2023

INTEGRATED ANNUAL REPORT

Reshaping the future of the pool



FLUIDRA

STRUCTURE OF THE REPORT

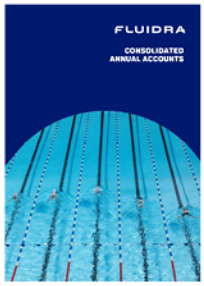
INTEGRATED ANNUAL REPORT 2023



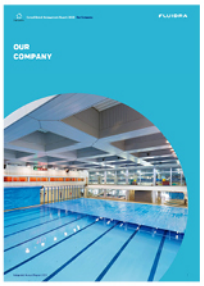
CONSOLIDATED MANAGEMENT REPORT



CONSOLIDATED ANNUAL ACCOUNTS



Our company



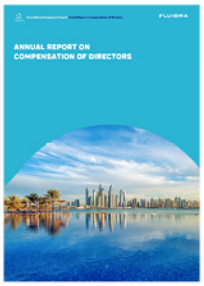
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FLUIDRA

CONSOLIDATED MANAGEMENT REPORT 2023



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This document is the Consolidated Management Report of Fluidra S.A. and its subsidiaries (listed in Appendix I of the Consolidated Financial Statements) for business year 2023, between January 1, 2023 and December 31, 2023.

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OUR COMPANY



Letter from the Executive Chairman

GRI 2-22



Dear Fluidra friends,

If I were to encapsulate our 2023 in one word, it would be "transformation". Externally, there's no denying that geopolitical and economic uncertainty has had a significant impact on a global scale and at every level. Internally, we've diligently strived to overcome challenges and glean lessons from them to come out stronger on the other side.

Using a weather analogy, we encountered gusty winds and intermittent fog that made it tough to see as we embarked on our 2023 journey. However, thanks to intense efforts to bolster our foundations, the clouds cleared and we reached the end of the year stronger, more resilient and with clear skies ahead.

The results of our journey have been truly encouraging. Despite experiencing a decrease in demand for new pool construction and inventory adjustments in the channel this past year, we've hit €2,051 million in sales and €445 million in EBITDA, improving our margins. We also have two new acquisitions (Meranus and Kerex) and a strong product portfolio. On the back of this performance, the Board of Directors is pleased to recommend, subject to shareholder approval, a dividend of €0.55 per share, payable in the second half of 2024.

I know for a fact that all of this has been made possible thanks to the efforts of every single one of our professionals at Fluidra.

Together, we've worked tirelessly and with a shared purpose: **to maintain our position as leaders in the pool and wellness market,** a feat we've once again achieved this year, which is why I'd like to extend my heartfelt thanks to our suppliers, customers, investors, users, and, of course, our entire workforce. I take immense pride in being part of such a skilled and committed professional family.

Continuing to reshape the future of the pool

Our focus on innovation and transformation has been pivotal throughout the year. We've strived to become a more efficient organization economically—our **Simplification Plan** alone has resulted in savings exceeding 30 million euros—and we've continued our efforts in sustainability, advancing our positive pool concept.

We have our eyes set on reshaping the future of pools, beyond their core social function as community and health centres, positioning us as key players in preserving water as a fundamental human resource, not only in regions like ours, which are particularly susceptible to climate change, but everywhere we operate. We want Fluidra pools to serve as **tools for sustainability,** and we're actively laying the groundwork for this vision.



On this journey, we strive every day to take fresh steps toward the smart pool concept, one that's increasingly more environmentally responsible. This involves identifying technologies and product features that align with our commitment to environmental sustainability. It is no small wonder that we find ourselves in the era of technological transformation, and Fluidra is embracing this reality. We're determined to stay at the forefront of innovation by embracing new challenges that make it possible. We can see that connectivity, digitalization and artificial intelligence holds the potential to deliver a host of benefits, like helping us predict trends, implement best practices, respond to demand fluctuations, identify customer needs, make informed decisions, optimize our production processes, and reduce resource consumption.

Moving forward on our sustainability commitments

In 2023, our Sustainability Policy, underpinned by our Responsibility Blueprint, continued to reach new heights. This year, we successfully decreased the carbon footprint of our operations by 43%, while sales of sustainable products accounted for 51% of our total sales.

On the social front, in 2023 we continued to improve people's well-being across a number of areas. Aligned with our commitment to achieving gender wage parity by 2024, we made significant progress this year by narrowing the gap to just 1.7%. And one more milestone. As part of our Diversity, Equity, and Inclusion policy, in the last 4 years, we have proposed appointing 4 new female board members, until reaching 28.6% of women on the board.

Through Fundació Fluidra, a cornerstone of our social initiatives, we achieved a remarkable feat: bringing a mobile pool, constructed from a recycled container, all the way from South Africa to the Pool & Wellness Fair celebrated in Barcelona in November. Beyond the buzz it generated at the fair, this innovative project, spearheaded by the National Sea Rescue Institute (NSRI) in collaboration with Fluidra, seeks to extend the benefits of pools and swimming to the most vulnerable communities, with the ultimate goal of preventing drowning incidents. We take immense pride in this achievement.

Moving into 2024 with ethics and transparency

The groundwork laid in 2023 instils us with the confidence that we're prepared and ready for the future. Our business continues to grow and we trust that we have the ability to sustain growth while continuing to responsibly design the ultimate pool and wellness experience.

Looking ahead, we can highlight three key areas of opportunity: sustainability, technological transformation, and continuous improvement.

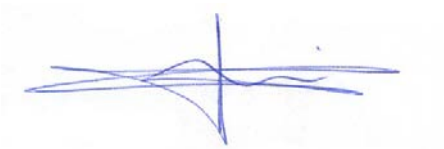
Sustainability. Beyond our positive pool concept and our full dedication to our Fluidra family, sustainability extends to due diligence in the supply chain. To that end, our aim is to establish and enhance ethical and transparent practices to meet society's growing demand for products sourced from responsible supply chains.

Technological transformation obviously represents a major opportunity that we intend to seize. The evolution towards connected, smarter, more intelligent, automated, and efficient pool and data management is a hallmark of our identity and one we will continue to explore as we move forward into 2024. Innovation stands as one of our most cherished corporate values.

Continuous improvement. We are a global company, the only one in our industry, which is both complex and challenging. Our integrated business model, coupled with our extensive experience, gives us the know-how and expertise to continuously improve processes and operations for the benefit of all our stakeholders. Our simplification program remains pivotal in driving us towards becoming a stronger, more agile, digital, and sustainable company.

In closing, I want to say that despite the ongoing uncertainties in the macroeconomic landscape, we are entering this new year with confidence. Over the past four years, our estimates show that the global pool installed base has grown by more than two million new residential in-ground pools. We firmly believe that the need to maintain this installed base will support increased and more stable demand for our products. This growth outlook positions us to take on 2024 with our characteristic humility, expertise, and hard work.

Once again, both in my capacity as chairman and on a personal level, **I sincerely thank the entire Fluidra family for their efforts. I call on each of you to join us in 2024 as we continue to shape the future of the pool industry.**



Eloy Planes
Executive Chairman

Message from Bruce Brooks, CEO



Well, 2023 was quite a year, with a difficult macro-economic environment and geopolitical tensions; as well as more specifically in your sector, de-stocking in the channel. How was it from your perspective?

Answer: There's no doubt 2023 had immense challenges, but I could not be prouder of what we accomplished. The entire Fluidra team stepped up, and because of their extraordinary resilience and drive to succeed, we came through 2023 as a much stronger team and a stronger business. I can not thank the team more for their efforts.

Indeed, the surplus of inventory in the channel made it difficult to navigate in 2023; this was not unique to our industry. In looking at our performance, sales reached €2,051 million—which was down on the prior year—but EBITDA was €445 million; a 21.7% margin compared to 21.4% in the prior year. The fact we were able to expand our EBITDA margin amid lower sales demonstrates the strength of our business model. Our focus on serving customers, the actions we took on price to recover costs, and the successful execution of our Simplification Program were all key components in our performance. The aftermarket, which represents the majority of our demand, proved to be resilient.

Furthermore, we reduced both working capital and net debt levels. Operating net working capital as a percentage of sales was 18.2%, an improvement of 560 basis points compared to the end of December 2022. Our leverage ratio stood at 2.6x, having completed two acquisitions and distributed €134 million in ordinary dividends. The acquisition of Meranus enhances our leading position in the German market (the 3rd largest in Europe) to offer a more comprehensive product portfolio to a wider customer base.

We also made strides on the sustainability front. Sales of sustainable products represented 51% of sales, above the objective we had set for the year, and we reached our 2023 target to source more than 86% of electricity from renewable sources— substantially reducing our carbon footprint.

Our commitment to equality has achieved similar success. We believe in equal pay for equal work between men and women and we made tremendous progress in 2023 to reduce the gender wage gap. We continue to foster a culture where our employees are highly engaged and actively contributing to our success. It's no doubt they are a competitive advantage—enabling us to tackle the biggest challenges of today and capture

the best opportunities of tomorrow. These efforts have been recognized by ESG rating agencies with CDP upgrading us to A-, and, leading the pool sector, we have been included for a second year in the S&P Sustainability Yearbook, which distinguishes the best sustainability performers in their sectors.

For me, 2023 was a foundational year for a stronger future.

What stands out for you as a key to your performance in 2023?

A. First, to put it simply, it all comes down to our customers. When we focus on what our customers need, everything follows: high-quality products, exceptional service, and reliable availability. Our teams work hard to deliver what our clients expect from us. We are a reliable business partner, even in tough environments, and they recognize that, so much so, we managed to take market share during the year.

As a testament to this customer-centric approach, we have been awarded "Vendor of the Year" by the three largest distributors in North America for the three consecutive years—a first in our industry. We were awarded POOLCORP's first-ever "Innovative Vendor of the Year Award" for our groundbreaking innovations in pool cleaning and lighting with our first-ever cordless robotic pool cleaner, the Polaris® FREEDOM™, and our all-new Jandy® Infinite WaterColors Pool Lights.

Secondly, the Simplification Program was also key. It is more than a cost-cutting exercise, it really drives our transformation and has allowed us to build a platform that will take the company to the next level. We've already begun to reap the rewards of these efforts. We are strengthening the business for the long term. And the best is yet to come!

2023 was a foundational year for a stronger future

How do you see the future of Fluidra?

A. Let me first put 2023 performance into perspective: we are a stronger business today compared to 2019. Our sales are 50% higher while our EBITDA margin has expanded 200 basis points. Thanks to our strong cash generation profile, we have reinvested in the business to reinforce our global leadership position.

We closed 2023 within our expectations. While the macro-economic environment remains uncertain, we expect our industry will continue its path towards more normalized patterns in 2024, now that the inventory correction is behind us.

Our future is exciting. The ever-growing residential installed base has reached 19 million pools worldwide, which will all inevitably need some recurring maintenance and equipment upgrades. We have the broadest geographic footprint, where we have access to all markets for growth and diversification. We are leaders in innovation, driving our industry to meet the ever-growing demands of its customers. We've strategically balanced our cost-restructuring initiatives with a focused R&D approach to enhance our product offering and expand our portfolio. We will continue to focus on growing our strong platform over the mid-term for further value creation.

As technology advances, the connected pool will continue to outpace the market and we will be right there with solutions to satisfy the increasing expectations of pool professionals and owners alike. We look to simplify pool management and improve business efficiency for the pool professional while, at the same time, create an easier and more enjoyable pool experience for the end users.

All-in-all, we are well-positioned to continue leading the market with our broad product portfolio, our customer-centric focus and our commitment to providing the highest quality equipment and services. We will lead the way in creating the connected experience while creating more sustainable pools. And finally, our Simplification Program to transform Fluidra will further enhance our margins, making us a more efficient organization.

We are reshaping the future of the pool.



1

FLUIDRA TODAY

1.1. Fluidra at a Glance
1.2. One Fluidra, One Culture
1.3. Integrated business model



1.1

Fluidra at a Glance

Fluidra is a global leader in pool and wellness equipment, with worldwide recognized brands



Integrated business model

We have long-standing experience in the research, development, production, distribution and marketing of a wide range of innovative products and services for residential and commercial pools.



6,400

Employees

who make Fluidra a leader in the sector, with operations in 47 countries and more than 120 commercial delegations.



Simplification Program

To become a more efficient, less complex organization and to accelerate value creation. In 2023, the program contributed over €30 million of savings, in line with the plan to deliver €100 million of savings in 2023–2025.



IBEX 35

Fluidra is listed on the Spanish stock exchange and has been part of the IBEX 35 benchmark index since 2021.

2023 in figures

Good performance in a year of market normalisation.

€2,051 M
Sales

€445 M
EBITDA

€1.10
Cash EPS

2.6x
Net debt/EBITDA

€0.70
Dividend (paid per share)

16%
ROCE

In addition to financial information prepared in accordance with EU-IFRS, this report includes Alternative Performance Measures (APMs), as defined in the ESMA Guidelines. For further details, see section 2.4. Alternative Performance Measures.

Responsibility Blueprint

Sustainability is a cornerstone of our corporate strategy. In 2020, we approved our Responsibility Blueprint that sets out a clear road map to pave the way our business is run and its decision-making processes.

Environment

We contribute to sustainable development through our products and our operations. We develop projects that minimize our environmental impact, reduce carbon emissions and promote a circular economy.

Social

We enhance the well-being of our staff, as well as that of all of the people in our value chain and of society in general. We promote respect for human rights, diversity, equity and inclusion, and we support local communities.

Governance

We encourage responsible business practices throughout our supply chain. We implement best governance practices, as well as suitable measures for risk and crisis management.

Our goals

	2023 performance	2023 target	Progress
Carbon neutrality We aim to become a carbon neutral business in scopes 1 and 2 by 2027.	43% reduction vs. base year (2021)	-40%	🟢
Sustainable products We aim to have >80% of our products classified as sustainable by 2035.	51%	48%	🟢
Wage gap We aim to achieve a net adjusted gender wage gap by 2024.[1]	1.7%	3%	🟢
Level of engagement We aim to reach a level of engagement of >80% of our staff by 2025.	89%	85%	🟢
Social pool We aim to reach 1 million people through social action by 2030.	28,055	14,700	🟢
ESG ratings We aim to achieve an S&P score of 80 by 2030.	66	66	🟢
Customer satisfaction We aim to increase customer satisfaction ratings by 10% by 2025.	7.83	7.8	🟢

🔴 Falling short of achieving the final objective 🟡 Below the annual path 🟢 Compliance with the annual path

Positive pool

At Fluidra, we believe pools to be a driver behind social change and sustainability. With this idea in mind, we have created the concept of the positive pool.

Positive pools are ones that fit into their immediate social context, and that also use more inclusive, safe and/or sustainable products and

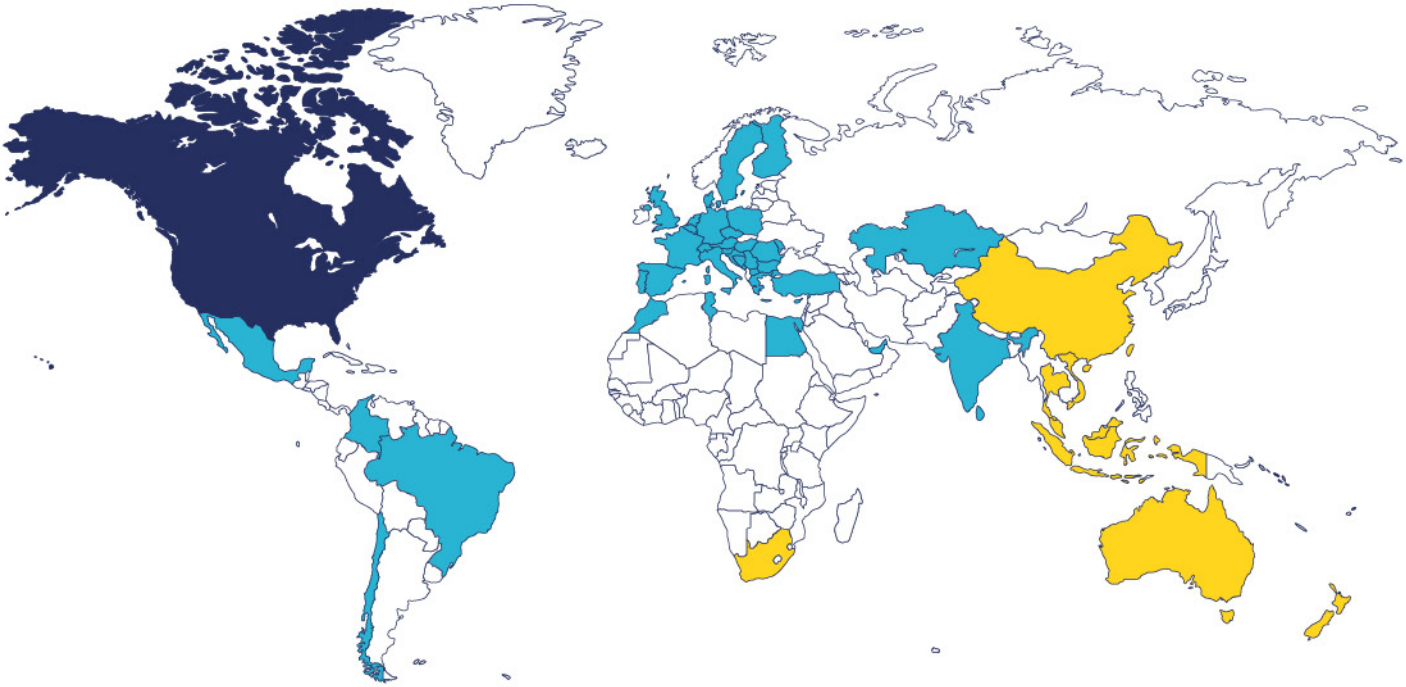
Find out more in section 3.1. Defining the positive pool.



[1] Fluidra defines a net adjusted gender wage gap when it is between +/- 3%.

Fluidra in the world

With a market share of over 13%, we are a world leader in a global pool market worth more than €16 billion. Our business is divided into three large geographical areas that are supported by a global team based at HQ in Sant Cugat del Vallès (Barcelona, Spain).



*Fluidra is still waiting for the approval of its divestiture in Russia by the country's authorities.

North America

United States of America, Canada

In these markets, we design and manufacture products and components that are distributed through third parties. Pool dealers are directly approached by the manufacturers, thus building close ties of trust and partnership with them. Fluidra competes in the largest residential and commercial pool segment.

EMEA

Europe, Middle East, India, North Africa, Latin America

We have a vertically integrated business model, with own R&D centres, production plants, logistics operators and wholesalers run by the company. Fluidra is unique in these highly fragmented markets, with many national and regional competitors.

APAC

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

We have different strategies for each country. In some, there is vertical integration, while in others there are only manufacturing or distribution centres. Except for Australia, commercial pools predominate in these markets, whose main driver is tourism.

€8,200 M
Market size
53%
Global market share
42%
Contribution to the Group's turnover

€6,300 M
Market size
40%
Global market share
48%
Contribution to the Group's turnover

€1,000 M
Market size
7%
Global market share
10%
Contribution to the Group's turnover

*Based on preliminary 2023 market estimates

Main milestones in 2023

Fluidra continues to reshape the future of the pool.

Q1 Results
Sales: €554 M (-17%),
EBITDA: €121 M (-29%),
Cash Net Profit
€60 M (-41%)

H1 Results
Sales: €1,186 M (-18%),
EBITDA: €288 M (-20%),
Cash Net Profit
€151 M (-31%)

Q3 Results
Sales: €1,623 M (-17%),
EBITDA: €366 M (-20%),
Cash Net Profit
€180 M (-31%)

FY 2023 Results
Sales: €2,051 M (-14%),
EBITDA: €445 M (-13%),
Cash Net Profit
€211 M (-21%)

1st quarter

We completed the acquisition of Kerex (Hungary).
See page 34

Fluidra Foundation opened a social swimming pool in Thiaroye (Senegal).
See page 152

The North America region stopped selling incandescent light bulbs to focus on LED technology.
See page 94

One the occasion of International Women's Day we held the gender equity week.
See page 129

We celebrated a new edition of Fluidra Day, on the occasion of World Water Day
See page 152

2nd quarter

Fluidra's 2023 AGM approved a dividend payout of €0.70 per share.
See page 38

We launched the Employee Stock Purchase Plan (ESPP) for our teams in Spain, the United States and Australia.
See page 142

The Commercial Pool division completed the construction of a fountain on the banks of the Valira river in Andorra la Vella.
See page 196

We launched our first range of cordless robotic pool cleaners.
See page. 100

3rd quarter

Meranus (Germany) joined the Fluidra Group.
See page 34

We conducted the employee survey, Now It's Your Turn, whose level of engagement was 89%.
See page 122

Our MSCI rating was upgraded from BBB to A.
See page 59

We held Safety Day at our production plants. No work-related accidents had been reported during July.
See page 147

Building work started on a new 16,000 m^2 logistics warehouse in Girona to better serve southern Europe.
See page 92

We recognized the work of pool professionals at the 3rd edition of Fluidra International Pool Pro Day.
See page 190

4th quarter

For the third year running, the key distributors in North America recognised Fluidra's work.
See page 198

We built the pools for the Pan American Games in Santiago de Chile.
See page 196

We launched the new Fluidra Pool app.
See page 104

We held the 2nd Climate Action Week that sponsored the planting of trees for the purchase of sustainable products.
See page 94

We organized the Pool Horizons event in the framework of the Piscina & Wellness Fair in Barcelona (Spain).
See page 60

Our Simplification Program delivered the expected savings.
See page 30

1.2

One Fluidra, One Culture

GRI 2-23

Fluidra's mission, vision and values guide our daily performance and help create a strong and integrated corporate culture.



Mission

To create the perfect pool and wellness experience responsibly



Vision

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

Our VALUES



Passion for success

We are committed, accountable and consistent



Customer collaboration

We create value for our users and customers



Excellence and innovation

We continuously improve and aim responsibly to be the best



Honesty and trust

We are fair, transparent and accessible



Teamwork and inclusion

We are humble and consider all perspectives



Learn and adapt

We are open minded, flexible and positive

Fluidra's mission, vision and values are benchmarks in our organization at all levels. Therefore, we run ongoing awareness-raising campaigns and we have linked each of our values to our processes and initiatives, so that all staff are aware of how Fluidra's philosophy is put into practice in its day-to-day business.

Fluidra has been a leading consolidator in our industry on a global level. In 2023, we welcomed the teams from Kerex (Hungary) and Meranus (Germany), following the completion of the acquisition operations started in 2022. For the merger process, we rolled out a Welcome Program for these new companies so that they felt part of our team and took our philosophy on board from day one. To do so, we briefed them about the Group's core policies and acquainted them with our history, culture and values.

We reward our employees' engagement

Our values are an essential part of our corporate culture. Therefore, every year we reward the work of those people who have shown a deep commitment to the organization by going beyond their call of duty and have introduced initiatives that allow us to grow and prosper.

As part of our strategy to encourage a culture of recognition, in 2022 we set up the **Founders Awards,** that reward the work of those people who, just as Fluidra's founders did back in the day, stood out for their passion, commitment, perseverance and hard work in their daily performance at the company. These awards are held in tandem with other regional ones, such as the **Values Awards** (Corporate & EMEA) and the **Circle of Champions** (North America).

In all cases, work colleagues nominate and vote for the people who have excelled in the year and deserve this honour, provided that they do not form part of senior management.

Congratulations everybody!





1.3
Integrated business model

Fluidra is the world leader in the pool and wellness sector as a company with long-standing experience and unique know-how that allow us to continue to be a global leader.

Our main key values are:



Wide product range

From the most basic skimmer to the most sophisticated robotic pool cleaner, Fluidra delivers all of the equipment required by professionals in the sector so that end users are able to enjoy their pools.



Geographical diversification

Global operations in 47 countries and a leader in the sector's biggest markets.



Integrated model

From product design to distribution, Fluidra's operating model adapts to each region throughout the value chain.



Quality, service and product availability

These are the main drivers of Fluidra's customer-centric approach



Recognized, trustworthy brands

Fluidra handles leading brands that are widely recognized in the sector.

Discover our customer awards in section 5.5. A customer-centric model.



Operational excellence

We continue to be proactive in reducing costs and improving operational efficiency through the Simplification Program, which is expected to deliver total savings of €100 million between 2023 and 2025.



Focus on innovation

With around 300 engineers and more than 1,700 patents (3x more than our nearest competitor), Fluidra is an outstanding leader in product innovation.



Connectivity and sustainability

These are two of the company's core focus. On the one hand, continue to lead in the Internet of Pools (IoT) and pool connectivity field and, on the other, to continue developing more efficient and sustainable products that allow end users to enjoy the perfect pool and wellness experience responsibly.



We enhance our organic growth through M&A

Fluidra follows a disciplined, systematic inorganic strategy in a very fragmented market.



Responsible business conduct

We work alongside our partners to promote conduct that respects the planet and people throughout our value chain, in line with the commitments of our Responsibility Blueprint.

1.3.1. Products and solutions

At Fluidra we deliver a wide range of products and solutions to meet the needs of our customers, pool owners and water facilities. Our catalogue includes 80,000 of products that are marketed through leading brands widely recognized worldwide, such as AstralPool, Zodiac, Jandy and Polaris, among others.

Fluidra's products can be used both for new pool construction and for the maintenance, repair and modernisation of existing global pools (also known as aftermarket). Indeed, the aftermarket accounts for most of our demand, as shown in the diagram of the estimated demand breakdown.

For further information, see section 1.3.3. Business lines..

At Fluidra, we have a strong focus on innovative products that promote sustainability, usability and connectivity, whilst complying with the highest standards of quality and safety in the market.

For further information, see section 3. Advancing our vision of a positive pool.

Estimated spread of Fluidra's demand



10%
Commercial pools



30%
New-build residential pools



60%
Maintenance and repair of residential pools (aftermarket)

Pool life cycle

The life cycle of a pool begins when a start is made on its construction. Once this stage is over, the aftermarket stage begins, which in short includes the following components:

- **Consumables.** The recurrent use of chemicals and basic fittings for a pool's daily maintenance. This stage never comes to an end, as water requires constant treatment.
- **Maintenance and repair of components.** From around the fifth year after a pool has been installed, it may need maintenance and replacement of parts for an enhanced pool experience.
- **Pool remodel.** From around the 17th year after a pool has been installed, it is usually somewhat outdated, so many pool owners decide to start a phase of refurbishment. Depending on each case, this refurbishment may not only entail the upgrade of a pool's equipment but also of its basin.



Our main brands





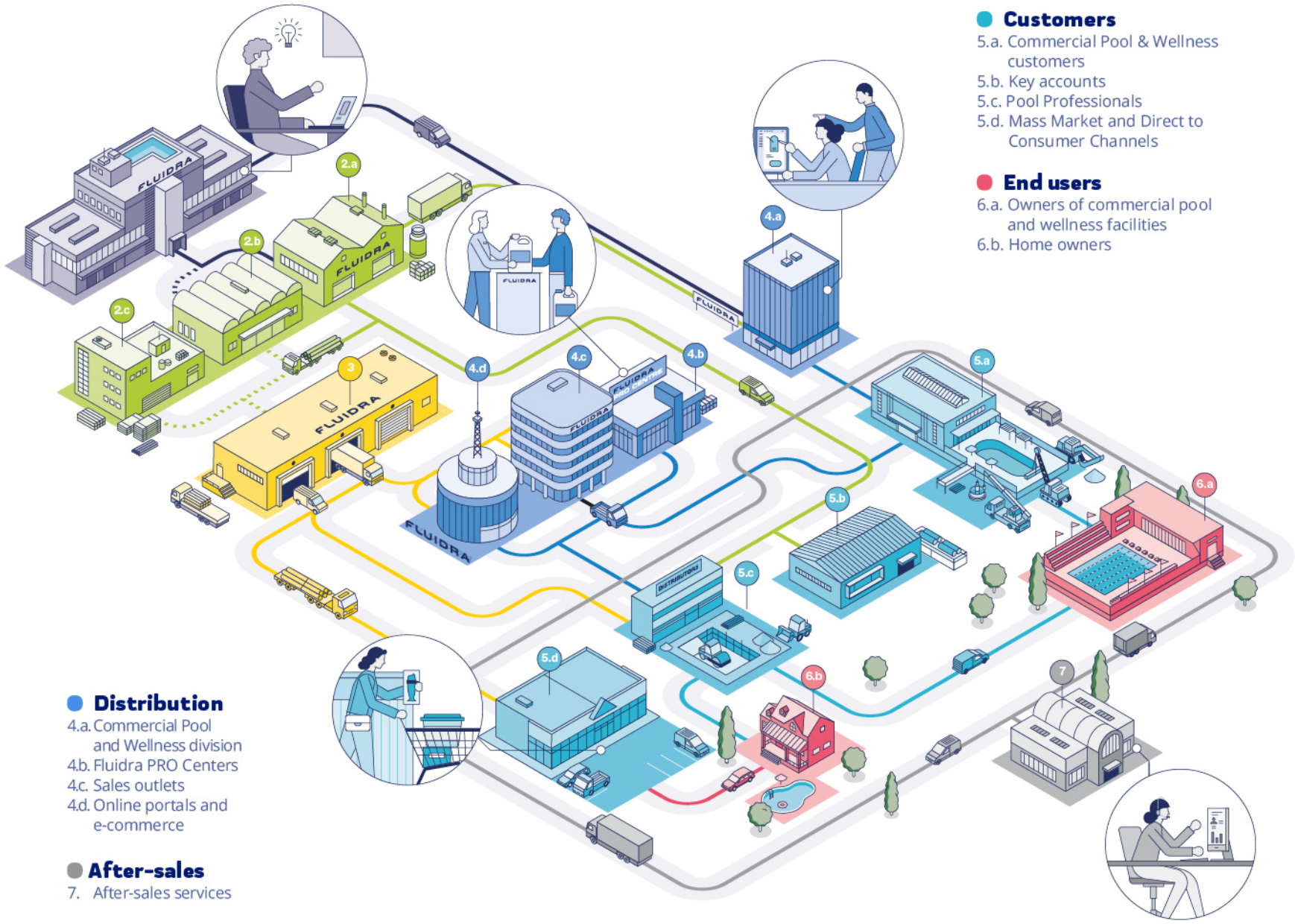
1.3.2. Our value chain

GRI 2-6

Fluidra has a vertically integrated business model that covers all of the stages in the production process, from design and manufacturing, to logistics and distribution, through to a wide range of customer-centric after-sales services.

The various stages in our vertical integration deliver value to the whole of the value chain, which opens barriers to entry and makes Fluidra a clear leader in our sector.

New product development and innovation are a fundamental part of our product strategy and are ingrained in our DNA. We have the experience and know-how to create new pool products and equipment that are reliable, easy to use and easy to maintain.



Customers
5.a. Commercial Pool & Wellness customers
5.b. Key accounts
5.c. Pool Professionals
5.d. Mass Market and Direct to Consumer Channels

End users
6.a. Owners of commercial pool and wellness facilities
6.b. Home owners

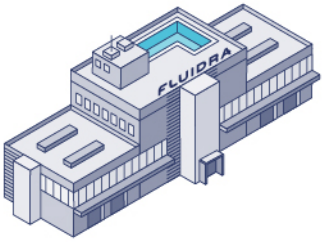
Design and conceptualization
1. R&D centers

Manufacturing
2.a. Fluidra's manufacturing plants
2.b. External manufacturing plants
2.c. Third-party products

Logistics
3. Logistics centers

Distribution
4.a. Commercial Pool and Wellness division
4.b. Fluidra PRO Centers
4.c. Sales outlets
4.d. Online portals and e-commerce

After-sales
7. After-sales services

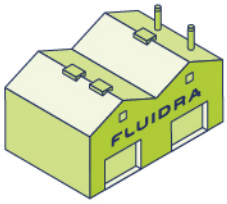


Design and conceptualization

1. R&D centres

R&D+i are fundamental to Fluidra's DNA. We have three regional R&D centres (Spain, USA and Australia) in order to meet the specific demands of each market, and another centre (France) that concentrates on global products. These centres address the matter of ESG products to ensure that all equipment takes sustainability into consideration from the very outset of the design of our products and solutions.

For further information, see section 3.3. Product innovation.



Manufacturing

2.a. Fluidra's Manufacturing Centers

Fluidra has 40 production plants where a wide range of high-quality products are made using the most advanced, sustainable technologies, such as plastic injection moulding, laminating and winding, thermostatic blow moulding and rotomoulding, and metal processing.

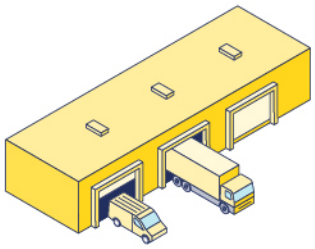
2.b. External manufacturing plants

Some of the products that we design and sell under our brand names are made by external suppliers. We work closely alongside all of them to ensure that they follow the same standards of quality and compliance as we do at our manufacturing plants.

2.c. Third-party products

Fluidra also acquires products from third parties to complete the range of products and solutions that it markets. This enables our customers to purchase all of the products that they need in just one place.

For further information, see section 3.2.2. Product development and sustainable production.

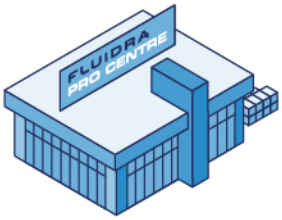


Logistics

3.Logistics centres

We have regional logistics and distribution teams whose mission is to oversee the flow of purchase and supplies, both domestically and internationally, from production plants to our dealerships, sales companies and customers. Fluidra falls back on the Group's logistics centres and external logistics companies to ensure that we have the stock required at each location, at all times.

For further information, see section "Logistics & Distribution".



Distribution

4.a. Commercial Pool and Wellness division

Fluidra has a team specialized in the conceptualization, design and execution of commercial pool, wellness, fountain and lagoon projects all over the world.

4.b. Fluidra PRO Centers

This is a new generation of physical stores, located in strategic places, intended for pool pros. They are places where customers are able to purchase the latest products and obtain personal advice related to our products.

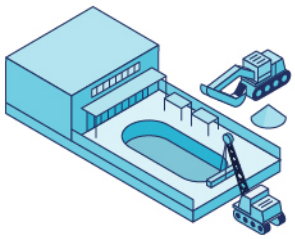
4.c. Sales offices

In addition to the Fluidra PRO Centers, Fluidra also has sales offices in 47 countries that serve as points of sale for our products.

4.d. Online portals and e-commerce

We have various online portals for pool pros (such as Fluidra PRO), through which we seek to facilitate relations with our customers through the digitalization of all interactions and services: e-commerce, handling of orders, deliveries and invoices; training courses are available at the Fluidra PRO Academy, amongst others.

For further information, see section 5.5.1. Sales Network.



Customers

5.a. Commercial Pool and Wellness Customers

These are public or private customers entrusted with the construction and/or running of aquatic, sports or wellness facilities. Our commercial pool customers include operators, contactors and project developers. They can request our Pool and Wellness division for assistance in the design and development of a project, acquire specific products through our sales channels or work with the pool pros who purchase our products.

5.b. Key accounts

In some cases, our production plants also supply parts, components and finished products to key accounts, which have a specific product range.

5.c. Pool professionals

These are all of the experts devoted to the installation and sale of pool and wellness products, such as pool builders, contractors, maintenance workers, service engineers and remodelers. In some markets, we also sell our products to retailers and external dealers, which sell our products to pool pros. We recognize their work every year on Fluidra International Pool Pro Day (7 September).

5.d. Mass markets and channels set up for consumers

Mass market sales are made through big dealers that target end consumers. Fluidra has specialized brands for the mass market channel, such as Gre and Baracuda. We also work with customers that deal with end consumers to ensure that pool owners are able to have direct access to basic products for looking after pools and spas.

For further information, see section 5.5.2. Voice of the customer.



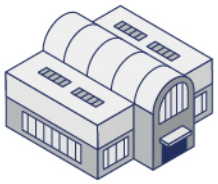
End consumers and users

6.a. Owners of commercial pools and wellness facilities

In the field of commercial pools and wellness, the final consumers are the owners and/or managers of the facilities incorporating the pool, the wellness centre, lakes and ponds. They can be both public (city councils, regional, national consortiums...) or private consumers (hotels, sport centres...). In these cases, the end users are all those who enjoy these facilities.

6.b. Residential pool owners

In the context of residential pools, the end consumers and users are the owners of homes with a pool and all those people who are the end users of a product marketed by Fluidra.



After-sales

7. After-sales services

We provide technical assistance to our customers and end users, either through in-house staff or external service engineers. Fluidra will handle any incident related to its products during the warranty period, as well as after its termination, if so requested.

For further information, see section 5.5.2. Voice of the customer.

1.3.3. Business lines



98%

Pool & wellness



2%

Irrigation, industrial and others

Pool & Wellness

Pool & Wellness is our main business unit. Fluidra is responsible for manufacturing and/or distributing practically all the components necessary for the construction, renovation, improvement and maintenance of residential and commercial pools across the board.

Thanks to ongoing innovation, we are continually adding products and solutions to our ranges that are increasingly more automated, connected, efficient and sustainable.

For further information about the results of this business line see section 2.1.2. Overall financial results.

Pool equipment

On the one hand, there are basic pool fittings that include ladders, showers, pumps, valves, filters, heaters, grilles, water lighting and cleaning accessories, amongst others. On the other hand, we manufacture and distribute premium high-end valves and accessories needed to build a pool's entire hydraulic circuit. In this line of business, our Cepex and Jandy brands are widely recognized in the sector.

Proper disinfection and treatment of pool and spa water is essential for users' health. At Fluidra, we develop and deliver the best and most comprehensive solutions currently available on the market, from products for manual dosing to fully automated treatment, measurement and regulation systems, in order to keep water in good condition.

We also deal in other products such as robotic pool cleaners, pool covers, fire and water features, slides, springboards and connected products, all of which can be added to create the perfect pool experience. In addition, we sell spare parts for the main fittings in pools, in order to extend the service life of our products.

Commercial Pool & Wellness division

The Commercial Pool & Wellness division (CP&W) covers all water facilities for public use, such as hotel and resort pools, water parks, municipal pools, elite competition pools, aquariums, lagoons and fountains. We also have one of the widest product ranges for the spa and wellness industries, including swim spas, saunas, steam baths, sensory showers and Nordic baths, amongst others.

We are thus able to deliver state-of-the-art products and solutions that are innovative, sustainable, specifically designed and developed to uphold our commitment of protecting the environment. Beyond the sale of fittings and components, we have an in-house engineering department made up of a team of specialists that brings together all the know-how necessary for completing turnkey aquatic projects, from their conceptualization, design and specification, through to assistance in the execution of water projects around the world.

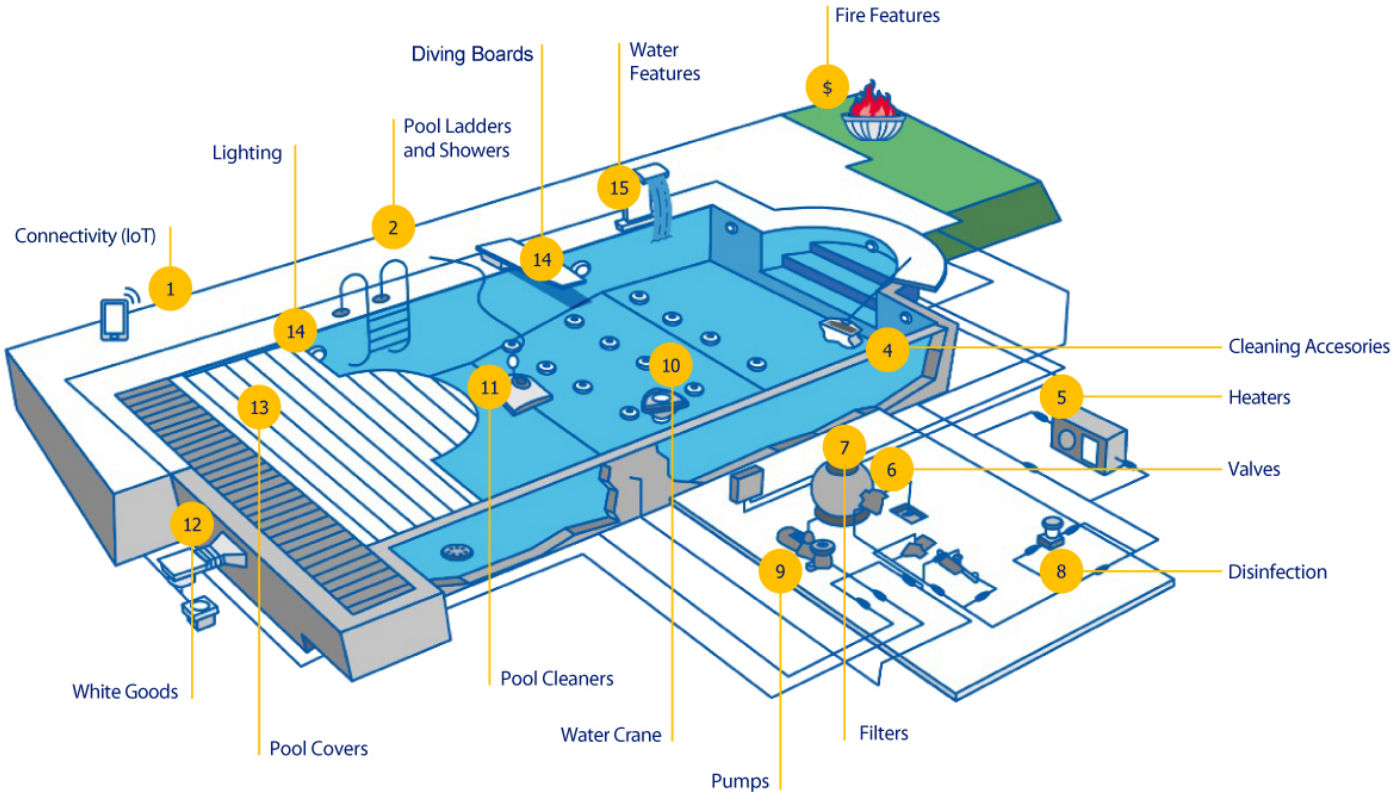
Above-ground pools

We have a solid position in other major market segments, such as above-ground pools, in which we own leading brands that make innovative pools with the most advanced designs in the sector.

Thanks to the **Piscine Laghetto** brand, pools have become a high-end feature that add a special touch to a garden, porch, terrace or even inside a home. This is a new concept in water features that stand out for their originality, elegance and singularity, whose essence goes far beyond the conventions of the world of pools.

This offering is supplemented by a wide range of above-ground pools in different shapes and finishes made by the **Gre** brand (produced for the mass market), which ranges from wooden, steel and composite pools, through to butterfly pools that are small, with an elegant and sophisticated design, which come with comfortable loungers. More recently, the **Polaris** brand has delved into the above-ground pool segment in the United States with the launch of a full kit of fixtures and fittings adapted to the specifications of this type of pool.

Diagram of pool equipment



Natural ponds and pools

AquaForte is the Group's brand specialized in ponds. It is the market leader in products of water treatment and filtration for these types of facilities. Our catalogue carries products and solutions for four different types of ponds:

- Natural ponds. They look natural and are made for swimming, most of which have plants.
- Biopools. Natural ponds that look like a pool (without plants) but with natural filtration.
- Ornamental ponds. Decorative features with plants and/or fish. They require a very simple filtration system (pump/filter/UV-C).
- Koi ponds. They are designed exclusively for koi carps (they require a lot of fittings/filtration).

Irrigation, industrial and others

In some southern European countries, we supplement our core pool & wellness business with **irrigation accessories for gardens** that are often adjacent to pools. This unit only accounts for 2% of total annual sales.

The close relationship that we have with our customers enables us to use certain add-on products for activities commonly carried out in pools & wellness facilities. This is the case of garden maintenance and the water pipes in a home where a pool has been installed.

This line of business also deals in products for industrial fluid handling and flow control. It uses the same technology and know-how as that specifically developed for the Pools & Wellness division.

2

LEADING THE POOL AND WELLNESS BUSINESS

2.1. Financial results
2.2. Analysis of the financial position
2.3. Shareholding structure and shareholder returns



€2,051 M
Sales

€445 M
EBITDA
21.7% margin over sales

€114 M
Net profit

€374 M
Operating net working capital
18% ratio over sales

#1
Global leader in a market with structural growth

2
Acquisitions completed

€64 M
CAPEX
3% ratio over sales

2.6x
Net debt/EBITDA

€0.70
Dividend (paid per share)

This integrated report contains, in addition to the financial information prepared in accordance with IFRS, Alternative Performance Measures (APMs) as defined in the Guidelines issued by ESMA. For further details, please see section 2.4. Alternative Performance Measures.

Leading the pool and wellness business

2023 results are testament to the strength of Fluidra's business. In a complex market environment, sales reached €2,051 million, while EBITDA margin expanded and we reduced our net debt.

We continue to build our leading global platform, gaining market share and becoming an even more reliable player for our customers, by delivering connected, sustainable and quality pool products and creating value for our stakeholders.

We continue to expand our distribution network in Europe and improving our commercial pool portfolio.

2.1 Financial results

2.1.1. Overcoming a year of division and uncertainty

Nobody could dispute that 2023 was once again a complex period. From a geopolitical point of view, the war in Ukraine, the conflict between Israel and Hamas, and China's claim of sovereignty over Taiwan set the tone for the year.

From a macroeconomic perspective, inflation and the rise in interest rates were predominant features. The increased cost of living was clear in households worldwide, although over 2023 the Consumer Price Index (CPI) fluctuated from high to low in both the eurozone and the United States of America. In the case of the EU-27, the CPI started in January at 10% to close the year below 3.4%, a drop of almost six points. The United States of America followed the same path, where the decrease was 6.4% to around 3.1%.

Core inflation (which calculates the trend of prices without taking energy and unprocessed food into account) fell to its lowest level in two years, which along with other figures meant that inflation started to be under control at the end of 2023.

According to figures of the International Monetary Fund (IMF), the growth of the Gross Domestic Product (GDP) of the global economy, despite uncertainties, reached 3% and the forecast for 2024 is currently at a similar level. A sound monetary policy was perhaps the main reason why the planet's economy was resilient in such a complex period.

Experts generally agreed that the economy in 2023 would have a smooth landing. The GDP of the EU-27 stood at 0.7%, in comparison with 3.6% in 2022, while it grew more than expected in the United States of America to 2.5%, mainly due to a good performance of the labour market and consumption.

During the year, a trend was observed of a narrowing gap between supply chains and their markets, in addition to a certain feeling of protectionism, and of bilateral and multilateral trading relations, but only in trusted countries. Some economists are talking about a trend towards "deglobalization".

From a general perspective, the Ipsos Global Consumer Confidence Index has not shown any significant changes since May 2023. This situation can be summed up in a few simple words: the economy was in a wait and see mode.

The Eurozone confidence index, one of the basic indicators for predicting consumer behaviour, gradually improved in the second half of the year and fell far from its historical low recorded in 2022. In the United States of America, political and geographical uncertainties contributed to the fluctuating behaviour of this indicator.

It is true that the cost of living, the increase in interest rates, the situation in the Middle East, the cooling of China's economy and the slowdown in some labour markets could have given rise to the perfect storm. However, at the end of 2023 the tempest subsided and opened the path to a possible drop in interest rates in the second half of 2024.

This backdrop of higher interest rates and uncertainty in terms of consumption affected the demand for new residential pools that, following a few years of strong growth, normalized in 2023. The demand for aftermarket products, namely, for the maintenance and repair of existing residential pools, was resilient in the year.

Over the last four years, Fluidra estimates that the global installed pool base has increased by more than two million new residential in-ground pools, to a total of around 19 million. The need to maintain, repair and enjoy this installed base will drive demand for residential pool products in the coming years.

In the mid-term, it is expected that the demand for residential pool equipment will return to growth. The key driver in the market will continue to be urbanisation and, in particular, migration to suburban areas near large cities. This change goes hand-in-hand with the aspiration to a better lifestyle, with a preference for enjoying leisure time and having all comforts within one's own home, whether it is a house or a condo, where pools will continue to play a key role.

2.1.2. Overall financial results

Sales amounted to €2,051 million, a 14% drop on 2022. At constant exchange rates, the fall in sales was 12% due to unfavourable FX, particularly driven by the US dollar. Our implemented price increases and acquisitions had a positive contribution to this performance.

The decline in sales was mainly due to lower demand for new pool construction together with the adjustment in inventory levels made by our customers and the rest of the distribution channel in the first nine months of the year. The demand for pool maintenance and repair work, i.e. the aftermarket, proved to be resilient.

By line of business, growth in commercial pool was particularly noteworthy, due to the recovery of tourism, especially in southern Europe and the growth in the United States of America.

Gross margin improved to reach 53.2% compared to 51.3% in the prior year, on the back of price increases implemented to offset inflationary pressures, positive product and geographic mix effects, and the actions taken to reduce costs throughout the organisation as part of our Simplification Program.

EBITDA stood at €445 million, with a margin of 21.7%, which was up on that recorded in the previous year despite lower sales volumes, due to the implemented price increases, the savings delivered by our restructuring initiatives, the organization's cost containment measures and, to a lesser extent, the reduction in transport and logistics costs.

Net profit amounted to €114 million, while cash net profit stood at €211 million.

In 2024, we expect higher sales and the contribution from the Simplification Program to continue to deliver margin improvement, as reflected in the mid-point of our guidance published for 2024:

Guidance for 2024

	Results in 2023	Guidance for 2024
Sales (€M)	2,051	2,000 - 2,150
EBITDA (€M)	445	440 - 490
Cash EPS (€)	1.10	1.07 - 1.25

Financial results

€M	2023	% of sales	2022	% of sales	Change 23/22
Sales	2,051	100%	2,389	100%	(14.2)%
Gross margin	1,092	53.2%	1,225	51.3%	(10.9)%
Opex	647	31.5%	713	29.9%	(9.4)%
EBITDA	**445**	**21.7%**	**512**	**21.4%**	**(13.0)%**
D&A (non-PPA related)	90	4.4%	90	3.8%	(0.1)%
EBITDA	**355**	**17.3%**	**421**	**17.6%**	**(15.8)%**
Amortization (PPA related)	67	3.3%	75	3.1%	(10.0)%
Restructuring, M&A, integration expenses and Stock based compensation	51	2.5%	42	1.8%	21.9 %
Financial result	78	3.8%	79	3.3%	(1.7)%
Income tax expense	41	2.0%	61	2.5%	(32.0)%
Profit/loss attributable to non-controlling interests	3	0.1%	4	0.2%	(32.4)%
Profit/loss attributable to the parent	114	5.6%	160	6.7%	(28.8)%
Cash net profit	211	10.3%	269	11.2%	(21.4)%

Sales by business unit[2]

€M	2023	% of sales	2022	% of sales	Change 23/22
Pool & Wellness	**2,012**	**98%**	**2,338**	**98%**	**(14.0%)**
Residential	1,440	**70%**	1,725	**72%**	(16.5%)
Commercial	181	**9%**	173	**7%**	4.8%
Residential Pool Water Treatment	300	**15%**	327	**14%**	(8.1%)
Fluid handling	90	**4%**	114	**5%**	(20.7%)
Irrigation, industrial & others	**39**	**2%**	**51**	**2%**	**(23.9%)**
Total	**2,051**	**100%**	**2,389**	**100%**	**(14.2%)**

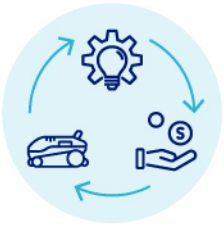
[2] Fluidra has refined its product category reporting and, as a result, 2022 figures have been restated.

2.1.3. Simplification Program

Since 2018, following the merger with Zodiac, Fluidra has doubled in size, expanded its business and generated synergies from the merger of the two companies. To this we must add the strong demand that the sector experienced in the years of the pandemic. During this period, we focused on the group's growth by providing a high-quality service to our customers and by consolidating our position as a world leader in the pool and wellness industry.

However, following the normalization of demand in 2022, we launched a **Simplification Program in order to optimize processes, improve our competitiveness and thus become a more efficient organization in all the areas and regions in which we operate.** The Program will deliver EBITDA savings of €100 million between 2023 and 2025, approximately a third in each year. Roll-out costs associated with the Program are slightly below €100 million.

Simplification Program for improving margins with three main lines of action:



Reduction of variable costs

Redesigning the product offering and globalizing the procurement model.



Savings on fixed costs

Streamlining of operations and optimisation of the organisational structure.



Agility and drive

Encouraging a culture of agility and passion for success, able to adapt to the changes in our environment and perform at high levels.

Savings of €100 million, approximately a third in each year in 2023–2025

Redesigning the product offering and globalizing the procurement model

In order to improve our margins, we have conducted a thorough bottom-up analysis of our main products and their production processes with a view to redesigning them, with the ultimate goal of standardizing, simplifying and reducing the cost of their components. This will entail simplifying production processes, while also bringing about savings.

This measure will also give us **an opportunity to globalize and specialize procurement** by leveraging Fluidra's economies of scale in negotiating with suppliers in all regions, through initiatives to consolidate volumes, substitute components and improve supply sources in terms of service and cost.

Stock keeping units (SKUs) rationalisation will be another lever. Currently, Fluidra has more than 80,000 SKUs. Streamlining them will have a positive impact on efficiency, as well as on the reduction of inventories and related costs.

Streamlining of operations and optimisation of the organisational structure.

We are working to reduce duplicates in our network of production plants, as well as on the resizing of the workforce and adapting it to the business' needs and outlook.

Agility and drive

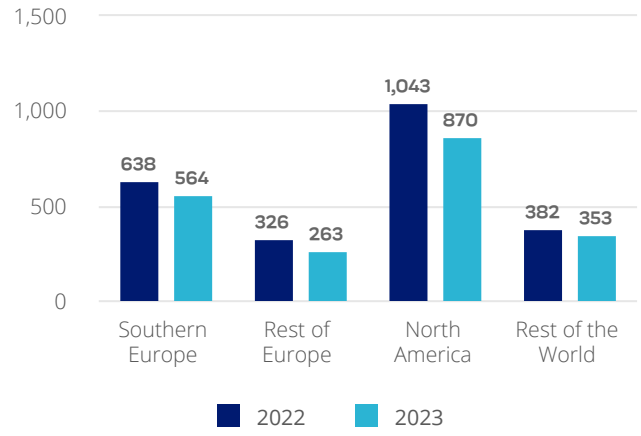
These objectives cannot be attained without the skill, talent, commitment and hard work of the Fluidra team. A clear focus of our Program is putting across, instilling and promoting an agile, driven culture able to adapt to the changes around us with a positive attitude and a high level of performance.

In 2023, we rolled out more than 400 initiatives, which made savings of €31 million in the year. Most of the savings in 2023 were related to the measures taken to reduce our basic fixed costs and by simplifying our structure to become more efficient.

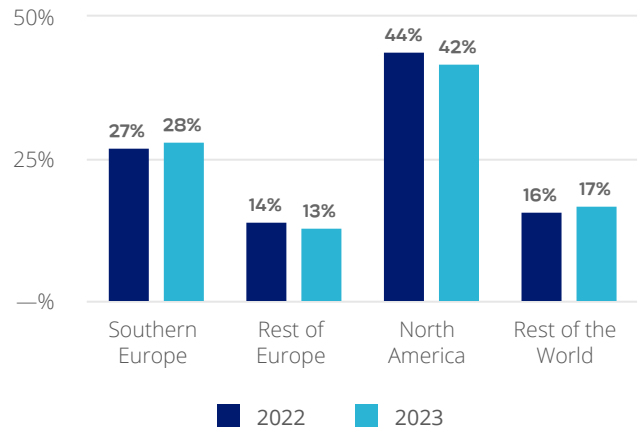
Tracking of the Simplification	
Initiatives implemented/being implemented	>400
Impact in 2023 of the initiatives being implemented (€M)	31
Savings expected for 2024 (€M)	>30

2.1.4. Results by geographical region

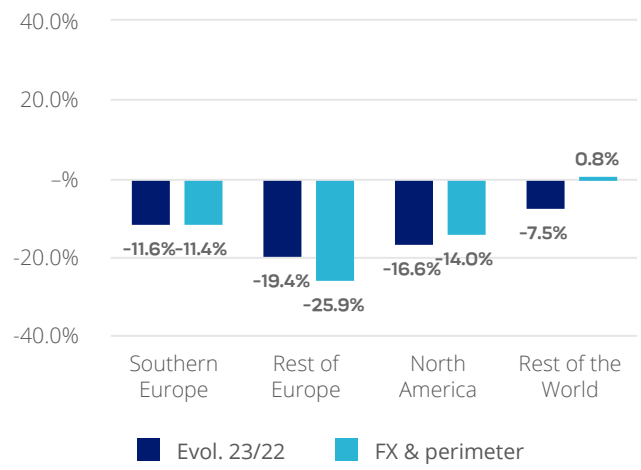
SALES BY GEOGRAPHIC AREA (€M)



SALES BY DESTINATION (%)



SALES DEVELOPMENT (%)



North America

Many of the economic challenges of 2022 persisted into 2023 as the North American region continued to face a double-digit slowdown in new pool construction and excess inventory in the distributor and dealer channels coupled with a high inflationary environment.

While the region saw a decrease in its net sales compared to the prior year, through vigilant cost control measures, a series of price increases and by leaning into a set of growth strategies, the North American team was able to deliver a strong performance.

Key initiatives

These are some of the initiatives they launched:

- Focus on growing in the aftermarket through a tailored product offering and commercial initiatives.
- Growing in commercial pool through portfolio expansion and dedicated strategies targeting both the HMAC (Hotel, Motel, Apartment and Condominium) and institutional pool spaces.
- Continued integration and optimisation of previously completed acquisitions.
- Leveraging digital strategies to unlock incremental sales opportunities with new and existing customers
- Supporting long-term customer retention and loyalty, and fostering new customer relationships.

The above strategies are all backed by the North American team's emphasis on customer centricity and collaboration, which was a key component to the team's success.

This customer-centric focus also resulted in the region winning the North American industry's top distributor awards for the third year in a row.

Further, to help showcase Fluidra North America's commitment and focus on the commercial pool segment, in December 2023, the company announced a 2-year commitment with USA Swimming as its exclusive "Official Pool Equipment Supplier."

The business also continues to execute initiatives in support of its commitment to strengthening its environmental, social and governance practices within North America.

Targets for 2024

We plan to continue to pursue similar strategies, which will support growth and margin improvement. Specifically, the team will continue to pursue strategies aimed at increasing its share in the aftermarket, growing the commercial segment, accelerating new channel opportunities and leveraging digital applications and its connected footprint to uncover new sales opportunities.

The above, paired with an eye toward supporting the customer and responsible cost management, positions the region to increase top-line sales while continuing to expand its margin profile despite continued uncertain economic circumstances.

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

The expected sales as a result of the "stay at home" effect during the pandemic, together with the excess inventory in the channel generated in 2023, resulted in a drop in sales and a slowdown in our new-build residential pool business, after years of strong demand.

However, results gradually improved throughout 2023. The first few months of the year saw a double-digit slump and we ended it with a single-digit fall.

By territory, the fall was notable in the central and northern region of Europe, followed by a fall in southern Europe, whilst the regions outside of Europe showed a smaller dip.

By contrast, the commercial pool market continued to follow a positive path after the Covid crisis with the return of tourism and group leisure activities.

Key initiatives

- Implementation of the Simplification Program's restructuring and margin improvement measures
- Working closely with our customers to improve their level of satisfaction
- Launch of the Fluidra Pool app, a common platform where our customers can access all products and services we provide
- Growth in solutions for commercial pool and wellness centres, particularly competition pools and lagoons
- Roll-out of actions in our sustainability plan

Targets for 2024

The moderation of current inflation, as well as of interest rates, may lead to a stabilization of markets. We expect lower demand for new pool construction and a market affected by muted consumer confidence.

The region's main targets are:

- Continuing with the Simplification Program to improve internal processes
- Launch of new products that help deliver a better pool experience for the end user as well as make things easier for the professional
- Increasing the number of connected products on our Fluidra Pool app
- Continuing to expand and consolidate the digitalization of our customer relations processes
- Carry on implementing the actions to deliver our Responsibility Blueprint

Thus, in anticipation of a year of moderate demand and uncertainty in respect of the evolution of the market, all our initiatives concentrate on improving customer relations, increasing our margins and boosting our cash flow while still implementing sustainability policies.

APAC (South Africa, Asia and Pacific)

Key initiatives

The APAC region was not impacted by destocking effects during the course of 2023. During the year, new pool construction activity was weaker in Australia as interest rate increases started to take effect on consumers' disposable income. The South African business held up well, considering the increasing electrical and water load shedding as a result of the deterioration of the infrastructure across the country.

Our Asia business suffered from the slow return on tourism to the region which caused many projects that had been planned to either be postponed or in some cases cancelled.

Due to the strong consolidation and restructuring programmes in Australia and South Africa combined with a solid product margin management have delivered strong results.

Targets for 2024

The 2024 objectives are an evolution of the winning recipe with some tweaks to take into account the new environment. The focus areas are:

- Better Together - encouraging the teams to work more harmoniously with our customers to be seen as everyone representing Fluidra's best interest.
- Customer Centric - where the customer must be at the forefront of all actions and activities we undertake.
- Simplification Program - While significant steps were undertaken in Australia in 2023 we believe there are continued optimisation opportunities for our business in South Africa and Asia.
- Simpler, Better, Faster - A long-standing mantra of removing complexity, simplifying processes throughout the business.
- Sustainability - through the instruction of more sustainable products and the implementation of actions to deliver our sustainability blueprint.

2.2
Analysis of the financial position

2.2.1. Financial position

Fluidra continues to have a sound financial position.

Net debt fell by almost €150 million to reach €1,172 million at 31 December 2023, in a year marked by an adjustment of the inventory in the channel, a dividend payout of €134 million and two acquisitions completed.

This good performance is thanks to the cash flow generation capacity of our business and the work done by our teams in reducing the working capital throughout the year. Indeed, the proportion of operating net working capital over sales has dropped by more than 560 basis points since 31 December 2022.

The level of indebtedness remained at 2.6 times the net debt to EBITDA ratio, temporarily slightly above the mid-term level of debt target of two times.

Fluidra's main sources of financing are a term loan B (TLB) in two currencies and a revolving credit facility (RCF).

The TLB consists of a US$750 million tranche and a €450 million tranche, both due to mature in 2029. It should be highlighted that 80% of the TLB is subject to a hedged rate of interest through derivates until June 2026. Moreover, Fluidra increased the RCF to €450 million, which matures in 2027.

The terms of the TLB and RCF are linked to two environmental objectives defined in our Responsibility Blueprint: achieving climate neutrality in our operations by 2027 (scopes 1 and 2) and reaching 100% renewable electricity consumption by 2027.

The financing has been established in accordance with the sustainability-linked loan principles and KPI assurance will be carried out by an independent external auditor annually, as part of the verification of the Annual Integrated Report.

For more information, see section 6.8. Compliance with corporate loan objectives.

Financial figures

€M	2023	2022	Change 23/22
EBITDA	**445**	**512**	**(67)**
Net interest expense paid	(68)	(52)	**(16)**
Corporate income tax paid	(33)	(93)	**61**
Operating working capital	155	(229)	**384**
Other operating cash flow[3,4]	(70)	(17)	**(53)**
CF from operating activities	**429**	**120**	**309**
Capex	(64)	(78)	**14**
Acquisitions / divestments	(34)	(26)	**(8)**
Other investment cash flow	4	10	**(6)**
CF from investing activities	**(94)**	**(94)**	**0**
Payments for lease liabilities	(40)	(33)	**(7)**
Treasury stock, net	0	(60)	**59**
Dividends paid	(134)	(163)	**29**
Financing cash flow	**(174)**	**(255)**	**81**
Free cash flow	**160**	**(229)**	**390**
Prior period net debt	1,319	1,067	**252**
FX & lease changes	14	22	**(9)**
Free cash flow	(160)	229	**(390)**
Net debt	**1,172**	**1,319**	**(147)**
Lease liabilities	(199)	(193)	**(6)**
Net financial debt	**973**	**1,126**	**(153)**

[3] 2023 includes payments related to the long-term incentive plan (2018-2022)
[4] Both 2023 and 2022 include Restructuring, M&A and integration expenses

2.2.2. Investments

In 2023, Capex was around 3% of sales, focused on investments to enhance competitiveness as well as to improve efficiency, productivity and, ultimately, margins. On the tangible assets front, we invested in new machinery and moulds, dies, manufacturing tools and production facilities maintenance, while the investments in intangible assets were basically for research and development of successful new products.

Inorganic growth has formed part of Fluidra's strategy from the outset, and we continue to focus on finding opportunities that generate value, whether by bolstering our distribution network in a certain country or by expanding the product range, for instance. Our sound financial position and integrated structure allow us to be one of the historic consolidators in the market, in a fragmented sector.

In this financial year, we continued to work on a pipeline of attractive acquisition opportunities for the future. In addition, the acquisitions of Kerex in Hungary and Meranus in Germany were completed. The two transactions were announced in 2022.

Kerex is a leading distributor of pool equipment and it has strengthened our operations in the local market.

In July 2023, Fluidra completed the acquisition of all the shares in the Meranus Group, a well-known leading distributor of pool equipment in Germany, as well as a manufacturer of pool control and dosing technology. This acquisition has enabled Fluidra to improve its leading position in the German market, the third largest in Europe, and to deliver a more complete product range to a broader customer base.

In December 2023, we disposed of MTH (Germany), a business focused on manufacturing and assembling above ground pools and related components. Given its niche focus, MTH was considered non-strategic for the Group in Germany.

Lastly, Fluidra has agreed to sell its subsidiaries in Russia. The completion of this deal is pending approval by the Russian authorities.



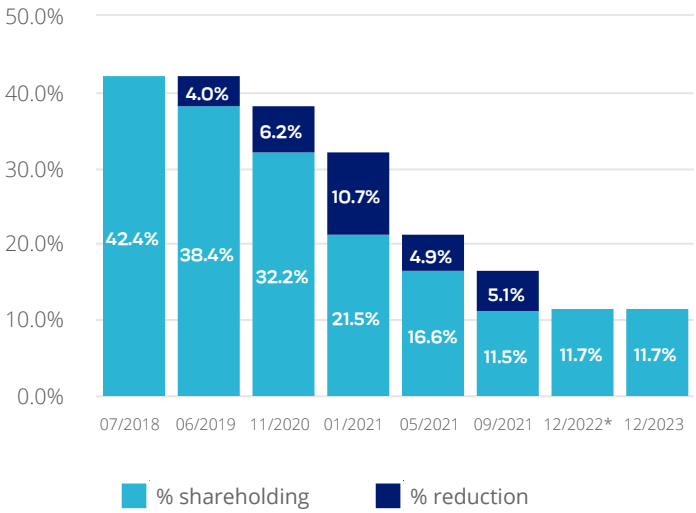
2.3
Shareholding structure and shareholder returns

2.3.1. Shareholding structure and shareholder agreements

Our share capital is €192,129,070, divided into the same number of registered shares with a face value of one euro (€1) each, all of which have been subscribed and paid up. All shares are of the same series and class, and hold the same voting and financial rights. Our treasury stock position at the 2023 year-end was 2.3 million treasury shares, which represents 1.2% of the share capital (3% in 2022).

- The **four founding families, Rhône Capital** and the two family offices, **Schwarzsee 2018, S.L. and G3T, S.L.,** all sit on the Board of Directors. As shown in the graph, their shareholding in Fluidra at the year-end was 28.2%, 11.7% and 12.7%, respectively.
- **Rhône Capital** is a private equity firm headquartered in New York. It acquired Zodiac in 2016. Following the merger of the latter with Fluidra in 2018, it became the Group's majority shareholder with 42.4% of the capital, although with the intention of gradually divesting. Rhône Capital has gradually reduced its stake in Fluidra since 2018 to its current 11.7% shareholding, which has increased the company's free float and, therefore, its liquidity and the entry of new shareholders
- **Other significant shareholdings** equal to or above 3% held by institutional investors accounted for 11.4% of Fluidra's total share capital, as shown in the graph of significant shareholdings on the next page. This year again new shareholders entered our register, which is a testament to the market interest in our stock.

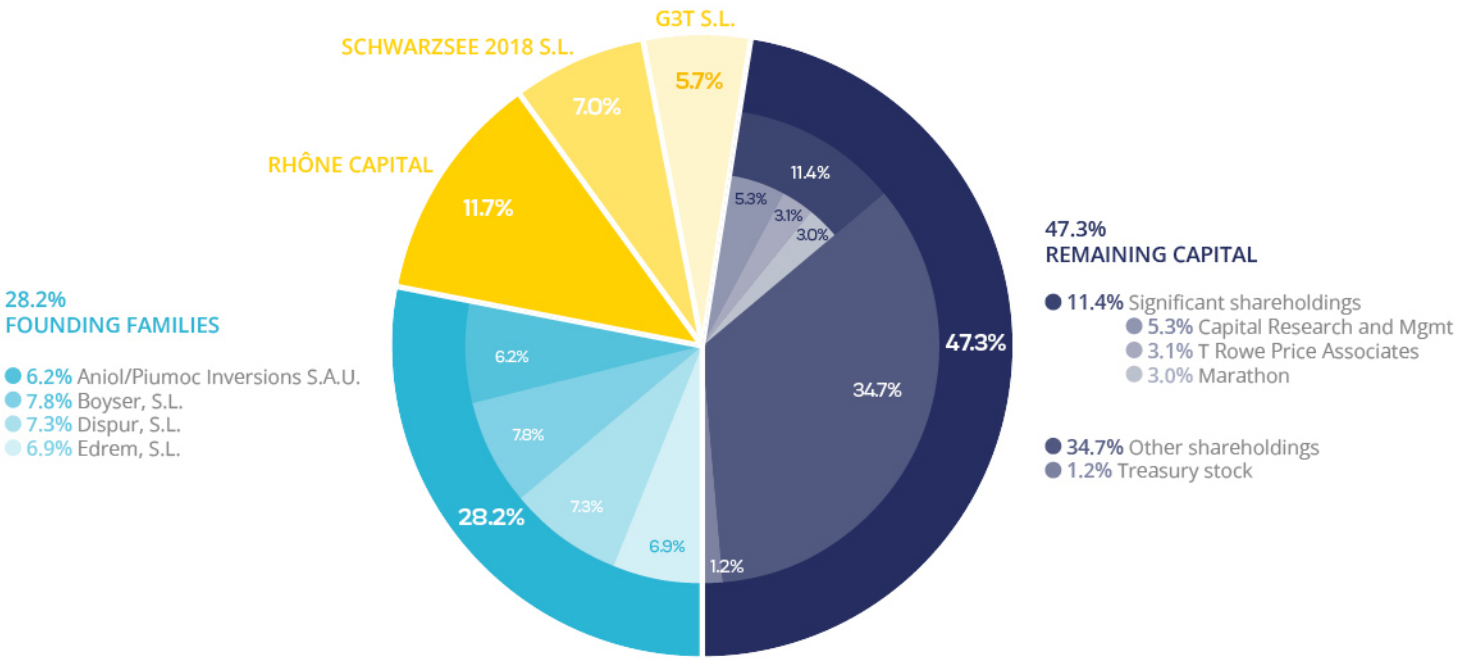
Development of Rhône Capital's shareholding



*Adjustment of the shareholding in 2022 following the capital reduction made by the company due to the share buyback program.



Significant shareholdings



*Significant shareholdings equal to or above 3%. As at 31 December 2023. For further details, see section A.2 of the Annual Corporate Governance Report.

Shareholder agreements

There are currently three shareholder agreements in force between Fluidra's shareholders.

On 5 May 2023, an agreement was entered into with the shareholders of Schwarzsee 2018, S.L. (formerly, Banelana, S.L.) and G3T, S.L. The purpose of this agreement is to set the terms and conditions that Schwarzsee 2018, S.L. and G3T, S.L. put forward to the company for appointing a nominee director (Mr. Manuel Puig Rocha) to represent the two shareholders, and how they will exercise their rights as shareholders of Fluidra for the implementation and handling of the proposal made.

In November 2017 when the merger between Zodiac and Fluidra was arranged, a shareholder agreement was signed between the majority shareholders until that date (the founding families) and Piscine Luxembourg Holdings 1, S.a.r.l. owned by Rhône Capital. This agreement governs their rights and obligations as future shareholders of the company as a result of the merger. The rules on the share transfer scheme and others on corporate governance matters such as the appointment of directors remain in force.

Prior to that, in September 2007, given the close relationship between the founding families, an agreement was signed by them to govern voting rights for an initial period of four years from the shares' listing date (the "Syndication Agreement"). This agreement has been amended and renewed six times between 2007 and 2020, either because of the termination of deadlines or because of changes in the company's business circumstances. The latest renewal is currently in force. In the above mentioned Syndication Agreement, provisions were made whereby the parties subject to it were not allowed to sell, assign, transfer or in any other way dispose of or encumber the syndicated shares held and/or the entitlement to the voting and financial rights inherent to them throughout the syndication period, that is, the period between the listing of Fluidra's shares and the first of the following dates: (i) 30 June 2024 and (ii) the date on which an obligation could arise to issue a public offering for the acquisition of Fluidra's shares in their entirety. As an exception to the foregoing, since 1 January 2022 and for the rest of the syndication period, the Syndicated Shareholders may transfer certain syndicated shares up to an overall maximum equivalent to three percent (3%) of Fluidra's share capital.

The full text, both in Spanish and in English, of the three aforementioned shareholder agreements can be consulted on Fluidra's website.

Further information about the shareholder agreements is posted on our corporate website.

2.3.2. 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 2023, as was the case in the previous year, volatility and uncertainty once again marked international equity markets with inflationary pressures and the rise in the interest rates of the main central banks worldwide. All this was accompanied by the difficult geopolitical situation caused by the war in Ukraine, strained relations in other geographical areas and the weak Chinese economy.

Stock exchanges across the world were affected over the year by significant increases in interest rates and the uncertainty about a potential recession, although they did recover in the final straight of the year with growing expectations of interest rates cuts in 2024. The Fluidra share performed well in 2023, as the business delivered within the range of expectations set out at the beginning of the year, both in terms of sales as well as margin improvements, leading the share to close at €18.85 at the year-end, which is translated as an appreciation in value of 30%.

When reporting results throughout the year, Fluidra has been transparent with the financial community in its reporting of the industry's and its own trends and dynamics.

Performance of the share price in 2023



Stock market information

	2019	2020	2021	2022	2023
Capitalization (thousands of euros)	2,386,675	4,098,429	6,886,143	2,840,534	3,621,633
No. of shares (x 1,000)	195,629	195,629	195,629	192,129	192,129
Closing price for the period (€)	12.20	20.95	35.20	14.52	18.85
Highest price in the period (€)	12.74	20.95	38.25	35.25	21.82
Lowest price in the period (€)	8.90	7.72	18.76	11.93	14.28
Total volume (thousands of shares)	37,965	47,494	177,630	173,884	137,603
Dividend (euros/share)	n/a	0.21	0.40	0.85	0.70
Dividend yield (%)	n/a	1%	1%	6%	4%
Payout (%)	n/a	39%	47%	49%	50%
Total shareholder return (TSR)	24.6%	72.7%	69.1%	(52.9%)	33.5%

Dividend

Amongst its policies and procedures, Fluidra has a Shareholder Remuneration Policy, which was approved by the Board of Directors on 9 April 2021, whose main purpose is to establish a framework for remuneration.

Access the Shareholder Remuneration Policy on our corporate website.

In line with this policy, given the confidence in the business and its ability to generate cash flow, during the year the Board of Directors proposed a dividend payout of €0.70 per share for a total of **€134 million** charged to financial year 2022, all of which was approved by the AGM.

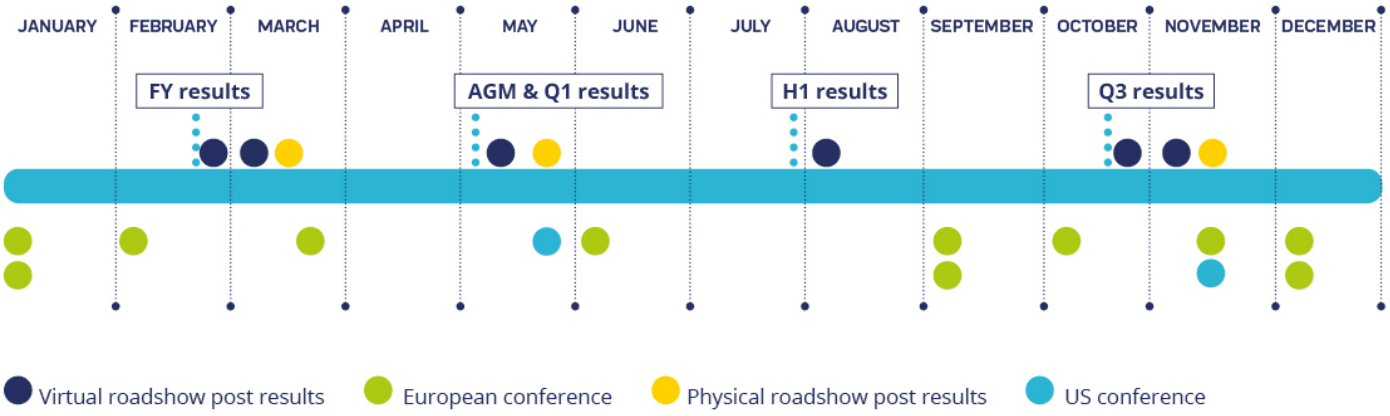
Likewise, in accordance with our capital allocation policy the Board of Directors proposed to the AGM a dividend payout charged to voluntary reserves of €0.55 per share to be paid in the second half of 2024 (add breakdown of payout).

2.3.3. Investor and shareholder relations

In 2023, senior management and the investor relations team engaged with analysts and investors to report on our strategic direction and operational performance on the one hand, and on the expectations of market evolution on the other.

Fluidra runs a broad investor relations program and maintains an open dialogue with the investment community. Feedback received is put across to the Board of Directors.

Investor relations meetings



In 2023, we held around 300 meetings with investors, slightly under the number held last year but significantly higher than similar size and sector companies. This year also saw the return of face-to-face conferences and events. Therefore, Fluidra was unable to attend the same number of international events. Despite holding fewer meetings, the number of interactions with institutional investors was very similar.

Meetings with analysts and investors

	2023	% total
Meetings with investors	291	68%
Meetings with analysts	137	32%
Total number of meetings	**428**	**100%**

	2023	% total
No. of investors	293	94%
No. of analysts	18	6%
Total	**311**	**100%**

Analyst coverage continues to be excellent, with a total pool of 18 national and international analysts at the end of 2023, recently joined by Barclays, who follow Fluidra's stock closely and with whom we maintain close contact. Analyst consensus can be found on the corporate website.

We continued to work with ESG investors and those more focused on sustainable investments, with a focus on our portfolio of sustainable products to enable the perfect pool and wellness experience sustainably and efficiently. Accordingly, our company appears in different ratings and indexes that measure ESG aspects, as discussed in the section on sustainability indexes and recognitions of this Report.

The objectives of the Investor Relations department for 2024 are to pursue the same levels of interactions in Europe, increase engagement with US investors and hold a Capital Markets Day (CMD) to further outline our strategy, the fundamentals of our business and the market in which we operate, as well as our ability to increase profitability and value creation.

2.4.
Alternative performance measures

Introduction

Fluidra's financial information contains, in addition to the financial information prepared in accordance with IFRS, alternative performance measures ("APMs") as defined in the Guidelines issued by ESMA.

APMs are used by Fluidra's management to evaluate the group's financial performance, cash flows or financial position in making operational and strategic decisions for the group and therefore are useful information for investors and other stakeholders. Certain key APMs form part of executive directors', management and employees' remuneration targets.

APMs are prepared on a consistent basis for the periods presented in this document. They should be considered in addition to IFRS measurements, may differ from definitions given by regulatory bodies relevant to the group and to similarly titled measures presented by other companies. They have not been audited, reviewed or verified by the external auditor of the Fluidra group. Rounding may explain any slight differences in the reconciliations.

Lists of measures

1. "Sales"

Definition

This refers to "sales of goods and finished products", the Group's main source of operating income.

Relevance of use

Simple abbreviation for clarity. Management considers "Sales" to be the Group's main source of income and analyses its performance over time.

2. "Gross margin"

Definition

This refers to "sales of goods and finished products" less "changes in inventories of finished goods and work in progress and raw material supplies", which is adjusted for the part of "Restructuring, M&A and integration expenses" (defined in point 6) relating to the inventory step-up as a result of business combinations. It is usually also presented as a ratio to sales.

Relevance of use

Management uses "gross margin" to evaluate, on a yearly basis, the evolution of the revenue from the sale of products in relation to the cost attributable to the products sold. This shows the return on sales before operating costs.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Sales of goods and finished products	2,051	2,389
Changes in inventories of finished goods and work in progress and raw material supplies	(961)	(1,170)
Restructuring, M&A and integration expenses relating to the inventory step-up as a result of business combinations (APM)	2	6
Gross margin (APM)	**1,092**	**1,225**
% Gross margin over sales (APM)	**53.2%**	**51.3%**

3. "Opex"

Definition

"Opex" ("operational expenditures") refers to the total operating expenses incurred to run the business. It includes "personnel expenses" plus "other operating expenses" net of i) "income from the rendering of services", ii) "work performed by the Group and capitalised as non-current assets", iii) "profit/(loss) from sales of fixed assets", iv) "stock based compensation" and v) the relevant portion of "restructuring, M&A and integration expenses" (defined in point 6) relating to "Opex".

Relevance of use

Management employs "Opex" to analyse the trend in both fixed and variable recurring operating expenses incurred to run the business from one year to the next, as well as the percentage variation in relation to sales. This is useful when analysing operating profitability.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Personnel expenses	386	415
Other operating expenses	366	396
Income from the rendering of services	(33)	(39)
Work performed by the Group and capitalised as non-current assets	(22)	(21)
Profit/(loss) from sales of fixed assets	(1)	0
Restructuring, M&A and integration expenses relating to Opex (APM)	(40)	(22)
Stock based compensation (APM)	(9)	(15)
Opex (APM)	**647**	**713**
% Opex over sales (APM)	**31.5%**	**29.9%**

4. "EBITDA"

Definition

"EBITDA" means earnings before interest, taxes, depreciation and amortisation. It is calculated as "sales of goods and finished products" less i) "changes in inventories of finished goods and work in progress and raw material supplies", ii) "personnel expenses" and iii) "other operating expenses" net of i) "income from the rendering of services", ii) "work performed by the Group and capitalised as non-current assets", iii) "profit/(loss) from sales of fixed assets" and iv) "share in profit/(loss) for the year from investments accounted for using the equity method".

The resulting figure is adjusted for "Stock based compensation" and "Restructuring, M&A and integration expenses".

Relevance of use

"EBITDA" is an indicator widely used by management and the financial and investment community when assessing the profitability of a company and its business. It is a metric reflecting the trend in the company's operating profitability from one year to the next, setting aside items that do not represent cash outflows. Management uses this metric periodically to set financial guidance of future performance.

It is also presented as a ratio to sales, allowing comparisons between companies, businesses and geographies.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Sales of goods and finished products	2,051	2,389
Changes in inventories of finished goods and work in progress and raw material supplies	(961)	(1,170)
Personnel expenses	(386)	(415)
Other operating expenses	(366)	(396)
Income from the rendering of services	33	39
Work performed by the Group and capitalised as non-current assets	22	21
Profit/(loss) from sales of fixed assets	1	0
Share in profit/(loss) for the year from investments accounted for using the equity method	0	0
Restructuring, M&A and integration expenses (APM)	42	27
Stock based compensation (APM)	9	15
EBITDA (APM)	**445**	**512**
% EBITDA over sales (APM)	**21.7%**	**21.4%**

5. "D&A"

Definition

"D&A" ("Depreciation and Amortization") relates to "Depreciation and amortization expenses and impairment losses". The Group divides this metric into "D&A (non-PPA related)" and "Amortization (PPA related)". The former refers to depreciation and amortization expenses and impairment losses that are not related to business combinations. The latter reflects accounting expenditure related to the amortization of intangible assets arising from business combinations as a result of the allocation of the purchase price to the assets and liabilities acquired, such as the amortization of the value of the customer portfolio acquired.

Relevance of use

Management employs this metric, separating "Amortization (PPA related)" from the total amount of "depreciation and amortization expenses and impairment losses" in order to assess business profitability excluding the accounting effect of the acquisitions. This enhances the comparability of Fluidra's profitability over time, as well as in relation to other pool industry companies and the economy in general.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
D&A (non-PPA related) (APM)	90	90
Amortization (PPA related) (APM)	67	75
D&A (APM)	**158**	**165**

6. "Stock based compensation" and "Restructuring, M&A and integration expenses"

Definition

These expenses do not arise from ordinary business and, though they may be incurred in more than one period, they do not have continuity over time (unlike operating expenses) and they occur at a point in time or are related to a specific event.

"Stock based compensation" relates to the cost of management's long-term incentive plan.

"Restructuring, M&A and integration expenses" relates primarily to the integration of recently-acquired companies or to restructuring activities, such as the implementation of the Simplification Program that began in the second half of 2022. Most of these costs impact "Opex", although a relatively minor part affects the "Gross margin".

Relevance of use

The main performance measures employed by management exclude expenses of this kind, which arise at a point in time or relate to a specific event: "Gross margin", "Opex", "EBITDA", "EBITA", "Cash net profit", "Cash EPS" and "ROCE". This group of metrics is employed regularly by management to assess and analyse the Company's operating performance on a comparable basis over time.

7. "EBITA"

Definition

"EBITA" is another metric that reflects business performance and is defined as "EBITDA" less the portion of depreciation and amortisation unrelated to acquisitions.

Relevance of use

Management employs "EBITA" as a performance metric on the basis that it enhances the comparability of Fluidra's profitability over time, as well as in relation to other pool industry companies and the economy in general.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
EBITDA (APM)	**445**	**512**
Depreciation and amortisation expenses and impairment losses	(158)	(165)
Amortization (PPA related) (APM)	67	75
EBITA (APM)	**355**	**421**

8. "Profit/(loss) attributable to NCI"

Definition

This refers to "Profit/(loss) attributable to non-controlling interests".

Relevance of use

Simple abbreviation for clarity.

9. "Profit/(loss) attributable to the parent"

Definition

This refers to "Profit/(loss) attributable to equity holders of the parent".

Relevance of use

Simple abbreviation for clarity.

10. "Cash net profit" and "Cash EPS"

Definition

"Cash net profit" is defined as "Profit/(loss) attributable to equity holders of the parent" adjusted for i) "Restructuring, M&A and integration expenses", ii) "Stock based compensation", iii) "Amortization (PPA related)" and iv) the non-cash portion of the financial result. "Cash EPS" is "Cash net profit" divided by the number of Company shares outstanding at the year-end, excluding the effect of treasury shares.

Relevance of use

Management employs these metrics regularly as good indicators of the Company's actual performance, since they mainly exclude both the amortization related to the accounts of the companies acquired and the expenses that do not repeat over time by nature. Cash EPS is one of the main metrics of reference used by Fluidra's Board of Directors when preparing the dividend per share proposal to be submitted to the General Shareholders' Meeting.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Profit/(loss) attributable to equity holders of the parent	**114**	**160**
Restructuring, M&A and integration expenses (APM)	42	27
Stock based compensation (APM)	9	15
Financial result	78	79
Net interest expense paid (APM)	(68)	(52)
Amortization (PPA related) (APM)	67	75
Cash adjustments (APM)	**128**	**144**
Tax rate (APM)	24.3%	24.7%
Taxed cash adjustments (APM)	**97**	**109**
Cash net profit (APM)	**211**	**269**
Share count (APM)	192	192
Cash EPS (APM)	**1.10**	**1.40**

11. "Net interest expense paid"

Definition

This is defined as "interest paid" in cash less "interest received" in cash, excluding any other financial expense or income. The purpose of this metric is to help to simplify the financial community's understanding of the cash flow statement.

Relevance of use

Management employs this metric regularly when assessing the Company's financial situation.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Interest paid	70	54
Interest received	(1)	(2)
Net interest expense paid (APM)	**68**	**52**

12. "Operating net working capital"

Definition

This is defined as the sum of the balance sheet items i) "inventories" and ii) "trade and other receivables", less "trade payables", which excludes a part of "trade and other payables" that is not entirely related to trading activities (mainly future payments of ordinary dividends and/or future payments of the acquisition price or options agreed with companies acquired, or earn-outs). This adjustment may have a relatively minor impact at the year-end, although it could be particularly relevant to some of the quarterly closings during the year.

Relevance of use

Management employs this metric regularly when analysing the Company's balance sheet and the ability to generate cash resources. As it focuses on operating activities, it provides a view of the Group's financial situation.

It is also presented as a ratio to sales, allowing comparisons between enterprises, businesses and geographies by both management and the investment community.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Trade and other payables	329	317
Dividends, earn-outs and others (APM)	(3)	(2)
Trade payables (APM)	327	314
Inventories	427	599
Trade and other receivables	273	285
Trade payables (APM)	(327)	(314)
Operating net working capital (APM)	**374**	**569**
% Operating net working capital over sales (APM)	**18.2%**	**23.8%**

13. "ROCE"

Definition

"Return on Capital Employed" is a return-on-capital measure used in the business. It is calculated as "EBITA" divided by the sum of "cash equity" and "net debt". Net debt is defined in the following section.

"Cash equity" refers to "total equity" adjusted by €527 million, which reflects the difference between the average share price for the six-month period prior to the announcement of the merger with Zodiac (€7.4 per share, the share exchange value in the merger) and the share price on the completion date (€13.7 per share, the carrying amount of the Zodiac acquisition under IFRS), multiplied by 83 million new shares issued.

"Cash equity" plus "net debt" in the denominator reflects the capital actually employed by the Company in the transaction.

"EBITA" is a performance metric which, as indicated, excludes expenses not arising in the ordinary course of business and the expense related to the amortization of intangible assets obtained through acquisitions. This enhances the comparability of returns over time, as well as in relation to other pool industry companies.

Relevance of use

Management analyses ROCE regularly when assessing the Company's profitability. This measure is also widely used by the investment community when evaluating companies from different industries and geographies.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
EBITA (APM)	**355**	**421**
Total equity	1,577	1,679
Equity adjustments (APM)	(527)	(527)
Cash equity (APM)	**1,050**	**1,152**
Net debt (APM)	**1,172**	**1,319**
ROCE (%) (APM)	**16.0%**	**17.1%**

14. "Net debt", "Net debt/EBITDA ratio" and "Net financial debt"

Definition

"Net debt" is calculated as the sum of i) "current and non-current bank borrowings and other marketable securities", ii) "current and non-current lease liabilities" and iii) "derivative financial liabilities", net of i) "cash and cash equivalents", ii) "non-current financial assets", iii) "other current financial assets" and iv) "derivative financial instruments".

"Net financial debt" is simply "Net debt" excluding lease liabilities. The "net debt/EBITDA ratio" is calculated as "Net debt" divided by "EBITDA" generated in the past 12 months.

Relevance of use

"Net debt" is the main APM used by management to measure the Company's indebtedness over time. To supplement the total debt figure presented under IFRS, management analyses the "net debt/EBITDA ratio" to assess indebtedness over time. Both metrics are broadly employed by the financial community to evaluate leverage and facilitate comparisons over time and with other businesses, as well as to value the Company.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Bank borrowings and other marketable securities	1,127	1,267
Lease liabilities	199	193
Derivative financial instruments	0	0
Cash and cash equivalents	(111)	(75)
Non-current financial assets	(4)	(5)
Other current financial assets	(6)	(6)
Derivative financial instruments	(33)	(55)
Net debt (APM)	**1,172**	**1,319**
Net debt/EBITDA ratio (APM)	**2.6x**	**2.6x**
Lease liabilities	199	193
Net financial debt (APM)	**973**	**1,126**

15. "CapEx"

Definition

"CapEx" or "capex" ("Capital Expenditures") is defined as the "acquisition of property, plant and equipment" plus the "acquisition of intangible assets".

Relevance of use

It is a measure of the investment effort made in each period in terms of assets for the various businesses. It reveals the allocation of resources and facilitates comparisons of investment efforts made in different periods. CapEx is made up of maintenance and growth investments. It is a common metric used by both management and the financial community.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
Acquisition of property, plant and equipment	38	50
Acquisition of intangible assets	26	29
CapEx (APM)	**64**	**78**

Note: As from 31/12/2023, the adjustment for changes under fixed asset suppliers is no longer made when calculating CapEx (this item amounted to €1 million at 31/12/2022).

16. "Free cash flow"

Definition

"Free cash flow" is defined as the sum of: i) "CF from operating activities", ii) "CF from investing activities" and iii) "financing cash flow", which excludes the net effect of bank borrowings.

Relevance of use

Management considers this measure to be useful for understanding the Company's ability to generate available cash for distribution to shareholders, reduction of leverage and/or external growth opportunities.

Reconciliation

Figures in millions of euros	31/12/2023	31/12/2022
EBITDA (APM)	445	512
Net interest expense paid (APM)	(68)	(52)
Corporate income tax paid	(33)	(93)
Operating working capital	155	(229)
Other operating cash flow	(70)	(17)
CF from operating activities	**429**	**120**
CapEx (APM)	(64)	(78)
Acquisitions / divestments (APM)	(34)	(26)
Other investment cash flow	4	10
CF from investing activities	**(94)**	**(94)**
Payments for lease liabilities	(40)	(33)
Treasury stock, net (APM)	0	(60)
Dividends paid	(134)	(163)
Financing cash flow (APM)	**(174)**	**(255)**
Free cash flow (APM)	**160**	**(229)**

Profit /(loss) for the year before tax to EBITDA reconciliation	31/12/2023	31/12/2022
Profit /(loss) for the year before tax	**158**	**225**
Financial result	78	79
D&A (APM)	158	165
Restructuring, M&A and integration expenses (APM)	42	27
Stock based compensation (APM)	9	15
EBITDA (APM)	**445**	**512**

SUSTAINABILITY REPORT



1

WE CREATE THE PERFECT POOL & WELLNESS EXPERIENCE RESPONSIBLY

1.1. Fluidra's Commitment to Sustainability
1.2. Responsibility Blueprint: our roadmap
1.3. Relationship with stakeholders
1.4. Sustainability indexes and recognitions
1.5. Partnerships



1.1

Fluidra's Commitment to Sustainability

GRI 2-23, 3-3

At Fluidra we are convinced that **a company with high environmental, social and governance standards** (Environment, Social and Governance or ESG), is more economically sustainable and more highly valued by its stakeholders.

Aware of this, we work in a responsible way to create the perfect pool and wellness experience with the aim of guaranteeing the continuous improvement of people's well-being, caring for the environment and promoting a responsible business culture throughout the entire 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 line with our mission, vision and values, this policy provides the framework for all of the company's policies such as the Code of Ethics, the Code of Ethics for Suppliers, the Diversity, Equity and Inclusion (DEI) Policy and the Health, Safety and Environment (HSE) Policy.

Among other aspects, the **ESG Policy** describes Fluidra's commitments to our stakeholders, respect for human rights, environmental protection, and the promotion of sustainable products. To do this, it takes account of the principles in some of the most relevant reference frameworks in the field of sustainability, such as:

- The 2030 Agenda and the United Nations Sustainable Development Goals.
- The Ten Principles of the United Nations Global Compact.
- The United Nations Guiding Principles on Business and Human Rights.
- The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.
- The OECD Due Diligence Guidance for Responsible Business Conduct.

It should be noted that its principles cover the entire value chain of our products and operations. Therefore, Fluidra is committed to carrying out the necessary actions to extend these commitments to our customers and direct suppliers, and considering sustainability criteria in due diligence processes prior to company acquisitions and mergers.

The policy is reviewed annually by the ESG Department. As a result of this process, in 2023 we carried out an in-depth update of its contents to align it with the department's current structure and operation, as well as the large number of sustainability regulations passed in recent years. The updated version of the policy is available to all our stakeholders on the group's corporate website, in both Spanish and English.

Please see the Global ESG Policy on our corporate website.

1.1.1. ESG governance model

GRI 2-12, 2-13, 2-14, 2-24, 3-3

The Board of Directors, in particular through its Executive Chairman, is ultimately responsible for ESG issues in the organization and for evaluation and management of all ESG aspects.

The Board is supported by both the Audit Committee and the Appointments and Compensation Committee, which carry out supervisory and control functions with regard to ESG activities. The Board is also advised by the Delegated, Strategy and ESG Committee, which is responsible for proposing strategic action to the Board for growth, development, diversification, business transformation and technology. It also ensures that our ESG strategy is part of the company's business plans.

This operating framework is governed by the Regulations of the Board of Directors, the Regulations of the Audit Committee, and the Regulations of the Appointments and Compensation Committee.

For more information, see section 5.1.2. Board of Directors.

Both the Board of Directors and the Executive Committee (MAC) are periodically informed by the ESG Department about Fluidra's performance in this area.

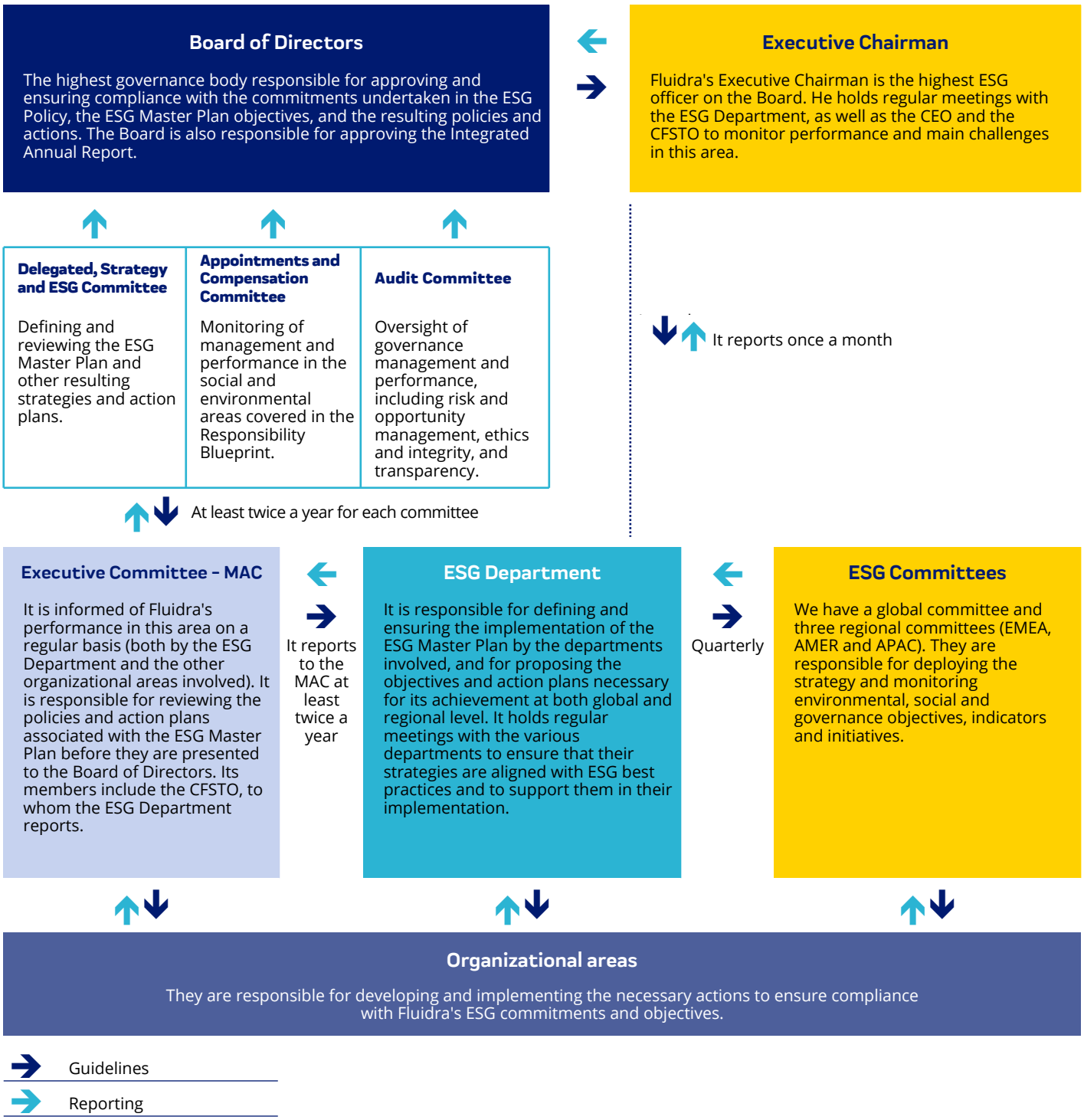
The ESG Department, under the Global Finance, Sustainability and Transformation Department (formerly under the Global HR & ESG Department), is responsible for defining our ESG Master Plan (known as the Responsibility Blueprint). It is also responsible for ensuring compliance with the policy and its execution by the departments involved (including Human Resources, HSE, Procurement, Compliance, Marketing and ESG Product). It holds regular meetings with the departments to define and monitor the objectives and action plans required to achieve them.

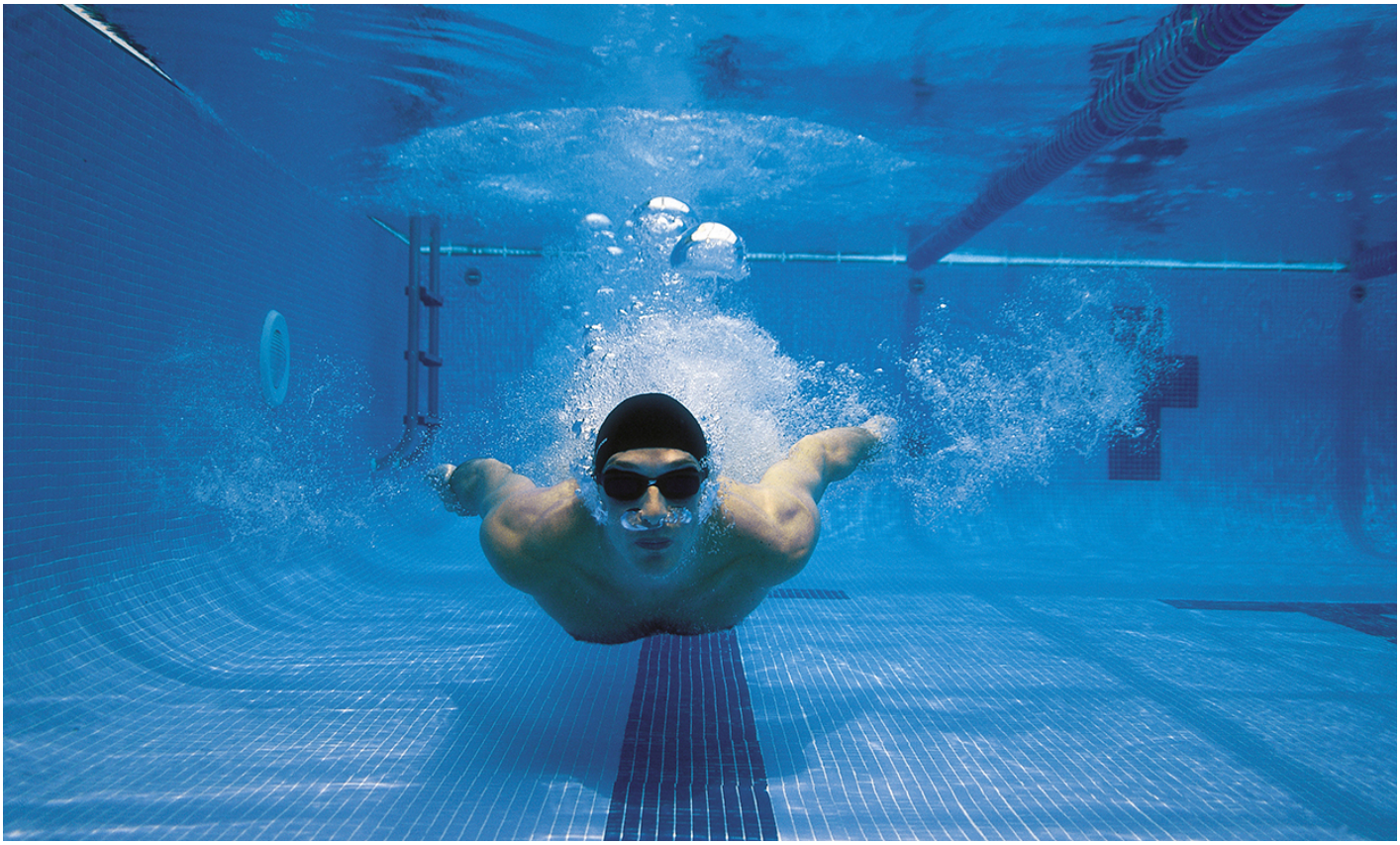
Through its regional teams, the ESG Department also maintains regular contact with the people responsible at regional, division and company level to support and monitor the various actions

implemented. This ensures the ESG strategy reaches all levels of the organization.

The areas affected by this policy are responsible for facilitating, in their respective areas of responsibility and when appropriate, the provision of sufficient resources, systems and organization to ensure compliance with our ESG commitments. This work is reviewed by the ESG Department, the Executive Committee (MAC) and the Board of Directors.

ESG governance model





In 2023 the Board of Directors and its committees approved, supervised or were informed about the following matters by the ESG Department:

1. Approval of the Fluidra Group's 2022 Integrated Annual Report, including a review of the conclusions of the verification process by the external auditor.
2. Supervising performance in accordance with the objectives included in the Responsibility Blueprint in the financial year 2022, as well as its development during the financial year 2023.
3. Approval of the achievement of ESG objectives for the financial year 2022 associated with the annual variable remuneration plans.
4. Approval of the group's ESG objectives in 2023, as well as those linked to the annual and long-term variable remuneration plan for the Executive Committee (MAC), its direct reports (MAC-1) and other key positions in the organization.
5. Review and approval of the results of the materiality assessment, including the impacts, risks and opportunities identified during the year, with special focus on risks and opportunities associated with climate change.
6. Review and approval of the updated ESG Policy and HSE Policy.
7. Review and approval of the sustainable product strategy.
8. Medium-term ESG financial planning (with a focus on climate change actions and decarbonization plans).

The Executive Committee (MAC) has defined the ESG strategy's ambitions and priorities for the financial year 2024. The MAC was also informed about the performance in relation to the objectives included in the Responsibility Blueprint for the financial year 2023, the proposed update of the ESG Policy, HSE Policy and Code of Ethics, and the results of the materiality assessment, as well as the S&P Global rating.

As reflected in the various sections throughout this report, the Board of Directors, its committees, as well as the Executive Committee, are also informed of ESG-related issues by other organizational areas, such as Human Resources, Compliance and Procurement, among others.

One new aspect in 2023 was that the ESG Department began to participate quarterly in the business review meetings held with the management of each of the regions, to analyse the ESG performance of each region and its contribution to achieving the global objectives, alongside other business indicators.

In addition, on a quarterly basis, the ESG Department management holds a meeting with the Executive Chairman, the CEO and the CFSTO to align priorities and define action plans, strategies and objectives in this area, to then present them to the Executive Committee.

1.2

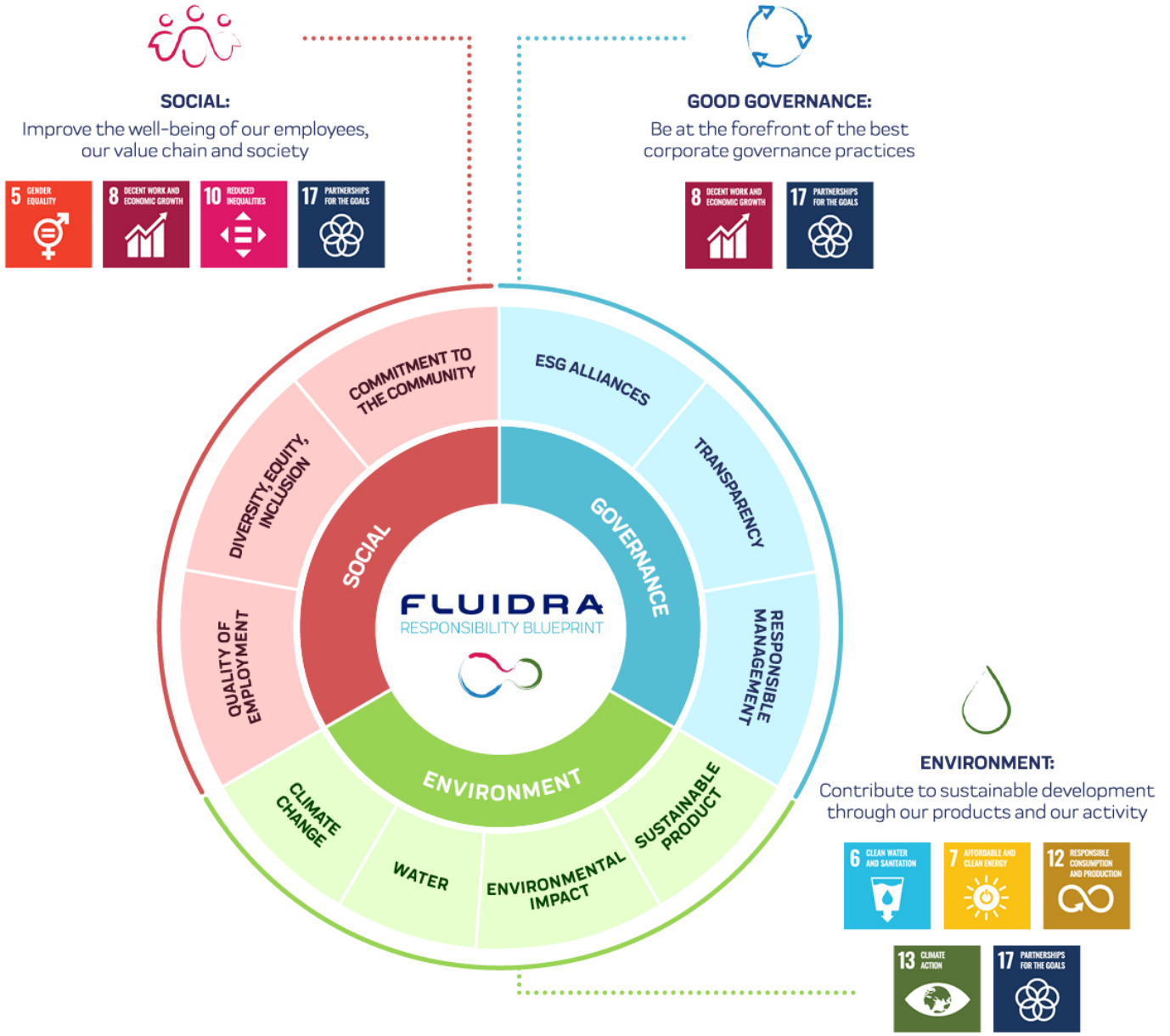
Responsibility Blueprint: our roadmap

GRI 3-3

To ensure compliance with the commitments made in the Global ESG Policy, in 2020 we approved the **ESG Master Plan** (known as the Responsibility Blueprint) for 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. Accordingly, we regularly review our strategy to ensure that it is in line with the results of the Organization's materiality analysis.

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.



1.2.1. Main metrics and objectives linked to the Responsibility Blueprint

The Board of Directors has approved the following ESG metrics and objectives to ensure the implementation of our **ESG Policy** commitments. Performance in this area is reported at least twice a year. The ESG Department, together with the rest of the areas involved in implementing the strategy, then defines and implements the necessary actions to ensure its achievement.

Since 2021 our incentive schemes have included ESG objectives

Since 2021 the annual and long-term incentive systems of the Executive Committee (MAC), its direct reports (MAC-1) and other key people in the organization (both globally and regionally) have included achievement of Fluidra's most relevant ESG objectives (outlined in the tables below).

These are defined by the ESG Department in collaboration with the areas responsible for achieving them. They are presented to the Appointments and Compensation Committee prior to approval by the Board of Directors. Subsequently, after the end of the financial year, the same committee is responsible for reviewing the degree of achievement (once the associated metrics have been verified externally), to determine the relevant remuneration.

In 2023 ESG objectives accounted for 5% of the Executive Chairman's annual variable remuneration, 4% for the CEO and CFSTO, and 3% for the other members of the Executive Committee, MAC-1 and other leadership positions. The weighting of each of the objectives included in the variable remuneration of Executive Committee (MAC) members is equitable: 9 objectives (including the emissions reduction objective in scopes 1 and 2), with a weighting of 11.1% each in the case of the MAC and the corporate functions, and 6 objectives with a weighting of 16.6% for the rest of the regional functions.

The long-term incentive plan (LTIP 2022-2026) includes the S&P Global rating score target at the end of each of the plan's three cycles (periods 2022-2024, 2023-2025 and 2024-2026).

For more information, see section 5.1.5. Remuneration Policy for Governing Bodies.

Below is a summary of our performance in each of the ESG objectives at Group level, as well as the actions we have taken to ensure their achievement. For more information, see the relevant sections throughout this Integrated Annual Report.

Environment

At Fluidra we contribute to sustainable development through our activity and our products. We carried out the following actions in this area in 2023:

- Development of energy efficiency and carbon reduction audits in some of our centres with the highest contribution to our carbon footprint. These are located in Spain, the United States of America, Australia and South Africa.
- Definition of regional decarbonization plans with actions to be implemented in the financial years 2023-2024 for scopes 1 and 2.
- Integration of sustainable criteria in new product development (NPD) projects.
- Development of a plan until 2026 to migrate all electricity grid supply contracts to renewable energy in countries where it is possible. In 2023 we made progress with changing the contracts for some of our facilities in the United States, the Netherlands, and Germany.
- Certification of our operations in Brazil in accordance with ISO 14001.
- Study and approval of a cooling water recovery system that will reduce water consumption by 30% in one of the group's companies with the greatest impact in this area. The project will be carried out in 2024.
- Implementation of improvements in waste management at the global level in both offices and plants.

Environmental metrics and objectives

Strategic area	Metrics:	Results 2022	Results 2023	Objectives 2023	Objectives 2024	Objectives 2026	Variable remuneration	Page
Climate Change	Scope 1 and 2 emissions (% reduction vs. base year 2021).	-25%	-43%	-40%	-55%	-90%	Yes	77
	Scope 3 emissions (% reduction vs. base year 2021).	-22%	5%	N/A	N/A	N/A	No	77
	Electricity consumption from renewable sources (% of total electricity consumed)	83%	86%	86%	89%	96%	No	75
Sustainable products	Sales of sustainable products (% of total sales for the year).	53%[5]	51%	47.5%	54%	60%	Yes	87

[5] In 2023 we reclassified some of our products. This resulted in the 2022 result being restated from 45% to 53%. For more information, see chapter 3.2. Promoting sustainable products.

Strategic area	Metrics:	Results 2022	Results 2023	Objectives 2023	Objectives 2024	Objectives 2026	Variable remuneration	Page
Water	Ratio of water consumption (liters) to total sales for the year (€M).	70	63	58	56	N/A[6]	No	79
Environmental management	ISO 14001-certified production companies (% of total).	29%	32%	32%	40%	64%	No	65
	Waste sent to landfill (% of total waste generated in the year).	27%	30%	23%	N/A	N/A[7]	No	67

It should be noted that the goal of obtaining ISO 14001 standard certification for our operations in Italy and Australia by 2023 was not met. In the case of Italy, we decided to postpone certification to 2024 due to the merger of our two companies in the country (Fluidra Commerciale Italia and Agrisilos). In Australia the delay was due to organizational changes in the region.

However, by 2024, the goal is to certify our operations in Italy, together with those of Fluidra Industry France, in order to maintain the initially planned target.

At the same time, during 2023 the objective of reducing the percentage of waste sent to landfill by 15% has not been met, given that the reduction in general waste led to a greater decrease in waste destined for recycling compared to that sent to landfill, increasing the representativeness of the latter.

Social

In the social area, we are working to improve the well-being of our employees, people in our value chain, and society in general. In 2023 we carried out the following actions:

- Launch of a new edition of the 'Now It's Your Turn' satisfaction and engagement survey.
- Launch of a global human rights training plan.
- Assessment of five new potential human rights impacts in our own operations and implementation of an external assessment program at our facilities.
- Holding a gender equity day to raise awareness of the challenges faced by women in the workplace.
- New edition of Fluidra Safety Day, held for the first time in the Netherlands, Brazil, China, Australia, South Africa, the United Kingdom, France and the United States of America, in addition to other companies in Spain.
- Trace Logistics gained ISO 45001:2018 certification.

Social metrics and objectives

Strategic area	Metrics	Results 2022	Results 2023	Objectives 2023	Objectives 2024	Objectives 2026	Variable remuneration	Page
Quality employment	Employees who answered the engagement survey (% of total workforce).	74%	81%	85%	N/A	85%	No	123
	Staff engagement index (0 to 100%).	90%	89%	85%	N/A	80%	No	123
	Accident rate (TRIR for own staff + contractors).	1.07	0.91	0.80	0.80	0.80	Yes	149
	Number of human rights action plans defined and implemented at the regional level.	0	12	12	24	N/A	Yes	115
Diversity, Equity and Inclusion	Wage gap (adjusted)[8]	3.3%	1.7%	3.0%	+/-3 %	+/-3 %	Yes	141
	Women identified as successors for MAC and MAC-1 positions (% of total identified successors).[9]	36%	38.7%	38%	N/A	N/A	Yes	128
Community Engagement	Number of people benefited by social action initiatives (cumulative).	12,116	28,055	14,700	58,002	131,956	No	152

[6] As the target for 2023 has not been achieved, and studies to improve water data collection will be carried out during 2024, the target for 2026 will be agreed during the next year, once a new baseline has been consolidated.
[7] Due to the fact that the target has not been achieved in 2023 and that an area of improvement has been found in the hazardous waste generated, this target has been modified for 2024. For more information, check the 2.1.2. Raw materials and waste management.
[8] During 2023, we have worked on incorporating additional variables, such as country and subcategory, into the gender pay gap analysis. This methodology provides a more accurate assessment of wage disparity by taking into account comparable workers. As a result, we have recalculated the pay gap for the 2022 financial year, from 5.4% published in the 2022 Integrated Report to 3.3%.
[9] In 2023, we have defined a new target for women in succession plans for key positions, which will replace the current target from 2024 onwards.

Despite improving on the results achieved the previous year, we have not reached the objectives we had set for 2023 in relation to participation in the engagement survey (due to changes in the structure of the workforce) and the reduction in the accident rate (due to the fact that the number of accidents has not fallen to the same level as the hours worked).

Governance

Finally, through the Responsibility Blueprint we seek to be at the forefront of best practice in good governance and extend our commitments to responsible business behaviour throughout the value chain. We carried out the following actions in this area in 2023:

- Launch of the annual global customer satisfaction survey.
- Improvement of the CDP Climate Change rating from B to A-.
- Review of the definition of critical suppliers to incorporate country risk in ESG issues.
- Expansion of the on-site audit program to 29 new critical suppliers, and update of the audits performed in 2020 (three-year audit plan).
- Analysis of the score obtained in the sustainability indexes and identification of actions to be included in the Responsibility Blueprint to improve our performance.
- Holding training on the relevance of ESG in the supply chain, for both internal purchasing teams and critical direct suppliers.

Good governance metrics and objectives

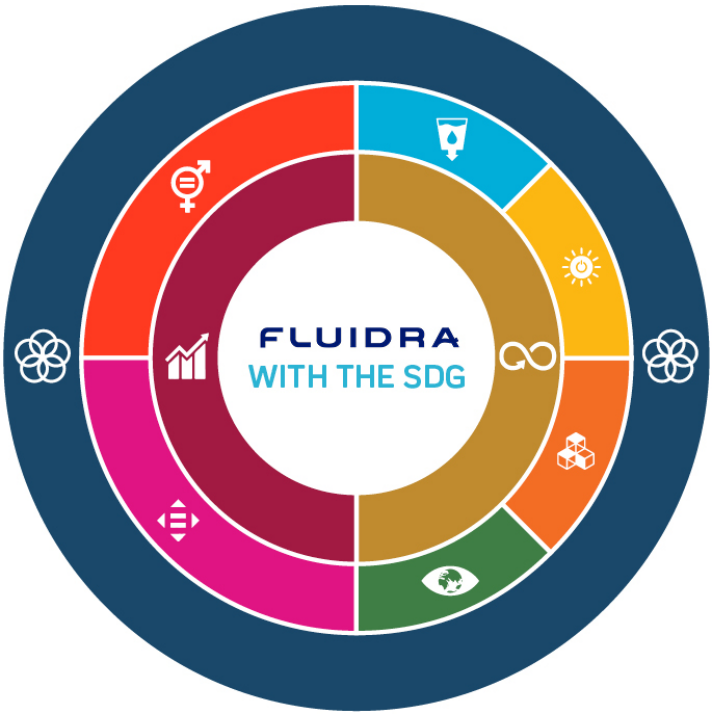
Strategic area	Metrics	Results		Objectives			Variable remuneration	Page
		2022	2023	2023	2024	2026		
Responsible management	Customer satisfaction index (0 to 10).	7.70	7.83	7.80	7.90	N/A	Yes	202
	Critical suppliers audited under ESG criteria (% of total).[10]	N/A	47%	33%	72%	100%	Yes	188
Transparency	S&P Global rating score (0 - 100).	66	66	66	69	74	Yes	59
	CDP Climate Change rating (F to A).	B	A-	B	A-	A-	No	59



[10] In 2023, we updated the target to focus on critical suppliers. We have also modified the methodology for the identification of critical suppliers, in order to integrate sustainability criteria into their identification. For more information, see section 5.4.2. Key figures in our supply chain.

1.2.2. Our contribution to the Sustainable Development Goals

As a member of the **United Nations Global Compact**, we are committed to contributing to the achievement of the **Sustainable Development Goals and the 2030 Agenda** through our ESG strategy. To that end, we have analysed the goals and targets defined by the United Nations in order to prioritize and focus our efforts on those most closely linked to our business. In this regard, we have identified three SDGs as priorities, through which we will draw up actions to promote our Company's sustainable development.



8 DECENT WORK AND ECONOMIC GROWTH

It acts as an approach for the commitments and initiatives in this area to promote the sustainable development of people, both from within (employees) and outside the organization (supply chain, society, etc.). We have identified the following sub-goals associated with this SDG:

12 RESPONSIBLE PRODUCTION AND CONSUMPTION

It centralizes actions associated with the life cycle of products, from design to consumption by the end user. The following sub-goals associated with this SDG have been identified:

17 PARTNERSHIPS TO ACHIEVE THE GOALS

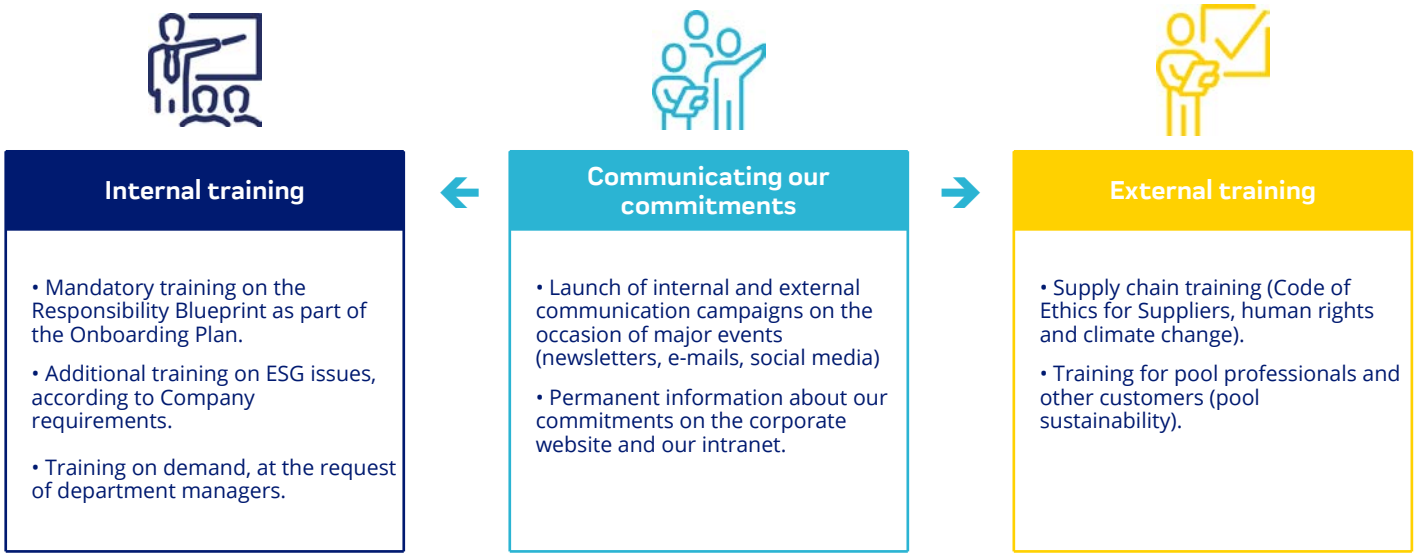
In a cross-cutting manner, the aim is to foster alliances and collaborations with other organizations in order to progress towards achieving the above objectives.

1.2.3. Raising awareness on our commitments

GRI 2-23

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



Training for our teams

Everyone who joins Fluidra must undergo training on our ESG commitments as part of their onboarding plan.

At the beginning of 2022 we launched an ESG training plan for all Fluidra employees. This plan consists, on the one hand, of a set of introductory training pills on the Responsibility Blueprint and its strategic areas, which are also part of the training plan for new employees. During this year we launched introductory training pills on climate change and human rights and in 2024 we plan to launch four more.

In addition, the ESG Department, together with the departments responsible for managing each of the areas covered in our strategy, carry out online or in-person training to provide more in-depth knowledge of each of the subjects. The most important include those in the areas of human rights, sustainable products and health and safety.

Through these actions a total of 3,161 people (1,090 in 2022) received **4,867 hours of ESG training** (998 in 2022) in 2023.

In 2023 we launched a new edition of the **ResponseAbilities** program, a mobile app aimed at raising awareness and engaging our workforce in implementing our ESG strategy, as well as to:

- Raise awareness and help Fluidra's employees to implement the nine Sustainable Development Goals and the Company's ESG objectives.
- Disseminate good environmental and social practices.
- Generate sustainable habits among employees
- Offer social experiences for the workforce.

Following the success of the program in Spain and the United States of America last year, we have extended it to the rest of the countries in which we operate (with the exception of China).

As in the previous edition, our teams have been invited to carry out a series of weekly challenges and propose actions to improve sustainability that could be implemented by the organization. These challenges are associated with the various initiatives we carry out throughout the year (gender equity day, climate action week, etc.). They can receive awards for their level of involvement in the program.

At the end of the program, the four winners of this edition were able to decide on a specific association and project to which to donate the prize money. They donated a total of €2,800 to the **Angel Tree program** (United States of America), the children's cancer research laboratory at **Hospital Sant Joan de Deu** (Spain) and the neonatal department at Hospital Marqués de Valdecilla through **Fundación Buscando Sonrisas** (Spain).

RESPONSE ABILITIES
FLUIDRA

367
participants

2,918
challenges faced

282,811
liters of water saved

6,435
kg CO_2 prevented

Training throughout the value chain

As part of our commitment to encourage the group's business partners to apply principles of responsible conduct, we have continued to train our suppliers on those aspects of our ESG strategy that have the greatest impact on our supply chain.

The aim of these sessions is to raise awareness of our commitments in these areas and provide suppliers with tools, such as carbon footprint calculators, for implementation throughout our supply chain before establishing new requirements for our suppliers.

For more information, see section 5.4.3. Advancing shared values..

We have also carried out several training sessions on sustainability with our customers through the Fluidra PRO Academy. The aim is to present our catalogue of sustainable products and offer tips on how to promote sustainability during pool operation (e.g. promoting energy and water saving in filtration).

Communicating our commitments to stakeholders

We have ESG sections on both the corporate website and on our intranet, where we permanently communicate our ESG commitments to our stakeholders, including the Integrated Annual Report. In addition, through our social networks, we have launched campaigns on International Water Day, Energy Efficiency Day, Climate Change Day, and Women's Day, among others.

Communication about our products' contributions to sustainability also plays an important role. One example of this is the communication and promotional campaign for sustainable products carried out for climate action week, and presenting our innovations in this field at the industry fairs we participate in.



1.3
Relationship with stakeholders

GRI 2-29

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

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

In our Global ESG Policy, we set out Fluidra's basic principles for involving and establishing relationships of trust with our stakeholders.

STAKEHOLDER RELATIONS PRINCIPLES

RESPONSIBILITY	RESPONDING TO THEIR NEEDS	COLLABORATION AND MUTUAL SUPPORT	CONTINUOUS IMPROVEMENT	COMMUNICATION AND DIALOGUE	TRANSPARENCY	PARTICIPATION AND INVOLVEMENT

As a company, we make various two-way communication channels available to our stakeholders through which they can communicate their needs and expectations about the organization. We also maintain an ongoing relationship with other users of the information in our Integrated Report (potential investors, credit institutions, insurance companies, business partners, academics, etc.) and answer any questions or additional requests for information they may need.

Every two years, we involve representatives of all our stakeholders in producing the materiality assessment. We carried out this process again in 2023 (the previous one was in 2021). More than 153 people took part, both Fluidra employees (78%) and representatives of external stakeholders (22%). They evaluated the impacts, risks and opportunities that we had identified in ESG matters.

The results of the assessment, including opinions and interests expressed by the participating stakeholders, were reported to and validated by the Executive Committee (MAC) prior to presentation and final approval by the Board of Directors.

For more information, see section 6.2.2. Materiality Matrix.



Stakeholder relations table

EMPLOYEES

People who work at Fluidra, regardless of their employment relationship.

What do they expect from Fluidra?

- Creation of quality jobs.
- Training and professional development.
- Fair working conditions.

How do we involve them?

- Satisfaction and engagement survey.
- Internal communication (intranet, notice boards, social media).
- Recreational, sporting and solidarity activities.
- Informal welcome and regular meetings (coffee chats) with senior managers
- Regular meetings with workers' representatives.

Main initiatives developed during the year

- Launch of the engagement survey.
- Reduction of the wage gap.
- New edition of the "Fluidra Go" talent acceleration programme.
- Development of the global and regional leadership programmes.
- Promotion of individual development plans (MyPlan).

Results

89%
staff commitment level.

1.7%
adjusted pay gap

SHAREHOLDERS AND INVESTORS

People or institutions that invest or plan to invest money in the group at some point.

What do they expect from Fluidra?

- Economic profitability.
- Risk management.

How do we involve them?

- General Shareholders Meeting.
- Shareholders Office: e-mail, telephone support, among others.
- Corporate website and social media.
- National and international investment forums, conferences, roadshows, face-to-face meetings.
- Presentation of the Integrated Annual Report.
- Presentation of quarterly results.

Main initiatives developed during the year

- Investor meetings after the release of results (roadshows).
- Analyst calls and meetings.
- Conferences.

Results

c. 300
meetings

66/100
in the S&P rating

CUSTOMERS

Individuals or legal entities that purchase products marketed by Fluidra.

What do they expect from Fluidra?

- Response to market trends.
- Price/quality ratio.
- Safe products.
- Multi-channel product availability and correct delivery times.
- Troubleshooting and warranty management.

How do we involve them?

- Customer and after-sales services.
- Satisfaction surveys.
- Technical seminars and training courses.
- Trade shows.
- Visits to facilities.
- Websites and online applications.

Main initiatives developed during the year

- Launch of the annual satisfaction survey.
- Opening of new Pro Centers.
- Launch of Fluidra Pool app.
- Celebration of International Pool Pro Day.

Results

7.83/10
satisfaction index

7
new Pro Centers



END USERS

People who are occasional or regular end users of a product marketed by Fluidra.

What do they expect from Fluidra?

- Product usability.
- Price/quality ratio.
- Reduction of pool costs.
- Sustainable products.

How do we involve them?

- Websites, social media and product applications.

Main initiatives developed during the year

- Launch of new associated products.
- Definition of classification criteria for sustainable products.

Results

877,000

connected pools

51%

sales of sustainable products



SUPPLIERS

Individuals or legal entities that provide goods or services to Fluidra.

What do they expect from Fluidra?

- Support for local suppliers.
- Feasibility and profitability.
- Continuous supply.
- Payment on time.
- Promotion of mutually beneficial relationships.

How do we involve them?

- Bilateral meetings with large-volume suppliers.
- Communications by mail.
- Training sessions.
- Development of corrective and improvement action plans.

Main initiatives developed during the year

- Training on the Code of Ethics for Suppliers, human rights and climate change.
- On-site assessments and audits.
- Purchases from local suppliers.

Results

303

suppliers trained in ESG

64%

spending on local suppliers



PLANET AND SOCIETY

The environment in which Fluidra works.

What do they expect from Fluidra?

- Contribution to the development of local communities.
- Absence of damage caused to the environment.
- Generation of local employment.

How do we involve them?

- Initiatives developed by the Fluidra Foundation.
- Corporate volunteer programs
- Collaboration with NGOs and associations.

Main initiatives developed during the year

- Fluidra Day 2023 competition: presentation of social projects focused on the swimming pool.
- Endorsement of volunteering policy (Australia & New Zealand).
- Promotion of new initiatives in support of the community through the PATH Foundation (United States of America).

Results

€945,169

contribution to NGOs and non-profit organisations

9

winning projects at the Fluidra Day event

1.4

Sustainability indexes and recognitions

One of the commitments adopted within the framework of the Responsibility Blueprint is to promote greater transparency regarding the company's ESG performance.

For this reason, we participate in and are evaluated annually by various indexes and ratings, which measure our environmental, social and governance performance. Based on the results obtained, Fluidra draws up action plans to integrate best practices and continue to make ESG improvements.

In 2023 Fluidra joined the **S&P Global Sustainability Yearbook,** which distinguishes companies that stand out for their commitment and performance in sustainability in their sector.

In 2023, we also improved our score in the CDP Climate Change index (from B to A-), MSCI (from BBB to A), FTSE4Good (from 3.3 to 4 points) and Sustainalytics (from 23.3 to 20.8).

Fluidra's score in sustainability indexes

Rating	Scale (from worst to best)	Score 2023	Change 2022/2023
S&P Global	0 - 100	66	=
CDP	F - A	A-	↑
MSCI ESG RATINGS	CCC – AAA	A	↑
SUSTAINALYTICS RATED	100 - 0	20.8	↑
FTSE4Good	0 - 5	4	↑
ISS ESG	D- / A+	C	=
Moody's	0 - 100	44	=

↑ Rating improvement = Same rating as in 2022

There are also several organizations that evaluate the clarity and transparency of the contents published in our Integrated Annual Report.

This is the case for *Informe Reporta* (6th of 108), the Corporate Social Responsibility Observatory (18th of 35, reports for financial year 2021) and the Watch & Act cybersecurity transparency ranking (11th of 26).



Fluidra recognized for its Integrated Annual Report 2022

Fluidra was awarded the Art of Reporting prize by Workiva at the **2023 EMEA Customer Awards.** It is awarded to the customer that made the best and most creative use of the platform's reporting functions. This highlights the work Fluidra carried out in collaboration with the MRM Spain agency.

Fluidra and MRM Spain were also finalists in the **ESG Awards 2023,** in the ESG Report of the Year category. This recognizes the most accurate, best-structured and most informative reports of the year.

1.5 Partnerships

GRI 2-28

In line with SDG 17, partnerships with other stakeholders enable us to make faster progress achieving our goals, since sharing information and being part of specific working groups allows us to access a number of highly-valuable resources.

1.5.1. Membership of organizations

Since 2007, Fluidra has been a signatory of the United Nations Global Compact, 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, labour, the environment and the fight against corruption in the operation of the business.

In addition, in 2023 we once again participated in various acceleration programs promoted by this organization, such as the Climate Ambition Accelerator (climate change), Target Gender Equality and the Business and Human Rights Accelerator (human rights).

This year we continued to work with the Ellen MacArthur Foundation community, an organization that seeks to accelerate the transition to the circular economy.

Fluidra is also a member of various business associations and organizations with the aim of defending our interests and those of the industry, while promoting key aspects of our sustainability strategy.

In this area, Fluidra has been a member of the board of trustees of **Fundación Privada Empresa y Clima** (Enterprise and Climate Foundation) since 2011. This organization provides companies with the tools they need to tackle the challenges of climate change, together with guidance on actions to improve efficiency in reducing emissions. This year Fluidra was recognized for its support of the foundation and its commitment to sustainability on the occasion of the 15th anniversary of its creation.

The foundation is also responsible for holding the International Climate Action Congress (CIACC), a leading event for companies and public authorities, where top national and international experts address the challenges associated with the climate emergency. In 2023 Carla Coloma (ESG Director) took part in the Taxonomy and Sustainable Finance roundtable.

As a member of the Foundation, Fluidra also has the opportunity to attend and participate in the United Nations Climate Negotiations (COP).

For more information, see the "Lobby activities" section.

In the swimming pool sector we are members of industry associations such as the Pool & Hot Tub Alliance (PHTA), the Asociación Española de Profesionales del Sector Piscinas (ASOFAP), the Swimming Pool & Spa Association (SPASA), the Swimming Pool and Allied Trades Association (SPATA), Federations des Professionnels de la Piscine (FPP), and Indescat (Catalan sports industry cluster), among others.



Pool Horizons Summit 2023

The Pool Horizons Summit took place at the Piscina & Wellness 2023 trade fair held in Barcelona (Spain) this year. It is a forum that analyzes the role of the swimming pool industry in providing solutions to environmental and social challenges. The event was jointly organized by Fluidra, Pentair, Hayward, and the Pool & Hot Tub Alliance (PHTA).

The event brought together leading executives, industry associations, and governmental and non-governmental agencies, among others, who were able to attend inspiring talks by top-level speakers, provocative debates and learn first-hand about aquatic projects from around the world aimed at raising new questions and inspiring new ideas.

Finally, we are members of other business associations such as Foment del Treball, of which Eloy Planes (Fluidra's Executive Chairman) holds the first vice-presidency, Instituto de la Empresa Familiar, and Asociación Española de Industriales de Plásticos.

In 2023 our contributions to such organizations amounted to €472,675 compared with €487,666 in 2022. The three largest contributions were to the Spanish Chamber of Commerce (€20,000), the Fundación Privada Empresa y Clima (€19,000) and the Instituto de Empresa Familiar (€18,000).

1.5.2. 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. For this reason, every year we support and sponsor the main organizations, events and athletes in the swimming pool world. In 2023 have allocated €1,096,041 to sports sponsorships.

We are currently official sponsors of the European Swimming League (LEN), the American Swimming Union (PANAM Aquatics), and Real Federación Española de Natación (RFEN), among others. We also signed a two-year agreement in 2023 as an official pool equipment supplier to USA Swimming, the national governing body for competitive swimming in the United States of America.

It is important to point out that these relationships go beyond mere sponsorship. They are a platform designed for developing and participating in strategic projects. That is the case for LEN's Learn to Swim program, of which Fluidra is a member. This is focused on promoting and developing swimming throughout society, regardless of age, gender, disability or ethnicity.

Fluidra also sponsors high-level athletes and teams that share our values. Examples are the French athletes Paolo Singh (modern pentathlon) and Analia Pigrée (swimming). The latter is European champion (Rome 2022) and a bronze medallist at the world championships (Budapest 2022) in the 50 m backstroke.

In addition, through our AstralPool and Zodiac brands, we sponsor the Club Natació Sabadell and Club Natació Atlètic-Barceloneta water polo teams in Spain, as well as the Catalan Dragons and Union Sportive Arlequins Perpignanais rugby teams in France.

1.5.3. Other partnerships

Lastly, we maintain alliances with various educational institutions, organizations that promote innovation in the field of water, as well as research centres to contribute to research into the health benefits of swimming pools. These include the Eurecat technology centre, the Catalan Water Partnership, the Catalan Government Innovation Office (ACCIÓ) and Hospital Sant Joan de Deu.











2

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT

2.1. Environmental management
2.2. Climate Change
2.3. Water



-20%
Scope 1 emissions vs. 2022

-28%
Scope 2 emissions vs. 2022

86%
Renewable electricity consumption

-22%
Energy consumption vs. 2022

-9%
Energy intensity (MWh / Sales) vs. 2022

40%
Packaging of recycled origin used

-23%
Water consumed (m^3) vs. 2022

66%
Waste generated recycled or reused

32 %
Production sites certified according to ISO 14001



Contributing to sustainable development

Through the environmental pillar of our ESG strategy, we work to contribute to sustainable development by implementing actions to reduce our impact on the planet. The Fluidra Group's business revolves around water, whether for athletic, leisure or therapeutic use, in the world of pools and wellness. The very nature of our business makes sustainability and environmental protection a priority for us. In chapters 2 and 3 we report on our commitments in this regard in relation to our operations and products, respectively.

2.1
Environmental Management

GRI 3-3

In our day-to-day operations, we apply rigorous environmental criteria to our manufacturing and marketing processes, promote the use of clean technologies and properly treat and recycle resources, waste, and spills. At the same time, we strive to minimize our carbon footprint and the environmental impact of our activity through the efficient use of raw materials, energy and water and the reduction of greenhouse gas emissions.

Environmental management at our facilities is overseen by the HSE Department, following the same governance model as we use to manage health and safety issues.

For more information, see section 4.3 Health, Safety and Well-being.

2.1.1. Environmental Management System

The company has an Environmental Management System developed in accordance with European regulations and the ISO and EMAS standards, which applies to all group companies.

The **Global HSE Policy** is the main frame of reference for our Management System. It lays the foundation for the rest of the environmental processes and procedures at our own facilities. The policy, approved in 2019 by the Board of Directors, was revised at the end of 2023 to include the most relevant environmental issues arising from the materiality analysis, as well as to deepen and address the environmental commitments set out in the Global ESG Policy in greater detail.

Environmental management at our facilities is overseen by the HSE Department, following the same governance model as we use to manage health and safety issues.

Please see the the Global HSE Policy on our corporate website.

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. In this regard, the Global HSE Department advises and assists the company managers in their responsibility of ensuring correct environmental management across group facilities.

Fluidra also has different **standards and procedures** we leverage to develop the policy commitments and which jointly address both environmental and occupational health and safety management.

For more information, please see section 4.3.1. Health and Safety Management System.

Environmental Management System Targets

Environmental target	Target for 2023	2023 Results	Target for 2024
ISO 14001 certification for the plants that still do not have it.	ISO 14001 certification for the plants of Fluidra Commerciale Italia, S.P.A., Agrisilos S.R.L. Fluidra Group Australia, Fluidra Brasil Industria e Comercio, LTD.	ISO 14001 at Fluidra Brazil. Postponed to 2024 for Fluidra Commerciale Italia and Fluidra Group Australia.	Achieving ISO 14001 certification at Fluidra Commerciale Italia and Fluidra Industry France.
Improved waste management in our own facilities and waste reduction.	Implementation of global hazardous waste management procedures and 15% reduction in the percentage of waste sent to landfill.	Approval and initiation of implementation of global hazardous waste management procedures. The 15% reduction target for the percentage of waste sent to landfill has not been achieved.	Hazardous waste (Tons) reduced by 1% vs. 2023.
Reduction in water consumption at our facilities.	Reduce water used at our sites by 5% per year (liters/k€ sales - 2021 base year).	The 0.058 (liters/k€ sales) target for used water has not been met.	Reduce water used at our sites by 3% per year (liters/k€ sales) over 2023.

We currently have a plan to progressively certify the **Environmental Management System** in our production facilities to the ISO 14001 standard. We plan to have 68% of production companies certified by 2026.

The audit for certification of our operations in Brazil was completed in 2023. Meanwhile, certification has been postponed until 2024 for our operations in Italy (due to the merger between the two group companies in the country) and Fluidra Group Australia (due to organizational changes in the region). In addition, in 2024 we also expect to certify the operations of Fluidra Industry France (France).

As a result, at the end of the 2023 financial year, 8 of the Group's 25 productive companies (32%) had ISO 14001 certification, together with the logistics company Trace Logistics. In addition, two of these companies are also certified according to EMAS.

ISO 14001-certified companies (latest certification)

Company	Certification date	Expiration date
Inquide SAU - Polinyá & Monzón / Metalast	09-15-2021/ 04-26-2021	09-14-2024 / 04-25-2024
Talleres del Agua S.L.	11-09-2022	11-08-2025
Cepex SAU	06-18-2023	06-17-2026
Manufacturas GRE	02-25-2022	02-25-2025
Trace Logistics S.A.	01-09-2024	01-08-2027
Poltank SAU	05-16-2021	05-15-2024
Sacopa SAU	09-10-2021	09-09-2024
Fluidra Brasil Indústria e Comércio Ltda.	01-03-2024	01-02-2027
Fluidra Waterlinx Pty Ltd	05-11-2022	05-10-2025

EMAS-certified companies

Company	Certification date	Expiration date
Sacopa SAU	10-06-2021	07-26-2024
Poltank SAU	03-25-2021	03-01-2024



Environmental Risk Identification and Assessment

GRI 3-3, 305-7

Environmental risks are integrated into the Group's risk management and as such are treated the same, although a more in-depth analysis is performed by the ESG and HSE departments.

Our activities mainly take place at industrial estates and sales offices in cities. Our production plants have the environmental licenses and permits required to perform their activities and each one works to ensure compliance with these and all other applicable environmental regulations. The Fluidra Group also has a civil liability insurance policy with accidental contamination cover.

Many of our facilities also have an individual environmental risk assessment identifying potential environmental impacts. Plus, following the precautionary principle, we evaluate environmental risks and OHS risks to people before starting any activity. This lets us identify associated potential risks and adopt specific action plans to prevent them.

These evaluations found that the main risks stemming from our activities are related to atmospheric emissions and waste generation.

To minimize the former, the production plants run annual analyses on direct emissions to control and reduce them.

For more information on our atmospheric emissions, see section 6.3. Data tables.

With regard to the latter, the group companies seek to reduce the waste they generate as much as possible by recycling and reusing production waste that can be recycled.

For more information on our activities in this area, see section 2.1.2. Raw materials and waste management.

Environmental risk management costs came to €1,268,129 in 2023 (€1,466,690 in 2022). On the one hand, we allocated €1,023,555 (€1,284,278 in 2022) to waste management and clean-up measures and, on the other, €214,574 to developing environmental prevention and improvement measures for the group (€182,412 in 2022).

In 2023 there were no environmental accidents or incidents, and no fines for environmental reasons, at any of our companies.

However, in 2020, a request was received from the Ebro Hydrographic Basin confederation (CHE) for a series of tests and analyses to be conducted on the ground at the Inquide SAU plant at Monzón (Huesca, Spain), after detecting an excess of brine in the soil.

We provided the confederation with the related report in February 2021, showing the results obtained after the specifically-contracted outsourced tests. In response, in 2022 the CHE asked Inquide SAU to characterize the subsoil and propose how to remove the excess brine.

After submitting the report at the end of July, in September 2023 we submitted the soil characterization and clean-up plan to the CHE. We are currently awaiting the agency's decision on the plan so we can start work. Nevertheless, Fluidra has continued with the process of dismantling the existing rafts.

By contrast, we did not identify any noise or light pollution risk in any of our sites or facilities in 2023, so no measure was required in this regard.

Training and awareness-raising

Group employees receive regular training on environmental matters, provided at the corporate or local level. At the same time, we run the training courses required for a job position and manage existing risks at the different facilities.

The Global HSE Department also prepares the annual communication plan that provides advice, best practices, and information to raise awareness around health, safety, and environmental issues.

The plan is implemented via monthly messages for all personnel with advice on how to work safely and collaborate in the preservation of the environment. We distribute information globally through the Living Fluidra newsletter and post information on bulletin boards at different locations. This year we started training on newly approved procedures, reporting processes, and HSE software use, among other matters.

Initiatives in 2023 included releasing specific communications for Global Recycling Day. Every two months HSE professionals are sent brief and simple presentations with practical advice on HSE to remind them how to preserve the environment and stop it from being impacted by the work performed.

2.1.2. Raw materials and waste management

GRI 3-3, 301-1, 301-2

Raw materials

Our varied and horizontal production structure includes the manufacture of different pool components and products spanning highly diverse industries (plastic, chemical, metal, manufacturing, logistics, and commercial sectors), conferring a certain complexity to the treatment of raw materials and packaging.

In line with our **Global ESG Policy,** Fluidra is committed to encouraging the use of more circular materials in our products and packaging, such as recycled and/or renewable materials, whenever the product's characteristics allow. We give preference to materials with certificates of origin to minimize any negative impact on people and the environment.

The main materials we buy recycled are: plastic (ABS, PP, PE, PS, PA, PVC), metal (steel, aluminium, copper, iron) and chemical products (acetone). As far as packaging is concerned, we have implemented several initiatives to reduce consumption or use recyclable or recycled products to help protect the environment.

In order to reduce raw material consumption and leverage production discards, Group companies recover material and put it back into the chain, whether at the facilities themselves or by returning it to the supplier. Faulty parts follow the same procedure. We therefore prioritize working with recycled raw materials whenever possible.

For more information, see section 6.3 Data tables.

Waste management

GRI 306-1, 306-2, 306-3, 306-4, 306-5

Guaranteeing correct waste management is another priority for Fluidra, with the aim of preventing and minimizing any potential impact that can derive from our activities, particularly hazardous waste generated in our production processes.

In this regard, the Global HSE Policy sets out the Organization's commitment to promoting efficient resource use to reduce waste generation and establish the measures needed to ensure correct waste treatment and disposal.

Policy commitments in this area are developed by the Hazardous Waste Management standard applicable to all Group companies, which aims to standardize the processes related to waste management, ensuring correct identification, evaluation, documentation, and handling.

In 2023 we developed the **global operating procedures (GOPs)** for the Chemicals management standard: Chemical Storage, Chemical Handling and Chemical Waste Disposal. These new procedures define the guidelines for action at the various production sites to unify management criteria, which were previously decided at each facility. These global procedures were implemented across the different facilities throughout the year and will continue in 2024.

Waste management in production plants is focused on the segregation of waste to facilitate its collection and recycling. Subsequently, they are handed over to authorized managers for management and/or disposal.

In non-productive facilities, waste segregation is spreading and more and more are carrying it out despite the difficulties encountered, such as the absence of government facilities by some countries to dispose of waste in a segregated manner.

In 2023, waste generated fell by 13% to 8,745 tonnes, compared to 10,049 tonnes in 2022. On the other hand, although we have reduced the total waste destined for landfill by 5%, its global representativeness has increased to 29.4% of the total, compared to 27.1% the previous year.

As a result of these changes, we have not reached the target set for this year, which was to reduce the percentage of waste destined for landfill by 15% of the total waste generated (2023 target: 23%). This is because the large part of the waste reduction has occurred in waste destined for recycling (-18% vs. 2022). These results have shown that the achievement of the objective was subject to a high fluctuation in Fluidra's activity, as well as that its definition does not allow the Company's efforts to reduce waste destined for landfill to be adequately reflected.

For this reason, with a view to 2024, we have taken the decision to focus our efforts on reducing the total hazardous waste generated, as it is the area where the most opportunities for improvement are currently identified. In this way, on the occasion of the implementation of the new global hazardous waste procedure, we have set an initial target of reducing the tonnes of hazardous waste generated by 1% compared to 2023. The objectives for the coming years will be defined according to the activity forecasts of each of the group's companies, particularly those that carry out productive activities.

However, the company will continue to work on improving its waste management processes to increase the percentage of recycled waste and minimize the amount of waste going to landfill.

For more information, see section 6.3 Data tables.



2.1.3. Biodiversity

GRI 3-3, 304-1, 304-2, 304-3

According to the United Nations, human activity is driving a million plant and animal species to extinction[11]. This natural crisis is related to various factors including climate change and the exploitation of natural resources, among others. Although many companies have focused their efforts on mitigating and combating climate change and its negative effects, the impact on biodiversity and ecosystems has historically been neglected.

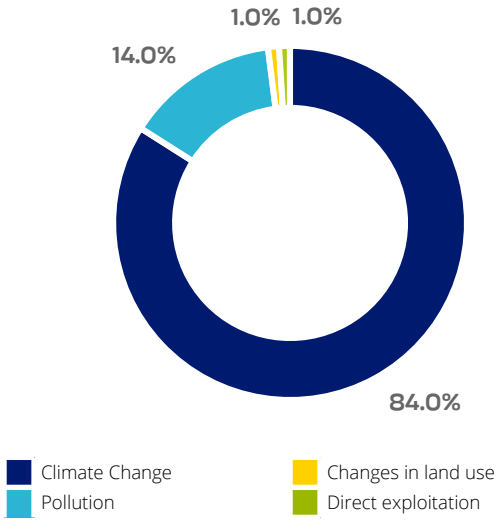
Fluidra believes it is now time to highlight our commitment to biodiversity in our **ESG Policy.** In the update at the beginning of 2024, we included our commitment to biodiversity impact assessment and the development, when necessary, of plans for conservation, impact minimization, and protection of ecosystems. This is the responsibility of the ESG Department.

As a result of this commitment, in 2023 we focused on assessing the impact our operations may have on biodiversity. The results of this assessment have enable us to identify the factors on which we should focus our efforts from 2024 onwards, prioritizing the areas and activities with the greatest impact risk.

For this purpose, we have implemented a biodiversity impact assessment pilot project at five sites representative of our main manufacturing and distribution activities: moulded part manufacturing, filter manufacturing, lamp manufacturing, chemical manufacturing, metal product manufacturing and logistics. The study considered a typical product for each activity and the impact generated throughout its value chain. The TNFD (Taskforce on Nature-related Financial Disclosures) methodology was used. In addition, the Verisk Maplecroft platform was used to identify areas at high risk of biodiversity impact. All of the activities analysed are in areas with a high/very high impact risk.

The conclusion verified that the impact on biodiversity is concentrated downstream of our value chain (transport and use of our products by the end customer). Specifically, the use of disinfectants and the energy used to run filtration pumps account for 92% of the total impact. As the chart below shows, climate change (84%), followed by pollution (14% in all its variants), are the main drivers of this impact.

Breakdown of impact by driver



Since, according to the latest materiality analysis, biodiversity is not considered a material issue in 2024, we will continue to focus on reducing our carbon footprint, as well as analysing our water footprint to contribute to reducing the main drivers of our biodiversity impact.

[11] For more information, see the following link: https://www.unep.org/news-and-stories/story/five-drivers-nature-crisis

2.2
Climate Change

GRI 3-3

Climate change is an issue of global importance and therefore one of our priorities within corporate ESG management.

Our approach is based on mitigation and adaptation to climate change, to which end we work both on analysing and quantifying potential risks and opportunities arising from this phenomenon and also the direct management of greenhouse gas emissions.

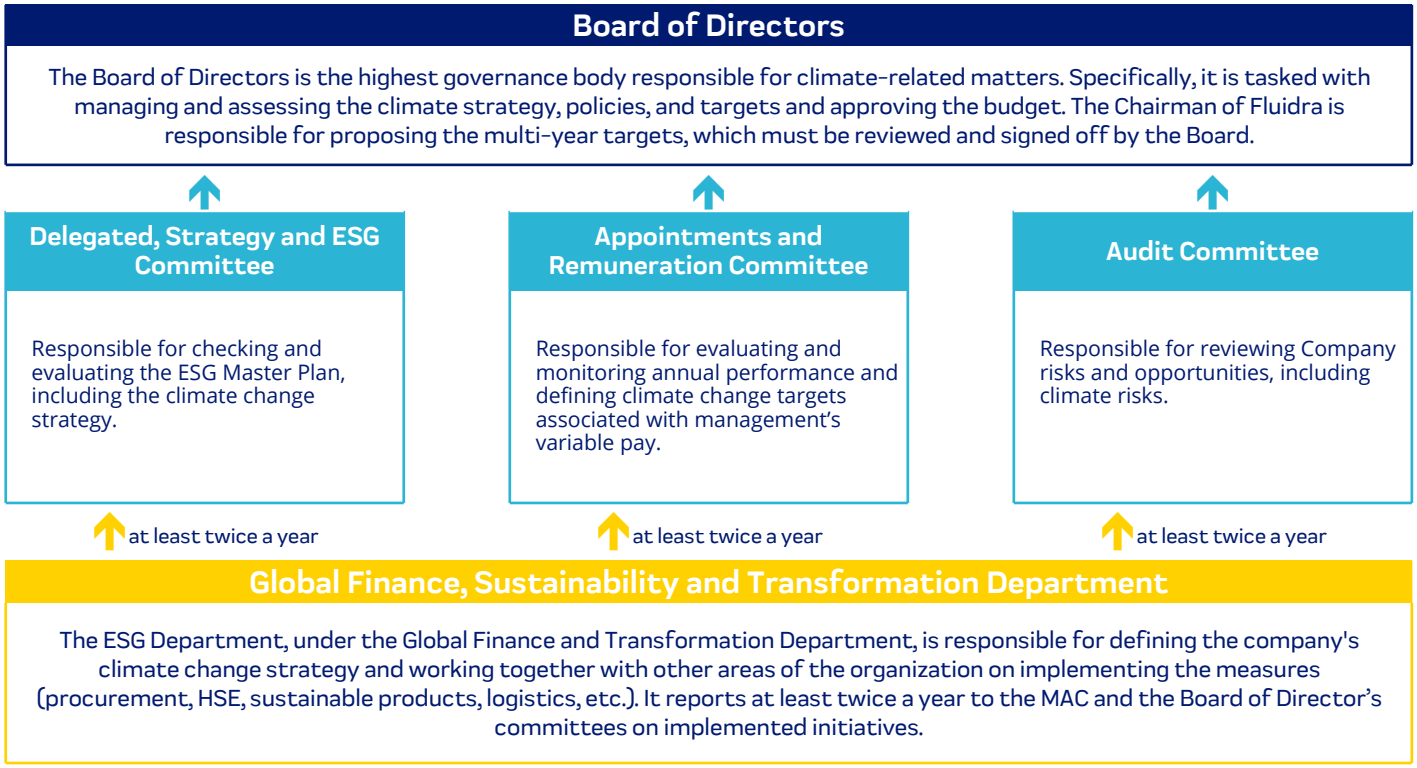
We have been aligning the report on climate change management in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) since 2021.

See the Table of Contents according to the TCFD recommendations here.

2.2.1. Governance

The climate change strategy is one of the priority areas in the Responsibility Blueprint. As such, it is regularly monitored by our Board of Directors. As a result, all of the Board's committees received at least two updates on aspects associated with climate change this year.

In 2023 the Delegated, Strategy and ESG Committee held two strategy alignment meetings. The Appointments and Remuneration Committee monitored the status of indicators and targets in this area on two other occasions. And, lastly, the Audit Committee supervised issues related to climate change risks and the external verification of information in this area on three occasions. In addition, the Executive Committee (MAC) was informed on two occasions about the status of climate change strategies and action plans. Finally, on a quarterly basis, progress on climate change objectives was discussed at regional business meetings *(Business Review)*.



At the end of 2023, we revised the ESG Policy to expand the content on climate change, including the mitigation and adaptation measures Fluidra will take, as well as our commitment to collaborate with our stakeholders to develop common measures to combat the climate emergency.

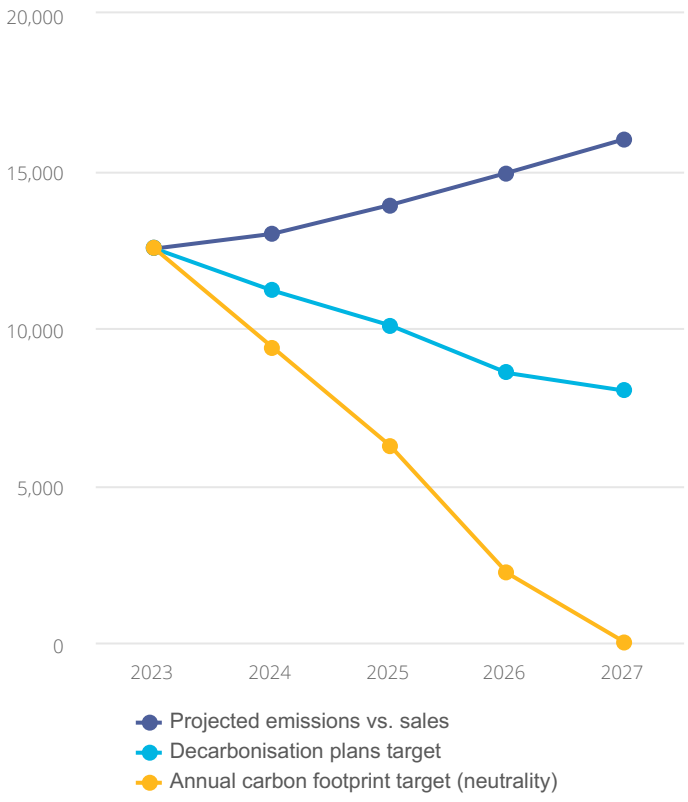
2.2.2. Climate Change Strategy

GRI 3-3, 302-1, 305-1, 305-2, 305-3, 305-5

In 2020 we took the first steps to define the Fluidra Climate Change Strategy, calculating our full corporate carbon footprint for the first time. Since then, our strategy has evolved to achieve the targets initially set. Following the path towards neutrality in scopes 1 and 2, planned for 2027, we have defined annual carbon footprint targets (in absolute values), both regionally and globally.

From 2023 these reduction targets are comprised, on the one hand, of a direct reduction by our companies through decarbonization projects, which must represent a minimum of 50% of the tons of CO_2 to be reduced. On the other hand, the remainder of the reduction, up to a maximum of the other 50% of the annual reduction target, can come from certified offset projects.

Carbon footprint evolution forecast (tons CO_2eq) - Scope 1 & 2



Decarbonization plan

With regard to our own operations (scopes 1 and 2), the main decarbonization levers in the short and medium term consist of eliminating or reducing fossil fuel consumption, promoting electrification, improving energy efficiency, and focusing on renewable energies.

Since 2023 saw a reduction in our turnover, our carbon footprint was significantly reduced. This has given us extra time to study the sources of our emissions in greater detail and identify new initiatives and projects that will help reduce them in the coming years, regardless of how the company's business develops.

During the process of preparing the annual budget, the ESG Department has worked with the group companies to include financial items to carry out new reduction projects. As a result, each of the regions has produced a plan for the financial years 2023 and 2024, although some actions started in 2023.

In addition, the Global Finance, Sustainability and Transformation Division can allocate additional budget items (both CapEx and OpEx) during the year to fund new projects that contribute to a significant reduction in the carbon footprint. The main initiatives identified in the regional decarbonization plans are detailed below:

North America (AMER)

A number of emissions reduction projects have been proposed for the region. These include replacing machinery, process and energy efficiency improvements, and switching electricity contracts over to renewable energy. USD 350,000 has been assigned to 16 projects that together are expected to cut the carbon footprint by up to 1,100 tons CO_2 (equivalent to 40% of the regional footprint in 2023).

APAC

In the APAC region, carbon audits were conducted in South Africa and Australia (main emissions) in 2023 to identify further emissions reduction opportunities to consider in decarbonization plans. In parallel, an investment of 180,000 euros has been approved to carry out actions that will reduce the footprint by approximately 65 tons per year.

EMEA

In the EMEA region, we are working on a decarbonization project for our Poltank production plant in Spain (the region's leading CO_2 emitter). The aim is to cut emissions by a maximum of 800 tons CO_2 per year (14% of the regional footprint in 2023). The initial stage of the project was approved at the beginning of 2024. It is expected to have a total duration of 2 years.

Also, in the EMEA region, the installation of solar panels at the Ningbo Dongchuan (China) production plant is nearing completion. This will enable a reduction of around 200 tons CO_2 per year.

Alongside these major projects, other smaller initiatives are being carried out, such as the electrification of load transport vehicles. As for commercial and company vehicles, progress is continuing to be made with replacing them with electric and

plug-in hybrid vehicles (11% in 2023 vs. 3.8% in 2022). To speed up the change, the group's corporate vehicle fleet policy has been renewed and now includes the possibility of fitting an electric recharging point at the driver's home. A financial benefit equivalent to the cost of electric charging at home is being added for employees with electric corporate cars.

Also in 2023, a study was conducted to analyse the feasibility of progressively replacing the entire corporate fleet in Spain with electric or plug-in hybrid vehicles, when the current leasing or renting contracts expire.

Internal carbon price

In 2023 we made progress with defining an internal carbon price to penalize group companies that fail to meet their emissions reduction targets from 2024. If it is necessary to apply it, the amount collected (through an internal charge) will be invested in actual decarbonization projects within the group, or in emissions offset projects.

The recommendations in the World Bank's High-Level Commission on Carbon Prices Report have been taken as a reference to set the internal carbon price. The average price in the recommended range (in our case, €60/tons CO_2) has been used for 2024. This measure is intended to change our business's behaviour, respond to our stakeholders, and invest in low-carbon projects.

Our emissions offsetting commitment

From 2022 and until our targets are met, we are committed to offsetting the emissions that we have been unable to reduce through CO_2 reduction projects. This is an emergency measure to begin to slow the increase in CO_2 levels in the atmosphere.

See our offsetting commitment signed by our Executive Chairman.

When this initiative is necessary, a maximum of 50% of the emissions in our annual carbon footprint reduction target will be covered. We have sought to follow the Oxford offset principles to select offset projects and maximize their impact. Social impact and the contribution to the Sustainable Development Goals is also a determining factor when selecting projects. We seek a benefit that goes beyond the carbon reduction impact inherent to each project.

The reduction in activity in 2023 enabled us to reach our reduction target for scopes 1 and 2 without making use of emissions offset mechanisms. However, in line with our commitment, we have continued to participate in these kinds of projects, but they have not been considered in our carbon footprint.

For more information about the projects, see section 6.3. Data tables.

In 2023, two projects were selected, one on the use of renewable energies for cooking and water purification (about 70% of credits), and the other on reforestation (the remaining approximately 30% of credits). Both projects work in countries where Fluidra operates.

In total, the equivalent of 935 tons CO_2 was acquired. It should also be noted that although these projects are not part of the International Carbon Reduction and Offset Alliance (ICROA) or the Integrity Council for the Voluntary Carbon Market, the credits come from internationally verified and accredited projects (Gold Standard).

Solar-powered lights and drinking water project (India)

In this project in India, the use of solar lamps and water purifiers prevents CO_2 emissions. On the one hand, it helps households that are not connected to the electricity grid or suffer frequent power cuts. On the other hand, it helps those who do not have access to drinking water and must boil it before drinking. So in addition to preventing emissions, households save money on fuel (kerosene for conventional lamps) and improve their health by not having to inhale toxic gases to treat water, in addition to avoiding the fire risk.

Reforestation project (Colombia)

This carbon offset project is located in Vichada, Colombia. It combines sustainable forest management with local ecosystem restoration. Several activities are involved aimed at promoting afforestation and reforestation for sustainable and high-quality timber production. They are both combined with activities designed to protect the region's extraordinary biodiversity. In addition, the project's activities protect basic aspects such as water balance and soil stability.

In addition to these measures, in 2023 we launched other initiatives to collaborate with reforestation projects. We continued the collaboration with the Tree-Nation platform, which, as in 2022, was responsible for implementing our contribution through the so-called Fluidra Forest. Firstly, some of our companies took advantage of Climate Action Week to plant a tree for every variable speed pump and for every cartridge filter sold, which are the products classified internally as most sustainable.

For more information, see section 3.2. Promoting sustainable products.


1


2


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Also, a tree was planted for each employee who answered our satisfaction and engagement survey in 2023; for each new employee who joined Fluidra at our sites in the United States of America; for each raised wooden pool sold by our GRE brand; among other cases. The group companies have thus found this initiative to be a good way to collaborate with the Fluidra Forest.

As a result, 12,917 trees were planted in 2023, distributed among various projects. The most noteworthy collaboration projects include the planting of 3,226 trees in Nepal (1) in collaboration with **Eden Reforestation Projects.** By partnering with the national park system, Eden Projects is helping to create and protect a reforested buffer zone, which is vital to protect the area's animal habitat.

Also, 4,244 trees were planted as part of the **National Forest Recovery** project in the United States of America (2) in collaboration with the United States Department of Agriculture (USDA) Forest Service at the federal level. Its mission is to maintain the health, diversity and productivity of the country's 155 forests and 20 grasslands, supporting recovery from forest fires, among other actions.

Fluidra has also contributed to the **Trees for the Future** project by the Forest Garden Program association (Senegal) (3) by planting 1,349 trees. This project helps train local farmers in sustainable land management practices and to create hundreds of sustainable forest gardens to rejuvenate the region.

Discover the Fluidra Forest on the Tree Nation website.

Apart from taking part in reforestation projects, as a member of the Empresa y Clima Foundation, Fluidra is involved in the **LIFE Soria Forest Adapt** project (Soria, Spain) to boost the climate change resilience of southern European forests. This year the initiative developed a guide to biophytes, potential bioindicators that can now be identified in inland forests in the Iberian Peninsula.

2.2.3. Climate risk management

GRI 201-2

As already mentioned in section 5.2. Risk and Opportunity Management, ESG risks are fully integrated into the company's risk management processes and most of the company executives take part in this process. The ESG department also performs an in-depth analysis of certain climate change risks along with some social and governance risks, whose general lines are shown below:



Our strategy pursues the following objectives:

- Identify potential hazards that could impact our activity.
- Detect the countries, locations, and regions exposed to each hazard.
- Analyse our upstream risks (supply chain, in our own operations) and downstream risks (customers and users).
- Analyse the company's vulnerability to the different risks.
- Quantify the financial impacts associated with these potential hazards both for managing mitigation and adaptation.
- Define action plans to minimize the impacts on people, environment, and business.

Commitment and reporting

We are committed to analysing climate change risks at least once a year and reporting the findings to the Audit Committee and other Company executives.

Materiality

In keeping with the ESG risk strategy, we have identified several hazards that could impact our business and value chain, such as increasing temperatures, drought frequency, rising sea levels, water stress, severe storms and extreme rainfall events.

Scenarios

Of the different climate scenarios defined by the IPCC we have selected the following:

- Current situation: present risk of various hazards. This includes the current risk of water stress, flooding due to extreme precipitation, drought due to below-average precipitation, and severe storm hazards.
- Water stress in 2040 based on Representative Concentration Pathway (RCP) 4.5.
- Flood danger in 2050 based on Representative Concentration Pathway (RCP) 4.5.
- Flood danger in 2030, 2040, 2050, 2060, 2070 and 2080 based on Shared Socioeconomic Pathway (SSP) 585.

The use of other scenarios and time frames to predict different situations is planned, depending on how global emission-reduction targets are consigned.

Impact assessment

Physical risks

During the year we developed an exhaustive qualitative analysis of some of the climate hazards that can affect our business activity in the short, medium, and long terms and initiated an evaluation of their quantification using the Verisk Maplecroft platform. In this way we seek to monitor, among other matters, the evolution of the probability of occurrence of climate change-associated risks at our locations.

Based on our activity and potential vulnerability to business interruption, we selected the following risks to analyse in accordance with TCFD recommendations.

1. Risk of **flooding due to sudden extreme precipitation** produced by a change in rainfall patterns causing material damage and interruption to production and/or supply chain (acute risk). Neither our production plants, PRO Centres, or distribution plants are located in an extreme rainfall risk area either presently or under the 2050 scenario with RCP 4.5. In 2023, we also started to analyse and quantify the financial impact related to this risk under the SSP 585 scenario for the years 2030-2080. Per our analysis, none of our manufacturing facilities are in the extremely high-risk area, but some are at high risk. Further analysis is being done to identify the potential financial impacts based on the projected sales numbers.
2. Risk of **water stress** caused by a change in rainfall patterns producing restrictions on water use and a reduced demand for Fluidra products (chronic risk). According to our evaluation across the 47 countries where we operate, only

two are presently in areas of extreme water risk (United Arab Emirates and Singapore), and they account for just 1.5% os. In the 2040 forecast with RCP 4.5, they are joined by Morocco, Tunisia, Belgium, and Turkey for a total representation of 3% of our sales being exposed to this risk.

3. Using the Verisk Maplecroft platform, we also identified the risk of **drought due to below average precipitation** and **the risk of severe storm hazards**. We're working on quantifying the potential financial impacts of both these risks.

However, we did a more exhaustive analysis in the facilities where, in accordance with the Verisk Maplecroft tool, there is a greater likelihood of these types of adverse weather events happening, regardless of their potential impact on Group operations.

The analysis confirmed a series of different levels of exposure according to the country, location, and region we focus on.

Transition risk

In addition to physical risks, every year Fluidra analyses climate change transition risks and defines action plans to respond to them. The most important are as follows:

- **Current regulation:** The current regulations that a company like ours faces are extensive, particularly regarding reporting, which is why we have specialists on our staff who manage all the applicable requirements to respond to all such regulations.
- The **new regulation** expected around reporting are also demanding, but since we have a team in plan to cover these needs, we anticipate the risk to be low.
- **Technology:** The pool industry is evolving slowly in terms of technological innovation and development, which is why exposure to this risk is low. However, there could be a loss of competitiveness in case there are new market players with disruptive models impacting our industry, especially if we fail to pivot to new technologies and digitalization. However, we also see this as an opportunity to lead in this field and, therefore, we have made innovation a core part of our organization.
- **Market:** Our users' expectations around the sustainability of our products are growing, particularly because of high energy prices and recent drought events. Because of this, water and energy efficiency are among the key sustainable pool objectives we are working on.
- **Reputation:** Sector stigmatization due to water use in high water stress areas is a topic that is particularly concerning to us. As a result, we are working extremely hard on the development of innovative and sustainable solutions to deliver a zero-impact pool, with our aim set on delivering one that results in a positive impact.

Relevant opportunities

Although climate change poses various risk to our operations, it also provides us with opportunities that can provide us strategic advancements.

- **Resource efficiency:** Use of more efficient production and distribution processes.
- **Markets:** Increased revenues resulting from increased demand for products and services.
- **Products and services:** Development and/or expansion of low-emission goods and services.

In 2023, internal analysis was done to get some preliminary financial quantification figures for the potential financial impact and the cost of realizing these opportunities. At the same time, we've already started working on realizing these opportunities like implementing resource efficiency in our production processes and development of low-emission products.

Strategic planning

We will leverage these results to build our resilience to future climate change impacts by creating mitigation plans focused on:

- Preparing flood-prevention plans that onboard measures to implement in the facilities to prevent or reduce flood damage, including safe evacuation procedures for the personnel who work in them.
- Preparation of business continuity plans that include flood scenarios.
- Integration of the climate change risk analysis into M&A processes and the opening of new operating centres in already existing companies.

Following the same methodology as in the previous risk, Fluidra, in partnership with external experts, developed a stress test for assessing and quantifying water stress and water restriction-related impacts in one of the Group's leading sales regions, California (USA).

The main takeaway from this analysis was that we identified sales growth opportunities for existing and innovative products centred on energy efficiency and reduction in water use (products for covered pools, robotic cleaners, electric heaters, etc.). We are also currently tracking the mitigation plans in place in the Organization to reduce the impacts deriving from this risk.

2.2.4. Metrics and objectives

Energy consumption

GRI 2-4, 302-1, 302-3, 302-4

The main sources of energy consumption at Fluidra are principally consumption of electricity, natural gas, diesel (for both production and heating, as well as vehicles), gasoline, LPG and propane.

In line with the commitments in our ESG Policy, our strategy in this area is structured around two major action areas: implementing energy efficiency measures to cut our annual consumption by 3% (MWh consumed per k€ of sales), and increasing the percentage of electricity we consume from renewable sources, in order to reach 100% by 2027. No stakeholders were involved in setting these goals.

In 2023 energy consumption amounted to 89,334 MWh, 22% less than in 2022, mainly due to reduced activity in our production plants as a result of the excess stock still held by some of our customers. The cost of energy this year reached €15,875,766; equivalent to 2.46% of our operating expenses for the year.

Energy consumption by source[12]

	2023 (MWh)	%	2022 (MWh)	%
Energy from fossil sources	**43,489**	**49%**	**61,774**	**54%**
Natural gas	11,943	13%	24,474	21%
Diesel	18,146	20%	20,319	18%
Petrol	4,147	5%	4,763	4%
LPG	888	1%	945	1%
Propane	848	1%	502	0%
Electricity from Non-renewable Sources	7,516	8%	10,771	9%
Energy from nuclear sources	**0**	**0%**	**0**	**0%**
Energy from renewable sources	**45,845**	**51%**	**52,588**	**46%**
Fuels from renewable sources	0	0%	91	0%
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources	42,219	47%	51,383	45%
Self-generated non-fuel renewable energy consumption	3,626	4%	1,114	1%
Total energy consumption	**89,334**	**100%**	**114,362**	**100%**

Energy efficiency

Fluidra is carrying out various initiatives to optimize energy consumption, such as the value improvement projects implemented at our production sites, and the measures involved in our decarbonization plans. These include, among others, progressively changing lights to LEDs, renewing industrial equipment with more energy-efficient models, automatic light control or total shutdown of equipment outside the working day, and personnel training and awareness-raising.

The drop in activity in 2023 allowed us to devote more time to identifying new opportunities to improve our energy performance by conducting energy efficiency and carbon audits of the group's production companies. That was the case for Fluidra Global Australia (Australia), Fluidra Waterlinx (South Africa), Cover Pools (United States of America), SR Smith (United States of America) and Fluidra Deutschland (Germany), among others.

Finally, of note were the measures implemented by the companies in Europe to meet local indoor temperature regulations, which they have maintained and which helped bring down energy consumption in our facilities.

As a result, the intensity of energy consumption per net revenue fell by 8.5%, exceeding the 3% annual reduction target (MWh consumed per k€ of sales) that we set for 2021. This reduction is explained by the fact that the fall in production has been greater than the fall in sales. This is in addition to the energy efficiency measures implemented.

[12] This table has been modified to show the requirements according to the ESRS classification, so the data for 2022 have been restructured without modifying the totals. It should also be noted that the estimated data represent 3% of the total.

	2023	2022	2021	2020
Energy intensity per net revenues (MWh/k€)[13]	43	47	56	61

Looking ahead to 2024, we plan to conduct energy efficiency audits at 80% of our production sites in Spain to comply with Royal Decree 56/2016, so we expect that new opportunities for improvement will arise.

Electricity from Renewable Sources

In 2023, electricity consumption from renewable sources accounted for 86% of the total, an increase of 3% over the previous year, which is in line with the target we had set for this year. This was possible because of the renewable-energy electricity supply contracts we have in 13 countries, the more than 9,500 photovoltaic panels installed in our facilities, and the purchase of Energy Attribute Certificates (EACs).

To meet our goal of achieving 100% renewable electricity supply by 2027, the ESG Department has worked closely with the Procurement Department to draw up a plan to gradually switch existing **electricity supply contracts** to renewable sources by 2027. Thanks to this plan, this financial year we changed the existing contracts in Germany, the Netherlands, and some facilities in Italy, the United States of America and Belgium.

Moreover, we continued to increase the number of **solar panels** fitted on our buildings. In particular, at Fluidra Group Australia, the Brisbane building has had 210 panels fitted, producing 110kW of power since August. In 2024 a facility with 2,000 solar panels and an output of 1,000 kW will come on line in China.

86%

of electricity from renewable sources



Did you know...?

In the last three years we have invested €1.3 million euros in fitting solar panels, reaching a capacity of 5,400 kW.

Today we have solar panels in countries such as Spain, China, the United States of America, Australia and South Africa. This has enabled us not only to reduce our carbon emissions in countries where we do not have the option of changing our electricity supply, but also to increase our energy independence in the face of any price increases for reasons unrelated to Fluidra's activity.

In 2023 we continued to purchase **Energy Attribute Certificates** (EACs) as an additional measure in countries such as South Africa, China and the United States of America, which have begun the transition towards total renewable energy consumption, yet at year-end were unable to cover 100% of their demand through installed solar panels.

Carbon Footprint

GRI 305-1, 305-2, 305-3, 305-4, 305-5

As we have been doing since 2020, in 2023 we calculated our carbon footprint within the 3 scopes based on data reported by group companies and their internal and external suppliers. We used the GHG Protocol methodology (operational control) and DEFRA emission factors for the calculated year. Unreported data were estimated based on the company's activity, when applicable. Once again, this enabled us to understand how our carbon footprint is evolving and where we contribute most to global warming. We can then define emission reduction targets throughout our value chain.

For more information on the calculation methodology, see section 6.3. Data tables.

[13] The denominator to calculate this ratio is the amount of the Fluidra Group's Sales of Goods and Finished Products. For more information, see note "23. Sales of goods and finished products" in the Financial Report.

In line with the commitments in our ESG Policy, we determined the global targets associated with our carbon-neutral goals for the first time in 2021, **setting 2027 as the target year for scope 1 and 2 emissions and 2050 for scope 3.** In the case of Scopes 1 and 2, our annual reduction targets are a minimum of 4.3%, in line with the Paris agreement not to exceed 1.5ºC global warming. No stakeholders were involved in setting these goals.

Since then, we have continued to make a great effort to improve the quality of our environmental performance data reporting. We have improved our internal control and auditing systems and have ensured that we rapidly integrate newly-acquired companies into the reporting system.

In 2023, Fluidra's carbon footprint was 9,700,820 $tnCO_2eq$, 5% more than in 2021. With regard to emissions from our own operations (scopes 1 & 2), we have met our targets for this year, largely as a result of the reduction in the level of activity and the increase in the consumption of electricity from renewable sources.

In terms of intensity, we have achieved a 10% reduction compared to the 2022 value, reaching 5.87 $tnCO_2eq$/M€ sales (2023 target: 6.15 $tnCO_2eq$/M€ sales).

Fluidra Carbon Footprint

	2021 (Base year)	2022	2023			
	Emissions ($tnCO_2eq$)	Emissions ($tnCO_2eq$)	Emissions ($tnCO_2eq$)	% of total	Target reduction (% vs. base year)	Variation (% vs. base year
Own operations (Scopes 1&2)	**20,980**	**15,653**	**12,046**	**0.1%**	**-40%**	**-43%**
Scope 1	10,658	9,892	7,934	65.9%	N/A	-26%
Scope 2 (Market)	10,322	5,761	4,112	34.1%	N/A	-60%
Scope 3 (Value chain)	**9,215,449**	**7,228,949**	**9,688,774**	**99.9%**	**N/A**	**5%**
Total	**9,236,429**	**7,244,602**	**9,700,820**	**100%**	**N/A**	**5%**

With regard to the emissions of our value chain, as mentioned below, there has been an increase of 5%, mainly due to the inclusion in the calculation of the emissions of the gas heaters sold by Fluidra during their useful life.

For more information on the data and calculation methodology, see section 6.3. Data tables..

In the coming years, once we have a better picture of the emissions of our value chain, we will proceed to define an intermediate reduction target of scope 3 for 2030, as well as specific targets for the most relevant categories, again taking as a reference the minimum reductions to comply with the Paris agreement.

Emissions associated with our operations

The emissions deriving from our operations include all direct greenhouse gas emissions associated with Company activities (scope 1) and indirect emissions caused by generating the electricity we consume (scope 2).

We introduced reduction targets for each region in line with its contribution to the group's carbon footprint, linking their achievement both to the syndicated loan agreement signed at the start of the year 2022 and the variable pay for the Executive Committee (MAC), their direct reports, Group companies' general managers and other leadership positions (area managers).

As a result, we have reduced the actual emissions in our own operations (i.e., scopes 1 and 2) by 43% compared with the previous year. We also delivered on the targets defined at the regional level, without counting any of the offset projects we took part in.

On the one hand, Scope 1 emissions have accounted for 66% of the emissions arising from our operations (68% in 2022), due to consumption of fuel for production, as well as the vehicle fleet for our sales business.

On the other hand, Scope 2 emissions (market-based) accounted for only 34% (down from 32% in 2022) thanks to efforts to increase the use of renewable electricity at our facilities. We have also reduced Scope 2 emissions on a location base by 19%.

Emissions associated with our value chain

Scope 3 emissions are indirect emissions originating in the company's value chain and not under Fluidra's control.

These emissions are the biggest challenges Fluidra must address within carbon management since they make up the majority of our emissions. In 2023, 99.9% of our carbon footprint came from Scope 3, in particular category 11 (91% of the total), related to energy consumption during our products' usage phase.

Although our main efforts are focused on achieving the closest neutrality goal (Scopes 1 and 2), in 2023 we have continued to work on improving the methodology used to calculate Scope 3 emissions, as well as the quantity and quality of the data used. We have also started to identify potential opportunities for improvement based on the information collected in recent years for each of the Scope 3 categories.

As a result, in 2023 there have been significant variations in the emissions of several of the reported categories compared to 2022. These are mainly the result of an increase or decrease in the corresponding activity (as is the case for categories 2 and 5), an increase in the scope of the information collected (categories 2, 4, 6, 9 and 11), or the integration of methodological

adjustments (or new emission factors) in their calculation (categories 1, 2, 3, 7, and 9).

Thus, the largest difference (in absolute value) compared to the 2022 results is in category 11 (energy consumption in the use phase of products), as a more thorough review of the data has allowed us to identify and incorporate products that were previously excluded, such as gas heaters, into the calculation. As a result, emissions in this category have been increased by 41% compared to 2022. Leaving aside this adjustment in the reporting scope, improvements in the energy efficiency of our products and the deployment of renewable energy are contributing to the reduction of emissions associated with the rest of the products considered in this category.

Secondly, the adjustment and updating of the emission factors used has led to an increase of 17% in category 1 (purchase of goods and services) despite the decrease in the amount invested in 2023 compared to 2022. We are working on enabling a system to request the carbon footprint from our main suppliers to continue to improve the accuracy of carbon footprint data.

There has also been a 66% reduction in category 4 (upstream transport and distribution) and a 16% increase in category 9 (downstream transport and distribution), thanks to the work done by our transport providers in the APAC and AMER regions to improve access to and quality of data, which has enabled a calculation that is more in line with the reality of their operations. In addition, in category 9, we have included the impact generated by the transport of our products from the point of sale to the customer's final location, which has not been considered until now. Looking ahead, we want to increase collaboration and information sharing with our suppliers in order to make progress in setting reduction targets in these two categories.

Outside the most relevant categories, there has been an increase of over 200% in category 7 (employee transport) as an error was detected in the calculation of 2022 (the company's total number of school days was not covered). As it is not a material category (only 0.12% of Scope 3) it was not necessary to recalculate the 2022 figure.

Another category that has been affected by the improvement in the quality and quantity of data provided is category 6 (business travel), whose footprint has increased by 172% compared to last year due to an increase in the activity of this category and an improvement in its reporting.

Finally, for category 2 (capital goods), a reduction in annual investment, coupled with better segregation of data, has allowed for a more comprehensive calculation, using tighter emission factors, reducing this category by up to 70%.



2.3 Water

GRI 2-4, 3-3, 303-1, 303-2, 303-3, 303-4, 303-5

Fluidra's business is closely related to water, to such an extent that our products and solutions would not exist without it. In a world in which the climate crisis especially affects the availability and accessibility of quality water, it has become imperative for companies like ours to assess and lead the change needed to mitigate the current situation's negative effects.

Although our processes and operations do not use significant amounts of water (just 19% of our water consumption is for production processes), we are aware that we must work to improve our facilities' water efficiency. Moreover, our greatest effort focuses on developing products with lower water consumption, as it is when our products are being used that the greatest consumption of this resource occurs.

For more information, see section 3.2. Promoting sustainable products.

In 2023 we updated our ESG Policy to broaden our commitments to improving internal knowledge and the impact the business has on water throughout the value chain. We are thus committed to implementing actions such as the annual calculation of our water footprint, setting of annual objectives, performing local audits to optimize water consumption at our sites, impact assessment, and action plans to minimize the impact in the water basins most affected by our operations.

In 2023 we started to calculate our water footprint, meaning the blue footprint or the footprint related to direct water consumption by our companies. We have also started a study to assess the grey footprint of our company that consumed the most water in 2023 (Inquide). Initial results show that the contribution of the grey footprint is of the same order of magnitude as the blue footprint or direct consumption.

This reveals the need to keep calculating Fluidra's footprint so we have a complete picture. In the coming years we will extend the grey footprint study to other priority sites until the entire company is covered.

Looking ahead to 2024, we will also start working with our supply chain to develop a method to obtain water consumption data from our suppliers to assess their indirect impact.

The evolution of direct water use over the last four years is set out below:

Direct water use and consumption intensity[14]

	2023	2022	2021	2020
Water extraction (m^3)	129,434	167,361	140,962	124,713
Water discharge (m^3)	118,816	147,340	140,783	95,008
Water consumption (m^3)	129,434	167,361	140,962	124,713

	2023	2022	2021	2020
Water consumption per total sales (liters/k€) [15]	63	70	64	84

Actions to directly reduce water consumption began in 2022. We especially focused on leakage control in industrial facilities. Comprehensive consumption control projects have also been carried out, as in the case of the Poltank production plant (Spain).

Other noteworthy action has been carried out at Inquide, the group's largest water consumer. This company has cut its consumption intensity by 15% (liters/k€ sales) through recirculation, reuse and optimization of direct consumption. In addition, in 2023 they completed a study on reusing their cooling water that began in 2022. The result is a project that will materialize in 2024. This will provide an approximate reduction of 80% in total network water consumption (around 6,400 m3) and almost 10% of Fluidra's total consumption (compared with 2022 data).

In 2023 other companies took measures to detect and reduce leaks, such as our production plants Cepex (Spain), with the Stop Water Leaks campaign, and CMP (United States of America).

[14] The estimated data in this table represent 8% of the total.
[15] The denominator to calculate this ratio is the amount of the Fluidra Group's Sales of Goods and Finished Products. For more information, see note "23. Sales of goods and finished products" in the Financial Report.

These actions cut water consumption intensity (liters/€k sales) by 14% and 24%, respectively.

Companies such as Fluidra Industry France (France), Fluidra Singapore (Singapore), Zodiac Pool Care Europe (France), GRE (Spain) and Fluidra Comercial España (Spain) carried out awareness-raising campaigns for their staff on efficient water use. This was based on a global communication campaign that was launched to provide tips on water saving.

These kinds of actions, combined with the reduction in activity in 2023 and the absence of exceptional consumption peaks such as the one that occurred in 2022, made it possible to cut water consumption by 23% in absolute terms compared with 2022. In terms of intensity, the reduction was 10% compared with 2022.

The 2023 reduction target compared with the base year (2021) was not achieved because although there was a fall in consumption, there was also an increase in reported data, especially in production plants such as Waterlinx (South Africa), whose consumption tripled due to improved data control and reporting. This has meant that the absolute reduction achieved in 2023 was not sufficient to meet the target set in 2021. Moreover, new water leaks were detected in companies such as Ningbo Dongchuan (China). This problem was partially solved by relocating the plant at the end of 2023. Work to fully resolve this problem is ongoing.

As a result, we have redefined our water consumption reduction target to 3% (liters/k€ sales) versus 2023. In addition, in 2024, special attention will be paid to improving the availability and quality of reported data, as well as detecting and implementing new reduction projects to optimize direct water consumption as much as possible.

As far as water stress is concerned, in 2023 the company's sites were assessed based on their location. This gave us a list of priority sites and companies. Consideration was given not only to their location but also to their direct water consumption, as well as the type of facility. These results will be taken into account in setting our water reduction targets in the coming years. In addition, starting in 2024, we will work to identify remediation projects in basins affected by our operations.

Fluidra operates in areas where there is an extreme risk of water stress, such as Australia, Spain, China, United Arab Emirates, Singapore, Turkey, Hungary and the United States of America, among others. So it should be noted that 62% of our water consumption in 2023 took place in facilities located in areas of extreme water stress.

However, it is also important to note that just 22% of water consumption in these areas is used for production processes; the remaining 78% is for sanitary use. In view of these data and given the nature of the facilities, no specific reduction targets have been set for these locations. In addition, it should be noted that at these sites we comply with local regulations regarding water supply restrictions during droughts.

In terms of sources of capture, 97% of the water consumed comes from municipal water providers or other public or private supplies. And 2% of the water is recycled and/or reused.

For more information on our water consumption, see the annexes section 6.3. Data tables.



Consumption in water stress areas[16]

	2023 (m^3)	%	2022 (m^3)	%
Water stress areas	80,102	62%	130,615	78%
Other areas	49,332	38%	36,746	22%
Total consumption	**129,434**	**100%**	**167,361**	**100%**

[16]To define extreme water stress zones, the average water stress given by the Verisk Maplecroft platform (Q4 2023) is considered: "Water Stress". To better reflect reality, this year we increased the detail of risk area analysis from country level to the location level of Fluidra's sites so as to show the potential impact of our activities more realistically. The 2022 figure has been recalculated to meet the new criteria.

3

ADVANCING OUR VISION OF A POSITIVE POOL

3.1. Defining the Positive Pool
3.2. Promoting Sustainable Products
3.3. Product Innovation
3.4. Connected Pool
3.5. Quality Management
3.6. Product compliance and safety



3.1
Defining the Positive Pool

Due to the relevance of sustainability at Fluidra, we have two key areas focused on promoting the sustainability of our products, as well as the pool itself.

The first area focuses on providing the support required to ensure that the products we bring to market are as sustainable and efficient as possible in terms of both manufacturing and performance. The second area involves developing initiatives and solutions to ensure that pool maintenance and use is handled in a socially and environmentally responsible way. This is how Fluidra manages to guarantee a comprehensive and effective approach to sustainability, covering both the products we develop and their use in the pools.

Both areas report to the **Sustainable Products and Product Compliance Department,** which in turn reports to the Chief Technology Officer, who sits on the Executive Committee (MAC). The Executive Committee, as well as the Board's Delegate, Strategy and ESG Committee, regularly monitor their work, providing the strategic guidance and approval needed to ensure that sustainability initiatives align with the company's goals and values.

The positive pool

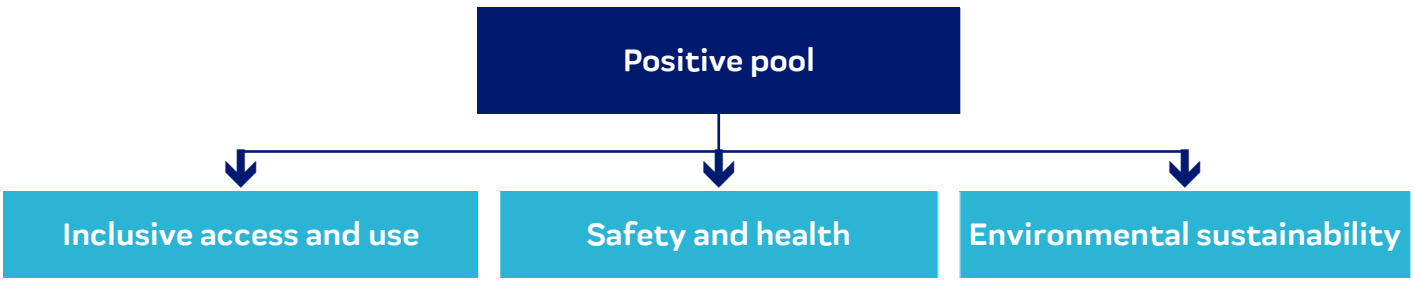
While the benefits of having a pool for health reasons, family well-being and increasing the value of a property are undeniable, the impact of these aquatic facilities can be even more far-reaching. What would happen if the concept of a pool could be elevated beyond the personal and recreational sphere and turned into a tool for social change and sustainability? This is where the idea of a positive pool came from, as a natural development that broadens the meaning and impact of what a pool can offer.

It is important to take into account the following when determining whether a pool is socially positive or not:

- Inclusive access and use
- Safety and health
- Environmental sustainability

A positive pool is one that is connected to its immediate surroundings and forms part of the ecosystem of a home, a residential community or a sports complex.

That's why, beyond using more inclusive, safe and sustainable products or solutions, a positive pool also means adopting best practices and extending the concept of the pool beyond its current boundaries.



3.1.1. Inclusive access and use

At Fluidra, we work to make pools accessible to everyone no matter their age, abilities, skills or personal conditions.

With that in mind, the following are crucial to consider when it comes to creating an inclusive pool environment that ensures that every member of the community can safely and comfortably enjoy the pool.

At Fluidra we offer a range of products that make it easier for people with disabilities or limited mobility to use pools, including a wide variety of automatic lifts, stairs and handrails for enhancing accessibility to both commercial and residential pools. These products accounted for 1.2% of our sales in 2023 (1.1% in 2022).

Physical accessibility	Convenience	Inclusive Design
• Accessible entries • Handrails and railings • Pool lifts • Non-slip flooring	• Environmentally friendly chemical solutions • Warmth	• Seats and benches around the pool • Nearby shaded areas



3.1.2. Safety and health

Pools also require health and safety measures to make sure that they provide a safe, healthy and enjoyable place for users.

At Fluidra, we are committed to designing premium products that comply with the highest safety standards to prevent accidents from happening.

For more information, please see section 3.6.2. Product Safety

However, we have a number of other products in our portfolio that help to boost pool safety and health on their own, including those listed below. Safety and health-related products accounted for 16% of our sales in 2023.

Due to our activity, one of our core concerns is that all people can enjoy a safe and perfect pool and wellness experience. Figures from the WHO estimate that over 230,000 people around the world drown each year and it is one of the leading causes of death for children aged 1 to 14 years.

Which is why we endorse and support initiatives designed to teach children to swim and teach them about safety measures in the water through the Fluidra Foundation. Moreover, as members of the European Swimming League, Fluidra is involved in the Learn to Swim program.

For more information, please see sections 1.5. Partnerships and 4.4.2. Fluidra Foundation in this report.

Safety measures

- Fences and gates
- Pool safety cover
- Alarm system
- Rescue kits
- Safe chemical storage

Sanitation measures

- Chemical control
- Water quality control
- Cleaning prior to use

3.1.3. Environmental sustainability

Modern pools have to offer more than just a safe and fun swimming experience and be a model of efficiency and environmental responsibility.

In response, we started to internally use the concept of **Pool Environmental Performance Efficiency** (PEPE), and it is now a key indicator that measures how effectively the pool uses water, energy and chemicals. Using more efficient products and technological resources, and promoting good practices are two fundamental actions for reducing the environmental impact of pools.

For products and technologies, we have established indicators that help us to identify the products that are most efficient in how they use water, energy and chemicals, as well as those products that meet circularity standards. It also allows us to pinpoint those products that have a lower environmental impact at the manufacturing stage.

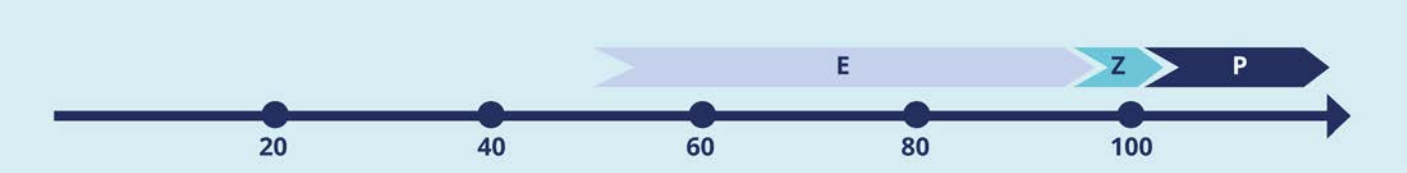
For more information, please see section 3.2.Promoting Sustainable Products.

Based on PEPE values, pools can be divided into three categories:

- **Efficient pool** if the PEPE > 50%
- **Zero pool** if the PEPE ≃ 100%
- **Plus pool** if the PEPE > 100%



Pool environmental performance efficiency (PEPE)



E

Efficient Pool

Swimming pool with >50% environmental efficiency in terms of water, energy and chemical use.

Z

Zero or Neutral Pool

Swimming pool with almost zero impact on water, energy and chemical use*.

**PEPE=100%*

P

Plus Pool

Swimming pool with a positive impact on the environment*.

**PEPE>100%*

	Efficient water use	Efficient energy use	Efficient chemical use
Standard Pool	Residential pools' water consumption is mainly because of: 1) Evaporation losses (>60%), 2) Losses due to filter media cleaning (>30%), 3) Losses as a result of using and enjoying the pool (>3%), and 4) Water losses due to leaks caused by poor pool and/or hydraulic circuit conditions.	The energy consumption of the pool derives mainly from the water heating processes, the operation of the filtration pump, the operation of the lighting elements, as well as the heat losses in the pool basin, and the energy losses due to pipe sizing.	Pools mostly use chemicals to disinfect the water (mainly chlorine or bromine), regulate pH and maintain water quality (algaecides, flocculants, alkalinity regulators, etc.).
Efficient Pool (E)	An Efficient Pool incorporates solutions that prevent and/or help reduce water consumption. This includes using resources like pool covers and cartridge filters.	This type of pool uses more energy-efficient solutions, like high-efficiency heat pumps, pumps with adjustable motors, LED lighting, and thermal insulation.	Application of low-salinity salt electrolysis technologies (together with redox and pH control and regulation), UV radiation, ozone, minerals with disinfectant capacity, as well as a combination of automation and intelligent dosing systems to reduce the consumption of chemicals in the pool.
Zero Pool (Z)	A Zero Pool utilizes water-harvesting devices to fill or top off pool water levels with rainwater, or uses water from filter backwashing to water plants or for cleaning.	This type of pool uses energy-efficient and other solutions that minimize energy losses, along with on-site renewable energy sources such as solar photovoltaic panels or wind turbines.	Eliminates the use of chemicals using freepool technology.
Plus Pool (P)	A Plus Pool utilizes advanced technologies for harvesting and filtering rainwater, as well as grey water purification systems for subsequent use.	These pools are equipped with floating solar panels or have ones built into the design, which would not only provide shade but would also generate electricity that can cover the pool's needs while generating surplus power.	It incorporates plant and microorganism systems to clean and maintain the water, eliminating the need for chemicals while creating a more natural and self-sufficient system.

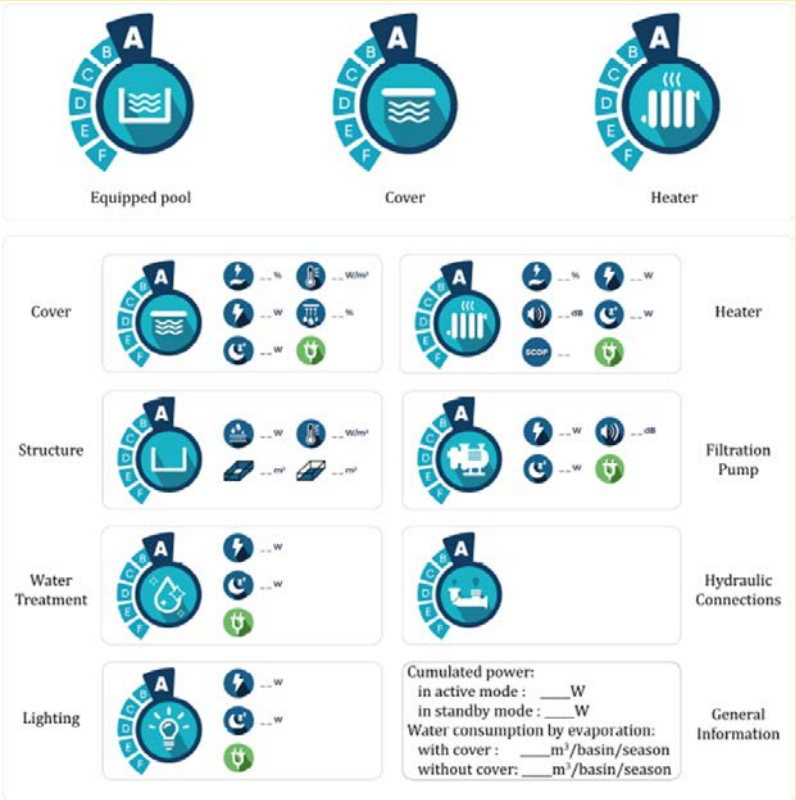
EN 17645: environmental performance of swimming pools

EU standard EN 17645 for domestic pools provides guidelines for assessing the environmental performance efficiency of outdoor pools and their equipment.

Before purchasing a pool or any equipment, the suppliers or service engineers should provide an overall evaluation of their products, including pictograms that show their environmental rating.

While there are no specific requirements covering the environmental performance of domestic swimming pools in Europe, complying with this standard can help homeowners make informed decisions about their environmental impact.

We currently assess the efficiency of swimming pool products covered by EN 17645 on a voluntary basis in Europe and provide customers with all the information they need.





3.2
Promoting Sustainable Products

The products and solutions used to run a pool play a fundamental role in its degree of environmental sustainability.

In 2021, the ESG Products area spearheaded the definition of five sustainable product indicators with the support of outside experts and the engagement of key departments such as ESG, Procurement, R&D, Marketing, and Innovation. The next year, management ratified the definition of the indicators, thus enabling us to identify technologies and product features that align with our meaning of environmental sustainability and form the basis of our vision of a positive pool

SUSTAINABLE PRODUCTS[17]				
				
LOW CARBON	**ENERGY EFFICIENCY**	**CHEMICAL REDUCTION**	**WATER CONSERVATION**	**CIRCULAR**
Products manufactured using sustainable methods that contribute to reducing the emissions associated with production and supply chain processes.	Solutions that avoid or reduce electricity consumption during the use phase.	Solutions that reduce or eliminate the need for chemicals to keep the pool running or that minimize the environmental impact.	More efficient products that make it possible to reduce water use.	High-quality products made from sustainable materials that are repairable, reusable, recyclable, and/or biodegradable.
16% sales	**18% sales**	**12% sales**	**16% sales**	**0% sales**
Production Phase		*Use Phase*		*End of Life Management*

Since then, work has been done to set the minimum criteria that products must meet to be considered sustainable. The criteria are based on the most relevant standards associated with the company's products and are adapted to the variety of offerings in our catalogue.

These indicators take the lifecycle as a starting point, making it possible to take a holistic view of a pool's environmental sustainability: from production (low-carbon products) to use (products that encourage water savings, energy efficiency, and less use of chemicals) and end-of-life management (circular products).

Currently, for a product to be considered sustainable it must meet at least one of the five indicators. As a company, we have set the target of 60% of our sales in 2026 and 80% in 2035 being products classified as sustainable in accordance with the above criteria. In 2023, 51% of total sales [18](28% of our catalogue items) fell into at least one of the categories in this classification[19], compared to 53%[20] in 2022.

As regards customers, we chose not to use the term 'sustainable product' but rather to tell them the specific indicator that a product or technology meets to ensure that messaging around potential benefits is as transparent as possible.

[17] The denominator for calculating this ratio is the amount of the Fluidra Group's Sales of Goods and Finished Products. For more information, see the note "23. Sales of goods and finished products" from the Financial Report.
[18] This indicator covers all sales to third parties in the 2023 financial year with the exception of the company Poolweb, SAS (France).
[19] For the purpose of calculating the total percentage of sustainable products, each product has been counted only once, regardless of the number of indicators under which it is classified. Conversely, the results by indicator included in the later sections account for all products that meet the requirements of that category, even if they also meet the requirements and are therefore being counted in another indicator. Consequently, the sum of these individual results exceeds 51% of the total.
[20] In 2023 we reclassified some of our products as sustainable and declassified others. These changes are explained in detail in the information on work done in water-saving indicators (footnote 24) and energy efficiency (footnote 25). As a result of these changes, the sales percentage of sustainable products in 2022 was recalculated upwards, from 45% last year to 53%.

Our products display the mandatory energy efficiency labels and, where possible, are also certified with voluntary eco-labels, awarded by an independent third party. In this regard, Fluidra has products certified under the following energy efficiency labels in the countries in which we operate:

- Energy Rating Label (Australia) for filter pumps (Australia)
- EU energy label for LEDs sold in the region

Some of our products are also certified to the following type I voluntary eco-labels (in accordance with ISO 14024):

- Energy Star (US Federal Government),
- Climate Care Certificate (SPASA, Australia)

Sales of products subject to green labels and claims (GRI 305-5)[21]

	2023	2022
Mandatory environmental efficiency claims	2.0%	N/A[22]
Type I voluntary eco-labels (as per ISO 14024 or independent eco-labels)	5.5%	6.7%
TOTAL OF FLUIDRA SALES	**7.5%**	**6.7%**

One of our priorities in 2023 was to communicate and train our staff on the sustainable product indicators and the requirements associated with each one.

Therefore, following the formal approval of this classification by the board of directors at the end of 2022, the ESG Products department presented the strategy at our 2023 Global Leaders Summit and subsequently published and distributed a guidance document to the entire organization, available on our corporate intranet.

Various workshops and in-person training sessions were also organized with the teams involved in product development for the different regions, and a video-based training course was produced and distributed to the rest of our staff in early 2024.

Consumers are increasingly looking to incorporate sustainable technologies into their homes, and pools are an important part of that overall experience. Brands like Zodiac and AstralPool provide professionals with calculation tools they can harness to assist customers in choosing the most efficient equipment depending on the size of the pool and the end consumer's location.

3.2.1. Life Cycle Assessment (LCA)

Since 2021, we have been quantifying the environmental impacts of all the emissions and resource uses caused by our products through Life Cycle Assessments (LCAs) in accordance with ISO 14040 and ISO 14044 standardized methodology.

Studies are carried out with the support of external companies and at the same time allow us to certify the correct application of basic LCA principles and leverage sound tools. Fluidra further ensures that the different studies are aligned with each other. In 2023, we analysed the impacts of different types of sand and glass filters (blown, laminated, and injected) and of our selector valves. We also began to study our Skypool structures for commercial pools.

This was on top of the studies done in the previous two years on the AstralPool Victoria Plus Silent pump, the Voyager RE-4400 iQ robotic pool cleaner, the Flexi family of LED lights, and a steel aboveground pool.

Percentage of items covered by Life Cycle Assessments

	2023	2022
Complete	0.06 %	0.04%
Simplified[23]	1.71 %	0.60%

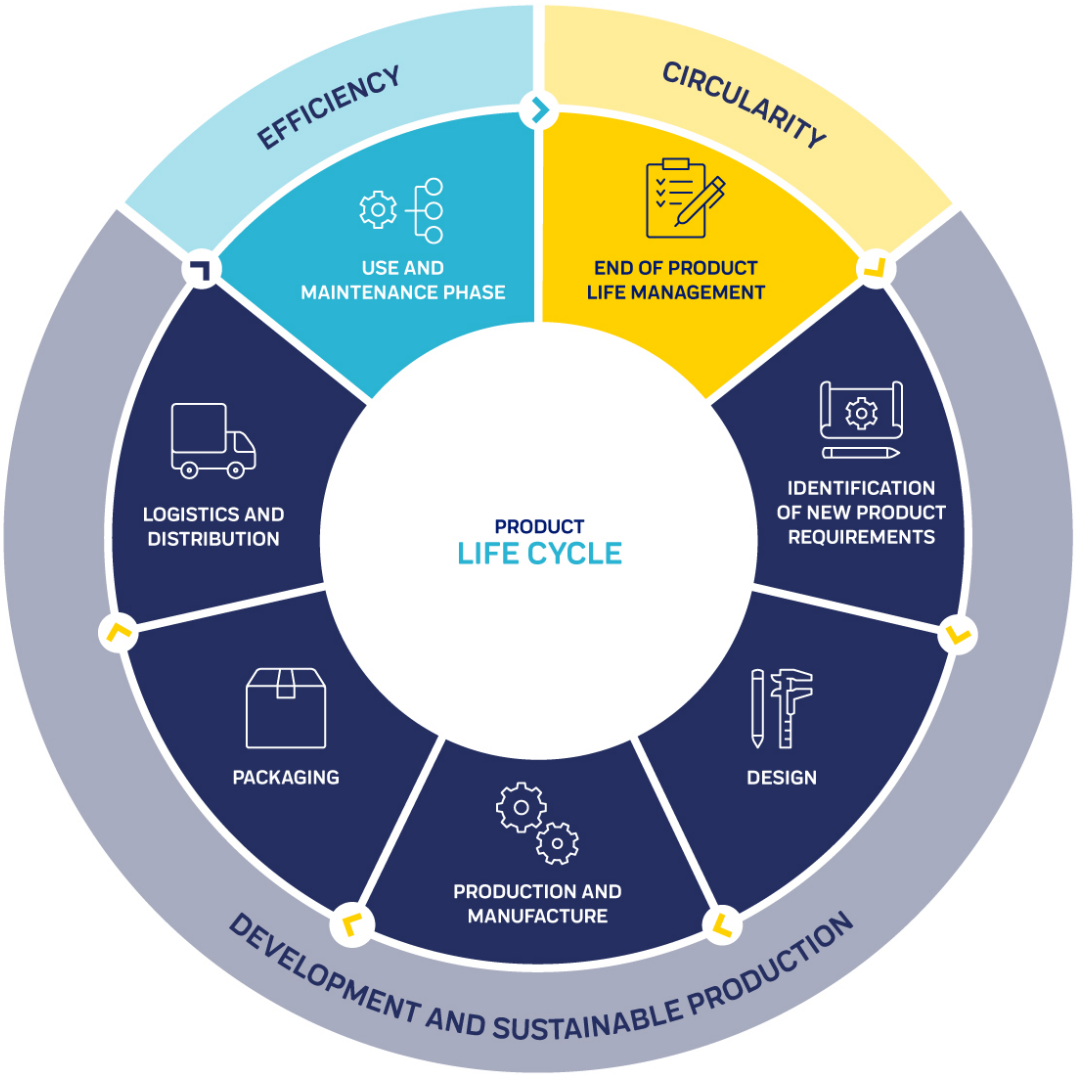
These projects pinpoint improvement opportunities for various products, set priorities, and generate understanding of the associated environmental impact across each lifecycle phase. Over time, they will allow us to craft a roadmap to prioritize sustainability indicators for each product family. Informative workshops were held with the teams involved throughout the studies.

Recently, we have noticed a growing interest in communicating the carbon footprint of products by our customers. This information can be extracted from the environmental impacts analysed by an LCA (e.g., a product's potential for global warming). To deliver on this need for information, in 2024 we plan to onboard the skills and resources required to conduct LCAs and increase the number of products analysed over the long term. We will also facilitate assessment of the impacts of any changes we make to our product catalogue.

In parallel, we are working with our suppliers to encourage information exchanges based on standardized environmental product claims, with the support of confidentiality agreements.

Below are the main lifecycle phases of our products and the actions we are taking to power sustainability across each phase.

[21] The denominator for calculating this ratio is the amount of the Fluidra Group's Sales of Goods and Finished Products. For more information, see the note "23. Sales of goods and finished products" from the Financial Report.
[22] These types of declarations have been calculated for the first time in 2023, so there is no data for comparison.
[23] Simplified Life Cycle Assessment means that the results obtained from the full analysis can be extended to products similar to the original code analysed. For this, the product must be comparable in terms of product family, size, composition, production plant, usage pattern and distribution.



3.2.2. Product development and sustainable production

Identifying new product needs and adapting existing ones

A core part of ongoing product improvement involves identifying and integrating market requirements from different perspectives:

- **Regulatory.** At Fluidra we pivot to regulatory changes quickly and continuously to comply with requirements in different markets. An example of this is the ban on the use of halogen lighting in Europe. We have adapted our offer by expanding the range of LED lighting, which is much more efficient and now also more accessible to consumers.
- **Responsibility.** As part of our mission to create the perfect responsible pool and wellness experience, we make it a priority through our sustainable product range to reduce the lifecycle emissions associated with our products.
- **Changing consumer habits**. Consumer needs are evolving in response to macroeconomic trends and changes, requiring us to be agile in detecting them and staying ahead of the curve. Examples of this are connected products or those that promote energy efficiency.
- **Customer requirements.** Our customers are clearly the focus of all that we do. We introduce improvements to our products considering their needs, requirements, and expectations when working with a leading company like Fluidra in terms of quality, ease of installation and use.



Design

Product design is a key phase in promoting sustainability throughout a product's lifecycle. 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.

In 2023 we integrated sustainable product indicators into the new-product development process regardless of whether goods are manufactured in our own centres or in third-party facilities to our criteria.

This meant that all projects submitted in the year had to incorporate targets for meeting any of the indicators. From 2024, this integration will enable the evaluation of R&D investments focused on the development of products that meet at least one of the indicators.

As part of our Responsibility Blueprint, in 2022 Fluidra established a **Strategic Planning Committee for Sustainable Products** to step up the sustainability of our products and pools in general. The committee comprises cross-functional teams at the global and regional levels, with representatives from key departments such as ESG, marketing, sales, engineering, product compliance, and more.

Some of its key achievements in 2023 included developing training content for our 2023 teams, organizing and hosting the 2023 Pool Horizons event in Barcelona, and coordinating the marketing and sales teams in the three regions to promote sustainable products to professional customers and consumers.

Production and Manufacturing

At Fluidra we are committed to promoting responsible resource management by adhering to rigorous sustainability and efficiency standards in the manufacture of our products and solutions.

This means that the first sustainable products indicator focuses on **low carbon** products, understood as all those made in facilities with 100% renewable energy sources.



Low carbon

Products whose production processes minimize the environmental impact and in particular CO_2, emissions through the supply of certified green energy or the self-production of green energy at the production plant.

16%
of sales

Today, 43% of our production facilities consume electricity from renewable sources, either through the grid, the installation of photovoltaic panels, or the purchase of energy attribute certificates. This has enabled us to classify 16% of sales under this indicator (same figure as in 2022).

We are also working to slash the environmental impact of our production processes through **value improvement projects** and the exchange of best practices between companies based on the LEAN methodology.

In this way, the entire product creation and manufacturing chain is analysed, from design to procurement and manufacturing and logistics, allowing us to identify opportunities for improvement at each stage of the chain.

Although the main purpose of the projects is to save costs and improve customer lead times, they also positively impact ESG by allowing us to detect opportunities to cut material and energy consumption in line with the Group's policy of reducing its footprint.

A new development is that initiatives which had until recently been managed through value improvement projects have now been mainstreamed into the initiatives framed within the simplification program.

Value improvement projects are in turn divided into two project categories: processes and products. The main initiatives in relation to processes are detailed below, while information on product improvements can be found in section 3.3. Product Innovation.

Process innovation

In 2023, the total cost reduction as a percentage of cost of goods sold (COGS) through process innovation was 0.19%. In addition to cost reductions, process innovations bring the following benefits:

- **Increased product quality, standardization, and process improvement** helps reduce internal and external quality fails and nonconformities and lets us focus resources for innovation and quality control.
- **Improved delivery times**: by streamlining manufacturing processes and creating efficient process flows we can better respond to fluctuations in demand and other market variables, resulting in fewer delays and better lead times.
- **Sustainability**, by generating less waste and improving the adaptability of resource consumption to real demand.

A good example of an initiative developed in 2023 which had positive sustainability benefits was the project to reduce the use of 12,000 litres of cleaning liquid in the polyester resin curing processes at the Poltank plant (Girona, Spain) that had been used to clean tools and machinery in the manufacturing process.

Packaging

Packaging management at Fluidra is complex due to the wide range of products we make. It mainly includes cardboard, wood, and plastic for protection, baling, chemical product cans, and bags. We also incorporate cushioning foam in some products.

Packaging design is part of the product design phase. The regional and local packaging teams are part of the R&D Department and are responsible for defining the protocols and support documentation the other departments need. The aim is to create tested packaging with quality in keeping with the products we develop, promote packaging sustainability, and guarantee compliance with current regulations.

To this end, the teams work closely with the quality, purchasing, regulatory compliance, product compliance, ESG products, and legal departments, among others, and support factories in the design and/or analysis of packaging modifications, quality improvements, incident management, information related to new waste management requirements, and any queries that may arise. They are also responsible for aligning information and providing it to all Group teams, monitoring issues, and giving support internally and often to distributors.

An example of this collaboration is the work done to meet the Spanish royal decree on packaging and packaging waste, as well as the extended producer responsibility requirements for packaging in France and the rest of Europe. In collaboration with the Procurements department, the teams also study different possibilities to acquire recycled plastics for our facilities in Spain, with the aim of slashing up to 11 $TnCO_2eq$.

Recent years have seen an increase in requirements (both regulatory and market) around using recyclable and/or recycled materials in packaging. An upshot of this is that the packaging of new products aims not only to protect goods but to ensure their recyclability.

Due to these needs and the greater mainstreaming of packaging, we decided to disaggregate product packaging in the definition of sustainable product indicators and address it in a dedicated guide.

With this target, in 2023 we incorporated the criteria of the circular packaging design guideline into the new product development process, defining three documents that will help generate the data and monitoring indicators needed to assess the circularity of the packaging used across all our product families. The aim going forward is to harness this documentation in both new projects and improvements to existing products.

At the same time, we are pressing ahead with eliminating polyurethane foam from the packaging of the Victoria Silent pump, in a move that will allow us to eliminate around 10 Tn of foam per year, and are continuing to study options for adding a percentage of recycled material to plastic packaging.

Looking to the future, our main objective is to have an overview of the map of packaging materials and solutions used in the group. This will help us generate synergies between production sites while promoting regulatory compliance, improving existing products, and seeking new technologies where necessary.

Logistics & Distribution

The distribution and supply chain teams are tasked with planning and managing Fluidra Group stock, acting as a liaison and coordinator between production companies and suppliers and the Group's commercial companies.

The supply chain team onboards and controls end-to-end material and information flows for operations, ensuring that customer demand is always satisfied. Apart from establishing the Company's policies, processes, and indicators for planning, production and stocks, one of its most important functions, given the uncertainty and volatility of recent years, is to improve demand forecasting.

During 2023, the supply chain team drilled down on a new process and application map for the governance of the Fluidra supply chain going forward. The model was chosen on the back of the functional, technical, and business solution and will be rolled out in phases over 2024.

In the EMEA region, **Fluidra Global Distribution** is responsible for supplying the European network of hubs with a wide range of products for the Fluidra PRO Centers sales network, sales offices, and direct shipments to customers. From late 2022 and throughout 2023 we made progress in creating a new **Industrial Planning Department (IPD)** to liaise between Fluidra Global Distribution and our production plants with the aim of aligning the production plan with the capacity and flexibility of the factories so we can control stocks and improve availability.

After ending 2022 with high inventory levels because of overstocking in the channel, we delivered a 60 million reduction in EMEA in 2023, in line with the year's target, with a higher level of availability than at the end of the previous year, up from 86.2% in 2022 to 93.5% in 2023.

Group operator **Trace Logistics** handles these hubs and their shipments either through its own companies, as in the case in Spain and the Netherlands, or via outsourced services (3PL). In both cases, we promote measures to reduce the environmental impact associated with freight transport.

Related to our hub in Maçanet de la Selva (Girona province, Spain), although the facility had boasted a grid-powered renewable electricity supply since 2017, in late 2022 we installed photovoltaic panels to promote self-consumption, tapped aerothermal energy (cop3) to renew the entire air conditioning system, and installed a system to reuse the heat emitted in the data processing centres (DPC's).

This year also saw us power up shipments from the central hub in Maçanet de la Selva (Spain) to our logistics centre in Veghel (Netherlands) by 15% thanks to multimodal/train transportation. Our aim is to reach 50% by 2024. In addition, all the distribution suppliers we work with in 2024 must have previously submitted an emissions reduction plan and a commitment to pivot their fleet to Euro-6.

In terms of outsourced services, we started operations in Lyon (France) in collaboration with GX0 (3PL), which has a 15,000 m^2 logistics centre so that, once the start-up period has stabilized, we can upscale services in France and Belgium and reduce the carbon footprint of all shipments from the Far East, since goods will be sent directly to the logistics centres there without passing through our central warehouse in Girona (Spain).



The construction of our new logistics centre begins

During 2023 we started building our **new logistics hub** in Sant Feliu de Buixalleu (Girona province, Spain), which will be certified under the Breeam Very Good standard.

Thanks to its 16,000 m^2 capacity, once it is completed we will be able to concentrate Trace Logistics' activities in Spain into two main hubs (this one and the one at Maçanet de la Selva) instead of the current four.

As a result, we will reduce transport to and from third-party warehouses due to lack of capacity, which in turn will positively impact our carbon footprint.

In the APAC region, Australia and South Africa act as the main distribution hubs. Australia is responsible for coordinating stock movements inside the country, as well as in New Zealand, the Pacific Islands, and most of Asia.

We also have warehouses in each mainland state of Australia and in Auckland (New Zealand) where there is a Fluidra PRO Centre or sales counter for customers to pick up products or drop off warranted products for repair. Our South Africa hub is responsible for servicing the entire African continent.

Finally, Fluidra operates via a central supply chain team in North America responsible for supplying all the markets in the region. We do not act as distributors of our products in North America. This function is handled by other large companies focused either on pool professionals or consumers. We have two distribution centres, one in California and the other in Tennessee.

3.2.3. Efficiency in Pool Use and Maintenance Phase

The use phase plays a crucial role in pool sustainability. At Fluidra we provide customers a set of products that streamline efficiency across three major areas of pool sustainability.

By carefully considering water consumption and energy efficiency, and by using fewer chemicals, we can minimize a pool's environmental impact and promote long-term sustainability.

Water savings	Energy efficiency	Fewer chemicals
This embraces the following products, among others: covers (non-mesh), showers (<7.5l/min), cyclonic pre-filters, cartridge and regenerative filters, automatic multi-port valves, active glass media, robotic pool cleaners and other commercial pool products such as UV MP, Neolysis Freepool, and Ozone.	This category includes products such as variable speed pumps, heat pumps, chillers, solar heating solutions, covers (non-mesh), solar showers, suction cleaners, LEDs, and commercial pool products such as the KIVU II pump.	Products such as (solid) pool covers, control and regulation systems, Neolysis and Freepool disinfection equipment, and products connected through Fluidra POOL help lower chemical consumption in the pool.
16% of sales[24]	**18%** of sales[25]	**12%** of sales

Water savings

Proper use of a pool cover can **reduce water consumption by as much as 90% due to evaporation**[26], while using a cartridge filter can achieve a **70% drop in water consumption during backwashing**. Combining both measures would make it possible to **prevent up to 78% of water loss.**

Other elements that collaborate in this saving are robotic pool cleaners, the automated control of backwashing, and the use of efficient showers.

The role played by automatic cleaning elements such as robotic pool cleaners and pressure washers was reviewed and worked on further during 2023. These products clean the bottom and walls of the pool by filtering dirt and collecting it in an internal cartridge that prevents it from being retained in the pool filter, positively impacting filter cleaning frequency.

For this reason, they have been reintroduced as water-saving products, aligned to the market position. Ways to quantify the effect on water conservation will be assessed in 2024.

Meanwhile, we are working to test the direct consumption of our shower elements and ensure they are aligned with the most demanding water consumption standards, such as the UWLA's European water label.

Energy efficiency

In the field of energy, we have high-efficiency filter pumps equipped with variable speed motors that allow their operation to be adjusted to **obtain savings of more than 50% of the pump's consumption.** Using a high-efficiency heat pump together with the proper use of a thermal blanket can also slash the energy consumption needed to heat water by up to 90%[27].

[24] In 2023 we have proceeded to incorporate robotic pool cleaners and pressure cleaners as products that contribute to water savings. With this new classification, the percentage of sales in 2022 of products that contribute to this goal amounts to 17%, compared to the 6% reported in the 2022 Integrated Annual Report.
[25] Following an internal analysis, it has been decided in 2023 to declassify suction pool cleaners as their potential for energy savings depends on the usage pattern of the filtration pump. As a result, the percentage of sales in 2022 of those products that contribute to the energy efficiency of the pool was 17%, compared to the 19% reported in the 2022 Integrated Annual Report.
[26] Estimated savings from using a cover. To get this result, the cover should be used for up to 70% of the time in summer and full time in winter.
[27] Estimated savings from using heat pumps with a Seasonal Coefficient of Performance (SCOP) higher than 4 (classes A, B, and C according to EN 17645) and thermal blankets with an Energy Reduction Coefficient (ERC) higher than 75% (classes A and B according to EN 17645).

Current EU regulations make it mandatory to install **LED lighting** in pools, significantly lowering power consumption. The least efficient LED bulb is five times more efficient than halogen lamps, making it possible to deliver **energy savings of 85%** compared to halogen[28].

Furthermore, new lighting regulations in the United States led Fluidra to not only stop selling the incandescent lighting products affected by the regulations but also any type of incandescent lights and to focus exclusively on LEDs.

A properly insulated pool shell helps minimize heat loss, especially in aboveground pools. Having the right size piping in a pool is crucial for keeping power losses as low as can be and ensuring filter system efficacy.

Fewer chemicals

The most important consumption of chemicals is due to disinfectants, which are mainly chlorinated. The use of low salt electrolysis technologies together with the control and regulation of Redox and pH is a way to **eliminate the use of chlorinated disinfectants.** Other technologies such as UV radiation, ozone, or the use of disinfectant minerals can also contribute to **cutting the use of chemical disinfectants by more than 50%.**

Fluidra has technologies that tap a combination of salt electrolysis and UV lamps to disinfect water, together with the use of CO_2 gas for pH regulation. It is what happens with Freepool technology, where optimum bathing water quality can be maintained by eliminating the need to use chemicals for both disinfection and pH regulation.

Other solutions include installing intelligent automation and dosing systems that help adjust the chemical dosage to the minimum effective amount according to the needs of the pool, to avoid over-chlorination and chemical build-up.

Using a cover can significantly reduce the amount of dirt and waste that enters a pool, cutting the need for chemical products to clean it. Other good practices, such as regular cleaning of the pool shell to remove algae and sediment, reduce the need for chemicals. Making sure swimmers shower before entering the pool and avoiding contamination of the pool water with personal products such as lotions or oils should also be observed.



Promotion of our sustainable products among customers

For the second year in a row we celebrated Climate Action Week at Fluidra as part of the International Day Against Climate Change (24 November). The event is dedicated to raising awareness, taking action, and driving change on one of today's hottest issues: climate change.

Among other initiatives, we promoted the purchase of variable speed pumps and cartridge filters (both part of our sustainable product range) by planting a tree for every unit sold that week in Spain, France, Belgium, and Germany.

This year, a new development in Spain was to integrate the initiative into the Early Buyers program throughout November.

This meant we engaged in four reforestation projects in Spain, France, US, and Thailand and planted a total of 5,292 trees, equivalent to 1,146 tons of CO_2.

[28] In case of use of light sources with efficiencies above 160 lumens/watt (classes A, B and C according to EN 17645).

3.2.4. Circularity of products and materials used

The company's vision of a positive pool takes the circularity of its components into account as a key factor for moving the needle on practices with a lower environmental impact.

More circular products and materials for building pools make it possible to minimize several environmental impacts that occur, from the extraction of materials to the demolition of pools and waste management.

The introduction of circular principles in the selection and use of materials and products is a major benchmark for ensuring that pool builds are more sustainable, whereby each material used can be found in a continuous lifecycle, minimizing waste and maximizing resource efficiency. This not only reduces our environmental impact in the production phase but promotes the upkeep, reuse, and recycling of resources, and favours their more responsible management in pool-building.

Fluidra considers circular products to be ones that seek to eliminate waste and promote the continuous use of resources in accordance with the following five key components:



CIRCULAR PRODUCTS

 CYCLED MATERIAL CONTENT	 REPAIRABILITY AND DURABILITY	 RECYCLABILITY	 SAFE AND HEALTHY MATERIALS	 SOCIAL FAIRNESS
Prevent waste from ending up in landfills and avoid the depletion of finite resources, i.e., recycled and/or renewable materials and components.	Extend the useful life of a product and the value of the materials and energy used to produce it.	Increase and encourage material recycling to reduce waste generation.	Design products with materials that are people-focused and environmentally friendly and onboard them into circular processes.	Promote responsible production for people and planet right across the supply chain.

Fluidra has defined these five standards considering the policies and regulations the EU is driving forward to accelerate the transition to a circular economy and by adapting Cradle-to-Cradle™ standard to the reality of the pool sector. Work has been done to include all the principles that can be applied to the company's products, drilling down on the materials we use and on our supply chain.

Among others, the circular product indicator implies that a product contains a minimum of 20% cycled materials, which are defined as recycled materials (pre- and post-industrial), bio-based, recovered components and elements with extended manufacturing responsibility. Recycled and bio-based materials require third-party verified certification of origin.

The circular product indicator also requires careful control of the supply chain in order to reduce the social and environmental impact of material production.The social justice criterion implies, among other aspects, that the product is manufactured in a plant certified under ISO 14001, that suppliers adhere to our code of conduct for suppliers, and have a policy of respect for human rights.

A product must meet the five above mentioned criteria to be considered circular. Given the complexity of meeting all of them, we have defined a **circularity index** that allows us to indicate the degree of circularity of each product. By doing so, the circularity level of a product will be determined by how many circularity attributes the product possesses out of the total (five).

In 2023, 2 potentially circular products have been identified in our catalogue: the recycled glass filter media sold under the Astral Pool brand and manufactured in Spain, and a part of the stainless steel ladders manufactured at the Inquide production plant. It is planned to ensure compliance with all circular product criteria in the first half of 2024.

By 2024, we plan to calculate the circularity index of new products entering the internal development process. We will also develop more comprehensive internal and external communication about the characteristics of these products in order to promote the concept and benefits of circular products.

To move the dial further on circularity, we have been working in recent years on the **selection of materials or components with lower 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.

For companies that use wood as a raw material to build aboveground pools, we pay close attention to ensuring the chain of custody for forestry products. An example of this is Manufacturas Gre, which has PEFC and *Bois de France* certifications guaranteeing that the wood we use comes from French forests. We also contribute to reforestation in partnership with the French outfit *Plantons pour l'avenir*, to which we donate one euro for each wooden pool sold.

In lockstep with this, projects have been started along with external companies to identify alternative materials (e.g., alternatives to flexible PVC) and suppliers of high-performance recycled materials. The aim is to generate information on the availability and durability of recycled materials to mainstream them into new product development projects. In addition, we are constantly working with our regular suppliers to identify options for materials with recycled content and materials with a smaller environmental footprint. For example, the EMEA R&D team has been able to successfully test a post-consumer recycled polystyrene in products manufactured at Sacopa. In Spain, we are also a partner in the MAV Cluster, a cluster of Catalan companies that focuses on advanced materials, including those that are more circular.

Once up and running, we promote the **repairability and durability** of many of our products by offering an extensive range of spare parts. This lets us extend their useful life and reduce the number of materials used by avoiding full product replacement.

We also launched the **reWork** project in late 2022 which aims to give a second life to products our customers return and products damaged during transport (with a focus on robotic pool cleaners and filter and heat pumps).

They are then repaired at our aftersales customer service points and resold in our PRO Centers as second-hand goods, at a reduced retail price but always ensuring high levels of quality and safety. They come with a one-year warranty and we disclose the reasons why they were discarded and refurbished.

For now, the initiative is only active in three of our sales offices in France but we aim to extend it to the rest of our French offices in the coming years. Also, we reached an agreement with Renolit in late 2023 to work with our customers to collect reinforced membrane remnants for recycling as of 2024. We will also seek to step up the number of products repaired in cooperation with an external company next year.

reWork Program[29]

	2023
Percentage of total units sold that can be reused or recycled	0.005%
Percentage of units that were actually reused or recycled	0.89%
Financial benefit obtained through the reWork program (€)	€10,171

Finally, with a view to managing product end-of-life, we are committed to ensuring that all injected product parts are made from a single material, facilitating their subsequent recycling. Whenever possible, we use international material identification symbols to indicate the materials used to make each part of the product. Instructions on how to manage products at the end of their useful lives are included in the product manuals.



[29] The denominator for calculating this ratio is the amount of the Fluidra Group's Sales of Goods and Finished Products. For more information, see the note "23. Sales of goods and finished products" from the Financial Report.

3.3
Product Innovation



3.3.1. Commitment to innovation and technology

GRI 2-4, 3-3

Research, development and innovation (R&D&I) are built into Fluidra's DNA and are part of our corporate values.

We know that success in the pool market depends on equipment that not only is easy to use, install and maintain, but also sustainable and reliable. To that end, we focus on offering customers the best solutions tailored to their needs to create the perfect user experience.

Engineering is one of the critical aspects that sets Fluidra apart by bringing added value to the table through highly innovative products.

Fluidra's R&D&I Model

Our R&D&I model includes all 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.

By year-end, we had a multidisciplinary team of more nearly 200 people, including engineers, designers and technicians. We have a network of four R&D&I centres strategically positioned in the main markets to meet the particular demands of each region with new products and solutions.

In the EMEA region, it is worth highlighting the progress in the construction of the R&D laboratory in Polinyà (Spain), which is expected to be completed in June 2024, marking a significant milestone in our internal innovation capacity.

This elite facility will house test infrastructures for both the residential and commercial segments, including test pools, an anechoic chamber for acoustic and vibration analysis, climatic chambers to simulate extreme conditions, and an area dedicated to packaging testing. Equipped with 900 m², this space will be equipped with the latest in mechanical testing technology, devices to accelerate the ageing of materials and a 3D printer, optimizing the prototyping process.

This laboratory is designed under sustainability and efficiency criteria, incorporating water recovery systems and energy-efficient air conditioning and dehumidification solutions.

Also during 2023, the construction of a new laboratory specializing in heat pumps and dehumidifiers located at the *Talleres del Agua* facilities in Santander (Spain) was completed.

This technology centre is characterised by its advanced technical equipment dedicated to the testing and characterisation of the latest generations of heat pump and dehumidification units.

Throughout 2023, the centralization strategy of our R&D teams has catalysed significant progress. The incorporation of the teams from the Sacopa and Poltank production plants into the core team has strengthened our integration and capacity for innovation. In addition, the creation of departments focused on electronic, mechanical, and filtration engineering highlights our commitment to specialization and technical development.

NORTH AMERICA
Carlsbad, USA

Development of equipment for residential pools, including pumps, filters, heaters, lighting, automation systems and water care.

EMEA
Polinyá, Spain

Its main lines of work are based on connected, more sustainable and environmentally friendly products such as variable speed pumps, pool covers, filtration systems and high efficiency LED lighting systems, among others.

APAC
Braeside, Australia

Its primary focus is on the design and development of products that are tailored to the region's needs and conditions, including salt chlorinators and chemical dosers, single and variable speed pumps, cartridge and media filters, water features and LED lights, controllers and solar heating, pool covers and rollers.

GLOBAL
Belberaud, France

Responsible for developing robotic pool cleaners for the global market, as well as automatic heating and disinfection equipment for the European markets.

In the Company, we are working to centralize all R&D activities in these centres to create a global vision of solution-oriented pools instead of separate product categories.

This means that beyond our innovation teams, the centres incorporate additional divisions that have an impact on product innovation and development, with teams working on areas like project management, product compliance, intellectual property, open innovation, sustainable products, IoT and more. This will transform the existing innovation teams at each production centre into technical units specialized in maintaining the product lines that are manufactured in each of them.

In 2023, our expense in R&D&I reached 52 million euros, a decrease of 2% compared to the previous year. However, despite the decrease in nominal terms, the ratio of expense in this area versus sales has grown to 2.4%.



Key R&D&I figures[30]

	2023	2022	2021	2020
Expense in R&D&I (millions of euros)[31]	52	53	39	37
Expense vs. Sales (%)	2.4%	2.2%	1.8%	2.5%

[30] The denominator for calculating this ratio is the amount of the Fluidra Group's Sales of Goods and Finished Products. For more information, see the note "23. Sales of goods and finished products" from the Financial Report.
[31] Includes investment in intangible assets and R&D expenses incurred during the year.

18.7%

sales in 2023 corresponding to new products launched in the last five years

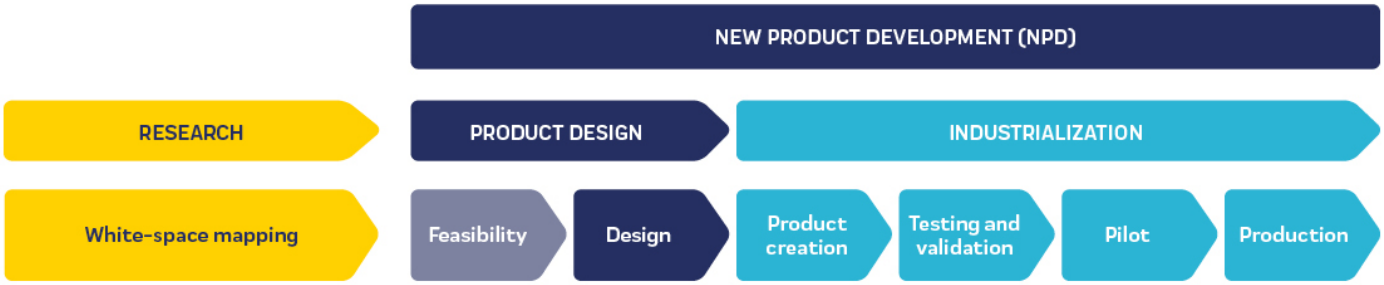
Product innovation

Aligning with our values, at Fluidra we strive to continuously and responsibly upgrade our products and be a market leader as a way to create value for our customers and end users. To that end, our product innovation efforts include:

New product development (NPD)

At Fluidra we have a new product development (NPD) process that covers everything from need identification, design and testing to the final production of the product so that it can be launched and brought to market. The process begins when the Marketing Department or different distributors identify a need in the market. This leads to the development of a Basis of Interest (BoI), which is a broad-strokes presentation of the project or product that will be developed to meet the identified need.

Once the BoI is presented, we enter the feasibility phase in which a pre-business plan is prepared. This document includes product specs, target price points and costs, as well as expected investments. Based on these assumptions, a preliminary sales forecast is made to assess the project's potential.



When the plan is validated and approved, the design phase begins, where the different hypotheses are analysed in more detail and the time required for product development is assessed. Once this is completed, the final business plan is drawn up and submitted for approval, which is followed by the industrialization process that ends with a pilot test before the product finally hits the market.

In 2023, we have integrated sustainable pro duct indicators into the new product development process, regardless of whether they are manufactured in our facilities or in those of third parties under our criteria.

For more information, please refer to "3.2. Promoting sustainable products" section.

In line with recent years, 2023 was a prolific year in terms of new products. To monitor our progress and analyse the impact of R&D&I spending in this area, at Fluidra we use the **vitality index** as a reference, that is, the total sales for the current year of new products that have been launched in the last five years as a percentage of total sales for the year.

Vitality Index

	2023	2022
Sales (million euros)	383	471
Percentage of total sales[32]	18.7%	18.1% [33]
Number of programs launched	47	46
Number of referral codes created	247	337

[32] The denominator for calculating this ratio is the amount of the Fluidra Group's Sales of Goods and Finished Products. For more information, see the note "23. Sales of goods and finished products" from the Financial Report"

[33] In 2023, we updated the Vitality Metric results for the 2022 financial year to retroactively incorporate the data of the companies acquired in 2021. As a result, the indicator has varied from 19.7% reported in the 2022 Integrated Report to 18.1%.



Launching our first cord-less robots

After years of development, in 2023 we launched the first cordless robotic pool cleaners on the market for both pools and spas: the Zodiac® FREERIDER™, the Polaris® FREEDOM™ and the Zodiac® SpaBot™.

This innovation allows the user to enjoy efficient and agile cleaning, thanks to the absence of power cables, the unique charging station (with a charging time of just four hours) and the robots' Wi-Fi connectivity.

As a result, the Zodiac® FREERIDER™ has been chosen as **Product of the Year 2024** (in the innovation category) in Spain.

Product improvements

Aside from new product development, we work to continue improving the quality and functionalities of those already in our catalogue.

One example of these initiatives has been the replacement and improvement of the connection of the hoses to our suction cleaners. This project, in addition to solving some quality problems observed in the field, will improve their r0ecyclability at the end of their useful life.

In addition, we carry out value improvement projects that consist of redesigning our current products in order to consolidate our integrated margin while maintaining the level of performance and quality. These projects are carried out by an interdisciplinary team, led by R&D, which is responsible for creating, developing, monitoring, testing and executing these projects in close collaboration with the product and quality teams.

Every year we develop value improvement projects in practically all product families, expanding both the range of products and the companies where these types of improvements have been developed. Within the review and improvement process, we have prioritized the environmental impact of the improvements, seeking a reduction of materials and/or energy needed to manufacture the products, as well as efficient use of packaging.

In addition to consolidating the activities already initiated, our objective for the coming years is to analyse and develop new projects that will help us to continue optimizing our products, reducing their costs and environmental impact and maintaining or even improving their usability and performance.

Product maintenance

Lastly, alongside the R&D centres, we also have technical offices in each of the Group's manufacturing centres that are responsible for the maintenance of the products in our catalogue and replacing existing components with new ones in the event that they have become obsolete or there has been a change of supplier.

Open Innovation

This open innovation strategy involves collaboration with external actors, such as other companies, startups, technology centres and the innovation ecosystem, to develop new ideas, products or services.

Its benefits for corporations include a faster response to challenges, access to diverse talent, reduced costs and a greater ability to address a wide variety of creative and business perspectives. This generates innovative solutions and increased competitiveness in the marketplace.

FLUIDRA LAB

Fluidra Lab is Fluidra's Open Innovation and Corporate Venturing unit. Its mission is to explore new technological and business opportunities in our sector and respond to the challenges of the different business units through collaboration with innovative external agents.

Its main areas of interest are as follows:

- **Sustainability**: Searching for solutions that ensure the pool makes efficient and sustainable use of resources such as water and energy, and even turning it into an asset that has a positive impact on the environment
- **Health and safety:** Solutions to always maintain the quality and safety levels under the regulations in force, through constant monitoring enabling rapid identification of any danger, providing information to those responsible for the installation, and allowing the system itself, or those responsible for it, to respond.
- **User and customer experience**: Improving the experience of both users and customers throughout the various stages of the value chain.

Fluidra LAB is responsible for:

- Identifying, analysing and responding to the company's internal needs by collaborating with different entities in the global innovation ecosystem.

- Exploring industry trends to identify opportunities.
- Promoting a culture of innovation, encouraging employee participation in processes such as the Fluidra Innovation Challenge, an intra-entrepreneurship program.

Fluidra LAB coordinates with the entire organization to ensure that its initiatives are well aligned with the Group's interests and needs. To this end, it reports directly to the Fluidra LAB Board, made up of members of the Executive Committee, at quarterly meetings, in regional committees in EMEA, AMER and APAC, to bridge the identified opportunities and capture the needs of all the regions. We have established specific monitoring in strategic areas of the company.

Fluidra Lab's open innovation process is structured in 5 steps in which opportunities are analysed and worked on:

Define	Discover	Analyze	Incubate and Develop	Impact and Scale
Defining and updating the challenges, opportunities and needs of the company's business units to describe specific problems to be solved.	Exploration of innovative technology or business opportunities aligned with the company's needs. More than 300 opportunities discovered.	Evaluation of opportunities with Fluidra's in-house experts More than 100 opportunities analyzed.	Testing, negotiation or joint development to implement opportunities at Fluidra 20 development opportunities - 5 pilots or proofs of concept.	Industrial implementation of the opportunity 3 opportunities implemented.

The opportunities may end up being scaled and have an impact on the business in 3 ways: by transferring the technology to our products (Tech Transfer), by being customers of the innovation (Venture Client), or by investing in the company offering the innovation.

To strengthen opportunities in the third investment option, in 2023 Fluidra Lab created a corporate venture capital fund that has been launched at the beginning of the year 2024.

For more information, see the Fluidra Lab website.



Examples of Open Innovation

Technologies for smart cleaning robots

One of the models of cordless robotic pool cleaners presented above is remote controlled thanks to an underwater communication system developed in collaboration with a French startup. We are also continuing to test and develop technologies to make our cleaning robots smarter.

Smart management of energy efficiency in swimming pools

Energy costs are one of the greatest challenges for commercial pools. So, during 2023, Fluidra Lab conducted a detailed analysis, together with the commercial pool business units, of startup solutions based on IoT and digital twins, which could produce significant savings for our users.

Business intelligence in the supply chain

To better understand the actual stock situation in the channel and be able to make accurate forecasts or anticipate demand trends, together with a Catalan startup we are analysing the application of flexible chip technology that will give us complete visibility of our products throughout the value chain.

Generative AI for customers

At Fluidra LAB we not only focus on product innovation, we also want to improve our processes and customer service. So we are carrying out proofs of concept for the possible adoption of generative AI technologies that will enable us to provide more efficient and higher-quality customer service for our products.



Partner with the ecosystem

Fluidra LAB has continued to participate as a partner in all the activities of the industrial innovation hub INDPULS, such as the Startup Support Program "Accelerate your go-to-market". It has also continued to promote the local entrepreneurial ecosystem in Barcelona as a Corporate Partner of TechBarcelona.

In collaboration with Acció, the Catalan Government agency for business competitiveness, Fluidra LAB has participated in the Open Challenges of events such as the Mobile World Congress, Advanced Factories and the Smart City Congress.

During the year we also took part in other events in our ecosystem, such as PROSportstech2023, where we were on the jury for the startup competition, the Industrial Committee of The Collider —MWC's venture building program—, and as speakers at the Deeptech Summit congress.

Communicating innovation

Externally, we have continued to promote innovation in the pool and wellness sector through the Fluidra Lab website and the Fluidra Lab LinkedIn page. We have increased our community of followers by providing interesting content about Fluidra Lab's activities, innovation strategies and positive impact on the sector.

Internally, we have published 3 Innovation Newsletters to spread knowledge of activities, opportunities and inspiring content about innovation throughout the organization.

Fluidra Innovation Challenge

In early 2023, the 2022 challenge winners —Josh Bordelon, Kyle Beddo and Jason Anderson from the United States of America— had the opportunity to perform a market test of their proposal by applying the Business Prototyping methodology. They travelled to our headquarters in Sant Cugat (Barcelona, Spain) to present the findings to our senior management and the digital and sustainability teams, visit Fluidra's production and commercial facilities in the area, and enjoy cultural experiences in Barcelona. The test's positive conclusions will allow the project to be implemented in the digital area.



3.3.2. Intellectual property protection

GRI 3-3

Intellectual property rights allow us to defend ourselves against third-party products that infringe our intellectual property rights. More specifically, we can ask the infringing party to stop selling its products, change its designs and/or compensate us.

Fluidra remains an industry leader in intellectual property, particularly when it comes to patents. Our international portfolio currently includes approximately **1,748 active and granted patents**, 62 of which were obtained in 2023, thanks to our ongoing commitment and focus, primarily on key technologies.

As we invest heavily in R&D, intellectual property rights are critical for safeguarding our developments and protecting them from misuse by our competitors. One of our goals in this regard is to ensure that the scope of our intellectual property rights is sufficient to adequately protect us from competitors' products. In this sense, Fluidra safeguards its intellectual property, proprietary and confidential information, and trade secrets through employment confidentiality agreements and our Code of Ethics.

We regularly check whether we should apply for patent protection for our developments and, when we do, we follow procedures to assess how, when and where to file applications.

Our legal team works closely with the business, including the R&D, marketing and cybersecurity, to ensure the protection of our patents, trademarks, domain names, and copyrights, and keeps the Fluidra leadership team advised on material matters related to the Company's intellectual property.

Likewise, at Fluidra we are fully committed to respecting the rights of third parties and competitors. We follow up on their requests and train key staff in intellectual property practices to maximize Fluidra's ability to protect its intellectual property and to reduce the risk of infringement of third-party intellectual property rights.

1,748

active and granted patents



3.4
Connected pool

Connected pools incorporate products and services solutions that make a pool more intelligent, automated and more efficient by leveraging the Internet of Things (IoT) and Data.

In Fluidra, we aspire to be recognized as a **digital market leader** with both new and existing customers. To this end, we are offering to consumers and pool professionals the best smart pool experience, relying on the creation of connected products in the main categories.

In addition, at Fluidra we focus our efforts on providing each pool professional with the digital services and added value that help **improve their business efficiency and their ability to provide a quality service,** so that they have all the information and knowledge required to be prepared.

As a global leader in the industry and a pioneer in this segment, the goal is to reach one million connected pools by 2025.

The rise of digital services and connected products is outpacing demand for non-connected ones. This growth is evidenced by the 18% increase in the number of active users with IoT connected products and solutions in 2023, reaching over 877,000 customers by year-end (up from 750,000 in 2022).

Our current range includes everything from robotic pool cleaners, automation, filtration pumps, heat pumps to chlorinators, including smart sensors under the *AstralPool, Blueriiot, Polaris, Jandy and Zodiac brands.*

This year 2023, we have launched a new mobile app called **Fluidra Pool,** aimed at pool owners, which allows them to manage Fluidra's connected products remotely, as well as access a wide variety of services and recommendations to manage the pool efficiently.

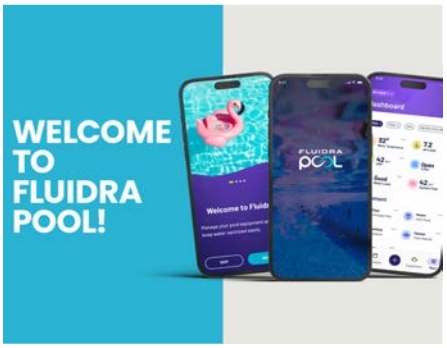
Thanks to this app, we can do more than only make recommendations that are more tailored to the needs of pool professionals and consumers, we also obtain valuable data and knowledge to **develop new products, improve the performance of existing ones, and enable sales and cross-selling activities,** thus strengthening our position in the markets in which we are present.

Aware of the environmental impact of swimming pools, we are actively developing a range of in-application services and features designed to optimize energy efficiency. Taking advantage of smart technologies and advanced algorithms, our team is dedicated to develop solutions that not only improve the overall user experience, but also contribute to a greener and more sustainable future.

EFFICIENCY & SUSTAINABILITY

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

Users can let their pool adapt to the surrounding conditions or adjust the parameters remotely if desired.



ADDED SERVICES

The app offers tips to make pool maintenance easier or forecasts to better adjust your settings.

Control of the pool can also be transferred to the pool professional, to allow for maintenance contracting and optimize workload.

In order to articulate the implementation of the **digital strategy** worldwide, the company established the Fluidra Digital Framework to be implemented in AMER, EMEA and APAC regions, allowing each region to have their own go to market strategies, providing a good balance between scalability and fit to market.

Into this framework, each digital team reports to the regional General, while the CTO is overseeing the technological, data protection and security globally. In parallel, through R&D & Digital teams, the company is making strong efforts in the connectivity standardization to ensure scalability and cost effectiveness worldwide.

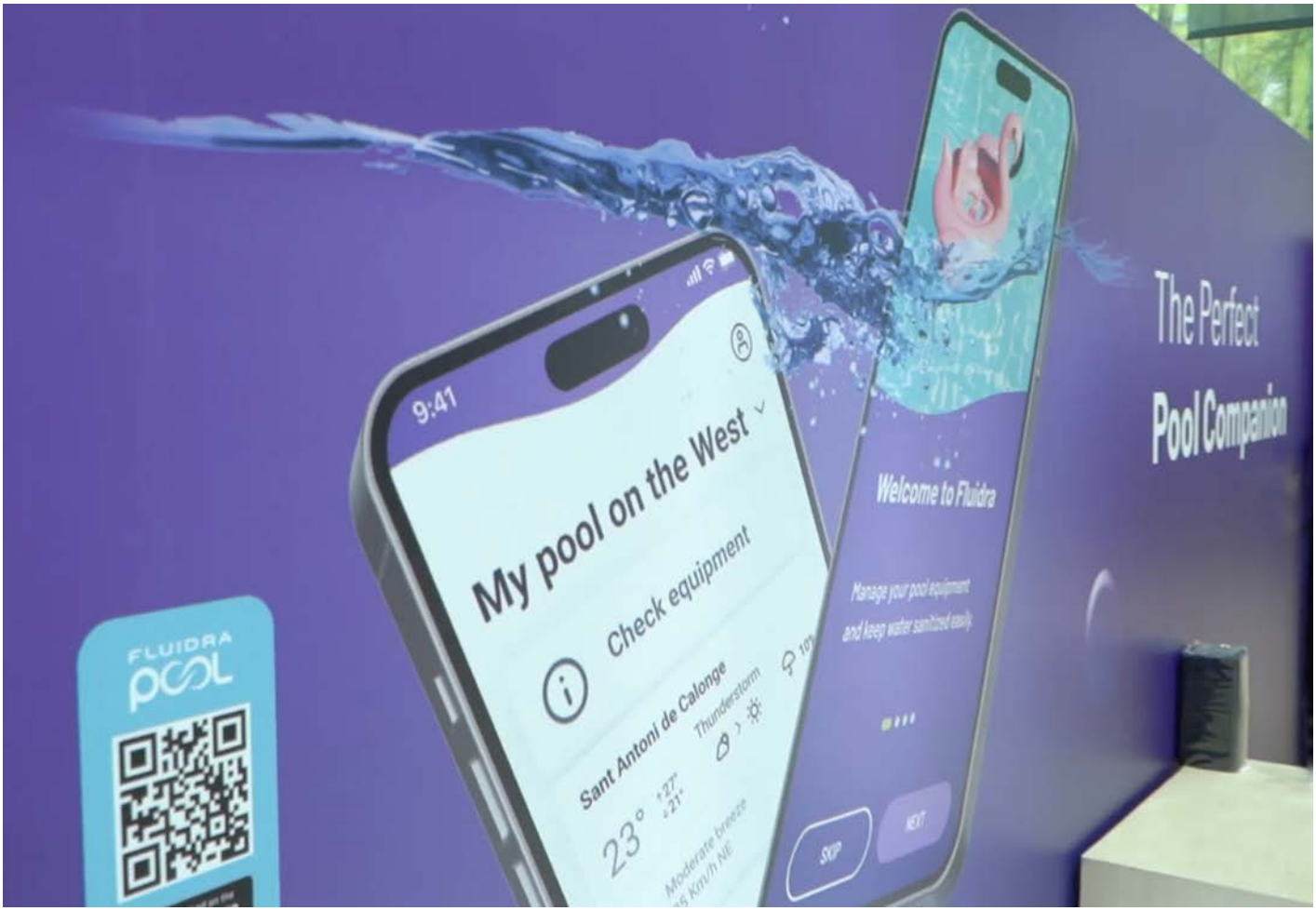
On a global scale, at Fluidra we are proactive in taking the necessary measures to strengthen security and safeguard the data associated with our IoT products and digital solutions. This allows us to increase users' confidence, so they can enjoy a secure and reliable digital experience.

Aware of the growing risks of cybersecurity breaches, we employ cutting-edge technologies and use rigorous protocols to protect user information and maintain the integrity of our systems.

In collaboration with the Cybersecurity Department, we develop security assessments prior to product launch, continuously monitor product performance and perform the necessary periodic updates in order to minimize any vulnerabilities that may arise.

On the other hand, at Fluidra we work to ensure that people without advanced digital skills can use our offerings with confidence and security.

We prioritize user-friendly interfaces and incorporate intuitive design principles, thus bridging the digital divide and making IoT technology accessible to a wider audience. In addition, our products continue to include human-machine interfaces (HMI) as an alternative to digital applications.



3.5
Quality Management

GRI 3-3

Quality—with a focus on maximum customer satisfaction, experience and loyalty as part of a framework of sustainable and profitable growth—is one of the cornerstones of our organization. We want Fluidra to be known as a company that is easy to do business with, and offers the finest products on the market.

This is why we prioritize the deployment and continual improvement of global systems and approaches that help us to **better listen and respond to our customer's needs and concerns** while simultaneously striving to build a **culture rooted in shared attitudes**, methodologies and tools for a global concept of quality that permeates every element of the value chain.

To that end, our **Global Quality department,** as part of the Global Operations area, is mandated to promote a quality-focused culture by developing processes, assessing risks and opportunities, and driving continuous improvement. In fact, Fluidra has Quality Teams located in ten different countries, with regional and global quality managers.

Global Quality Management System

In order to ensure Customer expectations are met or exceeded, Fluidra has a **Global Quality Management System** defining business processes, functions, and policies necessary for the Continual Improvement of Quality. This management system was approved by Executive Committee (MAC) and deployed in January of 2021, in accordance with ISO 9001:2015.

The Global Quality Policy and the Quality Management System Manual set out the company's guiding principles in this area, backed by more specific procedures for quality management at the different stages of the product life cycle. The entire organization has access to these policies and procedures in the Quality section of our corporate intranet.

Our focus in 2023 has been on both expanding and continuously improving the Global Quality Management System. We continue to make progress year after year in the deployment of business processes and the promotion of quality concepts on a global scale, without overlooking the specific, critical points the company must focus on from a local standpoint.

At Fluidra, we strive to deliver the perfect pool and wellness experience responsibly for our Customers by providing exceptional products and services driven by a quality focused approach that is guided by our core values.

This helps us to improve customer satisfaction and experience while offering faster and more effective solutions coupled with quality in the way we design new products and manufacturing processes, both in our factories and with our manufacturing suppliers. Evidence of this can be seen through the Intelligent Quality System (IQS) deployment EMEA Manufacturing Sites as well as the Continual Improvement in our Customer Quality systems and processes.

The IQS is a software that allows us to collect all Quality related data that our production processes generate and deep dive in to the detail. This data is all in real time, which empowers the Team to make efficient Manufacturing decisions, and in turn, minimize the risk of poor Quality. Through the software we also manage incidents, the resources required in each process, as well as system audits.

During the planning of the Quality Management System, Fluidra considered aspects related to: its Processes, Internal and External Aspects, and Stakeholder Concerns and Requirements based on the Data Collected according to the Risk Mitigation and Escalation Model.

Risk Mitigation and Escalation Model



This risk escalation and mitigation model promotes Fluidra's ability and determination to meet its documented requirements for products and services offered to our customers. Fluidra conducts appropriate reviews, tests, and inspections to ensure compliance to those requirements.

The company determines the essential design requirements for products & services and verifies and validates those designs to ensure both finished design and product meets input requirements. Should deviations occur during inspection or test, product or service is contained, corrected and re-inspected before use.

Fluidra implements production and service provision under controlled conditions and meets statutory and regulatory requirements for post-delivery activities associated with the products & services.

In this direction we have established 5 fundamental pillars to guarantee the quality of our products and services:

1. **Infrastructure,** we provide the necessary infrastructure for the entire process, to ensure customer compliance.
2. **Process Operating Environment,** we take care of the operating environment to make it run successfully.
3. **Measuring Resources**, we provide the necessary resources to ensure reliable results and monitor each stage of the process.
4. **Competence,** we are really proud of the quality of our products and services and take pride in our way of determining the competence employees throughout the process.
5. **Awareness,** Fluidra will ensure that people performing work under Fluidra's Quality Management System are aware of the Quality Policy, the relevant Quality Objectives and their contribution to the effectiveness of the Quality Management System and its benefits.

In order to intending to uphold the industry's finest quality team in 2023 Fluidra's management facilitated a professional development program for the fifth consecutive year, nominating candidates from all over the world to participate in extracurricular training and certification provided by the American Society for Quality (ASQ), the authority in quality benchmarking.

This year, 13 Candidates are pursuing ASQ Certifications for Certified Manager of Quality, Certified Quality Engineer, and Certified Quality Auditor. ASQ certification, widely recognized throughout the industry, internationally endorses the professionalism of companies who hold this certification, since it focuses on updated quality tools and concepts. Training has improved the depth and skill set of our Quality teams and will remain a global priority in coming years.

Finally, certifying our key locations around the world to ISO 9001:2015 remains a top business priority. Two active projects to obtain ISO Certifications were also initiated in 2023 at Idegis and the new R&D Center in Spain with the goal of achieving ISO Certification in 2024.

Furthermore, following the integration of Productes Elastomers into Sacopa in 2023, the certifications of both companies have been unified under Sacopa's certification.

In 2023, we are also working with our main manufacturing supplier in the North American region to implement and certify its Quality Management System, thus extending our commitments to our entire supply chain.

ISO 9001:2015 Certifications

Company	Country	Start date	End date
Fluidra Commerciale Italia (Agrisilos activities)	Italy	12/10/2021	12/14/2024
Cepex	Spain	9/28/2021	9/27/2024
Fluidra Brasil Indústria e Comerço	Brazil	2/25/2023	2/16/2026
Fluidra Global Distribution	Spain	1/12/2022	1/11/2025
Fluidra Industry France	France	2/26/2022	2/25/2025
Fluidra Waterlinx	South Africa	5/11/2022	7/16/2025
Inquide	Spain	4/26/2021	4/25/2024
Manufacturas GRE	Spain	2/25/2022	2/25/2025
Poltank	Spain	5/18/2021	5/15/2024
Sacopa	Spain	8/4/2021	8/4/2024
Talleres del Agua	Spain	11/9/2022	11/8/2025
Taylor Water Technologies	USA	11/5/2021	11/28/2024
Zodiac Pool Care Europe (R&D Belberaud)	France	1/10/2022	1/9/2025

3.6
Product compliance and safety

In line with our commitment to quality, Fluidra continually ensures that all of the products it releases are free of risks to people and the environment, and that they comply with the current legislation both internationally and in the countries where they are sold.

3.6.1. Product compliance

In a globalized world, where trade barriers are disappearing and markets are becoming interconnected, multinational companies such as Fluidra face a complex and dynamic environment.

One of the most critical pillars for sustainable success in this scenario is strict compliance with product safety standards. Fluidra views compliance with safety standards as a strategic imperative, as it allows us to:

Ensure quality and trust

Complying with safety standards is not merely a legal issue; it is also a strong indication of product quality. When Fluidra demonstrates that its products comply with the strictest regulations, that sends a powerful message to consumers: "Our products are safe and high-quality." This trust is the cornerstone for building long-term relationships with customers and establishing a strong presence in multiple markets. .

Competitive advantage

In a saturated market, regulatory compliance can be a key differentiator. It provides a competitive advantage that can be particularly useful in sectors in which consumer safety is a primary concern. Companies such as Fluidra that take safety seriously are often in a stronger position to negotiate with suppliers, establish partnerships and, most importantly, attract quality-conscious consumers.

Reduce risks and costs

Non-compliance can be extremely costly with consequences ranging from fines and legal penalties to product recalls and reputational loss. By adhering to safety standards, companies not only avoid these costs; they also minimize the risk of litigation and possible loss of licenses to operate in certain markets.

Promoting innovation

Far from being a constraint, the focus on safety and compliance can act as a catalyst for innovation. By striving to exceed industry standards, companies are driven to conduct research and develop solutions that are not only safe, but also more efficient, sustainable and effective.

Responsible business conduct

Safety compliance is also a vital component of our ESG strategy. By ensuring that our products are safe and ethical, we reinforce our commitment not only to consumers but also to society at large

It is the responsibility of our **Product Compliance Department** to ensure that all of our products comply with the regulations and standards in the various markets we operate in. The department's organizational structure has been carefully designed both to reflect a global perspective and to meet the specific needs of each region and country. This ensures that we are agile and receptive to the markets' changing needs. And we do all of this while maintaining a high level of integrity and compliance in all our operations.

At the highest level, the global director of product compliance, under the **Chief Technology Officer** (a member of the Executive Committee), oversees all of the Company's regulatory operations. This role focuses on the overall compliance strategy, coordinating global policies and ensuring smooth communication between the different regions and business units.

Three regional managers (AMER, EMEA and APAC) report directly to him. They are responsible for adapting the global strategy to the particular needs and requirements of their region, including local laws, market practices and consumer preferences.

We also have a compliance officer for **chemical products.** This role is especially critical due to the complexity and high level of regulation in this area. The officer has a global scope, reporting directly to the **Global Product Compliance Director,** and focuses exclusively on ensuring that all chemicals and substances used comply with applicable regulations, coordinating with the existing teams in each region.

Regulatory management

At Fluidra, we keep up to date with regulatory changes by collaborating with various external partners who inform us in detail of **any changes or modifications to regulations affecting our products.**

This year we strengthened our approach with a tool that allows us to keep a constant watch on the most relevant standards for our products (EN, IEC, ISO and others) with global coverage and access.

However, that is not enough, so **Fluidra participates in and collaborates with various national and international standardization bodies and committees**, as well as with associations of product manufacturers and industry association**s.** Thanks to these efforts, we are able to foresee regulatory changes and have sufficient time to incorporate them into our processes and notify and train our customers and suppliers.

We also actively work with the best national and international certification laboratories, including UL, Intertek, TUV, SGS, Bureau Veritas, and IMQ, among others. These associations are not merely transactional. They are strategic collaborations that support us throughout the product evaluation process by providing us with a rigorous and specialized assessment that ensures we meet the highest safety and quality standards. In addition to offering testing and certification, they also advise us on how to adapt our products to new regulations and emerging standards. This collaborative approach enables us to stay one step ahead of regulatory compliance, minimizing risk and accelerating time to market.

Maintaining an organized, accessible and up-to-date record of all documentation and certifications is crucial for both regulatory compliance and efficient communication with customers and partners. For internal customers, having quick access to this information is essential to make informed decisions and comply with legal requirements. In the case of external customers, providing them with up-to-date documentation and certificates not only demonstrates transparency, but also builds trust in the quality and safety of our products. It also facilitates audit compliance and reduces the time and resources spent responding to queries and complaints.

So, this year, we created a new product compliance area in the product information management (PIM) software. Once we have entered all the documentation about our products in 2024, all the information will be available in one place, making us more efficient.

Another initiative carried out in 2023 was the work to implement, support and train our internal teams on European standard EN 17645:2022 (environmental performance evaluation of private swimming pools for family use). Fluidra contributed to developing this standard as a member of the European committee responsible for defining it. We have also been actively working to help our clients carry out the correct environmental efficiency evaluation of pools in accordance with these regulations.

The department worked with the packaging, legal and corporate compliance teams on the various implementations required to comply with the Spanish Royal Decree on packaging and packaging waste, as well as extended producer responsibility for packaging requirements in France and the rest of Europe. To achieve this, we partnered with Assent Compliance, a company that helps us manage all stages of regulatory compliance, from data acquisition to drafting the necessary reports.

Chemical product management

Fluidra markets **pool water treatment products** such as disinfectants, oxidizers, algaecides, wintering agents, flocculants, pH regulators, alkalinity increasers, non-chlorinated disinfectants, cleaners and metal sequestrants, among others.

In some cases, our production centres are responsible for making the **mixtures or dilutions of the raw materials and then packaging them in the various formats and quantities for sale.** We currently have six production centres in South Africa, Australia, Brazil, Spain and Italy that specialize in this task. All of them have the appropriate security measures for their management and storage. In other cases, we purchase finished and packaged products from our suppliers, ready for distribution.

Due to the potential impacts that chemicals can have on the environment and people, our priority is to ensure they are properly managed and comply with all regulations. These include REACH (chemicals), BPR (biocides) and CLP (classification, labelling and packaging of substances), GHS (global harmonized system for classification and labelling of hazardous chemicals), UNE-EN standards for chemicals and chemical disinfectants, as well as all other standards applicable to chemical products in all the countries where we market them.

We are also in regular contact with the European Chemicals Agency (ECHA), as well as with other international organizations such as CEFIC (European Chemical Industry Council), Euro Chlor and IIAHC (Isocyanurate Industry Ad Hoc Committee), the Australian Pesticides and Veterinary Medicines Authority (APVMA), Anvisa (Agência Nacional de Vigilância Sanitária) in Brazil, the Department of Agriculture, Land Reform and Rural Development (DALRRD) in South Africa, as well as the other official bodies in the countries we market our products in.

At the end of 2023, we had 715 registered biocidal products, 45 more than the previous year. This growth is due to new registrations in various countries for our tablets, including those that now have 0.3% less boric acid. By eliminating this hazardous substance, we are reducing the health risk to our customers with boric acid-free tablets.

We have also registered 38 new products with these active ingredients in various European countries, Australia, South Africa and Brazil. We plan to register 70 more in 2024, benefiting from the transitional period under the BPR Regulation, as well as other national regulations, in order to increase sales in this category.

Finally, since January 2023, we have integrated Fluidra's various existing databases of national chemical registrations into a new centralized global database. This will make the data readily available for consultation and monitoring of all national registrations available in each country (by formula and brand).

Product registration and labelling process

We review all of the regulatory requirements for product labelling so that we can clearly and transparently communicate the origin, components and instructions for use of our products, as well as disposal and waste management, in accordance with applicable laws in the various countries.

One example is that, in 2023, we started to adapt all labels of chemical products marketed in South Africa to comply with GHS requirements. In parallel, we began an update of all safety data sheets to comply with South African legislation and GHS requirements. The update is 40% complete.

We are also working with the relevant authorities to respond immediately to any potential problems related to our products' labelling and packaging.

Fluidra Waterlinx (South Africa) is a clear example of these practices. In 2023 we have modified four packaging moulds and 36 product codes to include the embossed hazard symbol as part of the compliance requirement based on the hazardousness of the products they contain.



Incident management

In 2023 just **two incidents** were reported in Belgium and France. After we were notified of the problem by the authority responsible, Fluidra set up a **working group with members of the compliance, purchasing and quality teams to analyse the possible causes and pinpoint the necessary preventive and corrective measures.**

In Belgium, Phosfree and CarePods had to be withdrawn from the market because they did not have a national biocide registration. In the case of Phosfree, registration was required because it was considered an indirect biocide, despite having no direct biocidal efficacy, while CarePods had to be registered due to a change in composition.

As a solution, Fluidra Commercial Belgium implemented a double verification process to launch chemical products, ensuring regulatory compliance. As a result of this, the company received an administrative fine of an insignificant amount and decided to withdraw the products from the market and discontinue their sale in that country.

There was also an incident in France, as a result of some products imported from outside the EU being mislabelled. This led Fluidra Commercial France to withdraw them from the market. It also reinforced the purchasing process for these imported products to prevent similar problems in the future. As a result of these incidents, 843 product recalls were recorded.

Due diligence on conflict minerals

As part of our commitment to human rights, we work to implement due diligence processes to ensure that we do not contribute to human rights abuses in our business relationships.

With regard to minerals that may come from conflict zones, Fluidra does not directly import or purchase these types of metals (tin, tantalum and wolfram, their ores and gold), although some of the products we sell may contain small amounts of them.

Although we are not subject to Regulation (EU) 2017/821, we plan to incorporate into our Code of Ethics for Suppliers our commitment not to work with suppliers that use minerals from conflict zones.

3.6.2. Product safety

We strive to ensure that all our products comply with mandatory safety standards so that they pose no risk to users, customers, employees, or the environment.

With this goal in mind, we implemented a global strategy designed to continue to effectively manage potential safety concerns while promoting safety requirements during the new **product development process (NPD).**

The Product Compliance team carefully evaluates the safety and regulatory compliance of all products Fluidra puts into commerce to promote compliance with all legal and applicable regulatory requirements. These evaluations include, but are not limited to, product planning and design activities, design reviews, and product testing.

In order to address any questions or incidents in this regard, in 2019 we set up a **Global Product Safety Council**. This is an internal body to which employees, customers and end users can turn for information and guidance, ask questions and raise concerns about product safety.

The Security Council is also responsible for overseeing investigations into any safety issues associated with our products, reporting (if appropriate) to the relevant agencies, and directing the implementation of corrective actions such as product recalls. In response to any report, among other measures, we analyse the nature of the potential defect, as well as the severity of the potential risks or injuries that may result from it, and conduct tests at our facilities to replicate the reported situation, in order to find its origin.

The council is made up of representatives from various departments, including Legal, Product Compliance, Engineering, Risk Management and Operations. In addition, councils have been established in each of our major regions to ensure proper communication and feedback. In 2023, the Safety Council focused on maintaining its communication and risk mitigation across the organization, ensuring that issues were addressed promptly and effectively.

There were no new significant issues raised in 2023. We did continue to track the recall of gas heaters in Australia that began in 2021. Overseen by the ACCC (Australian Competition and Consumer Commission), the Group continued to manage the recall and since closed over 11,622 cases of the total 11,795 cases received, 1,271 cases more than last year (10,524 cases).

Did you know that...?

Since 2006, all pools (public or private) in France are required to have safety systems such as fences or covers to protect children.

Pool covers, besides preventing evaporation and reducing the energy costs involved with heating the water, prevent the risk of accidental drowning.



4

WE IMPROVE PEOPLE'S WELL-BEING

4.1. We stand up for human rights
4.2. Keeping the best team
4.3. Health, Safety and Well-being
4.4. Committed to the community



6,409
employees (-5% vs. 2022)

98%
with permanent contract (97.9% in 2022)

34.6%
Women in the workforce (34.9 % in 2022)

1.7%
Adjusted wage gap (3.3% in 2022)

22.2
Training hours per employee (+50% vs. 2022)

945k€
Social action investment (1M€ in 2022)

0.91
Total accident rate - TRIR (1.07 in 2022)



We improve people's well-being

Through the Social pillar, at Fluidra we aim to ensure the well-being of people, both inside and outside the Organization.

We are committed to generating quality employment, promoting fair, safe and healthy working conditions around the world, as well as ensuring work environments where all people have a place, are respected and have equal employment opportunities.

Finally, we play an active role in the communities in which we operate, participating in initiatives that seek to increase their economic and social development, thanks to the initiatives carried out both by the Fluidra Foundation and by the different companies of the Group.

4.1

We stand up for Human Rights

GRI 3-3

As a member of UN Global Compact, Fluidra is committed to supporting and respecting the protection of internationally recognized human rights and ensuring the organization is not complicit in breaching any of them.

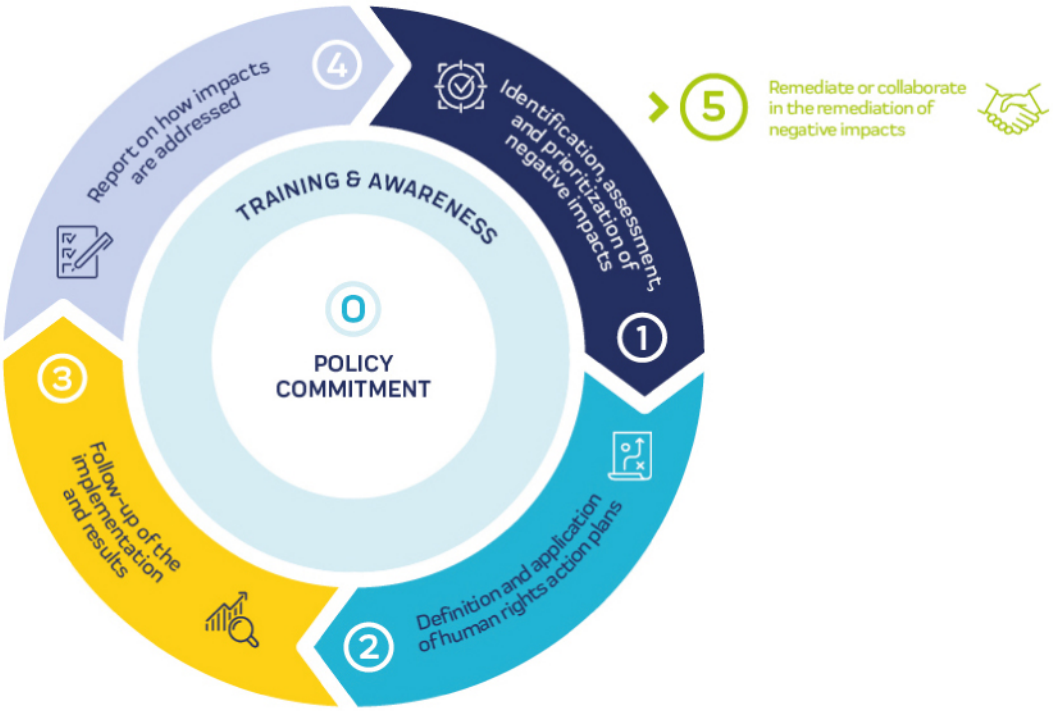
We are aware that the activities we carry out at Fluidra, the complexity of our supply chain, and the context of the countries we operate in present a potential human rights risk that must be prevented or mitigated, as well as eliminated or minimized in the event of any impact having occurred. We currently operate in the following high- or extreme-risk countries[34] : China, Turkey, Brazil, Mexico, Russia, Kazakhstan, United Arab Emirates, Malaysia, Colombia, Egypt, Romania, India, Thailand, Indonesia, Tunisia, Morocco, South Africa and Vietnam.

So in 2021 we defined our **Human Rights Management Framework,** which is aligned with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises to address and integrate the protection of and respect for these rights across all areas of the organization.

Through this model we also respond to the specific human rights requirements set forth in the legal systems of our countries of operation, as well as the due diligence regulations in France and Germany, among others.

The ESG Department, part of the group's Global Finance, Sustainability and Transformation Area, is responsible for leading this area and working with key departments (including Human Resources, Procurement or Compliance, among others) to implement our commitments. It is also responsible for regularly reporting to the Global ESG Committee on the main actions carried out to comply with the objectives defined by the Company in this area.

Human Rights Management Framework



[34] The average country risk given by the Verisk Maplecroft platform (Q4 2023) is considered for the following human rights impacts: "Child Labour", "Decent Wages", "Decent Working Time", "Discrimination in the Workplace", "Forced Labour", "Freedom of Association and Collective Bargaining", "Migrant Workers", "Minority Rights" and "Modern Slavery"

4.1.1. Our Commitment to Human Rights

GRI 2-23

In December 2020 the group's Board of Directors issued the Global ESG Policy, which applies to all of our activities and business relations. It includes and specifies the commitments and principles of action that must be complied within this area by everyone at Fluidra.

At the end of 2023 we have revised our policy to align it with the requirements of the future EU Directive on Corporate Sustainability Due Diligence. The ESG Policy is available to all stakeholders on the group's corporate website.

Access the Global ESG Policy on our corporate website.

Through this policy, we subscribe to the human rights recognized internationally in the International Bill of Human Rights, as well as in the fundamental conventions and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO). We also passed the following resolutions:

- **Integrate policy commitments** into the Code of Ethics, Code of Ethics for Suppliers and the rest of our policies, directives and procedures, detailing what Fluidra expects regarding human rights from all of its stakeholders.
- Have an **ongoing human rights due diligence process** to identify, act on and be accountable for potential and actual impacts throughout our value chain.
- Periodically review the **effectiveness of the confidential channel** in accordance with the UN Guiding Principles on Business and Human Rights, and take the necessary steps to provide and/or enable remedies for human rights impacts.
- **Do not fail to respect human rights** even if a State does not apply its relevant national legislation, or does not respect or infringes its international obligations in this area.

4.1.2. Ensuring Due Diligence

GRI 2-24; 412-1; 412-2

4.1.2.1. Identification, evaluation and prioritization of potential impacts

At Fluidra we have due diligence processes in place to prevent and mitigate potential impacts, as well as to eliminate or minimize the scope of actual negative impacts on human rights. To this end we have integrated the guidelines of the OECD Due Diligence Guidance for Responsible Business Conduct.

In 2021 we identified 28 potential human rights impacts our organization could cause or contribute to causing due to our activities, products, services and business relationships throughout the different stages in our value chain.

List of potential impacts

Work environment	
Negative impacts on employees arising from the contractual relationship.	
Excessive working hours, lack of flexibility and breach of minimum rest periods.	✔
Unfair, unequal and insufficient remuneration.	✔
Discrimination and unequal treatment in the workplace.	✔
Insufficient employee education, training and professional development.	✔
Interference with maternity and paternity rights.	✔
Restriction of freedom of association, collective bargaining and striking.	✔
Harassment, intimidation, degrading treatment and violence in the workplace.	✔
Unsafe and unhealthy work environments.	✔
Forced labour and other modern forms of slavery.	✔
Child labour.	✔
Lack of consideration of the impact of digitalization and automation on employees.	✔
Community and the environment	
Disruptions of the company's operations on the well-being and development of the community.	✔
Environmental pollution and irresponsible waste management.	
Irresponsible sourcing, management and use of natural resources.	
Relationship with customers and end users.	
Lack of accessibility and affordability of products and services.	
Lack of consideration of human rights in the conceptualization and development of new businesses, products and services.	
Inappropriate, misleading, deceptive, untruthful and irresponsible communication about products and services.	
Disrespectful behaviour toward customers.	
Mergers & Acquisitions	
Lack of consideration of human rights in merger and acquisition processes.	✔
Cross-cutting impacts	
Corruption and bribery.	
Anticompetitive practices.	
Violation of data protection and confidentiality of information.	✔
Infringement of intellectual and industrial property rights.	✔
Restrictive interpretation of local legislation, as opposed to international human rights frameworks.	
Tax evasion.	
Infringement of the duty of information and accountability.	
Absence or ineffectiveness of human rights complaint or consultation mechanisms.	✔

Given the diversity of activities and multitude of countries in which we operate, a team of human rights experts from the ESG Department, in partnership with the responsible areas, is carrying out a preliminary assessment of each of these potential impacts throughout the various stages in the value chain and will then prioritize them.

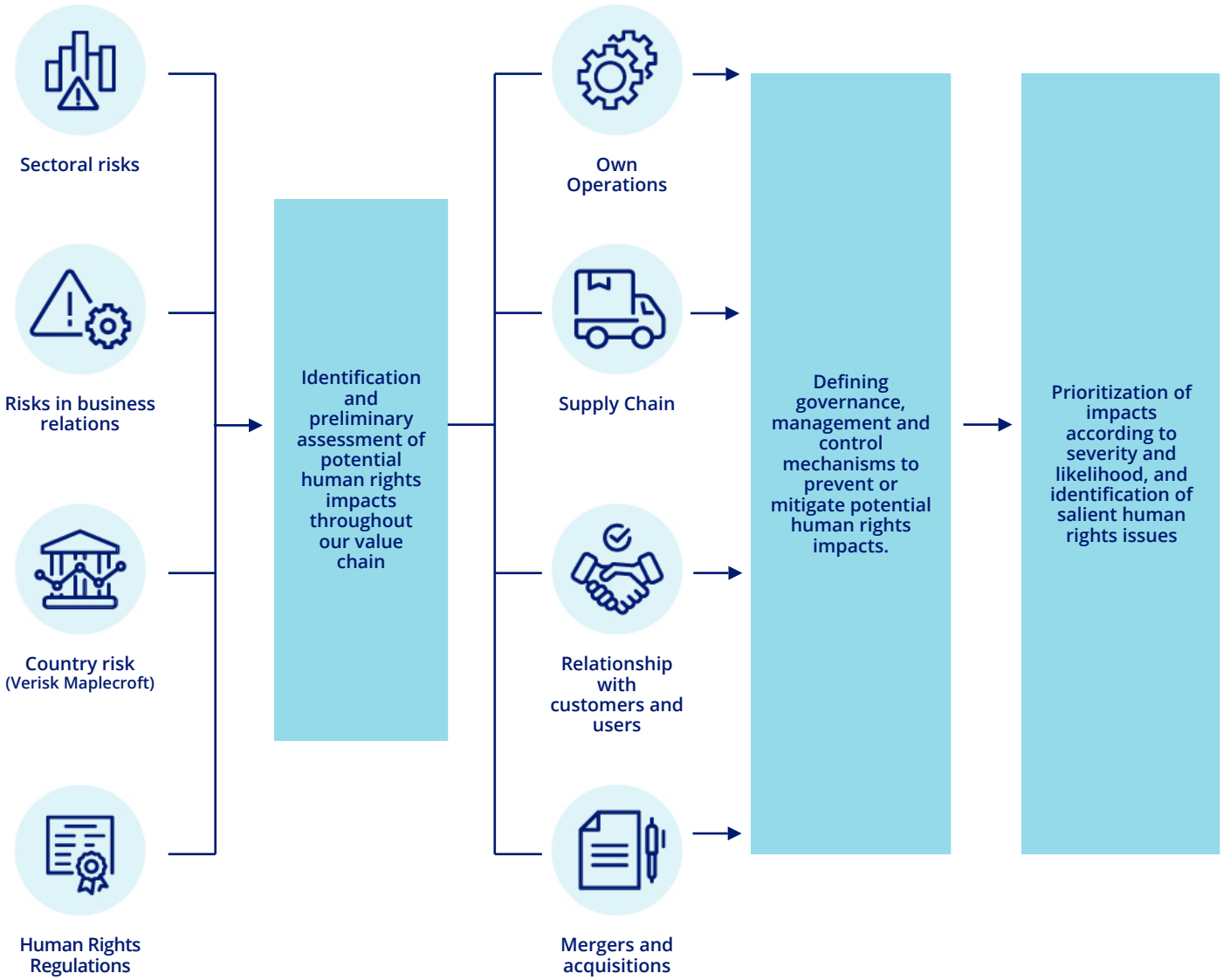
In this assessment, we pay special attention to conflict and high-risk situations, as well as the rights of the most vulnerable groups in relation to each of the potential impacts, such as women, children, minorities, migrant workers and indigenous peoples.

As a result, we have defined governance, management and control mechanisms to prevent or mitigate potential human rights 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 remedy them immediately.

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.

In 2023 we completed the evaluation of five new impacts (reaching a total of 15 out of 28), together with the definition of action plans corresponding to the impacts assessed in 2022.

Process of identifying, assessing, and prioritizing potential human rights impacts





When this work has ended, we will prioritize the most severe impacts and the ones most likely to occur (also known as salient human rights issues) to focus our efforts on them.

These will be provided more exhaustive action plans pivoted to the peculiarities of the activities and contexts of greatest risk, whose efficacy and correct operation will be monitored and assessed by the ESG Department every year and supervised by Internal Auditing. Fluidra will report annually on the measures adopted for each of these impacts in the Integrated Annual Report.

Management of impacts and follow-up of measures adopted

Fluidra's impact management is carried out in the different stages of our value chain. The following are the main actions taken in 2023 as part of our due diligence process.

Own Operations

The ESG Department, in collaboration with the departments responsible, assesses and acts on the potential impacts on human rights that could arise in the group's facilities, or as a consequence of the activity carried out in them, which could affect the rights of our staff and other stakeholders.

We have a preliminary assessment process for each potential impact. This is initially carried out through interviews or questionnaires sent to the people responsible for its management, at both corporate and local level. A total of 32 companies were involved in the assessment, representing 64% of the workforce at year-end (68% in 2022).

In addition, in 2023 we started an on-site assessment program developed by external suppliers. This allows us to detect more precisely the group's facilities where there may be a greater risk of human rights violations, based on their location and activity.

During the year we completed assessments of our operations in Brazil and South Africa, covering 9.3% of the workforce. As a result, 2 non-conformities linked to Health and Safety issues have been detected in South Africa, which have been resolved before the end of the year. In the case of Brazil, we are awaiting receipt of the report of conclusions. In addition, we plan to extend these evaluations to new countries during 2024.

Based on the results, we have taken certain actions to prevent and mitigate the potential human rights impacts assessed so far. Moreover, the degree of implementation of these measures has been integrated in the ESG objectives linked to the variable pay of senior management and other key people in the company.

For more information, see section 1.2. Responsibility Blueprint: our roadmap.

Firstly, we have carried out a **review of our regulatory model** in this area. Along with the update of the ESG Policy, we have started revising our Code of Ethics and Code of Ethics for Suppliers, which we expect to be approved in early 2024. The ESG Department is also working on procedures with measures to prevent forced labour and child labour throughout our value chain.

For more information on these matters, see section 4.2.2. Generating quality employment.

Secondly, we have defined a **global human rights training plan** made up of four main blocks. As a result, in 2023 a total of 2,954 people (46% of our workforce at year-end) completed more than 776 hours of human rights training (compared with 60 hours in 2022).

- **Introductory training:** training pill on what human rights are and how they are managed at Fluidra for the entire workforce. This training pill, launched in September, is also part of the onboarding plan for all new employees who join Fluidra.
- **Advanced training:** training offered by the ESG Department for key departments of the company. It presents the most relevant regulations in this area and the human rights management framework at Fluidra.
- **Training topics:** training sessions focused on specific human rights impacts (child labour, forced labour, etc.) provided by the ESG Department or the departments responsible for managing each of the impacts.
- **Country training**: training provided by group companies on the main human rights regulations in force in the country of operation.

In the future we will focus on the last two blocks in order to continue to deepen our understanding of how human rights arise in the organization's day-to-day work.

We have also carried out a project to **improve our communication of applicable working conditions** to staff so that they can view them at any time after signing their contract. We have created an employee manual for our companies in China and a specific page on the intranet at our corporate headquarters containing all of the information on working hours, leave of absence and vacations, among other information of interest.

Lastly, our main site in Australia has replaced its **clocking system** with a digital one to better monitor compliance with the working time regulations and make it easier for staff to keep track of their remaining vacation days.

In addition to these measures, which are included in the human rights action plan for the financial year, other departments have applied additional measures in their action plans to contribute to mitigating potential impacts. These measures are described in the following sections: "3.3.2. Intellectual Property Protection", "4.2. Keeping the best team", "4.3. Health, Safety and Well-being", "5.3.1. We promote an ethical behaviour" and "5.7.2. Privacy and protection of personal data".

Supply Chain

Assessment of potential human rights impacts that could occur in our supply chain is the responsibility of the Procurement Department and is integrated in the supplier selection, approval and evaluation systems and processes.

In line with the work done the previous year, we have continued to train our main suppliers on the human rights commitments set forth in the Code of Ethics for Suppliers and Fluidra's due diligence mechanisms. We have also integrated human rights country-risk criteria when identifying our critical suppliers.

For more information, see section "5.4.3. Advancing shared values".

Customer and User Relations

In 2023, we started assessing the potential impacts that may arise in the context of our relationship with customers and users, analysing privacy and personal data protection issues. The main focus has been on connected products, due to their strategic importance and the high number of users who make use of them.

For more information, see section 3.4. Connected Pool.

In the following years, we plan to reinforce our commitments to providing quality information and developing responsible marketing campaigns as part of our ongoing review of our Code of Ethics.

Mergers and Acquisitions

Since 2022 the due diligence process prior to transactions involving the integration and purchase of new companies involves consideration of ESG aspects, including potential human rights impacts. We thus analyse the potential impacts associated with the type of activity and geographical location of the facilities of the company to be bought, and seek the necessary documentation on managing the potential human rights impacts in line with the existing level of risk.

The future procedures for the prevention of forced labour and child labour that we are working on will include the obligation to inform the governing body responsible for approving the operation in the event that a high level of risk is identified in these areas, together with the recommendation not to continue with the process. If the acquisition ends up being carried out, an external audit and the definition of a corrective action plan to be implemented during the first hundred days after the acquisition agreement is recommended.

4.1.3. Grievance Mechanisms

GRI 2-25

The **confidential channel** is the mechanism provided for our stakeholders to confidentially and anonymously raise complaints or queries regarding the principles in the Code of Ethics, any of our group policies or the law.

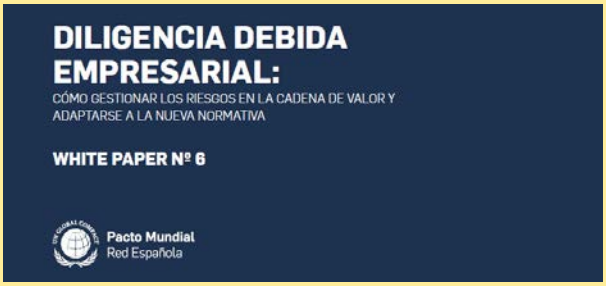
For more information on complaints received, see section "5.3.1. We promote an ethical behaviour".

At the same time, we monitor the conduct and operations of different group companies through internal and external audits, regular visits, and management controls, with a special emphasis on the geographical areas most susceptible to fraud, corruption, bribery and exploitative working conditions.

Within the framework of the preliminary assessment of potential impacts on human rights, in 2022 we analysed the efficacy of the Confidential Channel pursuant to Guiding Principle 31 of the United Nations Guiding Principles on Business and Human Rights. As a result, management of the channel was outsourced and the number of languages in which queries could be made was increased to a total of 16.

In 2023 we continued to implement the action plans arising from this evaluation. Last July the **Speak Up Directive and the Procedure for the Management of Communications Received through the Confidential Channel** was approved by the Regulatory Compliance Department and announced on the corporate intranet.

In addition, in October, a global campaign to raise awareness of the confidential channel was launched so all group companies will continuously inform staff of the existence of the channel on information screens or, in the absence of such screens, by putting up posters in the facilities.



We collaborate with the United Nations Global Compact for the promotion of Human Rights

Throughout 2023 Fluidra supported and participated in the various working groups organized by the Spanish network of the United Nations Global Compact in this area, such as the first edition of the **Business & Human Rights Accelerator** and the **Human Rights Learning Group**.

In addition, our human rights due diligence model was selected as a best practice in the white paper **Corporate due diligence: how to mitigate negative impacts in the value chain and adapt to new regulations,** presented last December.



4.2
Keeping the best team

GRI 3-3



Fluidra's success would not be possible without our excellent professionals and their ability to 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, we have a Human Resources strategy, aligned with the corporate objectives, which focuses on attracting and retaining the best talent, while fostering an inclusive and attractive work culture that drives business success.

The Human Resources Department is responsible for coordinating and developing the implementation of this strategy with a robust team of professionals led by the Chief Human Resources Officer (CHRO), a member of the Executive Committee (MAC), and made up of the corporate teams, the Centers of Excellence and regional and functional HR departments.

In addition, at least once a year, the Board of Directors' Appointments and Compensation Committee supervises the implementation of the strategy, the performance of projects, and the achievement of targets linked to our Responsibility Blueprint.

4.2.1. You make us grow

Our main mission in Human Resources is to be as close as possible to the business to create a resilient and future-proof organization that will enable us to achieve our business strategy.

In 2023 we revised our Human Resources strategy for the 2024-2026 period, called "You make us grow". It is structured around three major areas with action plans, projects and targets directly connected to each of the company's strategic areas, making it easier to achieve them.

HUMAN RESOURCES STRATEGY 2024-2026

CULTURE

Promote a strong and agile culture, fostering a sense of belonging and reinforcing our values and brand identity.

- Create and implement a culture of agility.
- Define a brand identity plan to reinforce the message "One Fluidra, one Culture".
- Foster a culture of recognition.
- Improve the employee experience (onboarding, EVP).
- Promote Diversity, Equity and Inclusion (DEI).

TALENT

Drive talent development and enhance learning agility to ensure business success.

- Strengthen talent review processes, succession planning and development plans for key positions.
- Build a pool of internal and external talent.
- Definition of the talent attraction model and strategy.
- DEI as the strategic core of the talent acquisition and management process.
- Strengthen leadership skills and apply self-knowledge programs.

RESILIENT ORGANIZATION

Support the growth and transformation of the business by creating an efficient and flexible organization with a solid HR Operating Model as its foundation.

- Definition of Fluidra's future organization and organizational models (including the Organizational Map).
- Definition of a Human Resources management system to improve employee experience, data accuracy and improve analytics.
- Compensation Strategy and International Mobility Policies.
- Labor Compliance and Human Rights.
- Driving Transformation through Change Management.

4.2.2. Generating quality employment

GRI 2-7

Team Fluidra

As previously mentioned in section 2.1.3., the Group is currently immersed in a transformation process, which impacts organizational processes and models, with the aim of accelerating the growth of the organization and ensuring its future sustainability.

Among other measures, we are proceeding with the merger between companies located in the same country, in order to seek synergies and operational efficiencies, which has led to a slight adjustment of our workforce in the last year.

Headcount by Region

	2023	2022	% Change
HQ	322	308	5%
EMEA	3,719	3,809	-2%
AMER	1,407	1,648	-15%
APAC	961	1,006	-4%
Fluidra Total	**6,409**	**6,771**	**-5%**

As a result, our workforce at the end of the year was made up of 6,409, -5% less than in 2022. All regions have reduced their workforce, with the exception of the corporate headquarters in Sant Cugat del Vallès, where we have continued to strengthen our teams to provide better service to the business.

In line with the above, Fluidra remains committed to generating stable and quality employment. In 2023, 98% of the workforce had permanent contracts, compared to 97.8% the year before. Moreover, 97.7% of contracts at year-end were full-time, very similar to 2022 (97.5%).

Due to the seasonal nature of our business, the workforce varies significantly throughout the year. It peaks from January to May (during the season preparation campaign) with more than 6,800 people on the payroll.

Regarding the **use of temporary staff and subcontractors,** this has been significantly reduced in recent years, thanks to the initiatives we have carried out as part of the simplification program. As a result, seasonal workers are now hired directly by group companies in most cases. The hours worked by external personnel have been cut by 78% since 2021.

For more detailed information on the breakdown of the workforce, see section 6.3. Data tables.



Headcount by type of contract

	2023		2022	
Permanent employees	**6,282**	**98.02%**	**6,627**	**97.87%**
Full-time	6,143	97.79%	6,476	97.72%
Part-time	139	2.21%	151	2.28%
Temporary employees	**127**	**1.98%**	**144**	**2.13%**
Full-time	116	91.34%	126	87.50%
Part-time	11	0.18%	18	12.50%
Fluidra Total	**6,409**	**100.00%**	**6,771**	**100.00%**

Now It's Your Turn!: satisfaction and engagement

Measuring and analysing the level of staff satisfaction and engagement is vital. We want to drill down on the aspects our teams value most about our company to shore them up and pinpoint what they need so we can implement actions that will drive ongoing, sustainable improvement.

That explains why we have been holding the Now It's your Turn! satisfaction and engagement survey regularly since 2019. And since one of our values is honesty and trust, the survey is handled by an external provider to ensure the confidentiality of the team's responses.

A new feature in 2023 was the inclusion of more specific questions about diversity, equity and inclusion in our company, as well as opinions on the extent to which feedback provided in previous surveys was taken into account.

The results from these exercises helped us implement more than 200 action plans at regional and global level based on the responses received. Though these plans we have implemented a number of changes and actions aimed at improving our team's experience: from onboarding, training and development opportunities, and recognition programs, to reinforcing a culture based on feedback and strengthening our management teams' leadership skills.

Now it's your turn!: What have we done to date?



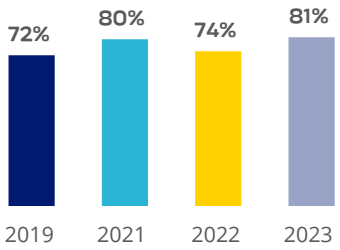
2019
Launch of the 1st Global Satisfaction and Engagement Survey

2021
2nd Global Satisfaction and Engagement Survey

2022
Launch of the 1st Pulse Survey (abridged survey)

2023
3rd Global Satisfaction and Engagement Survey

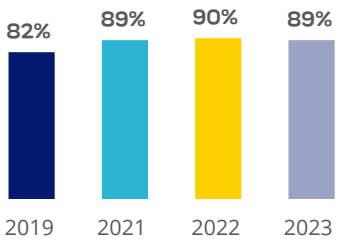
TOTAL PARTICIPATION





5,363
responses received in 2023

LEVEL OF ENGAGEMENT



The global engagement rate in 2023 stood at 89%. This was the same level as in 2021 (the year the full survey was launched), consolidating the cohesion and commitment of our teams in a very different market context.

The global engagement rate represents the percentage of actively engaged employees. It is calculated as the percentage of people who, on a scale of 0 (strongly disagree) to 10 (strongly agree), score the following questions between 7 and 10:

- I like working at Fluidra.
- I am proud to work at Fluidra.
- I feel a strong personal commitment to Fluidra's mission, vision, and strategic goals.
- I would recommend Fluidra as a good place to work.
- I give my best at work every day.

The participation rate increased slightly (81% in 2023 vs. 80% in 2021). Although we did not reach the participation rate we had set ourselves (85%), we broke a record in the volume of responses received (from 4,500 in 2021 to 5,363 in 2023) as a result of staff growth in recent years. Furthermore, the Employee Net Promoter Score (E-NPS) came in at 31 points, a slight fall compared with the score in 2021 (36 points).

The results were presented to the Executive Committee (MAC) and subsequently communicated to the entire workforce through regional and local initiatives. We also hold focus groups to better understand the reasons behind the results to design action plans to impact the results, while continuing work to maintain a global engagement index of at least 80% by 2025.

This year, in addition to improving the work environment at Fluidra, the survey focused on improving the world we live in: we pledged to plant one tree for each response received. The result was 5,363 trees planted in our forest, thus helping to offset 2,468 tnCO_2 emissions.

Find out about Fluidra's forest though the following link.

From these results, we have defined a global action plan to further enhance aspects that act as levers to strengthen our workforce's commitment. The planned initiatives include a campaign to relaunch our values, as we are aware of the impact they have on creating a sense of belonging and connecting with Fluidra's purpose.

We will also continue to provide clarity on what is expected of each of the people who are part of Fluidra. We will keep working to ensure that we create an inclusive environment where everyone can present themselves authentically. And we will promote internal communication as the thread connecting what we say and what we do, and as great way to create cohesion between teams.

At year-end 2023, the HR teams continued to carry out follow-up sessions with our local teams to better understand the results from a qualitative point of view and co-design the actions to be included in the respective action plans. We thus ensure that we respond to specific local needs, while aligning initiatives with the global action plan.



Fluidra North America selected as one of the best companies to work for

Our subsidiary in the United States of America has been selected as one of the 25 best companies to work for in San Diego (11th place) in a study conducted annually by The Business Report.

It was also named as one of the best places to work nationwide in 2023 by Built In.

Freedom of association and collective bargaining

GRI 2-30, 3-3, 402-1, 407-1

In line with our commitment to the principles of the United Nations Global Compact, Fluidra recognizes freedom of association and collective bargaining for all our personnel, regardless of the country where they work. This is included in the Code of Ethics and the Code of Ethics for Suppliers.

For more information, see section 5.3.1. We promote an ethical behaviour.

Because of our geographic diversity, each business must adapt to the local laws in force for their type of activity and size of their workforce.

Generally speaking, Fluidra Group companies adhere to the collective bargaining agreements or similar in force in each operating context. In countries such as Spain, France and Italy, there is more than one collective bargaining agreement we have to apply due to the range of businesses our companies engage in, as well as the region they are located in. In the rest, the same agreement applies to the entire workforce in the country.

However, we are aware that we operate in 16 countries with a high or extreme risk of breaching human rights, such as the United Arab Emirates, Turkey, China and Vietnam. Except for Vietnam, where the company has its own collective bargaining agreement, in countries where these types of regulatory instruments are not recognized, Fluidra complies with the local labour laws and is able to improve working conditions under internal agreements. We also strive to ensure respect for these rights across our supply chain and include this aspect in supplier assessments and audits.

In 2023 there were 3,168 employees covered by collective bargaining agreements, representing 49% of the workforce at year-end (48% in 2022). As in the previous year, no infringement of these rights was reported through our confidential channel.

49%

of the total workforce is covered by collective agreements

Percentage of workforce covered by collective bargaining agreements by country

Country of operation	Workforce covered	Workforce not covered
European Economic Area (EEA)		
Spain	100%	0%
France	100%	0%
Italy	100%	0%
Netherlands	100%	0%
Austria	100%	0%
Belgium	100%	0%
Sweden	100%	0%
Romania	100%	0%
Rest of EEA countries	0%	100%
Outside the European Economic Area (EEA)		
South Africa	37%	63%
Brazil	100%	0%
Vietnam	100%	0%
Other non-EEA countries	0%	100%
Total Fluidra	**49%**	**51%**

Fluidra Group provides employees with dialogue mechanisms to address and resolve the needs, concerns, and conflicts that may exist in each company. Works committees and employee representatives have the authority to communicate with company representatives directly to ask questions, make suggestions, initiate collective bargaining talks, or convey any other need or suggestion.

In 2023 there were 18 works councils (representing 45% of the workforce at year-end), which meet regularly (usually quarterly) to address such issues.

We also monitor respect for this right in our supply chain through the audits that the Procurement Department carries out on our critical direct suppliers. In 2023 we identified one minor non-conformity, which was still open at year-end. It should also be noted that Fluidra does not interact directly with the workers in our value chain.

Prevention of child labour, forced labour and other forms of modern slavery

GRI 3-3, 408-1, 409-1

As a member of the United Nations Global Compact and, as stated in our Code of Ethics, Fluidra is also committed to supporting the eradication of child labour, as well as all forms of forced or coerced labour.

For more information on the Code of Ethics, see section 5.3.1. We promote an ethical behaviour.

We currently operate in 20 countries with a high or extreme risk of forced labour and 14 with such a risk of child labour[35], including China, Vietnam and Brazil. Added to this is the potential risk associated with the complexity of our supply chain, especially from suppliers that manufacture components and products.

The ESG Department is currently working on **two procedures** in which we will describe the measures that Fluidra's employees must implement **to prevent child labour, as well as forced labour and other forms of modern slavery** throughout our value chain (including business relationships with customers and suppliers). These procedures will develop the human rights commitments described in our ESG Policy and include indicators for monitoring their effectiveness.

Due to the potentially hazardous nature of the activities we perform (especially manufacturing and warehouse work), Fluidra will **prohibit the hiring of people under 16 years old,** regardless of whether local legislation in the country establishes a lower limit. The hiring of people under 18 years old is also subject to the condition that the nature and conditions of the work are not dangerous to the minor's health and safety.These restrictions do not apply when the work performed is part of a training or guidance program approved by an official authority. At year-end 2023, we had no employees under 18 years old in our workforce.

Both procedures will take into consideration the fundamental ILO conventions on these matters. These are available to our staff on the corporate intranet in Spanish, English, French, Portuguese and Chinese. Compliance will be verified through the internal and external audits that we carry out periodically, both in our own operations and at our critical suppliers.

In 2024 we plan to launch training in both areas for our staff to ensure that they know and understand the main situations that may cause these impacts in order to detect them and report them as soon as possible through the confidential channel, in line with the training and awareness commitments set out in the ESG Policy.

These measures are in addition to those implemented by group companies to comply with local legislation in this area, such as the Modern Slavery Act in force in Australia and the United Kingdom, and the Uyghur Forced Labour Prevention Act in the United States of America, among others.

As in the previous year, in 2023 no vulnerabilities regarding child labour or forced labour infringements were reported through our confidential channel. Likewise, no non-conformities were identified in external audits of our critical suppliers.

[35] According to Verisk Maplecroft's Child Labour and Forced Labour indices (Q4 2023).



Reasonable limitation of working hours

GRI 3-3

At Fluidra we are committed to everyone's right to a reasonable limitation of working hours, rest and enjoyment of leisure time. So we take the necessary measures to comply with the regulations in force in each country or with the applicable collective bargaining agreement (when applicable) regarding working hours, rest periods and control and compensation of overtime.

This commitment is currently reflected in the contracts and employee handbooks of each group company, which in turn have mechanisms such as working time records to ensure compliance. However, from 2024, both our Code of Ethics and the Code of Ethics for Suppliers will include a specific section on this, which will be further developed through a global procedure aligned with the requirements of the ILO conventions.

Due to the nature and location of our activities, there are several risks in this area that we must pay attention to. On the one hand, we operate in 21 countries with a high or extreme risk of infringement of this right[36], including Egypt, India, Malaysia and Indonesia.

As mentioned at the beginning of this chapter, manufacturing, logistics and distribution activities are subject to periods of peak season (generally from the end of winter to the end of summer) and low season (rest of the year). During the peak season, we periodically monitor the workload of our teams, as well as the demand for products at any given time, in order to anticipate any need to reinforce our workforce, either through the hiring of our own personnel, fixed-term contracts[37] (or similar types of contracts) or, as a last resort, workers from temporary employment agencies.

On the other hand, our office staff (especially those at corporate headquarters) maintain regular contact with teams from all group companies, from Auckland (New Zealand) to San Diego (California, USA), usually located in other time zones.

These positions are also characterized by their connectivity (through computer equipment and cell phones) and having a broad autonomy to perform their tasks, which can lead to a lengthening of the working day if the necessary controls are not in place to prevent it.

In order to mitigate this impact, in 2023 we approved the new ***Digital Disconnection Guidelines,*** which apply to all group employees located in Spain. This recognizes their right not to answer any kind of communication outside working hours, except in exceptional circumstances, and they may not be reprimanded or penalized for doing so. It also urges all individuals not to arrange work meetings (whether face-to-face or remote) or send work communications outside working hours.

Fluidra is also committed to mechanisms **to promote a work-life balance for our staff** in positions in which it can be implemented. Many of the group companies have issued a policy that allows for 1-2 days of **teleworking** per week, depending on the nature of their activities.

[36] According to Verisk Maplecroft's "Decent working time" index (Q4 2023).
[37] This is a type of contract in Spain designed for jobs that are carried out intermittently but stably: the company does not need the employee continuously during the entire year, but only during recurring and intermittent periods of time during each financial year.

In addition, most companies have **flexitime** options so staff can adapt their arrival and departure times within a pre-established schedule. In addition to these measures, there are others recognized in the collective bargaining agreements applicable to us, such as **leave of absence and reduced working hours to care for family members.**

As in the previous year, in 2023 no vulnerabilities regarding working day infringements were reported through our confidential channel. Moreover, in 2023 a minor non-conformity was identified in external audits of our critical suppliers, which had been resolved by year-end

4.2.3. Diversity, Equity and Inclusion

GRI 2-23, 3-3, 405-1

Our commitment

With 6,409 people employed in 47 countries, diversity is a feature of Fluidra. Each of the people in our Company have characteristics, qualities, skills, abilities, and values different to other people's and that make them unique. This provides a variety of insights and experiences we can harness to improve decision-making and foster creativity and innovation.

Regardless of these differences, everyone is entitled to be treated with dignity and to enjoy the same rights and freedoms. That is why, in keeping with our human rights commitments, Fluidra strives to promote an inclusive culture with room for all and where everyone can be themselves, without fear about what others will say and without it harming their professional growth or development.



6,409

employees

47

countries

This commitment is reflected in our **Diversity, Equity and Inclusion Policy** (DEI), approved in 2022 by the group's Board of Directors. This expands and strengthens the principles already included in our ESG Policy and our Code of Ethics. The policy applies to all Fluidra Group companies and is available to our stakeholders on our corporate website.

Access the Global DEI Policy on our corporate website.

At Fluidra we foster **labour relations based on the principles of mutual respect and equality**. Consequently, we have zero tolerance for behaviours such as sexual harassment, mobbing and gender-based harassment or bullying. Several group companies have adopted specific protocols, in addition to the policy, to regulate this area in accordance with local legislation. That is the case for Spain, the United States of America and Australia, among others.

For 2024 we plan to define a global protocol in this area. In this way, we seek to ensure that all Group companies have clear regulations on preventing and acting in situations of discrimination, bullying or harassment, regardless of whether there are local laws in this area.

Any person who has suffered or knows of situations of discrimination, bullying or harassment should immediately report it via the confidential channel. This allows us to investigate it fairly for both parties, speedily and with full confidentiality, as set out in the management procedure for that channel.

In 2023 we have received three complaints in this regard (the same number as in 2022), which were not substantiated. In all the cases, the Ethics Committee alerted the local HR department so it could carry out the appropriate investigations and drew on the assistance of external experts when necessary.

Dimensions of diversity

At Fluidra diversity means considering each person unique and recognizing and celebrating their individual characteristics and experiences, regardless of race, ethnicity, gender, gender identity, sexual orientation, education or socioeconomic background, age, physical abilities, religion and faith, political beliefs or any other issue.

Our DEI strategy currently focuses on the following internal dimensions of diversity, which include people's more visible aspects, over which there is no control, but which often cause people to jump to value judgments.

However, in 2023 we met with all regions to review our Embracing Diversity strategy from a global and regional/local perspective to update and strengthen it in 2024.



In a company of Fluidra's size and geographic diversity, **we face a wide variety of local situations and needs to which we must respond, without losing a global vision**. With this in mind, the Talent area, under the Global Human Resources Department, is responsible for defining global strategies and actions in this area. It also monitors the action plans defined by each region to respond either to the needs of their teams or local regulations (e.g. equality plans).

In addition, the area reports at least once a year on compliance with policy commitments and the organization's performance in this area to both the Executive Committee (MAC) and the Appointments and Compensation Committee at the Board of Directors.

In this work we also have the support of more than 40 Fluidra **DEI ambassadors** in 10 countries. In addition to acting as a point of contact for our staff concerning this point, they help us understand the challenges and concerns in each region and to implement our strategy locally. This year we held several working sessions to address the organization's challenges regarding gender and LGTBIQA+ issues on the occasion of International Women's Day and Pride Month, respectively.

One new aspect this year was the study of **our staff's perception of the DEI management** and its different dimensions at Fluidra through our engagement survey. Globally, 84% of our workforce thinks that Fluidra manages diversity well, while 82% say that Fluidra promotes an inclusive environment in which they can show who they are and act authentically.

84% of our workforce think that Fluidra properly manages diversity.

In addition, we have continued to integrate **DEI as a strategic part of our main development programs**, such as the Conscious Leader program and the Fluidra GO program, in which one of the four working groups is dedicated to developing new initiatives in this area.

For more information, see section 4.2.4. Talent and Development..

In addition, in 2023 we reached a total of 2,282 hours of DEI training (1,102 hours in 2022), 148 of which were training in the prevention of harassment, bullying and discrimination.

Gender

GRI 2-4, 3-3, 401-3

The pool & wellness industry is not unfamiliar with challenges around gender equality. Women make up 34.6% of our workforce today, a very similar though slightly lower figure than in 2022 (34.9%), showing that it continues to be a very male-dominated sector.

There was an increase women's representation in management positions and a slight fall in executive positions. These remain the categories with the lowest presence of women in the organization. By activity type, at year-end women held 31% (15% in 2022) of managerial and leadership positions in revenue-producing roles, i.e. those considered to have an impact on the company's income statement (target: at least 22% every year).

To address this, in 2021 we set the goal of increasing the percentage of women identified in MAC succession plans and their direct reports (MAC-1). In 2023, the percentage of women in these succession plans increased to 38.7%, in line with the objective we had set for this year (38%).

However, during the year we decided to change the target to focus on the presence of women in succession plans for positions with the greatest impact on the business, due to their level of contribution, level of management complexity, skills and specific knowledge, stakeholder management and difficulty of replacement, also known as key positions.

In total, we have identified 53 key positions, while women represent 32% of the identified successors. The target for the coming years is to ensure that the women identified as successors to key positions represent at least the same percentage distribution of women in the overall workforce as at

the end of the previous year. Therefore, the target for 2024 is to reach at least 34% of identified female successors.

This will also allow us to manage the action plans required for each identified successor in a more focused and personalized way, and thus increase the representation of women in management positions in the coming years.

For more information, see section 4.2.4. Talent and Development..

Gender representation by category

	2023		2022	
	Men	Women	Men	Women
Executives	87.27%	12.73%	82.46%	17.54%
Management	75.45%	24.55%	76.70%	23.30%
Professionals	71.71%	28.29%	72.19%	27.81%
Technicians	67.76%	32.24%	67.13%	32.87%
Administration & Support	40.93%	59.07%	39.78%	60.22%
Manufacturing workers	69.72%	30.28%	68.63%	31.37%
Total Workforce	**65.36%**	**34.64%**	**65.07%**	**34.93%**

In gender matters, we also set the target of reaching an **adjusted net pay gap** in 2024, and had a 1.7% gap by year-end (vs. 3.3% in 2022[38]).

For more information on this subject, see section 4.2.5. Compensation and benefits.

Fluidra is also striving to **increase women's presence in STEM (science, technology, engineering and mathematics)** positions through partnerships with organizations such as the Society of Women Engineers in the USA. We signed up five female employees in STEM positions to the Society's tutoring program and engaged with them in a career development event at San Diego State University (SDSU) to promote the presence of women in technical careers.

In addition, in 2023 we piloted a mentoring program for women in engineering, pairing four of our female employees with senior female managers to assist them with their career and development goals. By the end of 2023, 16% of STEM positions at Fluidra were held by women (15% in 2022). Our goal is to maintain at least 15% of STEM women every year.

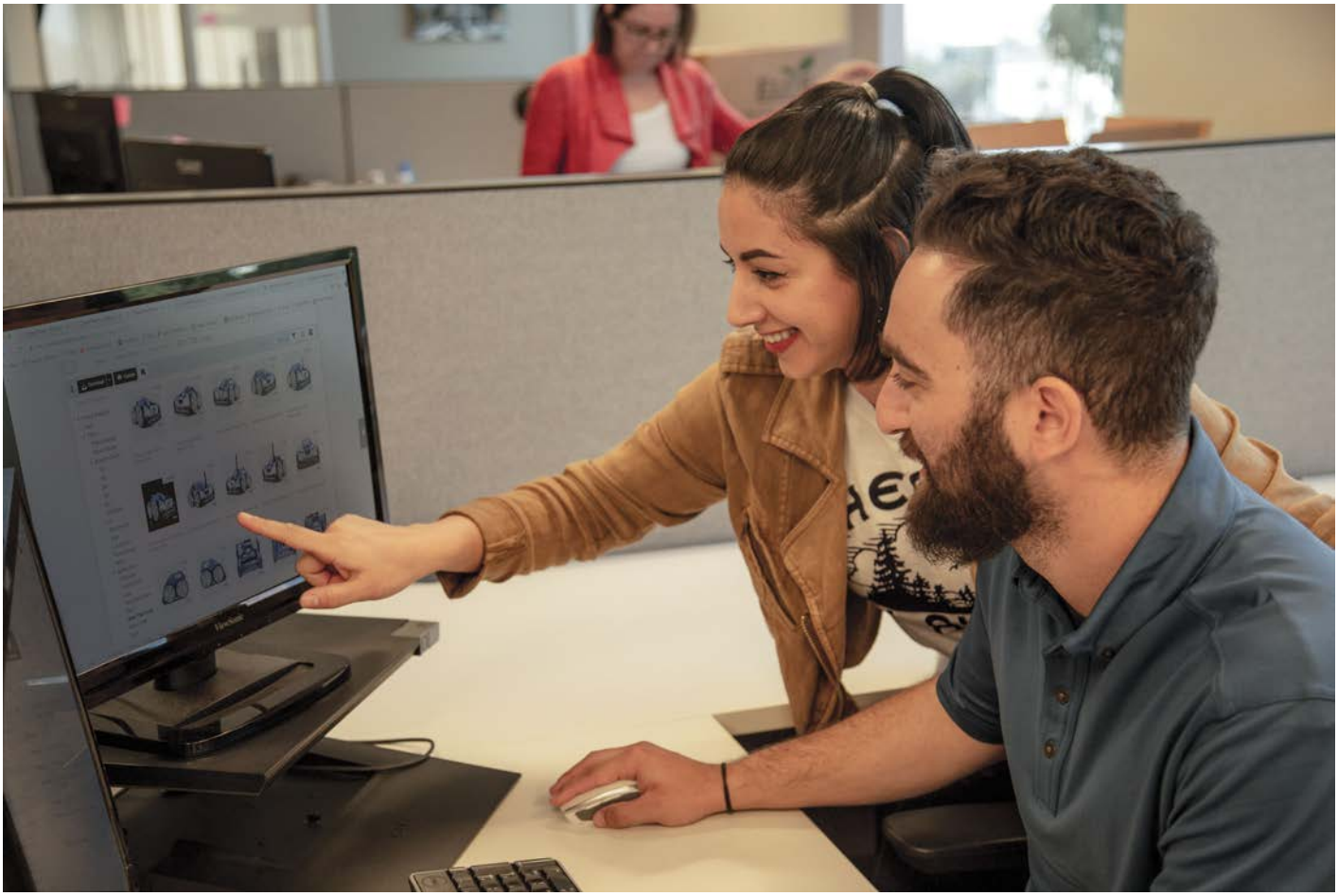


Celebration of Gender Equity Week

In 2023, specific activities were carried out in March. Gender Equity Week was held at HQ in Sant Cugat and included a session on STEM profiles with an expert speaker and female employees in positions in this field who shared their experience.

Also, an association that works to improve the work-life balance (MalasMadres) gave a presentation at the event to highlight the importance of equity not only in the performance of tasks but also in the mental burden associated with them.

[38] In 2023 we worked on including additional variables in the gender pay gap analysis, such as country and subcategory. This methodology provides a more accurate assessment of the wage disparity by taking into account comparable workers. As a result, we have recalculated the 2022 pay gap down from the 5.4% published in the 2022 Integrated Report to 3.3%.



Another field we will work on at Fluidra from a gender perspective is achieving a **work-life balance** as a measure to foster joint parental responsibility and/or facilitate the care of special-needs family members.

In EMEA, we are working to improve work-life balance measures. Specifically in Spain, this year a great effort has been made to improve the work-life balance and standardize social benefits, assistance, leave and prizes.

New parents can freely decide how to enjoy maternity and paternity leave, in compliance with the laws in force in each country. However, some group companies have voluntarily defined leave in this regard, either to make up for a lack of regulation or to improve it.

In 2023 the number of people who took leave was 106 (vs. 146 in 2022). 68% was taken by men and 32% by women, figures that are in line with the breakdown of our workforce by gender.

In the case of Spain, starting in 2024, we will supplement the maternity and paternity benefits paid by Social Security, so our teams will be paid more than the maximum contribution base for the duration of their parental leave. We are also working on a work-life balance guide to encourage men to take their full paternity leave, including breastfeeding leave.

Australia has also introduced a **paid parental leave program.** The primary caregiver is given eight weeks of paid leave and 44 weeks of retirement pension when they return to work.

Moreover, we have made progress with implementing lactation rooms at our two main sites in the United States (Carlsbad and Atlanta). In Spain our sites set up a place for this purpose whenever necessary and requested by our teams.

Culture, race, and ethnicity

In relation to cultural diversity, we seek to promote the variety of beliefs, values, norms and behaviours that exist in the countries where we operate in order to show what each of them can bring to the Organization and thereby foster a culture of respect and tolerance toward the differences of others.

At Fluidra we have a great diversity of cultures, with **71 nationalities** represented (the same as in 2022). Despite the fall in the number of nationalities, there was a **rise in the percentage of minority nationalities**, rising from 24% to 26%. Plus, 6.7% of the workforce has a nationality different to that of the country they work in (5.7% in 2022).

At a consolidated level, Fluidra does not compile information on the race or ethnicity of the workforce, pursuant to article 9 of the EU's General Data Protection Regulation. However, this information is compiled locally in countries where there is a requirement to report this information.

Percentage of workforce by nationality

	2023	2022
Spanish	29%	28%
American (USA)	18%	19%
Chinese	8%	9%
South African	7%	7%
French	7%	7%
Australian	6%	6%
Other	26%	24%

Generations

Talent knows no age. That is why we promote development opportunities for everyone and are committed to fostering collaboration between people of different generations to enrich the organizational culture.

The average age of the workforce in 2023 was 42.5 years (41.84 years in 2022), with more than half the staff in the 30-to-50 year age range. The levels of representation of the different age groups varied little with respect to the previous year.

Workforce by age range

	2023	2022
Under 30	13.7%	14.3%
Between 30 and 50	61.7%	63.4%
Older than 50	24.6%	22.3%
Total Workforce	**100%**	**100%**

In 2024 we want to carry out a program with the emerging talents we have identified. This will include a *cross-mentoring initiative* to help us strengthen the intergenerational connection between mentors and *mentees.*

Disability

At Fluidra we believe that no one's capacity is more valuable than any other and that nobody has fewer capabilities than any other, just different ones.

With this conviction, we endeavour to make room for them all and for each person to be considered equal, guaranteeing access to the resources necessary so that, considering their circumstances, everyone can enjoy the same opportunities and showcase their full potential. We also work to remove physical and architectural barriers from group facilities.

In 2023, 0.73% of our workforce had a recognized disability, compared with 0.75% the year before. It should be noted that these figures may be skewed because in some of the countries where we operate we are not allowed to request information about which workers have a disability.

Despite these figures, we partner with several centres and associations dedicated to promoting the employment opportunities and labour integration of people with a disability, such as Fundación Adecco, Fundación PRODIS and Fundaciò Portolà.

Fundació Fluidra also has collaboration agreements in place with health centers to foster research into the properties and benefits of pool-based sport for people with a disability.

For more information on our commitments to foster the inclusion of people with different capabilities through the swimming pool, see sections 3.1.1. Inclusive access and use and 4.4.2. Fluidra Foundation.



Celebration of International Day of Persons with Disabilities

In December we carried out various initiatives to support the social and labor integration of people with disabilities and other people in vulnerable situations.

Once again we took part in Fundación Adecco's campaign. This year the theme was breaking "uncomfortable silences". We held an **inclusive volunteering day** in which Fluidra teams worked together with people from the Mas Sauró center (Barcelona, Spain) to make Christmas decorations for our facilities (see picture above).

And for the holidays we also held a **charity Christmas market** at our headquarters with Fundación Prodis. Our teams were able to purchase various decorative items handmade by members of the foundation.

People with a disability certificate by country

	2023			2022		
	Men	Women	Total	Men	Women	Total
Germany	1	0	1	1	0	1
Australia	1	0	1	2	0	2
Chinese	1	1	2	3	1	4
Spain	21	7	28	22	8	30
France	7	1	8	7	1	8
Italy	3	2	5	4	1	5
Mexico	1	0	1	0	0	0
South Africa	1	0	1	1	0	1
Fluidra	**36**	**11**	**47**	**40**	**11**	**51**

LGBTIQA+

Fluidra is committed to fostering an inclusive culture where everyone can express themselves freely without being judged for their sexual orientation or any other aspect of their private life. This year we wanted to convey our commitment to the entire LGBTIQA+ community.

At present, the level of acceptance of LGBTIQA+ people and respect for their rights has increased globally compared with the past, although it is true that the level of acceptance is not the same across all countries. In places where we operate such as Morocco, Tunisia, Egypt, and Malaysia, homosexuality is illegal and can even result in prison sentences.

Our aim is to raise awareness around the importance of defending equality, understanding, and respect for differences by eliminating prejudice and promoting an inclusive culture where people can openly express their sexual orientation without fear of discrimination.



4.2.4. Talent and Development

GRI 3-3, 404-1, 404-2, 404-3

As recognized in our Code of Ethics, at Fluidra we are committed to promoting equal opportunities, both when entering our organization and when participating and being promoted in it.

We seek to provide people with an environment of opportunities to develop their full human and professional potential, investing in professional development and lifelong learning programmes that enable knowledge transfer, as well as skills acquisition and development.

The Talent area, which reports to the Global Human Resources Management, is responsible for promoting the necessary initiatives to develop our staff from their hiring and onboarding and until they leave. This, in turn, is supported by the regional and local Human Resources teams to implement global initiatives and gather their training and development needs.

Employee life cycle





Deepening our talent pool

Having the best talent is essential to delivering on our strategic objectives to grow the business. At Fluidra we manage recruitment in each local area or region, as they have better knowledge and visibility of the best channels to publish vacancies, as well as to find and select the right candidates for each position. However, we have started working to provide global visibility of all vacancies across the group and to standardize certain key processes.

As part of our diversity, equity and inclusion strategy, in 2023 we included our commitment to DEI in all job offers in the United States of America, encouraging anyone to apply, regardless of their personal status, and whether or not they met all of the requirements described.

Some regions also have referral programs in which staff recommend people to join the organization. Our experience and third-party 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.

We also boast collaboration agreements with different universities to create study scholarships or work experience opportunities in our companies and facilitate the access of future professionals both at the levels of higher education and afterward in the job market.



Fluidra Scholarships

With the aid of Esade business school in Barcelona, in 2021 we created the **Fluidra Scholarships** for two students of great academic talent but a diverse socioeconomic situation, who would be unable to access this type of university course without assistance.

We cover 90% of the cost of each academic year for four years and help them do work experience or specific projects in group companies while they study.

In October, students Natàlia Sans and Nicanor Mercerat had the opportunity to attend a presentation of the company and the specific areas they were most interested in, given by experts in each area, at our headquarters in Sant Cugat. It was a great opportunity to strengthen our partnership and also to hear their concerns as future talents.

In the current context, it is a challenge for many companies to find candidates in the labour market. In the case of Fluidra, the complexity of our operations and the greater professionalism of our business makes it even harder to attract talent and professionals qualified in certain areas, generally new knowledge fields, who are aligned with our mission, vision and values.

So in 2024 we will launch various programs to enrich our organization with external talent, and draw from the labour market in key areas, while working to identify and develop emerging internal talent.

Experience has also taught us that when it comes to attracting talent there is a global factor common to all countries: **employer branding.**

As part of the process of building the organization's image, we are putting the focus on delivering a message that not only inspires and attracts new people in the short term, but engages existing people in the long term, with the aim of being recognized as a *best place to work.* To that end we have started working on improving our employer branding and the outreach of our value proposition for employees.

Conveying our culture

Reception is key in the life cycle of the people who start to work with us. Because it is the employee's first contact with the organization, it must be carefully planned to ensure a good first impression of Fluidra.

At Fluidra we have an **onboarding program** in which, in addition to assisting new hires during their first months in the company, we convey our values, as well as the awareness, training and education necessary for them to be able to carry out their core functions in their new work environment. In 2023 we worked on standardizing the process internationally, so that everyone who joins the group enjoys a similar experience, regardless of the country they are in.



Basic training



On-the-job learning



Welcome coffee chat with the Chairman and the CEO



After signing the contract, new hires have to undergo several **training courses in the first few days** on our corporate values, the principles in our Code of Ethics, data protection, occupational health and safety, an introduction to cybersecurity, and, since 2022, an introduction to ESG. Each business area is free to offer the specific training it deems necessary.

Subsequent **learning and on-the-job training** is the direct responsibility of each specific area manager, who must also ensure correct integration and adaptation of the new hire after the onboarding program. After a period of time, individual follow-up meetings are also held to assess the most positive aspects of their experience and identify places where there is room for improvement in the organization's onboarding process.

New hires also have the opportunity to participate in an **informal conversation with the Executive Chairman or the CEO,** who welcome them and provides them with some key facts and figures about Fluidra. In 2022 we implemented five sessions for 171 people. The format chosen this year was more dynamic than on previous occasions and also boosted attendee interaction.

For 2023 we will work on expanding these types of events with other MAC members to have the opportunity to hear first-hand and directly inquire into the concerns that can occur regarding Fluidra today and going forward.

Training and development plans

Once an employee has joined the organization and depending on the specific needs of their current and future role, an annual training plan is created to keep their 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.

To that end we have the **MyCampus** platform within the corporate intranet where our teams have all the training resources created by the Company, as well as those contracted on external platforms such as **LinkedIn Learning** and **Cornerstone Content Anytime**. Training material is associated with one or several of our values so that the teams can quickly and simply find the resources that best match their development requirements.

Every year, in February, we hold **Digital Learning Day** to make everyone aware that they have thousands of online training resources at their fingertips. In addition, in regions such as APAC, the Find Out Fridays initiative was launched. Every other Friday a new course is shared with all teams that have a LinkedIn Learning license to discover new things and continue to expand their knowledge.

In addition, since 2023, our staff receive monthly agile and dynamic training blocks in the area of compliance, cybersecurity, HSE and ESG. In addition to complementing the initial onboarding, this contributes to upskilling the organization's people.

The group's linguistic diversity and the existence of a significant group of factory and logistics workers who do not have access to computers poses a challenge to ensuring equitable access to training resources for our teams.

Given this situation, platforms such as those mentioned have made progress with translating content and automatically producing subtitles in a wide variety of languages. This allows many of the

courses available in the catalogue to be understood by anyone who does not speak English or Spanish.

For profiles with more limited access to computers, we have the "Cornerstone Anytime" app through which employees can access all of the resources available in our training catalogue with their cell phones. One new feature this year is that teams can also access the system to set individual goals and update their progress.

Instead of being carved in stone, our training plan is open and dynamic. People can propose taking courses not initially planned if they think they would be good for their development. At Fluidra we are continuing work on consolidating this change of mentality in which each employee takes responsibility for their own development. Thus, on an annual basis, each person can design their own **individual development plan** (called MyPlan) in collaboration with their line manager and with support from Human Resources, based on the needs detected throughout the talent cycle, as well as on the Conscious Me self-assessment.

Our 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 their proposed development goals.

70% WORK	20% OTHERS	10% TRAINING
• Actions in the current position	• Role-modeling	• Face-to-face sessions
• Problem-solving	• Continuous feedback	• Online training
• Expansion tasks	• Mentoring	• Seminars / Conferences
• Cross-cutting projects	• Coaching	• Reading assignments
• New experiences	• Networking	• Online *training*
• New roles	• Teamwork	• Talent accelerator programs
	• Follow-up of work	• Leadership development

We are continuing to try to make access to training more flexible than in-person only, so that each person can tap the training resources they want, when they want it, including through the mobile app provided by our learning management platform.

In 2023 we made an effort to increase the number of hours of training in in-person format, aware of the greater impact such content has on participants. We have also promoted an increase in the number of hours taught internally. This has enabled us to increase the total number of training hours with a lower investment. We managed to improve the average hours per employee by 50%. In addition, **92% of our workforce underwent some form of training** during the year.

The breakdown of training data is set out in section 6.3. Data tables.

Hours and total investment in training

	2023	2022	Change
Total hours[39]	150,988	108,596	39%
Investment (€)	1,155,963	1,496,000	-23%

Average employee training hours[40]

Professional category	2023	2022
Executives	28.2	45.0
Management	25.6	27.9
Professionals	32.0	22.0
Technicians	26.0	19.5
Administration & Support	20.3	16.3
Manufacturing workers	14.6	11.9
Total Workforce	**22.2**	**14.8**

Gender	2023	2022
Men	22.4	14.5
Women	22.0	15.4
Total workforce	**22.2**	**14.8**

[39] The training data do not record the training hours of CMP Shanghai (with the exception of Human Rights training), as it is not included in the system. .
[40] Average hours per employee are based on the average headcount for the year, which was 6,795 in 2023.

Strengthen leadership skills

Improving leadership skills is one of the pillars of our strategic plan. In order to have aligned leadership with the necessary capabilities to carry out the transformation the organization is undergoing, a curriculum of leadership programs has been developed at the global and regional level.

Globally, the programs focus on more strategic and inspirational content to reinforce the dimensions of the company's leadership model. We thus have the **Conscious Leader** program for management teams at a global level and **Fluidra Go** as a talent accelerator program for people identified as having high potential in the Talent Review.

In addition, across the board, **A2ELead** training has been provided for everyone involved in the Simplification Program. This aims to support the leadership in implementing the measures to be carried out.

At the regional level, the programs focus on reinforcing managers' day-to-day behaviours to ensure they reflect the values and dimensions of leadership in managing the business and their teams in each region.

A total of 471 people participated in one of our leadership programs in 2023, in addition to the 426 people who participated in previous years, so we have achieved a total of 897 participants (14% of our workforce at year-end).

Global programs

In 2021 we defined Fluidra's **Global Leadership Program,** called **Conscious Leader**, aimed at all leadership positions in the organization with the goal of implementing a model aligned with our corporate values, strategy and future challenges.

The initiative lets us unleash the leadership potential of management, helping them understand their role and impact within their teams and the business, shoring up collaboration and a common leadership culture.





The program consists of two training modules where participants learn about the traits that all Fluidra leaders must have and are provided the tools and strategies necessary to develop them.

All the people who took part in the program also engaged in a **360º feedback process**, which gave them the chance to evaluate themselves and at the same time receive the evaluation of other people close to them in the organization, such as their line manager, colleagues, subordinates, etc.

After these sessions, Fluidra's leaders can continue to further develop their skills through the online training content that Fluidra makes available to them. With the sessions held in 2023, there are now a total of 208 leaders at different levels, with a satisfaction ratio that remained higher than nine out of ten, the same as the previous year. In 2024 we will enable content to specifically bolster each of the six dimensions of this leadership model.

In 2023 we launched the second edition of the **Fluidra Go** talent accelerator program for people flagged as high potential in the Talent Review. Fifteen people from all around the world took part in this second edition.

One new feature this year was that participants had to work in teams on different projects with a high impact on the Company's strategy. They were supported in this process by senior managers and a specialized team to implement the agile methodology. Additionally, there was a monthly internal networking meeting to better learn the role and project they worked on, encouraging greater connection and knowledge between functions and people, as well as meetings with senior management.

Given the success of the initiative, we are already working on identifying new participants for a third event in 2024.

Regional programs

To strengthen our teams' leadership skills, each region has deployed its own programs, based on its situation and specific needs.

The AMER region is continuing to use its two programs: Foundations of Leadership, for people who are entering a leadership position for the first time, and Leading with Impact, to consolidate skills in more senior profiles.

APAC has made progress with developing leadership programs so it has three levels of programs within the LEAD initiative. These range from training new managers to reinforcing senior management skills. In addition to defining the programs, the company's leaders periodically receive *The Leader*, a newsletter that shares leadership trends and relevant issues and policies.

In EMEA, in addition to using Maverick for middle leadership profiles, this year we launched a program for front-line managers, aimed at supervisors in our production companies.

Great effort was also put into working on employee self-knowledge through the Insights Discovery® tool, as a starting point for the rest of the development programs for teams in the EMEA region.

Our Talent Cycle

The main objective of Fluidra Talent is to provide continuous feedback to the group's employees as part of our commitment to their personal and professional development, integrating performance management with talent management. Each year we hold different training sessions for managers and their teams to guide them in this process. This process consists of the following four main phases.

Fluidra's talent cycle



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.

The One2One review program is available to employees with permanent and temporary contracts (excluding those on long-term leave) who were hired before July 1 the previous financial year, who are working at the time the process ends.

We are continuing to work on standardizing the process at the global level. For this we must overcome barriers such as including all the group's languages in the system, replacing processes already implemented in acquired divisions, and ensuring that the entire workforce has begun the process of setting objectives in the tool, so they can be evaluated the following year.

The overall score is comprised 50% by the assessment of the goals and the other 50% by the score obtained in relation to the implementation of values in their daily work. For people without individual targets, 100% of the score is based on values.

In this process we also analyse achievement of the individual development plan and discuss their short and medium-term career aspirations, topics of interest, geographic availability, and other relevant aspects to consider when it comes to thinking about development opportunities inside Fluidra.

1	2	3
SELF-ANALYSIS	MANAGER ANALYSIS	PERSONAL INTERVIEW
Each person rates how well they delivered on values and targets.	The manager performs the same analysis and it is taken into consideration in the annual pay review.	Pooling of final results, offering constructive feedback and advice for the future.

Development of One2One coverage

	2023	2022
Total workforce[41]	**6,749**	**5,785**
One2One eligible workforce	6,173	5,066
% of workforce eligible with respect to total workforce	91%	88%

Reviews completed

	Men	%	Women	%	Total	% vs. elegible workforce
2023	1,847	65%	1,007	35%	2,854	65%
2022	2,130	67%	1,042	33%	3,172	63%

2. Target Setting

Target setting is a key process to ensure that each employee's individual performance contributes to meeting our Organization's strategic objectives. To that end we establish a series of individual targets and other financial ones with achievement linked to the following year's bonus.

Fluidra harnesses the SMART methodology to guide the establishment of milestones and targets. The intention is to ensure that targets are specific (S) enough to objectively assess the achievement of goals, plus measurable (M), achievable (A), relevant (R), and timely (T) to assess their correct degree of compliance.



In 2023, 40% of the total workforce at year-end (77% of the eligible workforce) had set individual targets. Their achievement will be assessed during the One2One early in 2024. People in specific roles in manufacturing and administration, among other roles, are excluded from this scope due to their professional category.

3. Talent Review

The Talent Review is the most strategic process in talent management. It entails asking managers to assess the growth potential of each person who has been on their team for at least six months, based on their aspirations, agility in learning, and commitment to Fluidra.

In addition to the talent assessment, the Talent Review process includes the succession plan. This is aimed at ensuring the sustainability of the organization, making sure that the talent required to deliver on present and future challenges is in place, considering its constant growth and evolution.

During the potential assessment, we also evaluate the risk of talent loss in the organization and its impact. This enables us to identify the need to carry out loyalty actions for cases in which the risk/impact is high.

Each manager nominates between one and three successors for each member of their team and for themselves. One new aspect this year is considering emergency replacements for key positions in the organization. For each nominated successor, we establish the necessary preparation time and, on that basis, the key aspects to be developed within the framework of their individual development plan (MyPlan). In 2023, 426 managers evaluated their respective teams: a total of 1,808 people (75% of the eligible workforce[42]). As a result, 885 unique internal successors were identified. Individual development plans will be developed for them.

4. Follow-up

Together with the One2One process, we are increasingly promoting the implementation of ongoing conversations with line managers to obtain regular feedback on performance and professional evolution over the year. In 2023, we extended the check-in beyond Australia and New Zealand. This is a follow-up meeting at which managers and employees can stay up to date with progress with both individual and development objectives.

We also performed other kinds of evaluations to promote self-knowledge, such as those mentioned in the **360º**

[41] The total workforce refers to the number of people employed by the Fluidra Group at the end of the fiscal year in which the evaluation takes place, excluding the staff in companies acquired during the year. Thus, in 2023, the performance of people employed in 2022 was evaluated, excluding the Swim & Fun workforce (22 people).
[42] The eligible workforce comprises the MAC (Executive Committee) to MAC-4 hierarchical levels. Personnel in the direct labour and administration categories (amounting to 2,400 people) are excluded.

feedback process included in global talent accelerator programs, such as Fluidra GO and Conscious Leader. 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 56 evaluations of this kind in 2023 (covering 0.01% of the workforce at the end of the year). In some cases we drew on the collaboration of coaches who supported individual development processes either in-person on online.

4.2.5. Compensation and benefits

GRI 2-4, 2-21, 401-2, 405-2

Compensation at Fluidra is focused on attracting, motivating and retaining the best talent while also endeavouring to be a faithful reflection of the social commitment in the Responsibility Blueprint.

Due to our geographic dispersion, this matter is managed by our local Human Resources teams, under the coordination of the corporate Compensation & Benefits team. This not only allows us to have a better vision and ensure compliance with minimum wages and other applicable regulations by country, region or sector, but also ensures that salaries are competitive and in line with the market.

As part of our commitment to human rights, Fluidra works to guarantee the effective equality of everyone who is a part of the organization, including protecting their right to receive equal pay for work of equal value. At the start of 2021 we announced our aim to reach an **adjusted net wage gap**[43] for the year 2024.

Since then, we have been working on the development of a qualitative and quantitative analysis of the pay gap and on the definition of the action plans needed to achieve this goal. To do so we analysed the pay differences seeking comparable groups but also considering other factors such as role and responsibilities, correcting disparities where there was no explanation.

To ensure equality, we are also putting in place corrective measures to modify the current HR policies and processes, focusing principally on talent selection, recruitment, promotion and development.

As a result of all these measures, the adjusted wage gap by category in 2023 was 1.7% (vs 3,3% in 2022[44]), a result in line with the target we had set for the year (3%). We have reduced the unadjusted wage gap this year, from 20.1% to 18%.

These figures are the result of the work done during the year to improve data quality and define the tools needed for analysis in order to better understand the reasons for the gap. Looking ahead to 2024 and beyond, we will continue to monitor this indicator to ensure that it remains within the range to be considered an adjusted net wage gap.

Wage gap by type

	2023	2022	Change
Adjusted wage gap[45]	1.7%	3.3%	-1.6
Unadjusted wage gap[46]	18.0%	20.1%	-2.1

Wage gap by region

	2023	2022	Change
HQ	0.4%	0.3%	+0.1
EMEA	2.9%	4.8%	-1.9
AMER	-1.0%	0.5%	-1.5
APAC	0.2%	2.4%	-2.2

Employee remuneration and rises are managed internally through collective bargaining with employee representatives but without the participation of other stakeholders for reasons of confidentiality and data protection.

This process considers different metrics, such as the standard of living in each country, union and employer group recommendations, and planned pay rises for public employees, among others. We leverage this information to determine rises for the different groups, always with the aim of encouraging groups on lower wages.

[43] Fluidra set an adjusted net pay gap of +/- 3%.
[44] The statistically adjusted gender pay gap seeks to measure the pay difference between men and women considering the structure of the workforce by homogeneous groups. In 2023 we worked on including additional variables in the gender pay gap analysis, such as country and subcategory. This methodology provides a more accurate assessment of the wage disparity by taking into account comparable workers. As a result, we have recalculated the 2022 pay gap from the 5.4% published in the 2022 Integrated Report to 3.3%.
[45] The adjusted pay gap has been calculated individually for each country, standardising the average pay of men by the average pay of women, and weighting each country to obtain a final result at the group level. Fixed and variable pay are included in the calculation. For the global data, each country has been assigned a weighting in the final result.
[46] The unadjusted pay gap is defined as the percentage difference between the gross hourly pay worked by women and men. To obtain this result, worker's pay was standardised to eliminate the effect of different working hours.

Thus, in 2023, the **average remuneration**[47] for Fluidra employees was €43,138 euros, 6.4% higher than in 2022 (€40,556). These figures include the fixed and variable salary of our entire workforce, including the Executive President (Eloy Planes) and CEO (Bruce Brooks). In 2023, 33% of our workforce was eligible for performance-based variable pay.

This variation is mainly due to pay increases of 4% on average in the EMEA and HQ regions (in line with the market increase), and 10% in the AMER region, as a result of merit increases, internal promotions and pressure on the talent market in the United States of America.

Average remuneration by gender and professional category (€)

	2023			2022		
	Men	Women	Total	Hombres	Mujeres	Total
Executives	365,796	218,856	347,095	334,574	248,141	320,634
Senior Management	133,693	108,302	127,191	125,205	102,514	119,889
Professionals	70,276	67,036	69,355	66,538	62,497	65,404
Technical Officers	38,023	32,993	36,391	35,100	30,767	33,686
Administration and support	28,718	29,157	28,976	26,801	26,423	26,573
Production	22,409	21,578	22,157	22,284	21,233	21,957
Total Workforce	**46,642**	**36,560**	**43,138**	**43,998**	**34,118**	**40,556**

Average remuneration by age (€)

	2023	2022
Under 30	29,473	29,101
Between 30 and 50	39,829	37,411
Older than 50	55,365	53,501
Total Workforce	**43,138**	**40,556**

CEO-to-Employee Pay Ratio[48]

	2023
Highest paid individual (CEO, Bruce Brooks)	1,400,625
Median annual total remuneration for all employees (excluding highest paid individual)	32,205
Annual Total Remuneration ratio	**43.49**

Benefits program

At Fluidra we have developed an enhanced awareness of the role that benefits play in team well-being and have accordingly made them more important in the total compensation package.

However, our experience is that generating engagement and recognition must be sufficiently customized and respond to the real and present needs of each country. Our benefits package is therefore managed locally and can change from one country to another.

The most common benefits include medical and life insurance and flexible remuneration schemes (including training and child care, transport and meals, among others), although, as a general rule, benefits are only available to employees with permanent contracts.

A new initiative in 2023 is the launch of the **Fluidra Stock Purchase Plan (ESPP)**, a voluntary program in which our teams have the opportunity to purchase Fluidra S.A. shares at a 15% discount on the purchase price.

During the first window (July-December 2023), the program was only available to people based in Spain and the United States of America (51% of the Group's total workforce), who had one year's seniority in the organization when the registration period began. As a result, 258 of the 3,157 eligible individuals (8% of the total) decided to make use of this program in 2023.

Subsequently, in November, we launched a second window, in which teams in Australia were added to the two countries mentioned above, covering 57% of the group's workforce. In total, 293 of the 3,188 eligible people (9% of the total) signed up to take part in the program in 2024.

Interested individuals can choose how much of their annual salary they want to contribute to the plan, provided the contribution is more than USD 600 and does not exceed 30% of their annual gross salary. In addition, the maximum annual contribution to the plan may not exceed USD 25,000[49].

[47] Calculation of global average remuneration involved consolidating the data reported by each group company from their local currency into euros by applying an annual average exchange rate.
[48] In this calculation, only the base salary and annual variable compensation of both the CEO and the rest of the staff have been taken into consideration in order to ensure comparability of information.
[49] The maximum number of shares that participants may acquire in a calendar year will be the result of dividing USD 25,000 by the market value of the shares on the first day of the delivery period that year.

4.3
Health, Safety and Well-being

GRI 3-3, 403-8



Providing a safe and healthy working environment where everyone can do their job without fear of harm to their health or physical integrity is one of our top priorities.

Occupational health and safety management is overseen by the HSE Department (Health, Safety and Environment), which is responsible for developing and approving HSE policies and procedures, overseeing their implementation, and defining and monitoring global objectives and action plans. This Department reports to Global Operations Director, which is represented on the Executive Committee (MAC) and is responsible for providing visible leadership and promoting a strong culture in this area.

The department has regional teams which are tasked with supporting the different companies in their area of responsibility, promoting HSE, monitoring the implementation of KPIs and procedures, as well as consolidating and reviewing reported data. Finally, the directors, managers and employees of each company are responsible for ensuring compliance with these guidelines.

The HSE Department communicates with and works hand in hand with the ESG Department on all matters related to the objectives in our Responsibility Blueprint. To that end, HSE reports to ESG quarterly on the organization's performance so that the ESG Department can in turn report to various levels of the organization including the ESG Committees, the Executive Committee and the Board of Directors.

In 2023, we substituted the HSE Steering Committee with an Operational Safety Committee whose members are the people responsible for operations and manufacturing in each region, instead of senior management. The purpose of this change is to work more directly on the Group's operations, while reporting to senior management is now handled by Global Operations Director within the framework of the Executive Committee.

4.3.1. Health and Safety Management System

GRI 403-1

We have an **Occupational Health and Safety Management System**[50], developed according to European regulations as well as OHSAS and ISO standards. It applies to all people who do work of any kind at our facilities, including our own employees and subcontractors.

Although not externally certified on a global level, this system is reviewed periodically as part of the internal audits of all Group companies carried out by the corporate HSE team. On this point it should be noted that Fluidra Waterlinx (South Africa)[51] and Trace Logistics (Spain)[52] are the only companies that currently possess ISO 45001 certification.

Workforce covered by the Health and Safety Management System

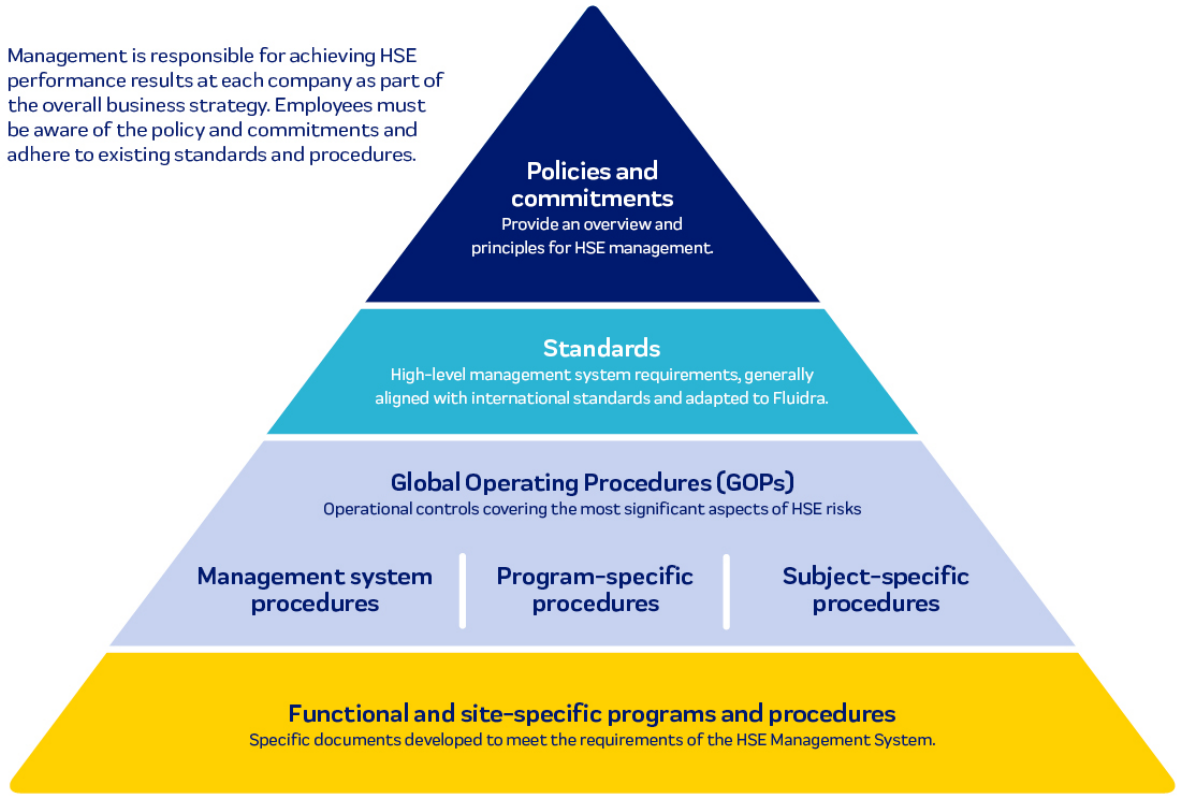
	2023	2022
ISO 45001 certified system	10%	7%
System based on ISO 45001 and OHSAS but not certified	90%	93%

The **Global HSE Policy,** approved by the Board of Directors in 2019 (and revised in early 2024), is the main frame of reference for our Management System. In addition to laying the foundation for all other processes and procedures, the policy addresses in more detail the HSE commitments set out in the Global ESG Policy. In this regard, we have assumed the following commitments:

- To ensure compliance with local and international laws, being more restrictive with our standards and procedures wherever possible.
- To identify and assess occupational risks in order to implement the necessary preventive measures at each location based on the particular activities carried out at each one.
- To encourage employees to participate in the definition and implementation of the measures, and to identify any danger or conduct that goes against the rules on the subject.
- To provide training and raise awareness among our staff about how important this matter is to Fluidra.
- To define quantitative annual targets for improving performance metrics, and report on our performance in the Annual Integrated Report.

The policy was revised and updated in 2023 to broaden the scope to include anyone who works in or enters our locations (distribution and logistics activities, suppliers and subcontractors, etc.). The policy is available to our staff on the corporate intranet and to other stakeholders on the Group's corporate website.

Access the Global HSE Policy on our corporate website.



[50] The KPIs in this section cover 100% of the Fluidra Group's workforce.
[51] ISO 45001:2018 certification valid from 05/11/2022 to 05/10/2025.
[52] ISO 45001:2018 certification valid from 01/09/2024 to 01/08/2027.

Fluidra also has a set of standards that expand upon and detail the commitments of the policy. To date, we have 12 standards that were approved by Global Operations Management in 2020 which set the highest level requirements of the management system. These standards are detailed below:

- HSE management (roles and responsibilities).
- Emergency management (incident and impact management).
- Development and production safety (minimize impacts, prevent accidents).
- Chemicals (risk management associated with chemical agents).
- Occupational health (healthy work environment, wellness campaigns).
- Warehouses (risk management at warehouses).
- Hazardous waste management (minimize waste generation and proper disposal).
- Supplier HSE (third party management).
- Accident investigation and reporting (reporting and investigating accidents).
- Energy resources (footprint management).
- Transportation (correct classification of materials and emergency response).
- Business Continuity Management (BCM) (ensuring key availabilities).

These standards are further developed in 23 procedures (known as GOPs) approved by the HSE Department which define the operational controls for the most significant environmental and occupational health and safety risks.

The procedures derived from the chemical and occupational health standards were developed in 2023: Chemical Disposal, Chemical Handling and Chemical Storage in relation to the first standard; and Occupational Health and Procedures for Managing Serious Injuries in relation to the second.

Looking ahead to 2024, we plan to define the procedures associated with the Energy Resources and HSE Management standards: Energy Management; Energy Review and Audits; and HSE Management and Safety Culture.



4.3.2. Risk identification and assessment

GRI 403-2, 403-3

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 at each location 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. Similarly, prevention plans are normally drawn up by external prevention services. The prevention coordinators, prevention delegates and health and safety committees of each company are responsible for supervising compliance.

The HSE standard for suppliers and the implementing procedures, regulate the management of the workplace health and safety systems of third parties who work at our locations or who work at third party locations on Fluidra's behalf. People hired through temporary employment agencies are entitled to the same working conditions as internal staff insofar as occupational health and safety is concerned. When they join the company they receive training on the risks associated with the work they will be doing. The training is provided either by Fluidra or by the responsible company.

We coordinate the work of the different subcontractors as required by the laws in force, although we try to go above and beyond what is required, exchanging business documentation and information on the people who will have access to our sites in order to minimize the risks posed by the work to be done. This process also applies to Fluidra's Commercial Pool & Wellness projects, where the HSE Department supervises the documentation pertaining to both our own staff and the employees of third parties involved in the work on behalf of the organization.

All Group companies are supported by the HSE Department, which makes regular visits to the sites to monitor the implementation of procedures and planned actions, identify areas for improvement and make corrections.

For several years now we have had a self-assessment system called MaSys which is used by Group companies to self-assess and prepare action plans to correct gaps and make improvements in all areas of HSE. 24 production companies and 15 non-production companies (sales offices, warehouses, PRO Centers, etc.) completed the assessment in 2023 (88% and 23% of the total, respectively). The target for 2024 is for 100% of production companies and 50% of non-production companies to complete the self-assessment.

4.3.3. Workforce engagement

GRI 403-4

The Management System is built on the belief that all employees of the Group, and especially 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, 25 in all, representing 74% of the workforce. These committees meet quarterly to review and investigate accidents and near misses and to assist HSE with audits or inspections, among other things.

We continue to implement the BBS (Behaviour Based Safety) system in our production plants. 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 behaviour.

Every week, a plant employee, accompanied by Health and Safety officers, observes how his or her colleagues do their work in order to identify and/or correct risky or unsafe practices that could lead to an accident in the workplace. Once a month, plant management is also involved in the same process. At the 2023 year end the BBS system has been implemented in all of the Group's production plants with the exception of the United States (implementation planned for 2024) and Italy (due to the merger of the Group's two companies in that country).

4.3.4. Training and awareness-raising

GRI 403-5, 403-6

Our workforce receives regular health and safety training, either at the corporate or local level. In this regard, each location offers the training required to hold a particular position and manages the job-related risks.

The HSE Department prepares an annual communication plan that provides advice, best practices, and information to raise awareness around health, safety and environmental issues.

This information is distributed primarily through the Living Fluidra monthly newsletter and by posting it on the bulletin boards at different locations. In addition, every two months the global HSE Department sends simple and brief information pills to local sites with practical tips to remind people how to protect themselves from risks in the workplace.

Another tool, this time focused on professionals in the field, is the HSE Alert. This is a brief description of an accident, incident, administration of first aid or near miss that has occurred at a location and the actions taken to keep it from happening again. When an HSE Alert is received, the HSE representative at that location shares it with the employees to raise awareness and prevent similar events from happening elsewhere.



6,010

hours of H&S training

Finally, Fluidra looks after employee's health and well-being by continuously promoting programs such as offering smoke-free workplaces around the world. The Fluidra Health Program continued in 2023, sharing advice about healthy habits with our teams.

Safety Day, which started in 2022, was even stronger in 2023 with the participation of more Group companies, not only in Spain but in the European, North American and APAC regions as well. This year, a total of 25 companies participated with a series of workshops and/or initiatives such as driving safety, machinery lockout and a quiz where participants could test their knowledge of general HSE topics.

For 2024, we plan to continue with this initiative and it will be the companies themselves that will decide the workshops and activities to be carried out, following the request of our staff to focus these activities on the main risks that arise in each of our facilities.

4.3.5. Incidents and Absenteeism

GRI 403-7; 403-9; 403-10

Despite 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. All group companies have a person in charge of this function along with a health and safety handbook that contains 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.

To further reduce occupational accidents, we also identify, report and share near misses with the entire Group, i.e., situations that did not cause an accident but could have affected the health or safety of the workforce and/or the environment. This allows us to take the necessary corrective and preventive measures to ensure that near misses never become accidents.

Also in 2023 we introduced the collection of so-called Good Catches at our sites in the United States of America. These are situations that, if not reported, could potentially result in an accident or near miss.

For example, in a situation where there is a puddle of water on the floor, an accident would be when someone steps in it, slips and is injured; a near miss when someone slips but does not fall; and a good catch when someone sees the puddle and reports it to management so it can be cleaned up before anything happens.

As a result of this initiative, we have seen a 19.2% reduction in accidents at our locations in the United States of America. The Good Catch program will be implemented in the rest of Fluidra's companies in 2024 to identify and work on unsafe behaviours and situations before an accident occurs.

Occupational Accidents

Workplace accidents and incidents at Fluidra are defined on the basis of the companies' 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.

Since the approval of the Global HSE Policy in 2018 and the subsequent development and implementation of global operating procedures (GOPs) in this area, there has been a decrease in accident rates. In this regard, we have a specific standard dedicated to accident investigation and reporting that describes the measures to be taken by our HSE personnel to identify the causes and prevent future recurrence.

In 2023 there were 58 accidents, 52 of which involved our own workers and 6 involved external workers (temporary agency workers and subcontractors). These figures reflect a 1.9% and 45.5% reduction in accidents compared to 2022.

This same trend is also observed for accidents with lost time (down 12.8% and 20%, respectively) and accidents with no lost time for outsourced workers. The same is not true for accidents with no lost time involving the company's own employees, which increased by 28.6%.

However, this drop in the total number of accidents is not reflected in the accident rates given the significant decrease in the number of hours worked in 2023.

On the other hand, after a sharp decline in 2022, the number of days lost by our own workers has increased, returning to 2021

levels, accompanied by an increase in severity. By contrast, there was a sharp decline in the number of days lost by external workers.

It should be noted that there was a major accident at one of our production plants involving two subcontractors in 2023. The incident occurred when a forklift truck carrying a load ran over a pedestrian. Fortunately, although the injuries were initially serious, the victim is recovering.

The internal and external investigations concluded that Inquide's plant was properly signposted and appropriate for both pedestrians and forklifts; the work instructions were clear and precise; and both the internal and subcontracted workers had been properly trained and informed about them.

The Labour Inspectorate also visited the location where the accident occurred to conduct its own investigation and gather information, in addition to that provided by police. As of the publication date of this report, we are awaiting the final opinion of the Labour Inspectorate.

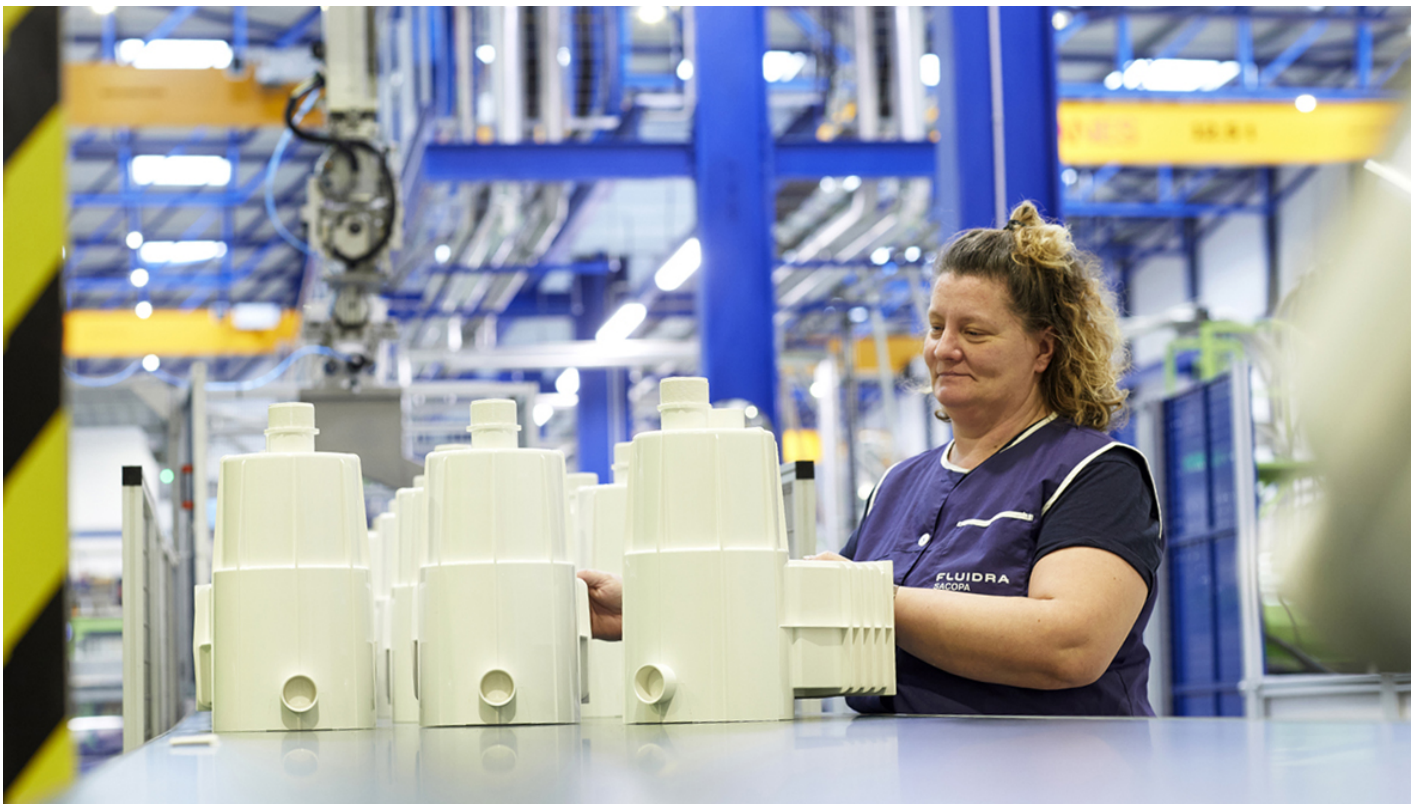
As a result of the internal investigation, we revised the Business Activity Coordination (BAC) procedures and ran an awareness-raising campaign at production plants.

Reducing accident rates is a priority for the Fluidra Group. And because it is so important, we will continue to implement the Good Catch program, continue to celebrate Safety Day, proceed with the approval of new Global Operating Procedures (GOPs), and continue to raise awareness through the HSE Communication Plan and the BBS (Behaviour Based Safety) program.

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 diseases, limb disorders, neck and back problems, poisoning, infectious diseases, cancer and other malignant diseases.

There were two cases of occupational diseases in 2023 linked to musculoskeletal disorders. We will continue to work in this area on job rotation and ergonomics.



Health and safety metrics – Internal workers

	2023	2022
Incidents		
Fatalities due to work-related injuries or illnesses.	0	0
Number of work-related injuries	52	53
With lost time[53]	34	39
Without lost time	18	14
Number of work-related illnesses	2	0
Days lost (due to the causes mentioned above)	869	437
Number of in-itinere injuries	18	15
Accident rates[54]		
Total Recordable Incident Rate (TRIR) - 1,000,000	4.20	3.95
Total Recordable Incident Rate (TRIR) - 200,000	0.84	0.79
Lost Time Injury Frequency Rate (LTIFR) - 1,000,000	2.74	2.90
Lost Time Injury Frequency Rate (LTIR) - 200,000	0.55	0.58
Severity rate	0.07	0.03

Health and safety metrics – External (contractors and temporary agencies)

	2023	2022
Incidents		
Fatalities due to work-related injuries or illnesses	0	0
Number of work-related injuries	6	11
With lost time[55]	4	5
Without lost time	2	6
Number of work-related illnesses	0	0
Days lost (due to the causes mentioned above)	8	31
Number of in-itinere injuries	1	1
Accident rates [56]		
Total Recordable Incident Rate (TRIR) - 1,000,000	18.37	11.06
Total Recordable Incident Rate (TRIR) - 200,000	3.67	2.21
Lost Time Injury Frequency Rate (LTIFR) - 1,000,000	12.25	5.03
Lost Time Injury Frequency Rate (LTIR) - 200,000	2.45	1.01
Severity index	0.02	0.03

Absenteeism

Although the number of hours lost due to absenteeism decreased by 3% compared to 2022, the overall absenteeism rate grew by 0.31% as a result of the increase in the number of hours worked compared to the year before.

Hours lost

	2023	%	2022	%
Accident and illness (common and work-related)	357,696	2.89%	343,879	2.56%
Parental leave	85,310	0.69%	79,778	0.59%
Absenteeism due to leaves of absence	357,967	2.89%	403,760	3.01%
Total absenteeism hours	**800,973**	**6.47%**	**827,417**	**6.16%**
Total hours worked[57]	**12,387,531**	**N/A**	**13,431,902**	**N/A**

[53] An "accident with lost time" is defined as any work-related accident that results in an injury that prevents the employee from returning to work on the next scheduled workday/shift.
[54] The Total Recordable Incident Rate (TRIR) is calculated as follows: (No. accidents in the workplace or on assignment / total hours worked in the year) x 1,000,000 or 200,000 (whichever applies). The Lost Time Injury Frequency Rate (LTIFR/LTIR) is calculated as follows: (No. of lost-time accidents in the workplace) / total hours worked in the year) x 1,000,000 or 200,000 (as the case may be). Finally, the Severity rate is calculated as follows: (No. of workdays lost x 1,000) / total number of hours worked.
[55] An "accident with lost time" is defined as any work-related accident that results in an injury that prevents the contractor or external (temp agency) employee from returning to work on the next scheduled workday/shift.
[56] For more information on the calculation methodology, see note 54.
[57] Hours worked are calculated using the Group companies' time sheets or alternatively the working hours according to the collective bargaining agreement or the labour laws in the country in question.

4.4

Committed to the Community

GRI 2-27, 3-3, 203-1, 413-1

All corporate business activities have direct and indirect impacts on the societies and communities they interact with. As an organization, Fluidra is aware of the impact our operations can have on the communities where we are present, which is why we try to have a positive impact on the lives of all members of those communities.

We work every day to improve our relationships and dialogues with stakeholders so that we can contribute to sustainable development and the well-being of society as a whole. There were no significant fines or penalties for legal, regulatory, corporate, or economic non-compliance in 2023 or 2022.

Our business is highly internationalized and very diverse, generating positive economic impacts in local communities by procuring products and services, creating jobs, and satisfying the needs of the people directly or indirectly related to our Group's companies.

As part of our work in the pool and wellness sector, we participate in social initiatives to promote values and community development through direct actions (social projects, as well as contributions, donations and sponsorships of local and non-profit organizations), or through the projects of the Fundació Fluidra.

In 2023, we invested €945,169 in community actions, compared to €1,007,665 in 2022.

4.4.1. 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).

Water Therapy and Literacy

Given our line of business, one of our core concerns is that all people can enjoy a safe and perfect pool and wellness experience.

Figures from the WHO estimate that over 230,000 people around the world drown each year and it is one of the leading causes of death for children aged 1 to 14. In addition, several studies have demonstrated the benefits of aquatic therapies for people with disabilities or certain diseases.

For that reason, Fluidra partners with different organizations the world over to fund swim classes for kids, especially those in situations of vulnerability, in order to prevent drowning.

In the United States of America, Fluidra once again donated over $100,000 to the **Step into Swim** initiative of the Pool & Hot Tub Foundation (PHTF), a national program dedicated to offering safe swimming lessons. This donation enables the foundation to grant subsidies to facilities across the country to fund swimming lessons for children.

Also this year, on the occasion of the 30th anniversary of our company SIBO Netherlands (The Netherlands), we donated €1,500 to the Kleine Bron organization which specializes in providing water therapy to children who experience pain in their daily lives as a result of illness.

In addition to these actions promoted by Group companies there is the work of the Fundació Fluidra which each year funds swim classes and other initiatives to reduce the risk of drowning.

For additional information, see section"4.4.2. Fluidra Foundation".





1


2

Volunteer Programs

One of the overarching goals of our social strategy is to foster staff engagement in initiatives that respond to existing challenges in the local communities where we operate, volunteering in programs that have a positive impact on the environment and on people.

In 2022, we approved a new leave policy for Australia and New Zealand which allows employees to take **one day of paid leave for volunteer** work in order to participate in activities sponsored by local or non-profit organizations. For their part, our teams in Vietnam have been working with orphanages, homeless people and hospitals to deliver food once a month.

In the United States of America we continued with the work of the **P.A.T.H. Foundation** (Providing Alternative Tomorrows with Hope), a volunteer organization spearheaded by our teams in the region. Its mission is to help the community through staff actions and donations, providing a future and alternatives with hope to people in need. On top of this are the volunteering activities several of the companies we acquired in the US throughout the year had already been running.

Once again this year, the fight against cancer was a key action area. Our teams once again took part in the **More than Pink Walk** (1) organized by the Susan G. Komen organization, raising funds to fight breast cancer on multiple fronts including research, community health, global outreach, and public policy initiatives.

In France, our teams participated in the 2023 edition of the **Rose Canétoise race** (2), for awareness and the fight against breast cancer.

In Europe, a team from Trace Logistics (Spain) participated again this year in the Oncotrail race to raise funds to improve the quality of life of cancer patients. This year we also hosted a day of inclusive volunteering at our headquarters to make Christmas decorations with people with disabilities.

For additional information, please see section "4.2.3. Diversity, Equity and Inclusion".

Other Initiatives

In addition to all of the above, Group companies have collaborated with other organizations to support local initiatives.

Once again, we have developed several blood donation campaigns at our facilities, which involved the participation of more than 150 employees in South Africa, Spain and the United States of America.

4.4.2. Fluidra Foundation

As a show of our commitment to the environment, in 2016 we created the Fluidra Foundation (Fundació Fluidra), the legacy of Joan Planes Vila, Fluidra's founder and honorary president, with a fundamental objective: to better focus our corporate social responsibility initiatives and have a greater impact on society.

Our mission is to ensure that everyone has access to pools, to 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. To that end, we rely on the Foundation's values to achieve all these goals:


Solidarity


Involvement


Responsibility


Community


Knowledge


Transparency

In order to do so and to continuously broaden our scope, including beyond our operating contexts, each year the Company earmarks part of the budget to fund the Foundation. In 2023 we set aside €750,000 (same as in 2022).

Fluidra Foundation's Main Areas of Activity

1. Social and solidarity pool

The Foundation's actions and activities are developed via the following three initiatives:

a) Direct action

We inaugurated a 25x12.5 m swimming pool in Thiaroye, a town on the outskirts of Dakar (Senegal), following completion of the work on the pool in 2022. Starting this school year, more than 2,000 students who attend the local school will learn to swim and a similar number of children from the neighbouring community will also have access to the pool.

Apart from the pool itself, the facility includes locker rooms, spectator stands, a technical room, enclosures, river water tanks, etc. We have also proposed the creation of a multi-sport space around the pool for better access control and to ensure the supply of water to the pool, given the deficiencies of the public water network.



Premiere of the documentary *Malibu Plage*

As part of the Thiaroye swimming pool construction project we produced a short film to denounce the precariousness of swimming in Senegal and the high number of drowning deaths that occur in the country each year.

The idea is to highlight the need for more initiatives of this kind in other locations with similar contexts and the fundamental role the swimming pool sector can play to make it happen.

The short film was projected at the charity event organized by the Foundation as part of the Piscina & Wellness trade show held in Barcelona at the end of 2023.

Other notable projects in this area include the continuation of the swimming pool rehabilitation project for the CRAM Foundation and the conclusion of the collaboration with the Sant Joan de Déu hospital's charity arm.

In addition, and in connection with a previous Fluidra Day project, we ordered a container from NSRI in South Africa to be brought to Barcelona and exhibited at the Piscina & Wellness trade show in 2024. There is a swimming pool inside the container designed to teach small children how to swim. Once refurbished by Fluidra's R&D Department, the container will be an example of a sustainable social pool aimed at helping people in need. It will subsequently be operated by an organization that specializes in water education and therapy for people with disabilities.

Some of these projects caught the eye of certain suppliers and other Fluidra stakeholders, who came onboard by making financial or other donations to the Foundation in order to show their solidarity with Fluidra's social action.

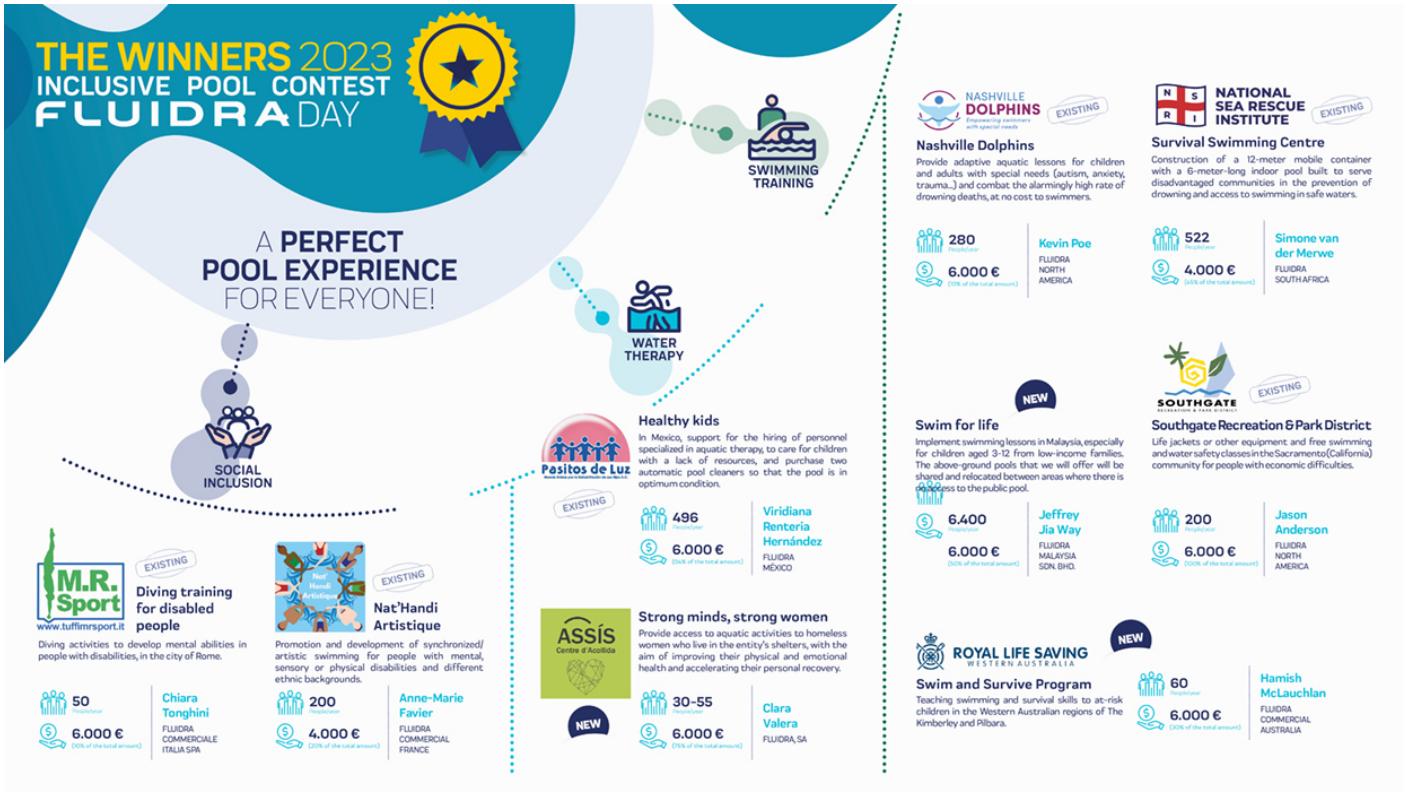
b) Fluidra Day

Every year we celebrate Fluidra Day on occasion of World Water Day (March 22). As part of this celebration, we run a competition which sees Group employees from around the world enter initiatives for social action through the pool and wellness sector in order to create the perfect pool experience for all, especially the most needy.

Fundació Fluidra is tasked with selecting the projects and subsequently donating an established amount to the winners in the different competition categories:

- **Education:** providing education in 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:** providing 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:** providing access to pools and water enjoyment while promoting community development.

A total of €50,000 was allocated to the nine winning projects in the USA (2), Australia (1), South Africa (1), Mexico (1), Spain (1), France (1), Italy (1) and Malaysia (1), which are expected to benefit 4,048 people per year.









c) Put a pool in their life

This program started out as a Fluidra Day initiative and was so popular that in 2022 we decided to make it an annual event. It involves donating aboveground pools to organizations that work with underprivileged groups, quickly and efficiently.

In the first year of testing and implementation, we donated pools worth €26,000, in Colombia (1), South Africa (1), Western Sahara (1) and five in Spain that will benefit around 5,680 people. Undoubtedly, this will be a cornerstone of Fundació Fluidra's international expansion going forward.

2. Water

Also in Senegal, our work on the KAG-25 project continues, together with the farm school managed by Pious Schools in the depressed region of Karang. The goal is to turn a 25-hectare farmstead into a profitable operation, introducing concepts such as production optimization and planning, the use of solar irrigation by taking water from wells, and the distribution of the products produced in efficient channels.

3. Culture and Music

The Foundation continued work on its core cultural project, i.e., the consolidation of Fundació Opera a Catalunya as an inclusive local project. This organization includes the opera circuit of the former Associació d'Amics de l'Òpera de Sabadell and the Orquesta Sinfònica del Vallés. In addition to donating money, corporate profitability concepts are being introduced and entities are being consolidated in the artistic and cultural space.

This project is also noteworthy as an example of a public-private partnership on cultural initiatives.

Finally, the Foundation is also a benefactor of the Palau de la Música and the Fundació Catalunya Cultura as a promoter and driver of a range of cultural initiatives.

5 COMMITTED TO THE BEST GOVERNANCE PRACTICES

5.1. Governing bodies
5.2. Risk and opportunity management system
5.3. Ethics and Integrity
5.4. Responsible Supply Chain management
5.5. A customer-centric model
5.6. Tax
5.7. Information Security and Cybersecurity



23%
Female representation in the Board of Directors

3-5%
Variable compensation of the leadership team linked to sustainability targets

87%
Employees that have accepted and signed the Code of Ethics

30%
Suppliers (by purchase volume) assessed on sustainability issues

7.83/10
Overall customer satisfaction rate

66/100
S&P Corporate Sustainability Assessment score

Committed to the best governance practices

We continue working to lead the best practices in corporate governance and transparency, making honest and accurate information available to our stakeholders about our performance and activities, through this report and in the different ESG ratings and indices in which we participate.

We are also committed to promoting responsible business management, both in our own activities and throughout our entire value chain, transmitting our commitments and promoting responsible and sustainable conduct in commercial relationships with clients and suppliers.



5.1
Governing Bodies

GRI 3-3

The Bylaws, Regulations (of the General Shareholders' Meeting, the Board and its Committees) and other internal standards and procedures make up the internal regulatory corpus of Fluidra's corporate governance system. Fluidra adheres to international recommendations and best practices for good governance, continuously revising and updating our regulations.

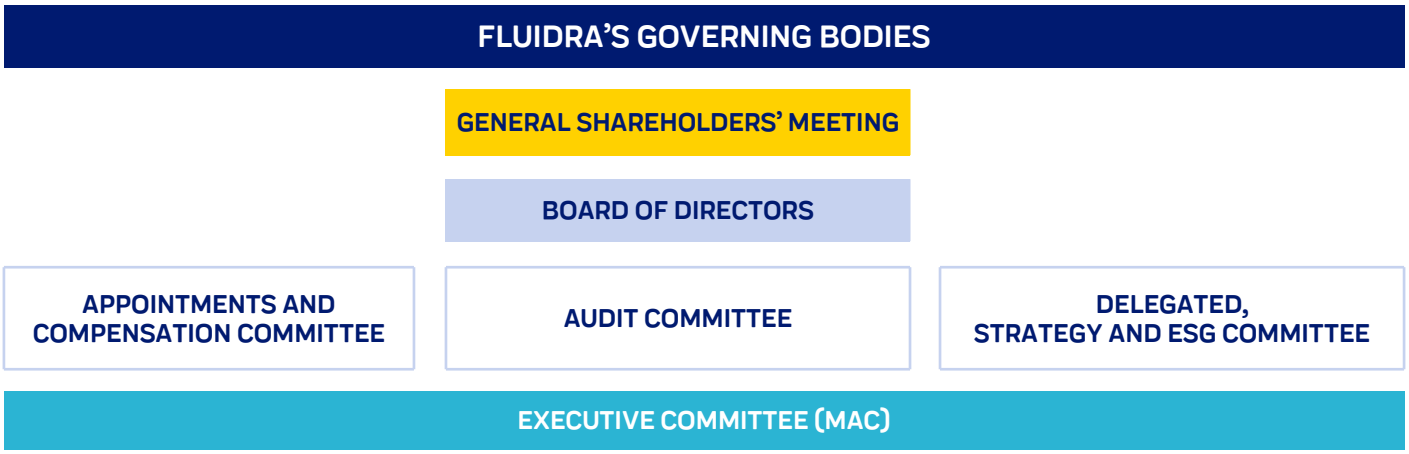
We also publish an Annual Corporate Governance Report following the good governance recommendations for publicly traded companies.

Please see the Bylaws and approved Regulations on our corporate website.

Key internal regulations

Name of the regulation	Approval body	Approved on
Bylaws	The General Meeting	5/10/2023
Regulations of the General Shareholders' Meeting	The General Meeting	5/5/2022
Regulations of the Board of Directors	Board of Directors	12/13/2023
Regulations of the Audit Committee of Fluidra, S.A.	Board of Directors	5/5/2022
Regulations of the Appointments and Compensation Committee of Fluidra, S.A.	Board of Directors	5/5/2022
Regulations of the Fluidra, S.A. Code of Conduct for the Stock Market	Board of Directors	7/30/2020
Director Selection Policy	Board of Directors	5/9/2023
Directors' Remuneration Policy	The General Meeting	5/5/2022

Among other matters, these documents regulate the structure and operation of Fluidra's governing bodies, which include the General Shareholders' Meeting, the Board and its Committees. The Executive Committee is responsible for the day-to-day management of the Company.





5.1.1. General Shareholders' Meeting

The General Meeting is Fluidra's ultimate decision-making body on matters falling under its jurisdiction. Through it, shareholders are able to exercise their rights in the Company's fundamental decision-making.

There are regulations governing the organization and operation of the General Shareholders' Meeting which were updated in May 2022 and are available to the public on the corporate website.

Among other things, the Regulations govern the rights of shareholders to vote and attend meetings (regardless of the number of shares they hold), including remote attendance, participation and voting. There is also a specific section of our website with information for our shareholders about the shareholders' agreements currently in force.

In 2023, we held a hybrid General Meeting so that our shareholders and their legal representatives could attend in person or online over our corporate website.

Held on May 10, 2023, **the Shareholders' Meeting was attended by 86.45% of the capital** present or represented at the session, where all proposed resolutions on the agenda were approved by a majority.

Please see the resolutions adopted at the General Shareholders' Meeting on our corporate website.

5.1.2. Board of Directors

GRI 2-12

The Board of Director's mission is to approve the Company's strategy and authorize the organizational resources to carry it forward, and also to ensure that management meets the objectives set in the pursuit of the Company's best interests and corporate purpose.

The Board performs its functions with unity of purpose and independent judgment, treating all shareholders with the same degree of consideration. 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 profits (losses).

All directors are entitled to seek the advice and guidance they need to discharge their duties, which in certain cases may include the advice of external consultants. We have also implemented measures to keep the governing body abreast of matters falling under its jurisdiction, especially matters of an economic, environmental and social nature.

Structure and composition

GRI 2-9, 2-11, 2-17, 405-1

A resolution was proposed at the General Shareholders' Meeting held on May 10, 2023 to amend article 36 of the Bylaws in relation to the composition of the Board of Directors. Following the approval of this resolution, an additional member was added to Fluidra's Board of Directors, increasing the number from 12 to 13.

At the same General Meeting held on May 10, 2023, director Gabriel López Escobar was replaced by the new independent director Aedhmar Hynes, and Manuel Puig Rocha was also appointed as a new proprietary director. As has been the case in prior years, there are no employee representatives on the Board.

Consequently, as of December 31, 2023, Fluidra's Board of Directors was structured as follows:

Composition of the Board of Directors



Additional information about the Board members' experience and expertise can be found in section C.1.3 of the Annual Corporate Governance Report.

The Board has two executive directors: Eloy Planes, Executive Chairman and Bruce Brooks, Chief Executive Officer (CEO). **They each have different roles and functions in keeping with the guidelines of good practices for corporate governance.**

Since the Chairman of the Board is an Executive Director, the Board has incorporated the role of a Coordinating Director, having chosen Mr. Jorge Constans Fernández for this role from among the independent directors in May 2020.

According to article 15.5 of the Board Regulations, the Coordinating Director has special powers to convene the Board or to add new items to the agenda of a 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.



Election of the Board

GRI 2-10

In accordance with 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's Board of Directors approved a **Selection Policy for the Board of Directors** on March 25, 2020, subsequently amended on May 9, 2023, which describes the requirements to be met by candidates, as well as the selection process, in order to promote diversity of gender, experience and knowledge, always based on the principles of merit and suitability.

All candidates must be **honourable, solvent, competent, experienced, qualified, available and committed** to the post. In particular, they must be professionals of integrity, whose conduct and career are aligned with the mission, vision and values of the Fluidra Group, as well as the principles outlined in our Code of Ethics.

Access the Board of Directors' Selection Policy on our corporate website.

Independent directors are elected in keeping with the independence criterion in article 529.12 (fourth paragraph) of the Capital Companies Act, including limits on terms of office of 12 years. Likewise, the Appointments and Compensation Committee assesses the skills, knowledge and experience required of Board members, defining the functions and essential skills the candidates put forward to fill each vacancy must possess, and estimating the time and dedication required for them to carry out their duties properly.

The Board Regulations were amended in 2023 to prohibit anyone who sits on **the boards of four or more listed companies** other than Fluidra from being appointed as a director.

Additional information can be found in section C.1.11. of the Annual Corporate Governance Report.

The Appointments and Compensation Committee is aware that it does not currently comply with the Corporate Governance recommendation for listed companies regarding the percentage of female directors and is taking steps to correct this situation. Proof of this is that the latest vacancies for independent directors have been filled by women (from 8% representation in 2020 to 23% in 2023), as well as the commitment outlined in the Policy to ensure compliance with the applicable regulations at all times in terms of the diversity of the composition of the Board of Directors.

At December 31, 2023, five of the thirteen members of Fluidra's Board of Directors were independent, representing 38.46% of the total (comfortably exceeding the percentage of free float). This proportion reflects the particularities of Fluidra's shareholding structure and shareholders' agreement, both of which are published on our corporate websites, as well as the concerted actions of some significant shareholders.

See section 2.3.1 for more information on the shareholders' agreements. Shareholder structure and shareholders' agreements.

Based on the above, we believe that the proportions of each category are appropriate for the configuration of our Board of Directors given the shareholding structure, although the Appointments and Compensation Committee plans to gradually increase the number of independent directors to 50%, to the extent possible given the way the Company is structured.

Furthermore, article 21.2. of the Board Regulations covers the circumstances under which Board members must resign. Directors who resign or are removed by a resolution of the General Meeting before their term of office expires should state their reasons for doing so or, in the case of non-executive directors, give their opinion on the reasons for the removal by the General Meeting, in a letter to be sent to all Board members.

Notwithstanding disclosure in the Annual Corporate Governance Report, to the extent that it is relevant to investors the Company will publish the resignation as soon as possible, making reference to the reasons or circumstances provided by the director. The Board of Directors may only propose to remove an independent director before the expiration of the director's term of office when there is just cause for doing so and based on a report by the Appointments and Compensation Committee.

Evaluation of the Board's Performance

GRI 2-18

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 arranging the annual performance evaluation of the Board of Directors.

During this process, the operation and performance of the Board and its members are analysed on an aggregate and individual basis, with a view to:

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

Additional information can be found in sections C.1.17 and C.1.18 of the Annual Corporate Governance Report.

In 2023, the evaluation process was handled internally. However, as indicated in Article 15 of the Regulations of the Board of Directors, Fluidra regularly (maximum every three years) conducts independent assessments of the Board's performance with the assistance of an external consultant. The last independent assessment was carried out in 2021, and the one before that in 2018 due to the merger with Zodiac. Both were conducted by the consulting firm Seeliger y Conde. The results and findings of the assessment were presented to the Chairman of the Board and the President of the Appointments and Compensation Committee for the purpose of devising the following action plans:

- Improving the quality of the Board's deliberations, including more strategic discussions.
- Enhancing the skills and expertise of the members of the Board on digital matters and IoT.
- Promoting greater gender diversity on the Board.

Board Meetings

The Bylaws also stipulate that the Board will meet as often as necessary to perform its duties. In 2023, the Board met on seven occasions with an attendance rate of 100% of the members present or represented.

The Directors will make every attempt to attend all the Board meetings but when they are unable to attend in person they will execute a separate written proxy for each meeting, authorizing another Board member to represent them, including voting instructions, which must be delivered to the Chairman of the Board.

In order for meetings to be as effective as possible, members are provided with specific information beforehand so that they are able to prepare for all Board and committee meetings. In this regard, according to article 15 of the Board Regulations, Board meetings must be announced at least five days in advance and the announcement must always include the meeting agenda and the information necessary for the deliberation and passing of resolutions included as agenda items, except when the Board of Directors is convened for an emergency meeting. The Chairman, with the Secretary's assistance, must ensure that the Directors receive all such information.

Conflicts of Interest

GRI 2-15

For issues involving conflicts of interest, the Company has detailed guidelines that the directors must observe, **whose ground rules are as follows:**

- Reporting any conflicts of interest to the Board of Directors, and refraining from attending and participating in deliberations on matters in which they have a personal interest, whether directly or indirectly. Agreements or decisions affecting them as directors, such as appointment to or removal from Board positions or similar are excluded from the foregoing duty of abstention.
- Refraining from using the name of the Company and flaunting their status as directors to carry out transactions on their own behalf or on behalf of persons related to them.
- Refraining from directly or indirectly conducting business or commercial transactions with the Company without first informing the Board of the potential conflict of interest and obtaining the Board's approval to do so.
- A generic authorization from the Board will suffice for directors to engage in transactions that are part of the ordinary course of business and that are of a habitual or recurring nature.
- Disclosing any direct or indirect shareholding that they or their related persons may possess in the capital of a company whose corporate purpose is identical, similar or analogous to the Company's.
- Refraining from engaging, 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 Meeting, notwithstanding the provisions of Articles 227 to 229 of the Capital Companies Act.
- Refraining from using the Company's assets or wielding their position at the Company to obtain personal advantages without the payment of an appropriate consideration.
- Desisting from taking advantage, for their own benefit or that of anyone related to them, of a business opportunity open to the Company, unless it is offered to the Company first and the Company waives the opportunity.

More information in the note on "Related Party Balances and Transactions" in the financial report.

5.1.3. Board Committees

Audit Committee

Fluidra has an Audit Committee made up of five members, three of whom are independent, including the Chairman, in keeping with the Audit Committee Regulations.

Access the Audit Committee Regulations on our corporate website.

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 supervise the fulfilment 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 to evaluate the results of each audit.
- To review the company's accounts by overseeing compliance with legal requirements and the proper implementation of accounting standards.
- To examine compliance with the Internal Code of Conduct and the rules of governance.

The Audit Committee normally meets quarterly to review the periodic financial information to be reported to the stock exchange authorities and any information that the Board must approve and include in its annual public reports.

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

The Committee met eight times in 2023.

Access the Audit Committee's Annual Report on our website.

Appointments and Compensation Committee

The Regulations of Fluidra's Appointments and Compensation Committee govern the functioning of this Committee which currently has four members, two of whom are independent and one of whom is the chairperson. The members of the Appointments and Compensation Committee have been appointed taking into account their knowledge, skills and experience, as well as the duties of the Committee.

Access the Regulations of the Appointments and Compensation Committee on our corporate website.

We are aware that the composition of the Committee at this time is not aligned with the recommendations of the Spanish Code of Good Governance (i.e., a majority of independent members). This is a consequence of clause 8.3.6 of the shareholders' agreement signed by Rhône Capital and Fluidra's

founding families on November 3, 2017 at the time of the merger between Fluidra and Zodiac. This clause provides that the Appointments and Compensation Committee will be composed of four members, two of whom will independent directors (one of them, the Chairperson), one will be appointed "on the recommendation of the current shareholders" (i.e., the four founding families of the Company) and one will be appointed "on the recommendation of the shareholder of Zodiac Holdco" (i.e., the Rhône Capital fund).

See section 2.3.1 for more information on the shareholders' agreements. Shareholder structure and shareholders' agreements.

The primary functions of the Appointments and Compensation Committee are:

- To evaluate the skills, knowledge and experience required to be a member of the Board of Directors.
- 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 the appointments and removals of senior managers to the Board. To report on issues of gender diversity and directors' qualifications to the Board.
- To set a target for the number of female members of the Board and draw up guidelines on how to achieve this.
- To propose the compensation policy for directors and senior executives and the individual remuneration of directors and senior executives to the Board.

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 its President. A meeting must be convened any time the Board or its Chairman requests that a report be issued or a proposal adopted, whenever needed for the Committee to properly discharge its duties.

The Committee met eight times in 2023.

Access the Annual Report of the Appointments and Compensation Committee on our website.

Delegated, Strategy and ESG Committee

In order to increase the sphere of influence of ESG in the Company, in 2022 the Board agreed to change the name of the Delegated Committee to the Delegated, Strategy and ESG Committee. The Committee was vested with powers to advise the Board and submit proposals for actions of strategic relevance regarding the company's growth, development, diversification, business and technological transformation, with emphasis on the ESG strategy to include it in the Company's business plans.

Pursuant to the terms of Article 12 of the Regulations of the Board of Directors, the Executive Chairman and the Chief Executive Officer will be members of the Delegated, Strategy and ESG Committee and there must be at least two non-executive directors, at least one of whom must be independent, with the Secretary of the Board acting as secretary of the Committee.

The Delegated, Strategy and ESG Committee is made up of the two executive directors, two proprietary directors and three independent directors. To that end, the independent member of the Board of Directors, Aedhmar Hynes, joined the Committee as a new independent member in 2023.

The Delegated, Strategy and ESG Committee met six times in 2023.

5.1.4. Executive Committee: MAC

The Executive Committee (also known as Management Advisory Committee or MAC) is the body in charge of the Group's day-to-day management. It is made up of the Executive Chairman, the CEO and the directors of the Company's business areas.

At the end of the year, the MAC was composed of nine men (90%) and one woman (10%) of four different nationalities: Spanish (40%), American (40%), Portuguese (10%) and Australian (10%). There is currently no member of the MAC who represents the employees.

In order to increase the presence of women on this Committee, in 2021 we set the goal of increasing the number of women included in the succession plans for MAC and MAC-1 positions. At the close of 2023, 38.7% of the identified successors were women, compared to 36% in 2022 and 28% in 2021. This will allow us to take the necessary steps to ensure that women have equal opportunities for promotion when a vacancy arises.

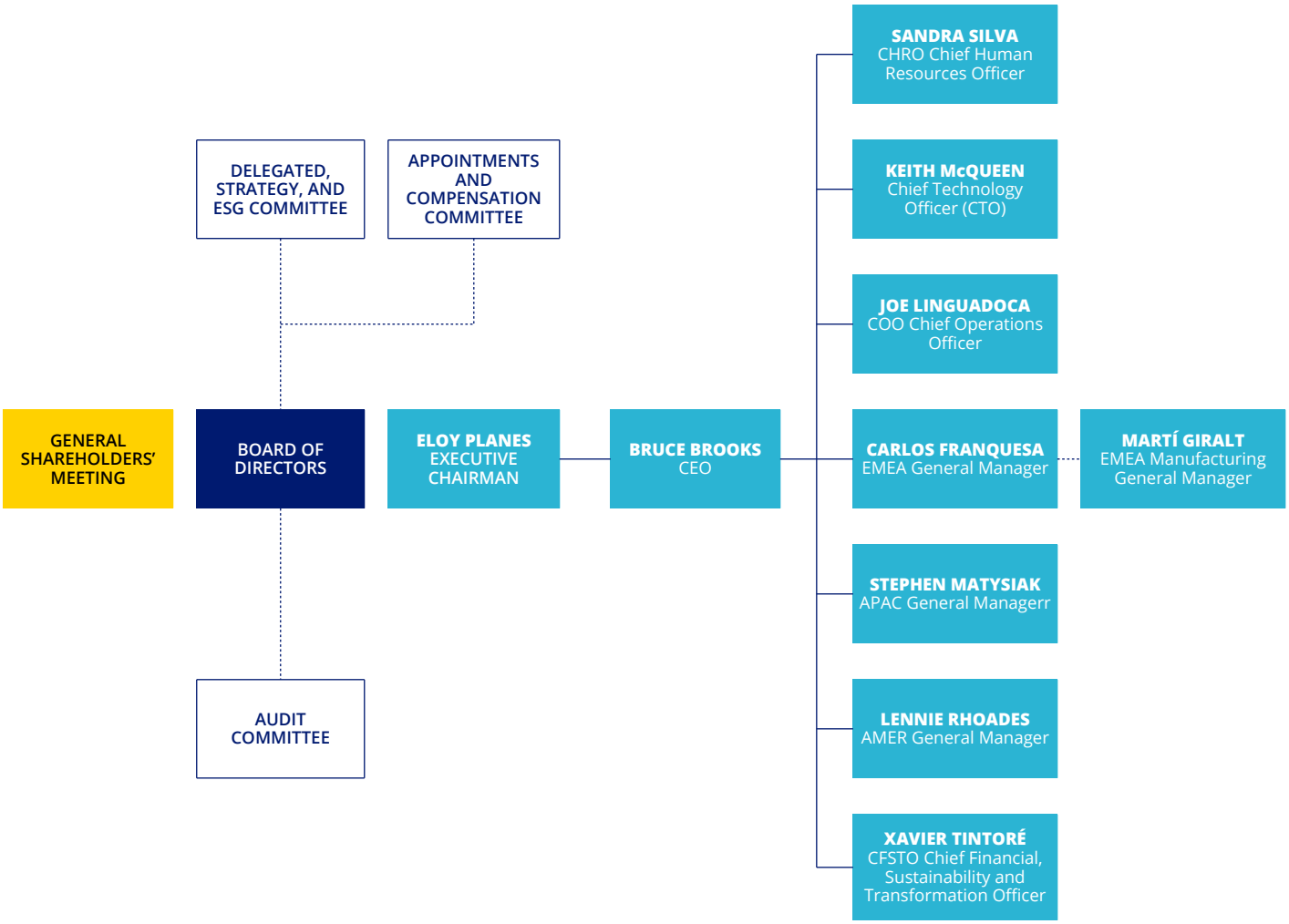
The composition of the MAC was altered in 2023 following the departure of Amalia Santallusia from her position as Global Head of HR & ESG. As a result, Sandra Silva, previously EMEA HR Director, has assumed the position of Chief Human Resources Officer (CHRO), while ESG responsibilities have fallen to the Group's CFSTO, Xavier Tintoré.

However, there were additional changes in early 2024 to the composition of the Executive Committee. Firstly, with the voluntary resignation of Stephen Matysiak (until then, General Manager of the APAC region), Valentina Tripp has joined Fluidra as the new General Manager for that region.

Secondly, with the appointment of Clara Valera, currently Director of Strategy, Investor Relations and M&A, to the MAC, the number of Executive Committee members has increased from 10 to 11.

As a result, at the time of publication of this report the MAC was composed of eight men (73%) and three women (27%).

Organizational chart of Fluidra's governing and management bodies in 2023





Executive Committee (MAC) members in 2023

Executive functions



Eloy Planes Corts - Executive Chairman (executive)

Eloy Planes holds a degree in Industrial Engineering from the Catalonia Politechnic University and an MBA from EADA. As the son of one of the founders of the family business, Eloy Planes joined Fluidra (Astral at the time) as R&D Director in 1994.

Since then, he has held different positions with the Group until he was named CEO in 2006. He has been the Executive Chairman since 2016, leading the merger with Zodiac and Fluidra's inclusion on Spain's IBEX-35 index. He is also the President of the Barcelona International Swimming Pool Exhibition, the Fundació Catalunya Cultura and, since 2023, second vice-president of the Barcelona Chamber of Commerce.



Bruce W. Brooks - CEO (Executive)

Bruce holds a degree in Marketing from the University of Virginia. He has more than 30 years of experience in global consumer and industrial products industries. He spent over 20 years at Stanley Black & Decker where he held various positions over the years, including Vice President of the Group.

He joined Zodiac Pool Solutions as CEO in 2011. In 2016, Bruce oversaw the successful transition of ownership from the Carlyle Group to the Rhône Group and in 2018 he played a decisive role in the plan to merge with Fluidra. He has been the CEO of the Group since then.

Global roles



Xavier Tintoré - Chief Financial, Sustainability and Transformation Officer (non-executive)

Xavier holds a degree in Business Administration and Management and an MBA from the ESADE business school, a CEMS Master in International Management from HEC Paris, and he attended the Management Program at the IESE business school. He has more than 30 years of experience in management at companies such as Shimizu Corporation, Dade Behring (now Siemens Healthcare) and Indo Internacional.

He joined Fluidra in 2010, where he had been the head of several departments (finance, legal, systems, etc.) until his appointment as CFO in 2018. He recently assumed the leadership of the Groups ESG strategy and transformation office.



Sandra Silva - Chief Human Resources Officer (non-executive)

Sandra holds a degree in Business Administration from Universidade da Beira Interior (Portugal) and a master's degree in Business Administration and Human Resources from Atlântico Business School. She has also participated in a focused leadership program at ESADE.

She has more than 20 years of experience leading human resources departments in large companies and multinationals such as Carrefour, Pepsico and Almirall, where she has held various positions of responsibility in both corporate and regional areas. She joined Fluidra in 2021 as HR EMEA Director and in 2023 she was appointed CHRO.



Joe Linguadoca - Chief Operations Officer (non-executive)

Joe holds a Degree in Mechanical Engineering from the University of Drexel and an MBA from Loyola College in Maryland. He has over 25 years of operations experience in manufacturing and durable consumer goods.

He began his career at Stanley Black & Decker, where he held various posts such as Vice-President of Operations. He joined Zodiac in 2012 as Vice-President of Global Supply Chain, following which he took on the role as Global Operations Director following its merger with Fluidra.



Keith McQueen, Chief Technology Officer (non-executive)

Keith earned a degree in Applied Science and Mechanical Engineering at Purdue University, Indiana, and has a track record of more than 30 years in engineering and operations.

He started his career as an industrial engineer with Whirlpool Corporation. He moved to Zodiac in 1995 as Global R&D Director, a position he held until the merger with Fluidra. In 2021, he was named Chief Technology Officer after successfully integrating the IT, IoT and Data, and R&D areas.

Regional roles



Lennie Rhoades - AMER General Manager (non-executive)

Lennie holds a bachelor's and a master's degree in Industrial and Systems Engineering from Ohio State University. He has more than 20 years of experience as a senior manager in the household and industrial goods sector at both the domestic and international levels.

Over this time, he has reaped many successes in companies close to ours, such as JELD-WEN, Husqvarna and Electrolux. Before joining Fluidra, he was the CEO of Big Ass Fans, where he helped achieve strong growth through innovation and product diversification, in addition to improving results thanks to the roll-out of strategic operational efficiency.



Stephen Matysiak - APAC General Manager (non-executive)

Stephen has a degree in Marketing and earned an MBA at the Henley Business School. He started his career as a marketing manager for the Baracuda brand and was subsequently named General Manager of Zodiac Pool Care in South Africa.

He moved to Australia in 2014 to take over as the country's General Manager. Lastly, following the merger with Fluidra, Stephen became APAC General Manager, a post he still holds today.



Carlos Franquesa - EMEA General Manager (non-executive)

Carlos holds a degree in Business Administration and Management from the ESADE business school and has a track record of more than 35 years in management, sales and operational environments. He started at Square D, a subsidiary of Schneider Electric, after which he held senior managerial positions in companies of the Cirsa Group.

He joined Fluidra in 2007 and since then has held various senior management positions, including General Manager of Business for the Fluidra Group until its merger with Zodiac in 2018. At that time, he moved into his current position as EMEA General Manager (Europa, Middle East, India, Latam, and North Africa).



Martí Giralt, EMEA Manufacturing General Manager (non-executive)

Martí holds a degree in Business Administration and Management and an MBA from the ESADE business school, and he attended the Management Development Program at the IESE business school. He has over 30 years of experience in equipment marketing, sales and management. He has worked for companies such as Flamagas, Chupa Chups and the Yves Rocher Group where he held a number of senior management positions.

He joined Fluidra in early 2013 as Business Manager for Iberia. He is currently the EMEA Manufacturing General Manager and is also responsible for the R&D, Marketing, Key Accounts and Mass Market departments in the region.

5.1.5. Remuneration Policy for Governing Bodies

GRI 2-19, 2-20, 201-3

The Fluidra General Meeting of Shareholders approved the Remuneration Policy for Board members in May 2022 and made it applicable for the years 2022 (in application since June 1, 2022) through 2024. The principles governing the Fluidra policy are as follows:

- Offer competitive remuneration in line with the remuneration trends and practices of comparable companies.
- Promote long-term value creation and sustainability of results over time, avoiding excessive risk-taking and unfavourable results.
- Align remuneration with shareholder interests and the company's ESG strategy.
- Ensure fairness and proportionality of remuneration: balance between internal fairness and market competitiveness, guaranteeing non-discrimination.
- Transparency: define rules for remuneration management that are explicit and which respect applicable regulations.

Please see the Remuneration Policy on our website.

Board of Directors Remuneration

The remuneration system differentiates between the remuneration of directors for the supervisory and collegiate decision-making functions inherent to their status and the remuneration for performing executive functions within the company.

Remuneration of Board members in their status as directors

Remuneration consists of a fixed annual allowance, determined on the basis of position, responsibility, and membership of Board committees, on the one hand, and attendance allowances for Board meetings, on the other.

We did not identify any significant differences in average remuneration by gender in 2023. The differences in previous years have been corrected thanks to changes in both the composition and responsibility of the members of the company's governing body.

On the one hand, as indicated in section 3.2. of the Policy, the fixed remuneration associated with the chairmanship of the Board and its committees is higher than that of the other members of the Board, given the chairman's greater responsibilities in the effective functioning of this body.

Of these positions, two were held by men (chairmen of the Board and of the Audit Committee) and one by a woman (chairwoman of the Appointments and Compensation Committee) at year-end.

Total Board Remuneration

In thousands of euros	2023	2022	2021
Permanent	1,489	1,337	1,214
Allowances	133	120	120
Total	**1,622**	**1,457**	**1,334**

Average Remuneration by Gender

In thousands of euros	2023	2022	2021
Men	125	123	102
Women	126	114	110
Total	**125**	**121**	**103**

On the other hand, the remuneration of the other members of the Audit Committee and the Appointments and Compensation Committee is slightly higher than that of the members of the Delegate, Strategy and ESG Committee, to which two women on the Board belong (Bárbara Borra and Aedhmar Hynes). However, the appointment of Esther Berrozpe as a member of the Audit Committee (in addition to chairing the Appointments and Compensation Committee) has balanced the scales.

In addition, the coordinating director (also male) is compensated for this position and also receives remuneration for belonging to the three Board committees.

Finally, the daily attendance allowances for meetings are higher for Board members who reside outside Europe, all of whom are men.

Remuneration for Executive Directors

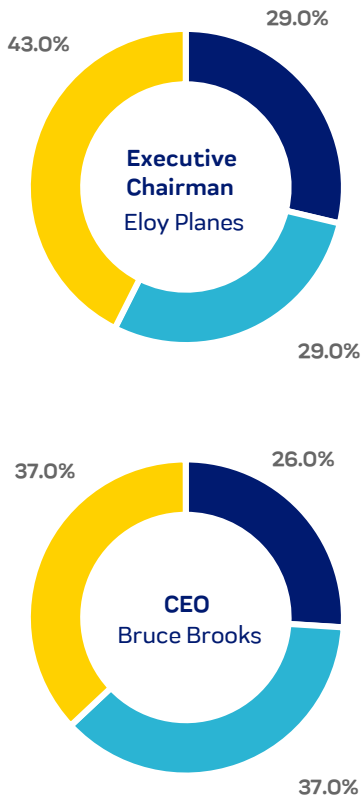
The remuneration of executive directors is a key issue for the Board of Directors and the Appointments and Compensation Committee. Because that is the case, the remuneration model is continuously reviewed, evaluated, and updated by both bodies.

Fluidra has defined a competitive executive remuneration program that motivates and rewards executive directors for hitting financial and strategic targets that generate long-term value for shareholders, while providing rewards commensurate with performance. We thus have the following practices when determining their remuneration:

- Balanced composition between fixed and variable components, both annual and long-term.
- Contribution to business strategy (including ESG strategy) and the long-term interests and sustainability of the company.
- Remuneration aligned with the management team's remuneration conditions.

In 2023, the target remunerative mix[58] of the two directors with executive duties (Eloy Planes, Executive Chairman; and Bruce Brooks, CEO) was as follows:

[58] As established in article 4.3. of the Fluidra S.A. Directors' Compensation Policy, remuneration in kind and contributions to social welfare plans are not included, given that their amount is not significant.



Executive remuneration mainly comprises the following retributive components:

Annual fixed remuneration

This is based on **the level of responsibility and professional career** of the executive directors, with a focus on market suitability. In 2023, the fixed payment came to 500,000 euros for the executive chairman and 600,000 euros for the chief executive.

To these amounts we must add remuneration received in kind (use of a vehicle, life insurance, pension plan, and family health insurance), as well as their status as insured parties under Fluidra's civil liability policy for directors and executives.

In addition, as an expatriate, the CEO received tax and legal advice during this period and is compensated for duly justified travel and relocation costs arising from his travel between Spain and the United States of America, up to a maximum annual amount of 65,000 euros.

Annual variable remuneration

Annual variable remuneration is subject to the **achievement of the financial and management targets** for the current financial year.

In both cases, the weight of financial targets (EBITDA, cash EPS, free cash flow, and sales growth) was 85%, while individual targets (ESG Responsibility Blueprint goals and other operational targets associated with the Strategic Plan) accounted for 15%.

Under the Remuneration Policy, annual variable remuneration may not exceed 100% of the fixed remuneration for the Executive Chairman or 150% for the CEO. Furthermore, the achievement scale for economic targets ranges between 0%, if the minimum thresholds are not met, to 185% if the maximum values for each indicator are met or exceeded.

On February 26, 2024, the Appointments and Compensation Committee verified the degree of compliance with the objectives to which the accrual of the annual variable remuneration for 2023 was linked and submitted it for approval by the Board of Directors. According to this verification, the level of compliance was 87.9% for the Executive Chairman and 89.1% for the CEO.

Additional information in section B.7. of the Annual Report on Remunerations of Directors.

Long-term variable remuneration

As described above, executive directors and key non-executive directors in the company participate in a long-term variable remuneration program based on the company's share payout plans (also known as the long-term incentive plan, or LTI).

The **2018-2022 Plan** accrual period ended in 2022. The period for measuring compliance with the economic targets to which the plan was linked was four years (from January 1, 2018 through December 31, 2021), although payment was subject to the participants remaining with Fluidra through to December 31, 2022.

Once the requirements were met, 170% of the incentive linked to the degree of compliance with the TSR and EBITDA targets was paid in January 2023, as the maximum threshold values established for both metrics were exceeded. This meant 161,856 shares were paid out to the executive chairman and 299,009 to the chief executive.

Once the shares are allotted, executive directors may not transfer ownership of a number of shares equal **to twice their annual fixed remuneration** until three years have elapsed since the shares were acquired. However, this shall not apply in respect of shares which the executive director needs to dispose of, if any, in order to meet the costs related to their acquisition, including the taxation arising from the payout of the shares.

The Company may also demand the return of the shares paid out under the 2018-2022 Plan, their cash equivalent, or even offset the payout against other remuneration of any kind that the beneficiary is entitled to receive if during the two years following the settlement of the 2018-2022 Plan it becomes apparent that the settlement was made wholly or partly on the basis of information later clearly proven to be false or seriously inaccurate.

The **2022-2026 Plan** was also approved in 2022, which, like the previous plan, is articulated in the granting of a certain number of units (PSUs) that will serve as a reference to determine the

final number of company shares to be paid to the beneficiaries, provided the requirements set out in the plan are met.

The 2022-2026 Plan has a **duration of five years** (from January 1, 2022 through December 31, 2026) **and is made up of three mutually independent three-year cycles** (2022-2024, 2023-2025, and 2024-2026).

The settlement of the incentive for each cycle of the 2022-2026 Plan will take place during June of the financial year following the end of the measurement period, after approval of the annual accounts (i.e., in June 2025, 2026, and 2027, respectively).

The beneficiaries of the 2022-2026 Plan must remain at Fluidra until the end date of each cycle in order to receive the shares associated with the achievement of the targets set out in them.

However, the plan provides for some exceptions to the above, such as 'good leaver' clauses. Thus, in the event that a beneficiary leaves the company in good faith before the end of the measurement period, the number of shares he/she is entitled to receive in respect of each cycle will be calculated on a pro-rata basis.

The 2022-2026 Plan includes **malus and clawback clauses.** The Board of Directors will determine, where applicable, whether the circumstances that should trigger the application of these clauses have arisen and the part of the incentive that should be reduced or recovered.

In relation to the clawback clause and in line with the recommendations of the Spanish Securities Commission, Fluidra may demand the return of shares paid out under the 2022-2026 Plan, their cash equivalent, or even offset the payout against other remuneration of any kind that the beneficiary is entitled to receive if **during the two years following the settlement** of each cycle it becomes apparent that the settlement was made wholly or partly on the basis of information later clearly proven to be false or seriously inaccurate.

The above applies to executive directors in any case and to the beneficial owners responsible for such information. The incentive paid to the members of the Executive Committee (MAC) and internal audit managers, to whom the clawback clause does not apply, will be recalculated on the basis of the correct information.

Once the shares have been allocated under the 2022-2026 Plan, executive directors and other MAC members **will not be able to transfer ownership of the shares received under the 2022-2026 Plan** until three years have elapsed from the end date, until they reach a number of shares equivalent to at least twice their annual fixed remuneration in the case of executive directors and once for other MAC members.

However, the above shall not apply in respect of shares that need to be disposed of in order to a) meet the costs related to their acquisition, including the taxation arising from the payout of the shares, or b) are subject to a waiver approved by the Board of Directors, with the favourable report of the Appointments and Compensation Committee, in order to meet extraordinary situations that arise and require it.



Social Welfare

Executive directors have a recognized **covenant for death and disability contingencies** equivalent to four times their annual gross fixed remuneration at the time of death, and another for defined contribution pensions which entails the constitution of a retirement fund.

The contributions made by the Company to the insurance contracts concerned in 2023 came to 16,000 euros for the Executive Chairman and 8,036 euros for the CEO.

Remuneration for senior management.

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

The MAC annual variable remuneration is subject both to the **achievement of financial targets (85%) and personal management targets (15%).** The distribution of the total weight of each of the objectives within these two categories varies according to responsibility within the MAC.

		Financial objectives	Individual objectives			
			ESG	RR.HH.	Operativos	Total
Executive Chairman	EBITDA	25%	5%	5%	5%	15%
	Cash EPS	25%				
	Free cash Flow	25%				
	% Incremento ventas	10%				
	Total	**85%**	**5%**	**5%**	**5%**	**15%**
CEO + CFSTO	EBITDA	25%	4%	4%	7%	15%
	Cash EPS	25%				
	Free cash Flow	25%				
	% Incremento ventas	10%				
	Total	**85%**	**4%**	**4%**	**7%**	**15%**
Rest MAC	EBITDA	40%	3%	3%	9%	15%
	Free cash Flow	35%				
	% Incremento ventas	10%				
	Total	**85%**	**3%**	**3%**	**9%**	**15%**

Similarly, direct reports to the MAC (MAC-1), the management teams of Group companies, and other leadership positions (area managers) also have part of their individual objectives (3%) linked to the achievement of ESG objectives at the global or regional level.

For more information on ESG objectives, see section 1.2.. Responsibility Blueprint: Our Roadmap.

In addition, all MAC members are part of the 2022-2026 long-term incentive plan (LTI), together with the executive directors. However, the applicable terms and conditions (including malus, clawback, and shareholding clauses) vary in the case of senior management, as explained previously. As with the annual variable remuneration, as a new feature, the 2022-2026 Plan incorporates, together with TSR and EBITDA, **targets linked to the score obtained in the S&P Corporate Sustainability Assessment**, a rating that evaluates our annual ESG performance.

In addition to the MAC, 112 other individuals from the organization are LTI beneficiaries under the 2022-2026 Plan. Of these, 45% are MAC-1, while the other 55% occupy positions considered MAC-2 and below. For more information on the new plan, please see Annex I of the Board of Directors' Remuneration Policy.

The average remuneration of MAC members in 2023 (excluding executive directors) was 532,012 euros (up from 479,355 euros in 2022). This growth is a consequence of the increase in degree of achievement of the financial targets that determine annual variable remuneration. In 2023, the degree of achievement of the targets ranged from 76.3% to 96.8%, compared with 15% - 50% in 2022. As was the case the previous year, this information is not broken down by gender for confidentiality reasons, since the MAC had only one female member in 2023.

In addition, all Executive Committee (MAC) members held shares in the Company at the end of the year. Thus, the CEO held 0.19% of the total shares, the value of which represented 12% of his base salary. On the other hand, the rest of the MAC members (including the Executive Chairman) held 0.56% of the shares together. On average, the value of the shares represented 5.91% of their base remuneration during the year.

5.2
Risk and Opportunity Management

GRI 3-3

Aware of the critical importance that the efficient management of potential risks and opportunities has for correct development, the achievement of objectives, and the future plans of any company, at Fluidra we have made this area the backbone of our operations.

For this purpose, we have a **Risk and Opportunities Management System** that aims to **identify, evaluate, and prioritize business risks and opportunities** and 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.

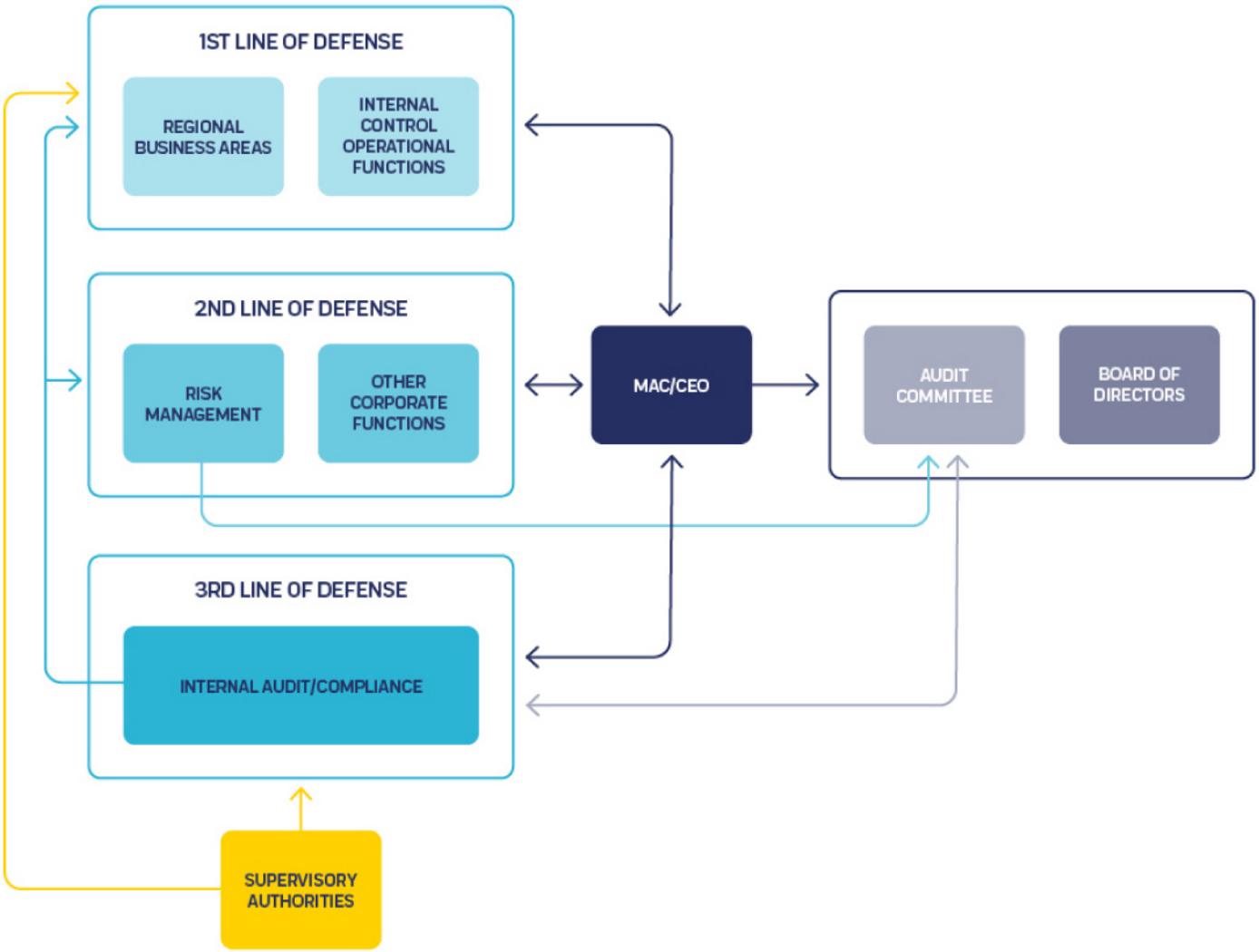
It is a global and dynamic system covering the entire organization, including all subsidiaries and geographical areas, and its consideration by all people in the Group, particularly those in management and leadership positions, is therefore mandatory. It also works comprehensively and continuously to enable effective risk management and mitigation across all levels. The structure is based on three pillars:

- Common management systems specifically designed to mitigate business risks.
- Internal checking procedures aimed at reducing the risks of financial reporting and improving its reliability, designed in accordance with the ICFR (Internal Control over Financial Reporting System).
- Corporate risk map. This is the methodology we use at Fluidra to pinpoint, understand, and assess the risks that affect us. The aim is to offer an overview of the risks to design an efficient response system aligned with the business objectives.

The system is posited on the ISO 31000:2018 standard and structured around three lines of defence: the regional businesses and their transactional support functions; the corporate functions of supervision and control of Group operations; and internal audit. This structure was modified in 2021 to incorporate a risk management function separate from the internal audit team.

As a result, the system is currently coordinated and managed by the **insurance and risk area,** part of the Tax & Legal Department, which in turn reports to the CFSTO (a member of the MAC). The work is also supervised by the **Audit Committee** within the framework of the Board of Directors, to whom the risk manager reports every six months on the results of updating the corporate risk map, as well as the actions and controls arising from it.





Risk Culture

Our risk culture is characterized by the "tone at the top" of the Organization, i.e., the commitment and leadership exercised by the Board of Directors and senior management in this area.

In 2021, our Board of Directors approved the **Global Risk Management Policy** (updated in 2022) applicable to all Group companies and developed and complemented by other specific internal policies and regulations related to certain company areas. It sets out the principles, key risk factors, and general lines of action for managing and monitoring risks that affect the entire company.

See the Global Risk Management Policy on our corporate website.

To strengthen the risk culture within the organization, in addition to communicating the policy both the risk department and the people responsible for the various regions and business units have been trained to identify and assess risks in accordance with the risk tolerance defined and updated by Fluidra. As a result, several of these departments and people have identified new risks to the company that had not previously been considered.

Also in the area of training, each of the business units develops actions to extend the risk culture in the areas of their competence. Of note in this section were the training courses given in 2023 on the identification and assessment of the organisation's risks, with a practical vision of them, as well as informing on the new approach according to the new applicable regulation on ESG risks, in line with the requirements of the European Union Directive on CSRD and the application of the dual materiality approach.

In addition, specific training actions have been taken in the areas of greatest risk, such as the monthly training pills on cybersecurity, or the awareness-raising initiatives associated with personal security.

Thanks to the implementation of the new tools, the analysis of the mitigation plans of the risk management system (ERM), and the definition of key risk indicators for all the risks analysed that we are monitoring, Fluidra's risk culture is increasingly consolidated.

5.2.1. Corporate Risk Map

We update the Group's **corporate risk map** each year. In 2023, we identified and assessed a total of 34 risks and 15 opportunities, integrating the new CSRD requirements on dual materiality into the analysis.

Risk Assessment Process



The risk assessment process comprises the following phases:

- Identification of risks through a review of the Group's historical risks and the onboarding of new risks identified by our teams in their respective areas of action which affect or could affect Fluidra.
- Analysis of the risks identified using an annual survey managed by the ERM team and addressed to the MAC, as well as to the people responsible for each region and business units, for subsequent evaluation and quantification.
- Assessment of the identified risks, considering the likelihood of their occurrence and potential impact.

The results of the assessment were first shared with the MAC and then with the Audit Committee and Board of Directors for review and approval.

Consequently, the following ten risks with the greatest potential impact on the organization were prioritized[59]:

- Cyberattacks of any kind (Operational)*.
- Business interruption because of a computer system failure (Operational).
- Impacts on production plants or logistics centres because of a catastrophic event (Operational)*.
- Water crisis: potential plans to restrict water consumption, both at the national and supranational level (Strategic)*.
- Change in competitor strategy that could affect the market dynamics of our products (Strategic).
- Increase in raw material costs (Financial).
- Accidents that could cause serious injury or death to persons (Operational)*.
- Compliance with regulations associated with our products, certifications, patents, consumer health and safety (Regulatory)*.
- Succession planning and failure to attract or retain talent (Human Resources)*.
- Possible poor integration of acquired businesses (Operational).

For more information, see section E of the Annual Corporate Governance Report.

We also reviewed the existing checks to mitigate each identified risk (prioritizing those ranked in the top 10), formalizing additional action plans (where existing ones were not sufficient), and assigning the parties responsible for monitoring and following up on their progress.

In line with the above, and by way of example, below is the result of the analysis of the following risks:

- Cyberattacks of any kind (Operational): The analysis concluded that the magnitude of this risk was level 4 on a scale of 6, which, when monetized, could come to 70 million euros, based on tolerance analyses carried out in previous years. There was also a 4.1 out of 6 chance that this risk would materialize in the short term.

For more information on cybersecurity mitigation measures, see section 5.7.1. Cybersecurity.

- Accidents that could cause serious injury or death to persons (Operational). Based on established tolerance levels, this risk was determined to have a magnitude of 3.5 on a scale of 6,

[59] All risks flagged with an asterisk are directly related to the risks assessed in the materiality assessment. For more information, see section 6.2. Materiality Assessment.

which would result in an impact of up to 10 million euros. It had a probability of 2.5 out of 6. However, it should be noted that this is a risk that did materialize in 2023 (as described below), although the investigations concluded that Fluidra had complied with all the necessary measures to avoid it and it was therefore due to human error.

For more on health and safety mitigation measures, see section 4.3. Health, Safety, and Well-being.

On the other hand, we are assisted by external experts to analyse and quantify the impacts of the most relevant risks that make up the corporate risk map. Thus, in 2021, we carried out a sensitivity analysis and stress test in different scenarios: cybersecurity, exchange rate fluctuations and climate change. In addition, in 2023 we started a project to quantify three climate risks.

For more information, see section 2.2.3. Climate risk management.

Risk universe

Strategic risks

These 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 value-generation for shareholders.

Risks associated with human resources management

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

Environmental risks

These are risks related to the company's impact on the environment and vice versa: effects of the lack of mitigation and/or adaptation to climate change, extreme weather events, waste management, and use of natural resources and energy.

Financial risks

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

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. They include risks related to political changes that can impact 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).

Reputational risks

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

Operational risks

These are the internal and external risks associated with our day-to-day operations in terms of touchpoints with customers, suppliers, and other stakeholders. They include the risks associated with the eventuality of extraordinary events beyond our control (fires, natural disasters, strikes by shipping companies or key suppliers, cyberattacks, etc.) that could significantly impact normal operations.

Materialized Risks

Risks related to flooding and natural disaster materialized during 2023, although with an immaterial impact on the company.

There was also an important risk inside Fluidra facilities involving several subcontractors and where, after an internal and external review, it was concluded that Fluidra had complied with all the necessary measures to avoid it and it was therefore due to human error. The accident led to a review of the safety procedures and protocols in our factories. At the same time, the requirements for external companies to work in our facilities were audited. Finally, we implemented an awareness-raising campaign in our production plants.

For further information, see section 4.3.5. Accident Rates and Absenteeism.

Lastly, two risks related to cybersecurity materialized in 2023, although they did not have a significant impact from the economic viewpoint either, mainly because of the effectiveness of the checks established to prevent this type of incident. The cybersecurity team continued to work on the areas established to date and focused on the technical tools in communication and training activities.

For further information, see section 5.7.1. Cybersecurity.

Emerging Risks

The Risk and Opportunity Management System also covers the tracking of emerging risks, understood as any recently identified risk expected to have a long-term impact on our activity, although there may be times when the risk has already affected it. Consideration of emerging risks may lead us to incorporate new risk assessments and mitigation plans if necessary.

We would highlight the following emerging risks to be considered in a long-term scenario:

Artificial Intelligence (AI)

Related to the possible consequences derived from the application of AI technology in the industry, as well as in companies with a mix of manufacturing, logistics, and commercial operations, which could affect market dynamics, and everything related to ethics and data processing for both suppliers and end customers.

To tackle AI and its uses in Fluidra, in early 2024 we created a global task force to assess the different tools and apps our employees use or could use. The group has two aims: to identify and formalize Fluidra's position on AI and its use in the business, and to ensure that the way we use, deploy, and manage it is in keeping with our safety protocols and protects our most critical sensitive information.

While we carry out this assessment process, the use of all AI applications has been suspended for approximately 120 days. The outcomes of the assessment will also allow us to determine how this risk could impact the business and to adopt the necessary mitigation plans.

Rapid Digital Transformation

This risk could affect us in several ways. It could change the way we understand our business and how we produce, and at the same time could inherently increase the risk of cyberattacks materializing in processes that currently have a low level of digitization or connectivity. Secondly, any potential impact could be approached from the cybersecurity perspective, applying mitigation measures for this type of risk, together with the possible disruption of activity due to the potential effects on IT systems.



5.3
Ethics and Integrity

GRI 2-23, 3-3

Our Code of Ethics and our culture promote the principle of zero tolerance for any unlawful act or breach of the principles of ethical, responsible conduct, both in the Company and in our relations with customers, suppliers and any other third parties.

The Board of Directors' Audit Committee is ultimately responsible for supervising how our compliance model works and the degree to which it is observed. The Committee is supported by the Global Internal Audit Director and Compliance Officer, who in turn supervises the tasks assigned to the Compliance Coordinating Committee in connection with the implementation of the necessary actions, and the Ethics Committee for conducting investigations into reports of potential breaches.

In this regard and as described below, Fluidra has a corpus of internal policies, directives and procedures published by the Global Internal Audit Director and Compliance Officer which define and specify the conduct that is expected not only of Group employees but also of other people and organizations with which we do business. These standards are reviewed periodically in the interest of continuously improving our compliance management systems.

5.3.1. We promote an ethical behaviour

GRI 2-23

In addition to our mission, vision and values, our corporate culture is characterized by our **commitment to respecting human rights** and the **promotion of responsible business conduct** in all of our activities and business relationships, including with our customers and suppliers.

We believe that it is essential that all of the people who belong to the Organization, in addition to all third parties with which we have relations, are a true reflection of these commitments. To ensure this, we have set out the principles and guidelines that should be followed in day-to-day conduct and decision-making in our **Code of Ethics** and the **Code of Ethics for Suppliers.**

Both documents are based on the 10 principles of the UN's Global Compact, the International Bill of Human Rights and the Declaration of the International Labour Organization (ILO). Furthermore, they do not replace or override the laws in each country, the internal regulations of individual companies or the collective bargaining agreements that may apply.

In 2023, we began a review of both codes in order to adapt them to Fluidra's current reality (five years after the merger with Zodiac) and to the new ethical challenges faced by companies. This process is expected to be completed during the first half of 2024 with the approval of the new version by Fluidra's Board of Directors.

Our principles and commitments

To society and human rights	To Fluidra's people	To our stakeholders	To the environment	Legal Compliance
To promote dialogue and cooperation with local communities and respect for the principles of the Universal Declaration of Human Rights.	To protect labour rights in order to create work environments where respect, equality and safety prevail.	To build relationships based on transparency, commitment, loyalty and mutual respect with our stakeholders.	To preserve the environment and respect the balance of nature, encouraging the rational consumption of resources and investing in clean technologies to control and reduce our impacts.	To comply with and enforce compliance with applicable laws and to abide by any definitive and enforceable judicial or administrative decisions.

Code of Ethics

Fluidra's Code of Ethics, adopted by the Board of Directors in 2008, establishes the principles that should guide the conduct of all Fluidra people in order to ensure ethical and responsible behaviour within the framework of our operations and business relationships. The code is binding on members of the governing body, managers and other employees of all Fluidra Group companies, regardless of the type of contract regulating the professional or labour relationship.

When people first join the Fluidra Group, they are given training about the commitments and principles of the Code of Ethics, which they must read and accept. In addition, the Code is made available to all new acquisitions as part of the process of joining the Company. In 2023, a total of 5,549 people received training on and accepted the Code of Ethics, representing 87% of the workforce at year-end (5,934 people, 88% in 2022).

Throughout the year, the Compliance Department and other Group areas offer training opportunities to staff for a deeper understanding of specific aspects of the Code, focusing on the areas where the greatest number of non-compliances are being identified or where new regulations have been approved. The topics covered in 2023 include: advice on how to make decisions and handle ethical dilemmas; guidelines for the correct use of social networks; what constitutes insider trading; the types of existing conflicts of interest; and training to promote the use of the Confidential Channel. In all, 1,722 hours of training were provided.

The Code of Ethics is available to all stakeholders on the Group's corporate website in a total of 18 languages, given our geographical and linguistic diversity. Anyone, whether or not they are part of Fluidra, can access the Code and report any breach of the principles contained therein through the Confidential Channel.

For more information, please access the "Ethics" section of our website.



87%

of staff that received Code of Ethics training

Code of Ethics for Suppliers

Fluidra's Board of Directors drew up the **Code of Ethics for Suppliers** in 2019 in order to transmit our values and principles to the entire supply chain and thereby ensure ethical and responsible conduct, respect for human rights and the protection of the environment by all of our business partners.

All direct suppliers (Tier-1) must agree to comply with the principles, either expressly or through the clause contained in purchase orders, unless they already have a similar code aligned with the 10 Principles of the United Nations Global Compact. Both the Code and the letter of acceptance are available to suppliers on our corporate website in Spanish and English.

For more information, please see the "Ethics" section of our website.

In addition, in order to raise awareness of the commitments assumed in the Code and encourage them to pass these commitments on to their partners along their value chains, in 2021 we launched a training program for our critical suppliers on the Code and our commitment to human rights.

For 2023, we set a target of 65% of our purchasing volume for the year to receive training and accept the contents of the Code. We have achieved the objective in the case of acceptance of the Code, but not in the case of training. For 2024, the goal is to continue with both initiatives in order to cover 70% of our total annual purchasing volume in euros.

Dissemination of the Code of Ethics to suppliers

	2023			2022		
	Number	% suppliers	% purchase volume	Number	% suppliers	% purchase volume
Acceptance of the Code	4,475	29.8%	75.3%	4,902	30.5%	55.0%
Training on the Code	303	2.0 %	59.7 %	187	1.2%	52.6%

If any assessment or external audit were to detect any non-compliance with the provisions of the Code, **Fluidra reserves the right to implement a series of corrective measures or, as a last resort, to suspend the contractual relationship.** Similarly, suppliers can report suspected breaches of the ethical principles by Fluidra using the Confidential Channel.

For more information, see section 5.4.3. Advancing shared values.

Confidential Channel

GRI 2-16, 2-25, 2-26, 207-2, 406-1

We provide all stakeholders with a Confidential Channel which they can use 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 and the implementing regulations of the Codes. This channel is also used to centralize the queries that the Company receives by e-mail in relation to the above.

Access the Confidential Channel in the "Ethics" section of our website.

The Confidential Channel is available in 16 languages and is managed by a third-party provider so that reports can be made anonymously.

In recent years we have also taken several actions to ensure it is aligned with the contents of Principle 31 of the UN Guiding Principles on Business and Human Rights relative to effective grievance mechanisms.

For more information, please see section 4.1.3. Grievance mechanisms.

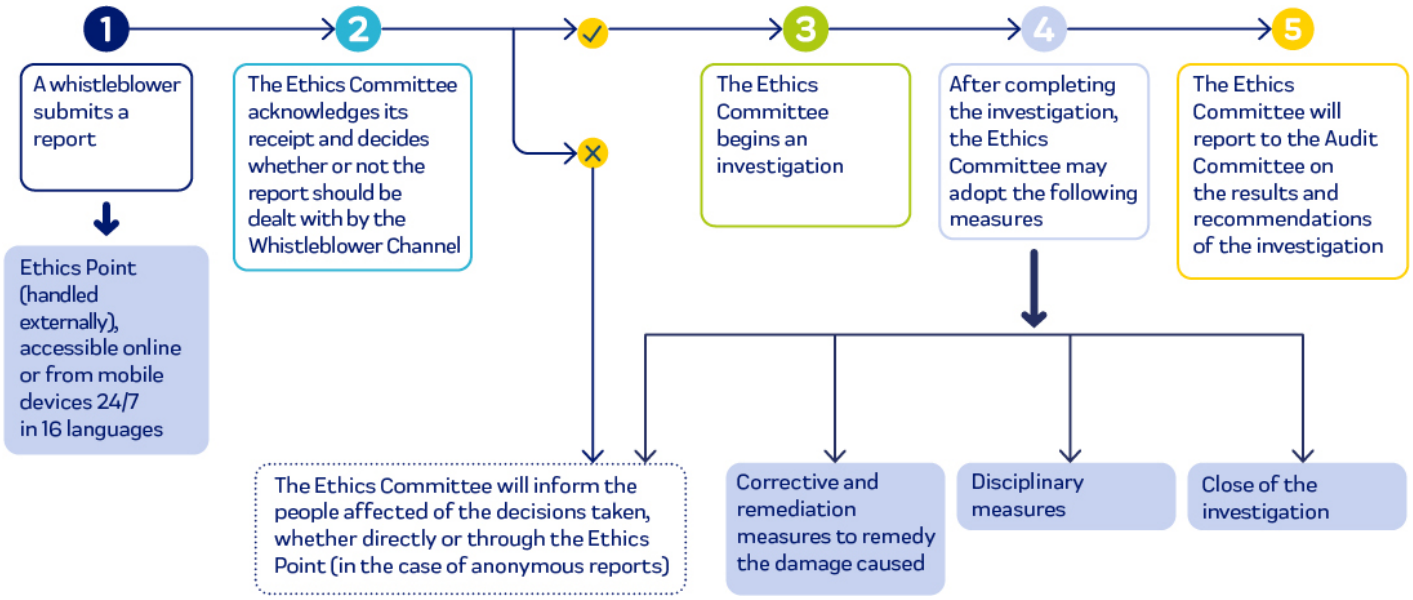
Since last year, the Confidential Channel has been **managed by an external provider,** replacing the previous email address, in order to allow whistleblowers to file their reports **anonymously**, reinforcing the confidentiality and security of the channel itself. This is intended to bolster the protection of whistleblowers and make them feel more confident so that more people will come forward.

In 2023, we reviewed and updated the Confidential Channel regulations in order to ensure compliance with the provisions of Law 2/2023 of February 20 on regulating the protection of people who report regulatory violations and the fight against corruption. To that end, the Executive Committee approved the new Speak Up Directive and the Communications Management Procedure.

The purpose of these regulations is to describe how the Confidential Channel works, the process and principles, as well as the rights of both the whistleblower and the reported person. Both documents are applicable to all Fluidra Group companies and are available to our staff on the corporate intranet.

In addition to responding to the concerns of our stakeholders, the Confidential Channel acts as **an early warning system** about risks to the organization. Therefore, it is essential that all staff are aware of it and use it in order to ensure that we are able to flag up and deal with any incident quickly and efficiently. To that end, a series of training pills on the topic were sent out to the workforce during the year, and we ran an information campaign by installing informative posters at the Group's facilities.

Operation of the Confidential Channel





The channel can be used to report the following types of issues:

- Conflict of interest.
- Discrimination or harassment.
- Disclosure of confidential information.
- Infringement of tax regulations.
- Violations of health and safety regulations.
- Accounting or financial irregularities.
- Retaliation.
- Bribery and corruption.
- Insider trading.
- Inappropriate use of intellectual property.
- Unauthorized or fraudulent use of company facilities and equipment.
- Other unethical behaviour.

The **Ethics Committee** is responsible for handling the complaints that are received, with the assistance of the departments in charge of each matter. The Committee, whose members include the Global Internal Audit Director and Compliance Officer, the Human Resources Director and the Group's Legal Director, meets periodically to deal with cases reported through the Confidential Channel. In 2023, it met a total of seven times (five in 2022).

In 2023, a total of **13 reports** were received through the channel (21 in 2022). The investigation of eleven of the complaints received has been completed without the facts being proven, although two of the cases motivated the improvement of internal procedures to prevent similar complaints in the future. Meanwhile, the investigation continues into two complaints: one regarding "conflict of interest" and another within the "other" category.

Also in 2023, we continued to investigate one of the complaints we received through the channel last year. After carrying out the appropriate investigations, the complaint was dismissed, as there was no violation of the principles contained in the Code of Ethics. Below is a breakdown of the breakdown of cases received by category:

Complaints received through the Confidential Channel by category

Category	2023	2022
Corruption and bribery	0	0
Money laundering	0	0
Data protection	0	0
Conflicts of interest	1	1
Human rights	0	0
Discrimination and harassment	3	3
Others	9	17
Total	**13**	**21**

Based on the complaints received, the Compliance Department, together with the other areas involved, takes the necessary actions to remediate the situation and prevent similar risks in the future. These measures include things like reviewing policies and procedures, defining new controls, developing staff training

and communications, and performing more detailed evaluations.

The **principles** governing the operation of the Confidential Channel are as follows:

No reprisals

Fluidra does not tolerate any form of threat or reprisal against anyone who reports a potential breach in good faith. Any disclosure, concern or accusation made in bad faith (e.g., false accusations, lying or interfering during an investigation) may give rise to disciplinary measures.

Right to choose the channel of communication

We recognize the right of any individual to choose the channel he or she considers most appropriate for reporting a complaint without being forced to use a particular one.

Right to limited information

In the process of filing a complaint, Fluidra will not request any information that is not absolutely necessary to process the complaint, nor will we retain information that is not strictly necessary for the investigation.

Confidentiality and anonymity

All reports submitted through the confidential channel will be processed in the strictest confidence in order to protect the reputation of the parties involved. This means that any information provided will be disclosed to a limited number of people directly involved in the investigation following its approval by the Ethics Committee.

The whistleblowing process ensures that the whistleblower can choose to raise their concern anonymously. Should it be necessary to break confidentiality (by law, for instance), the persons involved will be duly informed in advance.

Presumption of innocence

We ensure adequate protection of privacy, preservation of the accused's right to honour, the presumption of innocence and the right to defend oneself, especially in cases of unfounded, false or bad faith reports, against which appropriate measures will be taken.

This includes a fair hearing. In the event that an internal investigation is conducted, Fluidra will inform the people involved that a concern has been voiced about them.

Privacy

We undertake to protect the privacy of all the people involved in a report of misconduct and to safeguard the unauthorized access and processing of personal data.

Right to receive a response within a reasonable time

An acknowledgment of receipt of the whistleblower's complaint will be sent within seven days of Fluidra receiving the complaint.

The investigation will not exceed three months from the receipt of the complaint, except in complex cases that require more time, in which case the deadline will be extended for an additional three months.

5.3.2. Criminal Risk Prevention and Control Model

Fluidra has had a **Global Crime Prevention and Control Model since 2016, which was updated in 2021**, for the purpose of detecting, preventing and mitigating any impact on people, the economy or the environment that could result in a criminal risk to Fluidra as a legal entity, damage to Fluidra and its brands (reputational risk) or fines and penalties (financial risk) associated with such an impact.

The model, which acts as a first layer of protection, is deployed in all countries where we operate and is based on the detection, prevention and mitigation of the crimes included in the Spanish Penal Code for which Fluidra could be criminally liable if committed by any of its members. Additionally, there is a second layer of protection which consists of detecting, preventing and mitigating activities that could be considered criminal in territories other than Spain and subsequently incorporating them into the model that applies to those countries. This second layer is currently implemented in six countries: Spain, the United States of America, Australia, France, Italy and the United Kingdom, which account for 76.4% of Fluidra's total turnover. Looking ahead to next year, the goal is to deploy this second layer in at least three new countries.

Within this framework, we have a **Global Crime Prevention and Control Policy** approved by the Board of Directors in 2016 and revised and updated in 2023 that defines the key elements available to the company (definition of controls, human resources, organizational aspects, documents) to prevent violations of the applicable laws, especially acts that could be classified as crimes under the Spanish Penal Code or the applicable laws in the countries where we operate.

Access the Global Crime Prevention and Control Policy in our corporate website.

The Compliance Department is responsible for deploying the model and policy in the different countries of operation in collaboration with the departments responsible for each control. On a quarterly basis, both the Compliance Department and the other areas involved report to the Compliance Officer on the prevention and control actions carried out at meetings of the Compliance Coordinating Committee. Based on their evaluation, the Compliance Officer proposes the necessary corrective measures to correct any deficiencies detected and prepares a status report that is submitted to the Audit Committee on an annual basis.

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



Anti-Corruption

GRI 205-1, 205-2, 205-3

As stated in the Code of Ethics, our 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 connection with this commitment, the Board of Directors approved a first version of the **Anti-Corruption Policy** in 2016, which lays out guidelines on the prevention of corruption (public and private corruption, influence peddling, fraud and embezzlement, among others), sets specific rules of conduct for sensitive activities, facilitates the recognition of situations that require special caution and, in case of doubt, provides appropriate advice.

The policy was revised in 2023 with the aim of creating a simplified executive document containing general guidelines for everyone to whom the policy applies.

The policy applies to all Fluidra Group companies and may even be extended to apply to non-Fluidra people or entities, provided that they have a business or professional relationship with the Group and their actions could pose a risk or liability, or could directly or indirectly affect its reputation or good name, as long as the agreement is adopted at the appropriate level. The policy is available to our staff on the corporate intranet and to other stakeholders on our corporate website.

Access the Anti-Corruption Policy in our corporate website.

One of the functions of the Global Internal Audit and Compliance Department is to promote awareness of these rules among the covered persons who are bound by them. It is the responsibility of all members of Fluidra and its stakeholders to facilitate the provision of sufficient resources, systems and planning for compliance.

Throughout the year, we develop various training on anti-corruption within the framework of our compliance training plan. However, during the year, we have not provided specific training on the matter to the members of the Executive Committee and the Board of Directors.

As was the case the year before, in 2023 we did not receive any complaints on this topic through the Confidential Channel. Similarly in 2023, as in 2022, there were no monetary losses resulting from legal proceedings related to bribery and corruption.

Lobby activities

GRI 415-1

Fluidra is committed to developing relationships with lobbyists based on transparency and respect for the laws in force in each country.

The company has made a commitment **not to contribute to political parties, candidates, groups or electoral coalitions**. Likewise, the people who are part of the organization agree not to make any contribution on behalf of Fluidra or that could be associated with it. As a result, this year as in previous years there were no such contributions, whether monetary or in kind.

The Communication and Public Affairs Department, which reports to the CEO, is responsible for all actions in this area and is supported by the Tax & Legal Department in all matters regarding registration in the pertinent transparency registers. At the end of the fiscal year Fluidra was registered in the Catalonia Lobbyist Register (under number: 853), where we report on the meetings held with representatives of public administrations.

Historically, Fluidra has not taken part in lobbying activities directly, but rather through the actions of the sectoral associations of which we are members.

However, given the growing concern about the pool sector in light of the situation of water stress affecting numerous countries where we operate, in 2023 Fluidra decided to develop an action plan for relations with lobbyists in line with our commitments to Climate Change objectives and the Paris Agreement. This plan includes:

- Definition of a management system and assignment of governance and oversight responsibilities in this area.
- Participation in coalitions committed to the Paris Agreement and aligned with our Climate Change objectives. In 2023, we participated in the decarbonization panel organized by the Fundación Empresa y Clima at COP 28 held in Dubai, and we organized, together with other companies in the sector, the Pool Horizons Summit to highlight the contribution of the pool sector to the community and sustainability.

For more information, see section 1.5. Partnerships.



Looking ahead to 2024, we will proceed with the implementation and roll-out of this action plan at the European level, focusing our lobbying activities on raising awareness of how the pool sector can contribute to mitigating climate change and reducing its effects, as well as demonstrating the low impact of swimming pools on water and energy consumption, when opting for sustainable products and maintenance practices.

The strategy will be monitored regularly by the Delegated, Strategy and ESG Committee to ensure that public policy commitments and lobbying activities are in line with the Paris Agreement.

We will also register with the transparency registers in all jurisdictions where we engage in lobbying activities.

Trade Sanctions Policy

In recent years, the United Nations, the European Union and the United States of America, among other countries and bodies, have approved a number of economic sanctions and trade embargoes on certain countries, territories, institutions and individuals, and these measures have both a direct and indirect impact on our business.

For this reason, in 2021 the Executive Committee (MAC) approved the **Global Sanctions Directive** which is intended to prevent violations of the rules on sanctions and trade embargoes and to ensure a rapid and effective response by the company to any investigation into its conduct. The directive was revised in 2023 to update the list of restricted and embargoed countries in compliance with international legislation in this area.

This directive takes into consideration the legislation of the European Union, the regulations of the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury, the recommendations of the United Nations Security Council, and other relevant authorities on the matter.

Under this policy, Fluidra and its member companies 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.

If any subsidiary detects any business relationship with a distributor, customer, supplier or partner affected by the regulations, it must immediately notify our Compliance Department and terminate the business or commercial relationship.

In order to minimize the risk of unauthorized transactions, we screen all partners or subcontractors beforehand for projects worth more than 500,000 euros or located in restricted territories, regardless of the amount. Additionally, we carry out ad hoc controls of all transactions with distributors and customers located in restricted territories who have purchased products or services from Fluidra worth at least 300,000 euros in the previous year, as well as quarterly ex-post reviews of all distributors and customers located in any restricted territory with a cumulative transaction volume of at least 20,000 euros.

No incidents were detected in the monitoring procedures carried out by the Compliance Department in 2023 or the year before.

Market Competition Rules

GRI 206-1

As reflected in our Code of Ethics, our conduct in the market is guided by the principles of free competition and equal opportunities. We reject any action aimed at obtaining an unfair or illegitimate benefit or advantage over customers, suppliers, competitors and/or other market players. At Fluidra we are respectful of competition and will prosecute any action that is contrary to the rules of free competition.

The Legal Department, under the direction of the Global Finance, Sustainability and Transformation Area, is responsible for ensuring compliance with the laws that apply to us and for developing all the necessary internal regulations in this regard. To that end, it works closely with the marketing, sales and management teams in each of the countries where we operate. The Legal Department also reports quarterly to the Compliance Coordination Committee, which in turn reports to the Audit Committee on all initiatives developed, controls implemented, processes underway and possible fines or sanctions in this area.

We have a **Anti-trust Directive** approved by the Executive Committee (MAC) in 2021 which will be updated in the first quarter of 2024. It outlines the basic principles of competition law together with the necessary rules of conduct with the aim of detecting and preventing any breach of competition law in order to safeguard the market and free competition at all times.

Considering the broad geographical scope of the Fluidra Group's operations and the specific regulations that apply in each territory, the Anti-trust Directive is divided in two, one for the AMER region and the other for the EMEA and APAC regions. Both documents are available to our staff on the corporate intranet.

In addition to this Directive, the Legal Department has also developed a series of supporting documents to facilitate the staff's understanding of both prohibited conduct and best practices, as well as guidance on the actions to be taken in the event of a surprise inspection (dawn raid) by competition authorities. All of this documentation, together with a direct channel for answering questions and providing support, are available to the entire Fluidra Group in a specific area of our corporate intranet.

In order to assess and ascertain the degree of maturity of Fluidra's competition law compliance program so as to improve our current control processes and policies, in the last quarter of 2023 the Legal Department sent a questionnaire to key internal stakeholders.

Also in fiscal year 2023, the Legal Department worked on a series of training pills to be launched in 2024, aimed at EMEA staff, especially management, marketing and sales teams, to reinforce knowledge in this area. The pills emphasized the importance of prohibited conduct, with a questionnaire at the end of each one to be completed by the training participants.

Fluidra was not sanctioned by the Competition authorities in 2023. Furthermore, regarding the oversight of mergers by the Competition Regulators and given the activity of our Mergers & Acquisitions Department in 2023, it should be noted that our Company is involved in two merger reporting processes to a number of European regulators.

Finally, Fluidra's Board of Directors approved an **Internal Code of Conduct in the Markets** in 2008 which was subsequently updated in 2020. The Code sets strict rules of conduct in relation to insider information which are intended to safeguard the information at all times and to protect the market from practices that could constitute manipulation or attempted manipulation of the market.

These rules must be obeyed by all covered persons, a group that includes a broad spectrum of people within the organization (directors, managers, employees, etc., who work in areas related to the stock market). They must all conduct themselves with the utmost diligence and transparency in all their work in order to minimize the risk of conflicts of interest and, in short, to ensure that adequate and timely information is provided to investors to safeguard the integrity of the market.

Fluidra's Audit Committee periodically supervises the effective compliance with the obligations in the Code, in accordance with the provisions of the Company's Bylaws, the Regulations of the Board of Directors and the Regulations of the Audit Committee itself. The document is available to all stakeholders on the Group's corporate website.

Access the Board of Directors' Internal Code of Conduct in the Markets on our corporate website.

5.4
Responsible Supply Chain Management

GRI 3-3

The aim of responsible supply chain management is to build sound, long-lasting, close relationships with our product and service providers by engaging with them to seek the creation of mutual value, based on transparency, honesty, and social and environmental responsibility.

The Corporate Sourcing Department, under the supervision of the Global Operations Director (member of the Executive Committee), is responsible for the management of the Group's supply chain. The Department is run through a matrix structure that has been extended to the Group's companies, whereby some functions are centralized for strategic, group-wide purchases.

The Department reports annually to the Executive Committee (MAC) on its strategy in this area, as well as on the results obtained in the main performance indicators so that they can be monitored. Furthermore, it has monthly meetings with the ESG Department to discuss the indicators associated with the Responsibility Blueprint. The findings of these meetings must be subsequently reported to the Audit Committee on a six-monthly basis.

The running of the Department is regulated by the **Global Sourcing Policy** passed by the Compliance Coordinating Committee in 2017, which sets the guidelines and standard procedures for the purchase of any product or service in order to ensure their transparency and control. The Policy, to which all Group companies are subject, is available to all employees on the corporate intranet. A review and update of its contents has been planned for 2024, in order to align it with the requirements of the EU's future Due Diligence Directive.

5.4.1. Juggling geopolitical upheavals

The supply chain is vital to Fluidra's results, given the impact that the cost of raw materials can have on the price of our products, whether they are manufactured or purchased.

The geopolitical upheavals in 2023 once again made it a complex year in terms of sourcing and the supply chain. The price of raw materials fell, however our inventory levels for the previous year gave rise to a significant drop in the global number of purchases. In addition, energy prices in Europe were still high due to the uncertainty of the conflicts in Ukraine and Israel.

We likewise continued to make progress in the projects to obtain better value for money such as our **Simplification Program**, thanks to which we are analysing and optimizing all of the company's sourcing categories.

For further information, see section 2.1.3. Simplification Program.

Beyond the ever-present pursuit of cost savings in our day-to-day activities, one of the top concerns of the Sourcing Department is to ensure that **the products and services required by the organization are available** in the right quantities at the right time, while also ensuring responsible business conduct throughout our supply chain.



5.4.2. Key figures in our supply chain

GRI 2-6, GRI 204-1

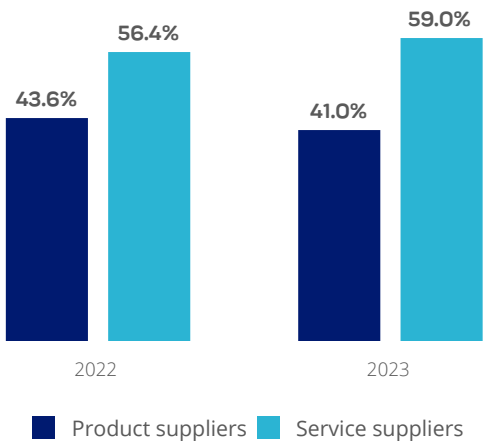
Both the vertical and horizontal integration of the businesses of all of the companies in the Group make our supply chain a complex and varied one. Fluidra's supply chain handles everything from the sourcing of raw materials for our factories to the sourcing of components, semi-finished products, finished products and a full range of business services.

In 2023, the number of purchases of goods and services dropped by 36% in comparison with the previous year to €1,122 million[60]. Overall, the active accounts of product and service providers amounted to over 15,000, 7.5% down on the previous year.

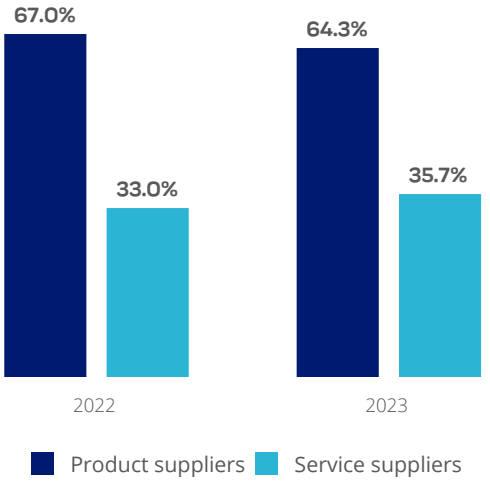
This fall in the number of purchases is a result of an adjustment in the stocks carried over from the previous year, in addition to a drop in the prices of raw materials, components and logistics, with an overall falloff of 3.75%[61].

There are no significant changes in the shareholding or location of our suppliers that affect our supply chain, beyond the acquisitions and divestments made in recent years, when they stopped being suppliers and became part of the Group or vice versa.

Number of suppliers by type



Number of purchases by type



In order to ensure that our sustainability commitments are effectively taken on board in supply chain management, we segmented our suppliers differently in 2023, based on risk criteria by country in respect of human rights and other critical aspects of sustainability[62]. On the basis of these criteria, four levels of suppliers were set that are defined as follows:

Critical suppliers	Strategic suppliers	Standard suppliers	Basic suppliers
Product suppliers with a purchase volume of over €500,000 per year and whose main operations are conducted in countries considered of high or extreme risk in sustainability issues.	All other suppliers (of both products and services) with an annual purchase volume of over €500,000.	Suppliers with an annual purchase volume of between €500,000 and €50,000.	Suppliers with a purchase volume of below €50,000 and suppliers with higher expenses, but of an instrumental nature, such as banks, public bodies, bank cards and customs.

[60] Figures based on the turnover from 1 January to 31 December 2023, with no changes in inventory, taxes, provisions and guarantees.
[61] The figures on the structure and make-up of the supply chain cover 97% of the Fluidra Group in terms of sales for the 2023 financial year. The following countries of operation are excluded: Bosnia and Herzegovina, Croatia, Slovenia, Kazakhstan, Montenegro, Czech Republic, Russia and Serbia, in addition to new acquisitions in 2023 that have not yet been entered into the sourcing reporting system, such as Meranus and Aquacontrol.
[62] The risk by country on matters of sustainability is established based on the World Bank's average risk of governance indicators, in addition to the following indices of the Verisk Maplecroft platform: Environmental Regulatory Framework, Waste Management, Water Pollution, Child Labor, Forced Labor, Decent Wages, Decent Working Time, Discrimination in the Workplace, Freedom of Association and Collective Bargaining, Migrant Workers, Modern Slavery, Occupational Health & Safety, and Corruption.

Thus, while in previous years critical suppliers were considered to be those with a purchase volume of over €500,000 per year, the new classification is limited to those that are also product suppliers based in countries with a high risk in terms of sustainability. As a consequence, in 2023 the number of critical suppliers dropped to just 62, in comparison with the 501 classified as such in the previous year.

Classification of suppliers in 2023

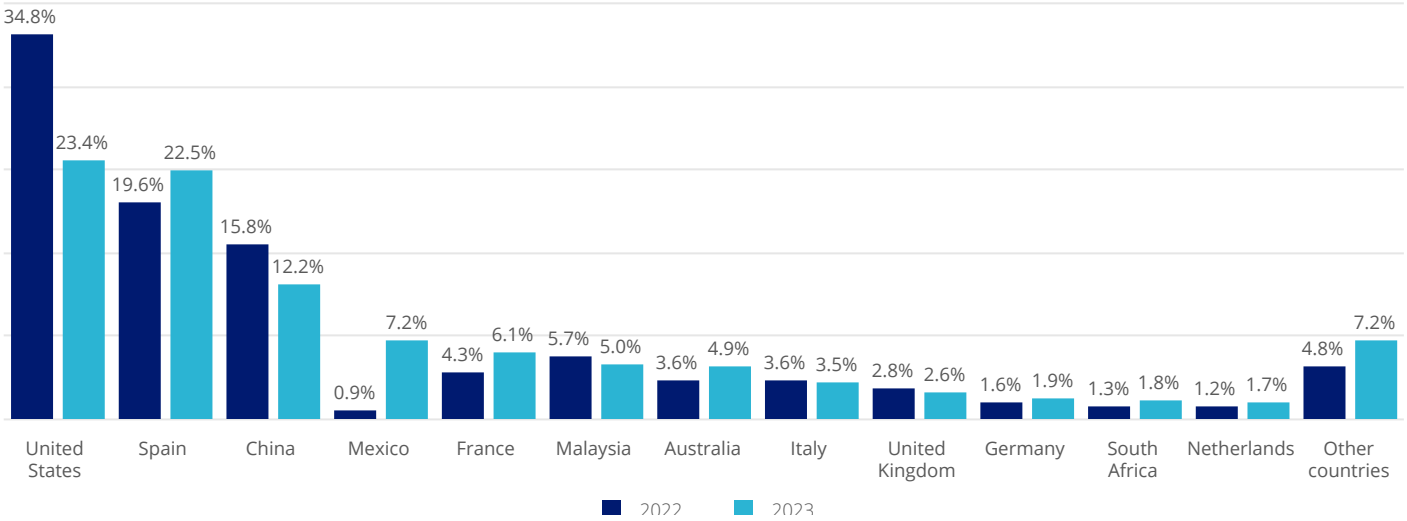
Category	Number of suppliers	Total % of suppliers	Purchase volume %
Critical	62	0.4%	25.2%
Strategic	283	1.9%	42.8%
Standard	1,730	11.5%	23.8%
Basic	12,932	86.2%	8.2%
Total	**15,007**	**100%**	**100.0%**

In terms of the distribution of spending by country, the United States of America, Spain and China are the regions with the highest sourcing. The two currencies that are used most frequently for financial transactions are the euro and the dollar.

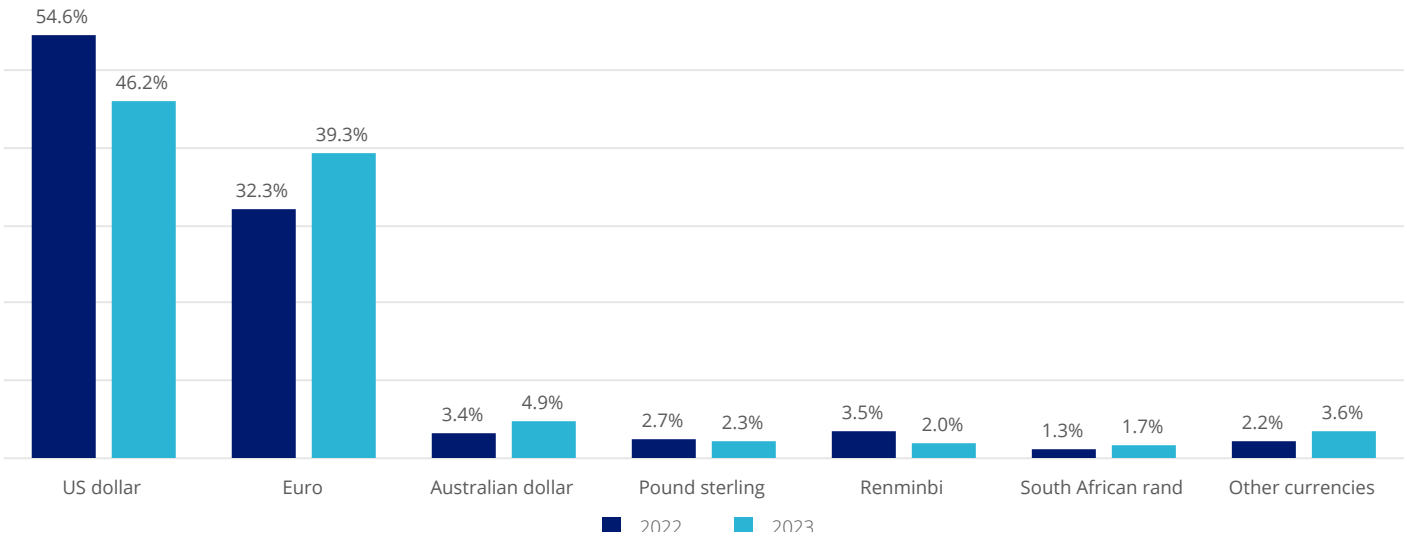
Lastly, the average number of days to pay suppliers in 2023 was 49.47 (against 52.02 days in 2022). Fluidra regularly reports this information in compliance with the provisions of section 539.2 of the Capital Companies Act.

For further information, see note "33. Information on late payment to suppliers" in the Financial Statements.

Evolution of purchases by country



Evolution of purchases by currency



For the sourcing of products and services, we leverage geographically diverse suppliers, a combination of local suppliers and alternative suppliers in other regions of the world, to optimize costs and ensure product availability while minimizing the risk of stock-outs. In 2023 the volume of purchases from local suppliers fell to 64% from 69.7% in the previous year[63].

5.4.3. Advancing shared values

GRI 308-1, 308-2, 407-1, 408-1, 409-1, 414-1, 414-2

At Fluidra, we are committed to instilling and promoting responsible and sustainable practices throughout our supply chain. In 2022, the MAC approved the **Supplier Classification and Approval Procedure** to set the minimum criteria (environmental, social, corporate governance, regulatory compliance, information security and financial) that our direct suppliers must meet before working on a long-term basis with any of the companies in the Fluidra Group. As is the case of the **Sourcing Policy**, the Procedure is currently under review to adapt it to new the company's new requirements and rules. It is anticipated that the updated version will be released in 2024.

This new procedure applies to all suppliers (new or existing) with the potential to be considered critical, 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 sourcing, ESG, Human Resources, Quality and Compliance departments. In these cases, the approval process will consist of the following phases:

1	2	3	4
Communication and acceptance of the Code of Ethics for Suppliers	Filling in of the assessment questionnaire	Audits and on-site visits	Supplier classification



[63] We define local sourcing as sourcing from a country of origin that is the same as the country of destination.

It should be highlighted that in 2023 we ran a training course for the internal sourcing teams (a total of 74 people worldwide) on the contents of the Procedure, in addition to the relevance of sustainability matters in the management of our supply chain.

In addition, the Corporate Sourcing Director submitted the sustainable sourcing strategy to the Executive Committee (MAC), in which the guidelines for dealing with suppliers were published to ensure their alignment with Fluidra's sustainability standards.

Fluidra's Code of Ethics for Suppliers

One of the cornerstones and guidelines for putting across our values and principles throughout the supply chain is our Code of Ethics for Suppliers.

For further information, see section 5.3.1. We promote an ethical behaviour.

Beyond requesting that our suppliers accept and commit in writing to the principles set out in the Code, we have devised a number of additional initiatives to ensure a proper understanding of and compliance with these principles. To that end, in 2023 we continued to run the **capabilities building program** for the Group's major suppliers in Europe, the United States of America, Asia and Australia. The program focuses on the Code's principles, and on our commitments to human rights and climate change.

Since the start of the program, we have trained 303 suppliers, which accounted for 60% of our sourcing in 2023

By the end of 2023, 49 of the 62 critical suppliers (79%) had taken our training course for suppliers. The 13 remaining suppliers were classified as critical in 2023, as a result of which they will be trained in 2024, thus covering the total number of critical suppliers.



Recognition of the work of our suppliers

Following a four-year interruption due to the pandemic, we once again held our annual conference with our North American suppliers in 2023.

During the event, we had the opportunity to review the growth we have experienced over the past three years, as well as to discuss the new challenges facing us in terms of inventory, orders and sustainability. There was also time to recognize the work of the most sustainable supplier with an award, which fell to Kennerley-Spratling, Inc.

Suppliers can report any suspected breaches of the Code of Ethics for Suppliers through Fluidra's Confidential channel or by directly contacting Fluidra's local sourcing teams. No breaches were detected in 2023 or the year before, nor were any complaints or warnings received in this regard. There were no reports of violations related to child and forced labour, or to freedom of association and collective bargaining in our supply chain.

Classification of suppliers and audits

Following the procedure described above, every year we establish an assessment and audit program to further check compliance with our environmental, social, corporate governance and financial standards. Our main focus is on direct critical suppliers, as they are the only ones over which Fluidra has oversight, although some Tier-2 suppliers have also been assessed in the framework of the project to assess the life cycle of our products.

Fluidra's **assessment of suppliers** is conducted using the RePro platform developed by Achilles, a company that specializes in supply chain assessment and monitoring. The platform provides the information we need to calculate the threshold scores for working with Group companies, based on the answers provided by our suppliers in the assessment questionnaire, in which they specify their policies, practices, results and public declarations on the matters described above. This information is then reviewed, checked and analysed, which results in a performance score for each supplier.

Using this method, in 2023 we evaluated 697 suppliers, namely, 4.6% of the total and 30% of the purchase volume. At the end of the year, the scores obtained by suppliers ranged from a high of 88 points to a low of 42, with no significant impacts identified in the assessment that would require an action plan to be drawn up.

	2021-2023 assessments		
	Number of suppliers	% of suppliers	% Purchase volume
Total suppliers assessed (Tier 1)	697	5%	30%
Of which, priority suppliers [64]	65	19%	40%

Furthermore, each year we conduct a **number of on-site audits** to further verify compliance with Fluidra's environmental, social, corporate governance and financial standards. These are external and independent audits are also carried out by Achilles, which allows for the coordinated management of the entire supplier approval and assessment process.

The structure of the concepts and the appraisals made in audits were agreed on by a working group in which other leading international companies took part, based on current international standards and laws, as well as on drafts published of future regulations.

Since the launch of the program, we have audited a total of 64 suppliers (57 Tier-1 and 7 Tier-2). Our commitment is to audit all of our critical suppliers in a three-year cycle, going in order from the biggest to the smallest number of purchases. None of the interested parties were involved in drafting these goals.

In this context, we once again audited the **critical suppliers** in 2023 that had been audited in 2020 (a total of three), in addition to five critical suppliers that were audited for the first time. As a result of this, over the past three years we have audited 29 critical suppliers, which accounted for 47% of the total number of suppliers (target 2023: 33%) and for 83% of the year's purchase volume in this category. A total of 7 Tier-2 suppliers have also been audited over the past three years. By 2024, we aim for at least 72% of critical suppliers to have been audited in the last three years, a percentage that will increase 100% from 2025 onwards.

	2021-2023 Audits		
	Number of suppliers	% of suppliers	% Purchase volume
Tier 1 audits	57	0.4%	28.9%
Tier 1 audits (Critical) [65]	29	46.8%	82.5%
Tier 2 audits	7	3.0%	N/A

As a result of these audits, Achilles drafted and monitored the roll-out of the corrective plans that must be adopted by the suppliers in order to resolve any incidents encountered. The deadline for their implementation varies from a maximum of 3 months for serious breaches and 12 months for minor offences. Achilles gives support and resolves and questions or incidents that our suppliers may encounter in the roll-out of the corrective plans.

In 2023, a total of 132 breaches were detected in ESG matters (51 major and 81 minor) in 54 of the suppliers audited (84% of the audits) that must be resolved by the suppliers in accordance with the action plans and the above mentioned deadlines. As a result of these audits, none of the agreements with our suppliers were terminated.

Based on the results of the assessment and audits, suppliers are classified into three categories:

Category A (classified). This corresponds to all those suppliers that score above 50% in terms of the thresholds specified by Fluidra for the assessment procedure, and for whom, in addition, no restricted and exclusionary issues have been detected in terms of compliance, sourcing, ESG, HR, HSE, quality and/or finance.

Category B (conditional classification). This corresponds to suppliers that score less than 50% with respect to the thresholds that Fluidra specifies in the assessment procedure, and for whom, in addition, no restricted or exclusionary issues have been detected. In these cases, a follow-up audit and the monitoring of corrective plans for non-conformities is mandatory; once implemented, these suppliers are re-classified and move into the A category. In the event that they do not comply with the required measures within the established deadline, they are re-classified as category C.

Category C (disqualified). This category covers all those suppliers with restricted and exclusionary compliance, sourcing, ESG, HR, HSE, quality and/or finance issues, or issues arising from the circumstances described in category B. These suppliers will have the opportunity to implement a corrective action plan, approved by Fluidra, before a final decision is made on their disqualification from working with Group companies.

5.4.4. Working on continuous improvement

Continuous improvement and progress drives Fluidra's performance. Thus, we have set ourselves some challenges and targets for making advances in 2024.

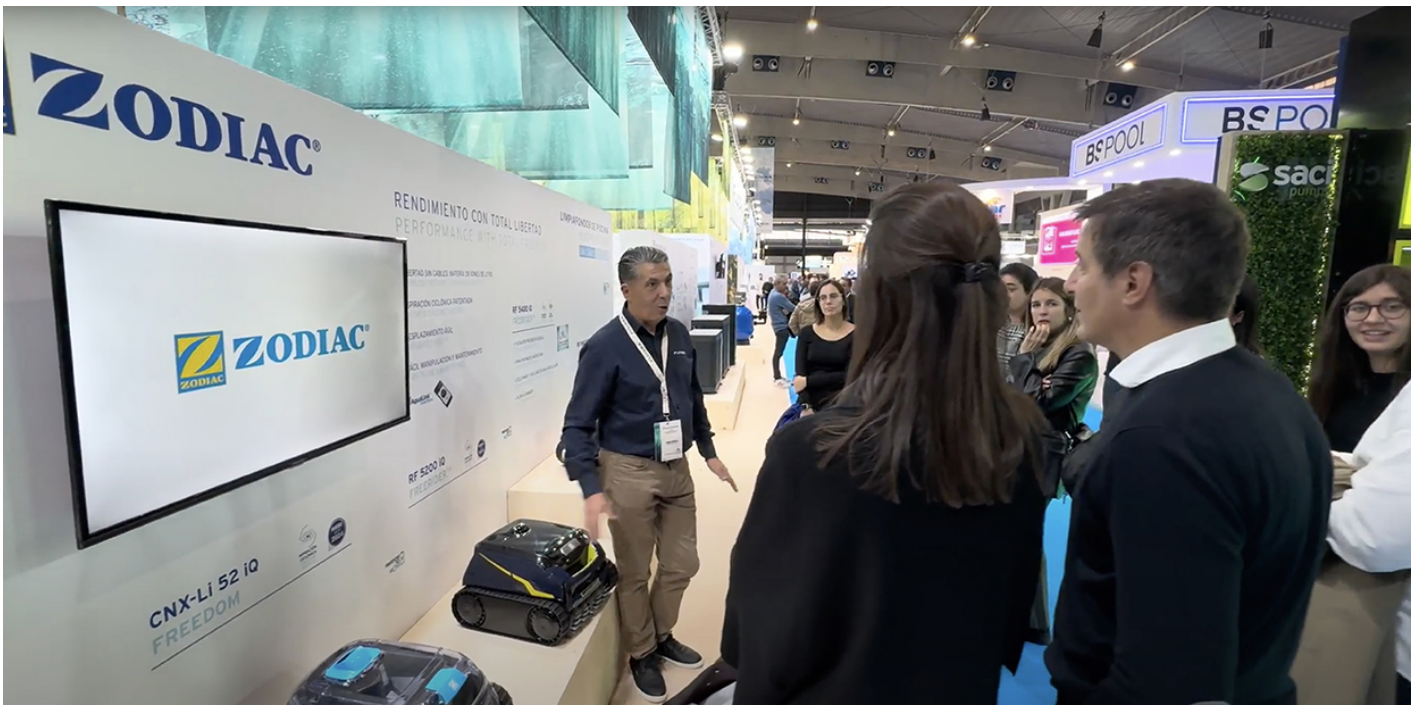
- We will continue to look into the forthcoming Due Diligence Directive and its impact on companies in terms of sustainability issues, as it focuses on the world supply chain, which will force us to take major management decisions.
- Furthermore, we will continue to work on the review and adaptation of our regulatory framework, which includes the Code of Ethics for Suppliers, the Global Sourcing Policy and the Supplier Classification and Approval Procedure. It is anticipated that the review and update of all documents will be completed during 2024.
- We will also work on better pinpointing the places in which our suppliers operate in order to fine-tune the risk levels of their countries, as well as to identify the tiers into which they should be classified to the extent possible.

[64] Priority suppliers are understood to be those classified as critical or strategic. The figures have been calculated over the total number in these categories.
[65] The figures have been calculated over the total number of critical suppliers.

5.5

A Customer-Centric Model

GRI 2-6, 3-3



At Fluidra we are committed to helping our customers grow their business by providing quality products and innovative services. We are also committed to creating the perfect pool and wellness experience for end users for greater enjoyment and well-being.

Our physical and online B2B model is **geared mainly towards the pool professional**: builders (working on new-build pools or installations), service technicians (tasked with keeping a pool in optimal conditions and undertaking the necessary repair work) and distributors (focused on product sales to pool professionals, whether online or bricks and mortar).

In the commercial pool area, we also have other public and private customers in charge of running and/or operating water, sports, or wellness facilities, among others. For them we have an engineering team, based out of Europe, responsible for the conception, design, and construction of Olympic pools, sports pools, leisure pools, fountains, spas, and lagoons all over the world.

Finally, in some cases Fluidra also acts as an original equipment manufacturer (OEM). Our manufacturing facilities accordingly supply parts and components to our customers' manufacturing centres so they can make their products.

Although we mainly sell through distribution, we also ensure that we reach consumers and pool owners directly through the **mass market channel** and other direct-to-consumer platforms such as e-commerce channels.

We therefore ensure that our products are also available on the Internet, where consumers research and purchase, and in the local pool stores and superstores they visit to tap sales clerk expertise before buying.

We make sure our products are available across all the channels where our customers and consumers decide to purchase.

We leverage all available media and communication channels to reach our customers, from public relations and traditional printed literature (catalogues, brochures...) through digital touchpoints such as websites, social media, and videos, to physical points of sale and our on-the-ground sales team.

Fluidra also attends numerous leading trade fairs around the world - an ideal way for the company to interact directly with pool professionals. Some of these fairs include the Pool and Spa Show (Atlantic City), Everything Under the Sun (Orlando), and Western Pool and Spa (California) in the USA; SPLASH! (Queensland) and the Pool & Spa Lifestyle Expo in Australia; Piscina & Wellness (Barcelona) in Spain; Aquanale (Cologne) in Germany; Piscine Global (Lyon) in France, and ForumPiscine (Bologna) in Italy.



We Promote International Pool Pro Day

Did you know we made September 7 International Pool Pro Day?

The aim is to celebrate and recognize the work of industry professionals, thanking them for their dedication in offering pool owners a best-in-class experience.

We recognize that the entire industry depends on the hard work and effort of pool professionals to build, maintain, and repair pools to keep them healthy and safe for the folk who use them. That's why we felt it was necessary to create an official day to highlight the importance of swimming pool professionals and to shine a light on them.

Our shoutout to pool professionals

5.5.1. Distribution Network

Our customer relations vary slightly between the residential pool and commercial pool business and according to the region of operation.

In this sense, we pivot **our go to market strategy** to each market to be as effective as possible and improve customer satisfaction. A large part of the distribution work in EMEA and APAC is developed through our own distribution network, while in North America the predominant model is via outsourced B2B distributors of pool equipment and products, targeted both at professionals and end consumers.

We therefore work with distributors at all levels to make our products available on our critical markets and wherever pool professionals prefer to shop.

PRO Centres: A new generation of facilities

In recent years, Fluidra has worked hard to transform legacy stores and self-service centres (known as "cash & carry") into meeting points with customers that offer pool professionals a much more comprehensive experience. The upshot of this work are the Fluidra PRO Centres, one of our core business assets.

These stores for industry professionals are strategically located in areas with a high customer footprint, allowing us to deliver best-in-class market share opportunities and secure profitable growth.

Bringing the product to the place where demand is generated lets us step up our scope and serve a greater number of customers directly. The model gives customers an extensive range of products to hand, the opportunity to tap our expert personnel for technical advice, and the chance to engage in the training sessions we run year-round to keep them up to date with the latest new releases.

This all generates a very strong bond with customers, from the smallest to the largest accounts, reflected in enhanced performance in terms of product portfolio, gross margin, and sales evolution.

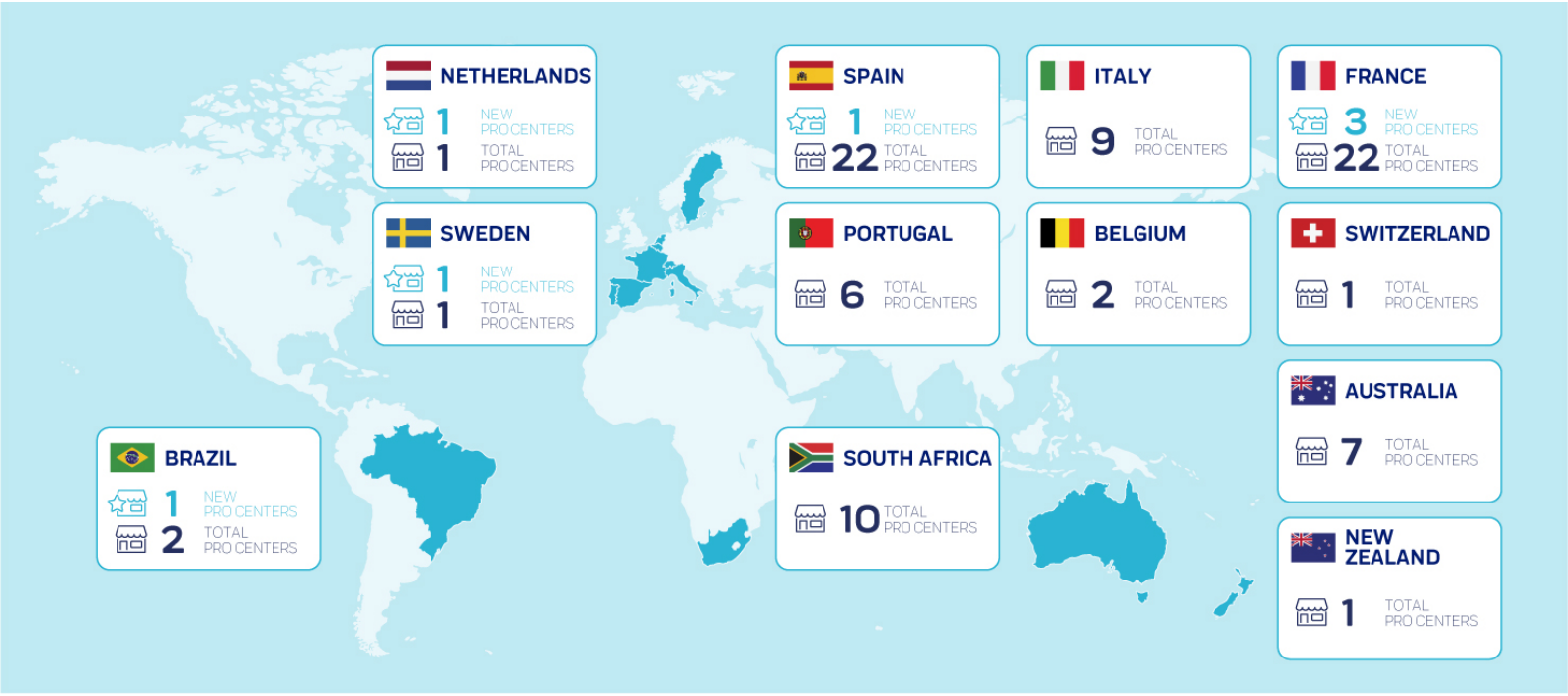
Based on the new openings planned for 2024, we want to power up this business dynamic as a strategic initiative for 2024-2025 in the EMEA region.

Product storage capacity is another added value. During the pandemic and thanks to the PRO Centre inventory, Fluidra was able to satisfy customer demand and ensure a competitive edge despite the widespread shortage of raw materials and transport issues.

The centres are therefore a strong lever of differentiation and an entry barrier to competitors, since few companies are in a position to offer this type of business mode of right product plus right place at the right time.

We currently have 84 PRO Centers (7 up on 2022) distributed across 12 countries (10 in 2022), thanks to the opening of centres in Netherlands and Sweden. We also reduced the number of centres in Australia from eight to seven following the unification of four of our facilities in a new centre sited in Smithfield.

Our plans for 2024 include continuing to expand the model to new locations and make existing centres into larger, better located facilities to boost our service level and step up last-mile deliveries. On top of this are the 41 commercial delegations we have in the other countries where we operate, for a total of 125 sales offices.



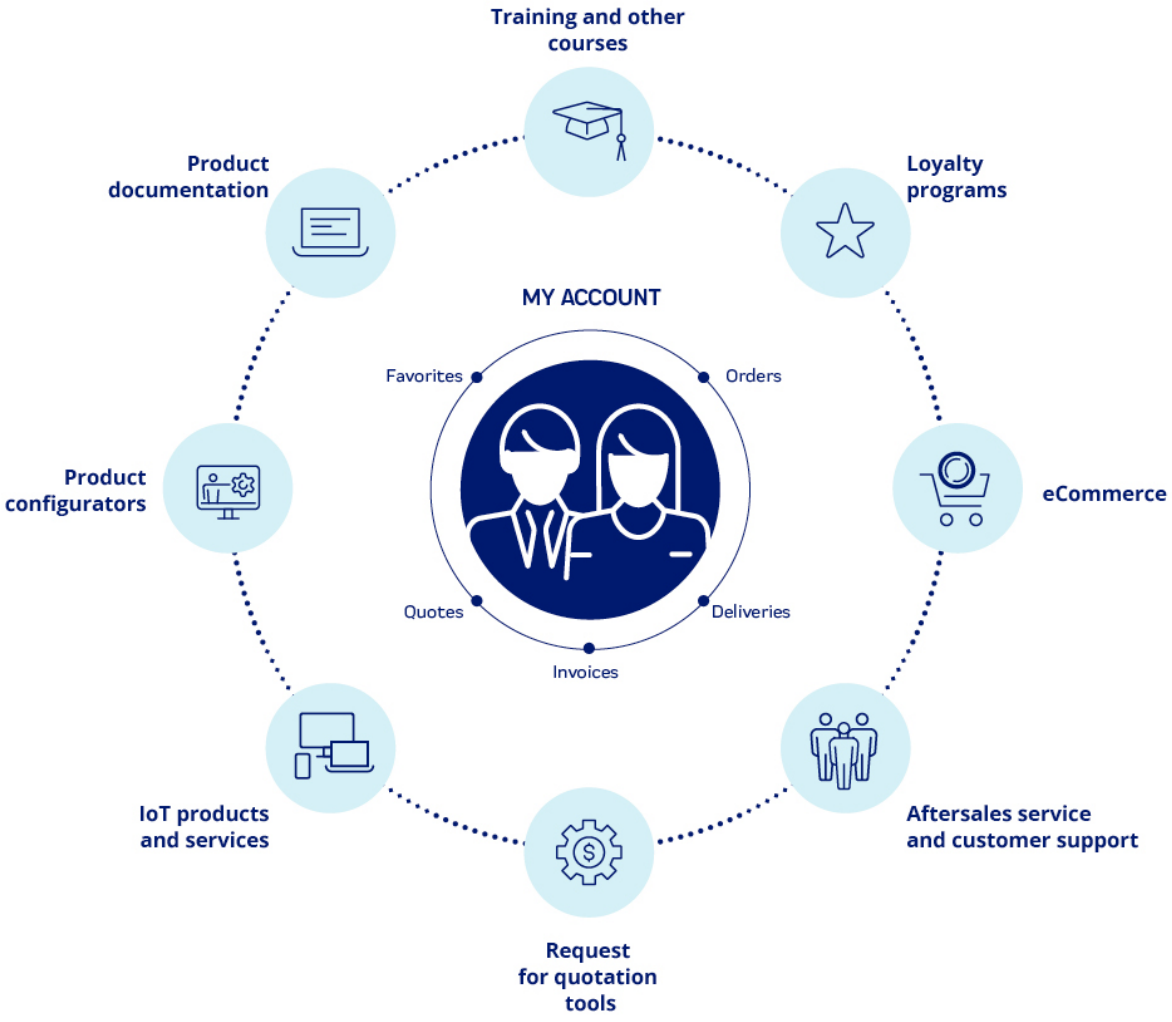


Digital Customer Solutions

Fluidra PRO is the **online portal exclusive to pool professionals,** a digital platform where professional customers can engage in any touchpoint and find our full suite of services via a single point of contact to make their daily work easier.

The Fluidra PRO umbrella covers different services including product procurement, sales consulting (orders, deliveries, invoices) for all sales channels, connected product information, configurators to streamline product identification, and training courses. **All centralized in a single space.**

Services available in Fluidra PRO



The platform is currently implemented in a total of eight countries: Bulgaria, France, Germany, Italy, Portugal, Romania, Spain, and UK. We plan to open in more EMEA markets next year.

2023 saw us working on the Fluidra PRO e-commerce platform aimed at boosting the quality of the website and customer journey:

- Implementing a new login and user-management tool.
- Launching digital promotions to boost platform use and sales.
- Developing a payment gateway to provide POS payments for our customers.
- Running in-platform developments to determine the best experience for our users, ending with a number of design changes.

By focusing on the pool professional's needs, we designed an omnichannel model whereby customers can manage all their activity with us over a single platform and with the same experience as with other Fluidra channels.

Our digital transformation process is matched by a go-to-market strategic plan supported on various crosscutting marketing strategies to take our value proposition to professional customers. This mainly involves four key pillars:

1. New feature validation and communication: before dropping a new development, we validate its functionalities and report them to the internal team (marketing, sales, and customer support) to ensure that all our stakeholders have the information to enable the online channel with customers.

2. Communication to professional customers: carried out via an email marketing channel where we send all information on the products and promotions online. The aim is to motivate our customers to buy online over the Fluidra e-commerce platform and to help them discover new products and sales opportunities each season.

3. Data analysis and CRO (Conversion Rate Optimization): we consider it crucial to understand online user behaviour in order to prioritize and set targets. By relying on experience analysis and data collection tools (Google Analytics, Hotjar, Clarity) and taking into account the most relevant KPIs, we identify our customers' e-commerce needs and establish new developments and/or communications to improve their experience.

4. Feedback collection: for real feedback on strategy implementations, we organize satisfaction surveys that provide insights on the customer journey in this digital ecosystem and what our customers think in this regard.

The work we did gave us the following annual figures in the Fluidra PRO platform.

Activity in the Fluidra PRO platform (EMEA)

28.5
Online sales (M€)
(+50% YTD)

5%
% online sales
(+74% YTD)

3,046
Customers with orders
(+20% YTD)

44,690
Orders
(+34% YTD)

140,054
Order lines
(+56% YTD)



In addition to Fluidra PRO, we have other online platforms in Netherlands, Austria, New Zealand, and Australia for customer queries, product procurement, maintenance services, and product information queries. A new development was the launch of the ProXpress app in South Africa in late 2023 and we plan to drop a website in early 2024.

Over 6,790 customers leveraged the company's different digital platforms in 2023, in other words, 20% of the customers in those countries (23% in 2022). Sales over these channels came to €146 M, 7% of total Fluidra Group 2023 sales.

Product Information Management

For an online store to work and be a sales catalyst it must have a **permanently updated catalogue,** enriched and coordinated with the company's other digital assets. And that is exactly what **PIM (Product Information Management)** is, our product database that is the sole source of information on products and everything related to an item and/or spare part we sell.

We follow a dedicated process to get the information to all the points of interest in the right way and allows us to optimize and streamline product uploads.

CREATE	ENRICH	PUBLISH Digital Assets	PUBLISH Digital Tools	SHARE	PRINT
Create and upload new products to the platform	Enrich the information with the collaboration of departments and suppliers.	Publish the products on the different digital assets (Fluidra PRO, brand websites, and manual websites).	Publish the products in other tools, such as the Fluidra and Salesforce apps.	Share information internally and externally via the Media Center.	Craft and print catalogs from a single tool.

With the incorporation of **Contribute** as a tool to broaden the engagement of the different stakeholders (product managers, factories, local marketing teams) involved in content generation, we successfully improved and streamlined this workflow and introduced product compliance documentation in our database for the first time.

For more information, see section "3.6.1. Product Compliance".

An in-house newsletters is also sent each month to all the teams involved with the data obtained, encouraging use of the tool and improving team knowledge.

This year we also launched the Media Center, a platform to facilitate access and downloads to our customers on all the information available on Fluidra products. It has a simple and easily identifiable design for e-commerce users with experience focused on mass searches and downloads of product information and documentation.



INRIVER RECOGNIZES FLUIDRA AS A CASE OF SUCCESS

Our PIM tool was recognized by the Inriver 2022 Awards in the Customer of the Year category. This award from our service provider recognizes the excellent work of Fluidra and our partner CTAC during the implementation process and was one of the success stories of the year.

Challenges around the integration, implementation, and results of creating, managing, and connecting all our products to our stores and corporate websites were certainly successful for both parties and a motivation to keep moving in the same direction.

Commercial Pool & Wellness Projects

Through the Commercial Pool & Wellness (CP&W) teams, we develop innovative, highly technical, and sustainable aquatic products and solutions designed to craft unique facilities. We created two specialized departments to achieve our objectives and respond to growing market demands:

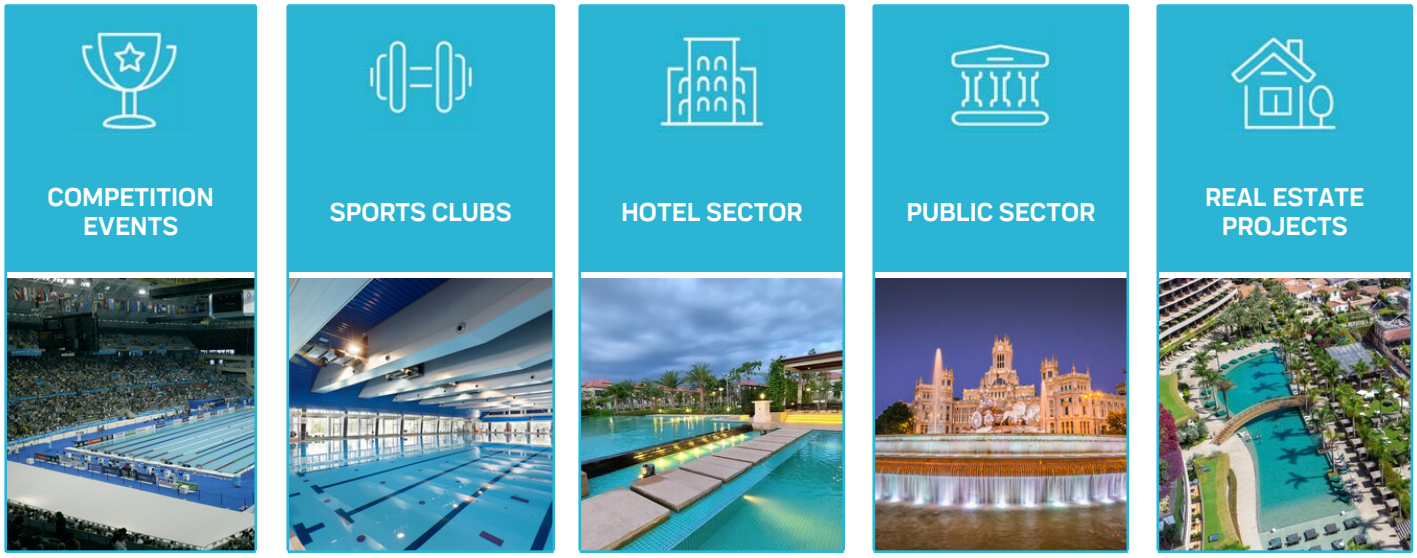
- Fluidra Engineering Services (FES), a department tasked with the end-to-end design and management of all types of projects, from those involving facility design only to turnkey projects.
- The Solutions, Marketing, and Sales Support Department, aimed at promoting and providing commercial support to our products and solutions, ensuring they meet market needs and satisfy customer and sales force expectations.

Our extensive experience in this area, with brands of renowned prestige, is posited on a comprehensive and efficient business model pivoted to the different regions and markets we operate in, making us a water-facility industry leader.

SOLUTIONS



SECTORES



The commercial pool and wellness business model is structured on the following three pillars: design, project management, and R&D.

Design

We boast a team of experts from engineering, architecture, and other technical areas with long-standing expertise in the creation and design of water projects, working hand-in-hand with our customers to build a project together from scratch.

We leverage some of the most advanced tools and technologies in the process, including computational fluid dynamics (CFD), live virtual reality, and building information modelling (BIM).



Computational Fluid Dynamics (CFD)

- Ensures optimal chemical product distribution.
- Prevents stagnation and water flows, making it more sustainable.
- Reduces use of water maintenance products.
- Enhances the user experience.



Live Virtual Reality

- Immersive experience, freedom of movement across the facility.
- Facility accessibility check.
- Makes it possible to assess all space possibilities.
- Prevents breakdowns in the building phase and surprises in the budget.



Building Information Modeling (BIM)

- Virtual model: early detection of potential problems.
- Prefabrication: fewer workplace accidents.
- No data loss: transparency from idea through construction.
- Collaborative design: high building functionality.

Project Management

This covers the planning, logistics, management, and leadership process of a job and the on-site resources to deliver on shared goals and successfully meet project objectives.

Our team of high-level on-site managers engage from the start of the design phase through to final delivery to ensure the work is executed correctly, on time, and in line with the customer's wishes.

Within project management, we attach particular importance to overall project sustainability: From meticulous product selection to the drafting of a good practices guide setting out the ways to ensure that facilities operate under rigorous sustainability criteria once our project is finished and delivered. We are also developing a management manual that will focus on efficient consumption management and proper waste disposal during project execution, which we expect to be approved during 2024.

Did you know...?

Among the main projects developed in 2023, we would mention the construction of the swimming pools for the **2023 Pan American Games** in Santiago de Chile, a project framed within the collaboration agreement with PanAm Aquatics.

Also of note was the construction of the **Font dels Colors** fountain in Andorra la Vella (Andorra), built directly on top of the Valira River and which uses water collected and recirculated from the river itself. The fountain also boasts a series of symmetrical effects on both sides of the river, as well as a digitally backlit water curtain where it reaches the bridge.



R&D for Commercial Pool Projects and Products

With a view to delivering a premium experience in the facilities of public use area, both product developments and projects are based on specific needs. In the case of commercial pools, wellness, fountains, and lagoons, different R&D centers develop products specifically designed for the needs of the public pool market.

Our cornerstones are:



Case Study

Integrating ESG Across Our Projects

Aware of the environmental impact involved, the public pool sector is increasingly responsible in this field. In the commercial pool area, the pool itself is part of the building, which is why our customers ask for new-build facilities to be fully ecological and for us to help them certify this.

A more sustainable pool is one that incorporates key equipment and elements to produce a lower environmental impact by slashing resource consumption (water, energy consumables) and is also viable in terms of maintenance costs and ROI. Fluidra leverages its sustainable products range to offer an extensive portfolio of solutions that help make a pool more sustainable.

With this growing demand around requirements by customers and industry, we not only develop more sustainable commercial pool products and make their maintenance easier but have added a map with the leading environmentally friendly building certificates to our pipeline.

LEED **BREEAM** **LEVEL(S)**

External Distributors Aimed at Pool Professionals

We supplement our internal distribution network with another, external one through the agreements we reach with third-party pool equipment and product distributors aimed at pool professionals.

We can draw on an extensive network of official distributors of our brands around the world with a long and distinguished history in the pool industry who we commission to serve the pool professionals that in turn sell to end customers and owners.

This model is predominantly present in North America, where we work with large distributors that cover a wide geographic area, such as PoolCorp and Heritage, and other smaller distributors with a significant regional presence. In 2023, we saw a new round of awards for Fluidra in recognition of our strong business support for the distribution network and customers in the region:

Winner of the first Pool Corp. **Innovative Supplier of the Year award.**



IDN Supplier of the Year for the third year in a row**.**



IDN Excellence in Sales and Marketing for the second consecutive year.



Major Distributor of the Year award from WINDO for the third consecutive year.



Partner in Profit of the Year from Poolwerx for the second year in a row



These awards consolidate Fluidra as the most reliable and valued manufacturer in the business and showcase our excellence across all business areas, from product manufacture and shipment through customer support and sales assistance.

Channels aimed at the end consumer

The mass market consists of the distribution of aboveground pools and other Fluidra brand products via distributors that work with end consumers, such as DIY chains, e-commerce operators (general and specialized pool industry), superstores, and repair and gardening retailers, among others.

Through our mass market brands, we offer aboveground pools in different formats and finishes, a comprehensive range of accessories and maintenance equipment, and a series of chemical products specifically designed for pool water.

In Europe, although we mainly operate as GRE we have acquired new brands in recent years to shore up our presence in Belgium (through the 2021 integration of Splash and Zen Spa) and Scandinavia (through the 2022 acquisition of Swim & Fun Scandinavia).

Baracuda is the brand we use on the DIY market in Australia and New Zealand. Here we sell chemical products and basic pool equipment to an extensive variety of non-specialized retailers. Finally, in South Africa we have the brand Blu52, focused on the sale of chemical products and robotic pool cleaners to the country's leading retailers.

We received two recognitions from our EMEA mass market customers in 2023:

Fluidra Brasil was awarded **Best Supplier in the World of Construction** by Leroy Merlin.



GRE was recognized with quality and innovation awards in the swimming pool area at the **first Hardware and DIY C Awards** from CdeComunicación.



Committed to pool professionals

Our approach encompasses not only **direct contact with pool professionals** - we also provide them a set of **sales tools** so they can supply the right solution for each consumer.

Product info and technical assistance

While information may vary depending on the region and local legal requirements, all our customers have at their disposal the info they need on our products, which generally includes installation guides, warranty information, health and safety documentation, and even videos and digital content on installation and operation.

Fluidra follows a rigorous review process to ensure the accuracy of the information on each product and includes oversight by multidisciplinary teams, typically consisting of product managers, marketing teams, legal reviewers, and, where necessary, compliance and engineering professionals. This is particularly important for our sustainable product range, where we support this classification through third-party studies, engineering laboratory tests, and regulatory bodies such as the US Department of Energy.

Our customers can also reach out to the call centres at any time to resolve installation queries, warranty-related questions, or any other issues that end consumers may have flagged.



Fluidra PRO Academy

We provide swimming pool professionals a **wide range of content** to ensure they understand the technical details required to sell and install our products. One example is the **Fluidra PRO Academy,** the customer-focused specialized training platform.

Industry professionals and the company's sales teams can leverage the academy to access exclusive material at any time, including videos, tutorials, and the latest news. Users can also receive in-person training at the Fluidra PRO Centers.

In 2023, the Fluidra PRO Academy has continued to increase its reach among pool professionals to offer quality training globally. This year, more than 9,770 pool professionals completed one of our more than 300 training courses, either in person or online.

Looking ahead to 2024, we plan to launch specific training on sustainable swimming pools and the products in our catalogue that contribute to greater efficiency in the consumption of resources such as water, energy and chemicals.

Fluidra PRO Club

To support independent pool professionals and reward them for partnering with the company, each market defines several specific incentives for their loyalty program. This is framed under the concept of the Fluidra PRO Club.

The specific details of our loyalty programs differ by region but generally include sales incentives, lead generation support, exclusive access to marketing and business tools, and the opportunity to engage in selected conferences or loyalty trips.

The loyalty programs are also targeted at all professional segments. For North America, the company offers a basic rewards program called Fluidra PRO Rewards, as well as more tailored options such as ServicePro for parts distributors, ProEdge for builders, and Retail Select for retailers. Each of these loyalty programs has an incentives structure and support mechanisms to help grow that particular segment.

Initiatives to grow the business

Fluidra has implemented other initiatives to promote and help its customers grow their business, too. In South Africa, we support the Pool Xpert initiative, a voluntary network of accredited and trusted pool professionals who work to boost visibility and credibility among end consumers. Professionals benefit from access to our leading brands and a range of strategic support services to help them in their business, while maintaining their own identity.

To continue supporting local professionals on the South African market, the company launched Fluidra PRO Express in 2023. This initiative is designed to engage an independent mobile segment of pool professionals who typically operate from their vehicles without a physical address. To support them, the team developed a mobile app that allows pool professionals to order products directly from the app and, in turn, Fluidra delivers them the same day free of charge (within a 50 km radius) to the specified location.

5.5.2. Voice of the Customer

For us it is fundamental to hear customer opinions and experiences to keep their needs and expectations present in the organization's daily decision-making. That is what our Voice of the Customer (VOC) program does.

The platform is now operating with customers in over 50 countries in all the three regions, and encompasses all customer communication channels, including customer service (daily interactions), transactional surveys, and satisfaction and engagement polls conducted at least once a year.

Aside from this program, all Fluidra companies also provide customers with various channels they can harness to ask technical questions about the industry, product specifications, quality incidents, etc. in relation to the products we make and/or sell.

Customer Support

The Fluidra customer support tool provides pool professionals with several channels to submit queries or pose questions across the following areas:



SALES SUPPORT

Queries regarding discounts, available stock, and order processing.



ORDER SITUATION

Queries on order and delivery status.



AFTER-SALES

Incident processing and repair management.



TECHNICAL INFORMATION

Touchpoints with specialist technicians to solve any product-related technical query.

In line with our commitment to operating excellence and quality, at Fluidra we pay special attention to all incidents, claims, and unhappiness reported by customers in relation to the products the Group makes and/or sells through different transactional surveys and by drilling down on comments on other platforms.

In 2023 we received a total of 2,162 complaints (compared to 1,942 the previous year), all of them analysed and resolved throughout the year[66].

It is important to remark that Fluidra does not directly service our products; rather, our customers manage any incidents end consumers have.

[66] Complaints received via the relationship survey and other CRM tools were considered in the US; in EMEA we handled complaints via a survey and in APAC we managed them using CRM.



SOLVING OUR CUSTOMERS' INCIDENTS REMOTELY

Visual Remote Assistance, or VRA, is a tool integrated into our CRM that allows us to resolve customer issues efficiently and conveniently. Our customer support agents can help customers resolve equipment issues while guiding them on-screen through each step, verifying that the resolution is satisfactory.

If we have not been able to resolve the issue, we share the information gathered with the service technician to ensure they are prepared to resolve the issue on-site.

By the end of the third quarter of 2023, there has been a 140% increase in the number of supports performed. This means that an additional 571 customers have received remote support, which in most cases has avoided having to send a technician and provided immediate assistance.

Relationship Survey

At least once a year we launch a relationship survey to learn what our customers think of us, analyse their needs and experiences, and take the measures necessary to deliver on the highest satisfaction standards for product, service, and process quality from the customer's perspective.

In 2023, more than 22,500 customers around the world were invited to complete the questionnaire. The result was a 21% participation, or a total of 4,769 people, up from 20% last year, achieved through the regions' efforts to learn more about their customers.

We harvested the answers to the survey questions to calculate the following global and/or regional metrics: customer satisfaction index, customer journey measurement, and brand promise.

We also unpacked the answers using a "close-the-circle" approach where we assigned a team member specializing in the area concerned to track the comments made by our customers and correctly pinpoint their needs and expectations.

We then shared the information with the interdepartmental and multifunctional group comprising members from the Quality, Finance, Customer Experience, Sales, and Marketing departments, among others, tasked with defining and promoting action plans and improvements for each region and business account. Finally, the results were presented to the Executive Committee (MAC) to check score variations obtained in the surveys and the action plans.



Customer Satisfaction Index

We harness this index to measure customer satisfaction in accordance with how likely the customer is to recommend Fluidra to a friend or relative. The question uses a scale of 0 to 10, where 0 is "Very unlikely" and 10 is "Would definitely recommend".

The global customer satisfaction index rose by 0.13 points comparing to 2022, delivering a total score of 7.83 out of 10 (7.70 in 2022). Our target for 2023 was 7.80, which we have achieved despite a slight decrease in satisfaction in the APAC region. By 2024 we hope to reach a score of 7.90. Stakeholders have not been involved in defining the present objectives.

GLOBAL	AMER	EMEA	APAC
7.83 (+0.13)	9.05 (-0.01)	6.97 (+0.42)	7.15 (-0.16)
SATISFACTION INDEX	SATISFACTION INDEX	SATISFACTION INDEX	SATISFACTION INDEX

Customer Journey Measurement

We also harness the survey results to measure customer satisfaction during three phases of the customer journey: product, use, and evaluation. Each country has different routes to measure satisfaction depending on the particular characteristics of the customers and business model in that area.

Brand Promise

Finally, we tap the relationship survey to determine overall customer satisfaction with Fluidra's performance on the six promises the Group has adopted to ensure a responsible perfect pool and wellness experience:

1	2	3	4	5	6
Accesibility and ease of doing business	Fluidra knows me and my business	Product reliability	Innovative products and services	Supports me to help grow my business	Fluidra's focus on improving environmental sustainability and corporate social responsability



5.6
Tax

GRI 3-3. 207-1, 207-2, 207-3

5.6.1. Tax strategy

The Corporate Tax Department is responsible for implementing the Group's tax strategy through its tax policy, and for designing and enforcing the internal procedures and control mechanisms needed to ensure compliance with current tax laws. The rest of the business units, departments, and companies must report to it and consult it 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 Tax Department, and for reporting to the Board of Directors at least once a year on the Group's policies for managing and meeting its tax obligations, as well as for matters regarding tax risk control and management.

The organization 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 and business activities. Insofar as tax is concerned, we are committed to paying our taxes in the jurisdictions where we make money, in order to contribute to the economic development of the countries in which we operate, in line with SDG 8.

These principles govern our tax strategy, as passed by Fluidra's Board of Directors in December 2016 and subsequently amended in December 2021. It should be highlighted that the strategy covers the principles set out in the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the recommendation in the Action Plan on Base Erosion and Profit Shifting (BEPS).

All entities that belong to the Group are subject to its tax strategy, which sets the rules that should govern the decisions and actions adopted on tax affairs with the sole purpose of **ensuring compliance with the regulations in force and to deliver better coordination in good tax practices.**

Thus, it covers all direct taxes on corporate profits, indirect taxes and taxes on income earned, and other income generally subject to tax. It likewise includes the reporting obligations in place with the tax authorities. In compliance with the principles established in the tax strategy, none of the companies in the Fluidra Group are based in a tax haven or non-corporate jurisdictions.

The document is available to all of our stakeholders on Fluidra's corporate website.

For further information, see the "Policies" section on our corporate website.

The principles that govern Fluidra's tax strategy are as follows:

- To comply with all applicable tax obligations in the territories where the Fluidra Group conducts its business.
- To promote a collaborative relationship with the tax authorities with which it deals.
- To refrain from using opaque or artificial structures unrelated to the Company's business for the sole purpose of reducing the tax burden.
- Not to operate in jurisdictions considered by the European Union to be tax havens for purposes other than Fluidra's normal business operations.
- To safeguard 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 it in conducting its business.

We also have a **Corporate Tax Directive** that lays out the general principles of the tax strategy. It defines the areas that must be monitored and controlled, and establishes the hierarchical and functional levels of the Group that have a responsibility to report certain controls to the Tax Department.

The aim of the controls established in the Tax Risk Control Procedures approved by the Management Advisory Committee in 2021 is to put preventive measures in place for tax risks that can give rise to deals and decisions that are likely to have an impact on tax. To draft these procedures we asked for the opinion of the Company's internal stakeholders who are involved in the implementation of the controls rolled out by this strategy.

The management of potential risks and opportunities in the framework of the **Global Risk Management Policy** is established in its principles, key risk factors and general lines of action for managing and monitoring risks, including tax risks. In addition, the Tax Department receives information on tax disputes and tax inspections underway from the companies in the Group on a six-monthly basis. All such events are duly reported in the individual financial statements of each company.

With regard to transfer pricing, the Company has direct operations in 47 jurisdictions. Many related-party transactions are conducted by the 99 companies that make up the Group. This means that it is important that all types of transactions between companies be regulated by mechanisms, so that from a tax point of view they comply with the general principles set forth in the Corporate Tax Directive.

5.6.2. Tax contributions

GRI 207-4

In 2023, we allocated more than 41.05% of pre-tax profit to the payment of taxes in the different jurisdictions where we do business (compared to 52.65% in 2022).

Furthermore, as was the case last year, no relevant tax penalties (understood to be above €50,000) were imposed on Fluidra.

For further information, see section "6.3. Data tables".

Tax payments (in thousands of euros)

	2023	2022
Turnover	2,050,708	2,389,205
Pre-tax profit	**158,145**	**225,113**
Pre-tax profit paid *	211,897	277,993
Total tax paid	86,339	146,375
Total tax collected	217,244	150,746
Tax payments **	303,583	297,122

* Does not include corporate tax or social security payments covered by the Company.
** Tax payments include the corporate tax and the social security paid by the company, output VAT less input VAT, and income taxes withheld.

Breakdown of tax payments (in thousands of euros)

	2023	2022
Taxes paid	**86,996**	**146,840**
Corporate tax	32,586	93,495
Social security payable by the company	54,410	53,345
Taxes collected	**217,244**	**150,746**
Value added tax	105,040	85,632
Personal income tax withholdings	112,203	65,114

5.6.3. Grants received

GRI 201-4

In financial year 2023, Fluidra received a total of €573,000 in government grants, in comparison with €866,000 in 2022, most of which were allocated to environmental matters, R&D and employee training. Spain and the Czech Republic topped the list of countries that provided the biggest grants to Group companies over the last year.

Fluidra has no public entities in its shareholding structure.

Grants (in thousands of euros)[67]

	2023	2022
Germany	0	0
Austria	0	18
Belgium	0	2
Chile	0	0
China	97	129
France	7	6
Greece	0	0
Italy	2	2
The Netherlands	44	0
Czech Republic	111	0
Russia	77	0
Singapore	0	5
Spain	234	704
Total	**572**	**866**

[67] We have proceeded to correct the grants data for France and Germany in 2022, since their figures were presented in an inverted manner.

5.7
Information Security and Cybersecurity

5.7.1. Cibersecurity

GRI 3-3, 418-1

Ensuring the security of our systems and data is critical to us. Our operations rely heavily on information security and cybersecurity, so we have a dedicated Chief Information Security Officer (CISO) and a **Security Committee** (ISSC) established in 2020.

The ISSC consists of the CISO and CIO, along with other key executives, such as the CTO and the CFO, who are members of the MAC. Together, they collaborate to maintain the effectiveness of our security measures.

In late 2021, it was decided to guarantee the independence of our CISO by having him report directly to the CTO at a level equivalent to the CIO. This move shows our commitment to effective cybersecurity governance.

The CISO provides periodic updates to the Audit Committee, which oversees the cybersecurity risk management of the Board of Directors, informing them about the protection of our assets and business processes. This proactive approach ensures that senior management is always up-to-date and communication channels remain open.

Our executive committee's strong commitment to security is evident in the Information Security Policy, which was first approved by the MAC in 2020, and recently revised in 2023. This policy is aimed at all Group employees. It clearly articulates our vision and mission for information security, describes the strategy and objectives, and defines the roles and responsibilities for managing the Information Security Program.

Strategy 2023 - 2026

Cybersecurity is of utmost importance in today's digital age. Organizations face growing cyber threats that can compromise sensitive data, disrupt operations, and harm their reputation. Therefore, adopting a comprehensive and unified cybersecurity strategy that encompasses all aspects of an organization's operations is crucial.

Recognizing the critical role of cybersecurity, Fluidra began formulating the 2023-2026 Global Cybersecurity Strategic Plan in 2022, which integrates seamlessly with our overall corporate strategy. Its goal is to proactively address potential security risks, strengthen our defences against cyberattacks, and ensure the uninterrupted operation of our corporate systems and services.

The Global Cybersecurity Strategic Plan includes four distinct pillars and a variety of dedicated programs to enhance our security capabilities across multiple dimensions. Through this integrated approach, Fluidra ensures that our cybersecurity measures align with our business objectives, fostering a security culture throughout Fluidra.



Identity and Access Management (IAM)

- Workforce IAM and Customer IAM (CIAM)
- Privileged Access Management (PAM)



Business and Data protection

- Digital Supply Chain Program
- Business Continuity Management
- Vulnerability and Threat Management
- Operational Technology (OT) and Industrial Control Systems (ICS) Cybersecurity
- Extended and Automated Security Operations
- Data Loss Prevention Program



Safeguard IoT

- Security-by-design in IoT pool devices
- SAST and SCA technologies
- Cloud Workloads Security
- Cybersecurity Compliance with upcoming IoT laws and regulations

Secure Endpoints

- Web and Email Security
- Mobile Devices Threat Protection

Throughout 2023, we remained committed to strengthening our cybersecurity posture. We made significant efforts to enhance all four core pillars of our cybersecurity framework. Here are the key achievements and initiatives that defined this period:

1. **Strengthened email security by implementing DMARC** (Domain-based Message Authentication, Reporting, and Conformance): this significantly reduced our vulnerability to email-based cyber threats.
2. **Global Framework for Digital Supply Chain Management:** We established a global framework for managing suppliers providing digital services, where we standardized our processes, and following that, we reviewed more than 80 suppliers. In 2023, the MAC approved a new Security Policy on Digital Supply Chain Management, highlighting our leadership's commitment to maintaining information security in our supply chain.
3. **Initiated Data Loss Prevention (DLP) and OT/Cyber-Physical Systems Programs:** In 2023, we initiated programs to ensure the protection of sensitive data, as well as the operational technology (OT) and cyber-physical systems we use, mitigating the potential risks that these technologies could have.
4. **Enhancing maturity in Identity Access Management (IAM):** We have improved our capabilities in digital and privileged access management (PAM).
5. **ISO 27001:2022 Certification for Security Operations:** We have achieved the ISO 27001:2022 certification for our Security Operations, demonstrating our commitment to meeting industry-leading security standards and practices.
6. **Continuous Threat Hunting on EDR Technology:** We strengthened our cyber defences by proactively searching for threats with the help of our endpoint detection and response (EDR) technology, enabling us to respond quickly to emerging threats.
7. **Cloud-native Application Security Strategy:** We launched a comprehensive program to renew our cloud security strategy focusing on IoT.
8. **Endpoint Security Strategy:** We carried out projects to strengthen and monitor the security of our devices.
9. **External Security Posture:** We implemented continuous penetration testing and a bug bounty program to enhance our external security posture, ensuring our defences remain solid and responsive to emerging threats.

In 2023, we have certified our security operations in accordance with ISO 27001:2022.

To protect against increasingly numerous, complex, and sophisticated threats, our plan for the coming years will be highly adaptive, focusing on emerging technologies such as artificial intelligence and machine learning. We will focus on creating policies, raising awareness, and defining processes that will enable us to detect and prevent cyber threats more effectively.

Security Awareness, Culture, and Behaviour

Fluidra has implemented a comprehensive approach to promote security awareness, culture, and behavioural competence among employees and is reviewed as part of the performance appraisal process. This approach aligns with our existing Employee Onboarding and Offboarding Management Policy, approved in 2021 by the MAC and revised in 2023.

We are continuously improving our Security Awareness Program, which will be overhauled next year. All new employees undergo a cybersecurity training session during onboarding, followed by monthly training modules and social engineering simulation exercises covering phishing and smishing scenarios. The program will now shift its focus towards promoting a culture of secure behaviour among employees, encouraging effective cyber judgment, and making better risk-based decisions.

Here are some key highlights of the security awareness program in 2023:

- Fluidra employees dedicated almost 6,600 hours to security training courses.
- Over 75,000 phishing emails and 15,000 smishing messages were sent globally.
- About 1.84% of employees clicked on medium-difficulty phishing simulation campaigns, and a significant number identified them as suspicious.

Fluidra strongly emphasizes enhancing the expertise of its internal cybersecurity team beyond the periodic awareness campaigns throughout the year. They achieve this by facilitating the attainment of various cybersecurity certifications. Most of the team holds the prestigious Certified Information Systems Security Professional (CISSP) certification. In addition, the team also has the Certified Ethical Hacker (CEH), Offensive Security Certified Professional (OSCP), and other security governance certifications, including CISA, CISM, CIPM, and ISO 27x. These actions demonstrate its unwavering commitment to fostering security awareness and culture among employees and enhancing its cybersecurity team's expertise to meet the evolving challenges of the digital landscape.

6,600+
Hours of training

75,000+
Phishing simulations

15,000+
Smishing simulations

Cybersecurity Maturity Levels

As part of our 2023-2026 plan, we actively explore ways to monitor and improve our cybersecurity. In 2023, we improved our cybersecurity metrics tracking capabilities by developing key performance indicators and streamlining the communication of these metrics to stakeholders. These indicators help us gauge the effectiveness of our information security program and adapt our strategy to internal initiatives and evolving threats.

We also continued working on managing our external attack surface by monitoring our cyber risk score on multiple platforms, such as Security Scorecard and BitSight. This comprehensive approach helps us remain vigilant in protecting our digital assets against external threats.

In 2024, we will focus on following the Cybersecurity Governance Code introduced by the CNMV in 2023. This framework will help us measure our progress and identify improvement areas.





Information Security Incident Response and Cyber Crisis Management

We are constantly committed to maintaining strong cybersecurity, and as part of this commitment, we have significantly improved our incident management framework. Our Information Security Incidents Management Policy and the comprehensive Cybersecurity Incidents Global Response Plan initially established the framework. We have crafted, reviewed, and fine-tuned technical playbooks and procedures to assist our teams in navigating the incident response process. In addition, employees are reminded of the incident identification and reporting process through training and communications and reinforced through monthly phishing simulations to be reported using the corporate escalation tools.

On a strategic and managerial level, we formed a Global Cyber Crisis Committee to address any cyber crises that may arise quickly. The committee's activities are carefully structured through specific documents that provide clear guidance on actions and decision-making processes.

The committee includes several vital functions to ensure a comprehensive approach to crisis management, including the following:

- Core crisis committee: composed of C-level and other executive positions (President, CEO, CFSTO, CISO, etc.).
- Regional representation: regional managers.
- Supporting members: participation of other subject matter experts (IT managers, data protection, marketing, etc.).

To enhance our internal processes and strengthen our resilience against potential cyber threats, we have dedicated significant attention to improving the technical proficiency of our cybersecurity team this year. This effort includes various technical exercises, such as scenarios involving ransomware and insider threats. We have also established cybersecurity criteria for third-party services that manage Fluidra's information to protect the supply chain, assessing and classifying their risks. In addition, we have cyber risk insurance that protects our company during a cyber crisis.

Looking ahead to 2024, we plan to continue to focus on improving the technical capabilities of our team, along with renewing our emphasis on providing training to our Cyber Crisis Committee and organizing a new executive tabletop exercise to strengthen our readiness to respond to cyber crises.

Fluidra Security Operations Center (FSOC)

The Fluidra Security Operations Center (FSOC) is made up of highly trained people who monitor and manage security events 24 hours a day, 7 days a week. As part of our commitment to continuous improvement, we have decided to improve the management of our operations team and the documentation of detection, protection, and response processes, making them more efficient.

According to our Fluidra Group Incident Response protocols, we engaged Cybersecurity experts in 2023 to investigate three incidents. None of the investigations found evidence of data exfiltration; there was no need to activate cyber-insurance, nor was there a high impact. Successfully managing these incidents provided valuable lessons that have helped us improve our cybersecurity practices, optimize our technology platforms, refine our processes, and strengthen our capabilities.

Our ultimate goal is to establish a mature security posture characterized by a centralized framework that significantly enhances our effectiveness and management. Over the past year, we have conducted over 80 internal and external security assessments covering various systems, networks, devices, IoT, digital, and mobile IT applications. These assessments include simulated attacks, vulnerability scans conducted in collaboration with external teams, or technical reviews.

Some key figures for the FSOC include:

15

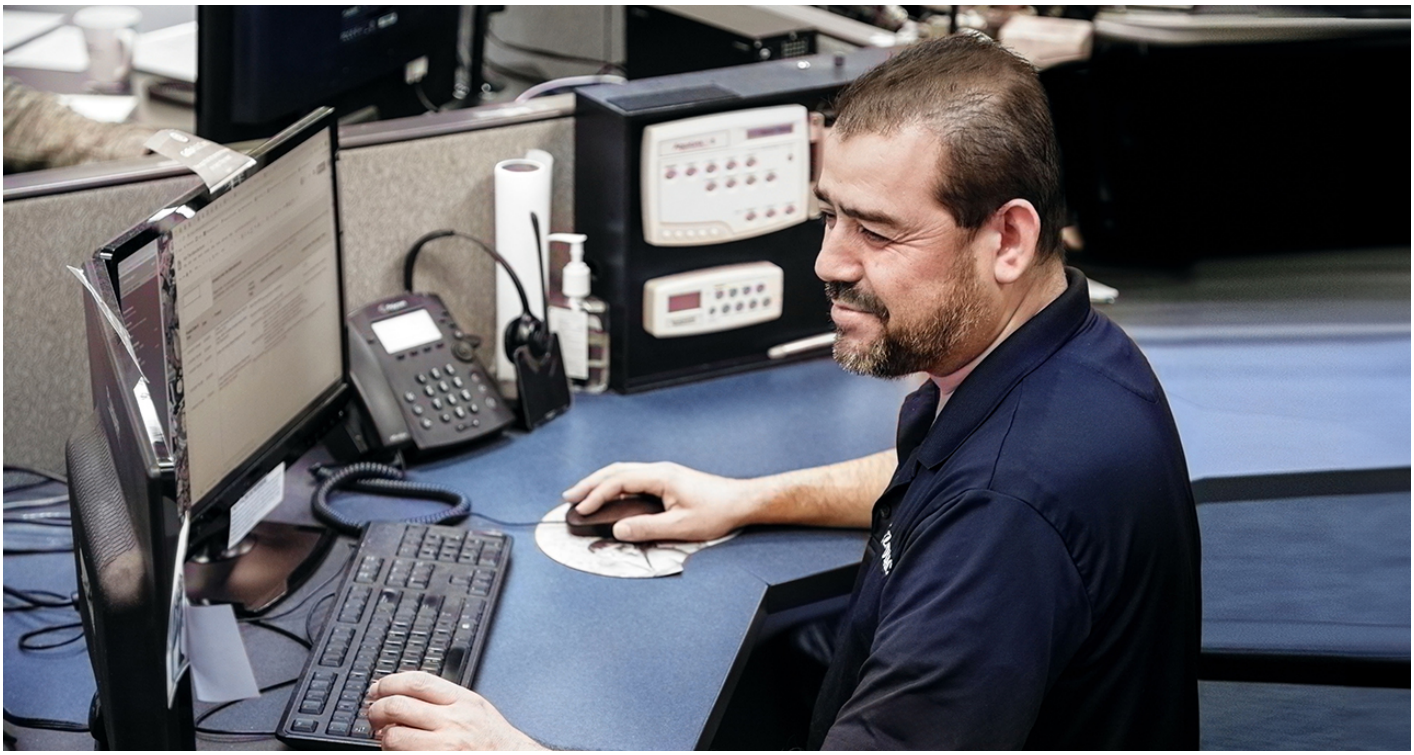
Investigations completed by the FSOC.

14

Relevant incidents managed (none with high impact).

3

Relevant incidents managed with support from external response teams (none with high impact).



5.7.2. Privacy and protection of personal data

GRI 3-3, 418-1

Following its Code of Ethics, Fluidra is committed to respecting the right to privacy and the protection of the personal data of all stakeholders with whom it interacts.

In terms of privacy and data protection, our efforts are aimed towards the identification, prevention, and mitigation of any potential impact on the personal rights of individuals (such as unauthorized access, duplication, communication, or transfer of personal data to third parties, among others), as well as any risk to the Company arising from non-compliance with applicable regulations (sanctions, crimes, compensation for damages, as well as any damages to the reputation of the Organization).

In 2023, as in the previous year, no complaints were received from any of our stakeholders (employees, customers, suppliers, b.o.) regarding breaches of data protection or privacy rights. No fines or administrative sanctions were imposed for non-compliance with applicable data protection regulations.

Privacy in the European region

Fluidra has a European Governance Model for the management of Personal Data Protection, aimed at guaranteeing the correct management of privacy, which is aligned with the Group's strategy.

Within the European Economic Area (EEA), the data protection team is integrated and depends of the Group's Internal Audit, Internal Control, and Compliance Department.

With the entry into force of the General Data Protection Regulation (GDPR), the Board of Directors appointed a European Data Protection Officer (hereinafter, **European DPO),** who leads our data protection team, and reports to the Fluidra Group's Global Director of Internal Audit and Internal Control & Compliance Officer. The latter reports to the Board of Directors of Fluidra, S.A. through the Audit Committee.

Fluidra also has an **internal regulatory framework for Data Protection,** based on the requirements established in the GDPR, Spanish data protection regulations (as its headquarters are located in this country), the recommendations of the local supervisory authorities, and other European regulations related to these topics. This framework aims to safeguard the personal data processed by any Fluidra employee in the performance of their duties and to reinforce the privacy model.

Its application is limited to all group companies located in the European Economic Area (EEA) when they interact with any of our stakeholders. However, Group companies located outside the EEA are also subject to these regulations when processing the personal data of European citizens.

At the pinnacle of the internal regulatory framework is the **Data Protection Directive,** approved in 2018 by the Compliance Coordinating Committee, which is reviewed and updated on a regular basis. This directive sets out the principles of data protection in the EEA and the main responsibilities within the organization, under GDPR requirements.

To ensure and improve compliance with this directive, the European DPO has created a **Data Protection Director Plan,** a roadmap that foresees different actions, controls, and solutions for European subsidiaries. This plan is one of the main pillars of the European Governance Model for the management of Personal Data Protection.

Furthermore, under the **Privacy by Design and by Default Principle,** the European DPO is part of several working groups to ensure that any new product or service considers the data protection of individuals from the very early stages of its design and development, in particular, connected products and mobile applications associated with them.

The DPO is also engaged in any initiative that is likely to involve the processing of personal data. The most frequent interactions of the European DPO in the Fluidra Group are with the cybersecurity, IT, IoT, digital, marketing, and HR teams, although it remains available to any other team that requires its support.

Privacy in North America

At Fluidra, the North American legal team is primarily responsible for ensuring that the business complies with various data privacy regulations, including the California Consumer Privacy Act (“CCPA”), as amended by the California Privacy Rights Act (“CPRA”). Fluidra’s North American business has specific privacy notices and requirements consistent with the requirements of the local regulations and Fluidra keeps abreast of the changing legal data privacy landscape in the United States.

In contrast to Europe, the USA has no homogenous framework regulation on privacy (equivalent to the GDPR) that applies throughout the country. Instead, the federated states can develop data protection regulations independently. Therefore, specific privacy notices are published and requirements are set following applicable local regulations.

6

APPENDICES

6.1. About this report
6.2. Materiality Analysis
6.3. Data tables
6.4. Table of contents according to sustainability reporting standards
6.5. Table of contents of Act 11/2018
6.6. Table of contents according to the recommendations of the TCFD)
6.7. EU taxonomy for sustainable activities
6.8. Compliance with corporate loan objectives
6.9. External assurance report



6.1
About this report

GRI 2-1, 2-2, 2-3, 2-4, 2-5, 3-3

6.1.1. Report structure and contents

This Sustainability Report constitutes the **Non-Financial Information Statement of Fluidra S.A. and its subsidiary companies** (hereinafter, NFIS) required by current legislation.It includes all information that fulfils the provisions of article 262 of the Capital Companies Act, which stipulates the content of the management report that is drafted alongside the Company's financial statements, as well as all of the information required to comply with the **requirements of Spanish Act 11/2018**. It also reflects our disclosures on the progress made in the application of the principles of the **United Nations Global Compact**.



For more information, see section 6.5. Table of contents of Act 11/2028.

The non-financial indicators included in the report cover all 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, but that in no case are of material significance.

The structure of this Consolidated Management Report is in line with the framework established by the **International Integrated Reporting Council (IIRC)**, as the most widely used international standard for drafting integrated reports; the 2021 version of the Global Reporting Initiative (GRI) Standards; and SASB's 2023 standards for the electrical and electronic equipment industry.

For more information, see section 6.4. Table of contents according to sustainability reporting standards.

This report has at all times sought to keep to both the key concepts (impact, material topics, due diligence and stakeholders) and the **principles for drafting sustainability reports** (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability), as described in GRI 1: Foundation standard.

In 2023 we have updated our **materiality analysis**, based on the draft EFRAG (European Financial Reporting Advisory Group) guide available to date. In this analysis we have considered both the impact materiality (positive and/or negative impacts on people and the environment) as well as the financial materiality (risks and opportunities for the company) in the short (one year), medium (one five years) and long term (more than five years).

As a result, we have identified material sustainability issues for Fluidra and its stakeholders, which are the basis for determining the information revealed in this Sustainability Report.

For more information, see section 6.2. Materiality assessment.

For the principles of completeness, accuracy, balance, clarity, comparability, reliability and timeliness, the Company endeavoured to provide relevant information in this document on their significant impacts in 2023 and in the coming years. With this aim in mind, measurable and comparable figures are given that cover both favourable and unfavourable results, as well as presenting the information in a way that is easy to understand.

Furthermore, in order to ensure the credibility of the information and secure the trust of our stakeholders, the contents of sections 6.4. Table of contents according to sustainability reporting standards (only GRI standards) and 6.5. Table of contents of Act 11/2018 of this report were **reviewed by an independent third party**.

For more information, see section 6.9. External assurance report.

The Board of Directors and the Executive Committee (MAC) are involved in requesting an external review, which was entrusted to Ernst & Young, which has been carrying out this work since 2020 (2016 in the case of the consolidated Financial Statements). It is an entity of proven competence, outside Fluidra, and that applies professional criteria following systematic processes based on empirical verification.

The relationship between the Organization and this report's external review service provider is regulated in article 8 of the Audit Committee Regulations and is also explained in point C.1.30 of the Organization'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 its work, ensure its independence and guarantee a smooth relationship with the Organization.

Annually, the Audit Committee issues a Report on the Independence of the external auditor, available on the corporate website, which describes all the actions carried out by Fluidra in order to guarantee its independence, in addition to reporting on the services additional to those of the audit that have been provided during the year. In 2023, the audit firm carried out additional work worth 116,310 euros, which represents 7.05% of the total amount of audit work (4.06% in 2022).

6.1.2. Non-financial information due diligence process

The leadership of the process of preparing the Sustainability Report is carried out by Fluidra's ESG Department, which works in close collaboration with the Investor Relations, Finance, Tax & Legal and Human Resources areas, to guarantee its alignment with the rest of the contents included in the Consolidated Management Report and the Financial Statements of the Organization.

The ESG Department is responsible for communicating to the areas responsible for the data the requirements established by the regulations regarding reporting, as well as other voluntary reporting standards used by Fluidra and the sustainability ratings in which we participate. It is the responsibility of each of them to establish the systems, resources and controls necessary to request, collect and guarantee the quality of the information required from the companies that make up the Fluidra Group, in the first instance..

Taking into account the diversity of the Group's activities and countries of operation, the ESG Department identified that the data related to human resources, health and safety, and the environment are those that present the greatest quality risk. In all of them, these are data that must be reported at the local level by each of the more than 90 companies in the Group, which increases the risk of a difference in criteria when reporting them. In environmental data, there is also the challenge of standardizing the units of measurement of the resources used, in order to consolidate the data at the Group level.

For its part, in the case of human resources, and health and safety data, the definition established by the Spanish reporting regulations may be different from that established by the local legislation of some of our companies, especially those located outside the European Union (as is the case of the definition of the different types of contracts or occupational diseases). The collection of such data may even be prohibited in some countries (for example, data on nationality, ethnicity or disability)..

For this reason, we have defined a governance model and control mechanisms additional to those existing in other areas. In these cases, the data reported by each company, on a monthly or quarterly basis (as the case may be), is first reviewed by those responsible for HSE and Human Resources at the regional level (EMEA, AMER and APAC), before proceeding to its consolidation. at the Group level, and send them to the ESG Department for review. Additionally, the Internal Audit Department has integrated the verification of these indicators into its annual Internal Audit plan since fiscal year 2021, the results of which are presented to the Audit Committee of the Board of Directors.

Regarding the rest of the areas, the ESG Department monitors the information reported, both in the third quarter and at the end of the year, and works together with the responsible areas to establish controls, as well as other mechanisms to improve the reporting process.

Throughout the report preparation process, the ESG Department periodically reports to the Executive Committee (previously to the HR & ESG Director, currently to the CFSTO), about the evolution of the reporting process and main incidents, in order to be resolved. Likewise, they are responsible for reviewing all the information provided in the Non-Financial Information Statement prior to its presentation to the Board of Directors.

In the month of October, the external verifier (Ernst & Young) begins the process of verifying the quantitative data on human resources, health and safety, and the environment for the first three quarters of the year, as well as the qualitative information provided by the areas so far. This verification is subsequently resumed at the end of January to update the data at the end of the year.

Subsequently, in the months of December, February and March (date of formulation of the NFIS), the ESG Department presents the reported data to the Appointments and Remuneration Committee (social and environmental indicators) and to the Audit Committee (review of aspects of governance and external verification process of non-financial information) of the Board of Directors for review. The meeting with this last commission is also attended by the external verifier (Ernst & Young), who reports on the status of the verification and its results.

Finally, in the month of May the external verifier presents a report of recommendations regarding the verification process, the conclusions of which are shared by the ESG Department with the areas responsible for the data, in order to promote continuous improvement of the process.

In order to prepare for the future application of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) in 2024, we have developed a analysis of the degree of compliance with the new requirements based on the information that was published in the 2022 Integrated Report, a process in which we have had the advice of an external consulting firm.

Based on the conclusions of the analysis and the gaps identified, the ESG Department has worked together with the responsible areas on an action plan for the compilation of information not currently available, for its presentation in the 2024 Integrated Report In the case of those data that had already been collected, but not published, we have already proceeded to integrate them into this Sustainability Report, thus beginning the adaptation to the new regulations.

6.2 Materiality Assessment

A materiality assessment allows Fluidra to identify, assess, and prioritize the environmental, social, and good governance (ESG) matters that can have the greatest impact on both the company and its stakeholders (i.e., those known as "material matters"). This process is part of Fluidra's commitment to involve all of its stakeholders in the definition of ESG strategies and lines of action 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 to identify, analyse, and pivot to new trends and needs that arise in the market and among our stakeholders. That said, Fluidra conducts this analysis every two years, allowing us to periodically review our strategy and action plans to align them with expectations and to define ESG priorities for the next two years.

In this line, in 2023 we updated the Fluidra Group materiality assessment using the double materiality approach presented in the European Sustainability Reporting Standards (ESRS) that develop the reporting obligations on matters covered by the European Sustainability Reporting Directive (EU) 2022/2464 (CSRD).

6.2.1. Methodology

GRI 3-1

The method Fluidra used to for development in 2023 considered the Materiality Assessment Implementation Guide prepared by the European Financial Reporting Advisory Group (EFRAG), according to the version published on October 25, 2023 (the version in force at the time of the exercise), as well as the requirements of standard GRI 3: Material Topics (2021). As a result, the process comprised the following four phases:

ANALYSIS OF THE ORGANIZATION AND ITS CONTEXT	IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES	ASSESSMENT AND DETERMINATION OF MATERIALITY TOPICS	VALIDATION AND PUBLICATION OF RESULTS
Overview of Fluidra activities and business relations, the context in which they take place, and an understanding of the key stakeholders concerned.	Identification of impacts, risks, and opportunities across our operations and value chain, both upstream and down.	Assessment of impact and financial materiality and determination of materiality topics.	Validation of results by the Executive Committee and Board of Directors and publication in the Integrated Annual Report.

1. Analysis of the Organization and its Context

In this first step, we analysed our business activities and relationships, the context in which they take place, and our understanding of the key stakeholders concerned to obtain pertinent information for identifying our actual and potential impacts, risks and opportunities.

This process covered, among other matters, the analysis of our activities, products, and services, as well as their geographical location, the regulatory environment, and the analysis of published literature such as media reports, peer reviews, existing industry benchmarks, and other publications on general sustainability trends.

2. Identification of Actual and Potential Impacts, Risks and Opportunities Associated with Sustainability Topics

For this exercise, we drew on the list of sustainability topics included in ESRS 1 paragraph AR16 (reaching sub-topic or sub-sub-topic level, depending on the case) to support this process and ensure its integrity. We subsequently complemented this list with other sustainability topics specific to our organization and the pool industry.

The time horizons defined in section 6.4 of ESRS 1 were used to identify the impacts, risks and opportunities:

- **Short-term:** up to a year
- **Medium-term:** from one to five years

- **Long-term:** more than five years

A total of 21 sustainability matters were identified in 2023 (seven fewer than the previous year), comprising a total of 57 impacts, 55 risks, and 15 opportunities. The main changes regarding the sustainability matters identified and evaluated in 2021 were:

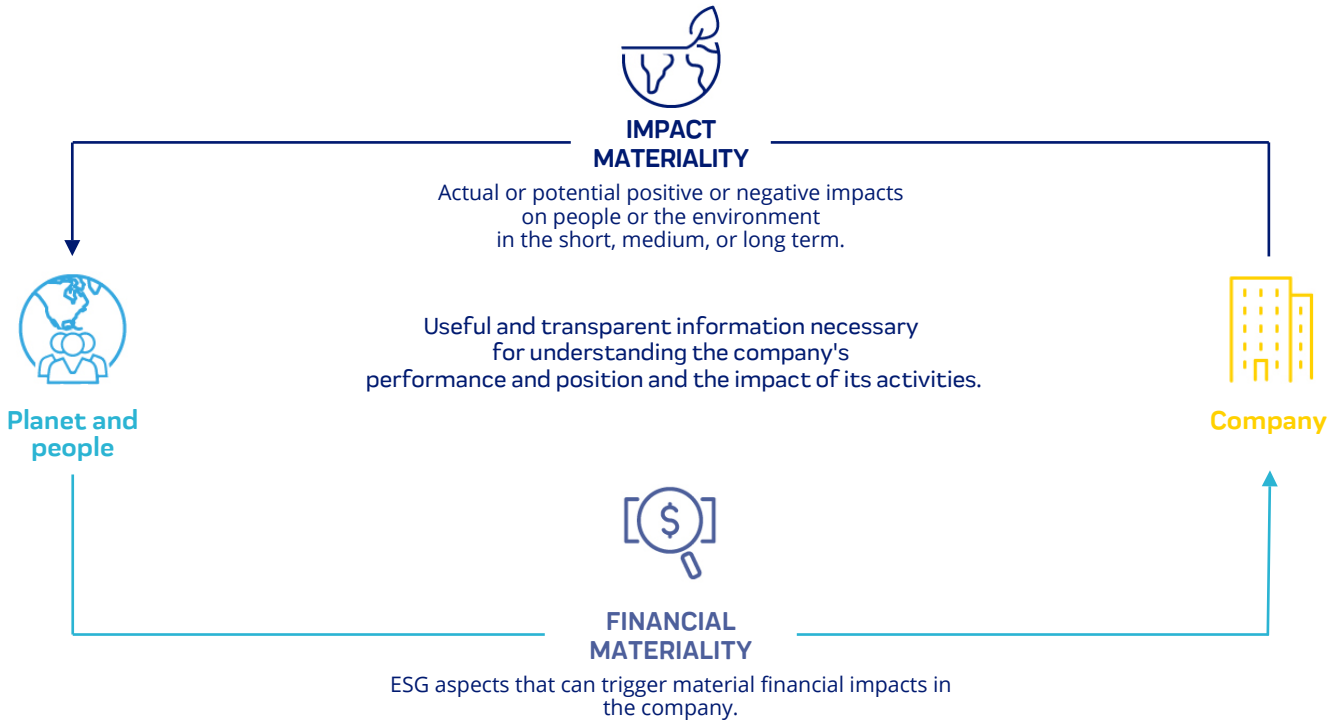
- The "Work-Life Balance", "Worker-Company Relations", and "Human Capital Development" matters identified in 2021 were integrated into the new "Workforce Conditions and Labour Rights" matter.
- The "Human Rights" matter identified in 2021 was integrated into the new "Workforce Conditions and Labour Rights" and "Workers in the Value Chain" matters.
- "Ethics and Integrity", "Legal Compliance", and "Responsible Supply Chain" were integrated into the new "Responsible Business Conduct" matter.
- "Transparency", "Shareholders and Investors", and "ESG Strategy" were integrated into the new "ESG Governance" matter.
- "R&D&i" was integrated into "Intellectual Property".
- "Climate Change" was divided into two new matters: "Climate Change Mitigation" and "Climate Change Adaptation".
- "Own Operations Energy Management" was integrated into the new "Climate Change Mitigation" matter.
- "Circular Economy" was integrated into both "Safe, Sustainable, and Quality Products"" and the new "Raw Materials and Finished Products" matters.
- "Pollution" was divided into two new matters: "Pollution of Air" and "Pollution of Soil and Water".
- "Risk and Opportunity Management" was eliminated because its analysis was integrated into all the sustainability matters.
- "Environmental Management in Own Operations" was eliminated because it was integrated into all environment-related matters.
- The other topics stayed the same or their names were changed slightly.

3. Assessment of Sustainability Topics and Determination of Materiality

In accordance with ESRS 1, the process of assessing sustainability matters consists of the following dimensions: materiality in terms of both impact and financial materiality.

A sustainability matter is "material" if it meets the criteria defined for materiality in terms of impact materiality, financial materiality, or both.

Double Materiality



Impact Materiality

A sustainability matter is "material" from an impact perspective when it pertains to the undertaking's actual or potential, positive or negative material impacts on people or the environment over the short, medium, and long-term time horizons.

The materiality assessment of a negative impact is informed by the sustainability due diligence process defined in the international instruments of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

		Positive impacts		Negative impacts	
		Actual	Potential	Actual	Potential
Severity	Scope	✓	✓	✓	✓
	Scale	✓	✓	✓	✓
	Irremediable character	✗	✗	✓	✓
Likelihood		✗	✓	✗	✓

In the case of a potential negative human-rights impact, the severity of the impact takes precedence over its likelihood.

The materiality assessment in terms of impact was developed through questionnaires sent to various stakeholder representatives. In total, 153 people were involved, of which 78% were internal (Executive Committee members, area managers, and other employees) and 22% were external (customers, end users, suppliers, shareholders, investors and community).

Financial Materiality

A sustainability matter is "material" from a financial perspective if it triggers or may reasonably be expected to trigger material financial effects on the undertaking.

This is the case when it generates or may generate **risks or opportunities** that have a material influence, or are likely to have a material influence, on the undertaking's development, financial situation, performance, position, cash flows, access to finance or cost of capital in the short, medium, or long-term time horizons.

The assessment of financial materiality was integrated into the framework of the annual assessment process of the corporate risk map, following the assessment criteria set out in the Global Risk Policy. Accordingly, the materiality of risks and opportunities was assessed from a combination of likelihood of occurrence and the potential size of financial impact, following the same scales as foreseen in the annual risk assessment process.

In this respect, the 55 risks identified because of the materiality analysis were added or integrated into one of the 34 risks that make up the corporate risk map so they could be assessed jointly. On the other hand, opportunities were added to the assessment for the first time.

Validation and Publication of Results

The results of the materiality assessment were presented to the Executive Committee and Board of Directors' Audit Committee for validation.

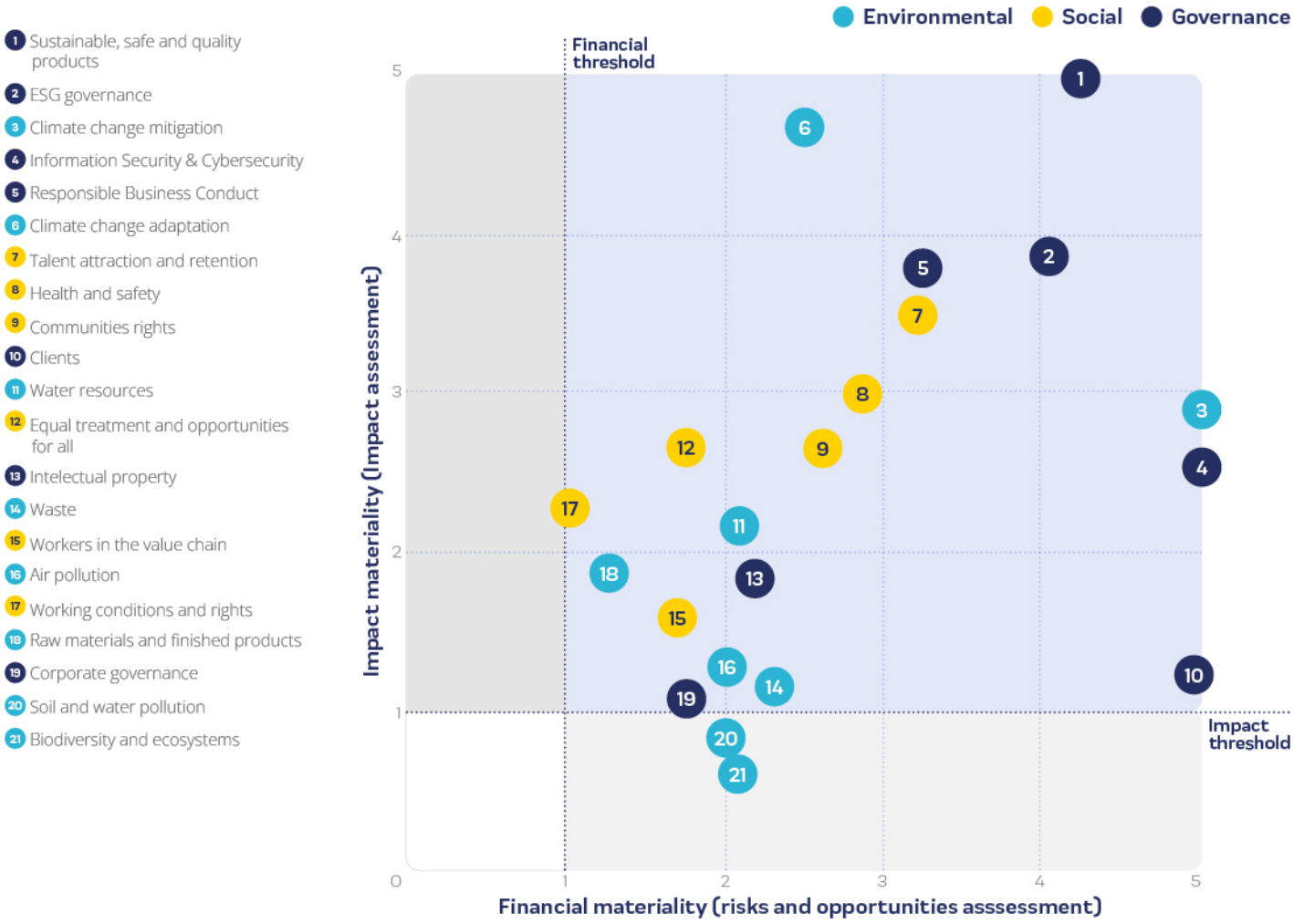
Once approved, the ESG Department aligned the structure of this Integrated Annual Report with the impacts, risks, and opportunities identified as material matters with the aim of ensuring that Fluidra reports on its commitments and performance in each one of these areas to deliver on the needs and expectations of all our stakeholders.

6.2.2. Materiality Matrix

GRI 3-2

As a result of the above assessments, all impacts, risks, and opportunities that scored more than 1 on a scale of 0 to 5 were considered to meet the materiality requirements.

Below are the material assessment results for 2023.



For each material matter, we picked out the contents of the GRI and SASB standards to provide sufficient information about our commitments and performance so that users of the information could assess and take informed decisions about the Organization.

For more information, see section "6.4. Table of Contents According to Sustainability Reporting Standards".

Sustainability topic	Impacts	Risks	Opportunities	Report section
Sustainable, Safe, and Quality Products (Short-medium term)	Environmental impacts arising from the sustainability or non-sustainability of products during their use and end-of-life phase. Products that promote people's health and safety (particularly children), as well as pool accessibility. Donations to organizations that promote access to pools for vulnerable groups. Reduced environmental impact by educating customers and consumers to use our products responsibly.	Legal risks derived from noncompliance with the regulations in force in each country of operation in terms of labelling and safety, among other matters. Rejection by customers and consumers of certain products due to the perception that they have a high environmental impact. Costs and reputational impacts arising from product recalls due to noncompliance with safety and quality standards. Limitations on the use of chemical substances.	Increased demand for products considered sustainable or that promote pool safety due to the approval of local regulations in this area. Heightened appeal and visibility of products with environmental and/or social certifications.	3.1. Defining the Positive Pool. 3.2. Promoting Sustainable Products. 3.5. Quality Management. 3.6. Product conformity and safety. 4.4 Committed to the Community.
Sustainability Topics Governance (Short-term)	Impacts resulting from incomplete or inaccurate reporting of the company's sustainability performance affecting stakeholders' ability to make appropriate decisions.	Underperformance on sustainability resulting from insufficient resource allocation, misalignment in strategy, or lack of oversight by the Board of Directors and Executive Committee. Noncompliance with regulations or negative impact on the company's sustainability reputation because of poor transparency. Inability by the company to define effective sustainability strategies due to poor-quality performance information.	Increased corporate reputation and value associated with disclosure around sustainability topics. High capability to respond to sustainability challenges due to knowledge of trends, sustainability culture in the company, and stakeholder engagement in the strategy. Access to better financing conditions and financial services resulting from good sustainability performance and high transparency. Implementation of investment plans aligned with stakeholder expectations on sustainability.	2.2. Climate Change.
Climate Change Mitigation (Short-medium term)	Contribution to climate change through greenhouse gas emissions. Use of fuels, electricity, heat, or steam, thereby depleting energy resources.	Regulatory and reputational risks associated with the climate transition.	Reduction in energy consumption and associated costs by identifying and optimizing inefficiencies in production facilities and processes.	2.2. Climate Change.
Information Security and Cybersecurity (Short-term)	Damage to the privacy and personal data protection rights of individuals.	Sanctions, reputational damage, and disruption of business operations because of cyberattacks and data breaches.		3.4. Connected Pool. 5.7. Information Security and Cybersecurity.

Sustainability topic	Impacts	Risks	Opportunities	Report section
Responsible Business Conduct (Short-medium term)	Misappropriation of public funds or other economic damage to society because of corruption, bribery or tax evasion. Impediments to adequate redress for impacts arising from insufficient access to complaint and whistleblower protection mechanisms.	Lack of tax transparency, BEPS compliance, or perceived aggressive tax strategy. Regulatory noncompliance or reputational risks arising from the absence of checks on corruption, bribery, contributions to political parties, unfair competition, and fraud, among other matters, especially in higher risk countries. Actual or perceived malpractices by key business partners impacting Fluidra's reputation. Risks arising from litigation and arbitration related to business conduct. Reputational impacts due to engagement with lobby groups not aligned with Fluidra's sustainability policies.	Promotion of the undertaking's more sustainable products by collaborating with industry organizations and pressure groups.	5.3. Ethics and Integrity. 5.4. Responsible Supply Chain Management. 5.6. Tax.
Climate Change Adaptation (Long term)	Reduction in society's ability to adapt and be resilient to climate change due to low water availability.	Significant damage to property and assets, and disruption to the organization's business and/or supply chain due to acute physical weather events.	Increased demand for swimming pools and the opening of new markets with the onset of higher temperatures.	2.2. Climate Change.
Talent Attraction and Retention (Short term)	Increased employability of the local community due to the development of workers' skills. Impacts arising from the reduction or replacement of jobs because of new technologies, digitalization, and/or the green transition. Unequal access to training plans and training across different locations and positions due to barriers such as language or lack of access to computer equipment.	Loss of talent in key positions, inadequate management of succession plans, and risks arising from inadequate management of generational handover. Problems attracting the talent needed to deliver on the organization's strategy arising from a lack of market skills, increasing talent wars, and poor perception of industrial activities.	Competitive advantages derived from a higher professional development of the workforce compared to the sector. Greater attraction and retention of talent derived from a good perception of the values, level of commitment and social benefits afforded by the company.	4.2. Keeping the best team (in particular, section 4.2.4. Talent and Development).
Health and Safety (Short term)	Incidents resulting in physical injury to our staff and other workers in our facilities. Damage to staff and external worker mental well-being.	Sanctions, reputational damage, costs, and business interruptions resulting from work-related accidents among employees or subcontractors. Damage to facilities and products because of fire. Interruption to operations and the value chain due to pandemics. Lower productivity and motivation related to employee and supplier well-being and work conditions.		4.3. Health, Safety and Well-being.

Sustainability topic	Impacts	Risks	Opportunities	Report section
Community Rights and Development (Short term)	Development of the economy and local labour market arising from work with local partners.	Reputational damage arising from misalignment between business operations and the expectations of local communities.	Relocation of some or all supply chain operations to a location geographically closer to their primary market to reduce environmental impacts and costs for the company, while streamlining production and mitigating potential disruptions.	4.4. Committed to the Community. 5.4. Responsible Supply Chain Management.
Customers (Short term)	Customer touchpoints resulting in negative feedback or dissatisfaction, e.g., lack of empathy or rude behaviour, slow response time, excessive use of automation, insufficient customer-service tools.	Reputational risks for Fluidra arising from real or perceived poor practice on the part of a key customer.	Building long-term relationships with customers, deriving from high satisfaction with the products and services Fluidra provides. Increased customer engagement through customer loyalty and other activities to strengthen their business.	5.5. A Costumer-Centric Model.
Water and Marine Resources (Short-medium term)	Environmental impacts brought about by the consumption, extraction and discharge of water by the company.	Total or partial restriction on water consumption by Fluidra facilities in areas of water stress during periods of drought affecting production and access to water by the workforce. Decreased sales and loss of market share because of water shortages and water consumption restrictions.		2.3. Water.
Equal Treatment and Opportunities for All (Short term)	Impacts on individuals resulting from a work environment where diversity is not respected. Unequal pay for work of equal value. Harassment at work.	Reduced employee engagement, diminished company reputation and penalties resulting from lack of equal opportunities.		4.1. We stand up for Human Rights. 4.2. Keeping the best team (in particular, section 4.2.3. Diversity, Equity and Inclusion).
Intellectual Property (Short term)	Knowledge transfer and exchange in favour of economic development.	Loss and leaking of key research and innovation information leading to reduced competitive differentiation. Infringement or forfeiture of the company's intellectual property rights, or allegations that it has infringed third-party rights.		3.3. Product Innovation.
Waste Management (Short term)	Environmental pollution resulting from inadequate management of the waste generated by the company (particularly hazardous waste) and unsustainable treatment practices (landfill or incineration).	Increased operational costs due to extended producer responsibility and more expensive landfill fees. Sanctions and reputational risks arising from incorrect waste treatment according to local legislation.		2.1. Environmental Management (in particular, section 2.1.2. Raw materials and waste management).

Sustainability topic	Impacts	Risks	Opportunities	Report section
Workers in the Value Chain (Short term)	Fair and adequate working conditions across the value chain. Equal treatment and opportunities across the value chain. Respect for human rights across the value chain.	Disruption to supply chain due to shortage of qualified professionals among key suppliers.		4.1. We stand up for Human Rights. 4.2. Keeping the best team (in particular, section 4.2.2. Generating quality employment). 5.4. Responsible Supply Chain Management.
Pollution of Air (Short term)	Impacts on human health and the environment arising from the release of NOx, SOx, PM, VOCs, etc.	Fines, business interruption, and reputational damage resulting from releases of toxic gases into the atmosphere because of an accident.		2.1. Environmental Management.
Workforce Labour Conditions and Rights (Short term)	Impact on people arising from the creation or non-creation of quality employment, promotion of work-life balance, and social dialogue. Incidents related to the respect of the staff's human rights.	Loss of talent due to poor work conditions, lack of work-life balance, or conflicts at work. Reputational damage resulting from inappropriate or excessive use of external employees in the high season. Sanctions for non-compliance with labour standards.		4.1. We stand up for Human Rights. 4.2. Keeping the best team.
Raw Materials and Finished Products (Short-medium term)	Depletion of raw materials resulting from excessive use of scarce natural resources. Environmental impacts arising from the use of virgin raw materials or their recycled equivalents.	Rising raw material prices and regulatory constraints on the use of certain virgin materials.		2.1. Environmental Management (in particular, section 2.1.2. Raw materials and waste management).
Corporate governance (Short term)	Low diversity on the Board of Directors (gender, origin, etc.).	Materialization of risks arising from inadequate design and scope of the internal control and oversight framework. Non-existence of board self-assessments or independent evaluations that could lead to omitting important aspects to maximize performance. Sanctions for non-compliance with diversity regulations by the Board of Directors and Executive Committee.		5.1. Governing Bodies.
Pollution of Soil and Water (Short term)		Sanctions and reputational damage because of leakages or spills resulting in soil or water pollution.		2.1. Environmental Management.

Sustainability topic	Impacts	Risks	Opportunities	Report section
Biodiversity and Protection of Ecosystems (Medium term)		Sanctions and reputational damage because of damage to protected flora and fauna specimens or adjacent ecosystems of high biodiversity value. Increased raw material costs and interruption to operations because of biodiversity impacts and dependencies.		2.1. Environmental Management (in particular, section 2.1.3. Biodiversity).

6.3
Data tables

6.3.1. Economic indicators

Economic value generated and distributed

GRI 201-1

(thousand €)	2023	2022	2021
Economic value generated	**2,105.6**	**2,449.3**	**2,233.7**
Total income (sales + other income)	2,105.6	2,449.3	2,233.7
Economic value Distribuited	**1,964.8**	**2,279.6**	**1,929.3**
Employees (personnel expenses)	385.7	414.5	363.7
Suppliers (stock variation + other operating expenses)	1,327.0	1,565.2	1,363.9
Shareholders (Dividend)[68]	132.9	159.9	75.9
Company-Public Administrations (Taxes)[69]	41.3	60.7	81.5
Capital suppliers (Financial Expenses)	77.9	79.3	44.2
Retained economic value	**140.8**	**169.7**	**304.4**

Profits earned and profit taxes paid on a country-by-country basis

GRI 207-4

	Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)	
	2023	2022	2023	2022
Germany	238	2,087	1,873	1,146
Australia	23,984	17,561	6,594	6,453
Austria	2,647	6,280	1,529	1,804
Belgium	-174	798	21	497
Bosnia Herzegovina	337	301	35	16

[68] Result attributable to equity holders of the parent company.
[69] Corresponds to income tax expense.

	Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)	
	2023	2022	2023	2022
Brazil	5,136	3,586	600	10
Bulgaria	2,608	2,536	304	230
Canada	801	1,023	-4	793
Chile	797	228	-31	13
China	457	2,704	398	275
Cyprus	963	1,034	123	114
Colombia	175	219	72	55
Croatia	521	625	77	191
Denmark	-983	-1,134	1,803	177
Egypt	3,095	4,729	1,160	416
United Arab Emirates	6,764	6,716	0	0
Slovenia	50	68	27	8
Spain	-35,192	-4,499	2,343	-828
United States of America	81,755	78,964	-3,316	59,848
France	25,854	46,555	4,898	6,528
Greece	3,798	4,002	866	532
Netherlands	5,002	8,248	983	3,272
Hong Kong	57	-5	8	59
Hungary	-1,793	420	180	97
India	1,703	1,240	518	331
Indonesia	-761	714	85	-9
Ireland	0	0	0	0
Italy	5,001	9,316	3,049	3,577
Jordan	0	0	0	0
Kazakhstan	117	1,283	309	2
Malaysia	-49	-91	-21	14
Morocco	3,193	2,801	1,090	1,310
México	1,408	1,432	486	697
Montenegro	154	223	16	3
New Zealand	464	241	104	261
Poland	415	649	154	116
Portugal	2,861	2,438	717	1,042
United Kingdom	4,733	8,061	1,669	1,324

	Benefit country by country (in thousands of euros)		Corporate income tax paid (in thousands of euros)	
	2023	2022	2023	2022
Czech Republic	1,626	2,104	399	475
Romania	382	665	75	112
Russia	1,149	1,727	395	288
Serbia	407	691	175	37
Singapore	164	162	16	10
South Africa	5,300	3,901	1,574	994
Sweden	69	1,074	294	561
Switzerland	-27	221	20	1
Thailand	603	507	127	-7
Tunisia	14	13	3	0
Turkey	2,110	2,003	706	526
Vietnam	209	694	86	123
Total	**158,145**	**225,113**	**32,586**	**93,495**

6.3.2. Social indicators

Workforce data

Workforce by country

GRI 2-1, 2-7, 405-1

	2023						2022					
	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
Fluidra	**4,189**	**65.36%**	**2,220**	**34.64%**	**6,409**	**100%**	**4,406**	**65.07%**	**2,365**	**34.93%**	**6,771**	**100%**
Germany	50	60.98%	32	39.02%	82	1.28%	58	62.37%	35	37.63%	93	1.37%
Australia	240	62.50%	144	37.50%	384	5.99%	264	61.83%	163	38.17%	427	6.31%
Austria	28	68.29%	13	31.71%	41	0.64%	32	64.00%	18	36.00%	50	0.74%
Belgium	13	81.25%	3	18.75%	16	0.25%	16	80.00%	4	20.00%	20	0.30%
Bosnia Herzegovina	2	50.00%	2	50.00%	4	0.06%	2	50.00%	2	50.00%	4	0.06%
Brazil	121	78.57%	33	21.43%	154	2.40%	114	77.55%	33	22.45%	147	2.17%
Bulgaria	41	67.21%	20	32.79%	61	0.95%	43	68.25%	20	31.75%	63	0.93%
Canada	12	66.67%	6	33.33%	18	0.28%	12	70.59%	5	29.41%	17	0.25%
Chile	8	72.73%	3	27.27%	11	0.17%	10	83.33%	2	16.67%	12	0.18%
China	275	55.78%	218	44.22%	493	7.69%	324	53.64%	280	46.36%	604	8.92%

	2023						2022					
	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
Cyprus	8	72.73%	3	27.27%	11	0.17%	7	70.00%	3	30.00%	10	0.15%
Colombia	5	50.00%	5	50.00%	10	0.16%	4	57.14%	3	42.86%	7	0.10%
Croatia	10	66.67%	5	33.33%	15	0.23%	11	73.33%	4	26.67%	15	0.22%
Denmark	10	62.50%	6	37.50%	16	0.25%	12	54.55%	10	45.45%	22	0.32%
Egypt	11	64.71%	6	35.29%	17	0.27%	12	70.59%	5	29.41%	17	0.25%
United Arab Emirates	33	86.84%	5	13.16%	38	0.59%	33	84.62%	6	15.38%	39	0.58%
Slovenia	3	100.00%	0	0.00%	3	0.05%	4	100.00%	0	0.00%	4	0.06%
Spain	1,373	64.07%	770	35.93%	2,143	33.44%	1,372	63.58%	786	36.42%	2,158	31.87%
United States of America	745	65.99%	384	34.01%	1,129	17.62%	872	67.08%	428	32.92%	1,300	19.20%
France	271	64.83%	147	35.17%	418	6.52%	293	65.84%	152	34.16%	445	6.57%
Greece	10	55.56%	8	44.44%	18	0.28%	10	58.82%	7	41.18%	17	0.25%
Hungary	39	66.10%	20	33.90%	59	0.92%	21	70.00%	9	30.00%	30	0.44%
India	31	77.50%	9	22.50%	40	0.62%	30	76.92%	9	23.08%	39	0.58%
Indonesia	29	72.50%	11	27.50%	40	0.62%	21	63.64%	12	36.36%	33	0.49%
Italy	95	74.22%	33	25.78%	128	2.00%	98	75.97%	31	24.03%	129	1.91%
Kazakhstan	10	52.63%	9	47.37%	19	0.30%	10	58.82%	7	41.18%	17	0.25%
Malaysia	17	68.00%	8	32.00%	25	0.39%	15	68.18%	7	31.82%	22	0.32%
Morocco	14	58.33%	10	41.67%	24	0.37%	14	60.87%	9	39.13%	23	0.34%
México	30	62.50%	18	37.50%	48	0.75%	23	53.49%	20	46.51%	43	0.64%
Montenegro	2	66.67%	1	33.33%	3	0.05%	2	100.00%	0	0.00%	2	0.03%
New Zealand	8	80.00%	2	20.00%	10	0.16%	4	57.14%	3	42.86%	7	0.10%
Netherlands	48	66.67%	24	33.33%	72	1.12%	57	69.51%	25	30.49%	82	1.21%
Poland	10	55.56%	8	44.44%	18	0.28%	10	55.56%	8	44.44%	18	0.27%
Portugal	40	65.57%	21	34.43%	61	0.95%	50	68.49%	23	31.51%	73	1.08%
United Kingdom	93	61.59%	58	38.41%	151	2.36%	88	60.69%	57	39.31%	145	2.14%
Czech Republic	7	77.78%	2	22.22%	9	0.14%	7	77.78%	2	22.22%	9	0.13%
Romania	7	77.78%	2	22.22%	9	0.14%	8	80.00%	2	20.00%	10	0.15%
Russia	26	56.52%	20	43.48%	46	0.72%	29	58.00%	21	42.00%	50	0.74%
Serbia	7	63.64%	4	36.36%	11	0.17%	8	66.67%	4	33.33%	12	0.18%
Singapore	10	76.92%	3	23.08%	13	0.20%	8	72.73%	3	27.27%	11	0.16%
South Africa	336	76.02%	106	23.98%	442	6.90%	343	76.22%	107	23.78%	450	6.65%
Sweden	7	70.00%	3	30.00%	10	0.16%	5	62.50%	3	37.50%	8	0.12%
Switzerland	5	100.00%	0	0.00%	5	0.08%	5	100.00%	0	0.00%	5	0.07%

	2023						2022					
	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
Thailand	18	56.25%	14	43.75%	32	0.50%	16	51.61%	15	48.39%	31	0.46%
Tunisia	1	16.67%	5	83.33%	6	0.09%	1	20.00%	4	80.00%	5	0.07%
Turkey	24	72.73%	9	27.27%	33	0.51%	22	70.97%	9	29.03%	31	0.46%
Vietnam	6	46.15%	7	53.85%	13	0.20%	6	40.00%	9	60.00%	15	0.22%

Headcount by category / gender

	2023						2022					
	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
Executives	48	87%	7	13%	55	1%	47	82%	10	18%	57	1%
Management	249	75%	81	25%	330	5%	260	77%	79	23%	339	5%
Professionals	725	72%	286	28%	1,011	16%	771	72%	297	28%	1,068	16%
Technicians	1,299	68%	618	32%	1,917	30%	1,362	67%	667	33%	2,029	30%
Administration & Support	413	41%	596	59%	1,009	16%	391	40%	592	60%	983	15%
Manufacturing workers	1,455	70%	632	30%	2,087	33%	1,575	69%	720	31%	2,295	34%
Total Fluidra	**4,189**	**65%**	**2,220**	**35%**	**6,409**	**100%**	**4,406**	**65%**	**2,365**	**35%**	**6,771**	**100%**

Leadership positions by gender

	2023						2022					
	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
Top management	73	82%	16	18%	89	27%	49	79%	13	21%	62	18%
Middle management	72	84%	14	16%	86	26%	87	81%	20	19%	107	32%
Junior management	104	67%	51	33%	155	47%	124	73%	46	27%	170	50%
Total management	**249**	**75%**	**81**	**25%**	**330**	**100%**	**260**	**77%**	**79**	**23%**	**339**	**100%**

Workforce by age/gender

	2023						2022					
	Male	%	Female	%	Total	%	Male	%	Female	%	Total	%
Under 30 years old	559	64%	316	36%	875	14%	599	62%	371	38%	970	14%
Between 30 and 50 years old	2,542	64%	1,413	36%	3,955	62%	2,753	64%	1,539	36%	4,292	63%
Over 50 years old	1,088	69%	491	31%	1,579	25%	1,054	70%	455	30%	1,509	22%
Total Fluidra	**4,189**	**65%**	**2,220**	**35%**	**6,409**	**100%**	**4,406**	**65%**	**2,365**	**35%**	**6,771**	**100%**

Headcount by type of employment contract

	2023				2022			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Total Fluidra	**6,143**	**139**	**116**	**11**	**6,476**	**151**	**126**	**18**

Average workforce by type of contract / gender

	2023				2022			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Male	4,269	32	115	9	4,603	39	127	15
Female	2,206	112	46	6	2,342	117	75	8
Fluidra average	**6,475**	**145**	**161**	**14**	**6,945**	**156**	**202**	**23**

Average headcount by type of contract / category

	2023				2022			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Executives	59	0	0	0	65	0	0	0
Management	336	1	1	0	355	0	2	1
Professionals	1,058	9	2	1	1,089	9	3	2
Technicians	1,913	50	17	1	2,027	49	24	2
Administration & Support	951	47	31	4	970	58	67	8
Manufacturing workers	2,158	39	110	8	2,439	39	106	10
Fluidra average	**6,475**	**145**	**161**	**14**	**6,945**	**156**	**202**	**23**

Average workforce by type of contract / age

	2023				2022			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Under 30 years old	845	11	55	1	970	10	75	6
Between 30 and 50 years old	4,012	90	79	5	4,382	104	89	8
Over 50 years old	1,618	44	27	8	1,593	42	39	10
Fluidra average	**6,475**	**145**	**161**	**14**	**6,945**	**156**	**202**	**23**

Average contract type by gender (FTE)

	2023				2022			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Male	4,223	16	106	4	4,533	25	123	8
Female	2,181	69	42	4	2,306	78	73	5
Fluidra average	**6,404**	**85**	**148**	**7**	**6,839**	**103**	**196**	**14**

Average contract type by category (FTE)

	2023				2022			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Executives	59	0	0	0	64	0	0	0
Management	334	1	1	0	352	0	2	1
Professionals	1,048	5	2	1	1,079	6	3	1
Technicians	1,897	31	16	0	2,008	33	23	1
Administration & Support	937	28	30	3	951	38	64	6
Manufacturing workers	2,130	20	99	3	2,386	24	103	5
Fluidra average	**6,404**	**85**	**148**	**7**	**6,839**	**103**	**196**	**14**

Average type of contract by age groups (FTE)

	2023				2022			
	Permanent		Temporary		Permanent		Temporary	
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time
Under 30 years old	827	5	51	1	937	7	72	4
Between 30 and 50 years old	3,972	61	71	4	4,325	72	86	5
Over 50 years old	1,605	19	26	3	1,577	25	38	5
Fluidra average	**6,404**	**85**	**148**	**7**	**6,839**	**103**	**196**	**14**

New hires and staff turnover

GRI 401-1

	Male			Female			
New hires 2023	Under 30 years old	Between 30 - 50 years old	Over 50 years old	Under 30 years old	Between 30 - 50 years old	Over 50 years old	Total
EMEA	137	218	47	65	126	18	611
New hires rate	42%	14%	7%	39%	14%	6%	16%
AMER	62	68	25	27	55	23	260
New hires rate	43%	12%	9%	26%	16%	22%	17%
APAC	33	48	14	12	22	3	132
New hires rate	41%	11%	8%	29%	12%	3%	13%
HQ	8	14	2	7	10	3	44
New hires rate	30%	12%	5%	37%	11%	10%	14%
Total Fluidra	**240**	**348**	**88**	**111**	**213**	**47**	**1,047**

	Male			Female			
New hires 2022	Under 30 years old	Between 30 - 50 years old	Over 50 years old	Under 30 years old	Between 30 - 50 years old	Over 50 years old	Total
EMEA	226	308	42	83	207	25	891
New hires rate	64%	18%	6%	46%	22%	9%	22%
AMER	147	183	45	66	105	18	564
New hires rate	72%	26%	15%	54%	26%	17%	31%
APAC	25	58	14	21	28	6	152
New hires rate	24%	13%	7%	34%	14%	7%	14%
HQ	9	17	4	7	16	1	54
New hires rate	49%	15%	10%	35%	16%	4%	17%
Total Fluidra	**407**	**566**	**105**	**177**	**356**	**50**	**1,661**

New hires by type of contract / gender

	2023				2023			
	Male	Female	Total	%	Male	Female	Total	%
Permanent contract hires	522	296	818	78%	989	531	1,520	92%
Temporary contract hires	154	75	229	22%	89	52	141	8%
Total Fluidra	**676**	**371**	**1,047**	**100%**	**1,078**	**583**	**1,661**	**100%**

Departures by type and gender[70]

	2023			2022		
	Male	Female	Total	Male	Female	Total
Dismissals	309	167	476	454	164	618
Voluntary departure	439	232	671	556	303	859
Retirement	22	10	32	25	11	36
Deaths	1	3	4	4	2	6
Total Fluidra	**771**	**412**	**1,183**	**1,039**	**480**	**1,519**

Departures by type and region

	2023				2022			
	HQ	EMEA	AMER	APAC	HQ	EMEA	AMER	APAC
Dismissals	6	269	164	37	6	379	201	32
Voluntary departure	17	257	316	81	17	234	445	163
Retirement	0	8	19	5	1	7	24	4
Deaths	0	2	1	1	0	1	4	1
Total Fluidra	**23**	**536**	**500**	**124**	**24**	**621**	**674**	**200**

[70] In 2023, we have improved the breakdown of terminations, in order to offer greater detail of their typology. As a result, terminations previously considered "involuntary terminations" are now broken down into dismissals and deaths, while "voluntary terminations" are broken down into voluntary terminations and retirements. Likewise, the number of lay-offs reported in 2022 has been adjusted to cover the lay-offs of people with temporary contracts.

Employee turnover by type and age groups

	2023			2022		
	Under 30 years old	Between 30 - 50 years old	Over 50 years old	Under 30 years old	Between 30 - 50 years old	Over 50 years old
Dismissals	76	258	142	152	320	146
Voluntary departure	165	418	88	260	490	109
Retirement	0	6	26	0	3	33
Deaths	0	1	3	2	2	2
Total Fluidra	**241**	**683**	**259**	**414**	**815**	**290**

Dismissals by category and gender

	2023			2022		
	Male	Female	Total	Male	Female	Total
Executives	1	2	3	6	1	7
Management	12	4	16	20	5	25
Professionals	44	20	64	30	9	39
Technicians	61	30	91	56	27	83
Administration & Support	39	38	77	52	35	87
Manufacturing workers	152	73	225	290	87	377
Total Fluidra	**309**	**167**	**476**	**454**	**164**	**618**

Turnover by gender

GRI 401-1

	2023			2022		
	Male	Female	Total	Male	Female	Total
Total turnover	7%	7%	7%	22%	20%	21%
Voluntary turnover	11%	10%	11%	13%	13%	13%

Turnover by age groups

	2023			2022		
	Under 30 years old	Between 30 - 50 years old	Over 50 years old	Under 30 years old	Between 30 - 50 years old	Over 50 years old
Total turnover	9%	6%	9%	42%	18%	18%
Voluntary turnover	19%	10%	7%	27%	11%	9%

Professional training and development

Training hours by gender and category[71]

	2023			2022		
	Male	Female	Total	Male	Female	Total
Executives	1,359	304	1,663	1,610	582	2,192
Management	6,693	1,941	8,634	5,963	2,432	8,395
Professionals	24,074	10,157	34,231	14,101	7,412	21,514
Technicians	32,239	19,345	51,584	22,916	12,612	35,528
Administration & Support	8,581	12,441	21,022	4,084	9,584	13,668
Manufacturing workers	25,935	7,919	33,854	20,809	6,490	27,299
Total Formación	**98,881**	**52,107**	**150,988**	**69,484**	**39,112**	**108,596**

Health and Safety

Accident rates and Occupational illnesses (own workforce)

	2023			2022		
	Male	Female	Total	Male	Female	Total
Fatalities	**0**	**0**	**0**	**0**	**0**	**0**
Workplace or work-related travel accidents	**41**	**11**	**52**	**38**	**15**	**53**
With medical leave[72]	29	5	34	26	13	39
Without medical leave	12	6	18	12	2	14
In-itinere (to/from work)	**8**	**10**	**18**	**12**	**3**	**15**
With medical leave	6	7	13	7	1	8
Without medical leave	2	3	5	5	2	7
Occupational Illnesses	0	2	2	0	0	0

[71] The training data for fiscal year 2022 does not include the training hours of CMP Shanghai, as they are not yet integrated into our training platform.
[72] By accident with medical leave we mean any work-related injury that results in the employee not being able to return to work the next scheduled work day/shift.

Accident rates (own workforce)

	2023			2022		
	Male	Female	Total	Male	Female	Total
Lost Time Injury Rate (LTIR) *(No. of lost-time injuries) / total hours worked in the year) x 200,000*	0.71	0.24	0.55	0.60	0.55	0.58
Total Recordable Incident Rate (TRIR) *(No. of accidents in the workplace or on work-related travel / total hours worked in the year) x 200,000*	1.01	0.52	0.84	0.87	0.63	0.79
Severity rate *(No. of days lost x 1,000) / total hours worked in the year*	0.08	0.05	0.07	0.04	0.03	0.03

Accident rates and Occupational illnesses (third-party contractor employee and outsourced workers)

	2023			2022		
	Male	Female	Total	Male	Female	Total
Fatalities	**0**	**0**	**0**	**0**	**0**	**0**
Workplace or work-related travel accidents	**5**	**1**	**6**	**7**	**4**	**11**
With medical leave	3	1	4	3	2	5
Without medical leave	2	0	2	4	2	6
In-itinere (to/from work)	**1**	**0**	**1**	**1**	**0**	**1**
With medical leave	0	0	0	0	0	0
Without medical leave	1	0	1	1	0	1
Occupational Illnesses	0	0	0	0	0	0

Accident rates (third-party contractor employee and outsourced workers)

	2023			2022		
	Male	Female	Total	Male	Female	Total
Lost Time Injury Rate (LTIR) (No. of lost-time injuries) / total hours worked in the year) x 200,000	2.61	2.07	2.45	1.00	1.01	1.01
Total Recordable Incident Rate (TRIR) (No. of accidents in the workplace or on work-related travel / total hours worked in the year) x 200,000	4.35	2.07	3.67	2.34	2.02	2.21
Severity rate (No. of days lost x 1,000) / total hours worked in the year	2.84	2.23	0.02	0.29	0.06	0.03

6.3.3. Environmental indicators[73]

Climate Change

GRI 305-1, 305-2, 305-3, 305-4

Carbon Footprint by scope

	Emissions ($tnCO_2eq$)			
	Baseline year (2021)	2022	2023	Evolution (2023 vs. 2021)
GHG Emissions Scope 1				
GHG Gross emissions Scope 1 ($tnCO_2eq$)	10,658	9,892	7,934	-25.6%
Percentage from any Emissions Trading System (%)	0%	0%	0%	0.0%
GHG Emissions Scope 2				
GHG Gross emissions Scope 2 ($tnCO_2eq$) - Location Based	23,638	19,048	15,425	-34.7%
GHG Gross emissions Scope 2 ($tnCO_2eq$) - Market Based	10,322	5,761	4,112	-60.2%
GHG Emissions Scope 3 - Significant emissions				
Total GHG Emissions Scope 3 ($tnCO_2eq$)	9,215,449	7,228,948	9,688,774	5.1%
Category 1	1,125,471	578,031	674,126	-40.1%
Category 2	35,924	47,814	14,403	-59.9%
Category 3	5,759	4,317	3,773	-34.5%
Category 4	89,962	291,769	99,603	10.7%
Category 5	3,080	2,637	1,403	-54.4%
Category 6	929	2,187	5,946	540.0%
Category 7	7,238	3,652	11,893	64.3%
Category 9	331,932	25,919	30,164	-90.9%
Category 11	7,609,181	6,266,563	8,841,335	16.2%
Category 12	5,973	6,059	6,128	2.6%
Total GHG Emissions ($tnCO_2eq$) - Location Based	**9,249,745**	**7,257,888**	**9,712,133**	**5.0%**
Total GHG Emissions ($tnCO_2eq$) - Market Based	**9,236,429**	**7,244,601**	**9,700,820**	**5.0%**

[73] In 2022, all environmental data for fiscal year 2021 were reviewed and corrected in order to incorporate all data from the companies acquired during said fiscal year, as well as to correct errors detected within the framework of the control and internal audit processes.

Emissions from own operation (scopes 1 & 2) by region[74]

	2023			2022		
	Scope 1	Scope 2 (Market based)	Total	Scope 1	Scope 2 (Market based)	Total
HQ + EMEA	5,224	809	6,033	5,074	929	6,003
AMER	1,342	1,293	2,635	3,538	2,498	6,036
APAC	1,368	2,010	3,378	1,281	2,334	3,615
TOTAL	**7,934**	**4,112**	**12,046**	**9,892**	**5,761**	**15,653**

Emissions intensity (Scopes 1&2)

GHG Emissions Intensity	Unit	2023	Denominator	2022	Denominator	2023 vs. 2022
By net sales (Location based)	$TnCO_2eq/M€$	11.39	2,050,707,881	12.11	2,389,205,000	-6%
By net sales (Market based)	$TnCO_2eq/M€$	5.87	2,050,707,881	6.55	2,389,205,000	-10%

Emissions Calculation Methodology

Direct Scope 1 Emissions

The direct GHG emissions produced by Fluidra are determined on the basis of the use of fossil fuels for production, heating, fugitive emissions and mobility of its own or rental vehicles in all the Group's own offices, points of sale, warehouses and factories.

The calculation has been developed by an independent expert organisation using the following formula: total litres or kWh of fuel consumed (by type) multiplied by the corresponding emission factor. To this end, the emission and conversion factors published by DEFRA in its latest version of the document have been considered.

For the calculation of emissions from greenhouse gases other than CO_2, the Global Warming Potentials (GWPs) published in the IPCC's fourth 100-year report (Regulation 517/2014) are used, as indicated in the document issued by DEFRA for the corresponding year.

Indirect Scope 2 Emissions

The indirect GHG emissions we generate are based on the electricity consumption contracted to third parties throughout the Group. The calculation has been developed by an independent expert organization, multiplying the consumption of electrical energy in kWh by the corresponding emission factor in each case.

The calculation is carried out both on a location-by-location and market basis, following the best recommended practices, using the coefficients of the electricity mix by country, based on data published by the International Energy Agency (or the respective official bodies) and also in the AIB's "European Residual Mixes" report.

Other indirect Scope 3 emissions

For scope 3, the following methodology has been used for each of the applicable categories:

- **Category 1 (Purchased goods and services):** Total OpEx records are transformed into GHG emissions with DEFRA "Input-output" emission factors. It should be noted that from the total OpEx records initially obtained, expenses already reported in other categories of the carbon footprint (fuel consumption, electricity, travel expenses) have been excluded, as well as that

[74] Scope 2 emissions on a market basis.

value-added taxes have not been accounted for. In this category, the emissions associated with water consumption (collection, purification, distribution and purification of water) have also been considered, also using DEFRA emission factors for its calculation.

- **Category 2 (Capital goods):** the methodology used has been similar to the calculation made for category 1. As a result, all expenses chargeable as CapEx are calculated using DEFRA's "Input-Output" factors.
- **Category 3 (Fuel-and-energy-related-activities):** emissions associated with the value chain of fossil fuels from stationary sources, and those related to the value chain of the electricity consumed, have been calculated. For the former, DEFRA well-to-tank emission factors (WTT) have been used. For emissions associated with energy consumption (extraction and refining of primary fuels before generation), emission factors from the International Energy Agency have been used. In the case of electricity from 100% renewable sources, these emissions are considered zero.
- **Categories 4 and 9 (upstream and downstream transport and distribution):** The formula used in the calculation takes into account the distance, the weight transported and the means of transport used in all transport carried out by third parties in each of the regions. The emission factors are derived from DEFRA and include WTT. For the AMER region, the information provided this year has made it possible to determine a % of upstream (Category 4) and downstream (Category 9) distribution, as well as the percentage corresponding to each mode of transport used. These percentages have been applied in carriers that did not have this level of detail, and also in the APAC region, where this information is also not provided. At the same time, there is a percentage of secondary data, of which only the cost is available. A more generic DEFRA emission factor has been applied for them. In the EMEA region, only primary data have been used, calculating a percentage of distribution by means of transport, which is applied to the entire region. It should be noted that in 2023, travel from stores to the end consumer has been incorporated. The calculation has been made based on the units sold and assuming average distances and % of means of transport (car and van).
- **Category 5 (Waste generated in operations):** for the calculation, both the amount of waste generated and its final treatment (recycling, recovery, etc.) have been considered. The emission factors used come from DEFRA and the Catalan Office for Climate Change.
- **Category 6 (Business travel):** For air travel, the selected emission factors (from DEFRA) have differentiated between domestic flights (up to 1,000 km), short flights (1,000 to 3,700 km), and long flights (more than 3,700 km). All emission factors used include WTT. On the other hand, journeys made by train, taxi, and rental vehicle have also been considered. Finally, also using DEFRA emission factors, the emissions associated with overnight stays in hotels have been included, the calculation of which takes into account the country where it is carried out.
- **Category 7 (Employee commuting):** the distance travelled by Fluidra employees from home to work has been calculated, based on the results of the mobility survey carried out in 2022, taking into account the means of transport and the days of teleworking. The emission factors used have been obtained from DEFRA.
- **Category 11 (Use of sold products):** for the calculation, products that consume electricity or gaseous fossil fuels (gas heaters, robots, pumps, lighting, and disinfection equipment) have been considered. This year, gas heaters have been considered for the first time, using the average consumption of the equipment. Emission factors from DEFRA and IEA have been used for each of the products considered, according to the country where the sale is made.
- **Category 12 (End of life treatment of sold products):** based on the composition of some representative products (pumps and robots) and their packaging, and assuming that their final destination will be landfill (as it is the most conservative), the corresponding DEFRA factors have been applied for the calculation of these and the rest of the products sold in 2023.

GHG mitigation projects financed through carbon credits

Project	Typology	Quality standard	Location	2023 ($tnCO_2eq$)	2022 ($tnCO_2eq$)
Reforestation Vichada Colombia	Removal	Gold Standard VER	Colombia	300	0
Water filters + solar lamps	Reduction	Gold Standard VER	India	635	0
Biochar Douglas County	Removal	Puro.earth	USA	0	89
Solar energy for 3 Indian states	Reduction	Verified Carbon Standard	India	0	990
Reforestation of degraded land in India	Removal	Verified Carbon Standard	India	0	990
Tree planting (collaboration with Tree-Nation)	Removal	N/A	Worldwide	3,619	1,516
Total ($tnCO_2eq$)				**4,554**	**3,585**

2023 projects

Loans under the Gold Standard accounted for 21% of the total in 2023, while loans issued by Tree-Nation (without a quality standard) accounted for 79%. In addition, 1.12% of the credits correspond to projects developed within the European Union. With regard to the phase-out projects developed in 2023, all come from biogenic sinks.

2022 projects

Credits under the puro.earth quality standard accounted for 2.5% of the total, those issued under the Verified Carbon Standard accounted for 55.2%, while those issued by Tree Nation (without quality standard) accounted for 42.3%. Furthermore, 0.22% of the credits correspond to projects developed within the European Union. In terms of disposal projects, while reforestation projects come from biogenic sinks, the biochar project is of a technological nature.

Water

Water withdrawal by source

GRI 303-3

	2023		2022		Variation
	m^3	%	m^3	%	%
Third-party water (public or private network)	125,878	97 %	154,082	92 %	-18%
Surface water (river, lake, etc.)	0	0 %	0	0 %	0%
Groundwater (well)	1,174	1 %	2,740	2 %	-57%
Recycling / reuse	2,384	2 %	10,539	6 %	-77%
Total	**129,435**	**100 %**	**167,361**	**100 %**	**-23%**

Water discharges by destination

GRI 303-4

	2023		2022		Variation
	m^3	%	m^3	%	%
Third-party water (public or private network)	118,808	100 %	145,646	99 %	-18%
Surface water (river, lake, etc.)	9	0 %	1,694	1 %	-99%
Other areas	0	0 %	0	0 %	0%
Total	**118,817**	**100 %**	**147,340**	**100 %**	**-19%**

Raw materials

Manufacturing materials by source and type

GRI 301-1, 301-2

	2023			2022		
	Reused/recycled materials (tn)	Non-recycled (tn)	Total (tn)	Reused/recycled materials (tn)	Non-recycled (tn)	Total (tn)
Metals	323	202,104	202,427	633	231,495	232,128
Aluminiun	67	497	564	178	997	1,175
Cobalt	0	0	0	0	0	0
Copper	6	199,181	199,187	5	224,876	224,881
Iron/Steel	250	2,410	2,660	450	5,592	6,042
Nickel	0	0	0	0	0	0
Lithium	0	0	0	0	0	0
Titanium	0	16	16	0	29	29
Plastics	1,785	16,438	18,223	2,162	23,216	25,378
Chemicals	60	24,833	24,893	65	31,472	31,537
Glass	0	0	0	4,128	1,410	5,537
Electronic components	0	825	825	2	1,452	1,454
Total	**2,168**	**244,200**	**246,368**	**6,989**	**289,044**	**296,033**

Packaging by source and type

	2023			2022		
	Reused/recycled materials (tn)	Non-recycled (tn)	Total (tn)	Reused/recycled materials (tn)	Non-recycled (tn)	Total (tn)
Films & Plastics	214	1,681	1,894	206	1,923	2,130
Wood	2,030	3,341	5,371	2,353	6,087	8,440
Cardboard	2,194	1,598	3,792	3,230	3,231	6,461
Compostable bags	0	0	0	0	0	0
Other	11	41	53	0	71	72
Total	**4,449**	**6,661**	**11,110**	**5,790**	**11,313**	**17,102**

Waste management

Waste by type and disposal method[75]

	Hazardous (tn)		Non-Hazardous (tn)		Total (tn)				
	2023	2022	2023	2022	2023		2022		Variation
Total waste recycled/reused	**474**	**322**	**5,311**	**6,716**	**5,785**	**66 %**	**7,038**	**70 %**	100 %
Recycled	474	322	5,311	6,716	5,785	66 %	7,038	70 %	100 %
Reused	0		0		0				
Waste otherwise recycled/reused	0	0	0	0	0	0 %	0	0 %	0 %
Total waste disposed	**381**	**293**	**2,598**	**2,718**	**2,979**	**34 %**	**3,011**	**30 %**	**100 %**
Waste incinerated with or without energy recovery	104	45	298	246	402	5 %	291	3 %	100 %
Landfill	277	248	2,300	2,472	2,577	29 %	2,720	27 %	100 %
Waste otherwise disposed	0	0	0	0	0	0 %	0	0 %	0 %
Total (tn)	**855**	**615**	**7,909**	**9,434**	**8,764**	**100 %**	**10,049**	**100 %**	**100**

[75] The estimated data in this table represent 3% of the total.

Waste by type

GRI 306-3

	2023		2022	
	Tn	%	Tn	%
Hazardous waste	**855**	**9.8 %**	**615**	**6.1 %**
Cells, batteries and electrical or electronic waste	192	2.2 %	18	2.9 %
Contaminated plastics or containers	114	1.3 %	112	18.1 %
Chemicals, oils and lubricants	475	5.4 %	436	70.8 %
Non-recyclable or mixed	75	0.9 %	50	8.1 %
Non-Hazardous waste	**7,909**	**90.2 %**	**9,434**	**93.9 %**
Plastics	1,672	19.1 %	2,561	27.1 %
Wood	849	9.7 %	841	8.9 %
Metal	1,083	12.4 %	1,087	11.5 %
Non-recyclable or mixed	3,118	35.6 %	3,722	39.5 %
Paper and cardboard	1,187	13.5 %	1,223	13.0 %
Total	**8,764**	**100 %**	**10,049**	**100 %**

Waste by management and disposal method

GRI 306-4, 306-5

	2023						2022					
	External management	%	Internal management	%	Total	%	External management	%	Internal management	%	Total	%
Hazardous waste	**815**	**10 %**	**40**	**4 %**	**855**	**10 %**	**571**	**93 %**	**44**	**7 %**	**615**	**6 %**
Recycling / reuse	434	6 %	40	4 %	474	5 %	277	49 %	44	100 %	322	3 %
Incineration	104	1 %	0	0 %	104	1 %	45	8 %	0	0 %	45	0 %
Landfill	277	4 %	0	0 %	277	3 %	248	44 %	0	0 %	248	2 %
Non-Hazardous waste	**7,008**	**90 %**	**901**	**96 %**	**7,909**	**90 %**	**8,080**	**86 %**	**1,353**	**14 %**	**9,434**	**94 %**
Recycling / reuse	4,410	56 %	901	96 %	5,311	61 %	5,362	66 %	1,353	100 %	6,716	67 %
Incineration	298	4 %	0	0 %	298	3 %	246	3 %	0	0 %	246	2 %
Landfill	2,300	29 %	0	0 %	2,300	26 %	2,472	31 %	0	0 %	2,472	25 %
Total	**7,823**	**100 %**	**941**	**100 %**	**8,764**	**100 %**	**8,651**	**86 %**	**1,398**	**14 %**	**10,049**	**100 %**

Air pollution

Significant air emissions

GRI 305-7

In tons	2023	2022
Volatile Organic Compounds (VOCs)	173.87	204.65
Hydrochloric Acid (HCl)	1.28	1.06
Chlorine (Cl)	304.55	250.24
CO	0.01	0.00
SO_2	0.56	0.68
SOx	0.00	0.00
NOx	0.73	0.93
Airborne particles (PM)	0.23	0.39
HCFCs	0.00	0.00
HFC	0.19	0.09
Persistent organic pollutants (POPs)	0.00	0.00
Hazardous air pollutants (HAP)	5.40	5.46

6.4

Table of contents according to sustainability reporting standards

Fluidra S.A. has prepared the Integrated Annual Report using as a reference the the GRI and SASB Standards for the period from January 1,2023 to December 31, 2023. This index structures the requirements of the standards according to the material topics for the Company.

GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable
SASB Standard used	Electrical & Electronic Equipment (2023)

			Omission			
Standard	**Content**	**Location**	**Requirement (s) omitted**	**Reason**	**Explanation**	**Comments**
GENERAL CONTENTS						
GRI 2: General Disclosures (2021)	2-1 Organizational details.	211-212, 222-224				Fluidra, S.A. Av. Alcalde Barnils, 69, 08174 Sant Cugat del Vallés, Barcelona, Spain
	2-2 Entities included in the organization's sustainability reporting.	211-212				List of included entities available in Appendix I of the Consolidated Financial Statements.
	2-3 Reporting period, frequency and contact point.	211-212				Report Release Date: March 21, 2024. For any questions about this report contact: ESG Department: rsc@fluidra.com Investor Relations Department: investor_relations@fluidra.com For general inquiries: info@fluidra.com
	2-4 Restatements of information.	75, 80, 99, 129, 141, 211-212				
	2-5 External assurance.	211-212, 273-274				
	2-6 Activities, value chain and other business relationships.	21-25, 184-186, 189-202				
	2-7 Employees.	122-123, 223-226				
	2-8 Workers who are not employees.	N/A	All.	Information unavailable / incomplete.	Our current systems do not collect this information.	

			Omission			
Standard	Content	Location	Requirement(s) omitted	Reason	Explanation	Comments
	2-9 Governance structure and composition.	46-48, 158-159				There is no representation of under-represented social groups or stakeholders on the Board of Directors.
	2-10 Nomination and selection of the highest governance body.	159-160				
	2-11 Chair of the highest governance body.	158-161				
	2-12 Role of the highest governance body in overseeing the management of impacts.	46-48				
	2-13 Delegation of responsibility for managing impacts.	46-48				
	2-14 Role of the highest governance body in sustainability reporting.	46-48				
	2-15 Conflicts of interest.	161				
	2-16 Communication of critical concerns.	177-179				
	2-17 Collective knowledge of the highest governance body.	158-159				
	2-18 Evaluation of the performance of the highest governance body.	160				
	2-19 Remuneration policies.	166-169				
	2-20 Process to determine remuneration.	166-169				
	2-21 Annual total compensation ratio.	141-142	Paragraph b.	Information not available or incomplete	This is the first year that we have offered this indicator, and we do not have comparative data	
	2-22 Statement on sustainable development strategy.	7-8				
	2-23 Policy commitments.	46, 53-55, 64, 91, 115, 127-132 175-182				
	2-24 Embedding policy commitments.	16, 46-48, 115-118				
	2-25 Processes to remediate negative impacts.	119, 177-179				
	2-26 Mechanisms for seeking advice and raising concerns.	177-179				
	2-27 Compliance with laws and regulations.					There have been no significant breaches and no fines have been paid during the year.
	2-28 Membership associations.	60-61				
	2-29 Approach to stakeholder engagement.	56-58				
	2-30 Collective bargaining agreements.	124-125				

			Omission			
Standard	Content	Location	Requirement (s) omitted	Reason	Explanation	Comments
SASB: Activity Metrics (2018)	Number of units produced by product category.	N/A.	All.	Confidentiality constraints		
	Number of employees	121				
MATERIAL TOPICS FROM A FINANCIAL AND IMPACT PERSPECTIVE						
GRI 3: Material Topics (2021)	3-1 Process to determine material topics.	213-215				
	3-2 List of material topics.	216				
1. Sustainable, safe and quality products						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	82-111				
GRI 302: Energy (2016)	302-5 Reductions in energy requirements of products and services	87, 92-96				
GRI 416: Customer Health and Safety (2016)	416-1 Assessment of the health and safety impacts of product and service categories.	108-111				
	416-2 Incidents of noncompliance concerning the health and safety impacts of products and services.	111				No breaches have been reported in 2023.
GRI 417: Marketing and labelling (2016)	417-1 Requirements for product and service information and labeling	88				All of Fluidra's products are associated with labelling requirements.
	417-2 Incidents of non-compliance concerning product and service information and labelling	111				
SASB: Product Safety (2023)	Number of recalls issued, total units recalled.	111				
	Total amount of monetary losses as a result of legal proceedings associated with product safety.	111				There have been no monetary losses as a result of court proceedings.

			Omission			
Standard	Content	Location	Requirement (s) omitted	Reason	Explanation	Comments
SASB: Product Lifecycle Management (2023)	Percentage of products by revenue that contain IEC 62474 declarable substances		All.	Information not available or incomplete.	The company does not have this information at the consolidated level.	
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	88				Product certifications are optional, so all certificates are eligible.
	Revenue from renewable energy-related and energy efficiency-related products	87				
2. ESG Governance						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	69-78				
3. Climate Change mitigation						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	69-71				
GRI 201: Economic Performance (2016)	201-2 Financial implications and other risks and opportunities due to climate change	72-75	Paragraphs a.iii and a.v.	Information not available or incomplete.	Financial implications and costs of actions taken to manage risks and opportunities are not disclosed.	
GRI 302: Energy (2016)	302-1 Energy consumption within the organization	75-76				
	302-3 Energy intensity	76				
	302-4 Reduction of energy consumption	75-76				
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	70-71, 77, 234-235				
	305-2 Energy indirect (Scope 2) GHG emissions.	70-71, 77, 234-235				
	305-3 Other indirect (Scope 3) GHG emissions.	70-71, 77, 234-235				
	305-4 GHG emissions intensity	77, 235				
	305-5 Reduction of GHG emissions.	70-71, 77-78, 233				
SASB: Energy Management (2023)	Total energy consumed	75-76				
	Percentage grid electricity	75-76				
	Percentage renewable	75-76				

			Omission			
Standard	Content	Location	Requirement(s) omitted	Reason	Explanation	Comments
4. Information Security and Cybersecurity						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	205-209				
GRI 418: Customer Privacy (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data.	205-209				
5. Responsible Business Conduct						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	175, 179, 183, 186				
GRI 205: Anti-corruption (2016)	205-1 Operations assessed for risks related to corruption.	180	Paragraph b.	Confidentiality constraints.		
	205-2 Communication and training about anti-corruption policies and procedures.	180	Paragraphs c, d and e.	Information not available or incomplete.	No information is available on the number of business partners, nor is there a breakdown of the number of people trained by professional category and region.	
	205-3 Confirmed incidents of corruption and actions taken.	180				
GRI 206: Anticompetitive Behaviour (2016)	206-1 Legal actions for anticompetitive behaviour, antitrust, and monopoly practices.	182				
GRI 207: Tax (2019)	207-1 Approach to tax.	203				
	207-2 Tax governance, control, and risk management.	203-204				
	207-3 Stakeholder engagement and management of concerns related to tax	203-204	Paragraph a.	Information not available or incomplete.	There are no processes in place to collect the views and concerns of tax stakeholders.	
	207-4 Country-by-country reporting.	204	Paragraph b.	Information not available or incomplete.	Not all information required by GRI for each tax jurisdiction is presented.	For further information, please refer to Fluidra's consolidated annual accounts for the 2023 financial year.
GRI 308: Supplier Environmental Assessment (2016)	308-1 New suppliers that were screened using environmental criteria.	186-188				
	308-2 Negative environmental impacts in the supply chain and actions taken.	186-188				

			Omission			
Standard	Content	Location	Requirement(s) omitted	Reason	Explanation	Comments
GRI 414: Supplier Social Assessment (2016)	414-1 New suppliers that were screened using social criteria.	186-188				
	414-2 Negative social impacts in the supply chain and actions taken.	186-188				
GRI 415: Public Policy (2016)	415-1 Political contributions.	180-181				
SASB: Business Ethics (2018)	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behaviour	180-182				
	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	180				
	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	182				
6. Climate change adaption						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	69-78				
GRI 201: Economic Performance (2016)	201-2 Financial implications and other risks and opportunities due to climate change	72-75				
7. Talent attraction and retention						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	120-142				
GRI 401: Employment (2016)	401-1 New employee hires and employee turnover	229-231				
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee.	135-136				
	404-2 Programs for upgrading employee skills and transition assistance programs.	137-139				Fluidra does not have transition assistance programs.
	404-3 Percentage of employees receiving regular performance and career development reviews.	139-140				
8. Health and safety						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	143-149				

			Omission			
Standard	Content	Location	Requirement (s) omitted	Reason	Explanation	Comments
GRI 403: occupational Health and Safety (2018)	403-1 Occupational health and safety management system.	144-145				
	403-2 Hazard identification, risk assessment, and incident investigation.	146				
	403-3 Occupational health services.	146				
	403-4 Worker participation, consultation, and communication on occupational health and safety.	146				
	403-5 Worker training on occupational health and safety.	146-147				
	403-6 Promotion of worker health.	146-147	Paragraph a.	Information not available or incomplete.	No information is available at the consolidated level.	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	147-148				
	403-8 Workers covered by an occupational health and safety management system.	143-149				
	403-9 Work-related injuries.	148-149				
	403-10 Work-related ill health.	148-149				
9. Communities rights						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	150-153				
GRI 202: Market Presence (2016)	202-2 Proportion of senior management hired from the local community.					The percentage of senior executives hired from the local community is 87%. It is understood local, when the person performs his or her the same country of his or her nationality.
GRI 203: Indirect Economic Impacts (2016)	203-1 Infrastructure investments and services supported.	150-153				
GRI 204: Procurement Practices (2016)	204-1 Proportion of spending on local suppliers.	184-186				
GRI 413: Local Communities (2016)	413-1 Operations with local community engagement, impact assessments, and development programs.	150-153				
	413-2 Operations with significant actual and potential negative impacts on local communities.					No operations with significant negative impacts on local communities have been identified.

			Omission			
Standard	Content	Location	Requirement (s) omitted	Reason	Explanation	Comments
10. Clients						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	189-202				
GRI 417: Marketing and Labelling (2021)	417-3 Incidents of Noncompliance concerning marketing communications.					There has been no non-compliance in this area.
11. Water resources						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	79-80				
GRI 303: Water and Effluents (2018)	303-1 Interactions with water as a shared resource.	79-80				
	303-2 Management of water discharge-related impacts.	79-80	Paragraphs i. to iv.	Information not available or incomplete.	The minimum standards established for the quality of effluent discharges and the manner in which they are determined are not described.	
	303-3 Water withdrawal	79-80, 237	Paragraph c.	Information not available or incomplete.	The breakdown according to freshwater and others is not made.	
	303-4 Water discharge	79-80, 238	Paragraph c.	Information not available or incomplete.	There is no breakdown according to fresh water and others for both total discharge and areas with water stress. Nor is there any indication of the priority risk substances in which the discharges are treated.	
	303-5 Water consumption	79-80				
12. Equal treatment and opportunities for all						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	127-132				
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees.	127-132, 158-159				
	405-2 Ratio of basic salary and remuneration of women to men.	141-142				
GRI 406: Non-discrimination (2016)	406-1 Incidents of discrimination and corrective actions taken.	127, 177-179				
13. Intellectual property						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	103				

			Omission			
Standard	Content	Location	Requirement (s) omitted	Reason	Explanation	Comments
14. Water						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	67				
GRI 306: Waste (2020)	306-1 Waste generation and significant waste-related impacts.	67				
	306-2 Management of significant waste-related impacts.	67				
	306-3 Waste generated.	67, 240				
	306-4 Waste diverted from disposal.	67, 240				
	306-5 Waste directed to disposal.	67, 240				
SASB: Hazardous Waste management (2018)	Amount of hazardous waste generated, percentage recycled.	239				
	Number and aggregate quantity of reportable spills, quantity recovered.	239				
15. Workers in the value chain						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	124-125, 183-188				
GRI 407: Freedom of Association and Collective bargaining (2016)	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	124-125, 186-188				
GRI 408: Child Labour (2016)	408-1 Operations and suppliers at significant risk for incidents of child labour.	125, 187				
GRI 409: Forced or Compulsory Labour (2016)	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour.	125, 187				
16. Air pollution						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	66				
GRI 305: Emissions (2016)	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions.	241				
17. Working conditions and rights						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	114-119, 120-142				
GRI 401: employment (2016)	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees.	141-142				
GRI 402: Labour Management Relations (2016)	402-1 Minimum notice periods regarding operational changes.		Paragraph a.	Information not available or incomplete.	Weeks of notice are not indicated.	The organization complies with the minimum notice periods established in the collective bargaining agreements and local regulations applicable to each company.

			Omission			
Standard	Content	Location	Requirement (s) omitted	Reason	Explanation	Comments
GRI 407: Freedom of Association and Collective bargaining (2016)	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	124-125				
GRI 408: Child Labour (2016)	408-1 Operations and suppliers at significant risk for incidents of child labour.	125				
GRI 409: Forced or Compulsory Labour (2016)	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour.	125				
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	115-118				
	412-2 Employee training on human rights policies or procedures	115-118				
18. Raw materials and finished products						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	67				
GRI 301: Materials (2016)	301-1 Materials used by weight or volume.	67, 238				
	301-2 Recycled input materials used.	67, 238				
SASB: Materials Sourcing (2018)	Description of the management of risks associated with the use of critical materials.	67, 238-239				
19. Corporate governance						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	158-167				
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees.	127-132, 158-159				
MATERIAL TOPICS FROM A FINANCIAL PERSPECTIVE						
20. Soil and water pollution						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	66-80				
21. Biodiversity y ecosystems						
GRI 3: Material Topics (2021)	3-3 Management of material topics.	68				
GRI 304: Biodiversity (2016)	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	68				All of the company's production centres are located in industrial parks outside protected areas and areas of special interest with little or no impact on biodiversity.
	304-2 Significant impacts of activities, products and services on biodiversity.	68				Biodiversity is not a material topic in terms of impact, so no details are provided.
	304-3 Habitats protected or restored.	68	Paragraph a.	Information not available or incomplete.	This information is not available.	

6.5

Table of contents of Act 11/2018

INFORMATION REQUESTED BY Act 11/2018	LINKAGE WITH GRI INDICATORS	REASON FOR OMISSION	PAGE
Document framework			
Brief description of the business model			
Brief description of the group's business model (business environment and organization)	2-6 Activities, value chain and other business relationships.		18-25
Geographic presence	2-1 Organizational details.		14
	2-6 Activities, value chain and other business relationships.		
Objectives and strategies of the organization	2-23 Policy commitments.		13000
Main factors and trends that may affect its future evolution	3-3 Management of material topics.		172-174
Reporting framework used	1 Fundamentals		211-242
Materiality assessment	3-1 Process to determine material topics		211-241
	3-2 List of material topics		
Environmental Issues			
General Information			
A description of the policies applied by the group with respect to such matters, which will include the due diligence procedures applied for the identification, evaluation, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been adopted.	2-23 Policy commitments.		64
	2-24 Embedding policy commitments.		
	2-25 Processes to remediate negative impacts.		
The results of these policies should include key indicators of relevant non-financial results that allow the monitoring and evaluation of progress and that favour comparability between companies and sectors, in accordance with the national, European or international frameworks of reference used for each subject.	3-3 Management of material topics.		64-68
The main risks related to these issues related to the group's activities, including, when relevant and proportionate, its business relationships, products or services that may have negative effects in those areas, and how the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with national, European or international reference frameworks for each subject. Information should be included on the impacts that have been detected, offering a breakdown of them, in particular on the main risks in the short, medium and long term.	3-3 Management of material topics.		66, 72-75, 172-174
	201-2 Financial implications and other risks and opportunities due to climate change.		
Detailed Information			
On current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety	3-3 Management of material topics.		66, 172-174
About the environmental evaluation or certification procedures	3-3 Management of material topics.		64-65
On the resources dedicated to the prevention of environmental risks	201-2 Financial implications and other risks and opportunities due to climate change.		66
On the application of the precautionary principle	3-3 Management of material topics.		66
On the amount of provisions and guarantees for environmental risks	3-3 Management of material topics.		66

INFORMATION REQUESTED BY Act 11/2018	LINKAGE WITH GRI INDICATORS	REASON FOR OMISSION	PAGE
Pollution			
Measures to prevent, reduce or repair emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	3-3 Management of material topics.		69-78, 241
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions.		
Circular economy and waste prevention and management			
Measures of prevention, recycling, reuse, other forms of recovery and disposal of waste; actions to combat food waste	306-1 Waste generation and significant waste-related impacts.	Food waste is not a material issue for the Company.	67, 239-240
	306-2 Management of significant waste-related impacts.		
	306-3 Waste generated.		
	306-4 Waste diverted from disposal.		
	306-5 Waste directed to disposal.		
Sustainable use of resources			
Water consumption and water supply according to local limitations	303-1 Interactions with water as a shared resource.		79-80, 237-238
	303-4 Water discharge.		
	303-5 Water consumption.		
Consumption of raw materials and measures adopted to improve the efficiency of their use	301-1 Materials used by weight or volume.		67, 238-239
	301-2 Recycled input materials used.		
Direct and indirect energy consumption	302-1 Energy consumption within the organization.		75-76
Measures taken to improve energy efficiency	302-3 Energy intensity.		75-76
Use of renewable energies	302-1 Energy consumption within the organization.		75-76
Climate Change			
The important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	305-1 Direct (Scope 1) GHG emissions.		76-78, 234
	305-1 Direct (Scope 1) GHG emissions.		
	305-3 Other indirect (Scope 3) GHG emissions.		
305-3 Other indirect (Scope 3) GHG emissions.	201-2 Financial implications and other risks and opportunities due to climate change.		72-78
Reduction goals established voluntarily in the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose	305-5 Reduction of GHG emissions.		70-72, 76-78
Biodiversity Protection			
Measures taken to preserve or restore biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	All of the company's production centers are located in industrial parks outside protected areas and areas of special interest with little or no impact on biodiversity	68
Impacts caused by activities or operations in protected areas	304-2 Significant impacts of activities, products and services on biodiversity.		68
	304-3 Habitats protected or restored.		
Social and personnel issues			
General Information			
A description of the policies applied by the group with respect to such matters, which will include the due diligence procedures applied for the identification, evaluation, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been adopted.	2-23 Policy commitments.		120-122, 127
	2-24 Embedding policy commitments.		
	2-25 Processes to remediate negative impacts.		

INFORMATION REQUESTED BY Act 11/2018	LINKAGE WITH GRI INDICATORS	REASON FOR OMISSION	PAGE
The results of these policies should include key indicators of relevant non-financial results that allow the monitoring and evaluation of progress and that favor comparability between companies and sectors, in accordance with the national, European or international.	3-3 Management of material topics.		120-147
The main risks related to these issues related to the group's activities, including, when relevant and proportionate, its business relationships, products or services that may have negative effects in those areas, and how the group manages these risks, the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with national, European or international reference frameworks for each subject. Information should be included on the impacts that have been detected, offering a breakdown of them, in particular on the main risks in the short, medium and long term.	3-3 Management of material topics.		124-125, 127, 141-142, 172-173
Detailed Information			
Employment			
Total number and distribution of employees according to criteria representative of diversity (sex, age, country, etc.).	2-7 Employees. 405-1 Diversity of governance bodies and employees.		127-131, 224-227
Total number and distribution of types of employment contract, annual average of permanent contracts, temporary contracts and part-time contracts by sex, age and professional classification	2-7 Employees.		227-229
Number of dismissals by sex, age and professional classification	401-1 New employee hires and employee turnover.		230-231
Average wages and their evolution disaggregated by sex, age and professional classification or equal value	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees. 405-2 Ratio of basic salary and remuneration of women to men.		141-142
Wage gap, compensation for equal or average jobs in the society	N/A		141000
The average remuneration of directors and executives, including variable remuneration, allowances, payment to long-term savings pension systems and any other perception disaggregated by sex	2-19 Remuneration policies. 2-20 Process to determine remuneration.	The company does not provide information on payments to long-term savings pension systems and any other perception disaggregated by gender.	166-169
Implementation of labor disconnection policies	N/A		126-127
Employees with disabilities	405-1 Diversity of governance bodies and employees.		131-132
Organization of working time			
Organization of working time	N/A	The organization of working time is defined in each of the collective bargaining agreements or local laws that apply to Fluidra's companies.	
Number of hours of absenteeism	403-9 Work-related injuries.		149
Measures aimed at facilitating the enjoyment of the conciliation and promoting the joint responsibility of these by both parents	401-3 Parental leaves		130

INFORMATION REQUESTED BY Act 11/2018	LINKAGE WITH GRI INDICATORS	REASON FOR OMISSION	PAGE
Health and Safety			
Health and safety conditions at work.	403-1 Occupational health and safety management system.		143-149
	403-2 Hazard identification, risk assessment, and incident investigation.		
	403-3 Occupational health services.		
	403-4 Worker participation, consultation, and communication on occupational health and safety.		
	403-5 Worker training on occupational health and safety.		
	403-6 Promotion of worker health.		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.		
	403-8 Workers covered by an occupational health and safety management system.		
Work accidents, in particular their frequency and severity, as well as occupational diseases; disaggregated by sex.	403-9 Work-related injuries.		147-149
	403-10 Work-related ill health.		
Social relationships			
Organization of social dialogue, including procedures for informing, consulting and negotiating with staff.	3-3 Management of material topics.		124-125
Percentage of employees covered by collective agreement by country.	2-30 Collective bargaining agreements.		124-125
The balance of collective agreements, particularly in the field of health and safety at work.	403-4 Worker participation, consultation, and communication on occupational health and safety.	There is currently no specific collective bargaining agreement in the field of health and safety.	
Mechanisms and procedures the company has in place to promote employee involvement in the management of the company, in terms of information, consultation and participation.	2-29 Approach to stakeholder engagement.		123-124
Training			
Policies implemented in the field of training	404-2 Programs for upgrading employee skills and transition assistance programs.		133-141
The total number of training hours by professional category	404-1 Average hours of training per year per employee.		232
Universal accessibility for people with disabilities			
Universal accessibility for people with disabilities	405-1 Diversity of governance bodies and employees.		131-132
Equality			
Measures taken to promote equal treatment and opportunities between women and men	401-3 Parental leaves.		127-130
	405-1 Diversity of governance bodies and employees.		
Equality plans (Chapter III of Organic Act 3/2007, of March 22, for the effective equality of women and men), measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities	405-1 Diversity of governance bodies and employees.		127-130
The policy against all types of discrimination and, where appropriate, diversity management.	406-1 Incidents of discrimination and corrective actions taken.		127, 178

INFORMATION REQUESTED BY Act 11/2018	LINKAGE WITH GRI INDICATORS	REASON FOR OMISSION	PAGE
Human rights			
General information			
A description of the policies applied by the group with respect to such matters, which will include the due diligence procedures applied for the identification, evaluation, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been taken.	2-23 Policy commitments. 2-24 Embedding policy commitments. 2-25 Processes to remediate negative impacts.		114-115
The results of these policies should include key indicators of relevant non-financial results that allow the monitoring and evaluation of progress and that favor comparability between companies and sectors, in accordance with the national, European or international benchmarks used for each subject.	3-3 Management of material topics.		114-119
The main risks related to these issues related to the group's activities, including, when relevant and proportionate, its business relationships, products or services that may have negative effects in those areas, and how the group manages these risks, the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with national, European or international reference frameworks for each subject. Information should be included on the impacts that have been detected, offering a breakdown of them, in particular on the main risks in the short, medium and long term.	3-3 Management of material topics.		114-119, 172-174
Detailed Information			
Application of due diligence procedures in the field of human rights; prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage and repair possible abuses committed	2-23 Policy commitments. 2-25 Processes to remediate negative impacts.		114-119
Complaints for cases of human rights violations	2-26 Mechanisms for seeking advice and raising concerns.		119, 178
Promotion and compliance with the provisions of the fundamental conventions of the International Labour Organization related to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labour.	406-1 Incidents of discrimination and corrective actions taken. 408-1 Operations and suppliers at significant risk for incidents of child labour. 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour.		114-119, 125-126, 178
Anti-bribery and anti-corruption			
General information			
A description of the policies applied by the group with respect to such matters, which will include the due diligence procedures applied for the identification, evaluation, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been taken.	2-23 Policy commitments. 2-24 Embedding policy commitments. 2-25 Processes to remediate negative impacts.		179-182
The results of these policies, should include key indicators of relevant non-financial results that allow the monitoring and evaluation of progress and that favour comparability between companies and sectors, in accordance with the national, European or international benchmarks used for each subject.	3-3 Management of material topics.		179-182

INFORMATION REQUESTED BY Act 11/2018	LINKAGE WITH GRI INDICATORS	REASON FOR OMISSION	PAGE
The main risks related to these issues related to the group's activities, including, when relevant and proportionate, its business relationships, products or services that may have negative effects in those areas, and how the group manages these risks, the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with national, European or international reference frameworks for each subject. Information should be included on the impacts that have been detected, offering a breakdown of them, in particular on the main risks in the short, medium and long term.	3-3 Management of material topics.	Significant risks related to corruption are still to be detailed; it expects to have the complete information in the next fiscal year.	172-174, 180-182
Detailed Information			
Measures taken to prevent corruption and bribery	205-1 Operations assessed for risks related to corruption.		180-182
	205-2 Communication and training about anti-corruption policies and procedures.		
	205-3 Confirmed incidents of corruption and actions taken.		
	415-1 Political contributions.		
Measures to combat money laundering	3-3 Management of material topics.		180-182
Contributions to foundations and non-profit entities	201-1 Direct economic value generated and distributed.		150-153
Society information			
General Information			
A description of the policies applied by the group with respect to such matters, which will include the due diligence procedures applied for the identification, evaluation, prevention and mitigation of significant risks and impacts and for verification and control, including what measures have been taken.	2-23 Policy commitments		183-188, 203-204
	2-24 Embedding policy commitments.		
	2-25 Processes to remediate negative impacts.		
	207-1 Approach to tax.		
	207-2 Tax governance, control, and risk management.		
The results of these policies should include key indicators of relevant non-financial results that allow the monitoring and evaluation of progress and that favor comparability between companies and sectors, in accordance with the national, European or international benchmarks used for each subject.	3-3 Management of material topics.		183-188, 203-204
The main risks related to these issues related to the group's activities, including, when relevant and proportionate, its business relationships, products or services that may have negative effects in those areas, and how the group manages these risks, the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with national, European or international reference frameworks for each subject. Information should be included on the impacts that have been detected, offering a breakdown of them, in particular on the main risks in the short, medium and long term.	3-3 Management of material topics.		172-174, 183-188, 203-204
	207-2 Tax governance, control, and risk management.		
Detailed Information			
Company commitments to sustainable development			
The impact of the company's activity on employment and local development	203-1 Infrastructure investments and services supported.		150-153
The impact of the company's activity on local populations and in the territory	203-1 Infrastructure investments and services supported.		150-153
	413-1 Operations with local community engagement, impact assessments, and development programs.		

INFORMATION REQUESTED BY Act 11/2018	LINKAGE WITH GRI INDICATORS	REASON FOR OMISSION	PAGE
The relationships maintained with the actors of the local communities and the modalities of dialogue with them	203-1 Infrastructure investments and services supported.		150-153
Association or sponsorship actions	2-28 Membership associations.		60-61, 150-153
Subcontracting and suppliers			
Inclusion in purchasing policy of social, gender equality and environmental issues	2-6 Activities, value chain and other business relationships.		183-188
	204-1 Proportion of spending on local suppliers.		
	308-1 New suppliers that were screened using environmental criteria.		
	414-1 New suppliers that were screened using social criteria.		
Consideration in relationships with suppliers and subcontractors of their social and environmental responsibility	308-1 New suppliers that were screened using environmental criteria.		183-188
	414-1 New suppliers that were screened using social criteria.		
Supervision and audit systems and their results	308-2 Negative environmental impacts in the supply chain and actions taken.		183-188
	414-2 Negative social impacts in the supply chain and actions taken.		
Consumers			
Measures for the health and safety of consumers.	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services.		108-111
Claims systems, complaints received and their resolution	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services.		108-111, 189-202
Tax information			
The benefits obtained country by country	207-4 Country-by-country reporting.		204, 222-224
Taxes on benefits paid	207-4 Country-by-country reporting.		204, 222-224
Public subsidies received	201-4 Financial assistance received from government.		204, 222-224
EU Taxonomy			
Sales, OpEx and CapEx corresponding to eligible products	N/A		260-271

6.6

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	Pages
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.	69-70
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.	70-72
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.	72-74
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.	75-78

6.7
European taxonomy for sustainable activities

6.7.1. Introduction

The European Union's Sustainable Finance Taxonomy is a unified classification system for sustainable activities, which aims to redirect capital flows and investments towards more sustainable activities.

On June 18, 2020, the European Parliament and the Council of the European Union approved Regulation (EU) 2020/852 (also known as the Taxonomy Regulation), which defines the criteria for considering an economic activity environmentally sustainable.

On June 4, 2021, the European Commission approved Delegated Regulation (EU) 2021/2139, which establishes the technical screening criteria for determining when an economic activity qualifies as contributing substantially to the European Union's main two environmental objectives, i.e. climate change mitigation or adaptation. The Delegated Regulation also addresses the requirements for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

Subsequently, on July 6, 2021, the European Commission published Delegated Regulation (EU) 2021/2178 specifying the content and presentation of information to be disclosed by companies in relation to the EU Taxonomy in their non-financial statements.

So, from January 1, 2022, all companies subject to the non-financial reporting directive (NFRD), including Fluidra, are required to disclose the proportion of economic activities that are **eligible** under the aforementioned regulations and must provide the following financial indicators:

- The proportion of net turnover derived from products or services, including intangibles, associated with taxonomy-aligned economic activities.
- The proportion of its total capital expenditure (CAPEX) and the proportion of its operating expenditure (OPEX) related to assets or processes associated with environmentally sustainable economic activities under the Taxonomy Regulation.

In addition, from January 1, 2023, companies subject to the regulations must additionally report the proportion of **eligible** economic activities aligned with the regulations on the basis of sales or turnover, CAPEX and OPEX.

In a new development, on June 27, 2023, the European Commission published Delegated Regulation (EU) 2023/2486, which completes the provisions of the aforementioned Taxonomy Regulation, establishing the technical screening criteria for the four environmental objectives that were not defined in June 2021. These were: sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems.

As a result, from January 1, 2024, companies subject to the regulations must report the proportion of their economic activities that are **eligible** under these four new targets and provide the corresponding financial indicators.

An activity is considered eligible when it has the potential to contribute substantially to climate change mitigation or adaptation. It is considered aligned when it meets the criteria for substantial contribution, the principles of do no significant harm (DNSH) to other objectives, and the minimum social safeguards defined in the taxonomy regulation, guaranteeing that the activity is developed in compliance with characteristics that ensure it contributes to the environmental objectives set by the European Union.

It should be remembered that the current regulatory framework is under development. That means the criteria and methodologies established by the company to respond to the requirements in place must be continuously reviewed. The European Commission has published various communications on the interpretation of the legal provisions (FAQs) in the delegated regulations, which have contributed to the interpretation of the implementing legislation.

6.7.2. Identification and assessment of eligible economic activities

In order to respond to the regulatory requirements, Fluidra has analysed its activities and products according to the EU Taxonomy to calculate and communicate what percentage of its turnover, CAPEX and OPEX, is eligible and/or aligned with those regulations.

Based on the analysis carried out last year, all of the Fluidra Group's activities, products and solutions that meet the requirements defined in the aforementioned Delegated Regulations to be considered eligible under the EU Taxonomy were identified and categorized.

Eligible products and solutions

Firstly, all of the products and solutions manufactured and marketed by any of the companies in the Fluidra Group that meet the technical screening criteria defined by the European Union are considered.

All finished products marketed by Fluidra that have been previously purchased from third parties, as well as all products designed and/or marketed by Fluidra, but whose manufacture has been carried out by a third party are excluded.

The eligible products and solutions identified by Fluidra that have the potential to contribute to the objectives of climate change mitigation and adaptation and transition to a circular economy are listed below.

Activity 1.2. Manufacture of electrical and electronic equipment:

- Includes electrical and electronic products assembled by Fluidra, such as heating and cooling accessories, air blowers, dehumidifiers, among others.

Activity 3.1. Manufacture of renewable energy technologies:

- Solar showers and solar thermal panels: these products are equipped with a solar collection system to harness solar energy to heat a water storage tank, providing customers with hot water throughout the day.
- Solar covers: these are automatic pool covers with a fully-autonomous photovoltaic solar power supply for deployment and retraction.

Activity 3.5 Manufacture of equipment for energy efficiency in buildings:

- Pool covers: large plastic sheets that resemble bubble wrap and are placed on top of the pool. They minimize heat loss from evaporation and cut pool heating costs by up to 70%.
- LED lighting: using this technology allows for an 85% reduction in electricity consumption to light the interior of the pool compared with incandescent bulbs.
- Heat pumps: a thermal machine that takes heat from a cold space and transfers it to a warmer one through external means (energy). It is used for heating and cooling systems, as it can achieve the desired temperature in both winter and summer.
- Aqualink: an automation application that allows Fluidra customers to monitor and adjust connected equipment such as pools and spas from anywhere in the world. For example, the system can activate filtration, water treatment and pool cleaning with just an internet connection. This minimizes water and energy consumption, reduces the use of chemicals and facilitates pool maintenance.
- Connected lights: devices or control systems that allow pool lights to be controlled remotely. It is thus possible to program the time when lights associated with the pool environment are turned on or off. This improves the pool's energy efficiency by reducing energy consumption when it is not being used.

Activity 5.1 Construction, expansion and operation of water collection, treatment and distribution systems.

- Residential and commercial pumps, and dosage pumps: this includes pumps used for the proper operation of the pool. There are 1) filtration pumps, which remove dirt from the water; 2) standard suction pumps and variable speed pumps, responsible for suctioning and propelling the water; the latter is more efficient and consumes less; and 3) centrifugal pumps recirculate and filter water in small pools, and dosage pumps, which suck in water and release chemicals precisely and uniformly, increasing efficiency and improving water quality.

Activity 5.2. Spare part sales:

- Spare parts: Fluidra sells spare parts for its product catalogue. These spare parts are supplied by Fluidra's various factories.

Eligible secondary activities

Moreover, a set of secondary activities were identified, unrelated to the company's main activity, but which meet the requirements to be considered eligible in accordance with the regulations.

Although Fluidra's activities are not aligned, the secondary activities identified substantially contribute to climate change mitigation.

Activity 6.4. Use of personal mobility devices, bicycle logistics.

- Electric forklifts: several Fluidra Group companies introduced electric forklifts or reach trucks during the year.

Activity 6.5 Transportation by motorcycles, passenger cars and light commercial vehicles.

- Electric and plug-in hybrid vehicles: several companies in the Fluidra Group have acquired a fleet of electric and plug-in hybrid vehicles under leasing contracts.

Activity 7.3 Installation, maintenance and repair of energy-efficient equipment.

- Energy-efficient equipment: installation of LED lighting, improved building insulation, and efficient refrigeration equipment in some of our facilities.

Activity 7.4 Installation, maintenance and repair of electric vehicle charging stations in buildings (and in parking spaces outside buildings).

- Charging stations: installation of charging stations for electric vehicles in buildings and parking spaces outside our facilities.

Activity 7.6 Installation, maintenance and repair of renewable energy technologies.

- Fitting photovoltaic solar panels at some of our facilities.

6.7.3. Assessment of the alignment of eligible economic activities

To assess alignment, we have analysed whether the activities identified as eligible meet the substantial contribution criteria defined in Delegated Regulation (EU) 2021/2139: technical screening criteria, doing no significant harm to any of the other environmental objectives and, in addition, complying with the minimum social safeguards established. In 2023 we did not analyse the alignment of the activities defined in Delegated Regulation (EU) 2023/2486, as it was not required until the following year.

To assess compliance with the requirements defined by the Taxonomy, we have analysed our existing policies, procedures and processes at the corporate and company level. We have also produced detailed documentation at the product level.

At present, we are not in a position to demonstrate the alignment of any of our business activities, as we do not meet the requirements established in the regulations concerning either the technical screening criteria or the DNSH criteria. However, Fluidra does currently meet the requirements for minimum social safeguards.

In 2023 we focused the eligibility analysis on the remaining four environmental objectives. In 2024 we will start to define a strategy to align eligible activities for all objectives, which we expect to take several years.

Technical screening criteria

Fluidra does not currently meet the technical screening criteria for a substantial contribution for the following economic activities.

- Manufacture of heat pumps (activity 3.5. in the climate change mitigation objective): Heat pumps manufactured by Fluidra do not have a refrigerant threshold with a global warming potential less than or equal to 675. Moreover, these pumps have a COP (coefficient of performance or operability) greater than 4. In other words, for each unit of electricity consumption, 4 or more thermal units are generated, so energy efficiency is above 400%.
- Manufacture of filtration pumps and dosage pumps (activity 5.1. in the climate change mitigation objective): Fluidra does not meet the threshold of 0.5 kWh of energy consumption per cubic meter of water supplied for all eligible product references. Paragraph b does not apply to Fluidra.
- Installation of energy efficiency equipment in buildings (activity 7.3. in the climate change mitigation objective): Fluidra has not been able to verify that the various energy efficiency actions correspond to the two highest energy efficiency classes.

Do no significant harm (DNSH)

Due to the large number of product references considered among the eligible activities, as well as the number of group companies involved in their manufacture, Fluidra is not in a position to demonstrate the absence of significant harm to the degree of detail required by the regulations.

The criteria set out in the regulations for each of the objectives, which we are not currently in a position to demonstrate, are detailed below:

Climate change mitigation

For the electrical and electronic product manufacturing activity (1.2), we could not confirm that the manufactured products do not have a score lower than energy efficiency class three, which contains more products in accordance with Regulation (EU) 2017/1369 of the European Parliament and of the Council.

As for the spare parts sales activity (5.2), we do not have a plan to reduce CO_2 emissions associated with transportation throughout these products' value chain.

Climate change adaptation

Fluidra has carried out an initial climate risk analysis exercise based on the framework of the Task Force on Climate-Related Financial Disclosures (TCFD).

Based on our business and potential vulnerability to business interruption, combined with previous years' flooding at some of the group's facilities, as well as increased drought regulation, we selected the following risks for analysis, in order to analyse and quantify them with the aid of independent expert reports on the topic, in accordance with TCFD recommendations:

- Risk of sudden extreme rainfall produced by a change in rainfall patterns causing material damage and interruption to production and/or supply chain (acute risk).
- Risk of water stress caused by a change in rainfall patterns producing restrictions on water use and a reduced demand for Fluidra products (chronic risk).

While 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 at the Tijuana facility (not part of the group). Based on these results, Fluidra has started to build its resilience to future impacts of climate change by creating adaptation plans.

At the end of 2023 we started a project to quantify climate risks, which is expected to be completed in 2024. However, since the analysis was not entirely completed, it is considered insufficient to meet this requirement of the taxonomy.

Sustainable use and protection of water and marine resources

In this area, the regulations require analysis of environmental risks related to the preservation of water quality and the prevention of water stress, as well as the preparation of a water use and protection management plan for the potentially affected body or bodies of water.

To achieve this, we have started to measure our water footprint and are preparing a strategy for the coming years that includes specific assessment of affected basins and the preparation of action plans for them.

Transition to a circular economy

In 2022 Fluidra developed a set of guidelines with indicators to promote the circularity of its products

For more information, see section 3.2.4.Product circularity and materials used

It also requires suppliers to provide evidence of compliance with REACH and RoHS regulations for components used and marketed in the European Union.

With regard to management of the waste generated, Fluidra does not have a global procedure in this area, as this is defined by each of the companies. Not all of these procedures demonstrate the prioritization of recycling over disposal in the manufacturing process.

As a result, we do not currently have all the documentation necessary to prove compliance with the DNSH requirements for this objective.

Pollution prevention and control

Moreover, in order to comply with the DNSH requirements for pollution prevention and control objective, the activity must not manufacture, market or use a set of hazardous substances listed in several European Union regulations.

At present, we are not in a position to prove the non-use of the substances described in Appendix C of the EU Taxonomy in our products. As mentioned above, this is due to the great diversity of our production and the large number of external suppliers (more than 15,000), which makes it difficult to trace the substances listed.

However, work is underway to carry out this assessment, starting with certain representative products. An approximate completion date is not available, due to the complexity of the study.

Lastly, in relation to activity 3.5, not all heat pumps manufactured by Fluidra comply with the indoor sound power levels established by Regulation 206/2012 cited in the EU Taxonomy.

Biodiversity protection and restoration

Any economic activity such as Fluidra's requires certain services and products provided directly by nature. Nature provides vital support in terms of regulation (e.g. climate) and provision of material goods (e.g. water). Therefore, it is essential to know not only the risks that may affect our business, but also the impact that our activities have on these aspects.

This year a pilot project was carried out to assess our biodiversity impact, find out how certain business activities are affected, and which drivers contribute most to this impact in Fluidra's case.

For more information on the results of the the assessment, see section "2.1.3. Biodiversity".

However, since the study focuses on analysing the impact throughout the value chain, and not the local impact, it does not meet the requirements established by the EU Taxonomy to demonstrate the principle of doing no significant harm to the environment.

In spite of this, certain facilities in Spain (such as Inquide) do have an environmental risk analysis (ERA), which makes it possible to assess whether it is necessary to provide a financial guarantee for environmental damage. This analysis identifies the environmental risks specific to the facility and then assesses their impact and how likely they are to occur. These analyses include the biodiversity impact analysis, so in the absence of a full Environmental Impact Assessment (not required under Act 21/2013), this can demonstrate the absence of significant harm to the environment. In the case of Inquide, the results show that it is not necessary to provide a financial guarantee in accordance with article 28 of Act 26/2007 of October 23. Therefore, we conclude that the risk of environmental damage is also not significant.

Minimum social safeguards

Lastly, the Taxonomy Regulation requires the company to carry out its business in compliance with Minimum Social Safeguards in terms of Human Rights, prevention of corruption, proper tax management and fair competition.

Accordingly, this report describes the various mechanisms the company has in place to ensure compliance with these requirements (for more information, see sections "4.1. We stand up for human rights", "5.3.2. Criminal risk prevention and control model", and "5.6. Tax".

6.7.4. Calculation of key performance indicators

We identified the key performance indicators for projects associated with the taxonomic activities after the close of consolidation of the annual accounts. Eligible core activities were identified by product reference, thus eliminating the potential risk of double accounting.

Based on the organization's formal accounting and consolidation procedures, the various economic indicators detailed in the Taxonomy Regulation were calculated and prepared, taking into account the considerations set out below.

Denominator

Sales

Includes sales of goods and finished products (See "Note 23. Sales of goods and finished products").

Capital expenditure (CapEx)

During the financial year 2023 we updated the methodology used to calculate this indicator, after the interpretation of the regulations had been improved.

As a result, the calculation includes additions to tangible fixed assets (see "Note 6. Property, plant and equipment") and intangible fixed assets (see "Note 7. Investment property", "Note 8. Goodwill and other intangible assets" and "Note 9. Rights-of-use assets") during the financial year, before depreciation, amortization and any new valuations, including those resulting from revaluations and impairments, for the relevant financial year, excluding changes in fair value.

The denominator also includes additions to tangible and intangible assets resulting from business combinations, except for goodwill (see "Note 9. Rights-of-use assets").

Data for the financial year 2022 take into account only additions to tangible and intangible fixed assets (except rights-of-use assets), but not additions resulting from business combinations.

Operating expenditure (OpEx)

During the financial year 2023 we updated the methodology used to calculate this indicator, after the interpretation of the regulations had been improved. As a result, expenses for "Leases and fees"[76], "Repairs and maintenance", as well as "R&D"[77] were taken into consideration (see "Note 26. Other operating expenses").

The data for the financial year 2022 took into account all personnel expenses (see "Note 25. Personnel expenses") and other operating expenses (see "Note 26. Other operating expenses").

Numerator

Based on the results of the assessment of the alignment of eligible economic activities, the following information refers only to eligible, non-aligned activities.

In the case of eligible activities, the following methodology was used to determine the numerator:

Sales

Income from sales of goods and finished products associated with products and solutions that are considered eligible under the taxonomy.

Investments in fixed assets (CapEx) and operating expenses (OpEx)

This indicator was estimated because it is impossible to determine the exact investment made by each company in the eligible products and solutions it manufactures. As a result, the percentage of eligible CapEx/OPeX was obtained by applying to the total CapEx/OpEx of each production company involved the representative percentage of the volume of eligible sales out of the total sales of each of them.

This criterion differs from that used in the financial year 2022 to calculate the numerator for operating expenses. On this occasion, the numerator estimate was based on the total Industrial OpEx (specifically the Manufacturing Labour and Indirect Labour lines in the profit and loss account).

In the case of eligible secondary activities, the cost of investments made by the company was taken into consideration.

[76] Includes only short-term leases (<12 months).
[77] Included in "Others"

Proportion of turnover from products or services associated with economic activities that conform to the taxonomy-disclosure for the year 2023[78]

Financial Year 2023		Year		Substantial contribution criteria (%)						NHDS (Y/N)									
Economic activities	Codes	Turnover (K€)	Share of turnover, year 2023	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of turnover conforming to taxonomy (A.1) or eligible under taxonomy (A.2), 2022	Category facilitating activity	Transition activity category
A. ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY																			
A.1. Environmentally sustainable activities (conforming to the taxonomy)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
Of which: facilitators		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	F	
Of which: transitional		0	0.0%	0.0%						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	CE 1.2.	15,853.43	0.8%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A		
Manufacture of renewable energy technologies.	CCM 3.1.	34,474.74	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.0%		
Manufacture of energy efficiency equipment for buildings.	CCM 3.5.	42,743.41	2.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.4%		
Construction, extension and operation of water collection, treatment and supply systems.	CCM 5.1.	52,296.11	2.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.9%		
Sale of spare parts	CE 5.2.	6,251.91	0.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy aligned activities) (A.2)		**151,619.60**	**7.4%**	**6,3%**	**0,0%**	**0,0%**	**0,0%**	**1,1%**	**0,0%**								**6.3%**		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**151,619.60**	**7.4%**	**6,3%**	**0,0%**	**0,0%**	**0,0%**	**1,1%**	**0,0%**								**6.3%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		1,899,088.28	92.6%																
TOTAL		**2,050,708**	**100%**																

[78] EL: Eligible activity according to the taxonomy for the corresponding environmental objective.
N/EL: Non-eligible activity according to the taxonomy for the corresponding environmental objective.
CE: Circular Economy
CCM: Climate Change mitigation
N/A: Not applicable, as the analysis of the eligibility of activities associated with the Circular Economy objective was not mandatory in 2022.

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	6.3%
CCA	0.0%	0.0%
WTR	0,0%*	0.0%
CE	0,0%*	1.1%
PPC	0,0%*	0.0%
BIO	0,0%*	0.0%

*Not applicable in 2023

Proportion of OpEx from products or services associated with economic activities that conform to the taxonomy-disclosure for the year 2023[79]

Financial Year 2023		Year		Substantial contribution criteria (%)						NHDS (Y/N)									
Economic activities	Codes	OpEx (K€)	Share of OpEx	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of OpEx conforming to taxonomy (A.1) or eligible according to taxonomy (A.2), year 2022	Category facilitating activity	Transition activity category
A. TAXONOMY-ELEGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
Of which: facilitators		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%	F	
Of which: transitional		0	0.0%	0.0%													0.0%		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	CE 1.2.	314.90	0.6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A*		
Manufacture of renewable energy technologies.	CCM 3.1.	613.25	1.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.0%		
Manufacture of energy efficiency equipment for buildings.	CCM 3.5.	786.30	1.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
Construction, extension and operation of water collection, treatment and supply systems.	CCM 5.1.	1,169.72	2.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Sale of spare parts	CE 5.2.	131.45	0.2%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A*		
Operation of personal mobility devices, cycle logistics.	CCM 6.4.	61.46	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles.	CCM 6.5.	42.45	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of energy efficiency equipment.	CCM 7.3.	34.26	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings).	CCM 7.4.	1.28	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Professional services related to energy performance of buildings	CCM 9.3.	5.96	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,161.03**	**5.5%**	**4,7%**	**0,0%**	**0,0%**	**0,0%**	**0,8%**	**0,0%**								**2.6%**		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**3,161.03**	**5.5%**	**4,7%**	**0,0%**	**0,0%**	**0,0%**	**0,8%**	**0,0%**								**2.6%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		54,244.58	94.5%																
TOTAL		**57,406**	**100%**																

[79] See note 78 for more information on the definitions of the concepts included in this table.

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	4.7%
CCA	0.0%	0.0%
WTR	0,0%*	0.0%
CE	0,0%*	0.8%
PPC	0,0%*	0.0%
BIO	0,0%*	0.0%

*Not applicable in 2023

Proportion of CapEx from products or services associated with economic activities that conform to the taxonomy-disclosure for the year 2023[80]

Financial Year 2023		Year		Substantial contribution criteria (%)						NHDS (Y/N)									
Economic activities	Codes	CapEx (K€)	CapEx ratio	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Adaptation to climate change	Water	Pollution	Circular economy	Biodiversity	Minimum guarantees	Proportion of CapEx conforming to taxonomy (A.1) or eligible according to taxonomy (A.2), year 2022	Category facilitating activity	Transition activity category
A. ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY																			
A.1. Environmentally sustainable activities (conforming to the taxonomy)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
Of which: facilitators		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%	F	
Of which: transitional		0	0.0%	0.0%													0.0%		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	CE 1.2.	1,314.93	1.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A*		
Manufacture of renewable energy technologies.	CCM 3.1.	491.48	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.1%		
Manufacture of energy efficiency equipment for buildings.	CCM 3.5.	1,770.02	1.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.4%		
Construction, extension and operation of water collection, treatment and supply systems.	CCM 5.1.	2,406.45	1.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.7%		
Sale of spare parts	CE 5.2.	112.25	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								N/A*		
Operation of personal mobility devices, cycle logistics	CCM 6.4.	55.90	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	7.04	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3.	41.09	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4.	12.99	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6.	55.03	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**6,267.18**	**4.7%**	**3,6%**	**0,0%**	**0,0%**	**0,0%**	**1,1%**	**0,0%**								**4,2%**		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		**6,267.18**	**4.7%**	**3,6%**	**0,0%**	**0,0%**	**0,0%**	**1,1%**	**0,0%**								**4,2%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		126,331.40	95.3%																
TOTAL		**132,599**	**100%**																

[80] See note 78 for more information on the definitions of the concepts included in this table.

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	3.6%
CCA	0.0%	0.0%
WTR	0,0%*	0.0%
CE	0,0%*	1.1%
PPC	0,0%*	0.0%
BIO	0,0%*	0.0%

*Not applicable in 2023

Information on activities related to nuclear energy and fossil gas contained in Annex III of Delegated Regulation (EU) 2022/1214

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No[81]

[81] Although we have boilers that run on natural gas in our installations, a NO has been included in point 6, as we understand that a boiler does not fall within the definition of an independent installation. In addition, we have carried out an analysis of the activities of the Supplementary Climate Delegated Act and we have not identified any activity whose description coincides with any of our activities.

6.8
Compliance with corporate loan objectives

For further information, see "Note 19. Financial liabilities from bank borrowings and other marketable securities", of the Consolidated Financial Statements. These indicators are included in section "6.5. Index of contents of Act 11/2018", which has been subject to independent verification.

Corporate loan scope

The perimeter of the loan only takes into consideration the companies that were part of the Fluidra Group as of December 31, 2021. However, the perimeter will be adjusted in the following two cases:

- Sale and/or dissolution of companies in the perimeter: in these cases, the base year will be adjusted, in order to guarantee the comparability of the information.
- Merger and integration of companies acquired subsequently with companies within the perimeter: in these cases, the companies initially outside the perimeter will become part of it.

In no case will those companies acquired by the Fluidra Group after December 31, 2021, which have not been integrated into companies that were part of the Group on said date, be integrated into the perimeter..

Scope adjustments

Taking into account the above considerations, in 2023 we have proceeded to make the following adjustments to the perimeter of the corporate loan:

- Update of the data relating to the base year, in order to completely eliminate the consideration of the data of the company Togama, S.A.U., sold in April 2023. It should be noted that, in 2022, an adjustment of the data was already carried out relative to the base year, in order to consider only the data related to the first quarter of the years 2021 and 2022, in order to guarantee the comparability of the information.
- The data relating to the company Kerex Uszoda KFT (Hungary), acquired by the Fluidra Group during the 2023 financial year, has been incorporated into the scope as a result of its integration into the company Fluidra Magyarorszag KFT (Hungary), which is part of the scope of this loan.

Companies excluded

The following companies of the Fluidra Group as of December 31, 2023 have been excluded from the scope of the syndicated loan:

- Swim & Fun Scandinavia (acquired in fiscal year 2022): 21 $tnCO_2$, 0% electricity from renewable sources in fiscal year 2023.
- Meranus (acquired in fiscal year 2023). At the end of the year, the organization has not been able to present data related to its environmental performance, due to the lack of availability of said information. The company has represented 0.45% of the workforce and 0.29% of the Group's sales in 2023.

Indicator	Description	Base year (2021)[82]	2022 Performance[83]	2023 Target	2023 Performance	2024 Target	2026 Target
KPI 1	Carbon footprint reduction (scopes 1 and 2) vs. baseline	19.618 $tnCO_2$	-22%	-25%	-39%	-45%	100% reduction (vs. baseline)
KPI 2	Increase consumption of electricity from renewable sources.	71%	83%	80%	86%	85%	100%

[82] The base year reported in 2021 was 20,108 $tnCO_2$ in KPI 1 and 81% in KPI 2. The base year reported in 2022 was 19,959 $tnCO_2$ in KPI1 and 71% in KPI 2.
[83] The 2022 performance reported in 2022 was -22% in KPI 1 and 83% in KPI 2.

6.9

External assurance report

GRI 2-5

Independent limited assurance report on the Consolidated Statement of Non-Financial Information for the year ended December 31, 2023

FLUIDRA, S.A. AND SUBSIDIARIES



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Avda. Sarrià, 102–106
08017 Barcelona

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Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL INFORMATION

To the shareholders of Fluidra, S.A.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Statement of Non-Financial Information (hereinafter NFIS) for the year ended December 31, 2023, of Fluidra, S.A. and subsidiaries (hereinafter, the Group), which is part of the Consolidated Management Report of the Group.

The content of the NFIS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in appendices 6.5. "Table of contents of Act 11/2018" and 6.4. "Table of contents according to sustainability reporting standards" included in the accompanying NFIS.

Directors' Responsibility

The Directors of the Group are responsible for the approval and content of the NFIS included in the Consolidated Management Report of Fluidra, S.A. The NFIS has been prepared in accordance with the contents established in prevailing mercantile regulations and with reference to the *Sustainability Reporting Standards* of the *Global Reporting Initiative* (GRI standards) and the Sustainability Accounting Standards Board standards (SASB standards) for electrical and electronic equipment sector, as well as other criteria described in accordance with that indicated for each subject in appendices 6.5. "Table of contents of Act 11/2018" and 6.4. "Table of contents according to sustainability reporting standards", included in the accompanying NFIS.

This responsibility also includes the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFIS that is free from material misstatement, whether due to fraud or error.

The directors of Fluidra, S.A. are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFIS is obtained.

Our independence and quality control

We have complied with independence and other ethical requirements of the International Code of Ethics for Accounting Professionals (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our Firm applies International Standard on Quality Management 1 (ISQM 1), which requires us to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Domicilio Social: C/ Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. Madrid 9 de marzo de 1.989. A member firm of Ernst & Young Global Limited.

The engagement team consisted of experts in the review of non-financial information and, specifically, information on economic, social, and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed] . Our review has been performed in accordance with the requirements established in the current International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Institute of Chartered Accountants (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFIS, reviewing the process for gathering and validating the information included in the NFIS, and applying certain analytical procedures and sampling review tests as described below:

- Meeting with Group personnel to gain understanding of the business model, policies and management approaches applied, and of the main risks related to these matters, and obtaining the necessary information for our external review.
- Analysing the scope, relevance and integrity of the content included in the 2023 NFIS based on the materiality assessment made by the Group and described in appendix 6.2. "Materiality Analysis" of the NFIS, considering the content required by prevailing mercantile regulations.
- Analysing the processes for gathering and validating the data included in the 2023 NFIS.
- Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2023 NFIS.
- Checking, through tests, based on a selection of a sample, the information related to the content of the 2023 NFIS and its correct compilation from the data sources.
- Obtaining a representation letter from the Directors and Management.

Emphasis of matter paragraph

Pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and pursuant to the Delegated Acts enacted in accordance with the provisions of that Regulation, undertakings shall disclose information on how and to what extent the undertaking's activities are associated with eligible economic activities in relation to the following environmental objectives: the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems (other environmental objectives). For certain new activities included in the climate change mitigation and adaptation objectives, undertakings shall disclose for the first time for the year 2023 additional information on eligible and aligned activities that was already required in 2022 in relation to the climate change mitigation and adaptation objectives. As a result, no comparative information on eligibility has been included in the accompanying NFS in relation to other environmental objectives

listed above or to the new activities included in the climate change mitigation and adaptation objectives. Additionally, to the extent that the information relating to 2022 was not required with the same level of detail as in 2023, the information disclosed in the accompanying NFS is not strictly comparable, either. Furthermore, it should be noted that ABC's directors have included information on the criteria that, in their opinion, allow for better compliance with the aforementioned obligations. These criteria are defined in appendix 6.7 "EU taxonomy for sustainable activities" of the accompanying NFS. Our conclusion is not modified in respect of this matter.

Conclusion

Based on the procedures performed in our verification and the evidences obtained, no matter has come to our attention that would lead us to believe that the 2023 NFIS of the Group for the year ended December 31, 2023 has not been prepared, in all material respects, in accordance with the contents established in prevailing mercantile regulations and with reference to the GRI standards and the SASB standardsfor electrical and electronic equipment sector, as well as other criteria described in accordance with that indicated for each subject in appendices 6.5. "Table of contents of Act 11/2018" and 6.4. "Table of contents according to sustainability reporting standards", included in the NFIS.

Use and distribution

This report has been prepared to comply with prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.
(Signature on the original in Spanish)

Antonio Capella Elizalde

March 20, 2024

ANNUAL CORPORATE GOVERNANCE REPORT



ISSUER IDENTIFICATION PARTICULARS

Year-end date:

12/31/2023

Tax Identification Code:

A-17728593

Registered name:

FLUIDRA, S.A.

Registered office:

AVENIDA ALCALDE BARNILS, 69 (SANT CUGAT DEL VALLÈS) BARCELONA

A. Ownership Structure

A.1. Complete the following table regarding the share capital and attached voting rights, including any rights corresponding to loyalty shares, at the year-end:

Indicate whether the company's Articles of Association provide for double votes for loyalty:

☐ Yes

☑ No

Date of last change	Share capital (€)	Number of shares	Number of voting rights
14/12/2022	192.129.070,00	192.129.070	192.129.070

The share capital of Fluidra S.A. (hereinafter "Fluidra") was decreased by € 3,500,000 on 14th December 2022, through the redemption of 3,500,000 shares with a par value of €1 each. The current share capital is € 192,129,070 divided into 192,129,070 shares with a par value of €1 each.

The corresponding capital decrease deed was granted on 15th December 2022 before the Notary Public of Barcelona Mr Ramón García-Torrent Carballo, under number 7440 of his protocol, and was filed with the Mercantile Registry on that same date, and was registered in the Mercantile Registry of Barcelona on 10th January 2023, with effects on the date of the filing entry, i.e. 15th December 2022.

Indicate whether there are different classes of shares with different rights attaching thereto:

☐ Yes

☑ No

A.2. List the direct and indirect holders of significant shareholdings in the company at the end of the year, including members of the board of directors who have a significant shareholding:

	% voting rights attached to shares		% voting rights through financial instruments		
Name of shareholder	Direct	Indirect	Direct	Indirect	% of total voting rights
RHÔNE CAPITAL LLC	0.00	11.67	0.00	0.00	11.67
Mr JUAN PLANES VILA	0.03	7.33	0.00	0.00	7.36
EDREM, S.L.	0.31	6.62	0.00	0.00	6.93
BOYSER, S.L.	1.17	6.63	0.00	0.00	7.80
CONCERTED ACTION	0.00	25.45	0.00	0.00	25.45
Mr MANUEL PUIG ROCHA	0.00	7.00	0.00	0.00	7.00
G3T, S.L.	5.73	0.00	0.00	0.00	5.73
BLACKROCK EUROPEAN MASTER HEDGE FUND LIMITED	0.00	0.00	0.00	3.02	3.02
BLACKROCK INC.	0.00	0.97	0.00	5.25	6.21
FIDELITY INTERNATIONAL LIMITED	0.00	1.82	0.00	0.00	1.82
T. ROWE PRICE ASSOCIATES, INC	0.00	3.06	0.00	1.37	4.43
PISCINE LUXEMBOURG HOLDINGS 1, S.A.R.L.	11.67	0.00	0.00	0.00	11.67
DISPUR, S.L.	0.73	6.60	0.00	0.00	7.33
PIUMOC INVERSIONS, S.L.U.	5.60	0.00	0.00	0.00	5.60
ANIOL, S.L.	0.63	5.60	0.00	0.00	6.23
MARATHON ASSET MANAGEMENT LIMITED	0.00	3.02	0.00	0.00	3.02
Mr ROBERT GARRIGOS RUIZ	0.00	6.23	0.00	0.00	6.23
CAPITAL RESEARCH AND MANAGEMENT COMPANY	0.00	5.31	0.00	0.00	5.31

All the percentage shareholdings mentioned above have been recalculated on the basis of the share capital following the capital decrease on 14th December 2022: € 192,129,070.

Some of the percentages indicated on the website of the Spanish National Securities Market *Commission (Comisión Nacional del Mercado de Valores – CNMV*) have been calculated on the basis of the previous share capital of €195,629,070.

Breakdown of the indirect shareholdings:

Name of indirect shareholder	Name of direct shareholder	% voting rights attached to shares	% voting rights through financial instruments	% of total voting rights
RHÔNE CAPITAL LLC	PISCINE LUXEMBOURG HOLDINGS 1, S.A.R.L.	11.67	0.00	11.67
Mr JUAN PLANES VILA	DISPUR, S.L.	0.73	0.00	0.73
Mr JUAN PLANES VILA	DISPUR POOL, S.L.	6.60	0.00	6.60
Mr ROBERT GARRIGOS RUIZ	ANIOL, S.L.	0.63	0.00	0.63
Mr ROBERT GARRIGOS RUIZ	PIUMOC INVERSIONS, S.L.U.	5.60	0.00	5.60
EDREM, S.L.	EDREM CARTERA, S.L.U.	6.62	0.00	6.62
BOYSER, S.L.	BOYSER CORPORATE PORTFOLIO, S.L.	6.63	0.00	6.63
CONCERTED ACTION	DISPUR POOL, S.L.	6.60	0.00	6.60
CONCERTED ACTION	PIUMOC INVERSIONS, S.L.U.	5.60	0.00	5.60
CONCERTED ACTION	EDREM CARTERA, S.L.U.	6.62	0.00	6.62
CONCERTED ACTION	BOYSER CORPORATE PORTFOLIO, S.L.	6.63	0.00	6.63
Mr MANUEL PUIG ROCHA	SCHWARZSEE 2018, S.L.	7.00	0.00	7.00

State the most significant movements in the shareholding structure that have occurred during the year:

Most significant movements

After several movements during 2023 and previous years, on 14th November 2023, BLACKROCK INC. exceeded the threshold of 5% of the capital of Fluidra, S.A. (hereinafter "Fluidra" or "the Company"), specifically with a shareholding of 6.21%, and on 10th February 2023 BLACKROCK EUROPEAN MASTER HEDGE FUND LIMITED exceeded the threshold of 3% of the Company's capital, specifically with a shareholding of 3.02%.

On 5th June 2023, MARATHON ASSET MANAGEMENT LIMITED exceeded the threshold of 3% of the Company's capital, specifically with a shareholding of 3.02%.

On 14th August 2023, FIDELITY INTERNATIONAL LIMITED modified its shareholding exceeding the threshold of 1% of the Company's capital, specifically with a shareholding of 1.82%.

On 3rd November 2023, CAPITAL RESEARCH AND MANAGEMENT COMPANY exceeded the threshold of 5% of the Company's capital, specifically with a shareholding of 5.31%.

After several movements in 2023, on 18th December 2023, T. ROWE PRICE ASSOCIATES, INC exceeded the threshold of 3% of the Company's capital, specifically with a shareholding of 4.43%.

A.3. Disclose the shareholding, irrespective of the percentage, at the end of the year held by members of the board of directors who hold voting rights attached to shares in the company or through financial instruments, excluding directors identified in section A.2 above:

	% voting rights attached to shares (including loyalty votes)		% voting rights through financial instruments			Of the total % voting rights attributed to shares, indicate where applicable the % of additional votes attributed to loyalty shares	
Name of director	Direct	Indirect	Direct	Indirect	% of total voting rights	Direct	Indirect
Mr ELOY PLANES CORTS	0.25	0.00	0.00	0.00	0.25	0.00	0.00
Mr BRUCE WALKER BROOKS	0.18	0.00	0.00	0.00	0.18	0.00	0.00
Mr BRIAN MC DONALD	0.03	0.00	0.00	0.00	0.03	0.00	0.00
Mr BERNARDO CORBERA SERRA	0.11	0.15	0.00	0.00	0.26	0.00	0.00
Mr OSCAR SERRA DUFFO	0.03	0.00	0.00	0.00	0.03	0.00	0.00
Mr BERNAT GARRIGOS CASTRO	0.00	0.00	0.00	0.00	0.00	0.00	0.00

% of total voting rights held by members of the board of directors	7,75

- The shareholder Piscine Luxembourg Holdings 1, S.A.R.L., a wholly owned subsidiary of Rhône Capital LLC, which has a shareholding of 11.67% in the Company's share capital, is represented on the Board of Directors of the Company through the proprietary directors Mr José Manuel Vargas Gómez and Mr Michael Steven Langman and the executive director Mr Bruce Walker Brooks.

- The shareholder Boyser, S.L., which has a total shareholding, direct and indirect, of 7.80% in the Company's share capital, is represented on the Board of Directors of the Company through the proprietary director Mr Óscar Serra Duffo.
- The shareholder Edrem, S.L., which has a total shareholding, direct and indirect, of 6.93% in the Company's share capital, is represented on the Board of Directors of the Company through the proprietary director Mr Bernardo Corbera Serra.
- The shareholder Dispur, S.L., which has a total shareholding, direct and indirect, of 7.33% in the Company's share capital, is represented on the Board of Directors of the Company through the executive director Mr Eloy Planes Corts.
- The shareholder Aniol, S.L., which has a total shareholding, direct and indirect, of 6.23% in the Company's share capital, is represented on the Board of Directors of the Company through the proprietary director Mr Bernat Garrigós Castro.
- The shareholders Schwarzsee 2018, S.L. (controlled by Mr Manuel Puig Rocha) and G3T, S.L. which have a total combined direct and indirect shareholding of 12.73% in the Company's share capital, are represented on the Board of Directors of the Company through the proprietary director Mr Manuel Puig Rocha.

Breakdown of the indirect shareholding:

Name of director	Name of direct shareholder	% voting rights attached to shares (including loyalty votes)	% voting rights through financial instruments	% of total voting rights	Of the total % voting rights attributed to shares, indicate where applicable the % of additional votes attributed to loyalty shares
Mr BERNARDO CORBERA SERRA	BERAN CARTERA, S.L.U.	0.15	0.00	0.15	0.00

Breakdown of the total percentage of voting rights represented on the board:

Total % voting rights represented on the board of directors	52.69

A.4. State any family, commercial, contractual or corporate relationships between owners of significant shareholdings, insofar as they are known to the company, except where they are immaterial or derive from ordinary commercial transactions, except those reported in section A.6:

Name of related parties	Type of relationship	Brief description
No data		

A.5. State any commercial, contractual or corporate relationships between owners of significant shareholdings and the company and/or the group, except where they are immaterial or derive from ordinary commercial transactions of the company:

Name of related parties	Type of relationship	Brief description
No data		

A.6. Describe any relationships, unless insignificant for both parties, between significant shareholders or shareholders represented on the board and directors, or their representatives in the case of board members that are legal persons.

Explain, as the case may be, how significant shareholders are represented. Specifically, state those directors who have been appointed to represent significant shareholders, those whose appointments were proposed by significant shareholders, or are related to significant shareholders and/or companies in their group, specifying the nature of such ties. In particular, mention the existence, identity and post of members of the board, or representatives of directors, of the listed company who are in turn members of the board or their representatives in companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders:

Name of related director or representative	Name of related significant shareholder	Name of the group company of the significant shareholder	Description of relationship/post
Mr JOSÉ MANUEL VARGAS GÓMEZ	PISCINE LUXEMBOURG HOLDINGS 1, S.A.R.L.	RHÔNE CAPITAL LLC	José Manuel Vargas Gómez is General Director of Rhône Group
Mr BERNARDO CORBERA SERRA	EDREM, S.L.	EDREM, S.L.	Bernardo Corbera Serra is CEO of Edrem, S.L.
Mr OSCAR SERRA DUFFO	BOYSER, S.L.	BOYSER, S.L.	Óscar Serra Duffo is chairman of the Board of Directors of Boyser, S.L.
Mr ELOY PLANES CORTS	DISPUR, S.L.	DISPUR, S.L.	Eloy Planes Corts is a director of Dispur, S.L.
Mr BERNAT GARRIGOS CASTRO	PIUMOC INVERSIONS, S.L.U.	ANIOL, S.L.	Bernat Garrigós Castro is CEO of Aniol, S.L.
Mr BRUCE WALKER BROOKS	PISCINE LUXEMBOURG HOLDINGS 1, S.A.R.L.	RHÔNE CAPITAL LLC	The appointment of Bruce Walker Brooks as a director was proposed by Rhône Group
Mr MICHAEL STEVEN LANGMAN	PISCINE LUXEMBOURG HOLDINGS 1, S.A.R.L.	RHÔNE CAPITAL LLC	Michael Steven Langman is General Director of Rhône Group
Mr MANUEL PUIG ROCHA	SCHWARZSEE 2018, S.L.	MAVEOR, S.L.	Manuel Puig Rocha is Sole Director of Maveor, S.L.
Mr MANUEL PUIG ROCHA	G3T, S.L.	G3T, S.L.	Manuel Puig Rocha has been appointed at the proposal of the shareholder G3T, S.L. (together with Schwarzsee, 2018, S.L.) through a shareholders' agreement between the two companies dated 5th May 2023.

A.7. State whether the company has been notified of any shareholders' agreements affecting the company pursuant to the provisions of articles 530 and 531 of the Companies Act (*Ley de Sociedades de Capital*). If so, briefly describe these agreements and list the shareholders bound by them:

☑ Yes

☐ No

Parties to the shareholders' agreement	% share capital affected	Brief description of the agreement	Date of expiration of the agreement, if any
PISCINE LUXEMBOURG HOLDINGS 1, S.A.R.L., PIUMOC INVERSIONS, S.L.U., ANIOL, S.L., EDREM, S.L., DISPUR, S.L., BOYSER, S.L., EDREM CARTERA, S.L.U., DISPUR POOL, S.L., BOYSER CORPORATE PORTFOLIO, S.L.	39.96	On 03/11/2017 a shareholders' agreement was formalized by the same shareholders of Fluidra who are parties to the shareholders' agreement initially formalized on 05/09/2007 and Piscine Luxembourg Holdings 1, S.à.r.l. (controlled by Rhône Capital LLC), reported through Relevant Event no. 258222. This shareholders' agreement came into effect on 02/07/2018, which is the date of effects of the cross-border merger by absorption by Fluidra, S.A. (transferee) of Piscine Luxembourg Holdings 2 S.à.r.l. (transferor) reported by the Company through Relevant Event no. 258221.	Regulated in Clause 20 of the Agreement, available on www.fluidra.com, Shareholders and Investors, Corporate Governance, Shareholders' Agreements
G3T, S.L., SCHWARZSEE 2018, S.L.	12.73	On 05/05/2023, an agreement was formalized between the shareholders Schwarzsee 2018, S.L. (formerly Banelana, S.L.) and G3T, S.L. The purpose of this agreement is to regulate the terms and conditions under which Schwarzsee 2018, S.L. And G3T, S.L. proposed to Fluidra the appointment of a proprietary director (Mr Manuel Puig Rocha) representing both shareholders, and how their rights as shareholders of Fluidra will be exercised for the implementation and management of the proposal made.	Regulated in Clause 3 of the Agreement, available on www.fluidra.com, Shareholders and Investors, Corporate Governance, Shareholders' Agreements
PIUMOC INVERSIONS, S.L.U., ANIOL, S.L., EDREM, S.L., DISPUR, S.L., BOYSER, S.L., EDREM CARTERA, S.L.U., DISPUR POOL, S.L., BOYSER CORPORATE PORTFOLIO, S.L.	28.29	On 05/09/2007 a shareholders' agreement was formalized by certain shareholders in Fluidra, S.A. which was reported as a Relevant Event to the CNMV on 02/01/2008 with no. 87808 (the "Syndication Agreement"). The Syndication Agreement has been modified on 6 occasions (First novation: 10/10/2007; Second novation: 01/12/2010, Relevant Event no. 134239; Third novation: 30/07/2015, Relevant Event no. 227028; including supplementary agreement of 30/09/2015, Relevant Event no. 229114; Fourth novation: 27/07/2017 Relevant Event no. 255114; Fifth novation 03/11/2017, Relevant Event no. 258223, modified on 25/04/2018, Relevant Event no. 264650, subrogations on 23/05/2018 Relevant Event no. 266060, and supplementary agreement to the Fifth Novation on 27/07/2018, Relevant Event no. 268610; Sixth novation 22/12/2020, Notice of Other Relevant Information no. 6355).	Regulated in Clause One and Clause Seven of the Syndication Agreement, available on www.fluidra.com, Shareholders and Investors, Corporate Governance, Shareholders' Agreements

State whether the company is aware of the existence of concerted actions among its shareholders. If so, briefly describe them:

☑ Yes

☐ No

Parties to the concerted action	% share capital affected	Brief description of the concerted action	Date of expiration, if any
PIUMOC INVERSIONS, S.L.U., EDREM CARTERA, S.L.U., DISPUR POOL, S.L., BOYSER CORPORATE PORTFOLIO, S.L.	25,45	The Syndication Agreement establishes that the parties bound by it, in relation to the shares referred to in it, undertake to exercise their voting rights at General Meetings of Fluidra as indicated in the Syndication Agreement.	Regulated in Clause One and Clause Seven of the Agreement, available on www.fluidra.com, Shareholders and Investors, Corporate Governance, Shareholders' Agreements.

Expressly state whether any of such agreements, arrangements or concerted actions have been modified or terminated during the financial year:

On 05/05/2023, an agreement was formalized between the shareholders Schwarzsee 2018, S.L. (formerly Banelana, S.L.) and G3T, S.L. The purpose of this agreement is to regulate the terms and conditions under which Schwarzsee 2018, S.L. And G3T, S.L. proposed to Fluidra the appointment of a proprietary director (Mr Manuel Puig Rocha) representing both shareholders, and how their rights as shareholders of Fluidra will be exercised for the implementation and management of the proposal made.

A.8. State whether there is any individual or company that exercises or could exercise control over the company in accordance with article 5 of the Securities Market Act (*Ley del Mercado de Valores*). If so, identify the party in question:

☐ Yes

☑ No

A.9. Complete the following tables regarding the company's own shares:

At year end:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
2.308.765		1.20

(*) Through:

Name of direct shareholder	Number of direct shares
No data	

Explain any significant variations occurring during the year:

Explain significant variations

The Company has implemented a temporary own share repurchase program, approved by the Board of Directors on 11th July 2023 and published through a communication of Other Relevant Information dated 12th July 2023 under registration number 23562. The repurchase programme started on 17th July and will end on 16th December 2024. The repurchase programme was executed for the purpose of implementing the Fluidra incentivized global share repurchase program approved by the Company's Ordinary General Shareholders' Meeting held on 10th May 2023, as item ten of the agenda (the "Global Plan").

The maximum number of shares to be acquired under the repurchase program is set at 500,000 shares in Fluidra, representing approximately 0.26% of the Company's share capital on the date the resolution was passed. In turn, the maximum monetary amount assigned to the repurchase program is 12,500,000 euros.

In the framework of the Global Plan, the Company acquired 40,183 own shares in 2023, which were immediately handed over to the employees who subscribed to the Global Plan.

A.10. Describe the terms and conditions and the duration of the powers currently in force given by the shareholders to the board of directors in order to issue, repurchase or transfer own shares of the company:

At the Ordinary General Shareholders' Meeting held on 5th May 2022, it was resolved to (i) authorize the Company to proceed with the derivative acquisition of own shares, directly or through group companies, and with the express power to reduce the share capital to redeem own shares, delegating to the Board of Directors the necessary powers to execute the resolutions passed by the General Meeting in this regard, rendering the previous authorization without effect, and (ii) authorize it to apply the portfolio of own shares, as the case may be, to the execution or coverage of remuneration systems. The authorization granted is valid for a term of five (5) years as of the date the resolution is passed, i.e. until 5th May 2027.

At the Board meeting of 14th December 2022, it was resolved, in the context of this authorization granted to the Board of Directors, to authorize the Chairman and the CEO, jointly and severally and indistinctly, to proceed with the derivative acquisition and disposal of own shares up to a maximum number of shares not exceeding five (5%) per cent of the Company's share capital. This authorization was approved to be valid until 31st December 2023.

In addition, at the Board meeting held on 13th December 2023, it was resolved, in the context of this authorization granted to the Board of Directors, to authorize the Executive Chairman and the CEO, jointly and severally and indistinctly, to proceed with the derivative acquisition and disposal of own shares up to a maximum number of shares not exceeding five (5%) per cent of the Company's share capital. This authorization is valid until 31st December 2024.

A.11. Estimated free float:

	%
Estimated free float	21.55

For the calculation of free float, the percentages of capital included in section A.2, among others, have been discounted, including both the voting rights attributed to the shares and the voting rights through financial instruments, in accordance with the provisions of CNMV Circular 3/2021, of September 3, 2021.

A.12. State whether there are any restrictions (under the Articles of Association, legislative or of any other nature) on the transfer of securities and/or any restrictions on voting rights. In particular, disclose the existence of any restrictions that might hinder a takeover of the company through the acquisition of its shares on the market, and any prior authorization or communication arrangements in respect of acquisitions or transfers of the company's financial instruments that are applicable to it by virtue of sector-specific regulation.

☑ Yes

☐ No

Description of the restrictions

The redrafted text of the vote and share syndication agreement formalized on 22nd December 2020 establishes that none of the Syndicated Shareholders (as defined in the agreement) may sell, transfer, assign, convey or otherwise dispose of or encumber the Syndicated Shares (25.45% of share capital) and/or ownership of the inherent voting or economic rights associated to the shares throughout the term of the syndication, i.e. the period running from the date on which the Fluidra shares are admitted for trading (i.e. 31st October 2007) and the first of the following

dates: (i) 30th June 2024, (ii) the date on which the obligation may arise to submit a takeover bid for all the securities of Fluidra, in accordance with the provisions of Royal Decree 1066/2007, of 27th July, on the regime of takeover bids. As an exception to the above, with effect from 1st January 2022 and during the remainder of the Syndication Term, the Syndicated Shareholders may transfer certain Syndicated Shares up to a maximum, among all such Shareholders, equal to three (3) per cent of the share capital of Fluidra (the "Transferable Syndicated Shares"), based on the distribution set out for each Syndicated Shareholder in Appendix I to the vote and share syndication agreement, in accordance with certain rules and procedures.

The Agreement also establishes the mechanism for syndicating the votes associated to the Syndicated Shares.

In turn, the Shareholders' Agreement formalized on 3rd November 2017 between certain shareholders in Fluidra, S.A. (the "Current Shareholders") and Piscine Luxembourg Holdings 1, S.à.r.l. (a company controlled by Rhône Capital LLC) (the "SHA") establishes a series of rules and commitments, including a pre-emption right, for transfers by Piscine Luxembourg Holdings 1, S.à.r.l. after 24 months, provided that a series of circumstances and shareholding thresholds are met. In relation to the above, on 26th June 2019 Piscine Luxembourg Holdings 1, S.à.r.l. carried out a private placement, having received prior authorization from the Current Shareholders, through the accelerated placement addressed exclusively to eligible investors of 7,850,000 shares representing approximately 4% of the Company's share capital. Subsequently, on 18th November 2020, Piscine Luxembourg Holdings 1, S.à.r.l completed a second private placement, through an accelerated placement aimed exclusively at qualifying investors, of 12,121,212 shares representing approximately 6.2% of the Company's share capital. In 2021, Piscine Luxembourg Holdings 1, S.a.r.l. carried out three private placements, through accelerated placements aimed exclusively at qualifying investors, for a total of 40,600,000 shares representing approximately 20.71% of the Company's share capital.

Following these accelerated placements, Piscine Luxembourg Holdings 1, S.à.r.l. held 22,428,788 shares in the Company, representing approximately 11.47% of the capital, which after the capital decrease carried out by the Company on 14th December 2022 by redeeming 3,500,000 own shares, represented 11.67% of the Company's share capital.

A.13. State whether the general shareholders' meeting has approved the adoption of anti-takeover measures pursuant to the provisions of Act 6/2007.

☐ Yes

☑ No

If so, describe the measures approved and the terms on which the restrictions will become ineffective:

A.14. State whether the company has issued securities that are not traded on a regulated market in the European Union.

☐ Yes

☑ No

If applicable, specify the different classes of shares and the rights and obligations attaching to each class of shares:

B. General shareholder's meeting

B.1. State and, if applicable, describe whether there are differences with respect to the minimum requirements set out in the Companies Act in connection with the quorum needed to hold a valid general shareholders' meeting:

☐ Yes

☑ No

B.2. State and, if applicable, describe any differences from the rules set out in the Companies Act for the adoption of corporate resolutions:

☐ Yes

☑ No

B.3. State the rules applicable to the amendment of the company's Articles of Association. In particular, disclose the majorities provided for amending the Articles of Association, and any rules provided for the protection of shareholders' rights in the amendment of the Articles of Association.

The procedure for amending the Articles of Association must conform to the provisions of article 285 and following of the Companies Act, which require approval by the General Shareholders' Meeting, with the quorum and majorities established in articles 194 and 201 of the aforesaid Act, as well as the requirement to draw up and make available to the shareholders a mandatory report by the directors justifying the amendment. Article 27 of the Articles of Association and article 15 of the General Meeting Regulations set out the principle contained in article 194 of the Companies Act and establish that in order for an ordinary or extraordinary General Meeting to resolve validly on any amendment of the Articles of Association, the attendance, in person or through a representative, of shareholders holding at least fifty per cent of the share capital with voting rights is required on the first call. On the second call, twenty-five per cent of the aforesaid capital will be sufficient. Article 24 of the General Meeting Regulations regulates the procedure for voting on proposed resolutions of the General Shareholders' Meeting, establishing, in the case of amendments to the Articles of Association, that each article or group of articles of sufficient entity is to be voted on separately.

B.4. State data on attendance at general shareholders' meetings held during the year this report refers to and for the two previous years:

Attendance data

Date of general meeting	% shareholders present in person	% represented	% remote voting / Electronic voting	Other	Total
06/05/2021	3.33	78.12	0.00	0.00	81.45
Of which floating capital	0.00	24.97	0.00	0.00	24.97
05/05/2022	3.32	83.28	0.00	0.41	87.01
Of which floating capital	0.07	33.84	0.00	0.41	34.32
10/05/2023	8.67	77.33	0.00	0.45	86.45
Of which floating capital	0.17	32.25	0.00	0.45	32.87

B.5. State whether any item on the agenda of the general shareholders' meetings held during the year has not been approved by the shareholders for any reason:

☐ Yes

☑ No

B.6. State whether there are any restrictions in the Articles of Association requiring a minimum number of shares in order to attend the general meeting, or to vote remotely:

☐ Yes

☑ No

B.7. State whether it has been established that certain decisions, other than those established by law, involving an acquisition, disposal, or contribution to another company of essential assets or similar corporate operations must be submitted for approval to the general shareholders' meeting:

☐ Yes

☑ No

B.8. State the address and method for accessing the company's website to access information on corporate governance and other information on general shareholders' meetings that must be made available to shareholders through the company's website:

www.fluidra.com/es

Following the route to SHAREHOLDERS AND INVESTORS (https://www.fluidra.com/es/accionistas), among other options the following will appear:

STOCK EXCHANGE INFORMATION

REPORTING CENTER

RELEVANT EVENTS

CORPORATE GOVERNANCE

CONTACT

C. Company management structure

C.1. Board of Directors

C.1.1. Maximum and minimum number of directors established in the Articles of Association and the number set by the general shareholders' meeting:

Maximum number of directors	13
Minimum number of directors	13
Number of directors established by the General Meeting	13

There are no observations in this regard.

C.1.2. Complete the following table on members of the board:

Name of director	Representative	Type of director	Position on the board	Date of first appointment	Date of last appointment	Selection procedure
Mr JOSÉ MANUEL VARGAS GÓMEZ		Proprietary	DIRECTOR	02/07/2018	05/05/2022	GENERAL MEETING RESOLUTION
Ms ESTHER BERROZPE GALINDO		Independent	DIRECTOR	06/09/2019	19/05/2020	GENERAL MEETING RESOLUTION
DON BERNARDO CORBERA SERRA		Proprietary	DIRECTOR	05/09/2007	06/05/2021	GENERAL MEETING RESOLUTION
Mr OSCAR SERRA DUFFO		Proprietary	VICE-CHAIRMAN	05/09/2007	06/05/2021	GENERAL MEETING RESOLUTION
Mr JORGE VALENTÍN CONSTANS FERNÁNDEZ		Independent	LEAD INDEPENDENT DIRECTOR	05/05/2015	10/05/2023	GENERAL MEETING RESOLUTION
Mr ELOY PLANES CORTS		Executive	CHAIRMAN	31/10/2006	06/05/2021	GENERAL MEETING RESOLUTION
Mr BERNAT GARRIGOS CASTRO		Proprietary	DIRECTOR	05/05/2022	05/05/2022	GENERAL MEETING RESOLUTION
Mr BRUCE WALKER BROOKS		Executive	CEO	02/07/2018	05/05/2022	GENERAL MEETING RESOLUTION
Mr MICHAEL STEVEN LANGMAN		Proprietary	DIRECTOR	02/07/2018	05/05/2022	GENERAL MEETING RESOLUTION
Mr BRIAN MC DONALD		Independent	DIRECTOR	06/09/2019	19/05/2020	GENERAL MEETING RESOLUTION
Ms BARBARA BORRA		Independent	DIRECTOR	30/12/2021	05/05/2022	GENERAL MEETING RESOLUTION
Ms AEDHMAR HYNES		Independent	DIRECTOR	10/05/2023	10/05/2023	GENERAL MEETING RESOLUTION
Mr MANUEL PUIG ROCHA		Proprietary	DIRECTOR	10/05/2023	10/05/2023	GENERAL MEETING RESOLUTION

Total number of directors	13

State any directors that have left the board, either through resignation or by a resolution of the General Meeting, during the reporting period:

Name of director	Category of director at the time of termination	Date of last appointment	Date of leaving	Specialised committees of which he was a member	Indicate whether the termination took place before the end of the mandate
No data					

C.1.3. Complete the following tables concerning board members and their categories:

Executive Directors

Name of director	Position within the company's structure	Profile
Mr ELOY PLANES CORTS	Executive Chairman	Born in 1969, Eloy Planes Corts holds a Degree in Industrial Engineering from the Polytechnic University of Catalonia (UPC) and a Master's Degree in Business Management from EADA. A member of the second generation of one of the founding families, Eloy joined Fluidra (then "Astral") as R&D Manager in 1994 and in 1998 was appointed as Logistics Manager and then as General Manager of AstralPool España, leading the mergers of different commercial companies in Spain and gaining in-depth knowledge of the business. In 2000, Eloy took on the General Management of AstralPool, continuing with the expansion of the business in international markets. In 2002, the family group took a decisive step: under the leadership of Eloy as General Manager, the Fluidra group was created (under the name of "Aquaria"), bringing together the pool production and distribution companies. Banco Sabadell acquired 20% of the share capital and joined the four owner families. Eloy led the change in logistical model. In 2006, Fluidra reached its current size with the incorporation of four previously independent partners. In the same year, Eloy was appointed CEO of the Fluidra group, leading the company to significant milestones: its flotation in 2007, its restructuring in 2008/09, accompanied by an acceleration of the internationalization process in the commercial aspect and the application of lean management in the industrial part of the group. In 2016, Eloy took on the role of Executive Chairman of Fluidra. In that same year he created the Fluidra Foundation. In 2017 a major transformational corporate operation led by Eloy was announced: the merger with US company Zodiac, which was completed in July 2018. In 2021, Fluidra was included in the IBEX-35 index and closed the year with historic turnover of more than 2 billion euros. Eloy is Executive Chairman of the Board of Directors of Fluidra. He is also the President of the Barcelona International Pool Trade Show and of the Catalunya Cultura Foundation and a director of Dispur, S.L., and the natural person who acts as the representative of Dispur, S.L. as Chairman and Director of Fixe Climbing, S.L. Since September 2023, Eloy Planes has also been First Vice-President of the Chamber of Commerce of Barcelona.
Mr BRUCE WALKER BROOKS	CEO	Born in 1964, Bruce W. Brooks holds a Degree in Marketing from the University of Virginia. Bruce brings significant experience in international management to Fluidra, after more than 20 years at Black & Decker Corporation. In 1986, shortly after obtaining his degree, he started his career at that company, where he held a number of different posts over the years, including group vice-president, president of the consumer product group, president of construction tools and vice-president for Latin America. In 2011, he joined Zodiac Pool Solutions where he held the post of CEO. During his time at Zodiac, Bruce led the company to an approach focused on the residential pool market, thus leading the company's financial resurgence after 2011. In 2016, Bruce oversaw the successful transition of ownership from the Carlyle Group to Rhône Group and in 2018 he played a decisive role in the plan to integrate with Fluidra. Throughout his career, Bruce has shown great skill in the management and development of existing companies as well as in their expansion into new markets, at both domestic and international level and is highly valued for his strategic reasoning and his capacity to develop and execute systems and processes with the successful attainment of short and long-term goals. Bruce holds the post of CEO and is also a member of the Board of Directors of Fluidra.

Total number of executive directors	2
% of total board	15.38

There are no observations.

External proprietary directors

Name of director	Name of significant shareholder represented by the director or that proposed the director's appointment	Profile
Mr JOSÉ MANUEL VARGAS GÓMEZ	RHÔNE CAPITAL LLC	Born in 1970, José Manuel Vargas joined Rhône in 2007 as a senior advisor and became managing director in 2017. In April 2021, Mr. Vargas temporarily stepped aside from the post of managing director of Rhône and returned to his role as senior advisor to dedicate his efforts to Maxam, a company in Rhône's investment portfolio, as he had undertaken the post of Executive Chairman and CEO of Maxam in May 2020. Previously he had been Chairman and CEO of Aena SME, S.A., and led the restructuring process, partial privatization and IPO of the company in 2015. Before joining Aena, he held senior management posts in Vocento, S.A. where he was Financial Director until he was promoted to CEO and was also CEO of ABC. Prior to his time in the communication industry, he had been financial director and general secretary of JOTSA (of the Philipp Holzmann group). In addition to his role as Executive Chairman of Maxam, Mr. Vargas is also part of the Board of Directors of Fluidra, S.A. Throughout his career, Mr. Vargas has also served on the Board of Directors of other companies, such as Aena, Vocento, the newspaper ABC, the COPE radio station, Net TV, the newspaper El Correo and Wellbore Integrity Solutions. In 2015 he won the prize for Best Executive of the Year awarded by the Spanish Executives Association (Asociación Española de Directivos - AED) and was named Person of the Year in the economic and financial field by Spanish economic newspaper El Economista. He graduated in Economic and Business Sciences from the Complutense University of Madrid and holds a Law Degree from UNED. He is also a chartered accountant. Since 1st January 2024, Mr. Vargas has reprised his role as managing director of Rhône from the firm's London office. For this reason, he has resigned from his post as CEO of Maxam and will continue to be Executive Chairman of the multinational as part of the ongoing supervision by Rhône of its investment. In early 2024, he was also appointed as a director of two companies: ASK Chemicals, which belongs to Rhône's portfolio, and Petra Diamonds.
Mr BERNARDO CORBERA SERRA	EDREM, S.L.	Born in 1965, Bernardo Corbera Serra has a degree in Business Studies from ESEI and a Senior Management Business Program degree from IESE. He has held several positions in the Fluidra Group, however at present he does not provide services for the same. Specifically, he started his career at Astral Export, S.A., heading the company's expansion into Africa, the Middle East and Central America. He moved to the United States in 1993, where he headed market research and the subsequent roll out of Astral Products and Poltank in the US. In 1999 he joined Astral Group as head of North America and Mexico and was appointed to the Executive Committee. He was appointed member of the Fluidra Board of Directors in 2000, as well as CEO of Edrem S.L., a family-run investment company. He also manages and sits on the administration body of Beran Cartera, S.L.
Mr OSCAR SERRA DUFFO	BOYSER, S.L.	Born in 1962, Óscar Serra Duffo obtained a Degree in Business Administration from Management School in 1981. He started his career in the marketing area of several family businesses, notably La Casera and Schweppes. In 1989 he joined the commercial department of Plasteral, taking responsibility for the Spas division. Throughout his career he has worked in the areas of marketing and communication. At present, he does not provide services for the Fluidra Group, focusing his professional activity on the management of several family companies. He is a director of Boyser Corporate Portfolio, S.L.U and of Pentamar, S.A. He is also the chairman of the Board of Directors of Boyser, S.L.
Mr BERNAT GARRIGOS CASTRO	ANIOL, S.L.	Born in 1967, Bernat Garrigós Castro obtained a Degree in Biology from the University of Barcelona in 1991, and later, in 1994, studied for a Master's Degree in Environmental Management at Duke University and an Executive Development Programme organized by IESE Business School. Since 2004, he has managed Aniol, S.L. He is currently involved in several projects involving new technologies. His career in the Fluidra Group has included posts in several companies. From 1995 to 1998 he was Product Manager at Astral Grup and subsequently, until 2002, held the post of Production Manager at Servaqua, S.A. He currently does not provide services for the Fluidra group. Bernat Garrigós Castro is CEO of Aniol, S.L. and of Piumoc Inversions, S.L.U. He is also president of the Alive Foundation and sole director of Constralsa, S.R.L.

External proprietary directors

Name of director	Name of significant shareholder represented by the director or that proposed the director's appointment	Profile
Mr MICHAEL STEVEN LANGMAN	RHÔNE CAPITAL LLC	Born in 1961, Michael Steven Langman co-founded Rhône in 1996 and has been responsible for the day-to-day management of the company since its inception. Rhône is an alternative asset management company specializing in private equity. He is a Member and Managing Director of Rhône. Before founding Rhône, Mr. Langman was a Managing Director at Lazard Frères, where he specialized in mergers and acquisitions. Before joining Lazard Frères, he worked in the mergers and acquisitions department of Goldman Sachs. He has over thirty years of experience in finance, analysis and investments in public and private companies. In addition to Fluidra, S.A., Mr. Langman currently serves on the Boards of Directors of several companies in Rhône's investment portfolio, including Hudson's Bay Company, Lummus Technology L.L.C., Vista Global Holdings and Wellbore Integrity Solutions LLC. He graduated with honours from the University of North Carolina at Chapel Hill and holds a master's degree from the London School of Economics.
Mr MANUEL PUIG ROCHA	G3T, S.L.	Born in 1961, Manuel Puig Rocha qualified as an Industrial Engineer from the Polytechnical University of Catalonia (UPC). Manuel Puig has held several executive posts in Puig for more than 35 years, and was responsible for the creation of several international subsidiaries and for the creation of what is now the Derma division of the Puig Group. During his career at Puig, Manuel Puig was responsible for managing several fashion brands, and for the last ten years he has participated in important acquisition processes. Since 2007, Manuel Puig has been Vice-Chairman of Puig, a member of its Board of Directors and, since February 2021, Chairman of the ESG Commission of the Board of Directors of Puig. He is also a member of the Boards of Directors of Exea Empresarial, Isdin, Flamagas, Colonial and RACC, and is also a member of the Advisory Board of GBI2 (Georgetown University) and of the Supervisory Board of Iris Ventures. Manuel Puig participates actively in several internationally recognized ESG organizations and working groups on climate, and is a member of the Board of Trustees of the Business & Climate Foundation.

Total number de proprietary directors	6
% of total board	46.15

There are no observations.

External independent directors

Name of director	Profile
Ms ESTHER BERROZPE GALINDO	Born in 1970, Esther Berrozpe has extensive international experience having worked in consumer goods companies for three decades, where she has held posts of responsibility both in Europe and North America. She has considerable experience in the commerce, industry and logistics sectors, in talent and cultural change management, as well as in mergers and acquisitions. Esther currently holds the posts of CEO and director of Attindas Hygiene Partners, world leader in the personal hygiene sector. Before joining Attindas, Esther was CEO of Ontex, a leading international group in personal hygiene listed on Euronext Brussels. Before Ontex, Esther worked for 19 years at Whirlpool Corporation, world leader in the household electrical goods sector, where she held several executive posts, the last of which as president for Europe, the Middle East and Africa and as executive vice-president. Previously, Esther worked for Pagliere, Sara Lee and the Wella Group. She was a senior advisor at American Industrial Partners (AIP) and an independent director of Pernod Ricard, Ontex Group and Roca Corporación. Esther holds a degree in Economics and Business Science from Deusto University in San Sebastián (Spain), and studied Economics and International Business at the University of Bergamo (Italy).
Mr JORGE VALENTÍN CONSTANS FERNÁNDEZ	Born in 1964, Jorge Constans holds a degree in Economics from the University of Barcelona, the General Management Programme of IESE and Business Management from ESADE. In a career spanning 22 years at Danone, he held several positions in sales, marketing, general management in Spain and was later Chairman and CEO of Danone France. He was then responsible for the Europe region, and responsibility for the USA was later added. During the last two years in the company he was chairman of the dairy product division, with turnover of 12 B€ and present in more than 50 countries. At Louis Vuitton he held the position of Chairman and CEO. He currently serves on the Boards of Puig and Fluidra.

External independent directors

Name of director	Profile
Mr BRIAN MC DONALD	Born in 1963, Brian McDonald was CEO of RGIS from 2014 to 2017. RGIS is the world's leading inventory management company, a 680-million-dollar business with 53,000 associates in 30 countries around the world. Before joining RGIS, Brian was executive vice-president and operations director at Tyco International, where he had direct responsibility for its fire and security installation and services division valued at 7.8 billion dollars. Brian worked at Tyco for more than 10 years in different roles, including Sales Director, Vice-President of Field Operations, Vice-President of Southern Operations and Managing Director of ADT United Kingdom/Ireland. Before joining Tyco, Brian held several executive positions with the UTC Power and Otis Elevator units of United Technologies. He is currently an executive of BLM Advisors LLC, having held this post since January 2018. In September 2021, he joined the board of directors of KPI Solutions, a US company that provides integration services in the warehouse automatization sector. He has a Degree in Physics from the US Naval Academy and MBA in Operations management from the University of Virginia Darden Graduate School of Business. On graduating from the Naval Academy, Brian served for 5 years as a lieutenant and division officer aboard a US Navy aircraft carrier, overseeing its nuclear systems. He is a trustee of the US Naval Academy Foundation Athletics and Scholarship Programs.
Ms BARBARA BORRA	Born in 1960, Barbara Borra has been President and CEO of the home solutions division of the Franke Group since January 2019. Barbara has extensive international experience, having lived in 9 countries and 11 cities in Europe, the USA and China. Before joining Franke, Barbara worked at Whirlpool for 10 years, holding different senior management posts, most recently as Vice-President of operations in China. Previously, Barbara held a number of international posts in different countries during her time at Rhodia and General Electric. Barbara has a degree in Chemical Engineering from Turin Polytechnic and an MBA from INSEAD.
Ms AEDHMAR HYNES	Born in 1966, Aedhmar Hynes has developed her career in the communication and marketing industry over more than three decades, leading and supporting many of the most influential brands in the world through digital transformation and technological disruption (advising technological powerhouses such as Adobe, Cisco, Harmon, IBM, Lenove and Xerox). For more than 25 years, Aedhmar Hynes has held several executive posts in Text100, one of the leading digital communication agencies in the world, with 22 offices and more than 600 consultants in Europe, North America and Asia. From 1997 to 2000 she was President of the Operations division in North America, participating in the foundation of the first Text100 office in Silicon Valley and the establishment of offices in the US market (New York, Boston, Rochester and San Francisco) and from 2000 to 2018 she held the post of Global CEO, making the agency a world leader in the digital marketing sector. Throughout her career, she has held the post of director at Rosetta Stone (RST) and Tupperware TUP (both traded on the New York Stock Exchange). Aedhmar Hynes is currently a member of the Board of Directors of IP Group plc I.POL (which is traded on the London Stock Exchange) and Jackson Family Wines. She also participates actively in non-profit organizations, as a member of the Board of Directors of Technoserve, a member of the Board of Trustees of Connecticut Public Broadcasting Network and as a member and former president of the Board of Trustees of The Page Society. Aedhmar Hynes has been distinguished some of the most significant awards in the digital communication sector (specifically, in recent years she has been included among the 50 most influential communications professionals in the world and in 2019 she was included in the PRWeek Hall of Fame).

Total number of independent directors	5
% of total board	38.46

There are no observations.

State whether any director classified as independent receives from the company or its group any amount or benefit for items other than director remuneration, or maintains or has maintained during the last year a business relationship with the company or with any company of its group, whether in the director's own name or as a significant shareholder, director, or senior manager of an entity that maintains or has maintained such a relationship.

If applicable, include a reasoned statement from the board regarding the reasons why it considers that the director in question can carry out his/her duties as an independent director.

Name of director	Description of relationship	Reasoned statement
No data		

Other external directors

Identify the other external directors and describe the reasons why they cannot be considered proprietary or independent directors, as well as their ties whether with the company, its management or its shareholders:

Name of director	Reasons	Company, director or shareholder with which the director has ties	Profile
No data			

Total number of other directors	N.A.
% of total board	N.A.

State the changes, if any, in the category of each director during the period:

Name of director	Date of change	Former category	Current category
No data			

C.1.4. Complete the following table with information regarding the number of female directors for the last 4 years, as well as the category of such directors:

	Number of female directors				% of total directors of each category			
	2023	2022	2021	2020	2023	2022	2021	2020
Executive					0.00	0.00	0.00	0.00
Proprietary					0.00	0.00	0.00	0.00
Independent	3	2	2	1	60.00	40.00	40.00	25.00
Other External					0.00	0.00	0.00	0.00
Total	**3**	**2**	**2**	**1**	**23.08**	**16.67**	**16.67**	**8.33**

C.1.5. State whether the company has diversity policies in relation to the board of directors of the company on such matters as age, gender, disability, or professional training and experience. Small and medium-sized enterprises, as defined in the Auditing Act, must disclose at least the policy they have implemented in relation to gender diversity.

☑ Yes

☐ No

☐ Partial policies

If such diversity policies exist, describe them, their goals, the measures and the way in which they have been applied and the results obtained during the year. Also state the specific measures adopted by the board of directors and the appointments and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why it does not do so

Description of policies, goals, measures and how they have been applied, as well as the results obtained

The Appointments and Remuneration Committee Regulations establish that the Appointments and Remuneration Committee is responsible for evaluating the necessary skills, knowledge and experience on the Board, defining as a result the functions and

aptitudes required in the candidates to fill vacancies, evaluating the time and dedication required for them to fulfil their duties. For this purpose: (a) it will draw up a matrix of skills; (b) it will evaluate the time and dedication required for them to fulfil their duties effectively; and (c) it will promote programs to update directors' knowledge, when necessary. The Appointments and Remuneration Committee should also establish representation targets for the least-represented sex on the Board, drawing up guidelines on how to reach this target and reporting to the Board on matters of gender diversity and qualifications of directors. See the 2023 Annual Report on the Appointments and Remuneration Committee's activities for more details.

The selection policy for candidates to hold positions on the Board of Fluidra ("Selection Policy", which is published in the company's webpage in section "Shareholders and Investors, Corporate Governance, Policies") is aimed at favouring an appropriate composition of the Board of Directors. In accordance with the Good Governance Code for Listed Companies, the Selection Policy ensures that the proposed appointments of Company directors are based on a prior analysis of the needs of the Board of Directors, and favours diversity of knowledge, experience and gender within the Board of Directors, so that they do not suffer from implicit bias that could lead to any kind of discrimination and, in particular, could hinder the selection of female candidates, promoting an increase in their presence in light of best corporate governance practice, subject at all times to the fundamental principle of merit and suitability of the candidate in line with the analysis of the Company's needs carried out by the Board of Directors.

On 9th May 2023, the Board of Directors amended the Selection Policy for the purpose of ensuring compliance with applicable legislation on diversity in the composition of the Board of Directors and ensuring that selection processes favour diversity (not just of gender but also of nationalities, countries of origin, cultural roots and experience and knowledge) so that they do not suffer from implicit bias that could lead to any kind of discrimination and, in particular, that could hinder the selection of female candidates. A further amendment was made whereby in the second re-election of independent directors they cannot be proposed for a term of re-election longer than 2 years. This last measure was introduced to give more flexibility to the incorporation of directors if necessary for the company.

Among other activities, the Appointments and Remuneration Committee and the Board of Directors of the Company continue to work to increase gender diversity on the Board of Directors and to comply with Recommendation 15 of the Company's Code of Corporate Governance with the objective of meeting or exceeding this recommendation at the 2025 General Shareholders' Meeting. In the selection processes, we start with the analysis of the competency map of the Board to determine the needs to be covered and we take into consideration gender diversity in balance with other criteria of the profile sought, such as knowledge, nationality, experience and technical training, always subject to the fundamental principle of merit and suitability of the candidate.

This objective shall be achieved on the occasion of the selection of new candidates to fill vacancies on the Board of Directors, or in the event that it is agreed to increase the number of members of the Board of Directors.

In any case, the measures adopted in the selection of female directors are working, as evidenced by the fact that three of the last four appointments of independent directors have been filled by women: Ms. Esther Berrozpe, Ms. Barbara Borra and Ms. Aedhmar Hynes.

The Appointments and Remuneration Committee continues to work to ensure that future selection processes to fill new vacancies continue to favor diversity on the Board of Directors and that the above-mentioned goal is achieved by June 2025.

At the initiative of the Appointments and Remuneration Committee, the Board of Directors has already taken a number of actions and has identified other potential measures that will enable it to reach the 40% target after the 2025 General Meeting of Shareholders:

- Propose an increase in the number of members of the Board of Directors to 14 members in order to incorporate a new female director, by means of the corresponding amendment to the bylaws.
- On May 9, 2023, the Board of Directors amended the Selection Policy and, among other things, introduced a modification so that the second re-election of independent directors may not be proposed for a term of more than 2 years. This measure is intended to provide greater flexibility in the transition of directors if necessary for the company.

As proof of this and following the amendment, at the General Shareholders' Meeting held on May 10, 2023, the Board Member Mr. Jorge Valentín Constans was re-elected for two years. In addition, the Board of Directors plans to propose at the next General Shareholders' Meeting the renewal of the term of office of Director Mr. Brian McDonald for one year. This could result in two new vacancies at the General Shareholders' Meeting to be held in 2025.

C.1.6. Explain any measures approved by the Appointments Committee in order for selection procedures to be free of any implicit bias that hinders the selection of female directors, and in order for the company to search deliberately for women who meet the professional profile that is sought and include them among potential candidates and reach a balanced presence of men and women. Also state whether these measures include measures to foster the presence of a significant number of female senior executives:

Explanation of measures

In its Director selection and appointment criteria approved by the Board of Directors, Fluidra establishes that the Company will take into consideration the competency map of the Board, to determine the needs to be covered, and gender diversity, in choosing directors, with the object of ensuring equality of opportunity as indicated in the Equality Act, the Code of Commerce, the Companies Act and the Auditing Act, with regard to non-financial and diversity reporting. Similarly, Fluidra will strive to achieve in relation to its Board of Directors, not only gender diversity, but also diversity of nationalities, countries of origin, cultural roots, age and professional experience and knowledge. Accordingly, in the selection process, candidates will be evaluated under criteria of equality and objectivity, avoiding implicit bias that could lead to any kind of discrimination and, in particular, hinder the selection of female directors.

In addition to the measures included in the Selection Policy to foster diversity, described in section C.1.5 above, one of the principles of which is to avoid, in the selection of candidates, any kind of bias that could lead to discrimination and, in particular, hinder the selection of persons of either sex, the ESG (Environmental, Social and Corporate Governance) Policy determines that all persons, irrespective of their race, gender, relation or ideology, have the same opportunities of access to the organization and personal treatment, to develop their professional potential, following the group's principles and values. Furthermore, in accordance with the ESG Policy, the Company must foster a business culture based on equality of treatment and opportunities between men and women.

Finally, it should be noted that the selection processes have deliberately sought to increase the number of female candidates on the board in order to achieve a gender balance on the board. See the 2023 Annual Report on the Appointments and Remuneration Committee's activities for more details.

The company is also working to increase the number of female senior managers on the company's management committee (MAC). In this regard, during the first quarter of 2024, two new female senior managers joined the MAC, with the result that the MAC is currently made up of 11 members, 3 of whom are women (27.27%).

If there are few or no female directors or senior managers despite any measures adopted, describe the reasons for this:

Explanation of reasons

One of the goals of the Appointments and Remuneration Committee in relation to the director and senior management selection policy is to favour diversity in terms of professional background, knowledge, nationality and, especially, gender. The Appointments and Remuneration Committee is aware that currently it does not comply with the Corporate Governance recommendation concerning the presence of women on the Board of Directors. However, evidence that the measures taken are being applied in relation to the selection of female directors is that since 2019, 6 new directors have been appointed, four independent and two proprietary, and that three of the four new independent directors are women. This fact shows the tendency of the Company's Board of Directors to try to achieve a better balance in its governing bodies. However, while the Board has a good balance of cultural and geographic origin, it should be noted that the selection processes aimed at balancing gender diversity on the Board are proving to be more difficult because of the to balance gender diversity on the Board are proving to be more difficult due to the smaller universe of female candidates and the fact that many female candidates who fit the needs to be covered by the Council's skills matrix find themselves in overboarding situations.

In this regard, the Appointments and Remuneration Committee continues to work to ensure that future selection processes continue to favor gender diversity, both on the Board of Directors and in Senior Management, in order to comply with the recommendation of the Corporate Governance Committee on this matter.

C.1.7. Explain the conclusions of the appointments committee regarding verification of compliance with the policy aimed at favouring an appropriate composition of the board of directors.

The Appointments and Remuneration Committee oversees compliance with the director Selection Policy for the purpose of ensuring that selection processes take into consideration gender diversity balanced with other criteria of the profile being sought such as knowledge, nationality, experience and solvency of the candidates. In this regard, the most recent decisions of the Appointments and Remuneration Committee in relation to the appointment of the new members of the Board of Directors reflect effective compliance with the policy aimed at favouring an appropriate composition of the Board of Directors. The Appointments and Remuneration Committee and the Board of Directors of Fluidra are aware of the importance of complying with Recommendation 15 on gender diversity and aim to achieve 40% diversity by June 2025.

C.1.8. Explain, if applicable, the reasons why proprietary directors have been appointed at the proposal of shareholders whose shareholding is less than 3% of share capital:

Name of shareholder	Justification
No data	

State whether there has been no answer to formal petitions for presence on the board received from shareholders whose shareholding is equal to or greater than that of others at whose proposal proprietary directors have been appointed. If applicable, describe the reasons why such petitions have not been answered:

☐ Yes

☑ No

C.1.9. State any powers and faculties delegated by the board of directors, including powers relating to the possibility of issuing or repurchasing shares, to CEOs or committees of the board:

Name of director or committee	Brief description
ELOY PLANES CORTS	The Board of Directors has delegated on a permanent basis all the faculties permitted by law to Mr Eloy Planes, Executive Chairman of the Company.
BRUCE WALKER BROOKS	The Board of Directors has delegated on a permanent basis all the faculties permitted by law to Mr Bruce Walker Brooks, the Company's CEO.

C.1.10. Identify any members of the board who are directors, representatives of directors or officers of other companies that form part of the listed company's group:

Name of director	Name of group company	Position	Does he/she have executive duties?
Mr ELOY PLANES CORTS	ASTRAL NIGERIA, LTD	DIRECTOR	NO
Mr ELOY PLANES CORTS	FLUIDRA COMMERCIAL, S.A.U.	JOINT CEO	YES
Mr ELOY PLANES CORTS	INNODRIP, S.L.	DIRECTOR	NO
Mr ELOY PLANES CORTS	FLUIDRA FINCO, S.L.U.	JOINT CEO	YES
Mr BRUCE WALKER BROOKS	FLUIDRA COMMERCIAL, S.A.U.	JOINT CEO	YES
Mr BRUCE WALKER BROOKS	FLUIDRA FINCO, S.L.U.	JOINT CEO	YES

C.1.11. Identify the posts of director or representative of director held in other companies, whether or not they are listed companies, by directors of your company or representatives of directors:

Identification of director or representative	Name of company, listed or not	Position
Mr BERNARDO CORBERA SERRA	Beran Cartera, S.L.	SOLE DIRECTOR
Mr BERNARDO CORBERA SERRA	Edrem, S.L.	CEO
Mr BERNARDO CORBERA SERRA	Edrem Cartera, S.L.U.	CHAIRMAN
Mr JOSÉ MANUEL VARGAS GÓMEZ	MaxamCorp Holding, S.L. (Rhône portfolio)	CHAIRMAN – CEO
Mr OSCAR SERRA DUFFO	Boyser Corporate Portfolio, S.L.U.	DIRECTOR
Mr OSCAR SERRA DUFFO	Boyser, S.L.	CHAIRMAN
Mr OSCAR SERRA DUFFO	Pentamar, S.A.	SOLE DIRECTOR
Mr JORGE VALENTIN CONSTANS FERNANDEZ	Puig, S.L.	DIRECTOR
Mr ELOY PLANES CORTS	Dispur, S.L.	DIRECTOR
Mr ELOY PLANES CORTS	Salón Internacional de la Piscina de Barcelona	PRESIDENT
Mr ELOY PLANES CORTS	Fundación Catalunya Cultura	PRESIDENT
Mr ELOY PLANES CORTS	Cambra de Comerç de Barcelona	1st VICE-PRESIDENT
Mr ELOY PLANES CORTS	Instituto de la Empresa Familiar	TRUSTEE
Mr ELOY PLANES CORTS	Fundación Empresa & Clima	TRUSTEE
Mr ELOY PLANES CORTS	Fixe Climbing, S.L.	REPRESENTATIVE OF DIRECTOR
Mr ELOY PLANES CORTS	A Lerele Inversions, S.L.	CHAIRMAN
Mr BERNAT GARRIGOS CASTRO	Aniol, S.L.	CEO

Identification of director or representative	Name of company, listed or not	Position
Mr BERNAT GARRIGOS CASTRO	Piumoc Inversions, S.L.U.	CEO
Mr BERNAT GARRIGOS CASTRO	Constralsa, S.L.	SOLE DIRECTOR
Mr BERNAT GARRIGOS CASTRO	Fundación Alive	PRESIDENT
Mr MICHAEL STEVEN LANGMAN	Rhône Group LLC and affiliated entities	CEO
Mr MICHAEL STEVEN LANGMAN	Hudson´s Bay Company (Rhône portfolio)	DIRECTOR
Mr MICHAEL STEVEN LANGMAN	Lummus Technology L.L.C. (Rhône portfolio)	DIRECTOR
Mr MICHAEL STEVEN LANGMAN	Vista Global Holding Limited (Rhône portfolio)	DIRECTOR
Mr MICHAEL STEVEN LANGMAN	Wellbore Integrity Solutions LLC (Rhône portfolio)	DIRECTOR
Mr MICHAEL STEVEN LANGMAN	Hospital for Joint Disease Musculoskeletal, NYU Langone Medical Center	DIRECTOR
Mr BRIAN MCDONALD	BLM Advisors, L.L.C.	SOLE DIRECTOR
Mr BRIAN MCDONALD	KPI Integrated Solutions	DIRECTOR
Mr BRIAN MCDONALD	Pueblo Mechanical	DIRECTOR
Mr BRIAN MCDONALD	US Naval Academy Athletics and Scholarship Foundation	TRUSTEE
Ms BARBARA BORRA	Franke Home Solutions	PRESIDENT-CEO
Ms BARBARA BORRA	Franke S.p.A.	PRESIDENT
Ms BARBARA BORRA	Franke France SAS	PRESIDENT
Ms BARBARA BORRA	Franke Kitchen Systems Egypt S.A.E.	PRESIDENT
Ms BARBARA BORRA	Franke UK Ltd.	CEO
Ms BARBARA BORRA	Franke (China) Kitchen System Co. Ltd.	PRESIDENT
Ms BARBARA BORRA	Franke Mexico S.A. de C.V.	PRESIDENT
Ms BARBARA BORRA	Franke Mutfak ve Banyo Sistemleri Sanayi ve Tic. A	PRESIDENT
Ms BARBARA BORRA	Franke Faber India Pvt. Ltd.	DIRECTOR
Ms BARBARA BORRA	Industrias Spar San Luis S.A.	DIRECTOR
Ms BARBARA BORRA	Franke Australia Pty Ltd	PRESIDENT
Ms BARBARA BORRA	Franke New Zealand	PRESIDENT
Ms ESTHER BERROZPE GALINDO	Attindas Hygiene Partners	CEO
Ms ESTHER BERROZPE GALINDO	Journey Personal Care Holdings Ltd. (UK)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Associated Hygiene Products LLC (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Attends Healthcare Products Inc. (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Laboratorios Indas S.A.U. (Spain)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Journey Personal Care Holdings LLC (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Journey Personal Care Holdings Corp. (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Journey DPC Holding Corp. (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Journey Personal Care Corp. (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Journey DPC Corp. (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	Attindas Hygiene Partners Inc. (US)	DIRECTOR
Ms ESTHER BERROZPE GALINDO	PCG Holding LLC (US)	DIRECTOR
Mr MANUEL PUIG ROCHA	Lyskamm 1861, S.L.	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Schwarzsee 2018, S.L.	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Exea Empresarial, S.L.	REPRESENTATIVE OF DIRECTOR
Mr MANUEL PUIG ROCHA	Inmo, S.L.	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Whymper 1865 S.C.R., S.A.	CHAIRMAN
Mr MANUEL PUIG ROCHA	Inmocol Torre Europa, S.A.	CHAIRMAN
Mr MANUEL PUIG ROCHA	Torre Puig LH 4648, S.L.	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Quaestor Investments, S.A.	CHAIRMAN
Mr MANUEL PUIG ROCHA	Puig, S.L.	REPRESENTATIVE OF DIRECTOR
Mr MANUEL PUIG ROCHA	Puig Brands, S.A.	DIRECTOR
Mr MANUEL PUIG ROCHA	Maveinn Inversiones Inmobiliarias, S.L.	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Sociedad Textil Lonia, S.A.	DIRECTOR
Mr MANUEL PUIG ROCHA	Tansiluxs, S.L.	JOINT DIRECTOR
Mr MANUEL PUIG ROCHA	Casa Fiesta Formentera y Asociados, S.L.	JOINT DIRECTOR
Mr MANUEL PUIG ROCHA	Charlotte Tilbury Limited	DIRECTOR

Identification of director or representative	Name of company, listed or not	Position
Mr MANUEL PUIG ROCHA	Aubelia, SAS	DIRECTOR
Mr MANUEL PUIG ROCHA	Beijing Yitian Shidai Trading Co., LLC	DIRECTOR
Mr MANUEL PUIG ROCHA	Byredo AB	DIRECTOR
Mr MANUEL PUIG ROCHA	Cosmetika SAS	DIRECTOR
Mr MANUEL PUIG ROCHA	Dries Van Noten Group NV	DIRECTOR
Mr MANUEL PUIG ROCHA	Ponteland Distribuiçao SA	DIRECTOR
Mr MANUEL PUIG ROCHA	Puig North America, INC	DIRECTOR
Mr MANUEL PUIG ROCHA	Puig SA	DIRECTOR
Mr MANUEL PUIG ROCHA	Inmo Montaigne	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Inmo USA INC	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Flamasats, S.L.	JOINT AND SEVERAL DIRECTOR
Mr MANUEL PUIG ROCHA	Isdin, S.A.	DIRECTOR
Mr MANUEL PUIG ROCHA	Inmobiliaria Colonial, SOCIMI, S.A.	DIRECTOR
Mr MANUEL PUIG ROCHA	Exea Capital, SCR, S.A.	CHAIRMAN
Mr MANUEL PUIG ROCHA	Real Automovil Club de Cataluña, S.L.	DIRECTOR
Ms AEDHMAR HYNES	IP Group Plc	DIRECTOR
Ms AEDHMAR HYNES	Jackson Family Wines	DIRECTOR
Ms AEDHMAR HYNES	Technoserve (Organización sin Ánimo de Lucro)	DIRECTOR
Ms AEDHMAR HYNES	Connecticut Public Broadcasting Network	TRUSTEE
Ms AEDHMAR HYNES	The Page Society	TRUSTEE
Mr OSCAR SERRA DUFFO	Boyser Solar, S.L.U.	DIRECTOR

State any other remunerated activities of directors or representatives of directors, irrespective of their nature, other than those indicated above:

Identification of director or representative	Other remunerated activities
Mr JORGE VALENTIN CONSTANS FERNANDEZ	He has provided business consultancy services for which he has received remuneration.
Mr BRIAN MC DONALD	He has provided consultancy services as an expert in the sector in relation to the acquisition of companies for which he has received remuneration.

Mr Bernat Garrigós Castro receives remuneration for his posts as CEO of Aniol, S.L. and as CEO of Piumoc Inversions, S.L.U.

Mr Oscar Serra Duffo receives remuneration for his post as executive chairman of Boyser, S.L.

Mr Bernardo Corbera Serra receives remuneration for his post as sole director of Beran Cartera, S.L.

Ms Barbara Borra receives remuneration for her post as President and CEO of Franke Home Solutions.

Mr Jorge Valentín Constans Fernández receives remuneration for his post as director of Puig, S.L.

Mr Michael Steven Langman receives remuneration for his post as managing director of Rhône Group LLC.

Mr Brian McDonald receives remuneration for his posts as director of KPI Integrated Solutions and of Pueblo Mechanical.

Ms Aedhmar Hynes receives remuneration for her posts as director of IP Group Plc and of Jackson Family Wines.

Mr Manuel Puig Rocha receives remuneration for his post as director of Lyskamm 1861, S.L. and for his posts as director on the boards of Puig Brands, S.A., Puig, S.A., Hotty Holdings, S.A, Inmobiliaria Colonial, SOCIMI, S.A. and Real Club Automóvil de Cataluña, S.L.

Ms Esther Berrozpe Galindo receives remuneration for her post as CEO of Attindas Hygiene Partners.

Mr Jose Manuel Vargas Gomez receives remuneration for his post as Executive Chairman and CEO in MaxamCorp Holding, S.L.

C.1.12. State and, if applicable, explain whether the company has established rules on the maximum number of boards on which directors may serve, identifying, where appropriate, where this is regulated:

☐ Yes

☑ No

Explanation of the rules and identification of the regulating document

In the Board of Directors Regulations of the Company, dated 13th December 2023, the Company established in article 25 that anyone who belonged to more than four (4) Boards of Directors

of listed companies other than the Company may not be appointed as a director of the Company.

C.1.13. State the following items relating to the total remuneration of the board of directors:

Remuneration of the board of directors accrued in the year (thousand euros)	4,068
Amount of funds accumulated by present directors under long-term saving systems with vested economic rights (thousand euros)	675
Amount of funds accumulated by present directors under long-term saving systems with non-vested economic rights (thousand euros)	
Amount of funds accumulated by former directors under long-term saving systems (thousand euros)	

Of the amount shown above of vested pension rights for present directors, 24 thousand euros accrued in 2023.

C.1.14.Identify the members of the company's senior management who are not executive directors and state the total remuneration accruing to them during the year:

Name	Position
Mr LENNIE RHOADES	DIRECTOR GENERAL DE NEGOCIO - AMERICAS
Mr JOE LINGUADOCA	DIRECTOR GLOBAL DE OPERACIONES
Mr STEPHEN MATYSIAK	DIRECTOR GENERAL DE NEGOCIO - APAC
Mr KEITH MCQUEEN	DIRECTOR GLOBAL DE TECNOLOGIA
Mr CARLOS FRANQUESA CASTRILLO	DIRECTOR GENERAL DE NEGOCIO - EMEA
Mr JAVIER TINTORÉ SEGURA	CHIEF FINANCIAL, SUSTAINABILITY & TRANSFORMATION OFFICER (CFSTO)
Mr MARTI GIRALT ADROHER	DIRECTOR INDUSTRIAL-EMEA
Mr NICOLÁS MARTÍNEZ FERNÁNDEZ	DIRECTOR GLOBAL DE AUDITORIA INTERNA Y CUMPLIMIENTO NORMATIVO
Ms SANDRA SOFIA TAVARES DA SILVA	DIRECTORA GLOBAL DE RECURSOS HUMANOS

Number of women in senior management	1
Percentage of total members of senior management	11.11

Total senior management remuneration (in thousand euros)	4,788

C.1.15. State whether the board regulations have been amended during the year:

☑ Yes

☐ No

Description of amendments

- The Board of Directors resolved, at its meeting of 30th March 2023, to approve an amendment of the Board of Directors Regulations, with effect from 10th May 2023, for the purpose of increasing the number of members of the Company's Board of Directors from twelve (12) to thirteen (13) members. The increase in the number of members of the Board of Directors seeks to achieve a greater number of perspectives and interests represented, with the aim of complying with best practice in good governance in the composition of the Board of Directors, while permitting the representation of other significant shareholders on the Board of Directors. In this regard, article 7 (quantitative composition) of the Board Regulations was amended. Furthermore, the occasion of the amendment was used to eliminate a reference in article 6 (qualitative composition) to the fact that the number of independent directors should represent at least one third (1/3) of the total number of directors, as this requirement has become outdated since the Company belongs to Ibex 35 and is now considered to be a large-cap company.

- Later, on 13th December 2023, the Board of Directors resolved to approve an amendment to the Board o Regulations, with effects from that date, for the purpose of reinforcing the effectiveness of the Board of Directors by accentuating the requisite of attendance at Board meeting, strengthening periodic evaluation of the Board and limiting the number of external boards to which directors may be appointed. Emphasizing the requisite to attend meetings of the Board of Directors seeks to foster full attendance at Board meetings, while strengthening the Board evaluation seeks to enrich it with additional objective contributions and the limit on the number of external boards to which directors may be appointed seeks to define additional quantitative standards of dedication to the Company, with the aim of complying with best practice in good governance. In this regard, articles 15 (Meetings of the Board of Directors), 16 (Conduct of meetings) and 25 (General obligations of Directors), respectively, were amended.

C.1.16. State the procedures for the selection, appointment, re-election and removal of directors. Describe the competent bodies, the procedures to be followed and the criteria applied in each procedure.

Article 17.1 of the Board Regulations establishes that directors will be appointed at the proposal of the Appointments and Remuneration

Committee, in the case of independent directors, and following a prior report by the Appointments and Remuneration Committee in the case of all other directors, by the General Shareholders' Meeting or by the Board of Directors. The proposal for appointment or re-election must be accompanied by a justificatory report from the Board assessing the competence, experience and merits of the proposed candidate, which will be attached to the minutes of the General Shareholders' Meeting or Board meeting.

In relation to external directors, article 18 of the Board Regulations establishes that the Board of Directors will strive to ensure that the elected candidates are persons of acknowledged solvency, competence and experience, and must exercise particular rigour in relation to those persons who are called upon to fill the positions of independent director established in article 6 of the Board Regulations.

In accordance with the provisions of the Appointments and Remuneration Committee Regulations, the Appointments and Remuneration Committee will evaluate the necessary skills, knowledge and experience in the Board and will define, consequently, the functions and aptitudes necessary in the candidates who are to fill each vacancy and will evaluate the time and dedication required for them to carry out their duties properly. For this purpose, it will, among others: (a) draw up a matrix of necessary skills of the Board of Directors to help the Appointments and Remuneration Committee to analyse the skills, knowledge and experience of the directors who are members of the Board and to define the functions and aptitudes of the candidates who are to cover any vacancies arising and (b) evaluate the time and dedication required for them to fulfil their duties effectively.

Removal of Directors: article 21.1 of the Board Regulations establishes that directors will be removed from their post when the period for which they were appointed has ended and when the General Meeting so decides making use of the faculties conferred on it by law or the Articles of Association. Reference should therefore be made to the situations established in the Companies Act, specifically in article 223 and following.

The Board may only propose the removal of an independent director before the end of the term established in the Articles of Association when there is due cause, observed by the Board following a report by the Appointments and Remuneration Committee. In particular, due cause will be deemed to exist when the director has failed to comply with the inherent duties of the position or has incurred in the course of the term of office in any of the circumstances of impediment described in the definition of independent director established in the Companies Act.

In accordance with the Selection Policy, the selection of candidates is based on a prior analysis of the needs of the Company, the group and the Board. The Board must ensure that the procedures for selecting its members favour diversity of gender, nationalities, countries of origin, cultural roots, experience and knowledge, so that they do not suffer from implicit bias that could lead to any kind of discrimination and, in particular, could hinder the selection of female candidates, promoting an increase in their presence in light of best corporate governance practice, subject at all times to the fundamental principle of merit and suitability of the candidate in line with the analysis of the Company's needs carried out by the Board of Directors. When a vacancy arises, the Board of Directors will instruct the Appointments and Remuneration Committee to draw up a report setting out the evaluation of the skills, knowledge and experience, and also the diversity that are necessary in the Board of Directors and define, consequently, the required functions and aptitudes of the candidates to fill each vacancy. Based on this report, the Board of Directors will carry out an analysis of the needs of the Company and the group, which is to serve as the starting point for the selection process. The Company may make use of the services of external advisors for the prior analysis of the Company's needs, the search for or evaluation of candidates to the post of director or the evaluation of their performance.

The candidate selection process must, in any case, avoid any kind of bias that could lead to discrimination and, in particular, could hinder the selection of persons of either sex.

Any director may ask the Appointments and Remuneration Committee to take potential candidates into consideration to cover vacancies on the Board, provided that they meet the requisites established in this Policy, for the Committee to decide whether it considers them suitable.

When the re-election of any director is being considered, the re-election proposal submitted to the General Meeting by the Board must be preceded by a report issued by the Appointments and Remuneration Committee. This report will evaluate, especially, the director's performance during his or her term of office and his or her capacity to continuing performing duties satisfactorily. In particular, in the case of independent directors, particular consideration will be given to the analysis of the Company's needs in order to determine whether the candidate for re-election can perform the functions and has the skills required by the Board, and for the second re-election, as the case may be, of an independent director, the Board of Directors may not propose to the General Meeting the re-lection for a term of more than two (2) years.

C.1.17. Explain the extent to which the annual evaluation of the board has given rise to significant changes in its internal organization and to the procedures applicable to its activities:

Description of changes

In accordance with the provisions of the Appointments and Remuneration Committee Regulations, the Appointments and Remuneration Committee will evaluate the necessary skills, knowledge and experience on the Board of Directors and will define the necessary duties and aptitudes of the candidates to fill each vacancy accordingly, and will evaluate the time and dedication required in order to discharge the duties well. For this purpose: (a) it will draw up a matrix of necessary skills of the Board of Directors to help the Appointments and Remuneration Committee to analyse the skills, knowledge and experience of the directors who are members of the Board and to define the functions and aptitudes of the candidates who are to cover any vacancies arising; (b) it will evaluate the time and dedication required for them to fulfil their duties effectively; and (c) it will promote programs to update directors' knowledge, when necessary.

The Appointments and Remuneration Committee will also promote and co-ordinate the annual performance evaluation process of the Board of Directors, the Chairman of the Board, its Committees, their members and of executive directors.

In 2023, the evaluation of the Board has been carried out internally. Fluidra regularly (once every three years at most) conducts evaluations of the operation and composition of the Board of Directors and its Committees assisted by an external consultant, the last independent evaluation having taken place in this manner in 2021, by the external consultant Seeliger y Conde.

The conclusion reached is that the functioning of the Board of Directors is adequate. No significant changes in internal organization have taken place in 2023. However, there have been changes in the procedures applicable to its activities, improving the mechanics of the Board of Directors (improving the quality of debates and including more strategic discussions) and the skills of its members (with training on IoT and digital) and promoting a greater diversity of gender on the Board.

Describe the evaluation process and the areas evaluated by the board of directors, assisted, as the case may be, by an external consultant, regarding the operation and composition of the board and its committees and any other area or aspect that has been evaluated.

Description of evaluation process and areas evaluated

The evaluation of the Board of Directors has been carried out without the participation of an external consultant and taking into account not only the recommendations of the Good Governance Code for Listed Companies but also international best practice in corporate governance.

The purpose of the evaluation is to evaluate the Board's performance and provide a framework for self-assessment of its skills and competences by responding to a series of questions and statements. The questionnaire is organized in four parts: the first analyses the mechanics, the organization, the structure and the performance of the Board, the second is a self-assessment of skills which examines the capabilities of each of its members, the third part concerns training needs and the last part asks for suggestions to improve the general functioning of the Board.

In 2023, the results and conclusions of the evaluation carried out in December 2022 were submitted to the Chairman of the Board of Directors and the Chair of the Appointments and Remuneration Committee, and the following action plans were defined: (i) Improve the quality of debates in the Board, including more strategic discussions; (ii) Increase the skills and knowledge of the Board with regard to digital aspects and the IoT; and (iii) Promote greater gender diversity in the Board of Directors.

The results of the Board evaluation carried out in 2023 have been reviewed and approved by the Appointments and Remuneration Committee. The summary setting out the conclusions has confirmed the good health of the Board of Directors of Fluidra and its committees, and suggestions for improvement were made which the Board has put into practice in 2023 to continue to make progress in the continuous improvement of Fluidra's governance bodies.

C.1.18. In years when the evaluation has involved the assistance of an external advisor, detail any business relationship that the consultant or any company of its group have with the company or any of the group companies.

In 2018 and 2021 the evaluation of the Board of Directors was carried out by the external consultant Seeliger y Conde. Seeliger y Conde also provides certain advisory services to the Company, consisting of, among other, support for selection processes, which in any event do not conflict with the Company.

C.1.19. State the circumstances in which the resignation of directors is mandatory.

In accordance with article 21.2 of the Board Regulations, directors must offer their resignation to the Board of Directors, formalizing their resignation if the Board so decides, in the following cases:

a) When they cease to hold the executive position to which their appointment as director was associated.

b) When they incur in any of the situations of incompatibility or prohibition established by law.

c) When they are severely reprimanded by the Board of Directors because of breaching their obligations as directors.

d) When their continued presence on the Board could jeopardize or damage the Company's interests, credit or reputation or when the reasons for which they were appointed no longer exist (for example, when a proprietary director disposes of its shareholding in the Company). In particular, directors will be required to inform the Board of Directors and, as the case may be, resign when situations affecting them arise, whether or not they are related to their performance in the Company, that could damage the Company's credit and reputation, and particularly in relation to any criminal case in which they are named as investigated persons. The Board of Directors will examine the case and decide, following a report from the Appointments and Remuneration Committee, whether or not it should take any measure, such as commencing an internal investigation, requesting the director's resignation or proposing his or her removal.

e) In the case of independent directors, they may not remain in their position as such for a continued period of more than 12 years, and therefore at the end of that term they must offer their resignation to the Board of Directors.

f) In the case of proprietary directors (i) when the shareholder they represent sells the shareholding in full and; furthermore (ii) in respect of the corresponding number, when the aforesaid shareholder reduces its shareholding to a level that requires a reduction in the number of proprietary directors.

Article 21.3 also establishes that, in the event that a director ceases to hold his or her position before the end of the term of office, due to resignation or any other reason, the aforesaid director must explain the reasons in a letter which will be sent to all members of the Board.

C.1.20. Are qualified majorities, different from the statutory majorities, required to adopt any type of decision?

☐ Yes

☑ No

If so, describe the differences.

C.1.21. Explain whether there are specific requirements, other than the requirements relating to directors, in order to be appointed chairman of the board of directors:

☑ Yes

☐ No

Description of requirements

In accordance with the provisions of article 8 of the Board Regulations, the Chairman of the Board of directors will be elected out of the Board members with the favourable vote of at least nine (9) Board members, as established in the Company's Articles of Association, following a report from the Appointments and Remuneration Committee. The removal of the Chairman of the Board will require that the corresponding resolution be passed with the favourable vote of at least nine (9) members of the Board of Directors.

C.1.22. State whether the Articles of Association or the Board regulations establish any age limit for directors:

☐ Yes

☑ No

C.1.23. State whether the Articles of Association or the Board regulations establish any limit on the term of office or other stricter requisites in addition to those established by law for independent directors, that is different from the term established by regulatory provisions:

☐ Yes

☑ No

C.1.24. State whether the Articles of Association or the Board regulations establish specific rules for proxy voting at Board meetings through other directors, the manner of doing so and, in particular, the maximum number of delegations that a director may hold, as well as whether any restriction has been established regarding the categories of directors who may be delegated, beyond the restrictions imposed by legislation. If so, briefly describe such rules.

As established in article 16 of the Board Regulations, Directors shall make every effort to attend all Board meetings and when it is impossible for them to attend in person for justified reasons, they will grant representation in writing, on a special basis for each meeting, appointing another member of the Board as proxy with the pertinent instructions and notifying the Chairman of the Board of Directors of this. Non-executive directors may only delegate another non-executive director to represent them.

C.1.25. State the number of meetings that the board of directors has held during the year. In addition, specify the number of times the board has met, if any, at which the chairman was not in attendance. Proxies granted with specific instructions shall be counted as attendance.

Number of meetings of the board	8
Number of board meetings at which the Chairman was not in attendance	0

State the number of meetings held by the lead independent director with the other directors, at which no executive director was present or represented:

Number of meetings	1

State the number of meetings held by the different committees of the board during the year:

Number of meetings of theAudit Committee	8
Number of meetings of the Executive, Strategy and ESG Committee	6
Number of meetings of the Appointments and Remuneration Committee	8

C.1.26. State the number of meetings that the board of directors has held during the year and data on attendance of its members:

Number of meetings at which at least 80% of the directors were present in person	8
% of personal attendance with respect to total votes during the year	100.00
Number of meetings at which all directors were present in person or represented by proxies with specific instructions	8
% of votes cast by directors present in person or represented by proxies with specific instructions compared to total votes during the year	100.00

C.1.27. State whether the individual and consolidated annual accounts that are submitted to the board are previously certified:

☐ Yes

☑ No

Identify, if applicable, the person/persons that has/have certified the individual and consolidated annual accounts of the company for preparation by the board:

C.1.28. Explain the mechanisms, if any, established by the board of directors so that the annual accounts that the board of directors submits to the general shareholders' meeting are drawn up in accordance with accounting legislation.

As established in article 38.3 of the Board Regulations, the Board of Directors will strive to draw up the accounts definitively in such a way that they are prepared in accordance with accounting legislation. In exceptional cases in which there are qualifications, both the Chairman of the Audit Committee and the external auditors will explain clearly to the shareholders at the General Meeting the Audit Committee's opinion on their content and scope. However, when the Board considers that it should uphold its criteria, it will explain publicly the content and scope of the discrepancy, making a summary of that opinion available to shareholders at the time of publishing the notice of the General Meeting.

C.1.29. Is the secretary of the board a director?

☐ Yes

☑ No

If the secretary is not a director, complete the following table:

Name of secretary	Representative
Mr ALBERT COLLADO ARMENGOL	

C.1.30. State the specific mechanisms established by the company to preserve the independence of the external auditors and the mechanisms, if any, to preserve the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

To preserve the independence of the external auditors:

Article 8 of the Audit Committee Regulations establishes that the committee will exercise the following powers in relation to the external auditor or audit firm:

- Submit to the Board proposals for the selection, appointment, re-election and replacement of the external auditor or audit firm, and their contract conditions, according to the criteria indicated in the same Regulations (resources, experience and geographical coverage of the audit firm; availability of personnel with the necessary skills, technical resources, independence of the audit firm, non-discrimination and quality and effectiveness of the service);
- Meet with the external auditor or audit firm and receive regular information on the progress and results of the audit program, and verify that the management team acts in accordance with their recommendations (meetings that will discuss, among other matters, the suitability of the scope of the consolidation, significant changes in policy or significant weaknesses in internal control).
- Ensure the independence of the auditor or audit firm in carrying out its duties (in this regard, the Audit Committee will issue a report each year, before the audit report on the accounts is issued, in which it will express an opinion on the independence of the auditors);
- Favour that the auditor of the group undertake responsibility for the audits of the companies that make up the group.
- Guarantee fluid and permanent communication with the auditor, requesting information on the audit plan, its effectiveness and any other matter related to the audit process. These communications must be made together with the duties and obligations of each party to assure the external

auditor's independence. These communications will be made at annual meetings, most of which will be held without the presence of Company management.

In turn, article 54 of the Company's Articles of Association establishes that the auditors are to be appointed by the General Meeting before the end of the financial year that is to be audited, for an initial term, which may not be less than three years nor more than nine years, as of the date on which the first financial year to be audited commences, notwithstanding the provisions established in the legislation regulating the audit activity with regard to the possibility of an extension.

The General Meeting may appoint one or several natural or legal persons who will act jointly.

When the persons appointed are natural persons, the General Meeting must appoint as many alternates as principal auditors.

The General Meeting may not revoke the auditors' appointment before the end of the term for which they were appointed, unless there is due cause.

The Audit Committee will refrain from proposing to the Board of Directors, and the latter in turn will refrain from submitting to the General Meeting, the appointment as auditor of the Company's accounts of any firm that incurs in a cause of incompatibility under legislation on auditing as well as any firms in which the fees to be paid to them by the Company, for all services, are more than five per cent of their total revenues during the last financial year.

To preserve the independence of financial analysts, investment banks and rating agencies:

The Company maintains relations with financial analysts and investment banks in which it ensures the transparency, non-discrimination, veracity and reliability of the information provided. Corporate Financial General Management, through Investor Relations Management, is responsible for co-ordinating relations with and handling requests for information from institutional or private investors. The mandates to investment banks are granted by Corporate Financial General Management while Analysis and Planning Management handles the work with such banks.

In 2018 the Company obtained credit ratings from Moody´s and Standard & Poor's, which are published on the company's website and were originally reported to the market through Relevant Event notices number 261590 and number 268995. These credit ratings from Moody's and Standard & Poor's were updated and confirmed respectively on 13th March and 28th June 2023.

The independence of financial analysts is protected by the existence of Investor Relations Management which is specifically dedicated to dealing with them, guaranteeing objective, equitable and non-discriminatory treatment among investors. To guarantee the principles of transparency and non-discrimination, and complying at all times with the regulations on the Securities Market, the Company has several communication channels:

- Personalized attention to analysts and investors
- Publication of information on quarterly, half-yearly and annual results, communications of privileged information and other relevant information. Publication of press releases.
- E-mail on the website (investor_relations@fluidra.com, accionistas@fluidra.com). Shareholder information telephone service (34 937243900)
- Presentations, both face-to-face and by telephone. Visits to the Company's premises

All this information is accessible through the Company's website (www.fluidra.com).

C.1.31. State whether the Company has changed the external auditor. If so, identify the incoming and outgoing auditor:

☐ Yes

☑ No

f there has been any disagreement with the outgoing auditor, explain the content of such disagreements:

☐ Yes

☑ No

C.1. 32. State whether the audit firm performs other non-audit work for the company and/or its group. If so, state the amount of the fees received for such work and the percentage this amount represents of the fees billed to the company and/or its group for audit work:

☑ Yes

☐ No

	Company	Group companies	Total
Amount of other non-audit work (thousand euros)	105	12	117
Amount of non-audit work / Amount of audit work (%)	75.10	0.84	7.60

C.1.33. State whether the audit report on the annual accounts for the previous year has qualifications. If so, state the reasons given to the shareholders at the General Meeting by the chairman of the audit committee to explain the content and scope of such qualifications.

☐ Yes

☑ No

C.1.34. State the number of years for which the current audit firm has been auditing the company's individual and/or consolidated annual accounts without interruption. Also state the percentage that the number of years audited by the current audit firm represents with respect to the total number of years in which the annual accounts have been audited:

	Individual	Consolidated
Number of years without a break	8	8

	Individual	Consolidated
No. of years audited by current audit firm / No. of years the company or its group has been audited (%)	40.00	36.40

C.1.35. State whether there is a procedure to ensure directors have the necessary information to prepare meetings of management bodies sufficiently in advance and, if so, describe it:

☑ Yes

☐ No

Description of the procedure

Fluidra adopts the necessary measures so that directors receive, whenever possible, sufficiently in advance the necessary information, specifically drawn up and oriented in order to prepare the meetings of the Board and its Committees.

In this regard, in accordance with article 15 of the Board Regulations, notice of the meetings of the Board of Directors is to be issued at least five days in advance and will always include the agenda for the meeting and the information necessary to deliberate on and pass resolutions on the matters to be discussed included in the agenda, unless the meeting of the Board of Directors has been held or convened exceptionally for reasons of urgency. The Chairman, as the person responsible for the efficient operation of the Board, with the Secretary's collaboration, will ensure that directors receive such information adequately. The Chairman of the Board of Directors may convene extraordinary meetings of the Board when in his opinion the circumstances so require, and in such cases the term of advance notice and other requisites indicated above do not apply. However, every effort will be made to ensure that any documentation that is to be provided to the Directors is delivered sufficiently in advance. Furthermore, Board meetings will be deemed valid without the need to have been previously convened if all the members are present or represented and agree unanimously to hold a meeting.

Furthermore, the Board and its Committees have an action plan that details and schedules the activities to be carried out each year, according to the competences and tasks assigned to them.

To provide all the information and clarifications necessary in relation to the matters discussed, the principal senior managers of the Group regularly attend the meetings of the Board and its Committees, to provide information on matters within their area of competence. Furthermore, article 22 of the Board Regulations establishes as follows:

1. Any director may request information on any matter that falls under the competence of the Board and, in this regard, examine its books, records, documents and other documentation. The right to information extends to companies in which a stake is held, whenever possible.

2. The request for information should be addressed to the Secretary of the Board of Directors, who will convey it to the Chairman of the Board of Directors and the appropriate person in the Company.

3. The Secretary will inform the director of the confidential nature of the information he or she requests and receives and of the duty of confidentiality in accordance with the Board Regulations.

C.1.36. State whether the company has established any rules requiring directors to inform the company and, as the case may be, resign, when situations affecting them occur, whether or not they are related to their actions in the company, that could be damaging to the company's credit and reputation, and, if so, provide a detailed description:

☑ Yes

☐ No

Explain the rules

Article 32.2 of the Board Regulations establishes the obligation for directors to inform the Company in any cases that might damage the company's credit or reputation and, in particular, to inform the Board of any criminal investigations in which they are involved as investigated persons, as well as the subsequent procedural phases, any disqualification procedures initiated against them, any near-insolvency economic situations of any trading companies in which they hold stakes or which they represent or, as the case may be, the commencement of insolvency proceedings against such companies.

This same article also establishes that in the event that a director is prosecuted or a court order is issued against a director for the commencement of a trial for any of the criminal offences listed in article 213 of the Companies Act, the Board will examine the case as soon as possible and, in light of its specific circumstances, will decide whether or not the director is to remain in office.

C.1.37. State whether the board has been informed or is otherwise aware of any situation affecting a member of the board, whether or not it is related to that member's actions in the company, that could be damaging to the company's credit or reputation, unless there are special circumstances that have been duly noted in the minutes:

☐ Yes

☑ No

C.1.38. Describe the significant agreements entered into by the company that come into effect, are amended, or terminate in the event of a change in control at the company as a result of a takeover bid, and the effects thereof.

Not applicable

C.1.39. Identify individually, when directors are involved, and on an aggregate basis in all other cases, and provide a detailed description of the agreements between the company and its management level and decision-making positions or employees that provide for indemnities, guarantee or "golden parachute" clauses upon resignation or unfair dismissal, or if the contractual relationship is terminated as a result of a takeover bid or other type of transaction.

Number of beneficiaries	10
Type of beneficiary	**Description of the agreement**
Executive Chairman /CEO / Senior Managers	The Executive Chairman's contract establishes compensation in the event of termination of his contract by Fluidra for any reason, except in the event of serious and culpable or negligent breach of his obligations as an executive director, for an amount equal to two years' salary, based on the gross fixed annual salary received in the year termination occurs and the gross variable annual salary received. He will also be entitled to receive this compensation if he decides to end the contract by choice, provided that this is for any of the following causes: serious breach by the Company of the obligations acquired relating to his post. Reduction and substantial limitation of his duties or powers. Substantial modification of the conditions agreed in the contract. Change of ownership of the share capital of Fluidra, whether or not there is any variation in the Company's governing bodies. The amount of this compensation includes the legal compensation that he would be entitled to receive for termination of his previous employment relationship, of sixteen years and seven months, which was suspended by his appointment as a director. The contract includes a post-contractual non-compete clause for a term of two years after the end of provision of services. The economic compensation established for the obligation undertaken by virtue of the non-compete clause is two years' fixed gross annual salary at the time of termination of the contract. The CEO's contract establishes compensation in the event of termination of his contract by Fluidra for any reason, except in the event of serious and culpable or negligent breach of his obligations as an executive director, for an amount equal to one year's salary, based on the gross fixed annual salary received in the year termination occurs and the gross target variable annual salary. He will also be entitled to receive this compensation if he decides to end the contract by choice, provided that this is for any of the following causes: serious breach by the Company of the obligations acquired relating to his post. Reduction and substantial limitation of his duties or powers. Substantial modification of the conditions agreed in the contract. Change of ownership of the share capital of Fluidra, whether or not there is any variation in the Company's governing bodies. The economic compensation deriving from the non-compete clause is included in the amount of the remuneration established for the director. The contract includes a post-contractual non-compete clause for a term of two years after the end of provision of services. Senior Managers: Non-compete and non-solicitation. One Senior Manager has a post contractual non-compete and non-solicitation clause for a term of 12 months with no additional compensation. One Senior Manager has a post-contractual non-compete and non-solicitation clause for a term of 12 months with no additional compensation. One Senior Manager has a post-contractual non-solicitation clause for a term of 12 months with no additional compensation. One Senior Manager has a post-contractual non-compete clause with a term of 18 months, and 15% of this fixed remuneration comprises the remuneration of this obligation. One Senior Manager has a post-contractual non-compete clause for a term of 18 months, with 15% of his fixed remuneration serving to remunerate this obligation, and the amount received in this respect must be at least equal to 1.5 times his fixed remuneration on the date of termination, otherwise the difference must be paid. Two Senior Managers have a post-contractual non-compete clause for a term of 12 months, with 15% of their fixed remuneration being the remuneration for this obligation. For one of them the amount received in this respect must be at least equal to 1 times his fixed remuneration on the date of termination, otherwise he must be paid the difference. Guarantee clauses in the event of termination. One Senior Manager is entitled to receive compensation in the event of termination of his contract by Fluidra for any reason, except in the event of fair dismissal, the amount of which is equal to one year's fixed gross annual salary at the time of termination. Two Senior Managers are entitled to receive compensation in the event of termination of their contract by the Group for no cause or by the Senior Manager with cause, for an amount equal to one year's gross fixed salary, the higher of the annual variable target and the last annual variable remuneration received, payment of medical insurance for a term or not more than 6 months in the case of one Senior Manager and 12 months in the case of the other and payment of an outplacement service in the case of one of them. One Senior Manager is entitled to receive compensation in the event of termination of his control as a result of a change in control, for an amount equal to one year's gross fixed salary, payment of medical insurance for a term of not more than 6 months and payment of an outplacement service for a maximum of 2 months.

State whether, beyond the cases established by law, such contracts have to be reported to and/or approved by the decision-making bodies of the company or its group. If so, specify the procedures, cases envisaged and the nature of the bodies responsible for approval or reporting:

	Board of Directors	General Meeting
Body that authorizes the clauses	√	

	Yes	No
Is the General Meeting informed of the clauses?	√	

C.2. Committees of the board of directors

C.2.1. Describe all the committees of the board of directors, their members and the proportion of executive, proprietary, independent and other external directors of which they are comprised:

Audit Committee

Name	Position	Category
MR JOSÉ MANUEL VARGAS GÓMEZ	MEMBER	Proprietary
MR JORGE VALENTÍN CONSTANS FERNÁNDEZ	MEMBER	Independent
MR BERNAT GARRIGOS CASTRO	MEMBER	Proprietary
MR BRIAN MC DONALD	CHAIRMAN	Independent
MS ZPE GALINDO	MEMBER	Independent

% executive directors	0.00
% proprietary directors	40.00
% independent directors	60.00
% other external directors	0.00

Explain the duties assigned to this committee, including, if appropriate, those that are in addition to the duties established by law, and describe the procedures and rules of organization and operation thereof. For each of these duties, state the most important actions carried out during the year and how each of the duties assigned to it, either by law or the Articles of Association or in corporate resolutions, has been exercised in practice.

The functions of the Audit Committee, and its procedures and rules of organization and operation, are set out in article 13 of the Board of Directors Regulations, and in the Audit Committee Regulations. In this regard, the duties assigned to this Committee correspond mainly to those established by law and duties deriving from good governance recommendations and the Audit Committee Technical Guide. Certain additional duties are included in article 10 of the Audit Committee Regulations, principally with regard to compliance.

The most relevant activities carried out by this Committee in 2023 are detailed in the annual report on the activities of the Audit Committee for 2023, available at www.fluidra.com.

Identify the directors who are members of the audit committee and who have been appointed taking into account their knowledge and experience in the areas of accounting, auditing, or both, and report the date of appointment of the chairman of this committee.

Name of directors with experience	Mr JOSÉ MANUEL VARGAS GÓMEZ / Mr JORGE VALENTÍN CONSTANS FERNÁNDEZ / Mr BERNAT GARRIGOS CASTRO / Mr BRIAN MC DONALD / Ms ESTHER BERROZPE GALI
Date of appointment of chairman to that post	05/12/2020

Executive, Strategy and ESG Committee

Name	Position	Category
MR JOSÉ MANUEL VARGAS GÓMEZ	MEMBER	Proprietary
MR OSCAR SERRA DUFFO	MEMBER	Proprietary
MR JORGE VALENTÍN CONSTANS FERNÁNDEZ	MEMBER	Independent
MR ELOY PLANES CORTS	CHAIRMAN	Executive
MR BRUCE WALKER BROOKS	MEMBER	Executive
MS BARBARA BORRA	MEMBER	Independent
MS AEDHMAR HYNES	MEMBER	Independent

% executive directors	28.57
% proprietary directors	28.57
% independent directors	42.86
% other external directors	0.00

Explain the duties delegated or assigned to this committee other than those already described in section C.1.9, and describe the procedures and rules of organization and operation thereof. For each of these duties, state the most important actions carried out during the year and how each of the duties assigned to it, either by law or the Articles of Association or in other corporate resolutions, has been exercised in practice.

The duties of the Executive, Strategy and ESG Committee, and its procedures and rules of organization and operation, are set out in article 12 of the Board of Directors Regulations:

(i) To advise and propose to the Board of Directors actions of strategic relevance on the Company's growth, development, diversification, business transformation and technology.

(ii) To advise the Board of Directors on the Company's long-term strategy, identifying new value creation opportunities and submitting corporate strategy proposals to the Board of Directors in relation to new investment or divestment opportunities, financial operations with a material accounting impact and relevant technological or structural organizational transformations.

To study and propose to the Board of Directors recommendations and improvements concerning strategic plans and any updates thereto from time to time that are to be approved by the Board of Directors.

(iii) To advise the Board of Directors on ESG, including the following functions:

1. To advise on and propose the ESG strategy, and to propose the Company's sustainability and environmental policies.

2. To ensure that ESG is part of the Company's strategic business plans, acknowledging the strategic component that ESG represents for the Company.

3. To report to the Board of Directors on possible amendments and periodic updates of the ESG strategy, including the Company's strategy in relation to social action, the policies on diversity and integration, human rights, equal opportunities and work-life balance, regularly evaluating its degree of compliance and submitting to the Board of Directors proposals for improvement which it considers to be in the Company's best interest.

The Executive, Strategy and ESG Committee will not under any circumstances undertake oversight and control duties in relation to ESG, as these are attributed, in accordance with the provisions of their respective regulations, to the Audit Committee and the Appointments and Remuneration Committee, as the case may be.

(iv) The Board may ask the Committee to draw up reports on matters that come under its sphere of action.

The Executive, Strategy and ESG Committee will make proposals and recommendations to the Board of Directors on the actions it considers appropriate in the sphere of competences described in paragraphs (i) to (iv) above, but it will not have powers to make any decision on the Company's behalf, as the ultimate decision-making powers on such matters correspond to the Board of Directors and, where appropriate under the applicable regulations, the General Meeting.

Appointments and Remuneration Committee

Name	Position	Category
Ms ESTHER BERROZPE GALINDO	CHAIRWOMAN	Independent
Mr BERNARDO CORBERA SERRA	MEMBER	Propietary
Mr JORGE VALENTÍN CONSTANS FERNÁNDEZ	MEMBER	Independent
Mr MICHAEL STEVEN LANGMAN	MEMBER	Propietary

% executive directors	0
% proprietary directors	50.00
% independent directors	50.00
% other external directors	0

Explain the duties assigned to this committee, including, if appropriate, those that are in addition to the duties established by law, and describe the procedures and rules of organization and operation thereof. For each of these duties, state the most important actions carried out during the year and how each of the duties assigned to it, either by law or the Articles of Association or in corporate resolutions, has been exercised in practice.

The duties of the Appointments and Remuneration Committee, and its procedures and rules of organization and operation, are set out in article 14 of the Board of Directors Regulations, and in the Appointments and Remuneration Committee Regulations. In this regard, the duties assigned to this Committee correspond mainly to those established by law and duties deriving from good governance recommendations and the Appointments and Remuneration Committee Technical Guide.

The most relevant activities carried out by this Committee in 2023 are detailed in the annual report of the activities of the Appointments and Remuneration Committee for 2023, available at www.fluidra.com.

C.2.2. Complete the following table with information regarding the number of female directors on the committees of the board of directors at the end of the last four years:

	Number of female director							
	2023		2022		2021		2020	
	Number	%	Number	%	Number	%	Number	%
Audit Committee	1	20.00	0	0.00	0	0.00	1	25.00
Executive, Strategy and ESG Committee	2	28.57	1	16.67	0	0.00	0	0.00
Appointments and Remuneration Committee	1	25.00	1	25.00	1	25.00	0	0.00

C.2.3. State, if applicable, the existence of regulations of the board committees, where such regulations may be consulted, and any amendments made during the year. Also state whether any annual report on the activities of each committee has been prepared voluntarily.

APPOINTMENTS AND REMUNERATION COMMITTEE

The Committee is regulated in the Board of Directors Regulations (article 14), and in the Appointments and Remuneration Committee's own Regulations. Both Regulations are published on the Company's website. The Company draws up an annual report on the activity of the Appointments and Remuneration Committee, the contents of which are published together with the informative documentation for shareholders in relation to the Ordinary General Shareholders' Meeting.

AUDIT COMMITTEE

The Committee is regulated in the Board of Directors Regulations (article 13) and in the Internal Rules of Conduct, and also in the Audit Committee's own Regulations. All three Regulations are published on the Company's website. The Company draws up an annual report on the activity of the Audit Committee, the contents of which are published together with the informative documentation for shareholders in relation to the Ordinary General Shareholders' Meeting.

EXECUTIVE, STRATEGY AND ESG COMMITTEE

The Committee is regulated in the Board of Directors Regulations (article 12), which are published on the Company's website.

D. Related-party transactions and intragroup transactions

D.1. Explain any procedure and the competent bodies for the approval of related-party and intragroup transactions, indicating the company's general internal criteria and rules regulating the obligations of affected directors or shareholders to abstain and detailing the internal reporting and periodic control procedures established by the company in relation to related-party transactions the approval of which has been delegated by the Board of Directors.

In accordance with the provisions of article 33 of the Fluidra Board Regulations, any transaction carried out by the Company or its subsidiaries with its Directors, shareholders holding 10% or more of the voting rights or shareholders with representation on the Board or with any other persons to be considered related parties in the terms established by law, provided that, under ruling legislation, they are deemed to be related-party transactions and unless approval corresponds to the General Meeting, will be submitted for authorization by the Board of Directors, subject to a favourable prior report from the Audit Committee. This authority may not be delegated except in the cases and under the terms established by law.

On one hand, when a related-party transaction has to be approved by the General Shareholders' Meeting, the proposed resolution for approval adopted by the Board of Directors must be submitted to the General Meeting indicating in that proposal whether it has been approved by the Board of Directors with or without a vote against it by a majority of the Independent Directors.

On the other hand, when the Board of Directors delegates the approval of related-party transactions in accordance with the provisions of the law, it will establish in relation to such transactions an internal reporting and periodic control procedure, which will involve the Audit Committee, to verify the equity and transparency of such transactions and, as the case may be, compliance with the applicable legal criteria. These transactions will not require a prior report by the Audit Committee.

In relation to the obligations of affected directors or shareholders to abstain, article 33.2 of the Board Regulations establishes that the directors affected by one of these transactions, approval of which corresponds to the Board of Directors and has not been delegated, must refrain from participating in the deliberation and vote on the resolution in question, as established by law, and therefore the number of affected directors will be subtracted for the purposes of determining the quorum and voting majority in relation to the matter in question.

D.2. Disclose individually any transactions that are significant due to their amount or subject-matter carried out between the company or group companies and shareholders holding 10% or more of the voting rights or represented on the company's Board of Directors, stating what body was competent for approving them and whether any affected shareholder or director has abstained. If competence lay with the General Meeting, state whether the proposed resolution has been passed by the Board without a majority of the independent directors voting against it:

Name of shareholder or any of its group companies	% shareholding	Name of company or group company	Amount (thousand euros)	Body that approved the transaction	Identification of significant shareholder or director that abstained	Proposal to General Meeting, if applicable, was passed by the Board without vote against of majority of independent directors
No data						

Name of shareholder or any of its group companies	Nature of the relationship	Type of transaction and other information necessary to evaluate it
No data		

D.3. Disclose individually any transactions that are significant due to their amount or subject-matter carried out between the company or group companies and the company's directors or senior managers, including transactions with entities which the director or senior manager controls or controls jointly, and stating what body was competent for approving them and whether any affected shareholder or director has abstained. If competence lay with the General Meeting, state whether the proposed resolution has been passed by the Board without a majority of the independent directors voting against it:

Name of directors or senior managers or their controlled entities or under joint control	Name of company or group compan	Relationship	Amount (thousand euros)	Body that approved the transaction	Identification of significant shareholder or director that abstained	Proposal to General Meeting, if applicable, was passed by the Board without vote against of majority of independent directors
No data						

Name of directors or senior managers or their controlled entities or under joint control	Nature of the transaction and other information necessary to evaluate it
No data	

D.4. Report individually any transactions that are significant due to their amount or subject-matter carried out by the company with its parent company or with other companies belonging to the same group as the parent company, including the listed company's own subsidiaries, unless no other related party of the listed company has an interest in these subsidiaries or they are wholly owned, directory or indirectly, by the listed company.

In any case, report any intragroup transaction with entities established in countries or territories considered to be tax havens:

Name of the group company	Brief description of the transaction and other information necessary to evaluate it	Amount (thousand euros)
No data		

D.5. Disclose individually any transactions that are significant due to their amount or subject-matter carried out by the company or its subsidiaries with other related parties so considered in accordance with the International Accounting Standards adopted by the EU that have not been reported under previous headings:

Name of the group company	Brief description of the transaction and other information necessary to evaluate it	Amount (thousand euros)
IBERSPA, S.L.	Purchase of goods by FLUIDRA group from IBERSPA.	6,763

D.6. Describe the mechanisms established to detect, determine and resolve potential conflicts of interest between the company and/or its group, and its directors, senior managers, significant shareholders or other related parties.

In accordance with the provisions of the Fluidra Board of Directors Regulations, a Board member must inform the Board of Directors of the existence of any conflicts of interest and refrain from attending and intervening in the deliberations that affect matters in which that member is subject to a conflict of interest, unless the applicable legislation authorizes him/her to do so. A conflict of interest of the Board member is also considered to exist when the matter affects any of the following persons: the spouse or person with a similar relationship; ascendants, descendants and siblings and their respective spouses or persons with a similar relationship; ascendants, descendants and siblings of the spouse or person with a similar relationship; companies or entities in which the Board member has, directly or indirectly, including through a proxy, a shareholding that gives him or her a significant influence or the Board member holds in them or in their parent company a post in the governing body or in senior management; for these purposes, any shareholding of 10% or more in the share capital or the voting rights or by virtue of which it has been possible to obtain, in fact or in law, representation on the company's governing body, is presumed to grant significant influence: and, in the case of proprietary directors, the shareholder or shareholders who proposed their appointment or appointed them or persons related directly or indirectly to them.

In any case, Board members may not use the Company's name or cite their status as Board members in order to carry out transactions on their own account or on the account of persons related to them. Board members may not carry out, directly or indirectly, professional or commercial transactions with the Company unless authorized by the Board in the terms established by law, in the Articles of Association and in the Board Regulations.

Board members must report any direct or indirect stake that they or their related persons hold in the capital of a company with the same, a similar or complementary kind of activity to that which constitutes the corporate object. Furthermore, Board members may not engage, on their own account or on the account of another, in the same, a similar or complementary kind of activity to that which constitutes the corporate object and may not hold the post of Board member or senior manager in companies that are competitors of the Company, except for any posts they may hold, as the case may be, in group companies, unless they obtain the express authorization of the General Meeting and notwithstanding the provisions of the Companies Act.

Situations of conflict of interest of the Board members will be disclosed in the annual report.

Furthermore, article 10 of the Company's Internal Rules of Conduct establishes as follows in relation to conflicts of interest:

Subject Persons in a situation of conflict of interest must observe the following general principles of conduct: Independence: Subject Persons must act at all times with freedom of judgement, with loyalty to the Company and its shareholders and independently of their own interests or those of any other party. Consequently, they will refrain from favouring their own interests to the expense of the Company's interests.

Abstention: They must refrain from acting or influencing decision-making that could affect the persons or entities with which there is a conflict and from accessing Confidential Information affecting such a conflict.

Communication: Subject Persons must inform the Company's Internal Audit and Compliance Officer of any possible conflicts of interest in which they may find themselves.

A conflict of interest is considered to be any situation in which the Company's interests or those of any of the companies of the Fluidra group clash with the personal interest of the Subject Person. A personal interest of the Subject Person will exist when the matter affects him /her or Persons Closely Related to him/ her. Notwithstanding the provisions of Fluidra's Internal Rules of Conduct, the Company's Board members will be governed with regard to this matter by the provisions of the Company's Board of Directors Regulations.

Finally, in accordance with the provisions of article 33 of the Board Regulations, the execution by the Company of any transaction with Board members and with significant shareholders or with shareholders who are represented on the Board or with persons related to them, unless approval of such transactions correspond to the General Meeting, will be submitted to the Board of Directors for authorization, subject to the prior favourable report of the Audit Committee. However, the Board's authorization will not be deemed necessary in related-party transactions that comply simultaneously with the following three conditions: (i) they are carried out by virtue of contracts with standard terms and conditions applicable en masse to a large number of customers; (ii) they are carried out at prices or rates established on a general basis by the party acting as supplier of the goods or services in question; and (iii) the amount thereof does not exceed 1% of the Company's annual revenues.

Board members affected by one of such transactions will not exercise or delegate their vote and will leave the room during the Board meeting while the Board is deliberating on the matter, and will be subtracted from the number of members of the Board for the purposes of determining quorum and majorities in relation to the matter in question.

D.7. State whether the company is controlled, in the sense of article 42 of the Code of Commerce, by another company, listed or not, and has business relations, directly or through its subsidiaries, with that company or any of its subsidiaries (other than those of the listed company) or carries on activities related to the activities of any of them.

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E. Risk management and control systems

E.1. Explain the scope of the company's financial and non-financial Risk Management and Control System, including the system for managing tax risks:

Fluidra's risk management system is designed to mitigate all the risks to which the company may be exposed on account of its activity.

The structure of risk management is based on three pillars.

- Common management systems, designed specifically to mitigate business risks.
- Internal control procedures aimed at mitigating the risks deriving from drawing up financial information and improving the reliability of such information, which have been designed in accordance with Internal Control over Financial Reporting (ICFR).
- The risk map, which is the methodology used by Fluidra to identify, understand and assess the risks that affect the company. The aim is to obtain an overall view of risks, designing a system of efficient responses aligned with the business objectives.

The Risk Management and Control System works in an integrated and continuous way to permit effective management of the risks and the controls that mitigate them at all levels of the organization. It is a global and dynamic system that encompasses the entire organization and its environment, including all subsidiaries and geographical areas. Compliance with the system is mandatory for all employees of the Group, in particular by managers and directors of the company.

E.2. Identify the decision-making bodies of the company responsible for preparing and implementing the financial and non-financial Risk Management and Control System, including the system for managing tax risks:

Fluidra's Risk and Opportunity Management System ("ROMS") is structured according to 3 lines of defence: the regional businesses and their transactional support functions; the corporate functions of oversight and control of the group's operations and Internal Audit.

Oversight of the Group's ROMS is the responsibility of the Audit Committee, as the delegated consultation body of the Board of Directors for these matters. The risk management functions of the Audit Committee include, among others:

- Periodic review of the results obtained in the ROMS;
- Evaluation of the effectiveness of the internal control and management systems, as well as the measures established to mitigate the risks identified;
- Assurance of the process established to identify and reassess financial and non-financial risks;
- Identification and understanding of emerging risks, and their alert mechanisms; and
- Assurance that risks are maintained and managed within the tolerance levels established by the Board.

In turn, the role of the MAC is to identify the different types of risks and opportunities, including among the financial and economic risks any contingent liabilities and other off-balance-sheet risks; identify the measures that are necessary to mitigate the impact of the risks identified, in the event that they materialize; identify the internal control and reporting systems that will be used to control and manage the risks. Within the MAC, the CFSTO is responsible for management of the system and the risk management function through the ERM department. ERM is responsible for: supervising risks according to the methodology and tools defined in the Policy; coordinating the first and second lines of defence; promoting a sound risk culture throughout the organization. Finally, the Internal Audit department carries out independent oversight of the risk management system, and of the internal control systems, contributing with its recommendations to reducing the potential impact of the risks on the organization at reasonable levels, and to improving the risk management and control processes.

The objectives of the Audit Committee are:

- To report to the General Shareholders' Meeting on any matters arising within its sphere of competence.
- To propose to the Board of Directors, for submission to the General Shareholders' Meeting, the appointment of auditors or audit firms as referred to in article 264 of the Companies Act, and their contract conditions, the scope of their professional engagement and, as the case may be, their revocation or non-renewal.
- To supervise the effectiveness of the Company's internal control and Internal Control over Financial Reporting, internal audit and the risk management systems, and to discuss with the auditors or audit firms any significant internal control weaknesses detected in the course of the audit.
- To supervise the process of drawing up and presenting statutory financial information.
- To review the Company's accounts, ensure compliance with legal requirements and correct application of generally accepted accounting principles, for which purpose it has the direct collaboration of the external and internal auditors.
- To handle and oversee relations with the external auditors or audit firms in order to receive information on any matters that could compromise their independence and any other matters

related to the auditing process, as well as any other communications established in auditing legislation and auditing standards.

- To supervise performance of the audit contract, ensuring that the opinion on the Annual Accounts and the main contents of the audit report are expressed clearly and precisely, and to evaluate the results of each audit.
- To report on related-party transactions that are to be approved by the General Shareholders' Meeting or the Board of Directors pursuant to the provisions of the Companies Act and to supervise the internal procedure the Company has established, as the case may be, for related-party transactions for which approval has been delegated.
- To issue annually, prior to the issue of the audit report, a report expressing an opinion on the independence of the auditors or audit firms, as well as disclosing the provision of any additional services.
- To examine compliance with the Internal Rules of Conduct, the Audit Committee Regulations and the Company's rules of good governance and to make the necessary proposals for improvement.
- To receive information and issue a report on any disciplinary measures sought to be imposed on members of the Company's senior management team.

With regard to tax, the tax strategy approved by the Board is governed by the following principles: compliance with the applicable tax obligations in the territories where it does business, promote a relationship of collaboration with the Tax Authorities with which it relates, and protect sustainable value generation for the Company's different stakeholders. Tax Management of the Group reports, at least once a year, to the Board on the management of and compliance with tax obligations as well as tax risk control and management aspects.

E.3.Point out the main financial and non-financial risks, including tax risks and to the extent that they are significant the risks deriving from corruption (with the scope indicated in Royal Decree Act 18/2017), that could affect the achievement of business goals:

Following the process of identifying and assessing the corporate risks, a total of 30 risks were identified in 2023. The 10 most significant risks are detailed below:

Financial risks:

a) Increase in prices of raw materials and supplies

Non-financial risks:

a) Cybersecurity incidents

b) Business interruption due to failure of IT systems

c) Impacts deriving from catastrophic events in production or logistic plants

d) Deficient integration of acquired businesses

e) Water crisis: Risk related to possible application of restrictions

f) Changes in competitors' strategy, affecting market dynamics and competitor positions

g) Accidents that could cause severe personal injury or death

h) Regulatory compliance: related to products, certification, patents and registration of trademarks

i) Succession plan: Loss of key personnel and impossibility of retaining and/or attracting talent.

E.4. Identify whether the company has risk tolerance levels, including one for tax risk:

Fluidra defined its risk tolerance (maximum acceptable value of unexpected losses that the company can handle). Based on the values that were calculated, impact scales have been defined that the group uses in its risk matrix.

The various risks are identified and assessed on the basis of an analysis of the possible events that could give rise to such risks. The assessment is carried out using parameters that measure likelihood and impact. The controls in place to mitigate them are determined as well as the additional action plans necessary if such controls are considered insufficient.

This process, performed annually, lets the Company's Risk Map be obtained. The most relevant risks are taken from this map and, together with the main variations compared to the previous year, are submitted to the Audit Committee for discussion and approval. The definition of the scale of gravity and the scale of likelihood is carried out based on qualitative and quantitative criteria.

Once the critical risks have been identified and re-assessed, Company Management establishes specific actions, determining the person responsible and timing, to mitigate the impact and probability of such risks and at the same time reviews the current controls over these risks. The analysis of risks, controls and actions to mitigate their impact and likelihood is presented annually to the Audit Committee, for supervision and approval. The Audit Committee subsequently reports to the Board of Directors.

E.5. State what financial and non-financial risks, including tax risks, have materialized during the year:

In 2023 the following risks materialized:

a) Risks of floods, related to natural disasters in Italy and in the UK, with an impact of between € 150,000 and € 400,000 respectively. In addition, a person was struck by a vehicle at one of our facilities, involving two Group subcontractors and therefore there was no direct liability for any of the Group companies.

b) Finally, a minor incident occurred related to a cybersecurity incidents at one of the companies in the USA, with an impact of € 300,000.

E.6.Explain the plans for responding to and supervising the company's main risks, including tax risks, as well as the procedures followed by the company to ensure that the board of directors responds to the new challenges that appear:

In addition to what is explained in sections E.3 and E.5, Fluidra also manages the following risks:

Strategic risks:

- Continuing analysis of sales of new strategic products and comparison with competitors based on market research monitoring tools, statistical database analysis by type of market and product. Comparative studies are performed that let us measure the figures against the competition and update product valuations with the information obtained.
- Customers with a greater awareness of sustainability: a study is planned that will identify risks and opportunities in market trends from the ESG standpoint.
- Analysis of new lines of business: advising from external consultants specializing in development processes.

Operational risks:

- Protection of technology and R&D: given the activities carried out by the different business units, this is an essential milestone in order to maintain its competitive edge. Fluidra has development criteria, policies and legal protocols to assure this protection, encompassing information security and cybersecurity.
- Action plans to ensure that production capacities are adapted to the demand levels for new products.
- Expansion through the acquisition of companies in the sector: integration processes in all areas so that the companies are integrated efficiently.
- Impacts of climate change on operations: monitoring to prevent alterations in the Group's supply chain.

Financial risks:

- Corporate Management Control Department: detection and rapid eradication of any irregularity in subsidiaries to standardize the consolidation of financial and non-financial statements; analysis of procedures and internal controls of the subsidiaries successively checked by the Internal Audit Department and reviewed by external auditors.
- Plan for implementation and update of the subsidiaries' computer systems.
- Continuous monitoring of exposure to exchange rate risk or interest rate risk and proposing corrective measures.
- Continuous monitoring of credit risk: analysing the financial health and the profits obtained from customers that represent a higher risk in relation to the fixed costs borne by Fluidra.

Regulatory and compliance risks:

- Procedure for identification and assessment of legal/tax risks applied periodically: identify any conflicts/litigation that could have an impact on the company's assets, or any differences of opinion that might arise due to different interpretations of the law with respect to a specific tax. Accounting provisions to cover the risks are analysed and recorded.
- Providing annual information on environmental performance and management: Fluidra works to guarantee the reliability and integrity of the information provided on energy use, waste generation or greenhouse gas emissions through external verification of its Non-Financial Information Statement.

Environmental risks:

- - Effect of climate change on the business: calculation of the financial impact as a result of the possibility of a reduction in sales of seasonal products and of potential material damage and interruptions of its activity. This risk is offset with the group's geographical diversification, the increase in the portfolio of products for adverse climate conditions and the R&D of products with low water, energy and chemical product consumption, as well as products and services that enable efficient utilization of pools in any climate situation. The ESG department performs a qualitative analysis of the physical and transition risks. It has been determined that acute physical risks on the business infrastructures and the costs associated to prevention, adaptation and mitigation are the most likely in the medium term and those that could have greater impact.
- Environmental legislation: the subsidiaries/regions are responsible for compliance with legislation and have the support of the ESG and HSE corporate departments.

Human Resources risks:

- Talent management: people management to reduce workplace conflicts and not affect the company's performance: policy of bonuses linked to the company's results and personal targets; identifying and rewarding the best professionals to attract and retain talent; individual and collective development plans; succession plans that guarantee the continuity of the company.
- Occupational health and safety: investments are made in the factories periodically and training is given to prevent workplace accidents.
- Confidential Channel: managed by the Ethics Committee, for reporting any issue considered appropriate.
- Respect for internationally recognized Human Rights: efforts are made to prevent and mitigate any potential risk that could arise from the company's activities and/or commercial relations. All employees and suppliers undertake to respect the principles contained in the Universal Declaration of Human Rights by accepting Fluidra's respective Ethics Codes.

Reputational risks:

- Transparency in communications with stakeholders: comparison with different international benchmarks and external agency ratings to ensure compliance and plan future improvements; publication of Annual Integrated Report.
- United Nations Global Compact and principles of the WTO. Fluidra carries on its activity in some of the countries that have not signed up to these. Supplier assessments and audits are performed and training is given to them on the human rights commitments contained in the Ethics Code.

F. Internal control and risk management systems on financial reporting (ICFR)

Describe the mechanisms that make up the control and risk management systems in relation to the company's financial reporting (ICFR).

F.1.Control environment in the company.

Indicate, specifying their main features, at least the following:

F.1.1. What bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective ICFR; (ii) the implementation of this system; and (iii) supervision of the system.

Fluidra S.A. and its subsidiaries formally define the responsibilities for the adequate and effective existence of ICFR in the Board of Directors Regulations.

The Board of Directors has designated Corporate Financial Management of Fluidra as responsible for the implementation and maintenance of ICFR.

As regards responsibility for supervising ICFR, articles 6 and 7 of the Audit Committee Regulations explicitly include the responsibility of the Audit Committee in relation to supervision of the ICFR, as well as the responsibility for supervising the process of drawing up and presenting statutory financial information.

The Audit Committee has the support of Internal Audit and Regulatory Compliance management in fulfilling its responsibilities and this is reflected in the charter for that management area.

F.1.2.Whether any of the following are in place, particularly with regard to the process of preparing financial information:

- **Departments and/or mechanisms in charge of: (i) the design and review of the organizational structure; (ii) clearly defining the lines of responsibility and authority, with an appropriate distribution of tasks and duties; and (iii) ensuring that there are sufficient procedures for the proper dissemination of these in the company:**

Fluidra has internal processes that establish the authorization levels necessary to modify the organizational structure. Defining the structure and reviewing it are ultimately responsibilities of the Executive Chairman and CEO, with the support of the Appointments and Remuneration Committee. The Appointments and Remuneration Committee is made up of 4 directors from the Board of Directors, of whom 2 are proprietary directors and 2 are independent.

Fluidra has an internal organization chart available on the corporate intranet which covers the main business areas and ranges from the position of Executive Chairman through the CEO to the level of General Management of each business. This organization chart specifies the areas and departments (including the departments involved in the preparation, analysis and supervision of the financial information), and details the hierarchical dependencies.

For the purposes of preparing statutory financial information, the Group Accounting Manual (GAM) sets out the basic lines of responsibility existing in the process, policies, documentation necessary and timing.

- **Code of conduct, body that approves it, degree of dissemination and instruction, principles and values included (indicating whether the recording of operations and the preparation of financial information are specifically mentioned), body in charge of analysing breaches and proposing corrective actions and penalties:**

Fluidra's commitments include focusing its efforts on ensuring that operations are carried out in an environment of ethical professional practice. This is carried out through the implementation of mechanisms aimed at preventing and detecting fraud committed by employees, or inappropriate practice that could lead to sanctions, fines or damage the Group's image, and also by reinforcing the importance of ethical values and integrity among its professionals.

Fluidra has a Code of Conduct (hereinafter Ethics Code), the first version of which was approved by the Board of Directors at a meeting held on 16th December 2008 and the latest version at the Board meeting held on 4th May 2022.

The Ethics Code must be observed by all employees of the Group and is accessible to all employees through the corporate website in 18 languages and the "myfluidra" Intranet. All employees, when they join Fluidra, receive a copy of the Ethics Code which they have to sign as evidence of their agreement to comply with the internal policies of Fluidra.

The main values included in the Ethics Code are those of bringing maximum transparency to Fluidra's business, creating an environment of trust for its customers, suppliers, shareholders, employees, public and private institutions and for society in general. The Ethics Code is based on the ten principles declared in the UN Global Compact and seeks to be the guide that sets out the most relevant ethical principles and behaviour to be observed in internal and external relations, including and updating all conduct that is not permitted from a legal approach.

The general ethical principles considered in the Fluidra Ethics Code are specified in terms of the ICFR (Internal Control over Financial Reporting), in values associated to professional integrity and responsibility, guidelines for action related to a greater or lesser extent to the reliability of the financial information and compliance with applicable legislation. Updates

and amendments of the Ethics Code are proposed and promoted by the Audit Committee. The modifications that have been made to the Ethics Code are indicated below:

- On 28th February 2012, the Audit Committee approved the review of the Ethics Code with the aim of incorporating modifications that reflected the evolution of the legal framework to which it is subject, especially with regard to the responsibilities of the Board of Directors and the Audit Committee.
- During 2015, Fluidra reviewed the Ethics Code again, with the aim of bringing it into line with new legislative changes, updating it once again in 2016 to the latest changes in regulations.
- In addition to the Ethics Code, Fluidra also has other features that seek to achieve an environment of ethical professional practice.
    - During 2017, the Compliance Coordination Committee was consolidated, made up of the corporate areas of Human Resources, Internal Audit, Legal Advising and by the CFSTO. As established in its Rules of application, its main functions are as follows:
        - Promoting, disseminating and applying the Ethics Code throughout the Group.
        - Ensuring that the criminal offence prevention and control model is developed correctly in the Group.
        - Encouraging the creation of internal policies, rules and procedures.
- In 2019, the Board of Directors of Fluidra published a new Ethics Code, resulting from the merger of the two codes of conduct of the former Fluidra and the former Zodiac. Group Management prepared a compulsory online course for all employees aimed at helping them to know and understand the principles and commitments of the organization. The course consisted of three parts: an information video of the Chairman of the Group, an online course on the New Ethics Code, and finally acceptance of the Fluidra Ethics Code. At the end of 2019, the Audit Committee opted to coordinate Compliance Management and the position of compliance officer in Internal Audit management under the leadership of the Global Internal Audit Manager. As part of this change, the Compliance Coordination Committee undertook advisory functions to the Global Internal Audit and Compliance Manager.

  In 2022 the Ethics Code was revised to bring the contents relating to the Confidential Channel into line with the changes that had taken place in that mechanism in order to comply with Directive 2019/1937. Furthermore, on the occasion of that change, the Code became the responsibility of HR & ESG Management.

  In 2023, following the movement of the ESG Department from the former HR & ESG Management to Financial Management, it was agreed that the Code would become the responsibility of the ESG Department. At the date of this report, the Department is working on updating the Code, in collaboration with the areas responsible for each of the matters covered in it.

- **Whistleblowing channel that makes it possible to report any irregularities of a financial or accounting nature to the audit committee, as well as any possible breach of the code of conduct and irregular activities in the organization, specifying, if appropriate, whether it is confidential and whether it provides the possibility of reporting anonymously respecting the rights of the whistleblower and the person reported:**

Fluidra has an internal whistleblowing channel ("Confidential Channel") through which all employees, board members, customers, suppliers, contractors or subcontractors and shareholders can address their queries and concerns. A communication channel has been enabled to send them which, from October 2022, has been outsourced so as to ensure confidentiality and anonymity. Access to this channel can be obtained from the corporate website. Fluidra also has an Ethics Committee, whose role is to deal with the queries and complaints received through the Confidential Channel. Its objective is to carry out monitoring and control of compliance with the principles established in the Ethics Code.

The Ethics Committee reports annually to the Audit Committee the breaches of the Ethics Code identified and the corrective actions and disciplinary measures proposed, if necessary. All communications between the Ethics Committee and the employees of Fluidra are totally confidential, respecting the limitations established in applicable personal data protection legislation. In this regard, all members of the Ethics Committee are authorized to know the combined information of all queries and notifications received from the group through the query and notification procedure.

The Confidential Channel is the Internal Reporting System that Fluidra makes available so that any person can report breaches (or risks of breaches) of the applicable legislation or of the Ethics Code that have occurred in the context of Fluidra's activities, in compliance with the provisions of Act 2/2023, of 20th February, regulating the protection of persons who report breaches of law and combatting corruption, and of all the requirements deriving from it, as well as any applicable local legislation.

- **Regular training and update programmes for personnel involved in the preparation and review of financial information, as well as in the evaluation of ICFR, covering at least accounting policies, auditing, internal control and risk management:**

With the aim of promoting training and development, Fluidra has the Fluidra MyCampus platform. The aim of MyCampus is to consolidate an offer of corporate training on multidisciplinary and business contents to promote the transmission of internal knowledge and also the acquisition of new knowledge by offering external content.

Bolstering internal training in Fluidra, by offering courses in the main functional and business areas given by internal trainers,

whenever possible, is considered key in order to take full advantage of Fluidra's knowledge and foster interrelation among Fluidra's professionals.

Since 2021, we have had the contents of LinkedIn Learning including financial content available to our employees on demand. For aspects related to the preparation of financial information, Fluidra invests in training on accounting and financial skills by giving training to the employees involved in the subsidiaries through in-person visits, or online, which goes over the reporting statements, the different information needs for central services or criteria for obsolescence or insolvency, among others.

F.2. Financial reporting risk assessment

Indicate at least the following:

F.2.1 What are the main features of the risk identification process, including the process of identifying the risks of error or fraud, with respect to:

- **Whether the process exists and is documented:**

The process followed by Fluidra to identify risks of error in the financial information is systematic and well documented. Fluidra places special emphasis on the identification of risks of material error or fraud, by determining financial reporting control objectives for each of the risks identified. This risk identification process is carried out and documented by Financial Management of Fluidra and is supervised by the Audit Committee, with the support of Internal Audit.

- **Whether the process covers all the financial reporting objectives (existence and occurrence; completeness; valuation; presentation, breakdown and comparability, and rights and obligations), whether it is updated, and how often:**

The process is structured so that, on a regular basis, the areas that can have a material effect on the financial statements are analysed based on a range of criteria that include quantitative and qualitative factors, identifying relevant areas/locations at transaction level, to the extent that they are affected by transactions with a material impact on the financial statements. The scope of the areas identified is reviewed by Corporate Financial Management of Fluidra and is ultimately supervised by the Audit Committee. If in the course of the year (i), circumstances not previously identified that show possible errors in the financial information or (ii), substantial changes in the operations of Fluidra come to light, Financial Management assesses the existence of the risks that should be added to the risks that have already been identified

- **The existence of a process for the identification of the consolidation perimeter, taking into account, among other matters, the possible existence of complex corporate structures, holding entities, or special purpose entities:**

Through meetings with General Management of the divisions and the Legal Department, Financial Management regularly updates the corporate structure defining the consolidation perimeter for accounting and tax purposes. In addition, at least once a year the consolidation perimeter is supervised and approved by the Audit Committee.

The Company has a tax policy that sets out the guidelines for the group's legal structure, seeking to attain the business goals while avoiding complex instrumental structures.

- **Whether the process takes into account the effects of other types of risks (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements:**

The process takes into account other types of risks to the extent that they affect the financial statements.

- **What governance body of the company supervises the process:**

As indicated in the Board of Directors Regulations, the Audit Committee is responsible for reviewing the internal control and risk management systems periodically, so that the main risks are identified, managed and reported adequately.

F.3. Control activities.

Indicate whether at least the following are in place and describe their main features:

F.3.1. Procedures for review and authorization of financial information, and description of the ICFR to be published in the securities market, indicating the persons or divisions responsible for them, as well as documentation describing the flows of activities and controls (including those relating to risk of fraud) of the various types of transactions that could materially affect the financial statements, including the closing process and the specific review of significant judgements, estimates, valuations, and projections.

Fluidra has a range of procedures to validate the accounting closing and the preparation of financial information for all areas. The control activities identified and formally documented focus on activities related directly to balances and transactions that could have a material effect on the financial statements and also seek to mitigate the risk of fraud.

As regards the closing procedure and the procedure for the review and authorization of the financial information published on the market, it commences with the establishment of a detailed calendar of closing activities duly distributed to all the divisions through the GAM. Thereafter, each subsidiary reports its financial data using a standard format determined by Financial Management using the Hyperion tool. Financial Management is then responsible for the consolidation process, and prepares the Consolidated Annual Accounts, which are validated by the CFSTO for subsequent presentation to and supervision by the Executive Chairman, CEO, Internal Audit management, the Audit Committee and the Board of Directors.

Fluidra also has a series of procedures through which Financial Management reviews ICFR, mainly consisting of:

- Existence of an ICFR management policy that articulates the scope, responsibilities, procedure for evaluating the effectiveness of the model, supervision of the model, establishment of action plans and their follow up, and supervision by the Audit Committee.
- System for evaluating the internal control model through Self-Evaluation questionnaires: Financial Management of Fluidra, based on the process of identifying and assessing risks and controls, defines self-evaluation questionnaires which must be completed by the Divisions considering the minimum requisites to guarantee reasonable assurance as to the reliability of the financial information. Internal Audit supervises the effectiveness of the model in accordance with the provisions of the internal audit plan.

In relation to the specific review of relevant judgements, estimates, valuations and projections, this takes place initially in the existing control activities either in the routine transactions of Fluidra, or through the control mechanisms in place in the process of preparing the financial information detailed in the GAM. Depending on the degree of judgement and estimation applied and the potential impact on the financial statements, there is a subsequent scale of discussion and review involving General and Financial Management of the Division, Corporate Financial Management, the CEO, the Executive Chairman, the Audit Committee and the Board of Directors, in that order, in cases of substantially relevant aspects in the preparation of financial information.

When third-party experts are involved in areas subject to judgement, estimate, valuation and projections, they discuss and present their results to Financial Management, after having applied a series of control and supervision procedures to the work carried out by these experts, and depending on their materiality they are submitted to the Audit Committee.

In particular, the main judgements and estimates broached during the year are those indicated in the notes to the Consolidated Annual Accounts for the year. Existence of an ICFR management policy that articulates the scope, responsibilities, procedure for evaluating the effectiveness of the model, supervision of the model, establishment of action plans and their follow up, and supervision by the Audit Committee.

In particular, the main judgements and estimates broached during the year are those indicated in the notes to the Consolidated Annual Accounts for the year.

F.3.2. Internal control policies and procedures on information systems (including, among others, secure access, change control, operation of the systems, operational continuity, and segregation of duties) that provide support for the company's relevant processes in drawing up and publishing financial information.

Fluidra uses information systems to carry out and maintain adequate recording and control of its operations. As part of the process of identifying risks of error in the financial information, Fluidra identifies, through Financial Management, the systems and applications that are relevant in preparing it. The systems and applications identified include both those directly used in preparing the financial information and the interfaces with this system, notably in relation to sales/accounts receivable and purchases/accounts payable.

The policies and procedures concerning Fluidra's information systems cover both hardware and software security with regard to access (ensuring segregation of functions through adequate restriction of access), procedures to check the design of new systems or modifications to existing systems, the operation of the systems and continuity in their operation (or start-up of alternative systems and applications) in the event of incidents that affect their operation. These policies seek, among others, to guarantee the following aspects:

- Security of access both to data and applications.
- Control over changes in the applications.
- Correct operation of the applications.
- Availability of data and continuity of the applications
- Adequate segregation of functions
- Raising awareness of individual participation in computer security

a) Secure access:

A series of measures at different levels have been defined to prevent unauthorized access both to data and to the applications. At software, operating system and database level, the user-password combination is used as a preventive control. At data level, profiles have been defined which limit access to data and on which a segregation of functions matrix is being developed that will ensure the compatibility of the user's functions according to his/her responsibilities.

b) Change control:

A change management methodology has been developed and implemented which establishes the safeguards and validations necessary to limit the risk in this process. Since 2012 a new methodology called "change request" has been in use. The main aspects featured include the following:

- Approval by the business area
- Testing prior to production
- Specific environments for development and test tasks
- Reverse procedures
- Segregation of functions as the development team does not have access to production.

c) Operation:

To ensure that operations are carried out correctly, the interfaces between the systems involved in preparing financial information are monitored. There is also an internal "Help Desk" services for end users in the event of detecting any kind of incident, query or request for training and which controls the efficiency of the operation of the information systems.

d) Availability and continuity:

At is head offices, the Company has two Data-Processing Centres (main and backup) that enable it to ensure the availability of the information system in a contingency. All of this is supported, furthermore, by a Disaster Recovery Plan with the tasks and steps to be carried out to restore the systems in such an event. This DRP is tested in real conditions once a year. In addition, daily backups are made of the data and applications, which are kept at a secure location temporarily. To recover such data there is a specific procedure although integral tests are not carried out regularly. Partial information recovery processes are however carried out regularly.

In the head offices in the USA, data of the main applications are stored in California and replicated in real time to an alternative system in Utah. In addition, there are recovery points for the same data which are stored onsite in California for immediate recovery in situations in which the contingency in question has not physically damaged the data processing centre. Data recovery testing processes are performed routinely in order to verify the integrity of the system.

In Australia, the data of the main applications are stored in Sydney, replicated and sent weekly to a secure storage centre. There are also recovery points for the same data which are stored onsite in Sydney for immediate recovery in situations in which the contingency in question has not physically damaged the data processing centre. Data recovery testing processes are performed routinely in order to verify the integrity of the system.

e) Segregation of functions:

A series of profiles have been defined describing the functionalities to which a user should have access in the Information Systems. These profiles are used to prevent a user from having more privileges than are strictly necessary. The definition of these profiles is currently under review.

f) Awareness raising:

Fluidra has implemented a Cybersecurity Awareness Program that includes phishing simulations and training courses for all employees with digital identity

F.3.3. Internal control policies and procedures designed to supervise management of activities outsourced to third parties, as well as the aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect the financial statements.

If a service has to be outsourced or an independent expert involved in assessments, calculations and valuations with a significant impact on the financial information, Financial Management of Fluidra leads the decision-making process.

F.4. Information and communication.

Indicate whether at least the following are in place and describe their main features:

F.4.1.A specific function charged with defining and updating accounting policies (accounting policy area or department) and with resolving questions or conflicts arising from their interpretation, maintaining fluid communications with those responsible for operations at the organization, as well as an updated accounting policy manual that has been communicated to the units through which the entity operates.

Among other functions, Financial Management is responsible for keeping the accounting policies applicable to the group up to date. In this regard, it is responsible for updating the GAM, which includes the group's accounting policies and chart of accounts, as well as an analysis of any regulatory and accounting changes that could have an impact on the financial information of Fluidra.

The GAM is updated periodically, or when a significant new development so requires, and was last updated in May 2023. The updates review both accounting policies based on changes in applicable EU-IFRS and the group's accounting structure, ensuring traceability between individual charts of accounts of the group subsidiaries and the Fluidra chart of accounts which is used as the basis for drawing up the different reporting packages to be provided to external bodies. Changes and updates to the GAM are communicated to all responsible financial personnel by e-mail. The last update of the GAM is always available on the group's intranet under the heading "policies and procedures".

Financial Management is also responsible for clearing up any doubts about the accounting treatment of certain transactions raised by the personnel responsible for preparing the financial information of Fluidra.

To add greater convenience and efficiency to the responsibility of keeping the GAM up-to-date, and to identify any incidents and weaknesses that have to be remedied, there is a working group on accounting procedures, made up of a member of Corporate Financial Management, the Internal Audit Manager and the person responsible for updating the GAM, the aim of which is to update the GAM based on the incidents detected by internal audit in the course of its duties, which are not contemplated in the Group's current policies.

This working group meets once a quarter and records minutes of the meetings.

F.4.2. Mechanisms to capture and prepare financial information using standardized formats, to be applied and used by all units of the company or group, supporting the main financial statements and the notes, as well as the information provided on ICFR.

All the companies that form part of the Consolidated Group at the end of 2023 use a single standardized reporting format. Most of them (approximately 70% of turnover), have one of the two Corporate Systems for accounting in terms of capture and preparation of financial information. For the remaining 30%, which have not implemented that Information System at present, Fluidra ensures that standardized formats are used in preparing the financial information through mechanisms that reflect those used in the integrated tool. The financial information reported by all the subsidiaries covers the composition of the main Financial Statements and the notes. The Financial Management department of Fluidra is responsible for obtaining data from all the subsidiaries, and with this information makes the necessary consolidation adjustments to obtain the consolidated figures and complements the financial information with the reserved notes to Consolidated Financial Statements.

In 2013, new reporting and consolidation software was implemented and has been fully active since 2015.

To ensure the reliability of the information reported by the subsidiaries, they must report a range of data to allow an analysis of variations in asset and liability items and results obtained with respect to the monthly budget and the previous year, in which the various balance sheet and income statement items are interrelated, permitting greater knowledge in detail of the operations reported at local level.

The Company has also implemented ICFR management software through which twice a year the subsidiaries included in the scope complete self-evaluation questionnaires on control and submit evidence of key controls. These questionnaires are suitably supervised by the responsible financial personnel of the corresponding division, creating action plans if considered necessary. Internal audit carries out supervision of the effectiveness of the controls twice a year, in accordance with the annual audit plan, reporting the results to the Audit Committee.

F.5. Supervision of operation of the system.

Indicate and describe the main features of at least the following:

F.5.1.The ICFR supervision activities carried out by the audit committee as well as whether the entity has an internal audit function whose duties include providing support to the committee in its work of supervising the internal control system, including ICFR. Information is also to be provided concerning the scope of the evaluation of ICFR performed during the year and on the procedure whereby the person or division charged with performing the evaluation reports the results thereof, whether the entity has an action plan in place describing possible corrective measures, and whether the impact thereof on the financial information has been considered.

The duties of the Audit Committee in relation to the supervision of ICFR are established in articles 6 and 7 of the Audit Committee Regulations and, among others, are focused on:

- Supervising the effectiveness of the Company's internal control, especially Internal Control on Financial Reporting, internal audit, as the case may be, and the risk management systems, and discussing with the auditors or audit firms any significant internal control weaknesses detected in the course of the audit.
- Supervising the process of drawing up and presenting statutory financial information.
- Reviewing the Company's accounts, ensuring compliance with legal requirements and correct application of generally accepted accounting principles, for which purpose it has the direct collaboration of the external and internal auditors. In particular, the Audit Committee ensures that, in cases in which the auditor has included any qualification in the audit report, the Chairman of the Audit Committee explains clearly to the General Meeting the Audit Committee's opinion on the content and scope of the qualification, making a summary of that opinion available to the shareholders when notice of the Meeting is published, together with the other proposals and reports of the Board.

- In relation to the information systems and internal control:
  - Supervising and evaluating the process of drawing up and the integrity of the financial and non-financial information presented, and the financial and non-financial risk management and control systems relating to the Company and, as the case may be, the group, reviewing compliance with regulatory requisites, adequate definition of the consolidation perimeter and correct application of accounting policies.
  - Reviewing the internal control and risk management systems periodically, so that the main risks are identified, managed and reported adequately.
  - Ensuring the independence and effectiveness of the internal audit function; proposing the selection, appointment, re-election and removal of the person responsible for the internal audit service; proposing the budget for the service; approving or proposing to the Board of Directors the approval of the internal audit orientation and annual work plan, ensuring that its activity is focused mainly on the relevant risks (including reputational risks), receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.
  - Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, customers, contractors or subcontractors to report any irregularities of potential relevance, including financial and accounting or any other irregularities related to Fluidra that they observe in the Company or the group. This mechanism should ensure confidentiality and, in any case, provide for situations in which these matters may be reported anonymously, respecting the rights of the whistleblower and the reported person.

Internal Audit Management is located within the Group's organization structure, and depends on the Audit Committee, so that its independence is assured as well as the performance of the assigned functions. All the actions carried out by Internal Audit Management that require approval are approved by the Board of Directors at the proposal of the Audit Committee.

Internal Audit prepares and presents an Annual Internal Audit Plan which is reviewed and approved by the Audit Committee. In 2023, Internal Audit met with the Audit Committee in the months of January, February, March, May, July, October and December to present the results and evolution of its work. At these meetings, Internal Audit reported the weaknesses identified in the design of the internal control model, proposing the corresponding action plans and the dates of implementation of these plans. In turn, Internal Audit supervises the correct implementation of the corrective actions.

In the months of May, June, October and December 2023, the Audit Committee, through Internal Audit Management, supervised the correct review of the effectiveness of the controls conducted by Financial Management. A small number of weaknesses were detected, corresponding to the Australian subsidiary, which have been duly corrected. The weaknesses detected are reported to the heads of the Divisions and the corresponding action plans are designed, with a follow-up of their implementation.

F.5.2. Whether it has a discussion procedure whereby the auditor (as provided in the Technical Auditing Standards), the internal audit function, and other experts can inform senior management and the audit committee or the directors of the entity of the significant internal control weaknesses detected during the review of the annual accounts or such other reviews as may have been entrusted to them. Information shall also be provided on whether there is an action plan to attempt to correct or mitigate the weaknesses found.

The Audit Committee meets at least four times a year, with the aim of obtaining and analysing the necessary information to fulfil the tasks with which it has been entrusted by the Board of Directors.

Special attention is given to the review of the company's quarterly financial information, which is presented by General Financial Management. In order to carry out this process, the Audit Committee is assisted by Internal Audit, General Financial Management (responsible for preparing the financial information) and the Auditor, with the aim of ensuring the correct application of ruling accounting policies and the reliability of the financial information, and in order to be able to report any significant control weaknesses identified, if there are any, and the corresponding action plans.

Prior to the reports issued by the Audit Committee, Internal Audit Management discusses the results of its work with local management, Financial Management and Corporate General Management, thus ensuring fluid and efficient communication among all parties. In relation to the External Auditors, they present annually the scope, timing and areas of emphasis of their audit work on the annual accounts, in accordance with the applicable auditing standards. They also meet with the Audit Committee to present the conclusions of their work and areas for improvement. The weaknesses reported are communicated to Internal Audit Management for inclusion in the implementation plan. It should be noted that the External Auditors have stated that no significant internal control weaknesses have come to light during the audit performed in 2023.

F.6. Other relevant information.

F.7. External audit report.

Report on:

F.7.1. Whether the information on ICFR sent to the markets has been reviewed by the external auditor, in which case the entity should include the corresponding report as an appendix. Otherwise, the reasons for this should be provided.

Fluidra has submitted the information on ICFR sent to the markets for 2023 to be reviewed by the External Auditor. The favourable report issued by the External Auditor is attached as an appendix to this document.

G. Degree to which corporate governance recommendations are followed

State the company's degree of compliance with the recommendations of the Good Governance Code of Listed Companies.

If the company does not comply with any recommendation or follows it partially, a detailed explanation of the reasons must be given, providing shareholders, investors, and the market in general with sufficient information to assess the company's course of action. Generalized explanations will not be acceptable.

1. The Articles of Association of listed companies should not place an upper limit on the votes that can be cast by a single shareholder or impose other obstacles to the takeover of the company by means of share purchases on the market.

Complies ☒ Explain ☐

2. When the listed company is controlled, in the sense of article 42 of the Code of Commerce, by another company, listed or not, and has business relations, directly or through its subsidiaries, with that other company or any of its subsidiaries (other than those of the listed company) or carries on activities related to those of any of such companies, it should provide detailed disclosure on:

a) The respective business activity and any business dealings between the listed company or its subsidiaries, on the one hand, and the parent company or its subsidiaries, on the other hand.

b) The mechanisms in place to resolve possible conflicts of interest.

Complies ☐ Complies partially ☐ Explain ☐
Not applicable ☒

3. During the ordinary general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:

a) Changes taking place since the previous ordinary general meeting.

b) The specific reasons for the company not following a given Good Governance Code recommendation, and any alternative rules followed instead.

Complies ☒ Complies partially ☐ Explain ☐

4. The company should draw up and promote a policy relating to communication and contacts with shareholders and institutional investors in the framework of their involvement with the company, and with proxy advisors, that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same position. This policy should be published on the company's website, complete with details of how it has been put into practice and the identities of the relevant spokespersons or those charged with its implementation.

And, notwithstanding the legal obligations on the dissemination of privileged information and other statutory information, the company should also have a general policy relating to the communication of economic and financial, non-financial and corporate information through the channels it considers appropriate (traditional media, social meda or other channels) that contributes to maximizing the dissemination and quality of the information available to the market, investors and other stakeholders.

Complies ☒ Complies partially ☐ Explain ☐

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without a preferential subscription right for an amount exceeding 20% of capital at the time of such delegation.

When the board approves any issue of shares or convertible securities without preferential subscription rights, the company should immediately post on its website the reports explaining the exclusion referred to in mercantile legislation.

Complies ☒ Complies partially ☐ Explain ☐

6.Listed companies that draw up the following reports on a voluntary or compulsory basis should publish them on their website sufficiently in advance of the ordinary general meeting, even if their distribution is not mandatory:

a) Report on auditor's independence.

b) Reports on the activities of the audit committee and the appointments and remuneration committee.

c) Report of the audit committee on related-party transactions.

Complies ☒ Complies partially ☐ Explain ☐

7. The company should livestream its general shareholders meetings on the corporate website.

The company should also have mechanisms that permit the delegation and exercise of vote through remote means and, in the case of large cap companies and to the extent that it is proportionate, even attendance at and active participation in the General Meeting.

Complies ☒ Complies partially ☐ Explain ☐

8. The audit committee should strive to ensure that the annual accounts the board of directors presents to the general shareholders' meeting are drawn up in accordance with accounting legislation. In cases in which the auditor has included a qualification in the audit report, the chairman of the audit committee should give a clear account at the general meeting of the audit committee's opinion on its content and scope, and a summary of that opinion should be made available to the shareholders at the time of publishing the notice convening the meeting, together with the remaining proposals and reports of the board.

Complies ☒ Complies partially ☐ Explain ☐

9. The company should publish permanently on its website the requisites and procedures it will accept as evidence of ownership of shares, the right to attend general meetings and the exercise or delegation of voting rights.

Such requisites and procedures should encourage shareholders to attend and exercise their rights and be applied in a non - discriminatory manner.

Complies ☒ Complies partially ☐ Explain ☐

10. When a shareholder entitled to do so exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

a) Immediately circulate these supplementary items and new proposals for resolutions.

b) Publish the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors.

c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or inferences about votes.

d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals..

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

11. n the event that the company plans to pay for attendance at the general meeting, it should first establish a general, long -term policy in this respect.

Complies ☐ Complies partially ☐ Explain ☐
Not applicable ☒

12. The board of directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the attainment of a profitable business that is sustainable in the long term, promoting its continuity and maximizing its economic value.

In pursuing the corporate interest, it should not only abide by laws and regulations and conduct based on good faith, ethics and respect for commonly accepted customs and good practice, but also strive to reconcile the company's interests with the legitimate interests of its employees, suppliers, customers and other stakeholders, as well as with the impact of its activities on the broader community and the environment.

Complies ☒ Complies partially ☐ Explain ☐

13. The board of directors should have an optimal size to promote its efficient functioning and maximize participation. The recommended range is accordingly between five and fifteen members.

Complies ☒ Explain ☐

14.The board of directors should approve a policy aimed at favouring an appropriate composition of the board of directors and that:

a) Is concrete and verifiable.

b) Ensures that appointment or re-election proposals are based on a prior analysis of the skills required by the board of directors; and

c) Favours a diversity of knowledge, experience, age and gender. For these purposes, measures that foster a significant number of female senior managers are deemed to favour gender diversity.

The results of the prior analysis of the skills required by the board should be reflected in the appointments committee's report, to be published when the general meeting is convened that is to resolve on the ratification, appointment or re-election of each director.

The appointments committee should perform an annual check on compliance with this policy and set out its findings in the annual corporate governance report.

Complies ☒ Complies partially ☐ Explain ☐

15. Proprietary and independent directors should constitute an ample majority on the board of directors, and the number of executive directors should be the minimum necessary bearing in mind the complexity of the corporate group and the percentage shareholding of the executive directors in the company's capital.

The number of female directors should represent at least 40% of the members of the board of directors by the end of 2022 and thereafter, and prior to that should not be less than 30%.

Complies ☐ Complies partially ☒ Explain ☐

At 31st December 2023, of the total of 13 members of the Board of Directors of Fluidra, 11 are non-executive directors, therefore complying with the recommendation on this matter.

One of the main goals of the Appointments and Remuneration Committee in relation to the director and senior manager selection policy is to favour diversity of professional background, knowledge, nationality and, especially, gender. The Appointments and Remuneration Committee and the Board of Directors are aware that at present the Company does not comply with this Corporate Governance recommendation concerning the percentage of female board members, and is therefore taking the necessary measures to increase gender diversity on the Board of Directors, as described in sections C.1.5 and C.1.6. Such measures are for the purpose of ensuring that the selection processes take gender diversity into account, balanced with other criteria of the profile sought such as knowledge, nationality, experience and solvency, subject at all times to the fundamental principle of merits and suitability of the candidate, in line with the analysis of the Company's needs carried out by the Board of Directors.

However, this aim can only be achieved when new candidates have to be selected to cover vacancies arising on the Board of Directors, or when it has been resolved to increase the number of members of the Board of Directors. Evidence that the measures adopted regarding the selection of female directors are working is that three of the last four appointments of independent directors have been filled by women (Ms Esther Berrozpe, appointed for the first time on 6th September 2019 through the procedure of co-optation and whose appointment was ratified by the Ordinary General Meeting held on 19th May 2020, Ms Barbara Borra, appointed for the first time on 30th December 2021 through the procedure of co-optation and whose appointment was ratified at the Ordinary General Meeting held on 5th May 2022 and Ms Aedhmar Hynes, appointed for the first time by the Ordinary General Meeting held on 10th May 2023).

The Appointments and Remuneration Committee continues to work to ensure that future selection processes to cover new vacancies continue to favour gender diversity on the Board of Directors and that the above-mentioned goal is achieved by June 2025.

At the initiative of the Appointments and Remuneration Committee, the Board of Directors has already taken a number of actions and has identified other potential measures that will enable it to reach the 40% target after the 2025 General Meeting of Shareholders:

- Propose an increase in the number of members of the Board of Directors to 14 members in order to incorporate a new female director, by means of the corresponding amendment to the bylaws.
- On May 9, 2023, the Board of Directors amended the Selection Policy and, among other things, introduced a modification so that the second re-election of independent directors may not be proposed for a term of more than 2 years. This measure is intended to provide greater flexibility in the transition of directors if necessary for the company.

As proof of this and following the amendment, at the General Shareholders' Meeting held on May 10, 2023, the Board Member Mr. Jorge Valentín Constans was re-elected for two years. In addition, the Board of Directors plans to propose at the next General Shareholders' Meeting the renewal of the term of office of Director Mr. Brian McDonald for one year. This could result in two new vacancies at the General Shareholders' Meeting to be held in 2025.

16. The percentage of proprietary directors with respect to all non-executive directors should be no greater than the proportion between the capital of the company represented by such directors and the remainder of the company's capital.

This criterion can be relaxed:

a) In large cap companies where few or no shareholdings attain the legal threshold to be regarded as significant.

b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Complies ☐ Explain ☒

At 31st December 2023, of the total of 11 non-executive directors on the Board of Directors of Fluidra, 5 are independent directors and 6 are proprietary directors, while the percentage of share capital represented by the shareholders who have representation on the Board is 45.36% of the Company's total share capital, and therefore this recommendation is not met.

In any case, in light of the share capital held by non-significant shareholders, a suitable balance is considered to exist between independent and proprietary directors.

17. Independent directors should be at least half of all board members.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30% of share capital, independent directors should occupy, at least, a third of board places.

Complies ☐ Explain ☒

At 31st December 2023, of the total of 13 directors on the Board of Directors of Fluidra, 5 are independent directors representing 38.46% of the total number of Board members. This proportion corresponds to the particular features of the Company's shareholder structure and of the shareholders' agreement, as well as the concerted action of certain significant shareholders described in section A.7 of this Report, all of which has resulted in the Company having 6 proprietary directors and 2 executive directors during the year, and being 2 independent directors short of the number required to comply with the recommendation, taking into account the Company's large capitalization. In this regard, it should be borne in mind that the percentage of independent directors (38.46%) exceeds the floating capital (22.27%). Accordingly, Fluidra considers that the proportions of each category are adequate for the composition of its Board of Directors in light of its shareholder composition and allow it to reach the necessary levels of honourability, dedication, independence and suitability.

18. Companies should disclose the following information about their directors on their websites and keep it regularly updated:

a) Background and professional experience.

b) Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.

c) Statement of the director category to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.

d) Dates of their first appointment as a board member and subsequent re-elections.

e) Shares held in the company, and any options on such shares.

Complies ☒ Complies partially ☐ Explain ☐

19. Following verification by the appointments committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the request of shareholders controlling less than 3 percent of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship..

Complies ☐ Complies partially ☐ Explain ☐
Not applicable ☒

20. Proprietary directors should resign when the shareholders they represent dispose of their shareholding in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the number of proprietary shareholders should be reduced accordingly.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

21. The board of directors should not propose the removal of independent directors before the expiry of their term of office established in the Articles of Association, except when there is due cause, found to exist by the board of directors following a report of the appointments committee. In particular, due cause will be deemed to exist when directors take up new posts or responsibilities that prevent them allocating sufficient time to their duties as a board member, or are in breach of the inherent duties of their post or come under one of the disqualifying grounds for classification as independent director enumerated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

Complies ☒ Explain ☐

22.Companies should establish rules obliging directors to disclose and, as the case may be, to resign when situations arise affecting them, whether or not they are related to their actions in the company, that might be damaging to the company's credit and reputation, and, in particular, obliging them to inform the board of any criminal cases in which they are involved as investigated parties and the corresponding judicial proceedings.

Once the board has been informed of or has otherwise learned of the situations mentioned in the preceding paragraph, it should examine the case as soon as possible and, in light of the particular circumstances and following a report of the appointments and remuneration committee, decide whether or not it should take some kind of measure, such as opening an internal investigation, requesting the director's resignation or proposing his or her removal from office. This matter should be reported in the annual corporate governance report, unless there are special circumstances that justify its omission, which must be noted in the minutes. The foregoing is notwithstanding the information which the company must publish, if applicable, at the time of taking the corresponding measures..

Complies ☒ Complies partially ☐ Explain ☐

23. All directors should express their clear opposition when they feel a proposal submitted for the board's approval might damage the corporate interest. In particular, independent directors and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the board makes significant or reiterated decisions about which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the secretary of the board, even if he or she is not a director.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

24. When a director, either by resignation or a resolution of the general meeting, ceases to hold his or her post before their tenure expires, he or she should explain sufficiently the reasons for his or her resignation or, in the case of non-executive directors, his or her opinion on the reasons for removal by the meeting, in a letter to be sent to all members of the board.

Notwithstanding that all the above may be reported in the annual corporate governance report, to the extent that it is relevant for investors the company should publish the resignation or removal as soon as possible, making sufficient reference to the reasons or circumstances indicated by the director.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

25. The appointments committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The board of directors regulations should lay down the maximum number of company boards on which directors can serve:

Complies ☒ Complies partially ☐ Explain ☐

26. The board should meet with the necessary frequency to properly perform its functions, and at least eight times a year, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Complies ☒ Complies partially ☐ Explain ☐

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate another director to represent them and issue appropriate instructions.

Complies ☒ Complies partially ☐ Explain ☐

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minutes if the person expressing them so requests.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

29. The company should establish suitable channels for directors to obtain the advice they need to carry out their duties including, if necessary, external advising at the company's expense.

Complies ☒ Complies partially ☐ Explain ☐

30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Complies ☒ Complies partially ☐ Explain ☐

31. The agendas of board meetings should clearly indicate the items on which directors must arrive at a decision, so they can study the matter beforehand or gather the material they need.

When, exceptionally, for reasons of urgency, the chairman wishes to present decisions or resolutions for board approval that were not on the agenda, their inclusion will require the express prior consent, duly minuted, of the majority of directors present.

Complies ☒ Complies partially ☐ Explain ☐

32. Directors should be regularly informed of movements in share ownership and of the views of significant shareholders, investors and rating agencies on the company and its group.

Complies ☒ Complies partially ☐ Explain ☐

33. The chairman, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's Articles of Association, should prepare and submit to the board a schedule of meeting dates and agendas; organize and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review refresher courses for each director, when circumstances so advise.

Complies ☒ Complies partially ☐ Explain ☐

34. When a lead independent director has been appointed, the Articles of Association or board of directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the chairman and vice-chairs, if any; give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the chairman succession plan.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

35. The secretary of the board should make special efforts to ensure that the board's actions and decisions are informed by the governance recommendations of the Good Governance Code that are applicable to the company.

Complies ☒ Explain ☐

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct weaknesses detected in:

a) The quality and efficiency of the board's operation.

b) The operation and composition of its committees.

c) The diversity in the composition and competences of the board.

d) The performance of the chairman of the board of directors and the company's chief executive.

e) The performance and contribution of each individual director, with particular attention to the chairs of board committees.

The evaluation of board committees should start from the reports they send to the board of directors, while that of the board itself should start from the report of the appointments committee.

Every three years, the board of directors should engage an external consultant to aid in the evaluation process. This consultant's independence should be verified by the appointments committee.

Any business dealings that the consultant or any company in its group has with the company or with any company in its group should be detailed in the annual corporate governance report.

The process followed and areas evaluated should be described in the annual corporate governance report.

Complies ☒ Complies partially ☐ Explain ☐

37. Where there is an executive committee, at least two non-executive directors should be on this committee, at least one of whom is independent; and the secretary of the committee should be the secretary of the board.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

38. The board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the executive committee's minutes.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

39. The members of the audit committee, particularly its chairman, should be appointed taking into account their knowledge and experience in accounting, auditing and both financial and non-financial risk management.

Complies ☒ Complies partially ☐ Explain ☐

40. Under the supervision of the audit committee, there should be a unit in charge of the internal audit function to oversee proper operation of reporting and internal control systems. This unit should report functionally to the board's non-executive chairman or the chairman of the audit committee.

Complies ☒ Complies partially ☐ Explain ☐

41. The head of the unit handling the internal audit function should present an annual work programme to the audit committee for approval by the committee or by the board, inform it directly of the execution of this plan, including any incidents and scope limitations arising during its implementation, the results and monitoring of its recommendations and submit a report on its activities at the end of each year.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

42. In addition to the functions established by law, the audit committee should have the following functions:

1. In relation to internal control and reporting systems:

a) Supervise and evaluate the process of drawing up and the integrity of the financial and non-financial information and the control and management systems over the financial and non-financial risks relating to the Company and, as the case may be, the group - including operational, technological, legal, social, environmental, political and reputational or corruption-related risks - reviewing compliance with regulatory requisites, adequate definition of the consolidation perimeter and correct application of accounting policies.

b) Ensure the independence of the unit that undertakes the internal audit function; propose the selection, appointment and removal of the person responsible for the internal audit service; propose the budget for the service; approve or propose approval by the board of the approach and the annual internal audit work plan, ensuring that its activity is focused mainly on the relevant risks of the company (including reputational risks); receive periodic information on its activities; and verify that senior management takes into account the conclusions and recommendations of its reports.

c) Establish and supervise a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any irregularities of potential relevance, including financial and accounting or any other kind of irregularities that they observe in the Company or the group. This mechanism should guarantee confidentiality and, in any case, provide for cases in which communications may be made anonymously, respecting the rights of the whistleblower and the reported person.

d) Ensure in general that the policies and systems established in relation to internal control are applied effectively in practice.

2. In relation to the external auditor:

a) Investigate the circumstances giving rise to the resignation of the external auditor, should this come about.

b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.

c) Ensure that the company notifies any change of external auditor through the CNMV, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.

d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, other regulations on auditor independence.

Complies ☒ Complies partially ☐ Explain ☐

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior manager.

Complies ☒ Complies partially ☐ Explain ☐

44. The audit committee should be informed of any structural and corporate modification operations the company is planning, so the committee can analyse and report to the board beforehand on their economic conditions and accounting impact, especially, when applicable, on the proposed swap ratio.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

45. The risk management and control policy should identify or determine at least:

a) The different types of financial and non-financial risks the company is exposed to (including operational, technological, legal, social, environmental, political and reputational risks, including risks related to corruption), with the inclusion under financial or economic risks of contingent liabilities and other off- balance-sheet risks. A

b) risk management and control model based on different levels, a part of which will include a committee specialized in risks when sectorial regulations so establish, or the company considers appropriate.

c) The risk level the company sees as acceptable.

d) The measures devised to mitigate the impact of the risks identified, should they materialize.

e) The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance- sheet risks.

Complies ☒ Complies partially ☐ Explain ☐

46. Companies should establish an internal risk control and management function to be exercised by one of the company's internal department or units, under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:

a) **Ensure that risk control and management systems are functioning correctly and, specifically, that all the significant risks the company is exposed to are adequately identified, managed and quantified.**

b) **Participate actively in the preparation of risk strategies and in key decisions about their management.**

c) **Ensure that risk control and management systems are mitigating risks adequately in the context of the policy defined by the board of directors.**

Complies ☒ Complies partially ☐ Explain ☐

47. Members of the appointments and remuneration committee - or of the appointments committee and the remuneration committee, if they are separate - should be appointed ensuring that they have adequate knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Complies ☐ Complies partially ☒ Explain ☐

The members of the Appointments and Remuneration Committee have been appointed taking into account their knowledge, skills and experience as well as the mission of the Committee. As far as the composition of the Committee is concerned, it is made up of four non-executive directors, two of whom are independent, while the other two are proprietary directors. The Chair of the Committee is an independent director. The reason why the Company does not comply with this part of the recommendation concerning composition is because clause 8.3.6 of the Shareholders' Agreement formalized between Rhône Capital and the founding families of Fluidra on 3rd November 2017, on the occasion of the merger between Fluidra and Zodiac, establishes that the Appointments and Remuneration Committee is to be made up of four (4) members, of whom two (2) will be independent directors (one of them the Chairman), one will be designated "at the proposal of the Current Shareholders" (i.e. at the proposal of the four founding families of the Company) and one will be designated "at the proposal of the Shareholder of Zodiac Holdco" (i.e. at the proposal of the Rhône Capital fund). This Shareholders' Agreement is published on the Company's website www.fluidra.com, under "Shareholders and Investors" "Corporate Governance", "Shareholders' Agreements", and on the website of the CNMV and in the Mercantile Registry of Barcelona.

Indeed, given the shareholder concentration of Fluidra, as explained in section A.7 of the Annual Corporate Governance Report, the Company understands that it was necessary that the two blocks represented in the Shareholders' Agreement between Rhône Capital and the founding families of Fluidra each had a representative on a body such as the Appointments and Remuneration Committee, which was considered of great importance for the operation of the Company. This Committee was consequently composed of two proprietary directors and two independent directors, the Chair being one of the independent directors, who co-ordinates and personally manages the work of this Committee.

48. Large cap companies should have separate appointments and remuneration committees.

Complies ☐ Explain ☒ Not applicable ☐

Fluidra has not considered it necessary for the time being to separate its current Appointments and Remuneration Committee into two committees, as it understands that the functions relating to appointments and those relating to remuneration can be discharged objectively and independently by the same committee. As a matter of fact, Fluidra considers that is not efficient to separate the competencies in two committees and that the existence of only one committee does not limit or compromise the exercise of the faculties granted by law to the Appointments and Remuneration Committee.

49. The appointments committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors.

When there are vacancies on the board, any director should be able to approach the appointments committee to propose candidates that he/she might consider suitable.

Complies ☒ Complies partially ☐ Explain ☐

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law:

a) **Propose to the board the standard conditions for senior management contracts.**

b) **Monitor compliance with the remuneration policy set by the company.**

c) **Periodically review the remuneration policy for directors and senior managers, including share-based remuneration systems and their application, and ensure that their individual remuneration is proportionate to the amounts paid to other directors and senior managers in the company.**

d) **Ensure that conflicts of interest do not undermine the independence of any external advice provided to the committee.**

e) **Verify the information on director and senior manager remuneration contained in corporate documents, including the annual report on directors' remuneration.**

Complies ☒ Complies partially ☐ Explain ☐

51. The remuneration committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors and senior managers.

Complies ☒ Complies partially ☐ Explain ☐

52. The rules on the composition and operation of the supervisory and control committees should be set out in the board of directors' regulations and should be consistent with the rules applicable to legally mandatory committees in accordance with the above recommendations, including the following rules:

a) Committees should be formed exclusively by non-executive directors, with a majority of independent directors.

b) They should be chaired by independent directors.

c) The board should appoint the members of such committees with regard to the knowledge, skills and experience of the directors and each committee's terms of reference; discuss their proposals and reports; and report back on their activities and work at the first full board meeting following each committee meeting.

d) The committees may engage external advice, when they feel it necessary for the discharge of their functions.

e) Minutes of their meetings should be drawn up and made available to all board members.

Complies ☐ Complies partially ☐ Explain ☐
Not applicable ☒

53. The task of supervising compliance with the Company's policies and rules on environmental, social and corporate governance matters, as well as internal codes of conduct, should be assigned to one board committee or split between several committees of the board of directors, which could be the audit committee, the appointments committee, a committee specializing in sustainability or corporate social responsibility or a dedicated committee established ad hoc by the board under its powers of self-organization. This committee should be made up exclusively of non-executive directors, the majority of whom should be independent, and should be specifically charged with the minimum functions indicated in the following recommendation.

Complies ☒ Complies partially ☐ Explain ☐

54.The minimum functions referred to in the preceding recommendation are as follows:

a) Oversee compliance with the company's corporate governance rules and internal codes of conduct, also ensuring that the corporate culture is aligned with its mission and values.

b) Oversee application of the general policy relating to the communication of economic and financial, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the company communicates with and relates to its small and medium-sized shareholders will also be monitored.

c) Periodically evaluate and review the company's corporate governance system and its environmental and social policy, to confirm that it is fulfilling its mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of the other stakeholders.

d) Review the company's social and environmental practices to ensure that they conform to the established strategy and policies.

e) Oversee and evaluate processes in relation to the different stakeholders.

Complies ☒ Complies partially ☐ Explain ☐

55. The environmental and social sustainability policies should identify and include at least:

a) The principles, commitments, goals and strategy in relation to shareholders, employees, customers, suppliers, social matters, environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illegal conduct.

b) The methods or systems to monitor compliance with the policies, the associated risks and their management.

c) The mechanisms for supervising non-financial risk, including the risk related to ethics and business conduct.

d) Channels for stakeholder communication, participation and dialogue.

e) Responsible communication practices that prevent the manipulation of information and protect honour and integrity.

Complies ☒ Complies partially ☐ Explain ☐

56. Directors' remuneration should be sufficient to attract and retain individuals with the desired profile and compensate the dedication, qualifications and responsibility that the post demands, but not so high as to compromise the independent judgement of non- executive directors.

Complies ☒ Explain ☐

57. Variable remuneration linked to the company's performance and the director's personal performance, and remuneration in the form of awarding shares, options or rights on shares or instruments linked to the share price and long -term savings schemes such as pension plans, retirement systems or other benefits should be confined to executive directors.

Share-based remuneration of non-executive directors may be considered when it is subject to the condition that the shares must be kept until the end of their term of office. This condition, however, will not apply to any shares that the director must dispose of to defray costs related to their acquisition.

Complies ☒ Complies partially ☐ Explain ☐

58. In the case of variable remuneration, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or other similar circumstances.

In particular, variable remuneration components should meet the following conditions:

a) They should be subject to predetermined and measurable performance criteria that take into account the risk assumed to obtain a given outcome.

b) They should promote the sustainability of the company and include non-financial criteria that are relevant for the creation of value in the long term, such as compliance with the company's internal rules and procedures and its risk management and control policies.

c) They should be focused on achieving a balance between the delivery of short, medium and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

59. Payment of variable remuneration components should be subject to sufficient checks that predetermined performance or other conditions have effectively been met. Companies will include in the annual directors' remuneration report the criteria in terms of time required and methods to conduct such a check in line with the nature and characteristics of each variable component.

Additionally, companies should consider establishing a reduction clause ("malus") based on the deferral for a sufficient length of time of payment of part of the variable components that will lead to total or partial loss of such components in the event that prior to the time of payment any event occurs that renders this advisable..

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduce the amount of such earnings.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

61.A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments the value of which is linked to the share price.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

62. Once shares, options or financial instruments have been awarded as part of share-based remuneration, executive directors should not be allowed to transfer ownership or exercise them until a term of at least three years has elapsed.

This does not include cases in which a director has, at the time of transfer or exercise, a net economic exposure to the variation in the price of the shares for a market value equal to at least twice his or her annual fixed remuneration by holding shares, options or other financial instruments.

The above condition will not apply to any shares that the director must dispose of to defray costs related to their acquisition, or, following a favourable opinion by the appointments and remuneration committee, to deal with any supervening extraordinary situations that so require.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

63. Contractual arrangements should include a clause that allows the company to reclaim variable components of remuneration when payment was not in line with the director's actual performance or was based on data subsequently found to be inaccurate.

Complies ☒ Complies partially ☐ Explain ☐
Not applicable ☐

64. Severance payments should not exceed an amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that the director has met the predetermined criteria or conditions.

For the purposes of this recommendation, severance payment will be deemed to include any payments the accrual of which or obligation to pay arises as a result of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings plans and any amounts paid by virtue of post-contractual non-compete clauses.

Complies ☐ Complies partially ☒ Explain ☐
Not applicable ☐

The CEO's contract complies with this recommendation.

In relation to the Executive Chairman, his contract establishes compensation in cases of termination of the contract by Fluidra's decision or the Executive Chairman's own decision for the causes detailed in section C.1.39, for an amount equivalent to two years of his remuneration, based on the gross annual salary received in the year the termination of the contract takes place and the variable gross annual salary for the preceding year. This compensation includes the amount of the severance pay which the Executive Chairman is entitled to receive for the termination of his previous employment relationship of sixteen years and seven months, which was suspended when he was appointed to the Board.

Additionally, his contract includes a post-contractual non-compete clause for a term of two years, with an economic compensation of two years of his fixed gross annual remuneration at the time of termination of his contract.

If, as a result of the termination of his contract, the Executive Chairman were to receive, in addition to the non-competition compensation, the severance compensation for termination of his contract, the sum of the two amounts would exceed two years' salary. However, the Company understands that the amount of the compensation for termination of the contract (which was already reduced in 2015, from three to two years' annual salary, as a result of the introduction of this recommendation that year) should not be reduced, as it includes the termination of his prior employment relationship of sixteen years and seven months, which was suspended when he was appointed as a director.

H. Other information of interest

1. If there are any significant aspects regarding corporate governance in the company or entities of the group that have not been included in the other sections of this report, but should be included in order to provide more complete and well-reasoned information regarding the corporate governance structure and practices in the entity or its group, briefly describe them.

2. In this section, you may also include any other information, clarification, or comment relating to the prior sections of this report to the extent they are relevant and not repetitive.

Specifically, state whether the company is subject to laws other than Spanish laws regarding corporate governance and, if applicable, include such information as the company is required to provide that is different from the information required in this report.

—

3. The company may also state whether it has voluntarily adhered to other international, industrial, or other codes of ethical principles or good practice. If so, identify the code in question and the date of adherence thereto. In particular, mention whether the company has signed up to the Code of Good Tax Practice, of 20th July 2010:

This annual corporate governance report was approved by the Board of Directors of the company at its meeting held on:

03/19/2024

State whether any directors voted against or abstained in relation to the approval of this Report.

☐ Yes

☑ No

Auditor´s report on the "Information Related to the System of Internal Control Over Financial Reporting (ICFR)" of Fluidra, S.A. for the year 2023

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AUDITOR´S REPORT ON THE "INFORMATION RELATED TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)"

Translation of a report and information originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Board of Directors of Fluidra, S.A.:

In accordance with the request from the Board of Directors of Fluidra, S.A. (hereinafter the Entity) and our engagement letter dated January 11, 2024, we have performed certain procedures on the "ICFR related information" of Fluidra, S.A., which summarizes the internal control procedures of the Entity in relation to the annual financial information.

The Directors are responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance and supervision of an adequate internal control system as well as developing improvements to that system and preparing and establishing the content of the accompanying ICFR related information attached.

It should be noted that irrespective of the quality of the design and operability of the internal control system adopted by the Entity in relation to its annual financial information, it can only provide reasonable, rather than absolute assurance with respect to the objectives pursued, due to the inherent limitations to any internal control system.

In the course of our audit work on the financial statements and pursuant to the Technical Auditing Standards, the sole purpose of our assessment of the entity´s internal control was to enable us to establish the nature, timing and extent of the audit procedures to be applied to the Entity´s financial statements. Therefore, our assessment of the internal control performed for the purposes of the audit of the financial statements was not sufficiently extensive to enable us to express a specific opinion on the effectiveness of the internal control over the regulated annual financial information.

For the purpose of issuing this report, we exclusively performed the specific procedures described below and indicated in the Guidelines on the Auditors' report relating to information on the Internal Control over Financial Reporting of Listed Companies, published by the Spanish National Securities Market Commission (CNMV) on its website, which establishes the work to be performed, the minimum scope thereof and the content of this report. Given that the scope of these procedures was limited and substantially less than that of an audit or a review of the internal control system, we do not express an opinion on the effectiveness thereof, or its design or operating effectiveness, in relation to Entity's annual financial information for 2023 described in the ICFR related information attached. Consequently, had we performed additional procedures to those established by the Guidelines mentioned above or had we carried out an audit or a review of the internal control over the regulated annual financial reporting information, other matters might have come to our attention that would have been reported to you.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

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Likewise, since this special engagement does not constitute an audit of the financial statements in accordance with prevailing audit regulations in Spain, we do not express an audit opinion in the terms provided for therein.

The procedures performed were as follows:

1. Read and understand the information prepared by the Entity in relation to the ICFR - which is provided in the Annual Corporate Governance Report disclosure information included in the Directors' Report- and assess whether such information addresses all the required information which will follow the minimum content detailed in section F, relating to the description of the ICFR, as per the model established by CNMV Circular nº 5/2013 dated June 12, 2013 and subsequent amendments, the most recent one being CNMV Circular 3/2021 of September 28, 2021 (hereinafter, the CNMV Circulars).

2. Make enquiries of personnel in charge of preparing the information described in point 1 above in order to: (i) Obtain an understanding of the process followed in its preparation; (ii) Obtain information which will allow us to assess whether the terminology used is adapted to the definitions provided in the reference framework; (iii) Obtain information on whether the control procedures described are implemented and in use by the Entity.

3. Review the explanatory documentation supporting the information described in point 1 above, which should basically include that which is provided directly to those responsible for preparing the ICFR descriptive information. In this respect, the aforementioned documentation includes related reports prepared by the Internal Audit Department, senior management, and other internal and external experts providing support to the Audit and Compliance Committee.

4. Compare the information described in point 1 above with our knowledge of Entity's ICFR obtained as a result of performing the external audit procedures within the framework of the audit of the financial statements.

5. Read the minutes of the meetings held by the Board of Directors, Audit and Compliance Committee and other Entity committees in order to assess the consistency between the ICFR issues addressed therein and the information provided in point 1 above.

6. Obtain the representation letter related to the work performed, duly signed by the personnel in charge of preparing the information discussed in point 1 above.

As a result of the procedures performed, no inconsistencies or issues were observed that might have an impact on ICFR related information.

This report was prepared exclusively within the framework of the requirements stipulated in article 540 of the Consolidated text of the Corporate Enterprises Act and CNMV Circulars on ICFR description in Annual Corporate Governance Reports.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Daniel Artigas

March 20, 2024

ANNUAL REPORT ON COMPENSATION OF DIRECTORS OF LISTED COMPANIES



Issuer identification

Year-end date:

31/12/2023

Tax ID:

A-17728593

Name:

FLUIDRA, S.A.

Registered address:

AVENIDA ALCALDE BARNILS, 69 (SANT CUGAT DEL VALLES) BARCELONA

A. Remuneration policy of the company for the current fiscal year

A.1.1. Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete.

The specific assessments for the year in progress should be described, both the remuneration of directors in their status as such and as a result of their executive functions carried out for the Board pursuant to the contracts signed with executive directors and to the remuneration policy approved by the General Shareholders' Meeting.

In any event, the following aspects should be reported:

a) 1. Description of the procedures and bodies at the company involved in the assessment and approval of the remuneration policy and its terms and conditions

b) Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.

c) Information on whether any external advisors took part in this process and, if so, their identity

d) Procedures included in the current remuneration policy for directors for making temporary exceptions to the policy, the conditions under which such exceptions can be made and the components that may be subject to exception under the policy.

The 2022 General Shareholders' Meeting approved Fluidra's Remuneration Policy for Directors ("2022-2024 Remuneration Policy" or "2022-2024 Policy"), applicable from the approval date through December 31, 2024. Before the end of the last fiscal year subject to the current Remuneration Policy, pursuant to the provisions of sect. 529 of the Capital Companies Act ("LSC"), at the same time that the Annual Remuneration Report was approved by the General Shareholders' Meeting the Board of Directors put forward a new remuneration policy that will enter into force on the date of its approval for the three following fiscal years, that is, until 31 December 2027 ("2024–2027 Remuneration Policy" or "2024-2027 Policy").

Following an analysis of the information received from institutional investors and proxy advisors, and of the provisions of the Code of Good Corporate Governance on the remuneration of directors, the proposed 2024–2027 Remuneration Policy will follow along the same lines as the 2022–2024 Policy in terms of the principles, structure and content of the remumeration package. The same principles and foundations as the 2022–2024 Remuneration Policy are maintained, namely, that remuneration should be reasonably proportionate to the Company's importance, its economic situation and the market standards of comparable companies. It should be geared towards promoting the creation of sustainable long-term value, linking directors' remuneration to business performance and shareholders' interests and incorporating the necessary safeguards to avoid excessive risk-taking and the rewarding of unfavourable results.

Additionally, Fluidra takes into account the economic environment, the Company's results, the strategy of the Fluidra group, best market practices and Corporate Governance recommendations in relation to remuneration. As was the case in the 2022–2024 Policy, the 2024–2027 Remuneration Policy establishes that Fluidra's Board of Directors, on the recommendation of the ARC, may approve temporary exceptions to the Remuneration Policy under exceptional circumstances where it is necessary to serve the long-term interests and sustainability of Fluidra as a whole or to ensure its viability. The details of and justification for temporary exceptions will be included in the pertinent Annual Remuneration Report.

The key changes to the 2024–2027 Remuneration Policy are as follows:

- Increasing the maximum annual remuneration directors may receive for acting as such from €2,000,000 to €2,200,000.
- Including the possibility of approving a new long-term incentive plan for Fluidra's group of key directors and executive directors throughout the period the Policy is in place, in respect of which 2024 is the first year of the last cycle of the 2022–2026 Plan.

Fluidra regularly requests benchmarks on the amount and structure of Fluidra's remuneration packages for its senior management team to ensure that it is aligned with market standards.

In the first quarter of 2024, Willis Towers and Watson, a firm specialized in this matter, conducted a benchmarking study on the total remuneration of Fluidra's Executive Directors and senior management team.

This study used the following standards for selecting the comparison group: companies in the same industrial sector and companies considered competitors in terms of talent, whose turnover in 2022 and whose market capitalization at the 2023 year-end was approximately between 25 and 400% of that of Fluidra, and whose main HQ is in Europe and the USA, in order to reflect Fluidra's geographical context.

The study's findings suggested that the remuneration of Fluidra's principal directors, including the executive directors, were aligned with market standards.

A.1.2. Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their assessment and to guarantee a suitable balance between the fixed and variable components of remuneration. In particular, indicate actions taken by the company in relation to the remuneration plan to reduce exposure to excessive risk and adjust it to the company's long-term objectives, values and interests, including, where applicable, a reference to the measures which are planned to guarantee that the remuneration policy is consistent with the company's long-term results, the measures adopted in relation to personnel whose professional performance has material repercussions on the company's risk profile and the measures planned to avoid conflicts of interests, if any.

Furthermore, state whether the company has established any period for the accrual or consolidation of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or the handover of accrued and consolidated financial instruments, or if any clause exists reducing the deferred remuneration or that obliges a director to return remuneration received, when such remuneration has been based on certain figures that have clearly been shown to be inaccurate has been agreed.

According to the 2022–2024 Remuneration Policy, the 2024–2027 Remuneration Policy (jointly, the "Remuneration Policy"), only the Executive Directors receive short-term and long-term variable remuneration. This is in compliance with CNMV recommendation no. 57, according to which variable remuneration linked to the company's performance and personal performance, and that consisting of the award of shares, options or rights over shares or instruments linked to share value, must be confined to Executive Directors.

The remuneration system for Executive Directors reflects a balanced and efficient relationship between fixed components and variable annual or multi-year components. Variable remuneration is set with a medium- and long-term view, which provides an incentive for performance in strategic terms in addition to the achievement of short-term results, considering the current situation and the Company's outlook and objectives with regard to sustainable growth, without the variable remuneration threatening the Company's ability to maintain its solvency and financial situation. The Remuneration Policy seeks to promote and favour the achievement of the Company's strategic objectives by incorporating long-term incentives, reinforcing continuity in the Company's competitive development, fostering motivation, loyalty and retention, whilst keeping remuneration in line with best practices.

1. **Annual variable remuneration ("AVR")**

According to the Remuneration Policy, the AVR, weighted according to the attainment scale, may not exceed 150% of the fixed remuneration for executive functions once the level of attainment of objectives is applied. The attainment scale for economic objectives ranges from 0% of the incentive to a maximum of 185% of the AVR target if the maximum values for each indicator are achieved or exceeded.

The setting of the percentage represented by AVR in relation to fixed remuneration for executive functions, the indicators, and the evaluation of performance shall be determined annually by the board of directors, upon a proposal by the ARC, which shall subsequently determine the levels of achievement. In order to receive the full amount of the annual bonus, Executive Directors must still be

associated with Fluidra on December 31 of the year in which the bonus is to be paid. In the event of termination of their relationship with Fluidra prior that date, they shall receive the proportional part of the variable remuneration to which they would have been entitled in the event of continuing through to December 31, which corresponds to the part of the year for which they have remained with Fluidra.

2. **Long-term variable remuneration**

The Executive Directors may participate in long-term incentive plans based on Fluidra equity instruments, or linked to the value of such instruments, established by the Company for its executive personnel ("LTI").

The LTI will entitle its beneficiaries to receive, once a certain period of time has elapsed, an amount in shares or other instruments, or options over the same, or cash, subject to the fulfilment of the conditions and strategic objectives established in the LTI. These plans shall be of a recurring nature, their specific conditions being set by the Board of Directors upon a proposal by the ARC. They must be in alignment and compatible with the principles of the Remuneration Policy and be approved by the Fluidra Shareholders' Meeting insofar as may be required.

The LTI in force at Fluidra is the 2022-2026 Plan that the Board of Directors, on the recommendation of the ARC, submitted for approval at the 2022 General Shareholders' Meeting. In 2024, three cycles of the Plan will apply: the 2022–2024 Cycle, the 2023–2025 Cycle and the 2024–2026 Cycle.

The remuneration mix is as follows, depending on the level of attainment attached to the bonus:

Variable Annual Remuneration (% of fixed remuneration):

Executive Chairman: minimum: 0%, target: 100%; maximum 185%;

CEO: minimum: 0%, target: 150%, maximum: 277.5%

Long-term incentive (% of fixed remuneration):

Executive Chairman: minimum: 0%, target: 150%; maximum 258%;

CEO: minimum: 0%, target: 150%, maximum: 258%

This does not include in kind remuneration or contributions to pension plans, since the amount is negligible. The amounts reflect the average annualised percentage of the three LTI cycles (2022–2026) based on the FR on the approval date.

The principles regulating the Company's Director Remuneration Policy take into account the shareholders' interests and prudent risk management. The remuneration system therefore seeks to promote the Company's long-term profitability and sustainability and includes the necessary safeguards to prevent excessive risk-taking and the rewarding of poor results.

The measures that the Company has established for deciding on appropriate risk management and promoting the sustainability of results are:

AVR:

* There is no entitlement to receive a guaranteed variable annual remuneration.

- The maximum AVR may not exceed 150% of an Executive Director's fixed remuneration weighted by the level of attainment scale (with a maximum of 277.5% of the fixed remuneration in the event of overachievement of objectives).
- The parameters of the AVR are defined annually, the objectives being set by the Board upon a proposal by the ARC, having regard to the variables which have been identified on the Company's risk map.
- Defined scales of achievement for each objective based on the Company's results are included. Any variation in the Company's results will affect the degree of achievement of the objectives and directly affect the amount of the AVR to which - where appropriate - the Executive Directors may be entitled.
- The AVR accrues annually and is paid annually in arrears, within the first quarter of the calendar year following the year of accrual, once the fulfilment of the associated objectives has been verified.

LTI:

- There is no guaranteed right to receive the long-term incentive.
- Long-term remuneration is linked to specific financial metrics, including defined scales of achievement for each objective based on the Company's results.
- Pursuant to the Remuneration Policy, the incentive to be settled shall take into account any qualifications in the external auditor's report that reduce the Company's earnings.
- The payment of the long-term incentive must be deferred for the minimum period of time necessary to verify that the pre-established conditions to which it is linked have indeed been met ("malus" clause).
- The long-term remuneration system for Executive Directors imposes on them the obligation to maintain the ownership of a certain number of any shares they may receive under long-term incentive plans.
- The long-term remuneration corresponding to the Executive Directors is subject to a clawback clause, which enables the Company to demand reimbursement of the remuneration if it becomes evident that the payment was made based wholly or in part on information which has subsequently been proven to be false or seriously inaccurate.

Finally, insofar as the measures intended to avoid conflicts of interest, as set forth in the Board Regulations, the directors agree:

- Not to participate, directly or indirectly, in professional or commercial transactions with the Company unless they are duly authorised by the Company in keeping with the terms of the law, the By-Laws and the Board Regulations.
- To report conflicts of interest to the Board of Directors.
- To abstain from deliberating and voting on resolutions in which a director or a related person has a direct or indirect conflict of interest, unless they are legally authorised to do so. Excluded from this prohibition are resolutions or decisions that affect directors in their capacity as such, such as the appointment or removal from office on the governing body or others of a similar nature.
- To take the measures necessary to avoid situations in which their own interests or those of others they represent, could conflict with the corporate interest and their duty to the Company.

A.1.3. Amount and nature of fixed components that are due to be accrued during the year by directors in their status as such.

The maximum annual remuneration Directors may earn for the supervisory and collegiate decision-making functions inherent to their status as such, approved at the 2022 General Shareholders' Meeting, is €2,000,000.

The aforementioned amount is, in any event, a maximum limit, and it falls to the Board to propose how that amount will be distributed amongst the different components and the directors, in the form, at the time and in the proportions freely determined by the Board in light of the functions and responsibilities attributed to each one, their membership of and positions held on the Board Committees, and any other objective circumstances which may be deemed relevant. Of that amount, the breakdown of the fixed remuneration per position and responsibilities of the members of the Board that is expected to accrue in fiscal year 2024 is as follows (the remuneration will be the same as in 2023 following approval of the Policy):

- €90,000 per annum for each member of the Board of Directors.
- For the responsibility and dedication required of members of the various Committees and that involved in the Presidency and coordination of the Board:

An additional €20,000 per annum for each member of the ARC, except for the Committee chairman, who will receive an additional €40,000.

An additional €20,000 per annum for each member of the Audit Committee, except for the Committee chairman, who will receive an additional €40,000.

An additional €12,000 per annum for each member of the Delegated Committee.

An additional €50,000 per annum for the Chairman of the Board of Directors.

An additional €25,000 per annum for the coordinator of the Board of Directors

However, the Executive Directors who are members of the different Committees shall not receive any additional amount for their membership thereof.

Allowances for attendance at Board or Committee meetings are €8,000 per annum. The amount received by those Directors who reside outside of Europe, however, is €20,000 per annum.

Finally, Directors will be reimbursed for duly justified expenses incurred in the course of rendering their services to the Company.

A.1.4. Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

The fixed cash remuneration to be paid to executive directors in 2024 is as follows:

- **Mr Eloy Planes:** €500,000
- **Mr Bruce Brooks:** €600,000

The 2024–2027 Remuneration Policy anticipates an annual review of fixed remuneration by the Board of Directors at the proposal of the ARC for the years in which it is in force. The policy does not envisage increases in excess of 20% throughout the period it is in force. In addition, Mr Bruce Brooks receives tax and legal advice.

Part of Mr Bruce Brooks' remuneration is paid by another company of the Fluidra Group.

A.1.5. Amount and nature of any component of in kind remuneration that will accrue during the year, including, but not limited to, insurance premiums paid to a director.

Executive Directors receive the following in kind remuneration:

- In accordance with the Fluidra policy for executive personnel, the Company makes available to its Executive Directors a vehicle at an estimated cost for 2024 of €8,000 for Mr Eloy Planes and €12,000 for Mr Bruce Brooks.
- The Company assumes the cost of a life insurance policy covering the Executive Directors against the contingencies of death and disability. As of the date of this Report, the estimated annual premium for 2024 is €19,000 for Mr Eloy Planes and €16,000 for Mr Bruce Brooks.
- Fluidra assumes the cost of a family medical insurance policy, for which the annual premium for 2023 is approximately €6,000 for Mr Eloy Planes and €8,000 for Mr Bruce Brooks.

Part of Mr Bruce Brooks' remuneration is paid by another company of the Fluidra Group.

A.1.6. Amount and nature of variable components, which differentiate between those established in the short- and long-term. Amount and nature of variable components, which differentiate between those established in the short- and long-term. Financial and non-financial parameters, including social, environmental and climate change parameters selected to calculate variable remuneration in the year in progress, explaining the extent to which these parameters are related to performance, both of directors and the company, together with their risk profile, and the methodology, timetable and techniques established to determine the degree of compliance with the parameters used in the design of the variable remuneration, explaining the applicable criteria and factors in terms of the time required and the methods used to effectively verify compliance, with the performance conditions or any others to which the accrual is tied and the consolidation of each component of variable remuneration.

State the range, in monetary terms, of the different variable components according to the degree of compliance with the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

The variable remuneration system for the Executive Directors for 2024 includes two components: annual variable remuneration (AVR) and a long-term incentive (LTI).

(i) AVR:

In accordance with the terms of their respective contracts, the Executive Directors receive AVR linked to the achievement of economic and management objectives related to the budget set by the Board of Directors for each year. The objective criteria to be used to calculate the AVR for 2024 are as follows:

- The Executive Chairman's AVR for 2024, prior to weighting based on the achievement scale, is 100% of the fixed remuneration for executive functions. The achievement scale ranges from a payment of 40% of the variable amount, in the event of achieving the minimum levels established for each indicator (0% if the minimum levels are not achieved), up to maximum payment of 185%, in the event of achieving or exceeding the maximum levels established for each indicator.
- The CEO's AVR for 2024, prior to weighting based on the achievement scale, is 150% of the fixed remuneration for executive functions. The achievement scale ranges from a payment of 40% of the variable amount, in the event of achieving the minimum levels established for each indicator (0% if the minimum levels are not achieved), up to maximum payment of 185%, in the event of achieving or exceeding the maximum levels established for each indicator.

The indicators for 2024:

(i) 85%, economic objectivess:

Free Cash-Flow (25%), PF cash EPS (25%), EBITDA (25%) and total sales growth (10%) and

(ii)15% management objectives:

within the management objectives, 5% are linked to attaining the company's Environment, Social and Governance ("ESG") objectives, such as the S&P score, the carbon footprint, the global NPS and the overall sales of sustainable products, in addition to all other strategic management targets of the company.

The achievement scale for the economic objectives in 2024 is as follows:

- **Free cash flow:** 80% of the objective for entitlement to payment of 40% of the AVR linked to this objective, and 120% for entitlement to 200%.
- **Cash Earning Per Share:** 70% of the objective for entitlement to payment of 40% of the AVR linked to this objective, and 130% for entitlement to 200% of the variable target.
- **Ebitda:** 80% for entitlement to payment of 40% of the AVR linked to this objective, and 120% for entitlement to 200% of the variable target.
- **Total growth in sales:** 50% of the objective for entitlement to payment of 40% of the AVR linked to this objective, and 150% for entitlement to 200%.

If the management objectives are achieved, the payout would be 100% of the target AVR linked to these objectives; otherwise it would be 0%.

At the end of the fiscal year, upon receipt of the appropriate supporting documentation, the Board of Directors, on the recommendations of the ARC, will assess the degree of compliance with the objectives set at the beginning of the fiscal year and approve the amount of the AVR to be received by each executive director based on the degree of fulfilment achieved.

Once the amount of the incentive is approved, it will be paid in cash after Fluidra's annual accounts have been drafted, taking into account, where applicable, any provisos in the external auditor's report.

(iii) LTI:

In 2024, the Executive Directors are beneficiaries of the 2022-2026 Plan:

The 2022-2026 Plan for key senior management and executive directors of the Fluidra group was approved at the 2022 General Shareholders' Meeting.

The goal of the plan is to incentivise, motivate and build loyalty among Fluidra's management team by linking part of their remuneration to the value of the Company's stock to align the interests of the beneficiaries with those of shareholders by offering them competitive remuneration that is in line with market remuneration practices and the Fluidra group's new organisation and strategy.

The basic conditions of the 2022-2026 Plan are as follows:

Instrument: The 2022-2026 Plan is implemented through the award of a certain number of units ("PSUs"), which will then be used as a reference in order to determine the final number of Shares to be delivered to the Beneficiaries after a certain period of time, as long as certain strategic objectives of the Fluidra Group are fulfilled and the requirements provided for in the Regulations are met.

Term: The 2022-2026 Plan has a term of five (5) years, running from January 1, 2022, with effect from the date of approval of the Plan by the Fluidra Shareholders' Meeting (the "Start Date") until December 31, 2026 (the "End Date"), without prejudice to the effective settlement of the last cycle of the Plan, which will take place in June 2027.

The Plan is divided into three (3) independent cycles (the "Cycles") and will have three award dates (the "Award Dates") for the target incentive to be received in the event of achieving 100% of the objectives to which it is linked ("Target Incentive"), each of which will take place in 2022, 2023 and 2024, respectively.

Each of the Cycles will have an objective measurement period of three (3) years (the "Measurement Period"), starting on January 1 of the year in which the Cycle begins (the "Measurement Period Start Date") and ending three (3) years after the Measurement Period Start Date, that is, on December 31 of the year the Measurement Period for the Cycle ends (the "Measurement Period End Date").

Once the Measurement Period for each Cycle has ended, the associated incentive to which each of the Beneficiaries will be entitled will be determined according to the degree of achievement of the objectives established for the Cycle in question ("Degree of Achievement").

The settlement of the incentive during each Cycle of the Plan will take place in the month of June of the fiscal year following the End Date of the Measurement Period, once the annual accounts for the year in which the Measurement Period in question ended have been approved ("Settlement Date").

Beneficiaries: The beneficiaries of the 2022-2026 Plan (the "Beneficiaries") will be the members of the management team of Fluidra and of the subsidiaries making up the Fluidra Group, as determined by the Board of Directors of Fluidra, at the proposal of the Appointments and Remuneration Committee, whose members are expressly invited to participate in the Plan via a letter of invitation (the "Letter of Invitation") and who expressly accept such invitation.

For these purposes, the Fluidra Shareholders' Meeting designates as Beneficiaries of the 2022-2026 Plan those directors of Fluidra who, during the term of the Plan, are attributed executive functions in the Fluidra Group ("Executive Directors"). At the date of approval of the Plan by the Fluidra Shareholders' Meeting, the Executive Directors are Mr Eloy Planes, Executive Chairman, and Mr Bruce Brooks, CEO.

Maximum number of Shares included in the Plan: The total number of Shares which, in implementation of the Plan, will be delivered to the Beneficiaries at the end of each Cycle will be that resulting from dividing the maximum amount allocated to each Cycle by the weighted average closing price of the Shares for the trading sessions taking place in the thirty (30) days prior to the Measurement Period Start Date of the Cycle in question (the "Reference Value"). The maximum total amount allocated to the Plan if 100% of the related objectives are met is €55 million.

The maximum amount to be allocated to each Cycle of the Plan, if 100% of the objectives are met, will be determined by the Board of Directors following a report from the Appointments and Remuneration Committee, but may not exceed a total of €55 million for all three Cycles of the Plan.

In any event, if 100% of the objectives are met, the total number of Shares to be delivered in the implementation of the Plan to all of the Beneficiaries in the three Cycles may not exceed 0.8% of the share capital of Fluidra on the date of approval of the Plan, and will be 1.3% in the event of reaching the maximum Degree of Achievement of the objectives.

If the maximum number of Shares allocated to the Plan authorised by the Shareholders' Meeting is insufficient to be able to settle the incentive in Shares corresponding to the Beneficiaries under each Cycle of the Plan, Fluidra shall pay in cash the amount of the incentive corresponding to the excess which cannot be settled in Shares.

If 100% of the objectives of the Plan are met, the Executive Directors of Fluidra will be entitled to receive, at the end of each of the three Cycles, a number of Shares equal in value to 250% of their Fixed Annual Remuneration in force on the award date of the incentive corresponding to the Cycle in question, divided by the Reference Value.

In any event, the number of Shares to be delivered will depend on the number of PSUs assigned and on the degree of achievement of the objectives to which the incentive is linked.

For the first Cycle of the Plan, if 100% of the Cycle objectives are met, and taking into consideration the average weighted closing price of the Share for the trading sessions taking place on the thirty (30) days prior to 1 January 2022 and the Annual Fixed Remuneration of the Executive Directors in force on the date of approval of the Plan, 37,651 Shares would be delivered to the Executive Chairman,

Mr Eloy Planes, and 45,181 Shares would be delivered to the CEO Mr Bruce Brooks. In the event of reaching the maximum Degree of Achievement of the objectives to which the first Cycle is linked, the number of Shares to be delivered will be 172% of the Shares to be delivered in the event of achieving 100% of the objectives. Accordingly, the maximum number of Shares to be delivered would be 64,760 Shares in the case of Mr Eloy Planes and 77,711 Shares in the case of Mr Bruce Brooks.

For the second Cycle of the Plan, if 100% of the Cycle objectives are met, and taking into consideration the average weighted closing price of the Share for the trading sessions taking place on the thirty (30) days prior to 1 January 2023 and the Annual Fixed Remuneration of the Executive Directors in force on the date of Invitation Letter to the second Cycle of the Plan, 88,500 Shares would be delivered to the Executive Chairman, Mr Eloy Planes, and 106,200 Shares would be delivered to the CEO, Mr Bruce Brooks. In the event of reaching the maximum Degree of Achievement of the objectives to which the second Cycle is linked, the number of Shares to be delivered will be 172% of the Shares to be delivered should 100% of the targets be met. Accordingly, the maximum number of Shares to be delivered would be 152,220 Shares in the case of Mr Eloy Planes and 182,664 Shares in the case of Mr Bruce Brooks.

For the third Cycle of the Plan, if 100% of the Cycle objectives are met, and taking into consideration the average weighted closing price of the Share for the trading sessions taking place on the thirty (30) days prior to 1 January 2024 and the Annual Fixed Remuneration of the Executive Directors in force on the date of the Invitation Letter to the third Cycle of the Plan, 66,811 Shares would be delivered to the Executive Chairman, Mr Eloy Planes, and 80,173 Shares would be delivered to the CEO, Mr Bruce Brooks. In the event of reaching the maximum Degree of Achievement of the objectives to which the third Cycle is linked, the number of Shares to be delivered will be 172% of the Shares to be delivered in the event of achieving 100% of the objectives. Accordingly, the maximum number of Shares to be delivered would be 114,915 Shares in the case of Mr Eloy Planes and 137,898 Shares in the case of Mr Bruce Brooks.

The number of PSUs assigned in each Cycle has been duly reported in the corresponding Annual Report on Directors' Remuneration.

Requirements for receiving the incentive: The requirements to be met, on a cumulative basis, in order for a Beneficiary to vest the right to receive the incentive corresponding to each Cycle of the 2022-2026 Plan are as follows:

- For the total PSUs available in each Cycle, a Beneficiary must still be part of the Fluidra Group as of the End Date of the Cycle Measurement Period, notwithstanding the provisions for special cases of separation established in the Regulations, which will also determine the formula for calculating the consolidated PSUs on the separation date.
- The objectives established for each Cycle of the 2022-2026 Plan must be met under the terms and conditions described in this agreement and its implementing Regulations.

In the case of Executive Directors, 100% of the PSUs awarded in each Cycle must be linked to fulfilment of the objectives to which the corresponding Cycle is linked.

Objectives: The Degree of Achievement of the incentive corresponding to one Cycle of the Plan and, therefore, the number of Shares to be delivered to the Beneficiaries in relation to such Cycle, will depend on the degree of achievement of the objectives that the Board of Directors, at the proposal of the Appointments and Remuneration Committee, establishes for each Cycle of the 2022-2026 Plan, insofar as related to the percentage of PSUs awarded this is linked to such an achievement.

The objectives will be:

- Objectives in terms of the creation of value for shareholders;
- Economic-financial objectives, and
- ESG objectives (Environment, Social and Governance).

i) Objectives for each Cycle

In any Cycle of the Plan, the Incentive will be linked to the achievement of the following strategic corporate objectives:

(i) Objectives in terms of the creation of value for shareholders;

Evolution of the Total Shareholder Return of Fluidra ("TSR"), in absolute terms;

(ii) Economic-financial objectives:

Evolution of the EBITDA of the Fluidra Group;

(iii) ESG objectives: S&P rating;

hereinafter, the "metrics".

TSR, EBITDA and the ESG objectives will be calculated during the Measurement Period of each Cycle that ends on 31 December 2024, 2025 and 2026, respectively.

The initial value considered for the purpose of measuring the evolution of TSR will be the weighted average listed price of the Fluidra share at the close of trading for the trading sessions taking place on the thirty (30) days preceding the First Cycle Measurement Period Start Date, the final value considered being the weighted average listed price of the Fluidra share at the close of the trading sessions taking place on the thirty (30) days preceding the corresponding Cycle Measurement Period End Date.

The weighting percentages for the Incentive awarded to the Executive Directors in the First, Second and Third Cycles will be 50% for the TSR objective, 40% for the EBITDA objective, and 10% for the ESG objective.

In the case of Beneficiaries who are not directors, the Board of Directors will determine, upon a proposal by the Appointments and Remuneration Committee, the part of the Shares whose delivery will depend on achievement of the TSR (50%), EBITDA (40%) and ESG (10%) objectives. The ESG objectives are linked to a higher S&P score.

For the TSR and EBITDA objectives, a Degree of Achievement associated with each objective will be established and this may range between 0% and 180%. The Degree of Achievement deriving from each of the above objectives will be calculated by linear interpolation. In the case of the ESG objective, the Degree of Achievement will be 0% or 100%. The maximum Degree of Achievement for the Executive Directors will therefore be 172%.

Delivery and availability of shares: The Shares will be delivered either by Fluidra or by a third party, depending on the coverage systems finally adopted by the Board of Directors.

Other disclosures are discussed in section D

A.1.7. Main characteristics of long-term savings systems. Among other information, state the contingencies covered by the system, whether through defined contributions or benefits, the annual contribution that needs to be made to the defined contribution system, the benefits directors are entitled to in the event of defined benefit systems, the conditions under which economic rights are consolidated for directors and their compatibility with any other type of payment or severance pay as a result of the early termination or dismissal of a director, or deriving from the termination of the contractual relationship, under the terms provided for, between the company and the director in question.

State if the accrual or consolidation of any of the long-term savings plans is linked to achieving certain objectives or parameters related to the short- or long-term performance of a director.

Fluidra has assumed on behalf of Mr Eloy Planes a defined-contribution retirement pension plan to which the Company makes annual contributions, which in 2024 totalled €16,000. He has vested rights.

Mr Bruce Brooks is an active participant in the 401(k) pension plan sponsored by the US subsidiary. The estimated cost of the plan to the Fluidra group in 2023 was €8,000. If, at any time, Mr Bruce Brooks is unable to participate in that pension plan, the Company shall finance – or arrange for its US subsidiary to finance – a defined contribution pension fund, thus amounting

to annual contributions of €16,000. Fluidra reserves the right to finance these pension commitments using whatever instrument it considers most suitable pursuant to the currently applicable legislation.

This commitment is compatible with the severance to which Executive Directors are entitled in the event of termination or early removal in the terms envisaged and described in the subsections below.

A.1.8. Any type of payment or severance pay for early termination or dismissal of a director, or deriving from the termination of the contractual relationship, under the terms provided for between the company and the director in question, whether voluntary resignation by the director or dismissal of the director by the company, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, permanence or loyalty, which entitle the director to any type of remuneration.

The non-executive directors are not entitled to indemnities for termination of their functions as directors.

The contracts of the Executive Directors envisage the following severance payments in the event of termination of the service provision agreements signed by the Company and the directors.

Severance pay for termination of a contract

The severance to which the Executive Directors will be entitled in in the event of the termination of a contract by Fluidra on any grounds, except in cases of serious and wilful or negligent non-fulfilment of their duties as Executive Directors of the Company, will be:

- **Mr Eloy Planes**: an amount equivalent to twice his annual remuneration, based on his gross annual fixed salary for the year in which his contract is terminated and the gross annual variable salary for the preceding year. This includes the legal indemnity that Mr Eloy Planes is entitled to receive for the termination of his previous employment relationship of 16 years and 7 months, suspended on the occasion of his appointment as a director.
- **Mr Bruce Books**: an amount equal to one year's remuneration, based on his gross annual fixed salary for the year in which his contract is terminated and his target gross annual variable salary.

The Executive Directors shall be entitled to receive this severance pay if they decide to terminate their contracts by their own choice, if such termination is due to any of the following causes:

- Serious breach by the Company of any of the contractual obligations related to their position.
- Reduction and substantial limitation of their duties or powers.
- Substantial modification of their contractual conditions.
- Change of ownership of Fluidra's share capital with or without changing the Company's governing bodies.

Exclusivity and confidentiality

The contracts of the Executive Directors establish clauses regulating confidentiality and exclusive dedication, this being without prejudice to any activities which have been expressly authorised by the Company, provided they do not hinder the fulfilment of the duties of diligence and loyalty inherent in their post or entail a conflict of interest with the Company. Such exclusivity clause does not entitle the Executive Directors to any specific remuneration.

Post-contractual non-compete and non-solicitation undertaking

Without prejudice to the agreement in which the Executive Directors undertake not to compete with the Company as long as their contracts are in force, it is agreed that:

Mr Eloy Planes: a post-contractual non-competition agreement with a duration of two years from the conclusion of the effective provision of services. The economic remuneration established for the commitment pursuant to the post-contractual non-compete undertaking is two times his gross annual fixed remuneration in force at the time of termination of the contract.

Mr Bruce Brooks: a post-contractual non-solicitation and non-competition agreement with a duration of two years from the conclusion of the effective provision of services. The economic remuneration derived from the post-contractual non-solicitation and non-competition undertaking is included in the amount of remuneration established for him.

A.1.9. State the conditions that contracts should respect for those exercising senior management functions as executive directors. Among others, information should be provided on the duration, limits on amounts of severance pay, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any other clauses relating to hiring bonuses, remuneration and golden parachute clauses for early termination of the contractual relationship between the company and an executive director. Include, among others, the pacts or agreement on con-competition, exclusivity, permanence and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.

The contracts of the Executive Directors of the Company are commercial contracts, and contain a clear description of the functions and responsibilities to be assumed according to the provisions of commercial legislation, the By-laws, the Regulations applicable to the bodies of the Company and those attributed by the Shareholders' Meeting of Fluidra. Set out below are the essential terms and conditions of the contracts of Executive Directors which have been approved in accordance with the provisions of articles 249 and 529.80 of the Capital Companies Act.

1. **Term**:
   The Executive Directors have signed an indefinite-term contract for services with the Company which shall remain in force for as long as the directors perform the executive

duties delegated to them by the Board of Directors according to their post.

2. **Exclusivity and confidentiality**
   The contracts establish clauses regulating confidentiality and exclusive dedication, without prejudice to the activities which are expressly authorised, provided they do not hinder the fulfilment of the duties of diligence and loyalty inherent in their post or entail a conflict with the Company.

3. **Minimum contract terms**
   The Executive Directors' contracts do not include any minimum term or loyalty clauses.

4. **Advance notice period**
   The parties are required to give at least six months' notice before the effective date of termination of a contractual relationship, except when this occurs by mutual agreement, due to serious and wilful or negligent non-fulfilment of the Executive Director's professional duties or a serious breach by the Company of the obligations undertaken in relation to the position of Executive Director. In the event of non-fulfilment of the obligation to give notice, the performing party shall be entitled to receive an amount equal to the fixed remuneration pending payment during the period of the breach.

5. **Severance pay for termination of the contract**
   Breakdown of the severance payable for termination of the contract are provided in a subsection of this Report.

6. **Post-contractual non-compete and non-solicitation undertaking**
   Breakdown of the post-contractual non-competition and non-solicitation undertaking are provided in the previous subsection of this Report.

7. **Other**
   In addition, the contract signed with Mr Bruce Brooks specifies that any remuneration (including remuneration in cash and in kind and payments for termination of contract, if any) paid by a US subsidiary of the Fluidra group will reduce the amount of the remuneration to be paid by Fluidra stipulated in the contract signed by him with the Company.

   The Board of Directors will periodically review the conditions of the contracts signed with the Executive Directors in order to include any amendments in them that are necessary to adapt them to the Remuneration Policy in force at any given time and to the internal regulations of the Company that apply.

A.1.10. The nature and estimated amount of any other supplementary remuneration accrued by directors in the year in progress in consideration for services rendered other than those inherent in the post.

The Remuneration Policy does not envisage any remuneration for directors not already mentioned in the previous subsections.

A.1.11. Other remunerative items or by-products, as the case may be, of the company granting the director advance payments, loans, guarantees or any other remuneration.

The Remuneration Policy does not envisage the possibility of providing advances, loans and guarantees to the directors.

A.1.12. The nature and estimated amount of any other planned supplementary remuneration accrued by directors in the year in progress that are not included in the previous sections, whether payment is settled by the company or another group company.

No remuneration payable by Group entities to any of the members of the Board is envisaged for the current financial year that has not been included in the preceding sections.

A.2. Explain any significant change in the remuneration policy applicable in the current year resulting from:

a) **A new policy or a modification of the policy already approved by the General Meeting.**

b) **Significant changes in the specific assessments established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.**

c) **Proposals that the board of directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and which are proposed to be applicable to the current year.**

As mentioned in section A.1, along with the Annual Remuneration Report, on the recommendation of the Board of Directors the General Shareholders' Meeting is asked to approve: (i) the 2024–2027 Remuneration Policy that will be valid from its date of approval; and (ii) the modification of the maximum remuneration paid to all directors for their status as such.

A.3. Identify the direct link to the document where the current company remuneration policy is posted, which must be available on the company's website.

2022–2024 Policy, in force from 1 January 2024 until the data of approval of the 2024–2027 Policy.

2024–2027 Policy, in force from its date of approval until 31 December 2024.

https://www.fluidra.com/es/accionistas/remuneraciones-de-los-consejeros

A.4. Explain, taking into account the data provided in Section B.4, the outcome of voting, of a consultative nature, by shareholders at the General Shareholders' Meeting on the annual report on remuneration for the previous year.

The resolution received the favourable vote of 91.1% of the voting quorum, in the terms stated in section B.4 of this Report. Similarly, the 2022–2024 Remuneration Policy was approved with the affirmative vote of 93.5% of the quorum with voting rights.

B. Overall summary of how remuneration policy was applied during the year just ended

B.1.1. Explain the process followed to apply the remuneration policy and calculate the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the Board of Directors and, the identity and the role of the external advisors whose services have been used in the process to apply the remuneration policy in the year ended.

The individual remuneration of the directors of Fluidra accrued in fiscal year 2023 that is reflected in section C of this Report has been calculated in accordance with the principles and criteria of the Company's directors' remuneration policy in force in 2023.

Since its approval, the Company has implemented the Remuneration Policy approved at the General Shareholders' Meeting held on May 5, 2022, which is valid for fiscal years 2022 (from its date of approval) to 2024.

The procedures, matters and decisions adopted by the ARC and the Board of Directors, according to the powers described in subsection A.1 of this Report related to the Remuneration Policy, are as follows:

- Evaluation of the degree of compliance with the 2022 AVR metrics of the Executive Directors and Fluidra's management team and approval of the amount of the 2022 AVR to be settled in 2023, based on the degree of compliance.
- Analysis of the remuneration in 2023 of Fluidra's executive directors and the rest of its senior management team, and a proposal to review salaries, as the case may be.
- 2023 AVR of Fluidra's Executive Directors and management team: determination of the AVR metrics, establishment of the threshold for entitlement to the AVR and payout scale depending on the degree of compliance with the objectives of each metric.
- Analysis and issue of a favourable report on the second LTI 2022–2026 cycle, the beneficiaries, the metrics and the targets for each of them, their weighting by group of beneficiaries and the allocation of the number of units to each beneficiary.
- Proposal of the Annual Report on Directors' Remuneration for 2022, to be submitted to a consultative vote at the Shareholders' Meeting.
- Proposal to submit certain parts of the Annual Report on Directors' Remuneration for 2022 to the Shareholders' Meeting for approval.

B.1.2. Explain any deviation from the established procedure for the application of the remuneration policy that occurred during the fiscal year.

There were no deviations in the procedure for the application of the 2022–2024 Remuneration Policy.

B.1.3. State whether any temporary exceptions to the remuneration policy were applied and, if so, explain the exceptional circumstances that led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the company believes these exceptions were necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Also quantify the impact which the application of these exceptions has had on the remuneration of each director in the fiscal year.

No temporary exceptions were applied.

B.2. Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and adapting them to the long-term objectives, values and interests of the company, including a reference to the measures that have been adopted to guarantee that the long-term results of the company have been taken into consideration in the remuneration accrued and that a suitable balance has been attained between the fixed and variable components of the remuneration, the measures that have been adopted in relation to those categories of staff whose professional activities have a material repercussion on the company's risk profile and the measures that have been adopted to avoid conflicts of interest, if any.

The remuneration of Executive Directors is a key issue for the Board of Directors and the ARC. Because that is the case, the remuneration model is continuously reviewed, evaluated and updated by both bodies. Fluidra has defined a competitive executive remuneration programme that motivates and rewards executives for achieving financial and strategic objectives that generate long-term value for shareholders, while providing rewards commensurate with performance. This programme applies to both executive directors and other senior executives who are considered critical to the company as a way of incentivising the growth and sustainability of the company. Therefore:

- Total remuneration is composed of a fixed portion, an annual variable portion and a long-term variable portion.
- The LTIs are linked to the achievement of Fluidra's long-term objectives based on its strategic plan.

- The LTIs are paid in shares, aligning the directors' interests with those of the shareholders, with the obligation to retain the ownership of the net shares received for three years from the acquisition date, until the beneficiary owns a certain number of shares equivalent to 2 annual payments of his/her fixed remuneration.
- Variable remuneration is not guaranteed.
- LTIs are subject to clawback and malus clauses as described in the preceding sections, which allow the company to request the return of the incentive paid in certain cases.

Finally, the steps taken to avoid conflicts of interest are explained in section A.1.6 above.

B.3. Explain how the remuneration accrued and vested in the fiscal year complies with the current remuneration policy and, in particular, how it contributes to the company's long-term sustainable performance.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short- and long-term, explaining, as the case may be, how the variations in the performance of the company have influenced changes in the remuneration of directors and how the latter contribute to the short- and long-term results of the company.

Section C of this Report includes the breakdown of the remuneration accrued in 2023, for all items, due to the directors of Fluidra, pursuant to the remuneration policies in force in the year with respect to remuneration items and amounts.

Variable remuneration is aligned with the achievement of objectives linked to Fluidra's annual budget, so that variations in the company's performance have a direct influence on the AVR and, therefore, on the remuneration of directors with executive functions. The AVR linked to the achievement of financial and non-financial and business objectives is arranged with a view to the medium- and long-term that drives long-term performance in strategic terms, in addition to the achievement of short-term results, based on the current situation and the prospects and objectives for Fluidra's sustainable growth.

Medium and long-term incentives are linked to strategic plans of at least three years, which fosters the creation of sustainable value for the Group. Multi-year variable remuneration is paid in shares, which aligns the interests of the Executive Directors with those of shareholders.

B.4. Report on the result of the consultative vote at the General Shareholders' Meeting on the annual remuneration report for the previous year, with a breakdown of the number abstentions, blank votes and yea and nay votes cast:

	Number	% of total
Votes cast	163,778,188	85.24

	Number	% of votes cast
Votes against	14,504,543	8.90
Votes in favour	149,200,485	91.10
Blank votes	30,398	0.02
Abstentions	42,762	0.03

Remarks

B.5. Explain how the fixed components accrued during the year by the directors in their capacity as such are calculated, the relative proportion for each director and how they have changed compared to the year before.

The remuneration items accrued in 2023 in fixed salary, per diem allowances and totals are as follows

Name	Fixed salary	Allowances	Total
Eloy Planes	140,000	8,000	148,000
Bruce Brooks	90,000	8,000	98,000
Oscar Serra	102,000	8,000	110,000
José Manuel Varga	122,000	8,000	130,000
Bernat Corbera	110,000	8,000	118,000
Bernardo Garrigós	110,000	8,000	118,000
Steven Langman	110,000	20,000	130,000
Gabriel López	39,739	2,827	42,566
Jordi Constans	167,000	8,000	175,000
Brian McDonald	130,000	20,000	150,000
Esther Berrozpe	142,850	8,000	150,850
Barbara Borra	102,000	8,000	110,000
Aedhmar Hynes	65,589	12,932	78,520
Manuel Puig	57,900	5,173	63,073
Total (€):	**1,489,077**	**132,932**	**1,622,009**

The remuneration items accrued in 2022 in fixed salary, per diem allowances and totals are as follows:

Name	Fixed salary	Allowances	Total
Eloy Planes	130,833.31	8,000	138,833.31
Bruce Brooks	86,666.69	8,000	94,666.69
Oscar Serra	98,666.69	8,000	106,666.69
José Manuel Varga	116,583.38	8,000	124,583.38
Bernat Corbera	104,583.38	8,000	112,583.38
PIUMOC Inversions	33,744.62	2,667	36,411.29
Bernardo Garrigós	70,838.76	5,333	76,172.09
Steven Langman	104,583.38	20,000	124,583.38
Gabriel López	104,583.38	8,000	112,583.38
Jordi Constans	155,333.38	8,000	163,333.38
Brian McDonald	118,333.33	20,000	138,333.33
Esther Berrozpe	118,333.33	8,000	126,333.33
Barbara Borra	93,666.69	8,000	101,666.69
Total (€):	**1,336,750.33**	**120,000**	**1,456,750.33**

B.6. Explain how the salaries accrued by each of the executive directors over the past fiscal year for the performance of management duties were determined, and how they have changed with respect to the previous year

The fixed cash remuneration accrued in 2023 by the Executive Directors, in addition to that received for their status as such, is as follows:

Mr Eloy Planes: According to the 2022–2024 Remuneration Policy, in 2023 Mr Eloy Planes received fixed remuneration of €500,000 for his executive functions, namely, no increase over 2022 (0% increase).

Mr Bruce Brooks: According to the Remuneration Policy, in 2023 Mr Bruce Brooks received fixed remuneration of €600,000, namely, no increase over 2022 (0% increase).

Some of Mr Bruce Brooks' remuneration has been paid by another Fluidra Group company.

B.7. Explain the nature and the main characteristics of the variable components of the remuneration systems accrued in the year ended.

Specifically:

a) Identify each of the remuneration plans that have determined the different types of variable remuneration accrued by each of the directors in the year ended, including information on their scope, their date of approval, their date of incorporation, the periods of accrual and validity, the criteria used to evaluate performance and how this has affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be in a position to adequately measure all the conditions and criteria, explaining in detail the criteria and factors applied in terms of the time required and methods for verifying that performance or other conditions tied to the accrual and vesting of each component of variable remuneration have been effectively fulfilled.

b) In the case of stock options and other financial instruments, the general characteristics of each plan must include information on both the conditions to acquire unconditional ownership (vesting) and to exercise these options or financial instruments, including the price and term to exercise them.

c) Each of the directors, together with their category (executive directors, proprietary external directors, independent external directors and other external directors), that are beneficiaries of remunerations systems or plans that include variable remuneration.

d) As the case may be, information is to be provided on periods for the accrual or deferment of payment applied and/or the periods for withholding/unavailability of shares or other financial instruments, should they exist.

Explain the short-term variable components of the remuneration systems

As explained in section A.1 of this Report, according to the Remuneration Policy, the variable remuneration only applies to Executive Directors.

The variable remuneration system for the Executive Directors in 2023 includes two components: AVR and long-term remuneration.

In accordance with the terms of their respective contracts, the Executive Directors earned, in 2023, gross annual variable remuneration linked to the achievement of economic and management objectives related to the budget set by the board of directors for that year, which will be paid in 2024. The objective criteria used to calculate the AVR for 2023 are as follows:

Mr Eloy Planes

The AVR for 2023, prior to weighting by the achievement scale, is 100% of the fixed remuneration for executive functions. In 2023, the indicators were as follows:

(i) 85%, economic objectives:

Free Cash-Flow (25%), PF cash EPS (25%), EBITDA (25%) and total sales growth (10%).

(ii) 15% of management objectives:

4% linked to ESG objectives and the remaining 11% to other strategic management objectives.

On 15 March 2024, the ARC verified the degree of achievement of the objectives linked to the accrual of AVR in 2023 and submitted it to the Board of Directors for approval on 29 March 2023. The degree of achievement of the weighted total was 87.9%. In view of the degree of achievement, on March 19, 2024, the Board of Directors approved the accrued AVR for 2023, to be paid in 2024, in the amount of €440,000.

Sr. Bruce Brooks

The AVR of 2023, prior to weighting by the achievement scale is 150% of the fixed remuneration. In 2023, the indicators were as follows:

(iv) 85% of economic objectives:

Free Cash-Flow (25%), PF cash EPS (25%), EBITDA (25%) and total sales growth (10%).

(v) by 15% of management objectives:

4% linked to ESG objectives and the remaining 11% to other strategic management objectives. On 15 March 2024, the ARC verified the degree of achievement of the objectives linked to the accrual of AVR in 2023 and submitted it to the Board of Directors for approval on 29 March 2023. The degree of achievement weighted total was 89.1%. In view of the degree of achievement, on March 19, 2024, the Board of Directors approved the accrued AVR for 2023, to be paid in 2023, in the amount of €801,000

The AVR financial targets for 2023 and the breakdown of the degree of achievement of each indicator (the same for the CEO and Executive Chairman) is as follows:

Free Cash-Flow, objective

€397,000, % of achievement 98.6%; PF cash EPS objective 1.25%, % of achievement 88%; EBITDA objective €461,000, % of achievement 96.6%; and total growth of sales target -10.9%, % of achievement 92.1%.

Explain the long-term variable components of the remuneration systems

The executive directors were beneficiaries in 2023 of the two first cycles of the three cycles of the 2022–2026 LTI, the main features of which are described in section A.1 of this Report.

B.8. Indicate whether certain variable components have been reduced or clawed back when, in the case of the former, the payment of unvested amounts has been deferred, or in the case of the latter, the vested and paid amounts were based on data that have subsequently proved to be inaccurate. Describe the amounts reduced or clawed back through the application of the reduction (malus) or return (clawback) clauses, why they were implemented and the years to which they refer.

There were no reductions or claims for reimbursement in respect of vested and paid or deferred variable remuneration components which were based on data that has subsequently been shown to be clearly inaccurate. .

B.9. Explain the main characteristics of the long-term savings systems where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefit that are financed, totally or partially, by the company, whether through internal or external contributions, indicating the type of plan, whether it is a defined contribution or benefit, the contingencies covered, the conditions to consolidate economic rights for directors and their compatibility with any type of indemnity due to the early termination or the termination of the contractual relationship between the Company and a director.

The Company has assumed pension commitments with its executive directors, the main characteristics of which are described in section A.1 of this Report.

B.10. Explain, where appropriate, the severance pay or any other type of payment deriving from early dismissal or early resignation, or from the termination of a contract in the terms provided for therein, accrued and/or received by directors during the year ended

In fiscal year 2023, no indemnities or other types of payments accrued that derived from early termination, whether due to removal by the company or resignation by a director, or from termination of a contract.

B.11. Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, where appropriate, explain such changes. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

There were no changes to the executive directors' contracts in 2023.

B.12. Explain any supplementary remuneration accrued by directors as consideration for services rendered outside of their post.

No other supplementary remuneration was accrued by directors in consideration for services provided rendered other than those inherent to their posts.

B.13. Explain any remuneration deriving from advance payments, loans or guarantees granted, indicating the interest rate, their key characteristics and the amounts eventually returned, as well as the obligations taken on by way of guarantee or collateral.

There are no advances, loans or guarantees granted by the Company to its directors.

B.14. Itemise the remuneration in kind accrued by the directors over the year, briefly explaining the nature of the different salary components.

There follows a breakdown of the amount of the items of remuneration in kind accrued in 2023 by the Executive Directors, the nature of which is described in Section A.1 of this Report.

Mr Eloy Planes

Mr Eloy Planes received the following in kind remuneration included in the Remuneration Policy:

- **Life insurance policy:** €19,000.
- **Medical insurance policy**: €6,000.
- **Use of a company car**: €8,000.
- **Contribution to pension plan**: €16,000.

Mr Bruce Brooks

Mr Bruce Brooks received the following in kind remuneration included in the Remuneration Policy:

- **Life insurance policy:** €17,000.
- **Medical insurance policy**: €19,000.
- **Use of a company car:** €12,000.
- **Contribution to pension plan:** €8,000.

B.15. Explain the remuneration accrued by directors by virtue of payments settled by the listed company to a third company at which a director renders services when these payments seek to remunerate the director's services to the company.

The Company made no payments to any third party entity where the directors might render their services for the purpose of compensating them for their services to the company.

However, as explained in preceding sections, the group company Zodiac Pool Solutions LLC has paid Mr Bruce Brooks some of the remuneration accrued in respect of executive functions broken down in the preceding sections.

B.16. Explain and provide details of the amounts accrued during the year for any remuneration item other than the ones mentioned above, regardless of the type or the group company that pays it, including all benefits in any form, such as those which are considered related-party transactions and especially those which materially affect the true image of the total remuneration paid to the director. Explain the amount paid or pending payment and the nature of the consideration received. Where applicable, state reasons why it was not considered remuneration paid to a director in his/her capacity as such or in consideration for the performance of his/her capacity as such or in consideration for the performance of his/her executive functions, and whether or not it is considered appropriate to include it in the amounts shown under "other items" in section C.

In 2023, the directors did not earn any remuneration items other than those already described in this Report.

C. Breakdown of remunerations paid to each director

Name	Category	Period of accrual in year 2023
Mr ELOY PLANES CORTS	Executive Director	From 1/1/2023 to 31/12/2023
Mr BRUCE W. BROOKS	Executive Director	From 1/1/2023 to 31/12/2023
Ms ESTHER BERROZPE GALINDO	Independent Director	From 1/1/2023 to 31/12/2023
Ms BÁRBARA BORRA	Independent Director	From 1/1/2023 to 31/12/2023
Mr JORGE CONSTANS FERNANDEZ	Independent Director	From 1/1/2023 to 31/12/2023
Mr BERNARDO CORBERA SERRA 100	Nominee Director	From 1/1/2023 to 31/12/2023
Mr BERNAT GARRIGOS CASTRO	Nominee Director	From 1/1/2023 to 31/12/2023
Ms AEDHMAR HYNES	Independent Director	From 10/5/2023 to 31/12/2023
Mr MICHAEL STEVEN LANGMAN	Nominee Director	From 1/1/2023 to 31/12/2023
Mr BRIAN MCDONALD	Independent Director	From 1/1/2023 to 31/12/2023
Mr MANUEL PUIG ROCHA	Nominee Director	From 10/5/2023 to 31/12/2023
Mr OSCAR SERRA DUFFO	Nominee Director	From 1/1/2023 to 31/12/2023
Mr JOSÉ MANUEL VARGAS GÓMEZ	Nominee Director	From 1/1/2023 to 31/12/2023
Mr GABRIEL LÓPEZ ESCOBAR	Independent Director	From 1/1/2023 to 10/05/2023

C.1. Complete the following tables regarding the individual remuneration of each director (including the salary received for performing executive duties) during the year.

a) Remuneration from the reporting company:

i) Remuneration in cash (in thousands of €)

Name	Fixed remuneration	Per diem	Remuneration for sitting on Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnity	Other items	2023 Total	2022 Total
Mr ELOY PLANES CORTS	140	8		500	440				1,088	701
Mr BRUCE W. BROOKS	90	8		600	801				1,499	802
Ms ESTHER BERROZPE GALINDO	90	8	53						151	126
Ms BÁRBARA BORRA	90	8	12						110	102
Mr JORGE CONSTANS FERNANDEZ	115	8	52						175	163
Mr BERNARDO CORBERA SERRA 100	90	8	20						118	113
Mr BERNAT GARRIGOS CASTRO	90	8	20						118	76
Ms AEDHMAR HYNES	58	13	8						79	
Mr MICHAEL STEVEN LANGMAN	90	20	20						130	125
Mr BRIAN MCDONALD	90	20	40						150	138
Mr MANUEL PUIG ROCHA	58	5							63	
Mr OSCAR SERRA DUFFO	90	8	12						110	107
Mr JOSÉ MANUEL VARGAS GÓMEZ	90	8	32						130	125
Mr GABRIEL LÓPEZ ESCOBAR	32	3	7						42	113

Remarkss

For 2022, the remuneration received by directors was only included if they continued to hold their post in 2023. The remuneration of directors who stepped down in 2022 amounted to €36,000.

ii) Table of changes in share-based remuneration schemes and gross profit from consolidated shares or financial instruments.

		Financial instruments at start 2023		Financial instruments executed in fiscal year 2023		Financial instruments vested during the year				Matured, unredeemed instruments	Financial instruments 2023 year-end	
Name	Name of plan	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	Net profit from shares handed over or consolidated financial instruments (thousand €)	No. of instruments	No. of instruments	No. of equivalent shares
Mr ELOY PLANES CORTS	2022-2024 Plan 1st cycle	37,651	37,651					0.00			37,651	37,651
Mr ELOY PLANES CORTS	2022-2024 Plan 2nd cycle			88,500	88,500			0.00			88,500	88,500
Mr BRUCE W. BROOKS	2022-2024 Plan 1st cycle	45,181	45,181					0.00			45,181	45,181
Mr BRUCE W. BROOKS	2022-2024 Plan 2nd cycle			106,200	106,200			0.00			106,200	106,200
Ms ESTHER BERROZPE GALINDO	Plan							0.00				
Ms BÁRBARA BORRA	Plan							0.00				
Mr JORGE CONSTANS FERNANDEZ	Plan							0.00				
Mr BERNARDO CORBERA SERRA 100	Plan							0.00				
Mr BERNAT GARRIGOS CASTRO	Plan							0.00				
Ms AEDHMAR HYNES	Plan							0.00				
Mr MICHAEL STEVEN LANGMAN	Plan							0.00				
Mr BRIAN MCDONALD	Plan							0.00				
Mr MANUEL PUIG ROCHA	Plan							0.00				
Mr OSCAR SERRA DUFFO	Plan							0.00				
Mr JOSÉ MANUEL VARGAS GÓMEZ	Plan							0.00				
Mr GABRIEL LÓPEZ ESCOBAR	Plan							0.00				

iii) Long-term saving systems.

Name	Remuneration from vested rights in savings plans
Mr ELOY PLANES CORTS	16
Mr BRUCE W. BROOKS	8
Ms ESTHER BERROZPE GALINDO	
Ms BÁRBARA BORRA	
Mr JORGE CONSTANS FERNANDEZ	
Mr BERNARDO CORBERA SERRA 100	
Mr BERNAT GARRIGOS CASTRO	
Ms AEDHMAR HYNES	
Mr MICHAEL STEVEN LANGMAN	
Mr BRIAN MCDONALD	
Mr MANUEL PUIG ROCHA	
Mr OSCAR SERRA DUFFO	
Mr JOSÉ MANUEL VARGAS GÓMEZ	
Mr GABRIEL LÓPEZ ESCOBAR	

	Contributions made by company during the year (thousand €)				Amount of accumulated funds (thousand €)			
	Savings plans with vested economic rights		Savings plans with unvested economic rights		Savings plans with unvested economic rights		Savings plans with unvested economic rights	
Name	2023 fiscal year	2022 fiscal year	2023 fiscal year	2022 fiscal year	2023 fiscal year	2022 fiscal year	2023 fiscal year	2022 fiscal year
Mr ELOY PLANES CORTS	16	16			211	195		
Mr BRUCE W. BROOKS	8	8			464	456		
Ms ESTHER BERROZPE GALINDO								
Ms BÁRBARA BORRA								
Mr JORGE CONSTANS FERNANDEZ								
Mr BERNARDO CORBERA SERRA 100								
Mr BERNAT GARRIGOS CASTRO								
Ms AEDHMAR HYNES								
Mr MICHAEL STEVEN LANGMAN								
Mr BRIAN MCDONALD								
Mr MANUEL PUIG ROCHA								
Mr OSCAR SERRA DUFFO								
Mr JOSÉ MANUEL VARGAS GÓMEZ								
Mr GABRIEL LÓPEZ ESCOBAR								

Remarks

iv) Breakdown of other items

Name	Item	Amount
Mr ELOY PLANES CORTS	Vehicle	8
Mr ELOY PLANES CORTS	Life insurance	19
Mr ELOY PLANES CORTS	Health insurance	6
Mr BRUCE W. BROOKS	Vehicle	12
Mr BRUCE W. BROOKS	Health insurance	19
Mr BRUCE W. BROOKS	Life insurance	17
Ms ESTHER BERROZPE GALINDO	Item	
Ms BÁRBARA BORRA	Item	
Mr JORGE CONSTANS FERNANDEZ	Item	
Mr BERNARDO CORBERA SERRA 100	Item	
Mr BERNAT GARRIGOS CASTRO	Item	
Ms AEDHMAR HYNES	Item	
Mr MICHAEL STEVEN LANGMAN	Item	
Mr BRIAN MCDONALD	Item	
Mr MANUEL PUIG ROCHA	Item	
Mr OSCAR SERRA DUFFO	Item	
Mr JOSÉ MANUEL VARGAS GÓMEZ	Item	
Mr GABRIEL LÓPEZ ESCOBAR	Item	

b) Remuneration paid to Company directors for sitting on the boards of subsidiaries:

i) Remuneration in cash (in thousands of €)

Name	Fixed remuneration	Per diem	Remuneration for sitting on Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnity	Other items	2023 Total	2022 Total
Mr ELOY PLANES CORTS										
Mr BRUCE W. BROOKS										
Ms ESTHER BERROZPE GALINDO										
Ms BÁRBARA BORRA										
Mr JORGE CONSTANS FERNANDEZ										
Mr BERNARDO CORBERA SERRA 100										
Mr BERNAT GARRIGOS CASTRO										
Ms AEDHMAR HYNES										
Mr MICHAEL STEVEN LANGMAN										
Mr BRIAN MCDONALD										
Mr MANUEL PUIG ROCHA										
Mr OSCAR SERRA DUFFO										
Mr JOSÉ MANUEL VARGAS GÓMEZ										
Mr GABRIEL LÓPEZ ESCOBAR										

Remarks

ii) Table of changes in share-based remuneration schemes and gross profit from consolidated shares or financial instruments.

		Financial instruments at start 2023		Financial instruments executed in fiscal year 2023		Financial instruments vested during the year				Matured, unredeemed instruments	Financial instruments 2023 year-end	
Name	Name of plan	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	Net profit from shares handed over or consolidated financial instruments (thousand €)	No. of instruments	No. of instruments	No. of equivalent shares
Mr ELOY PLANES CORTS	Plan							0.00				
Mr BRUCE W. BROOKS	Plan							0.00				
Ms ESTHER BERROZPE GALINDO	Plan							0.00				
Ms BÁRBARA BORRA	Plan							0.00				
Mr JORGE CONSTANS FERNANDEZ	Plan							0.00				
Mr BERNARDO CORBERA SERRA 100	Plan							0.00				
Mr BERNAT GARRIGOS CASTRO	Plan							0.00				
Ms AEDHMAR HYNES	Plan							0.00				
Mr MICHAEL STEVEN LANGMAN	Plan							0.00				
Mr BRIAN MCDONALD	Plan							0.00				
Mr MANUEL PUIG ROCHA	Plan							0.00				
Mr OSCAR SERRA DUFFO	Plan							0.00				
Mr JOSÉ MANUEL VARGAS GÓMEZ	Plan							0.00				
Mr GABRIEL LÓPEZ ESCOBAR	Plan							0.00				

Remarks

iii) Long-term saving systems.

Name	Remuneration from vested rights in savings plans
Mr ELOY PLANES CORTS	
Mr BRUCE W. BROOKS	
Ms ESTHER BERROZPE GALINDO	
Ms BÁRBARA BORRA	
Mr JORGE CONSTANS FERNANDEZ	
Mr BERNARDO CORBERA SERRA 100	
Mr BERNAT GARRIGOS CASTRO	
Ms AEDHMAR HYNES	
Mr MICHAEL STEVEN LANGMAN	
Mr BRIAN MCDONALD	
Mr MANUEL PUIG ROCHA	
Mr OSCAR SERRA DUFFO	
Mr JOSÉ MANUEL VARGAS GÓMEZ	
Mr GABRIEL LÓPEZ ESCOBAR	

	Contributions made by company during the year (thousand €)				Amount of accumulated funds (thousand €)			
	Savings plans with vested economic rights		Savings plans with unvested economic rights		Savings plans with vested economic rights		Savings plans with unvested economic rights	
Name	2023 fiscal year	2022 fiscal year	2023 fiscal year	2022 fiscal year	2023 fiscal year	2022 fiscal year	2023 fiscal year	2022 fiscal year
Mr ELOY PLANES CORTS								
Mr BRUCE W. BROOKS								
Ms ESTHER BERROZPE GALINDO								
Ms BÁRBARA BORRA								
Mr JORGE CONSTANS FERNANDEZ								
Mr BERNARDO CORBERA SERRA 100								
Mr BERNAT GARRIGOS CASTRO								
Ms AEDHMAR HYNES								
Mr MICHAEL STEVEN LANGMAN								
Mr BRIAN MCDONALD								
Mr MANUEL PUIG ROCHA								
Mr OSCAR SERRA DUFFO								
Mr JOSÉ MANUEL VARGAS GÓMEZ								
Mr GABRIEL LÓPEZ ESCOBAR								

Remarks

iv) Breakdown of other items

Name	Item	Amount
Mr ELOY PLANES CORTS	Item	
Mr BRUCE W. BROOKS	Item	
Ms ESTHER BERROZPE GALINDO	Item	
Ms BÁRBARA BORRA	Item	
Mr JORGE CONSTANS FERNANDEZ	Item	
Mr BERNARDO CORBERA SERRA 100	Item	
Mr BERNAT GARRIGOS CASTRO	Item	
Ms AEDHMAR HYNES	Item	
Mr MICHAEL STEVEN LANGMAN	Item	
Mr BRIAN MCDONALD	Item	
Mr MANUEL PUIG ROCHA	Item	
Mr OSCAR SERRA DUFFO	Item	
Mr JOSÉ MANUEL VARGAS GÓMEZ	Item	

Remarks

c) Summary of remunerations (thousand €):

This should include a summary of the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

	Remuneration earned at the company					Remuneration earned in Group companies					
Name	Total remuneration in cash	Gross profit on vested shares or vested instruments	Savings-based remuneration	Other items of remuneration	Total paid in 2023 by company	Total remuneration in cash	Gross profit on vested shares or vested instruments	Savings-based remuneration	Other items of remuneration	Total paid in 2023 by the group	Total paid in 2023 by company + group
Mr ELOY PLANES CORTS	1,088		16	33	1, 142						1,137
Mr BRUCE W. BROOKS	1, 499		8	48	1, 555						1,555
Ms ESTHER BERROZPE GALINDO	151				151						151
Ms BÁRBARA BORRA	110				110						110
Mr JORGE CONSTANS FERNANDEZ	175				175						175
Mr BERNARDO CORBERA SERRA 100	118				118						118
Mr BERNAT GARRIGOS CASTRO	118				118						118
Ms AEDHMAR HYNES	79				79						79
Mr MICHAEL STEVEN LANGMAN	130				130						130
Mr BRIAN MCDONALD	150				150						150
Mr MANUEL PUIG ROCHA	63				63						63
Mr OSCAR SERRA DUFFO	110				110						110
Mr JOSÉ MANUEL VARGAS GÓMEZ	130				130						130
Mr GABRIEL LÓPEZ ESCOBAR	42				42						42
TOTAL	**3,963**		**0**	**81**	**4,068**						**4,068**

Remarks

C.2. Describe the evolution over the last five years of the variation - as an amount and a percentage - in the remuneration accrued by each of the listed company's directors during the year, in the company's consolidated results and in the average remuneration on a full-time equivalent basis of the employees of the company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and % year-on-year change								
	2023 fiscal year	% change 2023/2022	2022 fiscal year	% change 2022/2021	2021 fiscal year	% change 2021/2020	2020 fiscal year	% change 2020/2019	2019 fiscal year
Executive Directors									
Don BRUCE WALKER BROOKS	1,555	-81	7,994	377	1,677	3	1,621	47	1,104
Don ELOY PLANES CORTS	1,137	-78	5,144	302	1,280	10	1,164	40	834
Consolidated company results									
	116,851	-29	164,403	-36	255,968	156	99,903	614	13,997
Average employee remuneration									
	43	5	41	3	40	5	38	-3	39

Remarks

Analysis of the changes:

2020 vs 20**19.** The increase in both Mr Planes and Mr Brooks' remuneration is due primarily to bonuses paid for the company's excellent results in 2020 (613.75% increase). Neither Mr Planes nor Mr Brooks' per diem remuneration increased. Employee remuneration decreased slightly because the employees' remuneration in 2020 did not include the accrual of the retention bonus agreed as a result of the merger for 2018 and 2019.

2022 vs 2021: The increase in the executive directors' remuneration is due to the fact that the remuneration of the executive directors includes the LTI that vested in 2022 after accruing from 2018 to 2022. Fluidra settled the 2018-2023 LTI on 17 January 2023. The value of the shares delivered to executive directors on the vesting date was €4,443,000 in the case of Mr Eloy Planes Corts and €7,192,000 in the case of Mr Bruce Brooks. If the multi-year remuneration for the period 2018-2022, which vested in 2022, were removed from the calculation, the executive directors' remuneration would have decreased by 52.17% in the case of Bruce Brooks and by 45.23% in the case of Eloy Planes.

2023 vs 2022: The increase in the executive directors' remuneration is due to the fact that the remuneration of the executive directors includes the LTI that vested in 2022 after accruing from 2018 to 2022, as discussed above. If the multi-year remuneration for the period 2018-2022, which vested in 2022, were removed from the calculation, the executive directors' remuneration would have increased by 86.9% in the case of Bruce Brooks and by 55.2% in the case of Eloy Planes, respectively. This difference is directly related to the degree of attainment of the financial targets to which their AVR is linked, which in 2023 was 88% whilst in 2022 it was 0%.

D. Other relevant information

If there are any relevant issues relating to directors' remuneration that you have not been able to address in the previous sections of this report, but which are necessary to provide more comprehensive and fully reasoned information on the remuneration structure and practices of the company with regard to its directors, briefly list them.

A.1.6 Continued

Once the Shares have been awarded for a period of three years after the End Date the Executive Directors and members of the Executive Committee will not be able to sell the Shares received under the Plan until they hold a number of shares equivalent to at least their fixed annual remuneration in the case of Executive Committee members and twice their fixed annual remuneration in the case of Executive Directors.

However, this will not apply in respect of shares that Executive Directors or Executive Committee members need to dispose of in order to cover the acquisition cost, including taxes on the delivered Shares, or if a waiver is obtained from the Board of Directors with a favourable report from the Appointments and Remuneration Committee, in order to deal with one-off events that may occur.

Malus and clawback clauses. The Plan will envisage the corresponding malus and clawback clauses, which will be included in the Regulations. The Board of Directors will decide, where applicable, whether the circumstances that trigger the application of these clauses have occurred and the part of the Incentive which, where appropriate, is to be reduced or recovered. In relation to the clawback clause, Fluidra may demand the return of the Shares delivered under each Cycle of the 2022-2026 Plan, or the cash equivalent thereof, or even offset the cost of the Shares against any other remuneration to which a Beneficiary may be entitled if it becomes evident within the two years following the Settlement Date of each Cycle that the award in question was based in whole or in part on information that is subsequently shown to be clearly false or to contain serious inaccuracies. The above will apply to the Executive Directors in all cases and to Beneficiaries who are responsible for such information. In any event, incentives paid to the members of the Executive Committee and to the internal auditor, who are not subject to the clawback clause, will be recalculated using the correct information.

OTHER RELEVANT DISCLOSURES:

In the first half of 2017, following the acquisition of the Zodiac group, the subsidiaries of Rhône Capital LLC ("Rhône"), implemented a Management Equity Plan ("MEP") for the executives of the Zodiac group, including Mr Bruce Brooks, based on the ownership of Luxco shares (the "Original Plan").

The merger agreements between Fluidra and Zodiac provide for the replacement of the Original Plan with another plan to be agreed by Luxco (and its subsidiary, a Luxembourg company, "Lux SCS") and the beneficiaries, the implementation of which was contingent upon the registration of the Merger (the "Substitute Plan"). The changes made to the Original Plan to create the Substitute Plan were introduced with the intention of substantially aligning, and not contradicting, the objectives and periods set forth in Fluidra's 2018-2022 Plan.

Under the Substitute Plan, the beneficiaries, including Mr Bruce Brooks, hold three different instruments: Lux SCS units convertible into Fluidra shares or cash, subject to lock-up periods during which there are restrictions on the disposal of the shares; repurchase options in the event of the executive's termination; and, where applicable, the achievement of certain financial targets. In

2021, due to Rhône disposing of part of its stake in Fluidra, the Substitute Plan was partially liquidated, as a result of which some of the aforementioned instruments were amortised.

Although the Substitute Plan is not part of Fluidra's remuneration policy since it does not entail a payment obligation for the Fluidra Group, Section 8 ("Other Information") of the Remuneration Policy approved in 2018 includes a description of the Substitute Plan of which Mr Bruce Brooks is a beneficiary.

his annual remuneration report was approved by the Board of Directors of the company on:

19/03/2024

State whether any directors have voted against or have abstained from approving this report.

[ ] Si

[√] No

FLUIDRA

CONSOLIDATED ANNUAL ACCOUNTS



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Audit Report on Financial Statements
issued by an Independent Auditor

FLUIDRA, S.A. and Subsidiaries
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2023

Ernst & Young, S.L.
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AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Fluidra, S.A.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Fluidra, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2023, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2023 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

A member firm of Ernst & Young Global Limited.

Impairment of goodwill and other intangible assets

Description

At December 31, 2023 the Group shows goodwill and other intangible assets amounting to 1,297 and 877 million euros, respectively. At least annually, Group Management estimates the recoverable amount of each significant Cash Generating Unit (CGU) to which these assets are allocated. The purpose of this analysis is to conclude about the need to record an impairment loss on goodwill or any other intangible asset. The analysis requires Group Management to make estimates, which entails the use of judgments in the determination of the assumptions considered. Impairment tests are performed using the discounted cash flow method based on a risk-free rate.

We have considered this area a key audit matter since the analyses performed by Group Management require them to make complex estimates and judgments regarding the future results of the CGUs to which the aforementioned assets belong.

The description of the balance, movements and methodology and main assumptions used in the recoverability analysis performed on the CGUs to which the aforementioned goodwill have been allocated, as well as the information on other intangible assets, are described in Notes 3.d) and 8 to the accompanying consolidated financial statements.

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the processes established by Group Management in the determination of the impairment of goodwill and other intangible assets, including the assessment of the design and implementation of relevant controls.
- Reviewing, in collaboration with our valuation experts, the reasonableness of the method used by Group Management in the projection of the discounted cash flows of each CGU, covering, specifically, the discount rate used and the long-term growth rate.
- Reviewing the financial information projected in the business plan for each CGU by analyzing the historical financial and budget information, the current market conditions, and the forecasts about their potential evolution and public information provided by other sector companies.
- Reviewing the disclosures included in the notes to the consolidated financial statements required by the applicable regulatory framework for financial information.

Measurement of trade and other receivables

Description

At December 31, 2023 the Group has recorded trade and other receivables, net of impairment losses, amounting to 273 million euros.

As mentioned in Note 3. i) d) to the accompanying consolidated financial statements, Group Management recognizes expected credit losses since the initial recognition of receivable balances, calculating the bad debt risk matrix to obtain the historical impairment rate of customers and adjusting this rate based on budgeted future collection days in order to obtain the measurement of expected credit losses.

We have considered this area a key audit matter as the determination of the recoverable amount of accounts receivable requires Group Management to make complex estimates, which entails making judgments for establishing the assumptions considered by Group Management regarding these estimates, as well as due to the relevance of the amounts involved.

The information regarding the measurement standards applied and related disclosures is presented in Notes 3. i) d) and 15 to the accompanying consolidated financial statements

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the processes established by Group Management in the determination of the correct measurement of trade and other receivables, including the assessment of the design and implementation of relevant controls.
- Comparing Group Management's estimates with historical collection trends.
- Analyzing the bad debt risk matrix prepared by Group Management for calculating expected credit losses.
- Conducting an analysis of ratios over Group Management's estimate of bad debts.
- Recalculating the provision for bad debts based on subsequent events (collections from customers, etc.) and the analysis of the economic situation of the debtor.
- Reviewing the disclosures included in the notes to the consolidated financial statements required by the applicable regulatory framework for financial information.

Measurement of inventory

Description At December 31, 2023 the Group has inventory for a recorded amount, net of impairment losses, of 427 million euros, as indicated in Note 14. The several types of inventory are located at different warehouses and factories that the Group has in both Spain and abroad. As indicated in Note 3.k) to the accompanying consolidated financial statements, the Group measures inventories at cost and if their net realizable value becomes lower than acquisition cost the corresponding impairment loss is recorded as an expense in the income statement. Given the significance of these balances to the consolidated financial statements taken as a whole, and the subjectivity involved in estimating the net realizable value of inventories, we have considered this area a key audit matter.

Our response Our audit procedures for this area consisted, among others, in:

- Understanding the processes established by Group Management in the measurement inventory, including the assessment of the design and implementation of relevant controls. For this purpose, we have engaged our IT experts to understand the computer process, including the assessment of the design and implementation, as well as the operating effectiveness, of general and application controls of the software program used to determine the provision for obsolescence recorded by the Group.

- Performing a test of detail, by means of a sample, of the historical cost, actual margins and net realizable value of obsolete inventory. Historical costs were tested using samples, by checking the acquisition cost against the original purchase invoice, and actual margin and net realizable amount were tested using samples by checking them against original sale invoices.

- Assessing whether any inventories were sold at a negative margin, by analyzing the last invoices of sales carried out subsequent to year end and up to the date we completed our work.

- Analyzing stock turnover to validate the estimates of obsolete inventories made by Group Management.

- Reviewing the disclosures included in the notes to the consolidated financial statements required by the applicable regulatory framework for financial information.

Other information: consolidated management report

Other information refers exclusively to the 2023 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

a) Checking only that the consolidated non-financial statement and certain information included in the Corporate Governance Report and in the Board Remuneration Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b) Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2023 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company´s directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of Fluidra, S.A. and subsidiaries for the 2023 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of Fluidra, S.A. are responsible for submitting the annual financial report for the 2023 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation).

Our responsibility consists of examining the digital files prepared by the directors of the parent company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on March 20, 2024.

Term of engagement

The ordinary general shareholders' meeting held on May 5, 2022 appointed us as auditors for 3 years, commencing on December 31, 2022.

Previously, we were appointed as auditors by the shareholders for 3 years and we have been carrying out the audit of the financial statements continuously since December 31, 2016.

ERNST & YOUNG, S.L.

Daniel Artigas

March 20, 2024

Fluidra, S.A. and Subsidiaries

Consolidated Statement of Financial Position
31 December 2023 and 2022

(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Assets	Notes	12/31/2023	12/31/2022
Property, plant, and equipment	6	185,336	184,039
Investment property	7	2,944	1,894
Goodwill	8	1,297,026	1,307,022
Other intangible assets	8	876,567	946,229
Right-of-use assets	9	179,774	173,615
Investments accounted for using the equity method	10	830	828
Non-current financial assets	11	4,060	4,697
Derivative financial instruments	12	32,464	54,621
Other receivables	15	1,872	3,597
Deferred tax assets	28	102,199	123,051
Total non-current assets		**2,683,072**	**2,799,593**
Non-current assets held for sale	13	6,289	7,656
Inventories	14	427,061	599,093
Trade and other receivables	15	273,356	284,808
Other current financial assets	11	6,320	6,179
Derivative financial instruments	12	38	465
Cash and cash equivalents	16 y 19	111,303	75,151
Total current assets		**824,367**	**973,352**
TOTAL ASSETS		**3,507,439**	**3,772,945**
Equity			
Share capital		192,129	192,129
Share premium		1,148,591	1,148,591
Retained earnings and other reserves		220,436	336,630
Treasury shares		(42,155)	(112,692)
Other comprehensive income		48,556	105,192
Equity attributable to equity holders of the parent	**16**	**1,567,557**	**1,669,850**
Non-controlling interests		9,012	8,831
Total equity		**1,576,569**	**1,678,681**
Liabilities			
Bank borrowings and other marketable securities	19	1,087,110	1,120,108
Lease liabilities	19	153,535	152,725
Deferred tax liabilities	28	204,078	242,061
Provisions	18	11,365	10,893
Government grants		126	173
Other non-current liabilities	20	5,084	6,659
Total non-current liabilities		**1,461,298**	**1,532,619**
Liabilities linked to non-current assets held for sale	13	3,553	3,990
Bank borrowings and other marketable securities	19	40,303	146,823
Lease liabilities	19	45,531	40,414
Trade and other payables	20	329,389	316,967
Provisions	18	50,791	53,263
Derivative financial instruments	12	5	188
Total current liabilities		**469,572**	**561,645**
Total liabilities		**1,930,870**	**2,094,264**
TOTAL EQUITY AND LIABILITIES		**3,507,439**	**3,772,945**

The accompanying notes are an integral part of the consolidated annual accounts of Fluidra, S.A.and subsidiaries for the year ended 31 December 2023.prepared in accordance with IFRS as adopted by the European Union.

Fluidra, S.A. and Subsidiaries

Consolidated Income Statement for the years ended 31 December 2023 and 2022

(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Notes	12/31/2023	12/31/2022
Operating income			
Sales of goods and finished products	23	2,050,708	2,389,205
Income from the rendering of services	24	32,788	39,232
Work performed by the Group and capitalised as non-current assets		22,133	20,888
Total operating income		**2,105,629**	**2,449,325**
Operating expenses			
Changes in inventories of finished goods and work in progress and raw material supplies	22	(961,060)	(1,169,618)
Personnel expenses	25	(385,692)	(414,537)
Depreciation and amortisation expenses and impairment losses	6, 7, 8, 9 y 13	(157,820)	(165,385)
Other operating expenses	26	(365,910)	(395,609)
Total operating expenses		**(1,870,482)**	**(2,145,149)**
Other gains and losses			
Profit/(loss) from sales of fixed assets		909	136
Total other gains and losses		**909**	**136**
Operating profit		**236,056**	**304,312**
Finance income / (cost)			
Finance income		2,231	3,328
Finance cost		(64,575)	(62,145)
Right-of-use finance cost		(8,130)	(6,549)
Exchange gains/(losses)		(7,462)	(13,904)
Financial result	**27**	**(77,936)**	**(79,270)**
Share in profit/(loss) for the year from investments accounted for using the equity method	10	24	71
Profit/(loss) before tax from continuing operations		**158,144**	**225,113**
Income tax expense	28	(41,293)	(60,710)
Profit/(loss) after tax from continuing operations		**116,851**	**164,403**
Profit/(loss) attributable to non-controlling interests		3,024	4,472
Profit/(loss) attributable to equity holders of the parent		113,827	159,931
Basic earnings/(loss) per share (euros)	**17**	**0.60023**	**0.84807**
Diluted earnings/(loss) per share (euros)	**17**	**0.60023**	**0.84807**

The accompanying notes are an integral part of the consolidated annual accounts of Fluidra, S.A. and subsidiaries for the year ended 31 December 2023.prepared in accordance with IFRS as adopted by the European Union.

Fluidra, S.A. and Subsidiaries

Consolidated statement of comprehensive Income for the years ended 31 December 2023 and 2022

(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

		12/31/2023	12/31/2022
Profit / (loss) for the year		**116,851**	**164,403**
Items that will be reclassified to profit or loss			
Cash flow hedges	Note 12	(21,876)	61,951
Actuarial gains and losses		14	—
Exchange gains/(losses) on financial statements of foreign operations		(40,397)	55,650
Tax effect		5,167	(15,105)
Other comprehensive income for the year, net of tax		**(57,092)**	**102,496**
Total comprehensive income for the year		**59,759**	**266,899**
Total comprehensive income attributable to:			
Equity holders of the parent		57,191	262,739
Non-controlling interests		2,568	4,160
		59,759	**266,899**

The accompanying notes are an integral part of the consolidated annual accounts of Fluidra, S.A. and subsidiaries for the year ended 31 December 2023.prepared in accordance with IFRS as adopted by the European Union.

Fluidra, S.A. and Subsidiaries

Consolidated statement of changes in equity for the years ended 31 December 2023 and 2022

(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Equity attributable to equity holders of the Parent										
							Other comprehensive income				
	Capital	Share premium	Legal reserve	Accumulated gains	Interim dividends	Treasury shares	Currency translation differences	Other	Total	Non-controlling interests	Total equity
Balance at 1 January 2022	**195,629**	**1,148,591**	**40,140**	**395,831**	**—**	**(168,491)**	**8,112**	**(5,728)**	**1,614,084**	**8,349**	**1,622,433**
Profit/(loss) for the year	—	—	—	159,931	—	—	—	—	159,931	4,472	164,403
Other comprehensive income	—	—	—	—	—	—	55,962	46,846	102,808	(312)	102,496
Total comprehensive income for the year	**—**	**—**	**—**	**159,931**	**—**	**—**	**55,962**	**46,846**	**262,739**	**4,160**	**266,899**
Change in ownership interest	—	—	—	(2,519)	—	—	—	—	(2,519)	(1,311)	(3,830)
Treasury shares	(3,500)	—	—	(112,106)	—	55,799	—	—	(59,807)	—	(59,807)
Equity-based payments	—	—	—	14,567	—	—	—	—	14,567	—	14,567
Adjustment for IAS 39	—	—	—	660	—	—	—	—	660	639	1,299
Dividends	—	—	—	(159,874)	—	—	—	—	(159,874)	(3,006)	(162,880)
Balance at 31 December 2022	**192,129**	**1,148,591**	**40,140**	**296,490**	**—**	**(112,692)**	**64,074**	**41,118**	**1,669,850**	**8,831**	**1,678,681**
Profit/(loss) for the year	—	—	—	113,827	—	—	—	—	113,827	3,024	116,851
Other comprehensive income	—	—	—	—	—	—	(39,941)	(16,695)	(56,636)	(456)	(57,092)
Total comprehensive income for the year	**—**	**—**	**—**	**113,827**	**—**	**—**	**(39,941)**	**(16,695)**	**57,191**	**2,568**	**59,759**
Inclusion of entities	—	—	—	—	—	—	—	—	—	27	27
Change in ownership interest	—	—	—	(2,776)	—	—	—	—	(2,776)	(1,506)	(4,282)
Treasury shares	—	—	—	(70,952)	—	70,537	—	—	(415)	—	(415)
Equity-based payments	—	—	—	(23,519)	—	—	—	—	(23,519)	—	(23,519)
Adjustment for IAS 39	—	—	—	111	—	—	—	—	111	(19)	92
Dividends	—	—	—	(132,885)	—	—	—	—	(132,885)	(889)	(133,774)
Balance at 31 December 2023	**192,129**	**1,148,591**	**40,140**	**180,296**	**—**	**(42,155)**	**24,133**	**24,423**	**1,567,557**	**9,012**	**1,576,569**

The accompanying notes are an integral part of the consolidated annual accounts of Fluidra, S.A. and subsidiaries for the year ended 31 December 2023.prepared in accordance with IFRS as adopted by the European Union.

Fluidra, S.A. and Subsidiaries

Consolidated Cash Flow Statement for the years ended 31 December 2023 and 2022

(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Notes	2023	2022
Cash flows from operating activities			
Profit /(loss)for the year before tax		**158,144**	**225,113**
Adjustments for:			
Amortisation and depreciation	6, 7, 8 & 9	157,276	157,103
Adjustments due to impairment of receivables	26	3,738	(3,289)
Provision for/(reversal of) impairment losses on assets	6, 7, 8 & 9	544	8,282
Provision for/(reversal of) impairment losses on financial assets	27	50	(150)
Provision for/(reversal of) losses on risks and expenses		(851)	246
Provision for/(reversal) of losses on inventories	22	2,567	13,177
Income from financial assets	27	(1,385)	(1,930)
Finance cost	27	72,152	68,454
Exchange (gains)/losses		7,462	13,904
Share in profit/(loss) for the year from associates accounted for using the equity method		(24)	(71)
(Profit)/loss on the sale of property, plant and equipment and other intangible assets		(948)	(1,133)
(Profit)/loss on the sale of subsidiaries		39	997
Government grants recognised in profit and loss		(47)	(53)
Share-based payment expenses	29	(23,519)	14,913
(Profit)/loss on financial instruments at fair value through profit or loss		(343)	(1,008)
Operating profit before changes in working capital		**374,855**	**494,555**
Changes in working capital, excluding effects of acquisitions and currency translation differences			
Increase/decrease in trade and other receivables		(13,861)	(9,468)
Increase/(decrease) in inventories		162,624	(116,576)
Increase/(decrease) in trade and other payables		7,060	(101,399)
Utilisation of provisions		(979)	(1,322)
Cash from operating activities		**529,699**	**265,790**
Interest paid		(69,568)	(53,949)
Interest received		1,385	1,930
Corporate income tax paid		(32,586)	(93,495)
Cash flows from operating activities (*)		**428,930**	**120,276**

	Notes	2023	2022
Cash flows from investing activities			
From the sale of property, plant and equipment		2,746	4,649
From the sale of other intangible assets		504	400
From the sale of financial assets		8,297	8,904
Proceeds from the sale of subsidiaries, net of drawn down cash	5	—	250
Acquisition of property, plant and equipment		(38,154)	(49,641)
Acquisition of intangible assets		(25,976)	(28,728)
Acquisition of other financial assets		(7,488)	(3,601)
Payments for acquisitions of subsidiaries, net of cash and cash equivalents	5	(26,841)	(20,750)
Payments for acquisitions of subsidiaries in prior years		(7,349)	(5,834)
Cash flows from investing activities (*)		**(94,261)**	**(94,351)**
Cash flows from financing activities			
Payments for repurchase of treasury shares		(152,044)	(237,420)
Proceeds from the sale of treasury shares		151,627	177,613
Proceeds from bank borrowings		—	1,109,986
Payments for bank borrowings		(119,106)	(892,569)
Payments for lease liabilities		(39,992)	(32,715)
Dividends paid		(133,774)	(162,880)
Cash flows from financing activities (*)		**(293,289)**	**(37,985)**
Net increase/(decrease) in cash and cash equivalents		41,380	(12,060)
Cash and cash equivalents at 1 January		78,656	90,118
Effect of currency translation differences on cash flows		(7,156)	598
Cash and cash equivalents at 31 December		**112,880**	**78,656**

(*) Includes the cash flows arising from continuing and discontinued operations (Note 13).
The accompanying notes are an integral part of the consolidated annual accounts of Fluidra, S.A.and subsidiaries for the year ended 31 December 2023.prepared in accordance with IFRS as adopted by the European Union.

1. Nature, principal activities and companies comprising the Group

Fluidra, S.A.(hereinafter the Company) was incorporated as a limited liability company for an indefinite period in Girona, Spain, on 3 October 2002 under the name Aquaria de Inv. Corp., and changed to its current name on 17 September S.L.,2007.

The Company's corporate purpose and activity consists of the holding and use of equity shares, securities and other stock, and advising, managing and administering the companies in which the Company holds an ownership interest.

On 1 July 2021, the Company changed its registered address from the previous location in the municipality of Sabadell (Avenida Francesc Macià nº 60, planta 20, 08208 Sabadell, Barcelona) to a new location in the municipality of Sant Cugat del Vallès (Avda. Alcalde Barnils 69, 08174 Sant Cugat del Vallés, Barcelona).

The Group's activity consists of the manufacture and marketing of specific accessories and machinery for swimming-pools, irrigation and water treatment and purification. The Group operates globally with a particular presence in EMEA (Europe, the Middle East and Africa) and in North America.

Fluidra, S.A. is the parent company of the Group comprising the subsidiaries detailed in accompanying Appendix I(hereinafter Fluidra Group or the Group). Additionally, the Group holds ownership interests in other entities as detailed in Appendix I also. Group companies have been consolidated using their financial statements or their annual accounts prepared/ approved for issue by the corresponding managing bodies and Board of Directors.

Share capital is represented by 192,129,070 ordinary shares with a par value of €1 each, fully subscribed and paid up.

On 31 October 2007, Fluidra, S.A. (the "Company") completed its initial public offering process through the public offering of 44,082,943 ordinary shares with a par value of €1 each. These shares representing share capital are quoted on the Barcelona and Madrid stock exchanges, and also on the continuous market.

On 2 July 2018, and within the framework of the merger agreement between the Fluidra Group and the Zodiac Group, Fluidra, S.A. increased its share capital for a nominal amount of €83,000,000 by issuing and circulating 83,000,000 ordinary shares of €1 par value each, which were fully subscribed by Piscine Luxembourg Holdings 2 S.à.r.l. (penultimate shareholder of the Luxembourg company Zodiac Pool Solutions S.à.r.l., which is the parent of the Zodiac Group) without entitlement, as per article 304.2 of the Spanish Companies Act, to any preferential subscription rights. The difference between the fair value of the equity received by Fluidra, S.A. by virtue of the merger and the par value was allocated to the share premium.

On 15 December 2022, the capital reduction approved by the Company's Board of Directors for a nominal amount of €3,500,000 was carried out by redeeming 3,500,000 treasury shares with a par value of €1 each. This reduction did not entail returning contributions to shareholders, as the Company itself is the owner of the shares being redeemed and a charge was made to unrestricted reserves by allocating a restricted reserve for redeemed capital that is equal to the par value of the redeemed shares. Moreover, it was also agreed to request the delisting of the shares that were redeemed.

2. Basis of presentation

These consolidated annual accounts have been prepared from the accounting records of Fluidra, S.A. and the entities included in the Group using the going concern principle.The consolidated annual accounts have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other financial reporting framework provisions in order to present fairly the consolidated equity and consolidated financial position of Fluidra, S.A. and its subsidiaries at 31 December 2023 and its consolidated financial results, consolidated cash flows and changes in consolidated equity for the year then ended.

a) Basis of presentation of the consolidated annual accounts

These consolidated annual accounts have been prepared on an historical cost basis, except for derivative financial instruments and financial instruments at fair value through profit or loss.

b) Comparative information

For comparative purposes, the consolidated annual accounts include the consolidated figures for the year ended 31 December 2023 in addition to those for the same period of the prior year for each item of the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the notes thereto, which have been obtained by consistently applying IFRS-EU as required by the standards.

The Group's accounting policies described in Note 3 have been consistently applied to the year ended 31 December 2023 and the accompanying comparative information at 31 December 2022.

All significant mandatory accounting principles have been applied.

The 2022 consolidated annual accounts were approved for issue by shareholders in general meeting on 10 May 2023.

Some comparative headings in note 28 Deferred taxes and income tax have been reclassified in order to facilitate their understanding.

c) Significant accounting estimates and key assumptions and judgements when applying accounting policies

When preparing the consolidated annual accounts in accordance with IFRS-EU, Group Management is required to make judgements, estimates and assumptions affecting the adoption of the standards and the amounts of assets, liabilities, income and expenses.The estimates and assumptions adopted are based on historical experience and various other factors understood to be reasonable under the existing circumstances.

In the Group's consolidated annual accounts for the year ended 31 December 2023, estimates were occasionally made in order to quantify certain assets, liabilities, income, expenses and commitments reported therein. These relevant accounting estimates and assumptions mainly relate to:

- The useful life and fair value of the customer portfolio and other intangible assets (see Note 8).
- The assumptions used to calculate the fair value/value in use of the Cash-Generating Units (CGUs) for the purposes of evaluating potential impairment of goodwill and other assets8) see Note(.
- Assessment of technical and commercial feasibility of development projects in progress (see Notes 3 d) ii) and 8).
- Estimate of expected credit losses from receivables and obsolete inventory (see Notes 3 i) k), 14 and 15).
- The fair value of financial instruments and of certain unquoted assets (see Notes 11 and 12).
- Assumptions used to calculate the fair values of assets, liabilities and contingent liabilities related to business combinations and/or asset purchases (see Notes 3 a) i) and 20). Liabilities for contingent considerations correspond to level 3 of the fair value hierarchy in accordance with IFRS 13.
- The fair value of the commitment to the Company's management team to acquire an ownership interest in the Company's share capital (see Notes 3 q) and 29).
- Estimates and judgements related to the provisions for litigation (see Notes 3 p) and 18).
- Assessment of the recoverability of tax credits, including prior years' tax losses and rights to deduction. Deferred tax assets are recognised to the extent that future tax profit is available based against which temporary differences can be charged,on management’s assumptions about the amount of and Additionally, in the case of deferred tax assets related ti investmentes in Group companies, their capitalisation takes into account whether they will be reverserd in the future (see Notes 3 s) and 28).

Although these estimates are made on the basis of the best information available on the events analysed at 31 December 2023 and 2022, events may occur in the future which require adjusting these estimates (upwards or downwards) in future reporting periods. Any effect on the consolidated annual accounts of adjustments made in future reporting periods is recognised prospectively.

Additionally, the main judgements made by the Company's management in identifying and selecting the criteria applied in the measurement and classification of the main items presented in the consolidated annual accounts are as follows:

- Reasons supporting the transfer of risks and rewards in leases and in the recognition of disposals of financial assets and liabilities (see Note 3 h).
- Reasons supporting the classification of assets as investment property (see Notes 3 e) and 7).
- Assessment criteria for impairment of financial assets (see Notes 3 i) d) and 11).
- Judgements made to calculate the lease terms of agreements that can be renewed (see Notes 3 f) iv)) and,
- Reasons supporting the capitalisation of development projects (see Notes 3 d) ii) and 8).

d) Changes to IFRS-EU standards during the year ended 31 December 2023

The accounting standards used to prepare the accompanying consolidated annual accounts are the same as those used to prepare the consolidated annual accounts for the year ended 31 December 2022, except for the new standards and any amendments that are applicable as of 1 January 2023, the main ones being as follows:

- Standards and interpretations approved by the European Union applied for the first time in 2023.
  - IFRS 17 - Insurance contracts
  - IFRS 17 – Insurance contracts: first-time application of IFRS 17 and IFRS 9 – Comparative information
  - Definition of accounting estimates (Amendments to IAS 8)
  - Accounting policy disclosures (Amendments to IAS 1 and IFRS Practice Statement No. 2)
  - Deferred taxes relating to assets and liabilities arising from a single transaction (Amendments to IAS 12)
  - International Tax Reform Pillar Two Model Rules (Amendments to IAS 12)

None of the standards, interpretations or amendments to the standards that are applicable for the first time this year have had a significant impact on the Group's accounting policies.

The Group adopts the standards, interpretations and amendments to the standards issued by the IASB when they come into force, if applicable.

e) Financial reporting in hyperinflationary economies

In recent years, the Turkish economy has seen high rates of inflation. In particular, as at 31 December 2023 the TSI (Turkish Statistical Institute) reported three-year cumulative inflation of 268% (three-year cumulative inflation of 156% at 31 December 2022).

As a result, the Group has considered the Turkish economy as hyperinflationary in 2023 and 2022 and has applied IAS 29 (Financial Reporting in Hyperinflationary Economies) to companies whose functional currency is the Turkish lira.

The main impacts on the Group's consolidated financial statements for the years ended 31 December 2023 and 2022 of the aforementioned issues are as follows:

	Thousands of euros	
	2023	2022
Consolidated profit/(loss) after tax	(159)	(253)
Non-current assets	94	—
Current assets	1,012	1,052
Equity	1,265	1,305

3. Significant accounting principles applied

The most significant principles are summarised as follows:

a) Consolidation principle

i) Subsidiaries and business combinations

Subsidiaries are companies, including structured entities, over which the Company holds direct or indirect control through subsidiaries.

The Company holds control over a subsidiary when it is exposed to, or has the right to receive, variable yield as a result of its involvement in it, and has the capacity to influence such yield through the power it exercises over the subsidiary. The Company is authorised to direct the relevant activities when valid substantive rights are held. The Company is exposed to, or has the right to receive, variable yield as a result of its involvement in the subsidiary when the yield it obtains from such involvement may vary based on the economic evolution of the entity (IFRS 10.6, 10 and 15).

The subsidiaries' income, expenses and cash flows are included in the consolidated annual accounts from the acquisition date, i.e., the date on which the Group obtains effective control over them. Subsidiaries are no longer consolidated from the date on which such control is relinquished.

The Group applied the exception contemplated in IFRS 1 First-time adoption of International Financial Reporting Standards so that only business combinations undertaken after 1 January 2005, the IFRS-EU transition date, have been accounted for using the acquisition method. Acquisitions completed prior to the transition date were accounted for in accordance with the then-prevailing accounting principles, corrected and adjusted as required as of the transition date.

Business combinations

The consideration transferred in the business combination is determined at the acquisition date and calculated as the sum of the fair values of the assets transferred, the liabilities incurred or assumed, the equity instruments issued and any contingent consideration depending on future events or compliance with certain conditions in exchange for the control of the business acquired.

The consideration transferred excludes any amounts that do not form part of the exchange for the acquiree. Acquisition-related costs are recognised as incurred.

At the acquisition date the Group recognises any assets acquired and liabilities assumed at their fair value. The liabilities assumed include contingent liabilities to the extent that they represent present obligations that arise as a result of past events and their fair value can be reliably measured.

The excess over the consideration transferred, plus any non-controlling interest in the acquiree and the net amount of assets acquired and liabilities assumed, is recognised as goodwill. Any shortfall after assessing the amount of consideration transferred, the value assigned to non-controlling interests and the identification and measurement of the net assets acquired, is recognised in profit or loss.

Contingent consideration is classified as a financial asset or liability, equity instrument or provision in accordance with the underlying contractual conditions. To the extent that subsequent changes in fair value of a financial asset or liability are not due to an adjustment to the measurement period, they are recorded in consolidated profit or loss. The contingent consideration classified as equity is not subsequently updated, and its settlement is likewise recognised in equity. The contingent consideration classified as a provision is subsequently recognised at fair value through profit or loss.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies have been eliminated on consolidation. If any, unrealised losses on the transfer of assets between group companies have been deemed an indication of the potential impairment of the assets transferred.

The subsidiaries' accounting policies have been aligned with those used by the Group for like transactions and events in similar circumstances.

The financial statements of the subsidiaries used in the consolidation process refer to the same presentation date and reporting period as those of the Parent.

ii) Non-controlling interests

Non-controlling interests in a subsidiary are recorded at the percentage of the ownership held in the fair value of the net identifiable assets acquired, and are presented in equity separately from the equity attributed to the equity holders of the Parent. Non-controlling interests in consolidated profit/(loss) and consolidated total comprehensive income for the year are likewise presented separately in the consolidated income statement and the consolidated statement of comprehensive income, respectively.

The Group's and the non-controlling interests' share in consolidated profit/(loss) for the year (consolidated total comprehensive income for the year) and in changes in equity of the subsidiaries, net of adjustments and eliminations on consolidation, is determined based on the ownership interest held at year end, excluding the possible exercise or conversion of potential voting rights and after discounting the effect of agreed or non-agreed dividends on cumulative preference shares that may have been classified in the equity accounts. However, the existence or absence of control is determined

considering the possible exercise of potential voting rights and other derivative financial instruments which, in substance, currently grant access to the economic benefits associated with the ownership interest, that is, the right to receive future dividends and changes in the value of subsidiaries.

Surplus losses attributable to non-controlling interests generated prior to 1 January 2010 that cannot be allocated to such interests, as they exceed the amount of the equity interest in the related subsidiary, are recognised as a reduction in equity attributable to owners of the parent, unless the non-controlling interests have a binding obligation to assume some or all of such losses and have the capacity to make any additional investments necessary. Any profits obtained subsequently by the Group are then allocated to equity attributable to owners of the parent until the amount of losses absorbed in prior reporting periods in respect of non-controlling interests has been replenished.

From 1 January 2010, the results and each component of other comprehensive income are allocated to equity attributable to owners of the Parent and to the non-controlling interests in proportion to their respective ownership interests, even if this implies a negative non-controlling interests balance. Agreements entered into between the Group and non-controlling interests are recognised as a separate transaction.

Transactions with non-controlling interests

The increase or decrease in non-controlling interest of a subsidiary with no loss of control is recognised as a transaction with equity instruments. Therefore, no new acquisition cost arises as a result of an increase, nor any gain or loss is recognised from a decrease, but the difference between the consideration paid or received and the carrying amount of non-controlling interest is recognised in the investing company's reserve, without prejudice to reclassifying the consolidation reserves and reallocating the other comprehensive income between the Group and the non-controlling interest. In a decrease in the Group's ownership interest in a subsidiary, non-controlling interest is recorded for its share in consolidated net assets.

Put options granted

The Group recognises put options on ownership interest in subsidiaries granted to non-controlling interest at the date of acquisition of a business combination as an advance acquisition of such interest, recording a financial liability for the present value of the best estimate of the amount payable, which is part of consideration paid.

Subsequently, the change in the financial liability is recognised as a finance cost or income in profit or loss. Discretionary dividends, if any, paid to non-controlling interests up to the date the options are exercised, are recognised as a distribution of earnings, reflecting this amount as an increase in profits attributable to non-controlling interests. In the event that dividends are predetermined or incorporated into the measurement of the financial liability, settlement is discounted from the financial liability's carrying amount.

If finally the options are not exercised, the transaction is recognised as a sale of shares to non-controlling interests.

iii) Associates

Associates are defined as the entities over which the Company has significant influence, either directly or through other subsidiaries. Significant influence is the power to participate in the financial and operating policy decisions of an entity but no control or joint control thereover is held.

Investments in associates are recorded using the equity accounting method from the date significant influence is exercised until the date on which the Company can no longer prove this influence exists.

The acquisition of associates is recorded by applying the acquisition method used for subsidiaries. Goodwill, net of accumulated impairment losses, is included in the carrying amount of the investment accounted for using the equity method.

iv) Impairment

The Group applies the impairment criteria contained in IAS 9: Financial instruments, so as to determine whether it is necessary to recognise any additional impairment loss with respect to the net investment in the associate or in any other financial asset held with it as a result of applying the equity method.

b) Foreign currency

i) Functional and presentation currency

The consolidated annual accounts are presented in thousands of euros rounded off to the nearest thousand. The euro is the Parent company's functional and presentation currency.

ii) Transactions and balances in foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing between the functional currency and the foreign currency at the transaction dates. Monetary assets and liabilities in foreign currency are translated to the functional currency at the closing exchange rate, while non-monetary items measured at historical cost are translated at the exchange rate prevailing at the transaction date. Exchange gains and losses arising on the settlement of foreign currency transactions and on the translation into euros at the closing exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

In the presentation of the consolidated statement of cash flows, cash flows from transactions in foreign currencies are translated into euros applying the exchange rates approximate to those existing at the date the cash flows occurred. The impact of fluctuations in exchange rates on cash and cash equivalents denominated in foreign currency is presented under a separate caption in the statement of cash flows as "Exchange gains/ (losses) on cash and cash equivalents".

The Group presents the effect of the conversion of deferred tax assets and liabilities denominated in foreign currency together with the deferred income tax in profit or loss.

iii) Translation of foreign operations

The translation into euros of foreign operations whose functional currency is not the currency of a hyperinflationary country is made using the following criteria:

- Assets and liabilities, including any goodwill and any adjustments to the net assets arising on the acquisition of foreign operations, including comparative balances, are translated at the closing exchange rate at the balance sheet date;
- Income and expenses, including comparative balances, are translated at the exchange rate prevailing at the date of each transaction; and
- All exchange gains or losses derived from applying the above-mentioned criteria are recognised as translation differences in other comprehensive income.

In the presentation of the consolidated statement of cash flows, cash flows, including comparative balances, from the foreign subsidiaries are translated into euros applying the exchange rates prevailing at the date the cash flows occurred.

Translation differences related to foreign operations recognised in other comprehensive income are recorded jointly under one line in profit or loss and when recognition in profit or loss related to the disposal of such operations occurs.

c) Property, plant and equipment

i) Assets for own use

Property, plant and equipment are measured at acquisition cost less any accumulated depreciation and any impairment losses. The cost of property, plant and equipment built by the Group is determined following the same criteria as those used for acquired property, plant and equipment, considering also the principles established for the production cost of inventories. The capitalisation of the production cost is recognised under Work performed by the Group and capitalised as non-current assets in the consolidated income statement.

The cost of property, plant and equipment includes the acquisition price less any trade discounts or rebates plus any cost directly related to its location on the place and under the conditions necessary for it to operate as expected by the Directors and, where appropriate, the initial estimate of dismantling or disposal costs, as well as the restoration of the land it is located on, provided that these obligations are assumed as a result of its use and for purposes other than the production of inventories

The Group records separately the items of a complex asset whose useful lives are different from the main asset's.

ii) Investments in rented premises

The Group recognises permanent investments in properties leased from third parties following the same criteria as the ones used for property, plant and equipment items. These investments are depreciated over the shorter of the useful life of the asset or over the lease term. To this effect, the determination of the lease term is consistent with that established for its classification. In the event that the full-term execution of the lease agreement is uncertain, a provision is recorded for the estimated amount of the net carrying amount of irrecoverable investments. Likewise, the cost of these investments includes the estimated costs of dismantling and disposing of the assets and restoring the land they are located on that the Group shall pay at the end of the agreement; thus, a provision is recorded for the present value of the estimated cost that is expected to be incurred.

iii) Costs subsequently incurred

The Group recognises as an increase in the cost of the assets, the replacement cost of an asset's items when incurred, provided that it is probable that additional future economic benefits will be obtained from the asset and that the cost can be measured reliably. Other costs, including repair and maintenance expenses on property, plant and equipment items are charged to the income statement in the period incurred

iv) Depreciation

Property, plant and equipment items are depreciated by allocating their depreciable amount, which is the acquisition cost less residual value, on a straight-line basis over their useful lives. Depreciation is determined separately for each portion of a property, plant and equipment item that has a significant cost in relation to the total cost of the item.

Land is not depreciated. The depreciation of property, plant and equipment items is determined as follows:

	Estimated years of useful life
Buildings	33-45
Plant and machinery	3-10
Other installations, equipment and furniture	3-10
Data processing equipment	2-5
Transport equipment	3-8
Other property, plant and equipment	4-10

At each year end, the Group reviews the residual value, useful life and depreciation method of property, plant and equipment items. Any changes to initially established criteria are accounted for as a change in accounting estimates.

v) Impairment

The Group measures and determines impairment losses on property, plant and equipment and any reversals thereof in accordance with the criteria described in Note 3 g).

d) Intangible assets

i) Goodwill

Goodwill is determined following the criteria indicated in Note 3 (a) i) Subsidiaries and business combinations.

Goodwill is not amortised but it is tested for impairment at least once a year, or more frequently if an event is identified that could give rise to a potential impairment loss on the asset. Goodwill arisen in business combinations is allocated to each cash-generating unit (CGU) that are expected to benefit from the synergies of the combination, applying the criteria outlined in section Note 3 g). After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Internally generated goodwill is not recognised as an asset.

ii) Internally generated intangible assets

Costs related to research activities are recognised as an expense when incurred. The costs related to development activities of certain products are capitalised to the extent that:

- The Group has technical studies available that support the feasibility of the production process
- There is a commitment by the Group to complete the production of the asset so that it is available for sale;
- The asset will generate enough economic profit through future sales in the markets in which the Group operates;
- The Group has the technical and financial (or other) resources necessary to complete the asset and has developed budget control systems and analytical accounting systems to monitor budgeted costs, modifications made and costs actually incurred in the projects.

The cost of the assets generated internally by the Group is determined following the same criteria as for determining the production cost of inventories. The production cost is capitalised through the payment of the costs attributable to the asset in the Work performed by the Group and capitalised as non-current assets caption in the consolidated income statement.

Additionally, the costs incurred in the performance of activities that contribute to developing the value of the businesses in which the Group operates as a whole are recorded as expenses when incurred.

Also, replacements or subsequent costs incurred on intangible assets are generally recorded as expenses, unless they increase the future economic benefits expected from the assets.

iii) Intangible assets acquired in business combinations

Since 1 January 2005 identifiable intangible assets acquired in business combinations have been measured at fair value at acquisition date, provided that fair value can be determined reliably. Subsequent costs related to research and development projects are recorded following the criteria used for internally generated intangible assets.

Customer portfolios acquired mainly include the value of the relationship existing between the corresponding company and their customers, which has arisen as a result of a contract and, therefore, are identified as intangible assets in accordance with a contractual and legal criterion. Additionally, the patents acquired include the value of the technologies for manufacturing certain products that arose as a result of a contract. They have been measured at market value using generally accepted measurement methods based on discounted cash flows. Additionally, finite useful lives have been calculated based on historical evidence of the renewal of the continuing relationship with these customers and based on the residual period for the right to use the patents, considering expected technical obsolescence

iv) Other intangible assets

Other intangible assets are presented in the consolidated statement of financial position at cost, less any accumulated amortisation and any impairment losses.

v) Useful life and amortisation

The Group assesses the intangible asset's useful life to be either finite or indefinite. An intangible asset is deemed to have an indefinite useful life when the period over which it will generate net cash inflows has no foreseeable limit.

Intangible assets with indefinite useful lives are not amortised, but tested for impairment.

Intangible assets with finite useful lives are amortised by allocating the amortisable amount over their useful lives using the following criteria:

	Amortisation method	Estimated years of useful life
Development cost	Straight-line basis	3-15
Industrial property and patent	Straight-line basis	5-8
Computer software	Straight-line basis	3-5
Relations with customers	Declining-balance method	3-30
Other intangible assets	Declining-balance method / Straight-line basi	5-8

To this end, depreciable amount is understood as acquisition cost less residual value.

The Group reviews the residual value, useful life and amortisation method of intangible assets at the end of each reporting period. Changes to initially established criteria are accounted for as a change in accounting estimates.

vi) Impairment of assets

The Group measures and determines impairment losses on intangible assets and any reversals thereof in accordance with the criteria described in Note 3 g).

e) Investment property

Investment property is property fully or partially held for obtaining income, gains or both rather than for producing or providing goods or services. Investment property is initially measured at cost, including transaction costs.

Investment property is subsequently measured following the cost criteria established for property, plant and equipment. Depreciation methods and useful lives are presented in that section.

f) Right-of-use assets and Lease liabilities

i) Right-of-use

The Group recognises the right-of-use at the start of a lease. That is, the date on which the underlying asset is available for use. Right-of-use is measured at cost, less accumulated amortisation and impairment losses, and is adjusted for any changes in the measurement of the associated lease liabilities. The initial cost of the right-of-use includes the recognised lease liabilities, initial direct costs and lease payments made before the start of the lease. Incentives received are deducted from the initial cost. Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the right-of-use is amortised on a straight-line basis over the shorter of the estimated useful life and the lease term. Right-of-use is subject to impairment analysis.

ii) Lease liabilities

At the start of the lease, the Group recognises the lease liabilities at the present value of the lease payments to be made during the lease term. Lease payments include fixed payments (including in-substance fixed payments) less lease incentives, variable payments depending on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option if the Group is reasonably certain of exercising this option and lease termination penalty payments if the term of the lease reflects the Group's exercising of the option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognised as an expense in the period in which the event or condition that triggers the payment arises.

When calculating the present value of lease payments, the Group uses the incremental interest rate at the lease start date if the interest rate implicit in the lease cannot be easily determined. After the start date, the lease liability amount is increased to reflect the accrual of interest and reduced by the lease payments made. In addition, the lease liability is re-measured if an amendment is made, the lease term is changed, the in-substance fixed lease payments are changed or the assessment for purchasing the underlying asset is changed. The liability also increases if there is a change in future lease payments arising from a change in the index or rate used to calculate these payments

The incremental financing rate used by the Group is differentiated by the homogeneous portfolio of leases, country and lease term. The weighted average of the incremental interest rate in the year ended 31 December 2023 is 4.35% (2.90% in the same period of 2022).

iii) Short-term and low value leases

The Group applies the practical exemption for recognising the short-term leases of its machinery and equipment where the lease term is twelve months or less from the start date and where there is no purchase option. It also applies the low-value asset recognition exemption to office equipment leases that are considered low-value. Lease payments under short-term and low-value leases are recognised on a straight-line basis over the term of the lease.

iv) Judgements made to calculate the lease terms of contracts with renewal options

The Group calculates the lease term as the non-cancellable period, plus the optional extension periods, if there is reasonable certainty that this option will be exercised. It has been estimated that all optional extensions will be exercised for most leases. Periods covered by the option to terminate the lease early are also included, if there is reasonable certainty that this option will not be exercised.

g) Impairment of non-financial assets

The Group assesses whether there are indications that depreciable or amortisable non-financial assets may be impaired, including entities accounted for using the equity method, in order to determine if the carrying amount of said assets exceeds their recoverable amount.

Recoverable amount is the higher of fair value less costs to sell and value in use. The calculation of an asset's value in use reflects an estimate of the future cash flows expected to derive from the asset, expectations about possible variations in the amount or timing of those future cash flows, the time value of money, the price for bearing uncertainty inherent in the asset and other factors that market participants would reflect in pricing the future cash flows expected to derive from the asset.

Negative differences arisen as a result of comparing the carrying amounts of the assets with their recoverable amounts are recorded in profit or loss.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

Impairment losses on cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to reduce the carrying amount of the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit up to the highest of its fair value less costs to sell, its value in use and zero.

The Group assesses at the end of each reporting period whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased.

Impairment losses on goodwill may not be reversed. Impairment losses on assets other than goodwill are reversed if, and only if, there has been a change in the estimates used to calculate the asset's recoverable amount.

Any reversals of impairment losses are charged to income. The increased carrying amount of an asset attributable to a reversal of an impairment loss cannot exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset.

The reversal of an impairment loss on a CGU is allocated between the assets of the unit, except for goodwill, pro rata on the basis of the carrying amount of the assets down to the lowest of their recoverable amount and carrying amount that would have been determined, net of depreciation and amortisation, had no impairment loss been recognised for the asset.

h) Finance leases

At the commencement of the lease term, the Group recognises an asset and liability at the lower of the fair value of the leased property and the present value of the minimum lease payments. Initial direct costs are added to the asset's carrying amount. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Finance costs are recognised in the consolidated income statement using the effective interest rate method. Contingent rents are recognised as an expense when it is probable that they will be incurred.

The accounting policies applied to the assets used by the Group under lease agreements that qualify as finance leases are the same as those outlined in Note 3 f).

i) Financial assets

The Group classifies its financial assets in the following measurement categories:

- Those measured subsequently at fair value (through other comprehensive income or recognised in income), and
- Those measured at amortised cost.

The classification depends on the business model of the entity to manage the financial assets and contractual terms of the cash flows.

For assets measured at fair value, profit and loss is recognised in income or other comprehensive income. For investments in equity instruments held for trading, it will depend on whether the Group has made an irrevocable choice upon initial recognition to recognise investments in equity at fair value through other comprehensive income.

The Group only reclassifies investments in debt when its business model for managing these assets changes.

Upon initial recognition, the Group measures a financial asset at fair value plus, in the case of a financial asset not recognised at fair value through income, the transaction costs directly attributable to the acquisition of the financial asset. The

transaction costs of financial assets at fair value through profit or loss are taken to profit or loss.

Financial assets with embedded derivatives are recognised in full since their cash flows are deemed to comprise solely the payment of the principal and interest.

a) Debt instruments

The subsequent measurement of the debt instruments depends on the Group's asset management business model and the nature of the cash flow on the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets held for collection of contractual cash flows when these cash flows only represent payments of principal and interest are measured at amortised cost. Income on these financial assets is included in financial income according to the effective interest rate method. Losses arising as a result of disposals are expensed directly. Impairment losses and the value are recorded in separate income statement captions.

- Fair value through other comprehensive income (FVOCI): Assets held for collection of contractual cash flows and for the sale of financial assets, when these cash flows only represent payments of principal and interest, are measured at fair value through other comprehensive income. Changes in the carrying amount are taken to other comprehensive income, except for recognition of impairment gains and losses, ordinary interest income and exchange gains or losses, which are recognised in the income statement. When financial assets are written off, the accumulated gain or loss previously recognised in other comprehensive income is reclassified from equity to income and recognised in other gains/(losses). Income on these financial assets is included in financial income according to the effective interest rate method. Exchange gains and losses are taken to other gains/(losses) and impairment expenses are recorded in a separate income statement caption.

- Fair value through other income (FVOI): Assets that do not meet the criteria for recognition at amortised cost or fair value through other comprehensive income are recognised at fair value through income. A gain or loss in a debt investment subsequently recognised at fair value through income is recognised as net within other gains/(losses) in the years in which it arises.

b) Equity instruments

The Group subsequently measures all equity investments at fair value. When Group management has opted to record gains and losses in the fair value of equity investments in other comprehensive income, there is no subsequent reclassification of the gains and losses in fair value through profit or loss following the disposal in investment accounts. Dividends on these investments continue to be recognised in income for the year with other income when the Group's distribution entitlement is established

Changes in the fair value of financial assets at fair value through income are recognised in other gains/(losses) in the income statement where applicable. Impairment losses (and reversals of impairment losses) in equity investments measured at fair value through other comprehensive income are not recognised separately to other changes in fair value.

c) Derivatives and hedging activities

Cash flow hedges that qualify for hedge accounting.

The effective part of the gain or loss on the hedging instrument classed as a cash flow hedge is recognised in the cash flow hedge reserve in equity. Gains or losses relating to the ineffective part are taken straight to income, under other income/(expenses).

The amounts accumulated in net equity are reclassified in the years in which the hedged item affects income for the year, as follows

- When the hedged item subsequently leads to the recognition of a non-financial asset (such as inventories), the deferred hedging gains and losses are included in the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss for the year when the hedged item affects net income (e.g. through the cost of sales).

- Gains or losses corresponding to the effective part of interest rate swaps hedging variable rate loans is recognised in the income statement under "financial expenses" at the same time as the interest expense on the hedged loans.

When a hedging instrument expires, is sold or ends, or when a hedge no longer meets the hedge accounting criteria, any accumulated deferred gain or loss and the deferred costs of the hedge in equity at that time remain in equity until the planned transaction occurs. When the planned transaction is no longer expected to happen, the accumulated gain or loss and the deferred hedging costs that were recognised in equity are reclassified straight away to profit and loss.

d) Impairment

The Group evaluates the expected credit losses associated with the debt instruments recognised at amortised cost on a prospective basis and at fair cost through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

For trade receivables, the Group applies the simplified approach under IFRS 9, which requires that losses expected over the life of the item are recognised from the initial recognition of the account receivable.

The Group assesses expected credit losses based in two parameters. The historical impairment rate uses a matrix broken down according to the age of the debt, with a historical default ratio for each of the tranches analysed (not due - 30-60 days, 60-120 days, 120-365 days and over 365 days). The Group uses the invoice date and the payment term stated on the invoice to draw up the matrix, analysing its collection or default. This matrix is also weighted with the increase or decrease in future collection days, based on the budgets and/or forecasts in use at any given time, so as to assess not only historical information but also forward-looking information that could impact on historical impairment. Budgeted future days are estimated based on the macroeconomic environment, expected sales combinations in geographical regions, expectations within the pool industry and expected customer performance, etc.

j) Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified at the date of their initial recognition, where applicable, as financial liabilities at fair value through profit and loss, bank borrowings, accounts payable or derivatives designated as hedging instruments in an effective hedge.

All financial liabilities are initially recognised at fair value and directly attributable transaction costs on bank borrowings and accounts payable are netted.

Group financial liabilities include trade and other payables, bank borrowings, including current account overdrafts, financial guarantee contracts and derivative financial instruments.

ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as follows:

iii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated in their initial recognition at fair value through profit and loss.

Financial liabilities are classified as held for trading if their purpose is to be repurchased in the short term. This category includes derivative financial instruments contracted by the Group which have not been designated as hedging instruments in the hedging relationships. Embedded derivatives that have been separated are also classified as held for trading, unless designated as effective hedging instruments.

Gains and losses on liabilities held for trading are recognised in the income statement.

Financial liabilities designated in the initial recognition at fair value through profit and loss are only designated at the initial recognition date if they meet the criteria established in IFRS 9.

iv) Bank borrowings

This is the most significant financial liability category for the Group. After initial recognition, bank borrowings are measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised, as well as the interest accrued using the effective interest rate method.

Amortised cost is calculated taking into account any acquisition premium or discount and the instalments and costs that are an integral part of the effective interest method. Interest accrued in accordance with this effective interest rate method is included in Financial costs in the income statement.

This category generally applies to bank borrowings with interest

v) Derecognition

A liability is derecognised when the obligation is discharged, cancelled or expires.

When an existing financial liability is replaced with another from the same lender with substantially different conditions, or when the conditions of an existing liability are modified significantly, this exchange or modification is treated like a derecognition of the original liability and the new obligation is recognised. The difference in the respective carrying amounts is recognised in the income statement.

k) Inventories

Inventories are measured at the lower of acquisition or production cost and net realisable value.

The purchase price comprises the amount invoiced by the seller, after deduction of any discounts, rebates or other similar items, such as interest incorporated into the nominal amount, and any additional costs incurred to bring the goods to a saleable condition, other costs directly attributable to the acquisition, as well as borrowing costs and indirect taxes not recoverable from the Spanish taxation authorities.

Trade discounts granted by suppliers are recognised as a cost reduction of the acquired inventories as soon as it is probable that the necessary conditions for the discounts to qualify as such will be met. The excess amount, if any, is recognised as a reduction in consumption in the consolidated income statement.

The production cost of inventories includes the acquisition cost of raw materials and other consumables and the costs directly related to the units produced and a systematically calculated portion of either the variable or fixed indirect costs incurred during the transformation process. Indirect fixed costs are distributed based on whichever is higher: normal working conditions for the means of production, or production output.

The cost of raw materials, other supplies, goods, and conversion are assigned to the different cash-generating units in stock, based on the average weighted price method.

The Group uses the same cost formula for all inventories having the same nature and similar use within the Group.

When the cost of inventories exceeds net realisable value, an adjustment is made to profit and loss. Net realisable value is understood to be:

- Raw materials and other consumables: replacement cost. However, the Group does not make any adjustments if the finished products in which the raw materials are incorporated are expected to be sold at a price equivalent to their production cost or higher;
- Goods and finished products: estimated selling price less costs to sell;
- Work in progress: the estimated selling price of the related finished goods, less the estimated costs to complete production and the costs necessary to make the sale.

The previously recognised reduction in value is reversed against profit or loss when the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances. The reversal of the reduction in value is limited to the lower of the cost and the revised net realisable value of the inventories.

l) Cash and cash equivalents

Cash and cash equivalents includes cash on hand and demand deposits at banks without significant availability restrictions. This caption also includes other short-term highly-liquid investments readily convertible into specific amounts of cash that do not mature beyond three months.

For the purpose of the cash flow statement, demand bank overdrafts that are part of the Group's cash management and that are recorded in the consolidated statement of financial position as bank borrowings under financial liabilities are included as cash and cash equivalents.

The Group classifies the cash flows from interest received and paid as operating activities, including interest from lease liabilities (see Note 3 f) ii)), except for the interest received on loans granted for reasons other than the Group's ordinary activity. Dividends received from associates are classified as investing activities and dividends paid by the Company, as financing activities.

m) Own equity instruments

The acquisition by the Group of equity instruments of the Company is presented separately at acquisition cost as a decrease in consolidated shareholders' equity in the consolidated statement of financial position. In the transactions entered into with own equity instruments, no profit or loss is recognised in the consolidated income statement.

Transaction costs related to own equity instruments, including issue costs related to a business combination, are recorded as a decrease in reserves, net of any tax effect.

Subsequent repayment of the parent's equity instruments gives rise to a capital reduction for the amount of those shares, and the positive or negative difference between acquisition cost and the nominal amount of the shares is charged or credited to reserve accounts for retained earnings.

Dividends related to equity instruments are recorded as a reduction in consolidated equity when they are approved by the shareholders in general meeting.

n) Government grants

Grants awarded by public entities are recorded when there is reasonable assurance that the conditions associated with their awarding will be met and they will be received.

i) Capital grant

Capital grants awarded as monetary assets are recorded with a credit to the "Government grants" caption of the consolidated statement of financial position, and are recorded in the "Other income" caption as the corresponding financed assets are depreciated or amortised.

ii) Operating grants

Operating grants are recorded as a reduction in the expenses they finance.

Grants received as compensation for expenses or losses incurred, or in order to provide immediate financial support not related to future expenses, are recorded with a credit to other income accounts.

iii) Interest rate grants

Financial liabilities comprising implicit assistance in the form of below-market interest rates are initially recognised at fair value. The difference between this value, adjusted where necessary for the issue costs of the financial liability and the amount received, is recognised as a government grant based on the nature of the grant awarded.

o) Employee benefits

i) Termination benefits

Termination benefits are recognised at the earlier of the date from which the Group can no longer withdraw its offer and that on which it recognises the costs of a restructuring effort that will entail the payment of termination benefits.

In respect of termination benefits as a result of the employees' decision to accept a voluntary redundancy offer, the Group is deemed unable to withdraw its offer at the earlier of the date on which the employees accept the offer and the date of effectiveness of some form of restriction on the Group's ability to withdraw the offer.

In respect of involuntary termination, the Group is deemed unable to withdraw its offer when it has communicated the plan to the affected employees or their union representatives and the actions needed to complete the plan suggest that it is unlikely that there will be significant changes in the plan; the plan identifies the number of employees whose services are to be terminated, their job classification or function, their location and their expected termination date; and the termination benefits to be received by the laid-off employees have been established in sufficient detail to enable them to determine the type and amount of remuneration they will receive upon termination.

If the Group expects to fully settle the termination benefits within twelve months after year-end, the liability is discounted using the market returns for issues of high-rated bonds.

ii) Termination benefits linked to restructuring processes

Termination benefits related to restructuring processes are recognised when the Group has a constructive obligation, i.e. when there is a detailed formal plan for such process identifying at a minimum the business (or parts of the business) concerned, the main locations affected, the function and approximate number of employees who will be compensated for termination of their services, the termination benefits to be paid, the plan's implementation timing, and a valid expectation has been raised among those affected that the restructuring will be carried out either because the plan has started to be implemented or because the main features of the plan have been announced to those affected by it.

iii) Other long-term employee benefits

The Group has assumed payment to its employees of the obligations derived from the collective agreements to which certain Spanish Group companies are adhered, whereby the employees adhered to them with at least 25 or 40 years of service in the company shall receive 45 or 75 days, respectively, of the last fixed salary. The Group has recorded the estimated liability for this commitment in the "Provisions" caption of the consolidated statement of financial position.

Additionally, in accordance with prevailing regulations in the corresponding country, certain foreign group companies have commitments to their employees for retirement bonuses, recording the estimated liability in the above-mentioned caption. Upon retirement, employees will receive an amount accrued over their working lives at the company based on an annual amount accrued derived from applying a ratio over the overall annual remuneration of the employee, with the liability recorded at the beginning of the year subject to the increase in the cost of living. Some of these commitments are financed through the payment of insurance premiums.

The liability for long-term employee benefits recorded in the consolidated statement of financial position corresponds to the present value of the obligations assumed at year end.

In the case of subcontracted commitments, the liability for long-term employee benefits recorded in the consolidated statement of financial position corresponds to the present value of the defined benefit obligations existing at year-end less the fair value of the plan assets at that date.

The Group recognises as an expense or income accrued for long-term employee benefits the net amount of the service cost for the year, the net cost of interest and the recalculation of the measurement of the net liability for long-term benefits, as well as the one related to any reimbursement and the effect of any reduction or settlement of the commitments acquired.

The present value of the obligations existing at year-end and the service cost is calculated periodically by independent actuaries using the projected unit credit method. The discount interest rate is determined based on the market interest rates for issues of high-rated bonds, denominated in the currency in which the benefits will be paid and with maturity periods similar to those for the corresponding benefits.

The reimbursement rights to some or all payment obligations for defined benefits are only recognised when collection is virtually certain.

The asset or liability for defined employee benefits is recorded as current or non-current based on the realisation or maturity period of the corresponding benefits.

iv) Short-term employee benefit

The Group recognises the expected cost of short-term employee benefits as paid leave, the right to which accumulates from period to period, as employees render the services that vest the right to this remuneration. If paid leave is not cumulative, the cost is recognised as the leave is taken.

The Group recognises the expected cost of share in profit or employee bonus plans when it has a legal or constructive present obligation as a result of past events and a reliable estimate of the obligation can be made.

p) Provisions

Provisions are recognised when the Group has a present obligation (legal or implicit) as a result of a past event; it is more probable than not that an outflow of resources embodying economic benefits will be required to settle the obligation; and the amount of the obligation can be reliably estimated.

The amount recognised as a provision in the consolidated statement of financial position is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account all risks and uncertainties surrounding the amount to be recognised as a provision and, where the time value of money is material, the financial effect of discounting provided that the expenditure to be made each period can be reliably estimated. The discount rate is a pre-tax rate that reflects the time value of money and the specific risks for which future cash flows associated with the provision have not been adjusted at each reporting date.

The financial effect of the provisions is recorded as a finance cost in profit or loss. The provisions do not include the tax effect, nor the disposals or abandonment of assets.

The provision is reversed if it is less probable than not that an outflow of resources will be required to settle the obligation. The provision is reversed against the profit or loss caption in which the corresponding expense was recorded, and the surplus, if any, is recognised in the "Other income" caption.

Our warranty policy complies with the legislation in each country where we market our products and usually has a minimum term of one year.

In certain cases, and to adapt to the nature of the markets we serve, these warranties can be increased to up to three/five years if needed.

The warranties given by Fluidra are assurance warranties, whereby Fluidra undertakes to deliver the product under the terms of the contract. Warranty provisions are calculated in accordance with historical fault rates and are quantified as the cost of raw materials and labour required to bring the product to compliance with the contract terms. They are recorded when the product is sold as a current liability. The historical rates are calculated annually and are applied to the different product ranges sold.

q) Share-based payment transactions

The Group recognises the goods and services received or acquired in a share-based payment transaction when it obtains the goods or as the services are received. If the goods or services are received as part of an equity-settled share-based payment, it recognises an increase in equity; if they are received as part of a cash-settled share-based payment, it recognises a liability along with a balancing charge in profit or loss or an asset in the consolidated statement of financial position.

The delivery of equity instruments as consideration for the services performed by the employees of the Group or third parties providing similar services are measured by reference to the fair value of the equity instruments granted.

Employee benefits paid in the form of equity instruments are recognised by applying the following criteria:

- If the equity instruments granted vest immediately on the grant date, the services received are recognised with a charge to profit or loss, with a corresponding increase in equity;
- If the equity instruments granted vest when the employees complete a specified service period, those services are accounted for during the vesting period, with a credit to equity accounts.

The Group measures the fair value of the instruments granted to employees at the grant date.

Market-related vesting conditions and other non-determining vesting conditions are taken into account when measuring the fair value of the equity instruments granted. Vesting conditions, other than market conditions, are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for services received is based on the number of equity instruments that eventually vest. Consequently, the Group recognises an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest, revising this estimate if the number of equity instruments expected to vest differs from previous estimates.

Once the services received and the corresponding increase in equity have been recognised, no additional adjustments to equity are made after the vesting date, notwithstanding the corresponding reclassifications made in equity.

r) Recognition of revenue from contracts with customers

The Group has adopted IFRS 15 *Revenue from contracts with customers* since 1 January 2018, which has entailed adapting certain accounting policies.

i) Sale of goods

Revenue from the sale of goods is recognised when control of the goods is transferred to the customer. Delivery is complete when the products have been dispatched to the specific location, the risks of obsolescence and loss have been transferred to the customer and the customer has accepted the products as per the sales contract, the acceptance conditions have expired or the Group has objective evidence that all the acceptance criteria have been met.

A receivable is recognised when the goods are delivered since this is the point in time when the consideration is unconditional, only requiring the passage of time in order for the right of payment to fall due. Unless otherwise stated and specified in the sales contract, control of the products is considered to be transferred to the customer when the risk is transferred, according to the Incoterm applied. No differences are made for the type of product or customer.

The most frequently used Incoterms are CIP, DAP, FCA and, to a lesser extent, FOB, CIF and EXW.

When the customer is entitled to return the product within a specific period, the company is obliged to refund the acquisition cost. Ordinary income is adjusted by the expected value of the refunds and the cost of sales is adjusted by the value of the corresponding expected goods returns. Under IFRS 15, a refund liability is recognised for expected customer returns as an adjustment in ordinary income in trade and other payables. At the same time, the Group is entitled to recover the product from the customer when the customer exercises their right to return and recognise an asset and a corresponding adjustment in the cost of sales. The asset is measured by reference to the former carrying amount of the product.

Sales prices are based on a number of recommended rates for end customers, to which discounts are applied for our customers according to the volume of business they do with us and the type of product they buy from us.

A scale of additional incentives is also applied to large accounts, depending on the purchase volumes they reach. These incentives are negotiated yearly.

Under IFRS 15, an entity estimates the variable consideration (volume discounts, prompt payment discounts, rebates, etc.) using whichever of the following methods it believes predicts the amount of consideration to which it will be entitled:

- Expected value: expected value is the total probability-weighted amount based on a range of possible consideration amounts.
- Most likely amount: the most likely amount is the single most likely amount.

In our business, we use the expected value method in the majority of cases, in accordance with IFRS 15.

Volume discounts is the most relevant category in the key customer segment, and we specifically apply different scenarios based on sales from the last budget or projection, corrected according to actual sales. Prompt payment discounts are recognised based on the most likely amount in play if a customer does or does not take advantage of the discount. Historical rates for each of the companies and/or markets comprising the Group are used for other types of discount (trade discounts, sales, etc.).

In addition, pool professionals in the American market who purchase via our distributors are offered a points programme based on the volume of purchases, which can be redeemed for rebates, products, company merchandising or travel.

This points programme (loyalty programme) is treated as a performance obligation, as our customer has the right to receive the consideration included in this programme. Income is recognised as the loyalty points are redeemed or expire. The points given are corrected for the historical percentage of points that are not redeemable and are measured according to the sales price of the products delivered and/or the discounts granted.

ii) Services rendered

Income from services is recognised in the year in which they are rendered. In the case of fixed-price contracts, revenue is recognised on the basis of the actual service rendered until the end of the reporting period, as a percentage of the total services to be rendered. This is determined on the basis of the total actual costs incurred in relation to the total expected costs.

Some contracts include multiple deliverables, such as installation services. However, installation is simple, does not entail an integration service and could be carried out by a third party. Therefore, it is recognised as a separate execution obligation. In this case, the transaction price will be allocated to each execution obligation based on the separate sale prices. When these are not directly discernible, they are estimated based on the expected cost plus margin.

If the circumstances change, the estimated revenue, costs and degree of completion is reviewed. Any resulting increase or decrease in revenue or estimated costs is reflected in profit and loss for the year in which management becomes aware of the circumstances calling for the review.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If payments exceed the services rendered, a contract liability is recorded.

iii) Financial components

The Group does not expect to have any contracts in which the period between the transfer of goods and services promised to the customer and the payment received exceeds one year.

Therefore, the Group does not adjust any of the transaction prices on account of the time value of money.

iv) Dividend income

Income from dividends on investments in financial instruments is recognised in profit or loss when the Group's right to receive payment is established.

s) Income tax

Tax expense (income) comprises current tax and deferred tax.

Current tax is the amount of income taxes payable/(recoverable) in respect of consolidated taxable profit/(tax loss) for the year. Current tax liabilities and assets are measured at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities are income tax payable in future periods in respect of taxable temporary differences, while deferred tax assets are income tax recoverable in future periods in respect of deductible temporary differences, the carryforward of unused tax losses and the carryforward of unused tax credits. Temporary differences are defined as differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Current and deferred tax is recognised in profit or loss, unless the tax arises from a transaction or economic event which is recognised, in the same or a different period, directly in consolidated equity or a business combination.

Tax credits on the income tax granted by public administrations as a decrease on the amount payable for this tax are recognised as a decrease in the income tax expense when there is reasonable assurance that the conditions related to the right to deduction will be met.

In certain territories, the Group has availed itself of the consolidated tax regime, as mentioned in Note 28.

i) Recognition of taxable temporary differences

A deferred tax liability is recognised for all taxable temporary differences, except:

- to the extent that the deferred tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit (tax loss);
- to the extent that the deferred tax liability relates to taxable temporary differences associated with investments in subsidiaries or joint ventures where the Group has the capacity to control the date of reversal and it is not probable that reversal will happen in the foreseeable future.

ii) Recognition of deductible temporary difference

Deferred tax assets are recognised provided that:

- it is probable that sufficient future taxable profit will be available against which they can be utilised, unless the differences arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit (tax loss);
- they relate to deductible temporary differences associated with investments in subsidiaries or joint ventures to the extent that temporary differences will be reversed in the foreseeable future and future taxable profit will be available to offset the differences.

Tax planning opportunities are only considered for the purpose of assessing the recoverability of deferred tax assets if the Group intends to use them or it is probable that it will use them.

iii) Measurement

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods in which the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and factoring in the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities.

The Group reviews the carrying amounts of its deferred tax assets at the end of each reporting period with a view to reducing these carrying amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow part or all of the assets to be utilised.

Deferred tax assets that do not satisfy the above conditions are not recognised in the consolidated statement of financial position. At the end of each reporting period, the Group reassesses unrecognised deferred tax assets to determine whether the recognition criteria have been met.

iv) Offsetting and classification

The Group only offsets current tax assets and current tax liabilities if it has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group only offsets deferred tax assets and liabilities if it has a legally enforceable right, when they relate to income taxes levied by the same tax authority and on the same taxable entity and when the tax authority permits the Group to make or receive a single net payment, or to recover the assets and settle the liabilities simultaneously in each future year in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

t) Offsetting of assets and liabilities, income and expenses

Assets and liabilities and income and expenses are not offset, unless offsetting is required or allowed by a standard or interpretation

u) Classification of current and non-current assets and liabilities

The Group classifies assets and liabilities in the consolidated statement of financial position as current and non-current. For these purposes, assets and liabilities are classified as current in accordance with the following criteria:

- Assets are classified as current when they are expected to be realised or are intended for sale or consumption in the Group's normal operating cycle, they are held primarily for trading, they are expected to be realised within twelve months from the reporting date, or are cash or cash equivalents, unless they are restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- Liabilities are classified as current when they are expected to be settled in the Group's normal operating cycle, they are held primarily for the purpose of trading, they are due to be settled within twelve months after the reporting period, or the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Financial liabilities are classified as current liabilities when they are due to be settled within twelve months after the reporting date, even if the original term was for a period longer than twelve months, and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated annual accounts are authorised for issue.
- Deferred tax assets and deferred tax liabilities are recognised in the consolidated statement of financial position as non-current assets and non-current liabilities, irrespective of the expected date of recovery or settlement.

v) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment, assess its performance, and for which discrete financial information is available.

w) Environment

The Group carries out activities where the primary purpose is to prevent, reduce or repair damages caused to the environment from its operations.

For further details on Fluidra's ESG Plan and the relevant non-financial data, go to section 2 of the Sustainability Report ,in the Consolidated Management Report.

Expenses incurred for environmental activities are recognised under "Other operating expenses" during the year in which they are incurred.

Property, plant and equipment acquired by the Group for long-term use to minimise the environmental impact of its activity and protect and improve the environment, including the reduction and elimination of future pollution from the Group's activities, are recognised as assets applying the measurement, presentation and disclosure criteria described in section (c) above.

Where appropriate, the Group records provisions for environmental activities when such expenses are known in the same year or previous year, and when the related concepts are clearly specified. These provisions are recorded based on the criteria indicated in section (p) Provisions of this note. Compensation to be received by the Group in connection with environmental obligations is recognised as an amount receivable in assets on the consolidated statement of financial position, provided that there is no doubt as to whether this compensation will actually be received, and that it does not exceed the amount of the recorded obligation.

4. Segment reporting

Fluidra Group's organisational structure is organised into four divisions, three of them covering a geographical approach, which manage the Group's sales and distribution activity, and the fourth one, which comprises the manufacture and logistics chain for the whole Group. A manager is assigned to each division and they report directly to the Management Advisory Committee, maintaining regular contact to deal with operations, operating results and financial profit/(loss), forecasts and plans for each segment. The Management Advisory Committee monitors financial information based on the following division structure.

The Business Divisions are EMEA, North America and APAC.

The EMEA segment (Europe, Middle East & Africa) relates to Europe, Africa (excluding South Africa) and South America, including mature markets showing more modest growth and a larger market share where the strategy is to improve profitability through operating leverage and also other emerging markets, with higher growth expectations.

The North America segment relates to markets in the USA and Canada and the focus is on increasing market share in the largest global pool market, taking advantage of growth in the smart pool market, customer loyalty and a wider range of products.

The APAC (Asia-Pacific) segment includes Australia, Asia and South Africa as its main markets, including mature markets with more moderate growth but lower market share than in the European markets, and emerging markets with higher growth expectations due to new swimming pool construction and a greater focus on public swimming pools in the Asian markets.

Lastly, the Operations Division, which is mainly located in Spain, France and China, focuses on increasing cost efficiency through the rationalisation of production plant structure, improving quality, demand planning and the optimisation of industrial assets.

This organisational structure also affects identification of the Group's cash-generating units (CGUs) (Note 8) .

In addition to the four segments mentioned above, the holding, real estate and/or services companies (where there are no operational or sales activities and which do not generate significant revenue for third parties) are included in the Shared Services caption. This breakdown is provided for the purposes of reconciling the segment information in the total consolidated figures in the financial statements, as it does not constitute an operating segment under IFRS 8.

The inter-segment selling prices are established based on standard terms and conditions available to unrelated third parties.

The difference between the sum of the items of the different business segments and the total thereof in the consolidated income statement corresponds to the "Shared services" caption and to the intra-segment consolidation adjustments, basically the sales between the Operations division and the Sales divisions, and their corresponding margin adjustment in inventories, as well as other adjustments derived from the business combinations and consolidation.

The Management Advisory Committee uses EBITDA to measure segment results. As well as the financial information prepared under IFRS-EU, Fluidra also prepares alternative performance measures (APMs), as defined in the guidelines issued by the European Markets and Securities Authority (ESMA). For further information about definitions, relevance of use and the reconciliation of APMs, visit https://www.fluidra.com/projects/web/app/uploads/2024/02/alternative-performance-measures.pdf. Amortisation and depreciation and impairment losses are linked to the assets directly allocated to the segment activity, excluding the impact of allocating the acquisition price of business combinations and investment portfolio provisions. Net financial profit/(loss) and income tax expense are not allocated by segment, as these activities are dealt with by the Group's central departments.

Intangible assets, deferred taxes, goodwill, provisions and financial assets and liabilities are not allocated by segment, as they are dealt with at Group level. Each segment manages non-current property, plant and equipment, inventories, trade and other receivables and trade and other payables (the segment's net assets).

Intangible assets that reflect the fair value of the acquired customer portfolios are monitored centrally by the Central Finance Department and not by the segment, where only the business management of these portfolios is carried out. The CGU manager is in charge of the business management of the customer portfolio (at CGU level), whether from business combinations or as a result of organic growth, via the business network in each of the territories where it operates. Under no circumstances is a distinction made between whether the portfolio comes from a business combination or not, so the intangible asset is not allocated for internal monitoring of the segment.

A breakdown of the Group's segment information for the years ended 31 December 2023 and 2022 is shown in Appendices II and III to these consolidated annual accounts.

5. Business combinations and sales of Group companies

A breakdown of the transactions resulting in business combinations during the years ended 31 December 2023 and 2022 is as follows:

2023

On 25 January 2023, completion of the acquisition was signed off whereby 95% of the Hungarian companies Kerex Uszoda Kft and Kerex Szerelő Kft (together "Kerex") have been acquired. This transaction will allow Fluidra to offer a comprehensive, complete and high-quality product portfolio to its expanded customer base in Hungary, together with an even more efficient service. The acquisition price involved an initial outlay of HUF 1.4 billion (€3,581 thousand), with a deferred payment of HUF 350 million (€896 thousand). In addition, cross options to be exercised between 2023 and 2024 have been agreed upon with the non-controlling interests arising from “Kerex” , which have been recorded as a liability and have been initially valued at HUF 526 million (€1,346 thousand).

Due to commercial and management synergies, this acquisition has been integrated into the Europe CGU.

Fluidra Commercial, S.A.U., a subsidiary indirectly wholly-owned by Fluidra, S.A. signed a share purchase agreement on 23 December 2022 whereby it undertook to acquire one hundred percent (100%) of the share capital of the German companies Meranus Gesellschaft für Schwimmbad- und Freizeitausrüstungen mbH ("Meranus Haan"), Meranus Gesellschaft für Schwimmbad- und Freizeitausrüstungen mbH ("Meranus Lauchhammer"), and Aquacontrol, Gesellschaft für Meß-, Regelund Steuerungstechnik zur Wasseraufbereitung mbH ("Aquacontrol") (the three acquired companies are jointly referred to as the "Meranus Group"). The Meranus Group is a leading German swimming pool equipment distributor and manufacturer of swimming pool control and dosage technology.

On 6 July 2023, having met all the conditions precedent, Fluidra acquired the Meranus Group for €30 million on a cash and debt free basis. This acquisition will enable Fluidra to improve its leading position in the German market and to offer a more complete product portfolio to a wider customer base.

Due to commercial and management synergies, this acquisition has been integrated into the Europe CGU.

During the period comprised between the date of acquisition and 31 December 2023 (and in the case of Kerex up until the merger date with Fluidra Magyar Kft) the acquired business has generated total consolidated sales of goods and finished products amounting to €11,733 thousand and consolidated loss after tax of €755 thousand.

If the acquisition had occurred on 1 January 2023, the Group's sales of goods and finished products would have increased by €11,230 thousand and consolidated profit after tax would have decreased by €1,891 thousand.

The breakdown of the consideration paid, of the fair value of the net assets acquired and goodwill for the business combinations carried out during the year ended 31 December 2023 is as follows:

Consideration paid	
Cash paid	32,377
Contingent consideration / Deferred price	3,626
Total consideration paid	**36,003**
Fair value of net assets acquired	**20,555**
Goodwill	**15,448**

The intangible assets that have not been recorded separately from goodwill and have therefore been included in it since they do not meet the separability criterion required by IFRS-EU mainly relate to the work force and synergies of the acquired business.

The accounting of the Kerex and the Meranus Group business combinations is final.

The most significant differences that have arisen between the carrying amounts of the businesses acquired during the year and their fair values relate to the customer portfolios.

The customer portfolios have been measured using the MPEE method (multi-period excess earnings). The key assumptions used are based on the strategic plans approved by Management.

The amounts that have been recorded in the consolidated statement of financial position at the date of acquisition of the assets, liabilities and contingent liabilities of the businesses acquired during the six-month period ended 31 December 2023, by significant categories, are as follows:

	Thousands of euros
Property, plant and equipment	419
Other intangible assets	19,170
Right-of-use assets	2,671
Non-current financial assets	32
Inventories	8,184
Trade and other receivables	2,864
Cash and cash equivalents	5,536
Total assets	**38,876**
Bank borrowings and other marketable securities - non-current	135
Non-current lease liabilities	2,214
Non-current provisions	604
Deferred tax liabilities	5,302
Bank borrowings and other marketable securities - current	1,066
Current lease liabilities	457
Trade and other payables	7,863
Current provisions	680
Total liabilities and contingent liabilities	**18,321**
Total net assets	**20,555**
Total net assets acquired	**20,555**
Paid in cash	32,377
Cash and cash equivalents acquired	5,536
Cash paid for the acquisitions	**26,841**

In the year ended 31 December 2023, cash was disbursed in connection with the acquisition of subsidiaries in prior years and non-controlling interests for €7,349 thousand.

2022

On 28 July 2022, Fluidra Commercial, S.A.U., which is wholly and indirectly owned by Fluidra, acquired 100% of the share capital of the Danish company Swim & Fun Scandinavia Aps ("Swim & Fun").

Swim & Fun is a leading market distributor operating in the Nordic countries with its headquarters in Copenhagen. The company supplies a wide range of water maintenance, improvement and treatment products, as well as above-ground pools and spas, mainly for the mass market.

The total consideration for the transaction comprised an initial payment of DKK 157.9 million, which is fully paid. Furthermore, future profit payments based on Swim & Fun's operating results were agreed for the years 2023, 2024 and 2025, to be paid during 2026. The initial estimate included an assessment stating that there would be no outlay for these items.

Due to commercial and management synergies, this acquisition was integrated into the Europe CGU.

During the period comprised between the date of acquisition and 31 December 2022, the acquired businesses generated total consolidated sales of goods and finished products amounting to €2,194 thousand and consolidated loss after tax amounting to €1,244 thousand.

If the acquisition had occurred on 1 January 2022, the Group's sales of goods and finished products would have increased by €25,966 thousand and consolidated profit after tax would have increased by €2,664 thousand.

The breakdown of the consideration paid, of the fair value of the net assets acquired and goodwill for the business combinations carried out during the year ended 31 December 2022 is as follows:

Consideration paid	
Cash paid	21,006
Contingent consideration	-
Total consideration paid	**21,006**
Fair value of net assets acquired	**13,894**
Goodwill	**7,112**

The intangible assets that were not recorded separately from goodwill and were therefore included in it since they do not meet the separability criterion required by IFRS-EU mainly relate to the work force and synergies of the acquired business.

The accounting of the Swim & Fun business combination is definitive.

The most significant differences that arose between the carrying amounts of the businesses acquired during the year and their fair values related to brands and client portfolio.

The fair value of the brands was based on measurements made by an independent expert using the royalty relief method. The customer portfolio was measured using the MPEE method (multi-period excess earnings). The key assumptions used were based on the strategic plans approved by Management.

The amounts that were recorded in the consolidated statement of financial position at the date of acquisition of the assets, liabilities and contingent liabilities of the businesses acquired during the year ended 31 December 2022, by significant categories, are as follows:

	Thousands of euros
Property, plant and equipment	60
Other intangible assets	13,145
Right-of-use assets	42
Non-current financial assets	33
Deferred tax assets	210
Inventories	7,352
Trade and other receivables	4,138
Cash and cash equivalents	256
Total assets	**25,236**
Non-current lease liabilities	34
Deferred tax liabilities	3,004
Bank borrowings and other marketable securities - current	1,337
Current lease liabilities	8
Trade and other payables	6,424
Current provisions	535
Total liabilities and contingent liabilities	**11,342**
Total net assets	**13,894**
Total net assets acquired	**13,894**
Paid in cash	21,006
Cash and cash equivalents acquired	256
Cash paid for the acquisitions	**20,750**

In the year ended 31 December 2022 cash was disbursed in connection with the acquisition of subsidiaries in prior years and non-controlling interests of €5,834 thousand.

In line with Fluidra's strategy of divesting non-core activities, on 11 May 2022 the Spanish company Togama, S.A.U. was sold for €1,208 thousand.

Details of the sale of the abovementioned company are as follows:

	Thousands of euros
Amount received in cash	1,208
Deferred collections	—
Total	**1,208**
Total net assets sold	2,205
Loss on the Sale	**(997)**

The amounts that were derecognised in the consolidated statement of financial position at the date of disposal of the assets, liabilities and contingent liabilities of the businesses sold, by significant class, are as follows:

	Thousands of euros
Right-of-use assets	1,118
Non-current financial assets	66
Inventories	1,007
Trade and other receivables	1,858
Cash and cash equivalents	958
Total assets	**5,007**
Non-current lease liabilities	879
Deferred tax liabilities	65
Current lease liabilities	278
Trade and other payables	1,580
Total liabilities and contingent liabilities	**2,802**
Total net assets	**2,205**
Total net assets sold	**2,205**
Amount received in cash	1,208
Cash and cash equivalents disposed of	958
Net cash from the sale	**250**

6. Property, plant and equipment

Movement in property, plant and equipment during the years ended 31 December 2023 and 2022 is as follows:

	Thousands of euros							
	Balances at 12.31.22	Business combinations	Additions	Disposals	Impairment	Transfers	Exchange gains/(losses)	Balances at 12.31.23
Cost								
Land and buildings	67,237	—	835	(921)	—	(2,179)	(435)	64,537
Plant and machinery	155,186	115	6,315	(1,333)	25	2,397	(1,892)	160,813
Other installations, tools and furniture	181,066	192	9,238	(3,850)	4	9,610	(2,982)	193,278
Other PPE	30,669	112	3,214	(2,041)	27	(1,995)	(656)	29,330
Under construction	24,483	—	16,302	—	—	(16,710)	(270)	23,805
	458,641	**419**	**35,904**	**(8,145)**	**56**	**(8,877)**	**(6,235)**	**471,763**
Accumulated depreciation								
Buildings	(29,985)	—	(1,419)	663	—	1,394	239	(29,108)
Plant and machinery	(93,549)	—	(10,844)	1,007	—	(294)	1,139	(102,541)
Other installations, tools and furniture	(129,277)	—	(12,644)	3,850	—	2,370	1,794	(133,907)
Other PPE	(21,791)	—	(3,220)	954	—	2,707	479	(20,871)
	(274,602)	**—**	**(28,127)**	**6,474**	**—**	**6,177**	**3,651**	**(286,427)**
Carrying amount	**184,039**	**419**	**7,777**	**(1,671)**	**56**	**(2,700)**	**(2,584)**	**185,336**

	Thousands of euros							
	Balances at 12.31.21	Business combinations	Additions	Disposals	Impairment	Transfers	Exchange gains/(losses)	Balances at 12.31.22
Cost								
Land and buildings	68,690	—	396	(2,049)	—	12	188	67,237
Plant and machinery	138,233	—	12,653	(4,266)	(64)	7,676	954	155,186
Other installations, tools and furniture	163,830	—	10,769	(3,930)	(20)	8,511	1,906	181,066
Other PPE	27,743	60	4,508	(1,970)	(70)	185	213	30,669
Under construction	20,235	—	20,910	(118)	(98)	(17,149)	703	24,483
	418,731	**60**	**49,236**	**(12,333)**	**(252)**	**(765)**	**3,964**	**458,641**
Accumulated depreciation								
Buildings	(31,028)	—	(964)	2,034	—	(4)	(23)	(29,985)
Plant and machinery	(87,815)	—	(9,946)	4,235	—	689	(712)	(93,549)
Other installations, tools and furniture	(120,743)	—	(10,987)	3,275	—	83	(905)	(129,277)
Other PPE	(18,472)	—	(5,106)	1,834	—	27	(74)	(21,791)
	(258,058)	**—**	**(27,003)**	**11,378**	**—**	**795**	**(1,714)**	**(274,602)**
Carrying amount	**160,673**	**60**	**22,233**	**(955)**	**(252)**	**30**	**2,250**	**184,039**

During the year ended 31 December 2023, investments in molds for new products have been made for an approximate amount of €4,783 thousand (€5,107 thousand in 2022). Investments in several production plants (€19,354 thousand) and machinery to improve the production process (€3,688 thousand) should be noted (€22,908 thousand and €8,432 thousand, respectively, in 2022).

a) Property, plant and equipment pledged as guarantees

At 31 December 2023 and 2022 no property, plant and equipment items are mortgaged or pledged as guarantees.

b) Insurance

The consolidated Group has taken out insurance policies to cover the risks to which its property, plant and equipment items are exposed. The coverage of these policies is considered sufficient.

c) Fully-depreciated assets

The cost of fully depreciated property, plant and equipment items still in use at 31 December 2023 and 2022 is as follows:

	Thousands of euros	
	2023	2022
Buildings	21,139	22,070
Plant and machinery	85,819	84,299
Other installations, tools and furniture	115,459	110,713
Other property, plant and equipment	20,933	21,795
	243,350	**238,877**

d) Property, plant and equipment located abroad

At 31 December 2023, items of property, plant and equipment located outside Spain have a carrying amount of €92,684 thousand (€95,087 thousand at 31 December 2022).

e) Gains/(losses) on disposals of fixed assets

Proceeds from disposals of fixed assets during the year ended 31 December 2023 relate to profits on the sale of a property located in Spain for €511 thousand and the sale of assets in the United States for €305 thousand.

Proceeds from disposals of fixed assets during the year ended 31 December 2022 mainly relate to the losses on the sale of Togama, S.A.U. for an amount of €997 thousand (see Note 5), as well as profits on the sale of property located in Spain and France for an amount of €1,133 thousand.

7. Investment property

Movement in investment property during the years ended 31 December 2023 and 2022 is as follows:

	Thousands of euros					
	Balances at 12.31.2022	Additions	Impairment	Transfers	Exchange gains/(losses)	Balances at 12.31.2023
Cost						
Land	769	—	(8)	1,019	10	1,790
Buildings	2,513	—	—	3,710	—	6,223
	3,282	**—**	**(8)**	**4,729**	**10**	**8,013**
Accumulated amortisation						
Buildings	(1,388)	(54)	—	(3,627)	—	(5,069)
	(1,388)	**(54)**	**—**	**(3,627)**	**—**	**(5,069)**
Carrying amount	**1,894**	**(54)**	**(8)**	**1,102**	**10**	**2,944**

	Thousands of euros					
	Balances at 12.31.2021	Additions	Disposals	Transfers	Exchange gains/(losses)	Balances at 12.31.2022
Cost						
Land	1,880	212	(142)	(1,172)	(9)	769
Buildings	7,819	—	(6,478)	1,172	—	2,513
	9,699	**212**	**(6,620)**	**—**	**(9)**	**3,282**
Accumulated amortisation						
Buildings	(7,560)	(66)	6,238	—	—	(1,388)
	(7,560)	**(66)**	**6,238**	**—**	**—**	**(1,388)**
Carrying amount	**2,139**	**146**	**(382)**	**—**	**(9)**	**1,894**

The fair value of investment property does not substantially differ from the carrying amount.

8. Goodwill and Other intangible assets

Movement in goodwill and other intangible assets during the years ended 31 December 2023 and 2022 is as follows:

a) Goodwill

	Thousands of euros						
	Balances at 12.31.2022	Business combinations	Additions	Disposals	Impairment	Exchange gains/(losses)	Balances at 12.31.2023
Carrying amount							
Goodwill	1,307,022	15,448	—	—	—	(25,444)	1,297,026

	Thousands of euros						
	Balances at 12.31.2021	Business combinations	Additions	Disposals	Impairment	Exchange gains/(losses)	Balances at 12.31.2022
Carrying amount							
Goodwill	1,259,656	7,112	—	—	—	40,254	1,307,022

b) Other intangible assets

	Thousands of euros							
	Balances at 12.31.2022	Business combinations	Additions	Disposals	Impairment	Transfers	Exchange gains/(losses)	Balances at 12.31.2023
Cost								
Development expenses for work in progress	138,667	—	17,497	(90)	(283)	1,961	(3,248)	154,504
Relations with customers/ Contractual relations	821,162	19,156	—	(6,450)	—	—	(25,909)	807,959
Computer software	54,189	14	5,572	(722)	—	3,662	(377)	62,338
Patents, Trademarks and Other intangible assets	326,205	—	2,908	(4,920)	—	(1,599)	(9,601)	312,993
	1,340,223	**19,170**	**25,977**	**(12,182)**	**(283)**	**4,024**	**(39,135)**	**1,337,794**
Accumulated amortisation								
Product development expenses	(59,859)	—	(13,711)	67	—	—	1,621	(71,882)
Relations with customers/ Contractual relations	(282,525)	—	(51,756)	6,450	—	—	9,147	(318,684)
Computer software	(40,642)	—	(6,330)	570	—	(2,557)	286	(48,673)
Patents, Trademarks and Other intangible assets	(10,968)	—	(16,108)	4,592	—	(11)	507	(21,988)
	(393,994)	**—**	**(87,905)**	**11,679**	**—**	**(2,568)**	**11,561**	**(461,227)**
Carrying amount	**946,229**	**19,170**	**(61,928)**	**(503)**	**(283)**	**1,456**	**(27,574)**	**876,567**

	Thousands of euros							
	Balances at 12.31.2021	Business combinations	Additions	Disposals	Impairment	Transfers	Exchange gains/(losses)	Balances at 12.31.2022
Cost								
Development expenses for work in progress	119,152	—	15,520	(333)	(10)	(120)	4,458	138,667
Relations with customers/ Contractual relations	769,396	9,437	—	(1,000)	—	—	43,329	821,162
Computer software	59,316	89	10,502	(8,894)	(7,886)	698	364	54,189
Patents, Trademarks and Other intangible assets	309,535	3,619	2,706	(5,261)	(66)	24	15,648	326,205
	1,257,399	**13,145**	**28,728**	**(15,488)**	**(7,962)**	**602**	**63,799**	**1,340,223**
Accumulated amortisation								
Product development expenses	(46,354)	—	(11,686)	242	—	—	(2,061)	(59,859)
Relations with customers/ Contractual relations	(206,811)	—	(67,292)	1,000	—	—	(9,422)	(282,525)
Computer software	(41,570)	—	(7,021)	8,589	—	(447)	(193)	(40,642)
Patents, Trademarks and Other intangible assets	(7,541)	—	(8,795)	5,256	—	(38)	150	(10,968)
	(302,276)	**—**	**(94,794)**	**15,087**	**—**	**(485)**	**(11,526)**	**(393,994)**
Carrying amount	**955,123**	**13,145**	**(66,066)**	**(401)**	**(7,962)**	**117**	**52,273**	**946,229**

No intangible assets have been pledged as guarantees.

Additions to product development expenses in the year ended 31 December 2023 amounting to €17,497 thousand (€15,520 thousand in 2022) relate to work performed by the Group and capitalised as non-current assets, and are included in said caption of the consolidated income statement.

In the year ended 31 December 2022, €7,886 thousand of computer software was impaired and subsequently written off, as it was no longer in use as a result of changes made to the Group's IT platforms.

At 31 December 2023, additions to accumulated amortisation include €67,484 thousand relating to the amortisation of intangible assets generated by business combinations, resulting from the allocation of the purchase price to the assets and liabilities acquired (€74,997 thousand at 31 December 2022).

The cost of fully amortised intangible assets still in use at 31 December 2023 and 2022 is as follows:

	Thousands of euros	
	2023	2022
Development expenses for work in progress	56,126	53,867
Computer software	37,859	35,621
Patents, trademarks and other intangible assets	31,444	32,043
	125,429	**121,531**

At 31 December 2023, intangible assets located outside Spain have a carrying amount of €854,445 thousand (€925,273 thousand at 31 December 2022).

c) Impairment and allocation of goodwill to CGUs

The CGU structure is as follows:

- North America

North America represents both a segment and a separate CGU, based on the territory's high level of independence in terms of trademarks used and the range of products managed from the region. This impacts on how its performance is measured (segment) and also how cash flows are managed with regard other business units (CGUs).

This segment includes the American business (United States and Canada) from the merger with Zodiac. Subsequent business combinations in the American market have been assigned to this CGU due to the highly interrelated nature of the business in the United States and the centralised management of the different entities acquired.

- Europe

Europe has characteristics that make a grouping of the sub-regions (countries or group of countries) included therein appropriate and therefore considered as a single CGU:

- Shared business objectives and policies that are set at this level;

- Agility in the designation of roles and responsibilities, as these responsibilities are commonly redefined and/or reassigned;

- Markets with similar characteristics;

The main countries included in this CGU are Spain, Italy, France, Belgium, Germany, Austria, Switzerland, Denmark, Portugal, Hungary, Poland and the Czech Republic.

- Operations

Relevant decisions for production operations are taken at a centralised level, with the Global Distribution entity (Fluidra Global Distribution, S.L.U.) as the decision-making unit considered to be the most independent. The decision-making margin held by each individual production unit is therefore reduced. Although this unit brings together different production units that differ somewhat in terms of the technologies used in each of them, it is the Global Distribution entity that draws up the contracting terms between them and the business entities included in EMEA expansion, Asia-Pacific and North America. The Global Distribution entity also allocates production to the different geographical regions. It is possible in the future that these technologies will be subject to some integration, meaning that differentiation in such a scenario would be diluted.

This CGU includes production entities and logistics centres in Spain, France and China.

- Asia-Pacific

Asia-Pacific is considered highly independent from other CGUs, where no international customers are shared, no international regulations apply, and no processes are relocatable to other geographical areas. These territories are highly interdependent in the sense that key policies and decisions are made jointly and there is a single unit in charge that brings together South Africa, Australia and Asia.

This CGU includes the following territories: Australia, New Zealand, South Africa, Thailand, Malaysia, Singapore, Indonesia and Vietnam.

- EMEA expansion

This CGU includes Brazil, Mexico, the Arab Emirates, Morocco, Turkey, Greece, India, Egypt, Romania, Colombia, Cyprus and Chile, among others.

It includes relatively small legal entities with little structure (apart from the business structure) where sales and purchasing policies, and financial and risk management are jointly overseen by an area manager who allocates resources and decides on the policies to be applied in each of these countries and/or legal entities. Area managers and the sales and purchasing policies and financial and risk management are separate from those in Europe.

- SIBO Fluidra Netherlands B.V.

This CGU is a legal entity where there is no group of smaller assets that generate separate cash flows. Although this entity forms part of the European level, it is a separate CGU as it is managed independently.

This entity is increasingly integrated into the European network, but a significant portion of its sales centre on natural pools, unlike the rest of Fluidra's European distribution network, which is why it has remained a separate CGU up until now.

- Certikin International, LTD

This CGU is a legal entity where there is no group of smaller assets that generate separate cash flows. Although this entity forms part of the European level, it is a separate CGU as it is managed independently.

In this entity, products are marketed by third parties and sold under the Certikin brand, unlike the other entities in the European CGU, where the product is manufactured by the Group and is generally marketed under the AstralPool and/or Zodiac brand. Brexit has heightened the idiosyncrasies of the UK market, which must be managed differently from the rest of Europe.

The Group has allocated goodwill to its cash-generating units (CGUs) in accordance with IAS 36, where a CGU is defined as a smaller identifiable group of assets which generates cash inflows that are largely independent of those from other assets or groups of assets.

A breakdown of goodwill allocated by CGU at 31 December 2023, and 31 December 2022 is as follows:

		Thousands of euros	
	Segment	12.31.23	12.31.22
North America	North America	672,096	696,292
Europe	EMEA	323,593	308,033
Operations	Operations	186,562	186,562
Asia-Pacific	APAC	65,820	67,414
EMEA expansion	EMEA	40,513	40,339
SIBO Fluidra Netherlands B.V.	EMEA	5,048	5,048
Certikin International, LTD	EMEA	3,394	3,334
Total		**1,297,026**	**1,307,022**

Movement in goodwill is essentially due to the acquisition of Kerex and Meranus (see Note 5) and the currency translation differences arising from the goodwill denominated in foreign currency, chiefly as a result of fluctuations in the exchange rates of the US dollar.

The recoverable amount of each CGU is determined based on the greater of fair value less disposal costs, calculated using a Level 3 methodology in line with the hierarchy established in IFRS 3, and continuing value in use. These calculations use cash flow projections based on finance budgets and/or strategic plans, approved by Management, for the cash generating units to which goodwill has been allocated and covered a period of five years. The process for preparing the strategic plans of the CGUs considers the current market situation in the main geographical areas, analysing the macroeconomic and competitive environments, as well as the CGU's position in those environments and the opportunities for growth. The key factors of business evolution are mainly the evolution of the pool stock existing in each market for the maintenance business and the evolution of the manufacture

of new pools. Additionally, the potential operating efficiencies due to growth and cost improvement plans are considered. These projections and estimates are consistent with those that would be made by a market participant.

At 31 December 2023, the key assumptions used in the strategic plans respond to moderate growth in 2024 due to a slowdown in demand in the industry's most developed markets, sustained business growth in aftermarket business, moderate growth in the construction of new pools in mature markets and growth in emerging markets, combined with an increase in our penetration in some geographical regions where our presence is still small with an increase in market share.

At 31 December 2022, the key assumptions used in the strategic plans responded to a fall in business in 2023 due to high inventory levels with customers, sustained business growth in pools (aftermarket), moderate growth in the construction of new pools in mature markets and sustained growth in emerging markets, combined with an increase in our penetration in commercial pools in some geographical areas where our presence is still small and increased market share in the American market.

In terms of the Operations CGU, revenues are linked to the increase in sales CGUs, mainly Europe, resulting from the partial integration of manufacturing within Fluidra.

The quantitative assumptions used for the year ended 31 December 2023 are shown in the accompanying table:

CGU	Sales CAGR (*)	EBITDA CAGR (*)	g (**)	WACC (***)	WACC (****)
	2024-2028	2024-2028		2023	2023
North America	6.28 %	9.48 %	2.01 %	8.55 %	11.32 %
Europe	5.04 %	9.45 %	1.92 %	9.08 %	11.44 %
Operations	5.04 %	11.04 %	1.91 %	9.29 %	11.94 %
Asia-Pacific	6.97 %	10.53 %	2.43 %	9.53 %	12.67 %
EMEA expansion	5.15 %	8.23 %	3.03 %	12.90 %	15.79 %
SIBO Fluidra Netherlands B.V.	5.05 %	8.71 %	2.04 %	8.18 %	10.79 %
Certikin International, LTD	5.04 %	10.82 %	1.93 %	9.19 %	11.65 %

(*) CAGR is the term used to represent the compound annual growth rate of the five-year periods used.
(**) Perpetual growth rate.
(***) After-tax discount rate.
(****) Before-tax discount rate.

The quantitative assumptions used for the year ended 31 December 2022 are shown in the accompanying table:

CGU	Sales CAGR (*)	EBITDA CAGR (*)	g (**)	WACC (***)	WACC (****)
	2023-2027	2023-2027		2022	2022
North America	3.55 %	7.60 %	1.89 %	7.44 %	9.88 %
Europe	6.07 %	6.30 %	1.83 %	8.45 %	10.70 %
Operations	6.07 %	10.86 %	1.74 %	8.95 %	11.49 %
Asia-Pacific	5.88 %	7.87 %	2.50 %	8.64 %	11.30 %
EMEA expansion	6.16 %	6.67 %	2.65 %	11.82 %	14.32 %
SIBO Fluidra Netherlands B.V.	6.09 %	6.07 %	1.98 %	6.65 %	8.64 %
Certikin International, LTD	6.10 %	6.61 %	2.08 %	8.40 %	9.91 %

(*) CAGR is the term used to represent the compound annual growth rate of the five-year periods used.
(**) Perpetual growth rate.
(***) After-tax discount rate.
(****) Before-tax discount rate.

From the last year, cash flow projections are calculated using a growth rate in perpetuity in accordance with each market. The growth rates applied are detailed in the tables above.

The EBITDA margin in perpetuity is based on the long-term profitability that is estimated likely to be sustained for each CGU, generally in line with those of the last projected year.

The discount rates applied to cash flow projections used for the CGUs have been calculated based on risk-free rates (interest rates for sovereign debt of each country, always the one applicable to each market at 31 December), tax rate, market risk premiums, and debt spreads for the markets in which the CGUs operate. The discount rates applied before and after tax are detailed in the tables above.

For the impairment test, the right-of-use assets arising as a result of IFRS 16 have been taken into account in the carrying amount of each CGU's net assets, adjusting the cash flows and discount rates accordingly.

Although reasonably possible variations do not imply impairment and do not need to be disclosed in accordance with IFRS 36.134 f), the Group performs a sensitivity analysis using illustrative changes to the main assumptions considered in this calculation. These illustrative changes are considered to be prudent and stay the same over time, except for the discount rate, which in the year ended 31 December 2023 has increased from 0.5% to 1.5% to show a greater margin, in line with the changes in the discount rate in recent years.

Below are the illustrative changes:

- Decrease of 100 basis points in the EBITDA margin in perpetuity (EBITDA)
- Growth rate in perpetuity - Decrease of 0.5% (g)
- Discount rate – Increase of 1.5% (WACC)

The quantitative result of these variations on the model, shown as a percentage of surplus/shortfall over the carrying amount of the net assets, including goodwill, at 31 December 2023 and 2022, is as follows:

UGE	EBITDA	g	WACC
América del Norte	>100%	>100%	>100%
Europa	>100%	>100%	>100%
Operaciones	>100%	>100%	>100%
Asia - Pacífico	>100%	>100%	>100%
Expansión EMEA	>100%	>100%	>100%
SIBO Fluidra Netherlands B.V.	>100%	>100%	>100%
Certikin International, LTD	>100%	>100%	>100%

It is deemed that none of the aforementioned variations to the key assumptions in the measurement model would imply the need to recognise a goodwill impairment at 31 December 2023.

The Group's market capitalisation at 31 December 2023 amounts to €3,621.6 million (€2,840.5 million at 31 December 2022).

9. Right-of-use assets

Details of and movement in right-of-use assets during the years ended 31 December 2023 and 2022 are as follows:

	Thousands of euros							
	Balances at 12.31.22	Business combinations	Additions	Disposals	Impairment	Transfers	Exchange gains/ (losses)	Balances at 12.31.23
Cost								
Land and buildings	230,013	2,671	41,631	(14,540)	(309)	300	(4,886)	254,880
Plant and machinery	6,951	—	1,384	(636)	—	102	(37)	7,764
Other installations, equipment and furniture	2,972	—	650	(557)	—	(10)	(15)	3,040
Other PPE	12,108	—	4,793	(3,059)	—	50	(118)	13,774
	252,044	**2,671**	**48,458**	**(18,792)**	**(309)**	**442**	**(5,056)**	**279,458**
Accumulated depreciation								
Buildings	(69,585)	—	(35,263)	13,665	—	(304)	2,284	(89,203)
Plant and machinery	(2,037)	—	(1,536)	622	—	57	16	(2,878)
Other installations, equipment and furniture	(1,083)	—	(631)	557	—	—	4	(1,153)
Other PPE	(5,724)	—	(3,760)	3,059	—	(60)	35	(6,450)
	(78,429)	**—**	**(41,190)**	**17,903**	**—**	**(307)**	**2,339**	**(99,684)**
Carrying amount	**173,615**	**2,671**	**7,268**	**(889)**	**(309)**	**135**	**(2,717)**	**179,774**

	Thousands of euros							
	Balances at 12.31.21	Business combinations	Additions	Disposals	Impairment	Transfers	Exchange gains/ (losses)	Balances at 12.31.22
Cost								
Land and buildings	188,075	—	50,707	(11,235)	(68)	(249)	2,783	230,013
Plant and machinery	6,347	42	2,646	(1,784)	—	(263)	(37)	6,951
Other installations, equipment and furniture	2,605	—	572	(200)	—	—	(5)	2,972
Other PPE	10,424	—	4,312	(2,575)	—	(21)	(32)	12,108
	207,451	**42**	**58,237**	**(15,794)**	**(68)**	**(533)**	**2,709**	**252,044**
Accumulated depreciation								
Buildings	(47,512)	—	(30,145)	8,028	—	228	(184)	(69,585)
Plant and machinery	(2,534)	—	(1,356)	1,784	—	30	39	(2,037)
Other installations, equipment and furniture	(693)	—	(562)	171	—	—	1	(1,083)
Other PPE	(5,113)	—	(3,177)	2,512	—	4	50	(5,724)
	(55,852)	**—**	**(35,240)**	**12,495**	**—**	**262**	**(94)**	**(78,429)**
Carrying amount	**151,599**	**42**	**22,997**	**(3,299)**	**(68)**	**(271)**	**2,615**	**173,615**

At 31 December 2023 and 2022 , items of note in the right-of-use heading are the leases on the headquarters in Carlsbad, USA, the headquarters in Keysborough, Australia and a logistics warehouse in France. These lease agreements mature from 2025 to 2031, with no renewal options except on one, which includes a 3-year renewal option that is considered to be reasonably likely.

Additions to right-of-use assets in the year ended 31 December 2023 relate to a lease on a new factory in China, new offices in the USA and warehouses in the USA and Brazil.

Additions to right-of-use assets for the year ended 31 December 2022 mainly relate to new storage and warehouse facilities in the US, France and Spain.

10. Investments accounted for using the equity method

Movements in investments accounted for using the equity method are as follows:

	Thousands of euros	
	2023	2022
Balance at 1 January	828	735
Share in profit/(loss)	24	71
Additions/ Inclusions	—	17
Exchange gains/(losses)	(22)	5
Balance at 31 December	**830**	**828**

The breakdown of the key financial figures of investments accounted for using the equity method for the years ended 31 December 2023 and 2022 is as follows:

			2023				
			Thousands of euros				
	Country	% of shareholding	Assets	Liabilities	Equity	Income	Profit/(loss)
Astral Nigeria, LTD	Nigeria	25	1,337	254	1,083	2,723	291
Aspire Polymers, Pty Ltd.	Australia	50	491	354	137	373	(28)
Blue Factory, S.R.L.	Italy	17	276	383	(107)	60	(207)
			2,104	**991**	**1,113**	**3,156**	**56**

			2022				
			Thousands of euros				
	Country	% of shareholding	Assets	Liabilities	Equity	Income	Profit/(loss)
Astral Nigeria, LTD	Nigeria	25	1,013	221	792	2,070	189
Aspire Polymers, Pty Ltd.	Australia	50	544	379	165	532	48
Blue Factory, S.R.L.	Italy	17	146	46	100	—	—
			1,703	**646**	**1,057**	**2,602**	**237**

11. Current and non-current financial assets

The breakdown of other current and non-current financial assets is as follows:

	Notes	Thousands of euros 2023	2022
Financial assets at fair value through profit or loss		281	331
Deposits and guarantees		3,779	4,366
Derivative financial instruments	12	32,464	54,621
Total non-current assets		**36,524**	**59,318**
Deposits and guarantees		6,320	6,179
Derivative financial instruments	12	38	465
Total current		**6,358**	**6,644**

The security and other deposits caption mainly includes term deposits that earn market interest rates and are classified in the loans and receivables caption, as well as security and other deposits paid as a result of rental contracts. These are measured following the criteria established for financial assets in Note 3. The difference between the amount paid and fair value is recognised in the income statement as a prepayment over the lease term.

The fair value of quoted securities is determined based on their price at the reporting date of the consolidated annual accounts.

12. Derivative financial instruments

Details of derivative financial instruments are as follows:

	2023				
		Thousands of euros			
	Notional amount	Fair values			
		Assets		Liabilities	
		Non-current	Current	Non-current	Current
1) Derivatives held for trading					
a) Exchange rate derivatives					
Foreign currency contracts	5,701	—	38	—	5
Total derivatives traded on over-the-counter markets		**—**	**38**	**—**	**5**
Total derivatives held for trading		**—**	**38**	**—**	**5**
2) Hedging derivatives					
a) Cash flow hedges					
Interest rate swaps	892,987	32,464	—	—	—
Total hedging derivatives		**32,464**	**—**	**—**	**—**
Total recognised derivatives		**32,464**	**38**	**–**	**5**
		(Note 11)	(Note 11)		

	2022				
		Thousands of euros			
	Notional amount	Fair values			
		Assets		Liabilities	
		Non-current	Current	Non-current	Current
1) Derivatives held for trading					
a) Exchange rate derivatives					
Foreign currency contracts	22,361	—	465	—	188
Total derivatives traded on over-the-counter markets		**—**	**465**	**—**	**188**
Total derivatives held for trading		**—**	**465**	**—**	**188**
2) Hedging derivatives					
a) Cash flow hedges					
Interest rate swaps	912,535	54,621	—	—	—
Total hedging derivatives		**54,621**	**—**	**—**	**—**
Total recognised derivatives		**54,621**	**465**	**–**	**188**
		(Note 11)	(Note 11)		

The overall amount of the change in fair value of derivatives held for trading, which has been estimated using measurement techniques, has been recognised in profit/(loss) and amounts to a loss of €252 thousand (a loss of €6 thousand in 2022).

The overall amount of the change in fair value of hedging derivatives, which has been estimated using measurement techniques and has been recognised in consolidated equity as it has been considered an effective hedge, has resulted in an increase of €5,758 thousand (an increase of €50,676 thousand in 2022).

The overall amount of cash flow hedges that has been transferred in the year ended 31 December 2023 from other comprehensive income in equity to the consolidated income statement (under financial result) is a profit of €22,467 thousand (a loss of €3.830 thousand in 2022).

a) Interest rate swapss

The Group uses interest rate swaps at a floating interest rate without knock-out barriers, with fixed rate values ranging from 1.385% to 2.205% in the years ended 31 December 2023 and 2022. These derivatives are used to manage exposure to fluctuations in the interest rates mainly of bank loans.

Hedging derivatives at 12.31.2023

Notional amount in thousands of euros	Start date	End date	Type of derivative
126,697	2/23/2022	6/30/2026	Fixed swap with 0.5% floor.
416,290	2/23/2022	6/30/2026	Fixed swap with 0.5% floor.
90,000	3/30/2022	6/30/2026	Fixed swap with 0 floor.
70,000	3/30/2022	6/30/2026	Fixed swap with 0 floor.
100,000	3/31/2022	6/30/2026	Fixed swap with 0 floor.
90,000	3/31/2022	6/30/2026	Fixed swap with 0 floor.
892,987			

Hedging derivatives at 12.31.2022

Notional amount in thousands of euros	Start date	End date	Type of derivative
131,258	2/23/2022	6/30/2026	Fixed swap with 0.5% floor.
431,277	2/23/2022	6/30/2026	Fixed swap with 0.5% floor.
90,000	3/30/2022	6/30/2026	Fixed swap with 0 floor.
70,000	3/30/2022	6/30/2026	Fixed swap with 0 floor.
100,000	3/31/2022	6/30/2026	Fixed swap with 0 floor.
90,000	3/31/2022	6/30/2026	Fixed swap with 0 floor.
912,535			

The breakdown, by notional amount and residual maturity term, of the swaps prevailing at year end is as follows:

	Thousands of euros	
	2023	2022
From one to five years	892,987	912,535
	892,987	**912,535**

Since derivatives are not traded on organised markets, the fair value of swaps is calculated using the discounted value of expected cash flows due to the spread in rates, based on observable market conditions at the date of measurement (corresponding to the level 2 measurement method in accordance with IFRS 13).

b) Exchange rate derivatives

To manage exchange rate risk in future firm sales and purchases, the Group has arranged option contracts and currency forwards in the main markets in which it operates.

The breakdown, by type of foreign currency, of the notional amounts of exchange rate derivatives at 31 December 2023 and 2022. is as follows:

	Thousands of euros	
	2023	2022
EUR / USD	5,430	16,876
USD / CNY	—	4,313
GBP / USD	—	1,172
USD / ZAR	271	—
	5,701	**22,361**

At 31 December 2023 and 2022, all foreign exchange derivatives are held for trading, with no hedging derivatives at that date.

The breakdown, by notional amount and residual maturity term, of the exchange rate derivatives is as follows:

	Thousands of euros	
	2023	2022
Under one year	5,701	22,361
	5,701	**22,361**

The fair value of these derivatives has been estimated using the discounted cash flow method based on forward exchange rates available in public databases at the reporting date (corresponding to the level 2 measurement method in accordance with IFRS 13).

The gains and losses from measuring and settling these contracts are taken to finance costs for the period.

13. Non-current assets held for sale and liabilities relating to non-current assets held for sale and discontinued operations

2023

Since the first half of 2022, AO Astral SNG and Astral Aqua Design Limited Liability Company, companies engaged in marketing swimming pool material and the distribution, design, installation and management of fountain and pond projects, respectively, have been for sale on the Russian market.

Since it is the Group's firm intention to sell these clearly identified assets and liabilities and the sale is deemed highly likely to go ahead, the accounting balances of these assets and liabilities have been reclassified under the caption "Non-current assets held for sale" and "Liabilities relating to non-current assets held for sale", in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations". However, they have not been considered as discontinued operations as they do not represent a significant line of business, and therefore all income and expenses for the period relating to these businesses are presented under the relevant heading according to their nature.

Details of the assets classified as held for sale and the related liabilities, by type, at 31 December 2023, are as follows:

	12/31/2023
Assets	
Property, plant and equipment	7
Deferred tax assets	271
Total non-current assets	**278**
Inventories	1.666
Trade and other receivables	2.768
Cash and cash equivalents	1.577
Total current assets	**6.011**
TOTAL ASSETS	**6.289**
Liabilities	
Lease liabilities	242
Deferred tax liabilities	262
Total non-current liabilities	**504**
Lease liabilities	176
Trade and other payables	2.873
Total current liabilities	**3.049**
TOTAL LIABILITIES	**3.553**

2022

In the year ended 31 December 2022, AO Astral SNG and Astral Aqua Design Limited Liability Company, companies engaged in marketing swimming pool material and the distribution, design, installation and management of fountain and pond projects, respectively, were put up for sale on the Russian market.

Certain productive assets in Europe were also included.

Since it was the Group's firm intention to sell these clearly identified assets and liabilities and the sale was deemed highly likely to go ahead, the accounting balances of these assets and liabilities were reclassified under the caption "Non-current assets held for sale" and "Liabilities relating to non-current assets held for sale", in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations". However, they were not considered as discontinued operations as they did not represent a significant line of business, and therefore all income and expenses for the period relating to this business were presented under the relevant heading according to their nature.

Details of the assets classified as held for sale and the related liabilities, by type, at 31 December 2022, are as follows:

	12/31/2022
Assets	
Property, plant and equipment	125
Deferred tax assets	827
Total non-current assets	**952**
Inventories	1.910
Trade and other receivables	1.289
Cash and cash equivalents	3.505
Total current assets	**6.704**
TOTAL ASSETS	**7.656**
Liabilities	
Deferred tax liabilities	49
Total non-current liabilities	**49**
Lease liabilities	80
Trade and other payables	3.861
Total current liabilities	**3.941**
TOTAL LIABILITIES	**3.990**

14. Inventories

Details of inventories are as follows:

	Thousands of euros	
	2023	2022
Goods, finished products and work in progress	264,360	359,620
Raw materials and other consumables	162,701	239,473
	427,061	**599,093**

At 31 December 2023 and 2022 there are no inventories with a recovery period greater than 12 months from the date of the consolidated statement of financial position.

As a result of the business combinations carried out during the year ended 31 December 2023, there are inventories amounting to €8,184 thousand (€7,352 thousand in the year ended 31 December 2022).

Consolidated Group companies have taken out several insurance policies to cover the risks to which its inventories are exposed. The coverage of these policies is considered sufficient.

There are no significant commitments to purchase or sell goods.

During the year ended 31 December 2023, the Group has recorded charges to inventories amounting to €2,567 thousand to adjust them to their carrying amounts (charges of €13,177 thousand in the same period of 2022) (see Note 22).

15. Trade and other receivables

A breakdown of this caption in the consolidated statement of financial position is as follows:

	Thousands of euros	
	2023	2022
Non-current		
Other non-current receivables	1,872	3,597
Total non-current	**1,872**	**3,597**
Current		
Receivables from sales and services rendered	235,331	223,680
Other receivables and advance payments	33,929	29,627
Public entities	18,597	20,732
Current income tax assets	6,728	29,609
Impairment and uncollectability provisions	(21,229)	(18,840)
Total current	**273,356**	**284,808**

The fair value of trade and other receivables does not significantly differ from carrying amount.

There is no significant concentration of credit risk over trade receivables in any of the Group segments.

The most significant balances in currencies other than the euro at 31December 2023 and 2022 are as follows:

	Thousands of euros	
	2023	2022
US dollar	100,998	92,005
Australian dollar	29,672	32,459
Pounds sterling	7,958	8,832
Arab Emirate dirham	6,124	6,184
South African rand	6,104	7,917
Canadian dollar	5,435	4,727
Chinese renminbi	4,038	6,263
	160,329	**158,387**

Receivables from public administrations mostly relate to VAT receivable balances.

Movement in the valuation adjustments for impairment and bad debts for the years ended 31 December 2023 and 2022 is as follows:

	Thousands of euros
Balance at 12.31.21	**23,950**
Business combinations	369
Allocations for the year	7,497
Recoveries	(10,786)
Exchange gains/(losses)	168
Transfers to assets held for sale	(128)
Write-offs	(2,230)
Balance at 12.31.22	**18,840**
Business combinations	380
Allocations for the year	7,317
Recoveries	(3,579)
Exchange gains/(losses)	(379)
Transfers to assets held for sale	19
Write-offs	(1,369)
Balance at 12.31.23	**21,229**

16. Equity

A breakdown of consolidated equity and movement is shown in the consolidated statement of changes in equity.

• Share capital

At 31 December 2023 Fluidra, S.A.'s share capital consists of 192,129,070 ordinary shares with a par value of €1 each, fully subscribed. The shares are represented by book entries and are established as such by being recorded in the corresponding accounting record. All shares bear the same political and financial rights.

On 31 October 2007, Fluidra, S.A. (the "Company") completed its initial public offering process through the public offering of 44,082,943 ordinary shares with a par value of €1 each.

These shares representing share capital are quoted on the Barcelona and Madrid stock exchanges, and also on the continuous market.

On 2 July 2018, and within the framework of the merger agreement between the Fluidra Group and the Zodiac Group, Fluidra, S.A. increased its share capital for a nominal amount of €83,000,000 by issuing and circulating 83,000,000 ordinary shares of €1 par value each, which were fully subscribed by Piscine Luxembourg Holdings 2 S.à.r.l. The difference between the fair value of the equity received by Fluidra, S.A. by virtue of the merger and the par value was allocated to the share premium.

On 15 December 2022, the capital reduction approved by the Company's Board of Directors for a nominal amount of €3,500,000 was carried out by redeeming 3,500,000 treasury shares with a par value of €1 each. This reduction did not entail returning contributions to shareholders, as the Company itself is the owner of the shares being redeemed and a charge was made to unrestricted reserves by allocating a restricted reserve for redeemed capital that is equal to the par value of the redeemed shares. Moreover, it was also agreed to request the delisting of the shares that were redeemed.

The Company only knows the identity of its shareholders through the information that they provide voluntarily or in compliance with applicable regulations. In accordance with the Company's information, the structure of significant ownership interest at 31 December 2023 and 2022 is as follows:

Ownership percentage

	12.31.2023	12.31.2022
Rhône Capital L.L.C.	11.67%	11.67 %
Boyser, S.R.L.	7.80%	7.80 %
Dispur, S.L.	7.33%	7.33 %
Schwarzsee 2018, S.L.	7.00%	5.09 %
Edrem, S.L.	6.93%	6.93 %
Aniol, S.L.	6.23%	6.23 %
G3T, S.L.	5.73%	5.09 %
Capital Research and Management Company	5.31%	2.96 %
T. Rowe Price Associates, Inc.	3.10%	6.73 %
Yukon Capital, S.L.U.	—	5.14 %
Other shareholders	38.90%	35.03 %
	100.00%	100.00 %

• Share premium

This reserve can be freely distributed, except for what is mentioned in the section on Dividends and limitations on the distribution of dividends in this note.

• Legal reserve

Pursuant to article 274 of the rewritten text of the Spanish Companies Act, 10% of profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital.

This reserve can be used to increase capital by the amount exceeding 10% of the new capital after the increase. Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses.

At 31 December 2023 and 2022 the legal reserve is fully funded.

• Parent company shares

Movement in treasury shares during the years ended 31 December 2023 and 2022 is as follows:

		Euros	
	Number	Face value	Average acquisition/ disposal price
Balances at 01.01.22	5,796,311	5,796,311	29.0687
Acquisitions	12,736,445	12,736,445	18.6410
Disposals	(12,740,098)	(12,740,098)	(18.6162)
Balances at 12.31.22	**5,792,658**	**5,792,658**	**19.4544**
Acquisitions	8,826,554	8,826,554	17.2257
Disposals	(12,310,447)	(12,310,447)	(17.7380)
Balances at 12.31.23	**2,308,765**	**2,308,765**	**18.2587**

Disposals for the year ended 31 December 2022 include the capital reduction made on 15 December 2022 explained above.

The time and maximum percentage limits of treasury shares meet the statutory limits.

No Group company owns shares in the Parent.

• Recognised income and expense

This caption mainly includes the currency translation differences and gains and losses on the measurement at fair value of the hedging instrument that corresponds to the portion identified as an efficient hedge, net of tax effect, if any.

During the years ended 31 December 2023 and 2022, translation differences have changed significantly due to the effect of US dollar denominated businesses.

• Dividends and limitations on the distribution of dividends

The Parent company's share premium and profit/(loss) for the year are freely available, but are subject to the legal limitations on their distribution contained in article 273 of the consolidated text of the Spanish Companies Act of Royal Decree 1/2010 of 2 July.

The proposed appropriation of profit included in the Parent Company's financial statements for the years 2023 and 2022 is as follows:

	Thousands of euros	
	2023	2022
Basis of allocation:		
Profit / (loss) for the year	203,292	129,978
Distribution:		
To voluntary reserves	46,573	129,978
To interim dividend	104,401	—
To prior year's losses	52,318	—
Total	**203,292**	**129,978**

• Capital Management

The objectives of the Group's capital management are to ensure that it maintains the ability to continue as a going concern so that it can provide returns to shareholders and benefit other stakeholders, and to maintain an optimal capital structure in order to reduce its cost of capital.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue shares and sell assets in order to reduce debt.

Fluidra, S.A. controls its capital structure based on total leverage and net debt over EBITDA ratios (see note 4).

- The total leverage ratio is calculated as total assets divided by total equity.
- The net debt ratio (ND) over EBITDA is calculated as net debt divided by EBITDA. Net debt is determined by the sum of current and non-current bank borrowings, and other current and non-current marketable securities, lease liabilities and derivative financial liabilities less non-current financial assets, less cash and cash equivalents, less other current financial assets, less derivative financial assets.

In the year ended 31 December2023, the strategy, which has remained unchanged over prior years, was to keep the total leverage ratio and the net debt over EBITDA ratio between 2 and 2.5. The ratios for 2023 and 2022 have been determined as follows:

Total leverage ratio:

	Thousands of euros	
	2023	2022
Total consolidated assets	**3,507,439**	**3,772,945**
Total consolidated equity	**1,576,569**	**1,678,681**
Total leverage ratio	**2.23**	**2.25**

Net debt / EBITDA ratio:

	Thousands of euros	
	2023	2022
Bank borrowings	1,127,413	1,266,931
Plus: Lease liabilities	199,066	193,139
Plus: Derivative financial instruments	5	188
Less: Cash and cash equivalents	(111,303)	(75,151)
Less: Non-current financial assets	(4,060)	(4,697)
Less: Other current financial assets	(6,320)	(6,179)
Less: Derivative financial instruments	(32,502)	(55,086)
Net debt	**1,172,299**	**1,319,145**
Ebitda (1)	**445,043**	**511,726**
Net Debt over Ebitda	**2.63**	**2.58**

1. As well as the financial information prepared under IFRS-EU, Fluidra also prepares alternative performance measures (APMs), as defined in the guidelines issued by the European Markets and Securities Authority (ESMA). For further information about definitions, relevance of use and the reconciliation of APMs, visit https://www.fluidra.com/projects/web/app/uploads/2024/02/alternative-performance-measures.pdf.

At year-end, the Group has available cash of €9,272 thousand in its subsidiaries in Egypt which cannot be used by the Group or any other Group subsidiary.

• Non-controlling interests

In the year ended 31 December 2023, movement in non-controlling interests is as follows:

	Percentage of non-controlling interest	
Company	12.31.2023	12.31.2022
Fluidra Egypt, Egyptian Limited Company (1)	0.04%	10.00 %
Fluidra Maroc, S.A.R.L. (1)	—	10.00 %
W.I.T Egypt, Egyptian Limited Liability Company (1)	0.05%	10.01 %

1. Purchase/sale of interests in the year ended 31 December 2023.

An amount of €4,418 thousand has been paid as a result of transactions derived from these variations.

There are no significant restrictions on the group's capacity to act on the assets of non-controlling interest.

Details of the most significant non-controlling interests at 31 December 2023 and 31 December 2022 are as follows:

			2023				
			Thousands of euros				
	Country	% of shareholding	Assets	Liabilities	Equity	Income	Profit/ (loss)
Fluidra Balkans JSC	Bulgaria	38.84	3,019	1,490	1,529	6,041	911
Fluidra Kazakhstan Limited Liability Company	Republic of Kazakhstan	30	833	446	387	1,225	22
Fluidra Tr Su Ve Havuz Ekipmanlari AS	Turkey	49	2,036	364	1,672	4,400	773
Ningbo Dongchuan Swimming Pool Equipments Co, LTD	China	30	8,597	4,758	3,839	7,041	653

			2022				
			Thousands of euros				
	Country	% of shareholding	Assets	Liabilities	Equity	Income	Profit/ (loss)
Fluidra Balkans JSC	Bulgaria	38.84	2,548	1,931	617	5,398	938
Fluidra Kazakhstan Limited Liability Company	Republic of Kazakhstan	30	786	410	376	1,313	292
Fluidra Tr Su Ve Havuz Ekipmanlari AS	Turkey	49	1,846	121	1,725	3,922	548
Ningbo Dongchuan Swimming Pool Equipments Co, LTD	China	30	5,819	2,406	3,413	10,664	1,113

The figures indicated above correspond to the ownership percentage of each company.

17. Earnings/(losses) per share

a) Basic earnings

Basic earnings/(losses) per share amounts are calculated by dividing consolidated profit / (loss) for the year attributable to equity holders of the Parent by the weighted average number of ordinary shares outstanding during the years ended 31 December 2023 and 2022 excluding treasury shares.

A breakdown of the basic earnings per share calculation is as follows:

	12.31.2023	12.31.2022
Profit/(loss) for the period attributable to equity holders of the Parent (thousands of euros)	113,827	159,931
Weighted average number of ordinary shares outstanding	189,638,263	188,581,855
Basic earnings/(losses) per share from continuing operations (euros)	0.60023	0.84807

Profit/(loss) for the year corresponds to the profit/(loss) for the year attributable to equity holders of the Parent.

The weighted average number of ordinary shares outstanding during the year was calculated as follows:

	Number of shares	
	12.31.2023	12.31.2022
Ordinary shares outstanding at 1 January	192,129,070	195,629,070
Effect of changes in treasury shares	(2,490,807)	(6,893,790)
Effect of capital reduction	—	(153,425)
Weighted average number of ordinary shares outstanding at 31 December	**189,638,263**	**188,581,855**

b) Diluted earnings

Diluted earnings/(losses) per share are calculated by adjusting profit/(loss) for the year attributable to equity holders of the Parent and the weighted average number of ordinary shares outstanding for all dilutive effects inherent to potential ordinary shares. Given that there are no potential ordinary shares, this calculation is not necessary.

No dilutive effect has been considered, as the shares arising from the long-term variable remuneration plans paid to executive directors and the management team of Fluidra, S.A. and of the investee companies that make up its consolidated group (see Note 29) will be paid with treasury shares.

18. Provisions

Details of other provisions are as follows:

	Thousands of euros			
	2023		2022	
	Non-current	Current	Non-current	Current
Guarantees	—	50,791	—	53,263
Provisions for taxes	—	—	—	—
Provisions for obligations with employees	9,332	—	8,842	—
Litigation and other liabilities	2,033	—	2,051	—
Total	**11,365**	**50,791**	**10,893**	**53,263**

The Provisions caption includes, on the one hand, current provisions for warranties provided to cover potential incidents related to the products sold by the Group and, on the other hand, non-current provisions that are described in the following three captions: Provisions for taxes to cover potential risks related to tax obligations in the countries in which the Group operates; Provisions for commitments to employees recorded in accordance with employment legislation in some countries in which the Group operates in order to cover potential future employee compensation and benefits; and Provisions for litigation and other liabilities, which include provisions recorded by Group companies in connection with contingencies arisen as a result of their activities.

Movement in the year ended 31 December 2023 and 2022 is as follows:

	Guarantees	Provisions for obligations with employees	Litigation and other liabilities	Provision for taxes	Total
At 1 January 2022	**50,830**	**9,132**	**3,795**	**107**	**63,864**
Business combinations	535	—	—	—	535
Allocations	12,955	1,268	883	—	15,106
Payments / disposals	—	(697)	(533)	(93)	(1,323)
Applications	(12,727)	(392)	(1,728)	(323)	(15,170)
Transfers	—	(625)	(421)	330	(716)
Exchange gains/(losses)	1,670	156	55	(21)	1,860
At 31 December 2022	**53,263**	**8,842**	**2,051**	**—**	**64,156**
Business combinations	680	604	—	—	1,284
Allocations	22,992	647	610	—	24,249
Payments / disposals	(611)	(269)	(99)	—	(979)
Applications	(24,211)	(364)	(525)	—	(25,100)
Transfers	—	48	—	—	48
Exchange gains/(losses)	(1,322)	(176)	(4)	—	(1,502)
At 31 December 2023	**50,791**	**9,332**	**2,033**	**—**	**62,156**

19. Bank borrowings and other marketable securities

The breakdown of this caption in the consolidated statement of financial position is as follows:

	Thousands of Euros	
	2023	2022
Non-current borrowings	1,087,110	1,120,108
Total non-current	**1,087,110**	**1,120,108**
Bank loans	4,826	88,841
Other marketable securities	24,741	47,154
Non-current borrowings (part with short-term maturity)	10,736	10,828
Total current	**40,303**	**146,823**
Total bank borrowings and other marketable securities	**1,127,413**	**1,266,931**

All the balances shown in the table above relate to the financial liabilities at amortised cost category.

On 27 January 2022, Fluidra cancelled the non-current loans in their three tranches (EUR, USD and AUD), the revolving credit facility and the ABL credit facility that were signed on 2 July 2018.

To meet the financial needs arising from this cancellation, the Group signed a non-current loan with two tranches (EUR and USD) and a revolving credit facility. The terms of the non-current loans and the credit facilities are linked to environmental objectives.

The new non-current loans consist of a USD 750 million tranche at Term SOFR (Secured Overnight Funding Rate), plus a spread of 200 basis points and a €450 million tranche at Euribor plus a spread of 225 basis points, maturing in January 2029. The new, multi-currency revolving credit facility is for €450 million and is valid until January 2027. The revolving credit facility spread is linked to the existing debt ratio and can be between 1.25% and 2%.

This transaction does not increase net debt and Moody's and Standard & Poor's have kept Fluidra's credit ratings at Ba2 and BB+, respectively.

The Group is obliged to report to the lenders quarterly and there are certain standard limitations on increasing borrowings in loans and credit facilities of this kind. Furthermore the revolving credit facility is subject to compliance with certain financial ratios based on the requirement to keep the Financial Debt/EBITDA ratio below 4.5 when the credit facility is drawn down more than 40%.

The agreement that includes the long-term loans in both US dollars and euros and the revolving credit line is signed by the borrowers, Zodiac Pool Solutions LLC, Fluidra Finco S.L.U. and Fluidra Holdings Australia Pty Ltd (Borrowers), as well as by Fluidra S.A. in its capacity as parent company of the Group (Holdings), who are jointly liable for the obligations of said agreement. The following Group companies also act as guarantors (Guarantors), jointly and severally liable if the borrowers breach the agreement: Zodiac Pool Systems LLC, SR Smith LLC, Custom Molded Products LLC, Cover Pools Incorporated, Unistral Recambios S.A.U., Trace Logistics S.A.U., Sacopa S.A.U., Poltank S.A.U., Manufacturas Gre S.A.U., I.D. Electroquímica S.L.U, Inquide S.A.U., Fluidra Global Distribution S.L.U., Fluidra Export S.A.U, Fluidra Commercial S.A.U., Fluidra Comercial España S.A.U., Cepex S.A.U., Fluidra Group Australia Pty Ltd, Fluidra Commercial France S.A.S., Zodiac Pool Care Europe S.A.S., Fluidra Industry France S.A.S, Poolweb SAS and ZPES Holdings S.A.S. As is customary in this type of syndicated financing and in order to meet the personal obligations assumed, the Guarantors have created a collateral package on some of their assets in the four jurisdictions in which they operate, namely Spain, the US, France and Australia, consisting mainly of pledges on shares, intellectual property and certain receivables.

In order to reduce financial costs and diversify sources of financing, Fluidra, S.A. set into action a promissory notes scheme on the Alternative Fixed Income Market (MARF). On 28 June 2023, the scheme was renewed for a further year and for €150 million, with an outstanding amount of €24.7 million at 31 December 2023, with an interest rate linked to existing issues of between 2.80% and 4.80% (€47.1 million at 31 December 2022 with an interest rate linked to existing issues of between 2.05% and 2.75%).

This amount is recorded in Other marketable securities under the caption Bank borrowings and other marketable securities within current liabilities.

No bilateral loans have been signed during the year ended 31 December 2023

The most significant balances in currencies other than the euro at 31 December 2023 and 2022 are as follows:

	Thousands of Euros	
	2023	2022
US dollar	790,677	802,305
Australian dollar	600	—
South African rand	13	951
Other currencies	7,791	6,737
	799,081	**809,993**

The Group has the following credit and discounting facilities at 31 December 2023 and 2022:

	Thousands of euros			
	2023		2022	
	Drawn down	Limit	Drawn down	Limit
Credit facilities	4,826	541,047	88,841	542,757
Discounting facilities	—	12,000	—	6,000
	4,826	**553,047**	**88,841**	**548,757**

At 31 December 2023 and 2022 there are no borrowings backed by mortgage guarantees (see Note 6).

The maturity of the non-current loans taken out with financial institutions is as follows:

	Thousands of euros	
Maturity	2023	2022
Under one year	10,736	10,828
At 2 years	9,275	9,467
At 3 years	9,600	9,467
At 4 years	9,629	9,467
At 5 years	10,479	9,905
Over 5 years	1,048,127	1,081,802
	1,097,846	**1,130,936**

In the years ended 31 December 2023 and 2022, the interest rate on all the loans taken out by the Group is renewed on a monthly, quarterly, six-monthly, or yearly basis.

The only difference between the fair value and the carrying amount of the financial assets and liabilities relates to non-current loans, the fair value of which is €1,106,158 thousand (versus a carrying amount of 1,097,846 thousand). The rest of the financial assets and liabilities show no significant differences between fair values and carrying amounts.

Details of changes in liabilities for financing activities and in cash flows are as follows:

			Non-monetary changes					
	Balances at 1.1.23	Cash flows	Business combinations/ Sale of companies	Accumulated interest	Exchange rate movement	New leases	Transfers	Balances at 12.31.23
Non-current borrowings	1,130,936	(11,427)	—	2,226	(23,889)	—	—	1,097,846
Current bank borrowings	—	(1,051)	1,201	—	28	—	(178)	—
Current bank loans	88,841	(84,215)	—	—	—	—	200	4,826
Other marketable securities	47,154	(22,413)	—	—	—	—	—	24,741
	1,266,931	**(119,106)**	**1,201**	**2,226**	**(23,861)**	**—**	**22**	**1,127,413**
Lease liabilities	**193,139**	**(39,992)**	**2,671**	**—**	**(5,049)**	**48,458**	**(161)**	**199,066**
Cash and cash equivalents	**75,151**	**45,236**	**—**	**—**	**(7,156)**	**—**	**(1,928)**	**111,303**

			Non-monetary changes					
	Balances at 1.1.22	Cash flows	Business combinations/ Sale of companies	Accumulated interest	Exchange rate movement	New leases	Transfers	Balances at 12.31.22
Non-current borrowings	701,134	380,454	—	14,009	35,339	—	—	1,130,936
Current bank borrowings	112	(112)	—	—	—	—	—	—
ABL credit facility	41,704	(42,285)	—	—	581	—	—	—
Current bank loans	135,044	(47,790)	1,337	—	—	—	250	88,841
Other marketable securities	120,004	(72,850)	—	—	—	—	—	47,154
	997,998	**217,417**	**1,337**	**14,009**	**35,920**	**—**	**250**	**1,266,931**
Lease liabilities	**167,667**	**(32,715)**	**(1,115)**	**—**	**3,122**	**58,237**	**(2,057)**	**193,139**
Cash and cash equivalents	**87,808**	**(9,750)**	**—**	**—**	**598**	**—**	**(3,505)**	**75,151**

20. Trade and other payables

A breakdown of this caption in the consolidated statement of financial position is as follows:

	Thousands of euros	
	2023	2022
Liabilities on acquisitions of businesses	2,779	3,241
Other	2,305	3,418
Total non-current	**5,084**	**6,659**
Debt from sales and services rendered	209,978	207,291
Other debt	4,668	4,640
Liabilities arisen in business acquisitions / Suppliers of assets	2,503	2,190
Public entities	30,625	23,306
Current income tax liabilities	31,813	34,040
Remuneration payable	49,802	45,500
Total current	**329,389**	**316,967**

At 31 December 2023, the Other debt/ suppliers of fixed assets heading includes €275 thousand arising from the purchase of Realco assets (€296 thousand at 31 December 2022).

The most significant balances in currencies other than the euro at 31 December 2023 and 2022 are as follows:

Debt from sales and services rendered

	Thousands of euros	
	2023	2022
US dollar	104,755	97,688
Australian dollar	27,798	28,244
Chinese renminbi	10,880	12,092
South African rand	8,498	7,736
Pounds sterling	4,718	6,034
Brazilian real	4,581	2,838
	161,230	**154,632**

Payables to Public entities are as follows:

	Thousands of euros	
	2023	2022
Tax payables to tax authorities		
VAT	20,319	11,116
Withholdings	2,573	2,894
Social Security payable	7,073	8,641
Other	660	655
	30,625	**23,306**

21. Risk management policy

The risk management and control systems are detailed in section E., Risk management and control systems, of the Annual Corporate Governance Report, included in Consolidated Management Report.

Exposure to and controls over credit, liquidity, foreign exchange and interest rate risk are detailed below.

a) Credit risk

Credit risk is managed separately by each operating unit of the Group in accordance with the parameters set by Group policies, except for the subsidiaries in Spain, Portugal, France, Italy, Germany, Netherlands and Morroco, where credit risk is managed centrally by the Group's Risk Department.

Credit risk exists when a potential loss may arise from Fluidra, S.A.'s counterparties not meeting their contractual obligations, that is, due to not collecting the financial assets according to the established amounts and time frame.

In the case of the Group, the risk is mainly attributable to trade receivables. This risk, however, is mitigated since the Group has a highly diversified domestic and international customer portfolio, where none of the customer accounts for a significant percentage of total sales for the period, except for one customer in the USA (see Note 23) with high solvency and extremely limited credit risk. This customer accounts for 25.76% of the total balance of customers in sales and services rendered at the 31 December 2023 reporting date (15.81% 2022 reporting date).

Credit risk arising from the failure of a counterparty to meet its contractual obligations is duly controlled by policies and risk limits which establish requirements regarding:

- Agreements suited to the transaction made.
- Sufficient internal or external credit quality of the counterparty.
- Additional guarantees when necessary.

The Group's exposure to past due not impaired financial assets is solely focused on the Trade and other receivables caption, and there are no other past due financial assets balances.

The accompanying table shows the aging analysis of past due not impaired Trade and other receivables at 31 December 2023 and 2022:

		2023	2022
Not due		**176,580**	**157,977**
Past due		**37,522**	**46,863**
	0 - 90 days	30,035	36,933
	90 - 120 days	2,915	5,120
	More than 120 days	4,572	4,810

b) Liquidity risk

Liquidity risk is the possibility that Fluidra, S.A. will not have sufficient funds or access to sufficient funds at an acceptable cost to meet its payment obligations at all times.

The Group manages liquidity risk based on prudent criteria in order to maintain sufficient cash and marketable securities, secure the availability of committed credit facilities to provide financing, and ensure its capacity to exit market positions. Due to the dynamic nature of the underlying businesses, the Group's finance department aims to maintain financing by having credit facilities of different types available, including both long-term structural and bilateral financing.

The table below shows the Group's exposure to liquidity risk at 31 December 2023 and 2022. The table below shows an analysis of financial liabilities by contractual maturity:

	2023					
	Thousands of Euros					
	1 year	2 years	3 years	4 years	5 years	Over 5 years
Financial liabilities and other marketable securities	**93,132**	**55,835**	**60,188**	**64,523**	**65,145**	**1,049,150**
Capital	40,303	9,275	9,600	9,629	10,479	1,048,127
Interest	52,829	46,560	50,588	54,894	54,666	1,023
Lease liabilities	**53,327**	**49,304**	**38,721**	**32,188**	**27,850**	**36,598**
Capital	45,531	40,974	32,124	27,039	23,883	29,515
Interest	7,796	8,330	6,597	5,149	3,967	7,083
Derivative financial liabilities	5	—	—	—	—	—
Trade and other payables	329,389	—	—	—	—	—
Other non-current liabilities	—	3,714	188	163	170	849
	475,853	**108,853**	**99,097**	**96,874**	**93,165**	**1,086,597**

	2022					
	Thousands of Euros					
	1 year	2 years	3 years	4 years	5 years	Over 5 years
Financial liabilities and other marketable securities	**200,381**	**57,530**	**55,676**	**59,307**	**62,091**	**1,185,071**
Share capital	146,823	9,467	9,467	9,467	9,905	1,081,802
Interest	53,558	48,063	46,209	49,840	52,186	103,269
Lease liabilities	**46,784**	**41,013**	**35,518**	**27,676**	**23,821**	**55,076**
Capital	40,414	34,569	30,156	23,303	20,281	44,416
Interest	6,370	6,444	5,362	4,373	3,540	10,660
Derivative financial liabilities	188	—	—	—	—	—
Trade and other payables	316,967	—	—	—	—	—
Other non-current liabilities	—	2,644	2,212	359	161	1,283
	564,320	**101,187**	**93,406**	**87,342**	**86,073**	**1,241,430**

During the next few months, based on its cash flow forecasts and financing available, the Group does not expect any difficulties in terms of liquidity.

c) Foreign currency risk

The Group operates in an international environment and therefore is exposed to foreign exchange risks on transactions denominated in foreign currencies, particularly the US dollar and Australian dollar. Foreign exchange risk arises on future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The net loss under exchange gains/(losses) and currency translation differences in equity are caused by fluctuations in the US dollar exchange rate.

Specifically, at 31 December 2023 the impact on profit/(loss) of exchange gains/(losses) is generated by a positive balance of $129 million, denominated in US dollars, in the notional cash-pooling credit facilities of the Spanish subsidiary, Fluidra Finco, S.L.U. (a drawdown of $115 million on the notional cash-pooling facilities at 31 December 2022), and the $260.7 million dividend distributed by the North American subsidiary, Zodiac Pool Solutions, LLC.

The changes in exchange gains/(losses) are essentially generated by the translation of goodwill and intangible assets recorded for $1,506 million resulting from the business combinations in 2021 and the Zodiac Group merger ($1,571 million as at 31 December 2022).

Group companies manage the foreign currency risk of future commercial transactions, recognised assets and liabilities by forward currency contracts mainly entered into by the Group's finance department. Foreign exchange risk arises when future commercial transactions or firm commitments, recognised assets and liabilities and net investments in foreign operations are denominated in a currency that is not the Company's functional currency. This risk also arises as a result of balances between group companies that have been eliminated on consolidation. The Group's finance department is responsible for managing the net position of each foreign currency by entering into external forward currency contracts.

The purpose of the Group's risk management policy is to cover the risk arising in transactions carried out in dollars and the euros through natural hedges (offsetting collections against payments), using forward instruments to hedge the excess or shortfall for USD risks outside the American market. All transactions in Australian dollars, Chinese renminbi and pounds sterling are covered using forward rate hedges. No hedging

instruments are used to hedge transactions carried out in the other foreign currencies. The Group also has several investments in foreign operations whose net assets are exposed to foreign currency translation risk. The Group manages the foreign currency risk relating to the net assets of its foreign operations, mainly in the United States, by holding borrowings denominated in the related foreign currency.

Although the Group arranges forward contracts for the economic hedging of foreign currency risks, not all of them are recognised applying hedge accounting.

The main balances in currencies other than the euro are described in Notes 15, 19 and 20 to these consolidated annual accounts.

d) Cash flow interest rate risk

Since the Group does not have any significant remunerated assets, income and cash flows from operating activities are not significantly exposed to the risk of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at floating rates expose the Group to cash flow interest rate risk. As indicated in Note 19, most loans taken out by the Group are linked to floating market interest rates that are updated every month.

The Group manages its cash flow interest rate risk with floating-to-fixed interest rate swaps without barriers. The effect of these interest rate swaps is to convert floating borrowings to fixed borrowings. Generally, the Group borrows at a floating rate and swaps for a fixed rate, which is generally lower than the fixed rate at which the Group could have borrowed. Under interest rate swaps, the Group agrees with other parties to exchange, on a regular basis (usually monthly), the difference between fixed interest and floating interest calculated on the notional principal agreed upon.

The table below includes a sensitivity analysis of reasonably likely changes to interest rates and their impact on profit/(loss) and equity (before the tax effect):

Change in interest rates	Impact on profit/(loss)	Impact on equity
+0,50%	(5,715)	9,369
+1,00%	(11,429)	18,664
+1,50%	(17,144)	27,857
-0,5%	5,715	(9,395)
-1%	11,429	(18,740)
-1,5%	17,144	(27,918)

Apart from the swaps arranged by the Group mentioned in the section above, there are no significant price risks related to equity instruments classified as held for sale or at fair value through profit or loss.

22. Supplies and change in inventories of finished goods and work in progress

The breakdown of this income statement caption is as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Purchases of raw and secondary materials	870,424	1,242,485
Changes in inventories of raw materials, finished products and work in progress and goods	88,069	(86,044)
Net charge to the provision for obsolescence	2,567	13,177
Total	**961,060**	**1,169,618**

The difference between the opening and closing inventory balances in the statement of financial position and the change in inventories of finished products, work in progress and goods in the income statement is due to exchange gains/(losses) resulting from using different exchange rates for opening and closing inventories, and to applying an average exchange rate to purchases and the inventories included in business combinations.

23. Sales of goods and finished products

Details of sales of goods and finished products by business unit in the years ended 31 December 2023 and 2022, are as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Residential	1,440,472	1,761,523
Commercial	180,955	153,549
Water treatment	300,147	305,934
Fluid handling	90,451	115,831
Pool & Wellness	**2,012,025**	**2,336,837**
Irrigation, Industrial and Other	**38,683**	**52,368**
Total	**2,050,708**	**2,389,205**

In the year ended 31 December 2023, the Commercial Pool revenue caption included €16,100 thousand (€13,308 thousand in the same period of the prior year) relating to the execution of projects where the rendering of services is recognised based on the degree of completion at the reporting date, as long as the result of the transaction can be reliably estimated.

Details of sales of goods and finished products by geographical region (country of destination) in the years ended 31 December 2023 and 2022 are as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Southern Europe	564,199	638,204
Rest of Europe	263,376	326,115
North America	869,759	1,042,880
Rest of the world	353,374	382,006
Total	**2,050,708**	**2,389,205**

At 31 December 2023 there is a client in the US with sales to third parties of 19.98% of total sales (19.00% at 31 December 2022).

24. Income from the rendering of services

This caption mainly includes the revenue from sales transportation services and other logistics services rendered by the Group.

25. Personnel expenses

Details of personnel expenses in the years ended 31 December 2023 and 2022 are as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Wages and salaries	299,575	325,736
Termination benefits	8,362	11,833
Social security expense	54,410	53,345
Other employee benefits expense	23,345	23,623
	385,692	**414,537**

The Group's average headcount during the years ended 31 December 2023 and 2022, by professional category, is as follows:

	12.31.2023	12.31.2022
Executives	59	65
Managers	338	359
Professional workers	1,069	1,103
Technicians	1,981	2,102
Administrative and support staff	1,034	1,103
Production staff	2,314	2,595
	6,795	**7,327**

The average number of employees with a disability equal to or greater than 33% in the year ended 31 December 2023 is 50 (56 employees in 2022) and they are distributed by professional category as follows: 1 "Executives", 2 "Managers", 6 "Professional workers", 14 "Technicians", 6 "Administrative and support staff" and 21 "Production staff" (1, 2, 5, 16, 8 and 24, respectively, in the previous year).

The Group's headcount by gender at year end is as follows:

	12.31.2023		12.31.2022	
	Male	Female	Male	Female
Directors (*)	10	3	10	2
Executives	46	7	45	10
Managers	249	81	260	79
Professional workers	725	286	771	297
Technicians	1,299	618	1,362	667
Administrative and support staff	413	596	391	592
Production staff	1,455	632	1,575	720
	4,197	**2,223**	**4,414**	**2,367**

(*) The Directors category includes two senior managers.

26. Other operating expenses

A breakdown of other operating expenses is as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Leases and fees	9,595	11,911
Repairs and maintenance	43,497	37,214
Independent professional services	62,516	51,738
Temporary employment agency expenses	18,445	29,790
Commissions	3,419	4,526
Sales transportation and logistics services	96,263	128,257
Insurance premiums	9,770	9,060
Bank services	2,780	3,165
Advertising and publicity	31,153	36,296
Utilities	18,754	23,918
Communications	5,849	6,021
Travel expenses	19,378	19,117
Taxes	3,600	3,334
Adjustments due to impairment of receivables	3,738	(3,289)
Guarantees	19,268	15,457
Other (*)	17,885	19,094
	365,910	**395,609**

(*) It includes remuneration earned by the members of the Board of Directors, research and development expenses and other expenses.

27. Finance income and cost

A breakdown of finance income and cost is as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Finance income		
Other financial income	1,385	1,930
Reversals for impairment of financial assets at amortised cost other than trade and other receivables	—	200
Gains on the fair value of financial instruments	846	1,198
Total finance income	**2,231**	**3,328**
Finance cost		
Non-current interest on loans	(50,422)	(45,202)
Interest on debt (leasing, loans, policies and bills discounting)	(9,001)	(2,300)
Other finance costs	(4,599)	(14,403)
Losses on the fair value of financial instruments	(503)	(190)
Impairment losses on financial assets at amortised cost other than trade and other receivables	(50)	(50)
Total finance cost	**(64,575)**	**(62,145)**
Right-of-use finance cost	**(8,130)**	**(6,549)**
Exchange gains/(losses)		
Exchange gains	29,097	67,634
Exchange losses	(36,559)	(81,538)
Total exchange gains / (losses)	**(7,462)**	**(13,904)**
Net profit / (loss)	**(77,936)**	**(79,270)**

At 31 December 2022, Other finance costs includes the effect of the early repayment of the arrangement, issue and underwriting costs of the July 2018 financing.

28. Deferred taxes and Income tax

In 2023, the Group operated in 47 countries and has been taxed as a tax group when local legislation allows for it and we are advised to do so. The most significant have been Spain, the US, France and Australia. Details of these tax groups and the applicable tax rate are as follows:

Spain (25%)	United States of America (23.64%)	Australia (30%)
Fluidra, S.A.	Zodiac Pool Solutions, LLC	Fluidra Holdings Australia PTY LTD
Cepex, S.A.U.	Zodiac Pool Systems, LLC	Fluidra Group Australia PTY LTD
Fluidra Commercial, S.A.U.	Cover Pools Incorporated	Fluidra Australia PTY LTD
Fluidra Comercial España, S.A.U.	Fluidra Latam Export, LLC	Fabtronics Australia PTY LTD
Fluidra Global Distribution, S.L.U.	Fluidra USA, LLC	SRS Australia, PTY LTD
Fluidra Export, S.A.	Taylor Water Technologies, LLC	Sunbather PTY LTD
Fluidra Finco, S.L.U.	Custom Molded Products, LLC	
I.D. Electroquímica, S.L.U.	SR Smith, LLC	**Other countries (approx. 23.5%)**
Innodrip, S.L.U.		
Inquide, S.A.U.	**France (25.83%)**	
Poltank, S.A.U.	ZPES Holdings, S.A.S.	
Sacopa, S.A.U.	Fluidra Commercial France, S.A.S.	
Talleres del Agua, S.L.U.	Fluidra Industry France, S.A.S.	
Trace Logistics, S.A.U.	Piscines Techniques 2000, S.A.S.	
Unistral Recambios, S.A.U.	Poolweb, S.A.S.	
	Zodiac International, S.A.S.	
	Zodiac Pool Care Europe, S.A.S.	

Income tax expense

The relationship between profit from continuing activities and income tax expense is as follows:

	Thousands of euros	
	2023	2022
Profit for the year before tax from continuing operations	158,144	225,113
Profit at 25%	39,536	56,278
Effect of applying effective tax rates in other countries	(3,944)	2,421
Permanent differences	975	247
Offsetting of unrecognised loss carryforwards from prior years	(2,075)	(521)
Tax effect of unused loss carryforwards in current year	1,037	731
Differences in the income tax expense from prior years	1,354	(7,194)
Withholding at source on income earned abroad	455	168
Provision for taxes	705	3,603
Tax deductions generated in the year	(3,227)	(3,477)
Deferred taxation of dividends	5,476	3,082
Effect of the change in the tax rate	372	1,593
Other	629	3,779
Income tax expense	**41,293**	**60,710**

Details of the corporate income tax expense are as follows:

	Thousands of euros	
	2023	2022
Current tax	49,246	78,886
for the year	52,473	82,363
Tax deductions	(3,227)	(3,477)
Prior years' adjustments	1,354	(7,194)
Provision for taxes	705	3,603
Other/ Withholding at source on income earned abroad	455	168
Deferred taxes	(10,467)	(14,753)
Origination and reversal of temporary differences	(752)	(21,879)
Tax credit for unused tax loss carryforwards and deductions	(10,087)	5,533
Effect of the change in the tax rate	372	1,593
Total income tax expense	**41,293**	**60,710**

Deferred tax assets

Details of changes in deferred tax assets are as follows:

	Thousands of euros							
	12/31/2022	Losses and gains	Effect of interest rate change on P&L	Equity	Business combinations	Exchange gains/ (losses) / Other	Transfers	12/31/2023
Provision for employee obligations	10,217	(13,564)	(1,420)	—	—	6,248	7,391	8,872
Provision for warranties and other provisions	29,286	(552)	(227)	—	—	(98)	(835)	27,574
Obligations for discounts, rebates and customer rewards	7,636	(193)	(131)	—	—	(259)	—	7,053
Inventories	17,412	(698)	—	—	—	(143)	(7,199)	9,372
Other items	34,268	(4,286)	(1,248)	—	—	(1,743)	(11,906)	15,085
Tax loss carryforwards and deductions	24,232	10,087	—	—	—	(347)	271	34,243
Total	**123,051**	**(9,206)**	**(3,026)**	**–**	**–**	**3,658**	**(12,278)**	**102,199**

	Thousands of euros							
	12/31/2021	Losses and gains	Effect of interest rate change on P&L	Equity	Business combinations	Exchange gains/ (losses) / Other	Transfers	12/31/2022
Provision for employee obligations	8,910	436	2	—	12	857	—	10,217
Provision for warranties and other provisions	37,735	(3,180)	554	—	198	746	(6,767)	29,286
Obligations for discounts, rebates and customers rewards	7,402	(441)	213	—	—	462	—	7,636
Inventories	13,074	4,406	382	—	—	(923)	473	17,412
Other items	16,732	7,340	(410)	(1,692)	—	2,287	10,011	34,268
Tax loss carryforwards and deductions	27,227	(5,533)	—	—	—	2,538	—	24,232
Total	**111,080**	**3,028**	**741**	**(1,692)**	**210**	**5,967**	**3,717**	**123,051**

- Provisions for obligations with employees

This heading includes the tax impact of the difference between accounting and tax criteria relating to the Group's obligations with its employees for future remuneration payable on retirement, proportional extraordinary payments, provision for accrued and unpaid holidays, as well as the amounts accrued for the long-term variable remuneration that are paid in Fluidra, S.A. shares to the Group's executive directors and management team.

These expenses are recorded on an accruals basis and are deductible for tax purposes in a subsequent period in most jurisdictions when the obligations are paid.

In January 2023, shares relating to the 2018-2022 plan were paid, tax deductions were made and the corresponding deferred asset was reversed.

In the US, the deductible amount differs from the amount recognised and therefore an amount of €6,083 thousand has been recorded under Exchange gains/(losses)/Other for the excess between the cumulative amount recognised and the actual deductible amount, the balancing entry for which has been recognised directly in equity.

- Provision for warranties and other provisions

Accounting provisions that do not have a tax effect until they are applied for their intended purpose in a year following their recognition. There is therefore a difference between accounting and taxation with a knock-on effect on deferred taxes.

- Obligations for discounts, rebates and customer rewards

This item records the tax impact of the difference between accounting and tax criteria relating to the variable consideration for product sales with regard volume rebates and discounts under customer contracts.

- Inventories

Most of the opening and closing deferred tax balance for this item relates to the internal elimination when consolidating the margin obtained on purchases and sales of inventories between Group companies.

There are also some differences arising from the difference in the tax and accounting accrual of impairment losses on inventories in some jurisdictions.

- Other items

Most of these items are expenses that are not deductible in the year in which they are recorded but in a later year, due to differences between the accounting and tax amortisation and depreciation of property, plant and equipment and intangible assets.

This caption also includes deferred tax relating to differences between the accounting and tax criteria for transaction costs.

- Tax loss carryforwards and deductions

Tax loss carryforwards and deductions amounting to €2,158 thousand and capitalised in prior years were utilised in 2023 (€6,377 thousand in 2022). In addition, €12,245 thousand of tax loss carryforwards have been capitalised in 2023, of which €12,227 thousand relate to the temporary measure included in Law 38/2022, which limits the individual tax loss carryforwards of each of the entities comprising the Spanish tax group to 50%. This amount will be spread over the ten following tax periods in equal parts. In the year ended 31 December 2022, €843 thousand were capitalised.

In the business combination with the Zodiac Group, €44,995 thousand in tax loss carryforwards were recorded from the group's French companies. Projections for the French companies as a merged group and the synergies obtained by integrating these businesses reasonably support the recovery of these tax loss carryforwards in a period of less than ten years. At 31 December 2023, €18,115 thousand are pending application.

Details of the most relevant amounts of deferred tax assets corresponding to taxable income pending offset, totalling €33,911 thousand, are as follows: €12,227 thousand relate to the Spanish tax group, €18,115 thousand to ZPES Holdings, S.A.S., parent of the French tax group, €3,015 thousand relate to Zodiac Pool Solutions, LLC for the California state tax (United States) and €347 thousand relate to Fluidra Brasil. In the year ended 31 December 2022, deferred tax assets relating to tax losses pending offset stood at €24,204 thousand.

Capitalised deductions total €332 thousand (€28 thousand in 2022).

Deferred tax assets, unused tax loss carryforwards and deductions not recorded in the consolidated annual accounts of the Group are as follows:

	Thousands of euros	
	2023	2022
Deductions	101	—
Tax loss carryforwards	4,852	4,927
	4,953	**4,927**

Deferred tax liabilities

Details of changes in deferred tax liabilities are as follows:

	Thousands of euros							
	12/31/2022	Losses and gains	Effect of interest rate change on P&L	Equity	Business combinations	Exchange gains/ (losses) / Other	Transfers	12/31/2023
Property, plant and equipment and investment property	(7,433)	294	221	—	—	201	(5)	(6,722)
R & D expenses	(17,822)	1,521	(22)	—	—	(2,096)	12,933	(5,486)
Business combinations	(181,630)	14,940	2,326	—	(5,107)	3,296	(1,033)	(167,208)
Deferred taxation on dividends	(14,938)	4,038	—	—	—	—	—	(10,900)
Other items	(20,238)	(747)	129	5,167	(195)	1,739	383	(13,762)
Total	**(242,061)**	**20,046**	**2,654**	**5,167**	**(5,302)**	**3,140**	**12,278**	**(204,078)**

	Thousands of euros							
	12/31/2021	Losses and gains	Effect of interest rate change on P&L	Equity	Business combinations	Exchange gains/ (losses) / Other	Transfers	12/31/2022
Property, plant and equipment and investment property	(7,578)	(628)	(164)	—	(30)	967	—	(7,433)
R & D expenses	(14,900)	(1,454)	(372)	—	—	(1,096)	—	(17,822)
Business combinations	(180,957)	16,732	(1,794)	—	(2,872)	(9,495)	(3,244)	(181,630)
Deferred taxation on dividends	(11,855)	(3,083)	—	—	—	—	—	(14,938)
Other items	(7,266)	1,751	(3)	(13,413)	(102)	(732)	(473)	(20,238)
Total	**(222,556)**	**13,318**	**(2,333)**	**(13,413)**	**(3,004)**	**(10,356)**	**(3,717)**	**(242,061)**

- Property, plant and equipment and investment property

Certain items have a higher rate of tax depreciation than accounting depreciation and this generates deferred tax in years when the tax expense is higher than the accounting expense and a reduction in deferred tax when the opposite happens.

- R&D expenses

This line includes the tax impact of the differences between the accounting and tax criteria for R&D project expenses, as accelerated depreciation of R&D projects is allowed in some jurisdictions.

- Business combinations

Business combinations have taken place in previous years, as described in Note 5 to the consolidated financial statements. Deferred tax assets of a significant amount have arisen as a result of allocating the acquisition price to the resulting assets recognised in the balance sheet.

In some jurisdictions, goodwill arising on certain acquisitions can be amortised for tax purposes, even though it cannot be amortised for accounting purposes. The tax effect of this difference between accounting and tax criteria therefore generates a deferral that is included in this section.

- Deferred taxation of dividends

The General State Budget Act of 31 December 2020 stipulated a reduction in the dividend exemption in Spain from 100% to the current 95%.

A corresponding deferred tax liability is therefore recognised for the potential taxation in Spain of profits distributed by subsidiaries, calculated on the total profit contributed by the companies on a consolidated basis. This deferred liability is reversed as the subsidiaries' profits/(loss) are distributed, and the profits are then effectively taxed in Spain as dividends.

- Other items

These are tax expenses and/or reductions in the tax base that have no related accounting expense. When they result in a reduced tax burden, a corresponding deferred tax liability is recognised. For example: the accelerated depreciation of certain finance leases, the deferral of capital gains arising from the transfer of property, plant and equipment, or temporary differences arising from income recognised directly in equity, such as measurement adjustments to financial instruments.

The reconciliation of current tax with current net income tax liabilities is as follows:

	Thousands of euros	
	2023	2022
Current tax	49,246	78,886
Withholdings and payments made on account during the year	(32,156)	(69,680)
Other	(341)	(2,275)
Provisions for taxes	346	3,729
Exchange gains/(losses)	(150)	(146)
Additions from business combinations	415	1,862
Liabilities derecognised due to the sale of Group companies	—	(37)
Tax payable in 2022	7,725	—
Tax payable in 2021	—	(7,908)
	25,085	**4,431**

Inspections, litigation and other tax information

Fluidra Commerciale Italia, S.P.A., W.I.T. Egypt, Egyptian Limited Liability Company, Fluidra Egypt, Egyptian Limited Liability Company, Zodiac Pool Care Europe, S.A.S., Meranus Gesellschaft für Schwimmbad- und Freizeitausrüstungen mbH, (Meranus Haan), Astral India Private LImited and Fluidra Indonesia are currently undergoing inspections which are not expected to result in significant liabilities for the Group.

In general terms, and in relation to the most relevant countries, the following years are open to inspection:

Country	Years
Spain	From 2019 to 2023
United States	From 2020 to 2023
Australia	From 2019 to 2023
France	From 2020 to 2023

The Group companies' directors believe that if additional tax inspections were to take place, it is unlikely that contingent liabilities would arise, and the additional tax payable, if any, would not have a significant impact on the consolidated financial statements.

Pillar 2 - Global minimum tax

Pillar 2 legislation has been enacted, or substantially enacted, in certain jurisdictions the Group operates in. The legislation shall come into force for the Group in years starting on 1 January 2024. The Group has performed an analysis to calculate whether it is potentially exposed to Pillar 2 taxes.

This analysis of Pillar 2 taxes is based on the most recent tax returns, country by country reports and the financial statements of the Group's companies. In line with this analysis, effective Pillar 2 tax rates in most of the jurisdictions the Group operates in are above 15%. There are however a limited number of jurisdictions where the transitional safe harbour exemption does not apply and the effective Pillar 2 tax rate is below 15%. The Group does not expect significant exposure to Pillar 2 taxes in these jurisdictions.

29. Related party balances and transactions

The breakdown of balances receivable from and payable to related parties and associates and their main characteristics is as follows:

	Thousands of euros			
	12.31.2023		12.31.2022	
	Receivable balances	Payable balances	Receivable balances	Payable balances
Customers	353	—	334	—
Receivables	—	—	41	—
Suppliers	—	958	—	710
Payables	—	—	—	—
Total current	**353**	**958**	**375**	**710**

a) Consolidated Group transactions with related parties

Current related-party transactions correspond to the Group's normal trading activity, have been carried out on a reasonable arm's length basis and mainly include the following transactions:

- Purchases of finished products, specifically spas and accessories from Iberspa, S.L. (with ownership interest by Boyser, S.R.L., Edrem, S.L., Dispur, S.L. And Aniol, S.L.).
- Sales of necessary components and materials produced by the Group to manufacture spas for Iberspa, S.L.
- Rendering of services by the Group to Iberspa, S.L.

The nature of the relationship with the above-mentioned related parties is the existence of significant shareholders in common.

The amounts of the consolidated Group transactions with related parties are as follows:

	Thousands of euros			
	12.31.2023		12.31.2022	
	Associates	Related parties	Associates	Related parties
Sales	622	1,412	655	1,594
Income from services	97	230	116	249
Purchases	(226)	(6,763)	(336)	(8,069)
Expenses for services and other	—	(39)	—	(138)

b) Information on the Parent company's Directors and the Group's key management personnel

No advances or loans have been given to key management personnel or Directors.

The remuneration earned by key management personnel and Directors of the Company is as follows:

	Thousands of euros	
	2023	2022
Total key management personnel	6,570	6,656
Total Directors of the Parent company	5,346	5,464

The members of the Parent company's Board of Directors have earned €1,489 thousand in 2023 (€1,337 thousand in 2022) from the consolidated companies in which they act as board members. Additionally, for the performance of executive duties, they have earned €3,724 thousand in 2023 (€4,007 thousand in 2022). Executive duties includes payment in kind relating to vehicles, life insurance, medical insurance and income from share plans. Similarly, the members of the Board of Directors have received €133 thousand in compensation for travel expenses in 2023 (€120 thousand in 2022).

The Company has life insurance policies involving an expense of €69 thousand in the year ended 31 December 2023 (€68 thousand in the same period in 2022). These life insurance policies comprise an income supplement in the event of total permanent invalidity.

Furthermore, the Company has made contributions to benefit plans and pension plans of €145 thousand (€149 thousand in 2022).

During the year ended 31 December 2023, Fluidra, S.A. (the parent company of the Group to which the company belongs) paid the annual civil liability insurance premiums for Group Directors and executives to cover possible damages and/or claims from third parties during the exercise of their duties amounting to €152 thousand (€160 thousand in 2022), with all Group Directors and executives covered by these policies.

The Group's key management includes the executives that answer directly to the Board of Directors or the company's CEO, as well as the internal auditor.

On 9 June 2022, the General Meeting of Shareholders approved a new long-term variable remuneration plan for executive directors and the management team of Fluidra, S.A. and the subsidiaries comprising the consolidated group, including the delivery of Fluidra, S.A., shares.

The 2022-2026 covers a five year period from 1 January 2022, with effect from the date of approval of the plan by the General Shareholders' Meeting, until 31 December 2026, without prejudice to the effective settlement of the plan's last cycle which will take place during June 2027.

The 2022-2026 plan entails the concession of a certain number of PSUs (point of sale units) which will be taken as a reference to determine the final number of shares to be delivered to the beneficiaries after a certain period of time, provided that certain strategic objectives of the Fluidra Group are met and the requirements set forth in the Regulations are fulfilled.

The plan is divided into three independent cycles and will have three grant dates for the target incentive to be received in the event of 100% compliance with the targets to which it is linked, each of which will take place in 2022, 2023 and 2024, respectively.

Each cycle has a target measurement period of three years, starting on 1 January of the year in which the cycle starts and ending three years after the start date of the cycle measurement period, i.e. 31 December of the year in which the cycle measurement period ends.

After the end of the measurement period of each cycle, the incentive linked to each cycle will be decided and each beneficiary will be entitled to receive the incentive depending on the degree of fulfilment with the objectives set for the relevant cycle.

The incentive linked to each plan cycle will be settled in June of the financial year following the end of the measurement period, following approval of the annual accounts for the year in which the measurement period of the relevant cycle ends.

In order for the beneficiary to consolidate the right to receive the incentive corresponding to each cycle of the 2022-2026 plan, he/she must remain in the Fluidra Group until the end date of the cycle's measurement period, notwithstanding the special cases of disengagement set out in the Regulations, and the objectives to which each cycle of the 2022-2026 plan is linked must be met in accordance with the following terms and conditions:

- Shareholder value creation targets;
- Financial targets, and
- ESG-linked targets (environment, social and governance).

In particular, the plan's first and second cycles are linked to the meeting of the following strategic targets;

a) Evolution of the "Total Shareholder Return" of Fluidra (TSR) , in absolute terms;

b) Evolution of the Fluidra Group's EBITDA;

c) S&P rating

For the purposes of measuring the evolution of TSR, the initial value is taken as the weighted average of Fluidra's share price at the close of the stock market sessions on the thirty days prior to the start date of the first cycle's measurement period, and the final value shall be taken as the weighted average of Fluidra's share price at the close of the stock market sessions on the thirty days prior to the end date of the first cycle's measurement period.

For the plan's third cycle, Fluidra's Board of Directors, at the proposal of the Appointments and Remuneration Committee, may decide to maintain or amend the metrics set out for the first and second cycle.

The maximum amount earmarked for the plan's three cycles as a whole in the event of 100% compliance with the targets to which it is linked is fixed at €55 million. The maximum number of shares included in the plan is the result of dividing the maximum amount allocated to each cycle by the weighted average share price at the close of the stock market sessions on the thirty days prior to the starting date of the relevant cycle's measurement period.

If the maximum number of shares allocated to the plan authorised by the General Shareholders' Meeting is not sufficient to settle the incentive in shares corresponding to the beneficiaries under each cycle of the plan, Fluidra shall pay in cash the excess incentive that cannot be settled in shares.

At 31 December 2023, the best estimate of the fair value of the plan's total amount comes to approximately €30,536 thousand, which will be settled in full in equity instruments. At 31 December 2023, an equity increase was recorded in this respect for the amount of €8,142 thousand.

On 27 June 2018 the General Meeting of Shareholders approved a long-term variable remuneration plan for executive directors and the executive team of Fluidra, S.A.

and the subsidiaries comprising the consolidated group. This plan included the delivery of Fluidra, S.A., shares, taking place following the merger.

The 2018-2022 plan entailed the concession of a certain number of PSUs (point of sale units) which were taken as a reference to determine the final number of shares to be delivered to the beneficiaries after a certain period of time, provided that certain strategic objectives of the Fluidra Group were met and the requirements set forth in the Regulations were fulfilled.

The specific number of shares in Fluidra, S.A. in terms of the PSUs on concession and attached to the compliance of the financial targets, were established based on the following metrics:

a) The evolution of Fluidra, S.A.'s Total Shareholder Return (TSR) in absolute terms.

b) The evolution of the Fluidra Group's EBITDA.

c) For the purposes of measuring the evolution of the TSR, the initial value taken was the price per share in Fluidra, S.A. that was used to calculate the exchange equation resulting from the merger between the Fluidra and Zodiac Groups, i.e. €8. The target EBITDA was the amount resulting from the approved Fluidra, S.A. strategic plan.

The 2018-2022 plan covered the years from 1 January 2018 to 31 December 2021 and there is, therefore, an additional period of one year up to 31 December 2022 during which the beneficiaries will remain on the plan.

The maximum number of shares to be distributed under the 2018-2022 plan was 5,737,979 shares.

At 31 December 2022, an equity increase was recorded in this respect in the amount of €10,876 thousand.

In January 2023, this plan was settled and the relevant tax withholdings were recorded under the Equity-based payments heading for €31,661 thousand.

Furthermore, certain members of Zodiac Group management held payment agreements based on shares in the company Piscine Luxembourg Holdings 1 S.à r.l. (LuxCo) signed between both parties during the first half of 2017 (the Original Plan), The merger agreements between Fluidra and LuxCo stipulated the replacement of this Original Plan with an alternative plan (the Replacement Plan) in the terms signed between Rhône Capital L.L.C. and beneficiary management staff, in order for the plan to be aligned with, and not to preclude, the objectives and schedule of the 2018-2022 Incentive Plan to be implemented by Fluidra.

The plan was fully vested in 2022.

At 31 December 2022, an equity increase was recorded in this respect for the amount of €1,114 thousand, net of the tax effect.

c) Transactions performed by the Directors of the Parent company outside of its ordinary course of business or other than on an arm's length basis

During the years ended 31 December 2023 and 2022. the Directors of the Parent company have not carried out any transactions with the Company or with Group companies other than those conducted on an arm's length basis in the normal course of business.

d) Conflicts of interest concerning the Directors of the Parent company

Neither the Company's directors nor any persons related to them were party to any conflicts of interest requiring disclosure in these notes pursuant to the provisions of article 229 of the consolidated text of the Corporate Enterprises Act.

30. Environmental information

Fluidra has kept its commitment to optimise the natural resources that it uses in production processes and to promote alternative energies. Additionally, one of the main focuses of R&D projects is the responsible use of water.

The Directors estimate that there are no significant contingencies related to environmental improvement and protection and, therefore, no provision for risks and expenses has been recognised in any group company at 31 December 2023 and 2022.

No environmental grants have been received at 31 December 2023 and 2022.

31. Other commitments and contingencies

At 31 December 2023 and 2022 the Group has not presented any mortgage guarantees.

At 31 December 2023, the Group has presented guarantees to banks and other companies amounting to €9,495 thousand (€8,257 thousand in 2022), of which €799 thousand relate to technical guarantees (€782 thousand in 2022).

32. Auditors' and related Group companies' fees

Net fees accrued by Ernst & Young, S.L., auditor of the Group's consolidated annual accounts, for the years ended 31 December 2023 and 2022 for professional services are as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Audit services	698	731
Other assurance services	116	62
Total	**814**	**793**

Other assurance services includes, among others: the report on the system of internal control over financial reporting (SCIIF), the review report on non-financial information and the review of the consolidated report.

The amounts detailed in the above tables include the total fees for services rendered in the years ended 31 December2023 and 2022, irrespective of the date of invoice.

Additionally, the professional services invoiced to the Group by other companies affiliated with Ernst & Young Global Limited during the years ended 31 December 2023 and 2022 are as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Audit services	836	854
Other assurance services	—	2
Total	**836**	**856**

Other assurance services for the years ended 31 December 2022 includes work relating to certificates issued to meet legal requirements in corporate transactions in South Africa.

Additionally, net fees invoiced by auditors other than Ernst & Young, S.L. during the years ended 31 December 2023 and 2022 for professional services are as follows:

	Thousands of euros	
	12.31.2023	12.31.2022
Audit services	351	322
Other assurance services	38	51
Tax advisory services	291	318
Total	**680**	**691**

33. Information on late payment to suppliers

According to Law 31/2014 of 3 December establishing measures on combating late payment in commercial transactions, the information on late payment to suppliers in Spain is as follows:

	2023	2022
	Days	Days
Average payment period to suppliers	49.47	52.02
Transactions paid ratio	52.88	55.00
Transactions outstanding ratio	22.00	20.50

	Amount (thousands of euros)	Amount (thousands of euros)
Total payments made	436,785	629,928
Total payments outstanding	54,303	59,402
Monetary amount of invoices paid within the maximum period set out in late payment legislation	243,953	310,708
Payments made within the maximum period as a percentage of total payments made	55.85 %	49.32 %

	Amount (number of invoices)	Amount (number of invoices)
Invoices paid in a period less than the maximum established in the late payment in commercial transactions regulation	30,644	33,840
Percentage over total invoices	50.18 %	48.32 %

34. Events after the reporting period

No significant events have taken place subsequent to closing.

Appendix I

Fluidra, S.A. and Subsidiaries
Detail of the corporate name and purpose of the subsidiaries, associates and joint ventures directly or indirectly owned

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Subsidiaries accounted for using the full consolidation method

- AO Astral SNG, domiciled in Moscow (Russia), is mainly engaged in the marketing of swimming-pool materials.
- Aquacontrol, Gesellschaft für meß-, regel- und steuerungstechnik zur wasseraufbereitung gmbh, domiciled in Haan, (Germany), is mainly engaged in the production and distribution of measuring, control and regulation equipment for pools, water systems and waste water of all kinds.
- Astral Aqua Design Limited Liability Company, domiciled in Moscow (Russia), is mainly engaged in the distribution, design, installation and project management of fountains and ponds.
- Astral Bazénové Prislusentsvi, S.R.O., domiciled in Modletice - Doubravice (Czech Republic), is mainly engaged in the production and sale of chemical substances and other chemical products classified as toxic and very toxic.
- Astralpool Cyprus, LTD, domiciled in Limassol (Cyprus), is mainly engaged in the distribution of pool-related products.
- Astralpool Hongkong, CO., Limited, domiciled in Wang Chai (HongKong), is mainly engaged in the marketing of pool, water treatment and irrigation products.
- Astralpool (Thailand) Co., Ltd, (absorbing company of Fluidra (Thailand) Co., LTD), domiciled in Samuth Prakarn (Thailand), is mainly engaged in the marketing of pool, spa and irrigation products.
- Astralpool UK , Limited., domiciled in Fareham (England), is engaged in the manufacture, purchase and sale, distribution, marketing, export and import of all types of swimming-pool products.
- Cepex Mexico, S.A. de C.V., domiciled in Mexico City (Mexico), is mainly engaged in the marketing of fluid handling products.
- Cepex S.A.U., domiciled in La Garriga (Barcelona, Spain), is mainly engaged in the manufacture and distribution of plastic material by injection systems or similar and, in particular, plastic parts for valves and the manufacture of plastic injection molds.
- Certikin International, Limited, domiciled in Witney Oxford (England), is engaged in the marketing of swimming-pool products.
- Certikin International (Ireland) , Limited, domiciled in Dublin (Ireland), is mainly engaged in providing financial advisory services in the acquisition of new shares..
- CMP Pool & Spa (Shanghai) Co, LTD, domiciled in Shanghai (China), is mainly engaged in production and processing of thermoplastic products, thermosetting plastics and related metal / support products, rubber products and electronic luminescent products supporting plastic products, cables, power devices and engines, a variety of plastic pump and valve products, control products, sales of the company's products manufactured in-house; the import and export, wholesale and other ancillary services related to the above products and their similar goods.
- Cover Pools Incorporated, domiciled in West Valley City (USA), is mainly engaged in the manufacture and distribution of automatic pool covers.
- Custom Molded Products, LLC (absorbing company of Del Industries, Inc.), domiciled in Newnan, Georgia (United States), is engaged in taking part in any legal act or activity whereby limited liability companies may be created under the Law and to engage in any and all activities required or incidental thereto.
- Custom Molded Products Shanghái, Inc., domiciled in Shanghai (China) is essentially engaged in the sale of bathroom equipment, plastic products, rubber products, electronic products and metal materials as well as the import and export of goods and technology.
- Fabtronics Australia , Pty Ltd, established in Braeside, Australia, has as its object the design and sale of electronic components.
- Fluidra Adriatic D.O.O., domiciled in Zagreb (Croatia) is mainly engaged in the purchase, sale and distribution of machinery, equipment, materials, products and special equipment for pool and water system maintenance.

- Fluidra Australia Pty Ltd, domiciled in Victoria (Australia), is mainly engaged in the purchase, sale and distribution of machinery, equipment, products and special equipment for pool and water system maintenance. It owns 100% of the share capital of Hurlcon Staffing Pty Ltd and Astral Pool Australia Pty Ltd.
- Fluidra Balkans JSC, domiciled in Plovdiv (Bulgaria) is mainly engaged in the purchase, sale and distribution of machinery, equipment, materials, products and special equipment for pool and water system maintenance.
- Fluidra Belgique, S.R.L., domiciled in Wavre (Belgium), is engaged in the manufacture, purchase and sale, distribution, marketing, export and import of all types of swimming-pool products.
- Fluidra BH D.O.O. Bijeljina, domiciled in Bijeljina (Bosnia and Herzegovina) is mainly engaged in selling swimming pool products.
- Fluidra Brasil Indústria e Comércio LTDA, domiciled in Itajaí (Brazil), is mainly engaged in the marketing, import, export and distribution of equipment, products and services for fluid handling, irrigation, swimming-pools and water treatment, as either partner or shareholder in other companies. Rendering of technical assistance services for machines, filters and industrial and electrical and electronic equipment. Rental of machines and industrial and/or electrical and electronic equipment.
- Fluidra Chile, S.A., domiciled in Santiago de Chile (Chile), is mainly engaged in the purchase and sale, assembly, distribution and marketing of swimming-pool, irrigation and water treatment and purification machinery, equipment and products.
- Fluidra Colombia, S.A.S., domiciled in Funza (Colombia), is engaged in the purchase and sale, distribution, marketing, import, export of all types of machinery, equipment, components and machinery parts, tools, accessories and products for swimming-pools, irrigation and water treatment and purification in general, built with both metal materials and any type of plastic materials and plastic derivatives.
- Fluidra Comercial España, S.A.U., domiciled in Sant Cugat del Vallés (Barcelona, Spain), is engaged in the manufacture, purchase, sale and distribution of all kinds of machinery, filters, instruments, accessories and specific products for swimming-pools, as well as for the treatment and purification of water in general, irrigation and fluid conduction, made of both metallic materials and all kinds of plastic materials and their transformation; as well as the construction and manufacture of all kinds of elements and products that can be manufactured with fibreglass, metal, vacuum thermoformed materials or injected materials.
- Fluidra Comercial Portugal Unipessoal, Lda., domiciled in São Domingos da Rana (Portugal), is engaged in the manufacture, purchase and sale, distribution, marketing, export and import of all types of swimming-pool products.
- Fluidra Commercial France, S.A.S., domiciled in Perpignan (France), is mainly engaged in the commercialisation of rotary and centrifugal pumps, electric motors and accessories, and the commercialisation of equipment for swimming pools and water treatment.
- Fluidra Commercial, S.A.U., domiciled in Sant Cugat de Vallés (Barcelona, Spain) is engaged in the holding and use of equity shares and securities, and advising, managing and administering the companies in which it holds an ownership interest, among other activities.
- Fluidra Commerciale Italia, S.P.A. (absorbing company of Agrisilos, S.R.L.), domiciled in Brescia (Italy), is engaged in the manufacture, purchase and sale, distribution, marketing, export and import of all types of swimming-pool products..
- Fluidra Deutschland, GmbH., domiciled in Großostheim (Germany), is engaged in the distribution and sale of pool-related products and accessories.
- Fluidra Egypt, Egyptian Limited Liability Company, domiciled in Cairo (Egypt), is mainly engaged in the marketing of swimming-pool accessories.
- Fluidra Export, S.A.U., domiciled in Sant Cugat de Vallés (Barcelona, Spain), is engaged in both domestic and foreign marketing of all types of products and goods, mainly in the marketing of pool-related products, basically acquired from related parties.
- Fluidra Finco, S.L.U., domiciled in Sant Cugat del Vallés (Barcelona, Spain), is engaged in the manufacture, purchase and sale and distribution of all types of products for swimming-pools, irrigation and water treatment and purification, as well as the marketing of such products both in the domestic market and abroad, and the representation of brands and commercial and industrial enterprises engaged in the manufacture of the aforementioned products.. The company is also engaged in investing in all types of business and enterprises, and advising, managing and administering the companies in which it holds an ownership interest
- Fluidra Global Distribution, S.L.U., domiciled in Sant Cugat del Vallés (Barcelona, Spain) is engaged in the manufacture, purchase and sale and distribution of all types of machinery, equipment, components and machinery parts, tools, accessories and products for swimming-pools, irrigation and water treatment and purification in general, built with both metal materials and any type of plastic materials and plastic derivatives.

- Fluidra Group Australia, Pty Ltd, domiciled in Smithfield (Australia), is mainly engaged in the manufacture, assembly and distribution of pool equipment and other related products.
- Fluidra Hellas, S.A. domiciled in Aspropyrgos (Greece), is mainly engaged in the distribution of pool-related products.
- Fluidra Holdings Australia, Pty Ltd, domiciled in Smithfield (Australia) is engaged in the holding and use of equity shares and securities, and advising, managing and administering the companies in which it holds an ownership interest.
- Fluidra Holdings South Africa Pty Ltd, domiciled in Johannesburg (South Africa) is engaged in the holding and use of equity shares and securities, and advising, managing and administering the companies in which it holds an ownership interest.
- Fluidra India Private Limited (previously Astral India, Private Limited), the absorbing company of Certikin Swiming Pool Products India, Private Limited and Fluidra India, Private Limited, domiciled in Chennai (India), is mainly engaged in the marketing of pool materials and chemical water, spa and irrigation treatments.
- Fluidra Indonesia , PT, domiciled in Jakarta (Indonesia), has as its corporate purpose the import and distribution of products and equipment for swimming-pools, as well as chemical products and accessories.
- Fluidra Industry France, S.A.S., with registered offices in Perpignan (France), is mainly engaged in the manufacture of automatic covers for swimming pools of all types, as well as the purchase and sale of materials, accessories and products for swimming pools.
- Fluidra Kazakhstan Limited Liability Company, domiciled in Almaty City (Kazakhstan), is engaged in the purchase of swimming-pool material for subsequent sale in the domestic market.
- Fluidra Latam Export , LLC, domiciled in Wilmington (US), is mainly engaged in distributing pool materials in the Latin American market.
- Fluidra Magyarország, Kft, (absorbing company of Kerex Szerelö, KFT and Kerex Uksoda, KFT), domiciled in Budapest (Hungary), is mainly engaged in the marketing and assembly of machinery and accessories for swimming-pools, irrigation and water treatment and purification.
- Fluidra Malaysia SDN.BHD, domiciled in Selangor (Malaysia) is mainly engaged in the marketing of swimming-pool material.
- Fluidra Maroc, S.A.R.L., domiciled in Casablanca (Morocco), is engaged in the import, export, manufacture, marketing, sale and distribution of spare parts for swimming-pools, irrigation and water treatment.
- Fluidra México, S.A. DE CV, domiciled in Mexico City (Mexico) is engaged in the purchase and sale, import, export, storage, manufacture and, in general, marketing of all types of goods, equipment, components, machinery, accessories and chemical specialties for swimming-pools, irrigation and water treatment.
- Fluidra Middle East Fze, domiciled in Jebel Ali (Dubai), is engaged in the commercialisation of sand, gravel, stones, tiles, flooring materials, swimming pools, swimming pool and water treatment equipment and related accessories, water cooling and heating equipment, electronic instruments, pumps, motors, valves and spare parts, as well as fibreglass products.
- Fluidra Montenegro DOO domiciled in Podgorica (Montenegro) is mainly engaged in the purchase, sale and distribution of machinery, equipment, materials, accessories, products and special equipment for pool and water system and irrigation maintenance.
- Fluidra (N.Z.) Limited, domiciled in North Shore City (New Zealand), is engaged in the distribution and sale of pool material.
- Fluidra Nordic AB, domiciled in Källered (Sweden) is mainly engaged in the purchase, sale, import, export of product categories and products relating to swimming-pools, water treatment and irrigation.
- Fluidra Österreich GmbH “SSA”, domiciled in Grödig (Austria) is mainly engaged in the marketing of swimming-pool products.
- Fluidra Polska, SP. Z.O.O., domiciled in Wroclaw (Poland) is mainly engaged in the marketing of pool accessories.
- Fluidra Romania S.A., domiciled in Bucharest (Romania) is mainly engaged in the purchase, sale and distribution of machinery, equipment, materials, accessories, products and special equipment for pool and water system and irrigation maintenance.
- Fluidra Serbica, D.O.O. Beograd, domiciled in Belgrade (Serbia) is mainly engaged in the marketing of swimming-pool material.
- Fluidra SI D.O.O., domiciled in Ljubljana (Slovenia) is mainly engaged in marketing pool-related goods, products and materials.
- Fluidra Singapore, PTE LTD, domiciled in Singapore (Singapore), is mainly engaged in the marketing of pool-related accessories.

- Fluidra Switzerland, S.A., domiciled in Bedano (Switzerland) is mainly engaged in the marketing of pool material.
- Fluidra Tr Su Ve Havuz Ekipmanlari AS, domiciled in Tuzla (Turkey), is engaged in the import of equipment, chemical products and other secondary materials necessary for swimming-pools, and their subsequent distribution.
- Fluidra Tunisie, S.A.R.L., with its registered office in El Manar (Tunisia), has as its main purpose the provision of manufacturing services and related activities aimed at promoting and strengthening the Fluidra Group's activity in Tunisia.
- Fluidra USA, LLC, domiciled in Jacksonville (USA), is engaged in the marketing of pool-related products and accessories.
- Fluidra Vietnam LTD, domiciled in Ho Chi Minh City (Vietnam) is engaged in advising, allocating and installing pool filtering systems and water applications, as well as the import, export and distribution of wholesale and retail products.
- Fluidra Waterlinx Pty, Ltd, domiciled in Johannesburg (South Africa), is mainly engaged in the manufacture and distribution of swimming-pools, equipment and spa and garden accessories.
- I.D. Electroquímica, S.L.U., domiciled in Alicante (Alicante, Spain), is engaged in the sale of all types of process development machines and eletrochemical reactors.
- Innodrip, S.L.U., domiciled in Sant Cugat del Vallés (Barcelona, Spain) is engaged in the rendering of services aimed at the sustainable use of water.
- Inquide, S.A.U., domiciled in Polinyà (Barcelona, Spain), is mainly engaged in the manufacture of chemical products and specialties in general, excluding pharmaceutical products.
- Manufacturas Gre, S.A.U., domiciled in Munguia (Vizcaya, Spain), is engaged in the manufacture and marketing of products, accessories and materials for swimming-pools, irrigation and water treatment and purification in general.
- Meranus Gesellschaft für Schwimmbad- und Freizeitausrüstungen mbH, (Meranus Haan), domiciled in Haan (Germany), is mainly engaged in the trade and production of pool and leisure equipment.
- Meranus Gesellschaft für Schwimmbad- und Freizeitausrüstungen mbH, (Meranus Lauchhammer), domiciled in Lauchhammer (Germany), is mainly engaged in the trade and production of pool and leisure equipment.
- Ningbo Dongchuan Swimming Pool Equipment Co., LTD, domiciled in Ningbo (China), is engaged in the production and installation of swimming-pool equipment, brushes, plastic and aluminium products, industrial thermometer, water disinfection equipment and water testing equipment. Import and export of technology for own use or as an agent.
- Piscines Techniques 2000, S.A.S., domiciled in Perpignan (France), is engaged in the sale of spare parts for swimming-pools; the purchase and sale of swimming-pool equipment and used water systems; the sale, distribution, marketing, repair and maintenance of swimming-pool equipment, gardening, irrigation and water treatment; and technical advice to swimming-pool and water professionals.
- Poltank, S.A.U., domiciled in Sant Jaume de Llierca (Girona, Spain), whose corporate purpose is the construction of all kinds of elements that can be manufactured with fibreglass and, in particular, of elements or instruments, filters and accessories for water treatment, as well as their sale, distribution, marketing, export and import.
- Poolweb, SAS, domiciled in Chassieu (France), is engaged in the purchase and sale of equipment for pools and other business areas relating to water and relaxation, in providing technical assistance to professionals in this industry and to creating and selling IT programmes used in the aforementioned activities.
- SR Smith, LLC, domiciled in Canby, Oregon (United States), has as its corporate purpose to engage in any lawful act or activity that limited liability companies may engage in under Delaware law, including consulting, brokering, commissions or investments in other companies.
- Sacopa, S.A.U. (absorbing company of Productes Elastomers, S.A.), domiciled in Sant Jaume de Llierca (Girona, Spain), is mainly engaged in the processing, marketing and sale of plastic materials, as well as the manufacture, assembly, processing, purchase and sale and distribution of all types of lighting and decoration devices and tools. Foreign and domestic trading activities of all types of goods and products directly and indirectly related to the above products, their purchase and sale and distribution. Representation of domestic and foreign brands and commercial and industrial enterprises engaged in the manufacture of the aforementioned products.
- SIBO Fluidra Netherlands B.V., domiciled in Veghel (The Netherlands), has as its corporate purpose to act as a wholesale technician and to carry out all activities directly or indirectly related thereto; as well as to incorporate, participate in and direct the management, to have financial interests in other companies; and to provide administrative services. It owns 100% of the share capital of the German company SIBO Gmbh.

- SRS Australia , Pty LTD, domiciled in Brisbane, Queensland (Australia), is principally engaged in the sale of swimming-pool cover equipment and materials to both residential and commercial retail and wholesale customers.
- Sunbather Pty LTD, domiciled in Hastings, Victoria (Australia), is principally engaged in the manufacture and distribution of swimming-pool heating equipment and thermal pool covers..
- Swim & Fun Scandinavia ApS, domiciled in Roskilde, (Denmark), is principally engaged in wholesale trade transactions relating to swimming pools and water treatment.
- Talleres del Agua, S.L.U., domiciled in Los Corrales de Buelna (Cantabria, Spain), is engaged in the building, sale, installation, air-conditioning and maintenance of swimming-pools, as well as the manufacture, purchase and sale, import and export of all types of swimming-pool tools.
- Taylor Water Technologies LLC, domiciled in Sparks, Maryland (USA), is principally engaged in the manufacture and distribution of water testing solutions, testing stations and test strips for swimming-pools and plastic bottles.
- Trace Logistics North, B.V., domiciled in Veghel (Holland), is engaged in receiving third-party goods in consignment in its warehouses or premises for their storage, control and distribution to third parties at the request of its depositors; performing storage, depositing, loading and unloading duties and any other function required for managing the distribution of these goods in accordance with the instructions of the depositors and arranging and managing transport.
- Trace Logistics, S.A.U., domiciled in Maçanet de la Selva (Girona, Spain), is engaged in receiving third-party goods in consignment in its warehouses or premises for their storage, control and distribution to third parties at the request of its depositors; performing storage, loading and unloading duties and other supplementary activities that are necessary for managing the distribution of these goods in accordance with the instructions of the depositors and arranging and managing transport.
- Turcat Polyester Sanayi Ve Ticaret A.S., (company in process of being wound up) domiciled in Tuzla (Turkey), is engaged in the production, import, export and marketing of products and accessories, purification filters and chemical products.
- Unistral Recambios, S.A.U., domiciled in Maçanet de la Selva (Girona), is engaged in the manufacture, purchase and sale and distribution of machinery, accessories, spare parts, parts and products for water treatment and purification in general.
- Veico. Com. Br Indústria e Comércio LTDA, domiciled in Ciudad de Itají, Estado de Santa Catarina, (Brazil), has as its corporate purpose the provision of administrative support, digitalisation of texts, electronic templates and forms in general, professional and managerial development courses and training, as well as the sale of machines and equipment.
- W.I.T. Egypt, Egyptian Limited Liability Company, domiciled in Cairo (Egypt), is mainly engaged in the marketing of swimming-pool accessories.
- Ya Shi Tu Swimming Pool Equipment (Shanghai) Co, Ltd, domiciled in Tower E, Building 18, nº 238, Nandandong Road, Xu Hui District (Shanghai), is mainly engaged in the marketing of swimming-pool products.
- Zodiac International, S.A.S., established in Belberaud (France), is principally engaged in the construction, purchase, sale and rental of space, maritime and air navigation equipment and objects made of rubberised or ungummed fabrics, as well as the manufacture and marketing of inflatables (boats or semi-rigid craft).
- Zodiac Pool Care Europe, S.A.S., domiciled in Belberaud (France), is engaged in the distribution and sale of pool-related products and accessories.
- Zodiac Pool Solutions, LLC, (absorbing company of SRS Holdco, LLC), domiciled in Carlsbad (USA) is engaged in the holding and use of equity shares and securities, and advising, managing and administering the companies in which it holds an ownership interest.
- Zodiac Pool Systems Canada, INC, domiciled in Vancouver (Canada), is engaged in the distribution and sale of pool-related products and accessories.
- Zodiac Pool Systems, LLC, domiciled in Carlsbad (USA), is mainly engaged in the manufacture and distribution of several Group brands relating to pool equipment.
- Zodiac Swimming Pool Equipment (Shenzen) Co, Ltd, domiciled in Shenzen (China), is mainly engaged in the rendering of technical services for pool and spa equipment; the distribution, sale, import and export of pool and spa products and elements and post-sales services.
- ZPES Holdings, S.A.S. domiciled in Belberaud (France) is engaged in the holding and use of equity shares and securities, and advising, managing and administering the companies in which it holds an ownership interest.

Associates consolidated using the equity method

- Astral Nigeria, Ltd., domiciled in Surulere-Lagos (Nigeria), is engaged in the marketing of swimming-pool products.
- Aspire Polymers Pty. LTD, domiciled in Mornington, Victoria (Australia), is principally engaged in the manufacture and distribution of a wide range of rubber rollers.
- Blue Factory S.R.L., domiciled in Milan (Italy), has as its corporate purpose the provision of consultancy services to both public and private entities related to project design and implementation, the development, implementation and marketing of innovative solutions and high-value technological services. In particular, designing new models of inclusive sport, leisure and recreational infrastructures, either ex novo, or through the remodelling of existing facilities and structures, characterised by environmental sustainability by achieving a positive social impact and inclusion through the involvement of families and different social classes; the execution of the developed projects; the provision of services related to the management, operation and maintenance of the developed infrastructures and all related services.

	% of ownership interest		
	Direct	Indirect	
List of subsidiaries accounted for using the full consolidation method			
FLUIDRA FINCO, S.L.U	100,00%		
AO ASTRAL SNG		90,00%	
AQUACONTROL, GESELLSCHAFT FÜR MEß-, REGEL- UND STEUERUNGSTECHNIK ZUR WASSERAUFBEREITUNG GMBH		100.00%	(11)
ASTRAL AQUADESIGN LIMITED LIABILITY COMPANY		58,50%	
ASTRAL BAZENOVE PRISLUSENTSVI, S.R.O.		100,00%	
ASTRALPOOL CYPRUS, LTD		100,00%	
ASTRALPOOL HONGKONG, CO., LIMITED		100,00%	
ASTRALPOOL THAILAND CO., LTD		99,00%	(7)
ASTRALPOOL UK LIMITED		100,00%	
CEPEX MEXICO, S.A. DE C.V.		100,00%	
CEPEX S.A.U.		100,00%	
CERTIKIN INTERNATIONAL (IRELAND) LIMITED		100,00%	
CERTIKIN INTERNATIONAL, LIMITED		100,00%	
CMP POOL & SPA (SHANGHAI) CO, LTD		100,00%	
COVER - POOLS INCORPORATED		100,00%	
CUSTOM MOLDED PRODUCTS LLC		100,00%	(3)
CUSTOM MOLDED PRODUCTS SHANGHAI INC.		100,00%	
FABTRONICS AUSTRALIA PTY LTD		100,00%	
FLUIDRA ADRIATIC D.O.O.		100,00%	
FLUIDRA AUSTRALIA PTY LTD		100,00%	(2)
FLUIDRA BALKANS JSC		61,16%	
FLUIDRA BELGIQUE, S.R.L.		100,00%	
FLUIDRA BH D.O.O. Bijeljina		60,00%	
FLUIDRA BRASIL INDÚSTRIA E COMÉRCIO LTDA		100,00%	
FLUIDRA CHILE, S.A.		100,00%	
FLUIDRA COLOMBIA, S.A.S		100,00%	
FLUIDRA COMERCIAL ESPAÑA, S.A.U.		100,00%	
FLUIDRA COMERCIAL PORTUGAL Unipessoal, LDA		100,00%	
FLUIDRA COMMERCIAL FRANCE, S.A.S.		100,00%	

List of subsidiaries accounted for using the full consolidation method	% of ownership interest Direct	Indirect
FLUIDRA COMMERCIAL, S.A.U.	100,00%	
FLUIDRA COMMERCIALE ITALIA, S.P.A.	100,00%	(6)
FLUIDRA DEUTSCHLAND GmbH	100,00%	
FLUIDRA EGYPT, Egyptian Limited Liability Company	99.96%	
FLUIDRA EXPORT, S.A.U.	100,00%	
FLUIDRA GLOBAL DISTRIBUTION, S.L.U.	100,00%	
FLUIDRA GROUP AUSTRALIA PTY LTD	100,00%	
FLUIDRA HELLAS, S.A.	96,96%	
FLUIDRA HOLDINGS AUSTRALIA PTY LTD	100,00%	
FLUIDRA HOLDINGS SOUTH AFRICA PTY LTD	100,00%	
FLUIDRA INDIA PRIVATE LIMITED	100,00%	(5)
FLUIDRA INDONESIA PT.	100,00%	
FLUIDRA INDUSTRY FRANCE, S.A.S	100,00%	
FLUIDRA KAZAKHSTAN Limited Liability Company	70,00%	
FLUIDRA LATAM EXPORT LLC	100,00%	
FLUIDRA MAGYARORSZÁG Kft.	90,5%	95% (9)(12)
FLUIDRA MALAYSIA SDN.BHD.	100,00%	
FLUIDRA MAROC, S.A.R.L.	100.00%	
FLUIDRA MEXICO, S.A. DE C.V.	100,00%	
FLUIDRA MIDDLE EAST FZE	100,00%	
FLUIDRA MONTENEGRO DOO	60,00%	
FLUIDRA N.Z. LIMITED	100,00%	
FLUIDRA NORDIC AB	100,00%	
FLUIDRA ÖSTERREICH Gmbh "SSA"	98,50%	
FLUIDRA POLSKA, SP. Z.O.O.	100,00%	
FLUIDRA ROMANIA S.A.	66,66%	
FLUIDRA SERBICA, D.O.O. BEOGRAD	60,00%	
FLUIDRA SI D.O.O	60,00%	
FLUIDRA SINGAPORE, PTE LTD	100,00%	
FLUIDRA SWITZERLAND, S.A.	100,00%	
FLUIDRA TR SU VE HAVUZ EKIPMANLARI AS	51,00%	
FLUIDRA TUNISIE, S.A.R.L.	100,00%	
FLUIDRA USA, LLC	100,00%	
FLUIDRA VIETNAM LTD	100,00%	
FLUIDRA WATERLINX PTY, LTD	100,00%	
I.D. ELECTROQUÍMICA, S.L.U.	100,00%	
INNODRIP, S.L.U	100,00%	
INQUIDE, S.A.U.	100,00%	
MANUFACTURAS GRE, S.A.U.	100,00%	
MERANUS GESELLSCHAFT FÜR SCHWIMMBAD- UND FREIZEITAUSRÜSTUNGEN GMBH ("MERANUS HAAN").	100,00%	(11)
MERANUS GESELLSCHAFT FÜR SCHWIMMBAD- UND FREIZEITAUSRÜSTUNGEN GMBH ("MERANUS LAUCHHAMMER")	100,00%	(11)
NINGBO DONGCHUAN SWIMMING POOL EQUIPMENT CO., LTD	70,00%	
PISCINES TECHNIQUES 2000, S.A.S.	100,00%	
POLTANK, S.A.U.	100,00%	

	% of ownership interest		
	Direct	Indirect	
List of subsidiaries accounted for using the full consolidation method			
POOLWEB SAS		100,00%	
S.R. SMITH, LLC		100,00%	
SACOPA, S.A.U.		100,00%	(4)
SIBO FLUIDRA NETHERLANDS B.V.		100,00%	(2)
SRS AUSTRALIA Pty LTD		100,00%	
SUNBATHER Pty LTD		100,00%	
SWIM & FUN SCANDINAVIA, APS		100,00%	
TALLERES DEL AGUA, S.L.U.		100,00%	
TAYLOR WATER TECHNOLOGIES LLC		100,00%	
TRACE LOGISTICS NORTH BV		100,00%	
TRACE LOGISTICS, S.A.U.		100,00%	
TURCAT POLYESTER SANAYI VE TICARET A.S.		75,50%	(10)
UNISTRAL RECAMBIOS, S.A.U.		100,00%	
VEICO.COM.BR INDÚSTRIA E COMÉRCIO LTDA		100,00%	
W.I.T. EGYPT, Egyptian Limited Liability Company		99,95%	
YA SHI TU SWIMMING POOL EQUIPMENT (SHANGHAI) Co, Ltd.		100,00%	
ZODIAC INTERNATIONAL SAS		100,00%	
ZODIAC POOL CARE EUROPE SAS		100,00%	
ZODIAC POOL SOLUTIONS LLC		100,00%	(8)
ZODIAC POOL SYSTEMS CANADA, INC.		100,00%	
ZODIAC POOL SYSTEMS LLC		100,00%	
ZODIAC SWIMMING POOL EQUIPMENT (SHENZHEN) CO.,LTD.		100,00%	
ZPES HOLDINGS SAS		100,00%	
List of associates consolidated using the equity method			
ASTRAL NIGERIA, LTD.		25,00%	(1)
ASPIRE POLYMERS Pty. LTD		50,00%	
BLUE FACTORY, S.R.L.		17,00%	
List of companies consolidated at cost			
DISCOVERPOOLS COM, INC.		11,00%	(1)
SWIM-TEC GmbH		25,00%	(14)

(1) Companies belonging to the Fluidra Commercial, S.A. and subsidiaries subgroup.

(2) Fluidra Australia Pty Ltd is a group of companies in which the parent fully owns the companies Astral Pool Australia Pty and Hurlcon Staffing Pty Ltd. Sibo Fluidra Netherlands, B.V. owns 100% of the share capital of the German company SIBO Gmbh.

(3) Absorbing company of Del Industries Inc.

(4) Absorbing company of Productes Elastomers, S.A.

(5) Absorbing company of Certikin pools India, Private Limited and Fluidra India, Private Limited.

(6) Absorbing company of Agrisilos S.R.L.

(7) Absorbing company of Fluidra Thailand co, LTD.

(8) Absorbing company of SRS Holdco, LLC.

(9) Absorbing company of Kerex Uszoda, Kft., and Kerex Szerelö, Kft., both acquired in the year ended 31 December 2023.

(10) Company in the process of being wound up.

(11) Companies acquired during the year ended 31 December 2023.

(12) Companies that are fully integrated in the consolidated annual accounts, and the carrying amount of their non-controlling interest has no longer been recognised.

(13) In the year ended 31 December 2023, the following companies have been wound up: Fluidra Nordic A/S, Fluidra Cyprus LTD, Fluidra Al Urdoun FZ. and Lagheto France S.A.R.L.

(14) 12.5% of the company owned by Meranus Gesellschaft für Schwimmbad- und Freizeitausrüstungen Gmbh ("Meranus Haan") and12.5% by Meranus Gesellschaft für Schwimmbad- und Freizeitausrüstungen Gmbh ("Meranus Lauchhammer").

Appendix II

Fluidra, S.A. and Subsidiaries
Details of segment results for the year ended 31 December 2023
(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	EMEA	NORTH AMERICA	OPERATIONS	APAC	Shared services	Adjustments & eliminations	Total consolidated figures
	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023
Sales to third parties	933,493	851,954	54,496	210,765	—	—	2,050,708
Inter-segment sales	75,736	5,021	416,689	1,675	—	-499,121	—
Segment sales of goods and finished products	**1,009,229**	**856,975**	**471,185**	**212,440**	**—**	**-499,121**	**2,050,708**
EBITDA (1)	**172,244**	**224,109**	**74,506**	**47,217**	**-73,403**	**370**	**445,043**
Depreciation and amortisation expenses and impairment losses	-26,802	-27,547	-21,200	-9,693	-32,346	-40,232	-157,820

(1) As well as the financial information prepared under IFRS-EU, Fluidra also prepares alternative performance measures (APMs), as defined in the guidelines issued by the European Markets and Securities Authority (ESMA). For further information about definitions, relevance of use and the reconciliation of APMs, visit https://www.fluidra.com/projects/web/app/uploads/2024/02/alternative-performance-measures.pdf.

This appendix is an integral part of Note 4 to the consolidated annual accounts of Fluidra, S.A. and subsidiaries for the years ended 31 December 2023 and 2022 prepared in accordance with IFRS as adopted by the European Union.

Fluidra, S.A. and Subsidiaries
Details of segment results for the year ended 31 December 2022
(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	EMEA	NORTH AMERICA	OPERATIONS	APAC	Shared services	Adjustments & eliminations	Total consolidated figures
	12/31/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022
Sales to third parties	1,048,691	1,025,584	76,474	237,097	1,359	—	2,389,205
Inter-segment sales	117,326	11,627	471,890	1,677	533	-603,053	—
Segment sales of goods and finished products	**1,166,017**	**1,037,211**	**548,364**	**238,774**	**1,892**	**-603,053**	**2,389,205**
EBITDA (1)	**214,001**	**235,084**	**80,118**	**47,336**	**-66,109**	**1,296**	**511,726**
Depreciation and amortisation expenses and impairment losses	-24,487	-26,393	-16,517	-20,750	-19,445	-57,793	-165,385

(1) As well as the financial information prepared under IFRS-EU, Fluidra also prepares alternative performance measures (APMs), as defined in the guidelines issued by the European Markets and Securities Authority (ESMA). For further information about definitions, relevance of use and the reconciliation of APMs, visit https://www.fluidra.com/projects/web/app/uploads/2024/02/alternative-performance-measures.pdf.

This appendix is an integral part of Note 4 to the consolidated annual accounts of Fluidra, S.A. and subsidiaries for the years ended 31 December 2023 and 2022 prepared in accordance with IFRS as adopted by the European Union.

Appendix III

Fluidra, S.A. and Subsidiaries
Details of segment assets and liabilities for the year ended 31 December 2023
(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	EMEA	NORTH AMERICA	OPERATIONS	APAC	Shared services	Adjustments and eliminations	Total consolidated figures
	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023	12/31/2023
NON-CURRENT ASSETS							
Property, plant, and equipment	34,373	51,346	82,721	9,732	7,164	—	185,336
Property, plant and equipment in Spain	5,894	—	79,594	—	7,164	—	92,652
Inventories	112,984	152,211	157,538	43,339	—	-39,011	427,061
Trade and other receivables	102,225	102,989	13,859	40,504	15,694	-1,915	273,356
Trade and other payables	66,874	112,315	55,099	38,262	56,261	578	329,389
Net assets for segment	**182,708**	**194,231**	**199,019**	**55,313**	**-33,403**	**-41,504**	**556,364**

This appendix is an integral part of Note 4 to the consolidated annual accounts of Fluidra, S.A. and subsidiaries for the years ended 31 December 2023 and 2022 prepared in accordance with IFRS as adopted by the European Union.

Fluidra, S.A. and Subsidiaries
Details of segment assets and liabilities for the year ended 31 December 2022
(Expressed in thousands of euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	EMEA	NORTH AMERICA	OPERATIONS	APAC	Shared services	Adjustments and eliminations	Total consolidated figures
	12/31/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022	12/31/2022
NON-CURRENT ASSETS							
Property, plant, and equipment	31,038	57,897	79,202	9,630	6,272	—	184,039
Property, plant and equipment in Spain	5,787	—	76,893	—	6,272	—	88,952
Inventories	134,043	252,672	194,679	59,908	—	-42,209	599,093
Trade and other receivables	94,967	89,878	19,413	45,411	36,339	-1,200	284,808
Trade and other payables	70,143	112,179	54,974	33,600	46,020	51	316,967
Net assets for segment	**189,905**	**288,268**	**238,320**	**81,349**	**-3,409**	**-43,460**	**750,973**

This appendix is an integral part of Note 4 to the consolidated annual accounts of Fluidra, S.A. and subsidiaries for the years ended 31 December 2023 and 2022 prepared in accordance with IFRS as adopted by the European Union.

Fluidra, S.A. and Subsidiaries
Consolidated Annual Accounts
31 December 2023

(The English version of this document is a free translation from the original issued in Spanish. This translation has been carried out internally by Fluidra, S.A. under its sole responsibility and is not considered official or regulated financial information. In the event of discrepancy, the Spanish-language version prevails.)

On 19 March 2024 the Board of Directors of Fluidra, S.A. authorised for issue the consolidated annual accounts prepared in accordance with International Financial Reporting Standards as adopted by the European Union (which comprise the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, the notes to the consolidated annual accounts and the consolidated directors' report) for the year ended 31 December 2023, in accordance with the European Single Electronic Format (ESEF) as established in Delegated Regulation (EU) 2019/815 under ID number:

b51dec73b93917dd6c8499e4d835de8ecf34d034d94e3f7fec3a8919d2aaaed1(*)

And in witness whereof, all Directors sign below in compliance with article 253 of the Spanish Companies Act.

Mr. Eloy Planes Corts	Mr. Bruce Walker Brooks
Ms. Esther Berrozpe Galindo	Ms. Barbara Borra
Mr. Jorge Valentín Constans Fernández	Mr. Bernardo Corbera Serra
Mr. Bernat Garrigós Castro	Ms. Aedhmar Hynes
Mr. Michael Steven Langman	Mr. Brian McDonald
Mr. Manuel Puig Rocha	Mr. Óscar Serra Duffo
Mr. José Manuel Vargas Gómez	

(*) ID number hash SHA256

DECLARATION OF RESPONSIBILITY OF THE DIRECTORS OF FLUIDRA, S.A. IN RELATION TO THE CONTENT OF THE CONSOLIDATED ANNUAL FINANCIAL REPORT FOR FINANCIAL YEAR 2023

In connection with the Consolidated Annual Financial Report of FLUIDRA, S.A. for financial year 2023, which contains the Consolidated Annual Financial Statements and the Consolidated Directors' Report, the members of the Board of Directors declare that:

To the best of their knowledge, the Consolidated Annual Financial Statements, prepared in accordance with the applicable accounting principles, present a true and fair view of the assets, liabilities, financial position and results of FLUIDRA, S.A. and of the companies included in the consolidated group taken as a whole, and the Consolidated Directors' Report includes a true and fair analysis of the performance and earnings obtained and of the position of FLUIDRA, S.A. and the companies included in the consolidated group taken as a whole, along with a description of the principal risks and uncertainties they face.

Declaration made upon the authorization for issue of the Consolidated Annual Financial Report for financial year 2023, prepared by the Board of Directors of FLUIDRA, S.A. on March 19, 2024.

Mr. Eloy Planes Corts

Mr. Bruce Walker Brooks

Ms. Esther Berrozpe Galindo

Ms. Barbara Borra

Mr. Jorge Valentín Constans Fernández

Mr. Bernardo Corbera Serra

Mr. Bernat Garrigós Castro

Ms. Aedhmar Hynes

Mr. Michael Steven Langman

Mr. Brian McDonald

Mr. Manuel Puig Rocha

Mr. Óscar Serra Duffo

Mr. José Manuel Vargas Gómez