**DISCLOSURE UNDER THE CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT**

Under the California Transparency in Supply Chains Act of 2010 (California Civil Code §1714.43), large manufacturers and retailers that do business in the State of California are required to disclose their efforts to eradicate slavery and human trafficking from their direct supply chains. This disclosure is being made to comply with California law and to inform our consumers of what we are doing to eliminate slavery, human trafficking, and other forms of poor labor practices in our supply chain.

FCC POLICIES ON SLAVERY/FORCED LABOR, CHILD LABOR, AND HUMAN TRAFFICKING

Ferrara Candy Company (hereinafter “FCC”) does not allow or condone slavery/forced labor, child labor, and human trafficking by our suppliers (collectively, “forced labor and child labor”). Our efforts to eradicate forced and child labor from our supply chain include the following:

1. Verification: FCC has established and promulgated a Supplier Code of Conduct which suppliers must sign. The Supplier Code of Conduct sets the minimum standards that FCC suppliers must follow pertaining to forced labor and trafficking, child labor, discrimination, freedom of association, harassment, wages and hours, health and safety, management systems, and protecting the environment. To verify compliance with the Supplier Code of Conduct, FCC utilizes country and product risk data provided by a third party to rank and assess the social and environmental risks associated with purchased products and their countries of origin.

2. Auditing: To determine whether an independent audit is warranted, FCC considers the risk information provided by the third party. For suppliers selected for an audit, FCC utilizes independent auditors to evaluate working conditions. These trained auditors use their experience and knowledge of local laws and best practices to assess whether the FCC Supplier Code of Conduct is effectively implemented. These audits are independent and not unannounced.

3. Certification: FCC requires its direct suppliers to certify that materials incorporated into their products comply with laws regarding forced labor and child labor in the country or countries in which they do business. Provisions in FCC purchase agreements and purchase order terms and conditions require that our direct suppliers comply with all international standards and applicable laws and regulations, including those relating to forced labor and child labor. If FCC becomes aware of any actions, circumstances, or conditions not in compliance with the Supplier Code of Conduct, FCC and an independent auditing firm will work with the supplier to find corrective solutions. FCC reserves the right to terminate an agreement with a supplier or any other commercial relationship due to material issues or failure to improve.

4. Internal Accountability: FCC seeks to only work with suppliers who are committed to compliance and can consistently meet our standards. Internal documentation processes allow for data mining of audit results and tracking supplier improvement over time. Understanding trends in our supply chain allows FCC to focus more on resolution and capacity building and strengthen partnerships with key performing suppliers.

5. Training: All FCC employees are trained on issues regarding human trafficking and slavery by way of reviewing and acknowledging relevant provisions in our Code of Conduct on an annual basis.

For questions, please contact the FCC Ethics and Compliance Hotline at (800) 461-9330 or via the Hotline [webpage](http://ferrara.bz/ECHotline).