



**SOLARIS**  
RESOURCES

**2023**  
Report

Warintza Project, Ecuador

# Nurturing Our Roots

Cultivating Sustainable Impact

# SOLARIS RESOURCES

**Nurturing Our Roots:  
Cultivating Sustainable Impact  
Solaris Resources, Inc.  
2023 Report**

## **Effective Date**

This Report is for the period January 1, 2023, to December 31, 2023.

## **Responsibility**

As you read this Report, we trust you will gain a comprehensive grasp of our dedication to sustainability and the strides we have made in governance, social initiatives, and environmental practices. We remain committed to leading positive change in the mining industry and building a more sustainable future.

Should you wish to obtain more in-depth information on any of the topics addressed in this Report, please contact Investor Relations at

[info@solarisresources.com](mailto:info@solarisresources.com)



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# Introduction

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This marks Solaris Resources Inc.'s ("Solaris" or the "Company") third Sustainability Report (the "Report"), meticulously crafted in accordance with the Global Reporting Initiative (GRI) Standards Core Option and in strict adherence to established principles for Report content and quality.

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The focal point of this Report lies in the comprehensive environmental, social, and governance (ESG) disclosures pertaining to our operations at the Warintza Project ("Warintza" or the "Project") in the Limón Indanza canton of Morona Santiago Province, Ecuador.

With the Project as our primary asset, the Report covers the period from January 1, 2023, to December 31, 2023.

Warintza is a large-scale porphyry copper-molybdenum-gold project located in southeastern Ecuador. Central to its success is a community-focused strategy that emphasizes transparent dialogue, the implementation of innovative corporate social responsibility (CSR) programs, and the application of the Participatory Warintza Model for sustainable socio-economic development. This Report, directed at all our stakeholders, highlights the collaborative progress made with our Indigenous community partners, the Shuar Centres of Warints and Yawi.

The content of this Report, along with many of our sustainability initiatives, is based on the results of our

materiality assessment, a process initiated in 2021. While materiality serves as a crucial input into our reporting and disclosure strategy, it is not the sole consideration. The content of the Report also reflects the interests and requirements of ESG ratings and rankings, as well as other non-financial disclosures.

## Process

All monetary figures are denominated in U.S. dollars (USD) unless explicitly stated otherwise. Within each section, you will find the GRI standard disclosure numbers and relevant United Nations Sustainable Development Goals (UN SDGs) numbers listed at the top for easy reference.

Additionally, following the identification of non-conformities in the 2021 GHG emissions baseline, we implemented corrective actions in 2022, resulting in a new measurement for both the 2021 baseline and the 2022 inventory. Therefore, changes have been made to reflect the most accurate, verified GHG data relating to the years 2021 to 2023 in this Report, ensuring compliance with standards such as NTE INEN-ISO 14064-1:2018, GHG Protocol, and PECC guidelines.



This Sustainability Report has not undergone external assurance. Senior management and the Board of Directors (the “Board”) reviewed and approved the Report before publication, and there have been no restatements of information from prior reporting periods.

## Commitment to Responsible Mining Practices

Solaris documents collaborative efforts with local communities around Warintza, encapsulated in the Warintza Participatory Mining Model. This model exemplifies a relationship-based and responsible approach in Ecuador. Through the exchange of knowledge, it fosters mutual benefit with our Shuar partners, who are the custodians of the traditional lands hosting the Project.

Since 2021, we have been delivering an annual Sustainability Report that addresses stakeholder interests, focusing on material topics and additional subjects aligned with corporate priorities and ESG-related strategies. The Report highlights the implementation and outcomes of the Warintza Participatory Mining Model, emphasizing Solaris’s commitment to economic value creation through exceptional standards in governance, environmental stewardship, and social responsibility. The Report details progress, accomplishments, and challenges in responsible governance, environmental stewardship, and co-development.

## Our Approach to Sustainability

In our ongoing commitment to sustainable mining, Solaris introduces the concept of Participatory Mining, a model presented through Warintza in Ecuador. Building on the principles outlined in the 2021 and 2022 reports, Participatory Mining reflects our genuine collaboration with Indigenous communities and stakeholders. It consolidates our dedication to cause no harm, make a positive contribution, adhere to ethical and transparent practices, and continually progress (outlined in our Sustainability Policy). Solaris’s core values—responsibility, safety, sustainability, and commitment—guide our actions. This

collaborative effort involves co-learning and relationship-based, responsible exploration and mining practices. We seek to democratize mining through authentic and equitable relationships between communities, government, and Solaris.

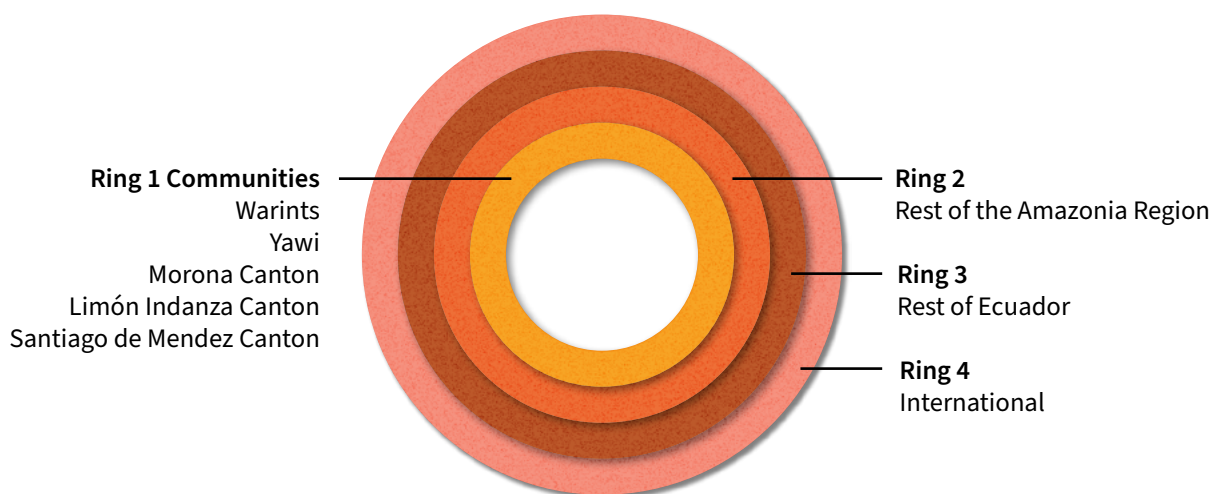
These commitments are the cornerstone for substantial growth and are structured around our three ESG pillars:

- **Good governance:** Promote good governance to improve socio-economic well-being and wealth distribution in mining areas.
- **Environmental stewardship:** Innovate in all areas of operations related to mining exploration to reduce our environmental impact.
- **Co-development:** Engage with and exchange knowledge between all stakeholders and partners for sustainable growth.

## Defining “local”

Solaris has implemented a structured ring system, centred within Warintza’s area of influence, that precisely defines our interpretation of “local” regions. This allows us to comprehensively evaluate and quantify our contributions to local employment and procurement. These concentric rings represent our precise definition of “local” regions, as illustrated in Figure 1. The formulation of these rings is the tangible outcome of extensive community engagement.

FIGURE 1. THE WARINTZA PROJECT'S LOCAL RING SYSTEM



Meticulously harmonized with the administrative framework of Ecuador, this approach allows us to define and assess the geographical extent and impact of our local engagement endeavours, fostering positive relationships and sustainable development in the communities where we operate.

The Ministry of Energy and Mines of Ecuador, during the assessment of mechanisms for prior consultation conducted in 2020, identified Warints and Yawi as the communities directly affected

with regard to free, prior, and informed consent (FPIC). Selection criteria was based on their specific relevance to and interest in the consultation process. In 2023, during the Citizen Participation Process (PPC for its initials in Spanish) registry and according to environmental legislation, additional communities participated, broadening the focus beyond Warints and Yawi. These communities were included following rigorous assessment mechanisms of their unique status and connection to the Project.

## About Solaris

GRI 2-1, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-19, GRI 2-2, GRI 2-20, GRI 2-21, GRI 2-22, GRI 2-3, GRI 2-30, GRI 2-4, GRI 2-5, GRI 2-6, GRI 2-9, LPRM 101

Solaris is advancing a portfolio of copper and gold assets in the Americas, which includes a world-class copper resource with expansion and discovery potential at Warintza in Ecuador, a series of grassroots exploration projects with discovery potential in Peru and Chile, and significant leverage to increase copper prices through its 60% interest in the La Verde joint-venture project with a subsidiary of Teck Resources in Mexico (see Figure 2).

The Company holds nine mineral concessions covering 268 km<sup>2</sup> in the canton of Limón Indanza in the Morona Santiago Province in Ecuador, through its operating subsidiary Solaris Mineral

Exploration Ecuador S.A. (“Solaris”). The Company holds three main offices—in Quito, Macas, and Limón Indanza—as well as one site office in Warints and one core shack in Quito.

The Company is listed on the Toronto Stock Exchange under the symbol “SLS” as well as on the NYSE American under the symbol “SLSR.”



FIGURE 2. SOLARIS'S COPPER ASSETS IN THE AMERICAS



# About Warintza

Warintza is located approximately 85 km east of Cuenca, nestled within the rural expanse of the Cordillera del Cóndor mountain range. Solaris maintains exclusive ownership of the expansive 268 km<sup>2</sup> property over nine metallic mineral concessions.

Access to the Project site primarily relies on Highway 45, supplemented by an access road, which facilitates crucial connectivity to Pacific ports, transmission lines, airports, skilled labour, and freshwater sources.

The Project is renowned for its large-scale, high-grade open pit mineral resource inventory primarily within the Warintza Central and Warintza East deposits within a common pit shell. The mineral resource is set within a cluster of copper porphyries in which additional discoveries have been made at Warintza West (February 2021), Warintza South (January 2022), and, most recently, Patrimonio (June 2023), offering future resource growth potential.

Spanning the districts of San Miguel de Conchay and San Antonio in the Limón Indanza canton, as well as San Carlos de Limón in the San Juan Bosco canton, Warintza encompasses Shuar communities predominantly inhabited by Indigenous peoples (96%) and individuals of mixed ethnicity (4%).

Warintza enjoys the support of its local Shuar Centres of Warints and Yawi, with whom the Company shares an Impacts and Benefits Agreement (IBA) which provides certainty of community support for the responsible advancement of the Warintza Project, from exploration and development through to production.

Warintza complies with all relevant Ecuadorian state norms and regulations. In November and December 2022, we successfully concluded an updated Environmental Management Plan, known as the Citizen Participation Process (PPC), a pivotal aspect of the permitting process marking the transition from Initial Exploration to Advanced Exploration status in 2023. This progression highlights Warintza's mineral potential, paving the way for permitting advancement and technical studies.

Solaris solidified a memorandum of understanding (MOU) with Electric Corporation of Ecuador (CELEC EP) in 2022 to explore opportunities related to the supply of hydroelectricity and access to the grid for Solaris's operations. The MOU established a framework for discussions and collaboration on potential projects to ensure sustainable power sources for Solaris's operations.

Table 1 summarizes the number of drill holes, metres drilled, and depth, essential for evaluating the mineral resource potential and making informed decisions for future operations.

TABLE 1. SUMMARY OF DRILLED METRES BY YEAR

Campaign year	Total drill holes (#)	Total drilled (m)
2020	16	14,400
2021	56	48,650
2022	42	26,062
2023	14	4,150

Indigenous participation in geology activities during 2023 included the community's involvement in various aspects of the Project. In 2023, up to 25 individuals from Shuar communities were employed in geology activities at the Project site. However, this number gradually decreased by the end of the year due to operational reductions. In the core shack at Limón, one person from Limón was employed throughout the year. Additionally, five to 15 people from various Shuar communities supported the Company during a total of 12 exploration and prospection field campaigns.



# Letter from the CEO

GRI 2-22

Dear Stakeholders,

I am honoured to present Solaris's third Sustainability Report, marking another milestone in our journey toward responsible mining practices, community engagement, and ethical governance. This Report encapsulates our unwavering commitment to transparency, sustainability, and positive impact, reflecting our dedication to driving meaningful change within our industry and the communities we serve.

## A Year of Nurturing Partnerships

Throughout 2023, we embarked on a journey of collaboration and progress, engaging stakeholders at local, national, and international levels to foster enduring economic development in the Warintza area and across Ecuador. Economic empowerment of the communities neighbouring Warintza remains a pivotal focus. In 2023, our local employment and procurement strategies yielded strong outcomes, with 88% of our employees originating from the Amazonia region. Our dedicated workforce contributed an impressive 1,090,348 working hours, accompanied by extensive training in diversity, equity, and inclusion, sustainability, corporate policies, and workplace mechanisms. This demonstrates our unwavering commitment to local empowerment and community engagement.

## Renewal of the Impacts and Benefits Agreement (IBA)

In 2023, we celebrated the three-year milestone of our IBA with the Shuar Centres of Warints and Yawi. This significant agreement reflects our commitment to fostering mutually beneficial relationships with Indigenous communities, ensuring cooperation, safe access, and profit-sharing. Over the course of the year, we reviewed and renewed the IBA through comprehensive planning, dialogue, and negotiation to ensure that the agreement continues to address the evolving needs and aspirations of both parties. By implementing technical committees and life plans for the Centres, Solaris aims to strengthen the IBA's execution and adaptability, ensuring responsible and sustainable practices that respect Indigenous culture and promote positive relationships with local stakeholders.

Moreover, Solaris remained dedicated to addressing emerging changes and challenges in its relationship with the Shuar Centres, such as managing economic expectations and negotiating agreements related to easement payments. Through continuous dialogue and transparent communication, Solaris worked collaboratively with the communities to ensure compliance with agreements.



## Investing in Sustainable Development

Our commitment to creating shared value was exemplified through substantial investments in social and development programs, totaling over US\$3.8 million in 2023. These initiatives, coupled with responsible procurement practices amounting to over US\$23.7 million, have contributed significantly to the well-being and growth of communities within our spheres of influence. Furthermore, our adherence to the United Nations Agenda and its Sustainable Development Goals remains resolute, as evidenced by our five community-based sustainable development action programs covering sports, education, entrepreneurship, gender equity, and environmental stewardship.

## Environmental Stewardship and Biodiversity Management

Solaris's Environmental Management Plan (EMP), finalized in late 2022, facilitated the transition of Warintza to the Advanced Exploration Phase. The plan ensured compliance with environmental regulations and secured an environmental license in 2023. We developed and implemented a Biodiversity and Ecosystem Management Strategy and reported publicly on water performance and management. As a continuation of the Wildlife Conservation Society (WCS) biodiversity project initiated in 2022, we focused on integrating international biodiversity management standards, reducing impacts on biodiversity during exploration activities, and actively engaging communities to encourage participation in conservation efforts. This collaboration continued into 2023, culminating in the completion of the biodiversity project at the end of December 2023. Our energy reduction strategies also resulted in a significant 59% decrease in Scope 1 emissions from 2021 to 2023.

## Aligning with Global Standards

Our commitment to transparency and accountability is reflected in our alignment with GRI Standards, the UN SDGs, and UN Global Compact (UNGC) principles. A comprehensive materiality

assessment identified key sustainability topics vital to our stakeholders to help us ensure that our reporting remains focused on addressing their concerns while driving positive change.

## Governance and Ethics

In 2023, we continued to uphold stringent corporate governance and ethical business practices, building on the comprehensive policy frameworks implemented in 2021 and 2022. The Company's Corporate Code of Conduct, Anti-Bribery and Anti-Corruption Policy, and Whistleblower Policy continue to effectively foster a culture of integrity and transparency across all operations.

## Looking Ahead: A Vision for Responsible Mining

As we reflect on our achievements in this Report, we look forward to the opportunities and challenges that lie ahead. Our vision for the future is anchored in our commitment to becoming a sustainability leader in the mining industry in Ecuador. We will continue to prioritize environmental stewardship, community engagement, and ethical governance, striving to exceed regulatory requirements and pioneer innovative solutions for sustainable resource exploration. We will work closely with government agencies, regulatory bodies, and local authorities to address any regulatory matters and facilitate the smooth operation of Warintza. Through transparent communication and proactive engagement, we aim to build trust, foster cooperation, and uphold our commitment to responsible mining practices.

## Effective Collaboration and Coordination

In 2024, we plan to continue fostering effective collaboration and coordination across all areas of Warintza, spanning multiple office locations, including Macas, Quito, Limón, and Warints. By ensuring seamless communication and cooperation among teams, we aim to optimize Project operations, streamline decision-making processes, and enhance overall Project efficiency.

This approach allows us to respond to challenges with more agility, and to adapt swiftly to local circumstances, needs, and expectations. Moreover, we will continue to consolidate our partnerships by advancing community-specific sustainable development initiatives, as we recognize that ongoing engagement is vital for fostering mutual benefit and shared progress throughout the Project's lifespan.

## Conclusion

In closing, I extend my gratitude to our stakeholders for their continued support and engagement as we navigate the complexities of sustainable mining. We invite you to explore our Sustainability Report and join us on our journey toward creating shared value, fostering sustainable growth, and shaping the future of responsible mining.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Earle', with a stylized, cursive flourish at the end.

**Daniel Earle**  
President and CEO, Director  
Solaris Resources Inc.

# Sustainability Priority Topics

GRI 3-1, GRI 3-2, GRI 3-3

Our 2023 Sustainability Report expands the materiality assessment initiated in the 2021 Report, focusing on enduring topics that are critical to Solaris. Leveraging existing data, we aligned our internal stakeholder consultation for Warintza with GRI disclosures, the UN SDGs, and UNGC principles. Following the GRI Standards cycle, we identified material topics for Solaris in Ecuador, assessed impacts, and prioritized sustainability. Each material topic discussed in this Report (listed in Table 2) features an approach description, with materiality determined by potential financial, regulatory, and reputational impacts on Solaris and stakeholders.

As a committed member of the Global Compact Ecuador, Solaris integrates sustainability into mining exploration and emphasizes good

governance, environmental stewardship, and co-development in alignment with the 2030 United Nations Agenda and SDGs. Our Report spotlights the foundational Participatory Mining Model developed during the Project. It includes concise GRI, UNGC, SASB, and SDG disclosures linked to material topics and value chain impact, showcasing our commitment to transparent sustainability. Following an internal review, we have reorganized material topic names and subtopics and have revised specific categories for clarity.

TABLE 2. ESG PRIORITY TOPICS

ESG topic	Material topic	Indicator number	Value chain impact	Explanation
Responsible governance	Strategic Partnerships	SDG 17	Direct and indirect	Directly impacts collaborative projects and alliances; indirectly benefits broader industry and community development.
	Responsible Governance Systems	GRI 2-1, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-19, GRI 2-2, GRI 2-20, GRI 2-21, GRI 2-22, GRI 2-3, GRI 2-30, GRI 2-4, GRI 2-5, GRI 2-6, GRI 2-9, LPRM 101	Direct and indirect	Directly influences Solaris's governance policies; indirectly affects regulatory compliance and stakeholder trust.
	Ethics and Transparency	GRI 2-23, GRI 2-24, GRI 2-26	Direct and indirect	Directly impacts Solaris's ethical conduct and transparency; indirectly influences industry practices and public perception.
	Anti-Corruption and Anti-Bribery	EM-MM-510a.1, ESTMA, GRI 205-1, GRI 205-2, GRI 205-3, LPRM 402, SDG 16, UNGC 10	Direct and indirect	Directly affects Solaris's internal governance practices; indirectly impacts industry standards and community trust.
	Impact Management	GRI 2-25	Direct and indirect	Directly involves assessing and managing Solaris's operational impacts; indirectly affects community and environmental health.
	Compliance	GRI 2-27	Direct and indirect	Directly relates to Solaris's adherence to legal and regulatory standards; indirectly impacts overall industry compliance.
	Stakeholder Engagement	GRI 2-28, GRI 2-29	Direct and indirect	Directly involves Solaris's interactions with stakeholders; indirectly influences stakeholder relationships and trust.
Co-development	Community Engagement	EM-MM-210a.1, EM-MM-210b.1, EM-MM-210a.3	Direct and indirect	Directly impacts the way Solaris interacts with local communities; indirectly affects community development and relations.
	Community Development	GRI 413-1, GRI 413-2, SDG 4, SDG 5, SDG 6, SDG 7, SDG 8	Direct and indirect	Directly influences community projects funded or supported by Solaris; indirectly impacts overall community well-being.



ESG topic	Material topic	Indicator number	Value chain impact	Explanation
	Labour Relations	UNGC 3, UNGC 4, UNGC 5, UNGC 6	Direct and indirect	Directly affects Solaris's workforce management; indirectly influences labour practices and standards in surrounding areas.
	Employment	GRI 401-1, GRI 401-2, EM-MM-000.B, GRI 2-7, GRI 2-8	Direct and indirect	Directly affects Solaris's workforce management; indirectly impacts local economies and labour markets through job creation.
	Health and Safety	GRI 403-1, GRI 403-10, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, EM-MM-320a.1	Direct	Directly relates to the safety protocols and health conditions of Solaris's employees within their operations.
	Human Rights	UNGC 1, UNGC 2	Direct and indirect	Directly involves compliance with human rights standards; indirectly affects societal human rights norms and practices.
	Indigenous Rights	GRI 411-1, EM-MM-210a.2	Direct and indirect	Directly impacts how Solaris engages with Indigenous communities; indirectly affects cultural preservation and societal norms.
	Value Creation	GRI 201-1, GRI 203-1, GRI 203-2	Direct	Directly influences Solaris's economic performance, including economic generation and cost management within the Company.
	Diversity, Equity, and Inclusion	GRI 405-1, GRI 405-2, GRI 406-1	Direct and indirect	Directly involves Solaris's internal HR policies; indirectly affects societal norms and opportunities for marginalized groups.
	Suppliers and Procurement	GRI204-1, LPRM201, LPRM202, LPRM 203, LPRM 204 A, LPRM 204 B, LPRM 204 C, LPRM 204 D, LPRM 301, LPRM 302, LPRM 401, LPRM403, LPRM501, LPRM502, LPRM503, LPRM504, LPRM505, LPRM506, LPRM601, LPRM602	Direct and indirect	Directly impacts Solaris's sourcing and procurement policies; indirectly influences supplier practices and local economies.

ESG topic	Material topic	Indicator number	Value chain impact	Explanation
	Artisanal Mining	G4 - MM8	Direct	Directly impacts Solaris's exploration operations and supply chain, involving immediate operational decisions and practices.
Environmental stewardship	Environmental Management System	EM-MM-160a.1, GRI 305-6, GRI 305-7, GRI 308-1, GRI 308-2, SDG 10, SDG 12, SDG 13, SDG 14, SDG 15, UNGC 7, UNGC 8, UNGC 9	Direct and indirect	Directly involves Solaris's environmental policies; indirectly impacts environmental standards and practices externally.
	Climate Change	EM-MM-110a.1, EM-MM-110a.2, EM-MM-130a.1, GRI 201-2, GRI 302-1, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-5	Direct and indirect	Directly impacts Solaris's operational carbon footprint; indirectly influences broader climate change mitigation efforts.
	Biodiversity	EM-MM-160a.3, GRI 304-1, GRI 304-2, GRI 304-3, GRI 304-4	Direct	Directly affects Solaris's operations on local ecosystems and species preservation.
	Water	GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, SASB EM-MM-140a.1, SASB EM-MM-140a.2	Direct	Directly impacts Solaris's water usage and management within operations.
	Waste	EM-MM-150a.10, EM-MM-150a.7, EM-MM-150a.8, EM-MM-150a.9, GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5	Direct	Directly relates to how Solaris manages waste and recycling processes within operations.



## REGLAS DE DIALOGO

1. Respeto entre los participantes
2. Levantar la mano para pedir la palabra.
3. Cada intervención será de un máximo de dos min.
4. Las intervenciones serán sobre el tema que se esté tratando en el momento
5. No se deben repetir ideas.
6. Está prohibido abandonar la sala hasta terminar la reunión.
7. Al momento de la comida se suspenderá la reunión.

WELL

## REGLAS DE DIALOGO

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WELL



# Responsible Governance

Solaris prioritizes responsible governance as a pillar of its ESG framework to enhance socio-economic well-being and equitable wealth distribution in mining areas. Good governance is fundamental to sustainable development and positive community relationships. We emphasize the following principles:

- Shared responsibility: Engaging stakeholders in decision-making fosters collaborative development.
- Accountability: Transparency and dialogue maintain trust with communities, authorities, and investors.
- Compliance: Adherence to regulations ensures environmental, labour, and community standards.
- Quality governance: Strong governance builds lasting community bonds and trust.
- Economic and social development: Effective governance drives sustainable economic and social progress.
- Participatory mining: Local community involvement ensures democratic decision-making and mutual responsibility, promoting inclusivity and respect for diverse perspectives.





# Strategic Partnerships

SDG 17

## Participatory Mining: Warintza's ESG Catalyst

Introduced through Warintza in Ecuador, the Participatory Mining Model is built on real collaboration with Indigenous communities and stakeholders. We promote mutual learning and responsible exploration practices in a democratic mining process that fosters genuine and fair relationships among communities, government entities, and the Company. Sustainability is integral to all operations and extends beyond the Project's lifecycle, while continuous innovation ensures high safety standards.

Driven by effective governance, environmental stewardship, and co-development principles, Participatory Mining is the cornerstone of sustainable expansion. We pursue growth cautiously, through thoughtful decision-making that aligns with our sustainability objectives, as illustrated in Figure 3.

## Strategic Alliance

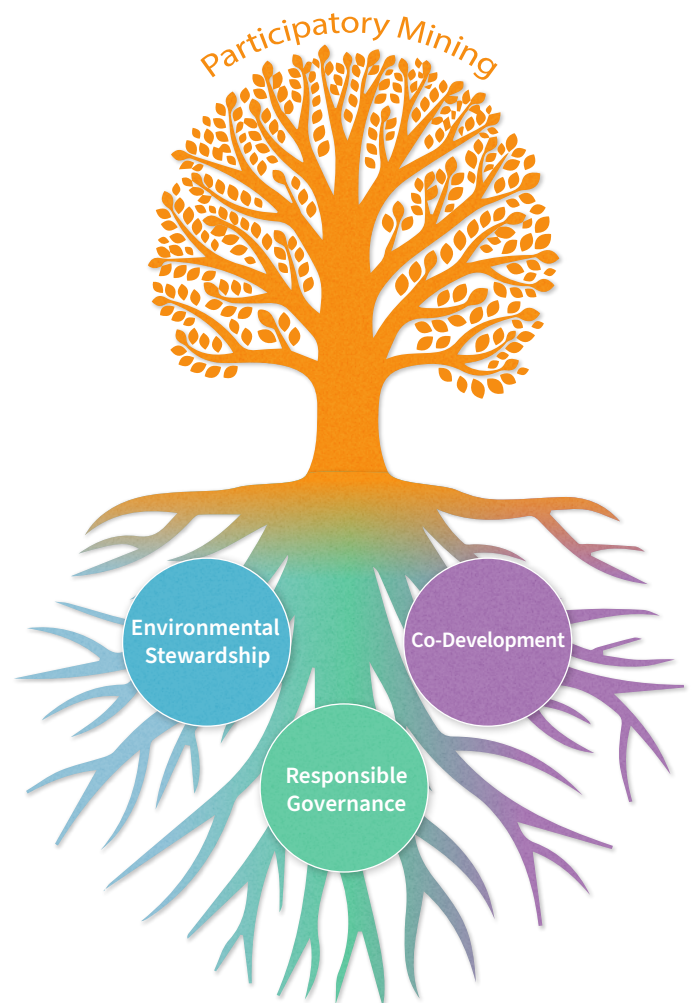
Solaris's Strategic Alliance initiative involves long-term alliances with the Shuar Centres of Warints and Yawi and active engagement with local stakeholders, including partnerships with communities, government bodies, and non-governmental organizations. These partnerships drive our mission of responsible and sustainable resource development.

The Strategic Alliance, formed in August 2019 with Shuar communities, ensures that community voices are heard in Project-related activities, fosters engagement, and promotes socially responsible mining. Crucial for transparent

communication, this alliance is now a pillar of good governance, operating with respect for traditional community structures. Solaris's democratic proposal builds on existing governance systems for joint development and decision-making.

The **Strategic Alliance Board** (see Figure 4) plays a pivotal role, empowering locals and cementing bonds between Solaris and community members.

FIGURE 3. SOLARIS'S PARTICIPATORY MINING MODEL AND ESG PILLARS



As the board facilitates cooperative development and decision-making processes, it helps shape innovative social frameworks in the mining sector. Community empowerment and inclusive governance structures demonstrate the social sustainability of Warintza.

The Strategic Alliance Board's actions are a direct result of Solaris's efforts to actively involve stakeholders, nurture community development, ensure effective governance, and cultivate strong ties with investors, government entities, and local residents. As outlined in this Report, these initiatives are a product of Solaris's comprehensive strategy for community collaboration and promoting sustainable mining practices.

In 2023, the Strategic Alliance Board continued to engage stakeholders through the active participation of community leaders in the development of Warintza. This involvement has facilitated agreements that are necessary for the continuance of Project activities.

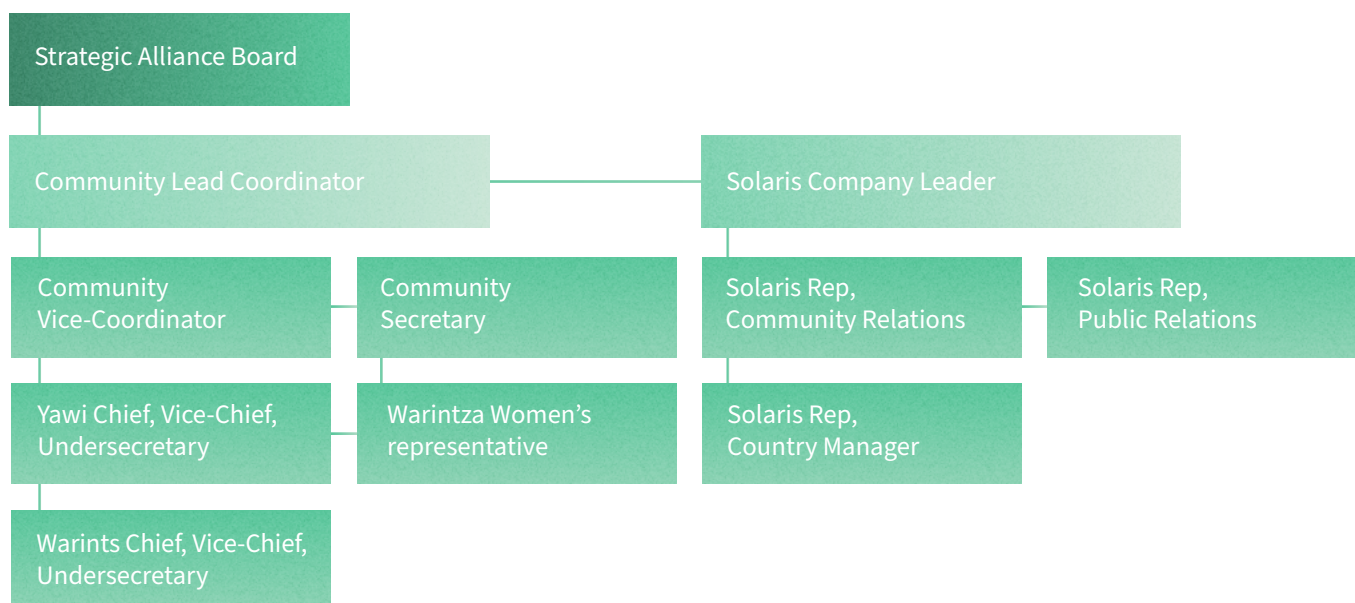
The Strategic Alliance Board is key to the promotion of locally informed community development. This mechanism has allowed us to implement significant social projects, training programs, and entrepreneurship initiatives. In 2023, these actions continue to contribute to the growth and development of the communities involved.

Solaris ensures effective governance through the Strategic Alliance Agreement by carrying out actions that promote good governance. During each Strategic Alliance Board meeting, Solaris reports on and discusses the work completed, progress made, and new proposals for operations and execution, always respecting the decisions of the board, trustees from the two communities, and the respective assemblies. During 2023, there were no significant structural changes in the organization of the Strategic Alliance Board.

Solaris maintains ongoing agendas with various local authorities to share updates on the progress of Warintza, thereby fostering strong relationships with different state institutions. The Strategic Alliance Board plays a crucial role in this effort, ensuring continuous communication and collaboration. Additionally, the Corporate Relations team and Solaris's Country Management facilitate interactions with various government entities, including the Executive, Ministries, Governorships, Municipalities, Prefectures, and local parish governments.

Solaris's initiatives have laid a solid foundation for community development and created an efficient working model encapsulated by Warintza. This mutually reinforcing relationship has established sustainable mining practices that, in turn, promote long-term community development.

FIGURE 4. STRATEGIC ALLIANCE BOARD STRUCTURE



# Responsible Governance Systems

GRI 2-1, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-15, GRI 2-16, GRI 2-17, GRI 2-18, GRI 2-19, GRI 2-2, GRI 2-20, GRI 2-21, GRI 2-22, GRI 2-3, GRI 2-30, GRI 2-4, GRI 2-5, GRI 2-6, GRI 2-9, LPRM 101

## Capital Management

Solaris aims to ensure growth while satisfying its capital obligations and covering operational expenses. The Company also aims to maintain sufficient liquidity to fund business opportunities as they arise. This approach is designed to be flexible, allowing the Company to adapt to changing economic conditions and strategic needs.

For further details on Solaris's financial reports and disclosures, visit the [Solaris Financials and Reports](#) page of our website. There, you will find comprehensive information on the Company's financial status, capital structure, and management strategies.

### *Capital Management Approach*

Solaris manages its capital structure by carefully balancing equity, debt, and liquidity. The Company takes a flexible approach, allowing adjustments to the capital structure as needed. This may include issuing or buying back equity, repaying debt, or selling assets. We continuously review overall capital structure to ensure alignment with our strategic goals and risk tolerance.

The Board of Directors oversees the Company's capital management strategy. When necessary, the Board may approve new share issuances or other activities to adjust the capital structure to meet specific objectives. Solaris aims to maintain a balance that supports long-term growth, operational stability, and capital obligations.

## Risks and Capital Structure

Solaris recognizes inherent risks in managing capital, as outlined in the Company's Management Discussion and Analysis (MD&A) dated June 30, 2024. These risks, as well as those likely to affect Solaris's future financial statements, are filed on the System for Electronic Document Analysis and Retrieval Plus (SEDAR+).

Figure 5 and Figure 6 provide an overview of Solaris's capital structure and share distribution. As of June 30, 2024, Solaris had the following securities issued and outstanding:

FIGURE 5. TSX-SLS.TO CAPITAL STRUCTURE

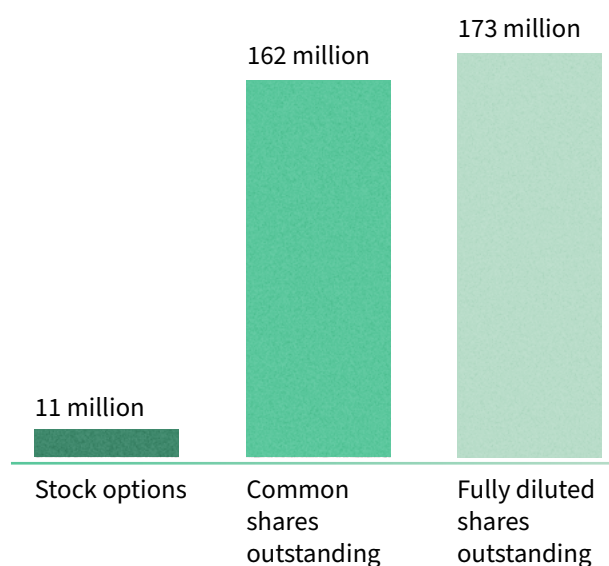
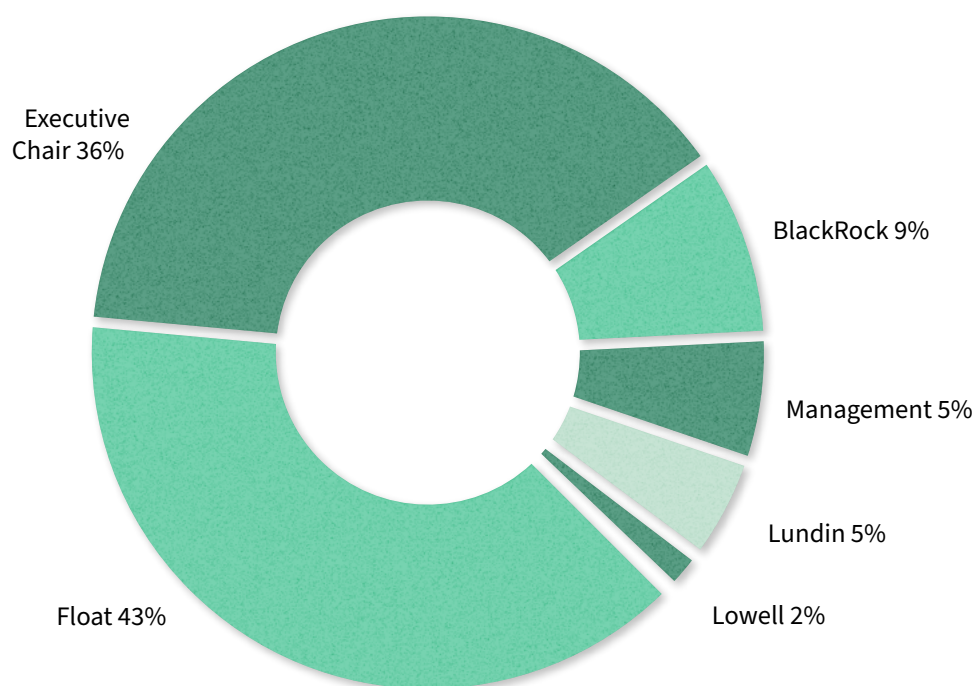


FIGURE 6. SHARE DISTRIBUTION



Management continues to hold a significant stake in the Company, representing approximately 41% of issued and outstanding common shares. This significant ownership demonstrates management's confidence in Solaris's long-term prospects and aligns their interests with those of other shareholders.

## Cash Position and Liquidity

As of June 30, 2024, Solaris maintained a robust cash position, providing the Company with sufficient liquidity to pursue growth opportunities and meet capital obligations. The Company remains focused on balancing cash flow with operational needs and capital investment.

Solaris's capital management strategy allows for a solid capital structure while adapting to economic conditions and strategic objectives. The Company's flexible approach facilitates continued growth and innovation, ensuring the necessary resources to support our business plans.

In 2023, Solaris demonstrated responsible governance through a series of key initiatives and policy frameworks designed to support ethical business practices and effective risk management.

This section outlines our governance structure, our Board composition, and our comprehensive approach toward managing ESG-related topics and ensuring sustainable business practices.

## Corporate Governance Structure

Solaris's governance structure consists of the Board of Directors, three Board committees, and the Executive Management team. This ensures clear responsibilities and accountability for governance and sustainability matters. Our Board of Directors has overall responsibility for corporate governance and monitors the implementation of our sustainability strategy. The Executive Management team manages ongoing sustainability initiatives, ensuring that day-to-day operations align with our ESG objectives (see Figure 8 and Figure 9 on page 24).

### *Board of Directors and ESG Management*

Solaris's Board of Directors plays a key role in overseeing ESG matters, providing strategic guidance, and reviewing risks and opportunities. We insist on close collaboration between the Board, Executive Management, and external experts. This allows us to address sustainability



challenges and incorporate ESG considerations directly into our decision-making processes.

### *Board Committees*

Three standing committees ensure effective corporate governance:

1. **Audit Committee:** Oversees Solaris's financial reporting and internal controls. It reviews the Company's financial statements, monitors compliance with regulations, and assesses the performance and compensation of external auditors.
2. **Nominating and Corporate Governance Committee:** Identifies qualified individuals to serve on the Board, reviews the Board's effectiveness, and develops corporate governance policies and principles to ensure best practices in corporate governance.
3. **Compensation Committee:** Oversees compensation policies and practices, including executive compensation. It aims to align executive compensation practices with Company performance and ensures market competitiveness, fairness, and transparency.

### *Executive Management and ESG Oversight*

The Executive Management team oversees operations in alignment with defined sustainability strategy and targets. The team actively manages sustainability risks, develops ESG-related strategies, and implements initiatives to improve sustainability performance.

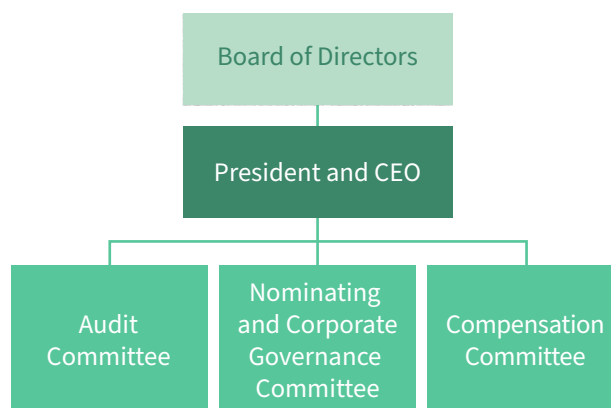
The President, Latin America, plays a crucial role in overseeing ESG matters and engages with the UN Global Compact. The operational team collects information on sustainability risks, which is then reviewed by Executive Management to ensure multi-level risk assessment.

### *Collaboration and Transparency*

We follow a comprehensive approach to sustainability challenges, relying on collaboration between the Board, Executive Management, and external experts. Regular communication between these groups ensures trilateral flows

of information. Solaris's annual Sustainability Report, prepared by the Sustainability and CSR Manager and reviewed by the Executive Management team, is a concrete example of our collaborative and transparent commitment to sustainability reporting. Our multi-level governance structures are shown in Figures 7, 8, and 9.

FIGURE 7. BOARD OF DIRECTORS AND COMMITTEES



## Governance and Sustainability Leadership

Solaris's Board of Directors is comprised of the following members:

- Richard Warke, Executive Chairman, Director
- Daniel Earle, President and CEO, Director
- Poonam Puri, Director
- Donald Taylor, Director
- Kevin Thomson, Director
- Ron Walsh, Director (Lead Director)

The Executive Management team is comprised of the following members:

- Richard Warke, Executive Chairman, Director
- Daniel Earle, President and CEO, Director
- Javier Toro, Chief Operating Officer
- Sunny Lowe, CFO
- Purni Parikh, SVP Corporate Affairs and Corporate Secretary
- Federico Velásquez, President, Latin America
- Jorge Fierro, VP Exploration
- Tom Ladner, VP Legal
- Jacqueline Wagenaar, VP Investor Relations
- Arun Lamba, VP Corporate Development

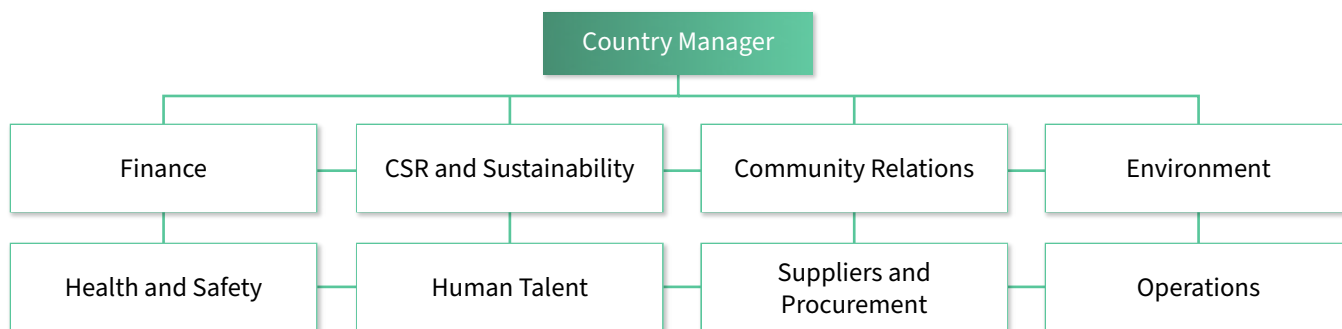
Solaris's multi-level governance structures integrate ESG considerations into all aspects of our operations. The Board and Executive Management team work closely to build effective governance, transparency, and accountability in decision-making processes, which is key to achieving sustainability objectives and enhancing shareholder value.

For detailed information about Solaris's governance structures and practices, please refer to our Information Circular, available at [www.solarisresources.com](http://www.solarisresources.com).

FIGURE 9. CORPORATE SUSTAINABILITY STRUCTURE



FIGURE 8. SUSTAINABILITY MANAGEMENT AT OPERATIONS



# Ethics and Transparency

GRI 2-23, GRI 2-24, GRI 2-26

Sound corporate governance and ethical business practices are built into Solaris's business model. The Board of Directors works to promote ethical conduct and accountability through a culture of compliance that includes mechanisms for reporting potential violations.

## Corporate Code of Conduct and Business Ethics

Solaris's Corporate Code of Conduct and Business Ethics is key to promoting ethical behaviour and ensuring compliance with laws, regulations, and Company policies. Launched by Executive Management and the Board of Directors in 2021, the Code of Conduct and Business Ethics is available in English and Spanish to ensure accessibility for all employees.

The Code of Conduct and Business Ethics provides guidance for the identification of potential conflicts of interest and sets expectations for employee conduct. For example, to safeguard the interests of directors, officers, employees, and the Company, any external employment or activity that may involve a potential or apparent conflict of interest must be disclosed to Solaris. Subsequent review and endorsement by management are essential prior to engagement.

All directors, officers, and employees are required to adhere to the Code of Conduct and Business Ethics, which outlines key values, principles, and norms, as summarized in Table 3.

TABLE 3. CODE OF CONDUCT AND BUSINESS ETHICS SUMMARY

Guideline	Practice
Exercise honesty and ethical behaviour in all business activities	Maintain integrity and professionalism in business dealings.
Avoid conflicts of interest	Refrain from becoming involved in situations where personal interests clash with Company interests. Disclose any potential conflicts of interest and prioritize the Company's best interests.
Maintain confidentiality of sensitive information	Safeguard sensitive information and use it solely for legitimate business purposes.
Protect and appropriately use Company assets	Ensure proper use and protection of Company assets, encompassing physical assets, intellectual property, and business opportunities. Unauthorized or improper use of Company assets is prohibited.
Comply with applicable laws, rules, and regulations	Stay updated on legal requirements and adhere to governmental laws, rules, and regulations.
Promptly report violations or suspected misconduct, illegal activities, fraud, or abuse of assets	Report any instances of misconduct, illegal activities, or misuse of Company assets through confidential reporting channels. Foster a culture where individuals feel safe to report without fear of reprisal.



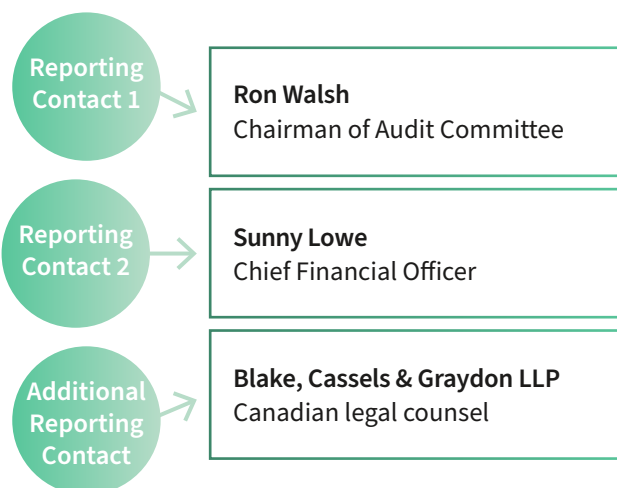
All Solaris employees must participate in annual reviews of the Code and provide their written acknowledgement. The Company also facilitates discussion with Management regarding any circumstances that may constitute actual or potential violations.

## Reporting Contacts and Whistleblower Policy

Implemented in 2020, the Whistleblower Policy has proved to be a crucial mechanism for ensuring that employees have clear channels to raise concerns about conflicts of interest and report potential violations of the Code of Conduct and Business Ethics. The Whistleblower Policy includes specific procedures for registering complaints related to accounting, internal accounting controls, or auditing matters. Employees are expected to become familiar with this policy and adhere to procedures when reporting concerns.

Additionally, Solaris encourages employees to consult with designated reporting contacts (see Figure 10) about concerns or questions around conflicts of interest and potential or suspected conflicts. These contacts act as a resource for guidance and direction on specific issues.

FIGURE 10. CODE OF CONDUCT REPORTING CONTACTS



# Anti-Corruption and Anti-Bribery

Topic 14.22 Anti-corruption

EM-MM-510a.1, ESTMA, GRI 205-1, GRI 205-2, GRI 205-3, LPRM 402

SDG 16, UNGC 10

In 2023, Solaris continued to prioritize anti-bribery and anti-corruption efforts to ensure compliance with Canada's *Corruption of Foreign Public Officials Act*. The Company's Anti-Bribery and Anti-Corruption Policy (ABC Policy), implemented in 2021, sets clear guidelines for all employees and business associates and requires mandatory signatures to affirm compliance with these standards. To reinforce its zero-tolerance stance on bribery and corruption and to ensure consistent compliance across all business relationships, Solaris includes anti-bribery clauses in contracts with business partners. Additionally, Solaris's Whistleblower Policy, outlined in the previous section, encourages employees and stakeholders to report any misconduct.

In 2023, Solaris's Audit Committee received zero reports of fraud, and no legal actions for anti-competitive behaviour were registered. Further, the Company received zero reports of ABC incidents or violations of applicable anti-corruption or anti-bribery laws. In terms of information technology and accounting, zero security reports were received and no reports were made regarding violations in the context of transactions and expenditures.

## *Extractive Sector Transparency Measures Act*

In compliance with the *Extractive Sector Transparency Measures Act* (ESTMA), enacted in Canada in 2015, Solaris presents an annual report that discloses payments made to governments for oil, natural gas, and mineral development. This Report outlines actions taken by Canadian companies to enhance transparency and combat corruption in the extractive industry. Solaris's 2023 ESTMA report provides detailed information on these payments,

categorized by country and project, and can be viewed on the [Solaris: Governance](#) web page.

## *Extractive Industries Transparency Initiative*

Ecuador, as the 55th implementing country and the 11th in Latin America to join the Extractive Industries Transparency Initiative (EITI) in 2020, continues to document its commitment to transparency in the extractive sector. EITI membership requires the public disclosure of contracts, beneficiaries, income, and payments relating to state-owned companies.

Ecuador's continuing membership in EITI actively demonstrates its commitment to improving the quality, accessibility, and timeliness of data related to Ecuador's extractive sector. Solaris has been a supporting company of EITI in Ecuador since 2021, aligning with global standards for the governance of oil, gas, and mineral resources.

## *Corruption Perception Index*

Ecuador had a score of 34 in 2023, with a change of -2 since 2022, indicating that it ranks 115 out of 180 countries on Transparency International's Corruption Perception Index (CPI). This index assesses the perceived level of public sector corruption worldwide, where higher scores signify lower corruption levels. Ecuador's 2023 ranking emphasizes the continuous need for robust anti-corruption measures and transparent business practices. Solaris's commitment to adhering to Canadian and international standards, alongside its proactive backing of Ecuadorian compliance through EITI, continues to be crucial for promoting ethical conduct in Ecuador and showcasing adherence to global standards.







# Impact Management

## Policy Frameworks

Solaris has built an ethical corporate culture through robust governance policies that guide ethical business practices. These policies address sustainability, human and Indigenous rights, supply chain management, anti-bribery and anti-corruption, and health and safety, and are regularly reviewed and updated by the Board to meet evolving needs.

Mandated for compliance by all individuals who are engaged with Solaris, these policies are the framework for equitable standards of conduct and governance, fostering a culture of integrity and ethical behaviour. All Solaris directors, officers, employees, and contractors receive orientation on corporate policies and are expected to adhere to established standards.

Table 4 outlines Solaris's governance policies and their alignment with UNGC Principles and the UN SDGs.

TABLE 4. EFFECTIVE GOVERNANCE AND UNITED NATIONS DISCLOSURES

Organizational documents	UNGC Principle or SDG
Articles of Incorporation	Principle 10, SDG 16
Advance Notice Policy	Principle 6, SDG 16
Audit Committee Charter	Principle 7, SDG 16
Code of Conduct and Business Ethics	Principles 1, 2, 3, 4, 5; SDG 16
Compensation Committee Charter	Principle 8, SDG 16
Corporate Disclosure Policy	Principle 10, SDG 16
Majority Voting Policy	Principle 7, SDG 16
Nominating and Corporate Governance Committee Charter	Principle 7, SDG 16
Whistleblower Policy	Principles 1, 2, 3, 4, 5, 10; SDG 16
Anti-bribery and Anti-corruption Policy	Principle 10, SDG 16
Diversity, Equity, and Inclusion Policy (site level only)	Principle 10, SDG 16
Occupational Health and Safety Policy	Principle 4, SDG 8
Sustainability Policy	Principle 7, SDG 12
Indigenous Rights Policy	Principle 2, SDG 16
Human Rights Policy	Principles 1, 2; SDG 16
Supply Chain Policy	Principles 1, 2; SDG 12

## Negative Impacts Remediation Processes

GRI 2-25

In 2023, Solaris embarked on implementing a confidential grievance mechanism, drawing insights from the site-level community grievance and response mechanisms established by the Mining Association of Canada. Our mechanism, applicable to all employees in Ecuador, underscores key principles such as legitimacy, accessibility, transparency, fairness, human rights compliance, continuous improvement, and community participation.

Further, the Company is actively developing a transparent public grievance mechanism to effectively address and resolve complaints from contractors and suppliers. This public mechanism, designed to be culturally sensitive and user-friendly, is informed by input from the Strategic Alliance and Shuar leadership and is set to align with the Equator Principles.\*

This mechanism will mark a significant advancement in Solaris's current reporting process, by which community members relay complaints and grievances to community leaders and the community relations team. Currently, employees address concerns regarding discrimination, sexual harassment, or other workplace issues through a dedicated corporate complaints channel ([teescuchamos@lowellmineral.com](mailto:teescuchamos@lowellmineral.com)). Further details on this channel are provided on page 78 of this Report.

With this new mechanism, Solaris seeks to safeguard rights and ensure a fair resolution process for all stakeholders. We plan to achieve this by facilitating the accessible and timely resolution of concerns and by proactively preventing retribution throughout all Project phases, including transportation activities. Scheduled for launch in 2024, this mechanism will be available to individuals and groups who live

near the proposed mining development Project site, which encompasses all Shuar communities.

## Impacts and Benefits Agreement

In 2023, we reached the three-year mark of the signing of an Impacts and Benefits Agreement (IBA) with the Shuar Centres of Warints and Yawi (2020). These Centres represent the two Indigenous communities with which we have developed a Strategic Alliance and act as our community partners in relation to stakeholder groups. This agreement reflects our commitment to establishing mutually beneficial terms and conditions for Warintza, ensuring cooperation, safe access, and the sharing of profits between Solaris and the Shuar Centres. The social relationship model implemented by Solaris is based on Shuar culture while addressing Solaris's needs and interests, ensuring respect for the communities, and reflecting the community's will.

The IBA includes clauses that cover important aspects such as employment opportunities, profit-sharing, cooperation, performance expectations, future opportunities, collaboration, responsibilities, reporting mechanisms, terms and conditions, easements (both individual and communal), and more. These clauses demonstrate the comprehensive nature of the agreement, addressing various aspects of the relationship between Solaris and the Shuar Centres. In 2022, Solaris signed an addendum to the IBA, further enhancing the benefits and responsibilities outlined in the original agreement.

In 2023 we carried out a review of the IBA, in consultation with the Shuar Centres of Warints and Yawi. The aim was to renew the agreement as a demonstration of our commitment to maintaining a transparent and collaborative relationship with the Shuar Centres, and to ensure that the agreement remains relevant and beneficial for both parties. Renewing the IBA in due time allows Solaris and the Shuar Centres to reassess their respective

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\* The Equator Principles (EPs) provide a common baseline and risk management framework for financial institutions to identify, assess, and manage environmental and social risks when financing projects. <https://equator-principles.com/about-the-equator-principles/>

roles and responsibilities, address changes in Project scope and benefits, and ensure that the agreement continues to meet the evolving needs and aspirations of the involved stakeholders.

#### *Planning for the Review and Renewal of the IBA*

Throughout 2023, we engaged in planning with the communities for the review, preparation, and signing of a new cooperation agreement for the Advanced Exploration phase. In this planning process, we identified Solaris's needs for the Advanced Exploration phase, defined cooperation areas to be proposed to the communities, requested budget approvals for the IBA negotiation and execution, held dialogue and negotiation tables with the Strategic Alliance Board, conducted community assemblies to validate negotiations, and socialized the new agreement for the Advanced Exploration phase.

Solaris ensured that the agreement review process was collaborative and transparent by developing proposals from each party, creating technical tables for the agreement construction, reviewing and analyzing proposals by the Community Assemblies, establishing a Drafting Committee for the new Advanced Exploration agreement, debating proposals in Board meetings, and approving the IBA's signing by the General Assembly of the two communities.

#### *2023 Renewal of the IBA*

In 2023, Solaris assessed compliance with the IBA in terms of the geology department's expectations regarding the number of metres drilled for the year 2023 and the support and collaboration of the communities in the Project's development. The joint work with the communities in the cooperation areas of the IBA ensured optimal compliance, resulting in no interruptions in operations. Activities were coordinated through the Board of Directors with the departments and Executive Management.

We implemented specific measures to ensure the respect and effective execution of the IBA clauses related to job opportunities, benefit distribution, cooperation, and performance expectations. We held regular presentations about the Project's progress and upcoming activities to prevent

misunderstandings and false expectations. Each department reviewed regulations to guarantee compliance with regulations on labour activities and the health care of employees.

#### *Addressing Emerging Changes and Challenges*

The new IBA includes a plan to form Technical Committees for the IBA execution to strengthen the relationship with the Shuar Centres and prevent the IBA's parameters from being applied in a subjective way. Adjustments and new initiatives were implemented to adapt to the evolving needs and aspirations of the involved parties. Further, the Life Plan of the Warints and Yawi Centres was designed and planned, and is being constructed to effectively identify the needs, aspirations, and projections of the Centres in the new phases of the Project.

The signing of the new IBA demonstrates Solaris's commitment to responsible and sustainable practices. The agreement includes specific clauses to ensure that Project activities are carried out responsibly and sustainably, reflecting a respectful commitment to Indigenous communities and fostering positive relationships with local stakeholders.

#### *Looking Forward*

Solaris plans to continue to consolidate our partnerships by advancing community-specific sustainable development initiatives. We understand that continuous engagement is vital to ensuring mutual benefits and shared progress throughout the lifespan of the Project.

## **Easements**

### *Topic 14.12 Land and resource rights*

Responsible land management is integral to participatory mining. Solaris acknowledges and respects the collective rights of Indigenous communities, enshrined in the Ecuadorian Constitution, while operating in accordance with Ecuadorian Mining Law, particularly Articles 100 to 105. This legislation allows for the establishment of voluntary easements on surface

properties and mandates fair compensation to property owners during mining operations.

Solaris ensures fair compensation for the Shuar Centres of Warints and Yawi, affected by Warintza, by providing voluntary easement payments on an individual and communal basis. These payments cover specific land areas impacted by mining activities, such as construction, transit, and installations, throughout the mining lifecycle. Individual easements involve compensating property owners for temporary Project-related activities, such as sampling stations and access roads, with a commitment to restoring affected areas afterward. Communal easements entail monthly payments to the community authorities for the transit and use of communal territories during Project exploration, benefiting community members.

While these payments aim to uphold Indigenous collective rights while promoting responsible and sustainable mining practices, negotiating easement agreements in Warintza has presented some challenges. These included differing views on compensation value, varied expectations, time constraints, and limited corporate resources.

To address these issues, throughout 2023, Solaris focused on open communication and trust-building initiatives, including concrete commitments to corporate social responsibility, community development programs, job creation, and environmental conservation. Further, we have prioritized respect for customary laws governing the Shuar Warints and Yawi Centres and have collaborated with landowners for individual contributions to easement agreements. In 2023, the Easement Technical Committee led the management of easements, ensuring effective collaboration between departments. This multidisciplinary team emphasized transparent communication to clarify roles and responsibilities. The committee instituted a clear procedural framework for easement management, minimizing miscommunication and fostering a cohesive environment.

To overcome communication challenges with communities, Solaris implemented dialogue mechanisms that emphasize transparent and honest communication to build trust and foster collaboration. Grounded in principles of equity and justice, our negotiation processes have recognized the Shuar communities' right to fair compensation for land use.

### *Looking Forward*

The Easement Technical Committee plans to address ongoing challenges to seek positive outcomes. Plans include holding bi-monthly meetings for consistent information-sharing, forming a multidisciplinary committee involving stakeholders, providing technical guidance on land valuation, and monitoring community contributions.



# Compliance

GRI 2-27

## Compliance with Laws and Regulations

### *Licensing and Permits*

Solaris has successfully met the environmental impact criteria for Warintza, leading to the initiation of Advanced Exploration activities for concessions Caya 21, Caya 22, and Curigem 9. Throughout 2023, the Company remained in compliance with Ecuadorian regulations, experiencing no administrative issues concerning environmental pollution or damages.



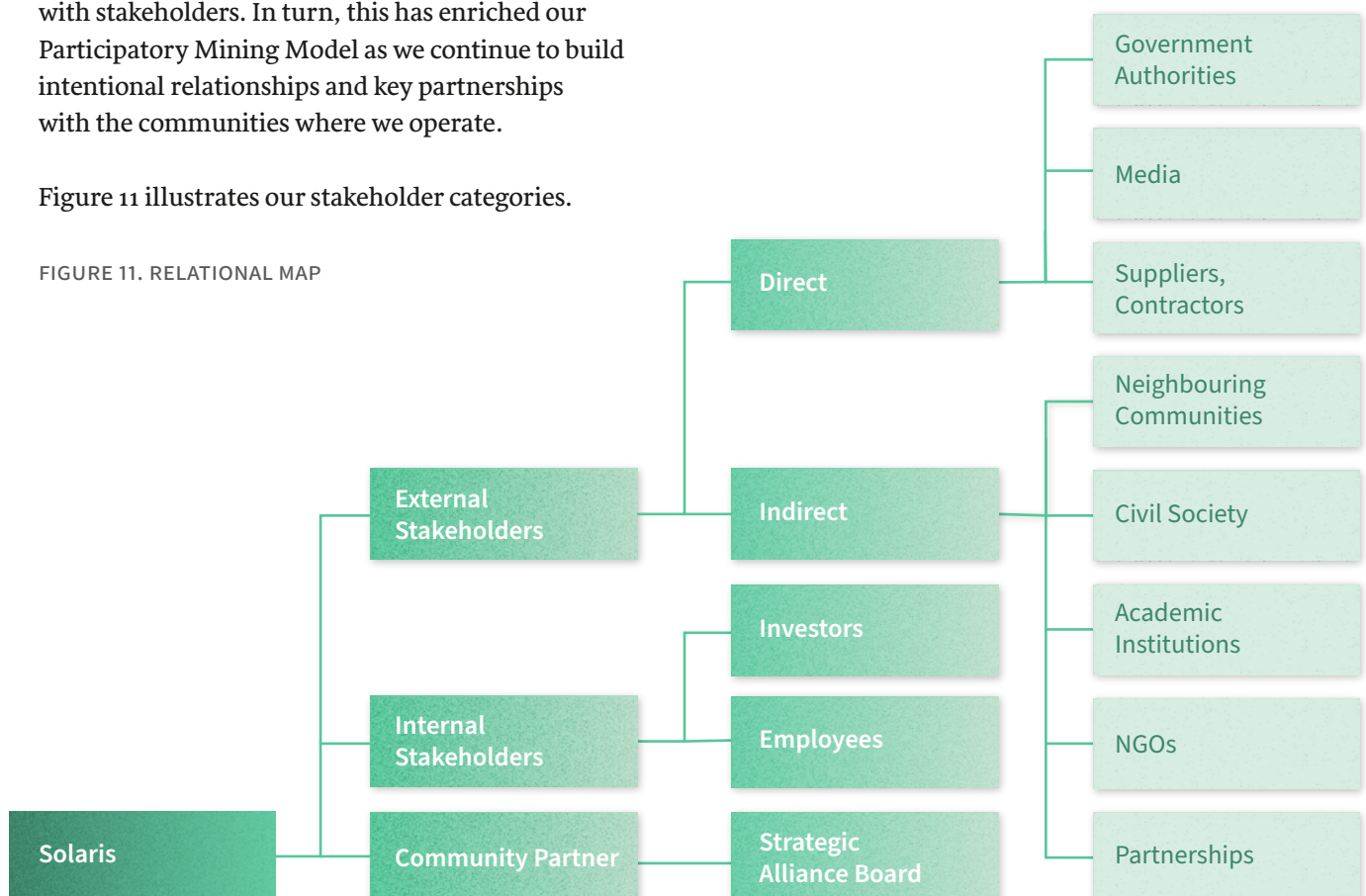
# Stakeholder Engagement

GRI 2-28, GRI 2-29

Solaris continues to engage with key stakeholders through frank and collaborative dialogue. We have increased our awareness and understanding of the expectations, goals, and concerns of the local communities. This has allowed us to become more agile in our response to evolving local circumstances and distinguish our relationship with these communities from our broader engagement with stakeholders. In turn, this has enriched our Participatory Mining Model as we continue to build intentional relationships and key partnerships with the communities where we operate.

Figure 11 illustrates our stakeholder categories.

FIGURE 11. RELATIONAL MAP



Strong relationships that consider the perspectives of internal and external stakeholders continue to be crucial for effective stakeholder engagement. Such relationships take time to build and require transparent communication through personalized and adaptable communication channels, and active engagement that integrates the perspectives of investors, authorities, and external advisors into decision-making processes.

Table 5 illustrates some of the key mechanisms we use to achieve robust and inclusive stakeholder relationships.

Table 6 illustrates the communication channels used with Solaris's stakeholder groups. (Note that the Strategic Alliance Board oversees the creation, management, and adaptation of a cooperation agreement between Solaris and the Shuar Warints and Yawi Centres; see the Strategic Partnerships section for more information.)

TABLE 5. STAKEHOLDER RELATIONSHIP-BUILDING MECHANISMS

Focus	Action	Impact
Communication	Specific communication channels and tools that respond to the interests of each stakeholder group.	Ensures effective engagement relevant to needs. For example, coordination meetings and compliance reports are used for authorities, and an online platform is used for contractors and suppliers.
Investor engagement	Regular engagement with investors and the financial community. For example, non-deal roadshows, face-to-face and virtual meetings, and broker-sponsored conferences.	Planned and organized by the VP, Investor Relations (reports directly to the President and CEO), these interactions generate transparent and timely interaction.
Shareholder engagement	The Annual Shareholders Meeting (ASM) provides a forum for multiple stakeholders to directly engage with directors, board members, and executives.	Shareholders vote on critical issues such as board elections. The ASM enhances market perception and compliance, and it ensures alignment with shareholder interests and regulatory standards.

TABLE 6. STAKEHOLDER GROUP COMMUNICATION CHANNELS

Category	Stakeholder type	Participation mechanisms
Community partner	Strategic Alliance Board	Permanent dialogue on community relations. Quarterly visit to core shack and platforms. Quarterly environmental session. Yearly review of IBA. Consultation for exploration stage. Monthly ordinary meetings and ad hoc extraordinary meetings. Roundtables: easements, artisanal mining.
Direct internal stakeholders	Shareholders and investors	Corporate governance charter and policies on website. Financial reporting filed to SEDAR+ quarterly and annually. Press releases and IR presentations. Company website and annual ESG report.
	Employees	Permanent dialogue with employees. Staff development program and complaint mechanism. Weekly team meetings and employee review. Commitment to corporate policies.
Direct external stakeholders	Government authorities	Permanent dialogue with Public Relations. Joint working groups, ad hoc. Compliance reports. Collaboration agreements. Guided tours and visits, ad hoc.
	Media	Outreach events. Media coverage. Social media corporate handle, corporate website.
	Suppliers and contractors	Permanent dialogue with Procurement, Contracts, and Renewal. Supplier development program. Informational seminars and training sessions. Commitment to corporate policies.
Indirect external stakeholders	Neighbouring communities	Permanent dialogue with Community Relations. Meetings, ad hoc. Permanent dialogue with the Strategic Alliance Board.
	Civil society	Ad hoc email correspondence. Ad hoc working meetings.
	Academic institutions, NGOs, partnerships	Ad hoc email correspondence. Ad hoc working meetings.



## Memberships, Affiliations, and Partnerships

Strategic partnerships are key vehicles for fostering good governance because they develop the framework for an inclusive, participatory, and responsible mining model.<sup>†</sup> These collaborations generate the stability necessary for advancing

Solaris's exploration activities and sustainably developing the communities affected by Warintza. Our list of memberships, affiliations, and partnerships is provided in Table 7.

TABLE 7. MEMBERSHIPS, AFFILIATIONS, AND PARTNERSHIPS

<b>Ecuadorian associations</b>	Mining Chamber of Ecuador (CME) Entrepreneurship and Innovation Alliance (AEI) Ecuador Zero Carbon Program (PECC) Women in Mining (WIM) Association of Mining Engineers of Ecuador (AIME)
<b>Externally developed economic, environmental, and social initiatives</b>	United Nations Global Compact (UNGC) Women's Empowerment Principles (WEP) Mining Shared Value – Local Procurement Reporting Mechanism (MSV/ LPRM) Extractive Industries Transparency Initiative (EITI)
<b>Strategic partnerships</b>	Ecuadorian Centre for Development and Alternative Studies (CEDEAL) Wildlife Conservation Society (WCS) Firefighting Unit of Morona Santiago and Limón Indanza Ministry of Public Health (MSP) Ministry of Education (MINEDUC) Ministry of Environment, Water and Ecological Transition of Ecuador (MAATE) Ministry of Agriculture and Livestock (MAG) Cordillera del Cóndor Education Unit (UECC) Sport Federation of Morona Santiago (FDMS) Jardin Azuayo Credit Union Arrayan & Piedra Hotel Professional Training Service of Ecuador (SECAP)
<b>Academic institutions</b>	Universidad Técnica Particular de Loja (UTPL) Universidad Regional Amazónica IKIAM (IKIAM) Escuela Superior Politécnica de Chimborazo (ESPOCH) Technical Institute of Limón (ISTL) Geological Mining Institute University of the Américas (UDLA) International University SEK Ecuador (UISEK)

<sup>†</sup> Acronyms are provided for the original Spanish name. See the Glossary of Acronyms for a complete list of acronyms used in the report.

## Local Stakeholder Relations

In 2023, Solaris advanced its sustainable development agenda by further strengthening stakeholder engagement, community support, economic growth, and regulatory compliance efforts. This involved building on successful initiatives from 2022, such as negotiating cooperation agreements with key partners, including the Shuar Warints and Yawi Centres, and enhancing logistical support for community activities related to Warintza. Additionally, we prioritized capacity-building, citizen engagement, and regulatory compliance to uphold our commitment to responsible corporate citizenship and foster lasting positive impact in local communities.

### *Stakeholder Achievements in 2023*

The Corporate Relations Department achieved several milestones, including negotiating a new Impacts and Benefits Agreement (IBA), signing an operation contract with the Arcoíris Association for artisanal mining, and establishing effective relationships with various governmental and Indigenous organizations. Table 8 outlines some of these achievements.

In 2023, challenges faced by the Corporate Relations Department included changes in local and governmental authorities and negative influences from certain NGOs toward Indigenous organizations.

### *Looking Forward*

In 2024, Solaris plans to continue to bolster community agreements, advance cooperation agreements with key stakeholders, and strengthen local government and Indigenous organizations. Additionally, we will address challenges faced in 2023 by prioritizing proactive stakeholder engagement, community empowerment, and responsible corporate practices to foster positive change, contributing to the long-term well-being of local communities.

## Communications

In 2023, Solaris implemented key strategies for effective communication across its three core domains: community, corporate, and internal communication. These efforts fostered authentic and impartial communication through engagement, transparency, and collaboration among stakeholders of Warintza to enhance Solaris's social license to operate. To honour and uplift the cultural and linguistic importance of the Shuar language, we have expanded interpretation services and incorporated greater dialogue and culturally appropriate examples to actively mitigate misunderstandings or misinterpretations.

TABLE 8. STAKEHOLDER ACHIEVEMENTS IN 2023

Area	Action
<b>Stakeholder relationships</b>	Engaged in local stakeholder initiatives to foster and strengthen inclusive relationships. Signed an operation contract with the Arcoíris Association for artisanal mining.
<b>Community agreements</b>	Initiated negotiations for new community agreements, including advanced exploration agreements with the Shuar Centres of Warints and Yawi. Conducted dialogue with the Interprovincial Federation of Shuar Centres (FICSH).
<b>Cooperation agreements</b>	Made significant progress on cooperation agreements with educational units, governmental bodies, professional associations, and local municipalities.
<b>Decentralized autonomous governments (GADs)</b>	Carried out substantial advancements and coordination efforts with the Decentralized Autonomous Governments (GADs) of the San Antonio and Valle de Chimandaz communities.
<b>Community activities</b>	Provided logistical support, organized and coordinated by the Corporate Relations Department, for community activities related to Warintza.

### *Community-focused Communication*

Community communication that fosters a sense of ownership and shared responsibility is the cornerstone of Solaris's approach to responsible mining. In 2023, Solaris implemented innovative techniques to ensure the communication of vital information to the communities affected by Warintza.

The Company undertook the following key strategies to communicate with communities and keep them informed:

- Built active communication channels, including WhatsApp groups and digital newsletters, to engage with communities.
- Expanded community reach and encouraged community participation by distributing news summaries covering relevant topics.
- Implemented the **Warints – Yawi Road Report**, a weekly digital newsletter with construction updates about vital infrastructure.
- Published the **Weekly Summary**, a digital weekly newsletter with key news of Project updates, sustainability programs, and regulatory management.
- Disseminated the **Sustainability Informative Summary**, a weekly digital report on main actions and achievements.

The Company continued to build the skills and independence of Charip Communications, a local communications entrepreneurial venture, through the following educational strategies:

- Enhanced the technical capabilities of community communicators through training and workshops.
- Expanded the services offered to include social media content creation, including video and photography, and community press releases.
- Developed the **journalistic skills** of community communicators to produce press releases and media content for local outlets.

### *Corporate-focused Communication*

Strategic corporate communication is key to enhancing the Warintza profile in the

eyes of the Ecuadorian government and the public. In 2023, Solaris focused on strategic stakeholder engagement to highlight Warintza's potential in terms of mineral deposits and sustainable participatory mining practices.

Key corporate communication milestones included the following stakeholder engagement initiatives:

- **Getting to Know Warintza:** educated local communities about Project goals and benefits by tailoring communications to diverse audiences in the Limón Indanza area.
- **Let's Talk About Warintza:** engaged with local and provincial media to shape public perception and generate positive narratives.
- **Growing with Warintza:** established partnerships with local suppliers to contribute to regional economic development.

We also conducted two communication campaigns:

- **Exploring, We Move Forward with Warintza:** informed stakeholders about the transition from initial to Advanced Exploration and encouraged participation (part of a two-pronged approach that also included internal communications, as noted in the next section).
- **Core shack visits:** continued to provide technical information through increased engagement among national opinion leaders, social organizations, public officials, universities, and corporate stakeholders.

### *Internal Communication*

Strategic internal communication is vital for aligning employee and Company objectives to foster a cohesive and motivated workforce. Key internal communication initiatives included the following:

- **Somos Solaris (We Are Solaris):** informed employees via mass mailout about collective issues and actions required.
- **Exploring, We Move Forward with Warintza:** circulated information about environmental regulations, processes, operational definitions and corporate culture to promote a sense of belonging and align expectations (part of a

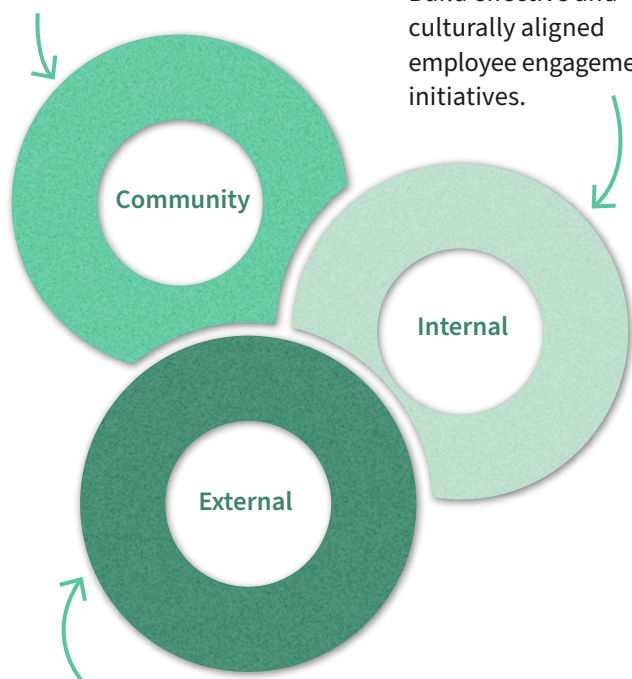




FIGURE 12. COMMUNITY COMMITMENT BY SPHERE OF INFLUENCE

Empower the community team to produce inclusive bilingual content (Shuar and Spanish).

Build effective and culturally aligned employee engagement initiatives.



Manage stakeholder perceptions with transparent and flexible communication strategies, by equitably considering diverse stakeholder interests and responding with agility to changing external factors.

two-pronged approach that also included stakeholders, as noted in the previous section).

- **2023 Warintza Fair:** showcased Project achievements and advances to empower employees by recognizing their contributions to the Project's success.

#### *Looking Forward*

In 2024, Solaris plans to consolidate lessons learned across all communication areas to ensure effective stakeholder engagement. We have begun work to enhance our strategies by prioritizing local contexts and realities by means of a three-pronged approach according to sphere of influence and community-specific commitment as outlined in Figure 12.



# LOWELL

MINERAL EXPLORATION S.A.  
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# Co-Development

In 2023, Solaris remained committed to fostering sustainability, advancing climate action, promoting gender equality, and championing the UN SDGs. Through our active involvement in these global initiatives, we ensure that our operations adhere to the highest sustainability standards while contributing to a more sustainable future.

Recognizing the vital role of the mining sector in national economies, Solaris believes that responsible mining practices, including exploration

activities, can significantly contribute to economic development in Ecuador and the wider Amazon region. Warintza's innovative Participatory Mining Model has resulted in tangible reductions in poverty levels and improvements in social well-being within the Project's sphere of influence over recent years.

The mining sector offers various opportunities with profound impacts on both the economy and local communities, as outlined in Table 9.

TABLE 9. KEY CO-DEVELOPMENT CONTRIBUTIONS AND IMPACTS

Area	Key contribution	Impact
Financial complement	Taxes, royalties, and payments to the government	Benefits the nation through improved public services, infrastructure development, and social welfare
Local employment	Hiring residents from nearby communities	Stimulates economic growth, reduces unemployment, and enhances local livelihoods, fostering self-sufficiency and economic empowerment
Supply chain development	Engaging with local suppliers and fostering entrepreneurship	Stimulates the local economy and supports sustainable development through strengthened supplier partnerships
Infrastructure investment	Investments in infrastructure such as roads and power supply	Improves accessibility, connectivity, and trade, benefiting both mining operations and the broader community
Community development	Initiatives such as education programs and healthcare services	Generates positive social impact and sustainable growth beyond mining activities, fostering community prosperity



## UN Sustainable Development Goals

In 2023, Solaris demonstrated its commitment to integrating the UN SDGs into its operations through concrete actions, particularly in partnership with the Shuar communities in the Amazon. By focusing on employment opportunities, local economic stimulation, and strategic partnerships, Solaris actively advanced key SDGs and consolidated the Company's framework for sustained and inclusive economic growth.

Solaris continued to hone our Warintza Participatory Mining Model, prioritizing collaborative relationships with local communities to ensure that mining activities directly benefit those within our areas of influence. For example, we prioritized local hiring, generating both immediate and long-term employment opportunities within the Shuar communities. This approach supports training and skill development, contributing to sustained economic growth in the regions where Solaris operates. Additionally, the Company sourced goods and services from local vendors, stimulating economic activity in rural areas and creating a positive ripple effect that extends to a broad range of stakeholders.

In 2023, Solaris expanded its investment in educational initiatives in local communities, providing learning opportunities and skill development to foster a more educated and empowered workforce. This investment contributes to broader community development while promoting gender equity by encouraging women's leadership and empowerment in the community and within the Company.

Further, strategic alliances with various stakeholders, including public and private institutions, educational entities, and civil society organizations, have been crucial in driving progress toward the SDGs and fostering sustainable development on a broader scale. Through these actions, Solaris continues to raise the bar for responsible mining practices, characterized by sustainability, community involvement, and shared success.

## United Nations Global Compact

A proud member of the United Nations Global Compact (UNGC), Solaris is dedicated to responsible business practices and sustainability. Through alignment with the UNGC's Ten Principles covering human rights, labour standards, environmental protection, and anti-corruption, we demonstrate our commitment to ethical and sustainable operations.

Our membership also requires us to submit an annual Communication on Progress (COP), a comprehensive report outlining how we are implementing these principles in our business activities. This annual Report showcases our ongoing efforts to integrate UNGC values into our corporate culture and to provide transparency and accountability to our stakeholders.



# Community Engagement

EM-MM-210a.1, EM-MM-210a.3, EM-MM-210b.1

## Community Relations

The Community Relations Department plays a pivotal role in fostering positive relationships, reducing risks, and facilitating the environmental and social license to operate for Warintza. Since 2021, the Community Relations Department has evolved significantly, focusing on enhanced interaction, through transparent dialogue and collaboration, with the local population in Warintza's area of influence.

### *Expanded Commitment to Surrounding Communities*

In 2023, Solaris expanded our commitment to communities beyond Warintza and Yawi, including San Antonio, San Miguel de Conchay, Valle de Chimandaz, and Nueva Principal. Through direct dialogue with local authorities, the Company provided transparent information about Solaris's concessions and identified additional communities that are directly and indirectly affected. In particular, the Clemente concession is located in the San Antonio parish, while the Maiki 04 and Curigem 09 concessions are located in the San Miguel de Conchay parish, specifically in the communities of Valles de Chimandaz and Nueva Principal.

Following this transparent approach, the communities and local authorities authorized the Company to carry out initial exploration work in these areas. Consequently, this community approval has led to a notable expansion of the social commitment to the Warintza Model.

### *Risk Management and Opportunities for Community Interests*

In 2023, Solaris undertook specific measures to safeguard community rights and address community interests through integration into the Company's overall risk and opportunity management. The Community Relations plan outlined actions for better interaction with the local population, including direct engagement, consensus-building, facilitation of community participation, transparent dialogues, impact prevention or remediation, and needs identification.

In 2023, building on Solaris's commitment to responsible exploration and inclusive practices, we took significant strides toward building mutual understanding and consolidating sustainable actions in the Project's area of influence. Our approach focused on three key strategies set out on the next page.

Based on the three strategies described on the left we implemented the targeted community relations initiatives listed on the right.

#### KEY COMMUNITY RELATIONS STRATEGIES

##### **Fostering direct interaction**

We focused on building equitable relationships based on understanding, trust, and transparency. We prioritized direct exchanges to consolidate our joint initiatives, building on the Company's participatory relationship-building approach implemented since the restart of exploration activities in 2019.

##### **Building effective consensus**

We worked closely with community members and diverse social actors through dialogue and negotiation, to build consensus and work toward mutual agreement. We prioritized co-learning and collaborative decision-making to continue to build lasting trust and mutual respect.

##### **Encouraging active participation**

We adapted community participation mechanisms to encourage active community contributions in decision-making processes.



#### KEY 2023 COMMUNITY RELATIONS APPROACHES

##### **Communication**

We implemented enhanced communication strategies and protocols, including feedback mechanisms and regular dialogue, which ensured effective engagement and collaboration.

##### **Community feedback**

We reinforced community feedback and participation through digital platforms to integrate local voices into Project planning and implementation.

##### **Transparency**

We prioritized regular dialogue and information-sharing opportunities within the community, including monthly community mingas, to provide comprehensive updates on Project developments and proactively clarify misunderstandings. The minga, also called ancestral placemaking, is a centuries-old Andean tradition where townspeople collaborate voluntarily on communal projects, contributing labour, knowledge, or resources without regard to age or gender.

##### **Risk mitigation**

We identified and evaluated potential risks affecting community rights and interests, including environmental, social, labour, health, and safety risks.

We also designed and implemented mitigation measures using tools such as early warnings, actor analysis, internal reports, situational reports, and participatory meetings with local authorities.



In 2023, Solaris adapted its community relations approach to achieve immediate gains and long-term benefits. We used dialogue, flexibility, and transparent communication to understand and meet specific community needs, resulting in several concrete achievements. These include improving the road leading from Valle de Chimandaz to Nueva Principal, supporting local schools with meal programs, providing procurement training to our suppliers, hiring additional staff for company operations, leasing mules for cargo transport, and streamlining individual easement payments for access and use.

Throughout the year, we integrated lessons from past experiences, emphasizing the importance of interdepartmental coordination, committed community leadership, transparency, and effective conflict management at the community level. Key components included enhancing communication, aligning objectives across departments, identifying synergies, and fostering mutual support. To address conflicts, we enhanced data collection and analysis to understand root causes, implemented targeted solutions, engaged in community assemblies to boost participation, and conducted regular conflict resolution workshops to establish clear grievance protocols.

Solaris's proactive adjustments, driven by dialogue and transparency, have led to more inclusive decision-making and increased community accountability. By facilitating greater community involvement and fostering collaboration with stakeholders, we continue to enhance local development and foster sustained positive impacts on the communities we serve.

Addressing the risk of an informal mining presence within the Project's operational zones remains an important matter. Consequently, we continue to develop comprehensive strategies for monitoring and control, alongside constructive engagement with governmental authorities to ensure compliance with regulations.

### *Looking Forward*

In 2024, Solaris plans to strengthen interdepartmental collaboration through increased coordination, shared protocols and procedures, cross-functional training and professional development, and incentives that foster a culture of collaboration.

The following sections provide greater detail on the progress of specific community development programs underway in our flagship project, Warintza.



# Community Development

GRI 413-1, GRI 413-2

SDG 4, SDG 5, SDG 6, SDG 7, SDG 8

In 2023, Solaris transitioned our approach from “planting seeds” to “nurturing roots,” as reflected in the title of this Report, symbolizing a deeper commitment to sustainable growth and community development. This shift reflects the essence of the Warintza Participatory Mining Model, emphasizing collaboration and mutual benefit. Solaris prioritizes cultivating deep, meaningful relationships with stakeholders to create a resilient framework for future growth.

This commitment extends beyond compliance to focus on promoting social capital and collective

growth in partnership with local communities. By nurturing these roots, Solaris aims to foster not only the ongoing development of the communities where we operate but also the long-term sustainability and progress of the Company itself.

Solaris operates five community-based sustainable development programs that focus on green growth, inclusive growth, and circular economy principles. These programs emphasize equity, resilience, and the conversion of natural and cultural resources.





## DEVELOPMENT PROGRAM

## Warintza Mujer (Gender Equality)



Solaris advances gender equality and empowerment, particularly among women and girls, through an extensive community-driven program called Warintza Mujer. Our largest community development program, Warintza Mujer acts as an umbrella for multiple initiatives that emphasize capacity-building, knowledge exchange, and entrepreneurship to empower Shuar women and foster a more inclusive society. Our capacity-building initiatives work to equip women with the skills and knowledge base necessary to navigate societal structures, assert their rights, and access vital services. A key aspect of this program includes entrepreneurial ventures to create sustainable economic endeavours that

elevate women's quality of life and allow them to contribute meaningfully to their communities.

*The Warintza Mujer Artisanal Jewelry Brand*

In 2022, the Warintza Mujer brand emerged as the collective initiative of a group of Shuar women from the Warints and Yawi communities. Motivated by the desire to associate as artisans and enhance their craft, these women decided to create a proprietary brand to refine and promote their craft while preserving their cultural heritage.



#### WARINTZA STORIES: SYMBOLISM IN WARINTZA MUJER JEWELRY

Every piece of handcrafted Warintza Mujer jewelry represents more than just an accessory—it embodies the dedication, resilience, and cultural richness of the Shuar women. Behind each intricate design lie countless hours of meticulous work, punctuated by moments of joy, camaraderie, and shared experiences. These creations are brought to life in communal spaces where women gather to exchange ideas, stories, and insights about their daily lives, keeping their traditions and ancestral culture vibrant and alive.

The colours used in Warintza Mujer's jewelry carry profound significance, reflecting the deep-rooted connection between the artisans and their natural surroundings. Green, red, and yellow symbolize the vitality of spring; yellow also pays homage to the life-giving sun, and red also signifies courage. White and blue represent the expansive skies. The jewelry also incorporates symbols, such as a tiger face to evoke strength and rhomboids as a nod to the snakes inhabiting the region's landscapes.





Throughout 2023, the Warintza Mujer brand continued to thrive, achieving significant milestones in promoting and selling products nationally while expanding its market reach. Under the leadership of Vanesa Nankamai, the women's representative of the Strategic Alliance and President of the Shuar Women's House Board in Warints, income generated from product sales was reinvested into the brand's growth. This investment included the development of branded merchandise and business cards, enhancing the brand's visibility and professional image.

Women who participated in the Warintza Mujer brand development also received training facilitated by the Communications team on how to enhance and manage the Warintza Mujer Facebook fan page. Participants received guidance on social media management, including image and video posting, text narration, font types, watermarks, and tips for effectively promoting crafts. They have established new contact channels to facilitate communication with potential customers, bolstering the brand's online presence and engagement.

With over 30 Shuar women artisans from the Warints and Yawi communities, the Warintza Mujer brand is now a thriving entrepreneurial venture. Through their creativity, these women showcase their ingenuity and celebrate their relationship with nature, honouring the water sources, animals, earth, and air that sustain their way of life.

The Warintza Mujer brand is a testament to the resilience, creativity, and entrepreneurial spirit of Shuar women artisans. By harnessing their craft to preserve cultural traditions, foster community bonds, and generate economic opportunities, Warintza Mujer exemplifies the transformative power of sustainable livelihood initiatives in Indigenous communities. As stewards of their heritage and ambassadors of empowerment, the artisans of Warintza Mujer continue to inspire all who appreciate the beauty and meaning of their creations.

In collaboration with the Alianza para El Emprendimiento e Innovacion (AEI), an entrepreneurship and innovation alliance, twenty

women participated in a series of workshops designed to enhance the commercialization of artisan jewelry. These workshops aimed to empower artisan producers by encouraging a business mindset, transforming their craft processes into a viable value proposition.

Participants learned entrepreneurial strategies to turn their crafts into marketable products, secure funding, and establish effective financial control and accounting systems. They also learned strategies for collaborating with intermediaries and accessing markets.

The workshops covered three stages: strategic planning, business model focus, and product costing. These stages guided the artisans on how to achieve immediate sales, develop compelling value propositions, and enhance profitability. Crucial for empowering women artisans, these workshops have equipped the women with skills necessary to thrive in the market and sustain the Warintza Mujer Brand.

In 2024, Solaris, in partnership with the Jardin Azuayo Cooperative Bank, plans to sponsor additional workshops for the women artisans. We believe that continued financial workshops are necessary to empower Shuar women by continuing to build their business capacities.

### *The Núa Project*

In 2022, Solaris, in collaboration with the Centro Ecuatoriano de Desarrollo y Estudios Alternativos (CEDEAL), initiated the Núa Project to help Indigenous women exercise their rights (Núa means "woman" in the Shuar language). In 2023, this project made significant strides to advance women's empowerment in the Shuar community with the establishment of the **Shuar Women's Association of Warints**, known as **Kuri Núa**, meaning "golden women" in Shuar. With a membership of 20 women and a four-member board, this association meets in the **Shuar Women's House** (known as Núa Jee in Shuar) and has become a cornerstone for advancing gender equality and championing women's rights. This building was designed in 2022 as a multifunctional space in Warints to provide women with a safe environment for diverse activities that promote the Núa Project.

In 2023, the Shuar Women's House underwent changes when the Ministry of Social and Economic Inclusion (MIES) offered the community a collaborative opportunity to set up a childcare centre managed by the Ministry as a Child Development Institute (CDI). As a result, the community repurposed the Women's House into the **Warints Daycare**, a childcare centre managed by MIES, to support this project.

Anticipating the eventual construction of a full childcare centre, MIES temporarily loaned the Women's House to the community to ensure continued services while adjustments were made to meet evolving community needs. The Warints Daycare has significantly benefited both children and women, offering essential services and direct support to 36 children and women. The daycare facility indirectly benefits the entire community.

Considering the women's ongoing needs, Solaris, in dialogue with the community, decided to temporarily repurpose another building to serve as a space for women's empowerment in Warints. We adapted an unused building, donated by the

community, to function as a temporary Shuar Women's House until a permanent space is found.

Once again, we partnered with CEDEAL to deliver **comprehensive training** to the Shuar Women's House Board, to clarify the mission and vision of the Women's House and familiarize board members with regulations, statutes, and individual roles and responsibilities. **Training workshops provided by CEDEAL** covered identity, violence, health, rights, and project monitoring and execution, building upon the groundwork laid by workshops provided in 2022.

The 2023 workshops culminated in a **General Women's Assembly** featuring active participation from various governmental bodies. Equipped with enhanced knowledge and skills, board members are now poised to lead the Women's House effectively and to secure its ongoing mission to empower women and champion their rights in the community.

Further, CEDEAL conducted a survey at the Shuar Centre in Yawi to comprehensively understand women's living conditions and assess access to rights-related services. This analysis provided valuable





insights into the social, economic, representational, and cultural contexts affecting both women and men in this community. All data was thoroughly documented and reviewed against criteria such as well-being, access, participation, and control.

Throughout this phase of the Núa Project, CEDEAL prioritized inclusive capacity-building efforts for women, aiming to equip them with the knowledge and empowerment needed to protect their rights and access essential services. Direct beneficiaries included 35 Shuar women from the Warints and Yawi communities, with indirect benefits extending to the families of participants, community leaders, and faculty members of the Cordillera del Cóndor School Board.

In 2024, Solaris plans to extend the Núa Project to the Yawi community. Plans are underway to establish a dedicated space for women and form a women's association in Yawi, along with a board to oversee operations.

#### *Entrepreneurial Training and Workshops*

Throughout 2023, Solaris sponsored a series of entrepreneurial trainings and workshops for women in the communities of Warints and Yawi, as outlined in the following paragraphs. During these events, Solaris contracts local women-owned businesses to supply snacks and meals for all workshop participants. This not only supports local businesses but also fosters community involvement and economic empowerment among women in the region.

The women of Warints participated in an **Amazonian Gastronomy Workshop** led by CEFAS (the Morona Santiago Equity, Training and Social Action Coordinating Body), with a total of 38 attendees. This interactive event aimed to empower women and highlight the societal influence and cultural significance of ancestral Shuar cuisine. Participants gained valuable insights into diverse culinary traditions across Ecuador's regions, identified popular dishes, and explored the impact of Amazonian cuisine on tourism.

The workshop showcased typical dishes from the coastal, highland, and Amazon regions,

including encebollado (fish with onions), seafood casserole, tonga manaba (rice and meat in peanut sauce wrapped in plantain leaves), shrimp ceviche, catfish soup, yucca, potato empanadas, chicken corviche and seafood rice. It also included local beverages such as mojitos, daiquiris, and guayusa (a local plant liqueur).

In Yawi, CEFAS conducted a series of **guadua crafts workshops**. At these workshops, the women created crafts using guadua, a sustainable and versatile wood made from a tree that is native to the region. Twelve participants from Yawi learned to craft a wide range of items including pen holders, cell phone holders, spoon holders, planters, lamps, wine holders, keychains, and glasses. Guadua crafts have the dual purpose of promoting environmental conservation and cultural preservation in the region.

In 2023, 35 women artisans from the Warints and Yawi communities also received training in **mullo and seed artisan workshops**. These sessions taught the women skills essential for crafting intricate designs using seeds and beads, rooted in ancestral Shuar heritage. In addition to providing access to diverse resources necessary to refine their craft, the workshops also helped these women to preserve and celebrate Shuar culture.

#### *Fairs and Events*

In 2023, the Kuri Núa Association continued to promote its artisanal jewelry and crafts at key fairs and events, amplifying the visibility of their craft



and building connections in the local market. These fairs provide women artisans with key opportunities to showcase their products, gain marketing skills, and preserve their cultural heritage. Aligned with Solaris's commitment to supporting local women artisans, the 2023 market achievements of the Shuar Women's Association of Warints (or Kuri Núa in Shuar) consolidated the organization's mission to facilitate economic empowerment, cultural preservation, and sustainable development.

These events and their locations and market reach are listed in Table 10.

These initiatives not only provided empowering financial contributions to the women artisans of Warints, but also had a profound impact on the entire community. By instilling a sense of

pride and recognition within the community, this experience highlighted the significance of their cultural heritage and promoted cross-cultural exchange and understanding.

### *Looking Forward*

In 2024, Solaris plans to locate a permanent building for the Shuar Women's House in Warints (Núa Jee in Shuar). We also plan to build on the success of the Shuar Women's Association (Kuri Núa in Shuar) of Warints by establishing a sister association for the women of Yawi. Further, we plan to expand skills training for the women of Warints and Yawi to include sewing workshops focusing on sewing fundamentals and machine handling techniques. Through hands-on activities, participants will gain marketable skills for sustainable livelihoods.

TABLE 10. WARINTZA MUJER: WOMEN'S EMPOWERMENT FAIRS IN 2023

Fair or event	Location	Market reach
Communities for Sustainable Commerce	Limón Indanza	Regional
Agricultural and Tourist Fair	Macas	Provincial
Murunia Santiak Fair	Macas	Provincial
Livestock and Artisan Fair	Limón Indanza	Regional
Feria Ciudad Mitad del Mundo	Quito	Provincial
Asociación Monegasca Iberoamericana (AMI)	Monaco	International

## DEVELOPMENT PROGRAM

## Warintza Deporte (Sports)



Solaris recognizes sports as a powerful tool for empowerment that fosters inclusion, solidarity, and community cohesion. Through team-building activities and collective responsibility, sports play a pivotal role in promoting social integration and enhancing individual and community well-being, which are fundamental for sustainable development. We acknowledge the importance of sports as a vehicle for addressing social challenges, particularly among youth, by linking sports to health, education, and employability.

#### *Jempe Athletics School*

The Jempe Athletics School has emerged as a popular and influential institution for nurturing athletic talent and promoting community engagement in the Shuar communities of Warints. The school boasts a membership of

approximately 40 children and young people, supported by a rotating parents' board.

Throughout 2023, the Jempe Athletics school conducted regular training sessions from 4:00 to 6:00 p.m., Monday to Friday. These sessions continue to provide key opportunities for skill development and physical fitness for children and youth in the Shuar communities.

In 2023, Solaris launched efforts to financially support the Jempe Athletics school through annual fundraising activities. We encourage the school to independently sustain its operations, including resources for training and competitions. By engaging the direct involvement of community leaders through town hall meetings to plan and organize races and events, we ensure alignment between community and Company values and priorities.



Solaris also worked to significantly enhance the Jempe Athletics School and improve the overall student experience. We achieved this by supplying essential sports equipment, uniforms, and necessary gear such as cleats and jerseys to improve the quality of training sessions and boost performance. The Company also installed drinking fountains and provided training snacks to keep students hydrated and energized during activities.

Recognizing the importance of parental engagement, Solaris, in collaboration with the Jempe Athletics School, launched a program to boost parental involvement in their children's sports activities. Through interactive workshops and dialogue sessions, parents gained insights into the cultural importance of sports within the Shuar community, fostering a supportive environment for both children and parents to actively engage in sports.

The Shuar Warints Centre also allocated office space for the Jempe School leader to facilitate meetings and awards ceremonies and to enhance overall school activities.

Throughout 2023, the Jempe Athletics School competed in various races, including the Echeandia, Aguarongo Trail Gualaceo, and Warints 10-k races. Participation in these races not only honed students' skills but also contributed to their physical and personal development.

In response to community discussions, Solaris coordinated the construction of a long jump pit at the Jempe School through collaborative efforts involving parents and community members. This milestone reflects the growing collective

commitment to enhancing sports facilities and encouraging support for youth sports.

From the success of sports events in 2023, we are confident that this community-centred approach will consolidate benefits for the entire community, promoting wellness, teamwork, and community spirit for future generations.

Further, in 2023, we are proud to report that five youths from Warints and Yawi successfully achieved federated status. When an athlete attains federated status with the Morona Santiago Sports Federation (FDMS), this accreditation enables them to participate in training and competitions year-round as key members of the provincial team.

Initiatives carried out in 2023 by the Jempe Athletics School, along with the hard work and commitment of coaches and students alike in the communities of Warints and Yawi, have demonstrated how sports empowerment and community development can yield positive results. Through these endeavours, Solaris continues to nurture athletic potential and foster sustainable development among youth and their families.

In fact, in December 2023, during the Limón Indanza Canton Anniversary celebration commemorating its 73rd anniversary of cantonization, the Mayor of Limón Indanza bestowed a sports recognition on the Jempe Athletics School. This honour celebrated the outstanding athletic achievements of athletes from the Warints and Yawi communities, who represented their respective communities with distinction in various local and national championships throughout 2023.

#### *Morona Santiago Sports Federation Partnership*

In May 2023, Solaris and the Morona Santiago Sports Federation (FDMS) signed a cooperation agreement, formalizing collaboration to enhance sports development in Warints and Yawi communities. The agreement facilitated provincial athletics testing, revealing promising athletic talent within the communities. The next page provides details on testing in Yawi.





#### WARINTZA STORIES: ENHANCING ATHLETIC POTENTIAL AND COMMUNITY ENGAGEMENT

In November 2023, Solaris collaborated with the Morona Santiago Sports Federation by conducting a site visit to a local school in Yawi to assess sports competencies and identify potential talent in the communities of Warints and Yawi.

During this visit, we assessed talent in football, boxing, judo, and chess (recognized as an official sport by the International Olympic Committee since 1999), aligning with Solaris's dedication to community development, education, and youth empowerment through sports. The visit began with dialogue between a diverse delegation of coaches and students at the Cordillera del Cóndor school, which provided theoretical insights into each sports discipline. In the afternoon, coaches invited students to practical trials at the local stadium, where the coaches assessed potential talent, focusing on skill development and performance evaluation.

This site visit also emphasized community engagement through a visit to the Yawi community, where coaches presented theoretical aspects of sports to students and participated in a friendly football match.

As we continue to identify promising talents across sports disciplines, including football and boxing, the Company also plans to expand talent selection to include chess and judo. Technical visits such as this one showcase the potential for sports talent within the communities and highlight the positive impact of sports on community engagement.





After training rigorously at the FDMS facilities in Macas, the Jempe Athletics Team showcased their abilities nationally, borrowing equipment for 31 youths to compete in the National Championship in Quito. The FDMS also sponsored two young women who represented their communities in the National Youth Games in Guayaquil.

#### *Shuar Dance*

In 2023, Solaris also partnered with Morona Santiago and Limón's Decentralized Autonomous Governments, creating a dance school in response to community requests to preserve Shuar cultural heritage. The goal is to elevate Shuar dance as an officially recognized sport, provide a platform for aspiring dancers to develop professionally, and strengthen cultural ties. Through collaboration with local governments and community leaders, Solaris actively promotes and preserves Shuar dance traditions, fostering culturally significant active lifestyles in sponsored communities.

#### *Looking Forward*

In 2024, Solaris plans to implement a Sports Action Plan. This plan involves sourcing suitable training spaces, providing sports equipment, hiring qualified monitors, and establishing technical supervision. We are highly motivated to continue to nurture sports talent in Shuar communities.



## DEVELOPMENT PROGRAM

## Warintza Emprende (Entrepreneurship)



At Solaris, we recognize entrepreneurship as a catalyst for transformative change within communities. Our collective entrepreneurship initiatives are designed to foster sustainable economic growth, drive innovation, and enhance social conditions for all community members.

#### *Cooking Club and Mini Bar*

In 2023, Solaris continued to build on the youth empowerment achievements of the previous year, which included the Shuar Gastronomy and Nutrition Club and a comprehensive culinary and financial education program

called the Cooking Club. With a membership of approximately 35 people, the Cooking Club inaugurated a Mini Bar (snack bar) initiative in May 2023. This venture, driven by ambitious young entrepreneurs, signifies a remarkable advancement in community-based entrepreneurship.

The Cooking Club students manage the financial aspects of the Mini Bar, ensuring transparency and accountability in all transactions. Income and funds are handled through a savings account, demonstrating the club's commitment to responsible financial management and sustainability. Supported by logistical assistance

from Solaris, the Mini Bar provides exemplary services to the community, guaranteeing consistent product availability and customer satisfaction.

In 2024, the Cooking Club plans to enhance the entrepreneurial skills and knowledge of its members. Future plans include holding food handling training workshops to promote safe and hygienic practices and allocating funds for educational trips and student exchanges to broaden their horizons and offer experiential learning opportunities.

Recognizing the importance of financial literacy, Solaris will also work to improve students' money management and investment practices. We plan to continue our collaborations with financial cooperatives to offer training sessions and empower students to make informed financial decisions and secure their financial futures.

#### *Bakery Entrepreneurship*

The bakery entrepreneurship initiative, initially supported by Solaris and driven by members of the Warints community, encountered challenges that led to its discontinuation in 2023. Several factors contributed to the initiative's failure, including dependence on external support from Solaris, insufficient community involvement despite efforts to engage local women, and doubts around economic viability.

Despite the project's outcome, community members gained valuable training and experience in bakery operations, providing a foundation for future entrepreneurial endeavours. The partnership between Solaris and the community highlighted the potential for company-community collaboration. Future projects could involve enhancing this collaboration to ensure greater community ownership and sustainability. The closure of the bakery project offers an opportunity for reflection and improvement that will inform future strategies for community-based economic development projects.

#### *Youth Financial Literacy Workshops*

In 2023, we partnered with the Jardín Azuayo Bank Cooperative to conduct financial literacy

workshops for youth. This initiative, entitled Jóvenes Mi Futuro (Youth Are the Future), equipped 21 participants from the Cordillera del Cóndor Educational Unit with essential financial knowledge and skills. A range of dynamic activities included workshops on self-awareness, in which participants reflected on their personal financial situations and capacities, and personal development to help them envision their future in economic terms. These key building blocks helped participants understand their individual capacity to make changes in their financial lives, which gave them a solid basis from which to learn about concepts such as budgeting and financial planning. Participants gained greater understanding of financial concepts and developed important life skills.

#### *Looking Forward*

Solaris plans to continue sponsoring financial literacy workshops and to expand our reach to include more groups within the community. Our plans include offering refresher workshops for school-aged children, specialized workshops for women, and targeted sessions for schoolteachers. By broadening our efforts, we aim to provide community members with necessary tools to make informed financial decisions and build a secure future.





## DEVELOPMENT PROGRAM

## Warintza Educa (Education)



Grounded in the principles of inclusivity, equity, and quality, Warintza Educa equips individuals and communities with the awareness, knowledge, skills, and values necessary to effectively address sustainability challenges. In 2023, we continued our education initiative to foster sustainable development and empower communities through higher education scholarships for youth, continuing education initiatives for adults, and a Shuar cultural preservation initiative.

*Scholarship Program*

Our higher education scholarship program has resulted in five graduates to date. Four out of five graduates come from the Warints community, comprising three women and two men. These graduates attended reputable institutions, including the Chimborazo Polytechnic School of Higher Learning and the Catholic University of Cuenca, both well-regarded universities in Ecuador. Of the



graduates, three studied business administration, one studied IT, and one studied accounting. These fields equip them with essential skills in management, technology, and systems analysis, which are crucial for the sustainable development and operational efficiency of mining projects.

By supporting education in key areas such as business, technology, and accounting, Solaris is investing in the development of local talent. This enhances the community's capacity to engage with and benefit from the mining industry, leading to more sustainable and inclusive growth. Graduates from these programs are likely to find employment within the mining sector or related industries, thus contributing to local economic development and reducing dependency on external labour.

Educated professionals are more likely to implement and advocate for sustainable practices within the industry. This is crucial for minimizing environmental impacts and ensuring that mining activities are conducted responsibly.

### Scholarship Recipients Workshop

In 2023, Solaris, along with the Esquel Foundation, organized a transformative two-day workshop in Macas tailored specifically for Solaris's scholarship recipients. The Esquel Foundation, established 32 years ago in Ecuador, is renowned for acting as a catalyst for personal development and improving living conditions within families and communities. The Foundation's mission to contribute to sustainable human development in Ecuador aligns with Solaris's vision of promoting a democratic, responsible, and supportive society. The workshop, with a total of 21 participants, focused on fostering personal and professional development, self-awareness, effective communication, and teamwork.

This educational empowerment workshop served as a pivotal platform for Solaris's scholarship recipients to enhance their personal and professional capabilities. It equipped participants with valuable skills and insights essential for their continued growth and success.

### Strategic Alliance Board Members Leadership Program

In 2023, Solaris also teamed up with the Esquel Foundation to kickstart the Integrated Leadership Program (PLI for its initials in Spanish) with a targeted workshop for all 13 board members of the Strategic Alliance (discussed on pages 19–20). The PLI program objective is to empower community organizations by building cohesive teams through strong interpersonal relationships, effective communication, a sense of belonging, enhanced leadership, and collaborative problem-solving abilities.

The Strategic Alliance Board was invited to participate in the first meeting of the PLI, which facilitated discussions among directors, promoters, and the program implementation team from the Esquel Foundation. The event aimed to identify community characteristics, analyze initial diagnostics, and define implementation strategies.



The program addressed multiple areas, including ethics and good governance, self-awareness, communication, teamwork, violence prevention, nutrition, and health. Workshop participants came away with valuable insights and tools to enhance their leadership capabilities and foster collaboration within the Strategic Alliance.

### **Preservation of Shuar Culture Through Bicultural Education**

Solaris actively works to preserve and celebrate the rich tapestry of Shuar traditions and knowledge. At the heart of this endeavour lies a mutual commitment to preserving Indigenous heritage and promoting bicultural education that honours both Shuar and Hispano-Ecuadorian traditions. Collaboration ensures the integration of Shuar culture into educational initiatives. We are pleased to work in partnership with the Shuar communities of Warints and Yawi to foster cultural recognition and societal inclusion in Ecuador and the rest of the world.

In 2023, Solaris made significant strides toward preserving Shuar culture through the Shuar Nationality Project, in collaboration with Indigenous communities. Community leaders reviewed the project and approved its content. Another component of this project included archaeological training workshops for students, sponsored by Solaris, to foster interest in recognizing and preserving the Shuar material cultural heritage.

Community leaders continue to dialogue with Solaris, forging strategic alliances to refine the project's approach, including the development of effective communication and dissemination strategies to share Shuar culture among a broader audience. A graphic designer, hired by Solaris, designed the cover for a book that will include over 60 pages of material on aspects of Shuar culture such as ancestry, values, mythology, and archaeology.

### *Financial Literacy for Empowerment*

In August 2023, Solaris, in collaboration with Ban Ecuador, organized a financial training workshop for the Warints and Yawi communities. With the premise that financial literacy is essential for empowering individuals and enabling them to effectively manage their resources, the workshop aimed to provide participants with the knowledge and tools necessary to make informed and responsible financial decisions. The workshop addressed several key concepts: investment and risk, investment diversification, long-term financial planning, expense management, and debt control.

### *Looking Forward*

In 2024, Solaris plans to hold subsequent workshops to delve deeper into educational themes to further improve the leadership skills of Strategic Alliance Board members. We plan to facilitate additional sessions and activities to build upon the knowledge framework established during the inaugural workshop.

We also plan to co-produce two educational resources: a hardcover book on Shuar culture (mentioned above) and a children's educational book co-designed with local educators. We plan to publish these books in 2024, in Shuar and Spanish, with recognition from the Ecuadorian Ministry of Education.



## DEVELOPMENT PROGRAM

# Warintza Verde (Environmental Stewardship)



Solaris's approach to addressing climate change, biodiversity loss, and pollution is channeled through our Warintza Verde program. This environmental stewardship program focuses on transforming consumption and production patterns in the Warints and Yawi communities through initiatives such as the Community Environmental Committee and comprehensive environmental education programs in partnership with local schools. Together with community members, we raise awareness and empower individuals to adopt sustainable practices, laying the foundation for a greener future.

### *Spoken Map Activity*

In 2023, as a continuation of the Wildlife Conservation Society (WCS) biodiversity project initiated in 2022, Solaris conducted a Spoken Map activity in the Warints and Yawi communities to engage community members and gather insights into local biodiversity.

Fifteen Chiefs, community leaders, and community members, including environmental committee members and leaders, collaborated in this activity to create "spoken maps." These maps depict the



availability and importance of natural resources in the surrounding areas. We held subsequent meetings to refine these maps for accuracy.

We then used focus groups to share project methodology and the initial results with the community to increase understanding of potential environmental services. We then analyzed the data, identifying the potential environmental impacts of community activities to inform corresponding mitigation strategies.

The Spoken Map activity proved to be an innovative way to elicit community engagement in biodiversity conservation efforts. In 2024, Solaris plans to expand the participation of community members in activities such as this one to continue promoting community involvement and sustainable conservation practices that include locally responsive environmental mitigation strategies.

#### *Community Environment Committee: Environmental Stewardship Initiatives*

In 2023, the Community Environment Committee, with three dedicated members from the Warints and Yawi communities, continued to lead impactful

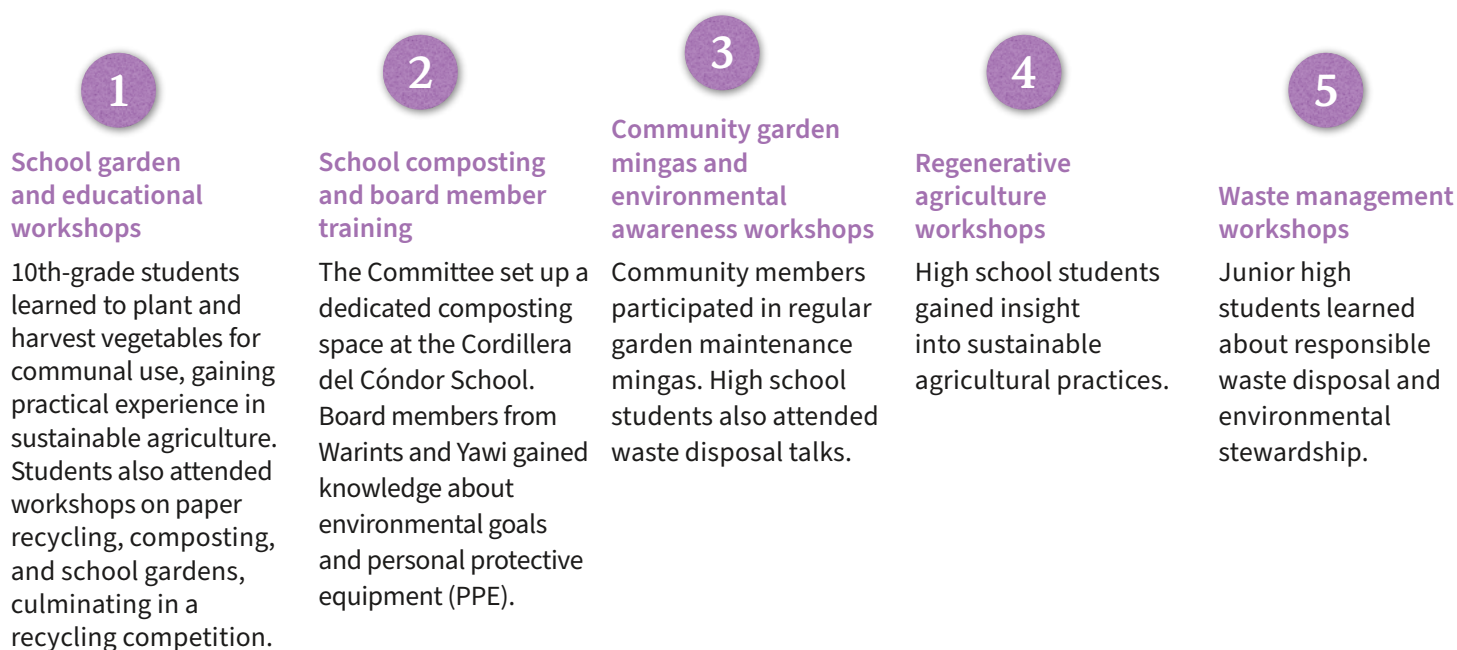
initiatives that foster environmental awareness and promote sustainable practices. A key focus of the committee's work was the socialization of the Environment Management Plan in Warints through information dissemination and facilitated discussions. This engagement has continued to raise awareness and community support for environmental conservation efforts, among others through efforts such as Casa por Casa, detailed on the next page.

In 2023, the Community Environment Committee also organized and implemented several environmental stewardship activities in the schools of the Warints and Yawi communities, detailed in Figure 13.

#### *Looking Forward*

In 2024, the Community Environmental Committee plans to develop a monthly home visit schedule to collaborate with community leaders and establish solid waste collection locations.

FIGURE 13. ENVIRONMENTAL STEWARDSHIP ACTIVITIES IN SCHOOLS



## WARINTZA STORIES: CASA POR CASA

The Community Environment Committee also conducted an innovative community engagement initiative in Warints and Yawi called Casa por Casa (Door-to-Door) Educational Talks to promote environmental consciousness and sustainable practices. The committee recognized the need for personalized engagement to effectively convey environmental messaging. They identified the door-to-door method as a strategic approach to reach every community member, irrespective of their background. This approach provided residents with personalized information relevant to their specific needs and concerns and fostered trust between the committee and community members. The initiative had several major benefits:

- **Personalized engagement:** Personalized communication provided residents with information relevant to their specific needs and concerns.
- **Inclusivity and accessibility:** All community members gain access to vital information and resources related to environmental conservation and sustainable practices.

- **Building trust and rapport:** Fosters trust between the Community Environment Committee and community members, allowing for open discussions and collaboration.
- **Behavioural change:** Serves as an effective tool for changing perspectives and behaviour, inspiring residents to adopt sustainable practices in their daily lives.
- **Monitoring and follow-up:** Progress is monitored by the committee through feedback and ongoing support to residents as they implement sustainable practices.

Thanks to this personalized and inclusive approach, Casa por Casa proved to be a highly successful awareness-raising strategy about sustainable practices. Community residents feel encouraged and supported by the monitoring and follow-up provided by the committee. The community's positive response, resulting in increased awareness about waste disposal practices and pollution reduction as well as behavioural change, has motivated the committee to continue this approach in 2024.



# Labour Relations

UNGC 3, UNGC 4, UNGC 5, UNGC 6

Solaris actively collaborates with national and local companies in our supply chain in Morona Santiago Province, where Warintza is situated. We implement innovative talent management practices and support local business to cultivate fair employment opportunities and promote responsible spending. This aligns with the United Nations Sustainable Development Goal 8, which aims to promote inclusive and sustainable economic growth, full-time and productive employment, and decent work for all by ensuring safe, productive, and fulfilling work across all our operations.

At Solaris, not only do we prioritize compliance with labour rights regulations, but we also actively cultivate a respectful and inclusive work environment. We emphasize adherence to individual labour rights outlined in regulations such as the Code of Conduct and Business Ethics and the Solaris Employee Manual. Upholding these standards ensures legal compliance and fosters a workplace culture that values and respects all employees' rights.

Respecting diverse ideas and opinions is a cornerstone of Solaris's values, regardless of factors such as gender, sexual orientation, political beliefs, or social background. We maintain a zero-tolerance policy for workplace harassment and offensive language, and we actively promote polite, respectful, and friendly interactions among our employees. By nurturing an inclusive environment where every individual feels valued and respected, we foster a culture of creativity, collaboration, and innovation that drives our Company's success.

To reinforce our commitment to ethical conduct, Solaris strictly enforces compliance with the Code of Conduct and Business Ethics. Breaches of these standards may result in disciplinary action, including termination of employment or other business relationships. Our Human Talent Department follows the disciplinary actions specified in the Code, considering factors such as

recidivism and imposing appropriate consequences. Enforcing these measures consistently and transparently upholds our organization's integrity and maintains trust among our stakeholders.

Both the Code of Conduct and Business Ethics and the Field Project Code of Conduct apply to all Solaris employees, regardless of their level of authority. These codes ensure a safe, respectful, and inclusive work environment across all operational fronts of Warintza. Upholding these codes and ensuring compliance demonstrates our commitment to promoting a positive workplace culture for all employees. By providing clear guidelines and expectations, we empower our team members to contribute to our collective success while upholding the highest standards of ethical behaviour.

In 2023, Solaris implemented robust processes across various subsystems to effectively manage talent, resulting in a notable 15% increase in overall employee satisfaction compared to the previous year. This increase reflects our ongoing commitment to fostering a supportive and fulfilling work environment where employees feel valued and empowered to contribute their best efforts. Table 11 outlines our Labour Relations Objectives and Achievements for 2023.





TABLE 11. LABOUR RELATIONS OBJECTIVES AND ACHIEVEMENTS

Objective	Action	Achievement
Attract qualified workers	Streamlined our recruitment process through competency-based interviews, ensuring the selection of candidates capable of acquiring the requisite competencies for strategic positions.	<b>20% improvement in the quality of new hires</b>
Retain current talent	Held monthly HR Working Groups across multiple locations to facilitate open communication, address employee concerns, and foster engagement.	<b>10% decrease in turnover rates</b>
	Implemented non-monetary benefit plans through partnerships with pharmacies and commissaries.	<b>25% increase in employee satisfaction with benefits</b>
	Ensured constructive feedback for employees from annual evaluations based on SMART KPIs and Performance Checklist Calibration.	<b>15% increase in overall performance</b>
	Implemented diverse training programs, including Tactical Emergency Casualty Care (TECC), contractor management in occupational health and safety, mining comprehension, and Advanced Exploration phase training.	<b>30% increase in employee skills development</b>
Enhance organizational climate and culture	Introduced in 2022 and fully implemented in 2023, the DEI Policy aims to address cases of discrimination and harassment to foster a workplace environment where employees feel supported and valued.	<b>40% increase in employee trust</b>
	Established a dedicated complaint channel, managed by HR and corporate social responsibility representatives, leading to the prompt resolution of reported incidents.	<b>50% increase in incidents being addressed satisfactorily</b>
	Conducted awareness campaigns on alcohol consumption and sensitization.	<b>15% decrease in alcohol-related incidents</b>
	Proactively addressed employee concerns.	<b>25% increase in employee satisfaction levels</b>
Ensure work environment well-being	Implemented regular psychosocial risk assessments and interventions to address workplace health and well-being risks.	<b>30% decrease in reported stress-related incidents</b>
	Held outreach sessions to ensure employees' understanding of and adherence to regulations.	<b>20% increase in compliance rates</b>
	Resolved workplace issues in a prompt and confidential manner through a dedicated complaints channel.	<b>40% increase in reported incidents being resolved satisfactorily</b>
Maintain legal compliance in payroll and compensation	Ensured compliance with legal regulations concerning payroll and compensation.	<b>100% compliance rate in timely payment of wages and salaries</b>

# Employment

## Topic 14.17 Employment practices

GRI 401-1, GRI 401-2, EM-MM-000.B, GRI 2-7, GRI 2-8

Solaris centres the promotion of ethical and sustainable economic growth for all by promoting safe, productive, and full work in all our operations through targeted initiatives for employees and all other local stakeholders. In 2023, we made substantial progress in fostering an **inclusive workplace culture**. Using dynamic campaigns and targeted training programs, we achieved a 50% increase in workforce awareness and understanding of diversity and inclusion principles. For example, we launched the **Respect Campaign**, introducing comprehensive policies and procedures such as the Diversity, Equity, and Inclusion (DEI) protocol (at the site level) to ensure workers are able to express their ideas in a workplace free of discrimination and harassment.

We also achieved a 95% compliance rate in disseminating the **Company's Code of Conduct and Ethics** and completing mandatory orientation sessions for new hires. The remaining 5% was due to coordination challenges with rotating shift workers, which we plan to overcome in 2024. By focusing on compliance with corporate policies and regulations, Solaris ensures ethical conduct across all levels of the organization.

### *Employee Engagement*

To proactively address psychosocial risks in 2023, we administered a **biannual questionnaire** to all staff. Based on the results, the Company developed action plans including workshops and training sessions, demonstrating our commitment to employee well-being and legal compliance.

Further, by **prioritizing local hires**, we underscored the importance of equal opportunities and inclusivity, with 80% of new hires originating from local communities, resulting in a 30% increase in employment opportunities at Warintza for individuals in the region. This strategy not only

bolsters economic growth but also strengthens community ties and supports local development.

To maintain open communication and engagement with all employees, Solaris organized **monthly dialogue sessions** across all work fronts, including camps and offices in Quito, Macas, and Limón Indanza. Solaris also continued its investment in talent development by offering **specialized pre-entry training** for new technical field staff to ensure seamless integration into the workforce. We also provided continuous training for all new and existing staff across all work fronts, including informational sessions and discussions on the Company's internal regulations.

In 2023, Solaris introduced innovative **non-monetary benefits**, such as access to agreements with pharmacies and supermarkets, to enhance employee well-being. We also raised awareness about a healthy workplace and responsible alcohol consumption through workshops, socialization sessions, pre-shift talks, and recreational activities as part of a broader campaign. To foster camaraderie among team members and strengthen workplace culture, we organized holiday celebrations for locally significant dates such as Easter, Mother's Day, Women's Day, and the Day of the Dead.

### *Stakeholder Engagement*

We actively engaged with local communities, hosting **information sessions** with collaborators, contractors, service providers, and local authorities to share information about ongoing projects, reaching approximately 1,500 individuals. Additionally, in partnership with the Technical University of Loja, we offered a virtual course-based certification program, covering topics such as "**Understanding Mining**," with over 1,500 people enrolling and obtaining certificates. Another notable course with significant participation by community members was "**The Meaning of Warintza**."

## 2023 Year in Figures

In 2023, our employment numbers totaled 658 people, including full-time employees, rotative employees, and contractors. A significant portion of our employees—88%—come from the Amazonia region, totaling 337 individuals out of 385 employees. This emphasis on hiring from the local area demonstrates our dedication to community engagement and supporting regional growth. Our dedicated workforce received training in areas such as sustainability, corporate policies, workplace mechanisms, and diversity, equity, and inclusion.

Our year in figures also includes the following key highlights:

- No collective bargaining events involving the active workforce
- No strikes or lockouts
- Four-week minimum notice for operational changes\*
- 63% of the contractors are from the Amazonia region (61% in 2022)
- 8% employee turnover rate in (3% in 2022)<sup>†</sup>
- Employees worked an impressive total of 1,090,348 hours in (1,709,535 hours in 2022)

Table 12 to Table 19 provide a further breakdown of employee-related figures.

TABLE 12. EMPLOYEES BY GENDER (2022 AND 2023)<sup>‡</sup>

Employee type	2022			2023		
	Women	Men	Total	Women	Men	Total
Permanent	11	34	45	11	33	44
Part-time (rotative)	77	383	460	68	273	341
<b>Total</b>	<b>88</b>	<b>417</b>	<b>505</b>	<b>79</b>	<b>306</b>	<b>385</b>

TABLE 13. EMPLOYEES BY GEOGRAPHIC LOCATION (2023)

	Amazonia	Ecuador non-Amazonia	Total
Employees (rotative and full-time)	337 (88%)	48 (12%)	385
Turnover rate	7%	1%	8%

\* Average time it takes for management and leadership to communicate operational changes, as per a requirement of the GRI 402-1. A timeframe of four weeks has been calculated as there is typically a monthly meeting with the Strategic Alliance Board.

† Employee turnover is calculated by dividing the number of employees who leave the Company over a specific period by the total average of employees during that period. It includes both voluntary departures (resignations) and involuntary departures (terminations).

‡ Employees on payroll at the end of each year (December 31).



TABLE 14. EMPLOYEES BY COMMUNITIES IN DIRECT AREA OF INFLUENCE (2023)

Community	Number of employees	Women	Men
Warints	116	22%	78%
Yawi	58	24%	76%
<b>Total</b>	<b>174</b>		

TABLE 15. EMPLOYEE CHANGES FROM 2022 TO 2023

Employees	2022-2023
<b>Permanent</b>	<b>-2%</b>
Women	No change
Men	-3%
<b>Part-time (rotative)</b>	<b>-26%</b>
Women	-12%
Men	-29%
<b>Total</b>	<b>-24%</b>
Women	-10%
Men	-27%

TABLE 16. EMPLOYEES HIRED

	Number		
	2021	2022	2023
Men	203	46	26
Women	40	18	74
Amazon	201	53	82
Rest of Ecuador	42	11	18
<b>Total</b>	<b>243</b>	<b>64</b>	<b>100</b>

TABLE 17. EMPLOYEE DEPARTURES

	Number		
	2021	2022	2023
Men	19	51	185
Women	5	15	35
Amazon	22	53	194
Rest of Ecuador	2	13	26
<b>Total</b>	<b>24</b>	<b>66</b>	<b>220</b>





TABLE 18. CONTRACTORS BY GENDER (2023)

Gender	Number	Percentage of total
Women	45	16%
Men	228	84%
<b>Total</b>	<b>273</b>	<b>100%</b>

TABLE 19. CONTRACTORS BY GEOGRAPHIC LOCATION (2023)

Geographic location	Number	Percentage of total
Amazonia	173	63%
Ecuador non-Amazonia	99	36%
International	1	1%
<b>Total</b>	<b>273</b>	<b>100%</b>

# Health and Safety

## Topic 14.16 Occupational health and safety

GRI 403-1, GRI 403-10, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, EM-MM-320a.1

Solaris emphasizes continuous improvement in occupational health and safety (OHS) to create a safe and healthy work environment. Aligned with our goal of providing secure workplaces, we foster a culture of care, and mitigate operational risks. We prioritize OHS across all activities, particularly within Warintza, to generate accident-free workplaces that promote the welfare of workers, contractors, community members, and visitors. Solaris identifies occupational health risks across various categories: physical, chemical, mechanical, biological, ergonomic, and psychosocial. We actively work to mitigate these risks through control measures and safety protocols.

## Key OHS Achievements in 2023

In 2023, Solaris attained significant milestones in occupational health and safety:

- **Zero recordable accidents:** At Warintza, we achieved over 1,000,000 work hours without any recordable accidents, demonstrating a strong safety culture and effective risk prevention strategies.
- **Safety training:** We dedicated 10,308 person-hours to safety training and coaching for all staff members, reinforcing our commitment to a safe workplace (safety and general related training).
- **Legal compliance:** In 2023, Solaris, updated and approved biennial documentation including internal safety regulations and risk matrices.

## Occupational Health and Safety Management System (OHSMS)

Solaris maintains a comprehensive OHSMS that identifies, evaluates, and mitigates risks. The system includes:



- **Risk control hierarchy:** This framework enables us to manage risks by eliminating hazards, substituting hazardous elements, implementing engineering and administrative controls, and using PPE. This approach helped us identify and control risks during specific operations in 2023.
- **Emergency response plan:** We implemented our comprehensive emergency response plan during 2023 and confirmed its capability to





help us respond promptly to various emergency situations. The plan involves risk and threat assessments, the development of specific action protocols, and the establishment of integrated emergency response brigades with regular training and drills.

Solaris encourages worker participation in OHS matters through health and safety committees that include employee representatives. These committees foster a culture of safety through open communication and consultation. In 2023, we conducted monthly discussion tables and safety meetings to address concerns and share safety best practices.

## New Initiatives

- **Emergency brigades:** To ensure a rapid response to emergencies, Solaris established a comprehensive training program for emergency brigade members. In 2023, we equipped 53 community workers with essential emergency response skills, including first aid, firefighting, communication, evacuation, and rescue techniques. These brigades are a critical component of our emergency response plan, enhancing the safety and resilience of our operations.
- **Safety tools and programs:** Solaris developed and deployed various safety tools in 2023, empowering workers to effectively manage risks. These tools included observation cards (Aneara Takakmasta in the Shuar language), a safety and health manual, and a pocket manual for emergency responders. With these culturally sensitive resources, we continue to enhance our safety culture and our ability to proactively address occupational hazards.
- **Awareness campaigns:** Solaris conducted seven awareness campaigns across Warintza in 2023, addressing safety, remote work, heli-transportable loads, deworming, and ensuring a safe holiday season in December. These campaigns heightened safety awareness among our staff and their families and encouraged a culture of safety throughout our operations and the communities we work in.
- **Li Penker Jea (Our Healthy Home):** Solaris goes beyond basic safety compliance by promoting worker health and wellness. In response to a 2021 baseline study indicating that 42% of Warintza workers could benefit from healthier lifestyles, in 2023 we implemented the “Li Penker Jea” (Our Healthy Home in the Shuar language) program. This program covers five areas: mental health, smoking, sports, nutrition, and family. It promotes healthy habits and includes activities such as healthy eating initiatives, sports competitions, and tobacco and drug prevention campaigns.

## Recognition and Certifications

In 2023, Solaris received several awards and certifications for its commitment to health and safety:

- **Smoke-Free Spaces Certification:** Solaris was awarded by the Ministry of Public Health for our efforts in promoting a smoke-free workplace through awareness programs and workshops to prevent tobacco use.
- **Breastfeeding support rooms:** Solaris was certified by the Ministry of Public Health for establishing breastfeeding support rooms in Warints and Yawi.
- **“Actívate y Vive” (Get Active and Live Better) Certification:** Solaris became the first mining exploration company in Ecuador to achieve this certification, recognizing our proactive approach to promoting healthy workspaces through physical activity, healthy eating, and psychosocial risk management.
- **Healthy Prevention Award for the “Li Penker Jea” occupational wellness program:** Awarded by the Institute of Safety and Occupational Wellness (ISBL), and the International University SEK of Ecuador. The award honours our program entitled Our Healthy Home, or “Li Penker Jea” in the Shuar language (see the previous section). This recognition is part of the annual Healthy Prevention Awards ceremony held in Quito, Ecuador, which promotes and highlights practices and policies to motivate organizations that have achieved excellence in employee health and well-being.

# Human Rights

UNGC 1, UNGC 2

Solaris upholds human rights across all facets of our operations. We do this by ethically managing impacts on people guided by a comprehensive focus on transparency, dialogue, trust, health, and safety. To achieve this, we ensure timely reporting and strict compliance with standards and regulations.

Central to our ethos is meaningful engagement with communities, allowing for deeper insights into current human rights conditions and associated risks and opportunities in our operational areas. Our Human Rights Policy builds on the International Bill of Human Rights and the core conventions of the International Labour Organization (ILO).

Before initiating exploration activities in any new jurisdiction, Solaris conducts extensive research to assess a range of social risks specific to each region. These risks encompass factors such as national

security, personal security, and public health. Through the proactive identification of locally informed risks, Solaris works to mitigate potential adverse impacts and safeguard the well-being of our employees, local communities, and stakeholders.

We regularly assess enterprise-level human rights risks and continually refine our policies and practices in alignment with our management plans. This commitment extends to our supply chain through our Supply Chain Policy, setting clear expectations for suppliers and contractors regarding human rights and responsible business practices.

The President, Latin America, leads ongoing dialogue with communities, spearheading initiatives related to social management and responsibility, community engagement and investment, Indigenous affairs, and human rights.





# Indigenous Rights

GRI 411-1, EM-MM-210a.2

For Solaris, respect for Indigenous rights begins by safeguarding cultural heritage and ancestral lands. Central to our approach is Solaris's Indigenous Rights Policy, aligned with the principles of the International Labour Organization (ILO) Convention 169, which underscores the significance of free, prior, and informed consent (FPIC).

Through this policy, we prioritize meaningful dialogue and consultation with Indigenous communities prior to commencing any exploration or mining activities. We respect their inherent right to self-determination and autonomy over their lands and resources, and we ensure that their voices are

heard and their consent is obtained before project initiation. Throughout the project lifecycle, we maintain open communication through regular consultation meetings, actively promote the effective participation of Indigenous Peoples in all project activities, and address community concerns. We integrate the perspectives of Indigenous Peoples into our decision-making processes to achieve mutually defined community development goals.

Additionally, Solaris firmly opposes the notion of expropriation. Rather, we align with principles that protect the inalienable status of Indigenous lands. We are committed to fostering collaborative partnerships with Indigenous Peoples and to prioritizing economic sustainability, environmental responsibility, and corporate social responsibility.

This policy receives robust support within our ESG approach, as well as our Health and Safety, Human Rights, Supply Chain, Anti-Corruption and Bribery, and Sustainability policies. We ensure that all internal guidance undergoes periodic review and updates as necessary.

By adhering to our Indigenous Rights Policy and the principle of FPIC, Solaris aims to cultivate enduring relationships built on trust and mutual understanding. We firmly believe that by honouring Indigenous rights and cultural heritage, we contribute to a more equitable and sustainable future for all stakeholders involved.





# Value Creation

Topic 14.9 Economic impacts; GRI 201-1, GRI 203-1, GRI 203-2

Table 20 and Table 21 break down the economic benefits produced and allocated, with categories including community development,

employee compensation, investments in the Ecuadorian government, and supplier and local procurement contributions.

TABLE 20. DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (IN USD)\*

COMMUNITY DEVELOPMENT	2021	2022	2023
Infrastructure	1,210,616	730,102	1,290,187
Scholarships	54,375	152,321	192,759
In-kind donations	154,491	105,930	737,710
Training and capacity-building	26,875	53,599	69,659
Other†	884,529	1,227,125	24,863
Direct purchases from community providers‡			443,233
Agreements	613,766	967,812	1,100,627
<b>Total community payments</b>	<b>2,944,652</b>	<b>3,236,889</b>	<b>3,859,038</b>
EMPLOYEES (TOTAL INVESTMENTS)			
Full-time employees	1,368,261	1,623,557	1,762,582
Rotative employees	2,909,452	3,721,179	2,279,983
Interns	5,542	3,245	2,924
<b>Total employee wages and benefits</b>	<b>4,283,255</b>	<b>5,347,981</b>	<b>4,045,489</b>
ECUADORIAN GOVERNMENT (TOTAL INVESTMENTS)			
Mining patent	267,770	292,885	321,946
Capital outflow tax	115,303	148,793	9,792
Government contributions	367,467	63,524	105,274
Non-recoverable taxes	40,088	22,083	18,584
Social quotas	38,083	33,219	8,519
Property taxes	68,127	150,803	246,103
Other	56,264	43,643	6,782
Administrative permits§			1,537,190
<b>Total government payments</b>	<b>953,102</b>	<b>754,950</b>	<b>2,254,190</b>

\* Cumulative financial data is presented in US dollars. In 2021 and 2022, BIT&T Auditores y Consultores Cia. Ltda. conducted the compilation. For 2023, Robalino-CPA Consultores performed the compilation. The latter consulting firm holds the ISO 27001:2013 Information Security Certification, which validates its risk management, control, and information protection procedures.

† As of December 31, 2023, the breakdown of the “Other” classification is as follows: Artisanal Mining: 19,139; Community Relations Services: 5,725.

‡ Due to the significance of purchases made from community suppliers, a new classification has been added to the community investment table for 2023. In this report, a more stringent review process was carried out, resulting in the refinement of the categories.

§ The 2023 financial report includes a new category, “administrative permits,” which covers payments for obtaining permits specifically related to advanced exploration activities. This category was not included in previous reports. As of December 31, 2023, the Company holds nine mining concessions: three in the advanced exploration stage and six in the initial exploration stage.

TABLE 21. SUPPLIERS AND LOCAL PROCUREMENT (IN USD)

	2021	2022	2023
Number of providers	361	449	599
Goods	4,812,639	3,950,478	2,012,924
Services	37,578,504	37,611,163	21,734,414
Ring 1	4,332,195	21,590,867	12,708,758
Ring 2	167,040	170,947	46,711
Ring 3	34,510,440	15,843,745	10,393,747
Ring 4	3,381,468	3,956,082	598,122
<b>Total procurement spending</b>	<b>42,391,143</b>	<b>41,561,641</b>	<b>23,747,338</b>

Note: The boundary procurement spending ring system is based on the following definitions of scope: Ring 1 includes communities in Warints and Yawi, the Morona Canton, Limón Indanza Canton, and Santiago de Mendez Canton; Ring 2 covers the rest of Amazonia; Ring 3 covers the rest of Ecuador; and Ring 4 means international.



# Diversity, Equity, and Inclusion

Topic 14.21 Nondiscrimination and equal opportunity  
GRI 405-1, GRI 405-2, GRI 406-1

Solaris works to foster a workplace culture that champions diversity, equity, and inclusion (DEI). Insights from our 2022 Report highlighted knowledge gaps in the areas of gender-related issues, cultural understanding, and violence prevention. This prompted us to implement proactive measures in 2023 to actively work to close these knowledge gaps through tailored training programs and awareness initiatives. Our goal is to create an environment where every individual feels valued, respected, and empowered.

In 2023, Solaris reinforced its Diversity, Equity, and Inclusion (DEI) Policy (implemented in 2022 at the site level) through DEI training and awareness initiatives. This policy guides our efforts to create a workplace where everyone, regardless of gender, race, or background, has equal opportunities and is treated with dignity and respect.

Throughout 2023, we conducted training and outreach sessions to raise awareness about DEI among all stakeholders. We held comprehensive outreach sessions for contractors involved in Warintza, ensuring they understood mandatory legal procedures and internal DEI policies. We also held monthly outreach sessions and pre-shift talks, and we distributed posters across our facilities to promote awareness and encourage people to report their concerns.

## Complaints Channel and Handling of Complaints

In 2023, Solaris witnessed the effective operation of our corporate complaints channel, implemented in 2022. This mechanism allows employees to report concerns related to discrimination, sexual harassment, or other workplace issues. In 2023, we received six complaints (via [teescuchamos@lowellmineral.com](mailto:teescuchamos@lowellmineral.com)), including cases of workplace and sexual harassment. Each complaint was thoroughly investigated and satisfactorily resolved in accordance with our DEI Policy, with appropriate corrective actions and support for affected parties. Our harassment and discrimination process flow chart can be found in detail in our 2022 Sustainability Report.

## Gender Equity and Women's Empowerment

Solaris, a signatory of the Women's Empowerment Principles (WEP), continues to implement strategic initiatives to promote gender equality and diversity. Solaris is committed to advancing gender equality in the workplace, marketplace, and community. We are also a member of Women in Mining (WIM) and adhere to the ten principles of the Global Compact, with a particular focus on SDG 5 (gender equality) and the Global Compact's principles related to human rights and labour.

In 2023, Solaris worked diligently to meet specific targets we set in 2021 to advance each of the seven WEP principles, as described in Table 22.



TABLE 22. UNGC WOMEN'S EMPOWERMENT PRINCIPLES: ACHIEVEMENTS

	Principle	2021 target	2022 achievements	2023 highlights
1	<b>Establish high-level corporate leadership for gender equality</b>	Develop a site-specific Human Resources Policy, establish site-specific goals and targets for gender equality and women's empowerment, and ensure management accountability. Engage with external stakeholders and develop and implement a diversity committee.	Developed a DEI Policy. Developed a management procedure in cases of discrimination, sexual harassment, and all forms of workplace violence. Created a DEI Committee in charge of reviewing cases of sexual harassment and workplace violence.	Implemented the DEI Policy to enhance gender equality and women's empowerment. Improved the DEI Committee's effectiveness to oversee workplace issues related to gender and discrimination. Integrated feedback from stakeholders and internal DEI-related training programs into our organizational culture.
2	<b>Treat all women and men fairly at work—respect and support human rights and non-discrimination</b>	Conduct training on the prevention of discrimination and harassment against women. Develop and implement a corporate campaign to foment corporate culture on women's empowerment and gender equity.	Conducted training on the prevention of discrimination, harassment against women, and unconscious bias. Received the Empresa Segura certification for all employees. Carried out a respect campaign to foment corporate culture on gender equity and workplace violence called Sustainability Is Respect for Diversity.	Continued to provide training on the prevention of discrimination and harassment against women, reaching a wider audience within Solaris. Conducted outreach sessions to promote awareness of the corporate culture around women's empowerment and gender equity. Enhanced internal campaigns to build a more inclusive workplace culture.
3	<b>Ensure the health, safety, and well-being of all workers</b>	Establish internal policies and procedures preventing all forms of violence and sexual harassment at work, including a claims mechanism and resolution process.	Developed a management procedure in cases of discrimination, sexual harassment, and all forms of workplace violence. Carried out outreach to ensure all employees and workers had access to the internal grievance mechanism.	Improved the accessibility of the DEI grievance mechanism and raised awareness about it among staff. Introduced a new employee assistance program to support workers' mental health and well-being. Implemented additional safety protocols to maintain a harassment-free workplace.

	Principle	2021 target	2022 achievements	2023 highlights
4	<b>Promote education, training, and professional development for women</b>	Promote gender diversity and empowerment in the mining industry by providing educational opportunities and financial support to women pursuing careers related to mining in the Amazon region and Ecuador.	Created a scholarship program for women in the Amazon region studying toward careers related to mining (the Amazon Woman Miner Scholarship Program). Sponsored a scholarship program in partnership with WIM for women in Ecuador studying toward careers related to mining (the Woman Miner Scholarship Program).	Participated in workshops and seminars to promote women's careers in the mining industry.
5	<b>Implement enterprise development, supply chain, and marketing practices that empower women</b>	Raise awareness among business partners, contractors, and suppliers about the WEPS. Design and implement a responsible marketing policy.	Carried out a respect campaign to foment corporate culture on gender equity and workplace violence called Sustainability Is Respect for Diversity.	Extended the corporate DEI Policy to include contractors within the supply chain and carried out a yearly refresher campaign.
6	<b>Promote equality through community initiatives and advocacy</b>	Lead by example in the mining industry. Promote and recognize women's leadership and contributions to their communities; ensure women's active participation in community consultation, particularly in Warintza's direct area of influence. Leverage influence to advance gender equality and collaborate with business partners, suppliers, and community leaders to achieve results. Work with community stakeholders and officials to eliminate discrimination and exploitation and to expand opportunities for women and girls. Support community initiatives and our Warintza Mujer development program.	Attended multi-stakeholder dialogue sessions and events to promote the importance of women's leadership in the mining industry. Carried out Project Núa, about exercising Indigenous women's rights, in partnership with CEDEAL. This was a year-long project of participatory activities with the women of Warints and Yawi about women's rights, reproductive rights, gender-based violence, and women's empowerment. Implemented a DEI Policy that extends to all workers and contractors for Warintza.	Carried out community programs focused on women's empowerment and leadership development. Hosted community sessions with women from Warintza's direct area of influence, encouraging active participation and feedback. Continued to collaborate with stakeholders, business partners, and community leaders to advance gender equality and create more opportunities for women and girls.

	Principle	2021 target	2022 achievements	2023 highlights
7	<b>Measure and publicly report on progress to achieve gender equality</b>	Develop incentives and accountability mechanisms to accelerate WEP implementation through KPIs; report on progress. Continue to collect, analyze, and report results at all levels; conduct an organization-wide survey about gender. Share lessons learned and good practices in the implementation of the WEPs.	Participated in the first round of the UNGC Target Gender Equality Accelerator Program. Took part in an Ecuador-wide survey on gender equity and women's participation in the mining sector, carried out through efforts between WIM Ecuador, EITI, and the Ecuadorian Mining Chamber. Published the 2021 Sustainability Report and the 2021 COP Report; renewed our commitment to the WEPs.	Published the 2022 Sustainability Report, outlining progress on gender equity and women's empowerment. Shared best practices and lessons learned to promote gender equality across the mining industry.





# Suppliers and Procurement

Topic 14.9.5 Economic impacts

GRI 204-1, LPRM 201, LPRM 202, LPRM 203, LPRM 204 A, LPRM 204 B, LPRM 204 C, LPRM 204 D, LPRM 301, LPRM 302, LPRM 401, LPRM 403, LPRM 501, LPRM 502, LPRM 503, LPRM 504, LPRM 505, LPRM 506, LPRM 601, LPRM 602

Solaris fosters ethical procurement practices, delivering benefits not only to the local communities but also to the broader Ecuadorian economy. Emblematic of our commitment is Warintza, located in Morona Santiago Province, where Solaris collaborates with national and local businesses to create economic growth, generate employment, and stimulate local expenditure.

In support of our procurement and exploration activities, we operate across multiple locations in Ecuador. Our core shack is located in Quito, Pichincha, for mining core shack logging and sample storage. Our central office is based in Quito; this is where strategic mining exploration and planning activities take place. We also have

two regional offices, one in Morona, Morona-Santiago, to coordinate mining exploration activities, and the other in Limón Indanza to manage mining exploration activities.

## 2023 Strategic Supplier Engagement

In 2023, Solaris deepened its relationships with local suppliers, particularly in Limón Indanza, the primary influence canton for Warintza. In response to reduced operational volume compared to 2022, the Company focused on strategically recalibrating its supply chain. Key results from this strategy include the following:



- **Contractor acquisition volume:** The percentage of contractor acquisitions decreased from 86.32% in 2022 to 82.43% in 2023, reflecting our reduced operational volume and broader supplier base.
- **Expanded supplier base:** Despite the reduction in contractor acquisitions, Solaris expanded its supplier base to 599 suppliers in 2023 from 449 suppliers in 2022, demonstrating a commitment to a diverse and inclusive supply chain.
- **Purchase volume from Limón Indanza:** The total purchase volume from Limón Indanza in 2023 was \$1,205,899.70, representing a 27% decrease from 2022's \$1,652,264.68. Despite this reduction, the Company focused on strengthening supplier relationships through formal agreements and open tenders.

Solaris emphasizes ethical practices through formal contracting modalities. In 2023, we conducted 95% of acquisitions through formal contracts, underscoring our commitment to transparency and industry best practices. The remaining 5% involved regular purchase orders, typically used for smaller-scale transactions.

Solaris has also implemented comprehensive policies that prioritize the local procurement of products, raw materials, equipment, and various vendors in Ecuador and globally. Key procurement policies include the following:

- **Procurement and Acquisition Policy:** Serves as a guiding framework for procurement processes, ensuring transparency and efficiency.
- **Supply Chain Management Policy:** Outlines responsible supply chain practices, with a strong emphasis on local procurement.
- **Local Procurement Reporting Mechanism (LPRM):** This structured system enhances engagement with local suppliers and promotes ethical sourcing.

As mentioned on page 6 Solaris has implemented the Local Procurement Reporting Mechanism (LPRM), a structured system

that categorizes procurement into four rings, prioritizing local communities (see Figure 1 on page 6). This system emphasizes transparency and accountability through GRI Disclosure 301 standards, and ongoing community engagement.

The communities and regions within each ring are shown in Figure 14.

FIGURE 14. WARINTZA'S LOCAL RING SYSTEM

Ring 1	Communities: Warints, Yawi, Morona Canton, Limón Indanza Canton, Santiago de Mendez Canton
Ring 2	Rest of the Amazonia Region
Ring 3	Rest of Ecuador
Ring 4	International

The Solaris procurement department, based in Morona Santiago, engages daily with suppliers to understand their needs, expectations, and concerns.\* Throughout 2023, we have been working to improve the informal channels that facilitate communication with suppliers. This involves refining structured mechanisms to effectively address community concerns. For example, in 2023, Solaris expanded its supplier base in Ring 1 and strengthened relationships with local suppliers. This process includes a transparent tender process with rigorous evaluation criteria to ensure fairness and transparency, and involves the following key aspects:

- **Criteria formalization:** Detailed bidding documents outline technical parameters and requirements.
- **Bidding process outreach:** Open sharing of bidding documents through multiple channels.
- **Committee evaluation:** A multidisciplinary committee reviews technical and economic bids, ensuring a comprehensive evaluation process.
- **Specific criteria assessment:** Criteria include Company categorization, technical specifications, cost-benefit analysis, supplier

\* Our procurement team can be reached by email as follows: Iván Morales, Procurement Manager, imorales@qcs.com.ec; Mario Farez, Logistics, Macas, mario.farez@lowellmineral.com; Daniel Peralta, Operations Manager, daniel.peralta@lowellmineral.com.



background, commercial references, geographical location, and local preference.

## Sourcing

Solaris, in adherence to regulations, sources from specific types of local suppliers to support the local economy and maintain transparent relationships with the Ecuadorian government. This is reflected in our sourcing strategy, which includes purchasing, contracting, warehousing, transportation, and mineral analysis.

### *Supplier Selection*

Solaris takes a comprehensive approach to supplier selection, involving both qualitative and quantitative assessments to ensure a thorough evaluation. Our qualitative assessment looks at potential suppliers' legality, commercial status, location, and quality, including certifications, standards, and compliance. The quantitative assessment examines potential suppliers' financial stability, provides a cost-benefit analysis, and considers other measurable factors.

### *Acquisitions*

In line with our transition to Advanced Exploration (AE), Solaris reduced acquisitions from contractors to 82.43% from 86.32% in 2022. However, we

signed and renewed 28 supplier agreements, including 10 contracts and 18 addenda, to ensure stability in our supplier relationships, as we continue to foster positive supplier relationships and maintain transparency. The stories on page 85 describe some of our local suppliers.

### *Looking Forward*

In 2024, Solaris plans to continue improving its ethical procurement practices with a focus on several key areas. First, we aim to improve contract management by streamlining the process for generating contracts and formalizing agreements with suppliers, particularly those with significant billing. Second, we will strengthen supplier relationships by providing ongoing training and support to local suppliers, fostering a collaborative and inclusive approach. Lastly, we plan to automate procurement processes by implementing process management tools and enhancing data analysis capabilities to ensure efficiency and uphold ethical standards.

We will also continue to empower strategic local procurement, aligned with the AE stage, and play a pivotal role in stimulating economic growth and supporting the well-being of local communities.





## Warintza Stories: Empowering Local Enterprises and Fostering Inclusive Growth

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Sustainable procurement practices directly impact local communities in a positive manner. This positive relationship underscores the transformative power of collaborative partnerships in bolstering regional economies and community well-being. Here are some key examples of these relationships in action.

### **Valleza S.A.S.**

Valleza S.A.S., a community-owned company in the Chimandaz Valley area, is a testament to our dedication to empowering local enterprises. With 25 members, Valleza S.A.S. specializes in supplying processed and raw food items. In 2023, this company ventured into manufacturing cleaning products under their brand. Solaris provided comprehensive support, including training, guidance, and assistance in obtaining the necessary certifications. Once they are approved, we intend to procure Valleza products for use in our camps and offices, fostering economic empowerment in the community.

### **Evelyn Zulay Fernandez Fernandez**

Evelyn Zulay Fernandez Fernandez represents a cornerstone of Solaris's localization efforts in the Chiviaza area of the Limón Indanza Canton. Specializing in processed and raw food products, in 2023 Ms. Fernandez benefited from Solaris's support in infrastructure development and market access. Consequently, Ms. Fernandez's business has begun to thrive, contributing to community development and economic growth.

### **Juan Jose Jara Salinas**

Juan Jose Jara Salinas, a poultry supplier, embodies the collaborative value chain established by Solaris. Through partnerships with local poultry producers in the Limón Indanza Canton, Juan Jose Jara Salinas sources processed chickens, contributing to the local economy. In 2023, Solaris facilitated this partnership by investing in packaging, storage, and transportation infrastructure, ensuring product quality and safety. This support has not only strengthened Jara Salinas's business but also created more opportunities for local poultry farmers.

### **Jaime Marcelo Reinoso Leon**

Jaime Marcelo Reinoso Leon exemplifies Solaris's commitment to fostering inclusive growth and supporting local businesses. As a supplier of beef products, Jaime Marcelo Reinoso Leon operates a comprehensive value chain, from slaughter to processing and delivery. Solaris collaborated with Jaime Marcelo Reinoso Leon to enhance infrastructure for processing, storage, and transportation, enabling adherence to food safety standards. Additionally, Jaime Marcelo Reinoso Leon extends its reach by supplying to various restaurants in the Limón Indanza region, contributing to economic diversification and job creation. In 2023, Solaris, through this partnership, helped Reinoso Leon expand its business and improve local food security.

### **Rosa Carmelina, Gloria Susana, and Wampash Chuwi Guayllazaca Lozano**

These three women suppliers, who specialize in vegetables, fruits, and horticultural products, symbolize Solaris's commitment to promoting agricultural sustainability and supporting local farmers. Operating from the central market of the General Leonidas Plaza Parish in the Limón Indanza Canton, these women adhere to rigorous standards and practices. In 2023, Solaris provided the women with access to markets, training, and guidance on sustainable farming practices, facilitating their entrepreneurial growth. Through collaborative efforts like these, Solaris collectively fosters agricultural resilience and economic prosperity in the region.

# Artisanal Mining

Topic 14.13 Artisanal and small-scale mining

G4 - MM8

Solaris actively supports the formalization of artisanal mining activities. By addressing technical, social, and environmental aspects and promoting capacity-building, we foster a sustainable and inclusive artisanal mining sector that benefits local communities and the broader mining industry.

In 2023, Solaris made significant strides in formalizing and supporting responsible artisanal mining operations, moving from foundational activities (Arcoíris Mining Association and the Artisanal Mining Board were established in 2022) to effective implementation and compliance. Throughout 2023, the association actively conducted business, complied with administrative and regulatory requirements, and successfully applied a mining management model. Further, the association also enhanced its environmental compliance efforts, maintained regular communication with authorities, and signed an operational contract with Solaris.

In 2023, however, efforts to regulate artisanal mining faced significant challenges. The primary challenge involved the absence of regulations for the formalization of artisanal mining in Ecuador, which necessitated that we collaborate with the national Association of Artisanal and Small-Scale Mining Production (ASOPROMIAR) to create and advance appropriate regulations. Further, a Constitutional Court ruling halted permits and licenses across the mining sector, while informal miners encroached on areas designated for ASOPROMIAR's use, causing significant environmental impacts.

Additionally, Solaris encountered challenges in raising awareness about the importance of formalizing and maintaining environmental standards. We also worked to overcome a lack of knowledge among association members about their commitments and responsibilities to state control agencies and accountability mechanisms.

Table 23 provides an overview of key accomplishments and activities relating to artisanal mining.



### Looking Forward

In 2024, Solaris plans to respond to these challenges by continuing to foster awareness of the environmental impacts of artisanal mining. We will also continue

to build the administrative and technical capacities of the members of the Arcoiris Association. We look forward to obtaining the Environmental Registration from ASOPROMIAR in 2024 and commencing artisanal mining operations.

TABLE 23. ARTISANAL MINING OVERVIEW 2022–2023

Area	2022 Actions	2023 Actions
<b>Arcoiris Association</b>	Registered the Association with the Superintendency of Popular and Solidarity Economy.	Actively conducted business.
<b>Artisanal Mining Board</b>	Established the Board. Collaborated with multiple organizations.	Complied with multiple administrative requirements.
<b>Artisanal miner training</b>	Trained artisanal miners in Warints and Yawi.	Conducted workshops on member responsibilities.
<b>Alluvial artisanal mining management model (Warints)</b>	Initiated the development and promotion of the alluvial artisanal mining management model (Warints).	Successfully applied the management model in Warints.
<b>Legalization process</b>	Conducted meetings and assemblies related to legalization and compliance.	Complied with regulations.
<b>Social management</b>	Raised awareness about mining activities and negative impacts. Approved the operating agreement and secured access to land for surveys and environmental permits.	Disseminated news about our advancements through local communication channels (see page 38 Communications).
<b>Environmental management</b>	Conducted a comprehensive survey of environmental impacts. Prepared reports for compliance with environmental regulations.	Applied for credentials to access the SUIA portal (Ministry of Environment) to request necessary permits.
<b>Socio-political management</b>	Collaborated with national authorities. Established communication channels and advocated for reforms in ministerial agreements.	Provided regular updates to local and national authorities about the artisanal mining project.
<b>Progress reporting</b>	Submitted monthly progress reports.	Obtained legal permits, conducted meetings with potential investors, conducted prospective studies in the area of operations and continued artisanal exploration activities, regularly reporting to regulatory bodies.
<b>Additional milestones</b>	Conducted social outreach and environmental impact assessments. Collaborated with national authorities.	Signed an operation contract between Solaris and Arcoiris Association.







# Environmental Stewardship

Solaris upholds a commitment to transparent, responsible, and eco-friendly operations. Employing best practices, we strive to minimize environmental impact, prioritize human health, and restore sites to elevated environmental standards. Through engaged stewardship actions, we collaborate with

communities, embracing diverse perspectives to shape sustainable environmental models. Centred around transparent reporting on our environmental progress, our stewardship measures yield quantifiable benefits to the environment.



# Environmental Management System

Topic 14.8 Closure and rehabilitation

Topic 14.15 Critical incident management

EM-MM-160a.1, GRI 305-6, GRI 305-7, GRI 308-1, GRI 308-2

SDG 10, SDG 12, SDG 13, SDG 14, SDG 15, UNGC 7, UNGC 8, UNGC 9

Environmental management is central to Solaris's sustainability strategy. The guidelines for our flagship project, Warintza, focus on minimizing environmental impact. Key measures include meticulous planning, biotic release activities to rescue local flora and fauna, and archaeological prospection to identify historical or cultural remnants.

In 2023, Solaris continued to reduce its ecological footprint through resource conservation and environmental stewardship promotion by means of a comprehensive Environmental Management System (EMS). We made progress in key practice areas including licensing and permits, area intervention, waste management, employee training, community relations, rehabilitation, monitoring, and closure procedures.

## Environmental Management Plan

Solaris's Environmental Management Plan (EMP) encompasses multiple management plans with specific key performance indicators, verification methods, and monitoring frequencies. The EMP addresses various aspects of environmental responsibility, ensuring compliance with the environmental regulations that apply to advanced exploration. These include obtaining an environmental license, conducting environmental impact studies, and undergoing annual environmental compliance audits.

Our EMP focuses on three key areas:

1. Community-focused prevention and mitigation of environmental impacts
2. Industrial safety and occupational health plan and employee training
3. Waste management , including closure and abandonment processes

### *Prevention and Mitigation of Environmental Impacts*

Before starting operations at any site, Solaris conducts a thorough socio-economic baseline study to understand the living conditions in the communities within the Project's area of influence. As part of our commitment to transparency, Solaris holds quarterly community information sessions to provide updates on our operations and address local concerns. Additionally, we organize collaborative environmental monitoring sessions with community members to foster a shared understanding of the environmental impact of our activities.

We take an active role in environmental education through workshops and other programs aimed at promoting environmental stewardship. Our initiatives include programs such as environmental education, community training and monitoring, and indemnification and compensation. Our goals are to cultivate strong relationships with local communities and ensure that their needs are addressed in a sustainable manner.

To prevent and mitigate environmental impacts, Solaris regularly maintains drilling equipment, latrines, and biodigesters to reduce our ecological



footprint. We use environmentally friendly additives and conduct regular testing at water discharge points to ensure compliance with water quality standards. During road construction, we limit road widths to 1.5 metres and strategically locate infrastructure in previously intervened areas to minimize environmental impact.

Solaris has a proactive approach to contingency management. We conduct rigorous risk assessments to identify potential incidents, such as spills or improper waste management. We have a formal protocol for contingencies, with comprehensive training for staff, contractors, and visitors. We conduct quarterly drills to ensure preparedness, and we have spill response kits to address potential environmental incidents. This approach helps minimize the environmental impact of unforeseen events.

#### *Industrial Safety and Occupational Health Plan and Employee Training*

Our Industrial Safety and Occupational Health Plan prioritizes employee safety and well-being. Solaris provides PPE tailored to each employee's role, installs safety signage in work areas, and regulates vehicle speeds to reduce particulate matter emissions. These measures create a safer work environment while maintaining compliance with environmental standards.

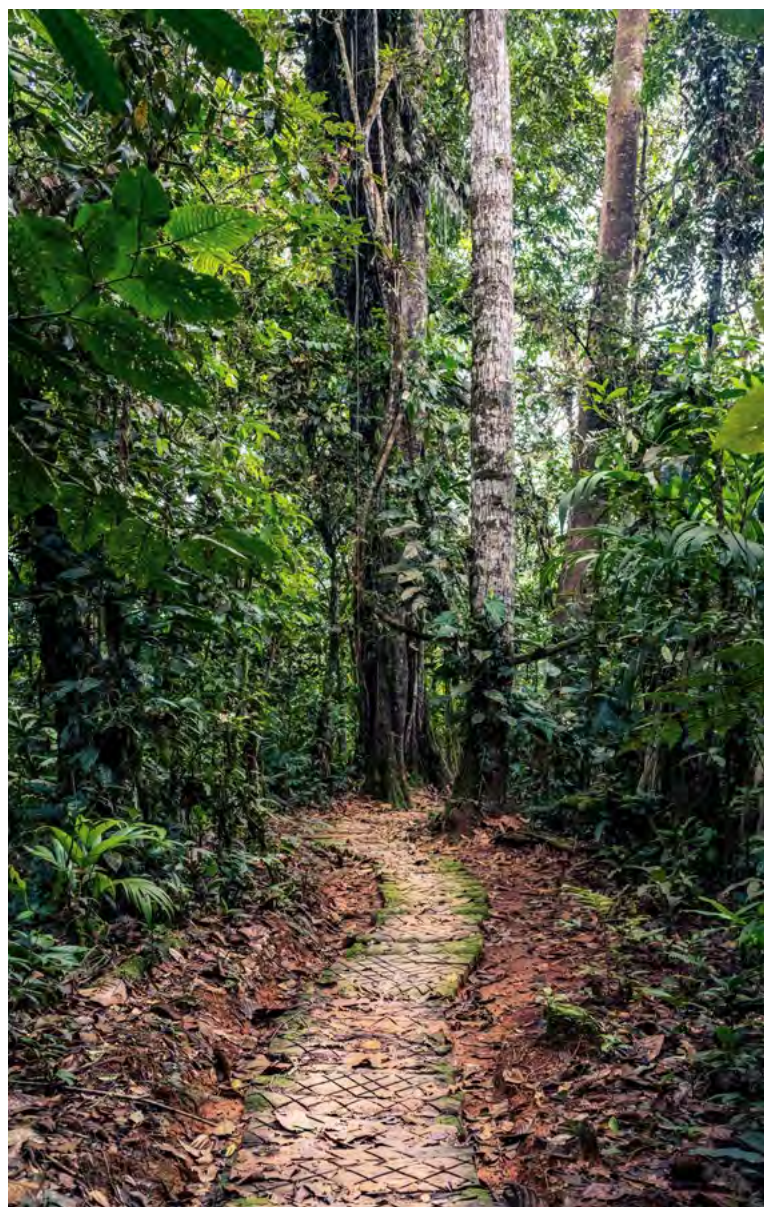
We prioritize hiring skilled and unskilled labour from the communities within Solaris's area of direct social influence. We conduct training sessions on topics such as water conservation, recycling, waste management, and environmental regulations, and we train our personnel to respect local customs and traditions. As well, we involve local community members as observers in our environmental monitoring activities, ensuring that they have a voice in our environmental practices.

A key component of prevention is employee training and communication that fosters a culture of environmental responsibility. We offer specialized training sessions focusing on contingency management, proper conduct near wildlife, and environmental responsibility. Our policies prohibit the capture, harassment,

hunting, and fishing of wildlife. Inductions and socialization sessions help ensure that all employees understand and implement the EMP effectively.

#### *Waste Management*

Solaris has a comprehensive waste management system (see Table 24) that defines source waste separation as standard practice. This allows us to efficiently sort different types of waste for appropriate and timely treatment and disposal. We maintain a detailed waste registry and have dedicated storage facilities for both hazardous and non-hazardous waste. This infrastructure allows us to maintain strict control and documentation throughout the waste transport and disposal process. In cases where sludge is generated, we employ dehydration techniques to ensure proper disposal in accordance with environmental regulations.



Solaris employs proactive follow-up and monitoring strategies (see Table 25). For example, we carry out biannual reporting on our EMP and submit a compliance report to Ecuador's environmental authorities. We also perform comprehensive monitoring of soil, water, and noise quality, with a focus on wastewater quality at discharge points. Semi-annual assessments cover noise emissions, soil and water quality, and biotic assessments.

#### *Closure and Abandonment Process*

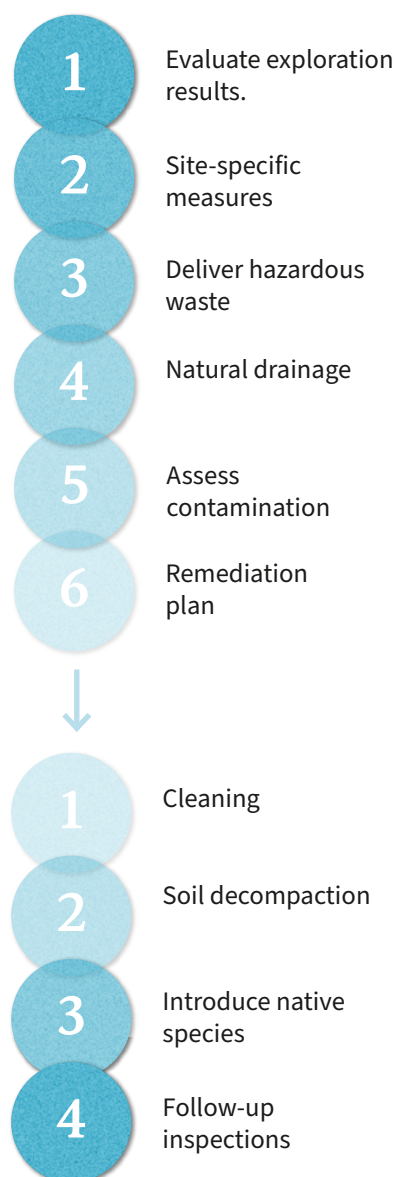
Finally, as Solaris closes platforms or concludes drilling-related activities, we implement measures to minimize environmental impact on ecosystems in the intervened areas. Comprehensive environmental and biotic monitoring, along with forest rehabilitation initiatives, ensure a responsible approach to closure and abandonment.

TABLE 24. WASTE MANAGEMENT APPROACH

Waste type	Treatment
Non-hazardous and common waste	Directed to a sanitary landfill for appropriate disposal.
Organic waste	Composted in each camp.
Recyclable waste	Plastic bottles and cardboard sent to the RECICLAN recycling facility in Macas.
Hazardous waste	Maintained in temporary storage warehouses compliant with the INEN 2266 standard, with delivery exclusively to qualified environmental managers.
Wastewater	Biologically treated through biodigesters for black and grey water, complemented by a Wastewater Treatment Plant (PTAR for its initials in Spanish) for comprehensive treatment.
Drilling mud	Repurposed for alternative use at the Centre for Industrial Technological Conversion (CRTI for its initials in Spanish), with PPE used for effective mud management.

TABLE 25. FOLLOW-UP AND MONITORING PROCESSES

Type	Timeline	Description
<b>Environmental compliance audit</b>	First year of operation and every three years thereafter	Reviews adherence to environmental laws and regulations and identifies areas for improvement.
<b>Noise monitoring</b>	Before, during, and after operations	Effective management of noise emissions
<b>Soil monitoring</b>	Ongoing (throughout operations)	Special attention to soil affected by chemical spills or leaks
<b>Water monitoring</b>	Regular systematic monitoring	Conducted at major water bodies, water intake points, and wastewater discharge points
<b>Biotic monitoring</b>	Semiannual assessments	Includes flora, mastofauna, avifauna, herpetofauna, terrestrial invertebrates, ichthyofauna, and aquatic macroinvertebrates



The closure and abandonment process follows six steps:

1. Evaluate exploration results. If results do not justify further exploration, remove all non-utilizable structures and facilities, and rehabilitate the site according to environmental regulations.
2. Implement site-specific measures to prevent any environmental damage during the dismantling process.
3. Deliver hazardous waste to a qualified environmental manager for proper disposal.
4. Ensure that natural drainage systems are clear to maintain environmental balance.
5. Assess the area for possible contamination.
6. If contamination is identified, develop a remediation plan to address and correct the issue.

Once the site closure process is finished, the site is then rehabilitated according to environmental regulations. The rehabilitation process follows four steps:

1. General cleaning, including removal of any remaining equipment, tools, and waste.
2. Soil decompaction: Restoration of the soil's natural state to promote ecological balance.
3. Introduction of native species to promote biodiversity.
4. Follow-up inspections to ensure the effectiveness of the rehabilitation process.



# Climate Change

Topic 14.1 GHG emissions

Topic 14.2 Climate adaptation and resilience

Topic 14.3 Air emissions

EM-MM-110a.1, EM-MM-110a.2, EM-MM-130a.1, GRI 201-2,

GRI 302-1, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-5

UNGC 7, UNGC 8, UNGC 9, SDG 13

Solaris is committed to tackling climate change through persistent efforts to quantify, reduce, and offset greenhouse gas (GHG) emissions. Our approach aligns with international standards and follows ISO 14064-1:2018, GHG Protocol and Ecuador's Ministerial Agreement MAATE-2021-047 for compliance with the Ecuador Carbon Zero Program (PECC). This commitment echoes the United Nations Global Compact's principles 7, 8, and 9, and supports Sustainable Development Goal (SDG) 13, focusing on climate action.

Solaris's active participation in PECC since 2021 has produced significant milestones. In 2023, the Greenhouse Gas Verification Body (PCNA) extended the Verification Declaration for our 2021 emissions, ensuring compliance with standards such as NTE INEN-ISO 14064-1:2018, GHG Protocol, and PECC guidelines. Shortly after, we applied for the Carbon Footprint Quantification distinction and received a favourable statement from the Ministry of Environment, Water, and Ecological Transition's Climate Change Undersecretariat in July 2023.

Solaris continues to enhance its GHG emission tracking and reduction processes. Following the identification of non-conformities in the 2021 baseline, we implemented corrective actions in 2022, resulting in a new measurement for both the 2021 baseline and the 2022 inventory in October 2023. These steps underscore our commitment to maintaining an accurate GHG inventory and addressing climate change challenges.

To guide our climate action strategy, Solaris established a Carbon Neutral Committee in 2022. This committee is responsible for strategic decisions, high-level direction, implementation, information



management, and the coordination of carbon offset efforts. It also oversees employee training on Carbon Neutrality ISO 14064-1, covering climate change, GHG emissions, and carbon footprint reduction strategies. This training aims to develop employee competence in managing the Integrated Management System and understanding the Company's reduction and compensation plans.

In 2023, as part of our commitment to climate action, Solaris introduced energy optimization strategies for our exploration operations. These initiatives concentrate on curtailing energy consumption, cutting down on waste, and integrating energy-efficient methodologies to diminish our ecological impact. Our dedication to optimizing energy aligns with our broader commitment to sustainability and the reduction of greenhouse gas emissions.

## Carbon Neutrality

In early 2024, Solaris received the Verification Declaration for the new measurements of 2021 and 2022. Although this Report highlights our 2023 achievements, we consider it important

to include a confirmed reduction of 646.28 TCO<sub>2</sub> between 2022 and 2021, and a reduction of 902.35 TCO<sub>2</sub> between 2022 and 2023.

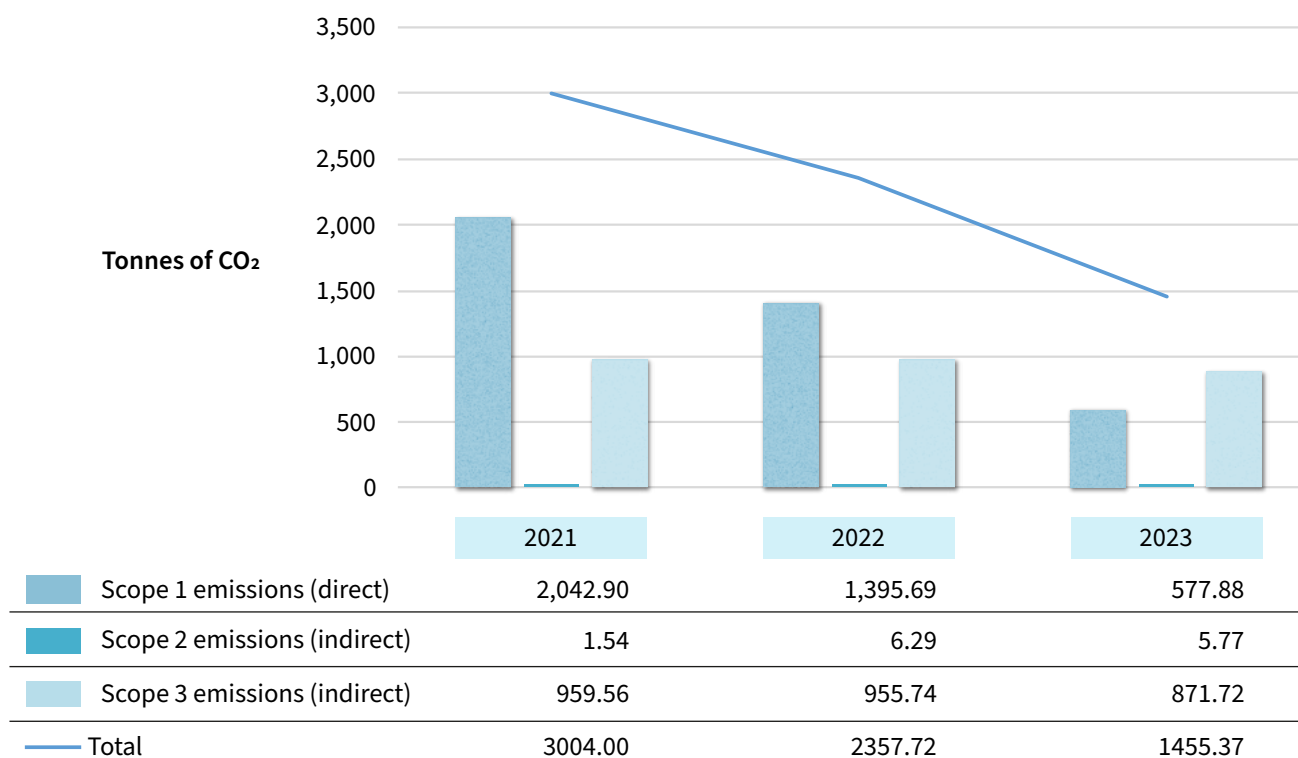
Figure 15 provides GHG emissions data for 2021, 2022, and 2023, measured in metric tons of CO<sub>2</sub>e, along with the percentage change over the three years. This data represents emissions across various locations, including offices, core shack warehouses, and exploration camps in Morona Santiago Province.

### Looking Forward

In 2024, we plan to certify our 2023 GHG inventory and submit changes to Ecuador's environmental authorities (MAATE). Additionally, following proven GHG reductions, we plan to achieve a positive Level 2 PECC pronouncement from MAATE. These goals align with our commitment to climate change mitigation and our adherence to the PECC framework.

Solaris recognizes the mining sector's role in the low-carbon transition and its responsibility in supporting communities in adapting to climate change impacts. Our continued participation in programs such as PECC and strategic climate action initiatives demonstrate our leadership in addressing climate change within the industry. By actively engaging in sustainable practices and supporting the broader climate action agenda, we continue to generate a positive impact on the environment and set a high standard for climate adaptation and resilience in mining operations.

FIGURE 15. SOLARIS'S GHG EMISSIONS (2021–2023)



# Biodiversity

## Topic 14.4 Biodiversity

EM-MM-160a.3, GRI 304-1, GRI 304-2, GRI 304-3, GRI 304-4  
UNGC 7, UNGC 8, SDG 15

Solaris emphasizes biodiversity preservation, sustainable resource utilization, and community well-being in Warintza's area of influence. Our biodiversity management strategy aligns with the United Nations Global Compact (UNGC) principles 7 and 8, as well as Sustainable Development Goal (SDG) 15, focusing on life on land. By following these principles, we work to protect ecosystems and species in our operational areas.

A key component of our Environmental Management Plan (EMP) involves identifying and preserving the diverse flora and fauna within our concessions. To achieve this, Solaris follows International Union for Conservation of Nature (IUCN) guidelines, especially the Red List, ensuring protection for vulnerable species.

Our approach to biodiversity conservation is based on three main principles:

1. Take precautionary measures to prevent and address potential environmental damage during exploration activities. Biotic release activities, conducted under the supervision of specialized biologists, follow established protocols and comply with Ecuadorian environmental regulations.
2. Generate minimal environmental impact. Actively work to minimize the impact on ecosystems by reducing habitat disturbance and promoting responsible exploration practices.
3. Focus our environmental sustainability efforts on preserving ecosystems for future generations.

In 2023, Solaris continued its partnership with the Wildlife Conservation Society (WCS) in Ecuador, implementing a comprehensive Biodiversity Strategy for Warintza. For example, we carried out the biannual biotic monitoring of Warintza, with the participation of community members, to understand the behaviour of flora and fauna and forest quality (see video testimony). This collaboration aims to manage and mitigate impacts on biodiversity and ecosystem services throughout the Project's lifecycle.

Using enhanced sampling techniques and refined data collection methodologies, Solaris conducted Advanced Exploration impact studies, resulting in a deeper comprehension of the species listed in the IUCN Red List and national conservation lists within areas influenced by our operations. We made this progress thanks to the adoption of comprehensive survey approaches, advanced technologies, and exploration in new areas.

Table 26 provides details on the IUCN Red List and national conservation list species identified in areas affected by Solaris, illustrating the results of our Advanced Exploration studies.





TABLE 26. IUCN RED LIST AND NATIONAL CONSERVATION LIST SPECIES—AFFECTED HABITATS

Species type	2021	2022	2023
Critically endangered	1	0	0
Endangered	0	6	5
Vulnerable	7	25	4
Near threatened	58	20	9
Least concern	223	662	276
<b>Total</b>	<b>289</b>	<b>713</b>	<b>294</b>

By focusing on strategic partnerships, impact assessments, and mitigation efforts, we are taking **concrete steps to reduce our environmental footprint** and ensure responsible mining practices. In 2023, Solaris:

- Conducted thorough assessments to understand the impacts of our operations on biodiversity and ecosystems.
- Applied the Mitigation Hierarchy\* to prevent biodiversity loss, minimize impacts, and compensate for residual losses.
- Ensured that our Biodiversity Strategy aligns with global and local conservation goals, reflecting our commitment to sustainability.
- Addressed areas affected by illegal mining to reduce environmental liabilities and preserve Ecuador's natural heritage.
- Quantified biodiversity loss associated with our exploration activities to demonstrate our commitment to accurate assessments.
- Created innovative tools for quantitative risk analysis, reflecting our commitment to advanced environmental management.

\* The mitigation hierarchy is a framework used to minimize environmental impacts in development projects, including mining. It consists of four steps to ensure minimal environmental harm and promote sustainability:

**Avoidance:** Prevent negative impacts by careful planning and site selection.

**Minimization:** Reduce impacts when avoidance is not possible by modifying project designs and implementing best practices.

**Restoration:** Restore affected areas to their original state or better.

**Offsets:** Compensate for residual impacts by providing conservation benefits elsewhere.

For more information, see the International Finance Corporation's Performance Standard 6, "Biodiversity Conservation and Sustainable Management of Living Natural Resources" (IFC, 2012).

### Looking Forward

In 2024, we plan to integrate a robust Biodiversity Policy into all Warintza processes and activities. This policy will ensure that our operations prioritize the protection and enhancement of local ecosystems and promote sustainable development and environmental stewardship.



# Water

## Topic 14.7 Water and effluents

GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, SASB EM-MM-140a.1, SASB EM-MM-140a.2  
UNGC 6, UNGC 7, UNGC 8, SDG 6, SDG 14

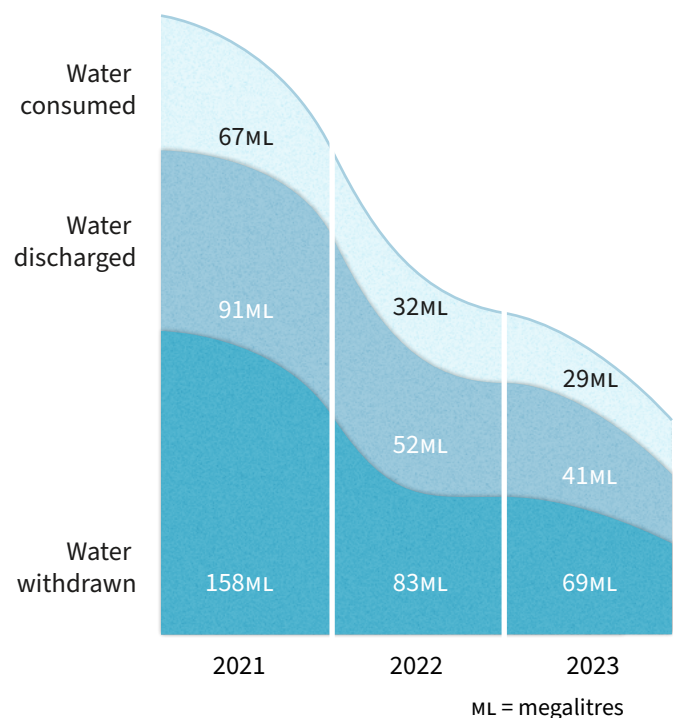
Warintza spans multiple river basins, including the Amazon and Zamora River basins, and relies on the Warints and Piuntz rivers for water collection. To comply with Ecuadorian regulations, an accredited environmental consulting firm assesses environmental impacts through field visits and water sample tests. Water bodies in the area typically have a pH range of 7.4 to 8.1, with metal values exceeding baseline water quality criteria. No water extraction occurs in areas with water stress.

Environmental impact evaluation follows the Leopold matrix modified by Arregui and Byron.<sup>†</sup> Quarterly water monitoring includes upstream and downstream testing at Project camps. Exploration camps utilize biodigesters and water treatment plants for wastewater treatment. Contractors employ sedimentation tanks to prevent drilling discharge.

Solaris ensures compliance with discharge standards set by the Ecuadorian National Environmental Authority. Water meters at platform entrances enable effective water resource management. Figure 16 details water and waste management metrics, including water withdrawal, discharge, consumption, and spills.

This dataset illustrates a significant reduction in water usage and discharge over the three-year period from 2021 to 2023. Overall, the data suggests a positive trend toward more sustainable water management practices, including reduced water consumption, minimized water discharge, and improved spill prevention measures.

FIGURE 16. WATER MANAGEMENT



<sup>†</sup> The Leopold Matrix is an environmental impact assessment tool. Modifications by Arregui and Byron enhance the original tool by incorporating tailored criteria and methodologies for assessing impacts in mining projects (Arregui, M.E., & Byron, H.J., 2000).



# Waste

## Topic 14.5 Waste

EM-MM-150a.10, EM-MM-150a.7, EM-MM-150a.8, EM-MM-150a.9,  
GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5  
UNGC 6, UNGC 7, UNGC 8, SDG 6, SDG 14

Table 27 presents data on waste management from 2021 to 2023, detailing the amounts of hazardous and non-hazardous waste generated, as well as the total waste disposed of through landfill, treatment, and incineration. The figures are reported in metric tons.

TABLE 27. WASTE MANAGEMENT

	Metric Tons		
	2021*	2022	2023
Waste—hazardous	103	140	63
Waste—non-hazardous	88	130	73
Waste disposed of (landfill, treatment, and incineration)	191	270	136

\*Approximate real value due to incomplete exact weight measurements.

Note: All waste produced at drilling platforms and camps has been considered in accordance with Solaris's Environmental Management Plan. All hazardous waste produced in the Project is collected by the Company and delivered to a management company that is approved by the regulatory legal entity for its proper disposal.





# SHUAR NUA JEE

CASA DE LA MUJER SHUAR

LOWELL



SALA 2

INAUGURACIÓN  
SHUAR NUA JEE  
Casa de la Mujer de la  
Comunidad del Condor  
Iniciativa impulsada por  
Lowell Mineral Exploration Ecuador S.A.



SALA 1





# Conclusion

Solaris's 2023 Sustainability Report encapsulates a year of significant progress and steadfast dedication to nurturing the roots of responsible mining, community engagement, and ethical governance. Our concerted efforts to foster economic empowerment within the Warintza area and beyond, in the face of global climate change and local challenges, have achieved significant outcomes, particularly through local employment and procurement strategies and the evolution of local interest and support.

As we transition into the Advanced Exploration Phase of Warintza, our commitment to community engagement and empowerment has yielded remarkable contributions from our workforce. Their comprehensive training in essential areas such as sustainability, corporate policies, and diversity, equity, and inclusion underscores our dedication to promoting intercultural respect and environmental stewardship.

The renewal of the Impacts and Benefits Agreement (IBA) with the Shuar Centres of Warints and Yawi marks a critical milestone in our commitment to nurturing respectful and mutually beneficial relationships with Indigenous communities. This renewed agreement underscores our dedication to continuous dialogue, transparent communication, and adaptive strategies that respect Indigenous culture and promote sustainable development. By establishing technical committees and life plans, we have laid a robust foundation for the IBA's successful implementation and ongoing relevance,

addressing emerging challenges and fostering positive relationships with local stakeholders.

Looking ahead, Solaris, together with our partners, remains resolute in our vision of leading the mining industry in real sustainability. Entering the Advanced Exploration Phase of Warintza, we will continue to prioritize environmental stewardship, community engagement, and ethical governance, striving to surpass regulatory standards and innovate in sustainable resource exploration.

Through ongoing transparent communication and proactive engagement with government agencies, regulatory bodies, and local authorities, we continue to learn from each other, building trust and cooperation to ensure the smooth operation and enduring success of Warintza.

We extend our heartfelt gratitude to you, our stakeholders, for your unwavering support. We invite you to join us in our mission to create shared value and sustainable growth, shaping the future of responsible mining together.







# Glossary of Acronyms

The following acronyms are used throughout this report. Terms are listed in the original language first and Spanish terms are followed by an English translation in parentheses, as needed. Translated terms are unofficial and are provided for interpretation of this report only.

ABC POLICY	Anti-Bribery and Anti-Corruption Policy	COP	UN Communication on Progress
AE	Advanced Exploration	CPI	Corruption Perception Index
AEI	Alianza para el Emprendimiento e Innovación (Alliance for Entrepreneurship and Innovation)	CSR	Corporate Social Responsibility
AIME	Asociación de Ingenieros Mineros del Ecuador (Association of Mining Engineers of Ecuador)	CRTI	Centro de Reconversión Tecnológica Industrial (Centre for Industrial Technological Conversion)
AMI	Asociación Monegasca Iberoamericana (Ibero-American Monegasque Association)	DEI	Diversity, Equity, and Inclusion
ASM	Annual Shareholders Meeting	EITI	Extractive Industries Transparency Initiative
ASOPROMIAR	Asociación de Producción Minera Artesanal y de Pequeña Minería (Association of Artisanal and Small-Scale Mining Production)	EMP	Environmental Management Plan
CDI	Centro de Desarrollo Infantil (Childhood Development Centre)	EMS	Environmental Management System
CEDEAL	Centro Ecuatoriano de Desarrollo y Estudios Alternativos (Ecuadorian Centre for Development and Alternative Studies)	EPS	Equator Principles
CEFAS	Coordinación de Equidad, Formación y Acción Social de Morona Santiago (Morona Santiago Equity, Training and Social Action Coordinating Body)	ESG	Environment, Social, Governance
CME	Cámara de Minería del Ecuador (Chamber of Mining of Ecuador)	ESPOCH	Escuela Superior Politécnica de Chimborazo (Chimborazo Polytechnic College)
		ESTMA	Extractive Sector Transparency Measures Act
		FDMS	Federación Deportiva de Morona Santiago (Sport Federation of Morona Santiago)
		FICSH	Federación Interprovincial de Centros Shuar (Interprovincial Federation of Shuar Centres)
		FPIC	Free, Prior, and Informed Consent
		GAD	Gobierno Autónomo Descentralizado (Decentralized Autonomous Government)

GHG	Greenhouse Gases	PCNA	Programa Carbono Neutro de Agrouniversal (Agrouniversal Carbon Neutrality Program)
GRI	Global Reporting Initiative		
IBA	Impacts and Benefits Agreement		
ILO	International Labour Organization	PECC	Programa Ecuador Carbono Zero (Carbon Zero Program of Ecuador)
IKIAM	Universidad Regional Amazónica IKIAM (IKIAM Regional University of the Amazon)	PLI	Programa de Liderazgo Integrador (Integrated Leadership Program)
ISBL	Institute of Safety and Occupational Wellness	PPC	Proceso de Participación Ciudadana (Citizen Participation Process)
ISTL	Instituto Superior Tecnológico Limón (Limón Higher Technological Institute)	PTAR	Planta de Tratamiento de Aguas Residuales (Wastewater Treatment Plant)
IUCN	International Union for Conservation of Nature	SASB	Sustainability Accounting Standards Board
ISO	International Standards Organization	SDG	UN Sustainable Development Goals
KPI	Key Performance Indicator	SECAP	Servicio Ecuatoriano de Capacitación Profesional (Professional Training Service of Ecuador)
LPRM	Local Procurement Reporting Mechanism		
MAATE	Ministerio de Ambiente, Agua y Transición Ecológica (Ministry of Environment, Water and Ecological Transition of Ecuador)	SEDAR+	System for Electronic Document Analysis and Retrieval Plus
MAG	Ministerio de Agricultura y Ganadería (Ministry of Agriculture and Livestock)	SUIA	Sistema Único de Información Ambiental (Integrated Environmental Information System)
MD&A	Management Discussion & Analysis	SVP	Sceptre Ventures Inc.
MIES	Ministerio de Inclusión Económica y Social (Ministry of Economic and Social Inclusion of Ecuador)	UDLA	Universidad de Las Américas / University of the Americas
MINEDUC	Ministerio de Educacion (Ministry of Education)	UECC	Unidad Educativa Cordillera del Condor (Cordillera del Condor Educational Unit)
MOU	Memorandum of Understanding	UISEK	Universidad Internacional SEK (International University SEK)
MSP	Ministerio de Salud Pública (Ministry of Public Health)	UNGC	United Nations Global Compact
MSV	Mining Shared Value	UTPL	Universidad Técnica Particular de Loja (Loja Private Technical University)
OHS	Occupational Health and Safety	WCS	Wildlife Conservation Society
OHSMS	Occupational Health and Safety Management System	WEP	Women's Empowerment Principles
		WIM	Women in Mining