DBID: 355092 and Audit ld: 70163 Audit Type: Full Audit Audit Date : 21/11/2016



Auditee :	Logifru S.A.C.
Audit Date From :	21/11/2016
Audit Date To :	22/11/2016
Expiry Date of the Audit :	Please refer to the producer profile in the BSCI platform
Auditing Company :	ALGI
Auditor's Name(s) :	Carlos Orozco(Lead)
Auditing Branch (if applicable) :	



BSCI Audit Summary Report



This is an extract of the on line Audit Report.The complete report is available in the BSCI Platform.

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This is an extract of the BSCI Audit Report, which is available in the BSCI Platform. © Foreign Trade Association (FTA), 2013 - The English version is the legally binding One.

DBID: 355092 and Audit ld: 70163 Audit Type: Full Audit Audit Date : 21/11/2016



Rating Definitions



Rating	A combination of ratings per performance area where:	Consequence
A OUTSTANDING	o Minimum 7 performance area rated A o No Performance area rated C, D or E These are three examples: A A A A A A A A A A A A A A A A A A A	The auditee has the level of maturity to maintain its improvement process without needing follow-up audit.
B GOOD	o Maximum 3 performance area rated C o No performance area rated D or E These are three examples: A A A A A B B B B B B B B B B B B B B	The auditee has the level of maturity to maintain its improvement process without needing follow-up audit.
C ACCEPTABLE	o Maximum 2 performance areas rated D o No performance area rated E These are three examples: A A A A A B B B B C C C D C C C C C C C C D D	The auditee needs follow up on its progress. The auditee develops a remediation plan within 60 days following the completion of the audit.
D INSUFFICIENT	O Maximum 6 performance area rated E These are three examples: A A A A A A A A A A D D A A A B B B C C C D D D E D D D D D D D E E E E E E	The auditee needs follow up on its progress. The auditee develops a remediation plan within 60 days following the completion of the audit.
E UNACCEPTABLE	O Minimum 7 performance areas rated E These are three examples: A A A A A A E E E E E E E A B B C D E E E E E E E E E E E E E E E E E E	BSCI participants shall closely oversee the auditee's progress as it may represent a higher risk than other business partners
Zero Tolerance	A Zero Tolerance issue was identified (see Annex 5)	Immediate actions are required. The BSCI Zero Tolerance Protocol is to be followed.

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Main Auditee Information



Name of producer :	Logifru S.A.C.								
DBID number :	355092								
Audit ID :	70163								
Address :	Parcela CD 29.9 Carretera Cieneguillo-Tambo Grande, Sullana Sullana								
Province :	Piura Country: Peru								
Management Representative :	Erick Castillo Huancas								
Contact person:	Erick Castillo Huancas	Sector :	Food						
Industry Type :	Agriculture	Product group :	Fresh Fruits and Vegetables						
Product Type :	Mango								

DBID: 355092 and Audit ld: 70163

Audit Date : 21/11/2016

Audit Type : Full Audit



Audit Details									
Audit Range :	⊠ Full Audit ☐ Follow-up Audit								
Audit Scope :	☐ Main Auditee ☐ Main A								
Audit Environment :	☐ Industrial ☑ Agricultural								
Audit Announcement :	☑ Fully-Announced ☐ Fully-Unannounced ☐ Semi-Announced								
Random Unannounced Check (RUC) :	No								
Audit extent (if applicable) :	Combined with other system(s)								
Audit interferences or contingencies (if applicable):	none								
Overall rating :	С								
Need of follow-up:	Yes If YES, by : 22/11/2017								
Rating per Performance Area (PA)									
PA 1 PA 2 PA 3 PA 4 PA 5	PA 6 PA 7 PA 8	PA 9 PA 10 PA	11 PA 12 PA 13						
A A A A	D A A A A A								
Sampled farms (excluding smallholders)									
	Sant	ta Paola							
Overall rating			D						

Executive summary of audit report

"Logifru S.A.C." was established in 2013, the owners are from Peru and they are specialized in the selection and export of fresh mangoes. The company is located at Parcela CD 29.9 Carretera Cieneguillo-Tambo Grande, Sullana, Piura, Peru and main production processes includes reception of fruit, washing, selection, packing and shipping. The total land area is 4.558 sq. mt. and buildings occupies a total of 1,800 sq. mt., which includes reception area, selection room, packing room, shipping area, 2 cooling chambers, a boxes warehouse, canteen, kitchen, restrooms and administrative offices (which is the only area located in a mezzanine).

On the day of the audit, there were only 32 production workers (they only worked until 3:00 pm on that day due to the low amount of fruit harvested the day before) and 9 administrative employees directly hired by the company (office staff, supervisors, logistics and management), including 18 male and 23 female employees. In addition, there are two external subcontractors in charge of security (Omega Seguridad with 3 male employees) and preparation and serving meals (Eda Huancas with 2 female workers).

There is a canteen and meals are prepared there (the company pays 50% of meals provided for employees).

According to management, peak season is from October to February while low production months are from March to September. Based on management and worker's interviews, it was noted that most of production workers are paid on an hourly basis every week (Saturdays) in cash, while administrative employees are paid through bank deposit on a monthly bases. Time record system is electronic time cards directly checked by the employees. All production workers and administrative employees are working in one shift from Monday to Saturday, from 8:00 am to 5:00 pm, with 1 unpaid hour for lunch from 1:00 pm to 2:00 pm; all employees are totaling 48 regular hours of work per week.

It was verified that there a hygiene and safety committee in place (as mandated by Peruvian Labor Laws), with participation of employer and worker's representatives, which holds monthly meetings (the last ones were conducted on November 17th 2015, December 7th 2015, November 17th and 18th 2016 (since during the low season, only administrative employees work at this facility); the company provided records of social, health and safety trainings for review, as follows: BSCI social responsibility and health and safety induction (November 8th 2016), fire safety evacuation drill (November 9th 2016), first aid (November 7th 2016), Global G.A.P. (November 8th 2016). In addition, there is a complete fire safety equipment which includes 3 fire extinguishers, 10 smoke detectors, 4 emergency lights and 1 fire alarm button.

Records for job accidents are not available, since no accidents have occurred since the establishment of the company. It was verified that the social insurance and retirement funds (Essalud and AFP) related to October 2016 were paid on November 17th and 19th, 2016, respectively).

The company also has a complete set of policies and procedures which includes freedom of association, discrimination, fair remuneration, working hours, child labor, young protection, no precarious employment, forced labor, discipline, environment, ethics, harassment and abuse, drugs and alcohol abuse, open communication, no reprisals, health and safety and internal rules.

Executive summary of the social performance of farms

For the sample, it was selected 1 farm which is producing mangoes "Santa Paola", is located in Parcela TG 45 B 23.5 Malingas S/N, Tambogrande (60 kms. Away from Logifru), the size of the farm is 25 hectares, on the day of the audit there were 2 male and 2 female workers hired through Calos Ochoa (there were other workers paid on a piece rate basis that are not directly hired by the owner of the farm), they are paid in cash, on a weekly basis (on Fridays) and working schedule is from Monday to Friday from 7:00 am to 3:00 pm with 1 unpaid hour for lunch from 12:00 noon to 1:00 pm.

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It was found that there is lack of management systems regarding implementation of BSCI Code of Conduct and legal requirements, since there are several issues, mainly regarding health and safety, remuneration and working hours.

Despite that, employees mentioned that there is a good working environment and they seem to be happy working there.

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Audit Type : Full Audit



BSCI An initiative of the Foreign Trade Association [FTA] Business Social Compliance Initiative

Ratings Summary



Auditee's background information								
Auditee's name :	Logifru S.A.C.	Legal status :	Association					
Local Name :	Logifru S.A.C.	Year in which the auditee was founded :	2013					
Address :	Parcela CD 29.9 Carretera Cieneguillo- Tambo Grande, Sullana	Contact person (please select) :	Erick Castillo Huancas					
Province :	Piura	Contact's Email :	castillo@logifru.com					
City:	Sullana	Auditee's official language(s) for written communications :	Spanish					
Region :	South America	Other relevant languages for the auditee :	English					
Country :	Peru	Website of auditee (if applicable) :	www.logifru.com					
GPS coordinates :	Not available	Total turnover (in Euros) :	1864230.00					
Sector :	Food	Of which exports % :	97.00					
Industry :	Agriculture	Of which domestic market % :	3.00					
If other, please specify :		Production volume :	80 tons per day					
Product Group :	Fresh Fruits and Vegetables	Production cost calculation :	Yes					
If other, please specify:		Lost time injury calculation cost :	Yes					
Product Type :	Mango							

Auditee's employment structure at the time of the audit								
Total number of workers : 41 Total numb	Total number of workers in the production unit to be monitored (if applicable) :							
	MALE WORKERS	FEMALE WORKERS						
Permanent workers	1	1						
Temporary workers	17	22						
In management positions	8	1						
Apprentices	0	0						
On probation	0	0						
With disabilities	0	0						
Migrants (national citizens)	0	0						
Migrants (foreign citizens)	0	0						
Workers on the permanent payroll	1	1						
Production based workers	0	0						
With shifts at night	0	0						
Unionised	0	0						
Pregnant	-	0						
On maternity leave	-	0						

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Finding Report

Audit Type: Full Audit



Performance Area 1 : Social Management System and Cascade Effect

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed

AREAS OF IMPROVEMENT:

The overall observation shows that the company has established an effective management system to comply with BSCI Code of Conduct and has a management representative in charge of its implementation. Despite that and based on satisfactory evidence, the main auditee partially respects the principle of Social Management System and Cascade Effect because of the following deviation identified in 1.3:

It was verified that the company does not have a good overview of its significant business partners and their level of alignment with BSCI Code of Conduct, since evaluations have not started yet.

Se verificó que la empresa no tiene una buena vision del nivel de alineamiento de sus socios de negocios con el Código de Conducta de BSCI, ya que las evaluaciones todavía no han empezado.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 2: Workers Involvement and Protection

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the company has established mechanisms to involve workers and protect them in accordance with BSCI Code of Conduct. Communication with employees flows through open door policy, suggestion boxes and worker's representative. No deviations were identified

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 3: The rights of Freedom of Association and Collective Bargaining

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the company has established a complete set of policies and procedures to ensure the right of freedom of association and collective bargaining to the workers. Employees have freely elected their representative through votation with no interference of the company, No deviations were identified.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

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Performance Area 4: No Discrimination

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the company has policies and procedures to avoid discrimination. During private interviews, none of employees have complained about any situation related to discrimination at this facility and stated that they are equally treated in terms of payment, trainings, overtime, promotions and treatment from management. No deviations were identified.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 5: Fair Remuneration

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

The company pays 50% of meals and 100% of transport to all the workers and completed the Fair Remuneration Quick Scan prior to the audit.

AREAS OF IMPROVEMENT:

The overall observation shows that the company guarantee that at least the minimum wage is provided to the workers, as well as vacation and legally mandated bonuses (included on worker's wage). The company pays timely on a weekly basis (every Saturday). Despite that, based on satisfactory evidence, the main auditee does not respect this principle because of the following deviation identified on 5.5:

5.5 - It was verified that subcontracted employees working at the reception of fruit, are not affiliated to legally mandated benefits of Social Security system. Se verificó que los empleados subcontratados que están trabajando en la Recepción de fruta, no están afiliados a los beneficios mandados legalmente por el sistema de Seguro Social.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 6: Decent Working Hours

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: D

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the factory has established a working hours policy in compliance with country's legislation. Despite that, based on satisfactory evidence, the main auditee does not respect this principle because of the following deviations identified on 6.2 and 6.4:

- 6.2 According to time records for the months of January, February and November 2016, it was verified that 3 out of 6 employees have worked more than 60 hours per week (from 61.5 to 71.5) during February and November 2016, between regular and overtime hours.
 De acuerdo con los registros de tiempo de los meses de Enero, Febrero y Noviembre de 2016, se verificó que 3 de 6 empleados han trabajado más de 60 horas por semana (desde 61.5 hasta 71.5) durante Febrero y Noviembre de 2016, entre las horas regulares y extras.
- 6.4 As per time records for the months of January, February and November 2016, it was found that 2 out of 6 employees have worked on Sunday January 10th 2016, totaling 12 days of work in a row, which is a violation of Peruvian Labor Laws, Decree 713, Article I, which states that employees must have at least 24 hours of rest per week.

Según los registros de tiempo de los meses de Enero, Febrero y Noviembre de 2016, se encontró que 2 de 6 empleados han trabajado el domingo 10 de Enero de 2016, totalizando 12 días de Trabajo consecutivos, lo cual es una violación a las Leyes Laborales Peruanas, Decreto 713, Artículo I, que dice que los empleados Deben tener al menos 24 horas de descanso por semana.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

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Performance Area 7: Occupational Health and Safety

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the company has established a complete set of policies and procedures on health and safety, seeking to improve working conditions. Regular trainings are conducted to employees and general hygiene and safety conditions were found to be adequate. Despite that, based on satisfactory evidence, the main auditee does not respect this principle because of the following deviations idendified on 7.13 and 7.16:

- 7.13 During facility walkthrough, it was observed that 1 out of 4 electrical panels had wires exposed. Durante el recorrido por la fábrica, se observó que 1 de 4 tableros eléctricos tenia cables expuestos.
- 7.16 During facility walkthrough, it was observed that there are no evacuation plans posted at prominent places of the packing house.

Durante el recorrido por la fábrica, se observó que no hay planos de evacuación expuestos en lugares prominentes de la planta empacadora.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 8: No Child Labour

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed

AREAS OF IMPROVEMENT:

The overall observation shows that the factory has implemented policies on Child Labor, including remediation procedures. Employees confirmed that no child labor has been identified at this facility during the last years. Despite that, based on satisfactory evidence, the main auditee partially respects this principle because of the following deviation identified on 8.2:

8.2 - Through records review, it was verified that 1 out of 6 employees does not have a copy of its national ID or birth certificate on its file. A través de la revision de los registros, se verificó que 1 de 6 empleados no tiene una copia de su documento de identidad o certificado de nacimiento en su archivo.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 9: Special protection for young workers

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the company has policies and procedures for protection of young workers and during facility tour, all employees seems to have at least 18 years old. It was verified that there are no young workers at this facility, so this Performance Area was marked as Not Applicable.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

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Performance Area 10 : No Precarious Employment

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the facility complies with legally mandated requirements for establishing employment relationships with its workers and that terms and conditions are fully explained to them as part of the hiring process. All employees have signed and received a copy of labor contracts. No deviations were identified.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 11: No Bonded Labour

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that employees are free to leave the factory with previous notice and that there is no evidence of any kind of servitude, forced labor or worker's trafficking, following company's policies and procedures. Disciplinary procedures are explained to the workers as part of the hiring process. No deviations were identified.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 12: Protection of the Environment

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the factory follows policies and procedures seeking to avoid pollution and trying to minimize its impact on the environment. No deviations were identified.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

Remarks from Auditee:

Performance Area 13: Ethical Business Behaviour

Full Audit [Audit Id - 70163] Audit Date: 21/11/2016 PA Score: A

Deadline date:

GOOD PRACTICES:

None observed.

AREAS OF IMPROVEMENT:

The overall observation shows that the company is committed with its business ethics policy and that suppliers are informed if necessary, about such procedures. No deviations were identified.

GOOD PRACTICES - For sampled farms:

AREAS OF IMPROVEMENT - For sampled farms:

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Summary



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Full Audit	21/11/2016	70163	Α	Α	A	A	A	D	A	A	A	A	A	A	Α	С

Producer Photos







xternal photo(s) of the production unit(s)



























Audit Type : Full Audit

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Audit Type : Full Audit







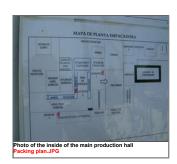










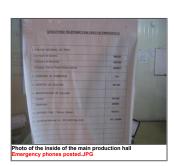
















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