



Processor Audit Process and Methodology

Theory of Change:

OceanCycle® believes that the best way to end ocean plastic pollution is to create and scale profitable business models to collect and recycle plastic in coastal communities before it reaches the water. Through the strengthening and creation of infrastructure to collect and pay for the “high value” plastics we can then leverage that infrastructure to recycle or properly dispose of lower value and difficult to recycle plastics.

Certification:

Our certification is designed to deliver full traceability from coastal collection through shipment and to provide robust monitoring to ensure ethical collection practices.

Social Engagement:

We work with processors to help them understand how to best organize and engage communities to strengthen collection systems and improve livelihoods. Paying for plastic that people collect leads to more income for communities and improves livelihoods. Our surveys identify other needs impacting plastic collectors and their families and, where appropriate, we will direct additional resources to support the collector communities. We find that the health and strength of the collector communities is correlated to how much plastic they are preventing from entering the ocean.

Process:

1. Baseline collection network and production facilities
 - Select top processors in a target region that can meet the quality standards of manufacturers looking to utilize recycled materials in their products.
 - Map the processor's flow of plastics and identify which collection points have the potential to meet our standards as defined in *OceanCycle® processor Certification for Ocean & Ocean-bound Plastics: Definitions & Standards V 3.0*.
 - Baseline collection points using our online platform.
 - i. Initial collection center audits require a minimum of one manager/owner interview, 3 employees, and 3 collectors who sell to that center
 - ii. Basic interviews in the areas surrounding the collection centers to understand how plastic flows from the community to the collection centers
 - Develop a test zone based upon initial site visits.
 - Monitor and track the collection of material as it is collected from the test zone.
 - After successful test shipments tracking (verified chain of custody and mass balance tracking) we will offer a full certification to the processor for the collection points in that test zone.



- All shipments are checked and verified before a transfer certificate can be issued.
- Processors are certified annually.
- 2. Expand approved locations
 - As a processor's demand for certified material grows we expand beyond the test zone and audit additional collection points.
 - Each additional collection point goes through the same baselining process as noted above.
- 3. Community interviews
 - As collection points increase we expand community interviews to better understand plastic flows and local needs. These surveys help drive our reinvestment strategy and provide opportunities for those who buy the material to further engage.
 - We also identify community leaders, local business operators and other influencers in the community to stay on top of issues going on and waste management practices.
- 4. Reinvest
 - Using community and center interviews as a guide we reinvest in local communities to improve livelihoods and plastic collection logistics. (E.g. water filtration systems, daycare programs, food, equipment, etc).
- 5. Ongoing social monitoring
 - Random center visits and additional community interviews.
 - Constant communication with key contacts at the collection centers and in the communities surrounding the collection points.
- 6. Hire additional staff
 - When we do our initial work we contract with local companies and organizations to help with the baselining of centers.
 - As the flow of certified material grows we then hire full-time local staff to continuously visit collection centers, track reinvestment projects, and further understand waste management practices and needs within communities.