DOCUMENT AUTHORIZATION & REVISION HISTORY

Revision No.	Description of Change	Date of Release	Prepared By	Approved By
00	Initial Document	01/03/2024		
01	To include the Impartial statement from MSPO Scheme Document	01/11/2024		
02	To change the company name to UGG Certification Sdn Bhd	01/04/2025		

1 PURPOSE

1.1 To establish a system for carrying out Impartiality Management activities for ISO/IEC 17021 and ISO/IEC17065 and to implement opportunities for improvement associated with impartiality management planning.

2 SCOPE

2.1 This procedure is applicable to impartiality management related UGG ISO 17021-1:2015, ISO/IEC17065 and MSPO Scheme Documents for certification activities of MSPO MS 2530:2022

3 RESPONSIBILITY

3.1 General Manager (GM)

3.2 Operation Manager (OM)

3.3 Lead Auditors

3.4 Auditors

3.5 Impartiality Management Committee (IMC)

4 REFERENCE

4.1 ISO 17021-1:2015- Conformity assessment- Requirements for bodies providing audit and certification of management systems

4.2 ISO17065:2012 - Conformity assessment- Requirements for bodies certifying products, processes and services

4.3 MSPO Certification Scheme Document- Date: 5 January 2023

5 PROCEDURE

5.1 General

5.1.1 UGG shall demonstrate their commitment to managing impartiality by means of the following:

a) Establishing and periodically reviewing the impartiality management framework as well as impartiality management activities.

b) Ensuring impartiality management activities including identification of impartiality threats and opportunities for impartiality management compliance improvement are adequately implemented.

c) Ensure the availability of resources to ensure impartiality management activities are effectively implemented and enforced.

d) Communicating to audit staff and non-audit staff the importance of meeting customer requirement, regulatory requirements and related impartiality management activities.

e) Conducting management review meetings to ensure effective review of impartiality management activities.

5.1.2 UGG is responsible for establishing, implementing and maintaining an impartiality policy that covers all aspects of its operations, including the selection and evaluation of consultants, the allocation of resources, the management of conflicts of interest, the handling of complaints and appeals, and the monitoring and improvement of the impartiality process.

5.1.3 UGG body is also required to have an impartiality committee that oversees and reviews the impartiality process and provides advice and guidance on any matters related to impartiality.

5.1.4 The impartiality process aims to enhance the credibility and trustworthiness of the consultancy provided by the consultant and to ensure that the certification decisions are based on objective evidence and professional judgment.

5.1.5 Where a client has received management systems consultancy from a body that has a relationship with a certification body, this is a significant threat to impartiality. A recognized mitigation of this threat is that the UGG shall not certify the management system for a minimum of three (3) years following the end of the consultancy.

5.1.6 UGG must not state or imply that certification would be simpler, easier, faster or less expensive if a specified consultancy organization were used. Such a statement or implication would compromise the independence and credibility of the certification process and create a conflict of interest between the UGG and the consultancy organization.

5.1.7 UGG must also avoid any actions or arrangements that could influence the outcome of the certification or reduce the confidence in its validity.

5.1.8 Certification under the MSPO Certification Scheme shall be carried out by impartial, competent and independent third party that cannot be involved in consultancy, or in the standard setting process as governing or decision-making bodies, or in oil palm management, and are independent of the management unit or entity to be certified (i.e. oil palm plantations, organised smallholdings, independent smallholdings, palm oil mills and processing facilities etc.). The ACB and members of its audit teams shall be independent from the organisation being audited for a minimum of three (3) years to prevent a conflict of interest

5.2 <u>Impartiality Management Implementation</u>

5.2.1 UGG shall demonstrate their commitment to managing impartiality by means of the following:

a) Establishment of IMC in order to provide advice to GM and OM regarding impartiality matters.
Note: the IMC provides recommendations to UGG Top Management (GM/OM) on matter relating to impartiality. Refer to APP 4 Terms of Reference

b) All personal involved in the certification process (Auditor, Sub-con Auditor, Peer Reviewer, Technical Reviewer and Impartiality Committee) shall read and sign the ***Impartiality and Confidentiality Declaration Form (UGG-FM(MSPO)-01A*** *and* ***UGG-FM(MSPO)-01B*** *)* to ensure no conflict of interest by UGG, non-audit staff, as well as audit staff (directly-employed or outsourced). This form shall be signed once in the term of services by all audit personal and non-audit personal who are involving in the certification activities.

c) The OM shall establish and utilize the **Risk Management Plan** ***(UGG-FM(MSPO)-02*** as a mechanism to monitor and mitigate threats to impartiality.

5.2.2 Where there are any threats to impartiality, the OM shall review these threats with the GM. The GM/OM shall implement suitable risk mitigation actions to minimize the impartiality threats to an acceptable level. The GM/OM shall review any residual risk after the risk mitigation actions to ensure that the residual risks are within the level of acceptable risks. Any impartiality threats that are not able to be resolved by the GM and OM shall be brought up to the IMC meeting. The GM shall be responsible for the final decision after reviewing of the recommendations by the IMC.

5.2.3 The IMC review result shall be documented in the IMC Meeting Minutes.

5.2.4 The impartiality threats shall cover all potential threats that are identified, whether they arise from within UGG or from the activities of other persons, bodies or organizations. These are summarized in the ***Risk Management Plan (UGG-FM(MSPO)-02).***

5.2.5 If a relationship poses an unacceptable threat to impartiality (such as a wholly owned subsidiary of the UGG requesting certification from its parent), certification shall not be provided by UGG.

5.2.6 Source of impartiality threats for UGG can be based on ownership, governance, management, personnel, shared resources, finances, contracts, training, marketing and payment of a sales commission or other inducement for the referral of new clients, etc.

5.2.7 Interested parties can include personnel and clients of UGG, customers of organizations whose management systems are certified, representatives of industry trade associations, representatives of governmental regulatory bodies or other governmental services, or representatives of non-governmental organizations, including consumer organizations.

5.2.8 Impartiality Management Committee meetings are conducted at least once a year or whenever there are significant changes to the organization processes.

5.2.9 Impartiality Management meetings shall be participated by GM/OM as company representative and IMC members.

5.2.10 The IMC shall be responsible to ensure that the UGG personnel involved in resolving the appeals and complaints shall be independent of the personnel involved in conducting the audit.

5.2.11 Minutes of the Impartiality Management meetings shall be documented and distributed to all attendees.

5.2.12 Minutes of the Impartiality Management meetings shall be maintained by the GM/OM for a retention period as specified in the Master List of Records.

5.2.13 General business risks include reviewing the context of the organization, performing strategic management and planning, identifying external and internal stakeholders/interested parties.

5.2.14 The risk categories for business risk can include political risk, technological risk, socio-economic risk, and financial risk, among others.

5.2.15 The operational risk can include reviewing the quality, process, health, and safety risks related to operational activities.

a) The GM/OM of UGG shall be responsible to identify general business and operational risks as well as risks to impartiality management.

5.2.16 These risks shall be included in a risk register which shall be segregated by risk categories.

5.2.17 The risks identified shall be analyzed by using suitable risk analysis methods which can include quantitative and qualitative assessments. This is done to prioritize these risks according to the magnitude/significance of these risks towards UGG's operations.

5.2.18 Risks identified shall have a PIC to ensure effective monitoring and control of identified risks.

5.2.19 The risk assessment process shall include identification and consultation with appropriate interested parties to advise on matters affecting impartiality including openness and public perception.

5.3 Impartiality Management Committee Meetings

5.3.1 Impartiality Management Committee meetings are conducted at least once a year or whenever there are significant changes to the organization processes.

5.3.2 Impartiality Management Committee meetings shall be participated by GM/OM and IMC members.

5.3.3 ***Risk Management Plan (UGG-FM(MSPO)-02)*** shall be documented and for reference for all UGG personnel.

5.3.4 Impartiality Management Committee meeting minutes and ***Risk Management Plan (UGG-FM(MSPO)-02)*** shall be maintained by the GM/OM for a retention period as specified in the Master List of Records.

5.4 **Confidentiality**

5.4.1 UGG will undertake all measures to ensure the confidentiality of client's proprietary information or trade secrets accessed to in the course of assessment activities.

5.4.2 All assessing staff (including sub-contractor Assessment personnel and Technical Expert) and Impartiality Committee are issued with a signed statement ***(Impartiality and Confidentiality Declaration Form- UGG-FM(MSPO)-01A and UGG-FM(MSPO)-01A)*** indicating that they have signed a confidentiality agreement and that they agree to abide by the confidentiality and impartiality requirements of UGG. They will not release any information, whether directly or indirectly, other than those authorized by the client or required by the law.

5.4.3 They will also inform UGG and should not take part in any assessment activities or certification decision where they have conflict of interest that have occurred within the previous 2 years unless there are exceptional circumstances that must be approved by the Managing Director.

5.4.4 Conflict of interest may occur through, but is not limited to :

- Previous employment.
- Previous business interests.
- Family interests.

5.4.5 The Administration Manager will ensure that all client's confidential information/ data and records kept in the office and access is controlled. All staff will ensure control of client's confidential information/ data and records are handled with utmost care.

5.4.6 All staff will note that no information / data or records will be released to any external party without prior consent from the client. If required by law to release the information to a third party, Operation Manager will write officially to the client on the information provided.

5.4.7 All auditors will return the management system documents to the client after the documentation review. These documents will be treated as confidential documents during the period that it is in the UGG's office for the documentation review.

5.4.8 All auditors will assure the client during the opening meeting of the assessment visit that all proprietary information or trade secrets gathered as a result of assessments are treated as strictly confidential. No information, either directly or indirectly, will be released to a third party unless the client has given official consent or as required by law.

5.4.9 All records of client in the form of hard copy will, when no longer required, to be destroyed.

Reference Records:

1) Impartiality and Confidentiality Declaration Form (UGG-FM(MSPO)-01A
2) Impartiality and Confidentiality Declaration Form (UGG-FM(MSPO)-01B
3) Risk Management Plan (UGG-FM(MSPO)-02