

**FERGUSON PLC**  
**(the "Company")**

**SUMMARY OF MATTERS RESERVED FOR THE BOARD**

The Board is collectively responsible for the long-term success of the Company.

The Board's primary role is to provide effective and entrepreneurial leadership necessary to enable the Group's business objectives to be met and to review the overall strategic development of the Group as a whole. The Board has a strong culture of open debate. All Directors are actively encouraged to challenge existing assumptions and to raise difficult questions.

Certain strategic decisions and authorities of the Company are reserved as matters for the Board. For some of these matters, the Board delegates responsibilities and authorities to its Committees. The matters reserved for the Board for its decision are set out in a formal schedule, and include:

- strategy and management;
- capital and corporate structure;
- financial reporting and controls, including internal control and risk management systems;
- tax and treasury matters;
- major commitments, including major corporate transactions and contracts;
- communications, including shareholder communications;
- Board and senior management appointments, including succession planning;
- Compensation of Directors and senior management;
- delegation of authority, including division of responsibilities between the Chairman and Chief Executive;
- corporate governance matters, including establishing the Group's vision;
- Policies; and
- other miscellaneous matters.

The Board meets regularly during the year, as well as on an ad hoc basis as required by time-critical business needs.