

Monitored Party Ecocyle new materials(Yunnan)Co.,Ltd.	amfori ID 156-035078-000	Address Intersection of Yingbin Avenue and Industrial Avenue, Sucrose Industrial Park, Gengma Green Industrial park, Gengma County, Lincang, Yunnan Sheng, China
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner ALGI International, Inc.
Monitoring Start Date 30/01/2024	Closing Meeting Finished Date 04/02/2024	Submission Date 06/02/2024
Expiration Date 06/02/2025	Announcement Type Fully Announced	
Site Ecocyle new materials(Yunnan)Co.,Ltd.	Site amfori ID 156-035078-001	

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OVERALL RATING



SECTION RATING

PA1: Social Management System	B	
PA 2: Workers Involvement and Protection	A	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination, Violence or Harassment	A	
PA 5: Fair Remuneration	B	

PA 6: Decent Working Hours	A	
PA 7: Occupational Health and Safety	D	
PA 8: No Child Labour	A	
PA 9: Special Protection for Young Workers	A	
PA 10: No Precarious Employment	A	
PA 11: No Bonded, Forced Labour or Human Trafficking	A	
PA 12: Protection of the Environment	B	
PA 13: Ethical Business Behaviour	A	

GENERAL DESCRIPTION

Monitoring partner name: ALGI China

Audit schedule details: The Full Announced Full audit is planned for 1 auditor x 1.5 onsite days on 30-31 January 2024.

Name of lead auditor: The Audit was conducted by Alex Dai; APSCA membership number: CSCA21700155.

Name of team auditor (if applicable): None

Name of observers, translators, trainees, advisors/consultants (if applicable): None

Business partner information: Ecocycle new materials(Yunnan)Co.,Ltd. (Local Name: 绿赛可新材料(云南)有限公司
Uniform Code of Social Credit: 91530926MA6NUL2K6R) located at Intersection of Yingbin Avenue and Industrial Avenue, Sucrose Industrial Park, Gengma Green Industrial park, Gengma County, Lincang City, Yunnan Province, China. The factory was registered in 2019 and was specialized in manufacturing of Disposable biodegradable tableware. Main production processes included materials mixing, Moulding, Trimming and packing. No process would be subcontracted.

Audited location information: The factory rented one single-storey production building (inner 2 floors) as office, production, and warehouse area from landlord. The factory did not provide dormitory, kitchen or canteen to workers. The audited factory occupied area was about 33400 square meters. The detail situation of the single-storey production building (inner 2 floors) as below:

G/F: warehouse of materials, mixing, moulding, trimming and packing, warehouse of products.

Inner 2 floor: showroom, warehouse.

Operating shifts and hours:

The security guards and moulding workers were arranged to three shifts, they worked as 8:00-16:00; 16:00-0:00; 0:00-8:00. The other workers were arranged to one shift, they worked as 8:00-12:00; 13:00-17:00. Normal working days were from Monday to Friday. The workers did not overtime work on weekdays but overtime for 8 hours per day on Saturdays if necessary.

Time recording system: The factory used face scanning attendance system to record employees working hours.

Salary payment details: All employees were paid by hourly rate. The wages for the preceding month were paid by bank before 17th of the following month.

Worker number information: On the audit day, there were total 98 employees, including 8 non-production employees and 90 production employees. Of the 90 employees, 27 are males and 63 are females. No vulnerable workers or any other special group workers (such as interns, apprentices, contractor workers) were noted during this audit.

Good practices: No Good practice was noted in the audit.

Worker organization details: No labor union was available. However, three workers' representatives were elected by all workers in March 2023.

Circumstances: Mr. Carey Zhang / Manager and Ms. Honghui Zhou / Worker representative participated in the opening & closing meeting. The opening meeting started at 08:00 of 30 January 2024 and the closing meeting ended at 12:00 of 31 January 2024. The auditor communicated the findings in detail to them and allowed them to raise questions and make any needed clarifications. Finally, they agreed on the findings and signed the on-site audit findings report.

The special circumstances can be classified as followed: No special circumstances were noted during this audit.

Summary of findings:

1.1 The social management system needs to be improved.

5.5 Not all workers participated in social insurance.

7.1 The actual practice throughout the factory was not fully in compliance with requirements of local law and poor goods storage.

7.3 Workers were not provided occupational health examinations.

7.11 The factory did not provide any safety files of used building.

7.13 Some electricity switches and power box were not protected well.

7.15 Some safe exit and escape route were not maintained well.

7.17 The factory did not obtain safety use certificate or safety inspection report for used cargo lift.

12.2 The implementation of environmental protection was not well.

12.3 The factory did not declare discharged waste to local government.

Living wage calculation: The local legal minimum wage standard was CNY1600 per month (equal to CNY9.2 per hour) before and updated to CNY1690 per month (equal to CNY9.71 per hour) since October 2023.

#LivingWage: [The audited factory was in Lincang City, which cannot be found on the GLWC website. So, the auditor used the basic living wage CNY1934.16, which was manually collected and calculated by the auditor through Anker's methodology. The Living wage calculation technique used by the auditor is to be inquired the resident consumption parameters published on the local government's public website and yearbook. Afterwards, there are calculated the relevant data of local living wage according to the proportion of Anker methodology of the key parameters. Relevant data comes from the website or yearbook data published by the local government. Basic Living Wage calculation manually collected by the auditor is uploaded as part of the report attachments.]

Precautions taken about #COVID-19 in the facility: No application in China.

Remark: 1. The government waiver, agency labor contract and collective bargaining agreement were not available for the factory on the audit day, which made those documents not applicable.

2. Some uploaded attachments (such as wage records and time records) involve employees' personal information, which is protected. This is to comply with the requirements of the Personal Information Protection Law of the People's Republic of China and GDPR.

SITE DETAILS

Site

Ecocyle new materials(Yunnan)Co.,Ltd.

Site amfori ID

156-035078-001

GICS Classification

Sector

Consumer Discretionary

Industry Group

Consumer Durables & Apparel

Industry

Household Durables

Sub Industry

Housewares & Specialties

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

This site is not located in a water stressed region

METRICS

Key Metrics

Total workforce	98	Workers
Legal minimum wage in local currency	1,690	Monthly
Lowest wage paid for regular work at the site	3,400	Monthly
Calculated living wage in local currency	1,934.16	Monthly
Total sample	14	Workers

Other Metrics

Male workers	31	Workers
Female workers	67	Workers
Non-binary workers	0	Workers
Permanent workers - Male	31	Workers
Permanent workers - Female	67	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	2	Workers
Management - Female	2	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	7	Workers
Workers with night shift - Female	25	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	5	Workers
Domestic migrant workers - Female	1	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	31	Workers
Workers hired directly - Female	67	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	0	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	5	Workers
Sample - Female	9	Workers
Sample - Non-binary	0	Workers

FINDINGS

PA1: Social Management System

Site: Ecocyle new materials(Yunnan)Co.,Ltd. | Site amfori ID: 156-035078-001

Question: 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH

LOCAL LANGUAGE

Finding

Based on onsite observation, documents review, workers interview and management interview, the management procedures of social system were established. The factory recorded the implementation also. However, the system should be improved in some implementation area. It was not in compliance with requirements of the amfori BSCI CoC. In this audit, the non-compliance issues were detected regarding Social management system, Fair Remuneration, Occupational Health and Safety, Protection of the Environment (refer to Performance Areas 1, 5, 7 and 12 for detail). The question is rated as partially because the findings were identified in only 4 out of 13 performance areas.

根据现场审核，文件审核，员工访谈和管理访谈，工厂建立了社会责任管理体系文件，并在执行中进行了记录。但是，此体系在某些执行方面需要完善，不符合amfori BSCI COC的要求。在此次审核中，发现了关于社会责任管理体系、公平工资、健康安全方面、环境保护的发现点(具体请参见区域1, 5, 7, 12)。该问题被评为不完全符合，因为13个执行领域中仅有4个领域存在问题点。

PA 5: Fair Remuneration

Site: Ecocyle new materials(Yunnan)Co.,Ltd. | Site amfori ID: 156-035078-001

Question: 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted without negative impact on their pay, level of seniority, position, or promotion prospects?

ENGLISH

LOCAL LANGUAGE

Finding

Based on the document review, management, and workers interviews, not all employees were provided with social insurance. The factory provided recent 3 months social insurance records. There were 98 workers in the factory including 4 re-employed workers after retirement. Based on the record of January 2024, 94 workers should participate in social insurance. However, 34 out of 94 workers participated in pension insurance, medical insurance and maternity insurance, the rate of joining insurance was about 36.20%. 58 out of 94 workers participated in unemployment insurance, the rate of joining insurance was about

通过文件审核，管理层及员工访谈发现，社保没有覆盖到所有员工。工厂提供了最近3个月的社保记录。工厂目前共有98人(含4名退休返聘工人)。根据2024年1月的社保记录，应参加社保的人数为94人中只有34人参加了参加养老保险、医疗保险和生育保险，参保率约为36.2%。有58人参加了失业保险，参保率约为61.7%。这不符合中华人民共和国社会保险法，第10条，23条，44条和53条。所有98人参加了工伤保险，参保率为100%。该问题被评为不符合，因为社保参保率低于80%。备注：1. 访谈的工人表示不想参加社保。2. 工厂没有临时工或派遣工。3. 工厂没有获得任何社保批文。

Finding

61.7%. It was not in compliance with requirements of Social Insurance Law of the People's Republic of China; Article 10, Article 23, Article 44, Article 53. All 98 workers participated in work-related injury insurance, the rate of joining insurance was 100%. This question was rated as no, as rate of joining insurance was less than 80%.
Remark: 1. The interviewed workers said they would not like to participate in social insurance. 2. The factory did not have casual worker or dispatching worker. 3. The factory did not obtain any social insurance waiver.

PA 7: Occupational Health and Safety

Site: Ecocycle new materials(Yunnan)Co.,Ltd. | Site amfori ID: 156-035078-001

Question: 7.1 Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?

ENGLISH

LOCAL LANGUAGE

Finding

1. Based on documents review, onsite observation, interview with management and workers, the factory established the occupational health and safety regulations and procedures. However, the actual practice throughout the factory was not fully in compliance with requirements of local law in the parts of goods storage, occupational health examination, building safety certificate, electricity safety, fire safety, machine safety, etc. (please refer to checkpoint 7.1, 7.3, 7.11, 7.13, 7.15, 7.17 for specific health and safety regulations). The management of factory stated to take action to improve the health and safety management.
2. Based on onsite observation, about 15% goods were stored against the wall and pillars. It was not in compliance with requirements of the Rules Concerning Warehouse Safety and Fire Control article 18.
This question was rated as partially, as most of questions in this PA was in compliance with legal requirements.

1. 根据文件审查，现场观察，管理访谈和员工，工厂虽然建立了职业健康安全方面的程序和相关制度，但是工厂在实际的执行过程中还存在问题，例如货物存放、职业健康体检、建筑安全证书、电气安全、消防安全、机器安全等（详情请参考检查点 7.1，7.3，7.11，7.13，7.15，7.17 中具体的健康和安全条例）。工厂管理层表示会采取行动提高健康安全管理。
2. 现场审核发现约15%的货物靠墙和柱子存放。这不符合仓库防火安全管理规划，第18条。
这个问题被评为局部符合，因为该PA中的大多数问题都符合法律要求。

Question: 7.3 Is there satisfactory evidence that the auditee set up an effective management system that ensures they regularly carry out risk assessments for safe, healthy and hygienic working conditions?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on documents review, workers interview and management interview, the factory did not provide pre-job, on-the-job or off-the-job occupational health examination to workers exposed to occupational hazards position (such as moulding workstations). It was not in compliance with requirements of Article 35 of the People's Republic of China on Prevention and Control of Occupational Diseases. This question was rated as partially, as the factory conducted risk assessment and controlled most risks of health and safety in workshop.	基于文件审查，员工访谈和管理访谈，工厂没有给暴露在职业危害岗位（如成型岗位）的工人提供岗前，在岗或离岗职业健康体检。这不符合中华人民共和国职业病防治法，第三十五条的要求。 这个问题被评为不完全符合，因为工厂执行了风险评估并控制了多数车间的健康安全风险。

Question: 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on onsite observation, documents review, and management interview, the factory could not provide any building safety file. Such as Building Construction Review Certificate or Fire Control Acceptance Check. The factory rented one single-storey production building (inner 2 floors) in the industrial zone. The built time of the building was unknown, the total building area of the building was about 33400 S.Q. meters. The management said the files were not obtained from landlord. It was not in compliance with requirements of Construction Law of the PRC, Article 61. PRC Fire Prevention Law article 11 and Article 13. This question was rated as no, as the factory did not have any building safety files.	基于现场观察，文件审核，及管理层访谈，工厂不能提供建筑物的任何安全文件。如建筑工程竣工验收报告或消防验收报告。工厂租用一栋单层厂房（内部2层）。此建筑的建成时间未知，总建筑面积约为33400平方米。管理层表示没有从房东处获得这些文件。这不符合中华人民共和国建筑法，第六十一条，及中华人民共和国消防法第十一条、第十三条。这个问题被评为不符合，因为工厂没有任何建筑安全的文件。

Question: 7.13 Is there satisfactory evidence that the auditee makes sure a competent person periodically checks the electrical installations and equipment?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on onsite observation, documents review, workers interview and management interview, 1. the about 10 switches of exhaust fans of moulding workshop were not covered properly, the metal parts of switches were visible.	基于现场观察，文件审核，员工访谈和管理访谈， 1. 成型车间约10个排风扇的开关没有妥善防护，漏出金属部分。 2. 抽样的3个电箱均未安装内盖。 这不符合电业安全工作规程-第一部分，热能与机械

Finding	
2. the inner cover was not installed for sampled 3 electricity switches boxes. It was not in compliance with requirements of Safety Code of Electric Power Industry—Part 1: Thermal and Machine, Article 3.5.5. This question was rated as partially, as the factory maintained other electricity devices properly.	能，3.5.5条。这个问题被评为不完全符合，因为工厂其余的电气设备维护良好。

Question: 7.15 CRUCIAL: Is there satisfactory evidence that the auditee ensures that escape routes, aisles and emergency exits in the production site are not blocked, easily accessible and clearly marked?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on documents review, onsite observation, interview with management and workers, 1. One out of three safety exit doors of warehouse of products was not opened to the evacuation direction. It was not in compliance with requirements of the Code of Design on Building Fire Protection and Prevention, article 6.4.11. 2. One escape route to safe exit of moulding workshop was blocked by shoes changing cabinets. It was not in compliance with requirements of Article 28 of Fire Prevention Law of the People's Republic of China. The question was rated as partially because the factory installed adequate safe exit indicator and kept the other routes easily accessed.	根据文件审查、现场观察、管理层访谈和工人访谈， 1. 成品仓中3个安全出口中的一个出口门的开启方向不是按照疏散方向。这不符合建筑设计防火规范，第6.4.11条的要求。 2. 成型车间的一个通往安全出口的通道被换鞋柜挡住。这不符合《中华人民共和国消防法》第二十八条的要求。 这个问题被评为不完全符合，因为工厂安装了足够的安全出口表示并保持了其他通道易于通过。

Question: 7.17 Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

ENGLISH	LOCAL LANGUAGE
Finding	
Based on onsite observation, documents review, management interview and workers interview, the factory did not obtain safety use certificate or safety inspection report for used cargo lift. It was not in compliance with requirements of Special Equipment Safety Law of the People's Republic of China, Article 33 and 40. This question was rated as partially, as most machines were maintained well.	基于现场观察，文件审查，管理访谈和员工访谈，工厂没有获得使用的货梯的特种设备使用登记证和年检报告。这不符合中华人民共和国特种设备安全法第三十三条、第四十条。 这个问题被评为不完全符合，因为多数机器设备维护良好。

PA 12: Protection of the Environment

Question: 12.2 Is there satisfactory evidence that the auditee has procedures in place to ensure integration of local environmental law into the business model?

ENGLISH

LOCAL LANGUAGE

Finding

Based on the management interview, worker interviews, factory tour and document review, the factory has established environmental protection procedures according to environmental laws and regulations. However, the factory did not fully implement procedure documents to ensure compliance with environment protection law and regulations. The factory management explained that they were negligent and they would take action as soon as possible. It was not in compliance with requirements of relevant environment protection law and regulations. (Please refer to PA12.3 for specific environmental regulations). The question is rated as partially because the factory had an environmental system and assigned a responsible person for environmental matters but did not implement completely.

通过管理者和员工访谈、现场走访和文件审阅，发现工厂根据环境法律法规制定了环境保护程序。然而，工厂没有完全执行程序文件，以确保遵守环境保护法律法规。工厂管理层解释说他们疏忽了，他们会尽快采取行动。这不符合相关环境保护法律法规的要求。（具体环境法规请参见PA12.3）。这个问题被评为不完全符合，因为工厂建立了一个环保系统，并指派了一名环保事务的负责人，但是未完全执行。

Question: 12.3 Is there satisfactory evidence of the auditee's required environmental permits and licences?

ENGLISH

LOCAL LANGUAGE

Finding

Based on onsite observation, documents review, management interview, the factory did not declare discharged waste to local government. It was not in compliance with requirements of Guidelines for Pollutant Discharge Registration of Stationary Pollution Sources, Article 1.
This question was rated as partially, as the factory complied most legal requirements of environmental protection.

基于现场观察，文件审查和管理访谈，工厂没有对当地政府进行排污申报。这不符合固定污染源排污登记工作指南，第1条的要求。
这个问题被评为不完全符合，因为工厂符合多数的环境保护法规要求。