



Contractors and Suppliers Policy

Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil

Preamble

Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil ("the Organization") procures, engages, and relies upon external contractors, consultants, vendors, suppliers, service providers, and other third-party counterparties to support the lawful, efficient, secure, and mission-aligned delivery of its activities. The Organization recognizes that the conduct of such external parties directly affects its operational integrity, legal exposure, reputation, ethical standing, and the trust placed in it by stakeholders, stakeholders, partners, and the broader public. Accordingly, this Policy establishes the **binding standards, mandatory controls, and governance expectations** governing the selection, onboarding, oversight, performance, renewal, suspension, and termination of contractor and supplier relationships.

This Policy is founded on the principle that external engagement is never merely transactional. Every commercial or service relationship entered into by the Organization must be consistent with **the highest standards of legality, transparency, accountability, competence, fairness, and ethical responsibility**. No contractor or supplier may be engaged unless the relationship demonstrably serves a legitimate organizational purpose, offers verifiable value, and can be managed in a manner that preserves compliance with all applicable legal, regulatory, contractual, operational, and safeguarding requirements. The Organization shall not tolerate arrangements that create, or appear to create, improper influence, hidden dependency, unlawful advantage, substandard performance, conflicts of interest, or reputational harm.

The Organization shall apply a **risk-based and evidence-driven due diligence framework** to all contractor and supplier relationships. Prior to engagement, and throughout the life of the relationship, contractors and suppliers shall be assessed for legal standing, financial stability, technical competence, delivery capacity, integrity history, sanctions exposure, beneficial ownership transparency, labor practices, data protection controls, cybersecurity resilience, safeguarding posture, and any other factors reasonably relevant to the nature, scale, sensitivity, or geographic scope of the services or goods provided. Where risks are identified, the Organization shall require proportionate mitigating measures, enhanced monitoring, contractual safeguards, or, where necessary, refusal, suspension, or termination of the relationship. **No business need is sufficient to justify acceptance of unmanaged or materially unacceptable risk.**

All contractor and supplier relationships shall be governed by written terms that are **clear, complete, enforceable, and aligned with this Policy**. Such terms shall, as applicable, define the scope of work, quality standards, delivery milestones, pricing and payment conditions, confidentiality obligations, intellectual property rights, data processing requirements, audit and



access rights, ethical commitments, subcontracting restrictions, conflict disclosure duties, reporting obligations, incident notification requirements, and termination rights. The Organization shall retain the right to monitor performance, verify compliance, request supporting evidence, and take corrective action whenever a contractor or supplier fails to meet contractual, legal, or ethical expectations. **Performance shall be measured not only by output, but by conduct, reliability, integrity, and compliance.**

The Organization requires that all contractors and suppliers act in a manner consistent with **applicable law and universally recognized standards of responsible business conduct**. This includes, without limitation, compliance with anti-bribery and anti-corruption laws, sanctions and export control requirements, competition and procurement rules, labor and employment standards, non-discrimination obligations, modern slavery and human trafficking prohibitions, environmental protections, health and safety standards, and data protection and cybersecurity obligations. Contractors and suppliers must not engage in fraud, misrepresentation, concealment, collusion, exploitation, coercion, or any other conduct that would undermine lawful and ethical performance. The Organization will not knowingly enter into or continue relationships with parties whose conduct is incompatible with **basic standards of honesty, human dignity, lawful commerce, and professional accountability**.

The Organization expects contractors and suppliers to maintain robust internal controls proportionate to the nature of their services and the sensitivity of the information, assets, or operations entrusted to them. Where a contractor or supplier processes personal data, confidential information, financial information, research materials, operational records, or any other protected or sensitive data, it must implement appropriate technical and organizational safeguards to prevent unauthorized access, use, disclosure, alteration, destruction, or loss. Access shall be limited strictly to what is necessary for the contracted purpose, and any use of Organization information beyond the express scope of authorization is prohibited. **Confidentiality, data integrity, and information security are mandatory obligations, not discretionary preferences.**

The Organization shall require contractors and suppliers to act with a high degree of professional discipline in relation to quality assurance, timeliness, communication, and remediation. Deliverables, goods, and services must conform to agreed specifications, be fit for purpose, and be supplied with reasonable competence, diligence, and consistency. Repeated delay, poor workmanship, failure to communicate material issues, or unwillingness to correct defects shall constitute grounds for escalation and may result in withholding of payment, remedial action, suspension of work, or termination. The Organization does not accept superficial compliance or symbolic performance; it requires **substantive, measurable, and continuously reliable execution**.

The Organization further requires full disclosure of actual or potential conflicts of interest, including personal, financial, familial, organizational, or political relationships that may improperly influence, or reasonably appear to influence, the contractor's or supplier's judgment, objectivity, or loyalty. Any failure to disclose a conflict, any attempt to conceal a material relationship, or any inducement offered to obtain preferential treatment shall be treated as a serious



violation. The Organization is committed to ensuring that procurement and third-party management are conducted on the basis of **merit, legitimacy, independence, and objective justification**, free from favoritism, undue influence, or concealed benefit.

Subcontracting, assignment, delegation, or transfer of obligations by a contractor or supplier shall occur only where expressly authorized in writing by the Organization and only where the same standards of compliance, competence, confidentiality, and accountability can be fully maintained. A contractor or supplier shall remain fully responsible for the acts and omissions of any approved subcontractor or delegate. The use of third parties must never weaken the Organization's protections or dilute accountability. **Responsibility is not transferable simply because performance is outsourced.**

This Policy shall be interpreted and applied in a manner consistent with the Organization's broader governance framework, including its commitments to lawful conduct, safeguarding, anti-exploitation principles, operational excellence, and institutional integrity. Any ambiguity shall be resolved in favor of the interpretation that best preserves legality, transparency, accountability, and protection against abuse. The Organization reserves the right to update this Policy at any time in response to legal developments, operational needs, risk assessments, or governance improvements. No contractor or supplier has a vested right to continued engagement, and the Organization may decline, condition, suspend, or discontinue any relationship where it determines that such action is necessary to protect its mission, its stakeholders, or its legal and ethical obligations.

In all contractor and supplier relationships, the Organization shall act with disciplined prudence, and it shall expect the same from every external party that seeks to do business with it. Engagement with Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil is conditional upon demonstrable integrity, lawful conduct, respect for organizational standards, and continuous compliance with the obligations established by contract, policy, and applicable law.

I. PROCUREMENT PRINCIPLES

Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil conducts all procurement activities on the basis of **integrity, accountability, demonstrable necessity, and uncompromising professional discipline**. Procurement decisions shall never be driven by convenience, personal preference, supplier familiarity, or short-term expediency. Every purchasing action must be capable of withstanding **internal audit, client scrutiny, external review, and legal examination**. The overriding objective is to ensure that all goods, works, and services are obtained through a process that is **fair, documented, defensible, and aligned with the Organization's ethical and operational standards**.

Competition. All procurement shall, as a matter of principle, be conducted in a genuinely competitive manner in order to secure the most advantageous outcome for the Organization and to protect against favoritism, waste, and undue influence. For contracts exceeding **USD 10,000**, the responsible unit must obtain **a minimum of three comparable quotations** from eligible suppliers,



unless a documented exception is formally approved on objective grounds. For contracts exceeding **USD 50,000**, a **formal tender process** shall be mandatory, with clear specifications, defined submission deadlines, objective evaluation parameters, and a documented award decision. Competition must be real, not nominal; bids must be solicited from suppliers capable of performing the requirement, and the process must not be structured in a manner that unduly restricts market participation. **Artificial contract splitting, staged purchasing designed to evade thresholds, or the retrospective justification of non-competitive awards is strictly prohibited.** Any departure from competitive procurement may only occur in exceptional circumstances, such as verified urgency, sole-source availability, security constraints, or client-imposed restrictions, and only where such departure is **fully documented, proportionate, and expressly authorized** by the competent approving authority.

Transparency. Procurement shall be conducted in a manner that is **open, traceable, and independently reviewable** at every material stage. All evaluation criteria must be disclosed in advance to the extent applicable, and those criteria must remain stable throughout the process unless a change is formally justified, communicated where required, and approved in writing before evaluation. The methodology used to assess submissions must be **predefined, objectively applied, and recorded in sufficient detail** to permit reconstruction of the decision-making process. The Organization shall maintain a clear procurement file containing, at minimum, the request for procurement, specifications or terms of reference, solicitation materials, bids received, clarifications exchanged, evaluation sheets, conflict-of-interest declarations where applicable, justification for award, approval records, and the final contract or purchase order. **No award decision may rest on undisclosed considerations, informal assurances, or undocumented subjective preference.** Transparency is not merely administrative formality; it is a legal and ethical safeguard ensuring that every procurement decision can be explained, defended, and audited on its merits.

Value for Money. Procurement decisions shall be based on the principle of **best overall value**, not on the lowest nominal price alone. Value for money requires a disciplined assessment of the **full cost, quality, functionality, reliability, delivery performance, compliance risk, after-sales support, warranty conditions, vendor capacity, and operational suitability** of each offer. A lower-priced offer that introduces material risk, inferior quality, delayed delivery, non-compliance, or increased lifecycle costs does not constitute true economy and may be properly rejected. Conversely, a higher-priced offer may be justified where it demonstrably provides superior performance, durability, technical adequacy, reduced operational risk, or stronger contractual protections. The evaluation must therefore reflect a **balanced and rational judgment** of the Organization's actual needs, rather than a simplistic comparison of headline prices. In every case, the Organization shall be able to show that the selected supplier represents the **most advantageous combination of quality, price, reliability, and compliance** in light of the purpose of the procurement.

Non-discrimination. All suppliers shall be treated with **equal respect, equal procedural fairness, and equal access to the procurement process**, irrespective of size, origin, ownership structure, nationality, or market reputation, provided that they satisfy the applicable eligibility



requirements and are not excluded by law or policy. The Organization shall not engage in discriminatory procurement practices that unjustifiably favor established vendors or exclude emerging, small, local, or international suppliers solely on the basis of status or background. Selection shall be based exclusively on **objective, relevant, and pre-disclosed criteria**. At the same time, non-discrimination does not imply legal neutrality toward prohibited actors: all procurement activities must fully comply with **applicable sanctions regimes, export controls, anti-money laundering requirements, anti-corruption laws, counter-terrorism financing rules, and any other binding legal restrictions**. A supplier otherwise appearing competitive shall be excluded where engagement would contravene law, expose the Organization to unacceptable reputational or operational risk, or undermine the Organization's duty of responsible stewardship. **Equality of treatment is mandatory; tolerance of legally prohibited conduct is not.**

Where a procurement process cannot comply with these principles in full, the responsible officer must ensure that the deviation is **exceptional, narrowly tailored, and formally justified**, with the justification recorded in the procurement file before commitment, except in truly urgent circumstances where prior documentation is impossible and retrospective explanation is prepared immediately thereafter. The Organization's position is unequivocal: **procurement must serve the mission, protect resources, resist abuse, and uphold the highest standard of institutional integrity**.

II. VENDOR EVALUATION CRITERIA

The evaluation of vendors by **Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil** shall be conducted in a manner that is **rigorous, document-based, non-arbitrary, and fully aligned with applicable legal, regulatory, ethical, and operational standards**. Vendor selection is not limited to commercial advantage; it is a determination of whether a prospective vendor is capable of supporting the organization's mission with **integrity, reliability, transparency, and demonstrable compliance**. Vendors that cannot substantiate their claims with verifiable evidence, or whose conduct indicates any material deficiency in compliance, ethics, financial stability, or technical capacity, shall not be approved.

A. Pre-Qualification

Before any vendor may proceed to substantive evaluation, it must first satisfy the **mandatory pre-qualification requirements** established by Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil. These requirements are not aspirational; they are **threshold conditions** intended to confirm that the vendor is legally authorized, financially credible, and operationally fit to engage in a business relationship that may involve sensitive, high-impact, or regulated services. The organization shall require documentary proof of the vendor's legal existence and authority to operate, including a valid **business license**, current **tax registration**, and any permits or registrations required by the jurisdiction in which the vendor operates or performs services. Where applicable, the vendor shall also provide evidence of adequate insurance coverage, including at minimum **commercial general liability insurance** and **workers' compensation coverage**, or equivalent policies recognized under local law. Such insurance is not treated as a



formality; it is a core indicator that the vendor accepts responsibility for its own risks, workforce, and obligations.

Financial viability shall be assessed with equal seriousness. A vendor must demonstrate that it is financially stable, solvent, and capable of sustaining the work contemplated without exposing Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil to unnecessary operational, contractual, or reputational risk. Evaluation may include review of creditworthiness, bank references, audited or management-prepared financial statements where available, and any relevant public records concerning insolvency, restructuring, liquidation, judgments, or other material adverse financial events. A history of insolvency, repeated defaults, undisclosed liabilities, or other indicators of financial distress may constitute grounds for disqualification, particularly where such conditions raise reasonable concern regarding the vendor's ability to meet its obligations in full and on time. **Financial credibility is a prerequisite to trust, not an optional enhancement.**

In addition, every vendor shall be subject to **sanctions screening and integrity verification**. Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil shall review the vendor, and where appropriate its principal owners, executive officers, controlling persons, and other relevant counterparties, against applicable **UN, OFAC, EU, and national sanctions lists**, as well as other restricted party databases deemed relevant by the organization. Any confirmed or reasonably substantiated match, concealment of beneficial ownership, use of intermediaries to obscure identity, or failure to disclose relevant affiliations shall be treated as a serious compliance failure. The organization shall not knowingly engage with any party whose status presents a sanctions, anti-money laundering, fraud, terrorism financing, corruption, or other legal exposure. **No commercial advantage may justify a compromise of legal and ethical integrity.**

Finally, each prospective vendor shall provide not fewer than **two client references** for projects of similar scope, complexity, and operational relevance. These references must be recent, credible, and capable of confirming the vendor's performance, reliability, quality of delivery, and responsiveness under conditions materially comparable to the services being procured. Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil may independently contact references, request supplemental information, and assess whether the vendor has a proven record of executing similar work to acceptable standards. Where references are evasive, unverifiable, inconsistent, or materially incomplete, the vendor shall be considered to have failed to substantiate its claimed experience.

B. ESG & Social Responsibility

Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil shall require vendors to demonstrate a **genuine and enforceable commitment to environmental, social, and governance responsibility**, not merely symbolic declarations or generic policy statements. ESG assessment is intended to verify that a vendor's operations are consistent with the organization's values, legal obligations, and duty of care toward workers, communities, and the environment. Vendors must be able to show that their practices are not only compliant in form, but **ethical**,



sustainable, and defensible in substance. Any vendor whose operations rely upon exploitation, unsafe labor, deceptive reporting, or environmentally negligent conduct shall be regarded as fundamentally unsuitable.

With respect to labor practices, vendors must provide credible assurance that they maintain **zero tolerance for child labor, forced labor, human trafficking, unlawful discrimination, and other exploitative practices.** They must comply with applicable labor laws and, where relevant, align their practices with the core principles of the **International Labour Organization (ILO).** This includes the payment of fair wages, the provision of lawful working hours and rest periods, respect for freedom of association where legally protected, and the maintenance of safe and dignified working conditions. Vendors shall also be expected to have appropriate workplace health and safety procedures, incident reporting mechanisms, and corrective action processes. The organization will not tolerate labor practices that externalize harm onto workers or conceal abuse behind administrative language. **Respect for human dignity is a non-negotiable procurement requirement.**

Environmental responsibility shall be assessed in a manner proportionate to the scope of the engagement and the nature of the vendor's operations. Where applicable, **ISO 14001 certification** is preferred as evidence of a structured environmental management system; however, certification alone is insufficient unless supported by actual performance. Vendors should be able to explain how they manage waste reduction, emissions monitoring, energy use, resource efficiency, and environmental incident prevention. Where relevant, they may be required to provide emissions reporting, waste diversion practices, recycling programs, hazardous materials controls, and other sustainability measures that reflect measurable environmental stewardship. Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil expects vendors to act with **discipline, foresight, and accountability** in the management of environmental impacts. A vendor whose conduct demonstrates wastefulness, concealment of environmental harm, or indifference to legal environmental obligations shall be deemed inconsistent with the organization's standards.

In relation to diversity and inclusion, vendors are expected to demonstrate a **meaningful commitment to equitable access and representative participation** across their workforce and supply chain. This includes, where applicable, evidence of policies supporting gender parity, equal opportunity, nondiscrimination, and the inclusion of minority-owned or underrepresented suppliers. Vendors may be asked to disclose targets, progress metrics, and governance mechanisms used to monitor diversity outcomes. Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil recognizes that diversity is not merely a reputational issue; it is a marker of organizational maturity, fairness, and long-term resilience. However, any stated commitment must be supported by implementation, measurement, and executive accountability. **Declarations without demonstrable action shall carry no evaluative weight.**

C. Technical Capability

Technical evaluation shall determine whether the vendor possesses the **substantive competence, systems, personnel, and operational maturity** required to perform the work to the standards



expected by Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil. The organization shall assess not only whether the vendor claims to be capable, but whether it can prove that capability through recognized certifications, relevant experience, personnel qualifications, and documented performance. A vendor that lacks the requisite depth, discipline, or control environment will not be considered fit for engagement, regardless of price or promotional language. **Technical adequacy is a condition of trustworthiness.**

Where the nature of the work requires formal certification, the vendor shall provide evidence of all certifications relevant to the scope of services. By way of example, vendors involved in information security, data protection, or digital systems management may be required to demonstrate **ISO 27001** certification or equivalent controls-based assurance. Other workstreams may require industry-specific accreditations, licenses, safety certifications, professional registrations, or regulatory approvals. The organization may also require evidence that such certifications are current, valid, and issued by recognized authorities. A certification that is expired, suspended, unverifiable, or unsupported by actual internal processes shall not be treated as sufficient. **Compliance must be real, current, and operationally embedded.**

The vendor must also demonstrate access to **qualified personnel with proven experience** in performing work of the same or comparable nature, scale, and complexity. Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil may review résumés, licenses, professional memberships, project assignments, and role-specific qualifications to confirm that the vendor's proposed team has the necessary expertise. It is not enough for a vendor to rely on generic corporate claims; the individuals assigned to the work must possess the competence to execute it lawfully, efficiently, and without undue supervision. Where the work is specialized, the organization may require identification of key personnel and confirmation that such personnel are not merely nominal resources, but actual contributors available for the project lifecycle. **A capable institution is built on capable people.**

Finally, the vendor shall submit **case studies, portfolio materials, or comparable evidence of prior performance** demonstrating successful delivery of similar services. Such evidence should show not only what was delivered, but how the vendor handled complexity, deadlines, confidentiality, quality assurance, and unforeseen issues. Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil will evaluate whether the vendor's prior work reflects consistency, sound judgment, professional discipline, and the ability to meet expectations in a high-responsibility environment. Generic marketing materials, vague descriptions, or unsupported claims of excellence will not be accepted as evidence of technical capacity. The organization will give weight only to **verifiable performance, relevant experience, and demonstrable results.**

In all cases, the evaluation of technical capability shall be conducted with particular attention to whether the vendor's systems and personnel are sufficiently robust to preserve confidentiality, maintain continuity of service, uphold compliance obligations, and protect the interests of Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil without compromise. **The standard is not whether the vendor can merely perform; it is whether the vendor can perform with consistency, accountability, and professional integrity.**



III. CONTRACT MANAGEMENT

A. Standard Terms

All procurement and service engagements entered into by **Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil (“CILC”)** shall be governed by CILC’s **Standard Supplier Agreement** and any approved schedules, statements of work, annexes, or data-processing addenda. **No supplier shall be engaged on divergent or informal terms**, and no commercial relationship shall commence, continue, or renew unless the applicable documentation has been reviewed and approved in accordance with CILC’s internal authority matrix. Any amendment, waiver, side letter, or deviation from the standard terms shall be **exceptional, narrowly tailored, documented in writing, and expressly approved by authorized CILC management and, where applicable, Legal and Compliance.**

The agreement shall define with precision the **scope of services**, deliverables, quality standards, acceptance criteria, milestones, timelines, pricing methodology, taxes, invoicing requirements, payment terms, reporting obligations, and any assumptions or dependencies material to performance. It shall also expressly regulate **warranty obligations, service levels, subcontracting restrictions, confidentiality, record retention, audit rights, conflict-of-interest disclosure, indemnities, liability limitations, remedies, and transition assistance.** In particular, the agreement shall unambiguously establish **ownership of intellectual property, work product, and deliverables**, including the treatment of pre-existing materials, derivative works, and any license rights required for CILC’s lawful and uninterrupted use of the deliverables. Where CILC requires exclusivity, restricted use, or non-retention of materials after termination, such obligations shall be stated with legal clarity.

Every supplier agreement shall include **mandatory anti-corruption, anti-bribery, and anti-fraud clauses.** Suppliers shall warrant that neither they nor any of their personnel, agents, intermediaries, affiliates, or subcontractors will offer, promise, authorize, request, or accept any improper payment, facilitation payment, kickback, undue advantage, or other thing of value intended to influence a decision or secure an improper benefit. Suppliers shall further commit to maintaining accurate books and records, supporting all charges with verifiable documentation, and promptly disclosing any actual, suspected, or attempted violation of applicable anti-corruption law, sanctions law, or comparable integrity standards. **CILC shall have the unconditional right to suspend, investigate, and terminate any relationship where integrity concerns arise**, without prejudice to any further legal or equitable remedy.

Where a contractor, consultant, processor, subprocessor, or other counterparty will access, receive, store, transmit, or otherwise handle personal data, sensitive data, confidential information, or regulated information on CILC’s behalf, a **data protection addendum** shall be mandatory. That addendum shall specify the nature and purpose of processing, the lawful instructions to be followed, technical and organizational security measures, confidentiality obligations, breach notification timing, cross-border transfer restrictions, deletion and return requirements, and cooperation duties in the event of a subject access request, regulator inquiry, or security incident.



No personal data may be processed beyond the minimum necessary for the contracted purpose, and no data may be retained beyond the agreed retention period except where retention is legally required and explicitly documented. Suppliers must notify CILC **without undue delay** of any unauthorized access, loss, disclosure, corruption, or misuse of data and shall cooperate fully in containment, remediation, and investigation.

Termination provisions shall protect CILC's operational continuity, legal position, and ethical standards. CILC shall retain the right to terminate **for convenience upon 30 days' written notice**, with no obligation to continue a commercial relationship that no longer serves CILC's strategic, compliance, or operational interests. CILC shall also have the right to terminate **for cause with immediate effect** where the supplier commits a material breach, persistent underperformance, insolvency, suspension of operations, regulatory prohibition, sanctions exposure, fraud, serious misconduct, or any act or omission that threatens CILC's reputation, lawful operation, confidentiality, or client trust. Upon termination or expiry, the supplier shall promptly cease performance, return or securely destroy CILC property and data, provide all reasonably necessary transition support, and preserve any obligations that by their nature are intended to survive, including **confidentiality, data protection, IP, audit, indemnity, and payment obligations for properly documented undisputed amounts**.

B. Performance Management

All supplier relationships shall be managed against clearly defined, measurable, and documented **Key Performance Indicators ("KPIs")**. At a minimum, KPIs shall cover **delivery timeliness, quality and defect rates, responsiveness, compliance with specifications, service continuity, issue-resolution speed, and cooperation with CILC oversight**. Where relevant, additional metrics may include escalation handling, customer or stakeholder satisfaction, documentation accuracy, resource stability, and the supplier's ability to anticipate and mitigate operational risks. KPIs shall not be aspirational language only; they must be sufficiently specific to permit objective monitoring, evidenced evaluation, and corrective action where performance falls below the contractual standard.

Supplier performance shall be reviewed **monthly** through a formal scorecard maintained by the responsible business owner, with input from Procurement, Operations, Legal, Compliance, or other relevant functions as necessary. The scorecard shall record achieved performance, deviations, open issues, root-cause analysis, remediation commitments, and escalation status. Where performance is unsatisfactory, the supplier shall be required to produce a **corrective action plan** within a specified period, detailing the issue, the cause, the proposed remedy, ownership, and the deadline for closure. Repeated failure to meet agreed standards shall be treated as a substantive contractual concern and may result in contract suspension, reduced scope, withholding of further awards, or termination, depending on severity and impact. **CILC shall not tolerate repeated non-performance, concealment of deficiencies, misleading reporting, or token compliance measures that do not resolve the underlying issue.**



Invoicing shall be **monthly**, unless CILC has expressly approved a different billing cycle in writing. Every invoice must be supported by sufficient and reliable substantiation, including the relevant deliverables, milestone evidence, time records where applicable, acceptance confirmations, expense documentation where permitted, and any other materials necessary to verify that the invoiced amount is contractually due. **Payment shall be made within 30 days of receipt of a valid invoice**, subject always to proper documentation, contractual acceptance requirements, dispute rights, and any lawful set-off or withholding rights available to CILC. CILC shall not be compelled to pay for incomplete, unsupported, non-conforming, or unaccepted work. Any disputed amount shall be addressed promptly and in good faith, but only the undisputed portion, if any, shall proceed to payment in the ordinary course. This approach shall preserve both commercial discipline and legal certainty.

For any contract of strategic, operational, or financial significance, and in all events for contracts exceeding **USD 50,000**, CILC shall conduct **Quarterly Business Reviews (“QBRs”)**. QBRs shall assess overall performance, service trajectory, outstanding risks, contract value realization, compliance posture, dependency exposure, and opportunities for improvement or rationalization. They shall also serve as a governance mechanism for ensuring that supplier behavior remains aligned with CILC’s ethical standards, delivery expectations, and long-term objectives. Where a supplier is identified as critical, high-risk, or difficult to replace, the frequency and depth of review may be increased at CILC’s discretion. **Performance management is not a courtesy process; it is a control function.**

C. Compliance Monitoring

All suppliers shall remain subject to ongoing compliance monitoring throughout the life of the contract. At a minimum, CILC shall conduct **annual re-screening** of suppliers and, where relevant, their beneficial owners, principals, and key subcontractors against applicable **sanctions lists, debarment lists, and restricted party databases**. Where business risk, geography, or regulatory sensitivity warrants it, CILC may also consider enhanced screening, including adverse media checks, ownership reviews, and conflict-of-interest verification. Any match, potential match, or material adverse finding shall be escalated immediately to Compliance and Legal for determination and action. **No relationship may continue where continued engagement would expose CILC to legal prohibition, regulatory breach, or reputational harm.**

For contracts involving service delivery, on-site personnel, facilities management, logistics, security, or any work performed at or on behalf of CILC premises or client locations, CILC shall retain the right to conduct **site visits, compliance audits, and operational inspections**. These reviews may assess service quality, document integrity, access control, confidentiality compliance, labor practices, and adherence to contractual standards. Suppliers shall cooperate fully, provide reasonable access to relevant personnel and records, and promptly remediate any finding identified during the review. If a finding indicates serious non-compliance, CILC may require immediate containment measures, a corrective action plan, re-training, increased monitoring, or suspension of the affected scope of work pending satisfactory remediation.



For contracts involving construction, manual labor, maintenance, field services, or other activities presenting occupational risk, CILC shall require and monitor **worker safety inspections** and evidence of compliance with applicable health and safety requirements. Suppliers must maintain safe working conditions, provide appropriate training, use qualified personnel, implement protective measures, and report incidents, near misses, injuries, and unsafe conditions promptly. **CILC retains the right to issue a stop-work instruction where it reasonably believes that a condition presents an imminent or serious safety risk.** Safety is not negotiable, and compliance deficiencies affecting human welfare shall be treated with the highest level of urgency and seriousness.

CILC shall maintain a **supplier grievance mechanism** through which complaints, concerns, allegations of misconduct, retaliation, abuse, unfair treatment, fraud, or compliance violations may be submitted and reviewed. All complaints shall be logged, assessed, and acknowledged promptly, and **reviewed within 10 business days** of receipt, unless a shorter timeframe is required by the gravity of the issue. The mechanism shall permit escalation where necessary and shall ensure appropriate confidentiality, impartiality, and protection against retaliation. Suppliers shall cooperate in good faith with any inquiry and preserve all relevant records. **No complainant, whistleblower, or reporting party may be subjected to intimidation, reprisal, or disadvantage for raising a genuine concern.**

Where compliance concerns are substantiated, CILC may impose proportionate remedial measures, including intensified monitoring, retraining, contractual restrictions, financial withholding where contractually permitted, suspension of new work, or termination for cause. **Compliance monitoring shall be continuous, evidenced, and enforceable.** It shall not be treated as an administrative formality, but as an essential safeguard of CILC's legal integrity, operational resilience, and ethical standing.

IV. SUPPLIER MANAGEMENT

Supplier management shall be conducted as a structured, evidence-based, and continuously monitored governance function designed to protect Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil from operational failure, legal exposure, reputational harm, quality deficiencies, ethical breaches, and any form of supply-chain misconduct. The Association shall maintain supplier relations only with entities that demonstrate **consistent performance, lawful conduct, contractual reliability, commercial integrity, and measurable commitment to continuous improvement.** No supplier shall be treated as approved, preferred, or strategic unless and until it has satisfied the Association's substantive standards on quality, cost discipline, timely delivery, regulatory compliance, and capacity for innovation. **Commercial convenience shall never override compliance, integrity, or performance accountability.**

A. Supplier Scorecard

The Association shall administer a formal **Supplier Scorecard** as the principal instrument for supplier evaluation, ranking, corrective action, and retention decisions. The scorecard shall be



applied **objectively, consistently, and on documented evidence**, with no arbitrary weighting, informal exception, or discretionary relaxation absent written authorization from competent management. The scoring model shall assign the following weighting structure: **Quality (30%)**, reflecting defect rates, conformance to specifications, service reliability, and the supplier's internal quality-control discipline; **Cost (25%)**, reflecting pricing competitiveness, cost stability, total cost of ownership, and avoidance of hidden charges or non-transparent commercial practices; **Delivery (20%)**, reflecting on-time performance, lead-time adherence, responsiveness to urgent requirements, and resilience in supply continuity; **Compliance (15%)**, reflecting observance of applicable laws, regulations, contractual obligations, anti-corruption commitments, data protection duties, labor standards, environmental obligations, and all internal policies imposed by the Association; and **Innovation (10%)**, reflecting the supplier's demonstrated ability to propose practical improvements, process efficiencies, product enhancements, risk-reducing alternatives, and value-adding solutions aligned with the Association's operational needs.

The scorecard shall be reviewed **at least annually**, and more frequently where risk, performance degradation, or material incidents justify interim review. Each supplier shall receive an annual rating of **A, B, C, or D**, defined as follows: **A (Excellent)** indicates sustained superior performance, full compliance, and demonstrable reliability across all weighted categories; **B (Acceptable)** indicates satisfactory performance meeting required standards with only manageable deficiencies that do not impair the business relationship; **C (Needs Improvement)** indicates performance below expected standards, requiring a documented corrective action plan, enhanced monitoring, and time-bound remediation; and **D (Unacceptable / Debarred)** indicates material underperformance, repeated failure to remediate deficiencies, serious compliance breaches, dishonesty, fraud, corruption, falsification of records, deliberate contractual non-performance, or any conduct deemed incompatible with continued engagement. **A rating shall not be presumed permanent, and a supplier may be downgraded at any time upon material adverse evidence.**

The Association shall reserve the right to require suppliers to submit **accurate, complete, and verifiable performance data**, and to corroborate such data by reference to invoices, delivery records, quality reports, corrective-action logs, audit findings, incident reports, and contractual records. **Subjective impressions shall never substitute for documented evidence.** Where a supplier is rated **C**, the Association may impose a formal remediation regime, including written notice of deficiencies, mandatory root-cause analysis, corrective and preventive actions, and defined deadlines for requalification. Where a supplier is rated **D**, the supplier shall be **immediately removed from the Approved Vendor List (AVL)**, subject to any transitional measures strictly necessary to protect continuity of operations and legal obligations. **A D-rated supplier shall be subject to a three-year debarment period**, during which the supplier shall not be eligible for re-approval, re-tendering, or restricted participation unless an exceptional waiver is expressly authorized by senior management on documented legal and operational grounds. Debarment shall be treated as a serious integrity measure, not as a negotiating tool, and shall reflect the Association's uncompromising position that **persistent non-compliance and material misconduct have consequences.**



B. Continuous Improvement

The Association shall pursue supplier improvement as a disciplined and measurable process rather than as a general expectation. **Continuous improvement shall be a contractual and operational obligation**, especially for suppliers that are strategic, high-volume, high-risk, or technically essential. Suppliers demonstrating consistently strong performance, particularly those rated **A**, may be invited to **strategic partnership meetings** for structured dialogue concerning forecast alignment, process optimization, risk mitigation, service enhancements, innovation opportunities, and long-term supply resilience. Such meetings shall not create any entitlement to preferential treatment absent formal approval, but shall serve to reinforce the Association's expectation that **excellent performance merits constructive collaboration and disciplined commercial recognition**.

Where the Association identifies capability gaps, the supplier may be offered **training, guidance, or developmental engagement** strictly for the purpose of improving compliance, quality, delivery discipline, documentation standards, or operational control. Any such support shall be administered without compromising the Association's independence, without waiving contractual rights, and without diminishing the supplier's full responsibility for its own performance. Training opportunities may include quality-system strengthening, compliance awareness, corrective-action methodology, documentation practices, ethical business conduct, and operational risk reduction. **Assistance shall never be construed as excuse, tolerance, or validation of repeated failure.** The objective is improvement, not indulgence.

In addition, the Association may establish **volume incentives, pricing incentives, and contract-extension preferences** for suppliers that demonstrate sustained high performance, long-term reliability, and genuine commitment to partnership under legally compliant and commercially sound terms. Such incentives may be linked to measurable outcomes, including service continuity, reduced defect rates, improved lead times, compliance stability, and successful implementation of improvement measures. Long-term commitment contracts may be considered only where they serve the Association's interests, strengthen supply security, and preserve full accountability for standards, remedies, and termination rights. **No incentive shall be granted to compensate for poor conduct, non-compliance, or unresolved performance failures.**

Where improvement is required, the Association shall insist on **clear corrective action plans, defined ownership, fixed timelines, objective milestones, and evidence of completion**. Repeated underperformance, evasiveness, incomplete disclosure, failure to cooperate, or refusal to implement corrective measures shall be treated as aggravating factors and may trigger immediate escalation, reduced award opportunities, suspension from active sourcing, or permanent removal from the AVL. The Association shall maintain the principle that **supplier relationships are earned through lawful, reliable, and ethical performance, and may be withdrawn when that standard is not met**.

V. CONFLICT OF INTEREST



Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil maintains a **strict zero-tolerance standard** in relation to conflicts of interest in all procurement and supplier-engagement activities. Any staff member involved in procurement, tendering, vendor screening, bid evaluation, contract negotiation, contract award, contract administration, payment authorization, vendor monitoring, or any related oversight function shall avoid not only an **actual conflict of interest**, but also any **potential, apparent, or reasonably perceived conflict of interest**. For the purposes of this policy, a conflict of interest exists wherever a staff member, directly or indirectly, may derive personal advantage, exercise biased influence, compromise impartial judgment, or otherwise place private interests ahead of the organization's legal, ethical, operational, or fiduciary obligations. This includes, without limitation, any personal, familial, domestic, romantic, social, professional, financial, or other relationship with a supplier, subcontractor, consultant, intermediary, broker, or any entity seeking to do business with the organization. It further includes any arrangement capable of creating divided loyalty, including side agreements, promised benefits, future employment discussions, preferential treatment, or any expectation of reward tied to a procurement outcome.

All procurement personnel are under a **continuous and affirmative duty of disclosure**. A disclosure must be made **immediately, fully, accurately, and in writing** to the designated compliance, legal, or supervisory authority as soon as the staff member becomes aware of any circumstance that may constitute, create, or suggest a conflict of interest. This obligation applies at the earliest possible stage and continues throughout the entire procurement lifecycle, including pre-qualification, supplier selection, due diligence, evaluation, award, performance, amendment, renewal, and termination. Disclosure alone does not authorize participation; where a conflict is actual or reasonably perceived, the staff member shall be **immediately recused** from all relevant discussions, assessments, approvals, negotiations, and communications, and shall not seek to influence the process in any direct or indirect manner. The organization shall determine, at its sole discretion and in writing, whether mitigation is possible, including reassignment, independent review, additional approval layers, or complete disqualification from the matter. No exception shall be presumed, and no staff member may self-authorize participation where impartiality could reasonably be questioned.

Procurement staff may not, directly or indirectly, **own, control, or beneficially hold shares, equity, options, warrants, partnership interests, convertible interests, or any comparable financial interest** in any supplier, prospective supplier, or affiliated entity that does business with, or seeks to do business with, Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil, except where a prior written determination has been made that the interest is immaterial, publicly traded, incapable of influencing judgment, and fully disclosed; as a general principle, such ownership is prohibited where it creates any realistic risk to independence, neutrality, or organizational trust. Staff are also strictly prohibited from soliciting, accepting, offering, authorizing, or retaining **gifts, hospitality, travel, entertainment, favors, incentives, discounts, rebates, commissions, kickbacks, gratuities, loans, or any other item of value** from a supplier or prospective supplier, whether received personally or through a third party. Any gift or benefit **exceeding USD 50 in value**, whether singularly or in aggregate from the same source within a relevant period, is prohibited and must be declined or returned; even where the value is below that



threshold, acceptance is impermissible if the item or benefit could reasonably be viewed as intended to influence, reward, secure advantage, or create an obligation, dependency, or appearance of impropriety. **Cash and cash equivalents are absolutely prohibited**, without exception. Any item improperly offered or received must be promptly reported, documented, and surrendered in accordance with internal compliance procedures.

Any breach of this policy, including **failure to disclose, concealment, misrepresentation, indirect participation, retaliation, attempted circumvention, or any conduct that undermines the integrity of procurement decisions**, shall constitute **serious misconduct**. Such conduct may result in immediate disciplinary action, up to and including suspension, termination of employment or engagement, cancellation or non-renewal of the relevant procurement arrangement, recovery of any resulting loss or damage, and referral to law enforcement, regulatory authorities, or other competent bodies where required or appropriate. Suppliers involved in a conflict-of-interest breach, bribery risk, undisclosed relationship, or other integrity violation may be subjected to enhanced due diligence, corrective action requirements, temporary suspension, disqualification from the procurement process, or **permanent removal from the supplier register**. False, incomplete, evasive, or misleading declarations shall be treated as intentional misconduct and will be regarded as a separate and aggravating violation. Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil reserves the right to audit disclosures, investigate suspected conflicts, request supporting evidence, and impose protective measures at any time in order to preserve **integrity, fairness, independence, accountability, and public trust**.

VI. DISPUTE RESOLUTION

The Parties expressly acknowledge that the orderly, timely, and good-faith resolution of disputes is an essential condition of their commercial relationship and a material component of this Agreement. Accordingly, any disagreement, controversy, claim, or dispute arising out of or in connection with this Agreement, including any question regarding its existence, interpretation, performance, breach, termination, validity, or enforceability, shall be addressed in accordance with the procedure set out below. The Parties shall act at all times in **good faith**, with **commercial reasonableness**, and with the clear expectation that no dispute shall be used as a pretext for delay, non-performance, reputational harm, or unilateral economic pressure.

1. Initial Discussion Between the Parties.

In the first instance, all disputes shall be raised promptly and addressed through direct, structured discussion between duly authorized representatives of the procurement function and the supplier. The purpose of this stage is not merely to exchange positions, but to identify the factual basis of the disagreement, isolate the precise contractual or operational issue, and seek a practical resolution consistent with the Parties' respective obligations. Each Party shall designate representatives with sufficient authority to investigate the matter, review relevant documents, assess the underlying commercial impact, and engage in meaningful settlement discussions. The Parties shall cooperate fully, exchange all information reasonably necessary to clarify the dispute, and refrain from obstruction, evasion, or tactical delay. **No Party shall escalate a matter prematurely** if a



reasonable opportunity exists to resolve it at this level through candid and professional engagement.

2. Mediation by the Procurement Manager.

If the dispute remains unresolved within **seven (7) calendar days** from the date on which it is first formally raised in writing, the matter shall be referred to the Procurement Manager for mediation. The Procurement Manager shall act as an internal neutral facilitator whose role is to evaluate the positions of the Parties objectively, encourage compromise where appropriate, and promote a resolution that preserves contractual integrity, operational continuity, and mutual accountability. The mediation process shall be conducted promptly and in a manner proportionate to the nature and urgency of the dispute. The Parties shall provide the Procurement Manager with all information, records, correspondence, invoices, delivery evidence, performance data, or other documents reasonably required to assess the issue. The Parties shall participate in good faith and shall not treat mediation as a mere formality. **Failure to cooperate fully in mediation shall be deemed conduct inconsistent with the Parties' contractual duty of good faith** and may be relied upon in any subsequent enforcement or arbitral proceedings.

3. Escalation to Senior Executive Review and Binding Arbitration.

If mediation does not result in a mutually acceptable resolution, the dispute shall be escalated without undue delay to the **Chief Financial Officer and/or Chief Executive Officer**, or to such other senior executive authority as the Association may designate in writing. This escalation stage is intended to ensure high-level review of the commercial, financial, operational, and legal implications of the dispute and to determine whether a final negotiated settlement is achievable. If the dispute still remains unresolved, the matter shall be submitted to **binding arbitration** in accordance with the arbitration provisions set forth in this Agreement. Unless otherwise expressly provided herein, the arbitration shall proceed strictly in accordance with the contractual terms governing seat, venue, language, number of arbitrators, applicable rules, and allocation of costs. The arbitral award shall be **final, conclusive, and legally enforceable** to the fullest extent permitted by applicable law, and judgment upon the award may be entered in any court of competent jurisdiction. The Parties agree that arbitration is the exclusive mechanism for final merits determination, except where interim or conservatory relief is required to protect rights, prevent irreparable harm, or preserve the status quo pending final resolution.

4. Payment Disputes; Undisputed Amounts; Continued Performance.

Any dispute concerning invoicing, pricing, deductions, credits, offsets, tax treatment, or payment calculation shall be treated as a payment dispute only to the extent of the amount genuinely contested and supported by a reasoned objection. **A payment dispute shall never justify the withholding, suspension, set-off, or delay of undisputed amounts** that are properly due and payable under the Agreement. The withholding of undisputed sums is expressly prohibited and shall constitute a material breach unless specifically authorized by a written agreement between the Parties or mandated by a final binding determination. The disputing Party shall continue to perform



its obligations under the Agreement to the fullest extent reasonably possible during the pendency of the dispute, and neither the existence of a dispute nor the initiation of dispute-resolution procedures shall relieve any Party of its ongoing duties of cooperation, delivery, confidentiality, record preservation, or compliance with applicable law. **Commercial continuity shall be maintained**, and no Party shall exploit a disagreement to undermine the integrity of the contractual relationship or to inflict leverage disproportionate to the issue in dispute.

For the avoidance of doubt, all communications, submissions, and negotiations undertaken pursuant to this Section shall be treated as **confidential** to the extent permitted by applicable law and the terms of the Agreement, and shall be conducted without prejudice to the Parties' rights and remedies. Nothing in this Section shall be construed as limiting either Party's right to seek urgent interim relief where necessary to prevent imminent harm, secure performance, preserve evidence, or protect legitimate legal and commercial interests.

Signed by:

Dzianis Limarau

President, Consejo Internacional para la Lucha contra la Corrupción, Asociación Civil

Date: 11 September 2026