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# Annual Report on the Activities of the Appointments and Remuneration Committee 2024

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# 1. Presentation

In keeping with recommendation 6 of the CNMV's Code of Good Governance for Listed Companies and article 29 of the Regulations of the Appointments and Remuneration Committee (the "Committee") of Fluidra, S.A. ("Fluidra" or the "Company") ("Committee Regulations"), enclosed herewith is the Annual Report on the operations and activities of the Committee for fiscal year 2024 approved by the Committee on March 24, 2025 and ratified by the Company's Board of Directors (the "Board" or "Board of Directors") on March 25, 2025.

## 2. Membership, responsibilities and operations of the Appointments and Remuneration Committee and meetings in 2024

The Committee is regulated in article 14 of the Board Regulations and in the Committee Regulations, which governs its principles of action, the basic rules on its organization and operation, and its code of conduct in accordance with the corporate governance best practices and the CNMV's Technical Guidance for Appointments and Remuneration Committees.

### 2.1 Members

Pursuant to article 14 of the Board Regulations and article 12 of the Committee Regulations, the Committee is made up of four non-executive directors, two of whom are independent directors. The members of the Committee have been appointed based on their knowledge, skills and experience, as well as on the duties of the Committee.

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

At December 31, 2024, the Committee was made up of the following directors appointed by the Board:

Name	Post		Length of Service on the Committee
Esther Berrozpe Galindo	President	Independent	06/09/2019
Jorge Valentín Constans Fernández	Member	Independent	01/12/2015
Bernardo Corbera Serra	Member	Proprietary	5 May 2022
Michael Steven Langman	Member	Proprietary	14/06/2021

The Committee's Secretary is the Non-member Secretary of the Board of Directors, Mr. Albert Collado Armengol.

### Committee member profiles



**Ms. Esther Berrozpe Galindo**

Born in 1970, Esther Berrozpe has an extensive international career spanning more than three decades. She has worked in consumer goods companies in positions of increasing responsibility in both Europe and North America. She has extensive experience in the commercial, industrial and logistics sectors, talent management and cultural change, as well as in mergers and acquisitions.

Esther currently holds the positions of President, CEO and Director of Attindas Hygiene Partners, a global leader in the personal hygiene industry.

Before joining Attindas, Esther was CEO of Ontex, an international personal hygiene group listed on Euronext Brussels. Prior to Ontex, Esther worked for 19 years at Whirlpool Corporation, a global leader in the domestic appliance industry, where she held various management positions, the last one as President of Europe, Middle East and Africa, and Executive Vice President of the Company. Earlier in her career, Esther worked for Paglier, Sara Lee and the Wella Group.

Esther Berrozpe was senior director at American Industrial Partners (AIP) and independent director at Pernod Ricard, Ontex Group and Roca Corporación.

She holds a degree in Economics and Business Administration from the University of Deusto in San Sebastian (Spain), and studied Economics and International Business at the University of Bergamo (Italy).





**Mr. Jorge Valentín Constans Fernández**

Born in 1964, Jorge Constans holds a degree in economics from the University of Barcelona, PDG (General Management) from IESE, and ADE (Business Administration) from ESADE. Over a long career spanning 22 years at Danone, he held several positions in sales, marketing and general management in Spain and went on to be president and general manager of Danone France. He was subsequently made responsible for Europe and later on for the USA. Over the last two years at the Company he was President of the dairy products division, with revenues of 12 billion euros and operations in over 50 countries. At Louis Vuitton, he served as President and CEO. He is currently a member of the Board of Directors of Puig, Punto Fa (Mango) and Fluidra.



**Mr. Bernardo Corbera Serra**

Born in 1965, Bernardo Corbera Serra holds a degree in Business Administration from E.S.E.I. and a P.A.D.E. (Senior Management) from IESE. He has held various positions in the Fluidra Group in the past, although he does not currently provide services for the Company. Specifically, he started his career at Astral Export, S.A. as the head of the Company's expansion in Africa, the Middle East and Central America. He moved to the United States in 1993, where he was responsible for market research and the subsequent roll out of Astral Products and Poltank in the US. In 1999 he joined the Astral Group as head of Northamerica and Mexico and was appointed to its Executive Committee. In 2000 he was appointed to the Board of Directors of Fluidra, as well as CEO of Edrem S.L., a family investment company. He also directs and is a member of the board of directors of Beran Cartera, S.L.



**Mr. M. Steven Langman**

Born in 1961, M. Steven Langman co-founded Rhône in 1996 and has been responsible for the day-to-day management of the firm since its incorporation. Rhône is an asset management company specializing in private equity. He is a Member and Managing Director of Rhône. Before founding Rhône, Mr. Langman was a Managing Director at Lazard Frères, where he specialized in mergers and acquisitions. Before joining Lazard Frères, Mr. Langman worked in the mergers and acquisitions department of Goldman Sachs. He has over thirty years of experience in finance, analysis and investments in public and private companies. Besides Fluidra, S.A., Mr. Langman currently sits on the Board of Directors of several companies in Rhône's investment portfolio, including Hudson's Bay Company, Lummus Technology L.L.C., Vista Global Holdings and Wellbore Integrity Solutions LLC. He graduated with honors from the University of North Carolina at Chapel Hill and holds a master's degree from the London School of Economics.

## 2.2 Powers and functions

Notwithstanding any other functions assigned to it under the law or the By-Laws or by the Board of Directors, the functions of the Appointments and Remuneration Committee include:

### Basic functions

- Assessing the skills, know-how and experience required of the Board and, consequently, defining the functions and skills required of the candidates to cover each vacancy; and assessing the time and dedication required for them to properly discharge their duties.
- To submit to the Board the proposed appointments of independent directors for their designation by co-option or for submission to a vote at the Shareholders' Meeting, as well as proposals for the re-appointment or removal of such directors by the Shareholders' Meeting.
- To report on the proposed appointments of other directors for their designation by co-option or for submission to a vote at the Shareholders' Meeting, as well as on proposals for their re-appointment or removal by the Shareholders' Meeting.
- To examine or organize, in the most appropriate form, the process for the succession of the Chairman and CEO by making recommendations to the Board of Directors so the handover proceeds in a planned and orderly manner. For these purposes, the Committee drafts a succession plan that is regularly reviewed so as to adapt it to any new needs and circumstances of the Company;
- To prepare and review the criteria to be followed in configuring the management team of the Company and its subsidiaries, and in selecting candidates;
- To report on, and submit to the Board proposals for appointments and dismissals of senior executives and other executives as proposed by the Executive Chairman or the CEO, as well as the basic conditions of their contracts.

- To report to the Board of Directors on matters relating to gender diversity and the qualifications of directors pursuant to article 6.5 of the Board of Directors Regulations;
- To set a target for the number of female members on the Board of Directors and develop guidelines on how to achieve this target;
- To propose to the Board of Directors: (i) the Remuneration policy for directors and senior executives and (ii) the individual Remuneration of executive directors and senior executives and the other terms of their contracts; and
- To ensure compliance with the Remuneration policy established by the Company and the transparency of Remuneration.

The Committee is also responsible for the following

## Additional functions

- Periodically reviewing the structure of the Board of Directors and its committees and advising the Board of Directors on the most appropriate configuration in terms of size and balance between the different types of directors;
- Proposing to the Board of Directors a selection policy designed to favor the adequate composition of the Board and one that is specific and verifiable so as to ensure that proposals for the appointment of directors are based on a prior analysis of the skills required by the Board of Directors and that favor diversity of knowledge, experience, age and gender. Moreover, the Committee verifies compliance with this policy on an annual basis and reports its findings in the Annual Corporate Governance Report;
- Setting a target for increasing the presence of women on the Board Directors and developing guidance on how to achieve it.
- Ensuring that when vacancies are filled or when new directors are appointed, the selection procedures do not suffer from implicit bias which could be discriminatory;
- Proposing the appointment or removal of members of the Audit Committee, the Appointments and Remuneration Committee and the Executive Strategy and ESG Committee, by verifying that the composition of each committee meets the conditions of professional experience, competence and diversity. When proposing directors for re-election, the Appointments and Remuneration Committee takes into account the same factors as for the first appointment. The Committee also assesses the directors' performance during their time in office and the ability to continue performing satisfactorily;
- Proposing or announcing the resignation or removal of directors when:
  - a) they are subject to conflicts of interest or disqualification as provided for by law, the By-Laws or these Regulations;
  - b) a shareholder represented by a director transfers all or reduces his/her shareholding;
  - c) or they are involved in any of the other situations, whether or not related to their work at the Company, that could seriously damage its image or reputation.
- Ensuring that the Board of Directors adequately publicizes the circumstances and reasons for a resignation before a director's term of office comes to an end, either by resignation or by resolution of the General Shareholders' Meeting.
- Promoting and coordinating the annual process of evaluating the performance of the Board of Directors, the Chairman of the Board of Directors, its Committees, its members and the executive directors;
- Submitting the results of the evaluation to the Board of Directors together with a proposed action plan or recommendations to correct any deficiencies detected or to improve the operation of the Board of Directors or its committees;
- Monitoring the directors' attendance at meetings as part of the evaluation;
- Evaluating the skills, expertise and experience required to be a Board member and to that end:
  - a) drafting a matrix of the skills required of the Board of Directors to assist it in analyzing the skills, expertise and experience of the Board members and defining the functions and aptitudes of the candidates who should fill any vacancies that may arise;
  - b) evaluating the time and dedication required for them to effectively perform their duties; and
  - c) promoting refresher training for directors, as needed;
- Verifying the independence of any external consultant that may periodically advise the Board of Directors in evaluating the performance of the Board of Directors and its committees.
- Proposing to the Board of Directors:
  - The system and amount of annual remuneration for executive directors and senior executives;
  - The individual remuneration and other basic terms and conditions of the contracts with executive directors and senior managers.
  - The remuneration policies of directors and members of senior management by reviewing them periodically and, where appropriate, proposing changes and updates to the Board of Directors by verifying their alignment with the particular circumstances of the Company.

- Informing the Board of Directors of the individual remuneration of all directors in their capacity as such in accordance with the By-Laws and the Remuneration Policy;
- Preparing the Annual Report on Remuneration of Directors and submitting it to the Board of Directors for approval ;
- Periodically reviewing the terms of the agreements of executive directors and senior executives and verifying that they are consistent with the applicable remuneration policies;
- Overseeing the fulfillment of the remuneration policies of directors and senior executives;
- Assessing the level of achievement in respect of the criteria and objectives set for the previous year for the purposes of determining the motion on individual remuneration, including the variable components thereof of the executive directors and senior executives;
- Making sure that the selection and remuneration policies are consistent with the Company's short-, medium- and long-term situation and strategy and with market conditions, and assessing whether they contribute to the creation of long-term value and to the adequate management and control of risks by informing the Board of Directors of the results;
- Verifying that the information published by the Company on its corporate website regarding remuneration is sufficient and appropriate and follows applicable good corporate governance recommendations with a transparent process for drafting the proposal of the remuneration policies.
- Reporting on proposals for the appointment and removal of senior officers and gathering information on the evaluation process. In this regard, preparing a succession plan for the Company's senior executives to ensure an orderly and carefully planned succession;
- Periodically designing and organizing onboarding programs for Board Members as deemed appropriate;
- Issuing reports and taking actions that fall within its scope of authority or requested by the Board of Directors or the Chairman;
- The Committee conducts a regular assessment and review of the Company's environmental and social policies, so that it fulfills its mission of promoting its corporate interests, and that they take into account, as may be the case, the legitimate interests of all other stakeholders, as well as ensuring that the Company's practices in environmental and social matters are in line with the strategies and policies put in place;
- Ensuring that the corporate culture is aligned with the purpose and values of the corporate governance standards; and
- Reviewing the non-financial information for the Company and, where applicable, for the Group relative to matters falling under the powers of the Committee.

## 2.3 Operation

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

The Committee will be deemed to be validly assembled when at least the majority of its members are in attendance in person or by proxy.

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

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

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

## 3. Activities in 2024

### 3.1 Meetings held

The Committee met nine times in 2024.

A variety of matters that fall within the scope of the Committee's powers according to the By-Laws, and the Board and Committee Regulations were addressed at the meetings.

In addition to the Committee members and its secretary, executive directors, the HR Global Director (Chief HR Officer), , the CFSO and external advisors have sporadically participated in Committee meetings to present issues falling under their purview.

### 3.2 Main activities

The Committee's main activities in financial year 2024 were as follows:

#### (a) Members of the Board of Directors

The whole process of the succession of the CEO that took place in 2024 was supervised. The process of selecting a candidate to occupy this position was carried out, following which a favorable report was submitted to the Board about this candidate and his conditions.

A favorable report was submitted to the Board on the arrangement to terminate the CEO's contract. The whole process of succession was monitored and responsibilities transferred to the new CEO, who took over in the second semester of 2024.

The Committee issued a favorable report on the following re-elections and appointments of directors.

- Appointment of Ms. Olatz Urroz as independent director for a term of four years.
- Reelection of Ms. Esther Berrozpe Galindo as independent director for a term of four years.
- Reelection of Mr. Jorge Constans as independent director for a term of one year.

The Committee also searches for candidates to fill the post of independent directors by following the selection process established in the selection policy, which places emphasis on talent and diversity.

The Committee has reported favorably to the Board on the following changes in the make-up of the committees:

#### i) Appointments and Remuneration Committee

To ratify the reelection of Esther Berrozpe as a member of the Committee, for the duration of her term of office. To likewise ratify her reelection as President of the Committee.

#### ii) Audit Committee

To ratify the reelection of Brian McDonald as a member of the Committee, for the duration of his term of office. To ratify his reelection as President of the Committee

Ratify the reelection of Esther Berrozpe as a member of the Committee, for the duration of her term of office.

To appoint Olatz Urroz as a member of the Committee, for the duration of her term of office. Following her appointment, the Committee had six members.

#### iii) Delegated, Strategy and ESG Committee

To appoint Manuel Puig as a member of the Committee, for the duration of his term of office.

Following his appointment, the Committee had eight members.

#### (b) Organizational transformation

The organizational changes intended to stimulate the transformation of the business in order to achieve growth, as well as the new leadership model, were examined and a favorable report was submitted to the Board about these matters.

The talent map and the succession plan for key executive posts were updated.

#### (c) Members of the management team

A favorable report was submitted to the Board about the new members of the Management Committee (MAC).

- The selection and onboarding process of the Chief Operations Officer (COO) was completed, following which a favorable report was submitted to the Board about this candidate and his contractual terms and conditions, as well as about his suitability as a member of the MAC.
- The Board received a favorable report about the candidate Ms. Valentina Tripp to occupy the post of managing director of ANZ & Asia and her contractual terms and conditions, as well as about her suitability as a member of the MAC.



- A favorable report was submitted to the Board on the arrangement to terminate the contract of Stephen Matysiak (APAC General Manager).
- A favorable report was submitted to the Board on the arrangement to terminate the contract of Joe Linguadoca (Executive VP of Global Supply Chain).
- A favorable report was submitted to the Board on the arrangement to terminate the contract of Lennie Rhoades (NAM General Manager).
- A favorable report was submitted to the Board on the arrangement to terminate the contract of Valentina Tripp.
- A favorable report was submitted to the Board on the appointment of John Viner as new VP of North America, the review of his remuneration conditions and his joining the MAC.
- A favorable report was submitted to the Board on the appointment of David Méndez as new VP of Developing Countries, the review of his remuneration conditions and his joining the MAC.

## (d) Annual reports

It analyzed the information to be included in the following annual reports on matters within its purview, and reported favorably to the Board on their approval: Integrated Report, Annual Corporate Governance Report, Annual Report on Directors' Remuneration and Annual Report on the Committee's activities.

## (e) Evaluation of the Board

- It conducted the evaluation of the Board. Fluidra conducts an annual evaluation of its Board and Committees. Every three years, it has the assistance of an external consultant. The last two evaluations conducted in this manner in 2021 and 2024 was carried out by the external consultant Seeliger y Conde.
- Its structure, members and operation were analyzed, as was the individual performance of each Board member and the training courses run for them.
- It analyzed the degree of compliance with the action plan to improve governance and the capacity for improvement following the Board's evaluation in 2023.
- It submitted an Assessment Report to the Board on it members and the way it and its Committees were run.
- It reported favorably to the Board on approval of the 2024 action plan, following its evaluation by the Board.

## (f) Remuneration of the members of the managing body and management team

- It evaluated the professional performance, in 2023, of the executive directors and senior management team, and reported favorably to the Board regarding the annual amount of variable remuneration, for 2023, to be received by the executive directors, the senior management team and the internal audit and compliance director, in light of the level of attainment of the strategic targets to which such remuneration was linked.
- It analyzed and reported favorably to the Board on the proposed salary review of the management team for 2024, based on the Company's current situation and results.
- It analyzed and reported favorably to the Board on the annual strategic, financial, ESG and individual targets of the executive directors and management team for fiscal year 2024.
- It analyzed the remuneration of the Board by comparing it with the benchmark of listed companies on the Ibex 35 conducted by Spencer Stuart in 2023 using figures from 2022, as a result of which it advised the Board against increasing remuneration in 2024.
- It analyzed and reported favorably to the Board on the update of the list of beneficiaries of the third Cycle of the 2022-2026 LTI.
- In relation to the third Cycle of the 2022-2026 LTI, it analyzed and reported favorably to the Board on the metrics and targets of each one, the weight of each metric by group of beneficiaries, as well as the allocation of units to each of them and the cost for Fluidra.
- It analyzed and reported favorably to the Board on the 2025 variable remuneration structure, the weighting of the EBITDA metrics and the proportional growth of sales, in order to align them with the group's strategic goals.
- It analyzed and reported favorably to the Board on the retention bonus paid to two members of the NAM management team related to the organizational changes in order to ensure a smooth transition.

## (g) Employee stock purchase plan

The employee stock purchase plan (ESPP) enables employees to purchase Fluidra shares at a 15% discount on the listed price. The plan lasts for two years (2023 and 2024) and its beneficiaries are Fluidra employees, including members of the MAC, who have at least one year of seniority. The plan has been launched in Spain, the United States and Australia, which means that the plan covers an average of 60% of Fluidra's employees.

The ESPP for employees in the Fluidra Group was reviewed and a favorable report submitted to the Board to extend it in 2025 and 2026 in the same countries (Spain, the United States and



Australia). A favorable report was also submitted on the potential changes in the amount earmarked for the acquisition of shares to match the variable annual payments and to reduce the seniority required to benefit from the plan from 1 year to 6 months.

## **(h) HR strategy**

A favorable report was submitted to the Board on the degree of progress of the work completed on the human resources strategy, based on three pillars: culture, talent and organization.

## **(i) Wage gap**

The methodology and calculation of the gross and adjusted wage gap and its evolution in comparison with 2023 were analyzed, which confirmed that the 2024 target (no wage gap) was met.

## **(j) Amendments to the By-Laws, the Board Regulations and the Committee Regulations**

A favorable report was submitted to the Board on the increase to 14 of the number of directors and the corresponding changes to the By-Laws and the Committee Regulations. A favorable report was submitted to the Board on the proposed amendment to the Appointments and Remuneration Committee Regulations to include the members of the MAC, under the supervision of the Committee and the Board of Directors.

## **(k) Policy Update**

A favorable report was submitted to the Board on the Remuneration Policy for directors in 2024, which was approved by the Annual General Meeting for 2025, 2026 and 2027, as well as on the maximum gross annual amount that the Company will pay to the directors a whole, namely, an increase from 2 to 2,2 million euros. .

## **(l) Measures for increasing gender diversity on the Board**

In 2024, the Committee worked with the Board on a range of measures and plans for increasing gender diversity on the Board, as well as on fulfilling the provisions of section 529.2 of the Capital Companies Act, whose entry into force is anticipated in June 2026, so that the target is hit of having at least 40% of women on the Board by June 2026.

## 4. Conclusions

In 2024, the Committee dutifully performed the functions assigned to it in the By-Laws, and in the Board of Directors and Committee Regulations.