

Modern Slavery Act

The UK Modern Slavery Act 2015 ("the Act") requires Ferguson plc and its group of companies ("the Group") to make an annual statement outlining the steps the business is taking to identify and prevent modern slavery within our organisation and its supply chain.

Through its various business divisions, the Group sources, distributes and sells products in mature markets in North America and Western Europe. A small percentage of the Group's own label products are sourced from other regions, principally in Asia.

It is recognised that there could be a small risk of human trafficking or slavery in the manufacturing, distribution and logistics activities that are connected with our business. Ferguson plc has zero tolerance for such activities. The Group is undertaking a number of steps to minimise the risks of slavery occurring in our business or our supply chain.

- We built upon our existing processes for background screening of suppliers so that now we have screened tens of thousands of our suppliers. No slavery risks were identified in the process. The businesses continue to screen their highest risk entities (based on spend value, geographical location and business type).
- Training on combating modern slavery was delivered in local language to associates in the Group's sourcing operations in China in 2016. Similar training is planned for the Group's Taiwanese operations in September 2017.
- Audits and site visits of suppliers in low cost countries are undertaken on their appointment and periodically thereafter. Procedures are in place for on-boarding and evaluating such suppliers.
- The Group has maintained a Code of Conduct and a confidential whistleblowing line, applicable to all Ferguson businesses, which allow people to "speak up" in confidence and without the fear of any negative consequences.

This statement is made on behalf of all subsidiaries of Ferguson plc (www.fergusonplc.com) and is made pursuant to section 54(1) of the Act and constitutes our Group's slavery and human trafficking statement for the financial year ending 31 July 2017.

This statement has been approved by the Board and signed on its behalf by:



John Martin
Group Chief Executive