

MODERN SLAVERY ACT STATEMENT

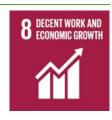
FERREXPO PLC, FERREXPO FINANCE PLC

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 in respect of the financial year ended 31 December 2020.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS: TARGET 8.7

Take immediate and effective measures to eradicate forced labour end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour including recruitment and use of child soldiers and by 2025 end child labour in all its forms





DESCRIPTION OF THE GROUP

Ferrexpo is the third largest iron ore pellets supplier to the global steel industry. Ferrexpo has been producing high grade iron ore pellets for over 40 years. Ferrexpo's operations comprise of two iron ore mines, a third mine in development in Ukraine, processing facilities and infrastructure for delivering the company's pellets around the world. In 2020, the Group produced 11.2 million tonnes of pellets. Ferrexpo has a diversified customer base supplying steel mills in Central Europe, North East, Western Europe, China and South East Asia, Turkey, Middle East, and India. Ferrexpo is listed on the main market of the London Stock Exchange under the ticker FXPO and is a member of the FTSE 250 index and the FTSE4Good index. For further information, please visit www.ferrexpo.com.

APPROACH TO HUMAN RIGHTS AND MODERN SLAVERY

Ferrexpo's Code of Conduct encompasses a wide range of financial, social and environmental stipulations, including a safe working environment, non-discrimination and equality, freedom of association and anti-bribery. Ferrexpo believes in fundamental human rights and dignity for all people, as set out in the Universal Declaration of Human Rights. Ferrexpo supports the UN Guiding Principles on Business and Human Rights which outlines the duties and responsibilities of industry to address business-related human rights issues.

The Code of Conduct reflects the Company's commitment to supporting human rights and to taking all possible steps to ensure that slavery and human trafficking are not taking place in any part of the Group's supply chains or businesses. For further information, please see the Group's Code of Conduct. Ferrexpo requires that its business partners follow the same commitment, which is also reflected in the Business Partners' Code of Conduct.

The Company is committed to contributing to achieving the Sustainable Development Goals set by the United Nations General Assembly in 2015, including the ones related to the human rights. To learn more, please refer to Ferrexpo's Responsible Business Reports published regularly by the Company.

NATIONAL CONTEXT

In 2017, the International Labour Organization and the Walk Free Foundation in partnership with the International Organization for Migration published the Global Estimates of Modern Slavery. According to the report, at any given time in 2016, an estimated 40.3 million people were in modern slavery, including 24.9 million in forced labour.

Ukraine

43,758,299 population	\$9,233 GDP (ppp)	54.38/100 vulnerability to modern slavery
286,000 estimated number of people living in modern slavery	6.41/1000 estimated proportion of population living in modern slavery	BB government response rating

The Global Slavery Index, published by the Walk Free Foundation, ² estimates the percentage of countries population suffering from conditions of modern slavery and ranked countries from 1 to 167 (1 being the country with the highest percentage). In 2018, Ukraine ranked 49/167 on the Prevalence Index Rank. It translates to the estimated 286,000 people living in modern slavery.

Ukraine's relatively poor ranking reflects the ongoing political turmoil in the far east of the country, with increased risks of forced

¹ https://www.alliance87.org/2017ge/modernslavery#!section=0

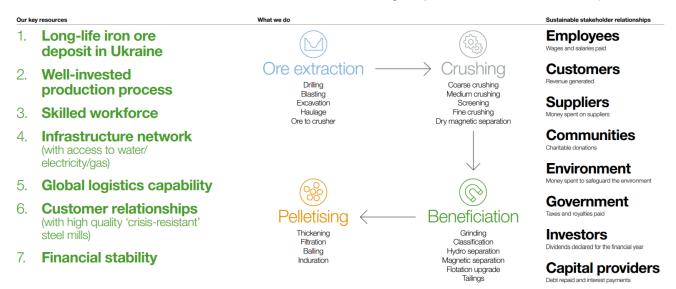
² https://www.globalslaveryindex.org/

labour, the recruitment of children for armed conflict, and the forced migration and potential exploitation of the workforce.

The Walk Free Foundation's report Measurement, Action, Freedom 2019³ found Ukraine's response to the modern slavery issue as 'strong relative to wealth'. The country has moved up the rating scoring 6 points out of 10 as opposed to the previous year's 5 points. Despite the improvements, there is still a lot of effort required from the government and the businesses to put an end to the problem.

STRUCTURE OF BUSINESS

Ferrexpo plc is incorporated in the United Kingdom and headquartered in Switzerland. It has iron ore mining and processing operations in Central Ukraine while its sales and logistics operations are based in Switzerland, Ukraine, Dubai, Singapore, China and Japan. Ferrexpo plc ultimately owns 100% of all operating subsidiaries. Ferrexpo Poltava Mining has a 49.9% holding in LLC Tis-Ruda, which is the Group's primary shipping terminal in Ukraine for seaborne markets. The Group also has a wholly owned logistics subsidiary in Austria - First-DDSG Logistics Holding GmBH. Ferrexpo Finance plc is also registered in the UK. Ferrexpo's business model is shown below. The Company creates value for its stakeholders through the careful development of its long-life iron ore deposit in Ukraine Vital to Ferrexpo's ongoing success are the people who the Company employ, continued investment into its operations, ongoing development of its diversified global customer base and the support of the communities. For further information, see the Strategic Report section of the 2020 Annual Report.





COMPANY'S PURPOSE

Ferrexpo produces and markets premium quality iron ore pellets, vital for sustainable steel production and essential to modern life.

KEY SUPPLIERS AND CONTRACTORS/SUPPLY CHAIN

Ferrexpo's operations are supported by a global supply chain for goods and services. This supply chain includes suppliers of raw, direct and indirect materials, skilled labour and services required for the Group's operations, and a wide range of legal, technical and administrative professional services. The most significant expenditure is on electricity, gas, diesel fuel, spare parts, labour, explosives, and steel grinding media. The vast majority of suppliers by value are located in Ukraine.

POLICIES AND CONTROLS

Counter-party risk assessment and due diligence

Ferrexpo conducts every aspect of its work in a way that recognises and supports the human rights of employees, counterparties and every person with whom we have contact. To the extent possible, we seek to identify and address human rights risks and violations in our sphere of influence. We understand that

the company's activities impact human rights in connection with labour conditions, local community programmes and more. We engage with communities and seek to understand the social, cultural, environmental and economic implications of our activities so that we can respond to concerns, reduce impacts and optimise the benefits for the community.

³ https://www.globalslaveryindex.org/2019/findings/foreword/

We encourage our suppliers to follow our commitment to human rights.

If there are identified human rights breaches in relation to a customer, supplier, contractor, agent or any other person undertaking work on behalf of Ferrexpo and there is no clear commitment to corrective action, persistent inaction, or a lack of improvement, then our work with that person or entity shall cease immediately.

With respect to the workforce within Ferrexpo and entities in its supply chain, we do not permit the employment of child labour, nor do we allow forced or other forms of involuntary labour.

The Group has implemented the holistic risk management system that ensures early identification, assessment and treatment of risks.

The risk of modern slavery in Ferrexpo's supply chain is routinely considered as part of the Group's risk assessment process. There are no operations within the Ferrexpo Group which have been assessed as having a high or medium degree of risk of involuntary labour in any form occurring.

The Group performs due diligence checks on an ongoing basis to detect, assess and manage potential third-party risks, which include looking for evidence or suspicion of human rights abuses. Suppliers identified as "high risk", for whatever reason, are separately reviewed on a regular basis by the Finance, Risk Management and Compliance Committee ("FRMCC"), which decides upon risk mitigation measures or avoidance of any relations with such a supplier.

Assessing the effectiveness of steps

In 2020, no signs of modern slavery, including forced labour or human trafficking, were identified within our business or any of the Group's suppliers.

Ferrexpo has a Business Partners' Code of Conduct, which sets out Ferrexpo's requirements to its counterparties, including those related to the human rights, anti-slavery and anti-trafficking. In 2020, reference to the code was included in the majority of the supply contracts.

Compliance with Policies

Ferrexpo has a system of reporting any breaches of company policies (including the Code of Conduct which incorporates slavery and trafficking matters) available to all employees and counter-parties. Ferrexpo Integrity Line is available at

http://ferrexpo.com/IntegrityLine and by telephone, operated by an independent provider to ensure confidentiality. In case of a suspected breach by a supplier of an anti-slavery condition, Ferrexpo's compliance and internal audit departments will investigate and, if appropriate, the contract will be terminated.

As part of its risk mitigation policy Ferrexpo aims to have a diversity of source of supply in order to avoid excessive dependence on certain suppliers, so in most cases the Group is able to change suppliers if required.

TRAININGS

To raise awareness around compliance related topics, Ferrexpo hosts its annual Compliance Week, bringing together various groups within the business for training courses in compliance and ethical leadership. The third such iteration of this event, which was a virtual conference held in May 2020 and had speakers from a number of external organisations covering topics such as Ferrexpo's values, ethical leadership, modern slavery, anticorruption and creating a speak-up culture.

ACTIONS TO BE CARRIED OUT IN 2021

Ferrexpo will continue monitoring its supply chain for signs of forced labour or human trafficking, and implementing its requirements in the field of human rights in its relationships with the suppliers.

Training sessions related to the modern slavery issues will be held during Ferrexpo's 4th Compliance Week.

Ferrexpo will:

- continue to assess modern slavery risks before entering into contracts with suppliers and include relevant provisions in suppliers' contracts;
- conduct a formal reviewing of KYC Questionnaire for suppliers and Business Partners' Code of Conduct;
- train suppliers to mitigate modern slavery risks;
- monitor the suppliers.

FURTHER INFORMATION

For further information on the Group's approach to human rights and employee relations please the see the Responsible Business section of the 2020 Annual Report and the Responsible Business section of Ferrexpo's website.

BOARD APPROVAL

This statement has been approved by the Board of Ferrexpo plc.

James North

Acting Chief Executive Officer, Ferrexpo plc