DOCUMENT AUTHORIZATION & REVISION HISTORY

Revision No.	Description of Change	Date of Release	Prepared By	Approved By
00	Initial Document	01/03/2024		
01	Revised to reflect with the DSM Assessor comment during document review.	15/10/2024		
02	Change company name to UGG Certification Sdn Bhd	01/04/2025		

1 PURPOSE

1.1 To establish a system for conducting Initial Certification audit for client for specified certification scheme.

2 SCOPE

2.1 This procedure is applicable to all audits for all certification schemes. The scope for this procedure covers the audit preparation activities to be done off-site by office-based personnel.

3 RESPONSIBILITY

3.1 General Manager (GM)

3.2 Operation Manager (OM)

3.3 Operation Executive (OE)

3.4 Administrative Executive (AE)

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

4.4 IAF MD 1 – IAF Mandatory Document for the Audit and Certification of a Management System Operated by a Multi-Site Organization

4.5 IAF MD 2 – IAF Mandatory Document for the Transfer of Accredited Certification of Management Systems

4.6 IAF MD 4 – IAF Mandatory Document for the Use of Information and Communication Technology (ICT) For Auditing/Audit Purposes

5 PROCEDURE

5.1 General

5.1.1 The OM shall ensure that UGG have access to the necessary technical expertise for advice on matters directly relating to certification for all technical areas, types of management system and geographic areas in which UGG operates.

5.1.2 UGG shall obtain advice from externally competent personnel whenever required.

5.1.3 UGG shall employ, or have access to, a sufficient number of auditors, including audit team leaders, and technical experts to cover all of its MSPO Certification activities and to handle the volume of audit work performed.

5.1.4 UGG shall give its certified clients due notice of any changes to its requirements for certification by means of email and follow-up phone calls. Further to these, the lead auditor shall also convey the changes to its requirements in the opening meeting for all audits.

5.1.5 Sampling for Individual and Grouping/Multi–site certification shall comply with DSM/Scheme Owner accreditation requirements (Refer to the relevant DSM/MSPO Scheme Documents/IAF Document).

5.1.6 The appointed LA shall be responsible to coordinate all certification audit activities on-site and ensure effective audit implantation.

5.1.7 Where it is deemed necessary, the audit team shall conduct audit based on Remote Auditing methods. he remote auditing shall be done using the Remote Audit Checklist and utilizing video conferencing tools that are acceptable to the clients (e.g., Microsoft Team, Google Meet, Zoom, etc.).

5.1.8 Remote auditing shall be conducted in a manner with complies to the DSM/MPOCC MSPO scheme/IAF requirements.

5.1.9 The audit criteria shall be used as a reference against which conformity is determined, and shall include:

a the requirements of a defined normative document on management systems;

b) the defined processes and documentation of the management system developed by the client

5.1.10 Manager of a management unit OR the group manager OR the central office will need to apply to UGG to conduct an audit on the management unit to ascertain its conformance with the requirements of the certification standard. The written audit report [for initial (Stage 2) audit or recertification audit] will be subjected to a peer review process. If no major non-conformity was issued by the UGG, the management unit will be eligible for the award of the certificate of conformance with the respective standard or in the case of a recertification audit, the renewal of the certificate

5.1.11 UGG shall request prior approval for any audit deferment with a valid justification which is subject to the scheme owner's approval.

5.1.12 UGG shall establish internal procedures for auditing and certification against the standards used in the MSPO Certification Scheme. It should also make publicly accessible, or provide upon request, information describing the auditing and certification processes for granting, maintaining, extending, renewing, reducing, suspending, or withdrawing certification.

5.1.13 All MSPO certification audit shall be carried out as a standalone audit to fulfil the minimum man-days requirement. UGG shall request prior approval for any integrated and/or combined audit with other certification schemes which is subject to the scheme owner's approval.

5.1.14 MSPO Certification audit shall always be carried out on-site. Remote audits are only allowed if the on-site audit is not feasible and prior approval from the scheme owner shall be obtained. Audit carried out by the UGSB will involve document review, interview, communication or consultation with stakeholders and a visit to the field or site. The stakeholder consultation process shall be conducted by UGG.

5.1.15 UGG shall not use the same lead auditor as audit team leader for more than two (2) consecutive audits of a management unit OR group OR multisite.

5.1.17 MSPO certification, the certificate validity is 5 years and subject to four (4) annual surveillance audit. The ACB shall undertake the first annual surveillance audits within twelve (12) months from the initial certificate issuance date, but not earlier than nine (9) months from the initial certificate issuance date. These shall also be applicable for the subsequence annual surveillance audits.

5.1.18 Recertification audit shall be undertaken before the certificate expiry but not earlier than six (6) months.

5.1.19 Any request for audit extension shall be made to MPOCC at least one (1) month before the subsequent audit due date with a valid justification and subject to MPOCC approval and only valid for one (1) particular audit.

5.2 <u>Preparation of Audit Program</u>

5.2.1 The OM shall establish a Client File for the new client.

5.2.2 An Audit Program for the Client certification audits shall be prepared by OM and include in the ***Audit Plan (UGG-FM(MSPO)-11).***

5.2.3 An audit program for the full certification cycle shall be developed to clearly identify the audit activities to be conducted. Audit program and any subsequent amendments shall consider the size of the client, the scope and complexity of its system, products and processes as well as demonstrated level of system effectiveness and the results of any previous audits.

5.2.4 The OM shall develop a suitable sampling programme to ensure proper audit of the management system, where multi-site sampling is used for the audit of a client's management system. The audit program shall be established in such a way that all geographical locations covering the same activity shall be audited within 5-year certification cycle for MSPO sheme. This shall be indicated in the Stage 2 Audit Plan and subsequent surveillance audits Surveillance 1 to Surveillance 4).

5.2.5 This shall also be noted in the Audit Program for the specified multi-site audit client.

5.3 Preparation of Audit Plan

5.3.1 An Audit Plan for the Initial Audit shall be prepared by Lead Auditor. An Audit Notification shall be sent to client before date of audit.

5.3.2 For MSPO Scheme, a Stakeholder Notification shall be sent to relevant stakeholder at least 30 days before date of Stage 2 initial audit by the OM.

5.3.3 The OM shall be responsible for communication and coordination with client representatives on related logistics, invoicing, audit notification, audit planning and related matters.

5.3.4 The OM shall determine the audit objectives, audit scope and audit criteria.

5.3.5 The audit scope and criteria, including any changes, shall be established by the CB after discussion and clarifications with the client, including obtaining the relevant supporting documents.

5.3.6 The audit objectives shall describe what is to be accomplished by the audit and shall include the following:

a) Determination of the conformity of the client's System, or parts of it, with audit criteria.

b) Determination of the ability of the Management System to ensure the client meets applicable contractual requirements.

c) Determination of the effectiveness of the Management System to ensure the client can reasonably expect to achieve its specified objectives.

d) As applicable, identification of areas for potential improvement of the Management System.

5.3.7 The audit scope shall describe the extent and boundaries of the audit, such as sites, organizational units, activities, and processes to be audited.

5.3.8 Where the initial or re-certification process consists of more than one audit (e.g., covering different sites), the scope of an individual audit may not cover the full certification scope, but the totality of audits shall be consistent with the scope in the certification document.

5.3.9 The audit criteria shall be used as a reference against which conformity is determined and shall include:

- The requirements of a defined normative document on Systems.
- The defined processes and documentation of the System developed by the client.

5.3.10 UGG shall ensure that an audit plan is established prior to each audit identified in the audit program to provide the basis for agreement regarding the conduct and scheduling of the audit activities.

5.3.11 Audit plan shall be appropriate to the objectives and scope of the audit.

5.3.12 The audit plan shall at least include or refer to the following:

a) The audit objectives.

b) The audit criteria.

c) The audit scope, including identification of the organizational and functional units or processes to be audited.

d) The dates and sites where the on-site audit activities will be conducted, including visits to temporary sites and remote auditing activities, where appropriate.

e) The expected duration of on-site audit activities.

f) The roles and responsibilities of the audit team members and accompanying persons, such as observers or interpreters.

5.3.13 The audit plan shall be communicated, and the dates of the audit shall be agreed upon, in advance, with the client by the OM.

5.4 Communication Concerning Audit Team Members

5.4.1 UGG provide the name of the audit team member in the ***Audit Plan (UGG-FM(MSPO)-11),*** UGG will make available for background information on each member of the audit team as when requested by the client.

5.4.2 Client are allowed to object to the appointment of any audit team member within 30 days for UGG Certification to reconstitute the team in response to any valid objection.

5.4.3 Communication during audit

5.4.3.1 During the audit, the audit team will periodically assess audit progress and exchange information. The audit team leader shall reassign work as needed between the audit team members and periodically communicate the progress of the audit and any concerns to the client.

5.4.3.2 Where the available audit evidence indicates that the audit objectives are unattainable or suggests the presence of an immediate and significant risk (e.g. safety), the audit team leader shall report this to the client and, if possible, to the certification body to determine appropriate action. Such action may include reconfirmation or modification of the audit plan, changes to the audit objectives or audit scope, or termination of the audit. The audit team leader shall report the outcome of the action taken to the UGG.

5.4.3.3 The audit team leader shall review with the client any need for changes to the audit scope which becomes apparent as on-site auditing activities progress and report this to the certification body.

5.5 Conducting Stage 1 Audit

5.5.1 The appointed LA shall be responsible to conduct Opening Meeting with attendance recorded for all participants at the beginning of the audit and closing meeting at the end of audit.

5.5.2 The opening meeting shall be held with the client's management and where appropriate, those responsible for the functions or processes to be audited.

5.5.3 After the Opening Meeting, The LA and auditors shall proceed to conduct on-site audit according to the Audit Plan.

5.5.4 The auditors shall conduct the onsite audit by obtaining and verifying information, identifying, and recording audit findings, preparing audit findings and conclusions.

5.5.5 The initial certification audit (Stage 1) shall be conducted to evaluate the implementation, including effectiveness, of the client's System and readiness to proceed to Stage 2 Audit.

5.5.6 Methods to obtain information shall include, but are not limited to:
a) On site audit
b) Remote audit by using the ICT platform

5.5.7 The Stage 2 Audit shall be conducted within 6 months of the end of Stage 1 Audit. All AOCs shall be reviewed and actioned and replied to UGG. UGG LA shall review the AOCs that have been replied by the audit client for suitability. If AOC replies are adequate, the LA shall inform the OM to coordinate with the client for Stage 2 Audit.

5.5.8 In determining the interval between stage 1 and stage 2, the OM shall give consideration to the needs (resources/capability) of the client to resolve areas of concern identified during stage 1. this shall be done by discussion between OM and the authorized management Representatives of the client. Further to this, UGG may also need to revise its arrangements for stage 2.

5.5.9 The OM shall consider the need to repeat all or part of stage 1, if any significant changes which would impact the management system occur.

5.5.10 The main purpose of the stage 1 audit is to identify any areas of concern that may affect the compliance with the standards and the effectiveness of the management system. Some of the common areas of concern that may arise during the stage 1 audit are:
a) Lack of evidence of top management commitment and leadership for the management system
b) Inadequate or outdated documentation of the scope, objectives, processes and responsibilities of the management system
c) Insufficient or inconsistent implementation of the management system across the organization
d) Nonconformities or gaps in meeting the requirements of the standards or the applicable regulations
e) Weaknesses or risks in the internal audit and management review processes
f) ack of awareness or training of the staff on the management system and its benefits

5.5.11 The audit also provided suggestions for improvement and best practices that can be adopted by the audited entity. The time frame to close the audit is 180 days (6 months) from the date of this document, during which the audited entity is expected to submit an action plan detailing how it will implement the audit recommendations and resolve the issues raised. Failure to commit above will lead to repetition of conducting the Stage 1 Audit

5.5.12 The stage 2 audit will be scheduled after the completion of the action plan and will verify the implementation status and outcomes of the corrective actions.

5.6 <u>Conducting Stage 2 Audit</u>

5.6.1 The auditors shall conduct the onsite audit by obtaining and verifying information, identifying, and recording audit findings, preparing audit findings and conclusions. The appointed LA shall be responsible for conducting the Opening Meeting with attendance recorded for all participants.

5.6.2 The initial certification audit (Stage 2), including stakeholder consultation (MSPO only), shall be conducted onsite to evaluate the implementation, maintenance, continual improvement, including effectiveness of the client's management system in order to award certification to the appropriate standard.

5.6.3 The Stage 2 audit shall include the auditing of the following:

a) Information and evidence about conformity to all requirements of the applicable MS standard or other normative documents.

b) Performance monitoring, measuring, reporting, and reviewing key performance objectives and targets (consistent with the expectations in the applicable standard or other normative document).
c) The client's MS ability and its performance regarding meeting of applicable statutory, regulatory, and contractual requirements.
d) Operational control of the client's processes.
e) Internal auditing and management review.

5.6.4 During the audit, information relevant to the audit objectives, scope, and criteria (including information relating to interfaces between functions, activities, and processes) shall be obtained by appropriate sampling and verified to become audit evidence.

5.6.5 The audit team shall analyze all information and audit evidence gathered during initial audit, review the audit findings, and agree on the audit conclusions.

5.6.6 Audit findings summarizing conformity and detailing nonconformity (NC) shall be identified, classified, and recorded to enable an informed certification decision to be made or the certification to be maintained.

5.6.7 The appointed LA shall be responsible to conduct Opening Meeting with attendance recorded for all participants at the beginning of the audit and closing meeting at the end of audit.

5.7 <u>Surveillance Audit Visit (SAV)</u>

5.7.1 This Audit encompasses the requirements of surveillance Audit and elements of continuing Audit as a basis of re-Audit. The continuing Audit is an annual event that may be completed in stages, normally it is in annual basis. However, it can be considered six monthly audits on request from clients. Surveillance Audits are planned over five-year period for MSPO Program and will ensure all elements of the organization covered in the Stage 2 are assessed. This will ensure readiness of the client for the reAudit within each certification cycle. Each surveillance Audit will be of duration equal to one third of the time spent at the stage 2.

5.7.2 OM will ensure that the date of the first surveillance audit following initial certification is not more than 12 months from the certification decision date.

5.7.3 It is a mandatory requirement to cover the following areas at least on an annual basis :
• Internal audit and Management review.
• Review of actions taken on any nonconformity findings from previous audit.
• Corrective and Preventive actions including customer complaints.
• Effectiveness of MSPO standard with regards to achieve client's objective.

- Progress of planned activities aimed at continual improvement.
- Continuing operational control.
- Review of any changes in Management System.
- Use of marks and any other references to certification.
- Legal requirements and evaluation of compliance
- Objectives and Management programme.
- Complaints, Incidents, Breaches
- reviewing any certified client's statements with respect to its operations (e.g. promotional material, website)
- requests to the client to provide documented information (on paper or electronic media), and
- other means of monitoring the certified client's performance.

5.8 Yearly Re-certification Audit Visit (RAV).

5.8.1 This process requires a complete recertification audit of the client’s Management System at the end of each 5-year for MSPO Program. Recertification audit will be of duration equal to two thirds of the initial Audit and will replicate the requirements of the initial Audit stage 2. The recertification-audit will always include a site audit. The purpose of this visit is to verify overall continuing effectiveness of the client Management System in its entirety.

5.8.2 If the client is not ready for the recertification program as scheduled, a grace period of 3 months is allowed, failure of readiness after this 3 month shall lead to suspension of certification.

5.8.3 The Audit team will review the following prior to the recertification audit visit :

- Review of past performance of the Management System including review of previous surveillance audit reports over the period of certification.
- Review of quality system documents.
- Stage 1 Audit will be carried out, if any major changes to the Management system.
- Review of previous surveillance audit reports
- recertification audit consider the performance of the management system over the most recent certification cycle

5.8.4 The recertification audit programme will take into consideration the results of the above review. The conduct of the re-Audit will be similar to that of an initial Audit.

5.8.5 The Audit team shall ensure the following :

- The effective interaction between all elements of the system.
- Overall effectiveness of the system in its entirety in the light of changes in operations.
- Demonstrated commitment to maintain effectiveness of the system.

5.8.6 If the UGG has not completed the recertification audit or UGG is unable to verify the implementation of corrections and corrective actions for any major nonconformity prior to the expiry date of the certification, then recertification shall not be recommended and the validity of the certification shall not be extended. The client shall be informed and the consequences shall be explained.

5.8.7 Following expiration of certification, UGG can restore certification within 6 months provided that the outstanding recertification activities are completed, otherwise at least a stage 2 shall be conducted. The effective date on the certificate shall be on or after the recertification decision and the expiry date shall be based on prior certification cycle.

5.9 <u>Transfer Audit</u>

5.9.1 UGG shall not issue certification to the transferring client until:

(i) it has verified the implementation of corrections and corrective actions in respect of all outstanding major nonconformities; and

(ii) it has accepted the transferring client's plans for correction and corrective action for all outstanding minor nonconformities.

(iii) obtain the previous Initial Audit report and the latest surveillance audit report for the client from the previous CB

5.9.2 OM will perform the pre-transfer review by fill up the ***Pre-Transfer Certification Review (UGG-FM(MSPO)-19)*** (document review and/or pre-transfer visit) identifies issues that revert event the completion of transfer, UGG shall treat the transferring client as a new client. The justification for this action shall be explained to the transferring client and shall be documented by the accepting certification body and the records maintained.

5.9.3 The normal certification decision making process in accordance with clause 9.5 of ISO/IEC 17021-1:2015 shall be followed including that the personnel making the certification decision be different from those carrying out the pre-transfer review. Manager's are authorized to become the transfer decision maker by review the ***Pre-Transfer Certification Review (UGG-FM-19***) and approved the transfer process.

5.9.4 If no problems are identified by the pre-transfer review, the certification cycle shall be based on the previous certification cycle and UGG shall establish the audit programme for the remainder of the certification cycle.

5.9.5 The accepting certification body shall take the decision on certification before any surveillance or recertification audits are initiated.

5.9.6 Transfer Audits for Surveillance Audit shall be conducted in the situation where a client's management system has been transferred to UGG during their timing for Surveillance Audit under their previous certification body.

5.9.7 The date of the subsequent surveillance audit following initial transfer audit shall be denoted in the revised Audit Program.

5.9.8 Subsequent recertification audit shall be conducted in the sixth year for the next 5-year audit cycle and followed by Surveillance 1, Surveillance 2, Surveillance 3 and Surveillance 4.

5.9.9 Where UGG is taking account of certification already granted to the client and to audits performed by another CB, the GM shall obtain and retain sufficient evidence, such as reports and documentation on corrective actions, to any nonconformity.

5.9.10 The OM shall justify, record any adjustments to the existing audit program and follow up the implementation of amendments.

5.9.11 The audit program and related documentation shall support the fulfilling of the requirements of ISO/IEC 17021-1:2015. All other activities shall be conducted as per normal Surveillance and Recertification audit activities.

5.9.12 Transfer of the MSPO Certification are as follows:

a)The UGGs shall have documented procedure for the transfer of certificates which includes the requirements in this scheme document and in line with the IAF MD 2 requirements.

b) Transfer of certificates is only allowed between accredited CBs and once within the certificate cycle (5 years). For any additional transfer within the same certificate cycle, the management unit or the UGG will be required to obtain written approval from the scheme owner.

c) Transfer of certificate shall ensure the certificate holder maintains a valid certificate at all times.

d) Transfer of certificate from applicant CB which fails to attain accreditation within the specified time frame by the AB to UGG shall not be permitted. Initial Stage 1 and Stage 2 audit shall be required by the accepting UGG.

e) When a CB's accreditation is suspended, withdrawn or terminated, all certificates issued by that UGG remain valid until whichever comes first, within 6 months from the date the accreditation is revoked or the next surveillance audit. Suspended UGGs will only be allowed to conduct annual surveillance audits but not permitted to undertake initial certification audits or recertification audits.

f) Any outstanding Major Non-conformities and financial obligations to issuing UGG of the management unit hall be addressed prior to the transfer of certificate to the accepting UGG. The accepting UGG shall contact the issuing UGG to verify the above requirement. It shall be the responsibility of the issuing UGG to provide detailed clarification to the accepting UGG.

g) The process of certificate transfer shall be via MSPO Trace system and both issuing UGG and accepting UGG shall complete the process within 15 working days. Any deviation required justification and approval from the scheme owner.

h) The accepting UGG shall issue a new certificate to the management unit by maintaining the previous certificate expiry date.

i) Where the issuing UGG fails to provide the details without any valid reason within 10 working days, the accepting UGG shall notify and request for transfer which is subject to the scheme owner’s approval.

j) Any certificate transfer shall be solely the responsibility between the certificate holder, the accepting UGG and issuing UGG. The scheme owner will not be liable for any breach of contracts between the involved parties.

k) Transfer of expired certificate shall not be permitted. Initial Stage 2 audit by the accepting UGG is required.

5.10 <u>Special Audit</u>

5.10.1 Expanding scope

5.10.1.1UGG shall, in response to an application for expanding the scope of a certification already granted, undertake a review of the application and determine any audit activities necessary to decide whether or not the extension may be granted.

5.10.1.2 This may be conducted in conjunction with a surveillance audit.

5.10.2 Short-notice audits

UGG shall, in the case where it is necessary for UGG to conduct audits of certified clients at short notice

or unannounced to investigate complaints, or in response to changes, or as a follow-upon suspended clients, UGG shall:

a)describe and make known in advance to the certified clients the conditions under which such audits are to be conducted.

b)exercise additional care in the assignment of the audit team because of the lack of opportunity for the client to object to audit team members.

5.11 <u>Review of the Recommendation</u>

5.11.1 The documents detailing the recommendation should be forwarded to the Technical Review for review and validation. These should include :

• The original Audit where the major nonconformity was raised.

• The resulting corrective action plans, correspondence and their acceptance.

• The additional Audit report.

• Any supporting documents.

5.11.2 The reviewer shall be independent or shall not involve in the audit team.

5.12 <u>Monitoring of Audit Visits</u>

5.12.1 The Administration, in consultation with the Operation Manager will plan and monitor the Audit visits of clients.

5.12.2 Deviation from the scheduled Audit visit by the client will be considered based on the following :

• Formal request by the client for delay of within 3 months from the scheduled date of Audit. Client will furnish reason(s) as to why the delay in the visit is needed.

• Formal request for delay of Audit visit of more than 3 months will be reviewed on a case-to-case basis. The Operation Manager and / or General Manager will review and decide whether the delay can be granted.

5.13 <u>Audit team selection and assignments</u>

5.13.1 OM shall have a process for selecting and appointing the audit team, including the audit team leader and technical experts as necessary, taking into account the competence needed to achieve the objectives of the audit and requirements for impartiality. If there is only one auditor, the auditor shall have the competence to perform the duties of an audit team leader applicable for that audit.

5.13.2 OM will evaluate the competency auditor as per ***Auditor Justification and Selection Form (UGG-FM(MSPO)-23)*** and will review the auditor competency before include the auditor's name into the audit plan

5.13.3 OM will ensure that the time spent by any team member that is not assigned as an auditor (i.e. technical experts, translators, interpreters, observers and auditors-in-training) is not counted as the required man-days in the audit man-days allocation.

5.13.3 The audit team justification is a document that explains the rationale and methodology for conducting an audit of a specific entity or process. The justification should include the following elements:

a) The scope and objectives of the audit, such as the areas to be covered, the risks to be assessed, and the expected outcomes or recommendations.

b) The criteria and standards to be used for evaluating the performance, compliance, or effectiveness of the audited entity or process, such as laws, regulations, policies, best practices, or benchmarks.

c) The sources and methods of data collection and analysis, such as interviews, surveys, observations, document reviews, or tests.

d) The timeline and resources for completing the audit, such as the staff involved, the estimated hours, and the budget.

e) The potential benefits and challenges of the audit, such as the value added, the stakeholders involved, and the limitations or constraints.

5.13.4 The audit team justification should be clear, concise, and persuasive. It should demonstrate that the audit is necessary, feasible, and beneficial. It should also address any potential concerns or objections from the audited entity or process.

5.14 <u>The role of the other non-auditor personal</u>

5.14.1 Technical Expert

5.14.1.1 The role of a technical expert during an audit is to provide specialized knowledge and expertise on a specific subject matter. Technical experts can assist the audit team in planning, conducting and reporting the audit findings.

5.14.1.2 They can also help to evaluate the evidence, identify nonconformities and verify corrective actions. Technical experts should have relevant qualifications, experience and competence in the field of the audit. They should also adhere to the audit principles, procedures and code of conduct.

5.14.1.3 The technical expert should have the following criteria:

a) Relevant knowledge and experience in the field or industry of the auditee
b) Ability to communicate effectively with the auditor and the auditee
c) Independence and objectivity from the auditee and the audit outcome
d) Availability and willingness to participate in the audit process

e) Familiarity with the audit standards and procedures

5.14.2 Interpreter/ Translator

5.14.1.1 The rules of interpreter during audit process are:

a) The interpreter must be impartial and unbiased. They should not have any personal for professional interest in the outcome of the audit.

b) The interpreter must respect the confidentiality and privacy of the auditee and the auditor. They should not disclose any information obtained during the audit to anyone outside the audit team.

c) The interpreter must accurately and faithfully convey the meaning and intention of the speaker. They should not omit, add, or change any information or tone.

d)The interpreter must clarify any ambiguity or misunderstanding that may arise during the communication. They should ask for repetition, confirmation, or explanation when necessary.

e) The interpreter must maintain a professional demeanor and attitude. They should not express their own opinions, emotions, or judgments during the audit.

5.14.3 Guides

5.14.3.1 Each auditor shall be accompanied by a guide, unless otherwise agreed to by the audit team leader and the client. Guide(s) are assigned to the audit team to facilitate the audit. The audit team shall ensure that guides do not influence or interfere in the audit process or outcome of the audit.

5.14.3.2 The responsibilities of a guide can include:

a) establishing contacts and timing for interviews;

b) arranging visits to specific parts of the site or organization;

c) ensuring that rules concerning site safety and security procedures are known and respected by the audit team members;

d) witnessing the audit on behalf of the client;

e) providing clarification or information as requested by an auditor.

f) Where appropriate, the auditee can also act as the guide.

5.15 <u>Use of Information and Communication Technology (ICT)</u>

5.15.1 The security and confidentiality of electronic or electronically-transmitted information is particularly important when using ICT for audit/Audit purposes.

5.15.2 The use of ICT for audit/Audit purposes shall be mutually agreed upon by the body being audited/assessed and the body performing the audit/Audit in accordance with information security and data protection measures and regulations before ICT is used for audit/Audit purposes.

5.15.3 In the case of non-fulfilment of these measures or non-agreement of information security and data protection measures, the body performing the audit/Audit activities shall use other methods to conduct the audit/Audit.

5.15.4 When no agreement is reached for the use of ICT for audit/Audit, other methods shall be used to fulfil audit/Audit objectives.

5.15.5 UGG shall identify and document the risks and opportunities that may impact audit/Audit effectiveness for each use of ICT under the same conditions, including the selection of the technologies, and how they are managed.

5.15.6 When ICT is proposed for the audit/Audit activities, the application review shall include a check that the client and the audit/Audit body have the necessary infrastructure to support the use of the ICT proposed.

5.15.7 Considering the risks and opportunities identified, the audit/Audit plan shall identify how ICT will be utilized and the extent to which ICT will be used for audit/Audit purposes to optimize audit/Audit effectiveness and efficiency while maintaining the integrity of the audit/Audit process.

5.15.8 When using ICT, auditors/assessors and other involved persons (e.g. drone pilots, technical experts) shall have the competency and ability to understand and utilize the information and communication technologies employed to achieve the desired results of udit(s)/Audit(s). The auditor/assessor shall also be aware of the risks and opportunities of the information and communication technologies used and the impacts that they may have on the validity and objectivity of the information gathered.

5.15.9 If ICT is used for audit/Audit purposes, it contributes to the total audit/Audit time as additional planning may be necessary which may impact audit/Audit duration.

5.15.10 Audit/Audit reports and related records shall indicate the extent to which ICT has been used in carrying out audit/Audit and the effectiveness of ICT in achieving the audit/Audit objectives.

5.15.11 If virtual sites are included within the scope, the certification/accreditation documentation shall note that virtual sites are included and the activities performed at the virtual sites shall be identified.

5.16 Obtaining and verifying information

5.16.1 Obtaining and verifying information during an audit is a vital process that helps to ensure the accuracy and reliability of the audit findings.

5.16.2 Use a variety of methods to collect information, such as interviews, inspections, document reviews, and analytical procedures.

5.16.3 Apply appropriate sampling techniques to select a representative sample of the population to be audited. Verify the information collected by checking its source, validity, completeness, and consistency.

5.16.4 Record the audit evidence in a clear and organized manner, using notes, checklists, photographs, or other means. Address any new or changed circumstances or risks that arise during the audit and adjust the audit plan accordingly.

5.17 Identifying and recording audit findings

5.17.1 Audit findings are the results of the audit activities that provide evidence of conformity or nonconformity with the audit criteria. Audit findings can be positive or negative and should be supported by objective evidence.

5.17.2 LA and auditors shall review the audit criteria and objectives before conducting the audit activities. Collect and analyze objective evidence during the audit activities, such as documents, records, interviews, observations, tests, etc.

5.17.3 Compare the objective evidence with the audit criteria and identify any gaps or discrepancies. Evaluate the significance and impact of the gaps or discrepancies, considering the context and scope of the audit.

5.17.4 Classify the audit findings as conformities or nonconformities, and assign a level of severity (e.g., minor, major, critical) based on the risk and potential consequences of the nonconformity.

5.17.5 Document the audit findings in a clear, concise, and factual manner, using the ***Non Conformance Report (UGG-FM(MSPO-14).***

5.17.6 Communicate the audit findings to the auditee and other relevant parties, and seek their feedback and agreement on the accuracy and completeness of the findings. Follow up on any corrective actions or improvement actions that are required or recommended as a result of the audit findings.

5.17.7 Lead Auditor and auditor are refrain from suggesting the cause of nonconformities or their solution to the client.

5.18 <u>Classification of finding</u>

5.18.1 Opportunities for Improvement (OFI)

5.18.1.1 An opportunity for improvement (OFI) procedure is a systematic way of identifying, analyzing, and resolving gaps or deficiencies in the performance or quality of a process, product, or service.

5.18.1.2 Define the problem or issue that needs improvement and its impact on the organization or customer. Collect and analyze data and information related to the problem or issue, such as root causes, contributing factors, current state, and best practices.

5.18.1.3 Generate and evaluate possible solutions or alternatives for improvement, Considering their feasibility, effectiveness, and potential benefits and risks. Select and implement the best solution or alternative, following a plan that specifies the actions, resources, responsibilities, and timelines.

5.18.1.4 Monitor and measure the results and outcomes of the improvement, using relevant indicators and feedback mechanisms. Review and document the lessons learned and best practices from the improvement, and share them with relevant stakeholders and audiences.

5.18.2 Minor Non-Conformance

5.18.2.1 A minor non conformance is a deviation from the specified requirements or standards that does not affect the intended use, performance, or safety of a product or service.

5.18.2.2 Identify the non conformance and its cause. Document the details of the non conformance, such as the date, time, location, description, impact, and evidence as per ***Non Conformance Report (UGG-FM(MSPO)-14).***

5.18.2.3 Report the non conformance to the relevant authority or stakeholder. Notify the person or entity responsible for the product or service that has a minor non conformance. Provide them with ***Non-Conformance Report (UGG-FM(MSPO)-14)*** of the non conformance and request their approval for corrective action.

5.18.2.4 Correct the non conformance by provide the corrective action plan within 90 days. Implement the approved corrective action to eliminate or reduce the non nonformance. Document the corrective action taken, such as the date, time, method, and result.

5.18.3.5 Lead Auditor will review the documentation of the non conformance and the corrective action to ensure that they are complete and accurate. Confirm that the non conformance has been resolved and that there is no adverse effect on the product or service quality.

5.18.3.6 Record the closure date and sign off on the non conformance report. Update any relevant records or databases with the information of the closed non conformance. Communicate the closure of the non-conformance to the relevant authority or stakeholder.

5.18.3.7 Lead Auditor will verified the implementation of the action plan during the next surveillance audit.

5.18.3.8 Corrective action plan shall be submitted to, reviewed, and accepted by the UGG within 45 calendar days and the implementation verified in the subsequent surveillance or recertification audit. Failing which, the Minor NC shall be upgraded to Major NC by the UGG during the subsequent surveillance or recertification audit.

5.18.3 Major Non Conformance

5.18.3.1 A major non conformance is a deviation from the specified requirements or standards that affects the quality, performance, safety or reliability of a product or service

5.18.3.2 Lead Auditor who detects the non conformance notifies the responsible manager and records the details of the deviation in ***a Non Conformance Report (UGG-FM-14).***

5.18.3.3 Correct the non conformance by provide the closure evidence within 90 days. Implement the approved corrective action to eliminate or reduce the non conformance. Document the corrective action taken, such as the date, time, method, and result.

5.18.3.5 Lead Auditor will review the documentation of the non conformance and the corrective action evidence to ensure that they are complete and accurate. Confirm that the non conformance has been resolved and that there is no adverse effect on the product or service quality.

5.18.3.6 Record the closure date and sign off on the non conformance report. Update any relevant records or databases with the information of the closed non conformance. Communicate the closure of the non- conformance to the relevant authority or stakeholder.

5.18.3.7 Lead Auditor will verified the implementation of the action plan before the closure of the NCR. The verification of evidence may conducted on-site based on the risk of the non conformance.

5.18.3.8 Lead Auditor will reviews the NCR and confirms that all actions have been completed satisfactorily and that the non conformance has been resolved. The responsible Lead Auditor then signs off and closes the NCR.

a) Major Non-conformity (NC) for MSPO

i. Non-fulfilment of requirement that affects the capability of the management system to achieve the intended results.

ii. Non-conformity raised against traceability indicators shall be graded as Major.

iii. For initial audit, all Major NC shall be addressed with correction & corrective action not exceeding 180 calendar days from the NC issuance date. Re-application for certification is required if it exceeds the stipulated time frame.

iv. For surveillance and re-certification audits, all Major NC shall be addressed with correction & corrective action not exceeding a time frame of 90 calendar days from the NC issuance date and verified by UGG within 14 calendar days. The UGG shall suspend the management units' certificate if the Major NC is not addressed within the 90 calendar days' time frame. Subsequently, the certificate shall be withdrawn if it exceeds 180 calendar days from the date of Major NC issued.

v. Upon withdrawal, re-application for certification is required.

vi. For repetitive Major NC during subsequent audit on the specific objective evidence raised in the previous audit, it shall lead to the immediate suspension of the certificate by the UGG

5.19 Opening and Closing Meeting

5.19.1 Opening Meeting

5.19.1.1 The purpose of an audit opening meeting is to introduce the audit team, explain the audit objectives and scope, discuss the audit methodology and timeline, and address any questions or concerns from the auditee.

5.19.1.2 The opening meeting is an important opportunity to establish a good rapport with the auditee and to clarify the expectations and roles of both parties. The opening meeting should be attended by the lead auditor, the audit team members, the auditee's management representative, and any other relevant stakeholders.

5.19.1.3 The opening meeting should be conducted in a professional and respectful manner, following an agenda that covers the following points:

- Introduction of the audit team and the auditee
- Confirmation of the audit objectives, scope, criteria, and standards

- Explanation of the audit methodology, tools, and techniques
- Presentation of the audit plan and schedule, including the dates and times of interviews, observations, document reviews, and closing meeting
- Confirmation of the audit logistics, such as access to facilities, equipment, records, and personnel
- Discussion of the audit reporting process, including the format, content, and distribution of the audit report and any nonconformities or findings
- Review of the audit rights and responsibilities, such as confidentiality, impartiality, cooperation, communication, and feedback
- Addressing of any questions or concerns from the auditee or the audit team
- Confirmation of the next steps and actions

5.19.1.4 The opening meeting should be documented by the lead auditor and records the attendance in the ***Attendance List (UGG-FM-22)***

5.19.1.5 Opening meetings shall be conducted to all audit activities below:

a) Stage 1 Audit
b) Initial/ Stage 2 audit
c) Yearly surveillance audit
d) Recertification audit
e) Special Audit

5.19.2 Closing Meeting

5.19.2.1 The audit closing meeting is an important step in the audit process, where the auditor presents the findings and recommendations to the auditee and other relevant stakeholders.

5.19.2.2 The purpose of the meeting is to ensure that the audit report is accurate, complete, and fair, and that the auditee understands the audit results and agrees on the corrective actions to be taken.

5.19.2.3 The meeting also provides an opportunity for the auditor and the auditee to exchange feedback and discuss any issues or concerns that may have arisen during the audit.

5.19.2.4 The audit closing meeting should be planned and conducted in a professional manner, following below:

- The meeting should be scheduled in advance, preferably at the start of the audit, and confirmed with the auditee and other participants.
- The meeting should be held as soon as possible after the completion of the audit fieldwork, but before the issuance of the final audit report.
- The meeting should be chaired by the auditor or the audit team leader, who should prepare an agenda and a presentation that summarizes the audit objectives, scope, methodology, findings, recommendations, and conclusions.
- The meeting should be attended by the auditee's senior management and key staff involved in the audit, as well as any other stakeholders who have a significant interest or role in the audit subject matter.
- The meeting should be conducted in a constructive and respectful tone, with an emphasis on dialogue and mutual understanding.

- The auditor should present the audit results objectively and factually, highlighting both the strengths and weaknesses of the auditee's performance. The auditee should listen attentively and respond to the auditor's questions and comments, providing clarifications, explanations, or evidence as needed.
- The auditor and the auditee should avoid arguments, accusations, or personal attacks, and focus on resolving any disagreements or discrepancies in a professional manner.
- The meeting should end with a clear agreement on the audit findings and recommendations, as well as on the timeline and responsibilities for implementing the corrective actions. The auditor should also solicit feedback from the auditee on the audit process and performance, and thank them for their cooperation and support.

5.19.2.25 Closing meetings shall be conducted to all audit activities below:

a) Stage 1 Audit
b) Initial/ Stage 2 audit
c) Yearly surveillance audit
d) Recertification audit
e) Special Audit

5.20 Reporting and Communication

5.20.1 In the event of suspension and/or withdrawal of certificate, UGGs shall inform the scheme owner and their certificate holders within 24 hours from the effective date and justification of suspension and/or withdrawal. The scheme owner may instruct an UGG to suspend or withdraw a certificate. In such cases, the UGG will implement the request within two (2) working days.

5.20.2 In the case of certification involving SPOCs or scheme smallholders, group certification or multisite certification, the UGG shall provide the scheme owner with a list of all sites covered by the group or multisite certification.

5.20.3 The UGG shall fulfil all other criteria on reporting and communication as stipulated under the General Requirements for UGGs in this scheme document (Section 3).

5.20.4 MSPO Certification Audit Public Summary Report

a) A summary of the audit report, including a summary of findings on the auditee's conformity against the certification standard, written by the UGG, shall be uploaded into MSPO Trace in seven (7) working days from the date of issuance of certificate by the UGG. The summary shall include a map of appropriate scale showing the location and external boundary of the certified area. The audit summary report shall be as per the Appendix 2 of this document.

b) UGGs shall finalise the audit summary report within:

i. 30 days after the audit closing meeting for audits without major NCs raised;

ii. Two (2) weeks from the closure of major NCs, for audit with major NCs, following the 90 days closure period;

iii. An additional three (3) weeks is allowed for the peer review process, for initial certifications and recertifications audit report.

5.21 Peer Reviewer

5.21.1 The aim of a peer review process of the ACBs audit report by an independent expert is to obtain a second opinion on the level of compliance of the management unit concerning the requirements of the agreed standards. The appointed peer reviewers shall be independent of the UGG (refer to clause 5.2.3 of ISO/IEC 17021-1 on risk of relationships documentation)

5.21.2 Peer reviewer(s) shall not be involved in any MSPO Certification audits and accreditation ativities neither as auditor in training, auditor, or lead auditor with any CBs, ACBs or AB in the past three (3) years to avoid conflict of interest

5.21.3 Peer reviewer(s) involved in the audit report review to be appointed by the UGG, based on the issues associated with the management unit being audited and shall not be based on permanent basis.

5.21.4 UGG shall set a procedure for initial and periodic monitoring of the peer reviewer's competency and impartiality and the records shall be maintained. UGG provide annual harmonisation training including analysis on issues and comments and scheme requirements update with the appointed peer reviewers.

5.21.5 The peer reviewing process is necessary for evaluating the audit report (for Stage 2 and recertification audit) prepared in conjunction with an application for certification under the MSPO Certification Scheme.

5.21.6 Role of Peer Reviewer(s)

5.21.6.1 The role of the peer reviewer(s) is to ensure that the audit report has the necessary content to act as the foundation for the award of a certificate and to confirm that:

i) The audit team has carried out an objective and professional audit of the management unit for certification against the requirements of the relevant MSPO Standard and related scheme documents;

ii. The audit team has investigated adequate and relevant data sources and evidences;

iii. The audit team has arrived at an appropriate conclusion and recommendation based on the evidence presented to it; and

iv. The audit team has prepared a concise and comprehensive report to the requirements of the standards.

5.21.6.2 The peer reviewer(s) shall submit the following in a report to the UGG

i. Indicate that the disagreement and supporting reasons regarding any finding and/or Non-Conformity (NC) raised by the audit team have been addressed appropriately;

ii. Indicate areas where the reviewer feels more information or clarification is necessary;

iii. State whether the reviewer agrees or disagrees with the certification recommended by the auditors; and

iv. Suggest actions for improvement that should be taken, or issues that should be considered relevant to the scope of the audit.

5.21.5.3 UGG shall ensure that all comments by the peer reviewers are resolved prior to finalisation of the final report and be made available to the client by the UGG.

Reference Records

1. Audit Plan (UGG-FM(MSPO)-11).
2. Pre-Transfer Certification Review (UGG-FM(MSPO)-19)
3. Auditor Justification and Selection Form (UGG-FM(MSPO)-23)
4. Non Conformance Report (UGG- FM(MSPO)-14).
5. Attendance List (UGG-FM-22)

APPENDIX Appendix 1 Auditing Process Flowchart

Client Application

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Application Review and Risk Management

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Issuance of Client Quotation and Certification Agreement

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Stage 1 Audit

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Stakeholder Notification

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Stage 2 Audit

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Draft Audit Report

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Internal Technical Review

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Peer Review

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Final Audit Report

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Certification Decision

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Issuance of Client Certificate

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Annual Surveillance Audit

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Recertification