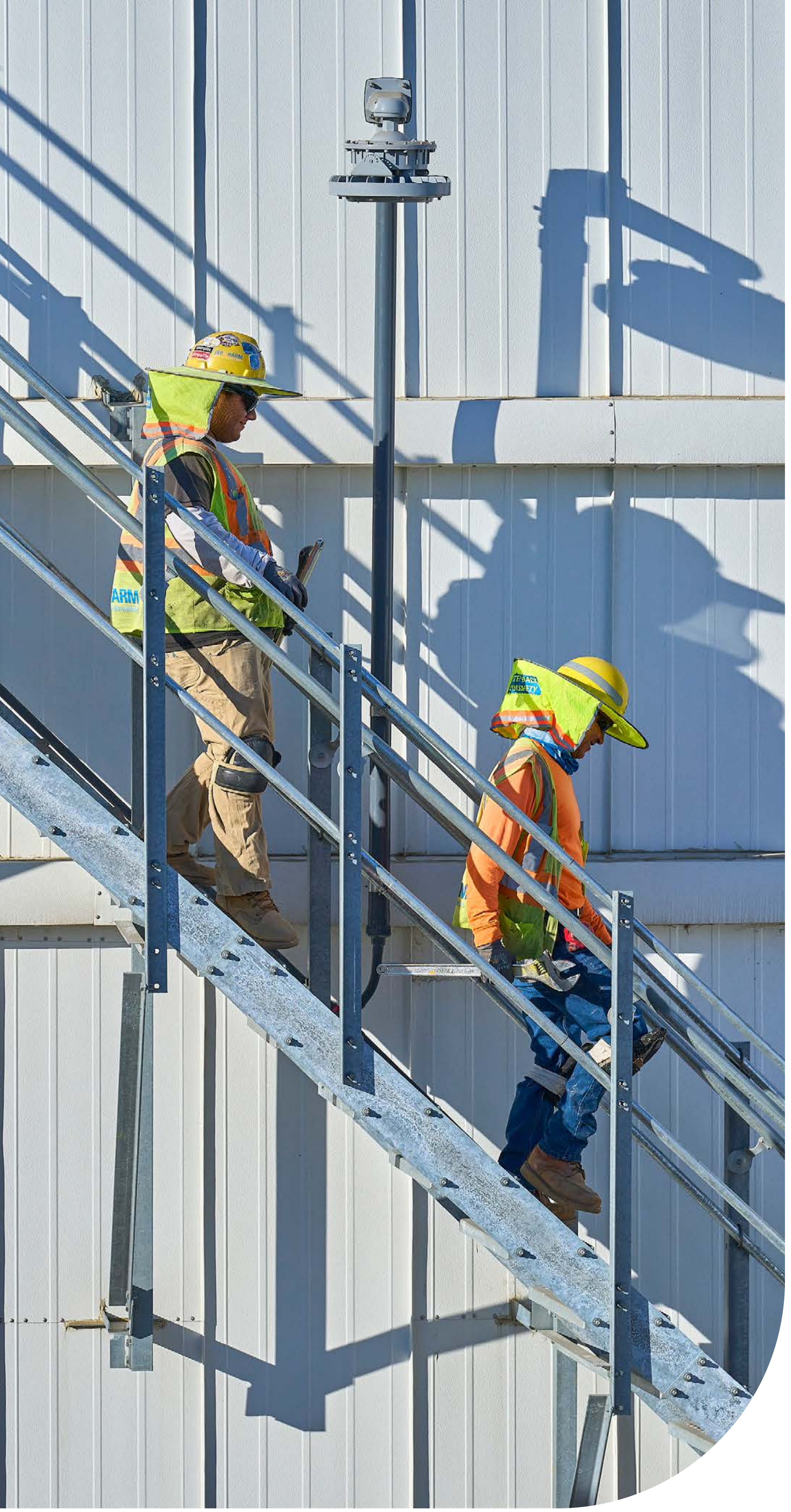
FERGUSON

Environmental, Social and Governance Report

FY2024

corporate.ferguson.com



Contents

3 About our business

A letter from our CEO

Our company

Our vision for sustainability

Our ESG framework

FY2024 highlights

8 Our commitment to the environment

Our carbon targets

Minimizing our environmental impact

Our operations

Our supply chain

Environmental Product Sales Strategy

Building water-resilient communities

17 Building a better world

Empowering our associates

Associate wellbeing

Health & Safety

Ferguson Cares

Our supply chain responsibility

25 Leading a responsible business

Our governance

Sustainability governance

Managing an ethical business

31 Data and frameworks

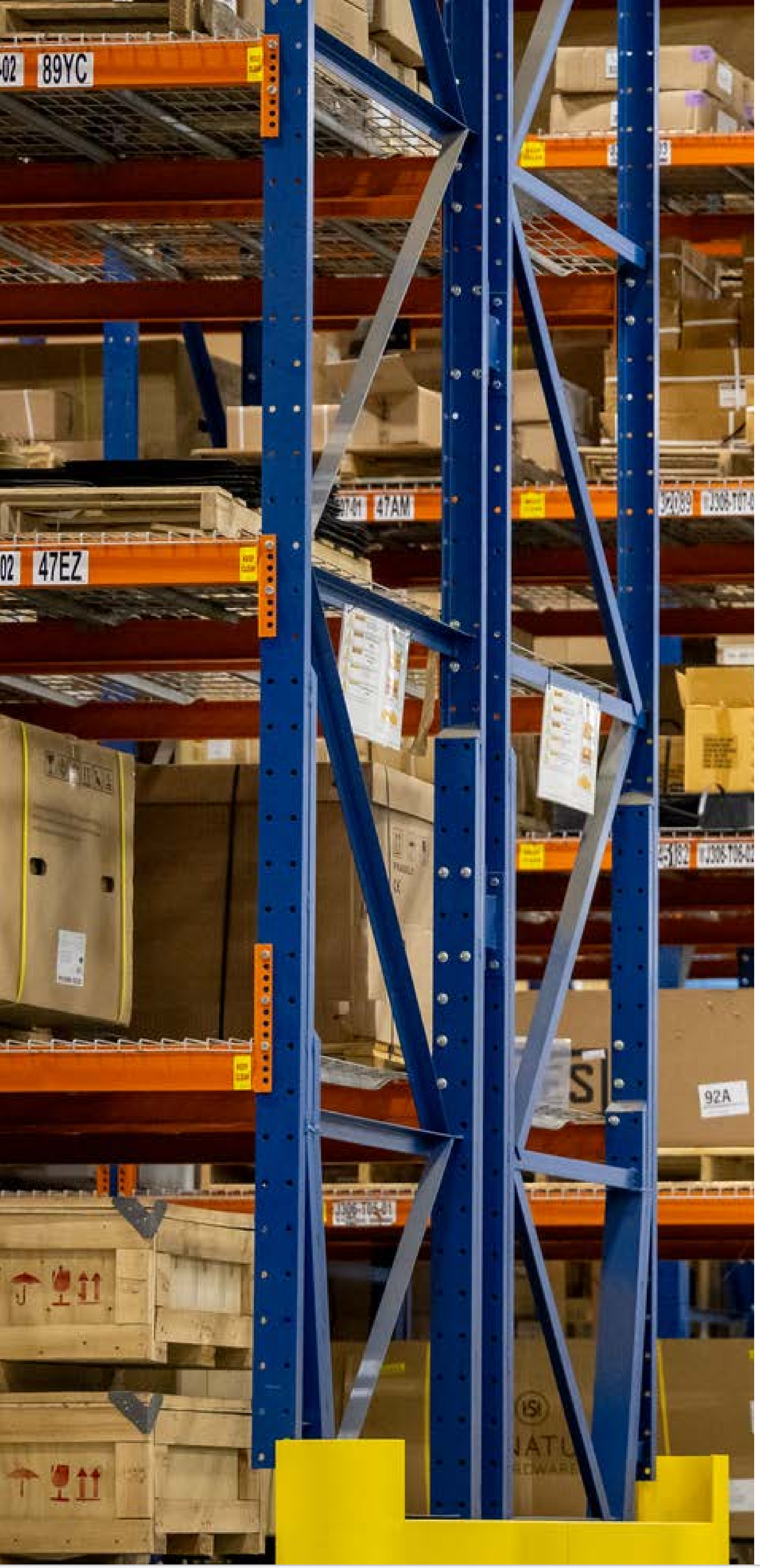
ESG data

SASB

TCFD

About our **business**

We help make our customers' complex projects simple, successful and sustainable by providing expertise and a wide range of products and services from plumbing, HVAC, appliances, and lighting to PVF, water and wastewater solutions, and more.



A letter from our CEO

We are proud of the progress we made this year. Not only did we deliver a strong financial performance while outperforming our markets but we also continued to deliver upon our sustainability commitments. We achieved our goal to reduce operational emissions intensity and continue to be an employer of choice for our industry's best and brightest.

In addition, Ferguson is well-positioned to meet the evolving needs of North America's residential and non-residential construction market. We see great potential to improve construction productivity using our core strengths: world-class supply chain, value-added solutions, digital tools and expert associates. We are taking advantage of industry trends and changing market dynamics, creating a path for a resilient future.

Building a better world

Working alongside our valued partners, Ferguson is helping to build a better world. Every day, we serve trade professionals, general contractors, developers, architects, engineers and business owners who are building North America — the places where we live and work.

We provide products and solutions that help lower emissions, save water and preserve natural resources. We also use our sustainability knowledge to guide and help our customers achieve their goals. We believe that by making sustainability part of our sales strategy, we can impact the environment and society as well as create business value.

A unique time in our history

As a result of recent legislation and fiscal stimulus, many sectors across the United States are making investments to support their operations, much of which are directly tied to environmental sustainability.

Public policy is also supporting ambitious projects, such as tunnels, chip manufacturing plants, battery plants, charging stations — and many other complex construction projects. The United States needs qualified trade professionals to make these projects happen but is lacking over 500,000 skilled tradespeople. This gap is likely to grow as more workers retire than join the skilled trades.

Finding qualified talent is a leading challenge for our customers — and we're helping to solve it. We've been working hard to support a skilled trades workforce that can meet these needs. Through Ferguson Cares, we've teamed up with industry organizations, community colleges and local career and technical education schools to help grow the number of skilled trades professionals. Our partnerships with groups like the mikeroweWORKS Foundation, ACE Mentor Program of America and Explore The Trades have been very successful in developing talent, bringing the right skill sets to jobs that require them. We're proud of our efforts to expand the skilled trades talent pool through our efforts with organizations like the National Association of Women in Construction and our founding sponsorship of Women in Plumbing and Piping.

The increasing unpredictability of water resources demands more effective, flexible and robust infrastructure. We are working hard to help our customers upgrade aging U.S. water infrastructure and build water-resilient communities for present and future generations. We are following legislation closely to comprehend public issues fully and addressing these opportunities proactively with innovative solutions.

We will keep working to find new possibilities by making sustainability a part of our strategy and operations. We are determined to run a responsible business and contribute to building a better world.

Thank you for your valued partnership,

Kevin Murphy, CEO

Our company

Ferguson is the largest value-added distributor serving the specialized professional in our $340B residential and non-residential North American construction market. We have strategically positioned our extensive network of ~1,800 locations within 60 miles of 95% of the population. This proximity allows us to foster long-term relationships with our customers, providing valuable experiences both online and in our branches.

Our dedicated team of 35,000 associates is the driving force of our operations, setting us apart with their commitment to quality, knowledge and service. Together, we do more than construct homes and office buildings; we build trust, confidence and community. Our reach and relationships reflect our commitment to being an integral part of the communities we serve.

Our purpose

We help make our customers' complex projects simple, successful and sustainable.

Our vision

Our vision is clear: to be the ultimate project success company. Guided by our values — safety, integrity, service, teamwork and impact — our customer groups collaborate to bring greater value to our customers throughout the life of the project. Through scale deployed locally utilizing our world-class supply chain, value-added solutions and digital tools, along with our expert associates, we help meet our customers' unique needs.

→ Read more about our business: corporate.ferguson.com.

Unless otherwise noted, this ESG report presents data for Ferguson plc and its subsidiaries (collectively, "Ferguson") for the fiscal year ended July 31, 2024. Effective August 1, 2024, we implemented a new corporate structure to domicile Ferguson's ultimate parent company in the United States and Ferguson Enterprises Inc., a Delaware corporation, became the parent company to Ferguson plc (now known as Ferguson (Jersey) Limited). The new parent company continues to pursue Ferguson's strategic initiatives and business operations.

About our report

Our annual Environmental, Social and Governance (ESG) Report is more than just a demonstration of our commitment to transparency and accountability. It's a platform for us to share the inspiring stories of our associates who are driving change and making a significant impact. From helping our customers upgrade municipal water infrastructure, volunteering at home-building events, conducting energy and water efficiency field audits and more, the Ferguson team is always ready to tackle the initiative. We're the first to roll up our sleeves and the last to leave, ensuring the job is done — and done right.

We're using our business strengths and aiming to advance our industry and protect our planet. We believe this approach is fostering innovation and resilience within our business, positioning us for continued growth. We're excited about the opportunity to make a lasting impact on the built world, and we're honored to play our part.

Thanks for being a part of our sustainability journey. Your support fuels our commitment to help build a better world.

Denise Vaughn,
Vice President - Environmental, Social and Governance

Our vision for sustainability

Our vision is to minimize the environmental impact of our operations and foster a culture that is safe, inclusive and engaging for all our associates. Beyond the scope of our operations, we are committed to driving sustainable product innovation and helping our customers achieve their sustainability goals while supporting the communities we serve through Ferguson Cares. Our approach integrates environmental, social and governance factors, recognizing that success requires holistic thinking and action.

CEO Kevin Murphy and Waterworks Senior Director of Business Development David Hill represented Ferguson as the sole distributor at the White House roundtable on lead service line replacement.

Our ESG framework

Ferguson's Board-approved ESG framework provides a structured strategy that informs our actions and approach to ESG. As part of building this framework, we identified our priority ESG issues through risk management analyses, stakeholder priorities assessments and a review of Sustainability Accounting Standards Board guidance for the Multiline and Specialty Retailers & Distributors industry. As outlined in our Environmental and Social Sustainability Policy, we plan to refresh our stakeholder priorities assessment in FY2025 to ensure our focus remains aligned with our key stakeholders.

Environmental

Fleet
Electric / hybrid vehicles

Facilities
Energy management

Renewable energy

Sustainable Products
Encourage adoption of sustainable and energy-efficient solutions

Social

Health & Safety

Associate Development
Inclusion & Diversity

Human capital management

Supply Chain
Supplier compliance and Supplier Code of Conduct

Product safety

Product quality

Community Investment/ Ferguson Cares

Governance

Board Management and Composition

Shareholder Engagement
Shareholder rights

Executive compensation

Regulatory and Risk Oversight
Ethics / business conduct

Enterprise risk management

Information security

Privacy

Compliance with laws and regulations

FY2024 highlights

Many different ESG ratings firms evaluate and measure Ferguson's performance on sustainability. Below are key ratings from 2024.

CDP DISCLOSURE INSIGHT ACTION

B

MSCI ESG RATINGS AAA

CCC | B | BB | BBB | A | AA | **AAA**

SUSTAINALYTICS a Morningstar company

LOW RISK

The UN Sustainable Development Goals (SDGs) are a set of targets established in 2015 to end poverty, reduce inequality and protect the planet by 2030. Our framework aims to align with SDGs 6, 8, 9, 11 and 12, reflecting our strategy and areas of significant impact.

→ Learn more about the SDGs at sdgs.un.org.

Honored

as a **Best for Vets Employer** by the Military Times, demonstrating our commitment to veterans.

Achieved

our Scope 1 and 2 greenhouse gas (GHG) emissions reduction intensity target **two years ahead of schedule.**[1]

Built

or refurbished **a dozen skilled trades labs** across the country with the nonprofit Explore The Trades, **reaching over 1,000 students nationwide.**

Awarded

the **2024 ENERGY STAR Partner of the Year** — the U.S. Environmental Protection Agency's (EPA) **top recognition**.

Increased

renewable electricity usage to **60% in FY2024** through our 65 MW Virtual Power Purchase Agreement.

Recognized

with the **Supply Chain Leaders in Action Award** by the Distribution Business Management Association for our commitment to sustainability.

Earned

the **2024 Bell Seal for Workplace Mental Health award** from Mental Health America.

Launched

Environmental Product Essentials Training to support our sales associates' ability to communicate the advantages of sustainable products and solutions.

Saved

over 8 billion gallons of water through the sale of WaterSense products.[2]

1 Reduction in Scope 1 and 2 GHG emissions verified by ERM CVS. Read more about how our intensity is calculated in our **2024 Basis of Reporting**.
2 Calculated in accordance with the U.S. EPA's WaterSense Partner Savings Calculator.

Our commitment to the environment

Our commitment to the environment includes reducing the environmental impact of our operations and collaborating to address opportunities in our value chain.

We carry out this commitment through:

Measurement

We collect and analyze data to assess our baseline impact and track progress.

Management

We seek to identify opportunities and prioritize impactful projects.

Reporting

We share our achievements and insights to highlight our value, engage stakeholders, ensure compliance and demonstrate thought leadership.

We engage with subject matter experts throughout the business to help ensure climate-related risks and opportunities are considered and embedded in our strategy, consistent with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

→ Read more about climate risk and opportunities on pages 37 to 41.

Our carbon targets

We believe in setting practical, attainable targets for reducing our carbon emissions in the near term. Using an in-depth analysis of our emissions sources and reduction opportunities, in FY2021, Ferguson committed to the following targets:

1. Reduce Scope 1 and 2 GHG emissions by 35% per million USD of revenue by 2026 (against a 2019/2020 baseline).[1]
2. Manage Scope 3 GHG emissions through supplier engagement, acknowledging that the outcome is not within our direct control.[2]
3. Help our customers meet their own carbon reduction goals through sustainable products.

We regularly monitor and measure our GHG emissions to track our performance against these targets. Progress toward our targets is a metric we use to inform executive compensation.

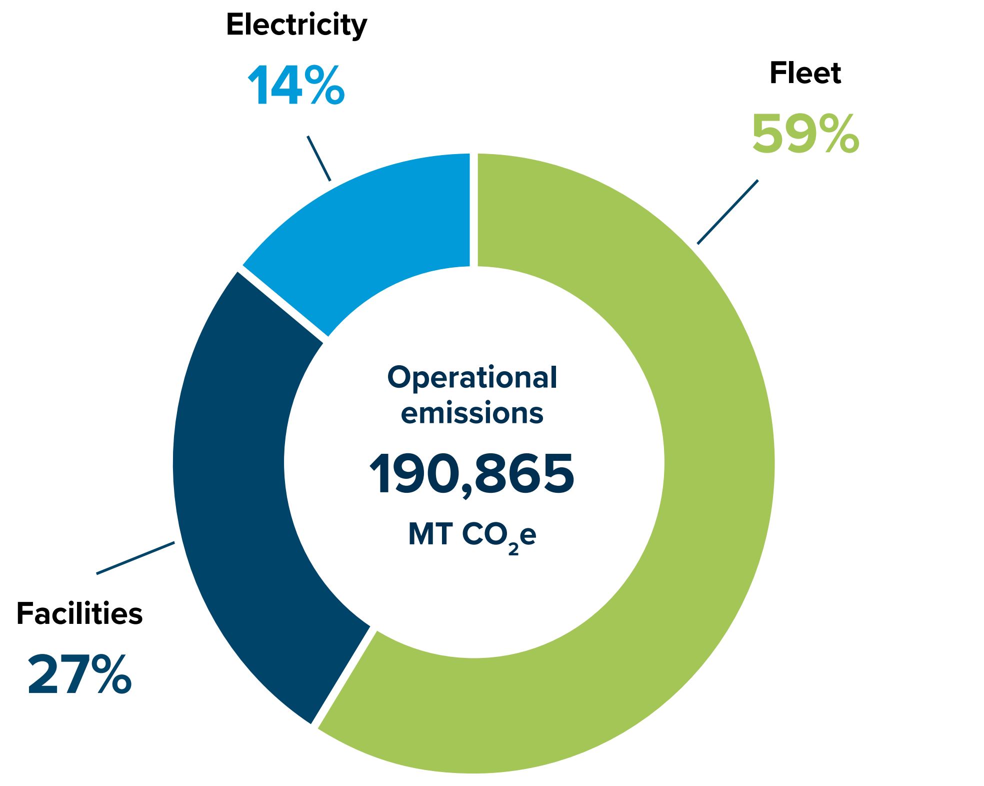
→ Read more about our executive compensation on page 27.

Meeting our Scope 1 and 2 GHG emissions target

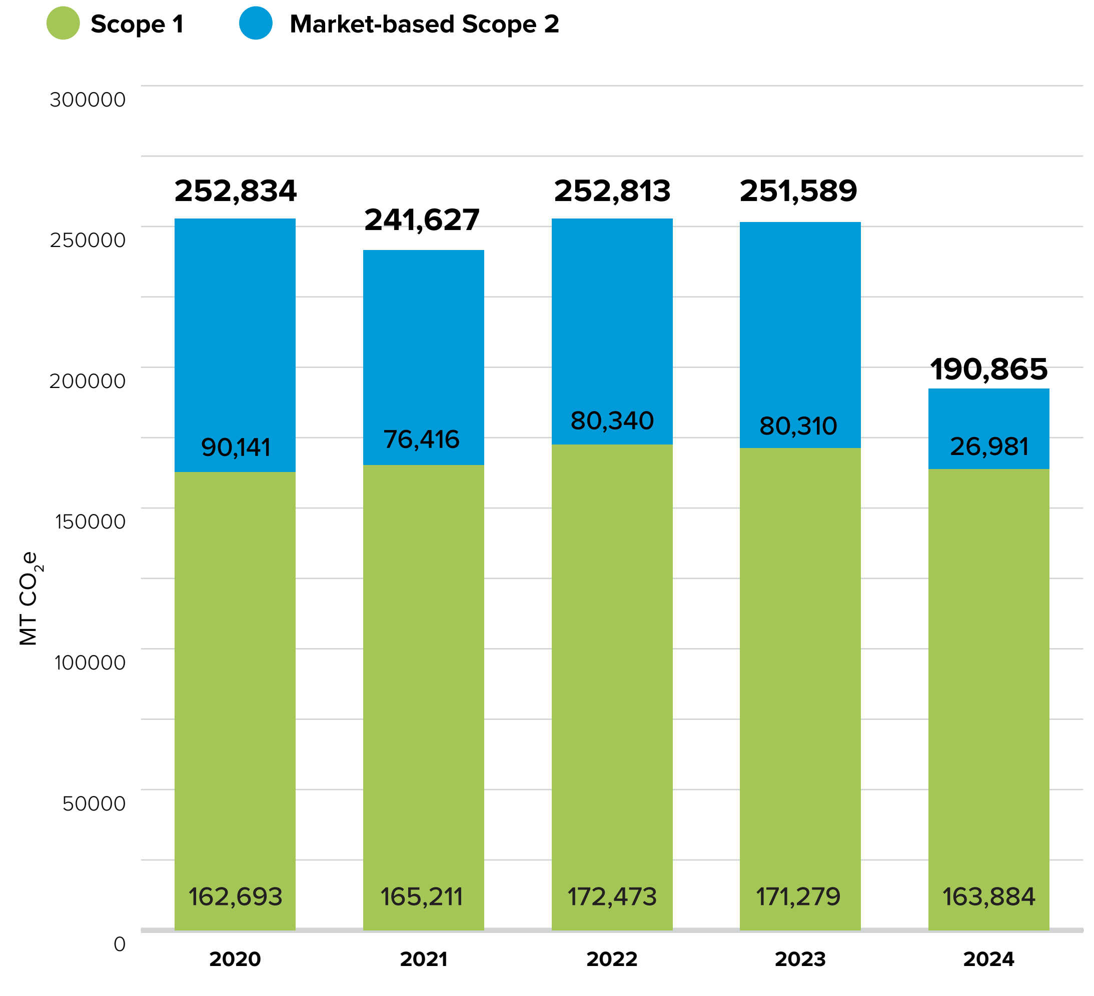
In FY2024, we reduced our Scope 1 and 2 GHG emissions intensity by 50% from our baseline — achieving our 2026 target two years ahead of schedule. A primary driver for these reductions was our procurement of offsite renewable energy. Over the next year, we will determine our new generation of targets, which we anticipate announcing in our FY2025 ESG Report.

→ Read more about how our intensity is calculated in our 2024 Basis of Reporting.

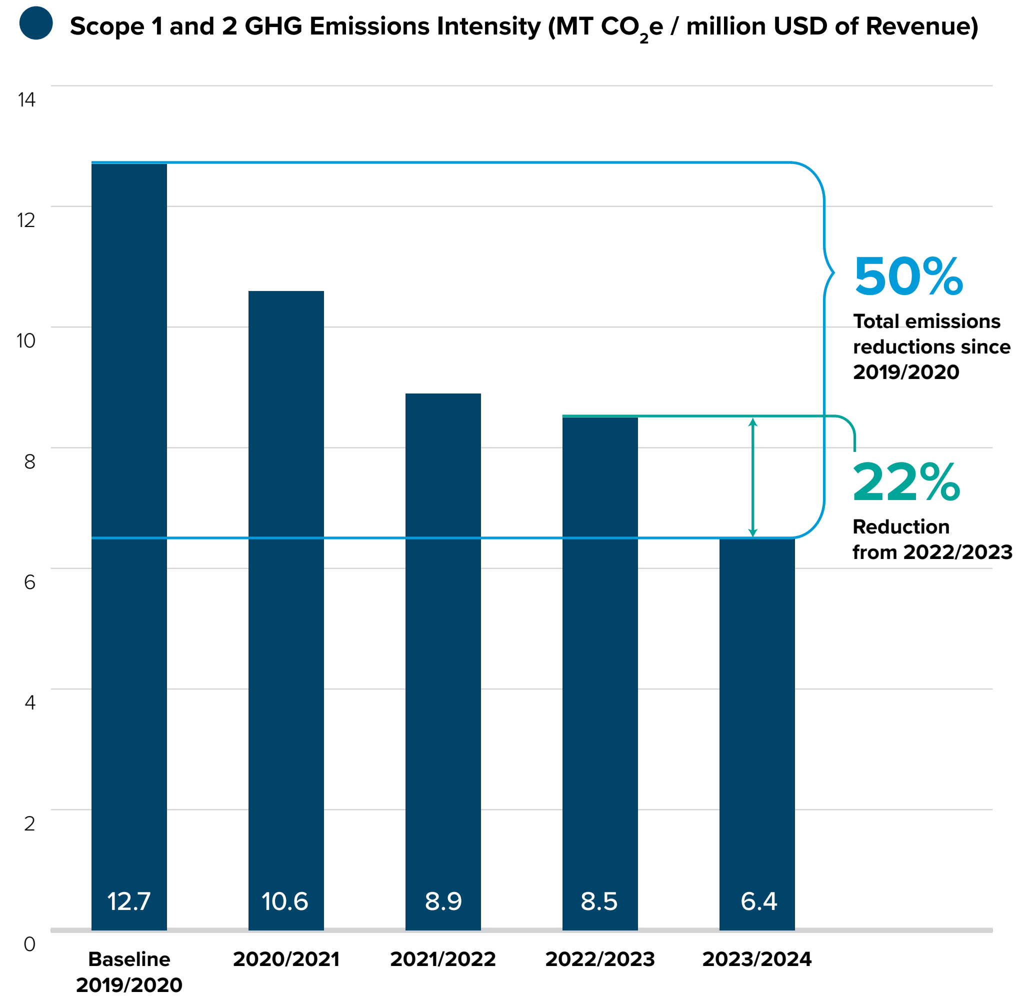
FY2024 operational emissions sources



Scope 1 and 2 GHG emissions (MT CO_2e)



Scope 1 and 2 GHG emissions intensity

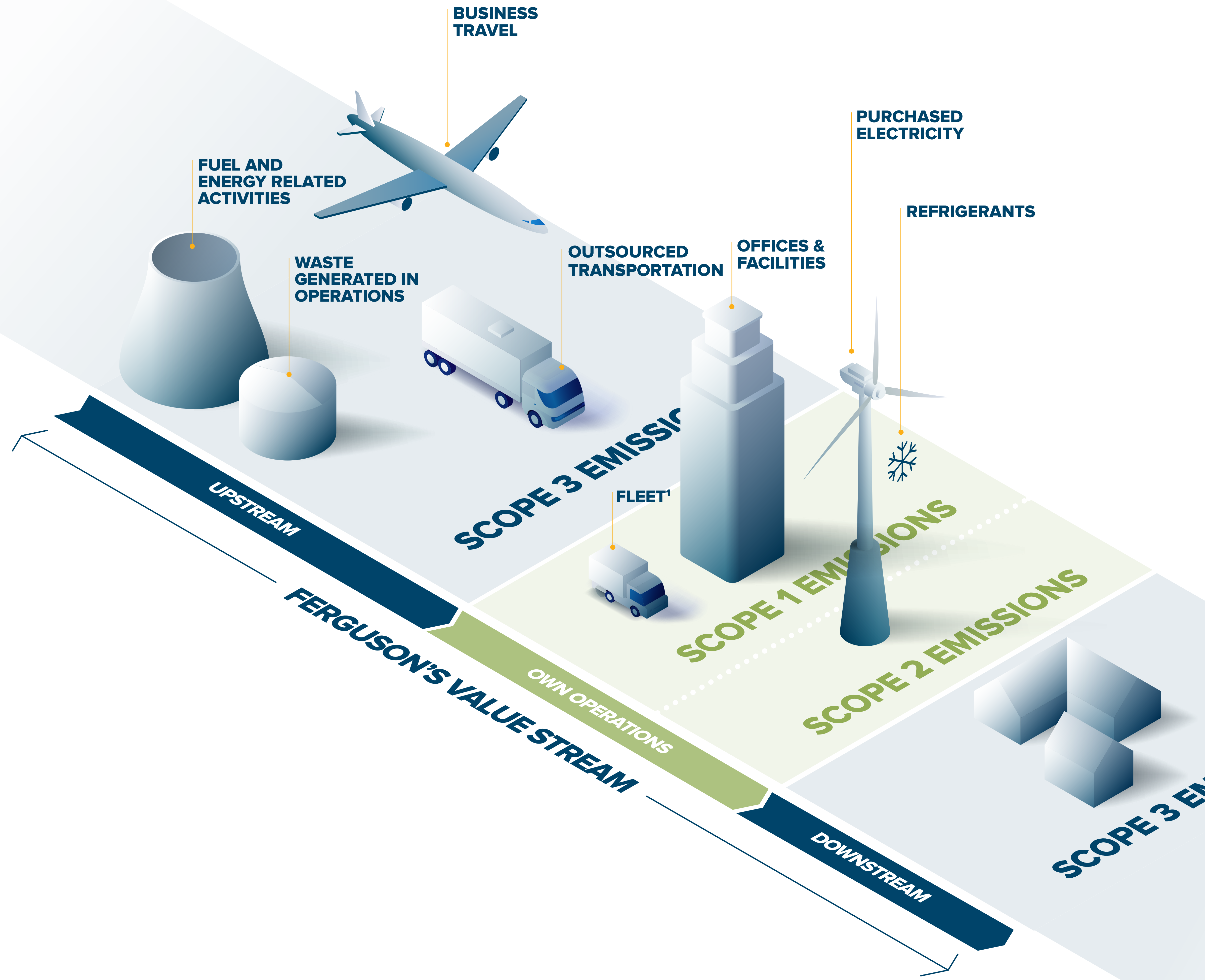


1 Scope 1 includes direct GHG emissions that occur from sources that are controlled or owned by an organization. Scope 2 includes indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling (as defined by the U.S. EPA). See our Basis of Reporting for more details.

2 Scope 3 includes GHG emissions resulting from activities from assets not owned or controlled by Ferguson but that directly result from our value chain (as defined by the U.S. EPA).

3 Calculated in accordance with the U.S. EPA's Greenhouse Gas Equivalencies Calculator.

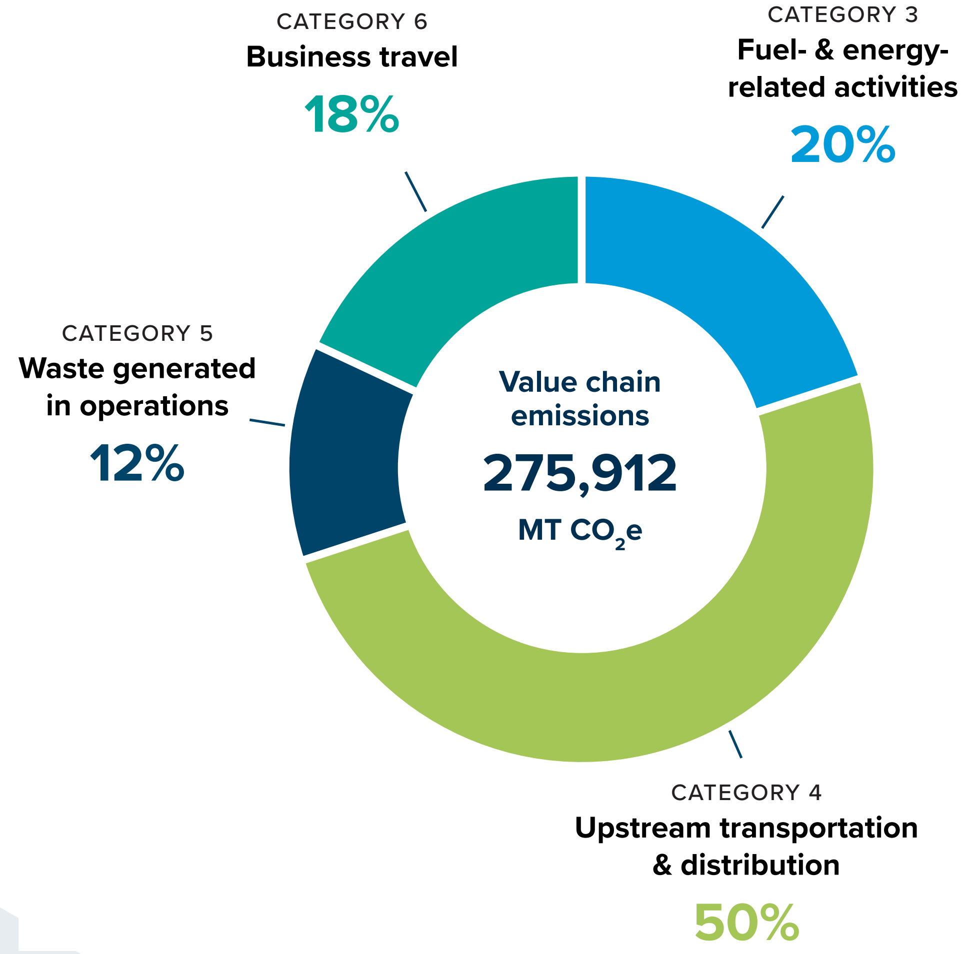
Minimizing our environmental impact



Scope 3 GHG emissions

Our reported Scope 3 emissions include Category 3: Fuel and energy-related activities, Category 4: Upstream transportation and distribution, Category 5: Waste generated in operations and Category 6: Business travel. Through a GHG emissions screening in FY2024, we determined that 12 of the 15 Scope 3 categories are likely applicable to our business. We believe that the majority of our value chain emissions come from Category 11: Use of sold products, driven by customer use of the HVAC systems and water heaters we sell in the U.S. We expect our Scope 3 reporting to evolve as we continue to refine our Scope 3 data collection processes and calculation methodologies to quantify additional categories.

FY2024 select value chain emissions sources[2]



[1] Includes delivery vehicles, forklifts, business travel in company vehicles.

[2] Emissions percentages are rounded.

Our operations

Renewable energy

Sourcing renewable energy at scale is an important component of our emissions reduction strategy. We are investing in onsite solar and supporting offsite renewable energy opportunities through a Virtual Power Purchase Agreement (VPPA) — a long-term contract for renewable energy between a buyer and a power project developer that provides renewable energy to the grid.

In FY2023, Ferguson signed a VPPA with ENGIE North America for a portion of the electricity generated by the Century Oak wind project in Callahan County, Texas. The project, which became operational in December 2023, is expected to provide positive economic benefits to this small community while helping us achieve our carbon reduction goals. Ferguson's portion of the project generated 144,264 MWh of wind energy or 59% of our FY2024 electricity usage. Our onsite renewable energy strategy prioritizes installations at large new sites that we own. Our first installation is operational at our Perris, California, Distribution Center. We anticipate completing construction on a second 1.1 MW solar array at our Phoenix, Arizona, Market Distribution Center in early FY2025.

The **144,264 MWh of wind energy** produced by our VPPA is the equivalent to the annual electricity use of 19,890 homes.[1]

Sustainable building management: Facilities upgrades

Ferguson is dedicated to the efficient management of our buildings and operations. We strategically execute facility upgrade projects each year to reduce energy consumption, carbon emissions and operational costs. In FY2024 we made great progress transitioning large warehouses (greater than 10,000 square feet) to efficient LED lighting. The next phases will target Regional Distribution Centers and newly acquired locations.

1 Calculated in accordance with the U.S. EPA's Greenhouse Gas Equivalencies Calculator.

Fleet

Fleet fuel consumption is our largest source of operational emissions. To address this, we are working to improve fleet efficiency and reduce our overall fuel consumption. Longer-term reductions will require the conversion of our medium- and heavy-duty fleet to lower-emission vehicles.

Ferguson's fleet optimization strategy is centered around improvements in:

1. **Routing:** Choosing the most efficient route.
2. **Utilization:** Ensuring our trucks are fully loaded.
3. **Fleet composition:** Rightsizing the class of vehicles in our fleet to jobs.

Our California electric vehicle (EV) program, launched in FY2023, continues to advance. In 2024, we expanded the charging infrastructure across five sites and we received all 30 of our medium- and heavy-duty electric trucks. An early focus has been driver training and increasing vehicle uptime – the amount of time trucks are charged and operational. As the first to leverage our partner's electrification-as-a-service model, we are providing real-time feedback to support our dealer network and vehicle manufacturers as they manage the EV transition.

While the early signs are promising, there have been expected challenges associated with adopting new technology, such as long lead times for installing charging infrastructure. The current generation of electric truck technology may not cover all our fleet applications, but we will continue to explore where they make sense operationally and financially. The learnings have been rich and will set us up for future success as we determine how this technology can help us deliver products to our customers in a safe, sustainable and scalable manner.

We are also collaborating with Ford Motor Company to explore the potential for using hydrogen fuel cell technology within our fleet. For six months in FY2026, we plan to operate a first-of-its-kind F550 Fuel Cell Prototype Chassis Work Truck in our daily fleet operations. During this test, we will provide vehicle data and feedback about the technology to help Ford better define the engineering requirements for commercial vehicle duty cycles. We are developing temporary fueling infrastructure in Charlotte, North Carolina, to support the test.

→ Read more about fleet electrification on corporate.ferguson.com.

Sustainable packaging

Delivering packaging efficiency and minimizing use of nonrecyclable materials

Addressing packaging waste involves minimizing material usage, limiting nonrecyclable materials and protecting products from damage. Ferguson has several ongoing packaging waste initiatives, including one that seeks to transition from foam to more sustainable alternatives like paper coils across our distribution centers.

Additionally, our Packsize printer machines help us use efficient package sizes for each product and reduce the amount of waste that our customers need to recycle downstream. This has decreased product damage rates by approximately 44%. Select distribution centers have even repurposed scraps from the printing process as filler for smaller packs.

In FY2024, Signature Hardware's Green Team replaced most wooden pallets with custom-built corrugated cardboard, reducing shipping costs and minimizing downstream recycling for customers. They also transitioned from Styrofoam to cardboard sheets for larger items, achieving 100% foam-free packaging.

Our supply chain

Ferguson is minimizing the environmental impact of our supply chain through our Supplier Climate Engagement Strategy. The focus of this strategy is building relationships and collecting climate information from our largest suppliers. Ferguson has been responding to CDP's Climate Change survey since 2010, and for the third consecutive year, we have asked our top suppliers to join us in disclosing their sustainability performance through CDP's Supply Chain membership program.

Through CDP, we engaged suppliers representing

65%

of our direct procurement spend in our FY2024 cycle.

Along with several of our supplier's ESG experts, Ferguson is helping prepare mechanical contractors for a market that increasingly expects a sustainability-focused strategy. Our recent panel discussion at the Mechanical Contractors Association of America (MCAA) convention highlighted the benefits of integrating sustainability into the bidding process and shared a resource guide for developing ESG programs. By emphasizing existing sustainability efforts and adopting new practices into their business plans, contractors can improve their bid competitiveness and prepare for a sustainable future.

Image credit: **Hot Water Solutions**

Southeast Heat Pump Water Heater Adoption Pilot

The Southeast Heat Pump Water Heater Adoption Pilot, a collaboration involving Ferguson, A. O. Smith, ENERGY STAR and Georgia Power's Residential Energy Efficiency Team, aims to increase sales of heat pump water heaters across Georgia. The initiative offers contractors heat pump rebates and education along with other incentives. The pilot is focused on supporting dual-trade plumbing and HVAC contractors and emphasizes efficiency upgrades rather than fuel source changes.

Environmental Product Sales Strategy

Providing sustainable products and solutions

Through close collaboration with our supplier partners, Ferguson is expanding our selection of sustainable product choices and increasing customer awareness of these solutions. Our aim is to ensure that the infrastructure of tomorrow is efficient, adaptable and resilient. We are doing this through:

- **Strengthening our team:** We expanded our Environmental Product Sales Strategy team by incorporating roles focused on sales, product strategies, incentives and rebates, supplier engagement and associate training. By growing this team, we strengthened our ability to support our customers and help them navigate the rapidly evolving regulatory landscape, meet environmental requirements and take advantage of rebates and incentives where applicable.
- **Customer engagement:** We engage with our customers to identify the right products and solutions for each project. We have introduced new training modules for our associates that emphasize fundamental green building concepts to support project specification and bidding.
- **Environmental Product Sales Strategy:** We crafted a comprehensive product sales strategy focused on high-efficiency, low-flow products tailored to our customers' needs. To promote sustainable options and make the selection process easier for our customers, we also improved the visibility of sustainable products on our digital platforms.
- **Environmental product declarations:** To meet the increasing demand for product transparency and support our customers' sustainability objectives, we created Environmental Product Declarations, which disclose life cycle environmental performance and impact, for select products. This project started with Ferguson's exclusive KOHLER products and is expanding to select Own Brand products.

~$3B

of Ferguson's revenue was attributed to third-party certified[1] sustainable products.

1 Third-party certifications include ENERGY STAR, WaterSense, Green Seal, ECOLOGO, EPA Design for the Environment and Forest Stewardship Council.

Ferguson Ventures

Ferguson Ventures, our Corporate Venture Capital arm, invests in startups working to solve challenges in the built world, including those with a focus on environmental efficiency and sustainability. In FY2024, we invested in VODA.ai, an artificial intelligence (AI) software company with experience analyzing millions of miles of pipes to help utilities lower water loss and identify lead piping. VODA.ai excels in risk modeling and leak monitoring, enabling proactive interventions and informed decision-making. Together, we aim to enhance the longevity and reliability of water infrastructure systems.

→ Read more about AI Water Infrastructure Solutions on corporate.ferguson.com

Building water-resilient communities

Water is core to our business and flows through everything we do. We are uniquely positioned to provide, preserve and protect this vital resource, helping build water-resilient communities for both present and future generations. We are doing this by delivering innovative products and solutions to address growing water challenges spanning both residential and non-residential applications. These include solutions like smart meters, predictive analytics for leak detection and lead line identification; tools for water reuse; and WaterSense products. Additionally, Ferguson has expertise in green stormwater infrastructure, water quality monitoring, pollution prevention and more.

We aim to provide our customers with solutions to today's and tomorrow's water issues by:

1 Adapting for a more sustainable future:

Climate change is bringing higher temperatures and rising sea levels and is increasing the severity of weather events. We are taking time to understand these changing patterns and how we can be part of the solution. For example, we are providing space efficient underground stormwater storage for flood mitigation and prevention as rainfall events become more frequent and intense, and soiled medias to filter runoff and improve the water quality of our waterways — all of which help us better serve communities and protect the environment.

2 Promoting efficient water management:

Fresh water is a limited resource, making water conservation an important factor for the environment and communities. We're helping our customers efficiently manage the water supply with solutions like leak detection, WaterSense products, graywater recycling, advanced metering systems and more.

3 Supporting sound water infrastructure:

We work with municipalities and water utilities to address antiquated water infrastructure, helping to ensure families in the U.S. have access to safe drinking water and proper sanitation. Our approach emphasizes the use of technology to enhance water conservation and operational efficiency. Through the implementation of advanced metering systems and customer-oriented software, we help enable users to actively manage their water systems, monitor their water usage with precision and promptly detect any leaks.

Our water capabilities

Protecting our waterways with nature-based solutions

Ferguson's filtration systems shield waterways from nutrient pollution. In Florida, our Waterworks team supported the installation of Nutrient Separating Baffle Boxes with Bold & Gold® media — a biosorption-activated media. This system is capable of effectively capturing up to 95% of total phosphorus and 80% of total nitrogen annually. We also introduced Beemats, vegetated floating wetland systems engineered to reduce nitrogen and phosphorus in ponds and lakes, into Sloan's Lake in Denver, Colorado.

→ Read more about our efforts to help build water-resilient communities on corporate.ferguson.com.

Leveraging our consultative approach

Our Green Stormwater Infrastructure team is a trusted advisor in the Resilient NYC Partners initiative, which helps property owners and the city achieve their sustainability goals. Leveraging our consultative approach, we offer tailored solutions, such as our R-Tank Stormwater Modules that provide efficient and versatile stormwater storage and porous gutter line systems, to keep sediment and debris out of sewers. With more than 1,500 R-Tank Stormwater Modules installed, we continue delivering value from concept to completion, with several additional projects planned for the future.

As a partner in the U.S. Water Alliance's Value of Water Campaign, we are committed to advocating for America's water infrastructure. This campaign is a coalition of key organizations and individuals who aim to educate Americans about the importance of our water resources.

The 35 teams within our Commercial Customer Group audited more than 500 mechanical rooms in FY2024 and recommended hundreds of water heater upgrades, helping owners save an average of 30% on energy consumption. We have also advised our customers on upgrading older booster pump technology, resulting in an 80% energy reduction in most projects.

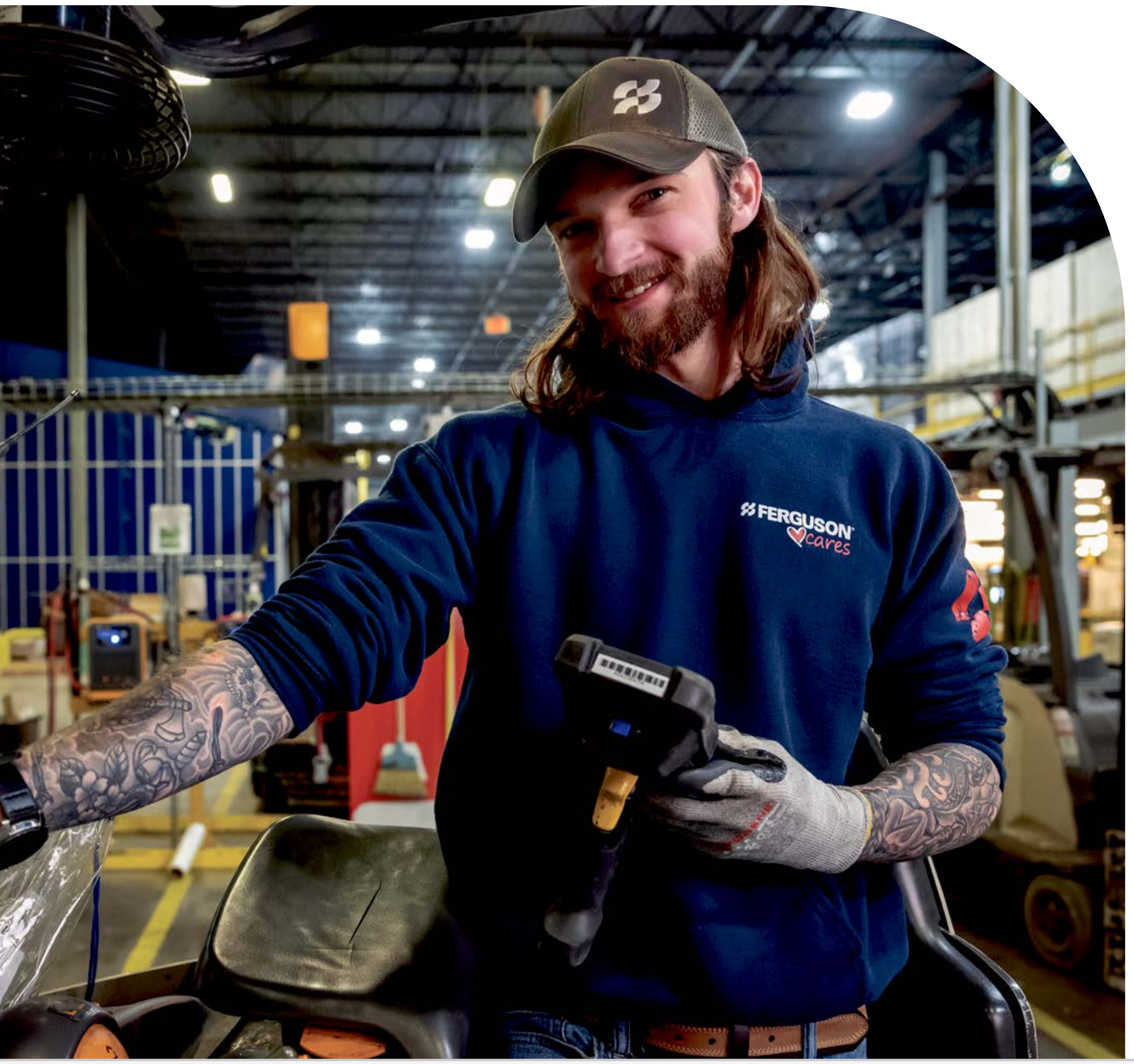
Building a better world

Our associates are the driving force of our business and a key differentiator in how we achieve our purpose and create value. We empower passionate people who are working together to make a difference.

Empowering our associates

Ferguson is built on an associate base with decades of expertise that is virtually impossible to duplicate. We believe we bring the best talent to our market with a mix of tenured associates and external hires, blended with new talent gained through acquisitions.

Our commitment to both our current and our prospective associates is shared purpose, resilience, wellbeing and growth. Anchored in our values, this commitment offers a strong associate experience and positions Ferguson as an employer of choice.



Engaging and retaining our associates

To better understand the factors that drive high engagement across the business, Ferguson sends an annual survey to associates, and in FY2024, over 22,000 associates provided their feedback. From the resulting data, we executed an action plan centered on what our associates value most: communication and career growth opportunities, along with recognition and appreciation.

Attracting the best talent

Our hiring process aims to ensure that we continue to foster a culture of inclusion through differences in thought, experience and perspective. In FY2024, we further developed our campus recruitment program, continued to broaden our recruitment initiatives and diversified our talent pipeline. We also collaborated with The Honor Foundation to assist military personnel transitioning to civilian roles.

Learning, development and leadership

Our learning and development initiatives are designed to foster both immediate and long-term growth, empowering our associates to advance their careers within Ferguson. In FY2024, we introduced the Ferguson Academy, our new centralized training organization, that offers a cohesive learning experience for associates across the company. Ferguson Academy aligns with our talent strategy and is designed to bridge capability gaps to support Ferguson's business objectives.

Ferguson invested in leadership development across frontline, mid-level and senior leaders — with 800+ leaders participating in programs. We provided additional targeted development for our vital frontline leadership, with monthly development spotlights reaching 11,000 completions.

We offer a training program for new sales associates in select roles, providing standardized onboarding and essential tools for success at Ferguson. With over 700 associates completing the program and 185 currently enrolled, we have supported enhanced effectiveness and empowered our teams for achievement.

Associate recognition

We have several recognition programs to honor top-performing sales associates and managers for their outstanding contributions, including the President's Club, the President's Circle and the President's Gallery. We believe acknowledging exceptional performance contributes to Ferguson's success.

We also spotlight the achievements of Ferguson sales associates through our Bob Wells Leadership Award, named in honor of a former longtime associate. Recipients are selected based on their demonstration of the highest standards of integrity, honor and the ability to inspire others.

During Associates in Action Month, we honor our Volunteer of the Year and celebrate our associates' commitment to strengthening the communities we serve. We also recognize exceptional contributions from a branch and a distribution center, highlighting our nationwide commitment to community service.

→ Read more about our Volunteer of the Year at corporate.ferguson.com.

Associate wellbeing

Ferguson prioritizes the wellbeing of our associates and their families, recognizing that their engagement and health — both mental and physical — are fundamental to our success. We offer digital tools and resources to help our associates access the information they need, including 24/7/365 online access to our benefits hub, mental health care resources, doctors and licensed therapists. In FY2024, we strengthened our Employee Assistance Program, which offers free, confidential mental health services, doubling the number of counseling visits per concern from four to eight. We also rolled out updated training for managers on mental health, including courses on suicide awareness and prevention.

Compensation and benefits

We are continuously refining our compensation plans to enhance clarity and understanding of our pay structure. Ferguson regularly assesses our total rewards program, including compensation, to make certain it is fair and that it aligns with our overall compensation philosophy. We believe in rewarding associates based on the delivery of business objectives and outstanding individual performance.

Ferguson's 401(k) Retirement Savings Plan helps our associates build a secure financial future with features like automatic enrollment, pre-tax and Roth contribution options and matching contributions from the company. We also offer easy-to-use budgeting, planning and investment tools at no cost to help associates with their retirement planning.

Each year, Ferguson offers eligible associates the opportunity to participate in the Employee Share Purchase Plan and a variety of other wealth-building and financial-protection benefits, such as auto and home insurance, identity protection, commuter benefits, student loan refinancing and pet insurance.

Inclusion & Diversity

Ferguson's approach to Inclusion & Diversity (I&D) focuses on three core pillars:

1. **Attracting top talent:** We seek the best associates in our industry.
2. **Promoting growth:** We invest in our associates, helping them develop and expand their skills.
3. **Fostering engagement and retention:** We strive to create an environment where our associates feel valued and choose to grow their careers.

Our commitment to maintaining a positive work environment is outlined in our Code of Business Conduct and Ethics, which our associates receive training on annually.

Our Business Resource Groups (BRGs) play a role in a broader company-wide effort to enhance the overall wellbeing of our associates, supporting professional development and creating a positive workplace environment. Our current BRGs: BOLD (Black), EmpowHER (Women), Building Pride (LGBTQ+), VALOR (Veterans) and HOLA (Hispanic/Latin American) are committed to creating a more inclusive culture. Membership is open to all associates and participation is voluntary.

Our Equal Employment Opportunity Policy

Ferguson recruits, hires, transfers, promotes, compensates, trains, terminates and is committed to making all employment decisions about applicants and associates without regard to their race, color, religion, creed, national origin, ancestry, citizenship status, physical disability, mental disability, medical condition, genetic information, marital status, pregnancy, sex, gender, gender identity, gender expression, age, sexual orientation, military and/or veteran status or any other basis protected by law.

Health & Safety

Safety is integral to our values and guides our decision-making processes. Through rigorous training and risk management, we work to ensure both our associates and customers are safe from injury.

Strengthening our First in Safety culture

Our First in Safety culture extends to every corner of our organization. Ferguson's global rules and enforcement processes ensure that every associate understands the importance of safety and their role in upholding it. We have established Expected Safe Behaviors, including thinking before doing, assessing and reassessing risk and wearing the correct personal protective equipment, among other principles, which are expected of everyone in the company. It is about going beyond compliance and embracing a mindset where safety is not just something we do — it is who we are.

We recognize that safety is a team effort. That is why we have established safety committees comprised of associates and leadership at our larger locations, empowering associates to take an active role in creating a safer workplace. Before meetings, we take a moment to remind ourselves why safety matters, reinforcing its significance as a core part of our culture.

Safety at all locations

In FY2024, we examined the inherent risks associated with our work, revisited our safety protocols and emphasized the importance of hazard elimination. We focused on reducing recordable injuries related to critical work activities, tool use and specific injury types, and we launched targeted campaigns around driver safety, ergonomics and lacerations. These campaigns aimed to heighten risk perception across our organization, lower our associates' risk tolerance and promote safe behaviors and better decision-making.

Ferguson's Contractor Safety Program outlines clear expectations for both contractors and associates when working at our locations, ensuring that our commitment to safety is upheld across all interactions and engagements.

In FY2024, we improved our safety performance metrics. Our Total Recordable Incident Rate saw a **reduction of 13%**, and our Lost Time Incident Rate **decreased by 14%**.

Figure 1: Company Total Recordable Incident Rate

Company FY2024 Total Recordable Incident Rate: 1.57 — 13% improvement (FY2023: 1.80)

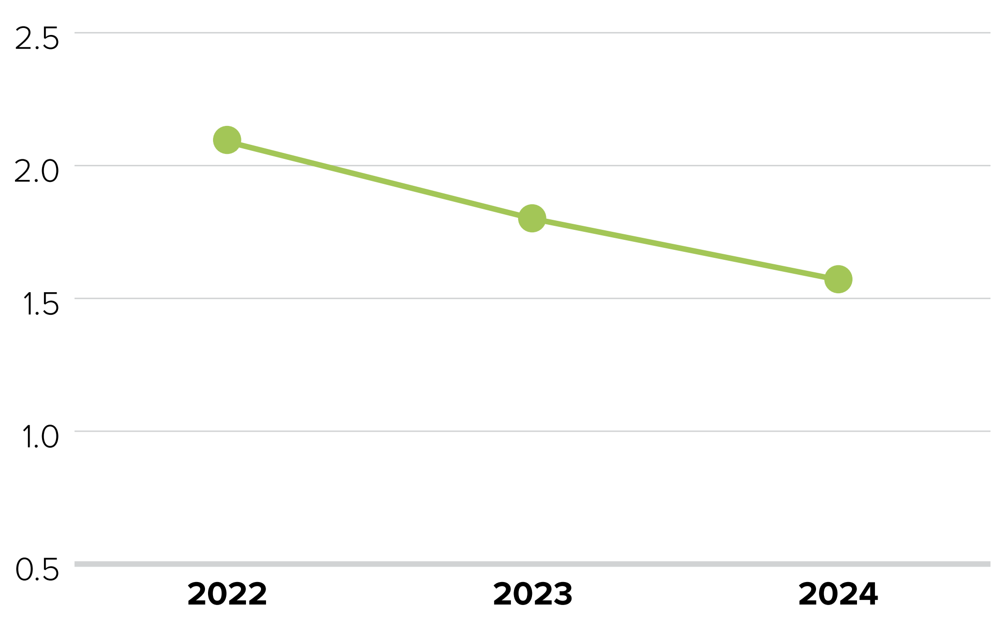
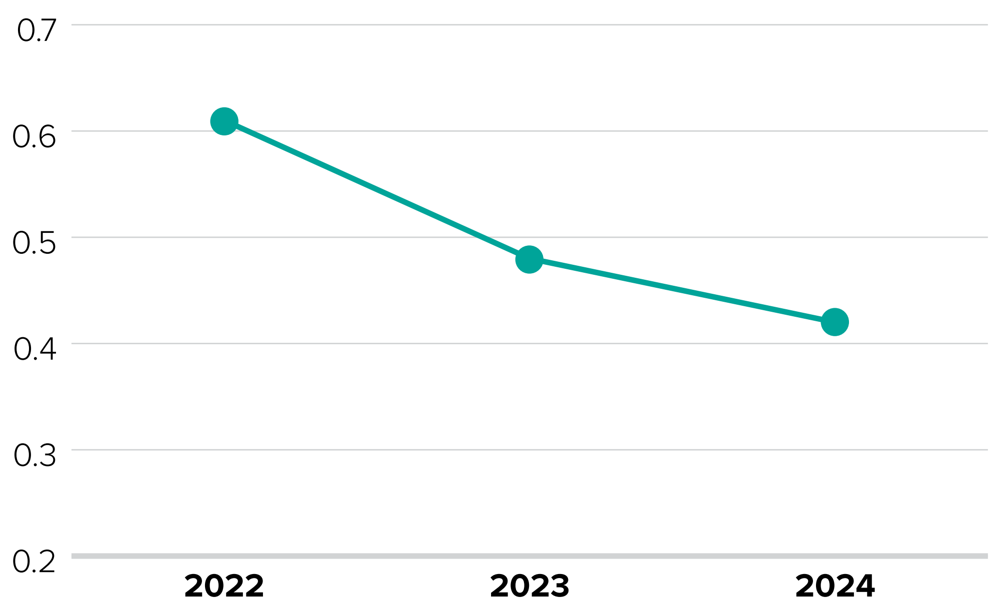


Figure 2: Company Lost Time Incident Rate

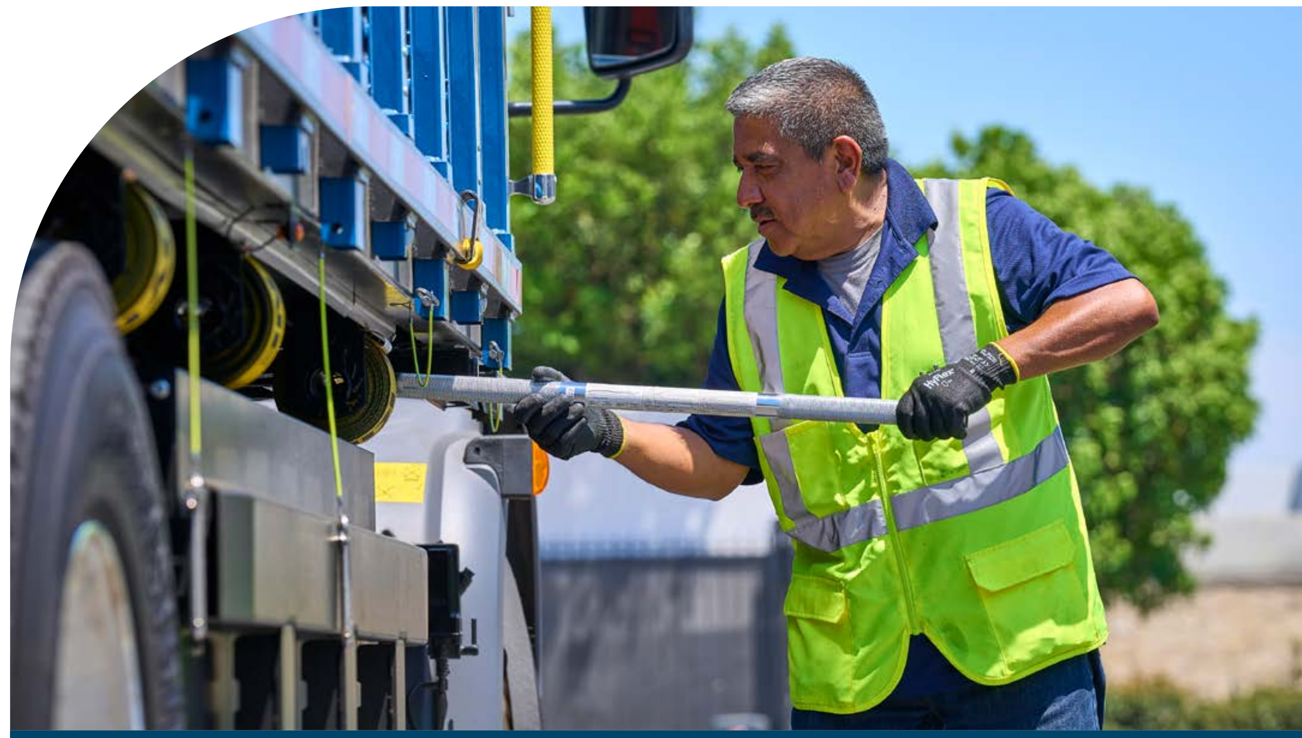
Company FY2024 Lost Time Incident Rate: 0.42 — 14% improvement (FY2023: 0.48)



These figures represent marked improvements from the previous year and underscore our commitment to safety. Our efforts have resulted in a consistent decrease in both injuries and time away from work, as we strive to keep our incident rates below industry standards.

Safety training

Our comprehensive training provides the necessary knowledge and tools for safety to become a daily routine. Associates annually participate in a program on Expected Safe Behaviors. We also provide enhanced, ongoing guidance through hands-on, task-specific job hazard analysis training.



Health & Safety is a standing Executive Committee meeting agenda item to help us proactively manage risks, review performance, update policies and reinforce safety into daily routines. Our Executive Health & Safety Committee provides oversight on key safety activities and programs.

Ferguson Cares

Ferguson's culture is grounded in our commitment to prioritizing the care and wellbeing of our associates, customers and communities. Through our community engagement program, Ferguson Cares, we work together, leveraging our resources, relationships and expertise to deliver solutions to social challenges where we can have a significant impact and create lasting value for our stakeholders.

We develop partnerships with nonprofit organizations based in and serving the U.S. that focus on three key areas: expanding access to clean water and proper sanitation, supporting affordable housing and neighborhood revitalization projects and building a sustainable skilled trades workforce. In addition, we're committed to supporting the economic development efforts of our hometown of Newport News, Virginia.

Expanding access to clean water and proper sanitation

We have a longstanding partnership with the International Association of Plumbing and Mechanical Officials and its philanthropic arm, The International Water, Sanitation and Hygiene Foundation. Our collaboration aims to enhance access to water, sanitation and hygiene (WASH) and address critical water issues that communities face. Our joint efforts have focused on supporting industry-led access projects in the U.S., particularly those targeting underserved communities, such as Appalachia, Alabama and areas in the Navajo Nation.

In FY2024, we supported a range of WASH research projects, including a study on water reuse in healthcare facilities. We have also supported the expanded plumbing research agenda at the National Institute of Standards and Technology. These initiatives have and will continue to produce valuable technical and social insights for our industry. Looking forward, we remain committed to driving investments in water infrastructure and the innovation needed to support the development and implementation of sustainable water solutions, helping to ensure every American has access to clean water and sanitation.

Supporting affordable housing

Ferguson has developed a strong connection to the housing sectors through our work with homeowners, builders, contractors and designers. Alongside our partner Rebuilding Together, a nonprofit specializing in home repairs, we help restore neighborhoods, preserve homes and build safer, more vibrant communities across the country.

We also maintain local ties with Habitat for Humanity chapters around the U.S., including our longstanding partnership with Habitat for Humanity Peninsula and Greater Williamsburg. For more than a decade, we have donated all the rough and finished products for each new local home that this chapter builds.

Promoting neighborhood revitalization

Our partnership with Good360 — a nonprofit that works with socially responsible companies to distribute goods to people in need — is one way we support neighborhood revitalization. Ferguson donates excess inventory from our distribution centers. This diverts waste from landfills while supporting disaster survivors, the housing insecure and veterans who are disabled. In FY2024, 65 nonprofits benefited from our donations — representing more than 2.2 million pounds of excess inventory going to good use.

Ferguson and DigDeep have partnered to enhance U.S. water access and sanitation since 2018. In Appalachia, our efforts have impacted nearly 500 households by extending water lines and piloting off-grid systems. We also support DigDeep's WASH sector-building work, aiming to raise awareness of urgent water challenges nationwide. Denise Vaughn, Ferguson's Vice President of ESG, reinforces our commitment by serving on DigDeep's Board of Advisors.

Behind every successful project lies a team of skilled professionals. By strengthening the foundation of the skilled trades, we're not just building structures — we are helping to build a better future for our customers, for our communities and for the generations to come.

Building a sustainable skilled trades workforce

We champion the skilled trades that build and strengthen our communities by developing relationships and providing support to cultivate a sustainable talent pipeline through scholarships, training and engagement. As part of our work, we support Explore The Trades — a nonprofit organization bridging the technical talent gap to the plumbing, heating, cooling and electrical trades — with an initiative called Explore The Trades Skills Labs, Built by Ferguson. Now in its fourth year, the program creates and renovates plumbing and HVAC learning labs. Since 2021, over 2,000 students at 26 schools throughout the U.S. have advanced their trade education through the initiative.

Ferguson also supports hands-on learning through our partnership with ACE Mentor Program of America, a free, award-winning afterschool program designed to attract high school students across 38 states into pursuing trades careers in architecture, construction and engineering. Chris Cornick, Ferguson's Vice President of Megaprojects, is an active member of ACE Mentor's Board of Directors and serves on the CMIC-Allen Berg Memorial Scholarship Committee, which awards scholarships to high school students enrolling in accredited college programs in architecture, construction, interior design and engineering.

Since 2019, we have partnered with the mikeroweWORKS Foundation, which strives to elevate opportunities in the trades and help close the skills gap by challenging the stigmas and stereotypes that discourage people from pursuing trade jobs. Each year, mikeroweWORKS provides financial assistance to students entering the skilled trades through its Work Ethic Scholarship Program. This year, mikeroweWORKS awarded $2.4 million in scholarships to 300 recipients across 45 states.

Women in the trades

The construction industry faces a workforce gap of half a million, intensified by the impending retirement eligibility of the baby boomer generation. Women, making up just 10% of the industry, represent a significant untapped resource. At Ferguson, we support organizations like the National Association of Women in Construction and Women in Plumbing and Piping to champion women in the field. We also provide scholarships through the Mechanical Contractors Association of America for young women aspiring to enter the mechanical industry.

Prioritizing our associates

Our associates are the heart of our company, and we support their wellbeing through Ferguson Cares. Since its inception, the Ferguson Family Fund has provided over $2.5 million in grants to our associates for personal and disaster-related hardships. Our Associates in Action program encourages community engagement by matching volunteer efforts with donations to nonprofits. Additionally, we invest in the future through the Ferguson Scholarship Fund, which supports our associates' children in their educational pursuits, whether in college or trade school.

Ferguson's women-led BRG, EmpowHER, partnered with Judaline Cassidy, a 30-year plumbing veteran and founder of Tools & Tiaras, to support a skilled trades summer camp for girls ages 6 to 14. The camp provides valuable hands-on learning and focuses on various trades, including basic electrical, plumbing, carpentry and more.

Our supply chain responsibility

We operate a global supply chain network and work to ensure we partner with companies that are well-positioned to mitigate long-term risk and enhance value.

Engaging our suppliers

Our Product Assurance Program helps ensure excellence and continuous improvement at every step of the value chain. We have systems in place to regularly assess suppliers, continually enhance product sourcing procedures and consistently monitor quality. Ferguson evaluates suppliers against specific criteria, such as regulatory requirements and quality assurance, to ensure safety and compliance in our products.

Ferguson Industrial is supported by an effective and well-established quality management system. Many of our industrial locations are certified to the ISO 9001 standard.

Supplier Code of Conduct

We are committed to managing a socially and environmentally responsible supply chain by sourcing from ethical suppliers that share our values. Ferguson's Supplier Code of Conduct (SCOC) outlines social responsibility requirements, including that suppliers adhere to human rights and labor standards, meet environmental regulations, provide safe working conditions and implement anti-bribery and anti-corruption and supply chain transparency measures. We request that higher-risk suppliers sign our SCOC — or operate under their own comparable business conduct principles — and we reserve the right to terminate a business relationship with any supplier that violates any of our principles.

→ See our Supplier Code of Conduct.

Human rights

Our Human Rights Policy outlines our commitment to protecting human rights and ensures compliance with applicable laws prohibiting forced labor, child labor and human trafficking-related activities and requires associates who see or suspect violations of our Human Rights Policy to raise concerns. We publish a Modern Slavery Act Statement that describes the steps we have taken during the most recent fiscal year to prevent slavery and human trafficking in our global supply chain. Over 1,500 suppliers, including higher-risk suppliers (as determined by our third-party risk matrix), have contractually pledged to abstain from use of child, forced or involuntary labor in their operations.

→ See our Human Rights Policy and our Modern Slavery Act Statement.

Our approach to conflict minerals

Ferguson's SCOC requires suppliers to provide requested information related to the use of conflict minerals — as defined by Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act in products supplied to Ferguson. We also conducted a reasonable country of origin inquiry — in accordance with the Organisation for Economic Co-Operation and Development's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas — to determine whether relevant products contain conflict minerals that originated in certain covered countries. Our conflict minerals report is filed with the U.S. Securities and Exchange Commission (SEC).

→ See our Conflict Minerals Report on the SEC filings page of our website.

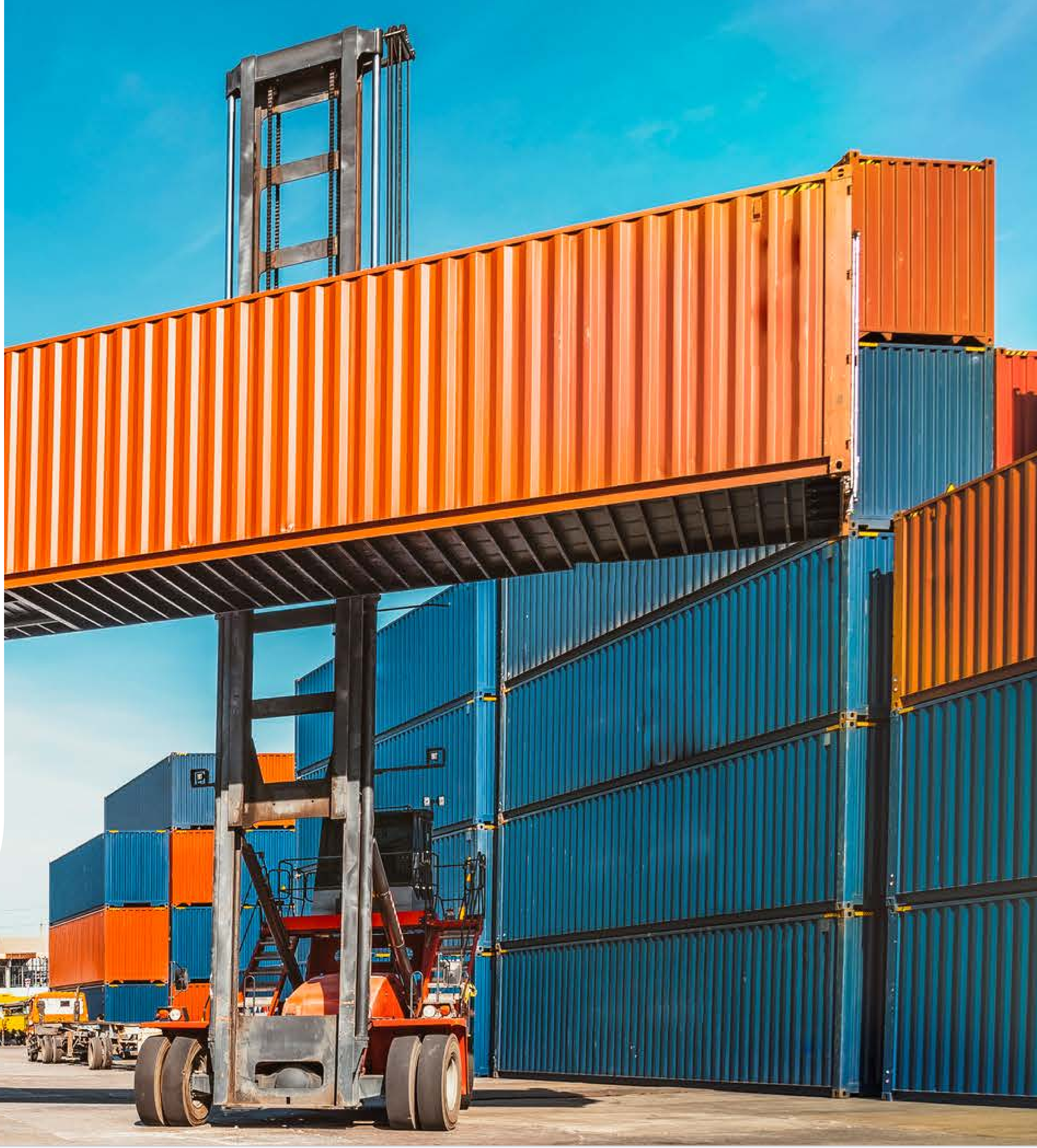
Maintaining diversity across our supply chain

For nearly two decades, Ferguson has been committed to furthering business diversity. Our goal is to provide opportunities for minority-, women-, veteran- and service-disabled owned companies as well as small businesses to join our supply chain.

Our Distributor Alliance Program (DAP) is a sales tool for our customer groups that features over 320 partners from certified small and diverse-owned businesses. The DAP enables us to expand into new markets and fosters growth in our business opportunities with suppliers.

Ferguson sponsors selected aspiring leaders within our supplier network the opportunity to attend executive education programs through the National Minority Supplier Development Council. This initiative enhances the performance of their respective organizations and drives innovation within Ferguson's supply chain.

> "By fostering business diversity within our supply chain, we are able to bring a wider range of products and services to our customers, meet their unique needs more effectively and contribute to their success."
>
> – Cathy Williams, Director of Business Diversity



Leading a **responsible business**

We are committed to responsible business practices and strong corporate governance.

Our governance

Board management and composition

Our Board of Directors is responsible for overseeing management's handling of ESG matters of importance to the company to help promote the company's long-term sustainable growth. The Board sets our strategic direction, which aligns with our purpose and culture. The Board's committees support the fulfillment of these duties.

In FY2024, the Board of Directors of Ferguson plc (Board) was comprised of 11 Directors: the Chairman, Chief Executive Officer (CEO), the Chief Financial Officer (CFO) and eight other independent Non-Employee Directors. Of the Board, 36% were female and all Directors possessed strong and diverse experience relevant to the sector in which Ferguson operates.

Read more about how we identify and select candidates and the specific roles and responsibilities of the Board and its Directors, considerations related to Director independence and the Board's composition, succession and evaluation practices in our Corporate Governance Guidelines.

Geoff Drabble
Independent
Board Chair

Kevin Murphy
Chief Executive Officer

Bill Brundage
Chief Financial Officer

Kelly Baker
Independent
Non-Employee Director

Brian May
Independent
Non-Employee Director

Alan Murray
Independent
Non-Employee Director

James S. Metcalf
Independent
Non-Employee Director

Thomas Schmitt
Independent
Non-Employee Director

Catherine Halligan
Independent
Non-Employee Director

Suzanne Wood
Independent
Non-Employee Director

Nadia Shouraboura
Independent
Non-Employee Director

Sustainability governance

The Nominations & Governance Committee is responsible for providing oversight of our ESG framework and related public disclosures, including approving this ESG Report. The committee receives updates on our progress from our Vice President of ESG, such as reviewing project implementation and performance and sharing opportunities to integrate sustainability measures into capital expenditures.

Ferguson's Chief Executive Officer (CEO) holds ultimate responsibility for our performance on climate-related issues. Our Chief Financial Officer (CFO) oversees our ESG department and is actively engaged in assessing risk related to climate change. The Vice President of ESG is responsible for the day-to-day management of our ESG priorities.

Our Vice President of ESG leads Ferguson's ESG Steering Committee, which is a cross-functional group of leaders and ESG subject matter experts from across the business responsible for the ESG framework. The committee monitors ESG-related risks and opportunities that could impact the company's standing with associates, customers, suppliers and investors.

The Environmental Leadership Council (ELC) comprises Ferguson Ventures, marketing, communications and ESG team leaders, as well as leaders from our customer groups, who are responsible for influencing the purchase of sustainable products and solutions. The ELC shapes our Environmental Product Sales Strategy and guides our investment approach.

The Ferguson Cares Committee, led by the Director of Social Impact, is a subset of the ESG Steering Committee and provides oversight for the company's social impact initiatives.

→ **Read more about climate risk and opportunities on pages 37 to 41.**

Executive compensation

Our compensation philosophy aims to ensure alignment of executive and shareholder interests by providing market-competitive total compensation and fairly rewarding our executives for their contributions to the business.

We have incorporated various performance metrics related to leading a responsible business into our Executive Compensation Program for all members of our Executive Committee. These metrics were developed in recognition of evolving shareholder expectations and to guide our progress on priority issues.

Integrating with our overall risk management

Our Enterprise Risk Management (ERM) Program focuses on identifying and mitigating risks that pose the most significant existing or emerging threats to our achievement of strategic objectives. Ferguson's Chief Legal Officer is responsible for the oversight of the ERM Program and for reporting enterprise risks to the Executive Committee, Audit Committee and Board. Our Executive Committee assesses and manages the company's exposure to risks, including establishing management accountability and support for the ERM Program. The Audit Committee is responsible for overseeing the governance process by which risk assessment and risk management is undertaken by the Executive Committee, including monitoring the overall adequacy and effectiveness of the ERM Program. The Board receives reports from the Audit Committee on the management of enterprise risks, including the effectiveness of applicable mitigations and controls.

Managing an ethical business

Ethics and business conduct

Ferguson is committed to acting ethically in all its business activities and maintaining compliance with applicable laws and regulations.

The standards that we expect our associates and those who may work on our behalf to meet are set out in our Code of Business Conduct and Ethics — a resource dedicated to helping our associates live by our values and follow all applicable laws and corporate policies. Our Code of Business Conduct and Ethics also provides guidance on ethical situations where there is uncertainty over how to proceed.

As part of our efforts to embody our values and company-wide culture of integrity, we require all new and current associates to complete the Code of Business Conduct and Ethics training as part of their onboarding process and annually thereafter. Topics covered in the scenario-based training vary year to year, and in FY2024 included training on speaking up, harassment, information security, fraud prevention, conflicts of interest, gifts and entertainment, workplace respect, anti-retaliation and anti-trust compliance.

We also provide periodic compliance training to associates in certain roles through online educational resources and face-to-face instruction.

We work to ensure that a strong speak up culture exists at every level of our company so that our associates feel comfortable raising concerns and have a touch point for ethical dilemmas. Ferguson's Ethics Helpline — a public-facing online portal — encourages our associates and business partners to report concerns of misconduct. It also allows associates to ask questions so they can embed ethical decision-making into day-to-day operations, mitigating the risk of serious misconduct.

To encourage reports and inquiries to the platform without fear of retaliation, anonymous submissions are permitted. Read more on our approach to ethics and compliance on **Ferguson's Ethics Helpline webpage**. We also consistently evaluate our training and awareness materials based on different metrics, including data from the Ethics Helpline.

→ **See our Code of Business Conduct and Ethics.**

Mitigating material cyber risks

Ferguson faces global cybersecurity threats ranging from uncoordinated individual attempts to sophisticated and targeted measures — known as advanced persistent threats — directed at us and our customers, suppliers and vendors. Cybersecurity incidents and network security breaches may include, but are not limited to, unauthorized access of information, exploitation of vulnerabilities — including those of third-party software or systems — computer viruses, ransomware, denial of service and other electronic security breaches.

It is common for the retail and distribution industry to face cyber risks directed at payment mediums, such as credit cards and customers' personal information. Ferguson has invested in a dedicated Information Security team and IT professionals who support training, attack prevention and security response.

Information and cybersecurity

Information and cybersecurity are fundamental to both Ferguson's relationships with its business partners and our future growth and success as a company. We maintain a strategic plan to protect the information entrusted to us — and we believe we are well-prepared to manage and mitigate emerging cyber threats to our business systems.

IT management invests in processes, resources and incremental technical defenses necessary to prepare and bolster our systems against emerging cybersecurity threats. We have enterprise-level compliance processes, policies and insurance coverage in place, including related to data protection and cybersecurity. We utilize the ISO/IEC 27001:2022 standard, which drives our risk assessment and helps us identify and prioritize technology and process investments.

We maintain a 24/7/365 Security Operations Center (SOC) with enterprise event visibility. Our Cybersecurity Incident Response Plan (CIRP) establishes a foundation for capture, containment, escalation and response to cybersecurity events across the company. The CIRP details how we prioritize and respond to cybersecurity events and cybersecurity incidents. The CIRP is continuously reviewed to identify areas of enhancement. In addition, Ferguson regularly engages with independent third-party partners to assess and consult on our cybersecurity capabilities, prioritize areas of risk and assist with execution of our strategic plans.

Our Chief Information Security Officer (CISO) and cybersecurity team receive information regarding cybersecurity incidents and threats from the SOC and through internal escalation procedures detailed in the CIRP. The CISO and our Chief Digital and Information Officer (CDIO) then use such information to provide regular updates to the Board and/or Audit Committee and the Executive Committee on the status of Ferguson's IT-related risks and the implementation of cybersecurity risk management strategy. Additionally, IT General Controls are independently tested by our Internal Audit team and the findings are reported to the Audit Committee.

Ferguson invests in associate training and education to prevent cyber attacks, including customized, role-based training provided to targeted internal audiences. In addition, we conduct periodic awareness campaigns and regular phishing email simulation tests to reinforce prior training and promote ongoing awareness of risks. We also periodically conduct tabletop exercises with management and other associates to practice cyber incident response and to improve our processes and strategies.

Ferguson has implemented procedures and controls needed to comply with data protection and consumer privacy laws and regulations, including, but not limited to, the California Consumer Privacy Act, as amended by the California Privacy Rights Act, Canada's Personal Information Protection, Electronic Documents Act and the General Data Protection Regulation, as enacted in the European Union and the United Kingdom. Ferguson has taken an enterprise-wide approach to compliance to ensure consistency throughout the organization as additional jurisdictions continue to pass comprehensive privacy laws.

Compliance with laws and regulations

Ferguson is affected by various statutes, regulations and standards in the countries and markets in which we operate, and we strive to maintain full compliance with all applicable laws.

While Ferguson is not engaged in a highly regulated industry, we are subject to the laws governing businesses generally, including those related to competition, product safety, privacy and data protection of user data, labor and employment practices, accounting and tax standards, international trade, fraud, bribery and corruption, land usage, the environment, health and safety, transportation and other matters. We are subject to additional reporting requirements of the Securities Exchange Act of 1934 (as amended), the Sarbanes-Oxley Act of 2002 and the listing requirements of the New York Stock Exchange, London Stock Exchange and other applicable securities rules and regulations.

We monitor the laws and regulations governing our markets in order to minimize the effects of changes and maintain full compliance. We also align enterprise-wide policies and procedures with our key compliance requirements and monitor their implementation.

Data and frameworks

ESG data

Metric	FY2023	FY2024
Carbon emissions		
Scope 1 GHG emissions (MT CO_2e)	171,279	163,884
Scope 2 GHG emissions — location-based (MT CO_2e)	80,310	85,302
Scope 2 GHG emissions — market-based (MT CO_2e)	80,310	26,981
Total calculated Scope 3 GHG emissions (MT CO_2e)[1]	277,172	275,912
Scope 1 and 2 emissions intensity (MT CO_2e / million USD of revenue)	8.5	6.4
Total energy consumed from all sources (GJ)	3,453,986	3,503,476
Percentage supplied from grid electricity	24%	25%

Metric	FY2023	FY2024
Associates		
Total associates[2]	35,000[3]	35,000[3]
Female associates	25%	25%
Minority associates[4]	31%	32%
Percentage of management positions held by female associates[5]	23%	22%
Percentage of management positions held by minority associates[4,5]	17%	18%
Associate engagement[6]	55%	55%
Safety		
Associate Total Recordable Incident Rate (TRIR)	1.80	1.57
Associate Lost Time Incident Rate (LTIR)	0.48	0.42

1 Our reported Scope 3 emissions include Categories 3 through 6. See page 10 for further information. Our FY2023 Scope 3 emissions were restated due to improved methodologies for calculating Scope 3 Category 3.

2 Associate accounting methodology based on total count of all management and non-management associates as of July 31, 2024.

3 Headcount rounded to the nearest thousand.

4 Race and ethnicity data reflects U.S. workforce only. Minority data is self-reported by associates in accordance with SASB guidelines.

5 Management includes all positions with direct reports and is not restricted by title.

6 In FY2024, Ferguson engaged with a new third-party vendor to measure associate engagement, resulting in changes to the questions and scoring model from prior years.

SASB

Table 1. Sustainability disclosure topics and accounting metrics

Activity metric	Category	Unit of measure	Code	Data response or reference
Energy management in retail and distribution				
Total energy consumed	Quantitative	Gigajoules (GJ), Percentage (%)	CG-MR-130a.1	Total energy consumed in FY2024: 3,503,476 GJ
Percentage grid electricity				Percentage grid electricity: 25%
Percentage renewable energy				Percentage renewable energy: 15%
				FY2024 ESG Report — Renewable Energy, p. 11
Data security				
Description of approach to identifying and addressing data security risks	Discussion and analysis	n/a	CG-MR-230a.1	FY2024 ESG Report — Information and Cybersecurity, pp. 29–30
Workforce diversity and inclusion				
Percentage of gender and racial/ethnic group representation by 1) management and 2) all other associates	Quantitative	Percentage (%)	CG-MR-330a.1	Management[1] — Female: 22%, Male: 78% All Other Associates[2] — Female: 25%, Male: 75% Management[1] — Racial/Ethnic Minority[3]: 18% All Other Associates[2] — Racial/Ethnic Minority[3]: 35%

Activity metric	Category	Unit of measure	Code	Data response or reference
Product sourcing, packaging and marketing				
Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	Reporting currency	CG-MR-410a.1	~$3 billion in revenue is attributed to products with third party certified products, including ENERGY STAR, WaterSense, Green Seal, ECOLOGO, EPA Design for the Environment and Forest Stewardship Council.
Discussion of process to assess and manage risks and/or hazards associated with chemicals in products	Discussion and analysis	n/a	CG-MR-410a.2	**Products**: Ferguson is committed to the safety of our vendors, associates, customers and our communities. In line with those values, we offer EPA Safer Choice products, Greenguard products and products that are Green Seal certified. Ferguson provides detailed information regarding the composition and safety of the products we sell, with product specifications available on our website, including component and certification data. We screen products at the point of sourcing and at various stages of the value chain to ensure that they meet state and federal requirements and assess any products that may have harmful impacts on human health or the environment. To ensure that our customers are informed on the products they purchase, Ferguson also provides Safety Data Sheets on all relevant products that we sell.
Discussion of process to assess and manage risks and/or hazards associated with chemicals in products	Discussion and analysis	n/a	CG-MR-410a.2	**Hazard Communication:** The safe storage, handling and disposal of hazardous materials is inherent in our business and our Corporate Health and Safety group has a team dedicated to Hazardous Materials Management. For associates who are in roles that require chemical handling, storage or transport, Initial Hazardous Materials Training and annual refresher training are required and provided. For associates who may handle or manage hazardous wastes, specific training is required and provided. Ferguson has robust policies and procedures in place to ensure that these materials are safely stored and disposed of, and that associates know how to respond in the unlikely event of a spill. A Hazardous Materials and Environmental Compliance Steering Committee meets quarterly and includes cross-functional leaders throughout the business to communicate industry trends and educational opportunities for Ferguson associates.

1 Management includes all positions with direct reports and is not restricted by title.
2 Reporting a snapshot value from July 31, 2024.
3 Race and ethnicity data reflects U.S. workforce only. Minority data is self-reported by associates in accordance with SASB guidelines.

Activity metric	Category	Unit of measure	Code	Data response or reference
Discussion of strategies to reduce the environmental impact of packaging	Discussion and analysis	n/a	CG-MR-410a.3	Ferguson works to reduce the environmental impact of packaging, with a specific focus on right-sizing product packaging. Within our distribution network, Packsize machines allow us to print the actual dimensions of a package to ensure that each parcel is shipped in the most efficient way, minimizing waste and void fill, and reducing related carbon emissions from product shipment. Each of our distribution centers has had these machines installed, which has resulted in increased efficiency and savings. Ferguson employs a Packaging Design Engineer to advance our sustainability efforts through a holistic approach to packaging. The role focuses on reducing cost, damage and material waste from the packaging of our Own Brand products. Ferguson continues to identify opportunities to reduce our environmental impact by increasing the use of sustainable and recyclable packaging materials.

Table 2. Activity metrics

Activity metric	Category	Unit of measure	Code	Data response
Number of 1) retail locations and 2) distribution centers	Quantitative	Number	CG-MR-000 A	1,758 branch locations 15 DCs
Total area of 1) retail space and 2) distribution centers	Quantitative	Number	CG-MR-000 B	4,853,004 m^2 554,154 m^2

TCFD

Introduction

Ferguson (NYSE: FERG; LSE: FERG) is the largest value-added distributor serving the specialized professional in our $340B residential and non-residential North American construction market. We help make our customers' complex projects simple, successful and sustainable by providing expertise and a wide range of products and services from plumbing, HVAC, appliances, and lighting to PVF, water and wastewater solutions, and more. Headquartered in Newport News, Va., Ferguson has sales of 29.7 billion (FY2024) and approximately 35,000 associates in ~1,800 locations. For more information, please visit corporate.ferguson.com.

About this report

This report provides decision-useful, climate-related information across the four thematic areas of the Task Force on Climate-related Financial Disclosures (TCFD): Governance, Strategy, Risk Management, and Metrics and Targets. The information detailed in this report is a result of a cross-functional body of work and illustrates the integration of climate-related risks and opportunities into our business strategy and operations. The process to date has prioritized promoting organizational awareness around relevant climate-related risks and opportunities. As we advance on our sustainability journey, we expect to continue to evolve our ESG reporting.

Unless otherwise noted, this report presents data for Ferguson plc and its subsidiaries (collectively, "Ferguson") for the fiscal year ended July 31, 2024. Effective August 1, 2024, we implemented a new corporate structure to domicile Ferguson's ultimate parent company in the United States and Ferguson Enterprises Inc., a Delaware corporation, became the parent company to Ferguson plc (now known as Ferguson (Jersey) Limited). The new parent company continues to pursue Ferguson's strategic initiatives and business operations.

Governance

a) Describe the board's oversight of climate-related risks and opportunities.

Ferguson's Board of Directors (Board) has a vested interest in improving Ferguson's environmental, social and governance (ESG) performance. The Board and its committees have structured their annual program to receive updates on sustainability progress from our Vice President of ESG, with ESG on scheduled Nominations & Governance Committee agendas. Topics such as reviewing project implementation and performance, progress against targets and opportunities to integrate sustainability measures into capital expenditures are discussed at scheduled Nominations & Governance Committee meetings. Our corporate governance documents, including committee charters, can be found on the Corporate Governance page of the Investor tab of our website at corporate.ferguson.com under Governance Documents.

The Nominations & Governance Committee is responsible for providing oversight of our ESG disclosure framework, which includes climate-related issues and relevant public disclosures, including our ESG Report.

Our CEO holds ultimate responsibility with respect to performance on climate-related issues. Our CFO is actively engaged in assessing risk related to climate change and alongside the management team's Finance Committee, approves all capital expenditures above a pre-approved financial threshold. ESG is incorporated into the company's annual strategic planning process, which is overseen by the Senior Vice President of Strategic Development.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

Our ESG department is a part of the Finance organization, ultimately reporting to the Chief Financial Officer. Our Vice President of ESG is responsible for the day-to-day management of our ESG priorities and reports directly to the Head of Investor Relations and Communications. The VP of ESG and the ESG team monitor climate-related issues and work to ensure integration into our business strategy and operations. In addition to the VP of ESG, the ESG team is comprised of a Director of Social Impact, a Senior Manager of Environmental Sustainability, a Manager of ESG Data and Reporting and a Social Impact Specialist.

Ferguson also has a four-person Environmental Product Sales Strategy team that coordinates on sustainable product innovation, including development and expansion of lower-emissions goods and services with our supplier partners. The Environmental Product Sales Strategy team positions our sales force to assist our customers in achieving their sustainability goals, which ultimately aims to help the company seize climate-related business opportunities.

Environmental, Social and Governance Steering Committee

The VP of ESG chairs the Environmental, Social and Governance Steering Committee (the "ESG Steering Committee"), a cross-functional committee that includes leaders responsible for the ESG framework and ESG subject matter experts (SMEs) from across the business. The purpose of the ESG Steering Committee is to assist the Executive Committee in overseeing the company's ESG-related risks and opportunities, including climate-related risks and opportunities, that may have an impact on the company and its ability to sustain trust with associates, customers, suppliers and the investment community. It also supports Ferguson's ongoing commitments to ESG and guides the evolution of the company's ESG framework and priorities.

Environmental Leadership Council (ELC)

The Environmental Leadership Council (ELC) comprises Ferguson Ventures, marketing, communications and ESG team leaders, as well as leaders from our customer groups, who are responsible for influencing the purchase of sustainable products and solutions. The ELC shapes our Environmental Product Sales Strategy and guides our investment approach.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

Through a cross-functional climate-related risk and opportunity assessment conducted in FY23 which included both internal and external subject matter expertise, we determined that no climate-related risks are currently material to Ferguson when applying the same threshold as to our other enterprise risks. However, we continue to closely monitor the climate-related physical and transition risks and opportunities identified by the assessment.

Climate-related risks and opportunities were qualitatively prioritized based on their identified time horizon, probability rating, impact rating and mitigation status.

1. **Short-term: 0–5 years**
2. **Medium-term: 6–10 years**
3. **Long-term: 11+ years**

The most relevant climate-related risks and opportunities that were identified and further evaluated through scenario analysis are set out in the following table.

TCFD risk	Ferguson risk	Impact	Current & future mitigation strategies	Time horizon
Transition risk: policy and legal				
Increased pricing of GHG emissions	The implementation of a carbon tax in countries in which Ferguson operates	While there is currently no carbon pricing system in the U.S. that impacts Ferguson, there have been discussions at the state level. A carbon tax may negatively impact Ferguson's operational expenses, product costs and service costs.	In 2021, Ferguson purchased and installed an on-site 1.1-megawatt solar array at its Perris, California, Distribution Center and has invested in a solar array for the Phoenix, Arizona, Market Distribution Center, which is expected to be online in FY2025. These emissions reduction efforts will help to reduce the volume of emissions which are taxed. In addition, Ferguson has a Scope 1 and Scope 2 (location-based) emissions intensity reduction goal. Efforts towards this goal including building efficiency updates, building electrification, fleet rightsizing and fleet electrification will also help to reduce the volume of emissions which are taxed.	Medium (6–10 years)
Physical: acute				
Increased severity of extreme weather events	Increased frequency and severity of floods, wind storms, cyclones, wildfires, storm surges, hail, drought, etc. impact operations through damages to facilities and inventory	The frequency and severity of extreme weather events has increased considerably in recent years. This trend is expected to continue to worsen in the future as the climate continues to warm and could have a significant impact on a multitude of factors impacting Ferguson's business.	Ferguson's Corporate Security and Business Continuity Department has plans covering localized disasters causing short-term business disruptions (i.e., natural weather events), nationwide disruptions and singular incidents which have potential to adversely impact Ferguson's reputation. These plans help Ferguson determine how to react when an event occurs. Widespread interruptions to Ferguson's operations are naturally hedged against through the company's widespread operational footprint and digital tools.	Short (0–5 years)
Physical: chronic				
Rising mean temperatures	Rising mean temperatures significantly impact energy usage in Ferguson managed buildings	Even under a low emissions scenario, heat thresholds relevant to health are projected to be exceeded more frequently at high global warming levels. This could have multiple implications for Ferguson including increased energy demand for facility cooling and updating facilities to provide better working conditions for associates. Additionally, during extreme heat events the electricity grid can also be overwhelmed, potentially leading to grid brownouts and blackouts, which could result in significant disruptions to Ferguson's operations.	Ferguson has developed a consistent framework to support sustainable design, construction and operations in support of the company's goals. These sustainable design standards are applicable to new Market Distribution Centers and medium-scale business-as-usual locations which are typically between 50,000 and 150,000 square feet and include a large portion of warehouse space and with a smaller office space. Some also include a retail counter. The standards are aligned with the LEED and Fitwel programs which promote healthy, resilient and efficient green buildings.	Long (11+ years)

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

The process to date has prioritized promoting organizational awareness around relevant climate-related risks and opportunities. Our approach is still developing, and further management actions may follow as potential impacts are investigated and integrated.

Ferguson's purpose is to provide innovative products and solutions to help make our customers' projects simple, successful and sustainable. The climate-related risks identified in this report, while not assessed as material when applying the same threshold as our other enterprise risks, have the potential to impact our business in several ways, including increasing operational expenses, increasing the cost of the products we sell and disrupting our supply chain.

Several business opportunities were also reviewed, including the transition of the residential sector to a low-carbon future and the reduction of operating expenses through investments in energy efficiency and renewable energy. Both the climate-related risks and opportunities identified in this report are taken into consideration during the organization's strategic and financial planning processes.

TCFD opportunity	Ferguson opportunity	Impact	Time horizon
Products & services			
Development/ expansion of lower-emission goods and services	Ferguson expands its lower-emissions goods and services offerings.	Ferguson's Environmental Product Sales Strategy team aims to expand Ferguson's offerings of sustainable products by training our associates, educating the customer and leading the industry. Through Ferguson's large network of suppliers, the company can expand across multiple products including heat pumps to electrify heating, tankless water heaters to reduce energy usage, leak detection technology to reduce water waste and Wi-Fi monitoring to ensure appliances are turned off when not in use. Expanding Ferguson's inventory to include these types of products will help Ferguson maintain its competitive edge in the market.	Medium (6–10 years)
Energy source			
Use of lower-emission energy sources	Ferguson combines on-site renewables and other energy strategies to drive the use of lower-emission energy sources across the business.	Ferguson purchased and installed an on-site 1.1-megawatt solar array at its Perris, California, Distribution Center in 2021 and has invested in a solar array for the Phoenix, Arizona, Market Distribution Center, which is expected to be online in FY2025. Energy produced by these new solar panels, combined with a Virtual Power Purchase Agreement, will help Ferguson increase its consumption of lower-emission energy sources. Ferguson has also engaged a third-party consultant to evaluate efficiency improvements in current facilities and future new builds.	Short (0–5 years)
Markets			
Use of public sector incentives	Ferguson leverages green policy incentives.	Local and national incentives such as the Inflation Reduction Act and the Bipartisan Infrastructure Law offer tax benefits to Ferguson's customers for home energy efficiency upgrades. Provided these tax benefits remain in place, Ferguson is likely to see an increased demand for some of its products. Ferguson can take advantage of this by educating its customers on the various products which qualify for these benefits and how they can be installed in a customer's home or business. Ferguson can also take advantage of tax incentives that would reduce the financial burden of transitioning our operations towards more sustainable solutions.	Short (0–5 years)

Environmental considerations are an element of the company's annual strategic planning process. Strategies to address climate-related risks and realize opportunities are presented by individual functional and customer groups. The company is working to expand knowledge of and responsibility for encouraging the adoption of sustainable and energy-efficient products and solutions across the entire sales force. The Environmental Leadership Council (ELC) will influence the direction of Ferguson's environmental areas of focus and investment approach by helping to spur innovation within our supplier base and encouraging our manufacturers to create more sustainable products and solutions.

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Ferguson has assessed climate-related risks and opportunities using scenario analysis, which has enhanced our strategic conversations about the future by considering, in a more structured manner, what may unfold that is different from business-as-usual. As noted, the results of this scenario analysis did not reveal climate-related risks that Ferguson determined to be material. Our strategy for managing these risks and realizing the opportunities is consistent across the range of evaluated scenarios. Our initial focus is on identifying the most relevant climate-related risks and opportunities for the business, and we intend to continue to evaluate our strategies as our organizational approach matures.

Scenario analysis

Ferguson also evaluated the impact of relevant climate-related risks and opportunities using the following scenarios across a range of company-specific inputs to build resiliency into our strategy across a variety of internal scenarios. The scenarios were chosen to represent a broad spectrum of outcomes. See details below about how scenarios were used in our analysis across a variety of time horizons.

IEA Announced Pledges Scenario

- Assumes all climate commitments made by governments around the world, including Nationally Determined Contributions and longer-term net zero targets, as well as targets for access to electricity and clean cooking, will be met in full and on time.

IEA Net Zero Emissions by 2050

- Emissions trajectory consistent with keeping the temperature rise in 2100 below 1.5°C (with a 50% probability)

IPCC SSP1-2.6

- Estimated warming of 1.3 – 2.2°C by 2060
- Pathway narrative: Sustainability — Taking the Green Road (Low challenges to mitigation and adaptation)

IPCC SSP 5-8.5

- Estimated warming of 1.9 – 3.0°C by 2060
- Pathway narrative: Fossil-fueled Development — Taking the Highway (High challenges to mitigation, low challenges to adaptation)

Transition Risk, Policy — Increased pricing of GHG emissions

- Projected cost of a carbon tax on Ferguson's operations under Net Zero Emissions by 2050 scenario and Announced Pledges Scenario through 2030, 2040 and 2050.
- Projected Ferguson Scope 1 emissions trajectory across both high and moderate emissions reduction scenarios.

Physical Risk, Acute — Increased severity of extreme weather events

- Leveraged financial impacts from historical extreme weather events that rose to the level of insurance claim to project potential additional impact in the future by peril, geographic region, or asset types utilizing low emission scenario SSP 1-2.6 and high emission scenario SSP 5-8.5.

Physical Risk, Chronic — Rising mean temperatures

- Modeled the projected change in the company's energy consumption as a result of rising temperatures and the company's electric transition. This model's low emission scenario uses SSP 1-2.6 for physical risks and IEA's Announced Pledges Scenario for transition risks, and the high emission scenario uses SSP 5-8.5 for physical risks and IEA's Stated Policies scenario for transition risks.

Opportunity: Products & Services — Development/expansion of low emission products and solutions

- Evaluated the projected financial impact to Ferguson of society's transition to low emission products and solutions, specifically heat pump space heaters and heat pump water heaters. This model utilizes projections from Rewiring America's June 2023 Pace of Progress Report[1] as well as SSP1-2.6 and SSP5-8.5 scenarios.

Opportunity: Energy Source — Use of lower-emission energy sources

- Performed an assessment of current and possible future facilities to determine each location's potential for renewable energy generation and exposure to climate perils utilizing low emission scenario SSP 1-2.6 and high emission scenario SSP 5-8.5.

1 https://www.rewiringamerica.org/pace

Risk management

Disclose how the organization identifies, assesses and manages climate-related risks.

a) Describe the organization's processes for identifying and assessing climate-related risks.

- Climate-related risks and opportunities, including existing and emerging regulatory requirements, were initially identified by the ESG team based on industry research, advancements in technology and other sustainability trends.
- Impacts are explored further through interviews and document review with subject matter experts within the company including Fleet, Facilities, Investor Relations, Legal, Business Continuity and Finance.
- Climate-related risks and opportunities are categorized using Tables A1.1 and A1.2 in the Appendix to TCFD 2021 guidance.
- Each identified climate-related risk is mapped to a Ferguson risk area based on impact to: income before tax, market cap, reputation, dividend payment, strategy and operations.
- The climate-related risks and opportunities were qualitatively prioritized based on their identified time horizon, probability rating, impact rating and mitigation status.
- Impacts of the most relevant climate risks and opportunities are further analyzed and quantified through scenario analysis.
- Climate-related risks are not assessed as material when applying the same threshold as our other enterprise risks.

b) Describe the organization's processes for managing climate-related risks.

The primary responsibility for identifying, assessing and managing risks belongs with company management. The Vice President of ESG is responsible for daily climate-related issue management, monitoring and integration into business strategy and operations. Additional information can be found in Governance b) and Risk management c).

c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.

Ferguson is committed to maintaining an Enterprise Risk Management (ERM) Program that focuses on identifying and mitigating risks that pose the most significant existing or emerging threats to the company's achievement of its strategic objectives. Our Chief Legal Officer (or designee) is responsible for the oversight of the ERM Program and for reporting of Enterprise Risks to the Executive Committee, Audit Committee and Board.

- The Board receives reports from the Audit Committee on the management of Enterprise Risks, including the effectiveness of applicable mitigations and controls.
- The Audit Committee is responsible for overseeing the governance process by which risk assessment and risk management are undertaken by the Executive Committee, including monitoring the overall adequacy and effectiveness of the ERM Program.
- The Executive Committee assesses and manages the company's exposure to Enterprise Risks, including establishing management accountability and support for the ERM Program.

In addition, as noted above, the Nominations & Governance Committee is responsible for providing oversight of our ESG disclosure framework and related public disclosures, including our ESG Report.

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Although we determined that such information is not material, our assessment of climate-related risks and opportunities uses the metrics below and adopts the same threshold as our other enterprise risks.

Energy use

- Energy consumption within the organization (GJ)
- Percentage grid electricity (%)
- Percentage renewable energy (%)
- Natural gas consumption within the organization (GJ)
- Diesel consumption within the organization (GJ)
- Gasoline consumption within the organization (GJ)

Revenue from products third-party certified to environmental and/or social sustainability standards (USD)

Number of retail locations and distribution centers

Total area of retail space and distribution centers (m^2)

Please refer to our ESG Report (pp. 32–36) for figures and further details.

b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Although we determined that no climate-related risks are currently material to Ferguson when applying the same threshold as to our other enterprises risks, we have identified the following risks associated with greenhouse gas emissions which relate to our earlier identified climate-related risks:

Scope 1 risks — Carbon tax and efficiency standards could result in increased operational costs.

Scope 2 risks — Rising mean temperatures could create more demand for electricity use for comfort cooling and result in increased electricity costs.

Scope 3 risks — Carbon tax could result in increased product costs.

Please refer to our ESG Report (p. 32) and Basis of Reporting (pp. 1–4) for emissions figures and further details.

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

To reduce our Scope 1 and 2 emissions by 35% per million USD of revenue by 2026 (against a 2019/2020 baseline).

Data is collected and managed on an ongoing basis. We evaluate progress towards this target two times a year. We pursue Independent Limited Assurance on specific ESG indicators in our ESG Report as described in the Assurance Statement available on the ESG tab of our corporate website at corporate.ferguson.com. Please refer to our ESG Report (p. 9) for details on our approach to achieve targets.

Carbon emissions	Baseline 2019/2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	Increase/ reduction from 2022/2023	Total emissions reduction since 2019/2020
Scope 1 and 2 emissions intensity	12.7	10.6	8.9	8.5	6.4	(22%)	(50%)

Note: Our ESG Report, Basis of Reporting and Assurance Statement can be found on the ESG tab of our website at corporate.ferguson.com.

U.K. Listing Rule Disclosure – Board Diversity Statement

In accordance with Listing Rule 14.3.3R(1), Ferguson is required to include a Board Diversity Statement in relation to FY2024 setting out whether it has met certain targets on board diversity. The required disclosure is set out as of July 31, 2024, and the data provided in this section relates to Ferguson plc.[1] Data in relation to the Board has been collected through the annual Directors and Officers questionnaire in which a question asked Directors to provide self-identified specific diversity, skills and experience; and data in relation to executive management has been collected through details held on the Company's human resource management software.

As of July 31, 2024, Ferguson plc can confirm as follows in relation to each target:

FY2024 target[2]	Result	Implementation progress
At least 40% of the Board should be female	Not Met	36% of the Board were female.
At least one member of the Board should be from a minority ethnic background	Met	There was one ethnic minority female Non-Employee Director on the Board.
At least one of the senior Board positions (CEO, Senior Independent Director or CFO) should be a woman.	Not Met	The senior Board positions of Chairman, CEO and CFO are currently held by men. Until the individuals in those positions retire or otherwise leave, the Company will not meet the target. Due to the Company's move toward U.S. governance, the SID role has been retired. While the Chairman, CEO and CFO are all men, the Chairperson of two of the Committees of the Board (Audit and Compensation) were women.

1 The terms "Company" and "Ferguson" for FY2024 in this Statement refer to Ferguson plc which was the public parent company until August 1, 2024. Effective August 1, 2024, Ferguson Enterprises Inc. (FEI) became the public parent company of Ferguson plc (now known as Ferguson (Jersey) Limited. As at the date of publication of this document, in relation to the FEI board of directors (FEI Board) 38% of the FEI Board are female and two members of the FEI Board are from a minority ethnic background. Additional details about the FEI Board and its composition are available on our website at Ferguson - About Us - Our Leadership.

2 The Company is only reporting against the CEO, CFO and Chair positions as there is no longer a Senior Independent Director role. The functions and responsibilities of that role have been taken on by the Chairperson of the Nominations & Governance Committee.

3 Executive management is defined, in accordance with the Listing Rules, as the Executive Committee, including the Company Secretary.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)[2]	Number in executive management[3]	Percentage of executive management
Men	7	64%	3	8	73%
Women	4	36%	0	3	27%
Not specified/ prefer not to say	0	0	0	0	0

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)[2]	Number in executive management[3]	Percentage of executive management
White British or Other White (including minority white groups)	10	91%	3	11	100%
Mixed multiple ethnic groups	0	0%	0	0	0%
Asian/Asian British	0	0%	0	0	0%
Black/African Caribbean Black British	1	9%	0	0	0%
Other ethnic group including Arab	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

Cautionary note on forward-looking statements

Disclaimer

Certain information included in this report is forward-looking, including within the meaning of the Private Securities Litigation Reform Act of 1995, and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements. Forward-looking statements cover all matters which are not historical facts and include, without limitation, objectives and projections with respect to the company's ESG program and related sustainability-centric plans and efforts (including those related to climate), statements or guidance regarding or relating to our future financial position, results of operations and growth, plans and objectives for the future including our capabilities and priorities, risks associated with changes in global and regional economic, market and political conditions, ability to manage supply chain challenges, ability to manage the impact of product price fluctuations, our financial condition and liquidity, legal or regulatory changes, and other statements concerning the success of our business and strategies. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as "believes," "estimates," "anticipates," "expects," "forecasts," "intends," "continues," "plans," "projects," "goal," "target," "aim," "may," "will," "would," "could" or "should" or, in each case, their negative or other variations or comparable terminology and other similar references to future periods.

Forward-looking statements speak only as of the date on which they are made. They are not assurances of future performance and are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections (including the projected ESG initiatives, results and performance, including whether the company will be able to achieve its emissions reduction goals in the anticipated timeframe or at all), anticipated events and trends, the economy and other future conditions. Therefore, you should not place undue reliance on any of these forward-looking statements. Although we believe that the forward-looking statements contained in this report are based on reasonable assumptions, you should be aware that many factors could cause actual results to differ materially from those contained in such forward-looking statements, including but not limited to: weakness in the economy, market trends, uncertainty and other conditions in the markets in which we operate, and other factors beyond our control, including disruption in the financial markets and any macroeconomic or other consequences of political unrest, disputes or war; failure to rapidly identify or effectively respond to direct and/or end customers' wants, expectations or trends, including costs and potential problems associated with new or upgraded information technology systems or our ability to timely deploy new omni-channel capabilities; decreased demand for our products as a result of operating in highly competitive industries and the impact of declines in the residential and non-residential markets; changes in competition, including as a result of market consolidation or competitors responding more quickly to emerging technologies (such as generative artificial intelligence (AI); failure of a key information technology system or process as well as exposure to fraud or theft resulting from payment-related risks; privacy and protection of sensitive data failures, including failures due to data corruption, cybersecurity incidents or network security breaches; ineffectiveness of or disruption in our domestic or international supply chain or our fulfillment network, including delays in inventory availability at our distribution facilities and branches, increased delivery costs or lack of availability; failure to effectively manage and protect our facilities and inventory or to prevent personal injury to customers, suppliers or associates, including as a result of workplace violence; unsuccessful execution of our operational strategies; failure to attract, retain and motivate key associates; exposure of associates, contractors, customers, suppliers and other individuals to health and safety risks; risks associated with acquisitions, partnerships, joint ventures and other business combinations, dispositions or strategic transactions; regulatory, product liability and reputational risks and the failure to achieve and maintain a high level of product and service quality or comply with responsible sourcing standards; inability to renew leases on favorable terms or at all, as well as any remaining obligations under a lease when we close a facility; changes in, interpretations of, or compliance with laws; our indebtedness and changes in our credit ratings and outlook; fluctuations in product prices (e.g., commodity-priced materials, inflation/deflation) and foreign currency; funding risks related to our defined benefit pension plans; legal proceedings in the course of our business as well as failure to comply with domestic and foreign laws, regulations and standards, as those laws, regulations and standards or interpretations and enforcement thereof may change, or the occurrence of unforeseen developments such as litigation, investigations, governmental proceedings or enforcement actions; our failure to comply with the obligations associated with being a public company listed on the New York Stock Exchange and London Stock Exchange and the costs associated therewith; the costs and risk exposure relating to ESG matters, including sustainability issues, regulatory or legal requirements, and disparate stakeholder expectations; adverse impacts caused by a public health crisis; and other risks and uncertainties as set forth under the heading "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended July 31, 2024 as filed with the Securities and Exchange Commission (the SEC) on September 25, 2024 and in other filings we make with the SEC in the future. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Other than in accordance with our legal or regulatory obligations, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

External assurance

Ferguson engaged ERM Certification and Verification Services Inc. (ERM CVS) to conduct third-party limited assurance of specific metrics for the period from August 1, 2023 to July 31, 2024 which are presented in the FY2023/2024 ESG Report. ERM CVS assessed whether these metrics were fairly presented in accordance with the reporting criteria. For more information, please see the External Assurance Report which details the scope, activities and conclusions of their engagement. Both of these documents are available on the Ferguson website: **corporate.ferguson.com**.