

SUPPLIER CODE OF CONDUCT

This Supplier Code of Conduct (“SCOC”) is directed at any entity within Supplier's group of companies and its subcontractors and agents (together, the “Supplier Group” and individually, “Supplier”) who manufacture goods (“Goods”) for or is a supplier to Ferguson Enterprises Inc. or any of its subsidiary companies (together, the “Ferguson Group” and individually, “Ferguson”). The Supplier Group accepts and confirms the validity of this SCOC with respect to the manufacture of any Goods offered to the Ferguson Group.

If, at its sole discretion, Ferguson determines that credible evidence exists that Supplier has or may have violated this SCOC and/or gives incorrect, wrong or false information to Ferguson or the Ferguson Group, Ferguson may - without notice – cancel any order and reject receiving Goods from Supplier and/or return any Goods in stock – and demand full compensation from Supplier or the Supplier Group, and may terminate its business relationship with Supplier on notice effective immediately, or may require, as a condition of continuing to do business with Ferguson, Supplier to remediate through policy development, training, recertification or such other steps as Ferguson deems appropriate.

General Terms

Supplier’s business activities must comply with all the relevant and applicable laws and regulations, including those concerning Supplier’s employees and their welfare and safety and the working environment, in order to do business with Ferguson.

Social Responsibility – Human Rights and Labor Standards

Supplier supports and wishes to comply with the United Nations Universal Declaration of Human Rights and all applicable laws regarding modern slavery.

Supplier shall adhere to the following:

1. Supplier shall treat its employees with respect and dignity.
2. Supplier must not discriminate on the basis of race, color, ethnicity, nationality, religion, gender, age, sexual orientation, gender identity, marital status, pregnancy, veteran status or a disability that does not prevent the individual from performing essential duties of employment.
3. Employment with Supplier must be voluntary. Supplier must not use any form of forced, bonded, indentured, trafficked, involuntary or slave labor.
4. Supplier shall at all times be able to verify the age of an employee.
 - a. Supplier shall not use persons at an age younger than 15 in production or anywhere else in the business.
 - b. Use of child labor is prohibited. The definition of a “child” is based on ILO’s (International Labour Organization) Convention no. 138 and ILO’s Recommendation no. 146 (Minimum Age and Recommendation), which state that a child is a person at an age younger than 15 unless national law stipulates an age greater than that or requires completion of compulsory education. Supplier shall treat minor employees in compliance with all applicable national and local regulations.
5. Supplier shall comply with applicable laws and industry standards on working hours including overtime. Working hours must be planned in such a way that the employee can plan his/her own leisure time.

6. Supplier shall comply with current law concerning wages. The wages must meet the industry minimum standards of the specific country. Withholding wages must not be used as a disciplinary measure.
7. Supplier acknowledges the right of its employees to join legal associations and unionization.
8. Accommodation, if provided, should be clearly segregated from the factory or production area.

The Working Environment

The Supplier shall treat its employees with respect and dignity and ensure a healthy and safe working environment where the sources of noise and air pollution are under control.

The Supplier shall adhere to the following:

1. Supplier's factory facilities must be well-maintained and kept in clean condition.
2. Supplier's employees will be protected against noise, air pollution, etc. by mandatory use of protective equipment against injuries to hearing, eyesight, respiratory passages, etc. Supplier's safety measures shall at a minimum require use of appropriate protective equipment for jobs that require exposure to hazardous work conditions and procedures for handling serious accidents that require treatment outside Supplier's premises.
3. Supplier shall ensure that passages, stairways and exits are unobstructed and the main exits are unlocked to facilitate emergency evacuation by its employees.
4. Supplier shall have procedures for handling of serious accidents that may require medical treatment outside of the Supplier's premises.
5. Supplier's employees shall not be subject to any physical, psychological or sexual harassment, punishment or abuse.
6. Supplier's employees shall have reasonable and acceptable access to drinking water and toilet facilities. Sanitary conditions should be satisfactory and kept clean.

The External Environment

Supplier shall comply with applicable laws and regulations for protecting the environment and maintain operations that are environmentally responsible. Supplier is expected to monitor and minimize its environmental footprint by optimizing energy consumption, reducing greenhouse gas emissions, and responsibly managing natural resources.

Anti-Bribery and Corrupt Acts

Supplier must not engage in any form of corrupt practices, including without limitation, extortion, fraud, false declarations, bribery, or money laundering.

Supplier must prohibit its employees, subcontractors, or others operating under Supplier's control from offering or accepting any cash payment, gift (other than promotional items or gifts of nominal value) or gratuity to or from any employee, subcontractor, or agent of Ferguson to secure an improper advantage or inappropriately influence the recipient, including but not limited to influencing the outcome of any audits and/or site inspection visits conducted by or on behalf of Ferguson. In addition, Supplier shall not pay for travel (public transportation, including airfare, hotel, etc.) or entertainment for any Ferguson associates or agents who are conducting an audit or site inspection visit of Supplier, nor provide meals unless provided on-site or due to limited dining option availability, in which case Ferguson may reimburse Supplier for such meal expense.



Supplier shall report to Ferguson any solicitation or acceptance by a Ferguson employee or agent of a cash payment, gift or gratuity from an employee or agent of Supplier in violation of this SCOC.

Supply Chain Security and Transparency

Supplier must have in place security measures to prevent unauthorized items from being introduced into shipments destined for Ferguson Group or its customers. Ferguson expects Supplier to have written procedures for container inspection and seal security, physical security, access controls, personnel security, information security, and training.

Supplier must ensure that all merchandise is accurately marked or labeled with the country of origin in compliance with the laws of the country of manufacture and in compliance with the laws of the country of import for all orders by Ferguson being exported from the country of manufacture. Supplier must respond promptly to Ferguson requests for country of origin certifications or declarations and ensure that any such documents are accurate and complete and that all records substantiating the origins are maintained and available.

Supplier shall provide information requested by Ferguson 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 Goods supplied to Ferguson.

Supplier shall provide information requested by Ferguson related to the use of wood (timber) materials, as defined by the United States Lacey Act, in wood-based Goods supplied to Ferguson.

Supplier shall provide information requested by Ferguson related to the use of per- and poly-fluoroalkyl Substances (“PFAS”), as defined by the United States Environmental Protection Agency, in Goods supplied to Ferguson, including whether any PFAS-containing Goods supplied to Ferguson are prohibited from sale in any U.S. state, territory, or local jurisdiction.

Supplier must not provide to Ferguson Goods that are mined, produced, or manufactured wholly or in part in China’s Xinjiang Uyghur Autonomous Region or produced by certain entities which are on the Uyghur Forced Labor Prevention Act Entity List.

Conflicts of Interest

Supplier may not engage in any activities that would create an actual or potential conflict of interest regarding Supplier’s duties, interests, and obligations to the Ferguson Group. Supplier must immediately notify Ferguson if any conflicts of interest arise.

Monitoring and Compliance

The Ferguson Group, by itself or with the assistance of a third party, may take affirmative measures to ensure compliance with this SCOC. Such measures may include, but are not limited to, on-site inspections, audits, and requests for information. Supplier must maintain all documents to demonstrate compliance with this SCOC and agrees to cooperate with all such processes.

If Supplier becomes aware of any violation of this SCOC, Supplier should report such concerns to the [Ferguson Ethics Helpline](#). Ferguson’s Ethics Helpline is a third-party administered hotline in which individuals can report suspected violations of law, Ferguson’s Code of Conduct and corporate policies anonymously. If Supplier has any trouble accessing the Ethics Helpline, alternatively, concerns could be reported by sending an email to: ethics@ferguson.com.



BY SIGNING BELOW, SUPPLIER HEREBY ACKNOWLEDGES ITS UNDERSTANDING OF THIS SUPPLIER CODE OF CONDUCT AND AGREES TO ABIDE BY ITS STANDARDS.

Supplier Name:

By:

Title:

Date: