# Children's Food and Beverage Advertising Initiative: Ferrara Candy Company Pledge

## Effective as of October 1, 2023

Ferrara Candy Company ("Ferrara") is proud to be a participant in the Children's Food and Beverage Advertising Initiative ("CFBAI"), a self-regulation program with the goal of improving the landscape of food and beverage advertising directed to children. Ferrara is pleased to submit this pledge, which applies to all brands and products of the company and reflects CFBAI's Core Principles, 6th ed. (2022).

## I. Identifying Information

1. *Corporate Contact Information*:

Ferrara Candy Company 404 W. Harrison St., Suite 650 Chicago, IL 60607 www.ferrarausa.com

2. Individual(s) responsible for overall implementation of the pledge:

Greg Guidotti Chief Marketing Officer 404 W. Harrison St., Suite 650 Chicago, IL 60607 Greg.guidotti@ferrarausa.com

Brittany Finlayson Assistant General Counsel- Brand & Food 404 W. Harrison St., Suite 650 Chicago, IL 60607 Brittany.finlayson@ferrarausa.com

3. *Entities and brands covered by the pledge*: The pledge covers all U.S.-based businesses of Ferrara and all Ferrara's food products sold in the U.S.

Ferrara currently does not engage in advertising primarily directed to children under age 13. If Ferrara decides to engage in advertising primarily directed to children under age 13 in Covered Media, it commits that it will advertise only its foods and beverages that comply with the CFBAI's Uniform Nutrition Criteria, 2<sup>nd</sup> ed. Ferrara will provide information regarding such products to CFBAI prior to advertising them so that CFBAI may assess whether the products meet CFBAI's nutrition criteria and publicly indicate that the products qualify, and effectively monitor Ferrara's compliance with its pledge. Ferrara may further amend this pledge through working with CFBAI.

# II. Core Principles

1. Advertising Primarily Directed to Children under Age 13

Ferrara does not currently advertise in media primarily directed to children under the age of 13. Ferrara commits that any future advertising primarily directed to children under the age of 13 in covered media will be for foods that meet CFBAI's Category-Specific Nutrition Criteria, 2<sup>nd</sup> ed. as set out above.

#### 2. Covered Media:

The advertising commitment applies to the following media ("covered media"):

- Television
- Radio
- Print
- Internet/Digital media, including but not necessarily limited to:
  - Ferrara-owned websites
  - Third-party websites, including display, banner, pop-up, audio, or video advertising<sup>1</sup>
  - Mobile apps or mobile media, including advertising on phones, laptops, tablets, other personal digital devices, in whatever form, including email, text, IM or SMS messaging
- Platforms (e.g., YouTube) that may have content or channels that are primarily directed to children under age 13<sup>2</sup>
- Video and computer games that are primarily directed to children under age 13
- DVDs or movies that are rated "G" whose content is primarily directed to children under age 13, and other DVDs whose content is primarily directed to children under age 13
- Word of mouth.<sup>3</sup>

#### 3. Product Placements

Ferrara commits to not paying for or actively seeking to place their foods or beverages into third-party program or editorial content of any medium primarily directed to children under age 13 to promote the sale of those products.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> User-generated content that is not under the control of Ferrara is not covered by the Core Commitment.

<sup>&</sup>lt;sup>2</sup> Advertising on a platform that uses valid age verification to restrict access presumptively is not primarily directed to children under age 13.

<sup>&</sup>lt;sup>3</sup> Word-of-mouth advertising refers to advertising primarily directed to children where a participant provides incentives (financial or otherwise), product samples or other support to individuals or groups who are not employees to encourage such individuals or groups to discuss the company's branded foods or beverages.

<sup>&</sup>lt;sup>4</sup> As covered in these Core Principles, the term "product placement" contemplates the insertion of a product into entertainment/editorial programming in an incidental, prop-like manner. Although the product is visible, it is not incorporated into the script, story line, dialogue, or action of the scene in an integral way. The incidental nature of the product's incorporation in the entertainment content distinguishes product "placement" from product "integration."

# 4. Product Integrations

Ferrara commits that the paid or actively sought integration of its foods or beverages in any medium primarily directed to children under 13 years old will promote only foods or beverages that meet CFBAI's Uniform Nutrition Criteria, 2<sup>nd</sup> ed.

#### 5. Influencers

Ferrara commits to use influencers to promote foods and beverages in communications primarily directed to children under 13 years old only if the foods or beverages meet CFBAI's Uniform Nutrition Criteria, 2<sup>nd</sup> ed.

## 6. Licensed Characters, Celebrities and Movie Tie-Ins

Ferrara commits that its use of third-party licensed characters, celebrities and movie tieins in advertising primarily directed to children under 13 years old will be consistent with its advertising commitments set forth above.<sup>5</sup>

## 7. Elementary Schools

Ferrara will not advertise its products to children in elementary schools (pre-K through 6<sup>th</sup> grade) as described in CFBAI's Core Principles. The foregoing commitment does not apply to displays of foods and beverages that identify the products that are being offered for sale, charitable fundraising activities, public service messaging, curriculum materials, items provided to school administrators for their personal use, charitable donations, or sponsorships.

#### 8. Advertising to Children Under Age Six

Ferrara will not engage in advertising primarily directed to children under age six.

# III. Definition of Advertising Primarily Directed to Children under 13

Ferrara will use the following criteria to define advertising primarily directed to children under 13 and to demonstrate compliance with CFBAI's Core Commitments.

<u>Measured media</u>. For measured media, Ferrara will define "advertising primarily directed to children" as advertising for which children ages 2-12 constitute at least 30% of the expected audience (the "audience threshold"). The audience demographics that determine compliance with this audience threshold will be measured in media impressions expected to be received by specific demographic groups at the time the advertising is purchased, based on reliable third-party information (e.g., Nielsen ratings for TV or comScore data for digital media).

Ferrara typically purchases television advertising once annually, well in advance of when the advertising will air, on a daypart or timeblock basis. Advertising placed in purchased dayparts or timeblocks will be identified as compliant for purposes of CFBAI based on an analysis of the annualized audience composition data for the block of time purchased.

<u>Digital and online media</u>. For "contextual advertising," which is served based on the content that is adjacent to the ad or in which the ad is placed, Ferrara will determine whether such

<sup>&</sup>lt;sup>5</sup> This commitment does not apply to other marketing channels, such as point-of-sale materials or packaging (provided that the packaging does not appear in advertising primarily directed to children). This commitment also does not apply to the use of company-owned characters.

content is child-directed based on an assessment of the composition of the audience for that content (if known) or, where reliable audience composition data is not available, an assessment of multiple factors related to that content.

Where audience composition is known, Ferrara will consider such advertising primarily directed to children if 30% or more of the audience for the site, app, or content in which the ad is placed are children under age 13. Where audience composition data is inadequate to make this determination, such advertising will be deemed primarily directed to children under 13 if the ad is placed in content that appears to be child-directed based on an evaluation of multiple factors related to that content, including whatever age demographics for the site or digital content may be available, an assessment of the overall nature of the content, including but not limited to the subject matter of the site or video, the visual content, the language used, the kind of music or audio content, the difficulty of game play, the influencer or influencers featured in the content, actions taken to restrict children's access to the site or content, and content identifier tools that indicate whether content is child-directed provided by platforms or content developers.

Other digital advertising (not "contextual advertising") is targeted to the audience for that ad in a variety of ways. Ferrara will meet its CFBAI commitments when placing such "targeted advertising" in digital media by using reliable age-targeting tools and/or other interest-based or behavioral factors to avoid serving ads for foods that do not meet CFBAI's Uniform Nutrition Criteria to children. These tools include:

- Age-targeting (based on cookie data or other age indicia) to audiences other than children;
- Targeting based on interest-based or behavioral data to audiences other than children;
- Exclusion of specific sites, channels or other content that are directed to children; and
- The use of relevant topic, keyword, or content classification or identification systems or filters provided by the platform owner or content developer (e.g., an app developer).

Ferrara Candy Company is an Illinois corporation with offices located in Chicago, Illinois.

#### Questions about the Ferrara pledge should be directed to:

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