TCFD Disclosure

Task Force on Climate-Related Financial Disclosures Report

Ferguson plc (NYSE: FERG; LSE: FERG) is a leading value-added distributor in North America providing expertise, solutions and products from infrastructure, plumbing and appliances to HVAC, fire, fabrication and more. We exist to make our customers' complex projects simple, successful and sustainable. Ferguson is headquartered in the U.K., with its operations and associates solely focused on North America and managed from Newport News, Virginia. For more information, please visit corporate.ferguson.com or follow us on LinkedIn https://www.linkedin.com/company/ferguson-enterprises.

About this report

This report provides decision-useful, climate-related information across the four thematic areas of the Task Force on Climate-Related Financial Disclosures (TCFD): Governance, Strategy, Risk Management, and Metrics and Targets. The information detailed in this report is a result of a cross-functional body of work and illustrates the integration of climate-related risks and opportunities into our business strategy and operations. The process to date has prioritized promoting organizational awareness around relevant climate-related risks and opportunities. As we advance on our sustainability journey, we expect to continue to evolve our ESG reporting.

1 We received Independent Limited Assurance on select assertions and claims made within this TCFD Disclosure. For more information, please see the "External Assurance Statement" which details the scope, activities, and conclusions of this engagement. This document is available on the Ferguson website, www.corporate.ferguson.com.

Governance

a) Describe the board's oversight of climate-related risks and opportunities.

Ferguson's Board of Directors (Board) has a vested interest in improving Ferguson's environmental, social, and governance (ESG) performance. The Board and its committees have structured their annual program to receive updates on sustainability progress from our Vice President of ESG, with ESG on scheduled Nominations & Governance Committee agendas.[1] Topics such as reviewing project implementation and performance, progress against targets, and opportunities to integrate sustainability measures into capital expenditures are discussed at scheduled Nominations & Governance Committee meetings.[1] Our corporate governance documents, including Committee charters, can be found on the Corporate Governance page of the Investor tab of our website at corporate.ferguson.com under Governance Documents.

The Nominations & Governance Committee is responsible for providing oversight of our ESG disclosure framework, which includes climate-related issues and relevant public disclosures, including our ESG Report.[1]

Our CEO holds ultimate responsibility with respect to performance on climate-related issues. Our CFO is actively engaged in assessing risk related to climate change and alongside the management team's Finance Committee, approves all capital expenditures above a pre-approved financial threshold.[1] ESG is incorporated into the company's annual strategic planning process, which is overseen by the Senior Vice President of Strategic Development.[1]

b) Describe management's role in assessing and managing climate-related risks and opportunities.

Our ESG department is a part of the Finance organization, ultimately reporting to the Chief Financial Officer. Our Vice President of ESG is responsible for the day-to-day management of our ESG priorities and reports directly to the Head of Investor Relations and Communications. The VP of ESG and the ESG team monitor climate-related issues and work to ensure integration into our business strategy and operations.[1] In addition to the VP of ESG, the ESG team is comprised of a Director of Social Impact, a Senior Manager of Environmental Sustainability, an ESG Data Analyst and a Social Impact Specialist.

Ferguson also has a two-person Environmental Product Strategy team that coordinates on sustainable product innovation, including development and expansion of low-emission goods and services with our supplier partners. The Environmental Product Strategy team positions our sales force to assist our customers in achieving their sustainability goals, which ultimately aims to help the company seize climate-related business opportunities.

Environmental, Social & Governance Steering Committee

The VP of ESG chairs the Environmental, Social & Governance Steering Committee (the "ESG Steering Committee"), a cross-functional committee that includes leaders responsible for the ESG Framework and ESG subject matter experts (SMEs) from across the business. The purpose of the ESG Steering Committee is to assist the Executive Committee in overseeing the company's ESG-related key risks and opportunities, including climate-related risks and opportunities, that may have a significant impact on the company and its ability to sustain trust with associates, customers, suppliers, and the investment community.[1] It also supports Ferguson's on-going commitments to ESG and guides the evolution of the company's ESG Framework and priorities.

Environmental Leadership Council (ELC)

The ELC comprises a cross-functional group, including Ferguson Ventures, and our marketing, communications and ESG teams, along with leaders across our customer groups, who possess decades of combined experience driving sustainable solutions across the company and the marketplace. This group brings broad and deep industry knowledge and an incredible level of passion that will further drive our strategy. The ELC influences the direction of our Environmental Product Strategy and investment approach, while providing direct access to customer insights and market trends.[1]

Task Force on Climate-Related Financial Disclosures Report (continued)

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Through a cross-functional climate-related risk and opportunity assessment conducted in FY2023 which included both internal and external subject matter expertise, we identified climate-related physical and transition risks and opportunities posed to the company.

Climate-related risks and opportunities were qualitatively prioritized based on their identified time horizon, probability rating, impact rating, and mitigation status.

- Short-term: 0-5 years
- Medium-term: 6-10 years
- Long-term: 10+ years

The most relevant climate-related risks and opportunities that were identified and further evaluated through scenario analysis are set out in the tables on pages 56 and 57.[1] While the climate-related risks we identified are not material when applying the same threshold as to our other enterprise risks, we continue to monitor these risks closely. [1]

1 We received Independent Limited Assurance on select assertions and claims made within this TCFD Disclosure. For more information, please see the "External Assurance Statement" which details the scope, activities, and conclusions of this engagement. This document is available on the Ferguson website, www.corporate.ferguson.com.

TCFD Risk	Ferguson Risk	Impact	Current and Future Mitigation Strategies	Time Horizon
Transition Risk: Policy and Legal				
Increased pricing of GHG emissions	The implementation of a carbon tax in countries in which Ferguson operates.	While there is currently no carbon pricing system in the U.S. that impacts Ferguson, there have been discussions at the state level. A carbon tax may negatively impact Ferguson's operational expenses, product costs, and service costs.	In FY2022 Ferguson purchased and installed an on-site 1.1-megawatt solar array at its Perris, California Distribution Center and invested in a solar array for the Phoenix, Arizona Distribution Center, which is expected to be online in FY2024.[1] These emissions reduction efforts will help to reduce the volume of emissions which are taxed. In addition, Ferguson has a Scope 1 and Scope 2 (location-based) emission intensity reduction goal. Efforts towards this goal including building efficiency updates, building electrification, fleet rightsizing, and fleet electrification will also help to reduce the volume of emissions which are taxed.	Medium (5-10 years)
Physical: Acute				
Increased severity of extreme weather events	Increased frequency and severity of floods, wind storms, cyclones, wildfires, storm surges, hail, drought, etc. impact operations through damages to facilities and inventory.	The frequency and severity of extreme weather events has increased considerably in recent years. This trend is expected to continue to worsen in the future as the climate continues to warm and could have a significant impact on a multitude of factors impacting Ferguson's business.	Ferguson's Corporate Security and Business Continuity Department has plans covering localized disasters causing short-term business disruptions (i.e., natural weather events), nationwide disruptions, and singular incidents which have potential to adversely impact Ferguson's reputation.[1] These plans help Ferguson determine how to react when an event occurs. Widespread interruptions to Ferguson's operations are naturally hedged against through the company's widespread operational footprint and digital tools.	Short (0-5 years)
Physical: Chronic				
Rising mean temperatures	Rising mean temperatures significantly impact energy usage in Ferguson managed buildings.	Even under a low emissions scenario, heat thresholds relevant to health are projected to be exceeded more frequently at high global warming levels. This could have multiple implications for Ferguson including increased energy demand for facility cooling and updating facilities to provide better working conditions for associates. Additionally, during extreme heat events the electricity grid can also be overwhelmed, potentially leading to grid brownouts and blackouts, which could result in significant disruptions to Ferguson's operations.	Ferguson has developed a consistent framework to support sustainable design, construction, and operations in support of the company's goals.[1] These sustainable design standards are applicable to new Market Distribution Centers and medium-scale "business as usual" locations which are typically between 50,000 and 150,000 square feet and include a large portion of warehouse space and with a smaller office space.[1] Some also include a retail counter. The standards are aligned with the LEED and Fitwel programs which promote healthy, resilient, and efficient green buildings.[1]	Long (10+ years)

Task Force on Climate-Related Financial Disclosures Report (continued)

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

The process to date has prioritized promoting organizational awareness around relevant climate-related risks and opportunities. Our approach is still developing, and further management actions may follow as potential impacts are investigated and integrated.

Ferguson's purpose is to provide innovative products and solutions to help make our customers' complex projects simple, successful, and sustainable. The climate-related risks identified in the table above, while not assessed as material when applying the same threshold as our other enterprise risks, have the potential to impact our business in several ways, including increasing operational expenses, increasing the cost of the products we sell and disrupting our supply chain.[1]

Several business opportunities were also reviewed, including the transition of the residential sector to a low-carbon future and the reduction of operating expenses through investments in energy efficiency and renewable energy. Both the climate-related risks and opportunities identified in this report are taken into consideration during the organization's strategic and financial planning processes.[1]

TCFD Opportunity	Ferguson Opportunity	Current and Future Mitigation Strategies	Time Horizon
Products & Services			
Development/ expansion of low emission goods and services	Ferguson expands its low emissions goods and services offerings.	Ferguson's Environmental Product Strategy team aims to expand Ferguson's offering of sustainable products by training our associates, educating the customer, and leading the industry.[1] Through Ferguson's large network of suppliers, the company can expand across multiple products including heat pumps to electrify heating, tankless water heaters to reduce energy usage, leak detection technology to reduce water waste, and Wi-Fi monitoring to ensure appliances are turned off when not in use. Expanding Ferguson's inventory to include these types of products will help Ferguson maintain its competitive edge in the market.	Medium (5-10 years)
Energy Source			
Use of lower emission energy sources	Ferguson combines on-site renewables and other energy strategies to drive the use of lower emission energy sources across the business.	In FY2022 Ferguson purchased and installed an on-site 1.1-megawatt solar array at its Perris, California Distribution Center and invested in a solar array for the Phoenix, Arizona, Distribution Center, which is expected to be online in FY2024.[1] Energy produced by these new solar panels, combined with a Virtual Power Purchase Agreement, will help Ferguson increase its consumption of low emission energy sources. Ferguson has also engaged a third-party consultant to evaluate efficiency improvements in current facilities and future new builds.[1]	Short (0-5 years)
Markets			
Use of public sector incentives	Ferguson leverages green policy incentives.	Local and national incentives such as the Inflation Reduction Act and the Infrastructure Investment and Jobs Act offer tax benefits to Ferguson's customers for home energy efficiency upgrades.[1] As a result, Ferguson is likely to see an increased demand for some of its products. Ferguson can take advantage of this by educating its customers on the various products which qualify for these benefits and how they can be installed in a customer's home or business. Ferguson can also take advantage of tax incentives that would reduce the financial burden of transitioning our operations towards more sustainable solutions.	Short (0-5 years)

1 We received Independent Limited Assurance on select assertions and claims made within this TCFD Disclosure. For more information, please see the "External Assurance Statement" which details the scope, activities, and conclusions of this engagement. This document is available on the Ferguson website, www.corporate.ferguson.com.

Task Force on Climate-Related Financial Disclosures Report (continued)

Environmental considerations are an element of the company's annual strategic planning process. Strategies to address climate-related risks and realize opportunities are presented by individual functional and customer groups.[1] The company is working to expand knowledge of and responsibility for encouraging the adoption of sustainable and energy-efficient products and solutions across the entire sales force. The Environmental Leadership Council (ELC) will influence the direction of Ferguson's Environmental Product Strategy and investment approach by helping to spur innovation within our supplier base and encouraging our manufacturers to create more sustainable products and solutions.

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Ferguson has assessed climate-related risks and opportunities using scenario analysis, which has enhanced our strategic conversations about the future by considering, in a more structured manner, what may unfold that is different from business-as-usual. Our strategy for managing these risks and realizing the opportunities is consistent across the range of evaluated scenarios. Our initial focus is on identifying the most relevant climate-related risks and opportunities for the business, and we intend to continue to evaluate our strategies as our organizational approach matures.

1 We received Independent Limited Assurance on select assertions and claims made within this TCFD Disclosure. For more information, please see the "External Assurance Statement" which details the scope, activities, and conclusions of this engagement. This document is available on the Ferguson website, www.corporate.ferguson.com.

Ferguson also evaluated the impact of key climate-related risks and opportunities using the below scenarios across a range of company-specific inputs to build resiliency into our strategy across a variety of internal scenarios. The scenarios were chosen to represent a broad spectrum of outcomes. See details below about how scenarios were used in our analysis across a variety of time horizons.

IEA Announced Pledges Scenario
- Assumes all climate commitments made by governments around the world, including Nationally Determined Contributions and longer-term net zero targets, as well as targets for access to electricity and clean cooking, will be met in full and on time.

IEA Net Zero Emissions by 2050
- Emissions trajectory consistent with keeping the temperature rise in 2100 below 1.5°C (with a 50% probability)

IPCC SSP1-2.6
- Estimated warming of 1.3 – 2.2°C by 2060
- Pathway narrative: Sustainability – Taking the Green Road (Low challenges to mitigation and adaptation)

IPCC SSP 5-8.5
- Estimated warming of 1.9 – 3.0°C by 2060
- Pathway narrative: Fossil-fueled Development – Taking the Highway (High challenges to mitigation, low challenges to adaptation)

Transition Risk, Policy – Increased pricing of GHG emissions
- Projected cost of a carbon tax on Ferguson's operations under Net Zero Emissions by 2050 scenario and Announced Pledges Scenario through 2030, 2040, and 2050.
- Projected Ferguson Scope 1 emissions trajectory across both high and moderate emissions reduction scenarios.

Physical Risk, Acute – Increased severity of extreme weather events
- Leveraged financial impacts from historical extreme weather events that rose to the level of insurance claim to project potential additional impact in the future by peril, geographic region, or asset types utilizing low emission scenario SSP 1-2.6 and high emission scenario SSP 5-8.5.

Physical Risk, Chronic – Rising mean temperatures
- Modeled the projected change in the company's energy consumption as a result of rising temperatures and the company's electric transition. This model's low emission scenario uses SSP 1-2.6 for physical risks and IEA's Announced Pledges Scenario for transition risks, and the high emission scenario uses SSP 5-8.5 for physical risks and IEA's Stated Policies scenario for transition risks.

Opportunity: Products & Services – Development/ expansion of low emission products and solutions
- Evaluated the projected financial impact to Ferguson of society's transition to low emission products and solutions, specifically heat pump space heaters and heat pump water heaters. This model utilizes projections from Rewiring America's June 2023 Pace of Progress Report as well as SSP1-2.6 and SSP5-8.5 scenarios.

Opportunity: Energy Source – Use of lower emission energy sources
- Performed an assessment of current and possible future facilities to determine each location's potential for renewable energy generation and exposure to climate perils utilizing low emission scenario SSP 1-2.6 and high emission scenario SSP 5-8.5.

Task Force on Climate-Related Financial Disclosures Report (continued)

Risk management

Disclose how the organization identifies, assesses, and manages climate-related risks.

a) Describe the organization's processes for identifying and assessing climate-related risks.

- Climate-related risks and opportunities, including existing and emerging regulatory requirements, were initially identified by the ESG team based on industry research, advancements in technology, and other sustainability trends.[1]
- Impacts are explored further through interviews and document review with subject matter experts within the company including Fleet, Facilities, Investor Relations, Legal, Business Continuity and Finance.[1]
- Climate-related risks and opportunities are categorized using Tables A1.1 and A1.2 in the Appendix to TCFD 2021 guidance.[1]
- Each identified climate-related risk is mapped to a Ferguson risk area based on impact to: income before tax, market cap, reputation, dividend payment, strategy and operations.[1]
- The climate-related risks and opportunities were qualitatively prioritized based on their identified time horizon, probability rating, impact rating and mitigation status.[1]
- Impacts of the most relevant climate risks and opportunities are further analyzed and quantified through scenario analysis.[1]
- Climate-related risks are not assessed as material when applying the same threshold as our other enterprise risks.[1]

1 We received Independent Limited Assurance on select assertions and claims made within this TCFD Disclosure. For more information, please see the "External Assurance Statement" which details the scope, activities, and conclusions of this engagement. This document is available on the Ferguson website, www.corporate.ferguson.com.

b) Describe the organization's processes for managing climate-related risks.

The primary responsibility for identifying, assessing, and managing risks belongs with company management. In addition to the information described on page 55 Governance b) and Risk management c) below, the Vice President of ESG is responsible for daily climate-related issue management, monitoring, and integration into business strategy and operations.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Ferguson is committed to maintaining an Enterprise Risk Management (ERM) Program that considers and manages opportunities, risks and uncertainties that may impact achievement of Ferguson's strategic objectives.[1] The ERM Program establishes collaborative risk management processes that are designed to proactively identify, assess, mitigate and monitor business risks and that facilitate the associated reporting about such risks to both internal and external stakeholders. Our Vice President & Deputy General Counsel provides centralized oversight of the ERM program and works with key risk owners across the company.[1]

The Board oversees the ERM Program and receives periodic reports from:

- the Audit Committee on the guidelines and policies that govern the process by which risk assessment and management is undertaken by the Executive Committee, including review of the company's risk appetite and criteria;[1]
- the Executive Committee (or designees) on existing and emerging enterprise risks, including review of the effectiveness of the mitigation and controls; and[1]
- the Chief Legal Officer (or designee) on the ERM Program, including Operational Assurance Statement (OAS) process results.[1]

In addition, as noted above, the Nominations & Governance Committee is responsible for providing oversight of our ESG disclosure framework and related public disclosures, including our ESG Report.[1]

Task Force on Climate-Related Financial Disclosures Report (continued)

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

Our assessment of climate-related risks and opportunities uses the metrics below and adopts the same threshold as our other enterprise risks.

Energy Use[1]

- Energy consumption within the organization (GJ)
- Percentage grid electricity (%)
- Percentage renewable (%)
- Natural gas consumption within the organization (GJ)
- Diesel consumption within the organization (GJ)
- Gasoline consumption within the organization (GJ)

Revenue from products third-party certified to environmental and/or social sustainability standards (USD)

Number of retail locations and distribution centers

Total area of retail space and distribution centers (m^2)

Please refer to our ESG Report for the following: (p. 16) for more details on our Scope 3 reporting; (p. 42) for Executive compensation; and (p. 49-53) for emissions figures and further details.

b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

We have identified the following risks associated with greenhouse gas emissions which relate to our earlier identified climate-related risks:

Scope 1 risks – Carbon tax and efficiency standards could result in increased operational costs[1]

Scope 2 risks – Rising mean temperatures could create more demand for electricity use for comfort cooling and result in increased electricity costs[1]

Scope 3 risks – Carbon tax could result in increased product costs[1]

Please refer to our ESG Report (p. 49-53) and the Basis of Reporting (p. 1-4) for emissions figures and further details.

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

To reduce our Scope 1 and 2 emissions by 35% per million USD of revenue by 2026 (against a 2019/2020 baseline).[1]

Data is collected and managed on an ongoing basis. We evaluate progress towards this target two times a year. We pursue Independent Limited Assurance on specific ESG indicators in our ESG Report as described in the Assurance Statement available on the ESG tab of our corporate website at corporate.ferguson.com. Please refer to our ESG Report (p. 17-18) for details on our approach to achieve targets.

Carbon emissions	Baseline 2019/2020	2020/2021	2021/2022	2022/2023	Increase/ reduction from 2021/2022	Total emissions reduction since 2019/2020
Scope 1 and 2 emissions intensity	12.7	10.6	8.9	8.5	(4.5%)	(33.1%)

Note: Our ESG Report, Basis of Reporting and Assurance Statement can be found on the ESG tab of our website at corporate.ferguson.com.

1 We received Independent Limited Assurance on select assertions and claims made within this TCFD Disclosure. For more information, please see the “External Assurance Statement” which details the scope, activities, and conclusions of this engagement. This document is available on the Ferguson website, www.corporate.ferguson.com.

Cautionary note on forward-looking statements

Disclaimer

Certain information included in this report is forward-looking, including within the meaning of the Private Securities Litigation Reform Act of 1995, and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements. Forward-looking statements cover all matters which are not historical facts and include, without limitation, objectives and projections with respect to the company's ESG program and related sustainability-centric plans and efforts, statements or guidance regarding or relating to our future financial position, results of operations and growth, projected interest in and ownership of our ordinary shares by investors including as a result of inclusion in North American market indices, plans and objectives for the future including our capabilities and priorities, risks associated with changes in global and regional economic, market and political conditions, ability to manage supply chain challenges, ability to manage the impact of product price fluctuations, our financial condition and liquidity, legal or regulatory changes, statements regarding our expectations for U.S. residential and non-residential growth drivers and other statements concerning the success of our business and strategies. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as "believes," "estimates," "anticipates," "expects," "forecasts," "intends," "continues," "plans," "projects," "goal," "target," "aim," "may," "will," "would," "could" or "should" or, in each case, their negative or other variations or comparable terminology and other similar references to future periods.

Forward-looking statements speak only as of the date on which they are made. They are not assurances of future performance and are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections (including the projected ESG initiatives, results and performance, including whether the company will be able to achieve its emissions reduction goals in the anticipated timeframe or at all), anticipated events and trends, the economy and other future conditions. Therefore, you should not place undue reliance on any of these forward-looking statements. Although we believe that the forward-looking statements contained in this report are based on reasonable assumptions, you should be aware that many factors could cause actual results to differ materially from those in such forward-looking statements, including but not limited to: weakness in the economy, market trends, uncertainty and other conditions in the markets in which we operate, and other factors beyond our control, including disruption in the financial markets and any macroeconomic or other consequences of the current conflict in Ukraine or potential conflict between China and Taiwan; failure to rapidly identify or effectively respond to direct and/or end customers' wants, expectations or trends, including costs and potential problems associated with new or upgraded information technology systems or our ability to timely deploy new omni-channel capabilities; decreased demand for our products as a result of operating in highly competitive industries and the impact of declines in the residential and non-residential markets as well as the repair, maintenance and improvement ("RMI") and new construction markets; changes in competition, including as a result of market consolidation or competitors responding more quickly to emerging technologies (such as generative artificial intelligence ("AI")); failure of a key information technology system or process as well as exposure to fraud or theft resulting from payment-related risks; privacy and protection of sensitive data failures, including failures due to data corruption, cybersecurity incidents or network security breaches; ineffectiveness of or disruption in our domestic or international supply chain or our fulfillment network, including delays in inventory, availability at our distribution facilities and branches, increased delivery costs or lack of availability; failure to effectively manage and protect our facilities and inventory or to prevent personal injury to customers, suppliers or associates, including as a result of workplace violence; unsuccessful execution of our operational strategies; failure to attract, retain and motivate key associates; exposure of associates, contractors, customers, suppliers and other individuals to health and safety risks; inherent risks associated with acquisitions, partnerships, joint ventures and other business combinations, dispositions or strategic transactions; regulatory, product liability and reputational risks and the failure to achieve and maintain a high level of product and service quality; inability to renew leases on favorable terms or at all as well as any remaining obligations under a lease when we close a facility; changes in, interpretations of, or compliance with tax laws in the United States, the United Kingdom, Switzerland or Canada; our indebtedness and changes in our credit ratings and outlook; fluctuations in product prices (e.g., commodity-priced materials, inflation/deflation) and foreign currency; funding risks related to our defined benefit pension plans; legal proceedings as well as failure to comply with domestic and foreign laws, regulations and standards, as those laws, regulations and standards or interpretations and enforcement thereof may change, or the occurrence of unforeseen developments such as litigation; our failure to comply with the obligations associated with being a U.S. domestic issuer and the costs associated therewith; the costs and risk exposure relating to environmental, social and governance ("ESG") matters, including sustainability issues, regulatory or legal requirements, and disparate stakeholder expectations; adverse impacts caused by a public health crisis; and other risks and uncertainties set forth under the heading "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended July 31, 2023 as filed with the Securities and Exchange Commission (the "SEC") on September 26, 2023, and in other filings we make with the SEC in the future.

Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Other than in accordance with our legal or regulatory obligations, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

The United Nations Sustainable Development Goals (UNSDGs) are aspirational in nature. The analysis involved in determining whether and how certain initiatives align with the UNSDGs is inherently subjective and dependent on a number of factors. There can be no assurance that reasonable parties will agree on a decision as to whether certain projects or investments align with a particular SDG. Further, statistics and metrics relating to ESG matters are estimates and may be based on assumptions or developing standards (including Ferguson's internal standards and policies).

Further, there can be no assurance that the Company's policies, procedures, and positions relating to ESG, including climate change, will continue; such policies, procedures and positions, including initiatives, goals and targets, could change, even materially. The Company is permitted to determine in its discretion that it is not feasible or practical to implement or complete certain of its policies, procedures, positions, goals or targets relating to ESG issues based on cost, timing, or other considerations. No assurance can be given that the Company will remain a signatory, supporter, or member of any ESG-related initiative or other similar industry frameworks. Except where indicated, this document and the data contained herein has not been verified or otherwise assured by an independent third party.

Additionally, terms such as "ESG," "impact" and "sustainability" can be subjective in nature, and there is no representation or guarantee that these terms, as used in the report, will reflect the beliefs or values, policies, principles, frameworks or preferred practices of any particular investor or other third party or reflect market trends. The ESG, climate or impact goals, commitments, incentives and initiatives outlined in this report are purely voluntary, are not binding on the Company's business or investment decisions and/or management and do not constitute a guarantee, promise or commitment regarding actual or potential positive impacts or outcomes. The Company has established, and may in the future establish, certain ESG, climate or impact goals, commitments, incentives and initiatives, including but not limited to those relating to greenhouse gas emissions reductions.

Statistics and metrics relating to ESG matters are estimates and may be based on assumptions or estimates (which may prove to be inaccurate) or developing standards (including the Company's internal standards and policies).

Certain information contained herein has been obtained from third parties, and in certain cases have not been updated through the date hereof. While these third-party sources are believed to be reliable, the Company makes no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness or completeness of any of the information contained herein, and expressly disclaims any responsibility or liability therefor. The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. Further, in this report, we are not using terms such as "material" or "materiality" as they are used under the securities or other laws of the United States or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. Materiality, for the purposes of this document should not, therefore, be read as equating to any use of the word in other reporting by the Company.

External assurance

Ferguson engaged ERM Certification and Verification Services Inc. (ERM CVS) to conduct third-party limited assurance of specific metrics for the period August 1, 2022 – July 31, 2023 which are presented in the FY2022/2023 ESG Report. ERM CVS assessed whether these metrics are fairly presented in accordance with the reporting criteria. For more information, please see the "External Assurance Report" which details the scope, activities and conclusions of their engagement. Both of these documents are available on the Ferguson website, www.corporate.ferguson.com.

FERGUSON