



INTEGRATED REPORT

2 0 1 7

**One more year,
we commit with
transparency
and sustainability**

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Main figures for 2017

[G4-9]

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1.1 | Financial Figures

[G4-9]

Table of results

(in EUR millions)	2017	2016	2015	2014	2013
Turnover	781.4	713.3	647.3	593.8	592.7
EBITDA	99.0	86.0	72.2	65.7	47.7
Net profit	31.1	24.1	13.0	6.6	-10.2
Investments	28.7	28.0	26.9	19.9	22.1
Net financial debt	145.7	156.6	162.3	151.6	187

EBITDA

99.0

M €

Contribution for business and geographies

SALES BY GEOGRAPHY

(in EUR millions)	2017	2016	Changes
Spain	152.4	153.2	-0.5%
Southern Europe - Other	191.0	164.6	16.0%
Central & Northern Europe	118.5	109.1	8.6%
Eastern Europe	40.7	32.3	25.8%
Asia & Australia	152.2	139.7	8.9%
Rest of the world	126.8	114.3	10.9%

SALES BY BUSINESS UNIT

(in EUR millions)	2017	2016	Changes
Pool & Wellness	726.6	651.8	11.5%
Residential	449.5	407.2	10.4%
Commercial	95.4	81.7	16.8%
Pool water treatment	122.1	109.9	11.1%
Fluid handling	59.6	53.0	12.5%
Irrigation and domestic water treatment	29.0	39.8	-27.3%
Industrial and other	25.8	21.6	19.5%

Financial structure table

	2017	2016	2015	2014	2013
Net financial debt/EBITDA	1.5	1.8	2.2	2.3	3.9
Net financial debt/Equity funds	0.42	0.47	0.49	0.47	0.62
ROCE (adjusted EBITA)*	16.3%	12.0%			
ROE	9.0%	7.2%	3.9%	2.1%	-3.4%

*Adjusted for merger costs and long-term incentives

NET
PROFIT

31.1
M €

Stock exchange information table

at 31 December 2017

Number of shares (x1000)	112,629
Closing price (EUR)	11.81
Capitalisation at 31/12 (in EUR millions)	1,330.15
Dividend per share (in EUR)	0.13
Payout (for 2016)	62%
Earnings per share	0.28
EV / EBITDA	14.9



11.81
Quotation
at the closure

*Fluidra is a large
multinational group
that has distributed a
dividend of 15 million
euros in 2017*

1.2 | Non-financial figures

[G4-9, G4-10]

INVESTMENT
IN TRAINING

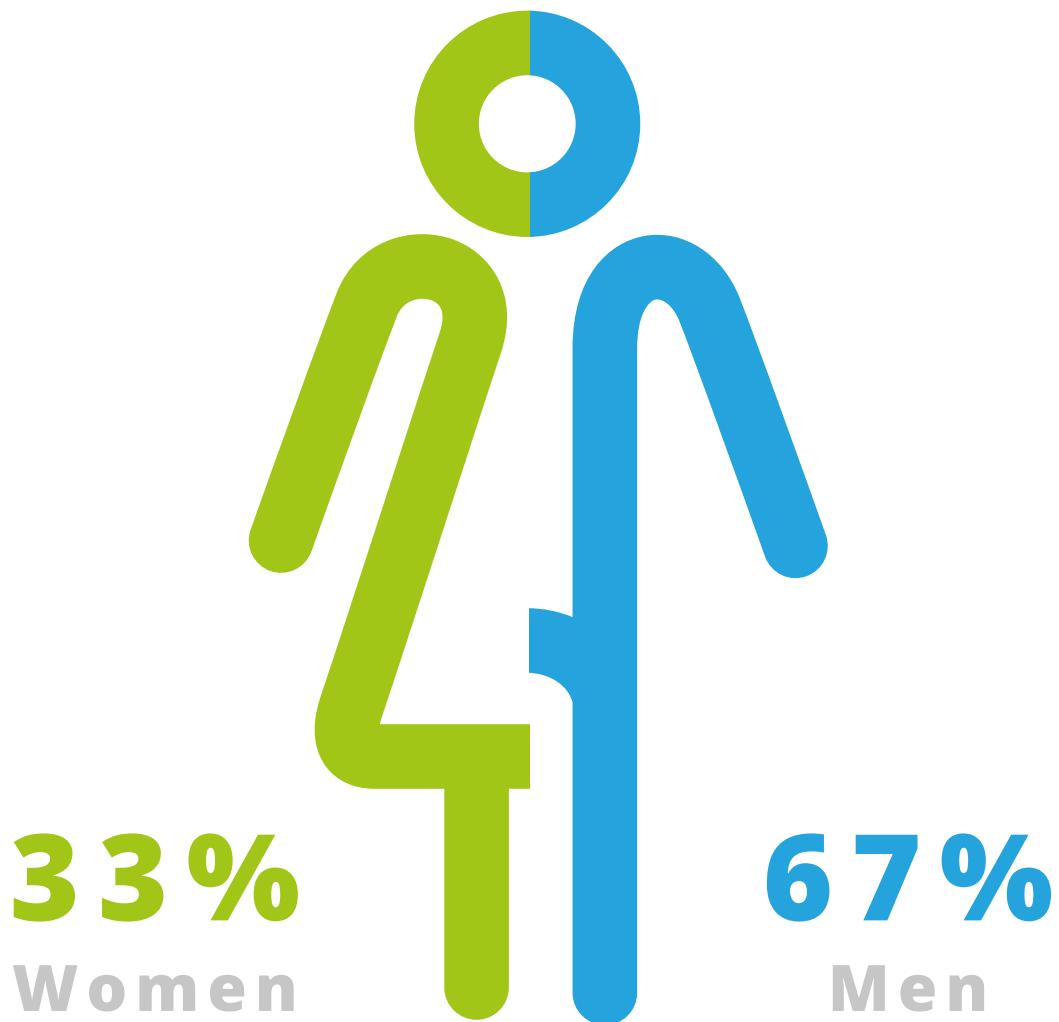
535,000€

Human Resources

[G4-LA1, G4-LA6, G4-LA9]

	2017	2016	2015
Number of employees	4,429	4,273	3,698
Net job creation	156	575	133
Diversity			
Men	67%	68%	67%
Women	33%	32%	33%
Investment in training (in EUR thousands)	535	430	225
Training hours	22,729	32,040	18,641
Rotation	8.40%	4.70%	4.50%
Accident rate			
Sick leave	159	173	68
Without sick leave	244	78	102
Absenteeism rate	3.23%	3.45%	3.30%

4,429
Employees



Environment

	2017	2016	2015
CO ₂ emission rate in tons [G4-EN18]	26,350	26,411	29,278
Waste generation [G4-EN23]			
Non-hazardous (Tn)	12,079	13,241	19,749
Hazardous (Tn)	8,060	7,980	10,046
Water consumption (m ³) [G4-EN8]	112,160	105,021	94,709
Natural gas consumption (Gj) [G4-EN3]	44,503	49,578	42,163
Diesel consumption (Gj) [G4-EN3]	53,788	45,233	34,350
Cogeneration (Gj) [G4-EN3]	0	5,822	9,078
Grid power (Gj) [G4-EN3]	144,849	121,709	110,592
Investment and environmental costs (in EUR) [G4-EN31]	1,478,099	1,543,560	1,153,021

Community

[G4-EC1]

(in EUR millions)	2017	2016	2015
Economic value created:			
Total consolidated revenue (sales + other revenue)	803.3	733.7	666.9
Economic value distributed:			
Employees (personnel costs)	169.4	158.3	144.7
Suppliers (Changes in inventories + other operating expenses)	537.1	491.1	450.7
Shareholders (Dividend-Result attributable to holders of parent-company equity instruments)	0.0**	15.0	10.0
Company - Public Administration (Taxes*)	12.9	13.1	6.2
Capital providers (Financial expenses)	12.8	6.5	5.6
Economic value retained:	71.0	49.7	49.5

* This corresponds to income tax expense.

** Proposed dividend; pending approval at the General Shareholders' Meeting.

1.3 | Group profile

Group profile [G4-3, G4-5, G4-6, G4-7]

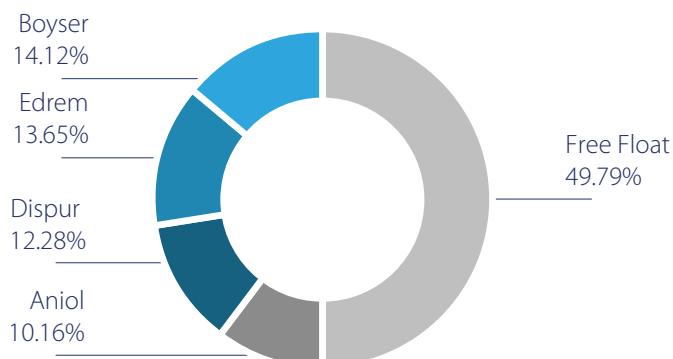
Company name:	Fluidra S.A.
Address:	Avda. Francesc Macià 60, planta 20 – 08208 Sabadell (Barcelona - Spain)
Telephone:	(+34) (0)93 724 39 00
Website:	www.fluidra.com
Share capital:	EUR 112,629,070
Number of shares:	112,629,070
Nominal	EUR 1.00
Business activity:	Developing applications for sustainable water use in the Pool & Wellness sector
Markets:	Fluidra operates in 45 countries through over 160 subsidiaries and production centres located across all continents. Europe is the company's main market, followed by Asia and Australia.

**Table with shareholder structure
 (as of 31 December 2017)**

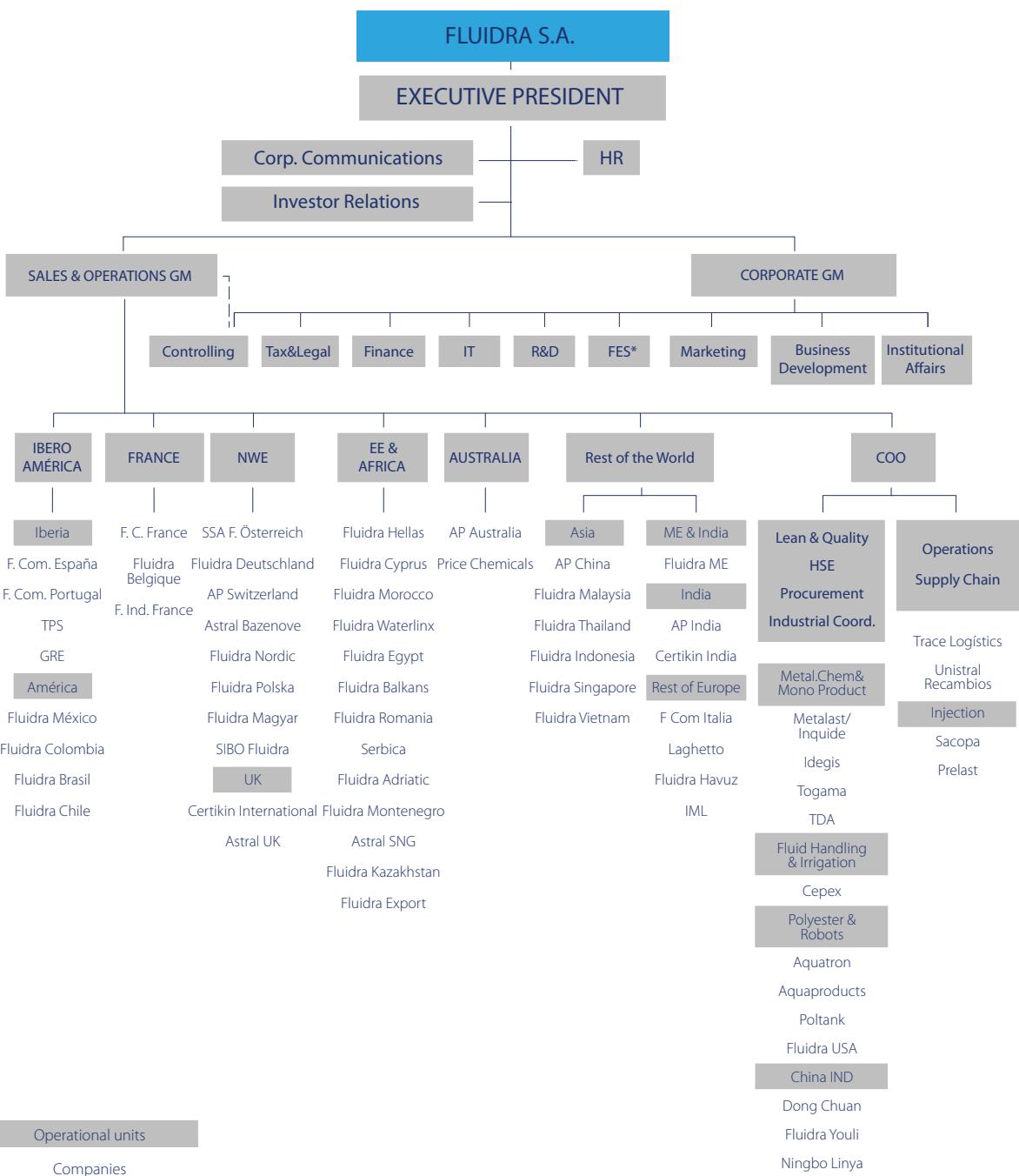
(In percentage)

Founding Families

50.21%



Organisational structure chart (April 2018)



2 |

Letter from the Chairman

[G4-1, G4-2]

The year 2017 has marked a turning point in the history of the company in every way. As the company's performance in all of its markets has been so exceptional, Fluidra has managed to fulfil all the targets set out in the 2018 Strategic Plan one and a half years ahead of schedule.

Organic growth was solid and consistent throughout the year. Sales in practically all markets have reported double-digit growth, demonstrating the improvement in efficiency experienced by the company. Fluidra, with its policy of focusing on gaining penetration, has increased its market share in practically all markets.

At the same time, 2017 was the year in which Fluidra laid the foundations for the company's future, with the announced merger agreement between Fluidra and Zodiac. Ten years after the IPO, we started a new project that opens up a new world of opportunities in our businesses and makes Fluidra a global leader.

From the shareholders' point of view, it was an outstanding year in terms of creating value. The share price reflected the good results and the good news, rising 173% in the year as a whole.

● Annual financial statements

Fluidra's sales at year-end 2017 stood at EUR 781.4 million, 9.6% higher than in 2016. The good performance in Spain, France, Australia and other mature markets, along with our restructuring efforts, strong financial discipline and a solid balance sheet enabled us to close this financial year with EBITDA growth of 15.2%, reaching EUR 99 million, which represented a 12.7% EBITDA margin on sales, higher than that of 2016 (12.1%). If we adjust EBITDA for the expenses associated with the merger process and the long-term incentive plan for executives, this amounts to EUR 105.3 million, 22.4% higher than the previous year.

The company's net profit amounted to EUR 31.1 million, an increase of 29% compared to the previous year.

At balance sheet level, an excellent job has been done in managing all items comprising net working capital. At year-end 2017, it stood at EUR 197.3 million (7.2% more than that of the previous year), making a net working capital over sales ratio of 25.2%. Free cash flow generation to the income statement was EUR 34.1 million.

Solid control of working capital, together with the excellent pro-account results, have allowed the company to reduce its net financial debt (NFD), which at the end of 2017 stood at EUR 145.7 million, bringing the adjusted NFD/EBITDA ratio down to 1.4x, below the 1.8x of 2016.

We believe that the best indicator of shareholder value creation is the return on capital employed (ROCE). Thanks to our improved use of our assets and the improvement in the income statement, the ROCE on adjusted EBITA stood at 16.3% compared to 12% from the previous year.

● Exceptional share price performance

2017 was definitely an excellent year. Markets welcomed our strong performance throughout the year. All in all, completing our 2018 Strategic Plan one year ahead of schedule, the investments made throughout the year and the growth of our business in mature markets led to a 173% increase in Fluidra's value in the markets, with the closing price in 2017 at EUR 11.81 per share, while share liquidity increased alongside trading growth.

● Investment in growth and innovation

In 2017, the company made two strategic acquisitions aimed at expanding and consolidating markets.

In July we acquired Piscine Laghetto, an Italian manufacturer, based in Cremona, in the Lombardy region of Italy, and internationally known for its design and high-end above ground swimming pools. The deal was instrumented through the purchase of 90%, which was the culmination of a pre-agreement begun twelve months before in the form of a co-branding agreement for the supply of filters and pumps, between Laghetto and Fluidra's AstralPool.

In the same summer, Fluidra acquired 80% of the capital of the Belgian start-up, Riiot Labs, creator of an innovative technology for remote monitoring of the state of the pool water through any mobile device. This technology is called "Blue Connect" and it has won several awards in the sector. This deal extends the relationship that had begun a few months earlier with a distribution agreement for France, Spain and Benelux, characterised by the immediate success of this smart device. In fact, this device is set to become one of the most important monitoring for maintenance swimming pool apps.



Eloi Planes

Executive Chairman

"The merger with Zodiac will create a new Fluidra with sales of approximately EUR 1,300 million.

"The market performance and our excellent execution of the strategy charted have enabled us to complete all the objectives of the 2018 Strategic Plan a year and a half earlier than initially planned"

With our innovative bent, we took part in the Imagine Silicon Valley 2017 project to encourage disruptive innovation in the world of swimming pools. The "Fluid Reality" prototype, a mixed reality experience for swimming pool environments, was developed in the Imagine project. It consists of hardware with a goggles/helmet format, for digital games in and out of the water, connectivity between devices and parental control.

We have also inaugurated four new cash and carry stores in Italy, France, Portugal and Mexico so that customers have more direct contact with professional pool fitters in the area. We have invested in a new 12,500 m² warehouse to consolidate and expand the facilities of Sacopa, a plastic injection plant in northern Catalonia, to be able to deliver on growth and improve efficiency.

Thanks to the efforts of our commercial pool consultancy division, we have been awarded two important projects on the Asian continent. One is Kazakhstan-Expo 2017 in Astana: a project for the design, installation and commissioning of a spectacular fountain that includes a surface area of 1,523 m² with walking and recreational areas for visitors, including a water show with a surface area of 2,630 m² equipped with all types of jets (rockets, mist, dance, vertical jets and fire) to create a unique show. The other is the Marina Bay Resort in the Philippines: a contract worth EUR 5.6 million for the design and construction of three commercial swimming pools, five individual villas, different spa units and water games.

Before being awarded these contracts, we also made successful bids for other important projects that we completed in 2017 in the Asian market: the installation of the swimming pools for the World University Championships, which took place in Taipei (Taiwan) last August, and the construction of the swimming pools for the 2018 Asian Games, which will be held in Jakarta (Indonesia) in summer.

● Merger with Zodiac

Internationalisation has always been one of the mainstays of Fluidra, a leading international company except in the United States.

We have strived for many years to become a global leader and benchmark in our sector and we have analysed the different options more or less intensively. In Zodiac we have found an ideal partner. The announced deal is unique from the strategic and industrial logic standpoint, and the complementarity of the two companies' businesses in terms of geographical coverage, product portfolio and brands is truly outstanding.

Zodiac is a leading global manufacturer of residential pool equipment and other solutions for the pool industry, with a strong presence in the United States. We have a very good reason to carry out this deal: the US has 8 million swimming pools installed (almost half the world share), making it the largest replacement market in the world, and Fluidra currently has a niche presence. Now, with the announced merger with Zodiac, the US market will become the main market for the new Fluidra. Another compelling reason is the fact that the two companies are so complementary in terms of geography and product portfolio.

The merger will create a new Fluidra with sales of approximately EUR 1,300 million, an EBITDA of EUR 210 million and a ROCE on EBITA of 10.3% (pro-forma data at the end of 2017). Synergies amount to EUR 35 million in cost savings from 2020 onwards.

The post-merger company will have a NFD/EBITDA level of around 3.8x, levels that are rare in our group. Over the next two years, our major undertaking and priority objective will be to gradually bring down net debt levels.

Together, the two companies offer exceptional value: a balanced geographical position that does not depend on a single market, synergies, creating a company which is twice as large and which is much more visible to the capital markets.

The founding families of Fluidra will now hold 29%, while Rhône Capital (current shareholder of Zodiac), which has a two-year agreement to remain in the company, will hold 42% of the voting rights. The Board of Directors will be composed of a total of 12 members: 4 independent directors, 4 appointed by the founding families and 4 by Rhône. A clearly balanced and equal Board of Directors.

When the merger becomes effective, Fluidra will maintain its global headquarters in Sabadell (Barcelona). As the Executive Chairman of Fluidra, I will assume the position of Executive Chairman of the post-merger company, while Bruce Brooks, currently CEO of Zodiac, will be the CEO. Xavier Tintoré will continue as the CFO of the new Fluidra.

● Our commitments to society and the environment

We are constantly improving our commitment to society and the environment. Water is our raison d'être, and thus we strive to develop products and projects that offer sustainable, efficient and avant-garde solutions to our customers, in a global environment where water management, a precious and vital asset for man and nature, is becoming increasingly important.

This commitment is reflected in our CSR Master Plan 2017-2020, which establishes two general objectives: to position ourselves as a leading company in the creation of sustainable value and to meet the requirements established in international stock market indices such as the Dow Jones Sustainability Index. More specifically, the plan has 32 goals, 54 actions and 60 actions to be carried out during the period set. All the actions defined in the Plan are built around Fluidra's stakeholders as a reference point in the development of CSR. In 2017, 67% of the planning for the year was completed, although it must be borne in mind that some of the actions were affected by the merger project with Zodiac.

2017 was the second year since the Fluidra Foundation was created. The Foundation has two basic commitments: social commitment to projects aimed at accessibility, awareness and education on water use, and a cultural commitment focused

especially on promoting music. During this year, the KAG-25 project was presented. The aim of this project is to restore a 25-hectare farm in southern Senegal to turn it into a profitable farm by improved water usage and by providing agricultural training to 2,000 children and young people.

I would also like to reiterate once again our commitment to the principles of the United Nations Global Compact, the basis for our ethics and social responsibility, and our involvement with the Sustainable Development Goals (SDGs), especially those related to sustainable water management.

● Strategy for the future

In 2018, we will take a firm step towards conquering all the relevant markets across the globe, and will also be focused on executing the merger between Zodiac and Fluidra.

Our strategy is still one of creating value:

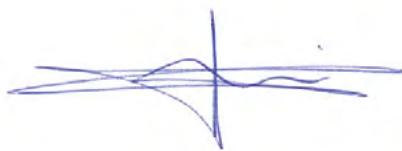
- Quickening growth in the United States, while offering a broader product portfolio.
- Penetration into all markets and implementation of "Best Practices".
- Continuous improvement, with the merger, of efficiency and profitability ratios.

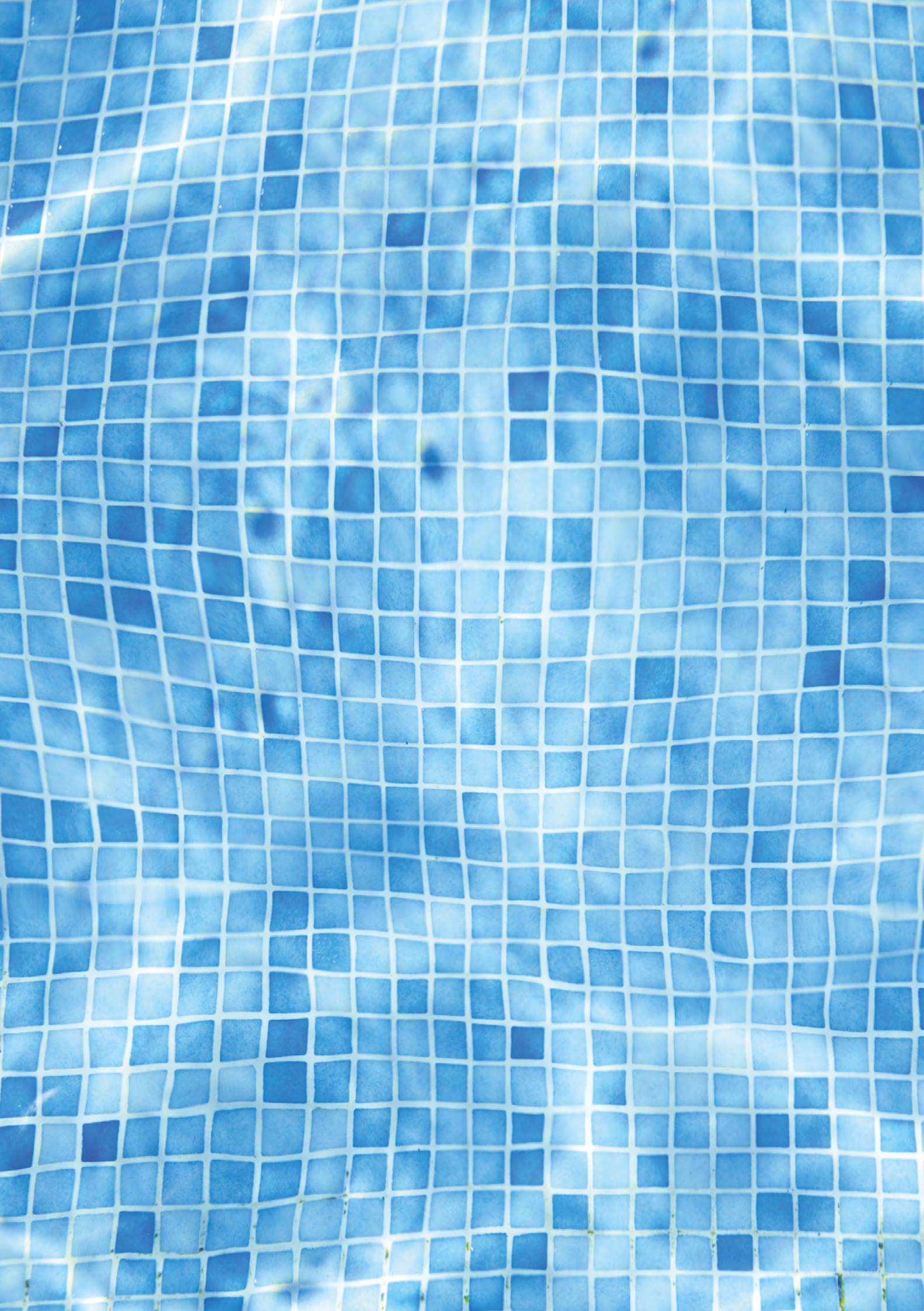
Lastly, I would like to thank the entire human team of our company, which is the main reason why we are able to fulfil our objectives.

We want to be a global group offering sustainable and efficient pool solutions and applications. A leading company in the Pool & Wellness sector worldwide. Water is our world and our future.

Once again, I would like to thank you for the confidence that you have placed in Fluidra.

Eloi Planes
Executive Chairman





3 |

Business model

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3.1 | Identity and commitment

Mission and values

Mission

Fluidra's mission is to take care of people's well-being and health through the sustainable use of water for leisure, sports and therapeutic applications.

Fluidra seeks to contribute gradually and sustainably towards economic, environmental and social development by strengthening and renewing its commitments to partners and stakeholders in the sectors in which it operates. [\[G4-24, G4-25\]](#)



Customers

Our customers are at the heart of everything we do, and we endeavour to convey security and confidence as well as providing them with effective and innovative solutions



Employees

We offer an environment full of opportunities so that our employees may develop personally and professionally.



Suppliers

We seek to go forward together, building long-lasting relationships based on mutual respect and which are mutually beneficial.



Society

Aware of our corporate social responsibility, we are committed to contributing to the development of our local community.



Environment

We are committed to fostering responsible use of water and to applying the most stringent sustainability standards for the sake of our future generations.

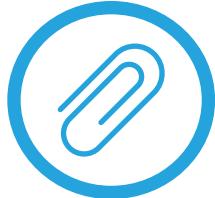


Shareholders

We aim to increase the value of our company through our commitment to ethics, transparency and good governance



Values



Adaptability

We detect opportunities and adapt to them with an entrepreneurial approach.



Innovation

We encourage our staff to be creative as this is the driving force behind continuous improvement.



Openness

We welcome dialogue and exchanging of views that enable us to learn and improve every day.



Transparency

We are committed to honesty, coherence and respect in the day-to-day running of our business.



Network Spain
WE SUPPORT

Global Compact

In Fluidra, the United Nations Global Compact is the basic blueprint and cornerstone for the organisation's behaviour, as well as the behaviour required of all suppliers of products and services. The principles of the Global Compact are the basis of both the Employee Code of Ethics and the Supplier Code of Ethics.

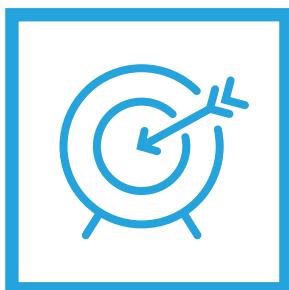
Since 2007, Fluidra has been renewing its commitments to the United Nations Global Compact of Nations, year after year. [\[G4-15\]](#)



Fluidra's commitments

Fluidra is a responsible and socially committed company that implements a business model using approaches based on innovation and sustainability.

Fluidra has eight strategic commitments:



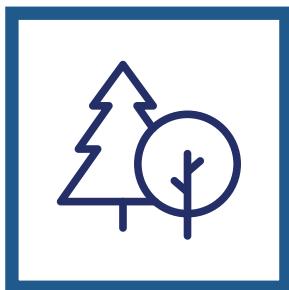
Our ethos

Commitment to ethics in terms of performance and good corporate governance.



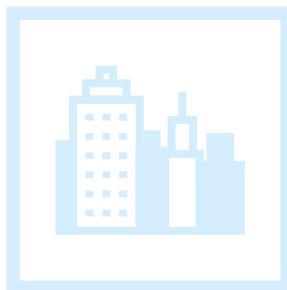
Our customers and suppliers

Commitment to the quality of our products and services.



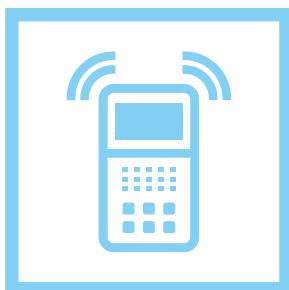
Our environment

Commitment to environmental protection.



Our society

Commitment to the development of the communities where we operate.



Innovation

Commitment to R&D&i as the bedrock of our competitiveness and efficiency.



Water defines us

Commitment to the responsible use of water.



Our staff

Commitment to the health, safety and development of our employees.



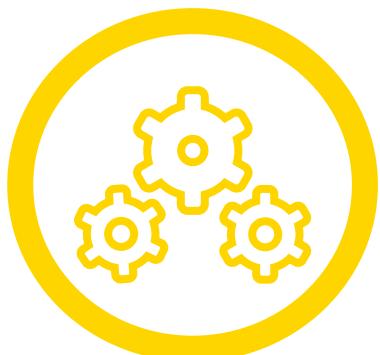
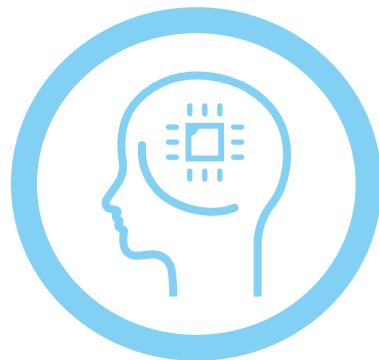
3.2 | Value Chain

[G4-8, G4-6]

Fluidra's business model vertically integrates R&D&i, production, logistics, marketing and services. This model has the advantages of diversifying risks, optimising resources and creating significant entry barriers to competitors.

R&D&i

Research, development and innovation are part of the fundamental pillars of Fluidra's strategy: consolidating a culture of innovation is part of the path to becoming a leader in its sector. To this end, it has the support of the Innovation Committee, which is responsible for establishing the strategy, validating all projects relating to products that are carried out in the 16 Fluidra Centres of Excellence and technical centres, and defining the corporate Guidelines which are intended to help steer all Centres in the process of product development. A total of 119 people spend on average 56% of their time working on product R&D.

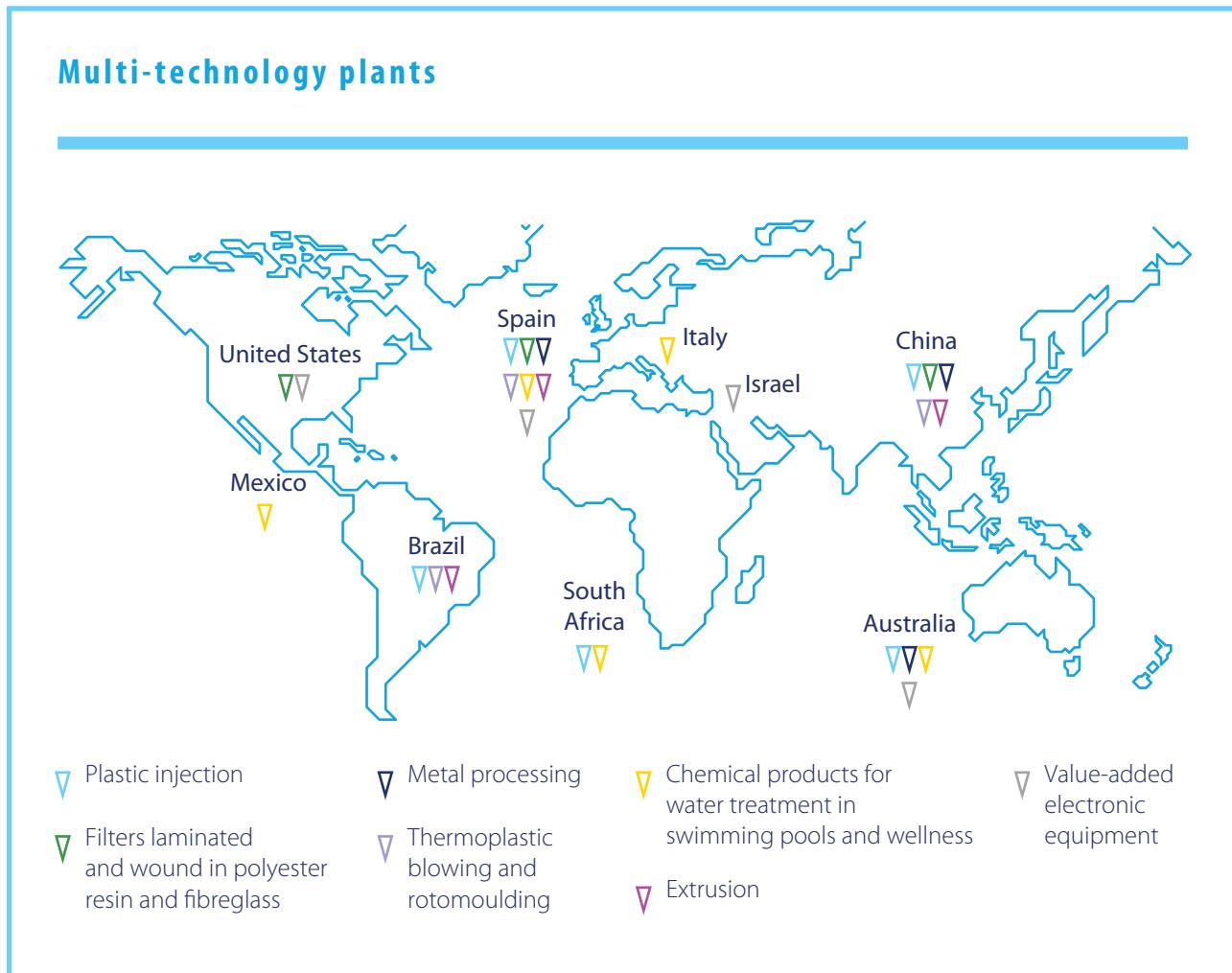


Production

Fluidra has its own industrial infrastructure. Its 31 production centres, which employ around 1,900 people, are located in the main Group markets and work on different technologies that enable the manufacture of full ranges, under different brands, for all business units.

In addition, Fluidra's production centres offer their services to customers outside the group and manufacture products or full ranges under clients' brands.

The multi-technology plants are marked on the company's presence map.



Sales and logistics

Production capacity is distributed across five continents, and is supported by a far-reaching sales network for the different business units with a direct presence in 45 countries with 131 subsidiaries and branches, which employ more than 2,000 professionals. This capillarity in sales is ideal for gradually increasing market shares.

In southern Europe, the logistic model is based on regional branches (cash and carry) with stock only for those items with higher turnover, and deliverability in short periods of time for the other items. The company has an innovative automated logistics operator with a surface area of 55,000 m² and a capacity to dispatch 150,000 pallets annually and carry out 20,000 daily box collections.





Services and management

The last link in Fluidra's value chain is the provision of management services and functions both with regard to Group companies and also to customers and end users' services.

As part of the company's culture of optimising resources and to allow each unit to focus on its specific part of the business, Fluidra offers shared services to centralise accounting and finance duties through the Shared Service Centre, as well as providing legal and tax services, marketing, auditing and human resources from the headquarters in Sabadell (Barcelona).

The company also offers customers:

- **After-sales technical assistance**

Fluidra's after-sales technical support service offers solutions and answers questions on installation, maintenance or repairs. In high season it is reinforced by a call centre for both customers and end users.

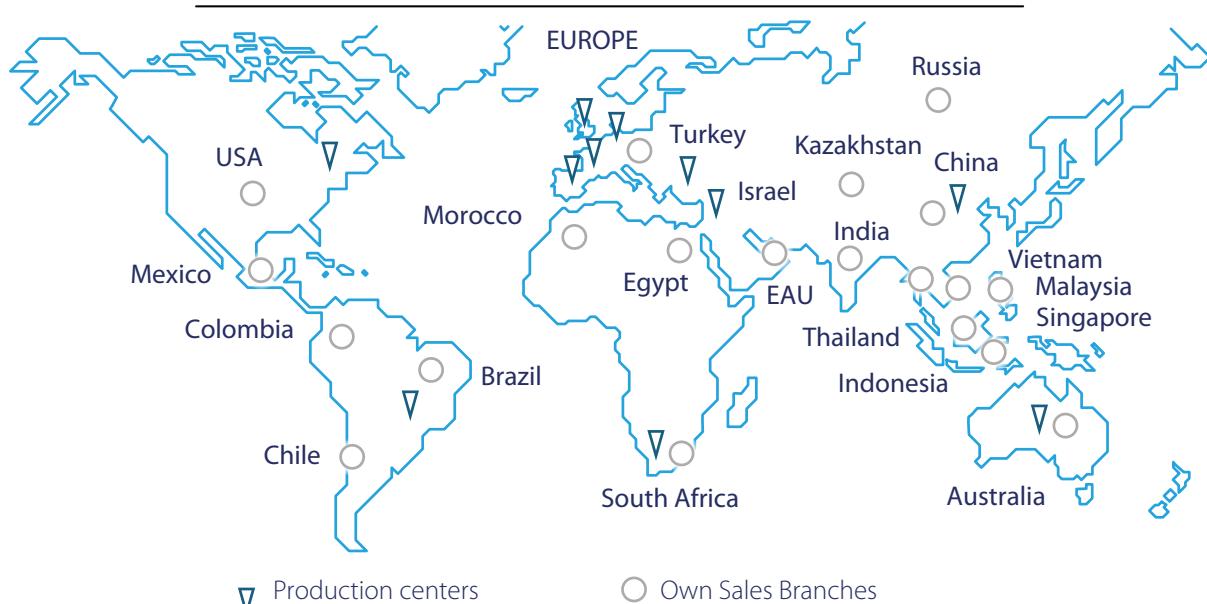
- **Customer training**

With the advances of innovations and the increasing automation and complexity of the industry, Fluidra has, since 2012, a Customers Training Plan which organises training sessions for customers worldwide on an annual basis.

3.3 | Worldwide presence

[G4-6, G4-8]

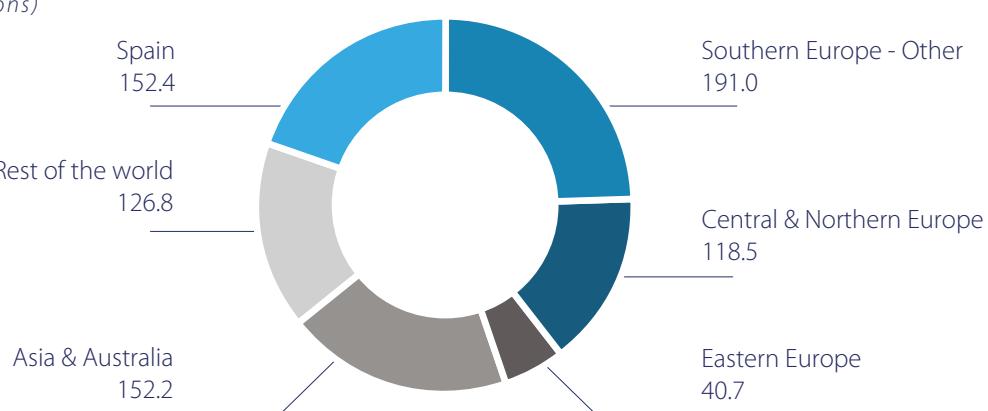
Germany, Austria, Belgium, Bulgaria, Cyprus, Croatia, Denmark, Spain, France, Greece, Holland, Hungary, Italy, Montenegro, Poland, Portugal, United Kingdom, Czech Republic, Romania, Serbia, Sweden and Switzerland.



Weight of geographic areas by income

[G4-EC1]

(In EUR millions)





3.4

Relationship with stakeholders

[G4-24, G4-25, G4-26, G4-27]

In its search to ensure a solid relationship with its stakeholders, Fluidra has established a network of communication channels with them in order to meet their expectations and needs and define business strategies that both commit and benefit all parties equally.

Fluidra's stakeholders are defined in its Mission and the communication channels are used to keep in contact with them:





Channels of communication with stakeholders



Customers

- CAS (Customer Attention Service)*
- After-sales Service
- Satisfaction surveys
- Hosting of seminars and technical training*
- Advertising of activities regarding and for clients
- Websites and online applications
- Trade Fairs*
- Factory Tours*
- *The Cool Pool* blog



Employees

- Workers' representatives
- Corporate intranet
- 'Living Fluidra' news portal
- Suggestion boxes
- Notice boards
- Performance assessments*
- Recreational and sports activities
- Solidarity activities
- 'People Values' Code of Ethics and 'Confidential Channel'
- Coffee with senior management*
- Monitoring and exit interviews*



Shareholders

- Corporate website: Investors and shareholders
- Shareholders' Office
- General Shareholders' Meeting
- Shareholder's Day*
- Analyst and Investor's Day*
- Domestic and international investors forums*



Suppliers

- Selection and evaluation of suppliers policy
- Suppliers' Code of Ethics
- Bilateral meetings with high-volume providers*



Society

- Collaboration with associations*
- Solidarity actions and contributions
- Corporate website



Environment

- Participation in awareness days
- Collaboration with environmental associations*

* Bilateral relations and dialogue with stakeholders.



Although stakeholders are not actively involved in preparing this report, the company has regular bilateral contacts with them, as mentioned above, to find out their needs and expectations in order to be able to assess and address them in the future. **[G4-26, G4-27]**

In addition to the aforementioned stakeholders, the company maintains constant and stable relations with other groups that are also important to the Group, such as:

- Domestic and international analysts and investors, through participation in roadshows, conferences and meetings.
- The media, through regular mailings of news (press releases), meetings and interviews.
- Business schools, through the development of case studies on Fluidra.
- The academic world in general, by receiving visits by groups of students from different countries that are interested in Fluidra's track-record.
- End users, through the AstralPool website with an online pool-configuration simulator. Simulations for calculating energy savings can be performed thanks to this tool by selecting different parameters such as: country, climate, swimming pool measures, etc.
- Public administrations and official bodies: Fluidra takes part as a member in Sustainability and Environment Committees, the Committee on Legal Affairs and Prosecutors of the Chamber of Commerce of Barcelona, and it is also actively involved in the meetings on Administrative Simplification of the Regional Government of Catalonia.

The opinion poll on the company's Integrated Report is a cross-channel for all stakeholders.

The opinion poll on the company's Integrated Report is a cross-channel for all stakeholders. Although the participation was low in the 2016 edition, stakeholder feedback was of satisfaction or complete satisfaction with the report, its structure and content.

External perception

In response to the 2017 Report, which analyses the quality of information and of the reporting of those companies listed on the Spanish continuous market, Fluidra has consolidated its position amongst the top places in the ranking on the assessment of its reports.

Fluidra has the best score from the IGBM companies that do not belong to the Ibex-35. It is back in the eighth place it had at the end of the 2016 edition and is also the only non-Ibex-35 company in the top ten of the ranking.



4 |

Strategy

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4.1 | Market environment

[G4-4, G4-13]

Overall economic outlook depends on how a number of different factors unfold. One of the most important is the normalisation of monetary policy by the US Federal Reserve and the European Central Bank, which may trigger a gradual reduction in global liquidity and less support for future capital flows to emerging economies. The IMF's forecast for global GDP growth in 2018 is 3.9%, with developed economies growing at an average rate of 2.3% and emerging and developing economies at 4.9%.

Commodity prices will play a decisive role in countries' trade relations. The oil price now appears to have stabilised after the collapse a few years ago, and after OPEC's announcement last November that it was extending production cuts until the end of 2018. The vast majority of commodities prices, such as iron, will be shaped by the economic performance of China, the world's leading importer. Steel and aluminium are another matter, as President Trump has proposed high tariffs on the imports of these two commodities.



Positive performance in Spain

Judging by consensus forecasts, the expansionary trend begun in 2013 should continue, while employment will continue to grow at a good pace, and there will be further correction in the main macroeconomic imbalances: private agents will continue to deleverage, the public deficit will fall below 3% and a current account surplus will be maintained with the rest of the world. The leading indicators confirm the good progress of the Spanish economy despite political uncertainty in Catalonia: an increase in Social Security registrations and in private consumption, the latter apparent in several indicators, such as the vehicle registrations and the signing of mortgages. In this context, the IMF expects Spain's GDP growth to stand at 2.4% for 2018.



Political labyrinth in Europe

European stock markets have been buoyed by increased confidence and good economic data in 2017, against a background of gradual normalisation of monetary policy by the European Central Bank. Recent elections in Germany and France boosted pro-EU options but also saw a sharp increase in the far right, creating uncertainty about the capacity of the Franco-German axis to carry out the necessary reforms in the Eurozone. Further uncertainty was added after the Italian elections, where results



paint a complicated picture for the country's governance. Brexit will once again be a central issue on the European agenda due to the intense negotiations that will take place this year to reach the cut-off date of March 2019.



Trump's first year

Donald Trump's first year at the helm of the White House has been marked by the approval of the tax reform, the withdrawal of the US from the Paris Agreement and constant protectionist threats. The US has also achieved good macroeconomic data and stock markets have continued their upward trend.

In 2018, the Federal Reserve is expected to continue to raise interest rates as it did last if economic conditions continue to brighten. The strong global growth, the depreciation of the dollar, expectations about the sustainability of oil prices and the slight improvement in the construction sector should drive investment. Conversely, more gradual labour market developments and higher inflation point to a slowing in private consumption. Furthermore, the renegotiation of the North American Free Trade Agreement (NAFTA) and the future construction of Mexico/US border may also trigger greater market volatility.



Brazilian recovery and Chinese slowdown

Low interest rates, coupled with rising commodity prices, low volatility and a weaker dollar has created a positive environment for emerging countries. Brazil is set to become the new economic driver of Latin America. With Brazilian GDP estimated to grow by 1.9% in 2018 (having shrunk over the last few years), it has once again won over investors thanks to stimulating

consumption and a possible reform that will guarantee the country's fiscal sustainability. However, its growth might be hampered by the persistent weakness of investment and political instability.

Question marks hang over Mexico due to the presidential elections and the renegotiation of NAFTA. The IMF estimates Mexican will grow 2.3% in 2018, three tenths more than the estimate for 2017 at the close of this report.

China is in the process of orderly deleveraging, with tighter control over shadow banking and the real estate market, and a less expansionary fiscal policy. Against this background, China's GDP growth for 2018 is expected to be 6.5% - the lowest in more than 25 years - and is expected to lead to lower global demand for commodities.



Pool sector

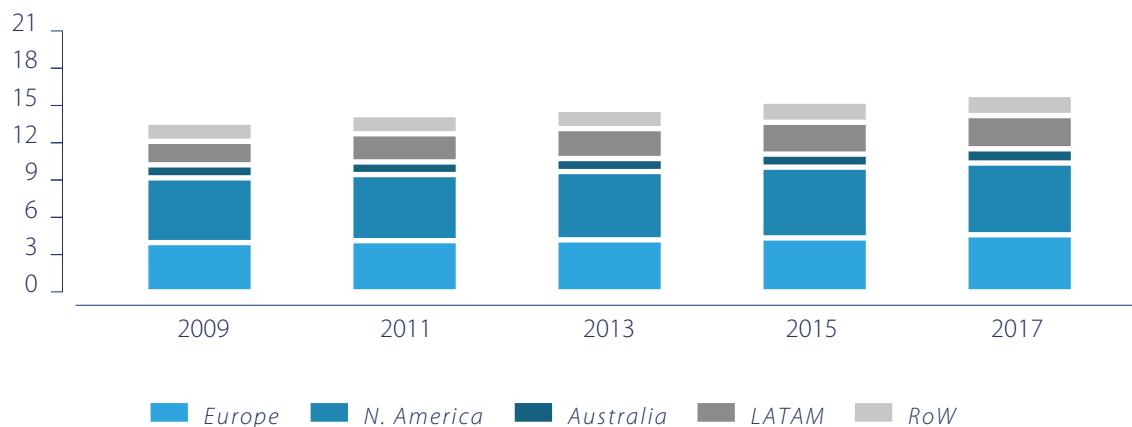
Overall, the sector is expected to grow steadily. By the end of 2017 there were nearly 16 million swimming pools installed worldwide. Over the last ten years, the number has grown at a rate of 2% p.a., guaranteeing a profitable recurrent business. With the housing boom, new pool installations have risen by 15% in Europe and 10% in North America, although the new construction peak of 2007 has not yet been reached.

North America is by far the most important region for the pool industry, as it accounts for 54% of the pool equipment market share. It is followed by Europe with 29%, while the rest of the world together accounts for 17%.

Fluidra estimates that growth of the sector will be gradual and constant, a scenario in which new, albeit moderate, construction work will continue to grow in the recurring business, most of which (75%) will be based on the existing pool inventory. The company estimates that 70% of the business is related with the maintenance and care of the pool inventory and the remaining 30% with new construction.

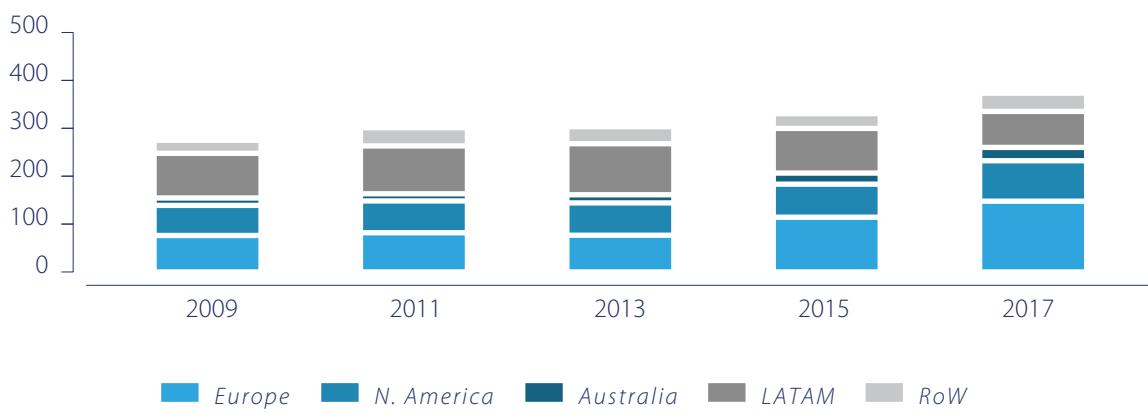
Growth of the global swimming pool inventory

(In millions)



Construction of new swimming pools

(In thousands)





4.2 | Best Practices

In 2015 Fluidra presented its 2018 Strategic Plan. The 2018 Strategic Plan consists of three main pillars: focus, penetration and best practices. Fluidra, with its focus on the Pool and Wellness sector, has increased its market penetration both through new acquisitions and by deploying best practices in key areas such as sales, manufacturing and logistics in all countries where it operates.

Fluidra has increased its market penetration through rolling out good practices and through acquisitions

Best Practices





4.3

Completion of 2018 Strategic Plan

Results table

		2018 Target	End of 2017	
Profitable growth	Sales (millions of euros)	750	781.4	+4.2%
	EBITDA (millions of euros)	100	105.3*	+5.3%
	Net profit (millions of euros)	30	35.6*	+18.7%
Value creation	ROCE (EBIT) (%)	10%	12.6%**	+260 bps
	Capex / Sales (%)	4%	3.7%	(30 bps))
	Net financial debt / EBITDA	<2.2x	1.4x*	(0.8x)
	Total return to shareholders (%)	Total shareholder return of 174% (market value growth of 173% + 1.1% dividends)		

* Items adjusted for non-recurring expenses from the merger and long-term incentives

** EBIT adjusted for impairment of goodwill



4.4

New panorama: merger with Zodiac

[G4-13]

On 20 February 2018, Fluidra's shareholders approved the merger with Zodiac Pool Solutions at the Extraordinary General Meeting. The post-merger company, which will keep the Fluidra name and will be listed on the Spanish stock exchange as before, will have more than 5,500 professionals, cover more than 45 countries (the United States will be the largest of its markets) and report sales of EUR 1,300 million, with combined EBITDA of EUR 210 million.

Fluidra will issue 83 million shares which will be fully subscribed by the current shareholders of Zodiac, Rhône Capital, to carry out the deal. This means that once the merger is completed, the company will have the following structure: 42% will belong to Rhône Capital, 29% will be in the hands of the founding families and the remaining 29% of the capital will be free float. In early 2018, Fluidra concluded a total refinancing arrangement for the two companies, which will come into force once the merger is finalised.

Fluidra is already working to ensure that the merger process is carried out efficiently and so that the synergies from the two companies, which have complementary products and territorial presence, with very little overlap, can be harnessed as soon as possible.

The new Fluidra will have two growth drivers: organic revenues and the recurrent business underpinned by geographical diversification and the market environment.

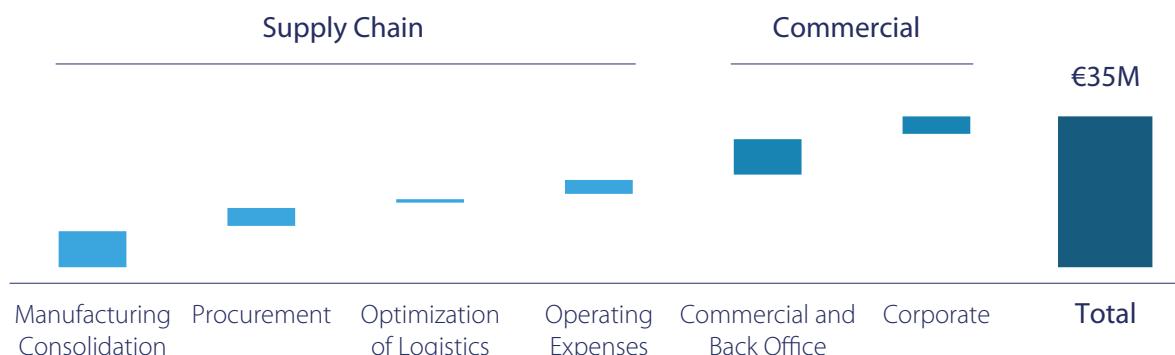
Cost synergies for 2020 are estimated at around EUR 35 million, with non-recurrent costs of around EUR 30 million. These synergies would be in the following areas: production consolidation, supply opportunities, optimisation of logistics operations, reduction of indirect operating expenses, integration of regional sales and savings in support processes, and corporate consolidation.

Growth engines

Factors contributing to growth	Range of annual revenue growth
Growth in the existing inventory	3.5 - 4.5%
Growth in new construction	1.0 - 1.5%
Growth in market share	1.0 - 1.5%
Organic growth	6.0 - 7.0%



Synergies



Growth profile

	Last 12 months	Growth factors	Estimate 2020
Sales (millions of euros)	1,269	<ul style="list-style-type: none">Stable growth of the recurring business with the existing inventoryRecovery of newly built swimming pools in Europe and the USACross-sell opportunities	<ul style="list-style-type: none">6-7% annual organic growth rateAdvantages from synergies and M&A
EBITDA (millions of euros)	210 17% margin	<ul style="list-style-type: none">Operating efficienciesExpected cost synergies	<ul style="list-style-type: none">EBITDA Margin of ~21%
Capex (millions of euros)	39 3% of revenue	<ul style="list-style-type: none">Production and optimisation of R&D	<ul style="list-style-type: none">3% of revenue
Net Working Capital (%)	27.5% of revenue	<ul style="list-style-type: none">Production and optimisation of production	<ul style="list-style-type: none">25% of revenue
Leverage (Net financial debt/EBITDA x)	3.6x	<ul style="list-style-type: none">Strong free cash flow generation	<ul style="list-style-type: none">Net leverage < 2.0x
ROCE (EBITA) (%)	10.3%		<ul style="list-style-type: none">>16%
Adjusted earnings per share (EPS)	Positive	<ul style="list-style-type: none">Positive adjusted EPS for the first year after closing	



4.5 | INVICTUS Project

The INVICTUS Project aims to provide the group with an operational model that aligns all processes, provides a global vision and allows each area to focus its efforts on the tasks that add value. The project works on standardising processes, and also the integration of the Information Technology system.

In recent years, this project has played a key role, and it enables Fluidra to compete at the highest possible level in what is an increasingly demanding multinational environment. It is the preferred option for customers. With the upcoming merger with Zodiac, this project will evolve and become "Orion", where its aim will be to identify the best of

each company in order to integrate it into what will be the standard solution of the post-merger Fluidra.

Fluidra Global Distribution

The mission of Fluidra Global Distribution is to centralise into a single location the purchase and supply of commercial enterprises, both for third-party suppliers and own factories of the group, with the aim of providing a better service to customers and becoming their best choice, through simplifying the model, standardising processes and improving stock control, the order book and commercial assistance provided.





4.6 | 2017-2020 CSR Master Plan

In the medium and long term, Fluidra's aim is to be a national and international benchmark in social responsibility and sustainability. To this end, a CSR Master Plan has been drawn up with the year 2020 as the time horizon.

The plan establishes two general objectives on which all actions planned are managed:

1

To position Fluidra as a leading Spanish business group through value creation on the basis of corporate social responsibility.

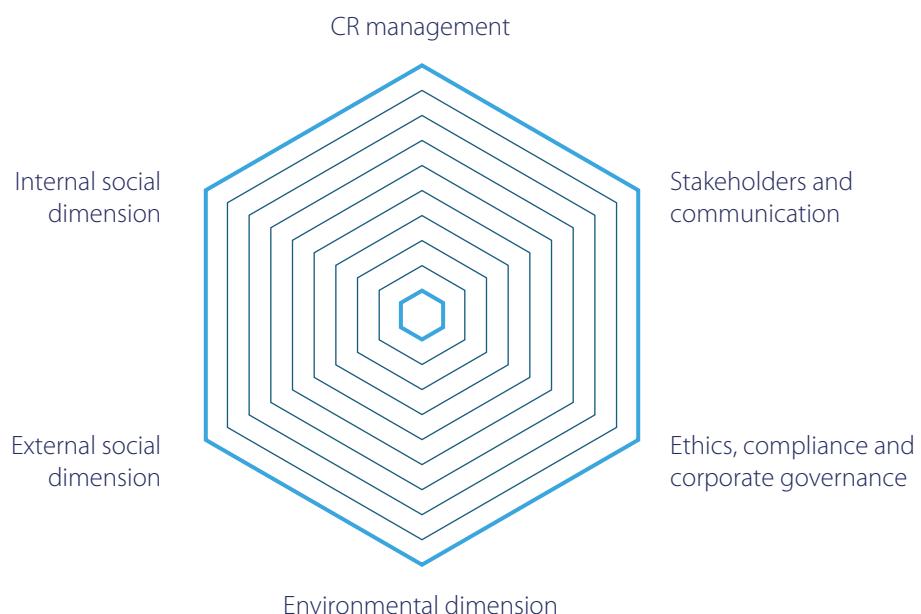
2

To be able to successfully meet the sustainability requirements set out in international stock indexes like the Dow Jones Sustainability Index.



To achieve these objectives, and following the structure defined by the Sustainability Excellence Club, six strategic work dimensions have been defined: CR management Stakeholders and communication

Strategic work dimensions



All goals and actions defined in the plan are aimed towards the consolidation of existing CSR structures and to complete anything that may be missing to achieve the objectives.

The 6 dimensions are broken down into 32 goals, 54 measures and 60 actions, all to be developed between 2017 and 2020

In 2017, Fluidra has followed the schedule of actions defined in the Master Plan, obtaining an efficiency of 64% taking into account that some of the actions have been affected by the future merger with Zodiac. A revision of the CSR Master Plan is planned once the merger is completed.

***These 6 dimensions
are divided into 32
goals, 54 measures
and 60 actions***



5 |

Corporate governance

[G4-13, De G4-34 hasta G4-55, G4-HR3, G4-HR8, G4-HR12, G4-S05]

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CSR management	70



5.1

Corporate governance structure

[G4-34, G4-35, G4-36]



Andrés Botella
Head of Tax, Legal and
Compliance

Fluidra's governing bodies are the General Shareholders' Meeting and the Board of Directors which, in turn, have established the following Governance Committees: Appointments and Compensation Committee, Audit Committee and Delegate Committee.

The Articles of Association, Regulations (of the General Meeting and the Board), and other internal rules and procedures make up the regulatory body that governs Fluidra's corporate governance system. The company ensures compliance with the recommendations and international best practices regarding governance, which is why it continuously reviews and updates its rules and regulations.

Fluidra adopts and publishes the Annual Corporate Governance Report which is governed by the recommendations on corporate governance of listed companies. This document has been available on the corporate website since its adoption.

In addition to the governing bodies described above, Fluidra has a governance structure for the management of the company which consists of the Corporate Committee, in charge of the Group's day-to-day business, and the G30, an expanded executive committee with the presence of all geography area managers, the production centre and the cross-sectional corporate function.

The General Business Manager and the Corporate General Manager attend all Board meetings, and channel and convey any issues that may be identified as relevant to the Group to that body.



5.2 | Governing bodies

[G4-38]

General Shareholders' Meeting

Shareholders may attend the General Meeting regardless of the number of shares they hold provided that the shareholders register prior to the date on which the General Meeting is held, which must be certified by the corresponding personal attendance card or document that, in accordance to the law, credits them as shareholders. Each share carries the right to one vote.

To attend the General Meeting, the shareholders are required to have the ownership of their shares registered in the corresponding accounting entries, with five days' notice from the date on which the Meeting is held and provide the relevant attendance card or document that serves as proof that they are indeed shareholders, in accordance with the law.

The General Meeting shall be validly constituted upon first call when the shareholders present or represented hold at least 25% of share capital with voting rights,





The Board of Directors is responsible for leading and approve the purposes, values, mission, strategy and corporate policies of the Group

and, upon second call, it shall be validly constituted whatever the capital present may be. However, for the General Meeting to validly agree to increase or decrease the share capital and any other amendment to the Articles of Association, the issuance of bonds, removal or limitation of pre-emptive subscription rights for new shares, transformation, merger, spin-off or transfer of assets and liabilities of the company, transfer of registered office abroad and dissolution by agreement of the Board, upon first call, the attendance of shareholders present or represented holding at least fifty percent of the share capital with voting rights shall be required. Twenty-five percent of the share capital shall suffice on second call.

The last Meeting had, as usual in recent times, a high turnout, where present and represented share capital reached a percentage of 68.0149%.

Board of Directors

[G4-38, G4-39, G4-40, G4-42, G4-43, G4-44, G4-45, G4-46, G4-47, G4-48]

Fluidra's Board of Directors performs its duties with unity and independence, offering equal treatment among shareholders and guided by the interests of the company.

It also ensures that, in its relations with the stakeholders, the company observes legislation and regulations; fulfils its duties and contracts in good faith; observes the uses and best practices of the sectors and territories in which it operates; and observes the additional principles of corporate liability it has voluntarily accepted.

The responsibilities of the Board of Directors can be summarised schematically as follows:

1. Approval of the strategy and organisation of the Company, and supervising and monitoring compliance thereof.
2. Approval of certain operations or investments relevant to the group.
3. Drafting of the Financial Statements and preparation of periodic financial information.
4. Proposal for appointment and removal of directors, and appointment of internal positions.
5. Convening the General Meeting.

The Board of Directors also analyses the effectiveness of risk management processes of the Company on any economic, environmental and social issues.



Furthermore, the Board of Directors also gives priority to the analysis of impacts, risks and opportunities of economic, environmental and social nature.

In the performance of their duties, all Directors may receive the necessary advice by the Company to carry out their functions. To this end, the Company enables the appropriate channels which, in certain cases, include external advice.



1- Juan Ignacio Acha-Orbea

2. Gabriel López

3. Eloi Planes

4. Bernardo Corbera

5. Albert Collado

6. Bernat Garrigós

7. Jorge V. Constans

8. Óscar Serra

9. Eulàlia Planes

10. Richard J. Cathcart

There is also the annual review and update by the Board of the crime prevention plan and risk map of the Company, and other measures focused on improving the knowledge of the governing body in matters within its powers and, in particular, in the economic, environmental and social spheres.

The Articles of Association stipulate that the Board of Directors is composed of 5-15 members. The Board of Directors of Fluidra is made up of 9 members who provide experience, business knowledge and the necessary skills that a Group with a presence in over 40 countries requires. Fluidra also has an Honorary President.



The current number of Directors is appropriate to manage a multinational group such as Fluidra, and it is in line with the recommendations on corporate governance of listed companies.

Furthermore, the Articles of Association also stipulate that the Board shall meet, in ordinary session, at least six times including at least once a quarter, and, in any case, with the frequency required to perform its functions. The Board met 16 times in 2017 with an average attendance rate of 100% of Directors present or represented.

In 2017, the following resolutions were adopted and the following events occurred in relation to the composition of the Board:

- Re-election of Mr. Eloi Planes Corts as member of the Board of Directors, in his capacity as executive director, for a period of four (4) years, occupying the position of Chief Executive Officer and Executive Chairman of the Company in the internal organisation chart [\[G4-39\]](#).
- Re-election of Mr. Bernardo Corbera Serra as member of the Board of Directors, in his capacity as proprietary director, for a period of four (4) years.

- Re-election of Mr. Oscar Serra Duffo as member of the Board of Directors, in his capacity as proprietary director, for a period of four (4) years, occupying the position of Vice-Chairman of the Board of Directors of the Company.
- Re-election of Mr. Juan Ignacio Acha-Orbea Echeverría as a member of the Board of Directors, in his capacity as an independent director, until September 5, 2019, when he will step down from his duties as an independent director on the expiry of the twelve (12) year period established in section 529 duodecies, paragraph 4, of the Spanish Corporate Companies Act.
- Re-election of Mr. Richard Cathcart as a member of the Board of Directors, in his capacity as an independent director, until 5 September 2019, when he will step down from his duties as an independent director due to the expiration of the twelve (12) year period established in Article 529 duodecies, paragraph 4, of the Spanish Corporate Enterprises Act.
- Decision by BanSabadell Inversió Desenvolupament S.A.U. to step down from its duties as member of the Board of Directors.

As provided for under section 2 of article 529 septies of the Consolidated Text of the Spanish Corporate Enterprises Act and section 5 of article 15 of the Regulations of the Board of Directors, insofar as the Chairman of the Board is an executive director of the Company, the Board of Directors is composed of a coordinating director, Mr. Gabriel López Escobar, appointed from among the independent directors. The coordinating director is especially empowered to request the calling of a meeting of the Board or the inclusion of new items on the agenda of a Board meeting that has already been convened, and his duties also include coordinating and voicing the concerns of external directors, coordinating and meeting non-executive directors and directing the periodic evaluation of the Chairman of the Board of Directors.

According to the provisions in articles 17 and 18 of the Regulations of the Board of Directors, Directors are appointed by the General Meeting or, where appropriate, by the Board of Directors, in accordance with the provisions

***The Board of Directors
is made up of 9 members
who provide the
experience, business
knowledge and skills
required by the group***



The Board of Directors endeavours to ensure that the best prepared candidates are appointed

of the Companies Act. In any case, for each appointment there must be (i) a previous proposal of the Appointments and Compensation Committee in the case of independent directors, or (ii) a preliminary report of the Appointments and Compensation Committee in the case of other type of directors. The appointment must be accompanied, in any case, by a Board report supporting the competence, experience and merits of the candidate, which shall be attached to the minutes of the General Meeting or the Board itself.

For natural persons who are designated representatives of legal persons, the proposed natural person representative shall submit the report of the Appointments and Compensation Committee.

When appointing of a new director, the candidate must take the direction programme for new directors established by the Company, so that he/she can acquire a rapid and sufficient knowledge of the Company and its corporate governance rules.

The Board of Directors ensures that the candidates are persons of recognised standing, competence and experience, taking extreme care in the choice of those candidates who are to cover the positions of independent directors.

According to the criteria for director selection and appointment approved by the Board of Directors, Fluidra takes gender diversity into consideration when electing its directors, in order to ensure equal opportunities, as indicated in Organic Law 3/2007, of 22 March, for the effective equality of women and men. Indeed, steps are being taken to fully implement a director re-election policy so that by 2020 the

number of female directors should represent at least 30% of the total number of board members. Work is also under way to amend the Regulations of the Board of Directors to include the inclusion of their knowledge of environmental and social matters in the selection processes for directors. For further information on these points, see the Annual Corporate Governance Report (section C.1.6) and the Regulations of the Board of Directors (article 14.3). [G4-40]

Latest changes in the Council

In the Board of Directors meeting of 21 January 2016, Dispur, S.L. was appointed as a company Director; represented on the Board by Ms. Eulàlia Planes Corts.

On 18 December 2017, Dispur, S.L., through its individual representative, tendered its resignation as a member of the Company's Board of Directors with effect from, and subject to, the entry in the commercial register corresponding to Fluidra's registered office of the merger deed by absorption of Piscine Luxembourg Holdings 2 S.à r.l. (absorbed company) by Fluidra.

Directors' performance review

In accordance with the provisions contained in article 14 of the Regulations of the Board of Directors, the Appointments and Compensation Committee is to assess the skills, expertise and experience required of candidates to join the Board and will therefore define the roles and capabilities required to fill each vacancy. Moreover, it will determine the appropriate work conditions in terms of time and workload for them to carry out their duties.

The information on the assessment of directors during 2017 is available in the Annual Corporate Governance Report for that financial year in sections C.1.19, C.1.20 and C.1.20bis. Directors are assessed annually by means of a survey and self-assessment, combined with external evaluations every three years. The assessment form is currently being redefined to incorporate environmental and social aspects. Likewise, with the aim of enhancing directors' knowledge of environmental and social matters, the Company is analysing formulas for them to be effectively implemented. [G4-43, G4-44]



Composition of the Board of Directors as of 31 December 2017

Name or company name of Board member	Representative	Position on the Board	Date of first appointment	Date of last appointment	Type of Director
Eloi Planes Corts	-	President and CEO	31/10/2006	03/05/2017	President
Óscar Serra Duffo	-	Deputy President and Board Member	05/09/2007	03/05/2017	Nominee Director (Boyser, S.L.)
Gabriel López Escobar	-	Coordinating Director and Board Member	30/10/2014	05/05/2015*	Independent
Aniol, S.L.	Bernat Garrigós Castro	Deputy Secretary and Board Member	25/04/2012	06/06/2012	Nominee
Bernardo Corbera Serra	-	Committee Member	05/09/2007	03/05/2017	Nominee (Edrem, S.L.)
Juan Ignacio Acha-Orbea Echeverría	-	Committee Member	05/09/2007	03/05/2017	Independent
Jorge Valentín Constan	-	Committee Member	05/05/2015	-	Independent
Richard J. Cathcart	-	Committee Member	05/09/2007	03/05/2017	Independent
Dispur, S.L.	Eulàlia Planes Corts	Committee Member	21/01/2016	-	Nominee
Albert Collado Armengol	-	Non-Board-member Secretary	17/09/2007	-	

* Date of last appointment as Director. His appointment as Coordinating Director was agreed on 1 December 2015 and with effect from 1 January 2016.



A Board of experts



Eloi Planes Cort

President and CEO

Born in Barcelona, in 1969. He has been Fluidra's President since 1 January 2016. He was the chief executive officer (CEO) of the group from 31 October 2006, when he spearheaded its IPO in 2007 and its restructuring in 2008/09. He earned a Bachelor's Degree in Industrial Engineering from the Technical University of Catalonia and a Master's Degree in Business Management from EADA Business School. Currently, he is also the President of the International Swimming Pool Fair of Barcelona.



Óscar Serra Duffo

Deputy President and Board Member

Born in Barcelona, in 1962. He was awarded a Bachelor's Degree in Business Administration from the 'Management School'. He is currently the Chairman of the Board of Directors of Boyser, although he worked in the areas of marketing and communication within Fluidra group companies.



Bernardo Corbera Serra

Board member

Born in Barcelona, in 1965. He holds a Bachelor's Degree in Business Administration from ESEI, and completed an Executive Management Programme at IESE. He is currently the CEO of the Board of Directors of Edrem, although since 1989 he has worked in various companies within the Fluidra group.



**Juan Ignacio Acha-Orbea
Echeverría**

Board Member

Born in San Sebastian, in 1956. He earned a Bachelor's Degree in Economics from the Complutense University of Madrid and a Master's Degree in Business Management from IESE Business School. He is currently the President of Equity Contraste Uno and Director at AENA.



Bernat Garrigós Castro

*individual representing Aniol S.L.
(Deputy Secretary and Board Member)*

Born in Barcelona, in 1967. He holds a Bachelor's Degree in Biology from the University of Barcelona and a Master's Degree in Environmental Management from Duke University. He is currently the CEO of Aniol, having worked within Fluidra Group companies between 1995 and 2002.



Richard J. Cathcart

Board Member

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



Gabriel López Escobar

Coordinating Director and Board Member

Born in Madrid, in 1956. He holds a Bachelor's Degree in Business Administration, a Master's Degree in Economics and a Diploma in Economics from the University of Nancy (France). He is currently on the Official Register of Auditors (ROAC, Spain) and the PCAOB Roster (USA). As partner of the law firm PwC, he has been President of PwC Spain's Monitoring Committee.



Jorge Valentín Constans

Board Member

Born in Barcelona, in 1964. He holds a Bachelor's Degree in Economics from the University of Barcelona, and completed a General Management Programme at IESE and a Business Administration and Management programme at ESADE. He is currently a member of the Boards of Directors of THOM Europe (leading jewellery brand in France), Royal Van Lent (Dutch shipyard belonging to the LVMH Group), Fluidra, Puig and Codorniu.



Eulàlia Planes Corts

**Individual representing Dispur, S.L.
(Board Member)**

Born in 1971. She holds a Bachelor's Degree in Business Administration from the Autonomous University of Barcelona. She subsequently completed several postgraduate programmes, including the Management Development Programme at IESE and the Directors' Programme at Deloitte. Since 1998, she has been the CEO of Dispur, S.L., the investment branch of the Planes Family's Office, engaging in business in the real estate, financial investment and private equity sectors. She has held managerial and director posts at various subsidiaries of the family group.



Albert Collado Armengol

non-Board-member Secretary

Born in Barcelona, in 1964. He holds a Bachelor's Degree in Law from the UB and a Master's Degree in Taxation from the CEU-Abat Oliba Foundation. He is currently a partner of J&A Garrigues in Barcelona, co-chairman of the Tax Committee of the IBA and chairman of the Tax and Legal Committee of the Spanish Association of Directors.



Conflict of interests

[G4-41]

The Company's internal regulations set out detailed rules on the issue of conflicts of interest. In this respect, the directors are required to observe the following performance standards in all cases:

- The directors must notify the Board of Directors of the existence of conflicts of interest, and refrain from attending and participating in any deliberation affecting the issues in which they may have a vested interest, directly or indirectly, through related third parties. Any resolutions that may affect their status as directors, such as their appointment or removal from the Board of Directors or other similar ones, are excluded from the obligation to refrain.
- The directors may not use the Company's name or act in their capacity as directors to carry out transactions on their own behalf or for related parties.
- The directors may not directly or indirectly carry out professional or commercial transactions with the Company unless the conflict of interest is reported beforehand and the Board approves the transaction.
- Transactions that are performed as part of the Company's regular course of business and that are of a habitual and recurring nature may be carried out providing the Board of Directors has issued a general authorisation to do so.
- The directors must disclose direct or indirect participation that either they or any related parties carry out in other companies whose purpose is the same as, or similar or complementary to that of the Company.
- Similarly, the directors may not participate, either on their own behalf or on behalf of others, in companies whose business activity is the same as, or similar or complementary to the type of business activity carried out by the Company; may not hold offices as directors or executives of companies that compete with the Company, with the exception of the posts they might hold, if applicable, in a Group company, unless expressly authorised by the Shareholders at their General Meeting, without prejudice to the provisions of Articles 227 to 229 of the Corporate Enterprises Act.
- The directors may not make use of Company assets or use their position in the Company to obtain an economic advantage unless they have paid an appropriate compensation.
- The directors may not benefit themselves or on behalf of a related party from a business opportunity of the Company, unless it has previously been offered to the Company and the latter has waived its right to do take it.
- Conflicts of interest involving the directors must be included in the report.



Governance Committees

[G4-38]

Audit Committee

The Regulations of the Board of Directors stipulate that the Audit Committee, appointed by the Board of Directors, is formed by a minimum of 3 directors, exclusively non-executive directors, two of whom, at least, must be independent directors, and one of whom is to be appointed taking into account his/her expertise and experience in accounting, auditing or in both. The members of the Audit Committee, and particularly its President, must be appointed taking into account their expertise and experience in accounting, auditing and risk management, as well as their expertise, skills and experience with regard to other Committee tasks.

The Committee met 11 times during 2017

In any case, the Chairperson must be an independent director to be replaced every four years, with the possibility of being re-elected after one year from the date of replacement.

Fluidra, in compliance with the provisions of its internal regulations, has an Audit Committee consisting of 3 members, two of whom are independent, its Chairperson being one of the two independent members.

The following changes took place in the composition of the Audit Committee in 2017:

- Decision by BanSabadell Inversió Desenvolupament S.A.U. to step down from its duties as Secretary and member of the Audit Committee.
- Appointment of Mr. Juan Ignacio Acha-Orbea Echeverría as Secretary of the Audit Committee.

Composition of the Audit Committee as of 31/12/2017

Name or company name of Committee member	Representative	Position on the Committee	Type of Director
Gabriel López Escobar	-	President and Committee Member	Independent
Juan Ignacio Acha-Orbea Echeverría	-	Board Member and Secretary	Independent
Bernardo Corbera Serra	-	Committee Member	Nominee



Main functions of the Audit Committee:

- Monitoring the effectiveness of the internal control of the Company and in particular the Financial Reporting Internal Control, internal audit and risk management systems, including risk analysis for environmental matters.
- Reviewing the Company's accounts, ensuring compliance with legal requirements and the appropriate implementation of accounting principles.
- Supervising compliance with the audit agreement, ensuring that the opinion regarding the Financial Statement and the main contents of the auditing report are drawn up clearly and accurately, and evaluating the results of each audit.
- Reviewing compliance with the Internal Code of Conduct and Regulations of the Board.

The Audit Committee's regular meetings shall be quarterly and aimed at reviewing the periodic financial information to be submitted to the stock market authorities as well as the information that the Board of Directors must approve and include within its annual public documentation. Furthermore, it shall meet at the request of any of its members and whenever called by its President, who must do so whenever the Board or its President request the drafting of a report or the adoption of proposals and, in any case, whenever appropriate for the proper performance of its duties.

Appointments and Compensation Committee

This committee currently consists of 4 members, two of whom are independent, its President being one of the two independent members. Thus the provisions contained in the Company's internal regulations are met (see p. 16 of the Regulations of the Board of Directors). (<https://www.fluidra.com/es/reglamento-del-consejo-de-administracion/>).



The following changes took place in the composition of the Appointments and Compensations Committee in 2017:

- Mr. Jorge Valentín Constans has replaced Mr. Richard J. Cathcart as President of the Committee.

Main functions of the Appointments and Compensations Committee:

- Assessing the skills, expertise and experience required to join the Board.
- Notifying and presenting to the Board of Directors any appointments and removals of senior managers.
- Proposing to the Board of Directors the remuneration policy for directors and senior management officers.
- Overseeing compliance with the remuneration policy established by the Company and with the transparency of remunerations.

The Regulation of the Board provides that the Committee shall usually meet on a quarterly basis. Furthermore, it shall meet whenever called by its chairperson, who must do so whenever the Board or its President request the issuance of a report or the adoption of proposals and, in any case, whenever appropriate for the proper performance of its duties.

*The Committee
met 12 times
during 2017*

Composition of the Appointments and Compensations Committee as of 31/12/2017

Name or company name of Committee member	Representative	Position on the Committee	Type of Director
Jorge Valentín Constans	-	President and Committee Member	Independent
Richard J. Cathcart	-	Committee Member	Independent
Aniol, S.L.	Bernat Garrigós Castro	Secretary and Committee Member	Nominee
Óscar Serra Duffo	-	Committee Member	Nominee

Delegate Committee

The Delegate Committee consists of the Executive Director, two proprietary directors and one independent director. Similarly, a nominee director is the non-Board-member Secretary of the Delegate Committee. The composition of the Delegate Committee reflects the composition of the Board, and the balance established thereof between executive, nominee and independent directors.

The Delegate Committee did not meet during 2017 because the frequency of Board of Directors' meetings was increased regarding the minimum number of meetings established in the internal regulations of the Company.

The following changes took place in the composition of the Delegate Committee in 2017:

- Decision by BanSabadell Inversió Desenvolupament S.A.U. to step down from its duties as member of the Delegate Committee.

Composition of the Delegate Committee as of 31/12/2017

Name or company name of Committee member	Representative	Position on the Committee	Type of Director
Eloi Planes Corts	-	Executive	President
Aniol, S.L.	Bernat Garrigós Castro	Non-Board-member Secretary	Nominee
Bernardo Corbera Serra	-	Committee Member	Nominee
Juan Ignacio Acha-Orbea Echeverría	-	Committee Member	Independent
Óscar Serra Duffo	-	Committee Member	Nominee



Extraordinary General Shareholders' Meeting held on February 20, 2018

On 3 November 2017, Fluidra and Piscine Luxembourg Holdings 2 S.à r.l., the parent company of the Zodiac Group, signed an investment agreement in which they agreed to combine the businesses of Fluidra and the Zodiac Group by means of a cross-border merger.

The proposed transaction consists of the cross-border merger by absorption by Fluidra (the acquiring company) of Piscine Luxembourg Holdings 2 S.à r.l. (the absorbed company) as provided for in Articles 22 et seq. of the Spanish Structural Amendments Act and Articles 257 et seq. of the Luxembourg Companies Act, with the dissolution without liquidation of the absorbed company and the transfer en bloc of all its assets and liabilities to the absorbing company, which acquires, by universal succession, all the assets and liabilities of the absorbed company, under the terms and conditions set out in the joint draft terms of merger, which was also signed on 3 November 2017 by the administrative bodies of both entities and amended on 29 and 30 November 2017.

The aforementioned merger was approved by the Extraordinary General Meeting of Shareholders of the Company held on 20 February 2018, together with the following resolutions, *inter alia*, the effectiveness of which is subject to and conditioned upon the registration of the merger deed in the Mercantile Registry corresponding to the registered office of the Company:

- Amendment of the following articles of Fluidra's Bylaws:
 - Article 2 (Corporate Purpose).
 - Article 3 (Registered office).
 - Article 33 (Deliberation and adoption of resolutions).

- Article 36 (Composition of the Board of Directors)

- Article 37 (Term of office. Director's Statute).

- Article 42 (Conduct of meetings).

- Article 45 (Delegated bodies of the Board).

- The number of directors is fixed at twelve in accordance with the amendment of the bylaws referred to in the previous section:

- Acknowledgement and acceptance of the resignation of Dispur, S.L. as director.

- Appointment of Mr. Bruce Brooks as a director, on an executive basis.

- Appointment as director of Mr. M. Steven Langman, as a proprietary director.

- Appointment of Mr. Sebastien Mazella di Bosco as a director, on a proprietary basis.

- Appointment of Mr. José Manuel Vargas Gómez as a director, on an executive basis.

- Amendment of Article 25 of the Regulations of the General Meeting of Shareholders (Adoption of resolutions and conclusion of the General Meeting).

The completion and effectiveness of the merger is subject to compliance with certain conditions of suspension, which are customary in this type of transaction. For more information on the merger process, please consult the "Shareholders and Investors - Fusión Fluidra - Zodiac" section on the Fluidra corporate website (www.fluidra.com).





Remuneration policy

[G4-51, G4-52, G4-53]

The remuneration of the members of the Board of Directors consists of a fixed annual remuneration and an allowance for attending Board of Directors meetings. There is also an additional remuneration for those Directors who are part of any of the Board Committees, namely the Executive Committee, the Audit Committee and the Appointments and Compensation Committee.

The maximum remuneration amount that Fluidra can provide its Directors for such items is determined by the General Shareholders' Meeting, under the condition that the amount is a reflection of their actual professional performance and of the market benchmark.

In compliance with the international recommendations of Good Corporate Governance (proxy advisors), in 2012 it was decided to dissociate the remuneration of the Board from the performance of the organisation through variable remuneration, so there is currently no variable concept in the remuneration structure of the Board, except the Executive Chairman, who, together with his management team, have part of their remuneration linked to various economic performance indicators, and also to the strategic management objectives of company.

(For additional information see p. 23 of the Regulations of the Board of Directors)

Annually, the Annual Report on remuneration of directors is subjected to a vote of the General Shareholders' Meeting; this report includes information about the remuneration policy of the Company for the current year and for future years, a comprehensive summary on how the remuneration policy was applied during the previous financial year and the breakdown of the individual remunerations earned by each of the directors.

In the last General Shareholders' Meeting held on 3 May 2017, the item on the agenda concerning the advisory vote of the aforementioned Annual Report on remuneration of directors (Item 4) was adopted with 74,663,399 votes in favour, that is, 97.4660% of the votes.

In 2017, the wage gap between the highest paid member in the group (Executive Chairman) and the average of the workforce in Spain, as the most significant country, was a ratio of 15x. Salary increases in the group are established annually on the basis of the performance evaluation of the people, the average salary increase of the staff being 1.6 times higher than the salary increase of the person who receives the highest salary. **[G4-54, G4-55]**



5.3 | Code of ethics

**[G4-56, G4-57, G4-58, G4-HR3, G4-HR8,
G4-HR12, G4-S05]**

There are two pillars which support ethical management in the organisation of Fluidra group: the Code of Ethics, entitled People Values, and the Code of Ethics for Suppliers. The first inspires and defines the day to day conduct of all employees of Fluidra and the second works as guidelines for social responsibility and sustainability in the supply chain.

People Values

The Code of Ethics is a reflection of the values and principles that should guide the conduct of all companies which belong to the Fluidra group. The Code of Ethics was created by Fluidra in 2008 and was last updated in 2015.

Its implementation is binding on all persons and directors of the Fluidra Group, regardless of the position or role they hold (including administrative bodies, managerial positions and other supervisory bodies), ensuring a responsible ethical behaviour and compliance with the law.

The Code of Ethics does not replace or abrogate the existing legislation in each country or at the international level, whether in terms of administrative, civil, criminal, labour or commercial law, or the internal company regulations or binding collective agreements.

Fluidra encourages all its members to consult with their supervisors, or with the Committee set up to promote the use of the Code of Ethics or through the Confidential Channel, on any situation in which they may have questions about whether their own actions or that of third parties could infringe the ethical principles established.



[http://www.fluidra.com/wp-content/uploads/2016/06/
C%C3%B3digo-%C3%89tico-Espa%C3%B1ol.pdf](http://www.fluidra.com/wp-content/uploads/2016/06/C%C3%B3digo-%C3%89tico-Espa%C3%B1ol.pdf)



Commitments acquired through People Values



With society and Human Rights

Commitment to respect the principles of the Universal Declaration of Human Rights.



With employees and governing bodies

Commitment to implement and enforce existing labour laws, and create work environments where respect, equality and safety prevail, with particular emphasis on promoting transparency and fighting corruption and money laundering.



With stakeholders

Commitment towards respectful behaviour and vocation to serve shareholders, consumers, suppliers, public authorities and competitors.



With the environment

Commitment to environmental preservation and respect for the balance of natural systems, geared towards minimal and rational use of resources and in-depth knowledge of applicable regulations.



With current legislation

Commitment to ensure that the company and its employees comply with current laws and regulations and to promote compliance thereof.



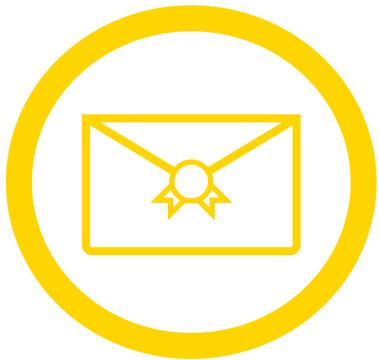
So that the 'People Values' Code of Ethics is not just a mere declaration of intent, there are several mechanisms that disseminate, promote and ensure its implementation and enforcement, namely: the Ethics Committee, the Confidential Channel, a training activity and a disciplinary system when failing to comply with the law and ethical principles.

Ethics Committee



The Ethics Committee consists of the Human Resources, Internal Audit and Legal divisions. The Ethics Committee receives, examines and responds to inquiries, complaints or allegations raised by employees, customers, suppliers or others. All requests or communications regarding incidents are handled with confidentiality and respect for all parties involved.

The Ethics Committee reports to the Audit Committee, the governing body reporting directly to the Board of Directors.



Confidential Channel

[G4-57, G4-58]

The Confidential Channel is available on the corporate website, at Fluidra's intranet in the Living Fluidra section and by email at peoplevalues@fluidra.com, which is available to all employees, customers, suppliers or other stakeholders. Through an online form or via email they can make inquiries, ask for advice or report an incident.

All communications are handled confidentially and care is taken when making any decision always respecting the people involved.

In 2017, ten queries were recorded through this channel. Once examined and evaluated, they did not lead to complaints on human rights violations, corruption or discrimination. [\[G4-HR3, G4-HR12, G4-S05\]](#)

There have not been any cases of violation of the rights of indigenous peoples. [\[G4-HR8\]](#)



Training



Fluidra conveys its 'People Values' Code of Ethics to all employees through a compulsory online training course, or attending training sessions where a physical copy of the document is handed out. The aim of this courses is to inform all employees about Fluidra's values and reflect on the importance of ethical standards that will help them in the development of their daily activities.



Suppliers' Code of Ethics

The actions of suppliers and providers of materials operating outside the scope of the group's internal control are monitored by Fluidra. To this end, Fluidra has implemented a Supplier Code of Ethics since 2011 which is specific to its supply chain.

The provisions of this Code are present in the approval process of new suppliers; their membership is automatically implemented by the general clauses in all corporate agreements.

For those cases where there is no explicit agreement, an informative clause in the ordering system was included in 2015. In addition, a specific section containing the Ethics has been created on Fluidra's website. Thus, any supplier can check it at any time, even before starting a commercial relationship with Fluidra.

Fluidra is aware that in addition to the commitment made by suppliers, it is necessary to implement control measures. In this sense, Fluidra is working to establish during next year protocols for action and appropriate follow-up to the high variability and types of providers. [Additional Information on the Supplier's section of this report]



Compliance



Fluidra has spent several years developing a Corporate Compliance Programme whose main objective is to generate an ethical culture within the company and prevent any violation of the law, especially any such which may be classified under the Criminal Code or under applicable law at any given time and place.

Furthermore, the Corporate Compliance Programme contains the roles appearing in the Ethical Framework section of this report, with some other important roles worth noting:

- **Compliance Coordinating Committee:** This committee is made up of the General Business Manager and by Human Resources, Internal Audit, and Legal Counsel representatives. Its main functions are: (I) to ensure that the Compliance Programme is properly developed, (ii) to promote the development of policy standards and procedures, (iii) to collaborate on any necessary research to support the Ethics Committee.
- **Policies, rules and procedures:** It refers to the regulatory body that defines and specifies the lines of conduct to be taken by employees of Fluidra Group. The group is developing new policies, rules or procedures that apply to all workers. A section on the intranet called "Policies and Procedures" has also been created. It contains all regulations that employees must follow.
- **Training plan:** Fluidra is developing a training plan to ensure that all employees are given sufficient training in all areas applicable to them, especially in relation to those areas where there is a greater risk that crimes may be committed.

Programme implementation



Fluidra has developed an implementation plan of the Corporate Compliance Programme in the different group companies. The implementation is being performed gradually, in stages and levels. During 2017, the implementation plan began in Spain, Australia, the United States, France and the United Kingdom.

External validation



In September 2016, an external auditor (PricewaterhouseCoopers) issued an expert report certifying that Fluidra S.A. has a reasonable control environment to prevent crimes which imply criminal liability to the legal person. In other words, Fluidra is certified by its Corporate Compliance programme.



5.4 Risk management

[G4-14, G4-44, G4-45, G4-46, G4-47, G4-50]

The efficient management of potential risks is essential for proper development, achieving objectives and the future plan of any company. Fluidra, as an international industrial group, understands that corporate risk management is one of the cornerstones of its business.

Corporate risk management falls to the Audit Committee as an advisory body and as representative of the Board of Directors.

The Risk Management System works in a comprehensive and continuous manner, consolidating such management through subsidiaries, geographical areas and supplementing it with corporate support areas. It includes the identification, analysis, assessment – both by activity and by the current environment –, controls and associated mitigation plans.

Fluidra, as an international industrial group, understands that corporate risk management is one of the cornerstones of its business

The duties of the Audit Committee regarding Risk Management include:

- Identifying the different types of risk (strategic, operational, financial, legal, reputational and accidental), including –among financial and economic risks– contingent liabilities and other off-balance risks.
- Identifying the measures in place to mitigate the impact of identified risks, should they materialise.
- Verifying and monitoring the Corporate Risk Map as a tool to identify, manage and follow up on risks with significant impact on the Group's objectives.

The different risks are identified and assessed based on an analysis of the events that may trigger them. The assessment is performed using metrics that calculate likelihood and impact. Existing controls are put in place in order to mitigate such risks and any additional necessary action plans are implemented if the above controls are deemed insufficient. Through this process, which is conducted annually and coordinated by Internal Audit, the Company's Risk Map may be outlined. The map provides the most significant risks, along with the main variations from the previous year, which are then presented to the Audit Committee for discussion and approval. [G4-50]

The scale of severity and the scale of likelihood are defined according to qualitative



and quantitative criteria. Once critical risks are identified and reassessed, the Company's senior management officers devise specific measures, appointing those in charge of their implementation as well as the time frames allocated, so as to mitigate the risks' impact and likelihood, while reviewing the current controls in place on such risks.

The analysis of risks, controls and measures to mitigate their impact and likelihood is presented annually to the Audit Committee for supervision and approval. Subsequently, the Audit Committee reports the above to the Board of Directors.

[G4-50]

Risks that materialised in 2017

[G4-50]



Failure to meet expectations in the U.S. market

In 2011, Fluidra acquired the Aqua group, a leading company in the world of robotic pool-cleaners with presence in the US and Israeli market. Growth forecasts and penetration in the US market have not reached the levels initially expected. Likewise, the value in use of the cash-generating unit resulting from the acquisition of Aqua group does not cover the value of the net assets and goodwill assigned, so an impairment in the Goodwill resulting from the purchase ensued reducing it to EUR 4 million.



Risks arising from political instability in Catalonia

Despite the political situation in Catalonia, Fluidra in Spain posted double-digit growth in 2017. The company continues to monitor the political and economic situation in order to act and take the most appropriate decisions.



Table of main risks

[G4-45, G4-EC2]

Monitoring of and response plans for Fluidra's main risks.



Development of new products

Continuous analysis of sales of new strategic products and its comparison with that of competitors based on monitoring tools for market research, analysis of statistical databases by market and by product type. Conducting comparative studies to set themselves apart from the competition and updating the assessment dossiers of products with the information obtained. Specific action plans aimed at ensuring the adaptation of production capabilities to anticipate levels of demand for these new products.



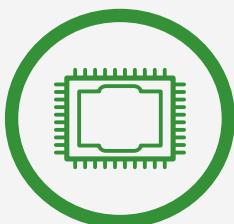
Financial risks

Financial risks, such as exposure to exchange rate or interest rate risk, are monitored on an ongoing basis and specific policies for action are proposed.



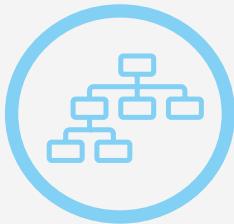
Credit risks

The Fluidra Group has a highly diversified portfolio of domestic and international clients, in which there is not one top customer that represents a significant percentage of the turnover of the year, so credit risk is also mitigated.



Technological risks

Given the activities carried out by the various business units of Fluidra, protecting technology and development is key to maintaining its competitive edge. To this end, the company has criteria and development policies in place together with legal protocols that ensure protection.



Subsidiaries management risk

Fluidra is certain that bolstering and standardising the procedures and internal controls in the Group's subsidiaries is the way forward for early detection and eradication of irregularities in the management of subsidiaries.



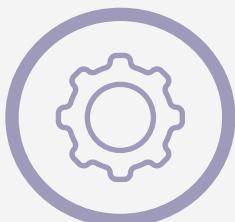
Implementation of new business activities

Continuous assessment of new activities and organisation by Fluidra, which add more value to the group, culminated in 2017 with signing of the merger agreement between Fluidra and Zodiac. As the company knows that any new activity involves an intrinsic risk, it has hired the services of specialised external consultants who have advised on the purchasing process. Fluidra has set up the necessary controls to mitigate the risk associated with the development and integration of any new activity.



Human capital risks

Fluidra group companies have a variable remuneration policy linked to professional development and the achievement of personal goals so as to be able to identify and reward its best employees. The parent company has the "Confidential Channel" reporting channel created by the Audit Committee under the collegial management of the corporate management of Human Resources, Internal Audit and the Legal department, so that any employee of the group can file a complaint about issues related to internal control, accounting or auditing. The company has an Internal Code of Conduct in place for matters relating to the stock market.



Risks relating to processes

These risks are managed and monitored centrally by the Management and Control Department and verified by the Internal Audit Department. The processes of obtaining the consolidated economic and financial information are developed centrally and under corporate criteria, with the Financial Statement, both consolidated and individual, from the corresponding subsidiary, verified by external auditors.



Climatology

The company's risk map includes what is called climatological or meteorological risk, i.e. the possible economic losses derived from adverse movements in certain climatic variables at both a global and local level in any of the regions or countries where Fluidra operates. The company currently covers this risk through its geographical diversification of the business, increasing the portfolio of products for adverse weather conditions and research and development of low water consumption products. Day in, day out, Fluidra strives to develop products to save water, electricity and chemicals, as well as products and services so that swimming pool installations can be managed at any time during the year and in any meteorological situation.



5.5 | CSR management

[G4-35, G4-36, G4-37, G4-48, G4-49, G4-50]

With the aim of coordinating and leading the group's social responsibility areas, Fluidra provides itself with strategic and operational management tools as a basic part of the integration of CSR into the group's value chain. The Corporate Social Responsibility Committee of the Fluidra Group is the strategic management body in which the objectives and lines of social responsibility to be followed in the organisation are developed.

This Committee acts as a cross-sectional element and driver of the policies and actions of corporate responsibility, responsible for channelling from the governing bodies to the base, and vice versa, everything that may affect the relationships with its stakeholders. [G4-37]

This committee is represented within the Corporate Committee by the Corporate General Manager. The liaising with the Group's daily operations is carried out by the Human Resources and CSR Department. All the members of the Committee are involved in the drafting of the Integrated Report, approval and follow-up of its verification, as well as other duties. [G4-48, G4-49, G4-50]

Occasionally, the CSR Committee invites the heads of the different stakeholders to its meetings so they may communicate the latest news and developments in the activities entrusted to it. This helps the cross-sectionality and awareness of CSR in the value chain of the group.

In 2017, Nuria Mirabent joined the CSR Committee as a corporate officer and promoter of health and safety policies and environmental management processes (HSE Manager).

The CSR Committee meets on an ordinary basis every three months to assess the planned progress



1. Corporate Head of Health, Safety and Environment, Ms. Nuria Mirabent.
2. Head of R&D&l, David Tapias
3. Cepex SAU Environment Manager, Ms. Rosa Maria Rafecas.
4. President of the Fluidra Foundation, Mr. Joan Planes.
5. Director of Investor and Shareholders Relations, Ms. Cristina del Castillo.
6. Director of HR and RSC, Mr. Josep Tura.
7. Coordinator Corporate Responsibility, Mr. Arturo de las Heras.
8. Head of Communications and External Relations, Ms. Bea Strebl.
9. Corporate General Manager; Mr. Xavier Tintoré.



6 | 2017

Results for the year	74
Business areas in 2017	81
Shareholders	87
Human Resourcesw	92
Innovation	106
Customers	116
Suppliers	125
Environmental management	131
Society	153



6.1 | Results for the year

[G4-DMA, G4-EC1, G4-EC4]



Carlos Franquesa,
General Business Manager

"2017 has definitely been an exceptional year. All of Fluidra's financial indicators have performed optimally and all markets have shown solid growth"

Although the merger project with Zodiac played an important role during the year, it is no less true that Fluidra completed an extraordinary year, meeting the objectives set out in the 2018 Strategic Plan. The following table shows the progress made in each area in detail:

AREA	OBJECTIVE	SITUATION
Placing the focus on sales	<ul style="list-style-type: none">• Penetration into key product categories / FES• Implementation of best practices: SAM, pricing• Launch of best practices: cash & carry branch• Customer focus: R&D, on-time delivery, quality and cost	Sales growth of 4.8% (6.3% in currency and constant perimeter)
Placing the focus on operations	<ul style="list-style-type: none">• Improve service and achieve high levels of quality and timeliness of delivery	97% customer service



key milestones for Fluidra

2017



DURING THE YEAR

Collaboration agreements with several international swimming federations

Fluidra signed several collaboration agreements with international swimming federations: the American Swimming Federation (UANA), the Asia Swimming Federation (AASF) and the Oceania Swimming Association (OSA).



JULY

Acquisition of the Italian design swimming pools firm, Laghetto

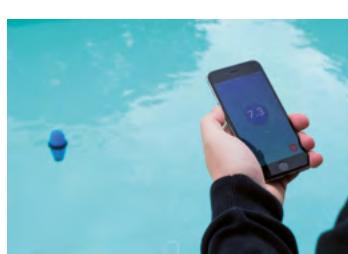
The purchase of 90% of the Italian company's shares was the culmination of a pre-agreement begun in 2016 before in the form of a co-branding agreement for the supply of filters and pumps, between Laghetto and Fluidra's AstralPool. With this acquisition, Fluidra has added top-of-the-range pools and an exclusive design to its portfolio.



MAY

50% increase in dividend for the second consecutive year

At the General Shareholders' Meeting, the shareholders endorsed the proposed distribution of EUR 15 million in the form of a dividend, which represents a 50% increase over the dividend paid the previous year (which in turn had been 50% higher than in 2014).



JULY

Acquisition of the Belgian start-up, Riioot Labs

Fluidra acquired 80% of a young Belgian company, which created a smart device to analyse pool water quality, keeping the user informed by smartphone.



2017



AUGUST

The 4 swimming pools for the Asian Games

2018 in Jakarta (Indonesia) built Completion of a project valued at around EUR 4 million that consists of the construction of four swimming pools that will host the swimming, synchronised, water polo and jumping competitions, as well as heating pools for sportsmen and women. Three of these were built with SkyPool galvanized metal panels.

Photo missing



OCTOBER

KAG-25 project to enable horticultural cultivation in Senegal

The Fluidra Foundation presented its first major project to rehabilitate a 25-hectare farm in southern Senegal and turn it into a profitable horticultural farm, in collaboration with the Association for Solidarity Education and Escuelas Pías in Western Africa.

OCTOBER

Swimming Pool& Wellness Trade Fair in Barcelona

Fluidra participated with nine stands, an area of nearly 1,400m² and several presentations at the Barcelona Swimming Pool & Wellness Exhibition. A trade fair where innovation, pool connectivity and user experience were the order of the day. Elite Connect, the new salt electrolysis device from AstralPool, received the Innovative Product award.



NOVEMBER

Announcement of Merger with Zodiac

Fluidra and Zodiac have agreed on the future merger that will create a global leader in the swimming pool sector. The companies have a complementary geographic presence and broad product and brand portfolios that will speed up growth and generate more value for customers, shareholders and employees.



Economic performance

Fluidra's revenue at the end of 2017 was EUR 781 million, an increase of 9.6% on the previous year. Business performance was consistently good across all geographical areas. There was almost double-digit growth in Europe as a whole, after adjusting for divestments and currency effects: in Spain, sales rose by 9.1% following the adjustment for divestments; Southern Europe, with the acquisitions of Sibo and Piscine Laghetto, grew by 10.7% on a like-for-like basis; Northern and Central Europe performed positively as a result of Sibo's contribution to the German and Dutch markets, while Eastern Europe posted 21% growth after currency adjustments, driven by good results in Croatia, the Czech Republic and Russia. There was healthy growth in Asia and Australia, growing by 8.9%, largely due to the commercial pool business. Results for the rest of the world were also excellent, with an increase of 10.9%, largely due to the contributions of the Latin American and US markets.



Table of results

(in EUR millions)	2017	2016	Evolución
Turnover	781.4	713.3	9.6%
EBITDA	99.0	86.0	15.2%
Net profit	31.1	24.1	29.0%
Net Working Capital	197.3	184.0	7.2%
Adjusted Net Working Capital*	210.6	201.9	4.3%
Free Cash Flow (pre-acquisitions)	34.1	27.4	24.5%
Free Cash Flow (post-acquisitions)	21.7	19.0	14.2%
Net Financial Debt	145.7	156.6	-7.0%

* Net Working Capital Adjusted for acquisitions and earn-outs



By business areas, there was a good performance in Residential Swimming Pool, where sales rose 10.4% (a key figure as this business area accounts for 57.5% of the group's turnover), and also the 16.8% growth in Commercial Swimming Pools, thanks to the excellent performance in Southeast Asia and Eastern Europe. Water Treatment performed strongly again, with fresh double-digit growth (11.1%), as did the Fluid Handling business (12.5%), which benefited from the incorporation of Sibo. The Industrial business area, which accounts for 3.3% of sales, grew by

19.5% while Irrigation and Domestic Water Treatment, which accounts for 3.7% of turnover, was down by 27.3% due to the change in the scope of consolidation due to the sale of ATH the previous year.

EBITDA in 2017 reached EUR 99 million, 15.2% higher than the previous year, thanks to higher volumes and positive operating leverage. Net profit grew by 29% to EUR 31.1 million due to the improvement in EBITDA and the lower tax rate, which offset higher financial costs.



financial debt
145.7
M€

Net Financial Debt (NFD) fell 7% to EUR 145.7 million.

Financial situation

Net financial debt (NFD) fell again, this time by 7.0% to EUR 145.7 million, compared to EUR 156.6 million in 2016. The NFD/EBITDA ratio at the end of the 2017 year was 1.4x, below the target limit of 2-2.5x, and below even the 1.8x reached in 2016, thanks to the good performance of free cash flow in a year of strong sales growth.

Fluidra's main source of financing is bank borrowings. In 2015, the company signed a new syndicated financing agreement worth EUR 210 million, with a duration of 5 years. The deal consisted of a loan tranche worth EUR 155 million, with an average life of 4.125 years and a revolving credit facility of EUR 55 million, for 5 years. This agreement made it possible to cancel a previous loan and reduced financial costs by over 50%. At year-end 2017, the outstanding capital on the loan tranche was EUR 126.4 million.

In 2017, only one of the group's companies obtained EUR 3,845 in capital grants and no tax incentives have been applied **[G4-EC4]**.



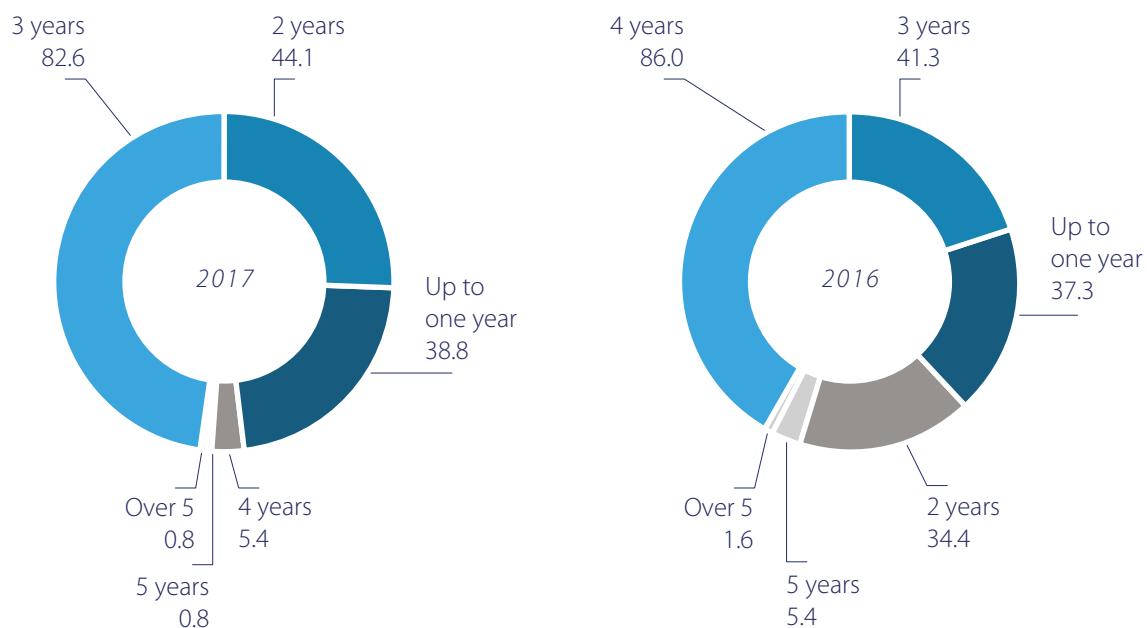
Financial structure table

	2017	2016	2015	2014	2013
Net financial debt/EBITDA	1.5	1.8	2.2	2.3	3.9
Net financial debt / consolidated net assets	0.42	0.47	0.49	0.47	0.62
ROCE (Ebit)*	12.6%	9.8%	6.7%	3%	2.5%
ROE	9.0%	7.2%	3.9%	2.1%	-3.4%

* Adjusted EBIT for impairment of goodwill and integration costs

Debt due at 31 December

(In EUR millions)





Results by geographical area

Results by geographical area

Southern Europe

The positive leverage that started after the crisis in the period 2008 - 2012 has continued, with further double-digit growth in sales.

Central & Northern Europe

It maintains profitable growth as in recent years, with the good integration of Sibo in the Netherlands being a particularly positive note. United Kingdom has continued with its operating leverage in spite of Brexit.

Eastern Europe

Through the focus on Public Swimming Pools and Fountains, double-digit growth has been achieved in the most important markets, and there has been a marked improvement in economic results throughout the area.



America
Significant improvement in profitability underpinned by more efficient management in the US and Brazil, as well as profitable growth in the rest of the territories.

Despite social and economic instability, growth in recent years has continued with improved margins and management of non-performing loans.

Australia

Because full use has been made of new manufacturing and logistics facilities, the growth in sales has also meant a substantial improvement in profitability.

Asia/Middle East

This was a watershed year for the implementation of large-scale public swimming pool projects which, coupled with the recovery of the Chinese market, made for historic sales and results in this area.

Sales by geography

(in EUR millions)	2017	2016	Changes
Spain	152.4	153.2	-0.5%
Southern Europe - Other	191.0	164.6	16.0%
Central & Northern Europe	118.5	109.1	8.6%
Eastern Europe	40.7	32.3	25.8%
Asia & Australia	152.2	139.7	8.9%
Rest of the world	126.8	114.3	10.9%

Southeast Asia achieved great results supported by the commercial swimming pool area



6.2 | Business areas in 2017

Sales by business unit

(in EUR millions)	2017	2016	Changes
Pool & Wellness			
Residential	726.6	651.8	11.5%
Commercial	449.5	407.2	10.4%
Pool water treatment	95.4	81.7	16.8%
Fluid handling	122.1	109.9	11.1%
Irrigation and domestic water treatment			
	29.0	39.8	-27.3%
Industrial and other			
	25.8	21.6	19.5%



Swimming Pool and Wellness

Residential swimming pools

The residential swimming pool business is the Group's most important segment and it accounts for 57.5% of sales. In recent years, Fluidra has focused its efforts on developing the concept of Internet of Things (IoT) which has already been used in other areas: the sensorisation and connectivity of various household items (electrical appliances, lighting, heating, watering, etc.) for more efficient and personalized management by users through smart devices (computer, smartphone...) and remotely. The swimming pool sector is an ideal environment to develop IoT, as it has a number of advantages which are popular with both individuals and professionals.

Fluidra currently has six types of solutions, ranging from simple and accessible ones, designed for any kind of pool, to high-end ones for highly automated pools.

● Blue Check

The simplest method, designed for the end user to use an app on his mobile device to check the water quality values of their swimming pool through an application and the use of water test strips, in addition to receiving advice on water care.

● Blue Connect

A smart pool analyser that includes a 4-in-1 sensor ready to float in the water. The sensor itself has connectivity and an application alerts the user to problems detected in the water.

● Blue Connect Plus

An advanced version, ready to be installed in the pool pipe and with access to a platform for professionals to monitor, on a single screen, different Blue Connect parameters.



● Elite Connect

Smart electrolysis of the high range of saline electrolysis, with the option of connecting to the internet. Can be used to consult all water readings and remote electrolysis management.

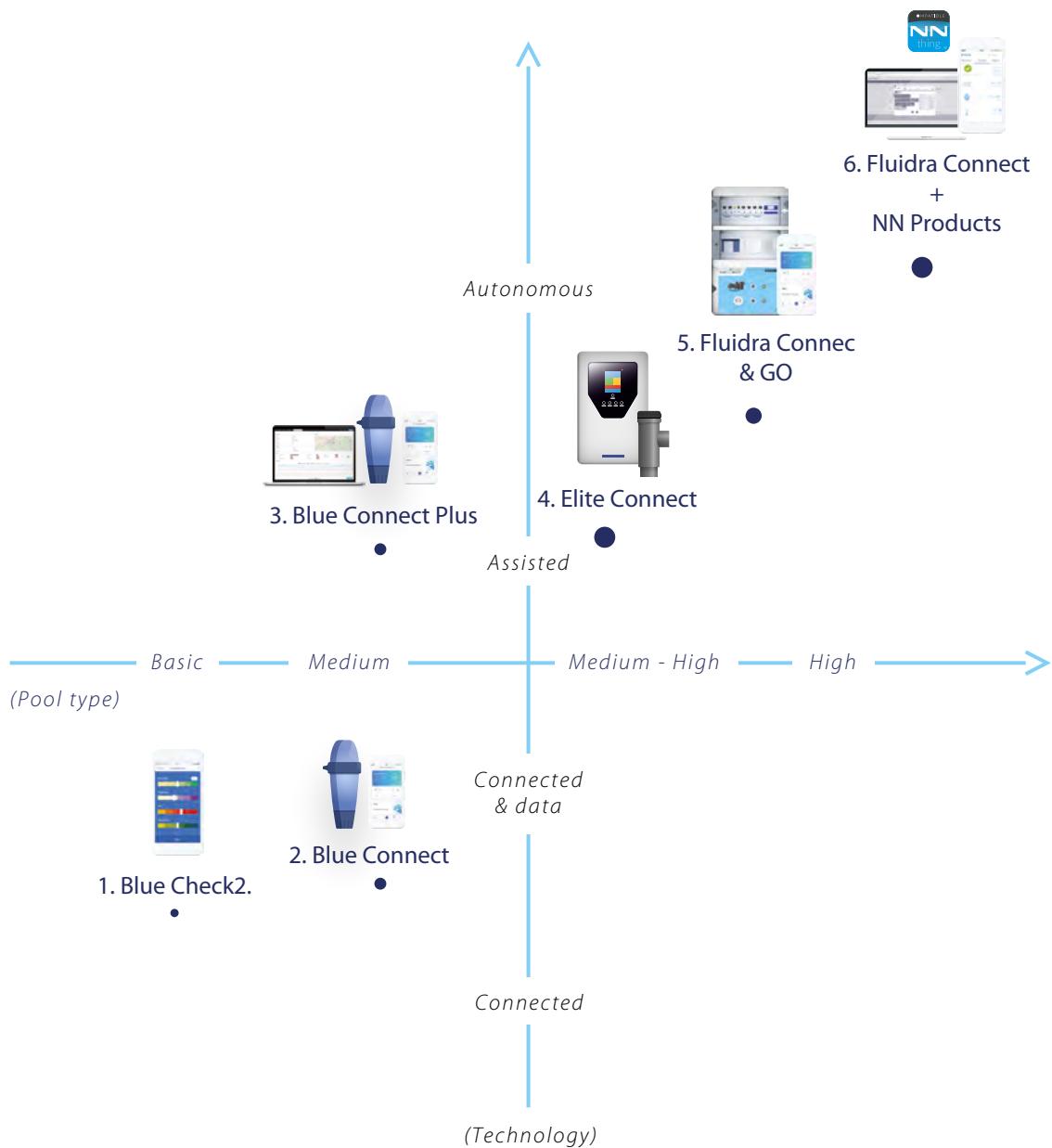
● Fluidra Connect & GO

Automated pool solution based on a box to which different pool and garden products can be easily connected. With Connect & GO, the user can easily manage the colour of the lights, change the temperature of the heat pump and control everything remotely at any time. It has an application for professionals and can be configured in four steps.

● Fluidra Connect more NN products

Fluidra Connect is a tool created for pool professionals which they can use to remotely manage installations (adjust filtration times, control water consumption, detect leaks, receive alarms, etc.). There is also an end-user application with interactive pool and water quality control features. This solution is intended to be used in conjunction with water treatment products and compatible (NN) heat pumps for an optimal user experience.

Connectivity solutions





Commercial Pool

This business area, which is also known as public swimming pools, accounts for 12.2% of the company's sales. Customers and users of these types of pools are concerned mainly with water quality and energy efficiency, in terms of their present and future needs.

Water quality is the most basic indicator for installations and maintenance staff, and is the most important factor in terms of measuring the end customer's satisfaction. With this concern in mind, Fluidra has gone further in the search for solutions until it developed the Freepool2 technology. With this system, fewer chemicals are used to purify water, bringing down water usage; users also like it is because the pools smell less of chlorine and do not irritate the skin so much.

Energy efficiency has become an increasingly important factor to contain costs in sports facilities and complexes, where the energy consumption of swimming pools is one of the highest overheads. To this end, Fluidra offers maintenance professionals various energy efficiency solutions, such as

- Kivu pump: which reduces energy consumption by up to 60%.
- Pro-Chlore saline chlorinator: reduces water consumption by up to 66%.
- UltraViolet Heliox UV: reduces water consumption.
- The Airpool+ dehumidifier: reduces energy consumption thanks to its heat recovery system.



Engineering projects

In 2017 Fluidra completed two important projects within the commercial swimming pool area: the swimming pools for the 2018 Asian Games, which will take place in Jakarta (Indonesia) this year, and the 29th Summer University of Taipei (Taiwan), which was held in August 2017. In both cases, Fluidra provided engineering solutions for important sports facilities in projects valued at five and four million respectively, which included the design, supply and installation of competition, diving and warm-up pools.

In this same sector, and also in the Asian market, the group won a project for Kazakhstan's 2017 Expo-Expo in Astana (design, installation, installation); and another for Marina Bay Resort in the Philippines, a EUR 5.6 million contract for the design and construction of three large public swimming pools, plus five individual villas, along with spas and jet circuits.



Irrigation and household water treatment

Fluidra complements its Pool & Wellness core business with the provision of services, simultaneously in many cases, in the field of landscape irrigation as the facilities can be next to each other. In this field, Fluidra works with its own brand, Cepex, which has all the products necessary for residential installations, and also distributes well-known international brands.

Fluidra offers a full range of products consisting of sprinklers, diffusers, valves, pipes, filters, and so on, in addition to drip-irrigation and micro-irrigation systems used where water use is to be kept to a minimum. Electro valves and controllers to manage irrigation and flow control are essential tools for sustainable water usage.

Water treatment continues to be brought closer to the pool channel in the Idrania brand, now that the divestment from ATH has been completed.

The fountain business, with the Puralia brand, has maintained its customer base, with priority given to the offices channel.





Industrial and other

Fluid handling

Due to its technological likenesses and know-how, the industrial fluid handling market is a complementary activity to Fluidra's core business. Through its brand Cepex, Fluidra supplies valves for any chemicals, water treatment, paint, cosmetics, food, mining or shipbuilding factory or plant, etc.

In recent years, the Cepex brand has worked to develop innovative and efficient products that meet the needs of this type of installation, in addition to providing services and assistance in specific projects.

Igniagreen

Igniagreen is the brand of products for the urban garden sector. It designs and manufactures environmentally-friendly solutions to create horizontal and vertical green spaces in urban environments. The most important development in 2017 was the industrialisation of the Biofiber module, a system for vertical gardens.



Ignialight

LED lighting products are manufactured under the Ignialight brand, creating all sorts of light effects and hues to achieve optimum lighting environments that are conductive to personal well-being and which are environmentally-friendly.

Ignialight is a specialist in lighting solutions for ornamental fountains, and it supplies LED underwater lighting for various projects such as fountains in Turkey and Astana. The company has also launched the new family of Vial V-LED Vial Luminaires, and expanded the range of industrial products. In 2017 Ignialight has also consolidated its position as a reliable partner for lighting solutions in the field of sports facilities.



6.3 | Shareholders



Cristina del Castillo
Head of Investor and
Shareholder Relations

"Investors are increasingly interested in Fluidra, in fact we are reaching out to analysts and managers in countries with which we have not had contact until now"

In 2017, Fluidra's share price recorded the second best performance of all Spanish stock market. The year began with the consolidation of year-end 2016 levels, but with a clear upward trend and growing volumes. A number of milestones in the early part of the year consolidated these levels and in late June the share price regained the level of EUR 6.5 at which the company had appeared on the stock exchange ten years earlier. Since then, the share price has continued to grow rapidly and to reach record highs, supported by high volumes of securities, underscoring the market's interest in the company.

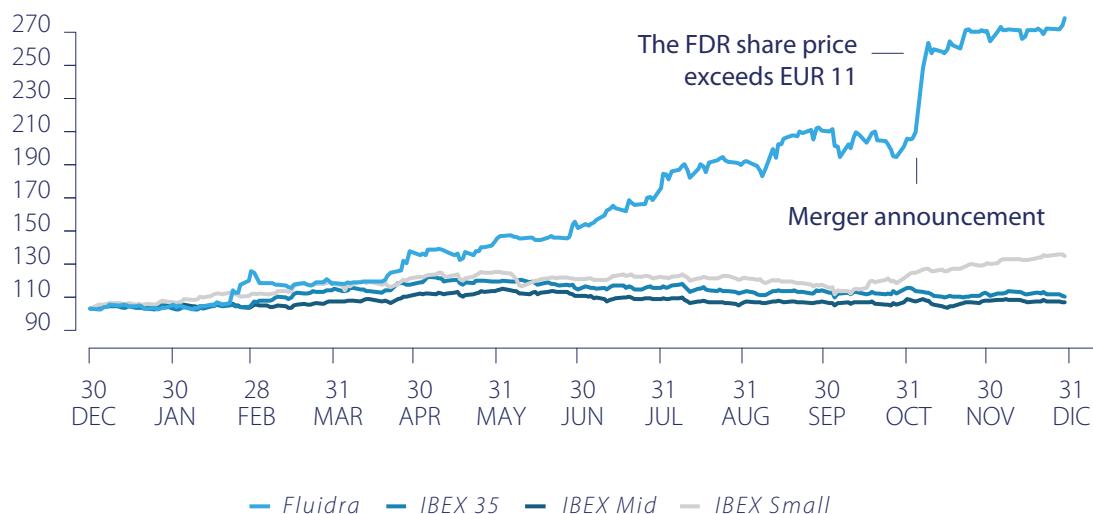
2017 marked a generalised recovery in world stock markets, especially in the US, with double-digit growth and where the political tensions generated by the Trump Administration weighed less than economic strength. In Spain, the Ibex-35 ended the year in a positive light despite the political, economic and social turmoil affecting Spain - although it has hardly affected Fluidra.

Against this backdrop, the share price performed very well throughout the year, with no notable ups and downs, showing great strength and with a higher volume of securities than ever before. When Banc de Sabadell, Fluidra's traditional shareholder of reference, sold its shareholding - and its entire position in the company - in the first quarter of the year, the market was not spooked at all, in fact it saw it



Share price performance in 2017

(Base 100: 31 Dec 2016)



Stock market data table

	2017	2016	2015	2014	2013	2012	2011
Capitalisation (in EUR thousands)	1,330,149	486,558	352,529	345,771	306,351	250,600	215,122
Number of shares (x 1,000)	112,629	112,629	112,629	112,629	112,629	112,629	112,629
Last price of period (EUR)	11.81	4.32	3.13	3.07	2.72	2.235	1.91
Max. price of period (EUR)	11.87	4.6	3.675	3.68	2.93	2.64	3.13
Min. price of period (EUR)	4.22	2.95	2.82	2.385	2.025	1.82	1.76
Volume (thousands of shares)	45,043	21,237	13,328	36,077	23,454	17,438	21,414
Dividends (EUR/share)	0.135	0.0901	0.059	n/a	0.071	0.071	0.072
Dividend yield (%)	1.14%	2.09%	1.88%	n/a	2.60%	3.20%	3.80%
Payout (%)	62.00%	77.00%	101.00%	n/a	55.20%	53.10%	44.20%

as an ideal opportunity to buy and increase positions. More and more investors have been drawn to the company by the company's quarterly results and corporate news (such as the divestment of ATH and the acquisitions of Piscine Laghetto and Riiot Labs). This year, the company fulfilled the objectives set out in the 2018 Strategic Plan a year and a half ahead of schedule, a fact which met by strong approval by investors and financial analysts, and which shows Fluidra's enormous potential and its commitment to shareholders.

Its announcement in mid-November that it was going to

merge with the US company Zodiac, also raised a lot of interest in investors. In the days leading up to the merger announcement, the share price was around 9, and after the announcement it shot up to over EUR 11. Analysts and investors alike approve strongly of the deal, and betted that it would make Fluidra more profitable, bringing the share price to all-time highs in late 2017.

At year-end, the price of Fluidra's shares stood at EUR 11.81 per share, which represents a cumulative rise for of 173% in the year. The volume of securities traded during 2017 was 112% higher than the volume traded in 2016.

Shareholding structure

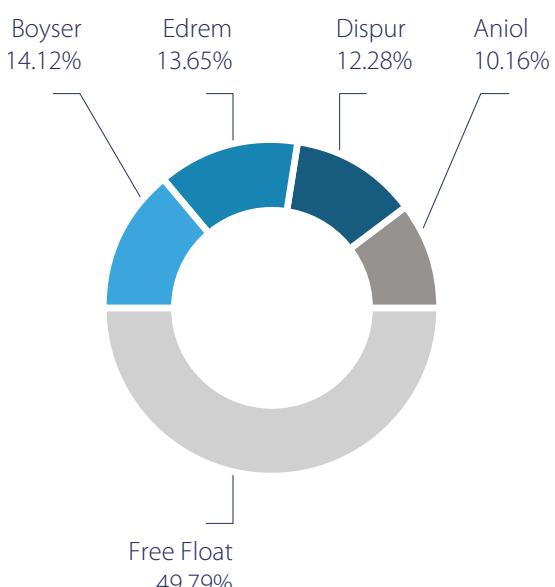
- ✓ At the end of 2017, the Board of Directors controlled 50.21% of the total share capital of the company.
- ✓ The remaining 49.79% is free float on the stock market.

Fluidra's shareholder structure will change dramatically after the merger: the founding families will now control 28.8% of the company, while Rhône Capital, which will have a two-year lock-up period, will be the largest shareholder with 42.4% of the voting rights. The merger with Zodiac involves the issuance of 83 million new shares, so that the resulting company will have 195.6 million shares, and taking the percentage of free float on the stock market to 28.8%.

Shareholding structure (at 31 December 2017)

(In percentage)

Founding families **50.21%**





investor meetings

888

roadshows

27

*Activity volumes in
2017 set a new record*

Investor relations

Activity volumes from Investor Relations management in 2017 set a new record:

- 1.** A total of 7 domestic and international sell side financial analysts cover Fluidra, given the company's excellent performance and bright prospects for the future.
- 2.** Individual meetings, presentations to institutional investors (investment funds and pension funds, insurance companies and credit institutions) and participation in forums, seminars and conferences organised by buy-side and sell-side investment banks have increased by 35% compared to 2016. In the whole of 2017, the company arranged a total of 888 meetings with investors and 27 national and international roadshows, 8% more roadshows than in 2016.

Investors' interest in the security has soared, especially after the announcement of the merger with Zodiac, and investment analysts and fund managers from new countries are now expressing their interest. Fluidra has now come increasingly under the radar of institutional investors who target mid and large caps.



Shareholder's Day

In the spirit of transparency and communication with stakeholders, the eight consecutive Fluidra Retail Shareholders' Day was held in 2017. The Executive Chairman, the Corporate General Financial Manager and Head of Investor and Shareholder Relations informed shareholders of different aspects of interest for Fluidra and the macroeconomic and financial environment.

Fluidra maintains close ties with individual shareholders through these types of meetings. Throughout the day, the shareholders shared with the Executive Chairman views on business progress, company strategy and market trends, and also expressed their own concerns and opinions through open dialogue.



Analyst & Investor's Day

Following the success of the first event in 2015 and the announcement of the merger with the North American company Zodiac, the second Fluidra Analyst & Investor Day was held at the beginning of November. This time, the event was followed by a webcast which was attended by over 200 analysts and institutional investors. The event lasted just over an hour and was attended by Fluidra's Executive Chairman and Chief Financial Officer, and the CEO of Zodiac.

After Fluidra's second Analyst & Investor Day, there was a roadshow in Barcelona, Madrid, London, Paris and New York to hold interviews with institutional investors who wanted to explore the future prospects of the new company in greater depth.

2017 General Shareholders' Meeting

The Annual General Shareholders' Meeting of Fluidra was held on 3 May 2017 at the premises of the Sabadell Chamber of Commerce. The Board approved all items on the agenda, and everything went smoothly. The quorum among shareholders present and represented was 68.01% of the share capital. One of the items on the agenda was that the General Shareholders' Meeting resolved to distribute 62% of the consolidated profit as a dividend, with a figure of EUR 15 million, 50% more than the previous year.

Oficina del accionista

Fluidra fomenta el diálogo constante con sus accionistas, para ello cuenta con una 'Oficina del accionista' que se encuentra en Sabadell y presta un servicio de atención personalizada de lunes a viernes.

Los accionistas que lo deseen puede concertar una cita mandando un e-mail a **accionistas@fluidra.com** o llamando al teléfono **+34 93 724 39 00**.





6.4 | Human Resources

[G4-9, G4-10, G4-11, G4-DMA, de G4-LA1 hasta G4-LA16, G4-HR3, G4-HR4, G4-HR5, G4-HR6, G4-SO4]



Josep Tura
HR/CSR Director

“Fluidra is present in a wide range of countries, which is why we work to promote cultural integration featuring the best of each part”

Every year Fluidra reviews its development and cultural integration policies to adapt to a society that is constantly evolving.

Fluidra's most important asset is its people. Accordingly, it develops training programmes that promote both personal and professional development, as well as cultural integration which, due to the diversity of countries in which it operates, is of great importance for the group. [G4-DMA]



Human Resources Policy

Fluidra's Human Resources policy aims to create an environment where the team feel motivated and committed. This policy is structured into five major areas:

Legal compliance

- Ensuring compliance with existing labour legislation in all countries where Fluidra operates.
- Ensuring employee health and safety at work by fostering a culture of prevention across all levels of the organisational structure.
- Upholding the rights relating to freedom of association and collective bargaining.



Sourcing talent

- Having a brand as an employer that promotes talent sourcing.
- Organising a selection process which is aligned with our values.
- Promoting equal opportunities as part of the company's recruitment process.
- Running a welcome plan to facilitate the integration of employees.
- Respecting cultural, ethnic and social diversity.



Developing talent:

- Improving the talent of Fluidra staff, enhancing their strengths and developing their areas for improvement.
- Enhancing the role of the leader, a key element for the development of team talent.



- Developing the human and professional potential of all employees and providing opportunities for growth.

- Considering training as a continuous learning process and offering programmes, courses or seminars involving the practical transfer of knowledge, acquisition and development of skills and improving employment.

- Facilitating and promoting national and international mobility among Group companies.



Organisation

- Aligning employees towards a common and comprehensive vision with corporate values shared by all.
- Organising the roles and responsibilities of the company so that everyone knows what is expected of their work and feels committed to it.
- Promoting open, clear and transparent communication within the organisation in order to foster a strong sense of loyalty.



Recognition

- Paying remuneration that is both in line with the market in countries where Fluidra operates and which is internally equitable and transparent, taking into consideration the individual performance of workers.
- Having an attractive benefits policy.
- Fostering work-life balance initiatives for employees.



employees

4,429

**permanent
staff**

90
%

*The number of
global employees
at Fluidra has
increased by 4%*

Yearly development

[G4-LA1, G4-LA12]

Due to the economic movement that has resurfaced this year, drawing and retaining talent has been one of the key objectives. In turn, the arrival of new generations has forced us to remain active and innovative in human resources policies, supporting the business and influencing its successful outcome, while delivering on employees' development expectations at the same time.

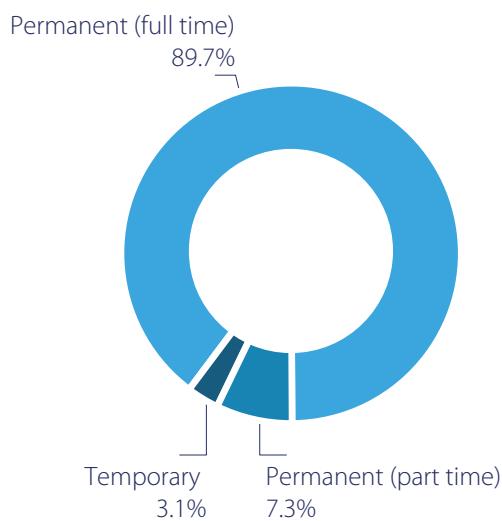
The overall number of Fluidra employees increased to a total of 4,429 employees at the end of 2017, 4% higher than the previous year. The average workforce in 2017 was 4,400.

At year-end, the total number of company employees included in this report was 3,321, 68% of which are men and 32% women. The average age of Fluidra's workforce is close to 41 years of age. The age range with the largest number of employees is 30-45, representing 50% of the total.

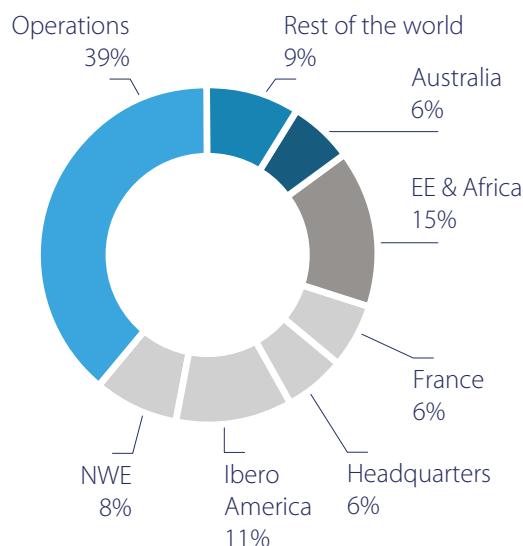
Fluidra is committed to creating quality employment, with a high proportion of staff with permanent contracts. In 2017, the percentage of permanent staff was still above 90% of Fluidra's total workforce. The company gives priority to hiring local staff in the geographical areas where the work centres are located.

Our staff

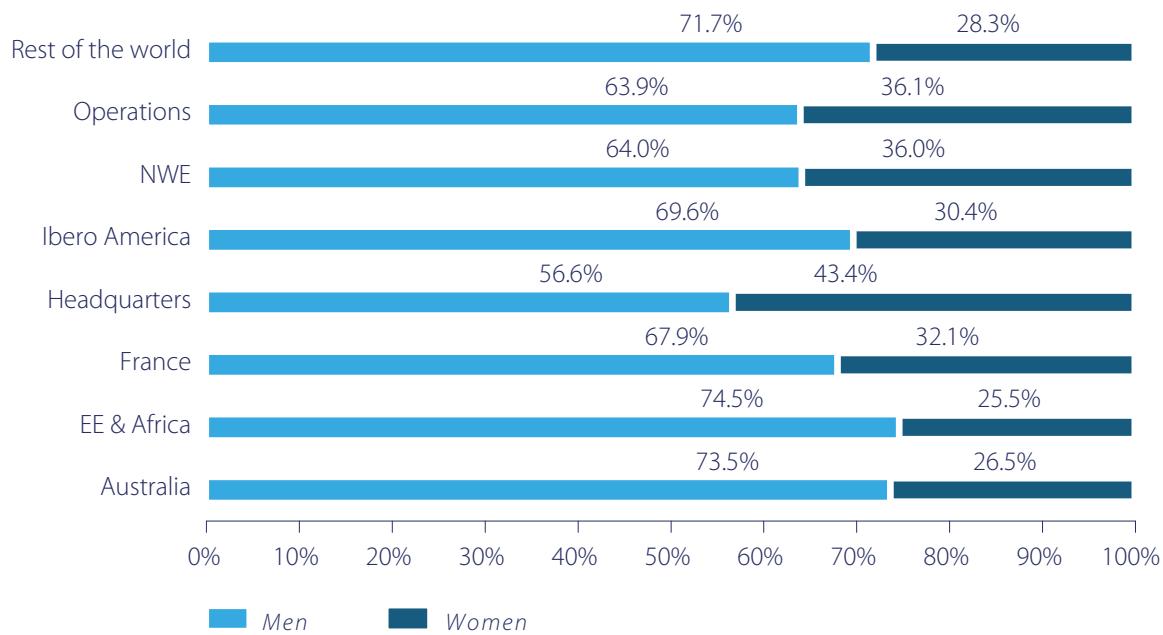
Workforce by type of contract



Workforce by business units

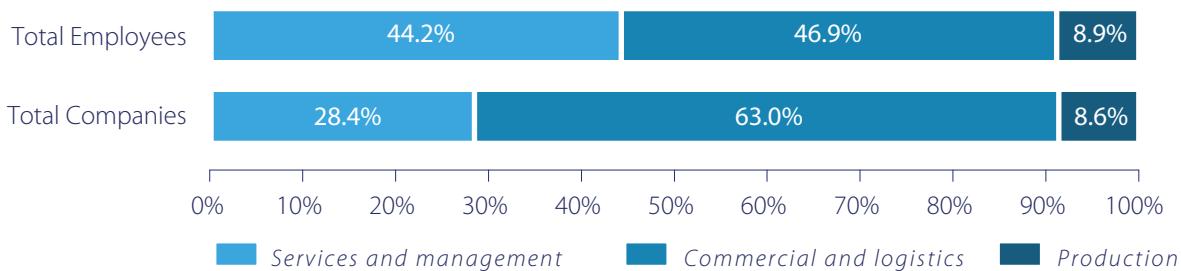


Men and women by business area

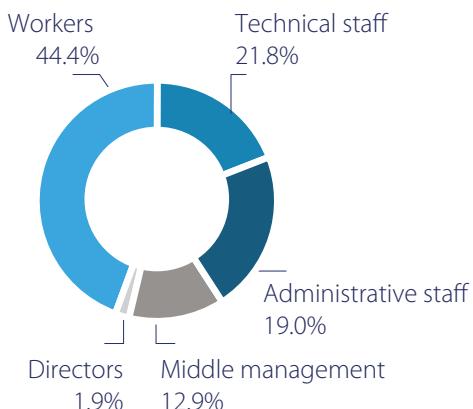


Our staff

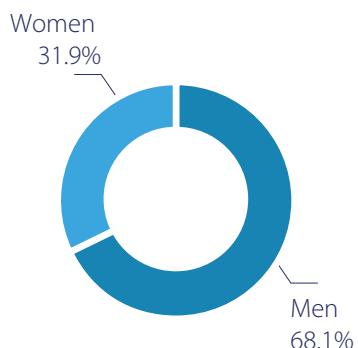
Distribution by company type



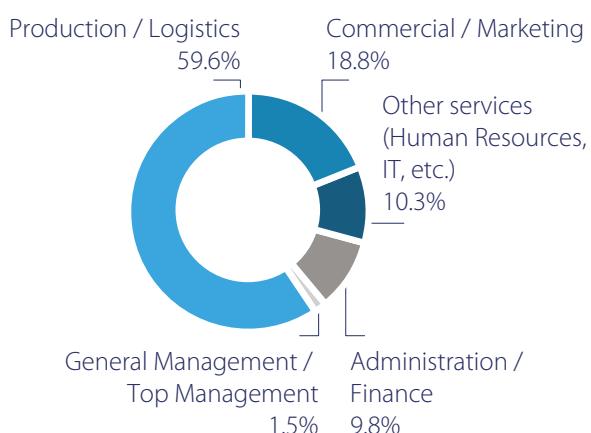
Professional categories



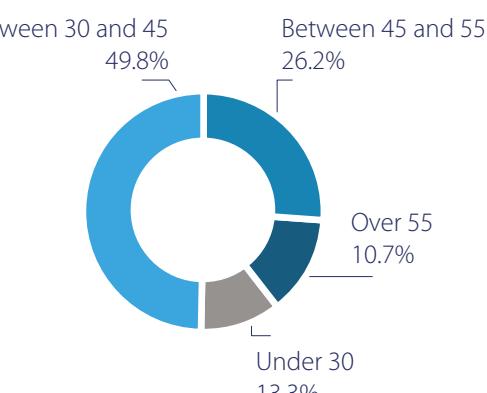
Men and women in the workforce



Staff by functional areas



Workforce by age





Workforce Rotation 2017

[G4-LA1]

	Men	%	Women	%	Total	%
New permanent contracts	162	68.9%	73	31.1%	235	33.9%
New temporary contracts	290	63.2%	169	36.8%	459	66.1%
Total New	452	65.1%	242	34.9%	694	
Voluntary redundancies (Perm. contracts)	105	66.0%	54	34.0%	159	19.7%
Voluntary redundancies (Temp. contracts)	71	28.6%	177	71.4%	248	30.7%
Involuntary redundancies (Perm.) contracts	63	65.6%	33	34.4%	96	11.9%
Involuntary redundancies (Temp. contracts)	201	66.1%	103	33.9%	304	33.7%
Total Redundancies	440	54.5%	367	45.5%	807	
New contracts for over 45	76	63.9%	43	36.1%	119	17.1%
Redundancies for over 45	81	70.4%	34	29.6%	115	14.3%
Redundancies Perm. contracts	168	65.9%	87	34.1%	255	31.6%
Structural rotation		8.0%		9.1%		8.4%

In the aggregate total of the report, there were 807 staff departures, slightly more than the number of recruitments. In 2017, the rate of structural rotation (permanent staff), including amortised and unamortised redundancies, stood at 8.4%, 4 points higher than the last year, showing that although the company is growing in terms of employment, it has fallen slightly in the countries analysed in the report. 17.1% of the new employees were over 45 years of age.

As for the minimum periods of notice for operational changes, there is no specific agreement with workers thus current legislation is applicable in each centre. **[G4-LA4]**



Remuneration policy

In 2017, Fluidra continued to align the G100 remuneration system for managers, incorporating the overall results of the group within the annual incentives system.

The management policy by salary level, which helps improve internal equity and wage external competitiveness for remuneration matters, continued to be implemented. For yet another year, the minimum wage of newly recruited staff stood at around 30% above the minimum wage set for Spain in 2017, using as reference the lowest salary at Fluidra's Spanish companies that represent most companies included in report. [\[G4-EC5\]](#).

Employee benefits

At Fluidra, covering personal risks through life and accident insurance is one of the points of added value in the organisation. In 2017, 39% of the employees had life insurance, and 54% had accident insurance, in relation to total companies mentioned in the report.

The Fluidra Flex flexible remuneration programme implemented in the Spanish companies provides tax and economic incentives when taking out products such as food

vouchers, child care vouchers, education, transportation and health insurance adapting the remuneration to the personal needs of the employee. 25% of employees used some type of product, with health insurance being one of the most widely contracted benefits.

The company shows the utmost respect for the rights of workers and enables freedom of association and representation activities in all its centres. In 2017, 70.2% of the workforce of the coverage was covered by a collective agreement. Companies without an agreement are international companies where there is no regulation in this regard and where employees have not promoted collective bargaining initiatives. Even so, no risk situation whatsoever was detected in this regard. [\[G4-11, G4-HR4\]](#).

Talent sourcing

[\[G4-LA10, G4-LA11\]](#)

During 2017, work was carried out on the development of the Recruitment module within the Cornerstone talent management tool. The aim is to promote internal mobility, higher quality selection processes and integration with employment portals in a fast and efficient way. In the second quarter of 2018 it is planned to begin deployment in the group's companies located in Spain and to continue in other countries in order to reach the rest of the companies by the beginning of 2019.

Talent assessment

[\[G4-LA10, G4-LA11\]](#)

Fluidra has implemented a platform for assessing employee performance, considering both individual objectives and key skills for the role and position. All new recruits carry out face-to-face training to introduce them to the system and to take advantage of the One 2 One annual assessment process.

In 2017, 32.2% of the workforce included the report had participated in this programme, with a 17.8% increase in the number of assessments over the previous year.

This tool (called One 2 One, within "Fluidra Talent") is used to encourage dialogue between managers and employees by helping prioritise objectives and identifying training and career plans.

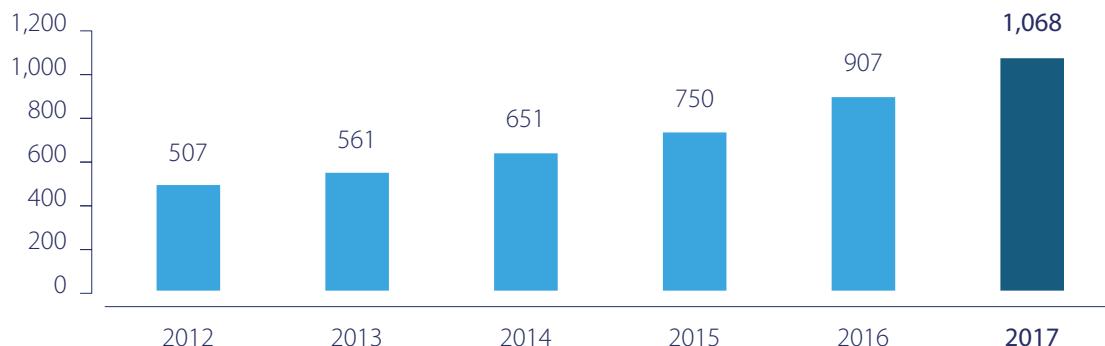
Employees covered 2017

[\[G4-11, G4-HR4\]](#)

	Total	% s. Total
With collective bargaining agreements	2,332	70.2%
No collective bargaining agreement	989	29.8%
Total	3,321	100.0%



Performance assessment



Fluidra Talent

In 2017, the company continued to deploy the modules developed in Cornerstone and has also implemented the "connect" module and developed a new intranet for employees to have all the information in a single access point.

Currently, almost 100% of the employees are included in the tool and managers have an easy way to manage and develop their teams. Employees can also carry out their training online, keep track of their entire file, manage their annual objectives, carry out their One 2 One and carry out various actions throughout their career at Fluidra to promote their professional development.

Training

In 2017, 691 courses were conducted for a total of 2,031 employees, with an average ratio of 11 hours per employee. A total of 22,279 hours were spent on training. [\[G4-LA9, G4-LA10\]](#)

Corporate training

Fluidra, with its FluidraAcademy school, aims to make the workplace not only a place to go to work but also a space where employees can develop both professionally and personally. Every year, the company invests time and money in organising transversal training programmes to improve knowledge and at the same time share experiences between people from the different companies in the group.

Managerial skills programme

In 2017, a Management Skills working group was set up and a new programme for managers was launched, focusing exclusively on the industrial area, where a pilot group was also set up. The result has been very positive and, in 2018, more industrial groups will be set up.



Training by Professional Category 2017

[G4-LA9, G4-LA10]

	Courses	Hours	Employed	Average	Cost H.
Managers	67	1,190	75	37,185 €	16
Middle Management	201	5,228	362	226,241 €	14
Technicians	176	10,673	910	152,959 €	12
Administrative staff	118	2,526	229	67,726 €	11
Manual workers	129	3,112	455	51,688 €	7
Total	691	22,729	2,031	535,799 €	11

Training by functional areas 2017

[G4-LA9, G4-LA10]

	Courses	Hours	Employed	Average	Cost H.
General Management / Management	64	2,577	246	61,133 €	10
Finance / Administration	36	1,557	91	19,876 €	17
Sales / Marketing	125	4,862	698	198,398 €	7
Languages	140	5,355	173	103,800 €	31
Other Services (IT, RH...)	44	891	47	26,911 €	19
Production / Maintenance	107	3,024	220	41,349 €	14
Logistics / Purchases	63	781	164	27,049 €	5
Technical / R+D / Quality / MA	112	3,682	392	57,283 €	9
Total	691	22,729	2,031	535,799 €	11



Business School

The Business School, part of Fluidra Academy, was created with 3 objectives in mind:

- To improve product knowledge through online courses.
- Improved business skills with face-to-face sessions and experiential training.
- Individual coaching for business managers.

In 2017, 9 training sessions were held with groups in Russia, Greece, China, Spain (three groups), United Kingdom and France (two groups).

To date, 180 sales representatives have received training in this program, 40% of the employees in this area who we want to be given the opportunity.

Product training has gone hand in hand with the roll out of the online part of the business school:

- Viron
- HVAC
- Chemical - Disinfection
- Chemical - Water Treatment
- Robots
- Swimming pools

Time Planning

This year, a Time Planning and Management training programme was designed, which is adapted to Fluidra's employees, setting up two groups of 15 people.



**commercial
training
with groups**

9

*In Russia, Greece,
China, Spain, United
Kingdom and France*



Occupational Health and Safety

The health and safety of Fluidra's employees is a priority for the company. The Group companies' policies on quality, safety and the environment place particular emphasis on the prevention of occupational hazards. To reinforce these aspects, in 2017 the area was strengthened with a Health, Safety and Environment (HSE) Corporate Management position, with the aim of spearheading Health and Safety policies and aligning the entire organisation with a common objective:

Fluidra safeguards its employees' health and safety:

- It promotes programs to maintain and improve our employees' health and well-being, for example, by providing smoke-free workplaces around the world.
- It encourages employees to take advantage of voluntary health programs and to adopt healthy types of behaviour, such as:
 - exercising regularly
 - choosing healthy food,
 - taking part in medical check-ups,
- Offering employees safe working conditions and striving to protect them from potential health hazards. Before performing potentially hazardous tasks, a process and workplace risk assessment and analysis must be performed.
- Management is responsible for facilitating risk assessments and developing protective measures in cooperation with employees. They must know the local safety requirements, respect them and comply with them. For example:
 - use appropriate personal protective equipment when necessary;
 - comply with alarms and safety warning signs;

- take part in observation and training programmes (e.g. mandatory local safety training, driver safety training and behavioural safety programme);
 - report unsafe acts and conditions that pose a safety hazard.
- Employees are expected to keep an eye out for their colleagues and to warn them of any unsafe behaviour.

In 2017, a meeting was held with the group's HSE professionals. This meeting, which will be held annually, allows for the creation of a network of HSE people who will share criteria, lessons learned and exchange experiences facilitating the optimisation of the group's resources in the field of HSE.

Throughout the year, participating companies developed different training methods in safety and prevention. While commercial and corporate service companies have placed more focus on prevention of risks in offices and firefighting, training, industrial companies' training has revolved around issues more specific to their commercial activity, namely courses on safety in freight transport, safety in the use of raised platforms, safety for work at heights and the use of electric pallet trucks, emergency planning, first aid, as well as conducting health and safety campaigns on their premises. In addition, an information and prevention policy whereby the results on accident monitoring and on internal safety inspections are notified through information boards has been implemented.

Each Group company in Spain has its own Risk Prevention Plan which provides regular risk assessments suited to its activity and job positions, and provides the necessary training to all staff, both internal and external.



Equality, diversity and work/life balance

[G4-LA3, G4-LA12, G4-LA13]

Prevention plans are usually rolled out through an external prevention service which is implemented by the Prevention Coordinators and Delegates and the Health and Safety Committees of each company. Thus, proper detection and control of risks as well as compliance with prevention plans and monitoring of the corrective measures being implemented are ensured.

During 2017, emergency drills were carried out with the participation of 791 people, as well as internal training on prevention for 1,003 workers and first aid for 176 people.

As for the staff relocated abroad, although the international mobility policy does not make specific reference to risks, diseases and serious accident training, it provides information and advice on these issues in a specific and direct manner.

Employees who travel frequently have emergency health insurance policies and those in long-term assignments abroad have health insurance policies that cover medical contingencies for the duration of the stay.

All group employees are represented in the health and safety committees established in the companies or by personal delegates. There are no formal agreements with health and safety committees outside the legal framework [G4-LA5, G4-LA8].

The absenteeism rate has fallen by 6.4% against the previous year and medical leave by 8%. [G4-LA6]

Fluidra has an equality and diversity policy that contains the objectives, principles and responsibilities at the corporate level. In addition, each company adapts the general guidelines to its specific reality and to its own processes and regulations. These policies ensure equal treatment between men and women, with no salary differences between employees who perform the same functions and according to categories and positions.

Fluidra seeks to help its employees achieve work-life balance within a positive work environment and it does so by implementing measures tailored to the organisation's and the staff's needs. All employees enjoy the rights enshrined in the applicable labour regulations on flexible working hours, maternity leave, paternity leave and other labour rights.

[G4-LA3]

During 2017, records show that 36 and 31 people went on paternity and maternity leave respectively, all of whom returned at the end of their leave. [G4-LA13]

*The group's
policies ensure
equality between
men and women,
without wage
differences between
professionals with
the same functions*



Communication channels

To ensure that employees have fluid communication with the company, Fluidra offers them different channels:

- The "Confidential Channel" is available on the website and on the LivingFluidra portal, which is accessible to all employees. Employees can make inquiries, ask for advice or report an incident through an online form. All communications are handled confidentially and care is taken when making any decision always respecting the people involved.
- 'Living Fluidra' is a platform which presents global news about different areas of the company.
- Fluidra employees have suggestions boxes in the different companies where they can leave their proposals on how to improve certain aspects of the company.
- Information boards, placed in high-visibility locations within the companies, provide the workers with succinct and accurate information about specific company news.
- "Town hall meetings" are an informal event where the President and Chief Executive Officer present quarterly results to headquarters staff.
- "Coffee with Management" is a series of breakfast meetings held three or four times a year between the President and groups of employees to exchange information in a relaxed atmosphere.

In 2017, 10 queries were received through the Confidential Channel. **[G4-LA16]**

No cases of discrimination that violate human rights were reported either, and no production centres were identified as using child labour or violating the right to collective bargaining. **[G4-HR3, G4-HR4, G4-HR5]**

2017 employee-focused activities

All Fluidra professionals have creative, social and sporting interests that the company seeks to promote through various activities and initiatives, which in 2017 took the form of:

Imagine Silicon Valley

Competition launched in May to present ideas in the field of pool connectivity. The winner had the opportunity to turn their idea into reality by working for a month in San Francisco (California, USA), with some of the best experts in disruptive innovation. The other nine finalists took part in the Fluidra Innovation Week in September, an intense week in different inspiring places in Barcelona, dedicated to the development of different ideas. Their projects were presented in the Start-Up Village by 4YFN area of the Swimming Pool & Wellness show in Barcelona (more information in the Innovation section).





Fluidra Health

Health programme designed for the group's employees with the aim of promoting healthy habits, understanding health not only as the absence of illness but also as a state of complete physical, mental and social well-being. In 2017, the pilot was kick-started in seven centres, with a total of 560 employees (Fluidra SA, Cepex, Fluidra Services España, Fluidra Engineering Services, Fluidra Comercial España). Every week, the companies included in the pilot received seasonal fruit, attended mindfulness classes, health information sessions, and have received a free subscription to the Ictiva online gym.



Corporate Concert

In October, Fluidra held its second Corporate Concert at the Gran Teatre del Liceu in Barcelona. The event included a recital by the Escolania de Montserrat and a concert by the Orquesta Sinfónica del Vallès (Vallès Symphony Orchestra), which performed several soundtracks of the greatest films in history. Fluidra Foundation, as well as company customers, suppliers, shareholders and employees, attended the evening concert.

IX children's drawing contest

Fluidra once again organised a children's drawing competition, with the question: What do you want to be when you grow up?

259 drawings were received from relatives of employees of 41 companies in the group. The winning drawing, by Adam del Valle, 7, son of Carlos del Valle, an Fluidra SA employee, was used for the group's Christmas greetings.



X Indoor Football Tournament and III Open Padel Tournament

Eleven companies of the group located in Catalonia played in the five a side tournament and in the Padel Open. The winners of the internal tournament participated in the Inter-company Games.





6.5 | Innovation

[G4-PR6]



David Tapias
Head of R&D&I:

"In 2017, we started to roll out the Strategic R&D Plan that will make us a more integrated and efficient organisation. We have also stepped up our activities dedicated to exploring more disruptive scenarios to open new paths to the future of swimming pools.

Intellectual Property Values

Developments generated in 2017

8 new designs

Portfolio at 31/12/2017

477 patents in force

42 new inventions

154 designs

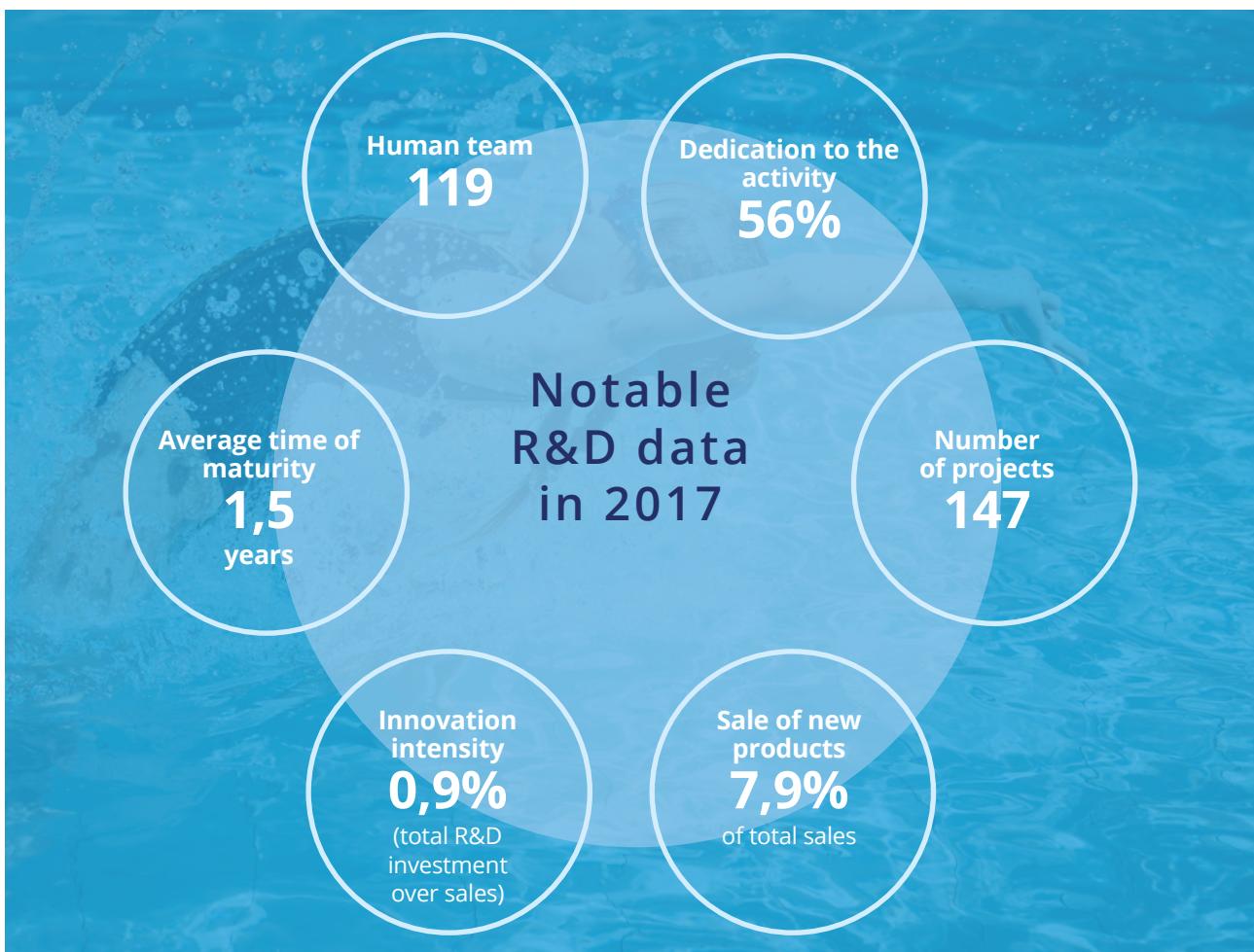
156 patents being reviewed

Innovation policy

Innovation is one of the core activities of Fluidra's strategy. The company is clearly focused on developing products and solutions that satisfy market needs with a clear focus on efficiency, both in the use of materials and in energy consumption. One good example is the development of the new Victoria Plus Silent VS variable speed pumps, which are capable of achieving energy savings of 85% compared to a conventional pump of the same category. Similarly, the new LED pool spotlights (PAR56 V1 and DC PAR56 V1) developed in 2017, achieve energy savings of 90% compared to a conventional 300W spotlight. [\[G4-EN7\]](#)

To do this, Fluidra has an R&D structure consisting of 16 Centres of Excellence and Technical Centres located in 9 countries: Spain, France, Belgium, the United States, Israel, Australia, China, South Africa and Brazil, with an approach on technological specialisation, coordinated from Central Services R&D&i located in Polinyà (Barcelona). A total of 119 people spend on average 56% of their time working on product R&D. This year a new centre was added in Belgium, Riiot

**Fluidra has an
R&D structure
consisting of
16 Centres
of Excellence
and Technical
Centres**





Centres of Excellence and Technical Centres

16

A total of 119 people spend on average 56% of their time working on product R&D

Labs, which specialises in developing connectable solutions and data analysis.

In 2017, Fluidra invested 0.9% of total sales in R&D&i.

Innovation Committee

The Innovation Committee is the body responsible for establishing Fluidra's innovation strategy and for defining the corporate guidelines whose objective is to serve as a guide for all CoEs in the product development process. A second level involves the Product Committees coordinating R&D&i for each of the CoEs. The multidisciplinary approach of these committees is essential to ensure that the actions undertaken by the CoEs are aligned with the needs of Fluidra.

Proper protection of the knowledge generated is one of the objectives of the R&D&i, coordinating efficiently and proactively the patent portfolio of the group, the technology monitoring actions and promoting the creation of added value patents.

Notable R&D data in 2017

- Human team: 119
- Dedication to the activity: 56%
- Number of projects: 147
- Average time of maturity: 1.5 years
- Innovation intensity: 0.9% (total R&D investment over sales)
- Sale of new products: 7.9% of total sales

Strategic R&D Plan

During 2017, different activities have been carried out to implement the Strategic R&D Plan developed during 2016, which will culminate in 2020 with a more integrated, much more efficient and effective organisation.

The key structure of the new organisation is the Hubs or R&D Activity Centres. These Hubs act as R&D reference centres for a given technology or product family. The Hub is responsible for coordinating all the R&D activities carried out by Fluidra with this technology or product family. This new organisation allows us to better coordinate the different product development initiatives in a more simplified way, minimising possible redundancies, providing a much more global and strategic vision, more focused on the customer and the business.

The different Product Managers carry out an essential task by identifying needs on the different markets, thus providing guidance for and prioritising the activities to be carried out by the Hubs. Hence the close relationship between the areas of Marketing and R&D, to ensure innovation focused on meeting customer needs.

- Some of the most important Hubs are:
- Fluid Handling Hub (located in Cepex)
- Lighting Hub (Located in Sacopa)
- Pumping Hub (Located in Metalast)
- Filtration Hub (Located in Poltank)
- Advanced Disinfection Hub (located at Idegis)
- Internet of Things Hub (located in Polinyà HQ)

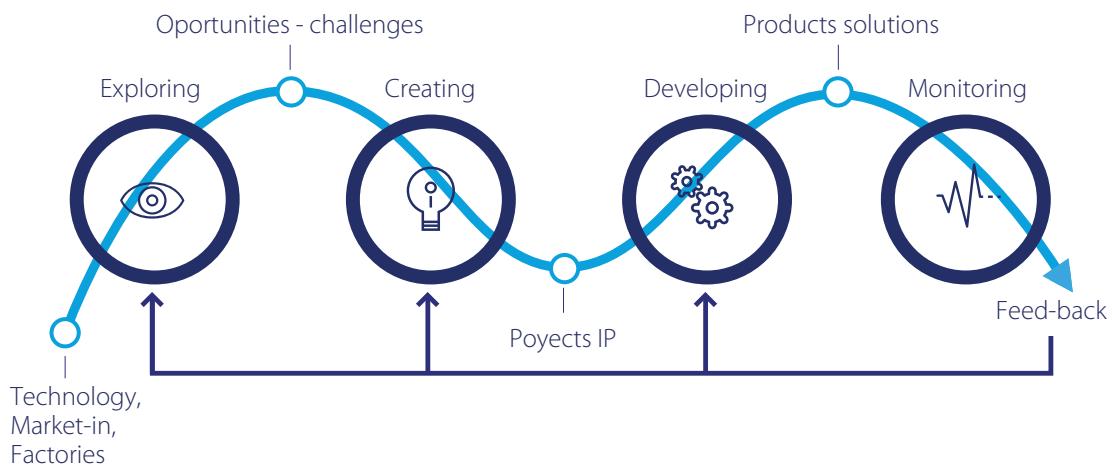
Throughout 2018, the defined Hubs will begin to be consolidated and the most suitable organisation for the rest of the technologies and product families will be defined.

Innovation model

Fluidra's innovation model uses technological and market exploration to identify challenges and opportunities for innovation. Creativity and the generation of ideas enable opportunities in terms of knowledge which is protected or in specific projects that move on to the development stage, to finally be transformed into products and/or solutions that meet customers' needs. Monitoring the performance of products in the market is, in turn, an important source of information that feeds the different phases of the model.

In 2016, Fluidra began to roll out a new corporate tool to manage new product development processes. In 2017, seven centres used this tool: Sacopa, Cepex, Metalast, Fluidra Industry France, Inquide Poltank and Polinya HQ. Deployment to the other companies will continue throughout 2018. We will use this software to consolidate and standardise the innovation process in a transversal way for the whole organisation. It will also ensure that product development activities are fully aligned with market needs and the company strategy.

Stages of the Innovation Process in Fluidra





External collaborators

Another key element of the innovation structure is the extensive network of external collaborators made up of technology centres, universities and companies specialising in technology, *inter alia*, making it possible to promote the development of new products and solutions, to enable access to the latest technologies.

Fluidra is active in clusters such as the Catalan Water Partnership, the Indescat sports industry cluster and the Advanced Materials Cluster (MAV); and it has also been a permanent member of the Eurecat Innovation Club for several years. This encourages contact with companies and entities, and acts as a stimulus for innovation and the development of new products and solutions.

Fluidra is also an active member of the "Consell Assessor del campus UdG-Aigua", of the University of Girona, a think tank made up of a dozen relevant executives in the water sector. One of the main activities of the Council has been the preparation of the new Water M.Sc. to be taught by this university.

Fluidra is active in several clusters, encouraging contact with companies and stimulating innovation

Fluidra Accelera

In its commitment to promoting innovation, Fluidra's accelerator looks for projects related to the water industry, and for technologies with high growth potential, to carry out the necessary actions to attract investors and transform a start-up into a profitable company.

(For further details, check the Society section)





Activities and workshops

There have been many activities aimed at promoting innovation in 2017. Some of the most important were:



Completion of the first stage of “Inventem el Futur de les Piscines” (Let’s Invent the Future of Swimming Pools) by the “Creativació” Foundation

This project promotes creativity and innovation in primary and secondary school students, who come up with solutions to answer Fluidra's challenge about what pools will look like in the future. The prize for the three winning teams was a cheque for EUR 800 to provide the school with spaces to encourage creativity. The 3 winning schools were:

- Fanals d'Aro School, (Platja d'Aro, Girona), "Econatural Pool": ecological swimming pool that reuses rainwater.
- Sagrat Cor School, (Sarrià, Barcelona), "Musical Pool": a sensitive stimulation project, ideal for people with disabilities.
- Sagrada Familia School (Barcelona), "Tecno Piscina": interactive swimming pool to play and live unique experiences.

The second leg of the project was launched in the latter half of 2017. Students of the training cycles aimed to develop the three winning ideas of the previous stage to turn them into solutions or products.

Silicon Valley Big Challenge

Fluidra launched an in house competition in May to gather new disruptive ideas within the scope of pool connectivity and digitalisation: Silicon Valley Big Challenge. The winner, Marc Tarradas (Sacopa), had the privilege of participating in the Imagine Silicon Valley program <http://imagine.cc/silicon-valley/2017>, an annual event that takes place in one of the most innovative environments in the world: Silicon Valley (California, USA).



Throughout July, Fluidra's team*, led by Marc, had material resources and the best experts at its disposal to develop its idea. The result was Fluid Reality, a solution that allows you to enjoy the pool through the use of mixed virtual reality, creating an environment of games, education and sport for both children and adults.

* Fluidra's team, in addition to Marc Tarradas, was made up of Jan Carbonell (Strategy Consultant for Opentrends) and Ernesto Gamiz (business analyst for Everis in Mexico).



The other nine finalists of the Silicon Valley Big Challenge took part in the first edition of the Fluidra Innovation Week programme. Organised in three teams, they were immersed in an intense activity of disruptive innovation that took place in different inspiring environments in Barcelona. At the end of the week each group presented their project:



Cubic

Portable swimming pool for triathletes to simulate the conditions under which they compete during open sea swimming events.

POOLMEET

PoolMeet

Application that allows any pool owner to share or rent a pool.

SPOOLIFY

Spoolify

Smart swimming pool which proposes swimming experiences depending on your mood.

These three concepts, together with Fluid Reality, were presented at the Start-up Village by 4YFN at the Salon Pool & Wellness last October, where they were very well received by professionals in the sector.

Currently, the projects have passed into an incubation phase carried out by Fluidra Accelera, where each project is worked on by multidisciplinary teams maintained by the initial creators, in addition to other professionals.

These teams are coordinated by Fluidra Accelera and Fluidra's R&D department, and are advised by well-known figures in the world of entrepreneurship.

Participation as Gold Sponsors of the 2017 iFest edition

This is an innovation, science and technology festival aimed at pupils in their final school years, vocational training, university degrees, masters and doctorates, with the aim of generating innovative ideas and new points of view for the



business sector. Together with three other companies, Fluidra presented four challenges related to the world of swimming pools and connectivity at the disruptive innovation workshop in which nearly 7,000 young people took part in teams of four members. The event took place at the Palau Sant Jordi on 30th November.

http://empresa.gencat.cat/ca/treb_ambits_actuacio/emprenedoria/intern/ifest/challenge/





Technology

In 2017 Fluidra has actively participated through different forums and events in the promotion of Internet of Things (IoT) and Industry 4.0 technologies applied to the swimming pool sector. This promotion has been based on the concept of connecting users, pools and equipment. Any user, any pool and any equipment.

Fluidra also took part in the:

3rd IoT Stars Edition

Event for Internet of things companies that was held during the Mobile World Congress in Barcelona. Ten companies, including Fluidra with its Fluidra Connect solution, presented their projects to a top-level jury at the Antiga Fàbrica Estrella Damm in Barcelona in February 2017. <https://livingfluidra.fluidra.com/internet-of-pools-tecnologia-destacada-iot-stars-mwc-17/>



Advanced Factories 2017

Digital transformation and future businesses congress, at which Fluidra participated as a speaker at the round table in the "IOT & Big Data at the service of product customisation" session. <https://networking.barter.es/advancedfactories/sesiones.php>



Swimming Pool & Wellness Exhibition

Held in Barcelona in October 2017, one of the sessions was devoted to the Internet of Swimming Pools (IoP) considering the technological aspects and implications at the level of business models.



Forum Innova, "Industry of the future. Smart and Connected"

On this occasion, Fluidra took part in the conference on smart and connected future industry, in collaboration with Rockwell Automation and Effitronix. <https://foruminnova.sabadell.cat/programa-2>

Fluidra 2017 Sustainable Filtration

Fluidra I+D submitted a request for public aid for *Hubs for industrial research and experimental development*. These Hubs are financed by the European Union's ERDF fund and are mainly used to support industrial research projects.

It presented a project called *SOSTPOOL, Investigation of innovative and sustainable processes of filtration of pool water to obtain excellent water quality*. In late 2017, Fluidra received confirmation that it had been awarded the aid and was approved to start the project. It is scheduled for completion in November 2019 and is expected to provide a boost to the development of new innovative pool filtration products.

During the last year, work has continued on filtration devices. The aim was to find more efficient filtering devices than those currently on the market, and which could also reduce energy and water consumption in swimming pools. One of the consequences of this work is the improvements made to filter glass, which allows Fluidra to offer a product with better performance. These improvements have been validated by the IFTS (reference centre in filtration technology) according to the UNE 16713 standard.

Additive Manufacturing

As a continuation of the Additive Manufacturing project initiated in 2016 (an Industrial Post-graduate Students programme in conjunction with the UPC's CIM Foundation and with the support of the Department of Economics and Knowledge of the Generalitat de Catalunya), during 2017, new case studies have been conducted using the latest additive manufacturing technologies. The results indicate a better approach to the concept of production with additive manufacturing technologies of existing references at Fluidra. This has allowed us to create a methodology to objectively determine which parts are optimal for manufacture using additive manufacturing technologies. The ultimate goal is to optimise manufacturing and operational costs as well as delivery times.



Innovative products

In 2017, new products and solutions were launched as a result of the activity of the Centres of Excellence: The following products were presented at the Swimming Pool & Wellness exhibition held in Barcelona in October:



AstralPool's new Smart Next and Elite Connect range of salt analysis equipment: advanced equipment for salt electrolysis water treatment, ideal for residential swimming pools, with a design that makes it easy to install and operate, as well as scalable. The Elite Next product was handed the Most Innovative Product Award at the Swimming Pool & Wellness Show.

AstralPool's Viron XT pumps

highly energy efficient, they reduce pool operating costs for life, while offering flow and pressure to meet the most demanding applications.



Chlorine tablets

with the patented Puredrop® patented technology: a patented product in which the active ingredient dissolves more slowly and more evenly, which does not include boric acid (a common addition in the tablet manufacturing process, classified as toxic, and whose use will be limited over the next few years).



New range of bottom cleaning robots

a further step in the development and innovation of these products, this is a high performance range to cover the most demanding needs in terms of automatic cleaning of residential swimming pools. Includes Bluetooth remote control for easy end-user control of the equipment.



Intellectual Property (IP) protection

Corporate R&D&i coordinates technological monitoring, management and protection of the portfolio of intangible assets (patents, designs and trademarks), and training for the different Centres of Excellence on issues concerning the protection of such intangible assets throughout the value chain.

Fluidra has implemented a series of internal processes for the development and launch of new products. They include a review of the potential risks of infringement of third-party rights at various stages of development, and also allow for the detection and subsequent protection of inventions. The company also regularly monitors the specific technologies of interest to the group and its main competitors to detect any possible applications for protection that may be relevant to the development of future products or services, as well as to initiate action if a threat to any of the group's intangible assets is detected. Regular meetings are held to review inventions and products, as well as to monitor protection by third parties, for technologies with intense industrial property development. Fluidra also has various internal processes such as creation and alignment of policies so that group policies are aligned to the legal changes regarding trade secret regulations.

The Trademark Committee, which consists of the heads of marketing, communication and intellectual property, meets once a month to discuss the strategy for the group's trademarks, optimising the current portfolio and other issues related to trademarks and domains.

In 2017, Fluidra had no record of nor had it been notified of any prohibition on the marketing of its products in certain markets. Nor has it any record of the products sold being questioned by stakeholders or which have been the subject of public debate. **[G4-PR6]**



6.6 | Customers

[G4-DMA, G4-PR3, G4-PR4,
G4-PR5, G4-PR7, G4-PR8, G4-PR9]



Albert Lluis
Head of Marketing

"Our customer base continues to grow, up 3% this past year, and although Europe remains our main market, we expect the merger with Zodiac to consolidate our presence in the US.

Fluidra's business focuses on design and marketing of products for those in the pool and wellness, water treatment, irrigation and fluid handling industries. Fluidra provides these customers not only with advice during project development, purchase and after-sales, but also with training to share its know-how on sector innovation.

Customers in Fluidra are divided into three types, depending on their intended use of the product:

- ✓ **Industry Channel.**
- ✓ **Professional Channel**, which accounts for approximately 80% of the total, with 7% growth in retail and online customers.
- ✓ **Mass Market Channel.**

At the end of 2017, Fluidra had nearly 54,200 customers, most of them in Europe (around 42,000). Customers increased by 3% over 2016, as shown in the table.

	TOTAL	NEW
NUMBER OF CUSTOMERS	54,272	6,280
EUROPE	41,838	4,565
REST OF THE WORLD	12,434	1,715

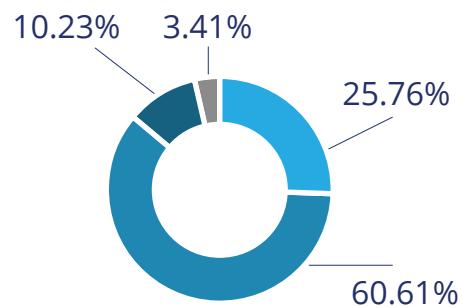
Customer satisfaction surveys

[G4-PR5]

In 2017, satisfaction surveys were sent to 3,180 customers in Spain. 8.3% of them responded, with the results shown in the following graphs.

Customer Care Service staff resolve enquiries in the first initial call

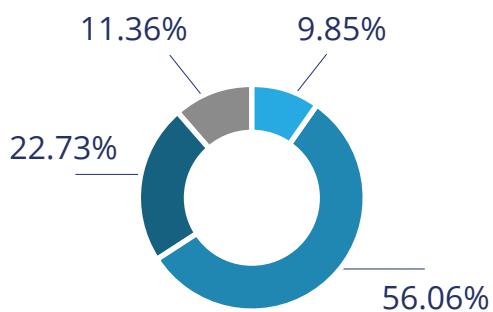
Strongly agree	25.76%
Agree	60.61%
Disagree	10.23%
Strongly disagree	3.41%





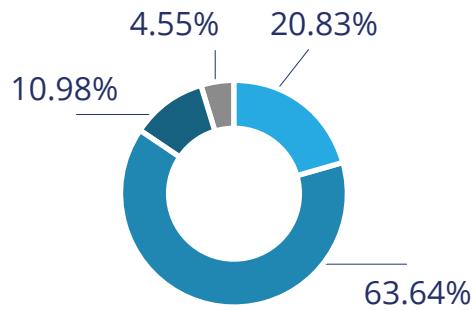
Stock availability has improved vs. 2016

Strongly agree	9.85%
Agree	56.06%
Disagree	22.73%
Strongly disagree	11.36%



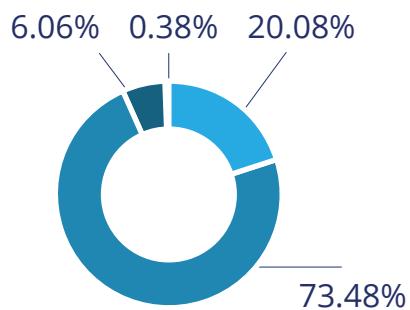
Delivery of goods is carried out in excellent conditions without any damage to the packaging or the product

Strongly agree	20.83%
Agree	63.64%
Disagree	10.98%
Strongly disagree	4.55%



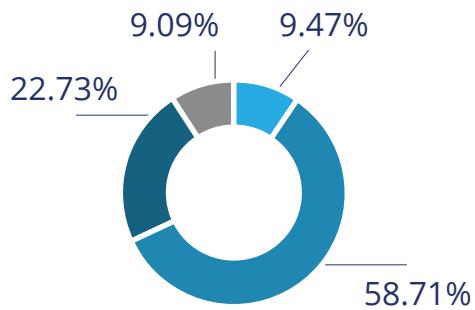
Fluidra can offer its customers high quality products

Strongly agree	20.08%
Agree	73.48%
Disagree	6.06%
Strongly disagree	0.38%



I have observed improvements in the Repair and Returns Service compared to 2016

Strongly agree	9.47%
Agree	58.71%
Disagree	22.73%
Strongly disagree	9.09%





Customer training

Ongoing customer training is one of the keys to Fluidra's success, and each year it organises more than 150 training days on five continents. It provides training which is not only related to the group's own product and business, but is also focused on promoting knowledge of key areas for the success of professional customers: how to be effective in social media, how to boost online business or how to restructure your physical store to have impact on the final customer.



Factory tours 2017

Fluidra never forgets the fact that it is not only a distributor but also a manufacturer. Accordingly, the company arranges visits to the main production units with a twofold purpose: to show the production capacity of the facilities and to improve their knowledge about Fluidra products thanks to the participation of factory experts in the provision of training. In 2017, over 15 tours were carried out, lasting from 2 to 3 days, attended by more than 200 customers in 20 countries around the world.

In addition to purely educational initiatives, Fluidra promotes activities to enter into contact with relevant industry partners such as meetings, fairs, incentive trips, events or specific campaigns to launch new products.

Loyalty programmes

In order to reward loyalty, programmes to encourage the acquisition of Fluidra products have been ramped up, especially those aimed at sustainable use. These programmes - which include the Official Partner Programme (Astralpool), Aquaspecialist, Duty (CTX) and Alliance in Australia - receive advertising support on POS and access to exclusive products.

In general, customers who are registered with a loyalty plan register an annual growth of more than 6% in their business.





Marco Rossetto

AcquaPro (Italy)

"Fluidra is currently the business partner with the highest sensitivity to technological innovation and commitment towards searching for products that meet the end customer's new requirements. Its training proposals not only focus on new products, but also on new consumer trends and available technologies to improve professional sales. They are very helpful for companies like us that have decided to invest and revamp" 



In 2017, Fluidra has placed a special focus on the online channel by developing a loyalty programme for customers who operate in this market. The @-Partner plan aims to create a network of Fluidra customers who will be the industry reference for the online channel. The company provides them with advertising support, visibility on the astralpool.com website and a brand developed for them.

Boosting e-commerce

In an industrial company like Fluidra, with a clear focus on sales, the digital business (eCommerce) is the main lever in the digital transformation process.

The Digital Business Unit was created in 2017 in order for the company to have a holistic strategic vision. This unit manages the development, operation and expansion of all the digital revenue channels such as eCommerce platforms for customers, the management of accounts on international marketplaces such as Amazon, as well as the exploration of new business models linked to Internet of Pools products such as "Fluidra Connect" and "Blue Connect", the latter as a result of the acquisition of Belgian Startup Riio Labs.

In 2017, as well as creating the business unit, the technological foundations have been laid to enable a better shopping experience for customers, and greater scalability. Important improvements were the migration of all the group's digital business assets to the cloud through Amazon Web Services, and the consolidation of a single product database that can be used to ensure that the information provided to professional customers is updated regardless of the interface used for the search (an eCommerce store, a branded website, etc.).

 As an example of the power of product information centralisation, the AstralPool product page has been revamped! <http://www.astralpool.com>. The new site features enhanced browsing on multiple screens such as computer, tablet and mobile screens that gives access to all the information related to the products of the brand, as well as the different configuration tools that help customers to select the product that best suits the needs of the installation.

Under this omnichannels approach, the company has reinforced eCommerce platforms already in operation in various countries, and improved navigability for visiting customers, leading to greater conversion and sales.

The growth in both value and volume at Amazon has been significant during 2017, especially the work carried out in North America with the distribution of cleaning robots, as well as the deployment of the GRE catalogue in Spain, France, Portugal, Italy and Germany. Lastly, SIBO - which operates mainly in Benelux - has had particularly good results in Amazon.



Fluidra PRO Platform

Five years ago Fluidra developed a B2B online shopping platform with the aim of improving customer service. In 2017, the store was updated to incorporate new information technology and for improved user experience. During the year, the Fluidra PRO platform processed almost 20,000 orders, with a turnover of approximately EUR 7 million.

Social media

The digital sector has become crucial in recent years, in fact now it is the most direct mean of communication, interaction and information for consumers, customers, investors and the public interested in the company. Fluidra has a presence on the main social media. The objective and target depend on the social network and the company that manages it. In other words, commercial delegations generate content for their clients firmly focused on selling, while the company's corporate accounts share information of general interest aimed at journalists, investors, workers, etc.

Francois
Beyleveld

Midway Pool
Services
(South Africa)

*"Going the extra mile
to meet the unrealistic
expectations of our
customers would not have
been possible without
the commitment and
dedication of Fluidra
Waterlinx"*



@Fluidra



@FluidraOfficialPage



@Fluidra



FluidraGroup



Fluidra

In 2017, Fluidra's corporate profiles significantly increased the number of followers of its networks with respect to the previous year:

Corporate profiles in rrss

	Followers 2017	Increase (%)
Facebook	+1,700	57.4%
Twitter	+2,300	113%
LinkedIn	+10,800	35%
YouTube	+260	76.9%
Instagram	+1,100	100%



Labelling and customer communication

[G4-PR3, G4-PR4, G4-PR7, G4-PR8, G4-PR9]

All Fluidra products comply with national and international communication and labelling regulations. In 2017, no complaints were received for non-compliance with product label information. Nor have any complaints been received regarding legal breaches or other aspects related to communication and advertising to customers.

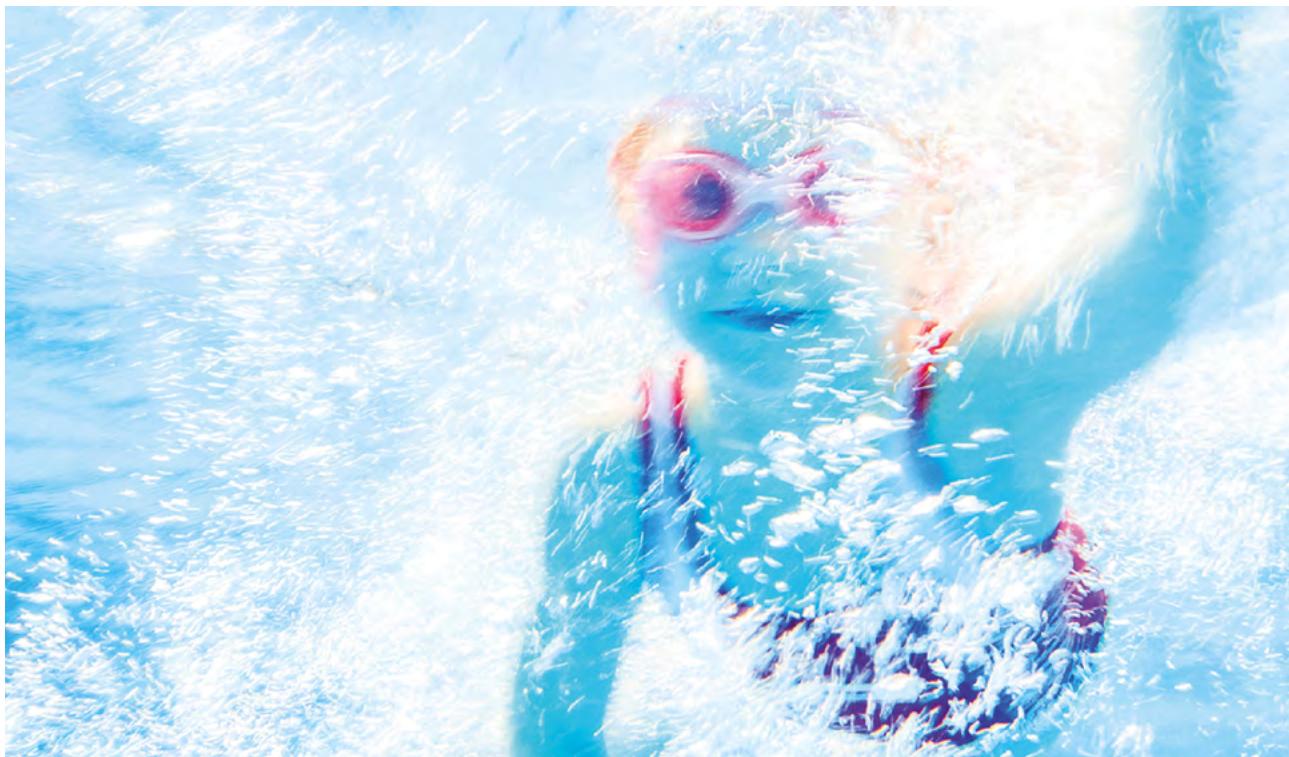
Confidentiality and protection of customer data is a cornerstone of our business. In 2017, no claims have been received for data leakage from our customers.

Nor were there any fines and administrative sanctions in 2017 for non-compliance with regulations and legislation relating to the use of products and services.

Kerry Niewoudt

Slimline Ballito
(South Africa)

"I would like to thank Fluidra Waterlinx for all the support and service it has given us this year. I am extremely grateful for the willingness of your team to deal with emergency requests, as well as the outstanding support and service they provide to the end customer"





Quality and service

[G4-PR1, G4-PR2]



Eva Samper
Quality Director

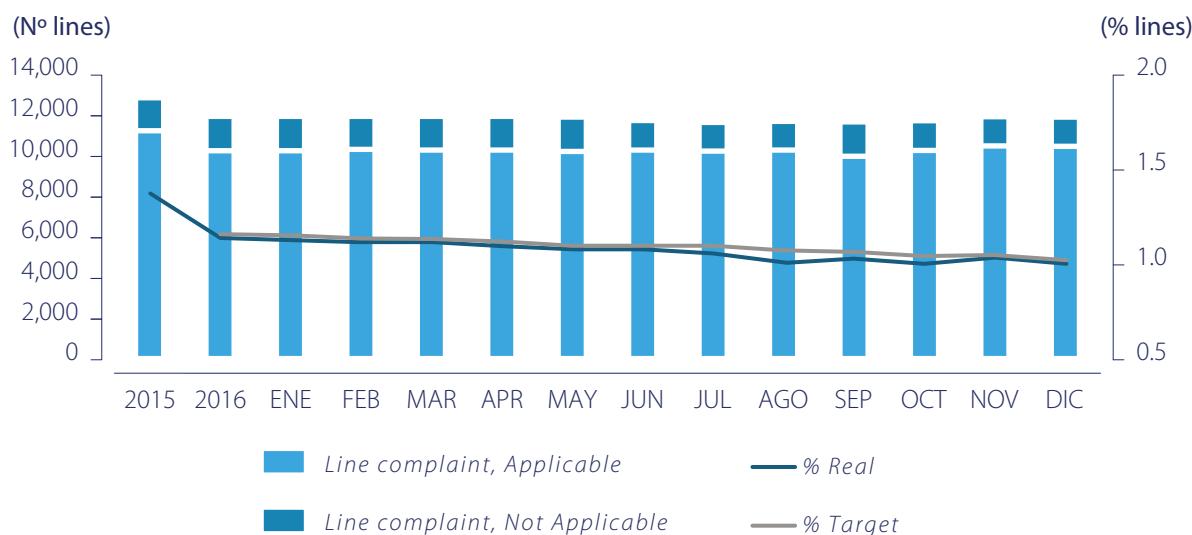
"The sharp increase in demand has slightly affected our service indicators, but we still managed to exceed our complaint reduction target"

Fluidra conceives of quality as a global whole, not just as product quality. Thus it strives to transform the customer's expectations into a requirement and, once established, to have the entire chain necessary to achieve the final product or service that meets this requirement. To achieve this objective, we need to have system and methods that allow us to work on the quality of each of the links in this chain. Quality is integrated and always focused on continuously improving the product, the system and our attitude.

The pillars of any company are customer satisfaction and sustainable growth, and quality is a concept that contributes to both. At Fluidra, customer satisfaction is measured by reducing customer complaints and increasing service quality, and this has a positive impact on reducing non-quality costs.

In financial year 2017, the priority objective of the quality area was to establish common working methods through joint work and to issue procedures, as well as the Fluidra Quality Diagnosis, as a tool for improving company systems and reducing quality complaints.

Accumulated Customer Line Complaints 2017



The target proposed for 2017 had been to bring down customer complaints by 10% against the previous year. At year-end, customer lines complaints had been reduced by 11% against the previous year, as shown in the chart below.

None of the complaints received referred to non-compliance of the products due to their impact on people's health and safety, so no improvement evaluations were carried out in 2017, as they were not considered necessary. **[G4-PR1, G4-PR2]**

Fluidra has several indicators of the level of service it offers its customers throughout an extensive distribution network, which monitor sales orders from their entry into the system to their delivery to the customer. In recent years, Fluidra has implemented a series of continuous improvement programmes in its supply chain processes that have led to very positive results in customer service.

However, the 2017 indicators show a slight decrease in service due to the dramatic surge in demand (13% more than in 2016), and during the first half of the year this increase was 19%.

The most representative indicators of service quality are:

- 1.** OTD (On Time Delivery) (%): This is the percentage of order lines delivered on time and confirmed to the customer. In 2017 it fell by 2%, bringing Fluidra's annual average to 95%.
- 2.** Availability (%): This is the percentage of order lines, with enough stock to serve 100% of the quantity requested at the time of order entry. In 2017 it fell by 2%, reaching an annual average of 93%.
- 3.** Average delivery time (Days): Time elapsing between the entry of the order line and delivery to the customer. In 2017 it increased by 0.6 days, leaving the company with an annual average of 2.8 days.



6.7 | Suppliers

[G4-12, G4-13, G4-EC9, G4-EN32, G4-EN33, G4-LA14, G4-LA15,
G4-HR1, G4-HR9, G4-HR10, G4-HR11]



Carlos Picola
Head of Procurement

"In 2017 we approved, disseminated and implemented the new Procurement policy, thereby reinforcing the commitment of our suppliers to respect the social and environmental environment in which Fluidra operates"

Year review and future challenges

[G4-12]

2017 was globally characterised by an increased purchase volume of around 10%, slightly below the business growth of the group. The year was shaped by high price levels for quoted commodities (oil, gas, metals), which affected the price levels of many raw materials. Electricity and gas prices followed an upward trend. Especially in the first few months of the year, energy prices were at record levels in Spain. These high price levels gradually regained momentum, although in the year as a whole prices ended up being higher than in 2016. The global economy is growing strongly, so it remains to be seen when this upward trend will end.



High oil and metals prices were favourable to increases in derivatives product costs, particularly resins (ABS, PP, PE), engines and steel, with a few supply shocks. Because of the compulsory conversion to membrane technology of chlorine-alkali plants in December 2017, several chlorine and soda plants closed throughout Europe. This situation has led to a shortage and a very high price increase for this family of products and all their derivatives.

The Chinese government's environmental and energy policy has prompted significant restrictions on production in China. In fact, the chemicals family has been one of those hit hardest, with very significant price increases, as well as a very marked supply shortage, which continues over time and is expected to continue throughout 2018.

The euro also gradually strengthened against the dollar during the year, especially in the second half of the year, although this will be more clearly factored into purchases in 2018.

After launching the mandatory Tender for our electricity supply, our usual supplier of green energy type A, certified by the National Commission of Markets and Competition, has continued to be the best positioned, ensuring the supply of 100% renewable sources until the end of 2020 in the current 57 consumption points in Spain.

Another important point is fleet management, where the group's policy, coupled with the constant renewal of more efficient vehicles, has led to greater quality and less pollution in Fluidra's mobility.

We are currently carrying out a fleet usage study so as to be able to analyse habits and routes in greater depth, and to develop a future plan for the replacement of vehicles with other hybrids or electric vehicles wherever possible.

Purchase and approval policy

During 2017, the new Procurement policy was approved, disseminated and implemented, in line with the undertakings of honesty and integrity that define the group. It sets out the criteria for competitive concurrence and approval of suppliers, which have to comply with Fluidra's Supplier Code and respect the physical and social environment of the organisation.

Supply chain results

[G4-12, G4-13]

Fluidra has a varied and complex distribution of supplier, with a procurement volume of close to EUR 490 million, and 11,300 supplier and creditor accounts active in 2017. The procurement volume for the operating accounts is distributed in a way that is inversely proportional between suppliers of raw materials and service providers (close to 70-30).

The distribution of purchases by volume shows a significant concentration of suppliers and creditors in the over one million purchase segment with 0.8% of the operating accounts and 40% of the total turnover. However, 93% of suppliers and creditors are in the purchasing range below EUR 100,000 with 19% of turnover.

In an internationalised group like Fluidra, purchases in different countries to satisfy local and group demands are a very important aspect of daily operations. Given the close relationship and knowledge of our suppliers, around 40% of the group's purchases are carried out in Spain. The rest are imported products or products used in the same productive areas where they are manufactured. Thus, the purchase impact for local suppliers is significant, avoiding unnecessary movements of goods, while promoting the local economy.

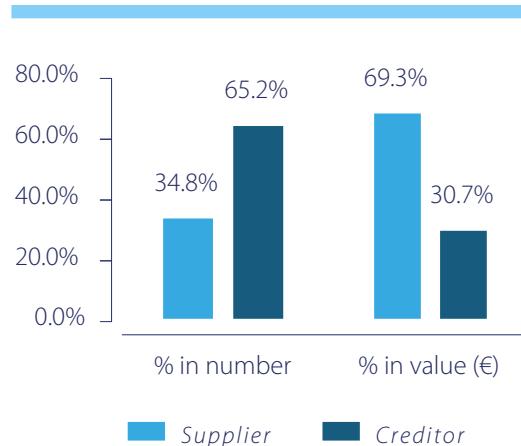
It is important to note that the volume of purchases from China is strongly affected by the purchase of chemicals, as China is the only manufacturer of many of these products in the world. In the other countries, a balance is

maintained between suppliers and purchase volume. Given the geographical location of the companies in the Fluidra group, the criterion is for local purchases to be considered as procurement made within the country in which the company is located. Under this criterion, 70% of purchases are made from local suppliers. [G4-EC9]

Under international procurement, and in line with the distribution of countries, the use of local currencies is one of the important management aspects of the group. The euro remains the currency of choice, although the US dollar also has an important impact in that purchases in China are made in this currency.

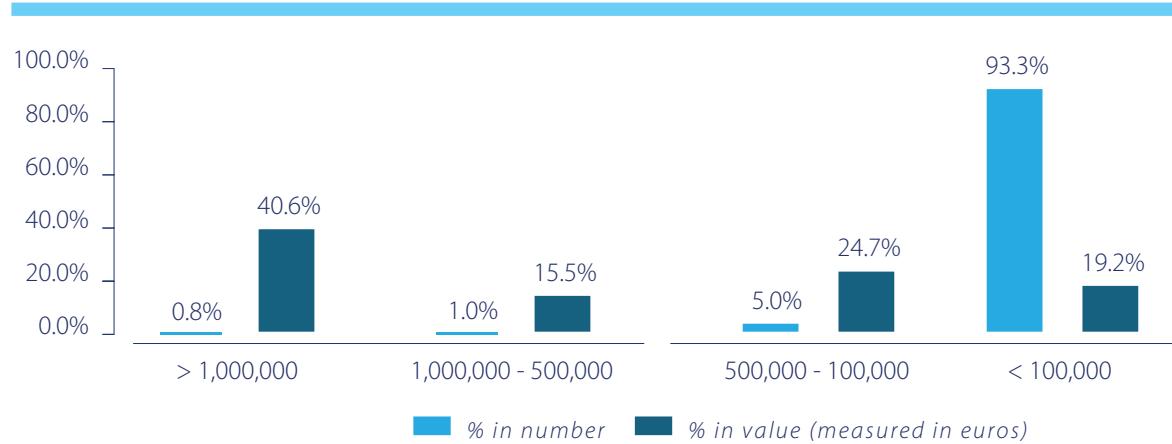
CSR in the supply chain

Total purchases



Fluidra is sensitive to the sustainability of its supply chain, where the Supplier Ethical Code http://www.fluidra.com/wp-content/uploads/2016/06/Código-Ético-para-proveedores_ES.pdf is a fundamental part of its policy of social responsibility in the supply of raw materials and services. It is compulsory to accept the code in all contracts and orders, through general clauses in all corporate contracts and automatic orders of the system, and it is also present in the approval process. The Code is inspired by the United Nations Global Compact, advocating human rights and fighting corruption are both essential and paramount. [G4-HR1]

Purchases by volume



Purchases by country



Purchases by currency





Supplier assessment

[G4-LA14, G4-LA15, G4-HR10, G4-HR11,
G4-EN32, G4-EN33]

The criticality of suppliers is determined by their purchase volume and degree of involvement in the business. In this respect, all suppliers of materials and services with purchasing volumes above EUR 500,000 are considered critical and must therefore be assessed regarding their ethical, social and environmental behaviour. In 2017, the group of critical suppliers accounted for nearly 60% of total purchases.

Over the last two years, Fluidra has rolled out a systematic process of social risk assessment for suppliers categorised as critical for the company. In this regard, Fluidra is moving towards new forms of evaluation that will allow it to deepen its knowledge and understanding of its suppliers' risks.

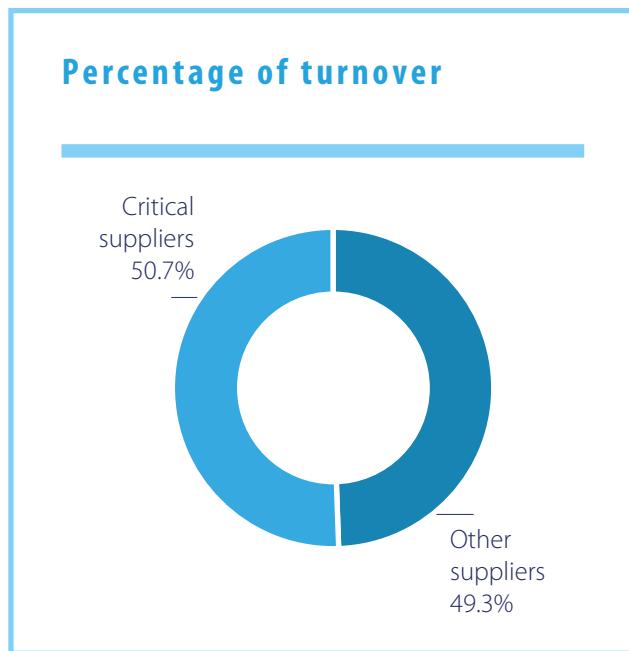
In 2017, continuing with the evaluation process initiated in previous years, 100% of the suppliers considered critical have been reached with a purchase volume of 50% of the total in 2016.

Based on the effective evaluations carried out, we can determine that there is no high social risk in our critical suppliers, although 9% of them need specific attention and help in their social, environmental and compliance performance, although this does not entail a serious problem of violation of rights. [G4-LA14, G4-LA15, G4-HR10, G4-HR11]

Progress has been made in the degree of satisfaction with regard to labour practices in the supply chain, rising from 7% in 2016 to 2.2% in 2017.

The same level of satisfaction about the treatment of Human Rights of the previous year is maintained.

This year 2017 "Compliance" has been included in supplier assessment, as anti-corruption and regulatory compliance policies. The degree of satisfaction is also correct, although in 2% of the evaluations there is no active policy of regulatory compliance.

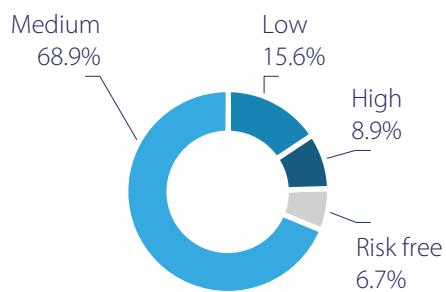


Regarding the environmental assessment of Fluidra's suppliers, there is an analysis procedure in place on 100% of suppliers over a three-year cycle in all production plants through the implementation of ISO14001 and EMAS environmental certificates. Such procedures set monitoring and compliance references in environmental matters of suppliers, establishing mechanisms for a possible operational veto of the provider in case of serious breach of the environmental legislation. In 2017, 328 suppliers have been evaluated, 2% of which were found to have deficiencies in the identification of the environmental aspects of the activity, lack of objectives and targets, and in the documentation of operations control. They were all sent a letter of communication and a request to remedy the deficiencies. [G4-EN32, G4-EN33]

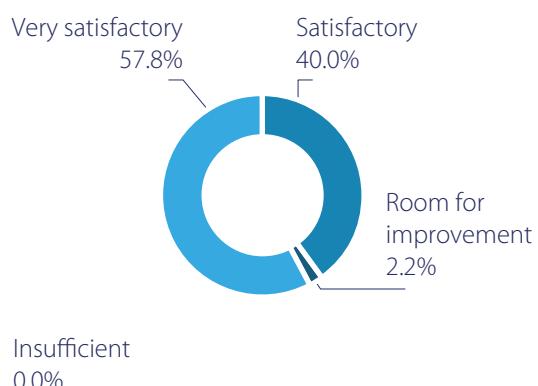
Based on the evaluations carried out, no suppliers with a significant risk of child exploitation have been identified, nor organisations that violate workers' rights to collective bargaining, nor have any episodes of forced labour been identified. [G4-HR4, G4-HR5, G4-HR6]



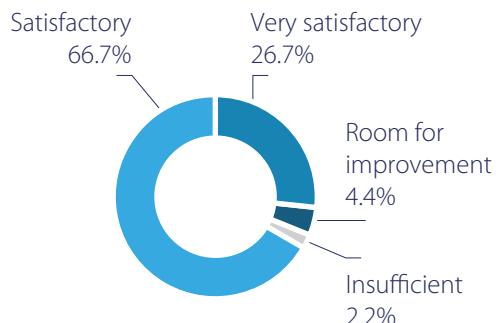
CSR risk level



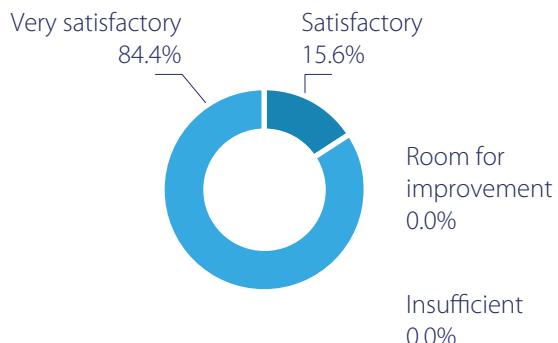
Work practices



Regulatory compliance



Human Rights





6.8 | Environmental management

[G4-DMA, G4-EN1, G4-EN2, G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN8, G4-EN9, G4-EN10, G4-EN11, G4-EN12, G4-EN13, G4-EN14, G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19, G4-EN20, G4-EN21, G4-EN22, G4-EN23, G4-EN24, G4-EN25, G4-EN26, G4-EN29, G4-EN30, G4-EN31, G4-EN34]



Nuria Mirabent
HSE Director

"Caring for the environment is part and parcel of our mission and our corporate commitments, it is intrinsic to the essence of Fluidra, so we strive to efficiently manage the impact of all our activities"

Fluidra, aware of the importance of environmental protection, sets in its corporate guidelines the Mission, Vision and Values, and its commitment to promote responsible use of water and apply rigorous sustainability criteria. Fluidra's activity refers mainly to water. Respect for the environment, materialised through the promoting clean technologies and sustainable use, treatment and recycling of resources are an integral part of the company's day-to-day activities. Fluidra's activities generate environmental impacts and its management aims to minimise the environmental impacts of this activity, focusing on the commitment of the efficient use of raw materials, energy and water use and the correct treatment of emissions, waste and discharges. [G4-DMA]



Fluidra's commitment to the environment

1

To prevent pollution by eliminating and/or minimising significant environmental impact.

2

To properly manage natural resources, avoiding exploitation, optimising its consumption and promoting use of reusable and/or recyclable materials.

3

To provide training and motivation to and raise awareness among employees and other stakeholders to ensure minimal environmental impact.

4

To engage all Fluidra suppliers, contractors and providers through the Supplier Selection Policy in the commitment to care for the environment (Fluidra's Code of Ethics).

5

To comply with the existing legislation and base our management system on continuous improvement.

The Group companies detailed in the table below have certificates such as ISO 14001 or EMAS environmental management systems, audited by external companies that verify compliance with environmental requirements set in ISO 14001 or EMAS standards. [\[G4-14\]](#)

Environmental Certifications

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



In 2017, the Environmental Management Committee was set up to develop the Master Plan established by the CSR Committee at group level and to reinforce environmental criteria. During the meetings of this committee, the environmental data and the actions planned in the group companies are reviewed on a quarterly basis.

In 2017, the first meeting with the group's Health, Safety and Environment (HSE) professionals took place. This meeting, which will be held annually, allows criteria to be aligned, explanations of lessons learned and to exchange experiences to help optimise the group's resources in the field of HSE.

Environmental objectives are defined at corporate level, although each Group company has responsibility based on the significant environmental aspects such as the ISO 14001 or EMAS standard, with the Group's general guidelines used as a blueprint. The persons with the highest degree of responsibility are the managers or directors of each of the companies who are operationally delegated to the corresponding health safety and environmental managers.

There have been no environmental complaints in 2017, nor were there in previous years - either through formal mechanisms or through informal communication mechanisms. [\[G4-EN34\]](#)

In 2017 production in the Group's companies increased substantially, prompting an increase in some consumption indicators (energy, raw materials, etc.). Nevertheless, in total figures it can be observed how the environmental policies implemented are taking effect, maintaining the emissions and waste indicators in similar numbers to those of the previous year, helping to meet the objectives set in Fluidra's environmental policy.

In 2017, the range of companies in the group that have reported their data for this report has been expanded, in accordance with Fluidra's commitment to increasing the transparency and reliability of the data reported.

Energy efficiency, energy consumption and energy-efficient products

Part of Fluidra's power supply comes from renewable sources. Most of the group's energy comes from green energy, which helps to bring down the carbon footprint. [\[G4-EN19\]](#)

The increase in electricity consumption in 2017 was 13.6%, due to the increase in production and the extension of the report's coverage. There has been an increase of 18.9% in consumption of diesel fuel for production and commercial vehicles, due to the aforementioned causes of production and coverage. Lastly, in terms of energy consumption, natural gas consumption fell by 10.2% compared to the previous year. [\[G4-EN3, G4-EN6, G4-EN19\]](#)

One of Fluidra's commitments to the environment is to optimise the consumption of resources and, to this end, to promote energy efficiency among the group's companies.

During 2017, the following energy efficiency actions were carried out [\[G4-EN6\]](#):

- Acquisition of energy-efficient equipment and machinery: energy-efficient injection machines (one machine in Cepex, three new machines in Sacopa and one in Prelast), a servomotor press (Prelast, SA) and two items of free-cooling refrigeration equipment (Cepex) where an energy saving of 25% was achieved in refrigeration since deployment.
- Installation of energy-efficient lighting by replacing fluorescent lights and projectors by LED lighting (Sacopa, Cepex, S.A.U Metalast, Trace Logistics) and use of natural light (Fluidra Portugal, LDA). A 57% reduction in installed wattages has been achieved in the case of Trace Logistics.
- Implementation of energy control system through analysers (Metalast, Cepex).



- Staff awareness campaigns in order to make everybody aware of the need to use energy efficiently and reduce consumption (Idegis, Cepex, Sacopa, Metalast).
- Promoting the use of good environmental practices: always turning off lights and air cooling systems when the rooms are not in use and at the end of the day, the use of centralised systems or thermostats that allow users to set the temperature thus reducing energy consumption and preventing unnecessary consumption, turning off screens and computers at the end of the day. A global corporate campaign has been conducted within the group and individual campaigns have been conducted in the following companies: Cepex, Fluidra, S.A.U, Metalast, Poltank, Sacopa, Talleres del Agua and Fluidra Portugal. (.
- In relation to energy-efficient products, companies like AstralPool, Fluidra Australia PTY, Ltd. focus on developing and selling energy-efficient products (for example Viron Pumps). Sacopa, with Ignialight, engages in the manufacture of lighting for fountains, street lighting, industrial architectural lighting and sports facilities that facilitate energy efficiency.
- Sacopa, through the app FESEDET, encourages the use of shared transport between workers reducing the use of private transport.



CEPEX Injector- at Cepex Centre, SAU in Granollers



CEPEX - Incorporation of free-cooling refrigeration equipment at Cepex Granollers.



Sacopa: new efficient LED lighting



Direct energy

[G4-EN3]

	2015	2016	2017
Natural gas consumption			
Kwh	11,712,051	13,771,602	12,361,893
% Change.	0.0%	17.6%	-10.2%
Gj	42,163	49,578	44,503
Diesel fuel consumption (production / refrigeration)			
Litres	409,640	411,820	591,311
% Change.	47.7%	0.5%	43.6%
Diesel fuel consumption (Vehicles Management /Commercial)			
Litros	528,541	823,582	877,760
% Var.	-18.6%	55.8%	6.6%
Vehicles			
Nº	265	345	381
Total diesel fuel consumption			
Litres	938,181	1,235,402	1,469,071
% Var.	1.2%	31.7%	18.9%
Gj	34,350	45,233	53,788
Total direct energy			
Gj	76,514	94,811	98,291
% Change	11.0%	24.0%	3.8%

Direct energy (Gj)



Indirect energy

[G4-EN3]

	2015	2016	2017
Public / Private Network Electricity			
Kwh	30,719,899	33,808,322	40,235,910
Gj	110,592	121,710	144,849
% Change	-4.8%	10.1%	19.0%
Cogeneration			
Kwh	2,521,697	1,617,294	0
Gj	9,078	5,822	0
% Change	56.7%	-35.9%	-100%
Total indirect energy			
Kwh	33,241,596	35,425,616	40,235,910
Gj	119,670	127,532	144,849
% Change	-1.9%	6.6%	13.6%

Direct energy (Gj)

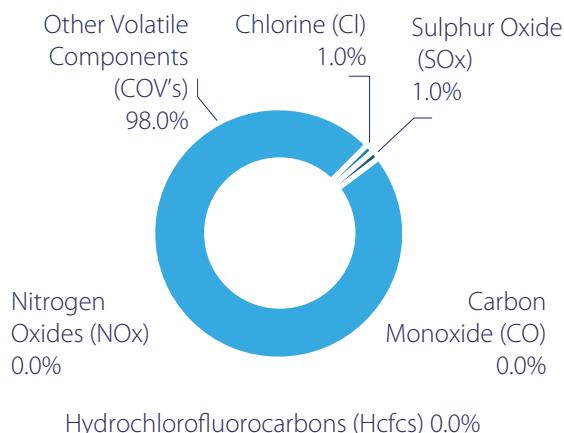


Atmospheric components

[G4-EN20, G4-EN21]

(in tons)	2015	2016	2017
Nitrogen oxides (NOx)	1.68	1.20	1.20
Sulphur oxide (SOx)	0.29	1.09	1.10
Carbon Monoxide (CO)	1.53	0.2	0.19
Other volatile components (VOCs)	48.00	46.00	110.97
Chlorine (Cl)	0.58	0.37	0.34
Hydrochlorofluorocarbons (HCFCs)	0.52	0.00	0.00

Atmospheric components 2017



Energy intensity

[G4-EN3, G4-EN5, G4-EN6]

In 2017, the total energy consumed within the coverage of the report was 243,140 gigajoules, an increase of 9.4% over the previous year, as a result of the increase in coverage. Energy intensity with respect to raw material consumption (PM) was 3.92 Gj/tMP, representing a decrease of 9.8%. However, given the increase in the number of companies covered, energy intensity per person has increased by 5.5% over the previous year with 45.90 Gj/person.

Emission of air pollutants

The Fluidra Group companies do not release significant amounts of substances into the atmosphere which may be harmful to the ozone layer as part of their activities. However, they are measured and managed as a preventive and control measure.

This report shows that in 2017, despite the increase in production and the increase in the number of spectrum companies, emissions data remained stable. However, in the area of volatile components (VOCs), when incorporating this year for the first time the data of the polyester company in the USA, there has been a significant increase. [G4-EN20, G4-EN21]

Inquide's plant performs monitoring and control of emissions through direct measurement. The data obtained from VOCs are obtained through mass balance and correspond mostly to styrene (C8H8) from the polyester resin transformation process. Substances emitted in production processes do not affect the ozone layer according to Regulation (EC) 1005/2009. Only HCFC's cooling gases are likely to affect the ozone layer and no leakage was detected in 2017.

Logistics in Fluidra companies centres around the Group's warehouse, in which measures for the optimisation of transport are taken using full loads and efficiently managing shipments to customers. This has made it possible to reduce mileage by 20.1% in 2017. [G4-EN30]



Within Fluidra, the total greenhouse gas (GHG) emissions generated in 2017 from production processes and transport of vehicles and trucks was 26,350 Tn/CO₂ representing a decrease of 0.2% compared to the previous year. Fluidra's transport emissions account for 43% of the total, 22% of which correspond to indirect energy, 26% to direct energy and 9% to trips. Emission values have been calculated according to ISO 14064. Emission coefficients in indirect energy have been obtained from information from the International Energy Agency.

Transport

[G4-EN30]

Goods (Subcontracting full load)

	2015	2016	2017
Km	42,446,012	20,830,164	16,650,919
% Inc.	11.3%	23.5%	-20.1%

GHG emissions

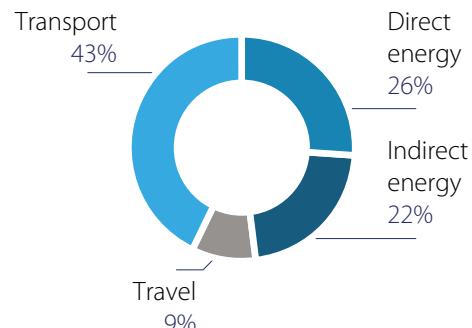
[G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19]

(en t/CO ₂)	2015	2016	2017
Direct Energy			
Natural Gas	2,951	3,470	3,115
Diesel fuel	2,458	3,237	3,849
Total	5,409	6,707	6,964
Indirect Energy			
Public / Private Network Electricity	11,318	11,164	14,355
Base load	0	8,189	8,697
Cogeneration	1,059	679	0
Total	12,377	3,654	5,658
Total Energy Emissions	17,787	10,361	12,622
Transport			
Goods (Subcontracting full load)	11,491	14,190	11,343
Travel			
Travels by plane and train	0	1,860	2,326
Fugitive emissions	0	0	59
Scope 3 total indirect emission	11,491	16,050	13,669
Total attributable emissions	29,278	26,411	26,350
% Inc.	7,2%	-9,8%	-0,2%

Attributable emissions (t/CO₂)



CO₂ emissions in 2017





Intensity of CO₂ emissions

[G4-EN18]

The intensity of CO₂ emissions in 2017 compared to the consumption of raw materials increased slightly by 0.2% to 449.60 kgCO₂/tMP. In contrast, emissions per person have decreased from the previous year by 13.7% to 6.17 tCO₂/person.

The main steps taken to reduce GHG emissions were as follows:

- Use of the Trace Logistics Group's logistics warehouse by all companies to concentrate truckload shipments, optimising the number of shipments and reducing emissions.
- Replacing face-to-face meetings and training with videoconferences and online software to avoid the need for domestic and international travel.

Emissions per person have decreased compared to the previous year by 13.7%

Acciones





Training and awareness campaigns

Every person who joins Fluidra is given the Induction Manual, which conveys the mission, values and values of the company. Fluidra's Code of Ethics also includes the business conduct standards and is provided to all employees of the Group.

Fluidra raises awareness on optimisation and responsible use of natural resources such as water, promoting the participation of employees in competitions and community activities.

Workplaces raise awareness on environmental conservation such as how to sort waste properly, efficient use of energy, responsible use of water, proper handling of chemicals and appropriate steps to be taken in emergency situations. In 2016, drills to practice fire, accidental spill and handling of chemical products were carried out (the photos illustrating these pages correspond to these activities).





Minimisation of packaging waste

Fluidra is aware of the waste generated by the packaging of its products: paper, cardboard and plastic. They are packed in grouped and palletised cardboard boxes or, depending on the product, in plastic or metal containers which are packed in accordance with the established packing instructions. Due to environmental legislation demands, some companies must submit waste reduction plans on packaging to the regional authority's competent body. The following measures, *inter alia*, have been implemented to minimise this environmental impact:

- Reduction of the amount of single-use packaging waste on the market, increasing the proportion of recyclable packaging in relation to non-recyclable ones and using –as far as possible– recycled materials and containers whose physical properties or characteristics provide for recovery and recycling.
- Reusable plastic boxes replacing cardboard boxes and internal transport of components between warehouses.
- Reuse of wooden pallets of raw materials for internal use.
- Reuse of cardboard boxes that are received with equipment from suppliers and customers which are used to pack and ship.
- Reduction of the packaging size.
- Increasing the number of boxes per *pallet* in the shipments of some items.
- Segregation of light packaging to reduce banal waste.

Group companies submit packaging waste reduction plans to local authorities

Water consumption

Fluidra's mission is to bolster society's development and progress through sustainable use of water in its leisure, domestic and industrial applications. The group is especially concerned about saving water and despite the fact that overall consumption is not high and that processes do not require a large amount of water, companies carry out consumption controls for detecting and repairing leaks in the network and misuse or unnecessary use caused by poor practices. Fluidra also raises awareness among its staff of the importance of its proper use.

In 2017, 112,160 m³ were consumed, an increase of 7% over the previous year, due to the two factors initially mentioned: the increase in production and the increased scope of this reporting. The reduction in reused water is due to the shutdown, for several months, of the production activities of one of the plants.

municipales. Inquide, durante el año 2017 ha captado 0,0618 Hm³, que representa un 0,0098 %. [G4-EN9]

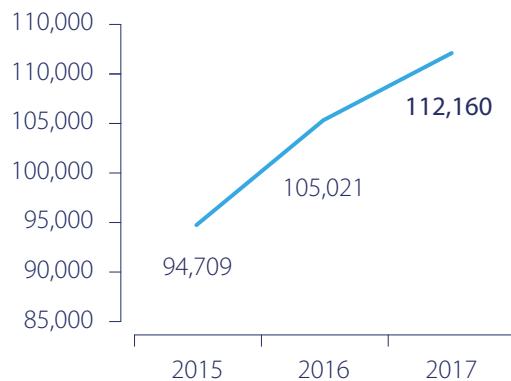


Water by sources

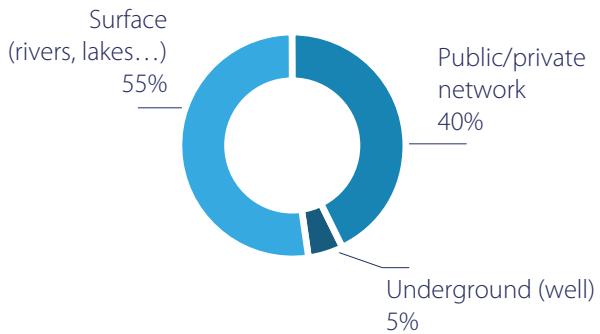
[G4-EN8, G4-EN9, G4-EN10]

(in m ³)	2015	2016	2017
Sources			
Public or Private network	39,564	42,752	45,092
Underground (well)	5,229	4,367	5,238
Surface (rivers, lakes...)	49,916	57,902	61,830
Total sources	94,709	105,021	112,160
% Var.	10%	11%	7%
Reused			
	11.212	8.666	577
% Ratio	10.6%	7.6%	0.5%
Total used	105,921	113,687	112,737

Water by source (m³)



Water by source 2017



During 2017, water use minimisation and optimisation actions continued. Some of these were:

- Some work centres use closed circuits for cooling moulds. Other companies reuse water for production purposes; this water often comes from water for cleaning equipment, water recovered from decanters or press filters, among others or they reuse the water for pool testing.

- Inquide reuses water for cleaning machinery for production, water from decanters, water recovered from the press filter wastewater treatment station (WWTS) and water from the evaporation plant (condensed).
- Water use controls to detect leaks.

Inquide, located in Monzón (Huesca, Spain), is the only



Group company that holds a special system of surface water intake from the Ebro river basin for sanitation, domestic and industrial use. Industrial demand for the Ebro basin is 470 Hm³, of which 258 correspond to industries not connected to municipal networks. During 2017, Inquide channelled 0.0618 Hm³ representing 0.0098%. [G4-EN9]

Optimisation of natural resources: consumption of materials

[G4-EN1, G4-EN2]

Fluidra aims to reduce the wastage of raw materials, avoiding their exploitation, optimising consumption and minimising waste and disposals, applying best environmental practices, from design, procurement and production.

In 2017, with the increase in production and the incorporation of more Group companies into the scope of this report, consumption of plastic and other materials increased, although there was a 3.2% decrease in chemical materials. This was due to the optimisation of logistics and the review of stocks, the application of mitigation measures, and lastly, the decline in manufacturing of products that are made of this material.

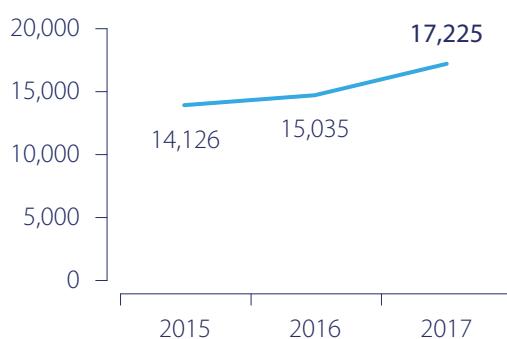


Increase in plastics consumption

14.6
%

The higher plastics consumption is due to the increase in production and the incorporation of more companies to data analysis

Plastic materials (tn)





Consumption of plastic materials

(in tons)

	2015	2016	2017	% Var. 16/17
Virgin				
Polyvinyl chloride (PVC)	4,907	5,273	5,878	11.5%
Polypropylene (PP)	3,997	4,298	4,905	14.1%
Acrylonitrile butadiene styrene (ABS)	1,734	1,934	2,511	29.8%
Polyester resin	1,298	1,250	1,767	41.4%
Polyethylene (PE)	746	659	762	15.6%
Ion exchange resin	354	363	284	21.7%
Polyphenylene oxide (PPO)	185	197	239	-6.6%
Polystyrene (PS)	210	256	199	37.2%
Polyamides (PA)	177	234	194	-1.7%
Polycarbonates (PC)	148	158	155	-2.1%
Synthetic rubber	138	145	113	37.0%
Acrylonitrile Styrene Acrylate (ASA)	67	83	102	40.7%
Copolyester	39	49	47	-4.1%
Polyurethane (PUR)	53	73	36	38.0%
Acetal	31	32	26	-18.3%
Ethylene Vinyl Acetate (EVA)	19	26	6	7.1%
Methacrylate	6	6	0	-100.0%
Total plastic materials	14.107	15.035	17.225	14.6%

Internally recovered

% Rec.

Polyvinyl chloride (PVC)	1,227	1,188	976	5.7%
Polypropylene (PP)	0	45	46	0.3%
Acrylonitrile butadiene styrene (ABS)	0	14	45	0.3%

Externally recovered

% Rec.

Polyvinyl chloride (PVC)	62	12	0	0.0%
Polypropylene (PP)	86	110	94	0.5%
Acrylonitrile butadiene styrene (ABS)	12	11	17	0.1%



Other materials (Tn)



Consumption of other materials

23,0 %

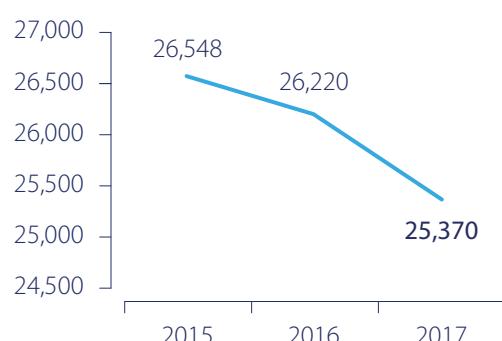
The higher other materials consumption is due to the increase in production and the fact that more companies have been added to the data analysis

Consumption of other materials

	2015	2016	2017	% Var. 16/17
Metal				
Steel	3,246	3,348	3,741	11.8%
Iron	422	291	361	23.8%
Copper	88	103	110	6.8%
Aluminium	68	73	74	1.2%
Titanium	57	65	66	2.5%
Cables	8	8	9	7.1%
Glass				
Recycled glass	5,701	4,236	4,455	5.2%
Fibreglass	760	767	1,059	38.1%
Packaging				
Wooden pallets	2,805	2,886	3,911	35.5%
Cardboard boxes	2,360	2,557	3,156	23.4%
Plastics (film, bags, containers, etc.)	977	1,313	2,268	72.7%
Other (cork, foam, etc.)	4	4	4	-4.7%
Drums	4	73	131	80.0%
Other materials				
Pigments	75	40	47	18.8%
Total other materials	16,573	15,764	19,392	23.0%



Chemical material (Tn)



**Reduction
of chemical
materials**
**- 3.2
%**

Consumption of chemical material

[EN1, EN2]

(in tons)	2015	2016	2017	% Var. 16/17
Trichloroisocyanuric acid	4,438	5,067	7,065	39.4%
Sulphuric acid	2,447	2,888	3,402	17.8%
Sodium hydroxide	6,389	4,525	3,304	-27.0%
Sodium hypochlorite	831	1,633	2,174	33.1%
Dichloroisocyanuric acid	1,907	3,058	2,159	-29.4%
Chlorine	4,175	2,915	2,145	-26.4%
Cyanuric Acid (Isocyanuric)	2,200	2,000	1,229	-38.6%
Sodium bisulphate	1,008	1,005	1,011	0.6%
Dense Sodium Carbonate	764	846	900	6.4%
Aluminium polychloride	713	981	881	-10.2%
Sodium thiosulphate	1,201	850	640	-24.7%
Boric acid (EP)	347	302	339	12.1%
Peroxides (acetylacetone + MEK)	22	23	29	26.1%
Phosphoric acid	15	16	20	26.0%
% Rec.				
Int. Reused Acetone	32	32	73	130.4%
Ext. Recovered Acetone	59	80	0	-100.0%
Total Chemical Material	26,548	26,220	25,370	-3.2%

All data for raw materials and other materials are recorded based on sales invoices.



Environmental protection

Fluidra Group companies are located in industrial estates or urban areas outside natural areas of special protection. For this reason, biodiversity is protected only through conservation of native species in neighbouring gardens of the perimeter of the facility.

Minimisation of wastewater

[G4-EN22]

Black water is mostly discharged directly to the public network, although some Group companies incorporate them into their production processes.

The following actions taken during the year are worth highlighting:

- Inquide, in Monzón (Huesca, Spain) has a biological treatment plant where grey water is treated. This system discharges treated water through filtration wells in the

absence of public sewers in the area. The remaining wastewater in Monzón generated from production processes is managed internally as waste, and deposited in storage reservoirs for natural evaporation.

- Metalast has a physical-chemical water treatment system to treat processed waters. This year Metalast has incorporated a tank to regulate flow rate and inlet concentrations in the plant. All the Group's other production companies have closed water circuits that allow for reuse and savings.

In 2017, 7% more was discharged in comparison to 2016, due to leaks in the group's companies that were inconsequential or did not affect biodiversity because they were processed water. Wastewater discharges comply with environmental legislation. **[G4-EN24, G4-EN26]**

Type of discharge

[G4-EN22,G4-EN24]

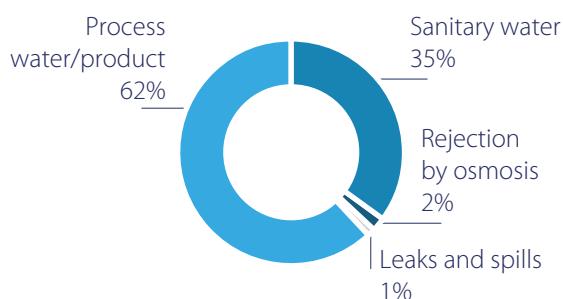
(in m ³)	2015	2016	2017
Sanitary water	34,764	36,604	38,894
Process water / Product	57,556	64,995	69,321
Rejection by osmosis	1,445	2,928	3,000
Leaks and spills	944	494	945
Total discharges	94,709	105,021	112,160
% Var.	0%	11%	7%



Discharges (m³)



Type of discharge 2017



Optimising the management and treatment of waste

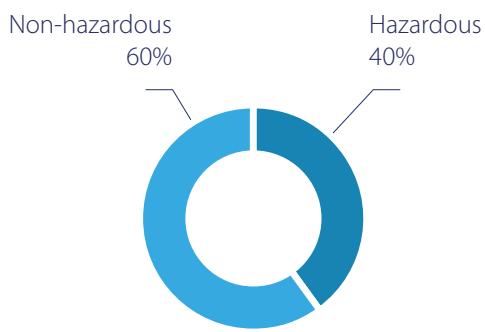
[G4-EN23, G4-EN25]

The waste generated is sorted and treated in compliance with current legislation. Its management is aimed at reducing, reusing and recycling both at origin and through authorised processing companies and as a by-product. Of the waste generated by Fluidra in 2017, 40% was hazardous waste and the remaining 60% non-hazardous waste.

In 2017, workplaces managed, by recovery at source, recovery and management of the by-product, 80% of the waste generated, while 20% was managed by treatment or disposal. In 2016, it was managed by management at source, recovery and management of the by-product, 76.9% of the waste generated, while 23.1% was managed by treatment or disposal. There has been greater internal management of waste (via recovery, recycling or reuse), despite the increase in production.

Fluidra Group companies do not transport or treat waste internationally classified as hazardous, in compliance with Annexes I, II, III, and VIII of the Basel Convention; all treatment or transportation that may result from such waste is performed in the country.

Type of waste 2017





Waste Management*

[EN23]

(in tons)

	2015	2016	2017
Total Internal Management			
Non-hazardous	16,482	9,964	8,041
Hazardous	5,604	4,829	4,777
Total	22,086	14,793	12,818
Total External Management			
Non-hazardous	2,951	2,948	3,745
Hazardous	434	469	378
Total	3,385	3,418	4,123
By-products			
Non-hazardous	316	328	294
Hazardous	4,008	2,682	2,905
Total	4,324	3,010	3,199
Total Managed Waste			
Non-hazardous	19,749	13,241	12,079
Hazardous	10,046	7,980	8,060
Total	29,795	21,220	20,139
% Var.	20%	-29%	-5%

Waste managed (Tn)



*Law 10/98 defines hazardous waste as "Waste outlined as per the list of hazardous waste, as adopted under Royal Decree 952/1997, as well as bottles and containers in which such waste has been stored. Waste classified as hazardous under EU legislation, which may be approved by the Government in accordance with European laws or international conventions to which Spain is a party."

Environmental investments and costs

In 2016, environmental investment increased significantly (by more than 35%). While 2017 was done against 2016, it is still above the 2015 level. The environmental cost has also been reduced by 4.2%. Figures for waste and emission management and processing, and for the cleaning and clearing of discharges are higher than in previous years, due to the increase in production and the broadening of the scope of this report.

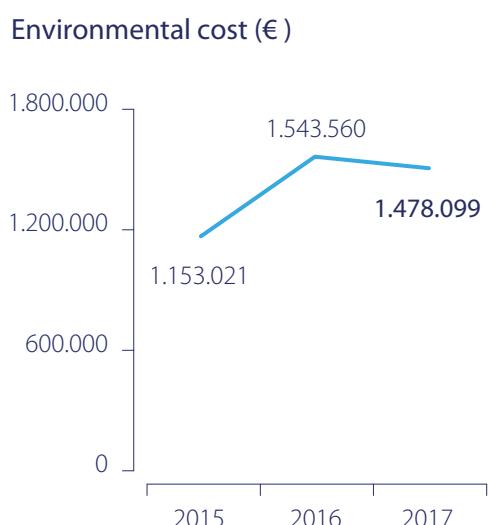
In 2017, no administrative penalties or fines for breach of environmental legislation were received. [\[G4-EN29, G4-EN31\]](#)



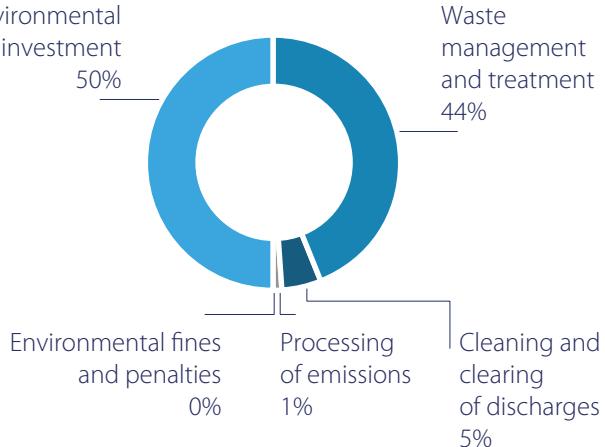
Reduced environmental cost

4.2 %

Environmental investments and costs



Environmental cost distribution in 2017





Environmental cost

(in EUR)

	2015	2016	2017
Expenses			
Cleaning and clearing of discharges	70,171	69,597	73,625
Management and treatment of waste	405,141	518,599	652,388
Processing of emissions (filters, chemicals, ...)	499	725	8,184
Regulation			
Environmental fines and penalties	0	0	0
Investments			
Environmental Investment	677,210	946,755	743,902
Total Environmental Costs	1,153,021	1,535,676	1,478,099
% Var.	38.9%	33.2%	-4.2%

Year review and future challenges

Monitoring of 2017 Targets

- The creation of the Environmental Committee, led by the Corporate Health, Safety and Environment Department (HSE), underscores the importance Fluidra attaches to the environment and its care. Quarterly meetings will help focus resources on those areas considered most critical and at the same time help to promote internal environmental protection campaigns.
- During 2017, those companies with environmental management systems based on ISO 14001 or EMAS have successfully passed maintenance environmental audits.
- Despite the increase in production and the broadening of the range of companies covered in this report, and an impact on one of the plants, water consumption has only risen by 7%. This has been due to the good practices implemented, an area where further improvement is necessary.
- Regarding the optimisation of waste management, Sacopa improved from 75% (2016) to 78% (2017) on the recovery of waste. Cepex went from a 91.4% recovery in 2016 to 93.5% of the waste generated by internal recycling, recovery and management of by-products in 2017.
- Throughout 2017, the purchasing department responsible for the procurement of energy purchases of the Group carried out several actions: purchase of 100% renewable



green energy, optimisation of the power installed in the workplace in collaboration with the manager and environment managers of Fluidra companies, and also promoted the implementation of an energy management system.

- Metalast has made improvements in its facilities and in its production process to reduce the sludge from the treatment plant.
- In the process of improving the control of emissions, Inquide has invested in neutralising gases by scrubber (gas cleaning) and improved aspirations.

- Environmental awareness campaigns have been carried out in the different Group companies. A campaign was also launched at corporate level with tips on promoting environmental awareness and to raise staff awareness about good environmental practices, such as energy consumption, waste management, responsible water consumption, etc. This campaign was held on the same day as World Energy Saving Day.
- High level indicators have been defined to collect environmental information on a quarterly basis, so that regular monitoring can be carried out to enable problems or needs to be detected quickly and resources to be managed appropriately.

Environmental objectives 2018

In 2017, the Master Plan (2017-2020) was drafted with environmental objectives to progressively implement ISO 14001 management systems and to deploy the environmental policy in our group.

- ISO 14001: 2004 certified companies will begin to adapt their management systems to be certified according to the new ISO 14001: 2015 before September 2018.
- Quarterly high-level environmental indicators will be implemented, compulsory for all Group companies; these indicators will be used to carry out regular monitoring and faster detection of potential problems and the allocation of the necessary resources to solve them.
- Fluidra's responsibility towards the environment leads the group to adopt commitments to work towards its protection: to strive to use natural resources responsibly and to minimise the environmental impact of its activities and the negative effect of its products throughout their entire life cycle. This includes maximising energy efficiency in operations as part of the overall climate change objectives, as well as using sustainable material and green chemistry, where feasible, in research, development and manufacturing activities. These commitments extend to employees, who must help to minimise the environmental impact in their daily work, including applying the hierarchy of waste prevention measures (avoid, reduce, recycle and reuse all materials).



Examples of respectful habits and practices for employees



Energy efficiency

- Employees should always consider the most efficient use of energy and look for opportunities to reduce energy consumption in their workplace. This includes turning off lights and laboratory or office equipment when not in use.
- Quality and facility managers should consider the most efficient use of energy within acceptable ranges of regulatory or compliance standards.
- Review projects for energy efficiency and renewable energy use. Give priority to investment projects for the improvement of energy efficiency, which are amortised over their lifetime.



Reducing greenhouse gas emissions

- Minimise travel, wherever possible, and choose video or teleconferencing options, where available and provided they are acceptable to the business.
- The sales team must choose cars that have better fuel efficiency and drive them safely and ecologically to save fuel and minimise CO2 emissions.
- Reducing our emissions and optimising logistics of shipments in order to minimise the environmental impact of our activities, products or services.



Waste recycling and reduction

- Avoid producing waste and using recycling options, provided that local recycling systems are in place. Take the environment into account before printing working papers.
- Process developers must incorporate techniques to reduce and recycle materials.
- Production employees must look for opportunities to reduce the intermediates and active ingredients in wastewater discharges.



Efficient water usage

- Always consider the best use of water and identify possibilities to reduce its use in the workplace.
- Using water sustainably, making responsible use of water within our facilities by preventing leaks and optimising reuse processes. Immediate repair of leaks should they occur.



6.9 | Society

[**G4-15, G4-16, G4-DMA, G4-SO1,
G4-SO2, G4-SO8**]



Bea Strebl
Head of Communications and
External Relations

"Once again we have proved our commitment to society by promoting solidarity projects and by participating in cultural, academic and sports activities"

Fluidra is a responsible and socially committed company that works day in day out to get involved in the reality of the communities where it operates. Through its business activity, it is able to establish a growing link and dialogue with its stakeholders and, in this way, to contribute to sustainable development and the well-being of society as a whole.

[SO-DMA]

As a reflection of its commitment to society, Fluidra adheres to the Principles of the Global Compact, which imply constant progress in respect for human and labour rights, care for the environment and the fight against corruption. **[G4-15]**

Fluidra's professionals are directly involved in this commitment of the company and channel it through collaborations in associations related to water management and in activities



such as the preparation of guidelines and regulations, with the ultimate aim of promoting sustainability and respect for the environment around the activity of the group's products.

Managers of Fluidra companies are also responsible for bringing home to employees the responsibility that their actions have on the day-to-day with their colleagues, external organisations with which they interact in the development of their work, with the public administration, the environment and, in general, with society and the community around them.

Companies work transparently and independently for the community and public entities to provide the best services, without conflicting with the interacting parties. None of the companies that are part of the Fluidra Group are related to political parties or lobbying groups.

There have been no fines or penalties for non-compliance with laws and regulations in 2017. [\[G4-S08\]](#)

None of the companies that are part of the Fluidra Group have connections to political parties or lobbies



Sponsorships and patronage

Since the Fluidra Foundation was created in 2016, the group has channelled its social action, sponsorship and patronage activities in the social and cultural fields through this institution, to which it has allocated EUR 360,000 to carry out this work during 2017. **[G4-EC1]**

The social action of the group is developed in four areas:



WATER AND ENVIRONMENT

- CRAM (Conservación y Recuperación de Animales Marinos, "Conservation and Recovery of Marine Animals") - Fluidra collaborates with this institution to conserve and improve the marine and coastal environment in order to maintain its biodiversity.
- CWP (Catalan Water Partnership) - The Catalan Water Cluster is a strategic cluster in which consultants, knowledge centres, equipment manufacturers, engineering companies and other entities related to the water cycle work together to promote multi-level collaborations aimed at achieving, using a sustainable approach, innovative solutions meet to the global needs of water quality solutions, anywhere in the world.
- Business and Climate Foundation - Fluidra, as an active part of sustainable development of the society in which it operates, is a contributor to this foundation which offers businesses the necessary tools to meet the commitments and challenges posed by climate change, as well as the guidelines necessary to improve efficiency in reducing emissions.



SPORTS AREA



**Club Natació
Sabadell**

- Club Natació Sabadell - The company sponsors different local sports clubs and associations. These include the AstralPool Sabadell water polo teams from Club Natació Sabadell.



- Indescat - Fluidra acts as deputy chairperson and active member of the Catalan sports industry cluster, Indescat. This association brings together companies and research centres linked to the world of sports in Catalonia to promote effective actions to improve the competitiveness of companies, encouraging the development of innovative products and services, as well as their international implementation.



- AASF (Asia Swimming Federation) - The company has an agreement with this federation, which includes 45 national federations in the region, to support competitive water sports in Asia.



- UANA (American Swimming Union) - Fluidra recently signed a sponsorship deal with this organisation, which groups together the swimming federations of all the countries in the Americas.



- OSA Oceania Swimming Association - With the collaboration agreement, Fluidra contributes by providing OSA with know-how in the swimming pool sector.



SOCIAL AREA



- 'Creativation' Foundation - Collaboration as founding company in this initiative whose mission is to develop and disseminate creativity and innovation in education with the aim of providing new generations with the capacity and motivation to contribute to the change and transformation of society and personal fulfilment.



- IESE - Fluidra collaborates with IESE to promote educational activities and training for both young people and adults.



- Technical College of International Commerce (ESCI) - Fluidra collaborates with this university centre, affiliated to Pompeu Fabra University, in order to encourage and promote the training of new professionals in the field of trade and international business management.



- ESADE - Through the collaboration with ESADE, Fluidra is involved with institutions that promote educational activities and training of young people and adults.

CULTURAL AREA



- Fundació Catalunya Cultura - Fluidra is one of the companies promoting the Catalunya Cultura Foundation, an entity that works to strengthen the links between companies, civil society and the world of culture.



- Gran Teatre del Liceu theatre - For several years, Fluidra collaborates as sponsor of the Gran Teatre del Liceu, one of the main icons of cultural and artistic life of Barcelona. (Fluidra Foundation)



- Palau de la Música Catalana music hall - As a Supporting Member of the Fundació Orfeó Català-Palau de la Música Catalana, Fluidra helps to foster music. (Fluidra Foundation)



- Fundació Abadia de Montserrat, 2025 - Fluidra collaborates with this abbey, this year with the Escolania de Montserrat, to promote knowledge of music among young people. (Fluidra Foundation)

- Local partnerships - Fluidra also makes financial contributions to local associations to promote festivals, as well as sports organisations and cultural associations in the towns or areas where its workplaces are located.



Professional associations with which Fluidra collaborates

[G4-16]

- ACEMA Catalan Association of Environmental Engineering and Consulting
- AEDYR Spanish Association of Desalination and Reuse
- AFESE Salt Electrolysis Manufacturers Association Spain
- Aqua España Spanish Association of Water Treatment and Control
- ASOFAP Manufacturers Association of Equipment, Chemicals and Swimming Pool Builders
- ATECYP Spanish Technical Association of Air Conditioning and Refrigeration
- Barcelona Chamber of Commerce
- CEAM Metallurgical Studies and Advice Centre
- CEP Spanish Plastics Centre
- ECOEMBES Eco-packaging Spain
- EUSA European Union of Swimming Pool Associations
- Fluidex Spanish Association of Exporters of Fluid Handling Equipment
- Foment del Treball (Work Support)
- FPP Federations des Professionels de la Piscine
- Swimming Pool and Spa Association NSW Pty Ltd
- SPATA The Swimming Pool and Allied Trades Association



2017 Lectures and conferences



MARCH

FEBRUARY

IESE – “Responsible Boards of Directors”

IESE (Madrid headquarters)

Eloi Planes (President of Fluidra)

Captains of Industry explained by their children

Cercle d'economia

Joan Planes (Honorary President)

and Eloi Planes (President of Fluidra)



APRIL

MARCH

Sustainability and pools. Reduced water consumption and improved comfort.

Catalan Association of Friends of Water II Water Congress in Catalonia

David Tapias (Head of R&D of Fluidra)



APRIL

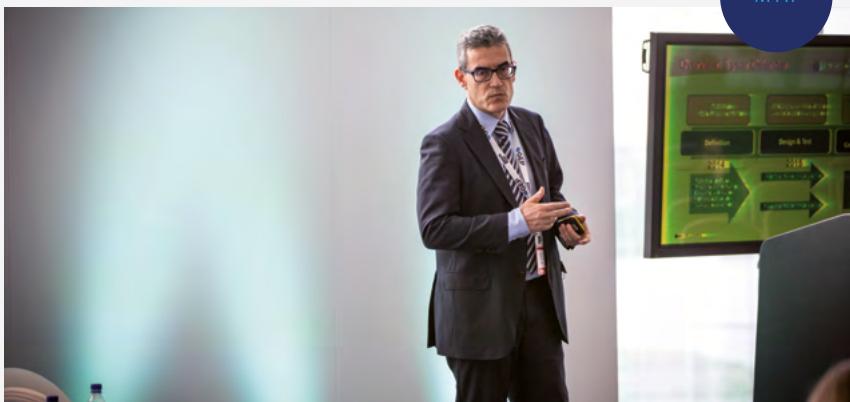
Fluidra Connect

Advanced Factories

David Giménez (Project Manager
Dept. R&D).



MAY

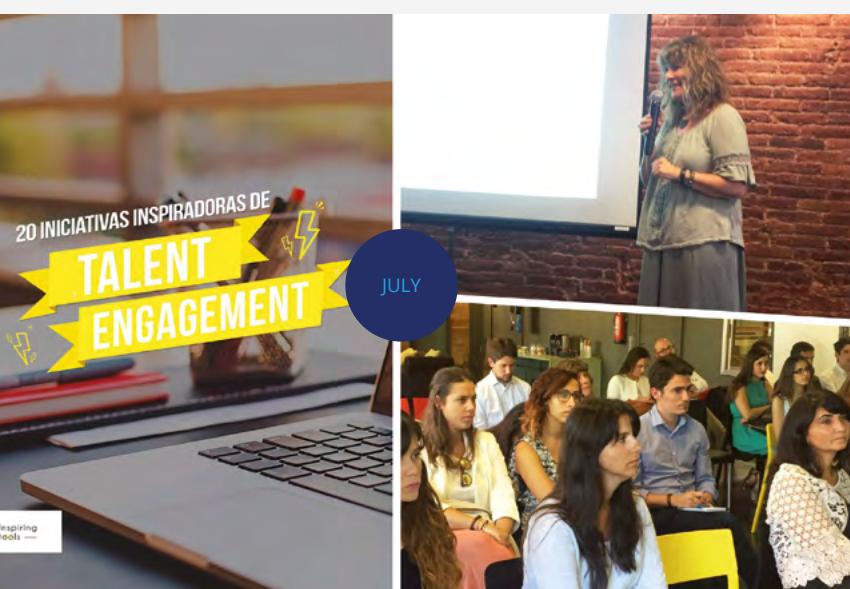


MAY

Managing procurement in a complex environment

*World Procurement Congress 2017
(London)*

Carlos Picola (Head of Procurement of Fluidra)



JULY

JULY

Talent Engagement: "Our New Slogan"

Be Inspiring Tools

Bea Strebl (Head of Communications and External Relations of Fluidra)

DECEMBER

Teaching schoolchildren about swimming pools

Escola Sagrat Cor de Barcelona

Joan Dellà (Head of Testing, R&D Dept.)



Tax contribution and commitment



Andrés Botella
Head of Tax, Legal and
Compliance

"Fluidra's contribution to the societies in which it is present is implemented, among other things, through the responsible payment of its taxes"

Fiscal commitment

Fluidra permanently upholds its commitment to good governance, transparency and integrity, which, together with the creation of value for shareholders and investors, are part of its management and business ethos. Compliance with the current tax legislation at any time and place is one of the principles underlying the corporate responsibility of the Fluidra group.

Fluidra has defined a tax strategy that includes, among its objectives, compliance with current tax legislation, adopting a reasonable interpretation of it in accordance with administrative doctrine and case law, and taking as a basis the principles of transparency, mutual trust, good faith and loyalty. Likewise, the company's objectives are: not to use artificial structures outside the company's own activity for the sole purpose of reducing the tax burden, not to operate in jurisdictions considered tax havens for purposes other than the normal development of Fluidra's business operations and not to carry out transactions between controlled entities that aim to erode tax bases and artificially transfer profits to low-tax territories.

The company keeps the Board of Directors regularly apprised of the tax policies applied.

Tax contributions

[G4-EC1]

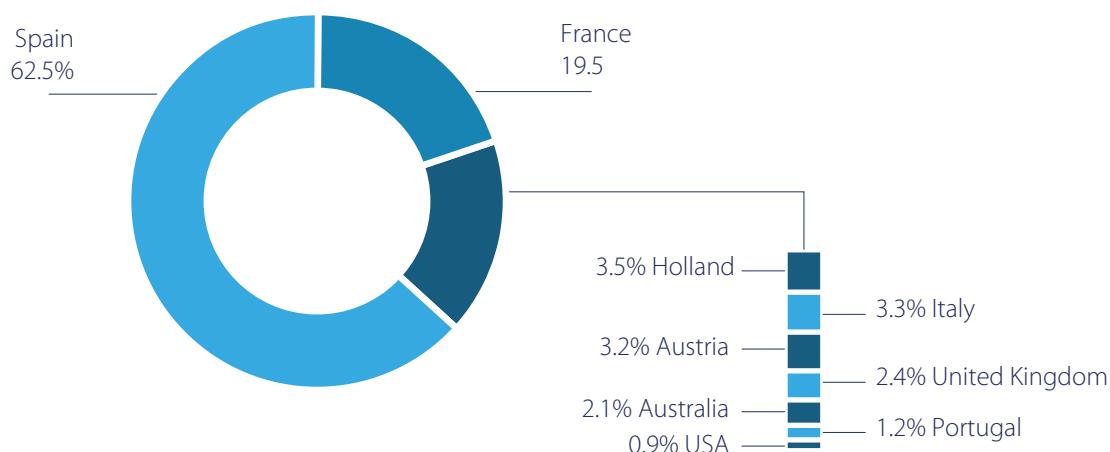
Fluidra's business activity generates wealth in the areas where it has a presence, both through its own impact on local economies and tax contributions. Fluidra is aware of the importance of its contributions to the local economy and therefore maintains a strict policy in terms of tax contributions in the countries where it operates.

Fluidra's tax contributions in 2017 amounted to EUR 44.4 million in direct taxes. That amount includes the expense for corporate income tax accrued in 2016 and the payment of employer social security contributions.

The breakdown of the overall amount by geographic area shows that Fluidra contributed 62.5% of the total direct tax contribution in Spain, 19.5% in France, 3.5% in Holland, 3.3% in Italy, 3.2% in Austria, 2.4% in the UK, 2.1% in Australia, 1.2% in Portugal, 0.9% in the United States, 0.6% in Belgium, 0.5% in Israel and 0.2% in South Africa. Fluidra pays these taxes directly to the public bodies of the aforementioned countries.

The business activity that Fluidra carries out in these regions generates significant revenue for the countries' treasury. The total indirect taxes channelled by Fluidra for the different tax authorities in 2017 amounted to EUR 59.2 million.

Direct tax contribution chart by country





Joan Planes
President of Fluidra
Foundation

Fundació Fluidra

"Our project in Senegal reminds us all of the importance of taking care of water to ensure our lives. For the Fluidra Foundation, giving the most vulnerable people on the planet access to water is a priority"

The Fluidra Foundation was created in 2016 to better focus corporate social responsibility initiatives and achieve greater impact. Chaired by Joan Planes, Fluidra's founder and honorary president, this institution selects and optimises the aid and sponsorships in which the group participates, as well as promoting its own actions in line with its commitments:

- Social commitment: projects aimed at accessibility, awareness and education on water use.
- Cultural commitment: to disseminate music as a tool for personal growth and to promote personal dignity.

The Fluidra Foundation supports projects related to water access for disadvantaged groups and promotes culture, specifically music. In 2017 this effort materialised in the presentation of the KAG-25 project.

This initiative was developed together with the Association of Solidarity Education and the P.A. Schools in West Africa to rehabilitate a 25-hectare farm in southern Senegal and turn it into a profitable horticultural farm. The project will last four years, and in that time the Foundation will help to improve the infrastructure of the Karang Agricultural School by installing sustainable irrigation and power generation systems. This initiative was presented as part of the Fluidra Foundation's Corporate Concert, held in October at the Gran Teatre del Liceu in Barcelona.





Xavi Servat

Director of
Fluidra Accelera

Fluidra Accelera

"With our business acceleration initiative, we are contributing to boosting innovation and renewing the business fabric in our environment"

It is a tool through which Fluidra invests in innovation on sustainable solutions in the use of water, presenting the selected projects to other co-investors, and contributing with its experience in the development of products, markets and sales channels.

Fetures

- 1) It's industrial: We accelerate industrialization projects, where we bring our best experience.
- 2) It is intensive: Both in the strategy or initial planning, as in the subsequent monitoring until its success in the markets.
- 3) It is limited: To a certain selection of projects at once (10 max). Three (3) new projects every year on a recurring basis.
- 4) It is extensive: For the important involvement of own mentors with many years of proven experience, and oriented to try to achieve success.

Way

Investment in cash (€) and in the contribution of own acceleration services, such as strategy, industrialization, internationalization, as well as close financial management. We understand that industrial investment implies a lower risk compared to other sectors and a longer maturing period.

Participation

Fluidra Accelera initially invests as a minority partner, seeking other co-investors to participate in the capital together with entrepreneurs. The percentage of shareholder participation that takes ranges between 15 and 20% after round of investment.

Mission

Introduce innovation outside the water sector and its sustainable use, complementing the efforts and achievements of the R & D department. We understand that innovation facilitates us to operate with an added value product.

Lifespan

The acceleration of an industrial process requires longer periods than other sectors. The acceleration process itself oscillates between 9 months and one year. The period of permanence as an accelerator is up to 5 years.





7

Annexes

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7.1 | About this report

[G4-6, G4-22, G4-23, G4-28, G4-29, G4-30, G4-48]

Expanded coverage of the production centers of USA, the Netherlands, Israel and South Africa

This annual report covers the business activity of Fluidra in 2017 and has been drafted and structured according to the IR framework of the International Integrated Reporting Council (IIRC). For reporting on non-financial aspects, the drafting guide of the Sustainability Report Global Reporting Initiative (GRI) version 4 has been followed, in line with the Exhaustive criteria.

Following the GRI principles in determining quality, this report presents balanced and transparent information, although comparability with previous reports is affected by the incorporation of new companies in the coverage of information which may, in some cases, distort such comparability.

Fluidra's materiality matrix was determined in the previous year's report (2016), and in this year its composition and content were unchanged. [G4-48]

Fluidra is responsible for the reliability of the data reported by external and independent verification, and makes available to stakeholders contact details in order to answer any questions and requests for information.

In line with the plan, this report extends the previous GRI coverage by adding production sites in the United States, Holland, Israel and South Africa. Although financial data are consolidated for the entire group, non-financial information, in many respects, corresponds to the consolidation of companies covered in the report, in fact it covers companies which together make up 79% of the group's consolidated revenue. Notably, increasing coverage and the fact that Aplicaciones Técnicas del Agua (ATH) is not covered, directly affects the comparability of the report compared to data from previous years. In these circumstances, some aspects, such as tax contribution data, workforce data and environmental indicators, have been reformulated to maintain consistency and comparability.

The following table identifies all companies consolidated in the financial statements, Non-financial data consolidation companies (human resources, environment...) are marked with a yes in the coverage column of the table. [G4-22, G4-23]



Companies covered by type

[G4-13, G4-14, G4-17, G4-22, G4-23]

Company	Country	Coverage	Type
FLUIDRA DEUTSCHLAND, GmbH	Germany		Commercial and Logistics
ASTRAL POOL AUSTRALIA PTY. LTD..	Australia	Yes	Production
PRICE CHEMICALS PTY LTD	Australia	Yes	Production
SSA FLUIDRA ÖSTERREICH GmbH	Austria	Yes	Commercial and Logistics
FLUIDRA BELGIQUE, S.R.L.	Belgium	Yes	Commercial and Logistics
RIIOT LABS NVSA	Belgium		Commercial and Logistics
FLUIDRA BRASIL INDUSTRIA E COMERCIO LTDA	Brazil		Commercial and Logistics
FLUIDRA BALKANS JSC	Bulgaria		Commercial and Logistics
FLUIDRA CHILE, S.A.	Chile		Commercial and Logistics
NINGBO LINYA SWIMMING POOL & WATER TREATMENT CO., LTD	China		Production
NINGBO DONGCHUAN SWIMMINGPOOL	China		Production
LOITECH HEATING EQUIPMENT CO, LTD	China		Production
FLUIDRA YOULI FLUID SYSTEMS (WENZHOU) CO, LTD.	China		Production
ASTRAL POOL CYPRUS, LTD	Cyprus		Commercial and Logistics
FLUIDRA COLOMBIA, S.A.S	Colombia		Commercial and Logistics
FLUIDRA ADRIATIC	Croatia		Commercial and Logistics
FLUIDRA DANMARK A/S	Denmark		Commercial and Logistics
FLUIDRA MIDDLE EAST FZE (*)	Dubai	Yes	Commercial and Logistics
FLUIDRA EGYPT, Egyptian Limited Liability Company	Egypt		Commercial and Logistics
METALAST, S.A.U.	Spain	Yes	Production
FLUIDRA COMERCIAL ESPAÑA, S.A.U.	Spain	Yes	Commercial and Logistics
POLTANK, S.A.U.	Spain	Yes	Production
CEPEX, S.A.	Spain	Yes	Production
SACOPA, S.A.U.	Spain	Yes	Production
INQUIDE, S.A.U.	Spain	Yes	Production
INDUSTRIAS MECANICAS LAGO, S.A.U.	Spain	Yes	Commercial and Logistics

(*) New companies in coverage



(Cont.) Companies covered by type

MANUFACTURAS GRE, S.A.	Spain	Yes	Production
UNISTRAL RECAMBIOS, S.A.U.	Spain	Yes	Production
TRACE LOGISTIC, S.A.	Spain	Yes	Commercial and Logistics
FLUIDRA EXPORT, S.A.	Spain	Yes	Commercial and Logistics
TALLERES DEL AGUA, S.L.	Spain	Yes	Production
FLUIDRA, S.A.	Spain	Yes	Management and Services
FLUIDRA GLOBAL DISTRIBUTION S.L.U. (formerly POOL SUPPLIER, S.L.U.)	Spain	Yes	Management and Services
TOGAMA, S.A.	Spain	Yes	Production
PRODUCTES ELASTOMERS, S.A.	Spain	Yes	Production
I.D. ELECTROQUÍMICA, S.L.	Spain	Yes	Production
FLUIDRA SERVICES ESPAÑA, S.L.U.	Spain	Yes	Management and Services
TECNICAL POOL SERVICE, S.L. (*)	Spain	Yes	Commercial and Logistics
INNODRIP, S.L.U. (*)	Spain	Yes	Management and Services
FLUIDRA ENGINEERING SERVICES, S.L.	Spain	Yes	Management and Services
PURALIA (*)	Spain	Yes	Commercial and Logistics
FLUIDRA USA LLC (*)	United States	Yes	Production
AQUA PRODUCTS, INC (*)	United States	Yes	Production
FLUIDRA COMMERCIAL FRANCE, S.A.S.	France	Yes	Commercial and Logistics
FLUIDRA INDUSTRY FRANCE, S.A.R.L.	France	Yes	Production
FLUIDRA SERVICES FRANCE, S.A.S.	France	Yes	Management and Services
FLUIDRA HELLAS, S.A.	Greece		Commercial and Logistics
ASTRAL POOL HONGKONG, CO. LIMITED	Hong Kong		Commercial and Logistics
FLUIDRA MAGYARORSZAG Kft.	Hungary		Commercial and Logistics
ASTRAL INDIA Pvt, Ltd.	India		Commercial and Logistics
CERTIKIN SWIMMING POOL PRODUCTS INDIA PRIVATED LIMITED	India		Commercial and Logistics
PT FLUIDRA INDONESIA	Indonesia		Commercial and Logistics
ASTRAL UK LIMITED	England	Yes	Commercial and Logistics

(*) New companies in coverage



(Cont.) Companies govered by type

CERTIKIN INTERNATIONAL, LTD	England	Yes	Commercial and Logistics
AQUATRON ROBOTIC TECHNOLOGY, LTD (*)	Israel	Yes	Production
FLUIDRA COMMERCIALE ITALIA, S.P.A.	Italy	Yes	Commercial and Logistics
FLUIDRA SERVICES ITALIA, S.R.L	Italy	Yes	Management and Services
INQUIDE ITALIA, S.R.L.	Italy	Yes	Production
AGRISILOS, S.R.L.	Italy		Production
FLUIDRA MALAYSIA SDN BHD	Malaysia		Commercial and Logistics
FLUIDRA MAROC, S.R.A.L.	Morocco		Commercial and Logistics
FLUIDRA MEXICO S.A. DE C.V.	Mexico		Commercial and Logistics
FLUIDRA MONTENEGRO	Montenegro		Commercial and Logistics
SIBO (*)	Netherlands	Yes	Commercial and Logistics
FLUIDRA POLSKA, SP. Z.O.O.	Poland		Commercial and Logistics
FLUIDRA PORTUGAL, LDA.	Portugal	Yes	Management and Services
ASTRAL BAZENOVA PRISLUSENTSVI, S.R.O.	Czech Republic		Commercial and Logistics
FLUIDRA KAZAKHSTAN, Liability Limited Company	Republic of Kazakhstan		Commercial and Logistics
FLUIDRA ROMANIA S.A.	Romania		Commercial and Logistics
AO ASTRAL SNG	Russia		Commercial and Logistics
FLUIDRA SERVICA, D.O.O. BEOGRAD	Serbia		Commercial and Logistics
YA SHI TU SWIMMING POOL EQUIPMENT (SHANGHAI) Co. Ltd.	Shanghai		Commercial and Logistics
FLUIDRA SINGAPORE PTE, LTD.	Singapore		Commercial and Logistics
FLUIDRA WATERLINX PTY LTD (*)	South Africa	Yes	Production
FLUIDRA HOLDINGS SOUTH AFRICA PTY LTD (*)	South Africa	Yes	Commercial and Logistics
FLUIDRA NORDIC AB	Sweden		Commercial and Logistics
ASTRAL POOL SWITZERLAND, S.A.	Switzerland		Commercial and Logistics
ASTRALPOOL THAILAND CO., LTD.	Thailand		Commercial and Logistics
FLUIDRA TR SU VE HAVUZ EKIPMANLARI AS	Turkey		Commercial and Logistics
FLUIDRA VIETNAM, LTD	Vietnam		Commercial and Logistics

(*) New companies in coverage



Your opinion matters

The opinion of stakeholders is crucial for the evolution of Fluidra as a business group. Hence, the company provides a questionnaire to the readers of this Integrated Report to assess its usefulness and suggest improvements.

Rate this report

[//bit.ly/Encuesta_Informe_Integrado_2017](http://bit.ly/Encuesta_Informe_Integrado_2017)

With regard to the assessment of the past 2016 Integrated Report, the response level has been below expectations. In general terms, respondents have expressed a highly satisfactory assessment, which encourages us to follow along the same lines and continue to develop. As for the question as to whether Fluidra is well positioned compared to other listed companies in relation to the quality of the report, the answers were affirmative in all cases.

This Integrated Report refers to certain contents, documents and information that can be consulted in full through the Internet. In these cases, they are marked with the following icon:



To consult audiovisual content, click on the following icon:





Materiality study

[G4-18, G4-19, G4-20, G4-21]

Fluidra's materiality study was carried out in depth in 2016, and the same structure and analysis was maintained for 2017. The process consisted of a round of random surveys to shareholders, customers, suppliers, employees and associations in the social field: a total of 500 were sent with a response rate of 28%. From the score of those issues that the stakeholders identified as highly relevant, along with the corporate valuation of the material aspects for the Fluidra Group, a threshold of 50 points was established to determine the material aspects reflected in the Materiality Table next to the score matrix of the issues analysed.

Fluidra is a multinational business group integrated both vertically and horizontally, a key feature which adds complexity when defining the materiality of the group. From the perspective of vertical integration, we define groups of companies based on:

- Production companies, whose aim is the manufacture of finished products from raw materials.
- Commercial and logistic companies, which specialise in distribution and placing the finished product on the market.
- Service and management companies, which support Group companies and, in some cases, other companies outside the scope of Fluidra.

If the perspective is changed to horizontal integration, Fluidra's companies are defined according to their sector of activity:

- Companies in the plastics sector
- Companies in the chemical sector
- Companies in the metals sector
- Companies in the glass sector
- Product and technology assembly companies
- Commercial companies
- Transport logistics companies
- Management services companies

All this means that Fluidra's materiality must be approached from an integral and heuristic point of view.

Based on the data collected from stakeholders in the latest study (2016), Fluidra's materiality matrix is shown in the following graph.

Materiality matrix





Materiality table

Aspect	Topic	Section
Economy	Economic performance	Results for the year
Economy	Acquisition practices	Results for the year
Environment	Materials	Environmental management
Environment	Energy	Environmental management
Environment	Water	Environmental management
Environment	Emissions	Environmental management
Environment	Effluent and waste	Environmental management
Environment	Regulatory Compliance MA	Environmental management
Environment	Transport	Environmental management
Environment	General MA	Environmental management
Environment	MA assessment of suppliers	Suppliers
Environment	Complaint mechanisms in MA	Environmental management
Work	Employment	Human Resources
Work	Employees-Management Relationship	Human Resources
Work	Health and safety at work	Human Resources
Work	Skills and training	Human Resources
Work	Diversity and equal opportunities	Human Resources
Work	Equal pay for women and men	Human Resources
Work	Assessment of Internship in Sup.	Suppliers
Work	Complaint mechanisms of work practices	Human Resources
Human Rights	Non-discriminatory	Human Resources
Human Rights	Right of association and collective bargaining	Human Resources
Human Rights	Child labour	Ethical Framework / HR
Human Rights	Forced labour	Ethical Framework / HR
Human Rights	Rights of Indigenous People	Ethical Framework / HR
Human Rights	Evaluation of suppliers	Suppliers
Human Rights	Complaint mechanisms	Ethical Framework / HR
Society	Fight against corruption	Ethical Framework / HR
Society	Public policy	Ethical Framework / HR
Society	Regulatory compliance	Ethical Framework / HR
Liability over the product	Health and safety for customers	Customers
Liability over the product	Product Labelling	Customers
Liability over the product	Marketing communication	Customers
Liability over the product	Privacy with customers	Customers
Liability over the product	PR Regulatory Compliance	Innovation



7.2 | External verification

[G4-32, G4-33]

This report was drafted according to the sustainability reporting guide GRI (Global Reporting Initiative) in its G4 version at the exhaustive level of compliance, audited by the independent entity TÜV Rheinland Group.

Memorias de Sostenibilidad Global Reporting Initiative (GRI)

Certificate Number: 00/160006

TÜV Rheinland Ibérica Inspection, Certification & Testing S.A.
states the following:

The verification of the 2017 Sustainability Memory; taking into account the structure, contents and reliability of information of:

Organisation:

FLUIDRA, S.A.

As a result of this verification process TÜV Rheinland confirms that:

- The content of the information is based and supported by verified data. Also the information, calculations, and graphics related, have been duly checked and verified.
- Traceability and relevance between background information and memory contents are adequate.
- Is in conformity with the requirements and principles established in the guidelines for preparing Sustainability Reports in its G4 version, developed by Global Reporting Initiative (GRI).

Based on the above TÜV Rheinland Provides for the Sustainability Memory 2016 of **FLUIDRA, S.A.** rating in accordance with GRI G4, Exhaustive Level.

Date of issue: 08-05-2018.

2018-05-28 TÜV Rheinland Ibérica Inspection, Certification & Testing S.A.
Garrotxa, 10-12 - E-08820 El Prat de Llobregat

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7.3 | Performance indicators

Performance indicators

	GRI	Unit	2015	2016	2017	Var. 16-17
People						
Coverage staff (31/12/2017)	G4-LA1	No. of employees	2,037	2,400	3,321	38.38%
Permanent staff	G4-LA1	No. of employees	1,892	2,233	3,080	37.93%
Temporary staff	G4-LA1	No. of employees	145	167	241	44.31%
Full-time staff	G4-LA1	No. of employees	1,787	2,125	2,978	40.14%
Part-time staff	G4-LA1	No. of employees	95	108	102	-5.56%
% foreign staff	G4-LA1	%	4.32%	3.80%	5.80%	2.00
Self-employed staff	G4-LA1	No. of employees	5	5	3	-2
Average workforce	G4-LA1	No. of employees	2,053.9	2,238.6	3,049,8	811
Turnover rate	G4-LA1	Redundancy of permanent staff x 100 over the average workforce	4.53%	4.74%	8.36%	3.63
New Staff	G4-LA1	No. of employees	347	364	694	330
Staff redundancies	G4-LA1	No. of employees	299	328	807	479
Permanent staff redundancies	G4-LA1	No. of employees	93	106	255	149
New Staff > 45	G4-LA1	No. of employees	33	58	119	61
Staff Redundancies > 45	G4-LA1	No. of employees	32	54	115	61
Paternity leave	G4-LA3	No. of employees	20	47	36	-11
Maternity leave	G4-LA3	No. of employees	18	30	31	1
Returns to work	G4-LA3	No. of employees	38	72	53	-19
Workers' Committees	G4-LA4	Nº	10	11	14	3
People in Workers' Committees	G4-LA4	No. of employees	54	62	87	25
Staff Representatives	G4-LA4	No. of employees	26	28	42	14
Health and Safety Committees	G4-LA5	No. of companies	12	17	22	5
People in Health and Safety Committees	G4-LA5	No. of employees	79	98	119	21



(Cont.) Performance indicators. People

	GRI	Unit	2015	2016	2017	Var. 16-17
Number of Prevention Delegates	G4-LA5	No. of employees	45	51	78	27
Participation in emergency drills	G4-LA5	No. of employees	411	604	791	187
Absenteeism rate	G4-LA6	Hours of absence from work x 100, over total theoretical hours	3.30%	3.45%	3.23%	-0.22
Absence hours	G4-LA6	No. of hours	116,778	146,866	198,768	35.34%
Days missed	G4-LA6	No. of days	13,946	32,939	35,516	7.82%
Theoretical hours worked	G4-LA6	No. of hours	3,534,709	4,252,960	6,150,083	44.61%
Accidents resulting in medical leave	G4-LA6	No.	68	173	159	-14
Accidents not resulting in medical leave	G4-LA6	No.	102	78	244	166
Occupational sick leave	G4-LA6	No.	0	1	3	2
Deaths	G4-LA6	No.	0	0	0	0
Workers with high risk	G4-LA7	No.	14	14	14	0
Accident Index	G4-LA6	No. accidents x 100 over the average workforce	8.28	11.21	13.21	17.85%
Frequency Index	G4-LA6	Accidents at work x 1,000,000 over total theoretical work hours	48.09	59.02	65.53	6.51
Severity Index	G4-LA6	Days missed x 1,000 over total theoretical work hours	3.95	7.74	5.77	-1.97
External Training on Prevention	G4-LA5	No. of people	132	197	208	11
Internal Training on Prevention	G4-LA5	No. of people	334	476	1003	527
First aid training	G4-LA5	No. of people	115	120	176	56
Internal awareness programmes training	G4-LA5	No. of people	82	83	84	1
TRAINING HOURS BY PROFESSIONAL CATEGORIES						
Directors	G4-LA9, G4-LA10	No. of hours	1,413	1,739	1,190	-31.57%
Middle management	G4-LA9, G4-LA10	No. of hours	4,636	5,757	5,228	-9.19%



(Cont.) Performance indicators. People

	GRI	Unit	2015	2016	2017	Var. 16-17
Technical staff	G4-LA9, G4-LA10	No. of hours	8,462	15,503	10,673	-31.16%
Administrative staff	G4-LA9, G4-LA10	No. of hours	2,263	2,993	2,526	-15.60%
Workers	G4-LA9, G4-LA10	No. of hours	1,867	6,048	3,112	-48.54%
TRAINING HOURS BY FUNCTIONAL AREA						
Management	G4-LA9, G4-LA10	No. of hours	1,606	2,130	2,577	20.99%
Administration / Finance	G4-LA9, G4-LA10	No. of hours	432	759	1,557	105.14%
Commercial	G4-LA9, G4-LA10	No. of hours	2,539	2,775	4,862	75.21%
Languages	G4-LA9, G4-LA10	No. of hours	5,314	10,609	5,355	-49.52%
Other (HR, IT, etc.)	G4-LA9, G4-LA10	No. of hours	1,134	1,507	891	-40.88%
Production / Maintenance	G4-LA9, G4-LA10	No. of hours	1,712	5,794	3,024	-47.81%
Logistics / Purchases	G4-LA9, G4-LA10	No. of hours	1,264	667	781	17.09%
Technical / R&D&i/ Quality	G4-LA9, G4-LA10	No. of hours	4,640	7,799	3,682	-52.79%
AVERAGE TRAINING HOURS PER EMPLOYEE AND PROFESSIONAL CATEGORY						
Directors	G4-LA9, G4-LA10	No. of hours	44	30	16	-47.08%
Middle management	G4-LA9, G4-LA10	No. of hours	14	21	14	-31.26%
Technical staff	G4-LA9, G4-LA10	No. of hours	19	22	12	-46.29%
Administrative staff	G4-LA9, G4-LA10	No. of hours	14	15	11	-27.03%
Workers	G4-LA9, G4-LA10	No. of hours	4	8	7	-19.26%
Investment in training activities	G4-LA9, G4-LA10	EUR	224,817 €	430,087 €	535,799 €	24.58%
Appraisals	G4-LA11	No. of people	750	907	1,068	161
% Women	G4-LA12	%	32.40%	32.40%	31.90%	-0.02
% Women on Board of Directors	G4-LA12	%	0%	10%	10%	0.00



(Cont.) Performance indicators. People

	GRI	Unit	2015	2016	2017	Var. 16-17
% Over 45 years of age	G4-LA12	%	32.74%	35.20%	36.90%	1.70
% Over 45s on Board of Directors	G4-LA12	%	60%	60%	60%	0.00
% Foreign staff on Board of Directors	G4-LA12	%	20%	20%	20%	0.00
% Women in managerial positions	G4-LA12	%	13.80%	17.50%	15.90%	-1.60
STAFF BY FUNCTIONAL AREAS						
General Management / Top Management	G4-LA12	No. of employees	29	34	49	15
Production / Logistics	G4-LA12	No. of employees	1,291	1,449	1,980	531
Commercial / Marketing	G4-LA12	No. of employees	340	436	623	187
Administration / Finance	G4-LA12	No. of employees	149	253	326	73
Other (HR, IT, etc.)	G4-LA12	No. of employees	228	228	343	115
STAFF BY PROFESSIONAL CATEGORY						
Directors	G4-LA12	No. of employees	32	40	63	23
Middle Management	G4-LA12	No. of employees	242	330	427	97
Technical staff	G4-LA12	No. of employees	514	563	723	160
Administrative staff	G4-LA12	No. of employees	327	405	632	227
Workers	G4-LA12	No. of employees	922	1062	1476	414
STAFF BY AGE RANGE						
Under 30	G4-LA12	No. of employees	235	279	442	163
Between 30 and 45	G4-LA12	No. of employees	1135	1277	1653	376
Between 46 and 55	G4-LA12	No. of employees	473	593	869	276
Over 55	G4-LA12	No. of employees	194	251	357	106



Performance indicators

	GRI	Unit	2015	2016	2017	Var. 16-17
Environment						
PLASTIC MATERIALS USED						
Polyvinyl chloride (PVC)	G4-EN1	Tn	4,907	5,273	5,878	11.5%
Polypropylene (PP)	G4-EN1	Tn	3,997	4,298	4,905	14.1%
Acrylonitrile butadiene styrene (ABS)	G4-EN1	Tn	1,734	1,934	2,511	29.8%
Polyester resin	G4-EN1	Tn	1,298	1,250	1,767	41.4%
Polyethylene (PE)	G4-EN1	Tn	746	659	762	15.6%
Polyamides (PA)	G4-EN1	Tn	177	234	284	21.7%
Polystyrene (PS)	G4-EN1	Tn	210	256	239	-6.6%
Synthetic rubber	G4-EN1	Tn	138	145	199	37.2%
Polyphenylene oxide (PPO)	G4-EN1	Tn	185	197	194	-1.7%
Polycarbonates (PC)	G4-EN1	Tn	148	158	155	-2.1%
Acrylonitrile Styrene Acrylate (ASA)	G4-EN1	Tn	67	83	113	37.0%
Polyurethane (PUR)	G4-EN1	Tn	53	73	102	40.7%
Copolyester	G4-EN1	Tn	39	49	47	-4.1%
Ethylene Vinyl Acetate (EVA)	G4-EN1	Tn	19	26	36	38.0%
Acetal	G4-EN1	Tn	31	32	26	-18.3%
Methacrylate	G4-EN1	Tn	6	6	6	7.1%
Ion exchange resin	G4-EN1	Tn	372	363	0	-100.0%
Polyvinyl chloride (PVC)	G4-EN2	Tn	62	12	0	-100.0%
Polypropylene (PP)	G4-EN2	Tn	86	110	94	-14.7%
Acrylonitrile butadiene styrene (ABS)	G4-EN2	Tn	12	11	17	51.4%
METAL MATERIALS USED						
Steel	G4-EN1	Tn	3,246	3,348	3,741	11.8%
Iron	G4-EN1	Tn	422	291	361	23.8%
Cables	G4-EN1	Tn	88	103	110	6.8%
Copper	G4-EN1	Tn	68	73	74	1.2%
Aluminium	G4-EN1	Tn	57	65	66	2.5%
Titanium	G4-EN1	Tn	8	8	9	7.1%



(Cont.) Performance indicators. Environment

	GRI	Unit	2015	2016	2017	Var. 16-17
CHEMICALS USED						
Trichloroisocyanuric acid	G4-EN1	Tn	4,438	5,067	7,065	39.4%
Sulphuric acid	G4-EN1	Tn	2,447	2,888	3,402	17.8%
Sodium hydroxide	G4-EN1	Tn	6,389	4,525	3,304	-27.0%
Sodium hypochlorite	G4-EN1	Tn	831	1,633	2,174	33.1%
Dichloroisocyanuric acid	G4-EN1	Tn	1,907	3,058	2,159	-29.4%
Chlorine	G4-EN1	Tn	4,175	2,915	2,145	-26.4%
Cyanuric Acid (Isocyanuric)	G4-EN1	Tn	2,200	2,000	1,229	-38.6%
Sodium bisulphate	G4-EN1	Tn	1,008	1,005	1,011	0.6%
Dense Sodium Carbonate	G4-EN1	Tn	764	846	900	6.4%
Aluminium polychloride	G4-EN1	Tn	713	981	881	-10.2%
Sodium thiosulphate	G4-EN1	Tn	1,201	850	640	-24.7%
Boric acid (EP)	G4-EN1	Tn	347	302	339	12.1%
Peroxides (acetylacetone + MEK)	G4-EN1	Tn	22	23	29	26.1%
Phosphoric acid	G4-EN1	Tn	15	16	20	26.0%
Int. Reused Acetone	G4-EN2	Tn	32	32	73	130.4%
Ext. Recovered Acetone	G4-EN2	Tn	59	80	0	-100.0%
OTHER MATERIALS						
Recycled glass	G4-EN1	Tn	5,701	4,236	4,455	5.2%
Fibreglass	G4-EN1	Tn	760	767	1,059	38.1%
Pigments	G4-EN1	Tn	75	40	47	18.8%
CONTAINERS AND PACKAGING						
Wooden pallets	G4-EN1	Tn	2,805	2,886	3,911	35.5%
Cardboard boxes	G4-EN1	Tn	2,360	2,594	3,156	21.6%
Plastics (film, bags, containers, etc.)	G4-EN1	Tn	977	1,314	2,268	72.6%
Other (cork, foam, etc.)	G4-EN1	Tn	4.3	4.3	4.1	-4.7%
Drums	G4-EN1	Tn	4	73	131	80.0%
ENVIRONMENTAL CERTIFICATION						
EMAS		No. Emp.	2	2	2	0.0%
ISO 14001		No. Emp.	8	7	7	0.0%



(Cont.) Performance indicators. Environment

	GRI	Unit	2015	2016	2017	Var. 16-17
ENERGY						
Natural Gas Consumption	G4-EN3	Gj	42,163	49,578	44,503	-10.2%
Diesel consumption	G4-EN3	Gj	34,350	45,233	53,788	18.9%
Cogeneration	G4-EN3	Gj	9,078	5,822	0	-100.0%
Electricity consumption	G4-EN3	Gj	119,670	127,532	144,849	13.6%
Energy intensity - MP	G4-EN5	Gj/TnMP	3.3	3.8	3.4	-9.8%
Energy intensity - m ²	G4-EN5	Gj/m ²	0.6	0.6	0.6	3.3%
Energy intensity - Per.	G4-EN5	Gj/Per.	53.1	52.0	54.9	5.5%
WATER						
Total water consumption	G4-EN8	m ³	95,983	96,722	112,160	16.0%
Public / Private network	G4-EN8	m ³	40,838	44,453	45,092	1.4%
Underground	G4-EN8	m ³	5,229	4,367	5,238	19.9%
Surface	G4-EN8	m ³	49,916	57,902	61,830	6.8%
Reused/recycled water	G4-EN10	m ³	11,212	8,666	577	-93.3%
EMISSIONS						
NOx	G4-EN21	Tn	1.68	1.20	1.20	0.0%
SOx	G4-EN21	Tn	1.53	1.09	1.10	0.9%
CO	G4-EN21	Tn	0.29	0.20	0.19	-5.0%
COVs	G4-EN21	Tn	48.0	46.0	111.0	141.2%
Cl Particles	G4-EN21	Tn	0.58	0.37	0.34	-8.1%
Other (HCFC, HCl particles)	G4-EN21	Tn	0.52	0.00	0.00	0.0%
Direct CO ₂ emissions - A1	G4-EN15	tCO ₂	5,409	6,707	6,964	3.8%
Indirect CO ₂ emissions - A2	G4-EN16	tCO ₂	12,377	3,654	5,658	54.8%
Indirect CO ₂ emissions - A3	G4-EN17	tCO ₂	11,491	16,050	13,669	-14.8%
Total attributable CO ₂ emissions.	G4-EN19	tCO ₂	29,278	26,411	26,350	-0.2%
Intensity of em. CO ₂ - MP	G4-EN18	kgCO ₂ /tMP	461.2	448.5	449.6	0.2%
Intensity of em. CO ₂ - m ²	G4-EN18	kgCO ₂ /m ²	92.0	83.0	73.0	-12.0%
Intensity of em. CO ₂ - Per./year	G4-EN18	tCO ₂ /Per.	8.2	7.1	6.2	-13.7%
DISCHARGES						
Total discharges		m ³	95,983.0	96,722.0	112,160.0	16.0%
Public/Private Discharge Network	EN21	m ³	36,038	38,104	38,894	2.1%



(Cont.) Performance indicators. Environment

	GRI	Unit	2015	2016	2017	Var. 16-17
Process water / Product	EN21	m ³	57,556	55,196	69,321	25.6%
Rejection by osmosis	EN21	m ³	1,445	2,928	3,000	2.5%
Leaks	EN21	m ³	944	494	945	91.3%
WASTE						
Total Non-Hazardous Waste	EN22	Tn	19,749	13,241	12,079	-8.8%
Internal management / at source	EN22	Tn	16,482	9,964	8,041	-19.3%
External management (without sub-product)	EN22	Tn	2,951	2,948	3,745	27.0%
Recovery of own waste, recovery of waste at own facility	EN22	Tn	1,864	1,881	2,402	27.7%
Treatment, disposal and/or energy recovery of own waste	EN22	Tn	1,087	1,067	1,342	25.8%
Issue as by-product	EN22	Tn	316	328	294	-10.3%
Total Hazardous Waste	EN24	Tn	10,046	7,980	8,060	1.0%
Internal management / at source	EN24	Tn	5,604	4,829	4,777	-1.1%
Recovery of own waste, recovery of waste at own facility	EN24	Tn	96	33	109	225.6%
Treatment, disposal and/or energy recovery of own waste	EN24	Tn	5,508	4,795	4,668	-2.7%
External management (without sub-product)	EN24	Tn	434	469	378	-19.4%
Recovery of own waste, recovery of waste at own facility	EN24	Tn	134	121	106	-12.0%
Treatment, disposal and/or energy recovery of own waste	EN24	Tn	300	348	272	-21.9%
Issue as by-product	EN24	Tn	4,008	2,682	2,905	8.3%
TRANSPORT						
Freight transport	G4-EN30	Km	16,868,598	20,830,164	16,650,919	-20.1%
INVESTMENTS AND COSTS						
Cost of fines and sanctions	EN28	EUR	0	0	0	--
Total environmental investments and costs	EN30	EUR	1,153,021	1,543,560	1,478,099	-4.2%



7.4 | GRI G4 Contents

	STRATEGY AND ANALYSIS	Page	Comments	Verified (Yes / No)
G4-1	A statement from the main decision-maker of the organisation (the person holding the position of Executive Director, President or similar) about the relevance of sustainability to the organisation and strategy thereof with a view to addressing this issue is to be included.	8-12		Yes
G4-2	Describe the main impacts, risks and opportunities.	8-12		Yes
PROFILE OF THE ORGANISATION				
G4-3	Name of the organisation.	6		Yes
G4-4	Brands, products and important services of the organisation.	20-23		Yes
G4-5	Location of the headquarters of the organisation.	6		Yes
G4-6	Please indicate how many countries the organisation operates in and the name of the countries where the organisation conducts significant operations or has a specific relevance to the sustainability mentioned herein.	6, 16		Yes
G4-7	Nature of ownership and legal form.	6		Yes
G4-8	Please indicate which markets are served (with geographical breakdown by sector and type of customer and end user).	16		Yes
G4-9	Please determine the size of the organisation.	3-5, 71-86		Yes
G4-10	Please determine the structure of the workforce.	4-5, 71-86		Yes
G4-11	Percentage of employees covered under collective bargaining agreements.	78		Yes
G4-12	Please describe the supply chain of the organisation.	108-112		Yes
G4-13	Please report any significant changes that have taken place during the reporting period regarding size, structure, equity ownership or supply chain of the organisation.	20-23, 24-26, 29-52, 109-112		Yes



PROFILE OF THE ORGANISATION		Page	Comments	Verified (Yes / No)
G4-14	Please indicate how the organisation handles, where appropriate, the precautionary principle.	47-51, 117, 153-156		Yes

G4-15	Please make a list of letters, principles or other external initiatives of economic, environmental and social nature that the organisation supports or has adopted.	14, 142		Yes
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G4-16	List of national or international associations and organisation to which the organisation belongs and controls.	147		Yes
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MATERIAL ASPECTS AND COVERAGE		Page	Comments	Verified (Yes / No)
G4-17	Please make a list of the entities included in the consolidated financial statements of the organisation and other equivalent documents. Please indicate whether any of the entities included in the consolidated financial statements of the organisation and other equivalent documents are not listed in the report.	153-156		Yes

G4-18	Please describe the process followed to determine the contents of the report and coverage of each aspect. Please explain how the organisation has applied the Principles of preparation of reports to determine the contents of the report.	157-159		Yes
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G4-19	Please make a list of material aspects identified during the process of defining the contents of the report.	157-159		Yes
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G4-20	Please indicate the coverage within the organisation of each material aspect.	157-159		Yes
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G4-21	Please indicate the coverage outside the organisation of each material aspect.	157-159		Yes
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G4-22	Please describe the effects of reformulations of information provided in earlier reports and their causes.	153-156		Yes
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G4-23	Please indicate any significant changes in the scope and coverage of every aspect compared to previous reports.	153-156		Yes
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PARTICIPATION OF STAKEHOLDERS		Page	Comments	Verified (Yes / No)
G4-24	Please make a list of stakeholders linked to the organisation.	13, 17-19		Yes
G4-25	Please indicate the principles guiding the selection process for the stakeholders with whom you work.	13, 17-19		Yes



PARTICIPACIÓN DE LOS GRUPOS DE INTERÉS		Page	Comments	Verified (Yes / No)
G4-26	Please describe the organisational focus on the participation of stakeholders, including the collaboration frequency with the various types and groups of stakeholders, or indicate whether the participation of a group was specifically made in the process of drafting the report.	17-19		Yes
G4-27	Please indicate what key issues and problems have arisen from the participation of stakeholders and describe the assessment by the organisation, among other things through its report. Please specify which stakeholders raised each of the key issues and problems.	17-19		Yes
PROFILE OF THE REPORT		Page	Comments	Verified (Yes / No)
G4-28	Reporting period (e.g. financial year or calendar year).	153		Yes
G4-29	Date of last report (if applicable).	153		Yes
G4-30	Reporting cycle (annual, biennial, etc.).	153		Yes
G4-31	Provide contact details in case of any queries that may arise regarding the contents of the report.	178		Yes
G4-32	Please indicate which option is 'Compliant with' with the Guidelines the organisation has chosen.	160		Yes
G4-33	Please describe the policy and practices of the organisation with respect to the external verification of the report.	160		Yes
GOVERNANCE		Page	Comments	Verified (Yes / No)
G4-34	Please describe the governance structure of the organisation, including the highest governing body committees. Please indicate which committees are responsible for making decisions on financial, environmental and social issues.	29-42		Yes
G4-35	Please describe the process by which the highest governing body delegates authority to senior management and to certain employees in financial, environmental and social matters.	29-42		Yes
G4-36	Please indicate whether there are any executive positions or managerial positions in financial, environmental and social fields, and if the holders are directly accountable to the highest governing body.	29-42		Yes
G4-37	Please describe the consultation process among stakeholders and the highest governing body.	51-52		Yes



	GOVERNANCE	Page	Comments	Verified (Yes / No)
G4-38	Please describe the composition of the highest governing body and its committees.	29-42		Yes
G4-39	Please indicate if the chairperson the highest governing body also holds an executive position. If so, please describe his/her executive duties and the reasons for this appointment.	32		Yes
G4-40	Please, describe the appointment and selection process of the highest governing body and its committees, and the criteria on which the appointment and selection of members of the former is based.	30-36		Yes
G4-41	Please describe the process by which the highest governing body prevents and manages potential conflicts of interest. Please indicate whether conflicts of interest are notified to stakeholders.	36-37		Yes
G4-42	Please describe the functions of the highest governing body and senior management in the development, approval and updating of the values or mission statements, strategies, policies and objectives relating to economic, environmental and social impacts of the organisation.	30-36		Yes
G4-43	Please indicate what measures have been taken to develop and improve the collective knowledge of the highest governing body in relation to economic, environmental and social issues.	30-36		Yes
G4-44	Please describe the performance assessment processes of the highest governing body in relation to the governance of financial, environmental and social issues.	30-36, 47-51		Yes
G4-45	Please describe the role of the highest governing body in the identification and management of impacts, risks and opportunities of financial, environmental and social nature.	30-36, 47-51		Yes
G4-46	Please describe the role of the highest governing body in the analysis of the effectiveness of risk management processes of the organisation in relation to financial, environmental and social issues.	30-36, 47-51		Yes
G4-47	Please indicate how often the highest governing body analyses impacts, risks and opportunities of financial, environmental and social nature.	30-36, 47-51		Yes
G4-48	Please indicate which is the highest committee or position that reviews and approves the sustainability report of the organisation and ensures that all material aspects are duly covered.	30-36, 51-52, 153		Yes



	GOVERNANCE	Page	Comments	Verified (Yes / No)
G4-49	Please describe the process to notify major concerns to the highest governing body.	51-52		Yes
G4-50	Please indicate the nature and number of main concerns that were conveyed to the highest governing body; also describe the mechanisms used to address and assess them.	47-51		Yes
G4-51	Please describe the remuneration policies for the highest governing body and senior management.	42-43		Yes
G4-52	Please describe the processes by which remuneration is determined.	42-43		Yes
G4-53	Please explain how the opinion of the stakeholders is requested and taken into account with respect to remuneration.	42-43		Yes
G4-54	Please calculate the ratio between the total annual remuneration of the highest paid person within the organisation in each country where they carry out significant operations with the average annual remuneration of the whole workforce (not including the highest paid person) in the corresponding country.	43		Yes
G4-55	Please calculate the percentage increase between the total annual remuneration of the highest paid person of the organisation in each country where they carry out significant operations with the average annual remuneration percentage increase of the whole workforce (not including the highest paid person) in the corresponding country.	43		Yes
	ETHICS AND INTEGRITY	Page	Comments	Verified (Yes / No)
G4-56	Please describe the values, principles, standards and rules of the organisation, such as codes of conduct or codes of ethics.	43-45		Yes
G4-57	Please describe internal and external advisory mechanisms towards ensuring an ethical and lawful conduct, and to consult matters related to the integrity of the organisation, such as helplines or counselling.	45		Yes
G4-58	Please describe the internal and external mechanisms for reporting unethical or illegal conduct and matters relating to the integrity of the organisation, such as tiered notification to managers, whistleblowing mechanisms or helplines.	45		Yes



ECONOMIC PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
G4-DMA	Financial management approach.			Yes
G4-EC1	Direct economic value generated and distributed.	5-6, 16, 53-59, 143, 150		Yes
G4-EC2	Economic effects and other risks and opportunities for the activities of the organisation arising from climate change.	49-51, 122		Yes
G4-EC3	Coverage of obligations of the organisation arising from its benefit plan		There are no company pension plans at Fluidra.	
G4-EC4	Financial aid granted by government authorities	57		Yes
G4-EC9	Percentage of expenditure in areas with significant operations corresponding to local suppliers	111		Yes
ENVIRONMENTAL PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
G4-DMA	Environmental management approach	117		Yes
G4-EN1	Materials by weight or volume	129-133, 164-165		Yes
G4-EN2	Percentage of materials used that are recycled materials	129-133, 165		Yes
G4-EN3	Domestic energy consumption	5, 119- 121, 166		Yes
G4-EN4	External energy consumption		There are currently no data available on energy consumption outside the group.	
G4-EN5	Energy intensity	122, 166		Yes
G4-EN6	Reduction in energy consumption	119-122		Yes
G4-EN7	Reductions in energy requirements of products and services	87		Yes
G4-EN8	Total water abstraction by source	128-129, 166		Yes
G4-EN9	Water sources significantly affected by water abstraction	129		Yes



ENVIRONMENTAL PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
G4-EN10	Percentage and total volume of recycled and reused water.	128-129, 166		Yes
G4-EN15	Direct emissions of greenhouse gases (scope 1).	124, 166		Yes
G4-EN16	Indirect emissions of greenhouse gases when generating energy (scope 2).	124, 166		Yes
G4-EN17	Other emissions of greenhouse gases (scope 3).	124, 166		Yes
G4-EN18	Intensity of greenhouse gases emissions.	124-125, 166-167		Yes
G4-EN19	Reducing emissions of greenhouse gases.	119, 124, 166		Yes
G4-EN20	Emissions of ozone-depleting substances.	123		Yes
G4-EN21	NOx, SOx and other significant atmospheric emissions.	123, 166		Yes
G4-EN22	Total water discharge by quality and destination.	133-134		Yes
G4-EN23	Total weight of waste by type and treatment method.	5, 135-136		Yes
G4-EN24	Number and total volume of significant spills.	134		Yes
G4-EN25	Weight of transported, imported, exported or treated waste deemed hazardous under Annexes I, II, III and VIII of the Basel Convention, and percentage of waste transported internationally.	135-136		Yes
G4-EN26	Identification, size, protected status and biodiversity value of water bodies and related habitats significantly affected by discharges and runoffs from the organisation.	134		Yes
G4-EN29	Monetary value of significant fines and number of non-monetary sanctions for non-compliance with laws and environmental regulations.	137		Yes
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the activities of the organisation, as well the transport of personnel.	124, 168		Yes



ENVIRONMENTAL PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
G4-EN31	Breakdown of costs and environmental investments.	5, 137		Yes
G4-EN32	Percentage of new suppliers that were assessed based on environmental criteria.	112-116		Yes
G4-EN33	Significant negative environmental impact, both actual and potential, in the supply chain and steps taken.	116		Yes
G4-EN34	Number of environmental complaints that have been filed, addressed and resolved through formal complaint mechanisms.	118		Yes

COMPANY AND LABOUR PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
WORK PRACTICES				
G4-DMA	Management of labour practices approach.	71		Yes
G4-LA1	Number and rate of recruitment and average employee turnover, broken down by age range, gender and region.	72-77, 161		Yes
G4-LA2	Social security benefits for full-time employees not available for temporary or part-time employees, broken down by significant locations of activity.		All employees have equal rights to social benefits	
G4-LA3	Rates of return to work and retention rates after maternity or paternity leave, broken down by gender.	84, 161		Yes
G4-LA4	Minimum periods of notice of operational changes and possible inclusion of the same in collective bargaining agreements.	77		Yes
G4-LA5	Percentage of workers who are represented in formal joint health and safety committees for management and employees, established to help monitor and advise on safety programmes and occupational health.	83, 161-162		Yes
G4-LA6	Type and rate of injury, occupational diseases, days missed, absence rate and deaths related to work by region and gender.	83, 161-162		Yes
G4-LA7	Workers whose profession has a high incidence or risk of disease.	81, 162		Yes
G4-LA8	Health and safety covered under formal trade union agreements.	83		Yes



COMPANY AND LABOUR PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
WORK PRACTICES				
G4-LA9	Average hours of training per year per employee by gender and job category.	80, 163		Yes
G4-LA10	Skills management and lifelong learning programmes that promote employability of workers and help them manage the end of their careers.	79-81, 163		Yes
G4-LA11	Percentage of employees receiving performance and career development assessment on a regular basis, broken down by gender and professional category.	78-79, 163		Yes
G4-LA12	Composition of governance bodies and breakdown of employees by professional category and gender, age, belonging to a minority group and other indicators of diversity.	72, 83, 163-164		Yes
G4-LA13	Ratio of basic wages comparing men's to women's, broken down by professional category and significant location of activity.	83-84		Yes
G4-LA14	Percentage of new suppliers that were assessed based on labour practices criteria.	112-113		Yes
G4-LA15	Significant negative environmental impact, both actual and potential, in work practices and the supply chain, and steps taken.	112-113		Yes
G4-LA16	Number of working practices complaints that have been filed, addressed and resolved through formal complaint mechanisms.	84		Yes
HUMAN RIGHTS				
G4-DMA	Human rights management approach.	43		Yes
G4-HR3	Number of discrimination cases and corrective steps taken.	45, 84		Yes
G4-HR4	Identification of centres and significant suppliers in which freedom of association and the right to collective bargaining may be violated or threatened, and steps taken to defend such rights.	78, 84, 116		Yes
G4-HR5	Identification of centres and suppliers with a significant risk of child labour cases, and steps taken to contribute to the abolition of child labour.	84, 116		Yes



COMPANY AND LABOUR PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
HUMAN RIGHTS				
G4-HR6	Centres and suppliers with a significant risk of forced labour, and steps taken to contribute to the eradication of all forms of forced labour.	116		Yes
G4-HR8	Number of cases of violations of the rights of indigenous peoples and steps taken.	46		Yes
G4-HR10	Percentage of new suppliers that were assessed based on human rights criteria.	112-113		Yes
G4-HR11	Significant negative impacts, actual or potential, on human rights in the supply chain, and steps taken.	112-113		Yes
G4-HR12	Number of human right complaints that have been filed, addressed and resolved through formal complaint mechanisms.	45		Yes
COMPANY AND LABOUR PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
SOCIETY				
G4-DMA	Society management approach.	142		Yes
G4-SO3	Number and percentage of centres in which the risks related to corruption and significant risks identified have been assessed.		The group's anti-corruption policy has been approved and communicated to all companies, with visits to 21 companies, 4 of which are international.	Yes
G4-SO4	Communication policies and procedures and anti-corruption training.		No action has been taken on this indicator in 2017.	Yes
G4-SO5	Confirmed cases of corruption and steps taken.	45		Yes
G4-SO6	Value of political contributions, by country and recipient.		Fluidra does not make contributions to political parties or governments	
G4-SO8	Monetary value of significant fines and number of non-monetary sanctions for non-compliance with laws and regulations.	142		Yes



COMPANY AND LABOUR PERFORMANCE INDICATORS		Page	Comments	Verified (Yes / No)
PRODUCT LIABILITY				
G4-DMA	Product liability management approach.	105		Yes
G4-PR1	Percentage of significant product categories and services whose impact on health and safety has been assessed so as to promote improvements.	105		Yes
G4-PR2	Number of incidents due to non-compliance with regulations or voluntary codes concerning the impacts of health and safety products and services during their life cycle, broken down by type of result of such incidents.	105		Yes
G4-PR3	Type of information required by the organisation procedures relating to information and labelling of its products and services, and percentage of significant product categories and services subject to such requirements.	104-105		Yes
G4-PR4	Number of cases of non-compliance with the regulation and voluntary codes concerning information and labelling of products and services, broken down by type of result.	104-105		Yes
G4-PR5	Survey results to measure customer satisfaction.	97-100		Yes
G4-PR6	Selling of prohibited or contested products.	96		Yes
G4-PR7	Number of cases of non-compliance with the regulation or voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, broken down by type of result.	104-105		Yes
G4-PR8	Number of complaints based on the breach of privacy and loss of customer data.	104-105		Yes
G4-PR9	Cost of significant fines for violating the regulations and legislation relating to the provision and use of products and services.	104-105		Yes



7.5 | DIRECTORY

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Information on aspects
related to the 2017 Integrated
Report

[G4-31]

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Corporate Governance Annual Report

Financial Statements

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