

ICONS | ICS

2023 Sustainability Report



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About this Report

We are committed to sharing information about the progress we are making toward our Corporate Social Responsibility priorities and goals. This annual Sustainable Report illustrates our commitment to sound management and transparent sharing of information. This report includes information, targets and results for 2023 which have a 2019 baseline.

This report has been prepared in accordance with the GRI Standards for the period January 1- December 31, 2023, and the CEO and management team have approved the reported information. The report provides a transparent overview of our environmental and social performance as defined by the Global Reporting Initiative.

Unless otherwise stated, the data published in this report is limited to our company office locations, located in Hong Kong, Taiwan, China, and the USA as these locations are considered the most material in terms of impact. The data in this report does not cover our indirect impacts from our suppliers, vendors or customers unless otherwise stated. This 2023 report is our fourth published Sustainability Report, and therefore the comparative reporting period is 2022 where applicable. The 2023 Sustainability Report is a publication of International Cosmetic Suppliers Ltd., also known as ICONS|ICS.

For any questions, please contact: info@ics-world.com

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Letter from CEO

At ICONS|ICS our actions follow our promises. Every year we raise the bar of our sustainability efforts company wide. I am pleased to share that in 2024, ICONS|ICS has obtained an EcoVadis Platinum award for the second year in a row. Not only were we awarded Platinum status, but we were also bestowed with the EcoVadis Sustainability Leadership Award for the AMEA region. The EcoVadis Platinum ranking is the highest ranking available, placing our company in the top 1% of companies assessed. The EcoVadis rating is a valuable third-party assessment tool.

We also continued to uphold our ISCC PLUS certification (International Sustainability & Carbon Certification) in 2024. The ISCC is a renown, global, third-party certification system supporting fully traceable and climate-friendly supply chains.

Our multiple EcoVadis awards and ISCC PLUS certification show we are actioning sustainable solutions that are meaningful and effective throughout our business as we continue to expand. We look forward to continue upholding our environmental and social commitments, led by our dedicated CSR team, who I am proud to share several members were further trained in business sustainability management by the Cambridge Institute for Sustainability Leadership. Our managers are one of our strongest assets and will leverage their training to steer our sustainability initiatives effectively.

We have also established short-term and long-term goals to reduce our energy consumption from fossil fuels and waste generation and to increase our recycling rate year-on-year. It has been gratifying to see that we are on track to meet our 2025 and 2030 goals.

Environmental and social responsibility are integral parts of our daily practices at the company and the core themes of Corporate Social Responsibility have always been embedded in our company culture and processes. This report covers our main sustainability activities and performance results for 2023 and summarizes our commitment to a more sustainable future for our employees, clients, and suppliers.

We continued to explore, develop and design new sustainable materials and products as consumer demands continue to shift towards more sustainable choices. This is reflected in our product range, which includes a growing selection of mono-material, recyclable and refillable products, products containing PCR, and biodegradable and compostable secondary packaging.

Furthermore, our shipping and logistics department also keeps a keen eye on implementing sustainable processes and practices, including utilizing energy efficient transportation methods for shipments and reducing packing materials and waste where possible.

Our Sustainability Goals align with Science Based Targets Initiative (SBTi) goals and focus on the company's environmental sustainability (i.e., recycling, reduction of energy consumption and greenhouse gases, waste management, sustainable procurement) and the environmental and social practices of our suppliers.

The same dedication is reflected as we work toward our other sustainability targets, which are highlighted on the next pages.



Sincerely,
Susanne Nichols, Group CEO and Founder

Sue

Our Company Profile

International Cosmetic Suppliers Ltd., ICONS|ICS, is an international, full-service provider of color cosmetics, skincare, pharmaceutical packaging supporting masstige, indie and prestige brands globally.

Established in 1991, we are privately owned, with offices in Asia and the USA.

Our global presence, technical ingenuity and proximity to factory sources has kept us at the forefront of the cosmetic packaging industry for over 30 years.

As a result, our customers receive superior quality and cost competitive products and services.

Our Services and Areas of Expertise:

- Packaging Design and Development
- Sustainability (Sustainable Products, Ethical Sourcing, Social Accountability)
- Quality Assurance and Control
- Project Management
- Supply Chain and Logistics
- Speed to Market
- Packaging Trends

Product Range:

We offer a wide range of color cosmetic, skincare and pharmaceutical packaging.

Design to Delivery:

Our expertise lies in interpreting packaging concepts and managing them throughout, from design to manufacture to delivery. We work closely with our clients and suppliers to develop a wide range of products and custom tooling services.

Quality and Sustainable Procurement:

Quality is the backbone of our business, and we have developed our own extensive in-house quality assurance program and sustainable procurement process. This includes an extensive supplier evaluation process so that our customers have confidence they will receive the highest standard of products, while also meeting environmental and social regulations.



ICONS|ICS

Our Company Profile

Our Global Presence:

Our management staff are based in our Hong Kong Headquarters and Taiwan Branch Office. Our Business Development Managers are based in the USA and Asia locations. Our Design & Development, Engineering, Quality, Shipping & Logistics, Marketing, Finance and Corporate Service teams are based in Asia, close to our factory sources. This enables on-site project management, product supervision and full global support.



CSR Awards and Memberships:

Corporate Social Responsibility (CSR) and sustainability are embedded in our daily operations. We are proud to participate in renowned CSR related organizations, memberships and assessments including:

- **EcoVadis** – In 2023 and 2024, we were awarded a Platinum Medal from EcoVadis as well as a Sustainability Leadership Award for the AMEA region in 2024 in recognition of our CSR and sustainable management practices, ranking in the 99th percentile of all companies evaluated by EcoVadis. EcoVadis assesses sustainability management systems with a focus on 4 themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.
- **Sedex** – We are a member of Sedex, one of the world's leading ethical trade membership organizations.
- **UNGC** – We remain a signatory in the UN Global Compact in 2024 and continue to support this initiative.
- **ISCC PLUS** – In 2023, we received our International Sustainability & Carbon Certification (ISCC) PLUS to ensure the traceability of renewable and recyclable materials used in our supply chain. ISCC is a renowned, global, third-party certification system.

We endeavor to continue obtaining globally recognized social and environmental certifications to hold ourselves accountable for the CSR and sustainability goals we set.



Our Approach to Sustainability

We believe in the three pillars of sustainability: People, Planet, and Prosperity for all. We are committed to a proactive and long-term approach to implementing sustainable processes and providing sustainable products for the business to continue thriving alongside society and the environment.

Our CSR Strategy

Our corporate social responsibility (CSR) strategy addresses environmental, social, and governance issues that matter most to our company and our stakeholders. These factors play a key role in our long-term sustainability of our business.

Our strategy also takes into consideration the key risk factors that may impact our long-term sustainability. Risk factors are reviewed at least annually in management review according to our risk management work instructions and take into consideration key risk factor benchmarks.

We are committed to continue growing and improving our sustainable processes, practices, and our range of sustainable products. Our sustainable practices and products not only benefit the environment but also provide practical business benefits.

Overview of Our Sustainable Practices and Benefits

- **Environmental Benefits** – Our energy and waste management targets not only help reduce our environmental impact, but also help result in operation cost reductions.
- **Sustainable Products** – Our commitment to continue growing our range of sustainable products and materials in turn helps optimize product designs and innovation.
- **Sustainable Supply Chain** – Our commitment to reduce shipping and packing waste helps to reduce logistic costs.
- **Sustainable and Ethical Procurement** – Our extensive supplier evaluation, approval and annual review process ensures continuing growth and improvement of our suppliers' sustainable and ethical systems.
- **Employee Satisfaction** – Providing enriching workplaces help increase employee satisfaction and retention.
- **Providing a Safe and Fulfilling Workplace** – Providing a safe and fulfilling workplace for our employees also helps increase employee satisfaction and retention. We ensure we maintain a safe, inclusive and diverse company, with career advancement and growth, competitive compensation and benefits.

- **Health and Safety** – The health and safety of our employees and of the employees of our suppliers is a priority. We have implemented several processes to mitigate risks and to ensure compliance to health and safety requirements and regulations.
- **Protecting Human Rights** – Human rights are critical to our company, as well as our stakeholders. We have policies and processes in place to protect human rights for our employees as well as our suppliers' workers. These policies are outlined in our Labor and Human Rights Policy, our Employee Code of Conducts and Supplier Codes of Conducts.



Our Approach to Sustainability

CSR Governance and Management

Our CSR team includes the CEO and the management team, which includes department directors, ensuring we bring in expertise and oversight into each of the key areas of our CSR strategy.

The team meets regularly and leads the company in integrating our CSR goals throughout our company processes and activities. The team's role is to establish CSR KPIs and to review and track our progress throughout the year, as well as to provide updates in management meetings.

In addition, our key sustainability policies and targets are communicated and signed off by all employees through our Employee Code of Conduct, Labor and Human Rights Policy and Environmental and Sustainable Procurement policy.

Sustainable Beauty

We are driven by our vision of nurturing and propagating responsible business practices in our industry.

We collaborate closely with our customers to develop sustainable packaging material alternatives not only for their new launches but also their existing products. And we continue to innovate new sustainable products and services to meet this growing demand.

We believe sustainable beauty packaging should meet the functional packaging needs of the present without compromising future generations.

Hence, we collaborate with our stakeholders including our employees, customers, suppliers and vendors to 1) maintain and implement sustainable processes, 2) incorporate sustainable materials and 3) work to provide sustainable end of life for products.



Our Approach to Sustainability

Our sustainable packaging options and practices:

- Use of environmentally friendly materials such as recyclable, recycled and biodegradable materials:
 - Recyclable & mono-material packaging
 - PCR (Post Consumer Recycled) resins
 - Glass and aluminum packaging
 - Bio-resin and sugarcane derived packaging
 - Biodegradable & compostable packing materials
 - Ocean plastic
 - FSC & recycled paper packaging
- Use of recycled export cartons and reduction of excess shipping and packing
- Design and development of reusable and refillable products
- Utilizing more eco-friendly packaging decoration options

Circular Approach

We are also working to adapt a more circular approach to the materials, products, and services we offer.



Stakeholder Engagement

We engage with various stakeholders to implement our CSR strategy and to gain insight into areas of improvement. This helps us identify new opportunities.

We identify and engage with stakeholders based on their expertise, willingness to collaborate and availability. Ongoing stakeholder engagement is critical to the success of our business and meeting our sustainability targets. It helps ensure we maintain awareness of the critical topics affecting our stakeholders as well as the critical topics affecting our industry overall.

The stakeholders with which we engage reflect the relevance of the issues that have direct and indirect impact on our everyday business.

Our stakeholder engagement involves a range of activities listed on the right, including but not limited to:

- **Employees** – we schedule regular internal and 3rd party training to raise awareness on CSR topics including energy conservation, climate change, waste reduction, waste sorting and actions to reduce environmental impacts. We also conduct annual employee satisfaction surveys, performance reviews and quarterly internal newsletters to ensure open communication with this key stakeholder group. Providing a safe and fulfilling workplace with opportunity for career advancement and growth are key targets and are incorporated in our Labor and Human Rights Policy.
- **Clients** – we have implemented various communication mechanisms with our clients globally, including one-on-one meetings, annual client satisfaction surveys, bi-monthly client e-newsletters and other electronic communications. This stakeholder group has increasingly requested sustainably and ethically sourced products and as a result we have continued to prioritize growing our sustainable product range.
- **Suppliers & Vendors** – we meet with our manufacturing suppliers and office operation and logistic vendors globally through regular meetings, on-site screenings, audits and electronic communication. Suppliers and vendors alike have an increased focus on developing ethically and sustainably produced products and our regulatory and sustainable procurement teams work closely to provide guidance as required to ensure compliance so that we can help grow our businesses together.
- **Industry Media and Trade Associations** – we regularly communicate with our industry media contacts and industry trade associations in Hong Kong, Taiwan, USA, Europe, UK and Australia. We help to provide product trend information for articles in publications while our contacts help keep us up to date on industry regulations and trends.



Health, Safety and Well-Being

Employee Covid-19 Health and Safety

We continued to take measures in 2023 to protect our employees against COVID-19 infections and coordinated with our suppliers to safeguard our supply chain.

We continue to strictly follow local government recommendations as well as additional processes to ensure the health and safety of our employees. We conduct routine disinfection of office locations, as well as ensuring availability of face masks, alcohol disinfectant and hand sanitizer. We likewise continue to maintain company protocols for measures in case an employee or an external contact of an employee was infected.

Workplace Health and Safety

All our locations are office settings, and as a result, safety risks are minimal. However, it is still important for all employees to be properly trained each year on health and safety in the office, including proper lifting techniques, office equipment use and fire safety and evacuation protocols.

We completed annual health and safety training for each office location in 2023. This safety awareness is important to helping us maintain our goal of zero lost time due to accidents or injury*.

Furthermore, the company adheres to all local government warnings regarding extreme natural weather events that may affect the immediate safety of our employees. For instance, our Asia offices may be temporarily closed when seasonal typhoons pass through the vicinity of where our offices are located.

In addition, we also care for the physical and emotional well-being of our employees. We are committed to providing employees a workplace which supports employee well-being and fosters a positive working culture where everyone feels included, respected, and valued. We offer our employees the flexibility to work from home during certain circumstances.

Key indicators of our safety performance are measured and reported for all office locations in our annual KPI dashboard and are listed in our Labor and Human Rights Policy.

*Total accidents are defined as all accidents with injuries and a safety concern is defined as all reported unsafe situations. These indicators are reported to senior management as soon as an incident occurs.

Suppliers' Workers Health and Safety

We are committed to ensuring the health and safety of the labor force of our suppliers.

Our suppliers are required to sign our Supplier Code of Conduct and Ethical Code of Conduct, which include health and safety and human rights requirements.

Members of our quality and regulatory teams visit supplier manufacturing sites throughout the year, helping to ensure proper health and safety systems are in place and well maintained.



Labor and Human Rights Policy

The main objective of our Labor and Human Rights Policy is to provide guidance on any direct or indirect employment or human rights related matters and we have included a summary of the policy, targets, and progress through 2023 on the next pages.

The policy outlines our core measures and quantitative targets to ensure social responsibility across our operations. The policy is established by the Chief Executive Officer (CEO) and has been communicated to all company staff.

It applies to all employees, suppliers, subcontractors, agents and consultants working with or for the company. This policy is reviewed in the annual management review meetings.

All employees are required to read and sign the Labor and Human Rights Policy. Our management ensures the policy is available to all employees as well as providing the necessary training for the actions set out in the policy.

The following aspects are considered as material for our business and a more detailed summary of each area is included on the following pages:

- Employee Engagement and Working Conditions
- Occupational Health and Safety
- Career Management and Development
- Human Rights and Anti-Discrimination

Employee Engagement & Working Conditions

- We respect the guidelines of the International Labor Organization (ILO). Usually, our employees work from Monday to Friday, eight hours per day.
- All employees are eligible for paid holidays on national holidays as per local labor laws.
- We also provide employees with additional leave beyond standard vacation days, maternity and paternity leave, marriage leave, and funeral leave.
- Further measures implemented consider the compensation for overtime, annual performance / salary review, flexible work hours, preventative health care coverage for all employees, and regular health checks.
- We aim to continuously and permanently improve working conditions and to provide an enjoyable working space and environment for our employees.

Employee Engagement & Working Conditions 2025 Targets & Progress Through 2023		Status
Employee Satisfaction Survey: To increase response rate on annual employee satisfaction survey to 95% by 2025.	In 2023, we achieved a 95.9% response rate and a 76.3% "Overall Satisfied" response rate reaching our 2025 target.	Completed
Health Care: Maintain 100% of new employees covered by health care by 2025.	100% of all new employees were covered by health care insurance in all company locations in 2023.	Completed



Labor and Human Rights

Targets & Progress

Occupational Health and Safety

The health and safety of our employees is a priority:

- We fully comply with all relevant laws and applicable industrial safety regulations.
- We provides health and safety related trainings and training material, fire safety equipment, employee health insurance and evacuation routes in both English and Chinese languages where applicable.
- Our technical devices are regularly maintained to a high standard.
- Our company continuously strives to improve all these measures as well as to reach and maintain the highest health and safety standards.

Career Management and Development

We also value the personal skill development of our employees by providing:

- Regular assessments in employee performance evaluation.
- In-house training, individual development and employee orientation questionnaires.
- Company sponsored courses and certifications from reputable third-party organizations.

Occupational Health and Safety 2025 Targets & Progress Through 2023		Status
To increase # of employee health and safety training sessions by 50% (3 per year) by 2025	In 2023, we continued to perform annual employee health and safety training in all company locations and are on track to meet 2025 targets.	In Progress
Increase the share of employees represented in fire safety committee by 10% by 2025 compared to 2021.	We achieved over 10% increase in representation on the fire safety committee in 2021 and met our 2025 goal. In 2023, 36% of our workforce was part of the fire safety committee vs 22% in 2022. We will continue to ensure the safety of the growing staff in each office location.	Completed
Maintain the number of lost time injury events at 0 by 2025	There were 0 reported injury events at our office locations in 2023. We are on track to meet our 2025 targets.	Completed
Maintain the number of days lost due to injuries at 0 by 2025	There were 0 lost days due to injury events at our office locations in 2023. We are on track to meet our 2025 targets.	Completed

Career Management and Development 2025 Targets & Progress Through 2023		Status
To have 100% of new employees who received performance reviews by 2025	100% of all new employees received performance reviews in 2023. An enhanced performance review was developed and introduced in 2023.	Completed
Increase the share of employees who have received individual skill development training by 10% by 2025	An average of 13% of staff members across all locations received third-party skill development training and certifications in 2023, surpassing our 2025 target.	Completed
100% of new employees receiving a training plan by 2025	100% of new employees completed their performance reviews in 2023, which include training plans.	Completed

Labor and Human Rights Targets & Progress

Human Rights, Anti-discrimination, Inclusion & Diversity

We honor human rights and strive to create an atmosphere of respect, mindfulness and tolerance amongst our employees.

Our employees' security, property, privacy, civil, political, social and cultural rights are highly prioritized:

- We prohibit harassment and discrimination, moral and physical violence and inhumane or degrading treatment.
- All forms of child and forced labor, workplace violence and discrimination are neither accepted nor tolerated.
- To prevent all forms of discrimination and harassment and to promote inclusion, diversity & equality within business operations we have implemented the following actions:
 - Awareness training of employees on discrimination, harassment, inclusion and diversity
 - Anti-discrimination statement posted on our website and external job postings on third-party websites
 - Provide appropriate infrastructure for employees with disability
 - Company Speak Up Procedure



Human Rights and Anti-Discrimination 2025 Targets & Progress Through 2023		Status
100% of new employees trained on discrimination and diversity by 2025	100% of new employees were trained on discrimination and diversity in 2023 during their orientation as well as in our annual company-wide CSR training sessions.	Completed
0 incidents related to discrimination by 2025	We have had 0 incidents reported related to discrimination or harassment at all office locations in 2023.	Completed
Maintain the share of sites with an available infrastructure for employees with disability at 100% by 2025	All company sites have infrastructure for employees with disabilities in 2023 including elevators and ramps to enter the building.	Completed
Maintain the anti-discrimination statement on our website and add to external job postings at 100% by 2025	Our Anti-Discrimination statement is posted on our website and included in all external job postings in 2023.	Completed

Anti Discrimination, Inclusion & Diversity

We honor human rights and strive to create an atmosphere of respect, mindfulness and tolerance amongst our employees and our suppliers' workers. We strive to attract, develop and retain an inclusive and diverse workforce that includes women, minorities, people with disabilities, and the LGBTQ+ community. In addition, security, property, privacy, civil, political, social and cultural rights are highly prioritized:

- We prohibit harassment and discrimination, moral and physical violence and inhumane or degrading treatment.
- All forms of child and forced labor, workplace violence and discrimination are neither accepted nor tolerated.
- We do not require a pregnancy test or discriminate against pregnant workers.

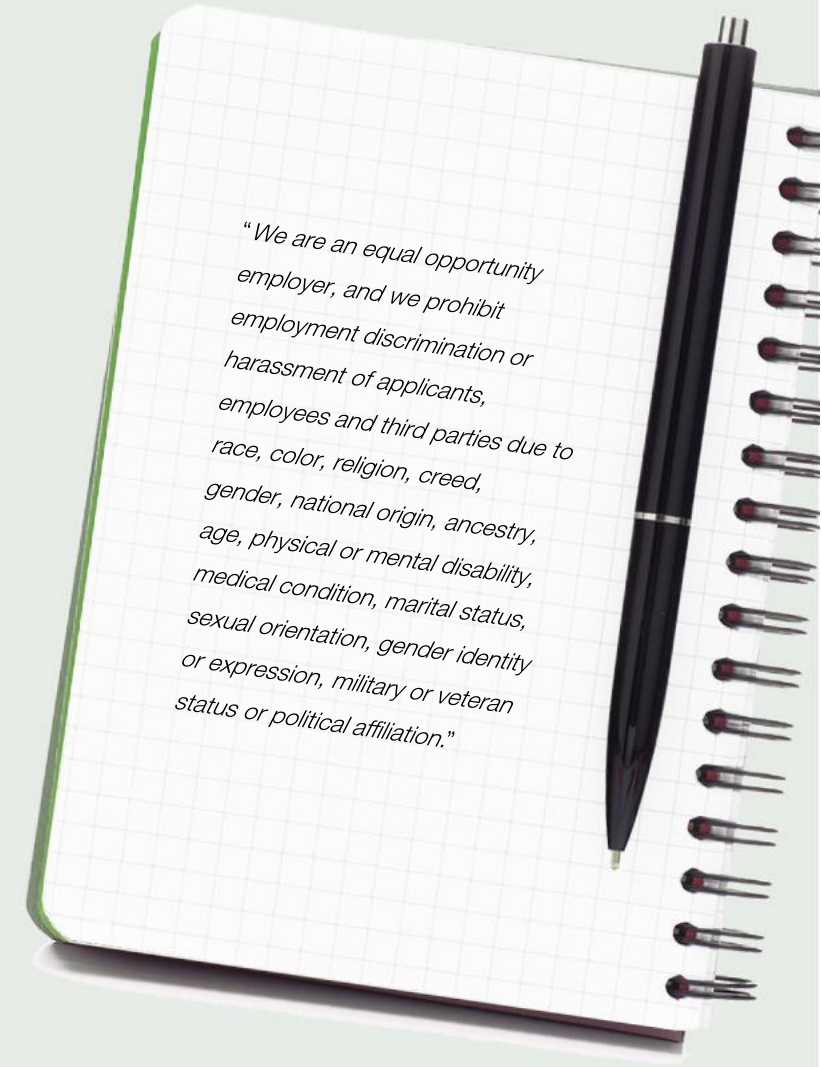
These issues are listed in our Anti Discrimination, Anti-Harassment, Diversity and Inclusion Policy and are also included in our Supplier Code of Conduct.

Our Speak Up Procedure

We are committed to high standards of ethical, moral and legal business conduct and open communication. To ensure this amongst all employees, we developed the Speak Up procedure, a company whistleblower/grievance mechanism, which is communicated to employees and suppliers during orientation, employee training sessions, and in our Employee and Supplier Codes of Conducts.

Our Speak Up procedure establishes a process which provides an avenue for employees to raise concern and report incidents with full anonymity. All employees are protected from reprisals for whistleblowing, treating all disclosures in a confidential and sensitive manner.

Our Speak Up review team consists of a balanced representation of the company's top management and ensures complaints or non conformances are dealt with in a timely manner. Per the procedure, any reports will be investigated immediately and upon confirmation of a breach of rules or incident, sanctions may apply. In severe cases, this may lead to the termination of the work contract or other follow up as appropriate.



Anti Discrimination, Inclusion & Diversity

Employees Diversity

We have maintained an inclusive and diverse workforce in all our company locations. We are also proud to report that in 2023 women made up most of the workforce at the company, representing 70.5% of total staff. In addition, most of our executive positions are also comprised of women, holding 63.2% of all company executive positions in 2023, up from 58% in 2022.

2023 Employee Count	HK	Taiwan	China	USA	AUS	SUM
Total Employees*	5.4%	68.9%	18.9%	5.4%	1.4%	100%
Female	3	40	5	3	1	52
Male	1	11	9	1	0	22
Total	4	51	14	4	1	74
*Full-time, permanent employees. The company did not have any seasonal or temporary employees in 2023.						
% of women in executive positions in relation to total executive positions	15.8%	36.8%	5.3%	5.3%	0.0%	63.2%
% of women employed in relation to the whole organization	4.1%	54.1%	6.8%	4.1%	1.4%	70.5%

Environmental and Sustainable Procurement

Our Environmental and Sustainable Procurement Policy focuses on supporting environmental sustainability: recycling, the reduction in energy consumption and greenhouse gases, waste management and the selection of certified suppliers whenever possible. The policy also focuses on supporting ethical trade and use of ethically audited and/or certified suppliers.

We also ensure our operation fully complies with local regulations and laws and that our products meet all regulations for their country and/or regions of sale.

The main objective of the policy is to provide guidance on any sustainability related matters:

- It outlines our core measures and quantitative targets to ensure responsibility for environmental and sustainable matters across our operations.
- The policy is established by the Chief Executive Officer (CEO) and has been communicated to all company employees.
- It applies to all employees, suppliers, subcontractors, agents and consultants working with or for the company.
- The management team annually reviews the continuing suitability of the policy.

The following aspects are considered as material for our business:

- Responsible and Sustainable Procurement
- Reducing Environmental Impact
 - Climatic Impact due to Greenhouse Gas Emissions and Energy Demand
 - Waste Management
 - Promotion of 4 Rs and Sustainable Consumption to our clients, employees and suppliers



Reducing Environmental Impact Targets & Progress

Climatic Impact due to GHG Emissions & Energy Needs

The greenhouse gases emitted from the energy used in our office operations are a significant factor in our climate impact. Electricity is the only energy source used in all our offices.

In 2023, our Hong Kong office started purchasing renewable energy and in 2024, we will be switching to solar energy at our Taiwan office amounting to increased costs compared to fossil fuel energy. However, we remain fully committed to playing our part in reducing our climatic impact.

Additionally, we use “EcoSmart” kitchen devices as well as ENERGY STAR certified copiers and printers and other eco-friendly office equipment wherever possible. Furthermore, LED lighting systems have been installed in our offices.

Energy 2030 Targets & Progress Through 2023		Status
To decrease our electricity consumption by an additional 42% by 2030, from 2021 base year or to offset the portion which can't be reduced by purchasing certified renewable electricity to align with SBTi targets.	We saw a 25% total decrease in electricity consumption in 2023 compared to 2021 and we will be switching to solar energy at our Taiwan office in 2024. We are on track to meet our 2030 targets	In Progress

The continuous goal is to decrease our overall energy demand and negative environmental impact caused by GHG emissions.

Our long-term goal is to decrease our electricity consumption by 42% by 2030 from our 2021 base year or to offset the portion of our consumption which cannot be reduced by purchasing certified renewable electricity. In turn, our targets are to maintain Scope 1 GHG emissions at 0 and reduce Scope 2 GHG emissions by 42%.

Reducing Environmental Impact – Waste Management

As our company is a service provider and all our locations are in an office setting, waste is generated by paper and cardboards, plastics, cans, toners and ink cartridges. We have implemented several processes to sort and recycle or dispose various types of rubbish according to waste streams, including recycling of toners and ink cartridges. All our reported waste in our offices is non-hazardous general waste and is weighed and disposed of through the office building waste disposal collection points.

In addition, in 2023, we switched to using industrially biodegradable and compostable polybags at all our offices for day-to-day operations. We continuously aim to improve our waste management and to reduce waste where possible.

Waste Mgmt 2025 Target & Progress Through 2023		Status
Decrease the amount of general waste by 2% by 2025.	Compared to 2021, our general waste in 2023 increased by 16%.	In Progress

Promotion of Sustainable Consumption

We are on the forefront of sustainable and circular packaging options, and we continue to grow our options as demand and innovation in the industry continues to grow. In 2023, sustainable packaging options included: mono-material and recyclable packaging, post consumer recycled (PCR) plastic, pre-consumer recycled plastic, refillable packaging, paper & recycled paper packaging, natural materials for packaging, as well as ocean plastics, bio-plastic and innovation in natural materials, recycled export cartons & reduction of excess packaging.

Promotion of Sustainable Consumption 2025 Targets & Progress Through 2023		Status
To include eco-friendly products in at least 50% of marketing pieces by 2025.	The number of marketed pieces focused on sustainable products in 2023 remained the same compared to 2021. However, 93% of 2023 marketing materials mention sustainable options where available.	Completed
Increase the number of sustainable material options offered by 10% by 2025 compared to 2019.	In 2023, we offered 33% more sustainable material options compared to 2019.	Completed

Sustainable Procurement Targets & Progress

Responsible & Sustainable Procurement

We consider sustainable procurement a high priority aspect within our business operations and attach high importance to the environmental and social practices of our suppliers. Key suppliers are primarily located in Taiwan and China.

Supplier Evaluation and Approval Process

We have developed an extensive supplier evaluation, approval and regular review process which supports and ensures sustainable and ethical systems and focuses on the selection and consideration of certified suppliers:

- We screen all suppliers before adding to our supplier list and our supplier screening form includes a section on sustainable and ethical practices.
- We work with manufacturers to help them achieve ethics related certifications and 3rd party social audits so that we can continually grow our supply base of ethically and sustainable certified suppliers.

- We have designated staff members that manage and maintain regular factory screenings, audits and updates in certifications, ensuring suppliers meet the requirements as outlined in our Supplier Code of Conduct and Ethical Code of Conduct.

We constantly aim to improve and build on our sustainable procurement practices.

Sustainable Procurement Targets 2025 & Progress Through 2023		Status
Continue to have 100% of new suppliers sign our Code of Conduct and undergo rigorous screening by 2025.	In 2023, 100% of new suppliers signed our Supplier Code of Conduct and underwent an on-site screening which covered CSR topics	Completed
Continue to have 100% of active suppliers sign our Ethical Code of Conduct by 2025.	In 2023, 100% of active suppliers signed our Ethical Code of Conduct	Completed



Our Code of Conducts

We are committed to ensuring that workers throughout our supply chain are treated with respect and dignity and that their working conditions are safe.

Our responsible sourcing also means a commitment to using sustainable materials, ethically and socially produced products, addressing the concerns of our key stakeholders, compliance with regulations and best practices and managing supply risks.

We have implemented several practices and procedures to ensure our employees and our suppliers comply with our strict ethical, environmental and sustainable requirements.

Employee Code of Conduct

- All our employees in all locations must sign our **Employee Code of Conduct** which covers:
 - Conflicts of interest
 - Non-discrimination and harassment
 - No corruption, bribery, fraud or money laundering
 - Disclosure of information
 - Behaving with respect, integrity and honesty in all business dealings

Supplier Codes of Conduct

Our suppliers are required to sign our **Supplier Code of Conduct and Ethical Code of Conduct**.

These codes include assessment, management and control of our suppliers':

- Environmental Impacts
- Anti-Corruption
- Quality
- Human Rights
- Social Accountability (per ETI and SA8000 / ISO26000 key requirements)
- Financial Risk

Furthermore, our suppliers commit to operate in full compliance with the laws and regulations of the countries in which they are based.

Our Supplier Code of Conduct and Ethical Code of Conduct reflect internationally recognized social accountability standards and draw on the below as guidance for our code of conduct;:

- Ethical Trade Initiative [ETI]
- ISO14001
- SA8000 / ISO26000
- ILO International Labor Standards

We have regulatory and audit managers on staff, ensuring manufacturers follow our Code of Conducts and that all approved active suppliers review and sign the codes every 2 years.



Supplier Code of Conducts

Our Supplier Code of Conduct provides guidance in the areas of Social Accountability that our company has deemed crucial to our purchasing strategy, including:

- Labor, Human Rights and Health and Safety
 - Employment is Freely chosen
 - Freedom of Association and right to collective bargaining are respected
 - Child Labor is strictly prohibited
 - Living wages paid and reasonable working hours
 - No discrimination is practiced
 - No harsh or inhumane treatment is allowed
 - Working conditions are safe and hygienic

- Business Ethics
 - We strictly prohibit bribery, corruption, fraud, extortion and embezzlement
 - All business dealings should be transparent. Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted by suppliers
 - Disclosure of Information
 - Whistleblowing and Complaints



- Per our Speak Up Procedure our employees and suppliers' workers can report any incident that violates our Code of Conducts. People using the "speak-up" procedure are granted full anonymity. The incident will be investigated immediately, and violations of the code may result in immediate termination as a supplier and other follow-up steps as required.

- Management Systems
 - We require our suppliers to implement this code using management systems outlined in our Supplier Code of Conduct.
 - We may visit (or have third parties visit) supplier facilities to assess compliance to this code and to audit against the ETI base code and related ISO14001, SA8000 / ISO26000.

Responsible Procurement

Responsible Procurement

We not only require written sign-off and commitment of our Codes of Conducts by our suppliers, but also:

- As part of our supplier approval process, we perform on-site and desk-side screenings and audits either through our Regulatory and Audit staff or through 3rd party audits.
- Involve close cooperation with individual suppliers through meetings, on-site visits, and supplier assessments.
- In daily practice, our responsible sourcing is also done by our development teams who work with suppliers regularly.
- Quality, development and regulatory team members regularly visit our suppliers' production sites to get first-hand knowledge of supplier operations and processes.
- Suppliers are selected and screened based on pre-evaluation of their social and environmental risk profile and are evaluated using our Corporate Social Responsibility Questionnaire and Checklist.

Supplier Evaluations Finding Summary

No major non-conformances were found with any existing suppliers through our screenings in 2023. And any screenings of new suppliers where any minor non-conformances are found, our Regulatory and Audit team would identify corrective actions and work with the suppliers to verify the corrective actions were completed before a supplier is approved.

In addition, if overtime or working hours exceed regulations, corrective actions and improvement plans are put in place for continuous improvement.

As appropriate, follow-up screenings were performed and if we find a supplier is failing to meet our requirements and expectations, our Regulatory and Audit team will work with our suppliers to offer guidance, specify what issue need to be improved, establish target deadlines and agree on next steps.



Responsible Material Procurement

We work with a variety of suppliers and vendors who provide a wide range of products and services to support our business locally and globally.

Our suppliers include small scale local service suppliers and large multinational companies and manufacturers.

Responsible Material Sourcing & Transparency

In our range of products, we have many suppliers for many different types of materials and products, including various plastic resins, glass, aluminium and paper products.

The end products are produced in China and Taiwan, and the raw materials may be sourced from suppliers globally.

We ensure all materials are compliant with REACH and Proposition 65 regulations and other customer-specific material requirements.

In addition, to ensure the source of each raw material was sustainably and ethically produced, the raw material supplier and type of material is included on the product specification sheet and is provided to our end customers. This ensures full material transparency from beginning to end use.



Reduce, Reuse, Recycle and Recover

We have a goal to use a more circular approach to material through reducing, reusing, recycling, and recovering material wherever possible. We have implemented recycling and reuse of paper, plastic and aluminum products in our offices and encourage our suppliers to do the same at their facilities. We sort and recycle or dispose of various types of waste according to waste streams and local segregation of wastes. In addition, we work closely with our suppliers to ensure products meet material restrictions to ensure materials of concern meet requirements and are kept out of the waste stream.

IT Refurbishment, Recycling and Donation

We support environmental sustainability, recycling, and waste management and strive for continuous improvement. We reduce waste where possible, including refurbishment, recycling or donation of IT hardware such as company laptops, PCs and cellphones.

Devices that are determined to be too old or broken to be used as company devices are:

- Recycled through local government computer recycling system to ensure the device is disposed of properly.
- When possible, a device that is unsuitable for company use, but still in operating condition, may be donated to an approved charity.

United Nations Global Compact Principles

We support the UN Global Compact 10 Principles and have embedded these principles into our business operations.

We have featured here the 10 principles with page numbers of where the related information of where our company supports these principles can be found in this report.



Human rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights. (p12-14)
- Principle 2: Businesses should make sure that they are not complicit in human rights abuses. (p12-14)

Labor

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. (p20)
- Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor. (p18-20)
- Principle 5: Businesses should support the effective abolition of child labor. (p18-20)
- Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation. (p14-16)

Environment (p8, 17, 21-22)

- Principle 7: Businesses should support a precautionary approach to environmental challenges.
- Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
- Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. (p19-20)



Environmental KPI Results

	Hong Kong			Taiwan			China			USA			Australia			2023 Total	2022 Total	2019 Total	Impact
Year	2023	2022	2019	2023	2022	2019	2023	2022	2019	2023	2022	2019	2023	2022	2019	-	-	-	2023 vs 2022
Electricity Consumption (kwh)	7,135	7,193	11,727	86,240	104,210	N/A*	7,568	7,216	15,279	N/A	N/A	N/A	N/A	N/A	N/A	100,943	118,619	27,006 (TW 2019 data not available*)	15% decrease
Non-hazardous General Waste (kg)	127.65	192	400	2,805	2,515	2460	280.08	60	650	N/A	N/A	N/A	N/A	N/A	N/A	3,213	2,767	3510	16% increase
Waste Recovered	29.80	45	N/A	840	690	832	239.72	454	N/A***	N/A	N/A	N/A	N/A	N/A	N/A	1,110	1,189	832	7% decrease
Donated IT Equipment (#)	0	0	0	23	0	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	23 keyboards & mice	0	26 PCs/ 2 Monitors	23 keyboards & mice more than in 2022
% of employees trained on environmental issues (energy & GHG emissions, waste, materials and environmental impacts)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%	100%	100%	Maintained 100%
GHG Emissions (tCO2eq)	Scope 1: 0 Scope 2: 5.07	Scope 1: 0 Scope 2: 5.11	-	Scope 1: 0 Scope 2: 43.9	Scope 1: 0 Scope 2: 53.04	-	Scope 1: 0 Scope 2: 4.2	Scope 1: 0 Scope 2: 4	-	N/A	N/A	N/A	N/A	N/A	N/A	Scope 1: 0 Scope 2: 53.17	Scope 1: 0 Scope 2: 62.15	N/A*	Scope 1: 0 Scope 2: 14.4% reduction

Note 1: Electricity kwh totals in our Taiwan office were grouped into the full building totals prior to 2020. As a result, we were not able to track electricity consumption in our Taiwan office in 2019.

Note 2: Electricity tracking methodology in Taiwan was amended in 2022 when we moved to a new Taiwan office location allowing us to compare full electricity usage in in our new and old Taiwan offices in 2022 and 2021 and updated totals are reflected.

Note 3: USA and Australia offices worked from home so data not available.

Note 4: Waste collection data not available in China office due to Covid-19 restrictions in the building.

GRI Content Index

International Cosmetic Suppliers Ltd has reported the information cited in this GRI content index for the period of January 1 – December 31, 2023, with reference to the GRI Standards.
GRI 1: Foundation 2021

GRI Standard	Disclosure	Page #
GRI 2: General Disclosures 2021		
Organizational and reporting practices		
2-1a Legal name of organization	International Cosmetic Suppliers Ltd. (ICONS ICS)	pg 4
2-1b Ownership and legal form	Privately owned	pg 4
2-1c Location of headquarters	Headquarters are in Hong Kong	pg 5
2-1d Location of operations	See Company Profile: Company locations in Hong Kong, Taiwan, China, USA, Australia	pg 5
2.2 Entities included in sustainability reporting	International Cosmetic Suppliers Ltd. (ICONS ICS)	pg 4
2-3a, b Reporting period and frequency, and financial reporting period	Jan 1 – Dec 31, 2022, annual reporting cycle.	pg 2
2-3c Report publication date	Oct 1, 2023	pg 2
2-3d Contact for questions regarding the report	Info@ics-world.com See About this Report	pg 2
2-4 Restatements of information	Electricity tracking methodology in Taiwan was amended in 2022 and updated totals for 2021 and 2022 are reflected.	pg 24
2-5 External Assurance	Not applicable. We have not enlisted external review for external assurance certification.	
Activities and workers		
2-6a-c Activities, value chain and other business relationships	See Company Profile.	pg 4
2-6d Significant changes to the organization and its supply chain	There were no significant changes to the organization in 2022 and so there is no relevant disclosures.	
2-7 Information on employees	See Diversity	pg 16
2-8 Workers who are not employees	Not applicable. We do not have workers that are not employees and whose work is controlled by the company.	
Governance		
2-9 Governance structure and composition	See CSR Governance and Management, and CSR Strategy	pg 6-7
2-10 Nomination and selection of the highest governance body	See CSR Governance and Management, and CSR Strategy	pg 6-7
2-11 Chair of the highest governance body	See CSR Governance and Management, and CSR Strategy	pg 6-7
2-12 Role of the highest governance body in overseeing the management of impacts	See CSR Governance and Management, and CSR Strategy	pg 6-7
2-13 Delegation of responsibility for managing impacts	See CSR Governance and Management, and CSR Strategy	pg 6-7
2-14 Role of the highest governance body in sustainability reporting	See CSR Governance and Management, and CSR Strategy, Material Topics	pg 6-7, 10
2-15 Conflicts of interest	See CSR Governance and Management, and CSR Strategy, Code of Conduct	Pg 6-7, 19

GRI Standard	Disclosure	Page #
GRI 2: General Disclosures 2021		
Governance		
2-16 Communication of critical concerns	See CSR Governance and Management, and CSR Strategy, Materiality Topics, Speak Up Procedure	pg 6-7, 10
2-17 Collective knowledge of the highest governance body	See letter from CEO and Materiality Topics	pg 2, 10
2-18 Evaluation of the performance of the highest governance body	See CSR Governance and Management, and CSR Strategy	pg 6-7,
2-19 Remuneration policies	The company is privately owned, and our financial statements are confidential, so these disclosures are omitted.	
2-20 Process to determine remuneration		
2-21 Annual total compensation ratio		
Strategy, policies and practices		
2-22 Statement on sustainable development strategy from senior decision-maker	See Letter from CEO	pg 3
2-23 Policy commitments	See CSR Governance and Management and Employee and Supplier Codes of Conduct	pg 7 & 19-20
2-24 Embedding policy commitments	See CSR Governance and Management and Employee and Supplier Codes of Conduct	pg 7 & 19-20
2-25 Processes to remediate negative	See Speak Up Procedure	pg 15
2-26 Mechanisms for seeking advice and raising concerns	See Speak Up Procedure	pg 15
2-27 Compliance with laws and regulations	Labor and Human Rights Targets and Progress & Sustainable Procurement	pg 12-14, 21
2-28 Membership of associations	See CSR Awards and Memberships	pg 5
Stakeholder engagement		
2-29 Approach to stakeholder engagement	See Stakeholder Engagement	pg 9
2-30 Collective Bargaining Agreements	Not applicable. Each location is a small to medium office structure and collective bargaining agreements are not in place and not required by local regulations.	
Materiality		
3.1 Process to determine material topics	See Materiality Topics & Stakeholder Engagement	pg 9-10
3-2 List of material topics	See Materiality Topics	pg 10
3.3 Management of material topics	See Materiality Topics, policies, targets and progress	pg 10-22

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GRI 1: Foundation 2021

GRI Standard	Disclosure	Page #
GRI 205 Anti Corruption 2016		
Topic Specific Disclosures		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Codes of Conducts	pg 19-21
205-1 Operations assessed for risks related to corruption	See Codes of Conducts & Sustainable Procurement Targets and Practices	pg 18-21
GRI 302 Energy 2016		
Topic Specific Disclosures		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Climatic Impact due to GHG Emissions & Energy Demand	pg 16-17
302-1 Energy Consumption within the organization	See Climatic Impact due to GHG Emissions & Energy Demand and Environmental KPI Results	Pg 17 & 24
GRI 306 Waste 2020		
Topic Specific Disclosures		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Reducing Environmental Impact – Waste Management	pg 16-17
306-3 Waste generated	See Reducing Environmental Impact – Waste Management & Environmental KPI Results	Pg 17 & 24
GRI 401 Employment 2016		
Topic Specific Disclosures		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Employee Engagement & Working Conditions and Labor and Human Rights Policy	pg 12
401-2 Benefits provided to full time employees that are not provided to temporary or part time employees	See Employee Engagement & Working Conditions and Labor and Human Rights Policy	pg 12

GRI Standard	Disclosure	Page #
GRI 403 Occupational Health and Safety 2016		
Topic Specific Disclosures		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Supplier Code of Conduct and Occupational Health & Safety, and Health Safety and Well-Being	pg 11, 13 & 20
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	See Supplier Code of Conduct and Occupational Health & Safety, and Health Safety and Well-Being	pg 11, 13 & 20
GRI 404 Training and Education 2016		
Topic Specific Disclosures		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Labor and Human Rights Policy & Career Management and Development	pg 12-13
404-3 % of employees receiving regular performance & career development reviews.	See Labor and Human Rights Policy & Career Management and Development	pg 12-13 & 16
GRI 405 Diversity & Equal Opportunity 2016		
Topic Specific Disclosures		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Human Rights and Anti-Discrimination and Anti-Discrimination, Inclusion and Diversity	pg 12, 14-16
405-1 Diversity of governance bodies and employees	See Anti-Discrimination, Inclusion and Diversity – Employees Diversity	Pg 16

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GRI 1: Foundation 2021

GRI Standard	Disclosure	Page #
Topic Specific Disclosures		
GRI 408 Child Labor 2016		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Supplier and Ethical Code of Conducts and Sustainable Procurement Targes & Progress	pg 18-21
408-1 Operations and suppliers considered significant risk for incidents of child labor.	See Supplier and Ethical Code of Conducts	pg 18-21
GRI 409 Forced or Compulsory Labor 2016		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Supplier and Ethical Code of Conducts and Sustainable Procurement Targes & Progress	pg 18-21
409-1 Operations and suppliers considered significant risk for incidents of forced or compulsory labor.	See Supplier and Ethical Code of Conducts and Sustainable Procurement Targes & Progress	pg 18-21
GRI 414 Supplier Social Assessment 2016		
GRI 103: Management Approach 2016 103-1 Explanation of the material topic and its Boundaries 103-2 The management approach and its components 103-3 Evaluation of the management approach	See Responsible Procurement Targets and Progress	pg 18-21
414-1 New suppliers screened using social criteria	See Responsible Procurement	pg 18-21

