

FERGUSON PLC
(the "Company")

COMPENSATION COMMITTEE CHARTER

The Compensation Committee (the "Committee") is a committee of the Board of Directors of the Company (the "Board"). The Committee's primary purpose is to discharge the Board's responsibilities relating to compensation of the Company's executive officers; to oversee the compensation policies, practices and programs of the Company; and to produce an annual report of the Committee for inclusion in the Company's annual report on Form 10-K or proxy statement, in accordance with applicable rules and regulations.

1. Membership

- 1.1 The members of the Committee shall be appointed by the Board based on the recommendation of the Nominations & Governance Committee. The Board shall designate the Committee Chairperson on the recommendation of the Nominations & Governance Committee.
- 1.2 The Committee shall be comprised of a Chairperson and at least two other members, and shall consist solely of members who are independent members of the Board as defined by the New York Stock Exchange ("NYSE") listing standards, any additional standards imposed under U.S. securities laws and the rules and regulations of the Securities and Exchange Commission ("SEC"), including the enhanced independence requirements for compensation committee members. In addition, members of the Committee must qualify as "non-employee directors" as such term is defined under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended.
- 1.3 The Committee may ask management, representatives of any independent compensation consultant and advisors to attend meetings either regularly or by invitation. However, the invitees have no right of attendance, and the Committee shall meet regularly without such individuals present, and in all cases the Company's chief executive officer ("CEO") and any other officers shall not be present at meetings at which their individual compensation or performance is discussed or determined.
- 1.4 The members of the Committee shall serve for such term or terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause.

2. Meetings

- 2.1 The Company Secretary shall act as the Secretary of the Committee ("Secretary").
- 2.2 The Committee shall meet at such times as the Committee Chairperson shall require. The agenda for Committee meetings shall be prepared by the Secretary and approved by the Committee Chairperson, and the Secretary shall circulate such agenda and the materials for the meeting in advance of the meeting. The Secretary shall keep minutes of the Committee's proceedings.
- 2.3 Meetings of the Committee shall be called by the Secretary at the request of the Committee Chairperson, the Board Chairperson or a majority of the members of the

Committee. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other electronic means), action without meeting, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

- 2.4 In the absence of the Committee Chairperson, the remaining Committee members present shall elect one of their members present to chair the meeting.

3. Duties and Powers

- 3.1 The Committee shall have the following authority and responsibilities:

- (a) Review and approve corporate goals and objectives relevant to the compensation of the CEO and any other executive officer who is a member of the Board, evaluate at least annually the performance of the CEO and such executive officer in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the Board), determine and approve the CEO's and such executive officer's compensation level based on this evaluation;
- (b) review and approve the compensation of all other executive officers, considering the recommendations of the CEO;
- (c) in determining the long-term incentive compensation for the CEO and any other executive officer who is a member of the Board, consider the Company's performance and relative shareholder return, the value of similar incentive awards to chief executives at comparable companies and the awards given to the CEO and such executive officer in previous years;
- (d) review, and make recommendations to the Board regarding, incentive compensation plans and equity-based plans, which includes the ability to adopt, amend and terminate such plans, and proposals regarding any such plans to be included in the documentation corresponding to resolutions to be put forward to shareholders at a general meeting. The Committee shall also have the authority to administer the Company's incentive compensation plans and equity-based plans, including designation of the associates or directors to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan, including with respect to the Company's executive officers: (i) determining performance measures and goals, (ii) setting thresholds, targets and maximum awards, (iii) reviewing periodically performance against pre-determined goals and (iv) certifying goal attainment;
- (e) review and approve the key terms of any employment agreements, severance agreements, retirement arrangements, change in control agreements/provisions, or any special or supplemental benefits for the Company's executive officers;
- (f) consider the results of any shareholder advisory votes on executive compensation to determine whether to adjust the Company's executive compensation policies and practices;

- (g) review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, to review and discuss at least annually the relationship between risk management policies and practices and compensation, and to evaluate compensation policies and practices that could mitigate any such risk;
- (h) monitor the effectiveness of non-equity based benefit plan offerings, including but not limited to non-qualified deferred compensation, fringe benefits and any perquisites, in particular those pertaining to executive officers, and approve any material new employee benefit plan or change to an existing plan that creates a material financial commitment by the Company. In its discretion, the Committee may otherwise approve, amend, modify, ratify or interpret the terms of, or terminate, any non-equity based benefit plan or delegate such authority to the extent such delegation is permitted by the applicable plan, applicable law and the rules of the NYSE. In regard to employee benefit plans, the Committee's role shall be one of oversight and, except as the Committee otherwise expressly determines or applicable law otherwise expressly requires, the Committee shall not act as a fiduciary with respect to any benefit plans or programs under the Employee Retirement Income Security Act of 1974 or otherwise.
- (i) review the form and amount of all non-employee director compensation and benefits for service on the Board and Board committees at least once a year and recommend any changes to the Board as necessary;
- (j) to the extent that the Company is required to include a Compensation Discussion and Analysis ("CD&A") in its annual report on Form 10-K or proxy statement, review and discuss with management the CD&A and the related executive compensation information, and determine whether or not to recommend to the Board that the CD&A and related executive compensation information be included in the Company's annual report on Form 10-K or proxy statement, and produce the compensation committee report on executive officer compensation required to be included in the Company's annual report on Form 10-K or proxy statement;
- (k) set the composition of the peer company group used for market comparison for executive compensation and review such group periodically and make any changes determined by the Committee to be appropriate;
- (l) annually review and approve any revisions to the Company's guidelines requiring the ownership of Company shares by directors and executive officers, and annually review compliance with such guidelines; and
- (m) administer the Company's clawback policy and review and approve changes in the policy from time to time as appropriate.

4. Other Matters

- 4.1 The Committee shall have the authority, in its sole discretion, to retain and terminate one or more compensation consultants, outside legal counsel and such other advisors as it deems necessary to fulfill its duties and responsibilities under this Charter. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of any such compensation consultant, outside legal counsel or other

advisors, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfilment of its duties under this Charter. The Committee shall set the compensation and retention terms and oversee the work of such compensation consultants, outside legal counsel or any other advisors. Any communications between the Committee and its outside legal counsel will be privileged communications. In retaining or seeking advice from compensation consultants, the Committee must take into consideration the factors specified in the NYSE listing standards, any additional standards imposed under U.S. securities laws and the rules and regulations of the SEC.

- (a) The Committee is required to conduct this independence assessment with respect to any compensation consultant, legal counsel or such other advisor, other than (i) in-house legal counsel and (ii) any compensation consultant, legal counsel or such other advisor whose role is limited to (a) consulting on any broad-based plan that does not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried associates, or (b) providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.
 - (b) The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to any compensation consultant, outside legal counsel and any other advisors, and payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
- 4.2 The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion, so long as any such subcommittee is comprised entirely of independent directors and has a written charter.
- 4.3 The Committee shall report regularly to the Board regarding its discussions and actions and shall make recommendations to the Board as appropriate.
- 4.4 The Committee shall, at least once a year, evaluate its own performance. The Committee Chairperson shall report the Committee's conclusions to the Board and may make recommendations for improvement to the Board.
- 4.5 This Charter shall be reviewed and reassessed periodically by the Committee and any proposed changes shall be submitted to the Board for approval.

Approved by the Board: July 28, 2022

Effective: August 1, 2022