

2024 Sustainability Report

Inspiring Sweetness Sustainably

Ferrara®



Table of Contents

A Letter from Our CEO	3
About Ferrara	4
Our Company and Brands	4
Sustainability at Ferrara	5
Our Value Chain	6
People and Culture	7
Community Engagement	8
Climate Change	9
Emissions Reduction Goals and Initiatives	9
Biodiversity and Ecosystems	11
Packaging	13
Designing for Recyclability	13
Packaging Design and Recycling Behavior	15
Regulations — EPR, Recycled Content, and More	16
Raw Materials	17
Our Approach to Responsible Sourcing	17
Our Supplier Code of Conduct	19

Human Rights	20
Upholding Human Rights Across our Operations	20
Operating Responsibly	22
Employee Health and Safety	22
Food Safety and Quality	24
Health and Nutrition	24
Responsible Marketing	24
Employee Code of Conduct	24
Anti-Corruption and Compliance Program	25
Data and Privacy	25
Appendix	26
About this Report	26
TCFD Disclosures	26
Product and Packaging Data	27
Operational Waste Data	28
Glossary of Terms	29



A Letter from Our CEO

Dear Stakeholders,

Ferrara Candy Company has experienced remarkable growth in recent years, becoming North America's top-selling sugar confections company and a leading global candy company, building on 118 years of creating treats beloved by consumers worldwide. With this rapid growth and strong consumer loyalty comes the responsibility to build a solid sustainability foundation that allows us to delight consumers while preserving the future of our planet and communities.

We are dedicated to continued progress on our sustainability journey. As we are building momentum in this area, our commitment to getting things done — and doing it right — runs deep. From our leadership to those crafting our products in the manufacturing plants, we have an aspirational approach to progress and change, which is achieved by setting sustainability goals with clear pathways to success.

Just as we inspire sweetness among our communities, employees, and consumers, we are building a sustainability strategy that lets our products create joy in new ways. We're "Inspiring Sweetness Sustainably" by integrating environmental and social responsibility into our innovation, operations, and growth initiatives.

Our inaugural sustainability report serves two essential purposes: to establish the foundation of Ferrara's sustainability journey and to demonstrate our commitment to sharing ongoing progress with transparency and accountability. It documents our work across climate action, sustainable packaging, responsible sourcing, human rights, and community engagement while acknowledging the significant opportunities ahead.

At Ferrara, sustainability means ensuring future generations can enjoy the same sweetness we celebrate today. We invite you to join us on this journey and thank you for taking the time to review it with us.



Marco Capurso
CHIEF EXECUTIVE OFFICER



About Ferrara

Our Company and Brands

For 118 years, Ferrara has been bringing sweetness to life's most memorable moments. What began as a small, family-operated confectioner has evolved to North America's top-selling sugar confectionery company, and a global leader after the acquisitions of Dori (2023), Jelly Belly (2023), and Carambar & Co. (2025). Ferrara is home to beloved brands like Jelly Belly®, Trolli® (North America), SweetTARTS®, Brach's®, Lemonhead®, NERDS®, Laffy Taffy®, Carambar®, Pettiz™, and Black Forest®. Each brand carries its own personality and emotional connection, yet all share the power to spark joy, bring people together, and create lasting memories.

Our more than 8,600 employees around the world are dedicated to crafting moments of fun and connection, whether it's sharing NERDS Gummy Clusters® during a movie night or passing around Trolli Sour

Electric Crawlers® at a party. Ferrara's growth reflects our commitment to innovation, strategic acquisitions, and expanding our international reach while honoring confectionery traditions. Guided by a mission to inspire sweetness, every decision — from product development to sustainability initiatives — aligns with the quality, authenticity, and joy that make our brands meaningful to generations of consumers.

Ferrara manufactures through 27 global operational facilities. Unless otherwise noted, the data and content in our 2024 sustainability report reflect operations of Ferrara only and exclude recently acquired entities Dori Alimentos, Jelly Belly Candy Company, and Carambar & Co.

Ferrara is a Ferrero-affiliated company. As such, in our sustainability work, we often align with the larger Ferrero ecosystem and share resources for efficiency.



Sustainability at Ferrara

Welcome to Ferrara's First Sustainability Report

As we continue to build on our place as the leader in sugar candy, we recognize the importance of transparently communicating our environmental and social commitments to our stakeholders. This report represents our commitment to accountability and our belief that sustainability requires not just action, but clear communication about our progress.

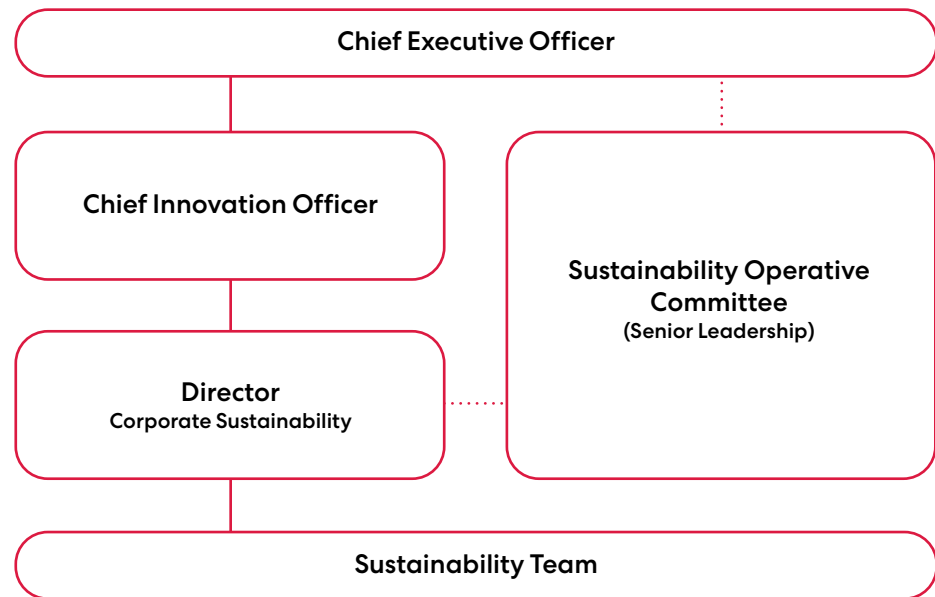
This report covers calendar year 2024 and addresses the material topics most relevant to our business and stakeholders — those environmental, social, and governance issues that significantly impact our operations and matter most to the communities we serve. Information about our reporting scope can be found in our [Appendix](#).

Our Approach

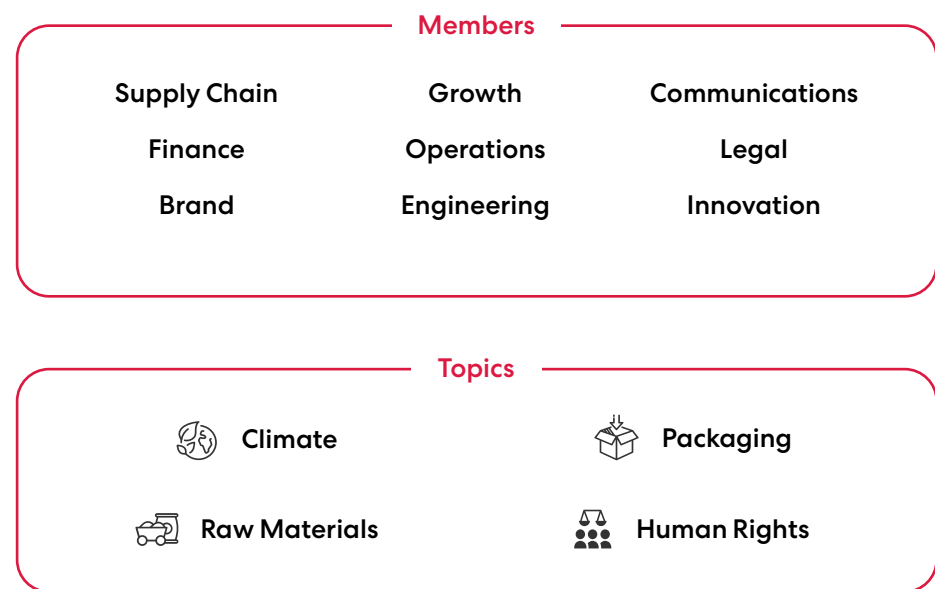
At Ferrara, we focus on setting realistic, measurable sustainability targets supported by intentional and impactful implementation strategies. A driver for our sustainability initiatives is the Sustainability Operative Committee (SOC), a group of key decision-makers from across departments. The Ferrara SOC is a committee of business leaders that provides input and approval on sustainability initiatives and projects intended to drive tangible change and build on our leadership position in the industry. It also resolves issues between long-term sustainability strategy and implementation. The committee meets quarterly, with ongoing communication and collaboration between meetings.

Governance of our sustainability work is maintained through quarterly reviews with our CEO and Senior Leadership team, who evaluate sustainability-related risks, impacts, and opportunities. This regular oversight by an invested Senior Leadership team ensures continuous progress, monitoring, and accountability for our sustainability commitments and reinforces that sustainability is not just our aspiration — it's our operational reality.

SUSTAINABILITY GOVERNANCE AT FERRARA

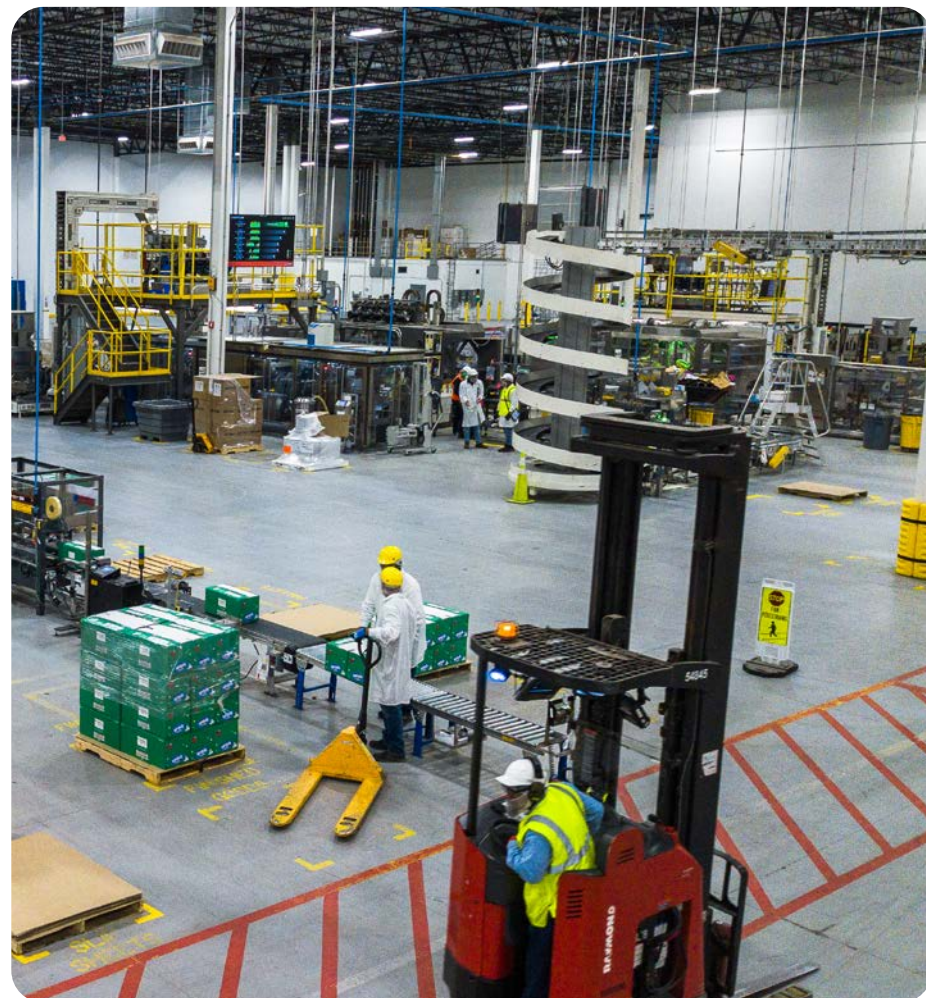


SUSTAINABILITY OPERATIVE COMMITTEE



Our Value Chain

Our value chain serves as the backbone of our sustainability strategy, providing a comprehensive framework for integrating environmental and social considerations into every aspect of our business operations. From ingredient sourcing to consumer experience, each stage represents an opportunity to create a positive impact while maintaining the quality and authenticity our brands are known for.



1



Responsible Sourcing



We focus on responsible sourcing as part of building a more sustainable value chain. Our priority ingredients — including cane sugar, palm oil, and carnauba wax — are widely used across the food industry, and with them come common sourcing challenges.

To strengthen transparency and traceability, we are developing our own responsible sourcing strategy while also utilizing a multi-step sourcing framework to inform our approach.

2



Product Development and Packaging



Sustainability is an important consideration in our approach to packaging and product development. These teams work closely to ensure that packaging changes maintain product quality and align with our broader environmental objectives.

3



Distribution and Retail



Our distribution and retail partnerships offer opportunities to extend our sustainability impact beyond our direct operations. We are collaborating more with customers and suppliers on shared goals, such as reducing packaging waste and climate impacts. While this work is still evolving, it signifies our commitment to identifying solutions that support long-term environmental and social impact.

People and Culture

Built on mutual care and respect, Ferrara operates with the understanding that everyone plays a vital role in our company's growth and the collaborative culture for which we are known.

Our "One Community" culture — grounded in Ferrara's values of imagination, collaboration, respect, responsibility, and excellence — reflects how we work and how we care for one another. We believe success means employees feel proud of both our business results and the positive impact we have on each other's lives. Our people are at the heart of our products, culture, and success. We offer a comprehensive suite of best-in-class benefits and resources that support employee development, engagement, learning, and wellbeing across mental and emotional, physical, financial, and social dimensions for employees and their families. This commitment comes to life through wellness and PTO benefits, a collaborative workplace, and Business Resource Groups (BRGs) that build community and engagement around cultural and business priorities. Through structured activities, including sustainability-focused events during Earth Month, BRGs connect employees across functions and locations to share knowledge, foster innovation, and advance our sustainability initiatives.

Employee engagement has become a cornerstone of our culture. Through our BRGs, Earth Month activities, and "One Community"

certification requirements, we've created multiple pathways for employees to contribute to our environmental and social goals. When employees see how their work connects to our broader sustainability mission, they become advocates and innovators, driving progress beyond what any corporate initiative could achieve alone.

The diversity of our workforce strengthens our ability to tackle complex sustainability challenges. Different viewpoints lead to better solutions, and our inclusive culture ensures all voices are heard and valued.

LEADING WITH INCLUSION

100

Ferrara received a perfect score on the Human Rights Campaign (HRC) 2024 Corporate Equality Index

The HRC Corporate Equality Index is the nation's leading benchmarking tool for LGBTQ+ workplace equality. For over 20 years, it has driven the adoption of inclusive policies and practices, demonstrating employers' commitment to equality.



Our Business Resource Groups (BRGs)



Community Engagement

As a company that's been part of our communities for well over a century, Ferrara understands that being a good neighbor means actively contributing to the wellbeing and vibrancy of the places where we work, live, and play. Our community engagement mirrors the same values that guide our products: bringing people together in celebration, creating shared experiences, and inspiring sweetness in life's important moments.

Our approach is guided by the understanding that candy serves a unique role in cultural celebrations, family traditions, and local events. We concentrate on how our products and presence can enhance community gatherings, support local initiatives, and create opportunities for shared joy. Notable community engagements from 2024 included:

- The [LUMA 8](#) Chicago's Upside Down and Arts in the Dark Parades, where Ferrara initiated cultural and community Halloween celebrations in Chicago's neighborhoods.
- Our Annual Day of Service — Ferrara's signature volunteer program with hundreds of employees across the US and Mexico participating in service opportunities to build connections and give back to local communities. The day's impact included harvesting fresh produce, assembling meal kits, conducting mock interviews, creating care packages, sorting essential items, and cleaning up the Chicago River.
- Our Earth Month celebrations throughout the month of April, including various activities across our company. In 2024, we had over 22 educational and/or volunteer activities and more than 4,000 employee participants.



Climate Change

At Ferrara, we view climate action as essential to managing long-term business risk, meeting stakeholder expectations, and strengthening the resilience of our operations and supply chain. Our strategy is grounded in science-aligned targets and guided by global climate goals. We've set ambitious targets across our operations and value chain and are driving progress through a combination of centralized strategy and site-level innovation. Our key activities include renewable energy investments, energy efficiency projects, and utility management programs that reduce greenhouse gas (GHG) emissions and build organizational capability for continuous improvement.

For Ferrara's detailed climate-related financial risks, scenario analysis, and metrics and targets, see [Appendix — TCFD Disclosures](#).

OUR COMMITMENTS

54.60%

reduction in Scope 1 and 2 emissions by 2033 from a 2021 baseline

30.10%

reduction in Scope 3 Non-FLAG emissions by 2033 from a 2021 baseline

39.40%

reduction in Scope 3 FLAG emissions by 2033 from a 2021 baseline

Emissions Reduction Goals and Initiatives

Our emissions reduction strategy combines centralized resources with local execution, enabling us to share expertise across the organization while empowering facility teams to identify and implement site-specific solutions. This dual system has proven effective in driving annual progress toward our targets while building organizational capability for continuous improvement.

At the heart of our emissions reduction strategy is a growing portfolio of capital projects and operational improvements designed to reduce both direct emissions from our operations and indirect emissions from purchased electricity.

Our Renewable Energy Certificates (REC) Strategy

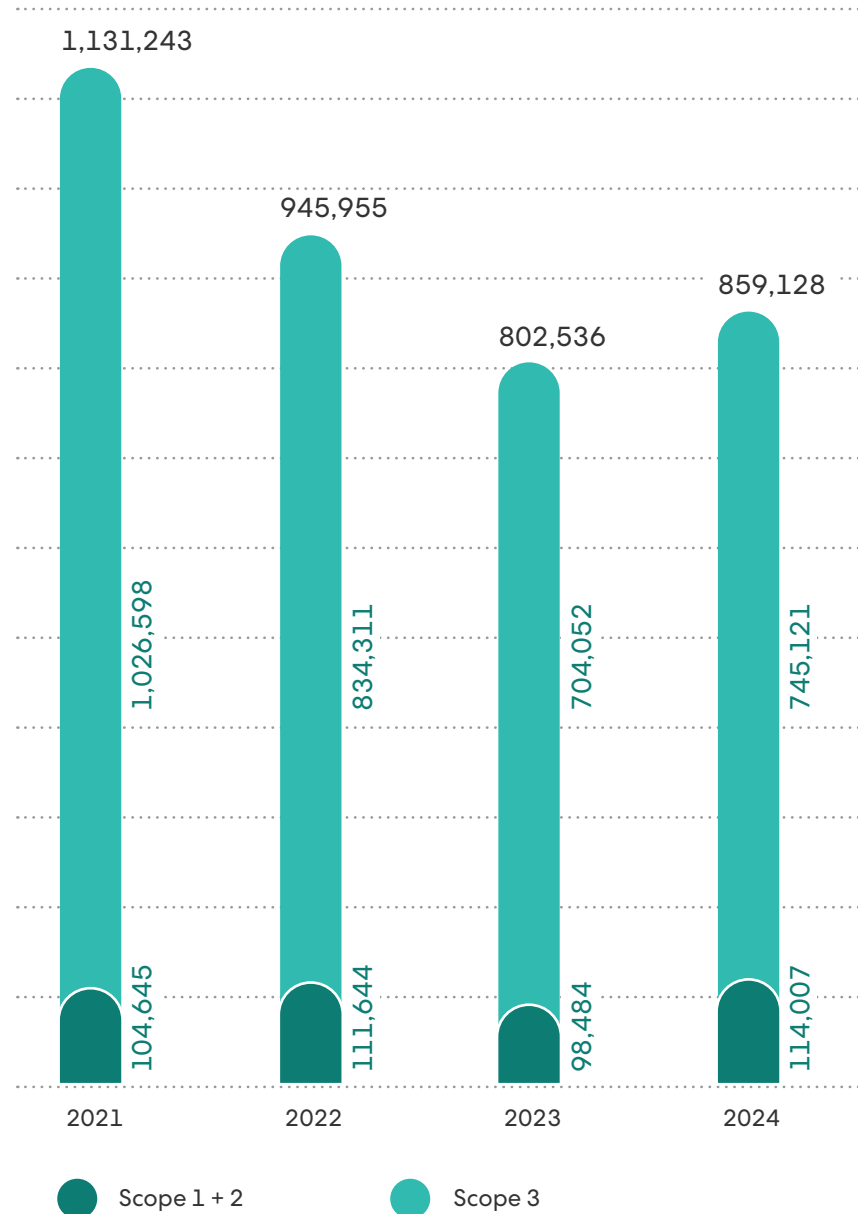
Our REC strategy serves as a bridge toward more permanent renewable energy solutions. While we continue to evaluate opportunities for on-site renewable energy generation and long-term renewable energy procurement agreements, RECs allow us to support the development of renewable energy sources and help reduce our market-based Scope 2 emissions in the near term. Our RECs are wind-focused and Green-e Certified.

78.90%

of Ferrara's US electricity use was covered with RECs in 2024



YEAR-OVER-YEAR (YOY) CARBON EMISSIONS¹ (MT CO₂e)



¹ Our metrics use location-based methodology.

SPOTLIGHT

Strategic Utility Management Program

Since 2023, our Strategic Utility Management (SUM) Program has combined thorough research with collaboration to cut emissions and improve resource efficiency. Energy teams at each facility work closely with the Sustainability, Environmental Health and Safety (EHS), and Engineering teams to identify opportunities for improvement.

The Challenge: Rolling out sustainability initiatives across a complex operational footprint requires alignment across multiple facilities, geographies, and teams. Furthermore, unexpected increases in energy use can stem from operational changes or equipment issues.

Our Solutions: Energy teams use utility data to detect anomalies, investigate root causes, and identify opportunities for efficient energy management across US and Mexico facilities. Facility teams have uncovered significant inefficiencies and secured capital funding to implement solutions. The program also promotes best-practice sharing across sites.

Key Projects

- Comprehensive facility assessments to reveal hidden inefficiencies
- LED lighting retrofits
- Chiller optimization and controls²
- Compressed air system optimization and controls²
- Submetering installation for key equipment²
- Boiler upgrades²

Results and Impact: SUM has built strong momentum, with initiatives launched in 2023 continuing successfully through 2024 and beyond. Our systematic approach has delivered measurable results across facilities, from lighting upgrades to comprehensive HVAC improvements.

Operational Excellence Awards

ComEd Energy
Efficiency Leader

Energy Excellence
Award for Ferrara's
31st Street
Chicago facility

LEED Gold Certified
innovation center
for interior design
and construction

² Completed in 2025.



Biodiversity and Ecosystems

Our primary approach to addressing biodiversity prioritizes traceability and responsibly sourcing ingredients by partnering with certified suppliers. Learn more in our [Responsible Sourcing Strategy](#).

While we are in the early stages of this work, we understand that our operations and supply chain have the potential to impact biodiversity and ecosystems in various ways. We are committed to continuous improvement in developing a comprehensive biodiversity strategy.

Water

Our approach to water management emphasizes local facility-level initiatives where plant teams work to identify and implement water conservation opportunities. These efforts have included projects such as boiler system improvements that were initiated and successfully implemented throughout 2024 to reduce both energy consumption and water usage.

Water management represents an emerging priority area for Ferrara as we continue to build our environmental stewardship capabilities. While our primary focus has been on establishing robust emissions reduction goals and programs, we recognize that responsible water use is essential for both environmental sustainability and operational resilience.

SPOTLIGHT

Our Partnership with Friends of the Chicago River

Our facilities' proximity to important waterways, particularly the Chicago River system, has led to meaningful local environmental stewardship activities. Our multi-year partnership with environmental nonprofit [Friends of the Chicago River](#) (FCR) demonstrates our commitment to protecting and enhancing the ecosystems in our immediate operating environment.

Since 1979, FCR has worked to clean up the 156-mile Chicago River system, transforming it into one of the best metropolitan rivers in the world. With water quality now being tested as swimmable, this success story continues through partnerships like ours.

Growing Employee Engagement

Each year, Ferrara's Sustainability team partners with FCR for our annual Day of Service, picking up litter at neighborhood parks to restore natural habitats. Our participation has more than doubled since 2023. In 2024, 45 volunteers collected 23 bags of litter and microplastics.

Making an Impact

About half of the litter FCR finds in the river is food packaging. Every bit collected improves habitat for migratory birds, butterflies, snapping turtles, over 75 species of fish, and even endangered species like the Black-crowned Night Heron.

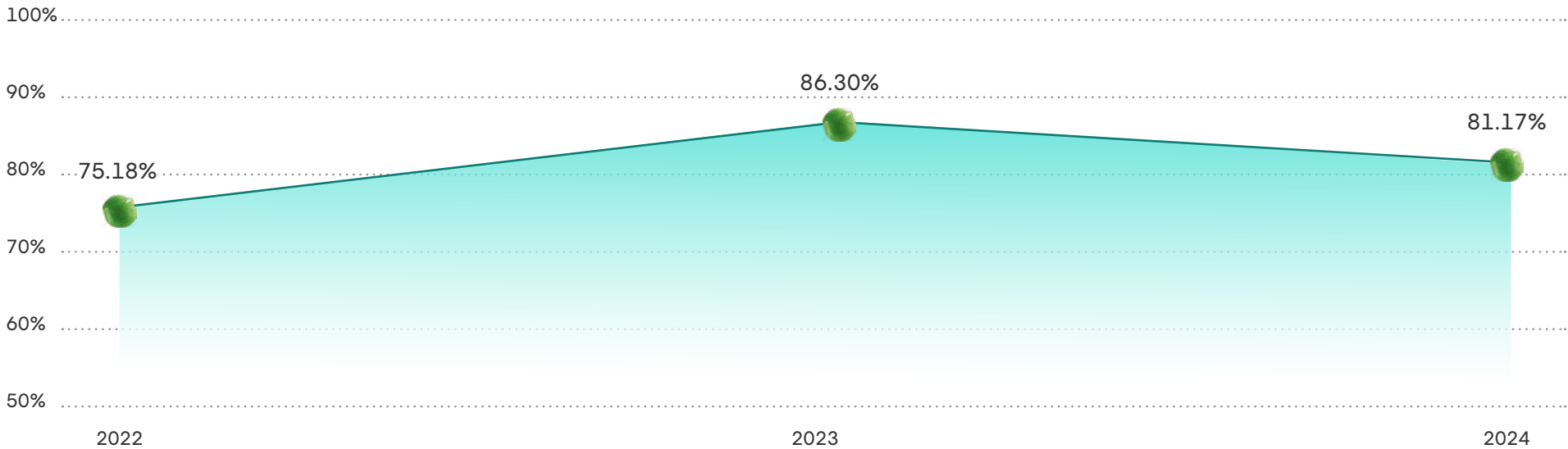


Waste

Our waste management strategy is in its initial stages of development, with a focus on improving data collection and establishing clear goals for waste reduction and diversion across all of our plants. We are working to implement more granular waste tracking systems, which will help us understand our waste generation patterns and opportunities for improvement across our facilities. Additionally, the Sustainability team collaborates closely with local teams from the Quality and EHS departments to set site-specific waste diversion goals and track the amount of waste diverted from landfills. Since each site generates different types and volumes of waste, individual targets range from 75% to 90% diversion. These goals align with industry benchmarks, where 75% is considered “good” and 90% is “excellent.”

Current practices include sending unusable food waste to animal feed operations and finding productive alternative uses for materials that cannot be used in our production processes.

YOY WASTE DIVERTED FROM LANDFILL



YOY WASTE WEIGHT BY TYPE

	2022	2023	2024
Wastewater (m³)	546,179.00	508,369.49	402,161.86
Hazardous Waste Landfill (MT)	85.20	88.13	40.10
Non-Hazardous Waste Landfill (MT)	5,862.00	3,123.05	5,876.20
Waste to Energy (MT)	457.89	602.13	323.49
Recycled Materials (MT)	7,439.00	7,599.72	8,258.41
Animal Feed (MT)	9,863.00	11,479.11	16,750.56

LOOKING AHEAD

The next steps on our journey include:

- Tracking water consumption data through our utility bill management software, which will help create the foundation for more systematic water management across our operations, including water scarcity risk assessments of our operations and key ingredients.
- Establishing formal waste reduction and diversion goals by 2026.
- Developing partnerships with waste management brokers to improve data granularity and identify additional opportunities for waste diversion.

Packaging

We are committed to designing packaging that consumers can recycle. Our approach prioritizes practical solutions that work within existing recycling infrastructure while maintaining the product quality that consumers expect from our beloved brands. Our priorities include designing for recyclability, reducing virgin plastic by increasing post-consumer recycled content, and collaborating across the industry to advance circular solutions — all guided by consumer preferences and behaviors — as well as aligning with emerging regulations.

Designing for Recyclability

Flexible films are widely used across the food industry because they deliver strong performance: they are lightweight, protect product safety, and extend shelf life. However, these benefits have historically come at the cost of recyclability, since most flexible films are made from multiple materials that cannot be easily separated in recycling streams. Achieving recyclable solutions starts with transitioning to mono-material films — packaging made from a single type of plastic — which can be collected, sorted, and processed more effectively.

Transitioning our flexible films packaging portfolio to be designed for recycling represents one of the most significant technical challenges we have started to address. This shift requires extensive trials at production facilities to ensure that new materials don't compromise product integrity, shelf life, or manufacturing efficiency. Each brand presents unique requirements, and our Sustainability team works closely with Production teams to validate performance across our major brands.

Our packaging transformation started strategically with Black Forest, a brand whose commitment to quality and nature-inspired products aligns with sustainability initiatives. From there, we will expand to other brands, recognizing that recyclable solutions for these products can be applied across our broader portfolio.

One of our key learnings has been the importance of managing consumer expectations during the transition to more sustainable packaging. Some design-for-recycle films may feel or appear different from traditional packaging, requiring consumer education about why these changes matter and how they benefit the environment.



Simplifying Recycling, Partnering for Impact

We're committed to providing consumers with recyclable options and understand that while we can't control consumer behavior, we can control the choices we offer. By making our packaging compatible with existing recycling infrastructure, we're removing barriers and making it easier for environmentally conscious consumers to make sustainable choices. Through collaborations like [The Recycling Partnership](#), we're helping to improve access and awareness around recycling.

Integrating Recycled Content and Source Reduction

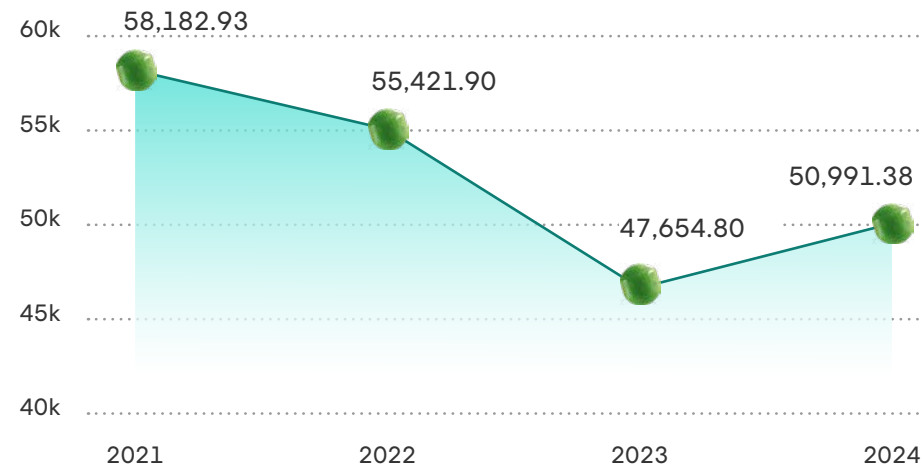
Ferrara's sustainable packaging strategy goes beyond recyclability to include source reduction and the integration of recycled content, addressing the full lifecycle of materials while advancing circular economy goals. Incorporating post-consumer recycled content (PCR) offers clear benefits but also brings challenges in sourcing and cost. Our Sustainability team partners with suppliers to integrate PCR — particularly in our rigid plastic portfolio — without compromising product protection, shelf life, or manufacturing efficiency.

While technical and sourcing barriers remain for flexible formats like films and pouches, we continue monitoring innovations in this area. In parallel, our source reduction workstream seeks to eliminate unnecessary materials and right-size packaging.

Delivering Growth with Less Material

As Ferrara's portfolio has grown, we've shifted our packaging mix toward more lightweight materials like flexible plastics. While our sales have increased since 2021, this transition is driving meaningful reductions in overall packaging weight, reducing our packaging footprint across the supply chain.

YOY TOTAL PACKAGING WEIGHT (MTs)



Evolving Our Portfolio and Targeting New Opportunities

As we continue to evolve our packaging portfolio, we're also tracking key material composition trends that reveal opportunities for improvement. Total recycled content across our packaging decreased between 2021-2024, largely due to the reduction in paper-based packaging materials. Of all the packaging material categories in our portfolio, paper-based packaging typically contains the largest amount of recycled content, so a reduction in total sourced paper-based packaging has resulted in a reduction of total recycled content.

We believe that recycled content within our paper-based packaging itself has also declined due to sourcing shifts (e.g., purchasing more from suppliers that use less recycled content) and changes at the supplier level (e.g., suppliers using less recycled content overall). While we haven't yet implemented a formal initiative to increase recycled content in corrugate or paperboard, this trend highlights an opportunity for future focus and collaboration with our suppliers. While this work is ongoing, our current packaging efforts are centered on two priority areas:

Our Packaging Priorities



Design for Recycling

Design for recycling (DfR) is a strategic approach to product development that prioritizes creating items and packaging capable of being efficiently collected, sorted, processed, and converted into new materials when they reach end-of-life. This methodology emphasizes choosing recyclable materials, engineering products for straightforward disassembly, and eliminating barriers such as non-recyclable adhesives or complex multimaterial compositions.

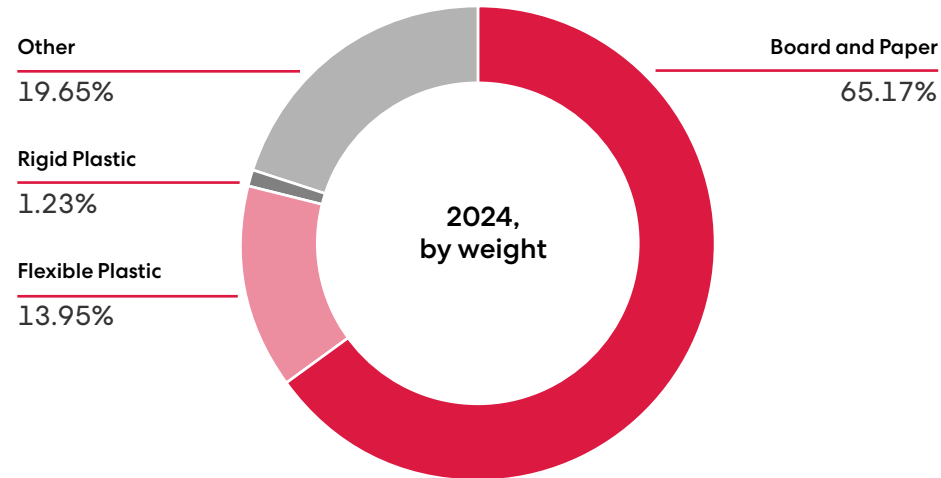


New PCR Integration

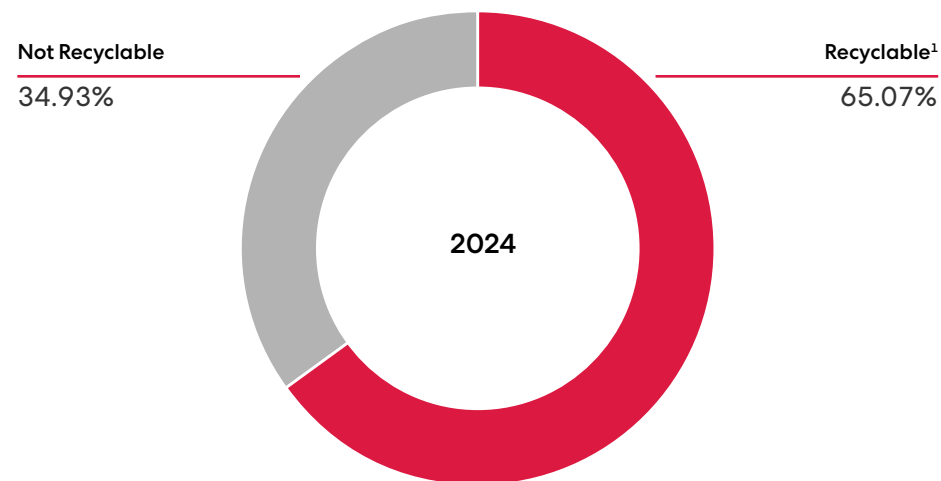
PCR refers to materials that have completed their lifecycle as consumer products, like plastic bottles or cardboard boxes, been collected through recycling programs, and reprocessed into new packaging. By incorporating PCR into our packaging portfolio, Ferrara is helping to close the loop on material use, diverting waste from landfills while reducing the need for virgin materials.

SHARE OF PACKAGING BY RECYCLABILITY

Total packaging by material



Packaging portfolio recyclability



¹ Recyclable in practice and at scale.

Packaging Design and Recycling Behavior

Effective consumer education represents a critical component of our packaging sustainability strategy, requiring clear communication about recycling practices while navigating the complexity of evolving infrastructure and consumer understanding. Our approach emphasizes simplicity and accuracy while building consumer confidence in sustainable packaging choices.

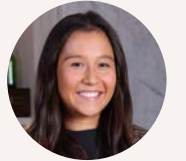
While designing our packaging to be recyclable plays a role in its end-of-life treatment, most flexible films require Store Drop-off recycling rather than curbside collection. This distinction requires education and careful explanation to help consumers understand how to properly recycle our packaging without creating confusion about recycling systems more broadly. Our use of [How2Recycle](#)® labels provides standardized guidance that consumers can trust and understand. These labels offer clear, consistent messaging about recycling options while supporting industry-wide efforts to improve recycling communication. The [How2Recycle](#)® system helps bridge the gap between our packaging design intentions and consumer recycling behavior.



BEHIND THE WRAPPER

Tackling Challenging Packaging Materials

BROUGHT TO YOU BY: MARISA DAMMAN,
EXPERT SUSTAINABILITY PACKAGING ENGINEER



Did you know? Metalized films — like those used in many candy wrappers — are among the hardest materials to replace with recyclable options. There are significant limitations when using metalized materials for recyclable film and it is challenging to replace metallization without losing the protective barrier it provides.

Our work: We're partnering with suppliers to test innovative materials that can meet these functional requirements while supporting our recyclability goals.



Regulations – EPR, Recycled Content, and More

Packaging-related legislation — such as extended producer responsibility (EPR) programs and recycled content mandates — is a key driver of our packaging sustainability strategy, requiring comprehensive compliance approaches that span domestic and international markets. These evolving regulatory frameworks demand proactive planning and systematic responses while advancing environmental goals.

Our approach to compliance focuses on proactively understanding new regulations as they emerge and identifying solutions before implementation deadlines. The European Union’s Packaging and Packaging Waste Regulation represents a comprehensive framework that affects our international portfolio. We closely monitor regulatory developments to ensure timely, effective compliance strategies across our markets.

Engagement with nonprofits and participation in industry coalitions and trade associations play a crucial role in staying ahead of regulatory developments. Our participation in the following organizations provides us with visibility into regulatory trends while enabling collective industry responses to implementation challenges.



SPOTLIGHT

Collaboration with The Recycling Partnership’s Films and Flexibles Recycling Coalition

The Challenge: Flexible films are among the most difficult materials to recycle and face increasing regulatory scrutiny under EPR laws. Additionally, individual companies lack resources to build recycling infrastructure independently and there is widespread consumer confusion about proper disposal of flexible packaging.

Our Solutions: Through [The Recycling Partnership’s Films and Flexibles Recycling Coalition](#), Ferrara partners with industry peers and recycling experts to develop industry perspectives and align on top priorities, infrastructure needs, and policies.

Key Coalition Activities

- Supporting grants to recycling facilities for infrastructure upgrades.
- Funding research into improved sorting and processing technologies.
- Developing standardized approaches to flexible film collection and processing.
- Partnering on effective EPR implementation.

Impact: Through investments and pilots, the Coalition helps show that materials can be recycled. This helps shape policies, enhance processing, and drive consumer education that benefits the broader industry.



Sustainable packaging is an evolving journey where we meet consumers where they are today and learn from how they interact with our materials and messaging. We are continuously adapting our packaging design and communication strategies based on consumer behavior and infrastructure changes to help build trust and make recycling clearer and more accessible for everyone.”



Heather Boggs
CHIEF INNOVATION OFFICER

LOOKING AHEAD

The next steps on our journey include:

- Conducting consumer research in 2026 to provide crucial insights into consumer perceptions of recyclable films versus traditional packaging, including functional preferences and the impact of sustainability messaging.
- Continuing to evolve our source reduction strategy to maintain a holistic approach to sustainable packaging development.

Raw Materials

Our responsible sourcing efforts are focused on building transparency, strengthening traceability, and managing long-term business risks across our global supply chain. We utilize a multi-step sourcing framework to help us navigate common industry challenges for our priority ingredients such as cane sugar, palm oil, and carnauba wax. This framework and key partnerships help drive continuous progress and ensure the integrity of our value chain.

Our Approach to Responsible Sourcing

We have identified a small group of priority raw ingredients based on their volume and relevance to our products. These include cane sugar, carnauba wax, and palm oil — ingredients that are essential to our recipes and are known to have broader social and environmental considerations within global supply chains.

Ferrara's responsible sourcing strategy focuses on building transparency throughout our supply chain by working with trusted suppliers and recognized certification bodies. We maintain strategic partnerships with [Bonsucro](#) (cane sugar), the [Roundtable on Sustainable Palm Oil \(RSPO\)](#) (palm oil), and the [Initiative for Responsible Carnauba \(IRC\)](#) (carnauba wax). Through these groups, we engage in sector dialogue and support responsible sourcing through purchase of credits and certified volumes.

For cane sugar, we've achieved credit coverage for 20% of our sourced volumes through Bonsucro, while 100% of our palm oil is covered with RSPO credits. Over 93% of our sourced carnauba wax is UEBT verified or Fair for Life certified. Our primary sourcing regions for these materials include Mexico and the United States (cane sugar), Brazil (cane sugar and carnauba wax), and Indonesia and Malaysia (palm oil).



PERCENTAGE OF PURCHASED VOLUMES OF PALM OIL, CARNAUBA, AND SUGAR COVERED WITH CREDITS OR CERTIFIED VOLUME FROM 2022-2024¹


	2022	2023	2024
Palm Oil and Palm Kernel Oil (RSPO Credits)	100.00%	100.00%	100.00%
Carnauba Wax (UEBT Verified or Fair For Life Certified)	88.51%	77.95%	93.55%
Cane Sugar	2.98% (all organic certified)	15.88% (2.48% organic; 13.40% Bonsucro credits)	20.50% (2.10% organic; 18.40% Bonsucro credits)

¹ Palm oil figures include both volumes purchased directly by Ferrara and volumes sourced by our third-party manufacturers for use in our products. Carnauba wax and cane sugar figures reflect only Ferrara’s direct purchases and do not include volumes sourced by third-party manufacturers.

BEHIND THE WRAPPER

Advancing Transparency through Credits

BROUGHT TO YOU BY: MARTIN GAVIN
DIRECTOR, CORPORATE SUSTAINABILITY



Did you know? Global supply chains are highly complex, and visibility often extends only to a company’s direct suppliers, making it difficult to fully trace where ingredients come from or how they’re produced.

Our work: Ferrara uses credits to help support more responsible practices across key ingredients while continuing to identify opportunities to source certified volumes. We’re also engaging suppliers to show how greater transparency can reduce risks and open new market opportunities, helping advance shared progress toward more traceable, sustainable supply chains.



Our Supplier Code of Conduct

Ferrara's [Supplier Code of Conduct](#) serves as the foundational framework for embedding respect for human rights and environmental responsibility throughout our supply chain. This comprehensive document establishes minimum standards that all suppliers must meet, covering critical areas including forced labor, child labor, discrimination, working conditions, environmental protection, and management systems.

Aligned with Ferrara's values, the Code details our expectations for how business should be conducted throughout our supply network. Compliance with the Code is integrated in our sales and service agreements. We are also planning to require all suppliers to acknowledge and commit to these standards and create accountability mechanisms that extend our sustainability commitments beyond our direct operations to the broader ecosystem of partners who help bring our products to market.



SPOTLIGHT

Vendor Due Diligence through OneTrust

Our OneTrust Vendor Due Diligence Platform represents a significant advancement in supplier screening and risk management. This system screens potential vendors before onboarding using comprehensive databases to identify sanctions, adverse media coverage, and problematic legal issues. The program provides systematic risk assessment that helps us make informed decisions about supplier relationships while maintaining high standards for business conduct.

The vendor due diligence process includes multiple layers of assessment that evaluate financial stability, legal compliance, reputational risk, and operational capabilities. This comprehensive approach ensures that new suppliers not only meet our immediate business needs but also align with our long-term sustainability and ethical standards.

LOOKING AHEAD

The next steps on our journey include:

- Maintaining our certifications and memberships.
- Increasing the share of certified, verified, and credit-covered sourced materials.
- Expanding our responsible sourcing approach to regularly assess our scope and identify potential changes to priority raw materials.



Human Rights

Ferrara's commitment to human rights is grounded in our core values of respect, collaboration, imagination, excellence, and responsibility, which guide our actions to protect human rights across our operations and value chain. Our approach is supported by our [Human Rights Policy](#), [Supplier Code of Conduct](#), and oversight from our Human Rights Governance Committee. We maintain transparency and accountability by assessing human rights impacts, engaging internal stakeholders, and adapting to evolving risks. Building on our Responsible Sourcing efforts, Ferrara's approach to human rights includes conducting due diligence on priority raw materials such as cane sugar, carnauba wax, and palm oil — where social and labor rights considerations are significant across global supply chains.

Upholding Human Rights Across our Operations

Our [Human Rights Policy](#) demonstrates our commitment to respecting internationally recognized human rights standards. Grounded in the [UN Guiding Principles on Business and Human Rights](#) and the [UN Universal Declaration of Human Rights](#), it outlines our approach to due diligence, risk assessment, and remediation, and identifies seven priority impact areas most relevant to our operations and value chain:

1. Freedom from forced, prison, and child labor
2. Right to just and favorable working conditions
3. Right to a safe, secure, and healthy work environment
4. Freedom from discrimination and harassment
5. Right to privacy
6. Right to health and responsible marketing
7. Right to a safe, sustainable, and healthy environment



Due Diligence

Our human rights due diligence process includes inherent supplier risk evaluation and systematic audits throughout our value chain to identify, assess, and address potential human rights risks. This approach ensures that our human rights commitments extend beyond our direct operations to encompass our entire network of suppliers, partners, and stakeholders.

The governance structure supporting our human rights commitments includes cross-functional collaboration between Legal, People and Organization, Procurement, EHS, Manufacturing, and Sustainability departments. Our Senior Leadership team maintains quarterly oversight and responsibility for human rights policy implementation, while our Human Rights Governance Committee serves as the operational bridge between policy and implementation.

Additionally, our membership in [AIM-Progress](#) — an initiative supported by the [European Brands Association \(AIM\)](#) that brings together companies from across the globe to strengthen human rights and responsible sourcing across global value chains — provides access to best practices and peer learning opportunities in one of the world’s most advanced regulatory environments for human rights in business. AIM-Progress’s comprehensive self-assessment tools, case studies, and benchmarking resources enable systematic evaluation of our sourcing practices and due diligence processes against industry standards.

Ethics and Compliance Hotline

Ferrara’s [Ethics and Compliance Hotline](#) provides a safe, anonymous way to raise human rights concerns, with multiple reporting channels and protection against retaliation. While hotline submissions remain low, we recognize this doesn’t reflect an issue-free environment. To address potential underreporting, the Office of Ethics and Compliance has increased awareness through expanded internal communications, reinforcing our commitment to a respectful, accountable workplace.



“

At Ferrara, we believe in equality for all. Our human rights commitment reflects our core values — treating every individual with dignity and respect, and ensuring everyone has the opportunity to thrive in a safe, inclusive environment.”



Sukrat Baber
ASSISTANT GENERAL COUNSEL,
EMPLOYMENT AND COMPLIANCE

LOOKING AHEAD

The next steps on our journey include:

- Advancing and strengthening our human rights due diligence framework through more robust and formalized processes.

Operating Responsibly

Operating with integrity is essential to Ferrara's long-term success and our ability to earn and maintain trust with employees, consumers, partners, and communities. Our approach to responsible business conduct is grounded in clear policies, ongoing education, and a culture that values ethics, transparency, and accountability.

Employee Health and Safety

The wellbeing and safety of our people and our operations are a core value at Ferrara. Our approach combines systematic risk management with cultural initiatives that make safety a shared responsibility. Our "Safety Absolutes" policy sets non-negotiable standards, reinforcing that safety is a fundamental requirement and ensuring clear consequences for non-compliance.

Company-wide safety management processes provide structure to identify, assess, and mitigate risks, including audits, incident reporting, hazard identification, and continuous improvement protocols. Complementing this, our training programs equip employees with both general and job-specific safety knowledge, with refresher sessions to address emerging risks.

1.45 *TRIR*

(Total Recordable Incident Rate per million hours)

0.83 *LTIR*

(Lost Time Injury Rate per million hours)

4 *hours*

of health and safety training for corporate employees and

8 *hours*

of health and safety training for manufacturing employees

100%

of employees covered by safety management processes



SPOTLIGHT

Drive to Zero

Ferrara's "Drive to Zero" meetings represent a best-in-class example of how global collaboration and knowledge sharing can accelerate safety improvements across a diverse manufacturing network. These weekly meetings bring together formal and informal leaders from every department within our global sites who work toward our ultimate goal of a zero harm and injury free workplace.

The Challenge: Coordinating safety across 14 facilities in multiple countries and time zones presents unique challenges, including diverse operational contexts, varying languages and cultures, and the need to accelerate learning and implement effective safety practices quickly.

Our Solutions: The program leverages rotating facility presentations on behavioral initiatives, technical improvements, and process innovations, combined with cross-functional participation from Manufacturing, Safety, and Leadership teams.

Key Meeting Activities

- Comprehensive problem-solving sessions where facilities contribute insights from their own experiences
- Recognition platform for safety achievements and milestone celebrations
- Knowledge transfer sessions enabling global best practice sharing

Results and Impact

Drive to Zero accelerates adoption of proven safety improvements, fosters connections between facilities from Chicago to Thailand, enables cross-collaboration with innovations, and reinforces a strong safety culture — demonstrated by sites that have gone a full year without a recordable incident and others that have surpassed one million hours without a lost-time incident — driving comprehensive operational improvements across Ferrara's global network.

“

When our global teams come together with a shared goal of safety, we tackle challenges more effectively. Collaboration across facilities has transformed how we identify risks, implement solutions, and continuously improve — making every workplace safer. Together, we're smarter, faster, and stronger.”



Cary Hendrix

VP, ENVIRONMENTAL HEALTH AND SAFETY



Food Safety and Quality

Ferrara has a robust food safety management system that influences our quality and sustainability commitments. This comprehensive system is designed to identify, monitor, and prevent risks including allergens, microbes, and foreign materials while ensuring continuous improvement across our operations. All Ferrara manufacturing facilities undergo annual surveillance audits and are certified under the [Global Food Safety Initiative \(GFSI\)](#) benchmark standard, specifically FSSC 22000, a universally recognized food safety and quality standard certification scheme.



BEHIND THE WRAPPER

Ensuring Food Safety at Every Step

BROUGHT TO YOU BY: WUMI YUSUFF,
SENIOR DIRECTOR OF FOOD SAFETY



Did you know? Ferrara teams complete roughly 33,000 quality checks each week across our manufacturing facilities to uphold the highest standards of food safety.

Our work: Our system is built on strong preventive and mitigation strategies including a robust internal audit program that helps verify compliance, address issues quickly, and drive continuous improvement. Every team member — in every function at Ferrara — receives regular training and ongoing education to stay current on food safety requirements and best practices.

Health and Nutrition

Ferrara’s approach to health and nutrition is centered on transparency about our products. As a confectionery company, we recognize that our treats are meant to be enjoyed in moderation as part of balanced lifestyles, and we communicate this positioning clearly and responsibly.

Our stance acknowledges the reality that confectionery products serve different purposes than everyday food products. We believe that confections are “[Always a Treat](#)” — a phrase coined by the US National Confectioners Association within its award-winning social impact campaign. Ferrara supports this message that empowers consumers to make informed choices, helping educate them about the benefits of moderation and the role candy can play as a treat within a balanced lifestyle.

While we don’t position our products as nutritious, we take seriously our responsibility to provide accurate information about ingredients, allergens, and nutritional content. This transparency enables consumers to make informed choices about when and how to enjoy our products.

Responsible Marketing

Our marketing approach is rooted in integrity, transparency, and respect — consistent with Ferrara’s responsible marketing principles. As part of an emotional category, Ferrara emphasizes the joy, connection, and celebratory aspects of our products. We are committed to messaging that is clear and factual. Responsible marketing extends beyond content to include considerations of audience, timing, and context.

Our policies around advertising ensure that we do not market to children under age 13 and that we support families’ ability to make informed decisions about their consumption. We participate in industry initiatives focused on responsible marketing practices, including alignment with the [Children’s Food and Beverage Advertising Initiative \(CFBAI\)](#). These commitments ensure our marketing practices meet established standards for responsible advertising in the food and beverage industry.

Employee Code of Conduct

Ferrara’s [Employee Code of Conduct](#) provides the foundation for ethical behavior across our global operations, reinforcing our commitment to compliance and core values of collaboration, responsibility, and respect. It sets clear expectations for workplace behavior, conflicts of interest, data privacy, anti-corruption, and human rights, creating a unified framework that guides decision-making at all levels.

All employees receive annual training on the Code, covering practical scenarios to ensure ethical standards are applied in real-world situations. Ethics are embedded in business processes — from procurement to marketing — so that compliance is integral to operations and supports long-term sustainable success.





Anti-Corruption and Compliance Program

Ferrara maintains comprehensive anti-corruption and compliance programs designed to prevent bribery and unethical business practices. These programs are part of our commitment to conducting business with integrity while protecting against legal, financial, and reputational risks.

Our policies apply to all employees, contractors, and business partners, creating uniform standards that support ethical business conduct regardless of location or cultural context. Key components of these programs include:

- **Systematic risk assessment processes** that consider geographic risk, industry practices, business partner relationships, and regulatory environments to ensure prevention efforts focus on highest-risk areas.
- **Training and education tools** that ensure employees understand both requirements and rationale behind our policies.
- **Internal controls and monitoring systems** that provide ongoing oversight of activities that could present corruption risks, such as approval processes for gifts and entertainment, monitoring of third-party payments, and regular audits of high-risk activities.

Data and Privacy

We follow industry best practices for data protection and continuously evaluate our protocols to address evolving privacy risks and regulatory requirements. Our data privacy program includes comprehensive policies governing data collection, use, storage, and sharing. These policies apply to all forms of personal information, from employee records to consumer data collected through marketing activities or product interactions. The program ensures data handling practices meet applicable legal requirements while supporting legitimate business needs.

Our Code includes a dedicated focus on data privacy, recognizing that employees, and in certain cases business partners and consumers, trust us with their personal data. We collect, use, and process this information only for legitimate business purposes and in accordance with our [Privacy Policy](#). Employees who work directly with personal data receive training to reinforce these standards and are responsible for protecting this information as part of their roles.

LOOKING AHEAD

The next steps on our journey include:

- Continuing to grow our population of informal safety leaders on the plant floor.
- Expanding knowledge sharing platforms to capture and disseminate best practices more effectively.
- Building on network effects to drive continuous safety innovation across all facilities.

Appendix

About this Report

We have published this report to provide an overview of our company's operations related to environmental, social, and governance (ESG) topics. This includes both quantitative and qualitative information and contains our 2024 results as noted throughout the report. This report covers the calendar year from January 1 – December 31, 2024, and includes information from all Ferrara facilities over which we maintain exclusive operational control. Unless otherwise noted, all data and content in this report reflect operations of Ferrara only and exclude recently acquired entities Dori Alimentos, Jelly Belly Candy Company, and Carambar & Co.

Ferrara strives to continuously improve our ESG management through use of standards and reporting frameworks. Our 2024 reporting process has been guided by the Task Force on Climate-related Financial Disclosures (TCFD) framework, with a focus on enhancing climate-related risk management, governance, and resilience planning.

For the purposes of this report, the concept of materiality used in our ESG disclosures is based on a definition of materiality specific to the assessment of ESG issues and does not correspond to the concept of materiality used in the securities laws and disclosures required by the US Securities and Exchange Commission (SEC). Issues that we identify as "material" from an ESG perspective are not necessarily material to the Company under securities laws, rules, and regulations in place at publication.



TCFD Disclosures

Ferrara's exposure to climate-related risk has been evaluated through reporting aligned with the TCFD, utilizing scenario analyses from the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS). These scenarios provide quantitative insight into how varying degrees of warming and policy action could influence our operational and financial resilience through 2030. Our analysis identifies two dominant categories of exposure: physical risks stemming from extreme weather, water scarcity, and agricultural yield volatility in our sugar, gelatin, and corn supply chains; and transition risks linked to evolving regulation and stakeholder expectations. Scenario modeling demonstrates that the financial burden of inaction far outweighs the costs of early transition, validating our current strategy of embedding climate considerations into capital planning and risk management.

To mitigate these risks, Ferrara is executing a multi-layered strategy that integrates climate resilience into governance, operations, and supply chains. We are pursuing science-aligned goals to reduce emissions across Scope 1, 2, and 3, while advancing packaging circularity initiatives to address our value chain emissions. Through proactive investment in renewable energy infrastructure, supplier engagement, and operational efficiency, we are building a business model designed to remain resilient under multiple climate futures while contributing to a low-carbon global economy.

Product and Packaging Data^{1,2}

TOTAL PACKAGING WEIGHTS (MT)

	2021	2022	2023	2024
Board	46,040.52	40,395.67	32,469.88	32,991.18
Paper	1,735.62	243.88	229.43	238.14
Rigid Plastic	2,617.95	1,857.68	947.17	629.29
Flexible Plastic	5,564.56	6,630.63	5,655.92	7,110.87
Composites	413.19	459.45	245.99	328.29
Labels	249.09	90.25	90.38	92.13
Metals	13.00	0.00	0.00	1.44
Wooden Pallets	901.56	5,744.34	8,008.37	9,592.5
Other	647.44	0.00	7.66	7.46
TOTAL	58,182.93	55,421.90	47,654.80	50,991.38

RECYCLED CONTENT BY CATEGORY

	2021	2022	2023	2024
Board	79.31%	44.30%	32.05%	32.55%
Paper	72.29%	7.78%	6.45%	3.22%
Rigid Plastic	8.50%	1.15%	2.75%	5.09%
Flexible Plastic	0.28%	1.09%	1.28%	1.41%
Composites	0.00%	0.00%	0.00%	0.00%
Labels	0.00%	0.00%	0.00%	0.00%
Metals	0.00%	–	–	0.00%
Wooden Pallets	91.40%	70.13%	69.40%	81.58%
Other	0.00%	–	0.00%	0.00%
TOTAL	66.74%	39.15%	33.74%	36.70%

RECYCLABILITY (DESIGNED FOR RECYCLING) BY CATEGORY

	2021	2022	2023	2024
Board	99.94%	99.96%	99.52%	98.56%
Paper ³	80.43%	100.00%	15.46%	13.35%
Rigid Plastic	17.55%	21.18%	9.35%	12.81%
Flexible Plastic	4.40%	6.34%	8.23%	7.76%
Composites	0.00%	0.00%	0.00%	0.00%
Labels	0.00%	0.00%	0.00%	0.00%
Metals	0.00%	–	–	0.00%
Wooden Pallets	0.00%	0.00%	0.00%	0.00%
Other	0.00%	–	0.00%	0.00%
TOTAL	82.69%	74.80%	69.05%	65.07%

¹ Values of “0.00” represent categories where data were collected and the result was zero.

² Values of “–” denote categories not applicable to our operations or where no materials were sourced, and therefore no data were available or calculations could be performed.

³ The significant change between 2022 and 2023 reflects a reporting methodology update. Certain materials were not fully captured in earlier reporting periods.

Operational Waste Data¹

	2022	2023	2024
Wastewater (m³)	546,179.00	508,369.49	402,161.86
Hazardous Waste Landfill (MT)	85.20	88.13	40.10
Non-Hazardous Waste Landfill (MT)	5,862.00	3,123.05	5,876.20
Waste to Energy (MT)	457.89	602.13	323.49
Recycled Materials (MT)	7,439.00	7,599.72	8,258.41
Animal Feed (MT)	9,863.00	11,479.11	16,750.56
Composting (MT)	27.00	25.46	24.51
Percentage of Waste Diverted from Landfill	75.18%	86.30%	81.17%

¹ Values of “–” denote categories not applicable to our operations or where no materials were sourced, and therefore no data were available or calculations could be performed.

Glossary of Terms

Biodiversity

The variety of life in all its forms, including the diversity of species, ecosystems, and genetic variations. Ferrara recognizes biodiversity as fundamental to ecosystem health and the long-term viability of our supply chain.

Circular Economy

An economic model that emphasizes reducing waste, reusing materials, and designing products for recycling or regeneration. Ferrara's packaging strategy supports this through recyclable design and the use of recycled content.

Extended Producer Responsibility (EPR)

Regulations that make manufacturers responsible for the environmental impact of their products and packaging throughout the product lifecycle. Ferrara addresses EPR requirements in states like California and Oregon, and in the EU.

Flexible Packaging

Lightweight, often film-based materials used to form packaging that protects and contains products, used in many Ferrara products.

Greenhouse Gas (GHG) Emissions

Gases that trap heat in the atmosphere and contribute to climate change. Ferrara tracks Scope 1, 2, and 3 emissions and has established science-aligned reduction targets.

Post-Consumer Recycled (PCR) Content

Material made from recycled consumer waste used in new packaging.

Renewable Energy Certificate (REC)

A market-based instrument that certifies the generation of one megawatt-hour (MWh) of electricity from a renewable energy resource. Ferrara uses RECs as a transitional solution to reduce Scope 2 emissions.

Safety Absolutes

Ferrara's internal non-negotiable safety standards designed to protect employees and reduce incidents in the workplace.

Scope 1, 2, and 3 Emissions

- **Scope 1:** Direct emissions from owned or controlled sources (e.g., manufacturing equipment).
- **Scope 2:** Indirect emissions from the purchase of electricity, steam, or heat.
- **Scope 3:** All other indirect emissions across the value chain (e.g., raw material sourcing, distribution).

Scope 3 FLAG

Scope 3 FLAG Emissions from Forest, Land, and Agriculture activities within a company's value chain, including land use change, agricultural production, and forestry practices. These are particularly relevant for companies with agricultural supply chains and may require separate science-aligned reduction targets.

Scope 3 non-FLAG

All other indirect emissions in a company's value chain excluding forest, land, and agriculture activities, such as purchased goods and services, transportation, waste generation, and employee commuting. These typically represent the majority of Scope 3 emissions for most companies.

Strategic Utility Management (SUM)

A program at Ferrara that empowers facility teams to analyze energy use, identify efficiency opportunities, and access capital funding for emissions-reducing projects.

Sustainability Operative Committee (SOC)

A cross-functional group at Ferrara responsible for translating the company's sustainability vision into operational actions and through which leadership is educated on sustainability trends and risks.

Traceability

The ability to track a product's supply chain journey from raw material to final product. Ferrara is working to improve traceability across priority ingredients in its supply chain.

Ferrara®

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