CORPORATE GOVERNANCE GUIDELINES

FERGUSON PLC

1. PURPOSE

The board of directors (the "Board") of Ferguson plc (the "Company") has adopted these Corporate Governance Guidelines as a general framework to assist the Board in carrying out its responsibility for the business and affairs of the Company to be managed by or under the direction of the Board.

2. ROLE OF BOARD AND MANAGEMENT

The Board's principal responsibility is one of oversight. Management of the Company is responsible for implementing the Company's strategic plan; identifying and managing risk; making and keeping the books and records of the Company; preparing the Company's financial statements and determining that they are complete, accurate, and in accordance with generally accepted accounting principles; establishing satisfactory disclosure controls and internal control over financial reporting; and timely reporting to the Board. The independent auditors are responsible for auditing the Company's financial statements and the effectiveness of the Company's internal control over financial reporting. The Company's internal and outside counsel are responsible for assuring compliance with laws and regulations and the Company's corporate governance policies.

In discharging responsibilities as a director, a director is entitled to rely in good faith on the official records of the Company and committees of the Board, management, independent auditors, professional advisors, and any other persons to matters the director reasonably believes to be within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

3. BOARD COMPOSITION

3.1 Board Size. The number of directors shall be determined by the Board in accordance with the Company's Articles of Association. The Board will periodically review the appropriate size of the Board.

3.2 Independence Requirements. A majority of the members of the Board shall be independent, as defined by the New York Stock Exchange ("NYSE") listing standards. The Nominations & Governance Committee will review the independence of each director annually and make recommendations to the Board, and the Board will annually determine and disclose the independence of directors.

No director shall be considered independent unless the Board, considering all relevant facts and circumstances, affirmatively determines that the director has no material relationship with the Company, either directly or as a partner, shareholder, or officer of an organization that has a material relationship with the Company. In assessing whether a director has no material relationship with the Company, the Board will also consider any persons or organizations with which the director has an affiliation. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others.

In addition, members of the Audit, Compensation, and Nominations & Governance Committees must meet all applicable independence tests of the NYSE and any additional standards imposed under U.S. securities laws and the rules and regulations of the Securities and Exchange Commission.

3.3 Conflicts of Interest. In accordance with the Company's Code of Business Conduct and Ethics, which applies to all directors, each director should not, by reason of any other position, activity or relationship, be subject to any conflict of interest that would impair the director's ability to fulfill the responsibilities of a member of the Board. It is the responsibility of each director to advise the Company Secretary of any affiliation with public or privately held commercial enterprises and of any interest that conflicts, or possibly may conflict, with the interests of the Company. Each director must seek approval of the Board for such interests as required by applicable law and the Company's Articles of Association.

3.4 Disclosure of Certain Relationships. In accordance with the Company's Related Party Transactions Policy, each director must disclose any existing or proposed relationships with the Company (other than service as a Board member or on Board committees) which could be required to be disclosed, or could affect the independence of the director under NYSE listing standards, including direct relationships between the Company and the director and such director's family members, and indirect relationships between the Company and any business, nonprofit or other organization in which the director is a general partner or manager, officer, or significant shareholder, or is materially financially interested.

3.5 Service on Other Boards and Changes in Primary Employment. A director who is currently serving as an executive officer of a public company generally may serve on a total of no more than two public company boards (including the Company's Board). A director who is not currently serving as an executive officer of a public company generally may serve on no more than four public company boards (including the Company's Board). A director who intends to join another public company board must notify the Chairperson of the Nominations & Governance Committee and the Group Company Secretary prior to accepting an invitation to serve on the board of such other public company. The Nominations & Governance Committee may determine with respect to a particular director, in special circumstances, that service on boards in addition to the limits set forth above would not impair the ability of such director to effectively serve on the Company's Board. In the event that the Nominations & Governance Committee determines that the additional directorship would constitute a conflict of interest that would impair the director's ability to fulfill the responsibilities of a member of the Board or otherwise interfere with such director's ability to carry out such director's responsibilities as a director of the Company, such director, upon the request of the Nominations & Governance Committee, shall either offer such director's resignation or not accept the other directorship. If a director significantly changes such director's primary employment during such director's tenure, that director must notify the Chairperson of the Nominations & Governance Committee.

3.6 Selection of Directors. The Board has overall responsibility for the selection of candidates for nomination or appointment to the Board. The Nominations & Governance Committee will recommend director candidates to the Board for nomination or appointment. All directors serve a one-year term, except that the initial term for each director shall run from the date of appointment until the next annual general meeting, and are subject to election by shareholders at each annual general meeting. As provided in the Company's Articles of Association, between each annual general meeting, the Board may appoint one or more directors to hold office only until the next following annual general meeting. The Board's policy is to encourage selection of directors who will contribute to the Company's achievement of its overall corporate goals.

3.7 Director Tenure. The Board does not believe that it should limit the number of terms for which a person may serve as a director, because such term limits could deprive the Company of the valuable contributions made by directors who have developed, over time, significant insights into the Company and its operations. At the same time, the Board recognizes the importance of an appropriate balance of experience and perspectives and considers the overall mix of tenure of the Board.

3.8 Director Criteria. The criteria to be considered in selecting director nominees shall reflect at a minimum any requirements of applicable law and NYSE listing standards. Candidates recommended by the Nominations & Governance Committee and nominated for election or re-election to the Board should: (a) be of sound character, judgment, reputation and integrity; (b) conduct themselves in accordance with high personal and professional ethical standards, including the policies set forth in the Company's Code of Business Conduct and Ethics; (c) have general knowledge of the markets and industry in which the Company operates and issues which may affect the Company; (d) be of diverse backgrounds, skills, experience, personality, culture, race, religion, age, sexual orientation, gender, ethnicity, tenure, and viewpoints; (e) be committed to the Company and service on the Board, including having the time and willingness to study informational and background materials, to prepare for meetings and to otherwise carry out their duties and responsibilities effectively; and (f) represent the best interests of all shareholders. The Board and the Nominations & Governance Committee will also consider whether candidates' backgrounds, skills, experience and other qualifications would complement those of other members of the Board and may also consider other factors as needs change based on the Company's strategic priorities.

4. BOARD STRUCTURE AND OPERATIONS

4.1 Board Leadership. The Board will periodically appoint a chairperson of the Board. Both independent and management directors, including the CEO, are eligible for appointment as the chairperson. If the chairperson is not an independent director, or if the Board otherwise determines it to be beneficial, the Board will designate a lead independent director. The Company will appropriately disclose the name of the chairperson and lead independent director. The Board, as part of its Board evaluation process, will assess its leadership structure to determine that the leadership structure is the most appropriate for the Company, taking into account the recommendations of the Nominations & Governance Committee.

4.2 Board Committees. There are currently four formally constituted committees of the Board: the Audit Committee, the Compensation Committee, the Nominations & Governance Committee and the Major Announcements Committee. The Audit Committee, the Compensation Committee and the Nominations & Governance Committee are comprised solely of independent directors as determined by the Board. Each of these committees has a written charter setting forth its responsibilities, duties and authorities. The Board may form new committees and disband such existing committees as appropriate and as permitted by the Company's Articles of Association, applicable law and NYSE listing standards. Directors may attend committee meetings of a committee of which they are not a member upon approval by the chairperson of such committee.

4.3 Meetings. The Board shall meet at least four times a year at such times and places, subject to the policies and procedures of the Company, as it deems necessary to fulfill its responsibilities. The agenda for Board meetings will be prepared by the Company Secretary and approved by the Board chairperson. The Board will keep minutes of its proceedings. The Board is governed by the 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 set out in the Company's Articles of Association.

4.4 Executive Sessions. The independent directors will meet on a regularly scheduled basis in executive sessions without the CEO or other members of the Company's management. The Board chairperson, or the lead independent director if the Board chairperson is not an independent director, will preside at each executive session and, in the Board chairperson's absence, the independent directors will select an independent director to preside. The Board may invite any individuals to executive sessions as it deems appropriate. However, the Board will meet regularly without such individuals present.

4.5 Attendance. Board members are expected to devote sufficient time and attention to prepare for, attend and participate in Board meetings and meetings of committees on which they serve, including advance review of meeting materials that may be circulated prior to each meeting. In addition, Board members are expected to attend the Company's annual general meeting of shareholders unless unusual circumstances make attendance impractical.

4.6 Onboarding / Education. The Company will provide new members of the Board with appropriate onboarding briefings which will include training on the Company's Code of Business Conduct and Ethics, among other items. These briefings will also address any matters pertaining to service on a particular committee of the Board. The Company will provide the full Board with educational resources and opportunities related to fiduciary duties and other matters as may be appropriate or requested by the Board.

4.7 Access to Management and Books and Records. The Board and its committees shall have unfettered access to the Company's senior management team and other associates in order to perform their respective duties, and all senior management and associates are directed to cooperate with any request made by the Board or committee (including attendance at a Board or committee meeting). The Board will have access to the Company's books, records and facilities.

4.8 Outside Advisors. The Board shall have the authority, in its sole discretion, to retain and terminate investment banks, outside legal counsel, and such other advisors as it deems necessary to fulfill its duties and responsibilities, at the expense of the Company. However, the Board shall not be required to implement or act consistently with the advice or recommendations of any investment bank, outside legal counsel or other advisor, and the authority granted in these Corporate Governance Guidelines shall not affect the ability or obligation of the Board to exercise its own judgment in fulfillment of its duties. The Board will set the compensation and retention terms and oversee the work of any investment bank, outside legal counsel or any other advisors retained by the Board. Any communications between the Board and its outside legal counsel will be privileged communications.

4.9 Funding and Resources. The Board will receive appropriate funding from the Company, as determined by the Board, for the payment of compensation to any investment bank, outside legal counsel and any other advisors, and the ordinary administrative expenses of the Board that are necessary or appropriate in carrying out its duties. The Board and its committees will have access to sufficient resources in order to carry out their respective duties.

4.10 Delegation of Authority. Other than for those matters reserved for the Board which are non- delegable, the Board may delegate its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more committees or to such person or persons as the Board may deem appropriate in its sole discretion.

4.11 Communications with the Board. Shareholders and other interested parties may contact any member (or all members) of the Board by mail. Such correspondence should be sent to: c/o Group Company Secretary, Ferguson plc, 1020 Eskdale Road, Winnersh Triangle, Wokingham, Berkshire, RG41 5TS, United Kingdom. Other methods by which a person may contact the Board may be set forth on the Company's website. All communications received as set forth above will be opened by the Group Company Secretary for the sole purpose of determining whether the contents represent a message to the Company's directors. The Group Company Secretary will forward copies of all correspondence that, in the opinion of the Group Company Secretary, deals with the functions of the Board or its committees or that the Group Company Secretary otherwise determines requires the attention of any member, group or committee of the Board. The Group Company Secretary will not forward communications received that are unrelated to the responsibilities of the Board, including mass mailings, product complaints or inquiries, job inquiries, surveys, business solicitations, patently offensive or otherwise inappropriate material.

5. BOARD DUTIES AND RESPONSIBILITIES

5.1 A director is expected to discharge such director's duties, including duties as a member of a committee on which the director serves, in good faith and in a manner the director reasonably believes to be in the best interests of the Company. The authority and responsibilities of the Board shall include:

(a) Strategic Plan. To set the direction of the Company and monitor management to ensure that the Company achieves its objectives; to review, monitor and approve the overall operating, financial and strategic plans, operating goals and performance of the Company.

(b) Reporting and Compliance Systems. To ensure that Company management maintains an effective system for timely reporting to the Board or appropriate Board committees and to the public as required on the following: (i) the Company's financial and business plans, strategies and objectives; (ii) the financial results and condition of the Company and its business segments; (iii) significant accounting, regulatory, competitive, litigation, tax, environmental, social and governance ("ESG"), and other external issues affecting the Company; and (iv) systems of internal control which promote accurate and timely reporting of financial information to shareholders and compliance with laws and corporate policies.

(c) Risk Oversight. To ensure that the Company considers and manages opportunities, risks and uncertainties that may impact achievement of its strategic objectives by overseeing an enterprise risk management program that establishes collaborative risk management processes to proactively identify, assess, mitigate and monitor business risks and facilitate associated reporting about such risks. The Board and the Audit Committee shall receive periodic risk reports from management, and the Audit Committee shall discuss guidelines and policies that govern the Company's risk assessment and management processes.

(d) ESG: To promote the long-term sustainable growth of the Company, including overseeing management's handling of ESG matters of importance to the Company except such matters that are delegated to any Board committee as set forth in the Charter of such committee.

(e) Compensation. To approve the compensation of the Company's executive officers and non-employee directors, as provided in the Compensation Committee Charter.

(f) Shareholding Guidelines and Clawback Policy. Executive officers and directors are expected to hold shares in the Company over time and maintain an individual shareholding in the Company pursuant to annual prescribed guidelines. The Board believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability, reinforces the Company's pay-for-performance compensation philosophy, and aligns the interests of the Company's senior management with its shareholders. The Board has therefore adopted a policy that provides for the recoupment of certain executive compensation upon certain events. The Company's Clawback Policy can be found in the Corporate Governance section of the Company's website at www.fergusonplc.com.

(g) Management Succession Planning. To approve, based on the recommendations of the Nominations & Governance Committee, a CEO and CFO succession plan, which shall include policies and principles for succession in the event of emergency, such as the death, disability, or unexpected sudden departure, or retirement of the CEO and CFO.

A succession plan helps ensure that an effective process is in place to provide continuity of leadership over the long term. Each year, succession planning reviews shall culminate in a detailed review of the CEO and CFO roles by the Nominations & Governance Committee and a summary review by the independent directors as a whole. During this review, the CEO and independent directors will discuss future candidates for CEO and CFO, succession timing, and development plans for the strongest candidates. The independent directors will also meet without the CEO to discuss CEO succession planning.

(h) Board Evaluation. To review the results of the annual board evaluation conducted by the Nominations & Governance Committee to determine whether the Board and its formally constituted committees are functioning effectively. As part of its responsibilities, the Nominations & Governance Committee will evaluate at least annually the Board's composition, tenure, succession planning and experience through this annual evaluation process. The Board will also review the results of the third-party review that is conducted every three years.

(i) Shareholder Communications. To ensure that the Company maintains an active dialogue with shareholders so that their perspectives are thoughtfully considered; and to review shareholder proposals properly submitted. Management will keep the Board apprised of the views of major shareholders.

(j) Corporate Governance Documents. To review, approve and submit to a shareholder vote any amendments to the Company's Articles of Association. The Board will also review and approve the Code of Business Conduct and Ethics and other corporate governance policies recommended by the committees of the Board or determined by the Board to require Board approval. The Nominations & Governance Committee will review these Corporate Governance Guidelines annually and recommend any appropriate changes for approval by the Board.

Approved by the Board: July 28, 2022
Effective: August 1, 2022