency of our products in order to reduce the emissions associated with the use of our products throughout their useful life (category 11 of Scope 3), and to improve the scope of information on product waste (category 12 of Scope 3). In addition, the commitments of the various countries and regions in which we operate, such as the European Union, to make progress in the generation of electricity from renewable sources will contribute significantly to achieving these objectives by enabling the energy consumed by our products to come from renewable sources.

*The effects of the pandemic continue to be felt in the reduction of emissions in the business travel categories, **en with 28% less emissions compared to 2020 and 70% less than in pre-pandemic years such as 2019.***

To date, we have already set targets and carried out specific actions that have a direct impact on the reduction of emissions to this extent, such as improving waste segregation, increasing the purchase of renewable energy, purchasing more sustainable packaging, more local production and improving the efficiency of our products.

In addition, the effects of the pandemic continue to be felt in the reduction of emissions in the business travel categories, with 28% less emissions compared to 2020 and 70% less than in pre-pandemic years such as 2019.

Another aspect to highlight is fleet management, where the group's policy is committed to its constant renewal, in order to integrate the most efficient and highest quality vehicles on the market, with the aim of reducing the pollution associated with the mobility of Fluidra's employees. At the end of 2021, the MAC approved the update of the group's vehicle fleet policy in Spain, incorporating hybrid and electric vehicles with 0 label at all levels of the allocation matrix, and making their use mandatory for members of Senior Management as current leasing contracts come to an end.

To this end, Fluidra has made progress in the installation of electric chargers at its headquarters in Sant Cugat del Vallès (Barcelona), and will move forward with the installation of chargers in other countries, such as France and Australia, which have incorporated electric and hybrid vehicles into their fleets by the end of 2021. Once the international vehicle charging network is optimized, Fluidra will opt to replace its entire fleet of vehicles with the most sustainable options offered by the market. In 2021, Fluidra's vehicle fleet consisted of 910 vehicles (8 electric, 543 diesel and 359 gasoline). Lastly, Fluidra Deutschland has financed the purchase of bicycles for its workforce, in order to promote this sustainable and healthy method of transport in their journeys from home to their place of work.

In 2022 Fluidra will make progress in defining a strategy to reduce carbon emissions throughout the value chain (Scope 3 emissions), in order to meet its goal of achieving climate neutrality by 2050.

6.2. Climate Change

6.2.3. Fluidra's Carbon Footprint | Other indirect emissions (Scope 3)

Other emissions

Fluidra, as a result of its production processes, has a series of direct emissions into the atmosphere. For the calculation of these emissions, the data declared by the production companies have been considered based on measurements carried out with specialized external companies. Consequently, in 2021 it has increased the level of detail of the report, incorporating information about Persistent Organic Pollutants (POPs), Hazardous Air Pollutants (HAPs), Hydrochlorofluorocarbons (HCFCs), among others.

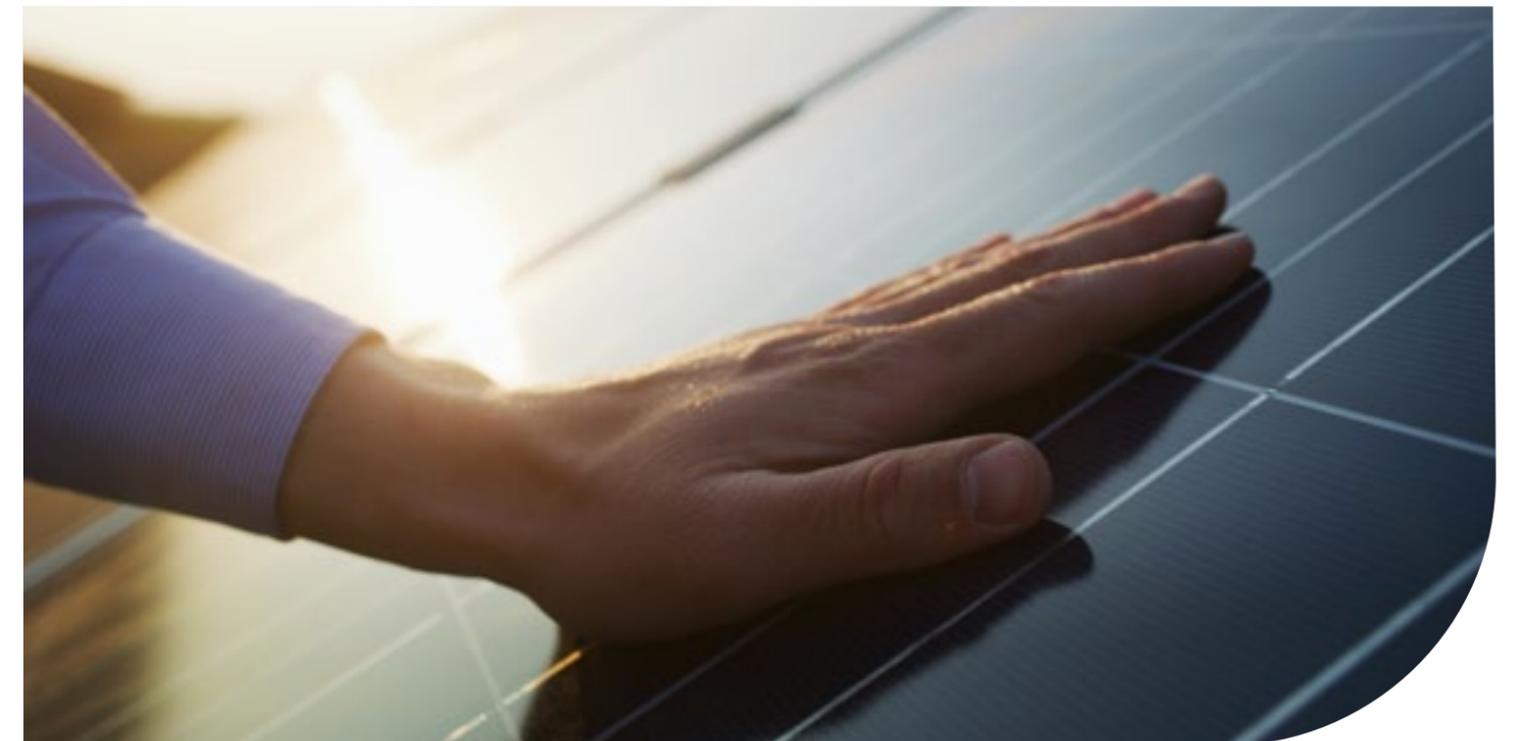
In the specific case of Poltank, S.A.U., the use of acetone during the production process leads to higher VOC emissions. The company has introduced two brands of low-emission resins, which has enabled it to reduce its emissions. Studies are also continuing on alternative solvents to reduce acetone consumption, reducing emissions, waste volume, sludge and costs.

On the other hand, in 2021 there was a significant increase in Chlorine, as a result of the measurements taken at Fluidra Waterlinx (South Africa), compared to the estimated figure for the previous year. For a complete breakdown of emissions, see [page 281](#).

Noise and light pollution

Fluidra has identified the risk of noise pollution in only one of its production plants, specifically the plant of the company Togama, located in Castellón de la Plana (Spain). In 2021, it has completed the project started last year to eliminate the noise pollution generated by the glass presses with which they work, through the installation of insulating panels.

With regard to light pollution, Fluidra has not identified this risk in any of its centers and facilities, so it has not been necessary to adopt any measures in this regard.



6.3. Circular Economy

6.3.1. Raw materials

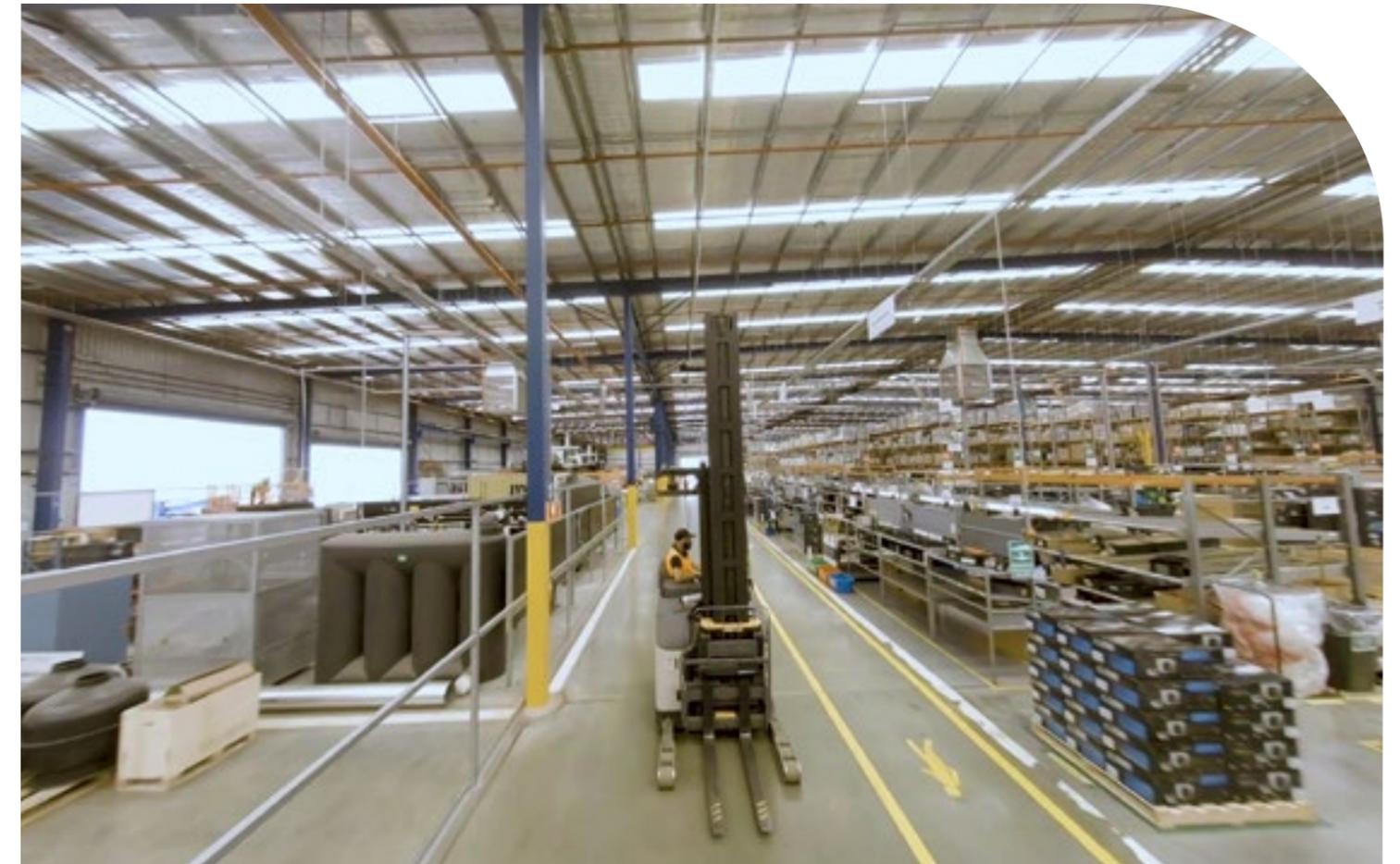
Fluidra has a varied and horizontal production structure, manufacturing different components and products for swimming pools that cover different sectors (plastic sector, chemical sector, metal sector, ceramic sector, manufacturing sector, logistics sector and commercial sector). All this confers a certain complexity in the treatment of raw materials and packaging.

One of the main challenges that Fluidra has had to face is the anticipation of raw material purchases by the Group's companies, with the aim of ensuring the continuity of production and minimizing the effects of price increases as a result of the global supply crisis.

In 2021, Fluidra consumed 85,533tn of raw materials (compared to 77,810tn in 2020) of which 67,684tn were materials for manufacturing (63,665tn in 2020) and 17,849tn of packaging (14,145tn in 2020). In 2021, 28% of the raw materials consumed were reused and/or recycled, compared to 16.4% in 2020. The 10% increase in raw material consumption is due to the increase in demand in 2021.

During the year, Fluidra improved the reporting system in order to identify the amount of packaging of renewable and non-renewable origin. In addition, the category "Electronic components" has been included in the manufacturing materials data. For more information, see [page 33](#).

As part of its environmental commitments, every year Fluidra implements new initiatives and improvements with the aim of reducing and promoting efficient consumption of raw materials and packaging. For more information, please refer to section [Sustainability in the Life Cycle of Products](#).



6.3. Circular Economy

6.3.2. Waste Management

Ensuring the correct management of waste is another one of Fluidra's priorities, with the aim of preventing and minimizing any potential impact that may arise from Fluidra's activities, especially the hazardous waste generated in its production processes. In this sense, the Global HSE Policy includes the organization's commitment to promote efficiency in the use of resources, with the aim of reducing the generation of waste, as well as establishing the necessary measures to ensure the correct treatment and disposal of waste.

The commitments of the policy in this area are developed in the Hazardous Waste Management Standard, applicable to all Group companies, which aims to standardize the processes related to the management of these wastes, ensuring their correct identification, evaluation, documentation and management. By 2022, the development and implementation of a Global Operating Procedure (GOP) is planned, which will further develop the requirements defined in this standard.

Waste management at the production plants is focused on waste segregation. Hazardous and non-hazardous waste is segregated first, and non-hazardous waste is segregated to facilitate collection and recycling. Both types of waste are delivered to authorized waste managers for disposal.

In non-productive work centers, waste segregation is spreading and more and more centers are carrying it out, despite the difficulties encountered, such as, for example, the lack of governmental facilities to dispose of waste in a segregated manner in some countries. Nevertheless, Fluidra has set medium-term objectives to ensure that all workplaces, regardless of whether they are productive or not, segregate their waste and dispose of it through an authorized waste manager if this option is available in the region.

During 2021, several Group companies have implemented initiatives to improve waste segregation, with the aim of reducing the percentage of waste sent to landfill, in line with the targets set out in the Responsibility Blueprint:

- **Trace Logistics:** pilot waste segregation test at destination. Recovery of products in poor condition, which were previously managed as waste.
- **Sacopa:** internal recovery of plastic parts and castings.
- **Fluidra Comercial España:** a paper/cardboard and plastic recycling system has been implemented in all Fluidra Comercial España branches.
- **Fluidra Mexico:** best practices are being implemented in order to obtain a certification granted by the Mexican government (clean industry), including waste management.
- **Cover Pools:** a cardboard recycling system has been implemented and a compacting machine has been purchased. We are working with the supplier to recycle cardboard waste.



6.3. Circular Economy

6.3.2. Waste Management

The total amount of waste generated was 32,510 tons (compared to 26,922 tons in 2020), 21% higher than in 2020, as a result of the substantial increase in production and sales.

In terms of waste management, the target set for 2021 was to reduce the amount of waste sent to landfill by 15%, i.e. only 33% of total waste would be sent to landfill (compared to 39% in the previous year). The result was that in 2021 only 25% of the total waste went to landfill.

	Hazardous		Non-Hazardous		Total	
	2021	2020	2021	2020	2021	2020
Recycling / Reuse	2,693	736	21,302	15,374	23,995	16,110
Incineration, with and without energy recovery	200	95	205	66	405	161
Landfill	269	7,784	7,841	2,867	8,110	10,651
Total (tn)	3,162	8,615	29,348	18,308	32,510	26,923



6.4. Water

Although Fluidra's products are intended for the Pool and Wellness sector, in its own production and marketing activity, the group has a relatively low profile and pressure with respect to water consumption. In most work centers, only sanitary water is used (representing 70.47% of total water consumption) and only in the chemical disinfectant production plants does it have a significant impact.

Some of the group's commercial companies are located in third-party facilities and are provided with general services (water consumption, wastewater management) with the rent they pay. In any case, the activity is not affected by potential limitations by the authorities for water supply.

In 2021, water consumption amounted to 122,066m³, 2.12% less than in 2020, thanks largely to improvements made to the reporting system, reducing the percentage of estimated data.

It should be noted that, in 2021, the company Zodiac Pool Systems LLC (United States of America), has reused water from test pools/tanks, representing 82% of the company's total water consumption.

On the other hand, the reduction in groundwater withdrawal (wells) observed in 2021 largely stems from the connection of Togama to the public network at the end of 2020, with the result that only four Group companies were still withdrawing water through this route at the close of the 2021 financial year. Finally, variations in third-party and surface water consumption are due to an improvement in the reporting system.

	2021 (m ³)	%	2020 (m ³)	%
Third-party water (public or private network)	106,108	86.92%	93,706	75.1%
Surface water (river, lake, etc.)	548	0.45%	26,247	21.0%
Groundwater (well)	2,988	2.45%	4,760	3.9%
Recycling / reuse	12,422	10.18%	0	0.0%
Total consumption	122,066	100%	124,713	100%

Fluidra operates in countries where there is a very high risk of water stress, such as Kazakhstan, Morocco, the United Arab Emirates and Singapore, which is why it works to promote efficient water consumption in its facilities and reduce the water consumption associated with our products (for more information about our range of eco-conscious products, see [page 28](#)). The company also respects local regulations regarding water supply restrictions during periods of drought.

With regard to discharges, there have been no spills that could affect the environment or discharges of runoff water that have affected habitats, nor is there any record of catchments that have significantly affected the sources. In 2021, water discharges amounted to 122,066m³ (95,008m³ in 2020).



6.5. Biodiversity

Fluidra's operations are carried out outside protected areas and areas of special interest with little or no impact on biodiversity.

However, some of the Group's non-productive companies are located in areas close to natural spaces, although due to their activity and proximity, these companies do not present a risk to biodiversity, and no action has been necessary. This is the case of Zodiac Systems LLC (Carlsbad) Fluidra Maroc SRAL, Certikin International Ltd and Fluidra México SA de CV.

Regardless of the level of risk, Fluidra processes environmental licenses to carry out its activity whenever there is a local requirement to do so, as in the case of Fluidra Mexico SA de CV, Inquide SAU, Trace Logistics, Togama SAU, Sacopa SAU Itajai Astralpool Brazil Participações Ltda, Cepex SAU and Poltank SAU.

Likewise, as a member of the Business and Climate Foundation, Fluidra participates in the LIFE Soria ForestAdapt project (Soria, Spain), which aims to increase the resilience of the forests of southern Europe in the face of climate change. In the coming years, Fluidra plans to develop a strategy in the field of biodiversity, with the aim of understanding the potential risks for the company associated with biodiversity loss, as well as to define action plans to contribute to the protection of ecosystems.



7

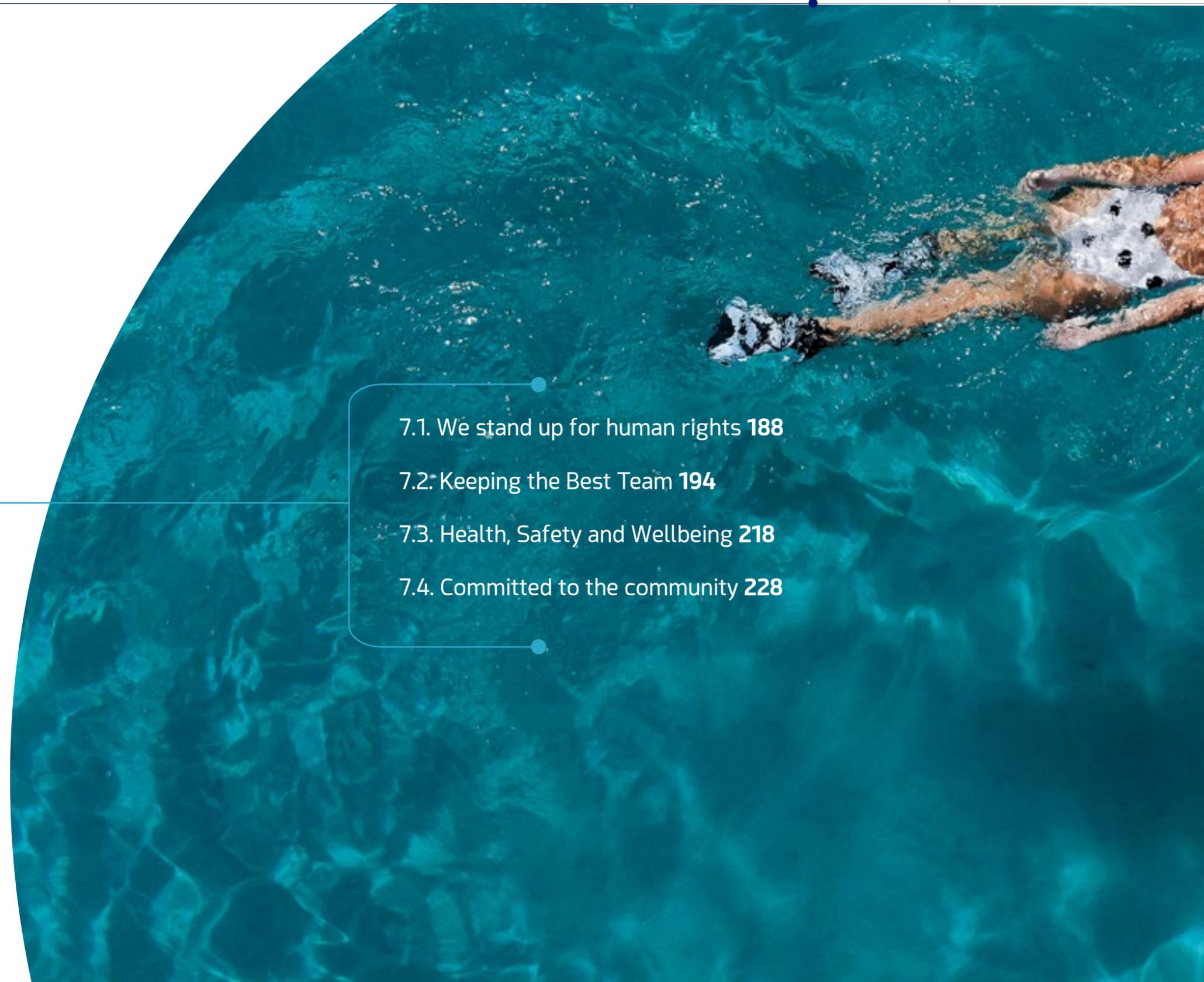
We improve people's wellbeing

7.1. We stand up for human rights **188**

7.2. Keeping the Best Team **194**

7.3. Health, Safety and Wellbeing **218**

7.4. Committed to the community **228**





7. We improve people's wellbeing

In the Social pillar, Fluidra aims to ensure the social welfare of people, both inside and outside the organization.

To this end, Fluidra promotes work environments where everyone has a place, is respected and has the same work opportunities. It also guarantees fair, safe and healthy working conditions, with the aim of increasing the well-being, satisfaction and commitment of our team.

In addition, Fluidra plays an active role in the communities in which it operates, participating in initiatives to increase their economic and social development.

699,101€
Investment for **social action**

692,184€
Contributions for trade associations and non-profit organizations



0.77%
Total Recordable Incident Rate (TRIR)



77
different nationalities represented at Fluidra



5
potential human rights impacts assessed in Fluidra's operations and activities

51,427 
Training hours
8.9 HOURS BY EMPLOYEE

 **96%**
With permanent
CONTRACT

+29% 
6,995
EMPLOYEES

 **6%**
GENDER WAGE-GAP



35%
WOMEN
+2pp



59
People with
disabilities



€1.6M
SPORTS SPONSORSHIPS

7.1. We stand up for human rights

As a signatory of the United Nations Global Compact, Fluidra is committed to supporting and respecting the protection of internationally recognized human rights and ensuring that the company is not complicit in violating any of them.

The company is aware that within the context of our business operations, there is a possibility that negative impacts may occur in this regard that must be prevented, addressed and remediated.

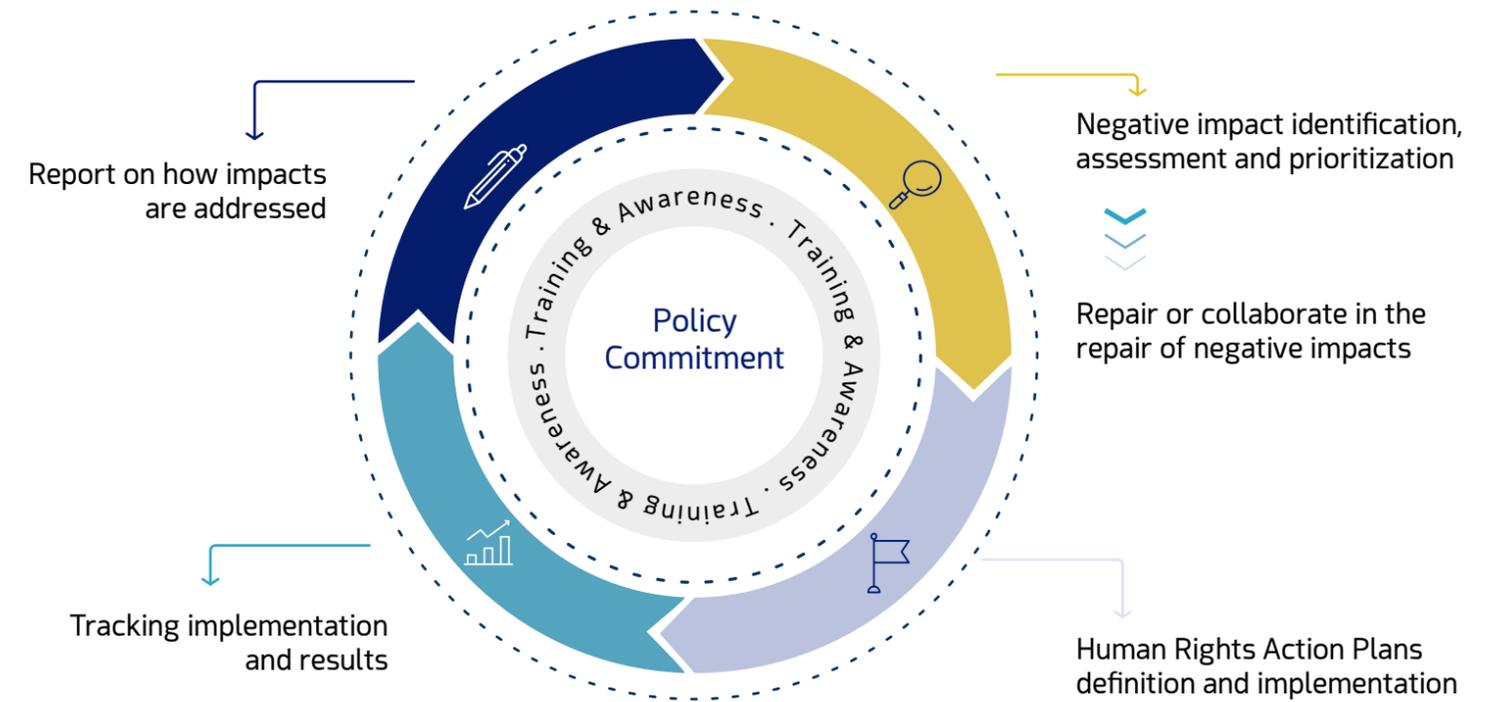
On the one hand, Fluidra considers the risks associated with each one of the activities in its business model, which includes designing, manufacturing, distributing and marketing products and services. On the other hand, the company also has an extensive and complex supply chain.

Moreover, Fluidra does business in countries where there is a high risk of human rights violations due to lax legislation, conflicts or the socioeconomic situation. With this in mind, the company has acquired access to the Verisk Maplecroft platform in order to monitor the risks associated with the different countries where it has operations. According to Verisk Maplecroft platform, at the end of 2021 Fluidra was present in the following countries at high or extreme risk of human rights violations: China, Turkey, Brazil, Mexico, Russia, Kazakhstan, United Arab Emirates, Colombia, Egypt, Romania, India, Thailand, Indonesia, Tunisia, Morocco, and Vietnam. For more information, [go to page 292](#).

Therefore, to ensure respect for human rights along the entire value chain, Fluidra has been developing a Human Rights Management Framework in line with the United Nations Guiding Principles on Business and Human Rights, consisting of:

- A public and global commitment to respect human rights, adopted at the highest level.
- Due diligence processes to identify, prevent, mitigate and account for human rights impacts.
- Remediation mechanisms to ensure the correction of any negative human rights impacts that may occur.

Fluidra is aware of the importance of respecting human rights and of its role in this task, both through its own activities and in its business relationships.





7.1. We stand up for human rights

7.1.1. Our Commitment to Human Rights

In 2020, the Group's Board of Directors formalized the [Global ESG Policy](#) which defines the organization's principles of action in the field of human rights, acting as a framework of reference for the rest of the Group's policies and procedures:

Respect the internationally recognized human rights of all stakeholders.

Exercise due diligence in the area of human rights to prevent and mitigate the negative impacts that may be caused by our operations and/or our business relationships.

Have effective remediation mechanisms in place to repair or contribute to repairing negative human rights impacts when they occur.

Ensure respect for human rights in the countries where the Group operates, even when those countries do not comply with their own obligation to guarantee their protection. If local laws are contrary to international frameworks, Fluidra will seek out ways to respect human rights, to the extent possible and without violating national laws.

This framework is developed by Fluidra's Code of Ethics and the Code of Ethics for Suppliers, whose principles are in line with the Universal Declaration of Human Rights and the 10 principles of the UN Global Compact.

Fluidra also has specific policies and procedures, such as the Global Diversity, Equity and Inclusion Policy, the Global HSE Policy and the Information Security Policy that address the protection of individual human rights within the organization.

Finally, Fluidra complies with all applicable Human Rights regulations in the countries where we do business. Thus, in accordance with the Australian Modern Slavery Act 2018, in June 2021 Fluidra Australia published its [Modern Slavery Statement](#), a document that describes the potential risks of modern slavery within the company and the steps taken in the last fiscal year to address those risks.

Certikin (United Kingdom), a Fluidra Group company, has done something similar under the UK Modern Slavery Act 2015, which is available following this [link](#).



7.1. We stand up for human rights

7.1.2. Ensuring Due Diligence

In 2021, the ESG Department worked on defining and implementing Fluidra's ongoing Due Diligence process in accordance with the OECD's Due Diligence Guidance.

The first step consisted of identifying the potential negative impacts on the human rights of individuals that could potentially be caused or contributed to by the company's operations, products, services and business relationships around the world. Unlike the corporate risk map, which addresses the risks posed to the company, this analysis focuses on measuring the risk to people, even though they may ultimately represent a risk to the company as well.

Over the next few years, Fluidra will evaluate each one of these impacts, including their causes and consequences, in four phases of its value chain. We will then devise action plans adapted to each case with the steps to be taken to prevent, mitigate and remediate them through the company's existing management systems.

The company has begun by evaluating the potential impacts associated with our own operations, due to Fluidra's direct connection with them. Over the next few years, the ESG Department, in collaboration with the responsible areas, will gradually assess the severity, probability of occurrence, country risk and the mechanisms currently available to prevent, address and mitigate each one of the potential impacts identified.

Based on the results of the assessment, the Group will define a series of commitments and action guidelines for each one of the impacts assessed on a global level. Specifically, the following will be defined:

- The company's position on each one of the impacts and the objectives defined by Fluidra to ensure its position is respected in all activities and operating contexts.
- Processes, measures and minimum controls to be implemented by all Fluidra Group companies to prevent and mitigate human rights impacts should they occur. These controls will be supplemented with previously existing ones in individual companies to comply with local legal requirements.
- Action plans at the global and company level to ensure respect for human rights.
- Performance indicators to monitor the results of actions taken and detect possible impacts.

In addition, if the results of the assessment show that any of the potential impacts have materialized in any group company, specific action plans will be defined to mitigate and remediate.



7.1. We stand up for human rights

7.1.2. Ensuring Due Diligence

The goal is to ensure that for all potential impacts that are identified, regardless of severity and probability of occurrence, there is a management and control framework aligned with the international human rights framework. To that end, the ESG Department will monitor the implementation of global standards in collaboration with the responsible areas. The Internal Audit Department will monitor compliance with these standards by group companies as part of its annual audit plan.

In this first year, the assessment has focused on five potential negative impacts under the umbrella of Human Resources:

- Excessive working hours and non-compliance with minimum rest periods.
- Violation of the right to freedom of association, collective bargaining and strike.
- Non-compliance with regulations on underage workers and child labor.
- Forced labor.
- Impacts on local communities as a result of the company's operations (including potential impacts on local minorities).

Prior to launching the assessment, the Global Human Resources Director and the regional managers of EMEA, APAC and North America received specific training on the subject.

A questionnaire was shared to help them oversee the assessment of the most relevant group companies in terms of employees, sales and country risk, providing the corresponding evidence. In line with the objectives set by the company for this year, by the end of 2021, 20 companies had been evaluated, covering 53% of Fluidra's workforce.



The results of the evaluation will be analyzed by the ESG Department during the first half of 2022 in order to define action plans for proper management. There are also plans to proceed with the review of the human rights requirements as they relate to supplier selection, evaluation and auditing processes, to ensure that all potential impacts are covered. For more information on these processes [see section 5.4.2.](#)

Once all impacts have been assessed, Fluidra will present a list of priority human rights impacts each year (also known as "Salient Human Rights Issues") in each of the four phases mentioned above. The list will include the impacts that pose the most serious risk and that are most likely to have a negative impact on people throughout the value chain and the company will focus its efforts on these impacts.

7.1. We stand up for human rights

7.1.3. Remediation Mechanisms

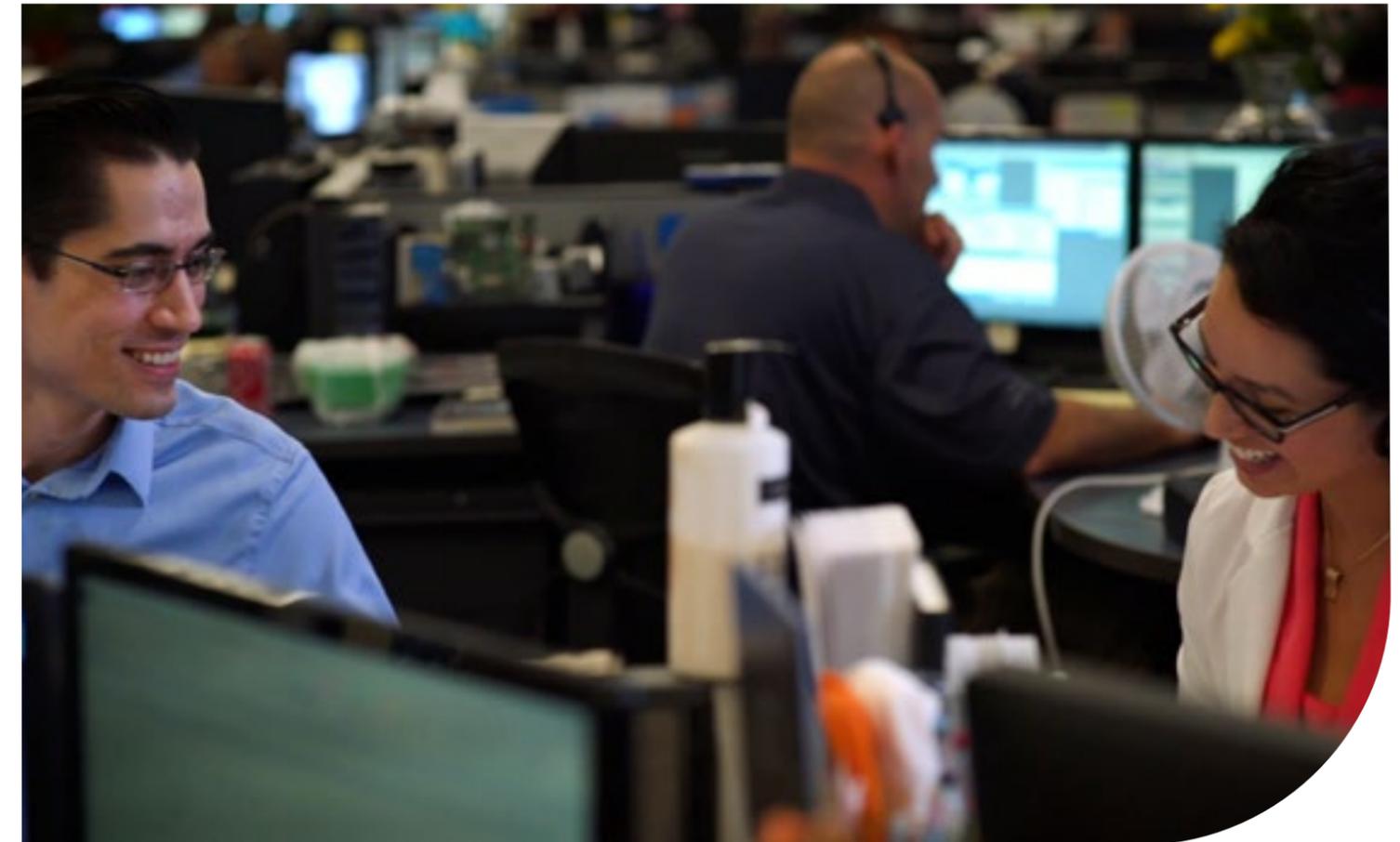
Fluidra's Confidential Channel is the mechanism provided by the company for stakeholders to confidentially and anonymously report complaints or ask questions in relation to the principles of Fluidra's Code of Ethics which, as mentioned above, are aligned with internationally recognized human rights.

Employees can also go to their hierarchical superiors or to the company's Human Resources manager to report these types of incidents.

As part of the deployment of the company's Human Rights Management Framework, the alignment of this channel with the effectiveness standards of the grievance mechanisms provided for in Guiding Principle 31 will be assessed in 2022.

In addition to these reporting channels, Fluidra monitors the conduct and operations at different group companies through internal audits, regular visits and management controls, with a special emphasis on those geographical areas that are most susceptible to fraud, corruption, bribery and undignified working conditions.

No vulnerabilities were detected in 2021 or the year before insofar as non-compliance with child labor or forced labor laws, or any other human rights violations or negative consequences in Fluidra's operations or in its Supply Chain.



7.1. We stand up for human rights

7.1.4. Raising awareness of the importance of respecting human rights throughout our value chain

Coinciding with the definition of Fluidra's Human Rights Management Framework, the company has developed a variety of training and awareness-raising actions, both internal and external, in order to ensure that stakeholders are aware of what human rights are and the commitments assumed by the company in this regard.

In addition to the mandatory Code of Ethics training that all employees receive when they join the Fluidra Group, in 2021 there were two training sessions on human rights for 13 people from the Human Resources and Internal Audit Departments, prior to the assessment of the detected impacts. Training was also provided to 73 suppliers, representing 43% of the volume of purchases for the year, on the contents of the Code of Ethics for Suppliers and the company's commitments to human rights.

In addition to this training, there were several communication campaigns targeting the entire workforce. Coinciding with International Human Rights Day, an information pill was launched to all group employees to raise awareness of how companies can have a negative impact on human rights. In addition, a series of information pills linked to specific human rights issues were launched on occasion of the International Women's Day and the Sustainable Development Goals anniversary.





7.2. Keeping the Best Team

Fluidra's success would not be possible without our excellent professionals, capable of developing their work in a safe and stable environment, with adequate professional and personal development in the company under the guarantee of equal treatment and opportunities.

To achieve this goal, Fluidra has a set of people-centric policies and indicators in place to guide and channel their actions and behaviors.

Human Resources management is the responsibility of the Global HR & ESG Department. The Management Advisory Committee (MAC) is in charge of reviewing and monitoring the area's key indicators throughout the organization and establishing corrective measures or implementing new initiatives as deemed appropriate.

7.2.1. Working for and with People

The priorities of Fluidra's Global Human Resources Policy are defined by the company's strategy, the global market, social challenges, and trends in people management. Our goal is to have an experienced workforce characterized by high levels of internal satisfaction and retention.

In this fiscal year, the Global HR & ESG Management has defined a roadmap for 2021-2025 period, with action plans, projects and objectives which are intended to facilitate the achievement of each one of the company's strategic objectives. The structure of the roadmap is as follows:

One Fluidra, One Culture. Because of the different environments where the company operates, it is important to define a single organizational culture aligned with Fluidra's values, in which the cultural differences of each country are respected. The new plan will focus on promoting diversity, equity and inclusion at Fluidra and on defining an inclusive management style in which leaders are aware of the impact of their management.

Strengthening Regions. Fluidra believes that the best way to integrate the different countries into the organization is through a human resources management system that gives them a certain amount of freedom and flexibility and encourages their creativity. The new plan seeks to give greater autonomy to the regions, allowing them to make their own decisions and to adapt global processes to their local reality, if necessary.

Fostering Internal Talent and Attracting the Best External Talent. In 2021, Fluidra strengthened its processes for identifying, assessing and developing internal talent through the Talent Review program. It also promotes the development of team members, encouraging them to participate in transformational and high-impact projects where they have the opportunity to receive constant feedback from their peers and direct supervisors. Within the framework of the new plan, initiatives such as the Fluidra Innovation Challenge, Coffee Chats with the Chairman and CEO of the company, and mobility programs will continue.

7.2. Keeping the Best Team

7.2.2. Generating Quality Employment

Fluidra's Team

In 2021, Fluidra's team has grown significantly, from 5,436 people employed at the end of 2020 to 6,995 people at the end of 2021, which represents an increase of 29%.

Headcount by region	2021	2020	% Change
Corporate (HQ)	424	250	70%
EMEA	3,458	3,319	4%
AMER	1,770	601	195%
APAC	1,343	1,261	7%
Fluidra Total	6,995	5,436	29%

The main changes occurred in North America, as a result of the acquisition of four companies (BuiltRight, CMP, SR Smith and Taylor), as well as new hires to meet the growth in activity, both in the warehouses and in the production centers. The region has also opted for the conversion of temporary to full-time labor to meet this growth.

In the case of the APAC region, growth was around 7%, mainly due to the integration of the companies SR Smith Australia and Sunbather into the Fluidra Group.

EMEA, the main region in terms of workforce, was the one that experienced the least variation this year. However, the teams in the production and operations divisions were reinforced in order to increase pro-

duction capacity in response to the high demand for products experienced last year. Moreover, a new subsidiary was opened in Slovenia in 2021.

Finally, the global team located at the corporate headquarters in Sant Cugat del Vallès has also been reinforced in order to cope with the growth of the business and provide a better service to the regions.

Fluidra is also committed to creating stable, high-quality employment. In 2021, 96.4% of the workforce had permanent contracts, compared to 95.4% the year before. Moreover, 97.48% of contracts at the year-end were full-time, compared to 97.11% in 2020. For more detailed information on the distribution of the workforce, see pages [250](#) to [277](#).

Headcount by Type of Contract	2021		2020	
Permanent Contracts	6,746	96.4%	5,186	95.4%
Full time	6,594	97.75%	5,066	97.69%
Part time	152	2.25%	120	2.31%
Temporary Contracts	249	3.6%	250	4.60%
Full time	225	90.36%	213	85.20%
Part time	24	9.64%	37	14.80%
Fluidra Total	6,995	100%	5,436	100%

7.2. Keeping the Best Team

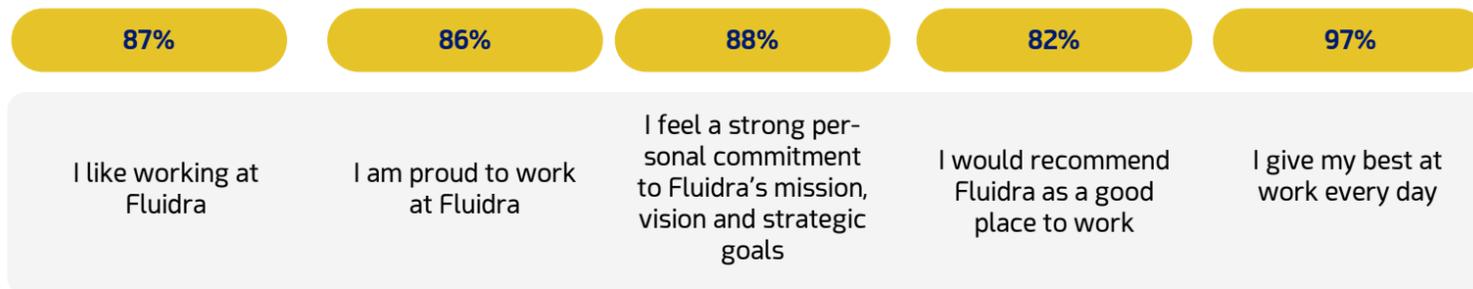
7.2.2. Generating Quality Employment

Global Engagement and Satisfaction Survey

The second Global Engagement and Satisfaction Survey titled **"Now it's your turn!"** was conducted in June 2021. The object of the survey was to gauge different factors identified as key at the present time and to analyze the impact of the measures adopted based on the results of the first edition in 2019.

The results were exceptionally positive. In 2021, the overall engagement rate was 89%, with a participation rate of 80% (i.e. 4,500 employees), which is a significant increase over the 2019 edition, when the engagement rate was 82% with a participation of 72% of the workforce.

The overall engagement index represents the percentage of actively engaged employees. This index is calculated as the percentage of people who, on a scale of 0 (strongly disagree) to 10 (strongly agree), have scored the following questions between 7 and 10:



Along with the global engagement rate, Fluidra evaluates employee satisfaction with management's performance on a variety of issues. In all cases, the 2021 results bettered those of 2019. The new questions included in this edition of the survey also obtained high scores: practice of values (83%), management of Covid-19 (87%), diversity (86%) and management of local companies (78%).

89%

Global Engagement Rate

For the medium term, Fluidra has set the goal of increasing employee participation in the survey to at least 85% by 2025. The action plans that are defined and developed based on these results will respond to the needs and expectations of a very representative part of the workforce.

One of the main objectives of the survey was to ensure that everyone could quickly and easily give their opinion on the issues described above. To that end, a series of activities were planned to highlight the importance of taking the survey:

- First, to ensure that all Fluidra employees could understand all the questions and answer them with ease, the survey was translated into 28 of the local languages used at the group's subsidiaries.
- Second, there were regional initiatives to communicate and encourage the company's professionals to participate. In particular, spaces were provided for employees who do not have access to computers (e.g. factory personnel) so that they could respond to the survey during working hours.
- Finally, to guarantee the confidentiality of the data, the survey was outsourced. In departments with a reduced number of employees, the results were not broken down.

7.2. Keeping the Best Team

7.2.2. Generating Quality Employment

The survey results provide a solid basis for the continued development of the company and to demonstrate that people have a positive opinion of Fluidra and feel committed to the organization.

Results were communicated at the local level in the last quarter of the year and workshops were held to define global and local action plans to drive improvements. Looking ahead to 2022, the action plans will be implemented, tracked and measured at the local level, as was done in the previous edition. The information provided by the survey is vital to continue creating the perfect company experience.

Freedom of Association and Collective Bargaining

Fluidra recognizes employees' rights to collective bargaining and freedom of association in all of the countries where it operates. Because of the group's geographical diversity, each company must adapt to the local laws in force for the type of business and the size of the workforce.

Generally speaking, Fluidra Group companies adhere to the Collective Bargaining Agreements or similar agreements in force in each operating context. In 2021 there were 3,291 employees covered by Collective Bargaining Agreements, representing 47% of the workforce at year-end (45% in 2020). In Spain, France, Brazil, Italy, the Netherlands, Austria, Belgium, Sweden and Romania, 100% of the workforce is covered, while in other countries coverage is limited to specific groups of employees. This is the case in Vietnam (88%) and South Africa (38%).

In countries where these types of regulatory instruments are not recognized, Fluidra complies with the local labor laws and is able to improve the working conditions under internal agreements.

The Fluidra Group also provides employees with mechanisms for dialogue to address and resolve the needs, concerns and conflicts that may exist in different companies. In 2021, there were 18 Works Com-

mittees (14 in 2020) with 81 employee representatives and 22 company representatives, which meet periodically (usually quarterly) to address these issues.

Works councils and personnel delegates have the power to communicate directly with staff representatives to make consultations, suggestions and initiate collective bargaining discussions or any other type of need or suggestion.

The group is aware that it operates in certain countries where there is a high risk of these rights being violated. This is the case in Turkey, China, Vietnam and the United Arab Emirates, according to data provided by the Verisk Maplecroft platform. Fluidra assessed this risk in 2021 as part of the Human Rights Project, in order to devise ways to prevent and mitigate the risk in 2022.



7.2. Keeping the Best Team

7.2.3. Diversity, Equity and Inclusion

With almost 7,000 people employed in 47 countries, Fluidra's workforce is characterized by its diversity and humility, values that are part of the organization's corporate culture.

Fluidra is firmly convinced that these differences offer diverse perspectives that enrich and unite all the people who are part of the group. Fluidra strives to promote a culture where everyone has a place, which is key to fortifying a sense of belonging and increasing the generation of value for all stakeholders.

In 2021, Fluidra continued to reinforce its strategy in the area of Diversity, Equity and Inclusion (hereinafter DEI). In early 2022, the Group's Board of Directors adopted the new [Global DEI Policy](#), which develops and reinforces the commitments already assumed in the Global ESG Policy and the Code of Ethics.

This Policy embodies Fluidra's commitment to build a diverse and inclusive team that embraces and represents all sectors of society, and where there is zero tolerance for discrimination.



The Policy commitments will be implemented and developed through the "Fluidra Embracing Diversity" strategy, which includes the global and local action plans defined by the organization to fulfil the DEI commitments and achieve the objectives set by Fluidra within the framework of the ESG Master Plan. This strategy was presented in early 2022 at the annual GLS/GMM meeting.

The results of the Engagement Survey were taken into consideration in defining the strategy, as were the findings of the DEI diagnosis conducted in 2021. During this process, the DEI best practices already in place

in some group companies were identified, and specific sessions were held with various groups of employees to understand their needs in this area.

The initiatives identified were classified into five main categories: gender, culture-race-ethnicity, generations, disability and LGBT.



Anyone who knows of or suspects any breach of the policy commitments should bring it to Fluidra's attention as soon as possible through the company's Confidential Channel. No complaints were reported on this issue in 2021 or 2020.



7.2. Keeping the Best Team

7.2.3. Diversity, Equity and Inclusion

Gender: We empower an equal workforce between women and men

At Fluidra, the principle of equal treatment of women and men implies the absence of any direct or indirect discrimination based on gender, especially with regards to maternity, family obligations and marital status.

In line with this commitment, some of the group's companies in Spain, the United States, South Africa and France have already made progress in defining Equality Plans and/or have set up the relevant Equality Committees to monitor the actions set out in these plans. Protocols against harassment are also in place in Australia, the United Kingdom and the Netherlands, in addition to the countries mentioned above.

In 2021, several training sessions were held in Spain within the framework of the Equality Plan and the Harassment Protocol for human resources personnel, equality delegates and managers. In addition, recurring training on the Code of Ethics, which also touches on this topic, will continue to be held every two years.

In the interest of promoting a more egalitarian culture, in 2022 we will begin rolling out awareness and training initiatives on effective equality between men and women and on the use of inclusive and non-sexist language in the organization.

Also, as part of this strategy, objectives have been set to increase the presence of women in leadership positions, both on the Board of Directors and at the MAC and MAC-1 levels, increasing the percentage of women candidates for the organization's succession plans from 28% in 2021 to 36% in 2026.

Gender Representation by Category	2021		2020	
	Men	Women	Men	Women
Executive	89%	11%	81%	19%
Management	79%	21%	77%	23%
Professionals	72%	28%	73%	27%
Technicians	68%	32%	71%	29%
Administration and support	40%	60%	43%	57%
Production	68%	32%	71%	29%
Total Workforce	65%	35%	67%	33%

Another area that Fluidra will work on from a gender perspective is work-life balance as a way of promoting parental co-responsibility. Subject to the laws in force in each country regarding the organization of work and working hours, Fluidra is increasingly committed to promoting flexible working hours and organization in those positions where this is feasible.

7.2. Keeping the Best Team

7.2.3. Diversity, Equity and Inclusion

Because we are a multinational company, Fluidra's teams are located in different time zones, which sometimes creates the need to hold meetings outside of regular working hours. In view of this, several group companies such as Fluidra S.A. or Fluidra USA, have flexible working hour policies, thanks to which Fluidra's employees can adapt the times they start and end their workday to their personal and family needs, and arrange their schedules so that they can work reduced hours on Fridays, during the summer and other important dates.

Because of Fluidra's prior digitalization efforts, the company was able to quickly adapt to the new reality of remote work due the Covid-19 pandemic. The group is committed to continue allowing people to work remotely beyond the current pandemic in order to facilitate work-life balance.

However, we are aware of the negative effects these measures can have if they are not properly regulated. Therefore, the group's work-from-home policies regulate the right to digital disconnection, urging teams to limit communications, e-mails and use of other corporate tools after the end of the workday.

New parents may freely decide how to enjoy maternity and paternity leave, in compliance with the laws in force in each country. In countries where paternity leave is not regulated, some group companies have voluntarily regulated this type of leave internally. In 2021, the number of employees taking paternity leave increased (from 112 in 2020 to 157 in 2021), as did the rate of return and retention after leave.

Parental leave	2021			2020		
	Men	Women	Total	Men	Women	Total
Total leaves	88	69	157	66	46	112
Still on leave	12	26	38	12	20	32
Returned	76	43	119	54	26	80
Returned and still with the company	68	41	109	31	15	46
	2021			2020		
Return rate	75.8%			71.4%		
Retention rate of people who return	91.6%			57.5%		

7.2. Keeping the Best Team

7.2.3. Diversity, Equity and Inclusion

Culture, race and ethnicity: We bring together what makes each culture different and unique

With operations in 47 countries, Fluidra's extensive international presence is one of our greatest assets. A workforce that includes people of different nationalities and races and that brings a cultural richness to the organization is an added value that must be nurtured and promoted. Currently, 77 nationalities are represented at Fluidra.

Workforce by nationality	% of workforce
Spanish	28.39%
American	18.97%
China	9.64%
South African	7.03%
Australian	6.92%
Other	29.05%

As a multinational company, Fluidra has an International Mobility Policy and encourages employees to move between the countries where we operate. For more information on this topic, please consult the [7.2.4. Talent and Development](#) section.

Looking ahead to 2022, we will work to detect unconscious bias within the framework of DEI training, and there will be awareness-raising actions on multiculturalism in celebration of International Cultural Diversity Day in May.

Generations: We foster collaboration across a wide range of generations

At Fluidra, talent knows no age. Development opportunities are available to everyone and we are committed to fostering collaboration between people of different generations to enrich the organizational culture. In countries such as the United States, Australia, South Africa and Germany, there are recruitment programs for young talent. Globally, by 2022 we plan to define programs to promote young talent and mentoring programs to foster greater interaction between the different generations, while continuing to value the expertise and contribution of senior talent to the organization.

In 2021, the average age of the workforce was 41.62 years, with more than half of the workforce concentrated in the 30-50 age range. However, during 2021 Fluidra has increased the rate of new hires of both the youngest (under 30 years old), as well as senior talent, thus betting on those groups with more difficulties to integrate and remain in the labor market.

Workforce by age range	2021		2020	
Under 30 years old	1,040	14.87%	633	11.65%
Between 30-50 years old	4,416	63.13%	3,534	65.01%
Older than 50 years old	1,539	22%	1,269	23.34%
Total workforce	6,995	100%	5,436	100%

7.2. Keeping the Best Team

7.2.3. Diversity, Equity and Inclusion

New hires by age range	2021		2020	
	Count	Percentage	Count	Percentage
Under 30 years old	488	35.39%	251	31.14%
Between 30-50 years old	751	54.46%	493	61.16%
Older than 50 years old	140	10.15%	62	7.70%
Total new hires	1,379	100%	806	100%

Disability: We believe that all abilities count

Fluidra is committed to promoting a culture rooted in equal treatment, equal opportunities and non-discrimination of people with disabilities.

All member companies of the group are required to facilitate the inclusion of people with disabilities and encourage their placement in positions where they can develop professionally according to their abilities, complying at all times with the laws in force in each country.

In 2021, 0.84% of Fluidra's workforce had a recognized disability, compared to 0.88% the year before. It should be noted that this data may be skewed because in some of the countries where Fluidra operates we are not allowed to request information about which workers have a disability.

People with disabilities by country	2021			2020		
	Men	Women	Total	Men	Women	Total
Germany	1	1	2	1	2	3
Australia	2	0	2	2	0	2
China	3	2	5	0	0	0
Spain	24	9	33	23	8	31
France	9	2	11	3	1	4
Italy	4	1	5	3	2	5
The Netherlands	0	0	0	1	0	1
South Africa	1	0	1	1	0	1
Total	44	15	59	35	13	48

Fluidra has also taken different actions aimed at promoting the integration of people with disabilities in the workplace, such as eliminating physical and architectural barriers at the group's facilities and entering into collaboration agreements with centers and associations that promote the inclusion of people with disabilities.

7.2. Keeping the Best Team

7.2.3. Diversity, Equity and Inclusion

International Day of Persons with Disabilities

The member companies of the Fluidra Group collaborate with various organizations to promote the employability of people with disabilities.

Coinciding with the International Day of Personal with Disabilities on December 3rd, Fluidra organized a "Meeting for Diversity" event at its headquarters in collaboration with the Adecco Foundation.

The purpose of the event was to raise awareness among the staff of the many skills and abilities of people with disabilities through a campaign called "Save a Disbeliever" and a talk given by Raquel Domínguez, the Foundation's ambassador. The Aflora Plan was also presented at this event. This is a program promoted by the Adecco Foundation to guide and advise people who may be eligible to obtain a disability certificate for health-related reasons.

Under a collaboration agreement between the Fluidra Foundation and the BOAL Foundation, Fluidra has created a temporary art exhibition at its headquarters. Every four months, the exhibition showcases different works of art by young artists just starting out in the world of art or artists with disabilities whose quality of life is improved thanks to art.

LGBT: We encourage authenticity at work

Fluidra is committed to creating an inclusive culture where everyone can express themselves freely without being judged for their sexual orientation.

At present, the level of acceptance of LGTB people and respect for their rights has increased globally compared to what it was in the past, although it is also true that the level of acceptance is not the same in all countries.

Fluidra's objective is to raise awareness of the importance of defending equality, understanding and respecting differences by eliminating prejudices and promoting an inclusive culture where people can openly express their sexual orientation without fear of discrimination.

The DEI strategy to be rolled out in 2022 will therefore include awareness-raising initiatives in this regard.



7.2. Keeping the Best Team

7.2.4. Talent and Development

Having the best talent is essential for Fluidra to successfully achieve our strategic objectives for the growth of the business. The group wants to be the company of choice and to that end we are working on improving our employer branding and on communicating our Employee Value Proposition (EVP).

Once we have the best professionals within the organization, we must work so that each one grows into the best version of themselves, promoting a level of commitment throughout the employee's life cycle. This begins when they join the company and goes through the onboarding process and continues by encouraging continuous career development and facilitating the disengagement when the time comes.

Fluidra introduced the **Talent Management Policy** in 2020, which helps us to identify and promote internal talent globally, which in turn reinforces the organization's continuity/succession plan.

Attracting the Best Talent

Attracting Talent

Fluidra is committed to building a presence on social media sites such as LinkedIn, where we publish content that allows potential candidates to get to know the organization along with many of the job openings that become available. Recruitment in each region is handled locally, since the companies in each region have a better understanding of the most appropriate channels for finding and selecting candidates, as well as for advertising job openings. However, there is a global factor that is common to all countries: employer branding. As part of the process of building the company's image, the focus is on delivering a message that not only excites and attracts new people in the short term, but engages existing people in the long term.

There are collaboration agreements in place with several universities to facilitate access to the labor market for specialized professionals. Under a collaboration agreement with Esade (Barcelona), Fluidra has joined forces with the university to create the Fluidra Scholarships for academically talented students



who, because of their socioeconomic situations, would not have been able to access this type of education without assistance.

Under this agreement, Fluidra will fund two academic scholarships covering 90% of the cost of each year of study, for four years, that will allow two academically talented undergraduate students to earn a degree. The company will choose the two scholarship recipients based on values, business culture and gender equality. They will also be encouraged to do internships or work on specific projects at group companies while they are studying.

There are other examples of collaboration with **academic institutions** in the United States, such as a summer scholarship program for the Engineering and IOT teams, as well as collaborations with local universities at job fairs. The company also partners with senior engineering students to work on projects at San Diego State University.

In some regions there are referral programs where employees recommend professionals to join the company. The company's own experience and research show that new hires who come to a company by way of referrals from staff members are excellent employees who stay with the company longer and are more profitable hires.

Through our professionals, Fluidra also actively participates in forums and events.

7.2. Keeping the Best Team

7.2.4. Talent and Development

Selection and Internal Promotion Process

The recruitment and selection process of new hires who join Fluidra is key to the company's current and future performance. The primary objective is to ensure a good fit between the applicant and the organization in order to share a common professional project.

Fluidra has a Recruitment, **Selection and Data Processing Policy** which sets the standards that apply in each phase of the candidate selection process to fill vacancies or new positions at group companies.



[103-1, 103-2, 103-3] - [404-1, 404-2]

Talent Development

Fluidra provides the entire workforce with the MyJourney platform, the improved version of MyTalent, which brings together in a single location all the procedures that employees need to know about for their professional growth at Fluidra.





7.2. Keeping the Best Team

7.2.4. Talent and Development

Onboarding and Integration

Onboarding is a critical time in the employee's life cycle. Because it is the employee's first contact with the organization, it must be carefully planned to ensure a good first impression of Fluidra.

This process is facilitated by group companies by means of a **Welcome Program**, during which new hires are introduced to the organization and its values, and provided with the awareness, training and education necessary for them to be able to perform their functions in the new work environment.

Everyone who joins Fluidra must complete a series of mandatory training courses in the first few days after signing their contract. These courses cover Corporate Values, the Code of Ethics, Data Protection, Occupational Risk Prevention and, as a new feature starting in 2021, basic training in Cybersecurity. **ESG training** was also added to the Onboarding Program in early 2022.

After that, the employee's direct supervisor is responsible for overseeing the learning and training process, and for monitoring the employee's integration and adaptation. Each business area is free to offer the specific training it deems necessary.

New hires also have the opportunity to participate in an informal conversation with the CEO or the Executive Chairman, who welcomes them and provides them with some key facts and figures about Fluidra. This year there were three sessions attended by more than 150 employees.

After a period of time, individual follow-up meetings are held with new hires to assess the most positive aspects of their experience and identify

Training

Depending on the specific needs of an employee's current and future role, annual training plans are created to keep the employee's skills and knowledge up to date. The training can focus on skills development, leadership, technical or product training, or mandatory training to comply with the regulations in force in each division.

The Annual Training Plan for each professional is designed and proposed by the Manager, with the help and support of the Human Resources team, based on the needs detected in the talent cycle, that is, the One2One and Talent Review processes. The Manager is also responsible for planning, communicating, tracking and analyzing the training evaluations, which are subsequently submitted to the Manager's superiors.

Training Plans at Fluidra are not static, but open and dynamic at all times. Supervisors can propose to management or to the person responsible for the area that courses not initially planned be added if he or she considers it would benefit the employee.

In compliance with Covid-19 prevention protocols, most training in 2021 continued to be delivered virtually. The constraints of the pandemic notwithstanding, there has been a change in the learning context to the extent that it is no longer just a matter of being able to access specific training managed by the organization. Rather, there is a growing trend to allow employees to consume the training resources they need in terms of content, when and how they want, and this includes mobile apps.

7.2. Keeping the Best Team

7.2.4. Talent and Development



A training search page called MyCampus was enabled in MyJourney in 2021, with all the training resources available to employees. Looking ahead to next year, we will work to ensure that all training content is designed in accordance with Fluidra's corporate values, so that employees can quickly and easily find the resources that best suit their development needs.

The **LinkedIn Learning** platform has been available to Fluidra employees in North America since last year and since early 2021 it has also been available to employees in the EMEA region, where it was launched in February to coincide with Digital Learning Day, with a total of 303 attendees at two sessions.



At the end of the year, there were 1,250 active licenses on this platform, which contributed to Fluidra being recognized at the **Talent Awards** for the Best Culture of Learning. Also, at the beginning of 2022 Fluidra added Cornerstone's training content to the portfolio of resources available to all employees.

The aggregate training figures for 2021 were as follows:

Training hours	2021	2020	Change
Total hours	51,427	43.698	+15%
Average hours per employee*	8.9	8.3	+7%
Investment	541,085 €	420,200 €	+22%

*Average hours per employee are based on the average headcount for the year. The figures for 2021 do not include the workforce of the companies acquired during the fiscal year, who will be added to My Campus in 2022.

The breakdown of the training data is shown on the table on [page 277](#).

Fluidra made a considerable effort to increase training hours for its workforce, considering the restrictions on in-person training that are still in place due to the pandemic. In 2020, there was a mandatory, company-wide training effort for all employees following the release of the updated Code of Ethics and the launch of the new corporate values after the merger, but in 2021 only new hires had to undergo such training.

Development Plans

The approach to career development at Fluidra is not limited to training as a means of development. In keeping with **the 70:20:10 learning model**, most of the development actions in the plan must focus on work-related experiences that enable the professional to achieve the proposed development goals.

7.2. Keeping the Best Team

7.2.4. Talent and Development

70% from work

20% from others

10% Training

- Actions in the current position
- Problem-solving
- Expand tasks
- Cross-cutting projects
- New experiences
- New roles

- Role-modelling
- Continuous feedback
- Mentoring
- Coaching
- Networking
- Teamwork
- Follow-up of work

- Face-to-face sessions
- Online training
- Seminars / Conferences
- Reading assignments
- Online training
- Talent acceleration programs
- Leadership development

Development plans are the basic tool for getting the most out of each one of us. Performance evaluations and talent reviews, among others, provide employees with a clear picture of what his or her strengths are today and areas for improvement. The object is for each person to reach his or her full potential in order to optimize their contribution to the organization, based on individual career goals and the strategic objectives of the organization.

In 2021 an individual target was incorporated into **the MAC Annual Incentive Plan** for all management roles, down to the manager level, which requires each person to have an individual development plan specifying what actions need to be taken, based on the model explained above, in order to promote their professional development.

At the fiscal year-end, all MAC-1 members (a total of 60 people) had formal **Individual Development Plans**. In addition, recommended development actions were identified for the 1,541 people evaluated in the Talent Review, which represents **22% of the workforce**. Efforts continue at Fluidra to reinforce a change of attitude in 2022 so that each employee takes responsibility for his or her career (through the Conscious

Me initiative) and the development necessary for that to happen through the creation of individual Development Plans (My Plan).



The Fluidra GO talent acceleration program was launched globally for those people identified as having high potential as a result of the Talent Reviews conducted by MAC members.

For this first edition there are 18 participants worldwide who will benefit from a hybrid development ecosystem over a 15-month period. Among other things, each participant will have a member of the MAC as a sponsor, thus demonstrating the commitment and involvement of senior management in their development. The first edition is scheduled to end in December 2022 and new editions will be considered depending on the results.



7.2. Keeping the Best Team

7.2.4. Talent and Development



In 2021, we worked on the definition of Fluidra's Leadership Model based on our corporate values and considering the strategy and future challenges faced by the company. This model has the involvement of all MAC members, who actively participated in 2 working sessions with the objective of creating a shared and transversal leadership culture for the entire company, reinforcing the development of key skills and competencies that add value to the organization.

On the basis of this Leadership Model Fluidra designed the Global Leadership Program known as "Conscious Leader". The Program aims to unlock the leadership potential of management, helping them to understand their role and their impact on their teams and the business, strengthening collaboration and fostering a common leadership culture. For Fluidra, a "Conscious Leader" is one who:

The program, which is global in scope, affects all leaders within the organization, starting with senior leaders in 2022 (understood as MACs, MAC-1s, company directors and other key positions in each region with teams who report to them) and continuing with the rest of the groups over the next few years.

The program consists of two training modules where participants learn about the traits that all Fluidra leaders must have and are provided with the tools and strategies necessary to develop them. In addition, there will be a 360° feedback process for all participants in which they will not only



evaluate themselves but will also be evaluated by their direct superior, their peers, subordinates and other Fluidra employees.

After these sessions, Fluidra leaders will have the opportunity to continue developing and deepening their skills through the online training content provided by Fluidra.

The global program will be supplemented by local programs currently underway in the different regions which seek to reinforce the day-to-day work of the leaders in the organization, focusing on daily operations and management with their teams.

For example, the Leadership Development Program that was launched in North America in 2020 is aimed at management and director positions in the region. This program is divided into two different sub-programs, depending on the target audience:

- Fundamentals of Leadership: designed for newly promoted or first-time managers who have not received management training; and
- Leading with Impact: designed for executives or managers with 1-5 years of leadership experience.

Both three-month programs consist of live interactive webinars and e-learning modules focused on developing management skills. Through these programs, leaders understand how value is created by integrating functions, how to apply their capabilities to complex business issues, and how to enhance their core leadership skills to develop a strong executive presence. In 2021, a total of 68 people participated in this program, in addition to the 47 people who participated the year before.

In 2022, the EMEA and APAC regions will continue to define their regional leadership programs.

7.2. Keeping the Best Team

7.2.4. Talent and Development

International Mobility

The international mobility of employees between workplaces allows Fluidra to make better use of our human resources and provide effective support for our business activity. It also allows executives and professionals to gain international experience by broadening their avenues for promotion.

The group has an **International Mobility Policy** which defines the terms and conditions for employees to move from one region to another, depending on the length of time: short term, long term or permanent transfer.

Fluidra Talent

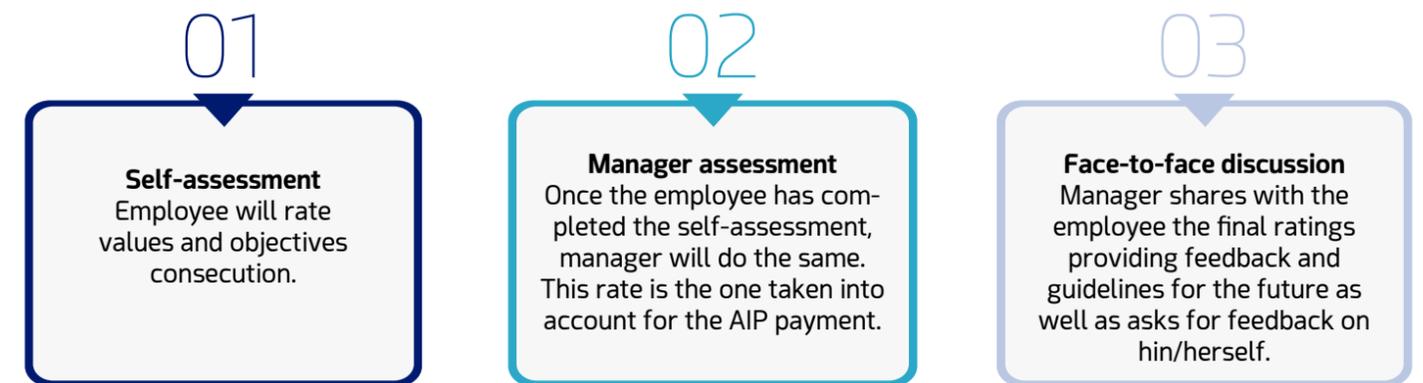
The object of Fluidra Talent is to provide continuous feedback to employees as part of Fluidra's commitment to their personal and professional development. This process is divided into four phases:



1. One2One

Every year, from January to March, employees undergo individual performance evaluations for the previous year (known as One2One). The evaluation examines whether the previous year's goals were achieved but, above all, how they were achieved.

This is a three-step process:



Everyone who is part of Fluidra is committed to its values. The process therefore includes an assessment of the extent to which each employee has demonstrated or put into practice each one of the six corporate values over the course of the year. The assessment of objectives accounts for 50% of the overall One2One score, while the values accounts for the remaining 50%. For people without individual objectives, 100% of the score is based on values.

New questions were added this year to determine to what extent the person needs further support or assistance to achieve his or her results and development goals, as well as **geographic availability**. This information can then be taken into account when considering development actions outside the person's current area of work at the time of the Talent Review.

7.2. Keeping the Best Team

7.2.4. Talent and Development

In order to assist everyone involved in this process and ensure a satisfactory conversation between the managers and their teams, eight information sessions were offered which were attended by a total of 178 people, with advice on how to prepare and approach the review sessions.

The One2One evaluation program is available to employees with permanent contracts (excluding those on long-term leave) who were hired before July 1st of the previous fiscal year. A total of 4,908 people, or **90% of the 2020 workforce**, were eligible to undergo performance evaluations in 2020. Of these, 2,620 people (53.4%) were ultimately evaluated through the One2One program between January and March 2021, of whom 33% were women and 67% were men (2,763 in 2020, 51,5% of eligible workforce).

	2021
Total headcount*	5,436
One2One eligible	4,908
% eligible headcount	90%

* The total workforce corresponds to the total number of people employed by the Fluidra Group at the end of the financial year of the year on which the evaluation is carried out. Thus, in 2021 the performance of the people employed during the year 2020 was evaluated.

	Evaluations completed				Total	% vs. eligible workforce
	Men	%	Women	%		
2021	1.767	67%	853	33%	2,620	53.4%

2. Setting Objectives

The setting of objectives is a key process to ensure that the individual performance of each employee contributes to the achievement of the organization's strategic objectives.

A set of individual and other financial objectives are established, the achievement of which is linked to the payment of the bonus the following year. Fluidra uses the "SMART" methodology to guide the setting of goals and objectives. The intention is to ensure that the objectives are specific enough to objectively assess the achievement of the goals, which at the same time should be measurable, attainable and relevant, with specific dates to assess the correct degree of compliance. At the corporate level, two training sessions were held to support the definition of objectives, with a total of 195 participants.



7.2. Keeping the Best Team

7.2.4. Talent and Development

In 2021, individual objectives have been set by 2,565 employees (**71% of the eligible workforce** representing 36.7% of the total workforce at year-end), the achievement of which will be assessed in One2One at the beginning of 2022. People who fall outside the scope of individual objective setting are those in specific manufacturing and administration roles, among others, depending on their professional category.

3. Talent Review

Talent Review is the most strategic process in talent management. Managers are asked to evaluate each person on their teams with a minimum seniority of six months, including the person's growth potential based on their aspirations, their learning agility and their commitment working for Fluidra.

Based on this growth potential, together with the results of the last One2One (performance evaluation) people are placed in a nine-box matrix in order to calibrate the teams and validate that each function is being evaluated fairly and equitably.

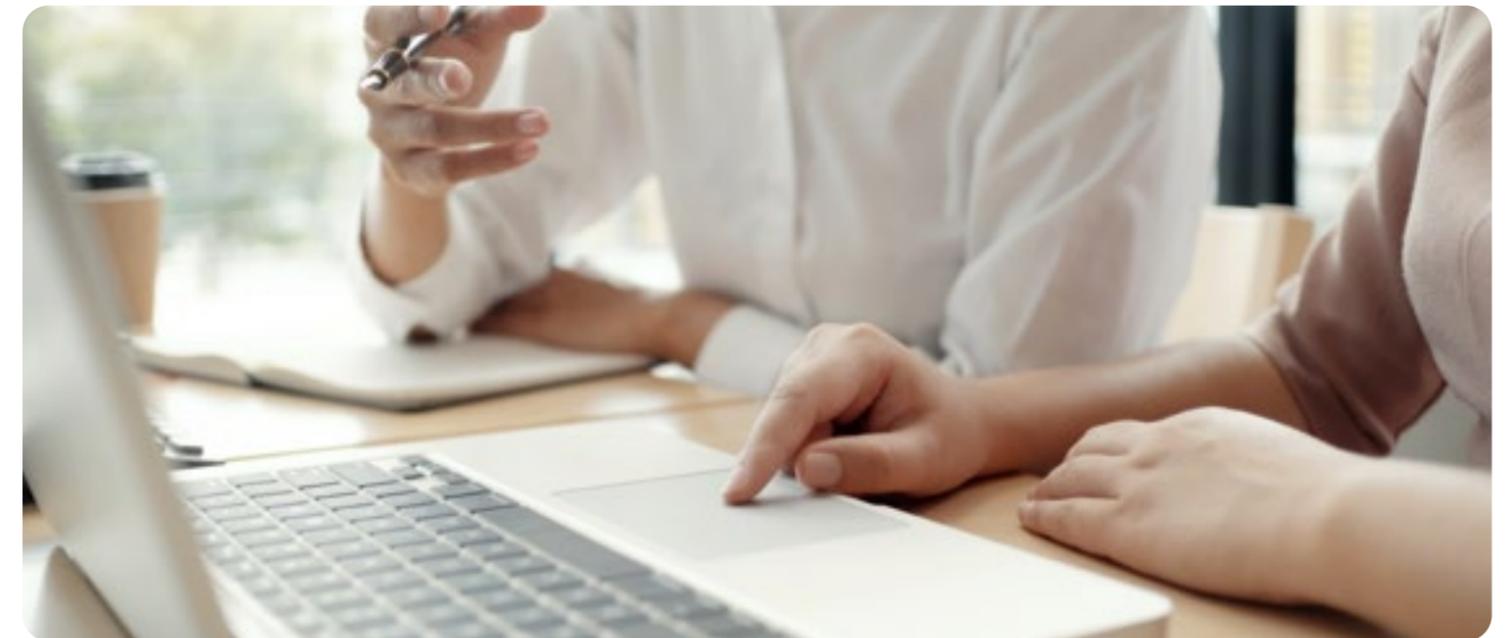
Prior to implementing the process this year, training sessions were offered in webinar format in Spanish and English to ensure a common mindset and understanding of the concepts among managers when assessing their teams' talent.

This model will be simplified in 2022 to make the process easier for managers and focus on the development opportunities that people need to work on. This will require global support and training in the new model and tool for all managers involved.

In addition to the talent assessment, the Talent Review process includes the succession plan. The object of this plan is to guarantee the company's continuity by ensuring that it has the talent needed to meet the present and future challenges that may arise within the organization, given its constant evolution and growth. Each manager nominates a minimum of one and a maximum of three successors for each member

of its team and for itself. For each nominated successor, the necessary preparation time is established. The IPD (Individual Development Plan) is designed on the basis of the preparation time and the key aspects to be developed.

This process applies to all Fluidra N-2 level managers, where N is understood as a Manager, although there are divisions in which the entire team is mapped to obtain a more global vision. 404 managers assessed their teams in 2021, covering a total of 1,552 people (22% of the workforce). As a result, **1,050 unique internal successors were identified**, for whom Individual Development Plans will be developed over the next year.



7.2. Keeping the Best Team

7.2.4. Talent and Development

4. Follow-up

Along with the One2One process at the beginning of the year, we encourage employees to have ongoing conversations with their managers to obtain regular feedback on their performance and professional progress, along with other types of evaluations that include more assessment points of view to promote self-knowledge.

The **360° evaluations** that are included in global talent acceleration programs such as Fluidra GO, or Leadership programs such as the Conscious Leader, are examples of this. There are other instances where these types of initiatives may be part of an individual action as a starting point for development, based on the results of the Talent Review and subsequent Individual Development Plan. In all, there were 46 evaluations of this kind in 2021 (covering 0.7% of the workforce at the end of the year).





7.2. Keeping the Best Team

7.2.5. Compensation and Benefits

The Covid-19 pandemic has demonstrated that equity is more than just salary, and that a focus on diversity, equity and inclusion encompasses all elements of a compensation and benefits strategy. This approach enables better performance, fosters well-being, and drives engagement, productivity and company results.

Compensation

Compensation at Fluidra is designed to attract, motivate and retain the best talent by promoting the corporate mission and values, sustainability and gender equity.

To that end, **salary ranges are managed** in such a way as to enhance internal equity and make sure that the company remains competitive in the market. Compensation and raises are managed internally through collective bargaining with employee representatives but without the participation of other stakeholders for reasons of confidentiality and data protection.

In 2021, the average salary¹⁰ of Fluidra employees was €35,303, 1.6% less than in 2020, when the average was €35,870. This decline is mainly due to significant staffing increases in countries with lower wages by people occupying production and support positions. For example, with the acquisition of CMP Shanghai in China, the headcount increased from 222 in 2020 to 679 in 2021, mostly in the production category.

If we analyze the average compensation by professional category, average salaries are higher with the exception of the administration and production categories, for the reasons mentioned above.

¹⁰ For the calculation of the global average remuneration, the data reported by each of the group companies in their local currency has been consolidated into euros by applying an annual average exchange rate. All group companies have been included except for the 2021 acquisitions of Sunbather PTY, Taylor LLC, SR Smith Australia. In total the reported gap is over 6,811 employees representing 97.4% of the total at closing (6,995 employees).

[103-1, 103-2, 103-3, 401-2, 405-2]

Average remuneration by gender/category	2021			2020		
	Men	Women	Total	Hombres	Mujeres	Total
Executives	281,793	251,692	278,926	238,342	222,299	236,653
Management	107,560	97,399	105,433	102,617	91,405	100,112
Professionals	58,896	54,863	57,798	56,277	51,732	55,226
Technical	31,830	28,868	30,872	25,859	25,326	25,669
Administration and support	21,512	21,976	21,789	22,739	23,407	23,149
Production	17,716	16,719	17,396	19,041	18,511	18,893
Total workforce	38,509	29,222	35,303	38,794	29,878	35,870

Average compensation by age (€)	2021	2020
Under 30 years old	23,278	23,356
Between 30-50 years old	33,482	34,035
Older than 50 years old	48,068	47,504
Total workforce	35,303	35,870

7.2. Keeping the Best Team

7.2.5. Compensation and Benefits

As part of its commitment to Human Rights, Fluidra works to guarantee effective equality for everyone who is a part of the organization, which includes protecting their right to receive equal pay for work of equal value.

At the beginning of 2021, the group communicated its goal of achieving an **adjusted wage gap of 0¹¹** by 2024. Since then, Fluidra has been working on the development of a qualitative and quantitative analysis of the pay gap, as a preliminary step to defining the action plans needed to achieve this goal.



2024 target:
Adjusted wage-gap 0

¹¹ The statistically adjusted gender pay gap measures the difference in pay between men and women considering the structure of employees per group analyzed by category. It provides a better measure of the pay gap for comparable workers.



7.2. Keeping the Best Team

7.2.5. Compensation and Benefits

During this process, which was carried out with the advice of an external consultant, the situation of each country where the group operates has been evaluated individually using the same global methodology. The first step was to review the positions in the different companies and/or countries in order to identify possible mismatches in positions considered to be of equal value, thereby ensuring that the gap would be calculated for similar positions. At the same time, Fluidra's Human Resources policies were reviewed and analyzed to identify discrimination or unconscious biases in the main processes of the employee's life cycle.

Subsequently, we proceeded to calculate the adjusted salary gap for each company, which allowed us to compare the salaries paid to men and women, isolating the effects of socioeconomic differences such as the professional categories associated with the positions of both groups. In other words, **closing the pay equity gap** means eliminating differences in pay that have no reasonable explanation such as role, seniority, location or age, and offering equal pay for equal work. A pay equity gap exists when there are wage differences that are not owing to these factors.

The entire process has given us a deeper understanding of the fundamental causes that affect the pay equity gap in each context (legal environmental, socio-cultural, job history, etc.), and enabled us to identify initiatives and actions that need to be implemented in each country in the coming years to correct the deviations detected.

Looking ahead to 2022, Fluidra will continue to correct the pay gap through the following actions:

Salary Audit

Analyze other factors that may explain the salary differences between men and women such as educational level, experience, responsibilities, performance, department, etc. If differences are detected that cannot be explained by these objective factors, the underlying disparities will be corrected at the annual review.

Review of Human Resources Policies

Verify that all HR policies are up to date and equality-oriented, with special emphasis on recruiting and hiring policies, as well as talent development and promotion policies.

Compensation Transparency

Since this was the first year this methodology was used, and in keeping with the principle of comparability of information, below are the results of the adjusted pay gap for the current fiscal year, as well as the unadjusted pay gap in 2020 and 2021.

7.2. Keeping the Best Team

7.2.5. Compensation and Benefits

Wage gap	2021 ¹²	2020	Change
Adjusted wage gap ¹³	6%	Not available	Not available
Unadjusted wage gap ¹⁴	24%	23%	1%

The unadjusted gap has increased by 1%, due primarily to a 29% increase in the headcount compared to 2020 as a result of new acquisitions. The increase is insignificant compared to the variation in the headcount and the effect this has on the reporting of the gap.

Since Fluidra has set a target of a 0 wage gap by 2024, from now on **the adjusted pay gap will be calculated by category**. This calculation is intended to consider the different roles occupied by men and women in each category in a given country and the percentage of the total workforce they represent. For fiscal year 2021, the adjusted pay gap is 6%.

Benefits

At Fluidra we have developed a greater awareness of the role that benefits play in employee well-being. While benefits play an increasingly relevant role in the total compensation package, in our experience we have found that they must be sufficiently personalized to generate commitment among employees.

That is why benefits at Fluidra are handled on a regional/country basis, which is where the most pressing and current needs are known. Fluidra's philosophy is focused on offering benefits and developing programs or internal initiatives that provide security and facilities that create a sense of recognition in addition to satisfying employees' internal needs.

As a general rule, benefits are only available to employees with permanent contracts. The most common benefits include health and life insurance, and flexible compensation schemes (including childcare, transportation and meal vouchers, among others).



¹²The 2021 Wage Gap calculation covers 97.4% of the workforce. Excluded are the 184 employees of SR Smith Australia, Sunbather PTY, and Taylor LLC, due to their acquisition during the last months of the year.

¹³The wage gap has been calculated as follows for each of the countries: (Median normalized men's wage - median normalized women's wage) / median normalized men's wage. Subsequently, the weight of each country was weighted to obtain the final result at the group level. To obtain the global data we weighed the weight of each country in the final result.

¹⁴Percentage difference between the gross salary received per hour worked by women and men, for this purpose the salary of professionals has been normalized to eliminate the effect of the different length of the working day.

7.3. Health, Safety and Wellbeing

One of the Fluidra Group's top priorities has always been to provide a healthy and safe working environment, where everyone can do their work without fear of harm to their health or physical integrity.

Fluidra has consistently **promoted health and hygiene measures** to prevent the spread of Covid-19 in the workplace, including: the use of masks and other PPE; encouraging remote work whenever possible; social distancing and the use of hand sanitizer which is available at all facilities; and the regulated use of common spaces to avoid large gatherings.

Occupational health and safety management is the responsibility of the Global HSE Department, which reports directly to the Global Operations Director, a member of the MAC.

There is also an **HSE Steering Committee** which meets quarterly and is chaired by the Global Chief Operations Director, with the participation of: the CFTO, the Global Human Resources Director, the EMEA Sales Director, the Investor Relations and Communications Director, the Manufacturing Director for the EMEA region, the representative of the Americas Sales Director and the Global HSE Director. This Committee analyzes HSE performance, reviews the annual action plan and compliance with it, and acts as the HSE ambassador, etc.

One of the functions of the **Global HSE Department** is the definition of the global HSE strategy, including the policies, procedures and standards that make up the Health and Safety Management System; the definition of short, medium and long-term objectives; the tracking of results to identify risks and opportunities for improvement; and the promotion of a positive HSE culture through training and communication initiatives.

The corporate HSE team is assisted by two **HSE Business Partners** located in Asia and the United States, who share functions with the Human Resources Department. In addition, there is one person at each group facility, either part-time or full-time, who performs this function and reports to the Global HSE Director.

The HSE team in the Americas region will be reinforced in 2022 to meet the new HSE challenges due to the acquisition of new production companies in the United States in 2021.





7.3. Health, Safety and Wellbeing

7.3.1. Health and Safety Management System

The company has an Occupational Health and Safety Management System, developed in accordance with European regulations and OHSAS and ISO standards, which applies to all group employees¹⁵. Although not externally certified, this system is reviewed periodically as part of the internal audits of all group companies carried out by the corporate HSE team.

The [Global HSE Policy](#) (Health, Safety and Environment), which was approved in 2019 by the group's Board of Directors, is the framework of reference in the field of Health and Safety, laying the foundations for all other processes and procedures. It sets out the organization's commitments, which are broken down into four main lines of action:

Risk Identification and Assessment

Initiatives to protect and improve the health and wellbeing of employees.

Employee Participations

Voluntary health care programs and initiatives to promote a healthy lifestyle through exercise, nutrition and regular check-ups.

Training and Awareness-Raising

Risk assessments and analyses of work processes and workplaces, providing the necessary protective equipment and mandatory occupational risk prevention training.

Accident Rates and Absenteeism

Participation of all employees in the ongoing improvement of the occupational health and safety system, meeting their needs and expectations.

The commitments laid out in the Policy were subsequently developed in corporate standards and global operating procedures (GOP) which detail the HSE requirements for each one of the group's activities.

To date, Fluidra has a total of **12 standards**, including Emergency Management; Chemical Products; Occupational Health; Accident Investigation and Reporting; Hazardous Waste Management; HSE for Suppliers, Development and Production Safety, and Warehouse Management.

In 2021, the requirements of the last two standards were further developed in global operating procedures to provide facilities with practical tools for their implementation in order to reduce risks. Additional procedures are scheduled for development in 2022 on Accident Investigation and Reporting, Hazardous Waste Management, and Supplier HSE standards.

Below is a description of some of the key elements of the Health and Safety Management System.

¹⁵At year-end, the Health and Safety Management System was in the process of being implemented in the new companies acquired during 2021. The KPIs included in this section cover 6,493 employees, representing 92.8% of the workforce, excluding the workforce of the following companies: Fluidra SI, d.o.o., SR Smith, LLC, SRS Australia Pty Ltd, Taylor LLC, Sunbather Pty Ltd.

7.3. Health, Safety and Wellbeing

7.3.2. Risk Identification and Assessment

To guarantee safe working conditions, Fluidra requires all locations to identify and assess the risks associated with processes and workplaces before launching any new activity, particularly those that are potentially hazardous.

Local management is responsible for facilitating **risk assessments** and developing **protective measures**, in cooperation with employees, who must be apprised of local safety requirements and must respect and abide by them. Among other things, this includes the proper use of personal protective equipment, respect for alarms and safety warnings, participation in observation and training programs, and prompt reporting of any action or inaction that poses a risk to human health and safety.

There are also **prevention plans** in place, usually handled by external prevention service companies, to detect and control existing risks and monitor the corrective measures that are put in place. Supervision of compliance with these plans is the responsibility of the prevention coordinators, the prevention delegates and the Health and Safety Committees at each company.

Corporate HSE Management makes **safety visits** to the group's facilities all over the world to monitor improvements and the implementation of procedures and to assist with corrective actions in those areas where they are needed.

Due to travel restrictions in 2021, only the plants in Italy, Sacopa (Spain) and in the United States of America, both new and existing, with the exception of Taylor, were visited. There are regular video conference calls with Brazil, China, USA, Bulgaria and South Africa, among others, to monitor the status of HSE issues.

A self-assessment system called HSE MaSys (HSE Management System) was implemented to enable group companies to self-assess and prepare action plans to correct gaps and make progress in the process of improving all aspects of HSE. In 2021, the initiative focused mainly on production plants due to the higher risk of accidents, although it also included some commercial companies. In all, self-assessments were done at 28 companies (30% of the group's companies with employees) and this figure is expected to increase in 2022.

Finally, any employee can **report occupational hazards or dangerous situations** to his or her supervisor or directly to the person responsible for HSE in his or her area. They can also report risks through a confidential channel, either by completing the form available on the MyFluidra intranet or by sending an e-mail to ethics@fluidra.com.

In 2020, Fluidra introduced the **Golden Principle**, which stipulates that all employees have the right to stop any activity that poses a risk to their safety and integrity and that they are protected against any retaliation as a result of doing so.



7.3. Health, Safety and Wellbeing

7.3.3. Employee Participation

The Management System is built on the belief that all employees of the group and, in particular, those in positions of responsibility, must contribute through their daily actions to managing and achieving the HSE objectives in their areas of responsibility.

Fluidra currently has several mechanisms in place to involve and inform teams about Health and Safety management. Key among these are the **Health and Safety Committees**, 20 in all (the same as in 2020), made up of 106 people representing 39.9% of the group's workforce. The committees meet quarterly to review and investigate accidents and near misses and to assist with HSE audits or inspections.

In addition, **the BBS (Behavior Based Safety)** system is being rolled out at production plants in Spain, Brazil, South Africa and China. This system gets employees involved in the task of preventing accidents and hazards in the workplace by informing and warning their colleagues of any unsafe behavior.



[403-2, 403-4, 403-5, 403-6]

Every week, a plant employee, along with Health and Safety officers, observes how its colleagues do their work in order to identify and/or correct risky or unsafe practices that could lead to accidents in the workplace. Once a month, plant management is also involved in the same process. It is expected that the initiative will have been implemented at all of the group's production facilities by 2023.

HSE visits by MAC members to the various production sites continued in 2021. To date, there have been visits by the Executive Chairman, the CEO, and the Directors of Operations, Human Resources & ESG, and Finance. There is a template which is used to note the most serious risks observed. Once the visit is completed, a report is drawn up with the risks detected, which is sent to the companies visited in order to implement action plans.

These visits are well-received by employees, as they can see first-hand the involvement of senior management in these matters. At the same time, management learns about the reality of the HSE problems and risks that exist in the centers.

Finally, Fluidra looks after employee's health and wellness by continuously **providing information** and promoting programs such as smoke-free workplaces around the world. Fluidra's Health Program (suspended due to the pandemic) is expected to resume in 2022, offering voluntary annual physical checkups and promoting healthy behaviors such as exercise and a healthy diet.

Fact

20 Health and Safety Committees existing in the group

7.3. Health, Safety and Wellbeing

7.3.4. Training and Awareness-Raising



Group **employees receive regular health and safety training**. Firstly, the corporate HSE Department trains the people who are responsible for the HSE function at each facility in order to ensure their understanding and ability to fulfill the requirements defined in the corporate standards and global operating procedures. The first training sessions in the new and approved procedures, such as the one related to the investigation of accidents, got underway in 2021.

In addition, each company has its own health and safety training plan adapted to its particular needs, such as training on workplace risks and load handling. **The HSE Department also prepares the HSE Corporate Communication Plan** which provides advice, best practices and other information intended to raise awareness of Health, Safety and Environment issues.

This Communication Plan consists of monthly messages to all personnel with advice on how to work safely and how to contribute to the preservation of the environment. This information is distributed globally through the "Living Fluidra" newsletter and posted on bulletin boards at different locations.

A message with safe driving tips is also produced every quarter under the slogan "**Drive for Life**".



In 2021, in order to raise awareness of HSE among the Fluidra Group's entire workforce, a contest called the Preventionist was held, in which the employees had to identify the risks through photographs. The HSE Department also uses another communication tool focused on HSE professionals: the HSE Alert. An **HSE Alert** is a brief description of an accident, incident, administration of first aid or near miss

that has occurred at a facility and the actions taken to prevent its recurrence. If possible, a photograph of the event is attached. When an HSE Alert is received, the HSE representative at the facility shares it with the employees to raise awareness and prevent similar events from happening elsewhere.





7.3. Health, Safety and Wellbeing

7.3.5. Accident Rates and Absenteeism

Despite all the efforts described above, there may be occasions when accidents and occupational illnesses occur. When this happens, it is essential to thoroughly investigate the causes in order to identify and implement the necessary preventive and corrective actions to avoid a recurrence.

The HSE Department has a reporting program (SAI 360) which details the **guidelines for investigating accidents and taking the pertinent actions**. In 2021, all group companies received training in this program and an HSE reporting guide was created, with details and examples for reporting accidents and incidents involving both employees and third parties.

In addition, there are corporate agreements with mutual accident insurance companies in Spain or equivalent private organizations in other countries to ensure that any occupational accidents and illnesses that may occur are properly managed and monitored.

Occupational Accidents

Workplace accidents and incidents at Fluidra are defined on the basis of the companies' own activities. We differentiate between blows and entrapments by objects or equipment; injuries caused by sharp instruments; falls and slips; injuries caused by moving heavy loads; chemical poisoning and burns; infections; traffic accidents and injuries from fires and explosions.

In 2021, Fluidra reduced the number of accidents by 58.3% compared to 2020, and the accident rate by 65%, which exceeds the target set by the group for 2021 by 40% (target: 25% reduction in workplace accidents).

Number of accidents (employees)	2021			2020		
	Men	Women	Total	Men	Women	Total
Fatalities	0	0	0	0	0	0
Accidents in the workplace or on assignment	34	13	47	98	21	119
Requiring medical leave	28	12	40	50	13	63
Not requiring medical leave	6	1	7	48	8	56
In-itinere (to/from work)	7	1	8	11	2	13
Requiring medical leave	5	0	5	ND	ND	ND
Not requiring medical leave	2	1	3	ND	ND	ND

7.3. Health, Safety and Wellbeing

7.3.5. Accident Rates and Absenteeism

Accident rate (employees)	2021			2020		
	Men	Women	Total	Men	Women	Total
Total Recordable Incident Rate (TRIR) Nº of accidents in the workplace or on assignment / nº of hours worked * 200,000	0.85	0.61	0.77	2.71	1.15	2.2
Lost Time Injury Rate (LTIR) Nº of accidents in the workplace or on assignment with medical leave/nº of hours worked * 200,000	0.70	0.56	0.65	1.56	0.78	1.28
Severity rate Nº of days lost *1000/ total number of hours worked	0.07	0.07	0.07	0.25	0.15	0.22

The decline in accident rate has been steadily occurring since 2018, when the total accident rate (TRIR) amounted to 5.42. This is due to the implementation of the Health, Safety and Environment Policy and the associated actions and activities, such as:

A Communication Plan focused exclusively on HSE which helps to raise awareness about risks and how to prevent them.

An analysis of the accidents that occur to find the root causes and take the necessary corrective measures to eliminate the risk.

The preparation and implementation of global standards and procedures, as well as regular meetings with HSE managers and top management have undoubtedly contributed to the decline.

Accidents are investigated by the people in charge of HSE issues, working with the injured person (if possible) and that person's direct supervisor. Accidents are reconstructed to try to find the root causes so that corrective actions can be taken to prevent them from happening again. If for some reason the root cause cannot be eliminated (either because it requires an investment or for production reasons the system cannot be changed), steps are taken to protect the worker and to prevent the accident from recurring.





7.3. Health, Safety and Wellbeing

7.3.5. Accident Rates and Absenteeism

Occupational Illnesses

Fluidra has defined a procedure to monitor and follow up on possible occupational illnesses stemming from the employee's job or activity such as respiratory diseases, skin conditions, limb disorders, neck and back problems, poisoning, infectious diseases, cancer and malignancies.

There were no occupational diseases in either 2021 or 2020.

Absenteeism

With regard to absenteeism, although the number of hours lost increased by 36% with respect to 2020, the overall absenteeism rate decreased by 0.97% as a result of the increase in hours worked with respect to the previous year.

By scope, although there was a very significant increase in the number of hours lost due to leaves of absence, there was only a 0.62% increase in the absenteeism rate at this point (from 2.33% to 2.95%), which shows that this increase was in line with the increase in hours worked.

On the other hand, there was a **decrease in hours lost due to accidents and illnesses** (common and professional), thanks to the efforts made to reduce the accident rate, as well as the lower impact of Covid-19, due to the prevention measures implemented by both Fluidra and the authorities of the countries in which we are present to deal with the pandemic (masks, vaccination, promotion of teleworking, etc.).

Hours lost	2021	%	2020	%*
Accidents and illnesses (common and occupational)	302,746	2.47%	315,771	4.05%
Parental absenteeism	75,036	0.61%	48,126	0.62%
Leaves of absence	362,125	2.95%	181,994	2.33%
Total absenteeism hours	739,907	6.03%	545,891	7.00%
Total hours worked**	12,255,768	-	7,805,510	-

This indicator covers 98.58% of the Fluidra Group's employees at the end of 2021. The companies Sunbather PTY and SR Smith Australia, acquired at the end of the 2021 financial year, which have 99 employees (1.42% of the workforce), are outside the scope of this indicator.
 *Percentage of reported total hours worked 7,440,189, plus 365,321 estimated hours in 2020. It is important to note that there were furloughs and temporary shutdowns due to the Covid-19 pandemic.
 ** Hours worked are calculated using the group companies' time sheets or, alternatively, the working hours according to the collective bargaining agreement or the labor laws in the country in question.

7.3. Health, Safety and Wellbeing

7.3.5. Accident Rates and Absenteeism

Health and Safety in the Supply Chain

The group's health and safety commitments extend to anyone who works on our supply chain, as set out in the Supplier Code of Ethics. Compliance is verified through audits carried out by Achilles as part of the Fluidra Group's supplier selection and evaluation procedure (for more information, [see page 136-138](#)).

These controls are even more stringent for suppliers doing any kind of work on the group's premises. Fluidra has an HSE standard for suppliers that defines and standardizes the requirements that they must meet in order to ensure the proper identification, evaluation, documentation and management of suppliers.

In 2022, the standard is planned to be developed through the following Global Operating Procedures (GOPs): Third Party Security Management, Third Party Onboarding, Third Party Security Reviews.



Number of incidents (External)	2021			2020		
	Men	Women	Total	Men	Women	Total
Fatalities	0	0	0	0	0	0
Accidents in the workplace or on assignment	11	1	12	7	5	12
Requiring medical leave	11	1	12	7	5	12
Not requiring medical leave	0	0	0	0	0	0
In-itinere (to/from work)	1	1	2	1	0	1
Requiring medical leave	0	0	0	N/A	N/A	N/A
Not requiring medical leave	1	1	2	N/A	N/A	N/A
Occupational Illnesses (Total)	0	0	0	0	0	0

7.3. Health, Safety and Wellbeing

7.3.5. Accident Rates and Absenteeism

Accident rate (External)	2021			2020		
	Men	Mujeres	Total	Men	Women	Total
Total Recordable Incident Rate (TRIR) No. of accidents in the workplace or on assignment /no. of hours worked * 200,000	2.34	0.38	1.64	5.10	6.24	5.56
Lost Time Injury Rate (LTIR) No. of accidents in the workplace or on assignment with medical leave/no. of hours worked * 200,000	2.34	0.38	1.64	5.10	6.24	5.56
Severity rate No. of days lost *1000/ total number of hours worked	0.18	0.04	0.13	N/A	N/A	N/A





7.4. Committed to the community

All companies' economic activities have direct and indirect impacts on society and the communities that interact with them. Fluidra is an organization aware of the impact of its activities in the communities where it operates, which is why we try to have a positive impact on the lives of all members of those communities. Fluidra works every day to improve our relationships and dialogues with stakeholders in order to contribute to sustainable development and the wellbeing of society as a whole. During the 2021 fiscal year, as in the previous year, no significant fines or sanctions have been recorded for non-compliance with social or economic legislation and regulations.

Fluidra's business is highly internationalized and diverse, generating positive economic impacts on local communities through the purchase of products and services, generating employment and satisfying the needs of the people who, directly or indirectly, are related to Fluidra's companies.

Likewise, focused within its activity in the pool and wellness sector, it participates in social initiatives to promote different values and the development of communities through direct action (through social projects, as well as through contributions, donations and sponsorships to sectoral or non-profit organizations), or through projects developed by the Fluidra Foundation.

In 2021, through the ESG Department, Fluidra's social action has become more global. Fluidra employees are now able to propose collaboration projects with the communities linked to the company's chosen SDGs, the Fluidra business model and the vulnerable groups supported by the company.

7.4.1. Social action at Fluidra

Social action at Fluidra is carried out jointly at the corporate level (in charge of global initiatives) and at the individual company level (focused on responding to local needs).

Fluidra's social action is structured along three main lines of action:

Fluidra Day: Solidarity Pool

Coinciding with World Water Day (March 22), Fluidra holds the "Solidarity Pool" contest, an event where the group's employees from all over the world can present initiatives designed to offer a perfect pool & wellness experience for everyone.

Through its annual contribution to the Fluidra Foundation, the company makes a commitment to developing new projects and/or funding existing ones for the elderly people, people with functional diversity and/or people living in communities at risk of poverty, in the following three areas:

- **Training:** training on pool and water-related issues (health and hygiene, access, drowning, swimming, etc.) that can improve people's quality of life and minimize certain risks such as drowning.
- **Health:** access to pool, wellness and water-related treatments and therapies for people with health problems and/or materials and products to improve sanitation in at-risk communities.
- **Leisure:** access to pools and water enjoyment while promoting community development.

7.4. Committed to the community

7.4.1. Social action at Fluidra

The winning projects were chosen by a panel of judges that included the ESG Director, the Corporate Communications Director and representatives of the Fluidra Foundation's Board of Trustees, considering the votes cast by employees via the MyFluidra intranet.

First prize, with an endowment of €100,000, was distributed among three broad-ranging projects to be implemented in 2022.

- **"Put a pool in their life"** campaign (€40,000): Ten above-ground swimming pools will be donated to social organizations and associations to enable people with limited resources to enjoy these facilities when the weather permits.
- **"The Emiliani Project"** Association (€20,000): This Project will provide a swimming pool to a shelter for children who are victims of violence that the association has built near Medellín (Colombia).
- **Brooks Street Swim Center** (€40,000): Project to provide access to sports and leisure activities, and to offer swimming lessons to people with limited resources at this center located in Oceanside (California, USA).

In addition, six smaller initiatives were selected and awarded €5,000 each (€30,000 total) to be carried out by the Fluidra Foundation.

Ikigai Association (France) - Stephanie Rouchón

<https://www.association-ikigai.org>

Swimming lessons for girls and boys with autism and other neurodevelopmental disorders, to help prepare them for school and socialization.

ARCD (Brazil) - Wagner Leandro Sousa

<http://arcd.org.br>

Provide better swimming pool equipment for children with cerebral palsy, spinal cord injuries, congenital malformations, etc.

Just Against Drowning Foundation (USA) - Clive Schmidt and Joe Linguadoca

<http://justagainstdrowning.org>

Swimming lessons in pursuit of 0 underage drownings in Florida pools.

B-Swim Catalunya (Spain) - Ignacio González

<https://www.b-swim.com>

An association that assists public and private institutions, clubs and sports centers to include adapted sports in their lines of action through adapted swimming techniques for people with motor difficulties and disabilities that require specific dynamics.

CIRIAC Rehabilitation Center (Mexico) - Viridiana Rentería

<http://www.ciriac.org.mx>

Improve the quality of life of children with cerebral palsy and their families through hydrotherapy and neurorehabilitation techniques.

Down's Syndrome Foundation Castellón (Spain) - Pilar Saborit

<https://www.downcastellon.com>

Swimming activities for children with Down's syndrome to promote their social integration.



7.4. Committed to the community

7.4.1. Social action at Fluidra

Responding to local needs

Along with Fluidra Day, each company on an individual level has sponsored initiatives and made contributions that respond to the needs of the communities where they are located.



PATH (Providing Alternative Tomorrows with Hope) is a volunteer organization based in Carlsbad (CA) and operated by Fluidra North America employees. Its mission is to help the community through the actions and donations of employees, providing options and hope for the future to those most in need.

Founded in 2011, it provides support in four specific areas: military, health, local community and industry-related organizations. There are 15-20 members and each employee volunteer donates approximately one to two hours per month to support different organizations and activities.

Warrior Foundation Freedom Station

With veterans on its staff, PATH supports the U.S. military, which has a large presence in Southern California. Every year it organizes a golf tournament. At the last edition, in 2020, it managed to raise \$40,000, bringing the total contribution by the Fluidra team since the first time the event was held to \$330,000. Although it was not possible to hold the event last year due to Covid-19 restrictions, the hope is that it can be resumed as soon as possible.

Swim Across America/USA Swimming Foundation

In 2021, \$15,000 was donated to the International Swimming Hall of Fame and \$10,000 to Swim Across America.

Susan G. Komen (Breast Cancer Research) American Red Cross

Due to the high number of women affected by breast cancer, PATH supports the Susan G. Komen Foundation. Every year, many company employees from the Carlsbad location and the Salt Lake City headquarters walk 5 kilometers to raise money for this cause. In 2021, people could participate in person or virtually in the event, which raised \$15,761.

In addition, two annual blood drives were held at the company's facilities, saving the lives of 72 people.

Brother Benos Homeless Shelter and Food Kitchen

Brother Benos is an initiative that provides clothing and food to the homeless. Each year, PATH places bins in the offices to collect blankets, socks, coats and non-perishable food items to donate. The food and clothing drive usually takes place between Thanksgiving and Christmas, known as "Thanks for Giving" month, although in 2021 it was held at the end of the year.

Thanks to donations, 114 backpacks were provided to the children of Fluidra employees' to help families who need additional support to purchase school supplies. This year, the initiative was extended to employees outside the Carlsbad headquarters.

7.4. Committed to the community

7.4.1. Social action at Fluidra

Australia

Employees from the group's Australian headquarters, participated in the Laps for Life initiative to raise funds for mental health support for youth through the ReachOut organization. The company's staff literally "jumped into the pool" and swam for kilometers to raise AUD 11,400, to which Fluidra donated an additional AUD 1,000.

On the other hand, a charity walk raised \$2,215, which went towards the treatment of children with cancer.

India

Fluidra donated €25,000 to the Madhipura Christian Hospital (MCH) located in the north of Bihar, near the border with Nepal and Bangladesh, to help this hospital in the fight against COVID-19. As a multi-specialty hospital in one of the most complicated areas of India, MCH serves poor and marginalized people.

Spain

A team of eight people from the company Trace Logistics took part in **Oncotrail 2021**, a charity race to raise funds for the Oncolliga Foundation, which provides psychosocial support to people with cancer and their families to improve their wellbeing and quality of life. The company paid for the participants' registration fees and equipment and provided the resources for the team to raise the donations needed to participate.

Also, in 2021, we continued to collaborate with the AFIM Foundation, a private, non-profit organization that assists people with physical, intellectual, sensory and mental disabilities. Its mission is to provide comprehensive care and assistance to people with any type of functional diversity to facilitate their personal, occupational and social inclusion through a comprehensive intervention program that covers a range of personal and social facets and works to prevent situations of inequality.

On the other hand, CEPEX (Group subsidiary) is part of Apadis, a center for people with intellectual disabilities, which has welcomed two people from this association into its staff. In addition to collaborating regularly on the occupational workshops at specialized centers, it also buys the Christmas packages offered by these associations. Fluidra usually collaborates on the annual events of the Down's Syndrome Association of Castellón.

Finally, Fluidra S.A. donated the budget that was earmarked for the Christmas dinner to soup kitchens.

7.4. Committed to the community

7.4.1. Social action at Fluidra

United Kingdom

Through Certikin (group subsidiary), we continued to make charitable donations to the Level Water Association in 2021 to help children with disabilities learn to swim and step up our social action in the community in a year in which, due to the pandemic, it was not possible to hold fundraising events as we had in prior years.

Vietnam

Phu Quoc Beach is one of the most beautiful beaches in Vietnam. It attracts many domestic and foreign tourists who come here to visit, explore and relax. However, domestic waste from locals and tourists has polluted the sea and diminished the quality of water here. Fluidra's employees helped to clean up an area of Phu Quoc beach to raise awareness of environmental protection, especially the marine environment.



7.4. Committed to the community

7.4.2. Fundació Fluidra

The Fundació Fluidra was created in 2016 as a natural next step in the company's commitment to society, as a way of focusing corporate social responsibility initiatives to achieve the greatest impact.



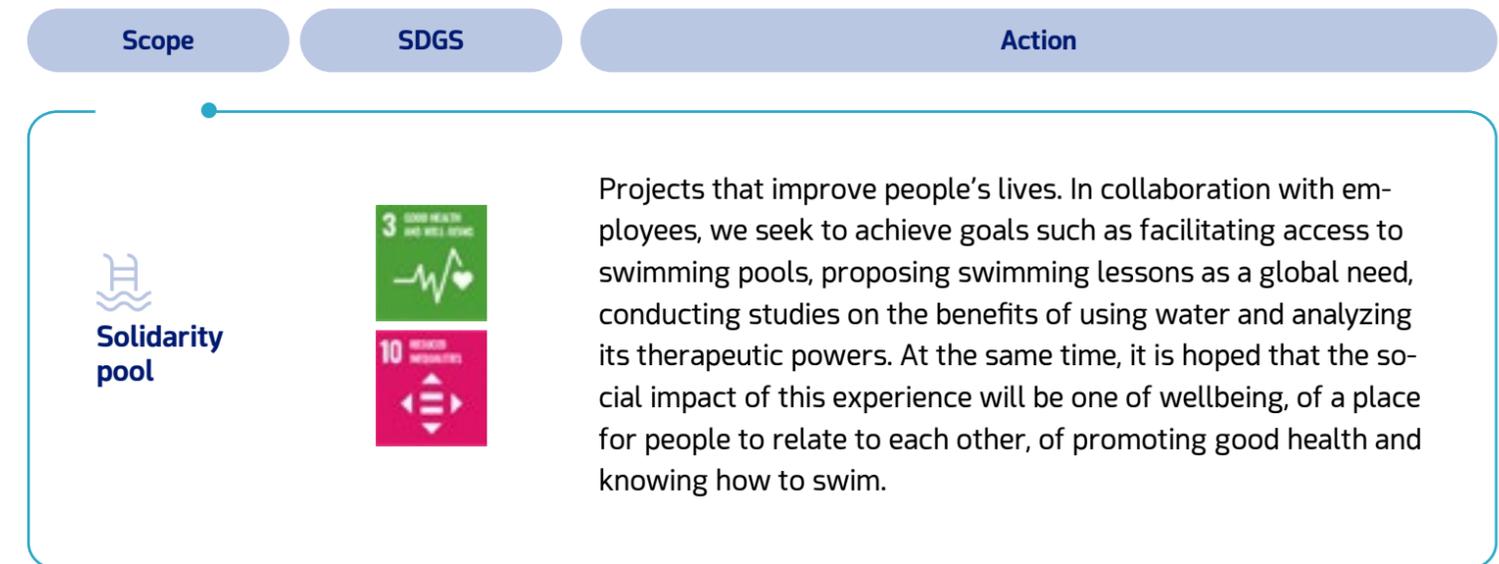
The Fundació Fluidra's mission is to ensure that everyone has access to pools, swimming and to the therapeutic benefits they provide; to facilitate access to water for the development of disadvantaged regions; and to promote culture as the backbone of society.

Every year, Fluidra allocates part of its annual budget to finance this organization, with the aim of gradually extending the scope of its social action beyond its operating contexts. In 2021 Fluidra allocated €500,000 to the Foundation (€50,000 more than in 2020), and this funding is expected to increase to €750,000 in

2022.

To learn more about the Foundation's activities, please see the organization's Activity Report for 2021 in the following [link](#).

Fluidra Foundation's main areas of activity



7.4. Committed to the community

7.4.2. Fundació Fluidra

Scope

SDGS

Action



Water as an element of development



Promoting projects aimed at access to water, training on its use, and the implementation of specific solutions. The object is to provide certain underprivileged groups with support and a basis for them to grow and develop in society and as individuals.



The mission of this initiative is to drive economic impact through proper access and sustainable use of water as a vital element.



Other local interests



Fluidra is headquartered in Catalonia (Spain), where there is a deep-rooted tradition of supporting culture and music from the business world. This explains our involvement in a variety of cultural and musical projects, which we are convinced are the foundation for the development of civilizations and instruments capable of dignifying people and groups. Beyond financial contributions, the Fluidra Foundation also contributes its business expertise to make these cultural and musical initiatives more profitable, by professionalizing their management and treating them as profit-making activities.



Projects in 2021

The Fluidra Foundation continued to develop various projects already underway, such as the construction of a "solidarity pool" in Senegal. This is an initiative to build a pool at a school in Thiaroye, a town located on the outskirts of Dakar, the capital of the African country, with the aim of teaching more than 2,000 children in the city to swim.

Also in Senegal, the KAG-25 project continues, together with a farm school managed by Escuelas Pías in the Karang region. The object of this initiative is to convert a 25-hectare farm in the south of the country into a profitable horticultural farm, where the profits can be invested in four years of professional training for students. The ultimate goal is to make them self-sufficient and provide them with better business and financial skills.

The Foundation is also a patron of the Palau de la Música Catalana and the Gran Teatre del Liceu, and supports the Orquestra Simfònica del Vallès, the Fundació Abadia de Montserrat, the GIO Orquestra and the Fundació Catalunya Cultura in the promotion of various cultural initiatives. The Fluidra Foundation is also concerned about the welfare of people and the protection of animal species and therefore cooperates with the Fundació Sanitària Mollet, the CRAM Foundation and the Banc d'Acció Social.

7.4. Committed to the community

7.4.3. Other contributions and sponsorships

In 2021, Fluidra significantly increased its contributions to sectoral associations and non-profit organizations, sponsorships of sports associations and donations to social causes.

Summary of contributions and sponsorships	2021	2020
Contributions to trade associations and non-profit organizations	692,184€	276,320€
Donations	699,101€	450,300€
Sports sponsorships	1,586,876€	110,000€
Total	2,978,161€	836,620€

Fluidra collaborates with a number of business and pool associations, notable among them:

Professional associations and non-profit organizations with which Fluidra collaborates:

- AECOC - Association of Manufacturers and Distributors (Spain)
- Spanish Association for Quality (Spain)
- Sant Cugat del Vallès Business Association (Spain)
- Chamber of Commerce, Industry and Services of Madrid (Spain)
- Chamber of Commerce of Sabadell (Spain)
- Catalan Water Partnership (Spain)
- Change2Grow (Spain)
- Latin America Business Council (Mexico)
- EUSA European Union of Swimming Pool Associations (Europe)
- Foment del Treball (Catalan employers' association) (Spain)
- FPP Federations des Professionnels de la Piscine (France)
- Family Business Institute (Spain)
- International Association for Sport and Leisure Facilities (Germany)
- Swimming Pool and Spa Association NSW Pty Ltd (Australia)
- SPATA The Swimming Pool and Allied Trades Association (UK)
- Independent Pool & Spa Service Association (IPSSA) (USA)
- Northeast Spa & Pool Association (NESPA) (USA)
- National Plasterer's Council (USA)
- WAVE Young Professionals Group (United States)



7.4. Committed to the community

7.4.3. Other contributions and sponsorships

Donations

In addition to the donations mentioned above, Fluidra has made donations to the Food Bank Foundation, the Spanish Red Cross, the Adecco Foundation, the Althaia Foundation, the IESE Foundation, the ESADE Foundation, the Fundació Privada per a la Creativació, and the Fundació Fluidra.

Sports sponsorships

Competitiveness, enthusiasm, teamwork, self-improvement and a passion for success are values that Fluidra and its brands share with the world of elite sports. In 2021, as part of the agreements with the Sabadell Swimming Club and the Atlètic-Barceloneta Swimming Club, Fluidra brands sponsored the AstralPool CN Sabadell and Zodiac Club Natació Atlètic-Barceloneta water polo teams.

Fluidra is also a member of and sponsors other non-profit athletic organizations and associations, such as:

- European Swimming League (LEN)
- American Swimming Union (UANA)
- Oceania Swimming Association (OSA)
- Royal Spanish Swimming Federation (RFEN)
- Catalan Swimming Federation
- Indescat Sport Cluster
- Terrassa Swimming Club
- Olot Swimming Club





8.

About this report

8.1. Materiality analysis **240**

8.2. Data tables **247**

8.3. GRI Table of Contents **282**

8.4. Table of Contents according to the recommendations of the
Task Force on Climate-Related Financial Disclosures (TCFD) **296**

8.5. External verification **297**



8. About this report

Standards

The structure of this 2021 Integrated Annual Report follows the framework established by the International Integrated Reporting Council (IIRC) as the most widely used international standard for the preparation of Integrated Reports. This report was also prepared in accordance with the Core Option of the GRI Standards of the Global Reporting Initiative (2016 version).

This report endeavors to maintain at all times both the principles of content (stakeholder inclusiveness, sustainability context, materiality and completeness) and the principles of report quality (accuracy, balance, clarity, comparability, reliability and timeliness) as described in GRI 101: Fundamentals.

The inclusion of stakeholders, sustainability context and materiality are reflected in the "Materiality Analysis" section. The GRI content has been selected based on the aspects identified therein as relevant, which can be seen in the "GRI Content Index".

For the principles of completeness, accuracy, balance, clarity, comparability, reliability and timeliness, the company has endeavored to provide relevant information in this document on its significant impacts in 2021 and beyond. To this end, measurable and comparable data is provided, covering both favorable and unfavorable results, and the information is presented in an accessible manner. Furthermore, Fluidra relies on third parties for reliable verification of this information and strives to present this report periodically to coincide with the holding of its General Shareholders' Meeting

Scope

This Integrated Report covers the information for Fluidra, S.A. and its subsidiaries (hereinafter referred to as the Fluidra Group or the Group) for fiscal year 2021. The complete list of companies represented is shown in Appendix I of the Consolidated Annual Accounts and Consolidated Directors' Report dated December 31, 2021, which are available at www.fluidra.com.

The non-financial indicators included in the report cover 100% of the companies in the Fluidra Group that have employees. However, as specified throughout the report, there are certain environmental and social indicators with a more limited scope as a result of the acquisition of new companies in the final months of the fiscal year, not being material in any case.

Likewise, data from prior years is provided to facilitate a better understanding of the evolution of the company's performance. It should be noted that the comparison of data may have been affected by the new companies integrated during the year, but it was not necessary to restate the information from previous reports.





8. About this report

Verification

The information contained in the section "GRI Content Index" of this report has undergone an independent verification process.

The Board of Directors, the company's highest governing body, and the Management Advisory Committee (MAC) are involved in the request for external verification, which in 2021 was entrusted to Ernst & Young, a highly reputable company, external to Fluidra, which is the same one that did this work the year before and which applies professional criteria following systematic processes with an empirical basis to the verification. The external verifier's report can be consulted in the section titled "External Verification".

The relationship between the Group and the provider of external verification of this report is regulated in article 8 of the Audit Committee Regulations and is also explained in point C.1.30 of the Group's Annual Corporate Governance Report. The Audit Committee recommends the selection of an external auditor to the Board, based on predetermined criteria of experience, resources, quality and efficiency. It is also the task of this committee to supervise and facilitate their work, ensure their independence and guarantee a fluid relationship with the organization.

Every year, the Audit Committee issues a [Report on the Independence of the External Auditor](#), available on the corporate website, which describes the actions taken by Fluidra to guarantee the auditor's independence, in addition to reporting on any services other than auditing provided during the fiscal year. In 2021, the auditing firm performed additional work totaling €100,400, which represents 5.57% of the total paid for the auditing work (4.67% in 2020).



8.1. Materiality analysis

The materiality analysis allows Fluidra to identify, evaluate and prioritize environmental, social and good governance (ESG) issues that can have the greatest impact on both the company and our stakeholders (i.e. those known as “material issues”). This process is part of Fluidra’s commitment to involve all stakeholders in the definition of ESG strategies and lines of action, in order to recognize and respond to their needs and expectations at all times.

Because of the constant changes and events that have taken place in this area in recent years, this process must be dynamic and ongoing in order to identify, analyze and adapt to new trends and needs that arise in the market and among our stakeholders. That said, Fluidra conducts this analysis every two years, which allows us to periodically review our strategy and action plans to align them with expectations and define ESG priorities for the next two years.

Fluidra carried out a materiality analysis in 2019, which served as the basis for the preparation of the 2020-2026 Responsibility Blueprint. In 2021, Fluidra did a new materiality analysis to validate the actions defined within the framework of the ESG Strategic Plan.

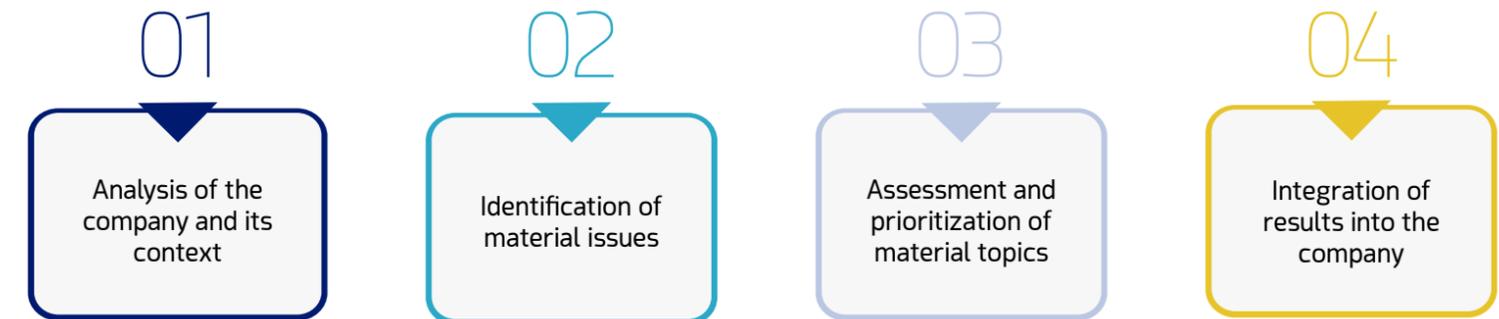


[103-1, 102-43, 102-46]

8.1.1. Methodology

The methodology defined by Fluidra for this process takes as a reference the “Reporting Principles for Defining Report Content” found in the 2016 version of the Global Reporting Initiative (GRI) standards. It also incorporates the concept of “Dual Materiality” by considering both the impact of Fluidra’s activities on ESG issues and the way in which these issues impact on the company itself, both from a financial and non-financial point of view.

There are four phases to the process:



1. Analysis of the organization and its context

Fluidra has analyzed the changes that have taken place over the last two years in its business, commercial relations and the market in general. The analysis also covered the prevailing trends and developments in the field of ESG, including new regulations and international initiatives.



8.1. Materiality analysis

8.1.1. Methodology

2. Identification of material issues

In this phase, the material issues identified in 2019 were taken as the basis for review and update, as necessary. The terminology used in the description of each material issue was reviewed to supplement it as appropriate, and to avoid any overlap between the different issues that could lead to confusion among stakeholders.

As a result, a total of 73 issues were identified and grouped into 28 material topics for further assessment and prioritization. While the number of material topics is the same in 2021 as in 2019, there have been some changes in the names and scope of the topics, resulting in the identification of new topics and the integration of others into existing ones for ease of understanding.

Thus, for example, the issues "Customer Health and Safety", "Customer Privacy" and "Product Life Cycle Assessment" have been consolidated within the topic "Sustainable, Safe and Quality Products". On the other hand, the names of other topics have been changed (e.g., "Environmental Compliance" has been changed to "Legal Compliance"). Finally, four material issues not specifically covered in 2019 were defined: "Climate Change", "Information Security", "Intellectual Property", and "Shareholder and Investor Relations".

3. Assessment and prioritization of material topics

As a new feature, the assessment and prioritization of material topics is structured in two parts: assessment of relevance for stakeholders and assessment of impact on the organization.

The assessment was previously based on the relevance of material issues to internal and external stakeholders separately. This time, the view of all stakeholders has been consolidated, and the assessment of the impact of these issues on the organization, from both a financial and non-financial point of view, has been introduced.

Relevance

For this first phase of the evaluation, Fluidra communicated with representatives of all stakeholders to find out how relevant the identified issues are to them, and how relevant they believe they should be for Fluidra, based on their activities and business relationships.

In selecting them, geographical criteria were considered in order to obtain the ESG vision of stakeholders in the three regions where Fluidra operates. In all, 252 people from 17 countries participated (compared to 129 people in 2019). By stakeholder group, there were 157 internal stakeholders (Employees, Global ESG Committee, MAC members) compared to 73 in 2019; and 95 external stakeholders (Investors, Customers, Users, Suppliers and Society), compared to 56 in 2019.

8.1. Materiality analysis

8.1.1. Methodology

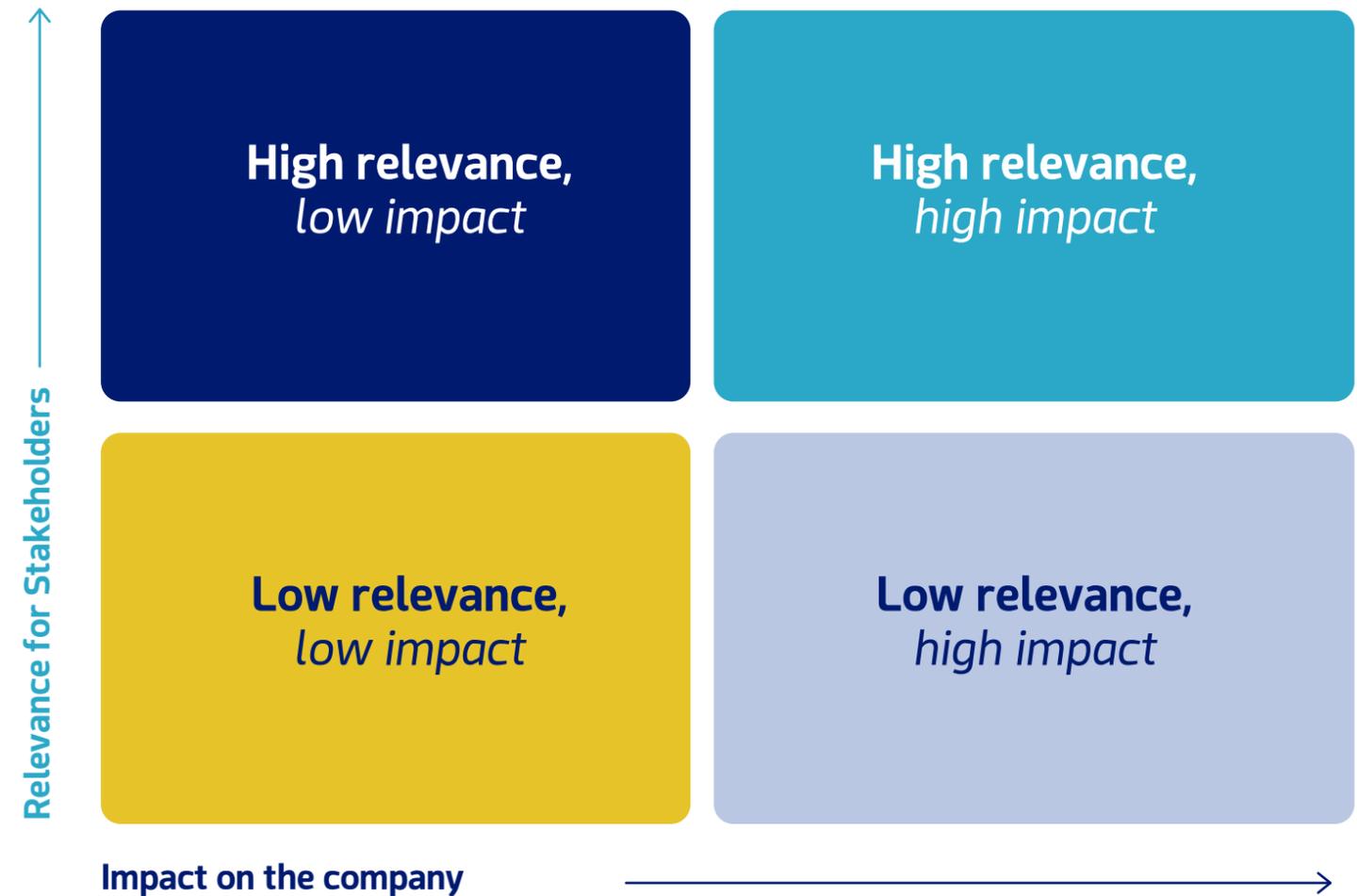
The evaluation was carried out through consultations and questionnaires sent out to the participants. For employees, suppliers, customers and investors, 14 working sessions were held in advance of the evaluation, attended by 205 people, to present the analysis and the issues to be assessed. In all cases, explanatory guides were provided to the participants, with an introduction to the material issues to be assessed, along with a channel through which to raise any concerns or questions that might arise during the process.

Impact

Fluidra has integrated the impact assessment into its materiality analysis, in line with the organization's methodology for assessing corporate risks and opportunities. Thus, for each of the impacts, an assessment has been made of their repercussions in financial, operational, strategic, reputational, legal and reporting terms.

Prioritization

The results were transferred to a materiality matrix which shows the relevance of the issues for stakeholders on one axis and their impact on the organization on the other. Based on their position on the matrix, the issues have been classified into the following four categories:





8.1. Materiality analysis

8.1.1. Methodology

4. Integration of results into the organization

In addition to the assessment of material issues, stakeholders had the opportunity to evaluate Fluidra's ESG performance. Respondents highlighted the need for better communication and training in these areas, as well as the need for greater involvement in the implementation of initiatives and projects.

As a result, in early 2022 Fluidra launched an ESG training pill for the entire workforce. In the coming months, we will be working on the definition of an ESG Communication and Training Plan for all stakeholders, and on reinforcing the ESG team in the North American (AMER) and EMEA regions in order to continue implementing the strategy at a local level.

Fluidra has also reviewed and aligned the contents of this Integrated Report according to the material issues identified, with the aim of ensuring that Fluidra reports on its commitments and performance in each one of these areas, thus responding to the needs and expectations of all stakeholders. In the next page we provide information about the relationship between the material topics and the table of contents of this report.



8.1. Materiality analysis

8.1.2. Materiality matrix

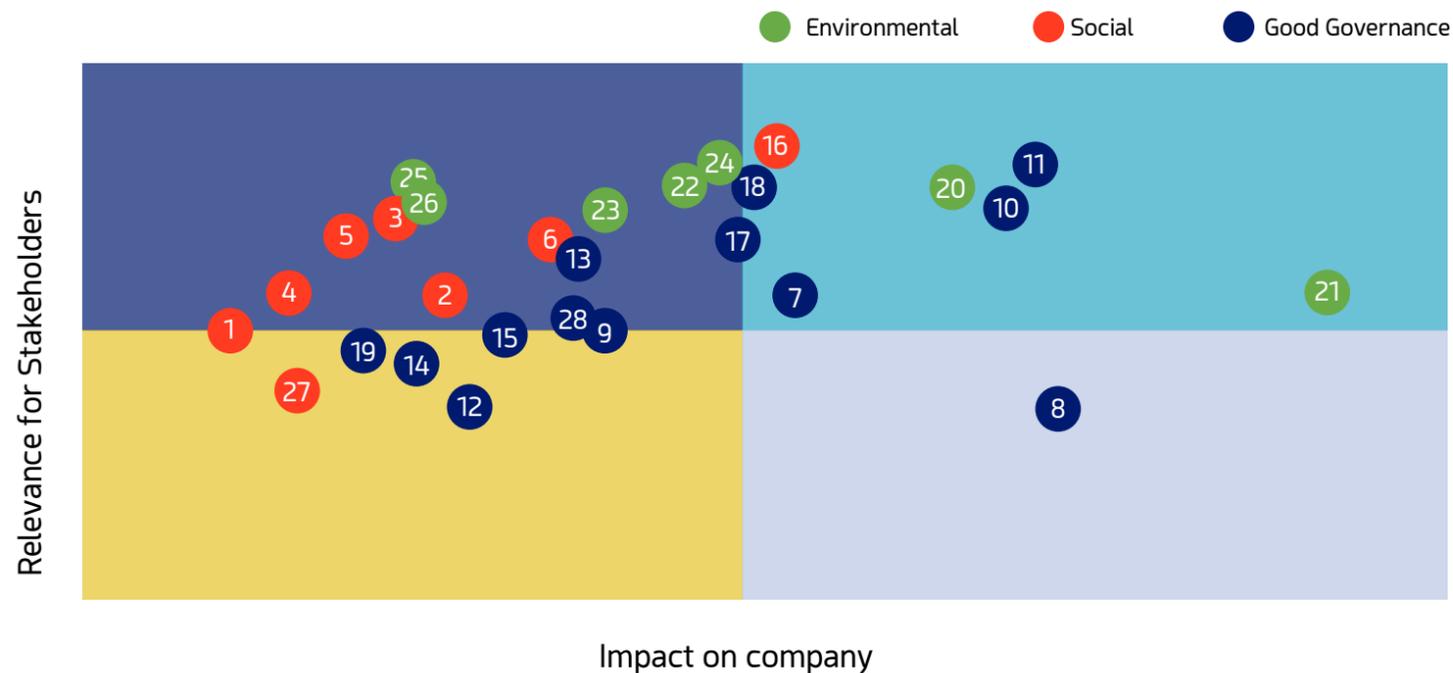
Materiality matrix

Based on the results of the analysis, the material topics of "Climate Change" (Environmental), "Human Rights" (Social) and "Information Security" (Governance) are the highest priority topics on each of ESG axes. While "Human Rights" was already among the most relevant topics in the last edition, the level of importance of the other two topics has increased significantly compared to 2019.

Other priority topics in 2019, such as "Sustainable, Safe and Quality Products", "Ethics and Integrity" and "Legal Compliance" remain relevant to the organization, although the names have changed slightly from the previous materiality analysis for a broader scope. "Corporate Governance" and "Employee Compensation" are no longer a high priority.

High relevance, high impact

Material Topics	ESG Dimension	Main Stakeholders	GRI	Section
21. Climate Change	Environmental	Employees, Investors, Customers & Suppliers	103-2	6.2. Climate Change
11. Information Security	Good Governance	Employees, Investors, Customers & Suppliers	418	5.8. Information Security
10. Legal Compliance	Good Governance	Employees, Investors, Customers & Suppliers	307, 419	6.1. Environmental Management; 7.4. Committed to the Community
20. Environmental Management (own operations)	Environmental	Employees, Investors & Suppliers	102-11, 103-2	6.1. Environmental Management
16. Human Rights	Social	Employees, Investors, Customers, End Users, Suppliers & Society	408, 409, 412-1, 412-2	7.1. We stand for Human Rights
7. Ethics & Integrity	Good Governance	Employees, Investors, Customers, End Users, Suppliers & Society	102-16, 102-17, 205, 206	5.3. Ethics and Integrity
18. Customer Management	Good Governance	Employees, Customers & End Users	417-1, 417-2	2.4. Our products and solutions; 5.5. A Customer-Centric Model
17. Sustainable, Safe and Quality Products	Good Governance	Employees, Investors, Customers, End Users, Suppliers & Society	102-2, 416	2.4. Our products and solutions





8.1. Materiality analysis

8.1.2. Materiality matrix

High relevance, low impact

Material Topics	ESG Dimension	Main Stakeholders	GRI	Section	Material Topics	ESG Dimension	Main Stakeholders	GRI	Section
24. Circular Economy	Environmental	Employees, Investors, Customers & Suppliers	301-1	6.3. Circular Economy	5. Diversity, Equity and Inclusion	Social	Employees & Investors	102-8, 405	7.2. Keeping the Best Team
22. Responsible water management (own operations)	Environmental	Employees, Investors, End Users, & Suppliers	303-1, 303-4, 303-5	6.4. Water	4. Human Capital Development	Social	Employees	404-1, 404-2	7.2. Keeping the Best Team
23. Energy management (own operations)	Environmental	Employees, Investors & Suppliers	302-1, 302-3	6.2. Climate Change	25. Pollution	Environmental	Employees & Suppliers	305-1, 305-2, 305-3, 305-7	6.2. Climate Change, 8.2. Data tables
13. Intellectual Property	Good Governance	Employees, Customers & Suppliers	103-2	5.6. Commitment to Innovation and Technology	26. Biodiversity	Environmental	Employees & Suppliers	304-1, 304-2, 304-3	6.5. Biodiversity
6. Occupational Health & Safety	Social	Employees, Investors & Suppliers	403	7.3. Health, Safety and Wellbeing	28. Responsible Supply Chain	Good Governance	Employees, Investors, End Users, & Suppliers	102-9, 102-10, 204, 308, 414	5.4. Responsible Supply Chain Management
2. Employee-employer relations	Social	Employees	102-41, 402-1	7.2. Keeping the Best Team					
3. Employee Attraction & Retention	Social	Employees & Investors	401-1	7.2. Keeping the Best Team					

8.1. Materiality analysis

8.1.2. Materiality matrix

Low relevance, high impact

Material Topics	ESG Dimension	Main Stakeholders	GRI	Section
8. Risk & Opportunities Management	Good Governance	Employees & Investors	102-15, 102-29, 102-30	5.2. Risk and opportunity management



Low relevance, low impact

Material Topics	ESG Dimension	Main Stakeholders	GRI	Section
1. Work-life balance	Social	Employees	401-3	7.2. Keeping the Best Team
9. Transparency	Good Governance	Employees, Investors, Customers, End Users, & Suppliers	103-2	4.4. Sustainability indexes and rankings
15. Corporate Governance	Good Governance	Employees & Investors	102-18, 102-20	4.1. Fluidra's commitment to sustainability, 5.1. Governing bodies
12. Shareholders & Investors	Good Governance	Employees & Investors	102-40 to 102-44	3.5. Shareholder Returns, 4.3. Relationship with stakeholders
14. ESG Strategy	Good Governance	Employees, Investors, Customers, End Users, Suppliers & Society	103-2	4.2. Responsibility Blueprint: Our roadmap
19. R&D+i	Good Governance	Employees, Investors, Customers & End Users	103-2	5.6. Commitment to Innovation and Technology
27. Committed Engagement	Social	Employees & Society	102-13, 103-2, 203-1, 413-1	7.4. Committed to the Community



8.2. Data tables

Economic indicators

Economic value generated and distributed

(thousand €)	2021	2020	2019
Economic value generated	2,233.7	1,525.7	1,406.6
Total income (sales+other income)	2,233.7	1,525.7	1,406.7
Economic value distributed	1,929.2	1,348.1	1,261.4
Employees (personnel expenses)	363.7	272.4	277.9
Suppliers (stock variation + other operating expenses)	1,363.9	950.8	922.1
Shareholders (Dividend*)	75.9	40.7	0
Company-Public Administrations (Taxes**)	81.5	39.1	6
Capital suppliers (Financial Expenses)	44.2	45.1	55.4
Retained economic value	304.5	177.6	145.2

Dividend*-Result attributable to equity holders of the parent company.
Taxes**- Corresponds to income tax expense.

Profits earned and profit taxes paid on a country-by-country basis

	Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)	
	2021	2020	2021	2020
Germany	6,578	5,040	-51	164
Australia	15,094	-913	1,873	253
Austria	7,421	5,562	1,558	944
Belgium	3,137	1,302	790	585
Bosnia & Herzegovina	100	39	4	0
Brazil	1,470	782	186	0
Bulgaria	2,011	687	220	73
Canada	1,034	713	7	-355
Chile	393	-66	10	14
China	3,288	3,074	596	498
Cyprus	834	337	78	44



8.2. Data tables

Profits earned and profit taxes paid on a country-by-country basis

	Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)			Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)	
	2021	2020	2021	2020		2021	2020	2021	2020
Colombia	214	-159	49	-58	Hungary	943	693	78	101
Croatia	856	438	66	148	India	857	446	204	105
Denmark	377	4	0	0	Indonesia	1,024	808	22	91
Egypt	2,315	1,022	241	277	Ireland	0	0	0	0
United Arab States	4,668	1,074	0	0	Italy	8,332	2,099	1,776	432
Slovenia*	44	0	0	0	Jordan	0	0	0	0
Spain	50,903	24,680	16,287	-2,616	Kazakhstan	132	910	458	-92
United States of America	149,864	50,577	55,870	20,394	Luxembourg**	0	0	0	-682
France	37,369	18,866	8,130	8,711	Malaysia	-31	85	-71	49
Greece	1,581	1,189	224	645	Morocco	1,846	1,104	123	566
The Netherlands	13,725	5,653	3,179	1,827	Mexico	1,090	453	310	181
Hong Kong	-24	12	6	35	Montenegro	3	20	1	9

[207-4]



8.2. Data tables

Profits earned and profit taxes paid on a country-by-country basis

	Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)			Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)	
	2021	2020	2021	2020		2021	2020	2021	2020
New Zealand	561	117	99	0	Thailand	146	371	-39	3
Poland	456	479	174	89	Tunisia	11	9	0	0
Portugal	2,807	1,802	531	657	Turkey	1,384	599	412	127
United Kingdom	5,323	2,778	550	677	Vietnam	519	270	8	115
Czech Republic	2,431	1,750	341	281	Total	337,489	139,021	96,949	35,191
Romania	684	380	95	50					
Russia	1,163	-30	304	37					
Serbia	425	198	53	26					
Singapore	81	-9	21	-1					
South Africa	2,595	2,277	1,973	675					
Sweden	1,305	1,456	201	110					
Switzerland	150	43	2	2					

* The subsidiary in Slovenia was created in 2021.
**The Luxembourg subsidiary ceased to exist in 2020.



8.2. Data tables

Social indicators

Workforce by Country

Countries	2021						2020					
	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
Fluidra	4,569	65%	2,426	35%	6,995	100%	3,617	67%	1,819	33%	5,436	100%
Spain	1,390	63%	813	37%	2,203	31.49%	1,240	63%	718	37%	1,958	36.02%
United States of America	905	69%	406	31%	1,311	18.74%	426	73%	157	27%	583	10.72%
China	363	54%	312	46%	675	9.65%	113	51%	109	49%	222	4.08%
South Africa	380	76%	117	24%	497	7.11%	383	76%	123	24%	506	9.31%
Australia	299	61%	188	39%	487	6.94%	261	63%	152	37%	413	7.60%
France	281	66%	144	34%	425	6.08%	270	68%	130	32%	400	7.36%
Brazil	122	78%	35	22%	157	2.24%	131	77%	40	23%	171	3.15%
United Kingdom	90	58%	65	42%	155	2.22%	84	57%	64	43%	148	2.72%
Italy	90	74%	31	26%	121	1.73%	92	75%	30	25%	122	2.24%
Germany	64	64%	36	36%	100	1.43%	59	63%	35	37%	94	1.73%
The Netherlands	62	69%	28	31%	90	1.29%	52	67%	26	33%	78	1.43%

[102-8, 405-1]



8.2. Data tables

Countries	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
2021							2020					
Portugal	49	70%	21	30%	70	1,00%	47	69%	21	31%	68	1,25%
Bulgaria	47	75%	16	25%	63	0,90%	47	77%	14	23%	61	1,12%
Austria	36	67%	18	33%	54	0,77%	36	67%	18	33%	54	0,99%
Russia	28	57%	21	43%	49	0,70%	30	61%	19	39%	49	0,90%
Indonesia	33	67%	16	33%	49	0,70%	29	66%	15	34%	44	0,81%
United Arab States	34	83%	7	17%	41	0,59%	34	85%	6	15%	40	0,74%
India	32	78%	9	22%	41	0,59%	31	82%	7	18%	38	0,70%
Thailand	17	53%	15	47%	32	0,46%	19	58%	14	42%	33	0,61%
Hungary	24	77%	7	23%	31	0,44%	17	77%	5	23%	22	0,40%
Turkey	22	71%	9	29%	31	0,44%	23	77%	7	23%	30	0,55%
Mexico	12	43%	16	57%	28	0,40%	12	35%	22	65%	34	0,63%
Morocco	15	60%	10	40%	25	0,36%	14	64%	8	36%	22	0,40%
Belgium	16	76%	5	24%	21	0,30%	20	77%	6	23%	26	0,48%



8.2. Data tables

Countries	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
2021							2020					
Malaysia	11	55%	9	45%	20	0.29%	5	50%	5	50%	10	0.18%
Poland	12	60%	8	40%	20	0.29%	10	53%	9	47%	19	0.35%
Canada	12	71%	5	29%	17	0.24%	12	67%	6	33%	18	0.33%
Egypt	12	75%	4	25%	16	0.23%	14	82%	3	18%	17	0.31%
Greece	9	56%	7	44%	16	0.23%	10	67%	5	33%	15	0.28%
Vietnam	7	44%	9	56%	16	0.23%	6	43%	8	57%	14	0.26%
Kazakhstan	9	60%	6	40%	15	0.21%	8	53%	7	47%	15	0.28%
Croatia	9	75%	3	25%	12	0.17%	9	82%	2	18%	11	0.20%
Cyprus	8	73%	3	27%	11	0.16%	8	73%	3	27%	11	0.20%
Serbia	8	73%	3	27%	11	0.16%	9	82%	2	18%	11	0.20%
Singapore	8	73%	3	27%	11	0.16%	9	75%	3	25%	12	0.22%
Sweden	8	80%	2	20%	10	0.14%	9	69%	4	31%	13	0.24%
Chile	8	89%	1	11%	9	0.13%	5	50%	5	50%	10	0.18%



8.2. Data tables

Countries	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
2021							2020					
New Zealand	6	67%	3	33%	9	0.13%	4	57%	3	43%	7	0.13%
Czech Republic	7	78%	2	22%	9	0.13%	7	78%	2	22%	9	0.17%
Romania	7	88%	1	13%	8	0.11%	7	100%	0	0%	7	0.13%
Colombia	3	43%	4	57%	7	0.10%	4	57%	3	43%	7	0.13%
Switzerland	6	100%	0	0%	6	0.09%	5	100%	0	0%	5	0.09%
Tunisia	1	20%	4	80%	5	0.07%	1	25%	3	75%	4	0.26%
Bosnia and Herzegovina	2	50%	2	50%	4	0.06%	2	67%	1	33%	3	0.06%
Slovenia	3	100%	0	0%	3	0.04%	-	-	-	-	-	-
Denmark	0	0%	2	100%	2	0.03%	0	0%	2	100%	2	0.04%
Montenegro	2	100%	0	0%	2	0.03%	2	100%	0	0%	2	0.04%

8.2. Data tables

Workforce by category / gender

	2021						2020					
	Male	%	Female	%	Total	% total	Male	%	Female	%	Total	% total
Executives	59	89%	7	11%	66	0.95%	121	81%	28	19%	149	2.70%
Managers	286	79%	74	21%	360	5.15%	258	77%	79	23%	337	6.20%
Professionals	794	72%	310	28%	1,104	15.78%	537	73%	199	27%	736	13.50%
Technicians	1,403	68%	672	32%	2,075	29.66%	910	71%	377	29%	1,287	23.70%
Administration & Support	397	40%	590	60%	987	14.11%	444	43%	592	57%	1,036	19.10%
Manufacturing	1,630	68%	773	32%	2,403	34.35%	1,347	71%	544	29%	1,891	34.80%
Fluidra Total	4,569	65%	2,426	35%	6,995	100.00%	3,617	67%	1,819	33%	5,436	100.00%





8.2. Data tables

Workforce by age / gender

	Male	%	Female	%	Total	% total	Male	%	Female	%	Total	% total
	2021						2020					
Under 30 years old	651	63%	389	37%	1,040	14.90%	408	64%	225	36%	633	11.60%
Between 30 and 50 years old	2,842	64%	1,574	36%	4,416	63.10%	2,337	66%	1,197	34%	3,534	65.00%
Over 50 years old	1,076	70%	463	30%	1,539	22.00%	872	69%	397	31%	1,269	23.40%
Fluidra Total	4,569	65%	2,426	35%	6,995	100.00%	3,617	67%	1,819	33%	5,436	100.00%

Headcount by type of contract / gender

	Male	Female	Total	% total	Male	Female	Total	% total
	2021				2020			
Permanent (full time)	4,381	2,213	6,594	94.30%	3,446	1,620	5,066	93.10%
Permanent (part time)	32	120	152	2.20%	23	97	120	2.20%
Temporary (full time)	141	84	225	3.20%	124	89	213	4.00%
Temporary (part time)	15	9	24	0.30%	24	13	37	0.70%
Fluidra Total	4,569	2,426	6,995	100.00%	3,617	1,819	5,436	100.00%



8.2. Data tables

Headcount by type of contract / age

	2021				2020			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Tiempo Full time	Part time	Full time	Part time
Under 30 years old	934	12	87	7	550	11	66	6
Between 30 and 50 years old	4,197	109	105	5	3,330	81	113	10
Over 50 years old	1,463	31	33	12	1,186	28	34	21
Fluidra Total	6,594	152	225	24	5,066	120	213	37



8.2. Data tables

Headcount by type of contract / category

	2021				2020			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Executives	66	0	0	0	148	1	0	0
Managers	355	2	2	1	334	3	0	0
Professionals	1,087	11	4	2	720	8	6	2
Technicians	1,995	48	31	1	1,233	27	20	7
Administration & Support	856	50	74	7	944	48	32	12
Manufacturing	2,235	41	114	13	1,687	33	155	16
Fluidra Total	6,594	152	225	24	5,066	120	213	37



8.2. Data tables

Average workforce by type of contract / gender

	2021				2020			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Male	4,023	47	136	14	3,487	141	33	
Female	1,981	128	87	8	1,648	90	101	
Fluidra average	6,004	175	223	22	5,135	231	134	

Average headcount by type of contract / category

	2021				2020			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Executives	707	45	61	6	213	0	1	
Managers	60	0	0	0	328	0	3	
Professionals	325	2	2	0	676	6	9	
Technicians	2,068	53	121	14	1,263	24	31	
Administration & Support	987	12	4	2	951	34	54	
Manufacturing	1,858	63	36	1	1,704	167	36	
Fluidra average	6,004	175	223	22	5,135	231	134	



8.2. Data tables

Average workforce by type of contract / age

	2021				2020			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Under 30 years old	758	13	81	5	555	65	22	
Between 30 and 50 years old	3,892	124	114	5	3,399	118	73	
Over 50 years old	1,355	37	28	13	1,181	48	39	
Fluidra average	6,004	175	223	22	5,135	231	134	



8.2. Data tables

New hires

New hires 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
Germany	3	6	4	2	3	2	20			
New hires rate	32%	20%	20%	34%	17%	17%	21%			
Australia	13	32	14	14	14	7	94			
New hires rate	33%	24%	15%	43%	17%	16%	22%			
Austria	6	6	0	2	1	0	15			
New hires rate	76%	31%	0%	34%	22%	0%	27%			
Belgium	1	1	0	0	0	0	2			
New hires rate	150%	9%	0%	0%	0%	0%	10%			
Bosnia & Herzegovina	0	1	0	0	1	0	2			
New hires rate	0%	46%	0%	0%	57%	0%	51%			
Brazil	19	26	3	10	9	1	68			
New hires rate	59%	33%	24%	67%	46%	400%	43%			
Bulgaria	4	8	2	0	1	0	15			

[401-1]



8.2. Data tables

New hires 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
New hires rate	98%	21%	31%	0%	7%	0%	23%			
Canada	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
Chile	1	1	0	0	0	0	2			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
China	15	35	1	15	37	3	106			
New hires rate	63%	14%	2%	60%	16%	26%	18%			
Cyprus	0	1	0	0	0	0	1			
New hires rate	0%	14%	0%	0%	0%	0%	9%			
Colombia	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
Croatia	1	1	0	0	1	0	3			
New hires rate	1200%	11%	0%	0%	46%	0%	24%			
Denmark	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			

[401-1]



8.2. Data tables

New hires 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
Egypt	0	0	0	1	0	0	1	0	0	1
New hires rate	0%	0%	0%	36%	0%	0%	6%	0%	0%	6%
United Arab Emirates	0	0	0	0	0	0	0	0	0	0
New hires rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Slovenia	0	1	0	0	0	0	1	0	0	1
New hires rate	0%	67%	0%	0%	0%	0%	0%	0%	0%	0%
Spain	72	150	25	42	118	11	418	11	11	418
New hires rate	56%	18%	7%	51%	22%	6%	20%	6%	6%	20%
United States of America	120	109	29	56	63	18	395	18	18	395
New hires rate	105%	29%	17%	92%	42%	26%	42%	26%	26%	42%
France	10	18	4	10	18	3	63	3	3	63
New hires rate	40%	10%	7%	58%	19%	11%	15%	11%	11%	15%
Greece	0	1	0	1	1	0	3	0	0	3

[401-1]



8.2. Data tables

New hires 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
New hires rate	0%	19%	0%	63%	22%	0%	19%			
Hungary	3	5	0	1	3	1	13			
New hires rate	67%	40%	0%	86%	78%	150%	48%			
India	2	3	0	0	1	0	6			
New hires rate	38%	11%	0%	0%	13%	0%	15%			
Indonesia	0	1	0	0	0	0	1			
New hires rate	0%	6%	0%	0%	0%	0%	2%			
Italy	2	3	1	1	1	0	8			
New hires rate	32%	5%	5%	34%	4%	0%	7%			
Kazakhstan	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
Malaysia	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			



8.2. Data tables

New hires 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
Morocco	0	1	0	2	0	0	3			
New hires rate	0%	10%	0%	44%	0%	0%	12%			
Mexico	1	1	1	1	1	0	5			
New hires rate	600%	12%	60%	36%	8%	0%	18%			
Montenegro	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
New Zealand	1	1	0	2	1	0	5			
New hires rate	171%	34%	0%	600%	57%	0%	78%			
The Netherlands	8	8	2	2	10	0	30			
New hires rate	70%	24%	12%	62%	53%	0%	34%			
Poland	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
Portugal	0	1	0	0	0	0	1			



8.2. Data tables

New hires 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
New hires rate	0%	4%	0%	0%	0%	0%	0%	0%	1%	
United Kingdom	6	7	2	6	1	3			25	
New hires rate	37%	16%	7%	62%	3%	15%			16%	
Czech Republic	0	0	1	0	0	0			1	
New hires rate	0%	0%	39%	0%	0%	0%			11%	
Romania	0	0	0	1	0	0			1	
New hires rate	0%	0%	0%	150%	0%	0%			13%	
Russia	4	4	0	1	2	2			13	
New hires rate	81%	21%	0%	24%	15%	52%			26%	
Serbia	0	0	0	0	0	0			0	
New hires rate	0%	0%	0%	0%	0%	0%			0%	
Singapore	0	0	0	0	0	0			0	
New hires rate	0%	0%	0%	0%	0%	0%			0%	
South Africa	18	25	0	2	2	0			47	

[401-1]



8.2. Data tables

New hires 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
New hires rate	34%	10%	0%	17%	3%	0%	9%			
Sweden	1	0	0	1	0	0	2			
New hires rate	100%	0%	0%	120%	0%	0%	16%			
Switzerland	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
Thailand	2	0	0	2	1	0	5			
New hires rate	86%	0%	0%	133%	9%	0%	16%			
Tunisia	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
Turkey	0	0	0	0	0	0	0			
New hires rate	0%	0%	0%	0%	0%	0%	0%			
Vietnam	0	3	0	0	1	0	4			
New hires rate	0%	53%	0%	0%	20%	0%	27%			
Total	313	460	89	175	291	51	1379			

[401-1]



8.2. Data tables

New hires 2020	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
Germany	1	5	1	5	6	0	18			
New hires rate	10%	16%	6%	100%	30%	0%	19%			
Australia	28	36	11	19	23	12	129			
New hires rate	64%	31%	11%	51%	32%	29%	31%			
Austria	5	2	0	1	1	0	9			
New hires rate	63%	13%	0%	17%	25%	0%	17%			
Belgium	0	1	0	0	0	0	1			
New hires rate	0%	8%	0%	0%	0%	0%	4%			
Brazil	7	31	0	5	8	0	51			
New hires rate	37%	22%	0%	0%	100%	0%	30%			
Bulgaria	0	16	0	0	2	0	18			
New hires rate	0%	36%	0%	0%	13%	0%	30%			
Chile	1	0	0	0	1	0	2			



8.2. Data tables

New hires 2020	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
New hires rate	25%	0%	0%	0%	100%	0%	0%	0%	22%	
Cyprus	0	1	0	0	0	0	0	0	1	
New hires rate	0%	14%	0%	0%	0%	0%	0%	0%	9%	
Croatia	0	16	0	0	0	0	0	0	16	
New hires rate	0%	200%	0%	0%	0%	0%	0%	0%	145%	
United Arab States	0	2	0	0	1	0	0	0	3	
New hires rate	0%	7%	0%	0%	20%	0%	0%	0%	8%	
Egypt	1	0	0	1	0	0	0	0	2	
New hires rate	33%	0%	0%	50%	0%	0%	0%	0%	12%	
Spain	32	100	10	20	50	4	4	4	216	
New hires rate	32%	13%	3%	30%	10%	2%	2%	2%	11%	
France	2	30	0	2	21	0	0	0	55	
New hires rate	6%	17%	0%	13%	25%	0%	0%	0%	14%	



8.2. Data tables

New hires 2020	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
Hungary	1	1	0	0	0	0	0	0	2	
New hires rate	50%	9%	0%	0%	0%	0%	0%	0%	9%	
Indonesia	1	1	0	2	0	0	0	0	4	
New hires rate	10%	6%	0%	50%	0%	0%	0%	0%	9%	
Italy	3	7	0	2	1	0	0	0	13	
New hires rate	38%	11%	0%	100%	4%	0%	0%	0%	11%	
New Zealand	0	1	0	0	0	0	0	0	1	
New hires rate	0%	33%	0%	0%	0%	0%	0%	0%	14%	
Poland	0	0	0	1	0	0	0	0	1	
New hires rate	0%	0%	0%	100%	0%	0%	0%	0%	5%	
Portugal	7	0	0	0	0	0	0	0	7	
New hires rate	58%	0%	0%	0%	0%	0%	0%	0%	10%	
Czech Republic	1	1	0	0	0	0	0	0	2	



8.2. Data tables

New hires 2020	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
New hires rate	100%	20%	0%	0%	0%	0%	0%	0%	22%	
Russia	0	0	0	1	0	0	0	0	1	
New hires rate	0%	0%	0%	33%	0%	0%	0%	0%	2%	
South Africa	19	30	4	4	5	3	4	3	65	
New hires rate	33%	11%	6%	25%	7%	9%	25%	7%	13%	
United States of America (USA)	25	39	12	20	19	2	20	2	117	
New hires rate	47%	15%	10%	67%	23%	4%	67%	23%	20%	
Vietnam	0	1	0	0	1	0	0	0	2	
New hires rate	0%	25%	0%	0%	20%	0%	0%	20%	14%	
Total	157	336	40	94	157	22	94	22	806	
New hires rate	37%	14%	5%	42%	13%	6%	42%	13%	15%	



8.2. Data tables

New hires by type of contract / gender

	2021				2020			
	Male	Female	Total	%	Male	Female	Total	%
Hirings - Permanent contracts	731	403	1,134	82%	313	155	468	58%
Hirings - Temporary contracts	131	114	245	18%	218	105	323	42%
Fluidra Total	862	517	1,379	100%	531	260	791	100%

Layoffs by gender

	Male	%	Female	%	Total
Layoffs 2021	170	75%	56	25%	226
Layoffs 2020	301	63%	177	37%	478

Layoffs by category

	2021	2020
Executives	1	14
Managers	2	21
Professionals	16	64
Technicians	55	87
Administration & Support	28	123
Manufacturing	124	169
Fluidra Total	226	478

8.2. Data tables

Layoffs by age

	2021	2020
Under 30 years old	57	99
Between 30 and 50 years old	130	297
Over 50 years old	39	82
Fluidra Total	226	478





8.2. Data tables

Layoffs by country

Layoffs 2021	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
Australia	3	2	3	0	0	2	10			
Belgium	0	2	0	0	1	0	3			
Brazil	4	9	1	2	1	1	18			
Bulgaria	0	1	0	0	0	0	1			
China	0	8	0	0	8	0	16			
Spain	7	34	11	0	10	8	70			
United States of America	22	23	9	4	6	2	66			
France	2	0	0	2	0	0	4			
Indonesia	1	4	0	2	1	0	8			
Italy	1	0	0	0	1	0	2			
United Kingdom	1	1	0	1	0	0	3			
South Africa	4	14	1	0	2	1	22			
Thailand	0	0	0	0	1	0	1			
Vietnam	1	1	0	0	0	0	2			
Fluidra Total	46	99	25	11	31	14	226			



8.2. Data tables

Layoffs 2020	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male			Female						
Germany	0	4	1	3	1	1	10			
Australia	1	3	4	1	2	0	11			
Austria	3	5	3	3	1	0	15			
Belgium	0	2	0	0	0	0	2			
Bosnia and Herzegovina	0	0	0	0	0	0	0			
Brazil	10	31	8	0	16	8	65			
Bulgaria	0	22	1	0	1	0	24			
Canada	0	1	1	2	0	0	4			
Chile	1	1	0	0	2	0	4			
China	0	1	0	0	0	0	1			
Colombia	0	1	0	1	1	0	3			
Croatia	1	1	0	0	0	0	2			
United Arab Emirates	0	0	0	0	0	0	0			
Egypt	1	1	0	1	0	0	3			



8.2. Data tables

Layoffs 2020	Under 30 years old			Between 30 and 50 years old			Over 50 years old			Total
	Male						Female			
Tunisia	0	0	0	0	0	0	1	0	1	
United States of America (USA)	13	46	28	8	13	8	8	8	116	
Vietnam	0	0	0	0	0	0	0	0	0	
Fluidra Total	52	184	65	47	113	17	17	17	478	



8.2. Data tables

Turnover by gender

	% Male	% Female	% Total
Total turnover 2021	11.79%	9.29%	10.94%
Voluntary turnover 2021	7.62%	6.64%	7.28%
Total turnover 2020	10.6%	8.7%	10%
Voluntary turnover 2020	5%	4%	4.6%

Turnover by age

	Under 30 years old	Between 30 and 50 years old	Over 50 years old	% Total
Total turnover 2021	23.59%	9.29%	8.69%	10.94%
Voluntary turnover 2021	16.20%	6.05%	5.89%	7.28%

*No data available for 2020.

Training hours by category/gender

	2021			2020		
	Male	Female	Total	Male	Female	Total
Executives	439	39	478	28	147	175
Managers	3,047	834	3,881	13,342	5,110	18,452
Professionals	8,018	3,343	11,361	4,341	2,745	7,086
Technicians	12,755	6,669	19,424	2,817	2,038	4,855
Administration & Support	2,308	4,898	7,206	730	1,718	2,448
Manufacturing	7,010	2,067	9,077	10,228	454	10,682
Total	33,577	17,850	51,427	31,486	12,212	43,698

8.2. Data tables

Environmental indicators

Manufacturing materials by source

	2021		2020		Change
	tn	%	tn	%	
Reused/recycled materials	17,743	26%	14,408	23%	23%
Non-recycled	49,941	74%	49,257	77%	1%
Total	67,684	100%	63,665	100%	6%

Manufacturing materials by source and type

	2021			2020		
	Reused/recycled materials (tn)	Non-recycled (Tn)	Total (tn)	Reused/recycled materials (tn)	Non-recycled (Tn)	Total (tn)
Metals	575	11,321	11,896		5,584	
Plastics	3,079	18,068	21,146	1,176	20,430	49,208
Chemicals	-	18,835	18,835		22,018	
Glass	14,089	1,543	15,632	13,232	1,225	14,457
Electronic components	-	174	174	N/D	N/D	N/D
Total	17,743	49,941	67,684	14,408	49,257	63,665



[301-1, 301-2]



8.2. Data tables

Packaging by source and type

	Reused/recycled materials (Tn)	Non-recycled (Tn)	Total (tn)	Total (tn)
	2021		2020	
Films & Plastics	221	1,853	2,074	2,191
Wood	3,099	7,025	10,124	6,067
Cardboard	3,032	2,488	5,520	5,887
Compostable bags	-	1	1	-
Other	-	130	130	-
Total	6,352	11,497	17,849	14,145

Waste by type

	Waste (tn)	Waste (%)	Waste (tn)	Waste (%)
	2021		2020	
Hazardous waste	3,162	10%	8,616	32%
Cells, batteries and electrical or electronic waste	2,033	64%	16	0%
Contaminated plastics or containers	129	4%	80	1%
Chemicals, oils and lubricants	628	20%	8,519	99%
Non-recyclable or mixed	372	12%	0	0%
Non-Hazardous waste	29,348	90%	18,307	68%
Plastics	5,970	20%	2,471	13%
Wood	954	3%	3,454	19%
Metal	5,079	17%	544	3%
Non-recyclable or mixed	12,434	43%	2,498	14%
Paper and cardboard	4,911	17%	9,340	51%
Total	32,510	100%	26,922	100%



8.2. Data tables

Waste by disposal method

	Waste (tn)	Waste (%)	Waste (tn)	Waste (%)
	2021		2020	
Hazardous waste	3,162	10%	8,615	32%
Recycling / reuse	2,693	85%	736	9%
Incineration	200	6%	95	1%
Landfill	269	9%	7,784	90%
Non-Hazardous waste	29,348	90%	18,307	68%
Recycling / reuse	21,302	72%	15,374	84%
Incineration	205	1%	66	0%
Landfill	7,841	27%	2,867	16%
Total	32,510	100%	26,922	100%

Energy intensity

	Unit	Intensity	Denominator	Intensity	Denominator	Var.
		2021		2020		
Raw material used	GJ/tn	5.76	85,533	4.22	77,810	31%
Per square meter	GJ/m ²	0.61	812,329	0.531	618,700	14%
Per employee	GJ/per	70.48	6,995	60.45	5,436	17%
Per EBITDA	GJ/EBITDA	0.0010	506,366,000	0.0011	302,072,000	-10%



8.2. Data tables

Scope 1 & 2 emissions by region

	2021		2020	
HQ+EMEA	11,856	59%	9,095	49%
Scope 1	9,098	77%	6,681	73%
Scope 2*	2,758	23%	2,414	27%
AMER	795	4%	1,290	7%
Scope 1	780	98%	69	5%
Scope 2*	15	2%	1,221	95%
APAC	7,457	37%	8,260	44%
Scope 1	5,205	70%	1,288	16%
Scope 2*	2,252	30%	6,972	84%
FLUIDRA	20,108	100%	18,644	100%
Scope 1	15,083	75%	8,037	43%
Scope 2*	5,025	25%	10,607	57%

*Scope 2 Emissions are market based.

Significant air emissions

In tons	2021	2020*
Volatile Organic Compounds (VOCs)	299.17	130.30
Hydrochloric Acid (HCl)	1	0.03
Chlorine (Cl)	2,693.43	0.13
Fugitive emissions (CO ₂ eq)	-	15.15
CO	-	3.31
SO _x	-	4.46
NO _x	2.86	10.22
Airborne particles (PM)	0.96	0.64
HCFCs	0.01	N/A
HFC	0.09	N/A
Persistent organic pollutants (POPs)	0.30	N/A
Hazardous air pollutants (HAP)	4.60	N/A
CO ₂	3,231.79	N/A

* These emissions correspond to those declared by the main production companies Cepex, Waterlinx, Inquide, Metalast and Poltank and those estimated for remaining companies according to their consumption of diesel and natural gas.



8.3. GRI content index

GRI 101: Foundation 2016

GRI 102: General Disclosures 2016

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
102-1 Name of the organization	Fluidra S.A.		✓	102-11 Precautionary Principle or approach		115-116, 166	✓
102-2 Activities, brands, products, and services		12, 19-21	✓	102-12 External initiatives		125-126, 188, 194	✓
102-3 Location of headquarters	Av. Alcalde Barnils, 69, 08174 Sant Cugat del Vallés, Barcelona, España		✓	102-13 Membership of associations		235	✓
102-4 Location of operations		18	✓	102-14 Statement from senior decision-maker		6-8	✓
102-5 Ownership and legal form	Public limited company listed on the stock exchange.		✓	102-15 Key impacts, risks, and opportunities		117	✓
102-6 Markets served		16-21, 139-145	✓	102-16 Values, principles, standards, and norms of behavior		13-14, 125-126, 189, 198	✓
102-7 Scale of the organization		5, 19-21, 47-48, 65	✓	102-17 Mechanisms for advice and concerns about ethics		128	✓
102-8 Information on employees and other workers	Partial (Information not available): the company does not provide hiring data by region and expects to have complete information in the next financial year.	195, 250-253	✓	102-18 Governance structure		93-95, 105	✓
102-9 Supply chain		134-135	✓	102-19 Delegating authority		105	✓
102-10 Significant changes to the organization and its supply chain		9-10, 134	✓	102-20 Executive-level responsibility for economic, environmental, and social topics		70-71	✓



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
102-22 Composition of the highest governance body and its committees		96-99	✓	102-33 Communicating critical concerns		94-95	✓
102-23 Chair of the highest governance body		96-99	✓	102-35 Remuneration policies	Partial (Confidential): company does not provide information on payment to long-term savings pension systems and any other perception.	110	✓
102-24 Nominating and selecting the highest governance body		100-101	✓	102-36 Process for determining remuneration	Partial (Information not available): it is not detailed whether specialized consultants are involved in the determination of remuneration and whether they are independent from management, the information is expected to be completed in the next financial year.	110	✓
102-25 Conflicts of interest		103-104	✓	102-40 List of stakeholder groups		85-87	✓
102-26 Role of highest governance body in setting purpose, values, and strategy		94-95	✓	102-41 Collective bargaining agreements		197	✓
102-27 Collective knowledge of highest governance body		94-95	✓	102-42 Identifying and selecting stakeholders		85-87	✓
102-28 Evaluating the highest governance body's performance		102	✓	102-43 Approach to stakeholder engagement		85-87, 238-243	✓
102-29 Identifying and managing economic, environmental, and social impacts		70-71, 115-116	✓	102-44 Key topics and concerns raised		85-87	✓
102-30 Effectiveness of risk management processes		115-116	✓	102-45 Entities included in the consolidated financial statements		238	✓
102-31 Review of economic, environmental, and social topics		70-72	✓				
102-32 Highest governance body's role in sustainability reporting		94-95	✓				



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
102-46 Defining report content and topic Boundaries		238-243	✓	GRI 201: Economic Performance 2016			
102-47 List of material topics		244-246	✓	103-1 Explanation of the material topic and its Boundary		94-95	
102-48 Restatements of information		238	✓	103-2 The management approach and its components		44	
102-49 Changes in reporting		241	✓	103-3 Evaluation of the management approach		44	
102-50 Reporting period	Calendar year 2021.		✓	201-1 Direct economic value generated and distributed	Partial (Information not available): no detail by country or region.	247	✓
102-51 Date of most recent report	April 2021 (financial year 2020).		✓	201-2 Financial implications and other risks and opportunities due to climate change	Partial (Information not available): no detail by country or region.	171-172	✓
102-52 Reporting cycle	Annual.		✓	201-3 Defined benefit and other retirement plan obligations	Not applicable: Fluidra does not have any retirement plan obligations		✓
102-53 Contact point for questions regarding the report	ESG Department: rsc@fluidra.com Investor Relations Department: investor_relations@fluidra.com For general enquiries: info@fluidra.com		✓	201-4 Financial assistance received from the government		158	✓
102-54 Claims of reporting in accordance with the GRI Standards		238	✓	GRI 202: Market presence 2016			
102-55 GRI content index		282	✓	103-1 Explanation of the material topic and its Boundary		194, 240	
102-56 External assurance		239, 297	✓	103-2 The management approach and its components		194	
				103-3 Evaluation of the management approach		194	



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
202-1 Ratio of standard entry level salary by gender vs. local minimum wage	Compensation at Fluidra is always at or above the Minimum Wage in each country of operation. Partial: the ratio of starting salary versus local minimum wage in each country of operation is not provided.		✓	GRI 205: Anti-corruption 2016			
202-2 Proportion of senior executives hired from the local community	The percentage of senior executives hired from the local community is 91%. Local is defined as a person who works in the same country of his or her nationality.		✓	103-1 Explanation of the material topic and its Boundary		125	
GRI 203: Indirect economic impacts 2016				103-2 The management approach and its components		125	
103-1 Explanation of the material topic and its Boundary		228		103-3 Evaluation of the management approach		125	
103-2 The management approach and its components		228		205-1 Operations assessed for corruption-related risks	Partial (Information not available): significant risks related to corruption are missing, expect to have complete information in the next exercise.	130-131	✓
103-3 Evaluation of the management approach		228		205-2 Communication and training on anti-corruption policies and procedures		130-131	✓
203-1 Infrastructure investments and services supported		228	✓	205-3 Confirmed cases of corruption and actions taken		130-131	✓
GRI 204: Procurement practices 2016				GRI 206: Anti-competitive behavior 2016			
103-1 Explanation of the material topic and its Boundary		133		103-1 Explanation of the material topic and its Boundary		125	
103-2 The management approach and its components		133		103-2 The management approach and its components		125	
103-3 Evaluation of the management approach		133		103-3 Evaluation of the management approach		125	
204-1 Proportion of spending on local suppliers		135	✓				



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		132	✓	GRI 301: Materials 2016			
				103-1 Explanation of the material topic and its Boundary		163-168	
				103-2 The management approach and its components		163-168	
				103-3 Evaluation of the management approach		163-168	
GRI 207: Tax 2019				301-1 Materials used by weight or volume		181, 278-279	✓
103-1 Explanation of the material topic and its Boundary		155		301-2 Recycled input materials used		181, 278-279	✓
103-2 The management approach and its components		155					
103-3 Evaluation of the management approach		155		GRI 302: Energy 2016			
207-1 Approach to tax		155-156	✓	103-1 Explanation of the material topic and its Boundary		163-168	
207-2 Tax governance, control, and risk management	For additional information, please refer to the 2021 Consolidated Financial Statements Audit Report available at https://www.fluidra.com/shareholders/integrated-report-annual-accounts	128, 155-156	✓	103-2 The management approach and its components		163-168	
207-4 Country-by-country reporting	Partial: for further details, please refer to the company annual accounts and management report, financial year 2021.	157, 247-249	✓	103-3 Evaluation of the management approach		163-168	
				302-1 Energy consumption within the organization		173, 175	✓
				302-3 Energy intensity		280	✓



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
302-5 Reduction of energy requirements of products and services		27-37	✓	303-5 Water consumption	Partial (Information not available: the company is updating its reporting systems and expects to have complete information next year)	184	✓
GRI 303: Water and Effluents 2018				GRI 304: Biodiversity 2016			
103-1 Explanation of the material topic and its Boundary		163-168		103-1 Explanation of the material topic and its Boundary		163-168	
103-2 The management approach and its components		163-168		103-2 The management approach and its components		163-168	
103-3 Evaluation of the management approach		163-168		103-3 Evaluation of the management approach		163-168	
303-1 Interaction with water as a shared resource	Partial (Information not available): the company is updating its reporting systems and expects to have complete information next year)	184	✓	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	All the company's production centers are located in industrial estates outside protected areas of special interest with little or no impact on biodiversity.	185	✓
303-2 Management of water discharge-related impacts	Partial (Information not available): the company does not disclose the water consumption of water-stressed locations.	184	✓	304-2 Significant impacts of activities, products, and services on biodiversity	Partial (Information not available): the size and location of the protected or restored areas of habitats and whether the success of the restoration measure was or is approved by independent external professionals is not detailed.	185	✓
303-4 Water discharge	Partial (Information not available): the company is updating its reporting systems and expects to have complete information next year)	184	✓				



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
304-3 Habitats protected or restored	Partial (Information not available): the size and location of the protected or restored areas of habitats and whether the success of the restoration measure was or is approved by independent external professionals is not detailed.	185	✓	GRI 306: Waste 2020			
GRI 305: Emissions 2016				103-1 Explanation of the material topic and its Boundary		163-168	
103-1 Explanation of the material topic and its Boundary		163-168		103-2 The management approach and its components		163-168	
103-2 The management approach and its components		163-168		103-3 Evaluation of the management approach		163-168	
103-3 Evaluation of the management approach		163-168		306-1 Waste generation and significant waste-related impacts		182-183	✓
305-1 Direct GHG emissions (scope 1)		173, 174, 281	✓	306-2 Management of significant waste-related impacts		182-183	✓
305-2 Energy indirect (Scope 2) GHG emissions		173, 177, 281	✓	306-3 Waste generated		182-183, 279	✓
305-3 Other indirect GHG emissions (scope 3)		173, 178	✓	306-4 Waste diverted from disposal	Partial (Information not available): Fluidra does not breakdown the information by on-site and off-site waste management.	182-183, 280	✓
305-5 Reduction of GHG emissions		169, 173-174, 177-178	✓	306-5 Waste directed to disposal	Partial (Information not available): Fluidra does not breakdown the information by on-site and off-site waste management.	182-183, 280	✓
305-7 Nitrogen oxide (NOX), sulfur oxide (SOX) and other significant air emissions		281	✓				



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
GRI 307: Environmental compliance 2016				GRI 401: Employment 2016			
103-1 Explanation of the material topic and its Boundary		163-168		103-1 Explanation of the material topic and its Boundary		194-195	
103-2 The management approach and its components		163-168		103-2 The management approach and its components		194-195	
103-3 Evaluation of the management approach		163-168		103-3 Evaluation of the management approach		194-195	
307-1 Non-compliance with environmental laws and regulations		167	✓	401-1 New employee hires and employee turnover		260-266, 277	✓
GRI 308: Supplier environmental assessment 2016				401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees			
103-1 Explanation of the material topic and its Boundary		133		As a general rule, benefits are only available to employees with permanent contracts.		214	✓
103-2 The management approach and its components		133		401-3 Parental leave		198	✓
103-3 Evaluation of the management approach		133					
308-1 New suppliers that were screened using environmental criteria		136-137	✓				
308-2 Negative environmental impacts in the supply chain and actions taken		136-137	✓				



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
GRI 404: Training and education 2016							
103-1 Explanation of the material topic and its Boundary		205-213		405-1 Diversity in governing bodies and employees		96-99, 198, 251-253	✓
103-2 The management approach and its components		205-213		405-2 Ratio of basic salary and remuneration of women to men		214-217	✓
103-3 Evaluation of the management approach		205-213		GRI 406: Non-discrimination 2016			
404-1 Average hours of training per year per employee		207, 277	✓	103-1 Explanation of the material topic and its Boundary		198	
404-2 Programs for upgrading employee skills and transition assistance programs		205	✓	103-2 The management approach and its components		198	
404-3 Percentage of employees receiving regular performance and career development reviews	Partial (Information not available): the percentage of periodic evaluations by professional category is not reported; the company expects to have the data in the next fiscal year.	210	✓	103-3 Evaluation of the management approach		198	
GRI 405: Diversity and equal opportunity 2016				406-1 Incidents of discrimination and corrective actions taken		128, 198	✓
103-1 Explanation of the material topic and its Boundary		198					
103-2 The management approach and its components		198					
103-3 Evaluation of the management approach		198					



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
GRI 407: Freedom of association and collective bargaining 2016				GRI 408: Child labor 2016			
103-1 Explanation of the material topic and its Boundary		188		103-1 Explanation of the material topic and its Boundary		188	
103-2 The management approach and its components		188		103-2 The management approach and its components		188	
103-3 Evaluation of the management approach		188		103-3 Evaluation of the management approach		188	
407-1 Operations and suppliers whose right to freedom of association and collective bargaining could be at risk	Partial (Information not available): the risk countries in which Fluidra's suppliers operate are not reported. According to the Verisk Maplecroft Human Rights Index, Fluidra operates in the following countries with an extreme risk of violation of Freedom of Association and Collective Bargaining rights: Turkey, China, Vietnam and the United Arab Emirates.		✓	408-1 Operations and suppliers at significant risk for incidents of child labor	According to the Verisk Maplecroft Human Rights Index, Fluidra does not operate in countries with extreme risk of child labor.	192	✓
GRI 409: Forced or compulsory labor 2016							
103-1 Explanation of the material topic and its Boundary		188		103-1 Explanation of the material topic and its Boundary		188	
103-2 The management approach and its components		188		103-2 The management approach and its components		188	
103-3 Evaluation of the management approach		188		103-3 Evaluation of the management approach		188	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor				409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	According to the Verisk Maplecroft Human Rights Index, Fluidra operates in the following countries with extreme risk of forced labor: Brazil, Turkey, China, India, Indonesia and Vietnam..	192	✓



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
GRI 412: Human rights assessment 2016							
103-1 Explanation of the material topic and its Boundary		188		413-2 Operations with significant actual and potential negative impacts on local communities		167	✓
103-2 The management approach and its components		188		GRI 414: Supplier Social assessment 2016			
103-3 Evaluation of the management approach		188		103-1 Explanation of the material topic and its Boundary		133	
412-1 Operations that have been subject to human rights reviews or impact assessments		188, 194	✓	103-2 The management approach and its components		133	
412-2 Employee training in human rights policies or procedures		193	✓	103-3 Evaluation of the management approach		133	
GRI 413: Local communities 2016				414-1 New suppliers that were screened using social criteria		136-137	✓
103-1 Explanation of the material topic and its Boundary		228		414-2 Negative social impact to the supply chain and actions taken		136-137	✓
103-2 The management approach and its components		228					
103-3 Evaluation of the management approach		228					
413-1 Operations with local community engagement, impact assessments, and development programs	Partial (Information not available): no information is provided on the percentage of operations with local community participation.	228	✓				



8.3. GRI content index

Disclosure	Comments/omission	Page	Revised	Disclosure	Comments/omission	Page	Revised
GRI 415: Public policy 2016				GRI 417: Marketing and labeling 2016			
103-1 Explanation of the material topic and its Boundary		125, 188		103-1 Explanation of the material topic and its Boundary		25	
103-2 The management approach and its components		125, 188		103-2 The management approach and its components		25	
103-3 Evaluation of the management approach		125, 188		103-3 Evaluation of the management approach		25	
415-1 Political contributions		130-131	✓	417-1 Requirements for product and service information and labeling		26	✓
GRI 416: Customer health and safety 2016				417-2 Incidents of non-compliance concerning product and service information and labeling			
103-1 Explanation of the material topic and its Boundary		25		417-2 Incidents of non-compliance concerning product and service information and labeling		26	✓
103-2 The management approach and its components		25		417-3 Incidents of non-compliance concerning marketing communications	In 2021, there have been no cases of non-compliance related to marketing communications.		✓
103-3 Evaluation of the management approach		25					
416-1 Assessment of health and safety impacts of product and service categories		25	✓				
416-2 Cases of non-compliance related to health and safety impacts of product and service		25	✓				

8.3. GRI content index

Disclosure	Comments/omission	Page	Revised
GRI 418: Customer privacy 2016			
103-1 Explanation of the material topic and its Boundary		159	
103-2 The management approach and its components		159	
103-3 Evaluation of the management approach		159	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		159	✓
GRI 419: Socioeconomic compliance 2016			
103-1 Explanation of the material topic and its Boundary		228	
103-2 The management approach and its components		228	
103-3 Evaluation of the management approach		228	
419-1 Non-compliance with laws and regulations in the social and economic area		228	✓





8.4. Table of Contents according to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

Fluidra follows the recommendations of the TCFD regarding the publication of information related to its climate change management in the following sections of this report:

Section	Requirement	Page
Governance	Describe the board's oversight of climate-related risks and opportunities. Describe management's role in assessing and managing climate-related risks and opportunities.	71
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	72-74
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks. Describe the organization's processes for managing climate-related risks. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	115-124, 169-172
Metrics and Targets	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	72-74, 165, 167, 169-180, 281



8.5. External verification



Translation of an independent review report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

INDEPENDENT REVIEW REPORT ON THE SUSTAINABILITY INFORMATION IN THE INTEGRATED REPORT 2021

To the Management Committee of Fluidra, S.A.:

Scope of work

As commissioned by the Management of Fluidra, S.A. (hereinafter, Fluidra), we have completed our review of the sustainability information contained in the Integrated Report of Fluidra for the year ended December 31, 2021 (hereinafter, the Report) and the "GRI Table of Contents" included in section "About this report". This Report was prepared in accordance with the conditions contained in GRI Sustainability Reporting Standards (GRI standards).

The scope set by Fluidra for the preparation of this Report are defined in section "About this report" of the attached Report.

The preparation of the attached Report and its contents are the responsibility of the Management of Fluidra, which is also responsible for defining, adapting and maintaining those internal management and monitoring systems whereby the information is obtained. It is our responsibility to issue an independent report based on the procedures applied in our review.

Criteria

We have performed our review in accordance with:

- The Guidelines for the review of Corporate Responsibility Reports issued by the Spanish Institute of Chartered Accountants (ICJCE).
- Standard ISAE 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), with a limited assurance scope.

Procedures performed

Our review consisted in asking questions to the various Departments of Fluidra that participated in the preparation of the attached Report and in the application of certain analytical procedures and review tests on a sample basis as described below:

- Interviews with personnel responsible for the preparation of sustainability information in order to obtain an appreciation of how sustainability objectives and policies are evaluated, placed in practice and integrated into Fluidra's global strategy.
- Analysis of the processes for collecting and validating the sustainability information contained in the attached Report.



2

- Verification of the processes whereby Fluidra determines what its material aspects are, as well as the participation of stakeholders in them.
- Review of the suitability of the structure and contents of the sustainability information in accordance with the Guidelines for the preparation of sustainability reports under Global Reporting Initiative (GRI) Standards according to the "Core" option.
- Verification through review testing based on sample selections of the quantitative information in the contents included in the "GRI Table of Contents" included in section "About this report" and its satisfactory compilation based on the data provided by the informational sources. The review tests have been defined for the purposes of providing the indicated level of assurance.
- Checking that the financial information in the Report has been audited by an independent third party.

These procedures have been applied to the sustainability information contained in the attached Report and in the "GRI Table of Contents", which is included in section "About this Report" with the extent and scope indicated above.

The scope of our review is substantially less than that of a reasonable assurance review. Therefore, the assurance provided is also lower.

This Report is not in any way to be considered an audit report.

Independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

Our firm applies International Standard on Quality Control 1 (ISQC 1), and consequently maintains a comprehensive quality control system which includes documented policies and procedures relating to compliance with ethical requirements, professional standards, and the applicable legal and regulatory provisions.

This assignment has been performed by a team of specialists in sustainability with extensive experience in the review of this sort of information.

Conclusions

As a result of our review, nothing has come to our attention that leads us to believe that the contents included in the "GRI Table of Contents" of the report have not been prepared in all its material aspects in accordance with the Guide for the preparation of sustainability reports under Global Reporting Initiative (GRI) Standards, including reliability of data, suitability of the information presented and the absence of significant deviations and omissions.

This Report has been prepared exclusively in the interest of Fluidra, in accordance with the terms of our engagement letter.

ERNST & YOUNG, S.L.
(Signature on the original in Spanish)

Antonio Capella Elizalde

May 4, 2022

A member firm of Ernst & Young Global Limited

FLUIDRA



www.fluidra.com