



**Green Peace & Bolton Agreement
Audit Policy Document
&
Standard Operating Procedures**

**For Audits Taking Place in 2020
Relating to 2019 Activities**
Version 2020/1

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Integrated Management of Natural Resources

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1 Introduction

In 2018, Bolton Alimentari (Bolton), “defined a new long-term strategy for its Responsible Quality CSR program with specific goals and measures to be implemented in 4 areas: responsible fishing, producing, social, and nutrition. The various commitments set forth will be implemented over the next years, from 2019-2024.” This strategy was developed with inputs and support from Green Peace (GP), and forms the basis of the agreement between Bolton and GP.

As part of the Bolton and GP Agreement (the Agreement), progress against the commitments must be independently audited on an annual basis. This document describes the audit protocol and is intended to cover activities from CY19 through the end of CY24. Following completion of each annual audit, a report will be issued and presented to GP and Bolton.

This document will be amended as required.

2 Program implementation

2.1 Participating Company Compliance

Bolton has committed to undergo independent auditing against all the commitments found in the Agreement. Table 1 lists the general commitment categories to be audited under this protocol, provides guidance regarding the required action and/or information, and describes the means of verification that will be used to assess conformance. Bolton and its suppliers are expected to voluntarily provide to MRAG Americas all the information required to complete the audits.

The audits will generally follow the principles of ISO 19011. The Program Manager ensures audits are compliant and consistent with the commitments listed in the Agreement. The following timeline is proposed for completing the audit of CY19 activities¹:

Activity	May 2020	June2020	July 2020	Aug 2020	Sep 2020	Oct 2020
Draft Protocol						
Audit Commitments						
Complete Audit						
Present Report						
Finalize Report						

¹ The suggested schedule is dependent on stakeholders’ availability to provide feedback on protocols and meet to review draft and final reports.

3 Commitments Section and Means of Verification

Table 1: Commitments, Audit Guidance and Means of Verification

Reference	Category	Category Guidance	Means of Verification	Frequency
1.1	Sustainable Fisheries	Source 100% of our tuna from sustainable fisheries (those in a robust FIP or MSC certified) by 2024.	<p>Starting with Calendar Year 2018 (CY18)², auditor will determine % of Bolton’s tuna sourced from fisheries that are either MSC certified or in a robust FIP³.</p> <p>Auditor will review quarterly reports⁴ (supplied directly by Bolton to MRAG Americas and using a format similar to the one developed by ISSF under Conservation Measure 2.2) to determine where the tuna was harvested, and compare those locations to those listed on MSC’s website and www.fisheryprogress.org.</p> <p>Auditor will conduct this exercise for each annual audit, and CY18 figures will represent the baseline against which progress will be measured.</p> <p>Auditor reviews Bolton procurement policy.</p>	Annually

² The first audit will look at CY19 data, using CY18 as baseline, and will be delivered no later than Q1 2020.

³ For the purpose of this audit, a “Robust FIP” means a “Comprehensive FIP listed on FisheryProgress.org and scoring A, B or C.

⁴ For the initial audit, auditor will need quarterly reports from 2018 (to set the baseline) and 2019 (to determine what changes have occurred year-on-year).

Reference	Category	Category Guidance	Means of Verification	Frequency
2.1	Sustainable Fishing Methods	<p>Source 50% of raw material from more selective fishing methods with a lower level of by-catch and environmental impact [Pole & Line, Handline, Small-scale sustainable vessels*, FAD-free purse seine] by 2020.**</p> <p>* It is understood that small-scale vessels are those less than 20m LOA and which carry out 'short' fishing trips of no more than 2 weeks.</p> <p>** Note: "selective fishing methods" are self reported by the captain. Until Electronic Monitoring Systems (EMS) are commonly used, self-reporting is of limited use to gain assurances other practices are not used.</p>	<p>Auditor reviews quarterly reports submitted by Bolton for CY18 and CY19, to determine the % of raw material which comes from selective fishing methods.</p> <p>Auditor will conduct this exercise for each annual audit, and CY18 figures will represent the baseline against which progress will be measured.</p> <p>Auditor reviews Bolton procurement policy.</p>	Annually
2.2(a)	Sustainable Fishing Methods	<p>Source 50% of raw material from large-scale purse seine (Isp) vessels with FAD management measures in place, by 2020: Only from non-entangling FADs (consistent with ISSF requirements).</p>	<p>Auditor reviews quarterly reports to identify large-scale purse seine vessels. Auditor then checks the Proactive Vessel Register to ensure those vessels have an in-effect NE FAD policy.</p> <p>Auditor determines the % of vessels using only NE FADs as of CY18.</p> <p>Auditor will conduct this exercise for each annual audit, and CY18 figures will represent the baseline against which progress will be measured.</p> <p>Auditor reviews Bolton procurement policy.</p>	Quarterly
2.2(b)	Sustainable Fishing Methods	<p>Source 50% of raw material from Isp vessels with FAD management measures in place, by 2020: Max 300 active drifting FADs per vessel* and per ocean**. In</p>	<p>Auditor looks at Bolton data on the number of Isp suppliers that use FADs, and randomly selects 12 vessels to verify:</p>	Annually

Reference	Category	Category Guidance	Means of Verification	Frequency
		<p>any ocean or fleet where FADs number is already less than 300 there won't be any increase up to that number.</p> <p>*This should be viewed as not exceeding 300 FADs per vessel as part of the fleet average.</p> <p>**By 'ocean' we mean RFMO area.</p> <p>As of 2018, all Bolton owned vessels:</p> <ul style="list-style-type: none"> - Cannot use supply vessels; and - Have the following FAD set limits: max 150 active FADs for the Atlantic Ocean (Saupiquet), max 300 active FADs for the Pacific Ocean (Garavilla) 	<p>(i) That no more than 300 FADs per vessel have been utilized;</p> <p>(ii) # of FADs utilized in each Ocean (RFMO area).</p> <p>Auditor will conduct this exercise for each annual audit, and CY18 figures will represent the baseline against which progress will be measured.</p> <ul style="list-style-type: none"> - Auditor reviews supplier policies on the deployment and build design of NE FADs. - Auditor reviews FIP reports re FAD design and deployments. <p>Auditor reviews Bolton procurement policy.</p>	
2.2(c)	Sustainable Fishing Methods	<p>Source 50% of raw material from large scale purse seine vessels with FAD management measures in place, by 2020: Catch data submission to RFMOs, including FADs use data, within 4 months.</p> <p>Update 9/3/19: Together with WWF, Bolton have agreed to publish on www.transparentsea.org all "owned vessel(s)" trips every 6 months (not every 4 months). Vessel owners communicate data directly to NAVAMA. There is an agreement between</p>	<p>Auditor reviews Bolton communications with suppliers requesting that FAD data be shared with RFMOs, and with RFMOs asking them to indicate if/when FAD data is received.</p> <p>Auditor reviews Bolton procurement policy.</p> <p>Note: As of 2018, all Bolton owned vessels are listed on www.transparentsea.org where the</p>	Semi-Annually

Reference	Category	Category Guidance	Means of Verification	Frequency
		NAVAMA and WWF to regulate those frequencies.	data related to the fishing trips is communicated within 6 months. Such data will be public, thus they will be available to RFMOs as well.	
2.3	Sustainable Fishing Methods	By 2019 Bolton will promote the use of FAD management best practices with its suppliers and encourage them to establish FAD Management Plans.	Auditor reviews communications between Bolton and its suppliers re the subject of best practices in FAD Management. If supplier FAD management plans are available, those will be reviewed to determine if they note the best practices as described in the following ISSF Study	Annually
2.4	Sustainable Fishing Methods	By 2020 Bolton will identify additional measures, such as limits on the number of FAD sets, targets for biodegradable FADs and supply vessels management.	Auditor reviews Bolton draft plan for achieving this commitment. If timeline has been established by Bolton, it will be used to determine progress during annual audits.	Annually
3.1	Support Marine Ecosystems	Finance initiatives aimed at supporting marine protected areas or at reducing ocean pollution.	Auditor will review evidence (such as grant awards) provided by Bolton indicating its support MPAs and/or for reducing marine pollution. Auditor checks evidence with recipients of the financial assistance, and/or through reviewing actions taken across the Bolton owned fleet or fleets sourced from.	Annually
4.1	Traceability	Trading products supply chain is ISO 22005 traceable by 2018.	Auditor reviews the ISO22005 certificate and ensures it covers the 'trading products supply chain'.	Annually

Reference	Category	Category Guidance	Means of Verification	Frequency
4.2	Traceability	Tuna species, ocean of catch, FAO area and fishing method are printed on product packaging (consumer-facing).	Auditor requests list of all the different types of consumer-facing products sold by Bolton. Auditor then reviews random sample of four products for CY18 and checks that required information is printed on packaging.	Annually
5.1	Human Rights	<p>All suppliers sign and comply with the Bolton Group Code of Ethics and Human Rights Policy.</p> <p>Note: During the initial audit, it is expected that Bolton will explain what it has done to date (i.e. site visits, hotline, etc.) to ensure suppliers “comply” with the Code of Ethics and Human Rights policy.</p> <p>Thereafter, Bolton can explain steps taken to ensure sustained independent social audits (if applicable).</p> <p>The above will also apply to 5.2 below, and Oxfam has been tasked with verifying compliance.</p>	<p>Auditor reviews quarterly RFMO reports to identify Bolton suppliers. Auditor randomly selects 4 suppliers and asks for evidence that they have signed the Bolton Group Code of ethics and Human Rights Policy.</p> <p>Auditor checks Bolton procedure to ensure the Code of Ethics is signed by supplier(s) prior to procurement taking place.</p> <p>Auditor reviews procedure Bolton follows to ensure supplier(s) complies with policy.</p>	Annually
5.2	Human Rights	All suppliers sign and comply with the Bolton Alimentari Tuna Supply Policy that includes specific requirements on human rights standards on vessels.	<p>Auditor reviews quarterly RFMO reports to identify Bolton suppliers. Auditor randomly selects 4 suppliers and asks for evidence that they have signed the Bolton Alimentari Tuna Supply Policy.</p> <p>Auditor checks Bolton procedure to ensure the Tuna Supply Policy is signed by supplier(s) prior to procurement taking place.</p>	Annually

Reference	Category	Category Guidance	Means of Verification	Frequency
			Auditor reviews procedure Bolton follows to ensure supplier(s) comply with policy.	
5.3	Human Rights	<p>Trimarine Ethical Sourcing Policy*</p> <p>* Bolton's Code of Conduct applies to all vessels it sources from, including the Trimarine fleet and all of Trimarine's suppliers.</p>	<p>Auditor randomly selects 4 vessels supplying loins and checks that they have signed the Trimarine Ethical Sourcing Policy.</p> <p>Auditor checks Bolton procedure to ensure the policy is signed ahead of procurement taking place.</p> <p>TriMarine will also be asked to explain what procedures they have in place to ensure their suppliers comply with the policy.</p>	Annually
5.4	Human Rights	<p>Commitment to the Seafood Taskforce Social Standards*</p> <p>* Bolton's Code of Conduct goes further than the STF Social Standards.</p>	Auditor reviews evidence provided by Bolton which shows its support for the Seafood Taskforce Social Standards. Evidence may include meeting minutes reflecting Bolton interventions, advocacy efforts, letters to suppliers, etc.	Annually
6.1	Shared Value Project	Commitment to promote shared value initiatives with coastal communities where Bolton sources from.	<p>Auditor reviews evidence presented by Bolton demonstrating investments benefiting coastal communities in the locations it sources tuna from.</p> <p>Auditor checks quarterly reports to verify tuna was sourced from locations where Bolton engaged in shared value initiatives.</p>	Annually

3.1 Audit Determination and Reporting

The auditing described in this document serves as an assessment of Bolton's progress against its public commitments. MRAG Americas will report on what evidence was received and what this means with regards to each commitment and associated timeline (if any). Decisions regarding any potential departures or delays from the initial commitments are to be discussed solely between the parties to the agreement.

3.1.1 Audit Reports

The audit reports will be provided directly to Green Peace and Bolton during an annual presentation by the MRAG Americas Manager, and subsequently sent via email notification. Final versions of the reports will be available within two weeks of the presentation.

4 Annex 1. Audit Program Policy

4.1 Overall Audit Policy

It is the policy of MRAG Americas to ensure that its audit operations are consistent with defined standards and procedures to maintain the highest appropriate level of quality. To this end, MRAG Americas undertakes audits per the standards and procedures described in this manual and only within the scope of the commitments outlined in the GP & Bolton Agreement. MRAG Americas has developed this document and its auditing procedures with guidance from ISO/IEC 17065:2012(E).

Specifically, it is the policy of MRAG Americas to ensure that:

- All audits meet these documented standards for independence, accuracy, precision, representativeness, comparability, and suitability to their intended purposes;
- All audits are verifiable and defensible, and all components related to their generation are properly documented;
- Data integrity is maintained and documented;
- Data confidentiality is maintained;
- Audit Program reviews are conducted on a scheduled and documented basis;
- Managers, supervisors, and staff throughout MRAG Americas, and its contractors, understand their roles in managing quality; receive the training necessary to meet quality standards for job tasks; and are encouraged to identify and suggest improvements to the program.

4.2 Program Manager

In all respects, the Program Manager (Mr. Oleg Martens) is responsible for ensuring that the content of this manual is followed. The Program Manager is the main contact point at MRAG Americas for audit-related queries and drives the MRAG Americas program.

The Program Manager's main responsibilities include:

- a) Organizing and coordinating the audits for MRAG Americas;
- b) Supervising assessment teams;

- c) Ensuring quality assurance of documentation;
- d) Maintenance of data confidentiality;
- e) Regularly convening MRAG Americas senior management for review and oversight; and
- f) Identifying potential conflicts of interest.

The Program Manager ensures the audit policy and systems are amended and updated as necessary and is responsible for ensuring changes and improvements are captured and communicated to auditors for implementation in subsequent assessments, as appropriate.

4.3 Assessment Team

MRAG Americas selects auditors based on their competence, training, qualifications, and experience for an Assessment Team (or individual) to conduct audits. All personnel involved in the audit are provided with and briefed on up-to-date documentation for auditors. Documentation includes:

- a) Contractual obligations on auditors, including requirements to report actual and potential conflicts of interest and to maintain confidentiality;
- b) Specification of division of responsibilities between auditors;
- c) Procedures to be undertaken by auditors;
 - prior to audits;
 - during onsite audits;
 - after audits, e.g., specification of responsibilities and recommended schedules for report writing; and
- d) Information about the overall role of the auditor and audit process in maintaining the integrity of the conservation measures.

Any person engaged by MRAG Americas as an auditor for this audit program has:

- received a copy of this document;
- received sufficient training in the correct procedures and requirements for these audits;
- received a copy of the GP & Bolton Agreement Audit Checklist;
- received a copy of ISO 19011 Standard;
- sufficiently demonstrated their performance and capabilities to the appropriate level prior to conducting solo audits; and
- signed an MRAG Americas contract (either as an employee or contractor), which includes terms of reference, conflict of interest, confidentiality, a Statement of Non-Disclosure, timing, and responsibilities of the assessor.

4.4 Auditor training

Audits are carried out by fully trained MRAG Americas auditors. These auditors are experienced in other audit programs and will be provided with audit training to ensure they fully understand the specific audit criteria pertaining to the commitments in the Agreement.

The training program will include:

- Desktop training (remote);
- Shadow audit(s) observing an MRAG Americas experienced auditor;
- Annual refresher training; and
- Performance review audits by an MRAG Americas experienced auditor.

4.5 Documentation and Means of Verification

Document control procedures are used to ensure accurate tracking and management of all documentation utilized during audits. Other than documents requiring an original signature, such as contracts with clients, which may be kept in both paper and electronic formats, MRAG Americas keeps electronic versions of documents for official record keeping.

Copies of vessel and company documentation (either electronic or hard copy) are considered acceptable audit evidence. In some instances, for example in the case of commercially sensitive documents, sighting of a document on a computer screen during a webinar session (i.e. using screen sharing) may be an option⁵.

MRAG Americas will use the Agreement audit checklist for all audits. The completed and reviewed audit checklist will also serve as the audit report. A copy of the audit report will be provided to both Bolton and Green Peace.

MRAG Americas will endeavor to allocate auditors who speak the language in common use at the location being audited. Translation of audit evidence into English and/or audit reports from English into the language of the company will be the responsibility of Bolton and Green Peace.

4.6 Confidentiality and data security

4.6.1 Confidentiality

MRAG Americas limits access to confidential data to employees and contract auditors authorized to work on specific audits. MRAG Americas understands that the fishing, management, and/or processing operations they assess may include proprietary strategies, locations, data, and business information and practices. All MRAG Americas employees involved in these audits, including office personnel and individuals participating in subcontracts (e.g. contract auditors) sign a binding confidentiality/non-disclosure agreement in which they undertake not to discuss or communicate any confidential information to third parties other than as required within MRAG Americas as a normal part of the audit program. Data are not to be released, reproduced, distributed, or published without prior approval of Bolton. MRAG Americas follows strict data management procedures to protect the confidentiality of audit information. MRAG does not publish any form of audit data.

MRAG Americas reserves the right to disclose Confidential Information to its responsible employees and individuals participating in subcontracts with a *bona fide* need to know such Confidential Information. Recipients are informed that the information is confidential and is for the sole purpose of the specific project. MRAG Americas may disclose Confidential Information if and to the extent that such disclosure is required by applicable law, provided that they use reasonable efforts to limit the disclosure by means of a protective order or a request for confidential treatment and provide the owners of the information (i.e. the PC) a reasonable opportunity to review the disclosure before it is made, and to interpose its own objection to the disclosure.

⁵ The decision regarding whether sighting of a document in this way is acceptable will be made by the Auditor following policy advice from MRAG Americas. This will depend on the nature of the document and the conservation measure or commitment for which it is being used as evidence of conformance.

4.6.2 Data Security

Bolton data and/or open computer files will not be left unattended and confidential data are gathered from output devices immediately. Any data output not included in reports sent to Bolton and GP are shredded immediately. MRAG uses a multi-user network of computers. MRAG will ensure security of the network with a three-level approach. The original networking software will contain firewall code that will protect the network from unauthorized access. Access to all network terminals is by password only.

All computer files associated with, or containing, confidential data are stored only in directories on a system that is password-protected, and only authorized personnel have access to system passwords. Each authorized employee will have a unique password and passwords will allow access to only select files. The Program Manager is responsible for maintaining data security.

4.7 Compliance with legal requirements

MRAG Americas complies with all legal requirements in the countries in which the company operates and key personnel have demonstrable understanding of such legislation and regulations.

Should MRAG Americas become aware at any time that legal proceedings have been instigated or other allegations concerning the legal compliance of MRAG Americas activities associated with this program arise, we shall notify Green Peace and Bolton as soon as is practicable and within a maximum of seven days. MRAG Americas shall advise Green Peace and Bolton of the outcome of any such proceedings or allegations.

4.8 Program Review

Program review for the Agreement audits will occur annually. The Program Manager will also conduct ongoing program reviews (on a minimum annual basis) to ensure program activities are as effective and efficient as practicable to achieve program outcomes.