



**GLF**  
SUPPLY CHAIN POLICY

Policy Control	
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## 1. INTRODUCTION

The Galápagos Life Fund (GLF) is committed to conducting its operations in a responsible and sustainable manner. This includes ensuring that our supply chain practices minimize environmental and social impacts and contribute to the conservation of the Galápagos Islands. This policy outlines our principles for sustainable supply chain management, aligned with the International Finance Corporation's (IFC) Performance Standards.

### 1.1. POLICY OBJECTIVE

The objective of this policy is to:

- provide fundamental guidance to the GLF (as well as its project partners, including GLF's grantees, contractors, suppliers, consultants, and their employees, sub-grantees, and representatives) for ensuring that its supply chain and sourcing practices are conducted in a responsible and sustainable manner.
- minimize environmental and social impacts, thereby contributing to the conservation of the Galápagos Islands and the protection of its ecosystem.
- ensure that the GLF and its project partners actively avoid, and where avoidance is impossible, mitigate adverse impacts of their operations on the environment and people.

### 1.3. POLICY SCOPE

All GLF employees and project partners, including GLF's grantees, contractors, suppliers, consultants, and their employees, sub-grantees, and representatives, are required to comply with this policy. This policy applies to all goods and services procured by GLF, including:

- Office supplies
- Equipment and materials for research and conservation projects
- Travel and accommodation services
- Procurement of goods for fundraising events

### 1.4. POLICY PRINCIPLES

The following principles should be adhered to in the procurement of goods and services:

- a) **Environmental Sustainability:** The GLF will prioritize suppliers committed to resource efficiency, waste reduction, and pollution, prevention, and work with them to adopt practices that minimize their environmental footprint, such as using recycled materials or energy-efficient products. The GLF will avoid sourcing products or materials from suppliers who are engaged in practices that cause deforestation, habitat degradation, or unsustainable extraction of natural resources. In order to maximize impact, we will promote awareness of the importance of sustainable practices among our suppliers and partners.

- b) **Social Responsibility:** GLF will uphold and promote fair labor practices, respect for human rights, and healthy community relations across its business operations. Furthermore, the GLF will work with project partners who respect human rights and engage in fair labor practices.
- c) **Forced and Child Labor:** GLF is dedicated to combating forced and child labor within our supply chain. To uphold this principle, we evaluate our suppliers to identify and mitigate risks associated with forced and child labor. In instances where activities are identified as potentially posing risk, we implement corrective actions to address and eradicate forced labor or child labor. To reinforce this commitment, GLF has developed various policies that create a framework for managing associated processes, which include, but are not limited to, our Code of Ethics, Human Rights Policy, Procurement Policy, and Human Rights Policy and Due Diligence Questionnaire.
- d) **Community Engagement:** The GLF will seek opportunities to source goods and services from local businesses in the Galápagos whenever possible, to grow local economy and empower host communities and promote awareness of the importance of sustainable practices among our suppliers and project partners.
- e) **Transparency and Accountability:** We will conduct awareness sessions to communicate our sustainable supply chain policy to all our internal and external stakeholders and encourage them to adopt responsible sourcing practices within their own operations.
- f) **Monitoring and Evaluation:** The GLF will monitor compliance with this policy to identify areas of improvement, and report progress of achieving our sustainability goals to our stakeholders.

## 2. IMPLEMENTATION

### 2.1. SUPPLIER SELECTION

We will encourage suppliers to demonstrate their commitment to sustainability through certifications or documented practices and will consider environmental and social responsibility alongside price and quality in the evaluation and selection of potential suppliers.

### 2.1. CONTRACTUAL CLAUSES

To ensure compliance with this policy, our sourcing contracts will contain clauses that outline and bind our employees as well as our project partners, suppliers and beneficiaries to our sustainable supply chain principles.

### 2.3. CAPACITY BUILDING:

We will adequately train our employees to enforce and implement this policy. Where possible, the GLF will conduct external training to equip its project partners, suppliers, and beneficiaries with the skills to enhance their understanding and implementation of this policy.

## 2.4. COMPLIANCE AND MONITORING

We will establish a process to monitor supplier compliance with this policy. This may include reviewing supplier certifications, requesting self-assessments, and conducting occasional on-site visits, and may terminate relationships with suppliers who are found to be in violation of this policy. GLF will track its progress in implementing this policy and report on its sustainability performance as part of its annual reporting cycle. The Executive Director of the GLF is responsible for monitoring compliance with this policy, including periodic reviews of procurement activities and procedures. This policy is to be reviewed annually and the approval thereof is vested in the Board of Directors.

## 3. CONCLUSION

GLF will ensure, to the best of its ability, that the supply chain of goods and services required throughout the lifecycle of its projects meets the requirements of IFC Performance Standard 2. When the supply chain involves local contractors and subcontractors in the Galápagos or mainland Ecuador, GLF will have a high degree of influence and, therefore, will seek to ensure that the supply chain abides by the Worker's Rights and Labor Conditions Principle in addition to the Ecuadorian labor legislation. When the supply chain extends beyond Ecuadorian borders and involves other countries or is global in nature, GLF will seek only reputable and accepted suppliers in the market. **Under no circumstances will the low cost of labor be the sole determining factor in the competitiveness of the required goods or services.**

By adopting this Supply Chain Policy, GLF aims to contribute to a more sustainable future for the Galápagos Islands and the world. We believe that responsible sourcing practices are essential for supporting conservation efforts and ensuring the long-term viability of our organization.