



KARÜN
EST. IN PATAGONIA

IMPACT

REPORT

2023

Index

Welcome

Page 01.

01

You can click
on the chapter
to navigate
there!

02

Karün Regeneration Model™.

Page 07.

Circular Value Chain.

Page 17.

03

04

Collaborative Governance.

Page 48.

People and Conscious Culture.

Page 52.

05

06

Healthy Territory.

Page 57.

2023 Results.

Page 70.

07

08

Our Impact Allies.

Page 79.

Messi x Join The Planet

Page 83.

09

01

Welcome

A few words from our founder (and CEO)

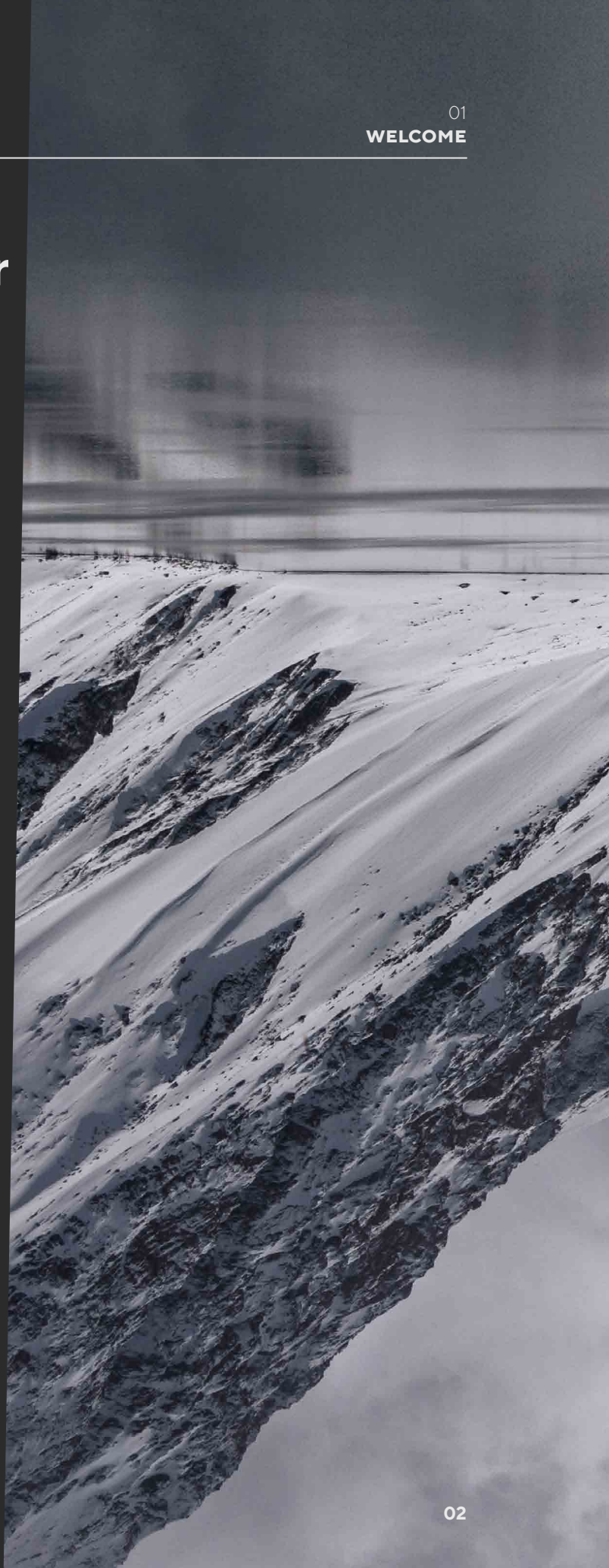
As we reflect on the past year, I see clearly that our strength as a company lies not only in resilience or overcoming challenges but in how these transform us and unite us with the purpose of making a positive impact on the world.

2023 was like winter in nature, of brutal beauty and yet full of challenges that demanded not only efficiency and conservation from us but also a deep determination to survive and thrive.

We had to make complex internal adjustments, look at ourselves closely to understand, take time, let go of projects, redirect energies, and face problems we never saw coming.

Still, I am pleased to tell you that we not only endured this rough 2023, but thrived in it. This tough season strengthened us and sharpened our vision of what we can achieve together.

Our increasingly deep collaboration with Impact leaders in the rural communities of Patagonia led us to great strides towards a regenerative culture, achieving fundamental milestones for the development of a healthy culture and territory. The passion and unwavering commitment of our team enabled us to focus on strengthening our product quality and processes, culminating in the attainment of ISO 9001 Certification, a critical milestone for expanding



our global reach with confidence, establishing important partnerships, and bolstering our presence in key markets.

Last but not least, the cold woke us up, and that energy inspired us to challenge limits again with more strength than ever. I am especially excited to announce that we worked throughout 2023 to develop the world's first marketable eyewear collection made from recycled cigarette butts, which will be launched in 2024. This innovation will not only produce a high-quality product that will reach the world, but it is a concrete solution to one of the main pollution challenges we face today.

As we bid farewell to the cold winter and eagerly await the renewal that the coming seasons will bring, I am very excited about the opportunities that lie ahead in 2024. Inspired by what we have learned and driven by what we have achieved in 2023, I want to invite each of you to join this journey. Together we can challenge the conventional, reimagine the future, and shape a genuinely regenerative reality, while celebrating the world not only for what it is but for what it could be.

Let's look at the world together from a different perspective,



A stylized, handwritten signature in white ink, appearing to read 'Thomas'.

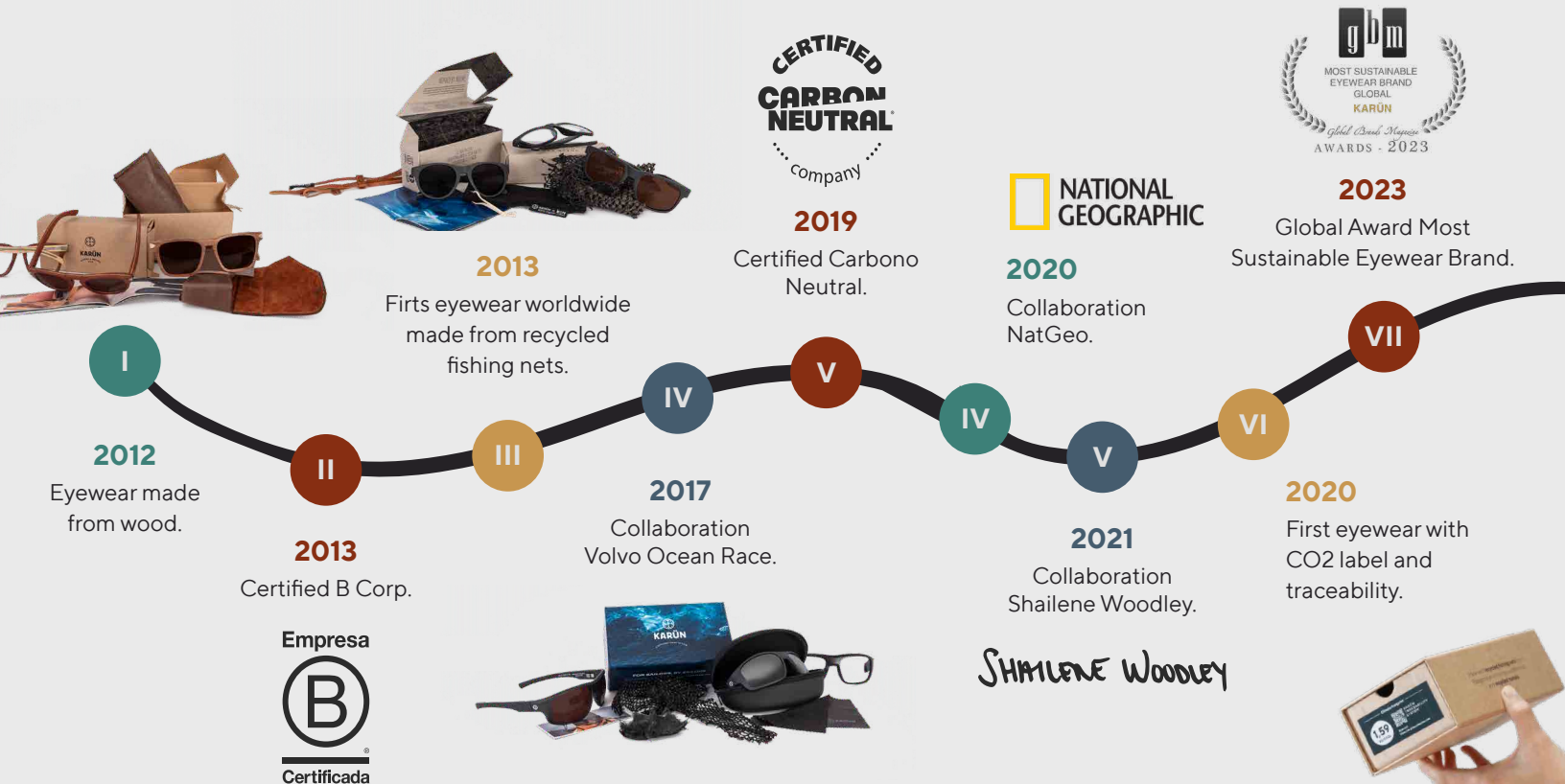
Thomas.

A little about us

We are a B Corp that creates radically sustainable products designed to last. From Patagonia to more than 31 countries around the world, **we demonstrate by example that companies can be a tool for social and environmental well-being through our Karün Regeneration Model™.**

We manufacture our products from discarded materials, collected in direct collaboration with rural communities to restore natural ecosystems and regenerate local economies, thus using innovative recycled and traceable materials in a circular production process. We guarantee high-quality eyewear in design and style, pioneering transparency; the carbon emissions of each product can be found on our packaging and website, and it's possible to track the journey from discarded material to the final product through our Karün™ Traceability System, powered by Blockchain technology.

We have been recognized by various organizations such as National Geographic, Forbes, Global Brand Awards, and MIDO, among others, for our innovation, design, and commitment to sustainability.

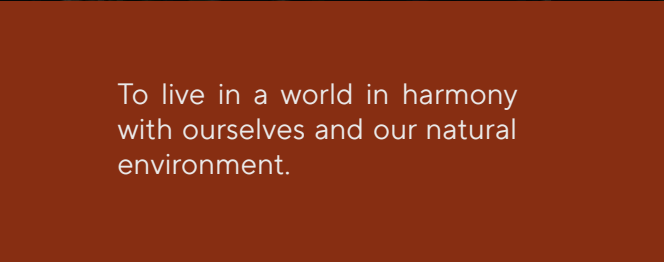


A little more



Our Roots

The pristine nature surrounding us in Patagonia has shaped our worldview, inspiring us to reflect on human essence, to build bonds and structures that reflect those of nature itself.



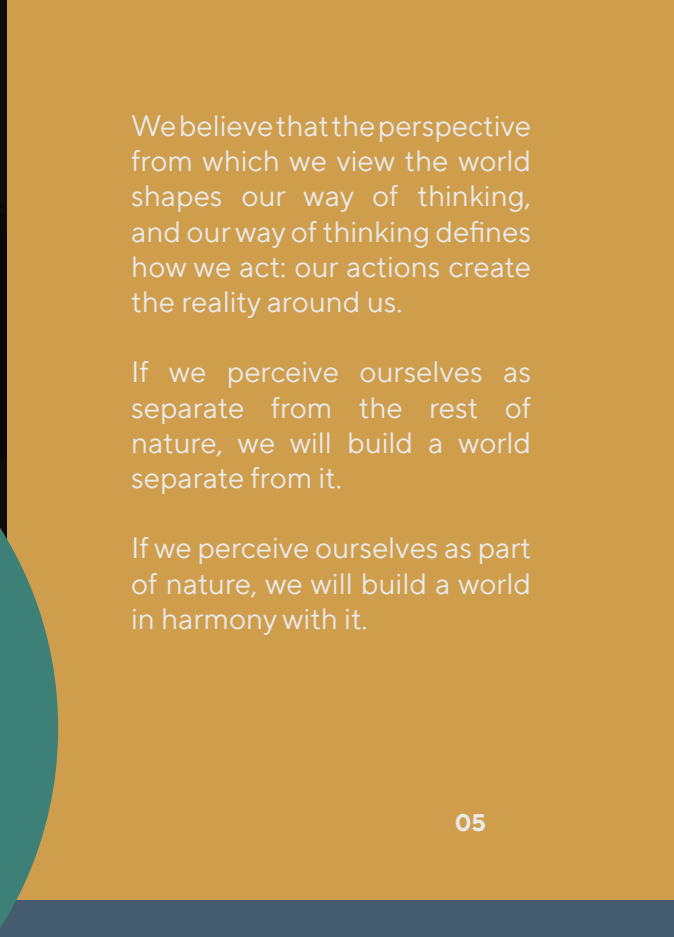
To live in a world in harmony with ourselves and our natural environment.



Our Vision



Core Conviction



We believe that the perspective from which we view the world shapes our way of thinking, and our way of thinking defines how we act: our actions create the reality around us.

If we perceive ourselves as separate from the rest of nature, we will build a world separate from it.

If we perceive ourselves as part of nature, we will build a world in harmony with it.



Our purpose

To inspire our customers and the world to reflect on the question:
What would the world be like if we understood that we are all nature?



And how?

By articulating, living, and spreading a culture of regeneration in all territories, individuals, and communities with whom we engage.

02.

**Karün
Regeneration
Model™**



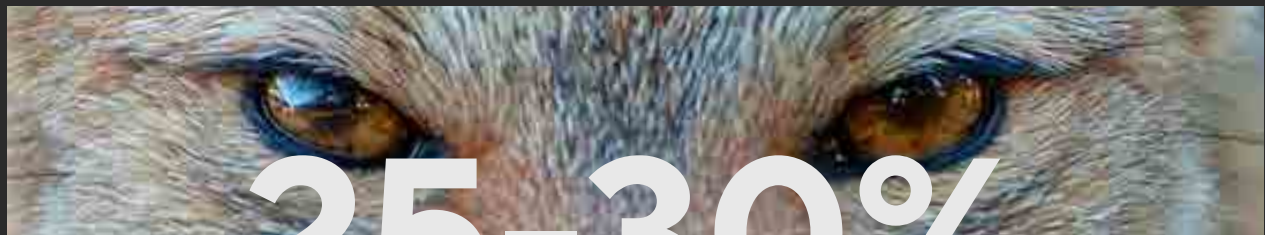
**Here is
where our
Karün
Regeneration
Model™
comes in.**

02. Karün Regeneration Model™:

Before we delve into it, why regeneration?

We believe that sustainability alone is not enough, as it only entails giving back what we take. Sustainability is excellent if the status quo is excellent.

Unfortunately, the accelerated social and climate crisis shows us that it is not.



25-30%

of mammal, bird, and amphibian species are at risk of extinction due to the loss and degradation of their natural habitats.

Source: International Union for Conservation of Nature (IUCN).



66%

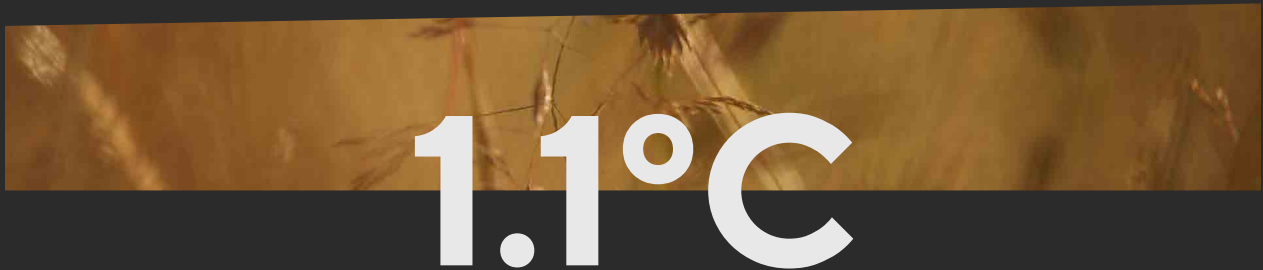
of the world's oceans are experiencing adverse impacts due to human activities, such as overfishing, pollution, and climate change.

Source: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES).



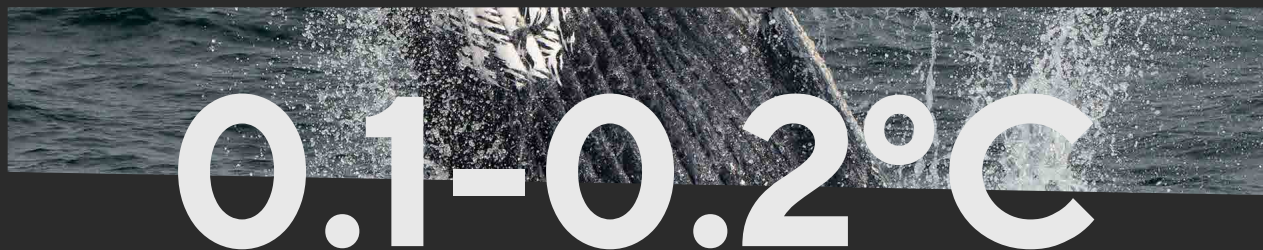
of the world's soils are degraded due to erosion, loss of organic matter, pollution, and other factors.

Source: Food and Agriculture Organization of the United Nations (FAO).



the global temperature has risen by approximately since the pre-industrial era (around the mid-19th century).

Source: NASA, NOAA, and the Intergovernmental Panel on Climate Change (IPCC).



the average surface temperature of the ocean has increased per decade since the mid-20th century.

Source: National Oceanic and Atmospheric Administration (NOAA).

Given this context, beyond just protecting or compensating, our challenge as a company is to bring ecosystems back to life. We are part of nature, so we can create and regenerate like it. For example, a small seed grows into a tree, giving us apples, and then each apple brings 4-5-6 more seeds... and so on. That is regeneration.

Regeneration, unlike sustainability (which aims for a zero-sum game), means bringing life back to ecosystems. With our model, we aim for Karün's existence as a company not only to have the minimum negative impact on the planet but also to restore previously contaminated natural spaces and work together with different allies and communities to bring life back to those spaces.

Hand in hand with the above, it is important to mention that beyond its application in the environmental field, regeneration acts as a fundamental principle in the social context, since, just as in nature, where regeneration implies the renewal and recovery of biodiversity, in human society it implies the reconnection and strengthening of social fabric.

Thus, regeneration becomes our compass, guiding both the search for ecosystem restoration and the strengthening of more resilient and equitable societies. Through the Karün Regeneration Model™, we seek to integrate this vision into every facet of our organization and relationship with the world around us.



What do we aim to achieve?

Our goal, in addition to environmental and social regeneration, is to create a model applicable to all industries and companies, inspiring more organizations to adopt regeneration. The more of us there are, the closer we will be to forming a collective capable of generating a significant positive impact on the planet and culture, living in harmony with nature, society, and ourselves.

Symbiosis as a central axis

Symbiosis, an interaction where different entities cooperate for mutual benefit, is fundamental to our approach to regeneration. This natural principle guides our model to transform businesses, integrating tactics and strategies that benefit both the company and the ecosystem and its communities.

Our model seeks to foster symbiosis with the territory, where each decision reinforces cooperation, contributing to a healthier environment and a company in the process of regeneration. Thus, we create products and services that promote the integral well-being of people, biodiversity, and social fabric.

How do we build it?

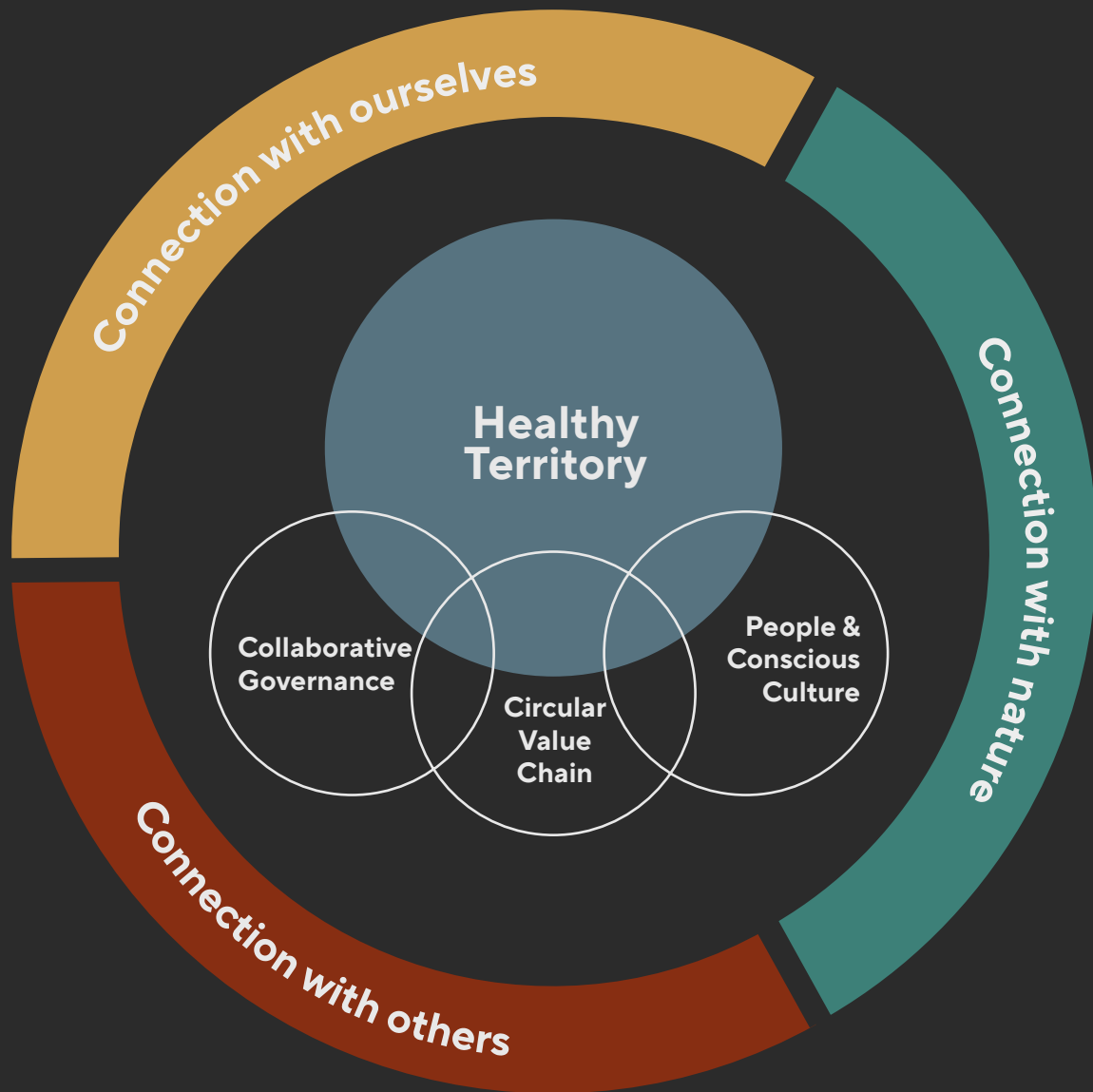
To construct our model, we first studied the principles of regeneration that can be applied to businesses and territories, to understand the foundations upon which to build our model.



The synthesized result was as follows:

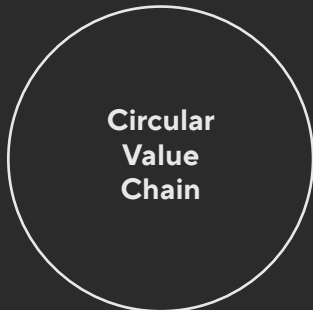
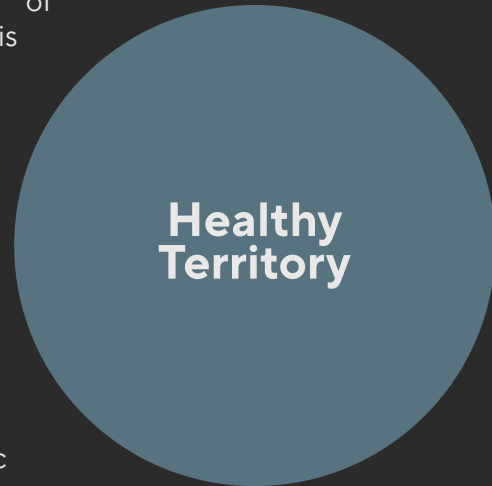
	Healthy territory	Regenerative business
Must aware (of being nature).	- Wealth is understood and managed in a holistic way, in terms of the well-being of the whole.	- Planetary purpose: to benefit the whole (business and territory with it's community and natural ecosystem. Ensuring intergenerational equity).
		- Multi-capitalism: Measure returns that are not just financial, but inspirational, social, and natural capitals.
Must learn from nature.	- Resilience through diversity: Diversity in scale and nature.	- Resilience through diversity: big and small scale projects; local and global approach within the business.
	- Energy from renewable sources that ensure positive development cycles that preserves and enhances natural capital.	- Energy from renewable sources.
	- Waste = Food	- Design to remanufacture: Aims to keep products, components, and materials at their highest utility and value at all times.
Must collaborate.	- Constant change in order to survive.	- Constant innovation to improve and survive.
	- Communities that respect and value all cultures, the ancestral knowledge, and the uniqueness of its people.	- They Design for Creativity : Creating an environment of psychological safety in which people are encouraged to think creatively in an open and transparent way without career risk is essential.
	- Participation: All its members participate in the decisions that affect the entire community.	- They think collaborative not competitive.

From all of the above, and lengthy conversations with specialists, mates, and studying from our team, we have arrived at the structure of the current Karün Regeneration Model™:



As we can see, our model is supported by four key pillars: Collaborative Governance, Circular Value Chain, People and Culture, and Healthy Territory. This structure demonstrates that, beyond the individual importance of each element, it is the synergy between them that enhances the success of the model, emphasizing that the whole is greater than the sum of its parts.

According to John Fullerton, American author of Regenerative Capitalism, in a healthy territory, wealth is understood and managed holistically in terms of well-being for the total whole. At Karün, we understand that conscious learning and development within our company can only be achieved if we work in symbiosis with the territory where we operate. Hence, our collaborative work in every part of Karün: culture, governance, and value chain, in their interaction and impact with the territory we participate in (Patagonia). When we understand our role in the natural order and make our capabilities available, we begin to contribute actively and meaningfully. In the following points, we will see specific examples of this definition.



Based on John Fullerton's definition of a "robust circulatory flow" in the principles of regeneration: just as human health depends on a robust circulation of oxygen, nutrients, etc., economic health depends on robust circulatory flows of energy and materials in a "circular" manner, where waste is food as in all biological systems. Our chain is designed to address global challenges by prioritizing positive impact and circularity, organically integrating communities, and acting as an ally in preserving natural ecosystems.

We ensure that all areas and stakeholders (from production processes to sales) interact with the territory, so that our decision-making seeks to maximize the well-being of the territory while simultaneously benefiting Karün. This translates into multiple actions such as annual strategic planning with impact leaders and territory gatherers; carbon footprint data as input for operational decisions; company values as a central axis for retaining and seeking new talent, and other practices that we will review in results.



People and
Conscious
Culture

At Karün, we believe that a virtuous organizational culture and good teamwork are only possible if we build an environment where respect, empathy, and dialogue are the fundamental basis. Each member of Karün has been selected to join the project for their unique perspective. We celebrate this diversity as one of our greatest assets and create environments of psychological safety where people are encouraged to think creatively in an open and transparent atmosphere. In this annual reporting and evaluation exercise of our impact in 2023, we will analyze both achievements and challenges in each of these pillars, viewing the latter as learning opportunities that guide our progress and development.



03.

Circular Value Chain

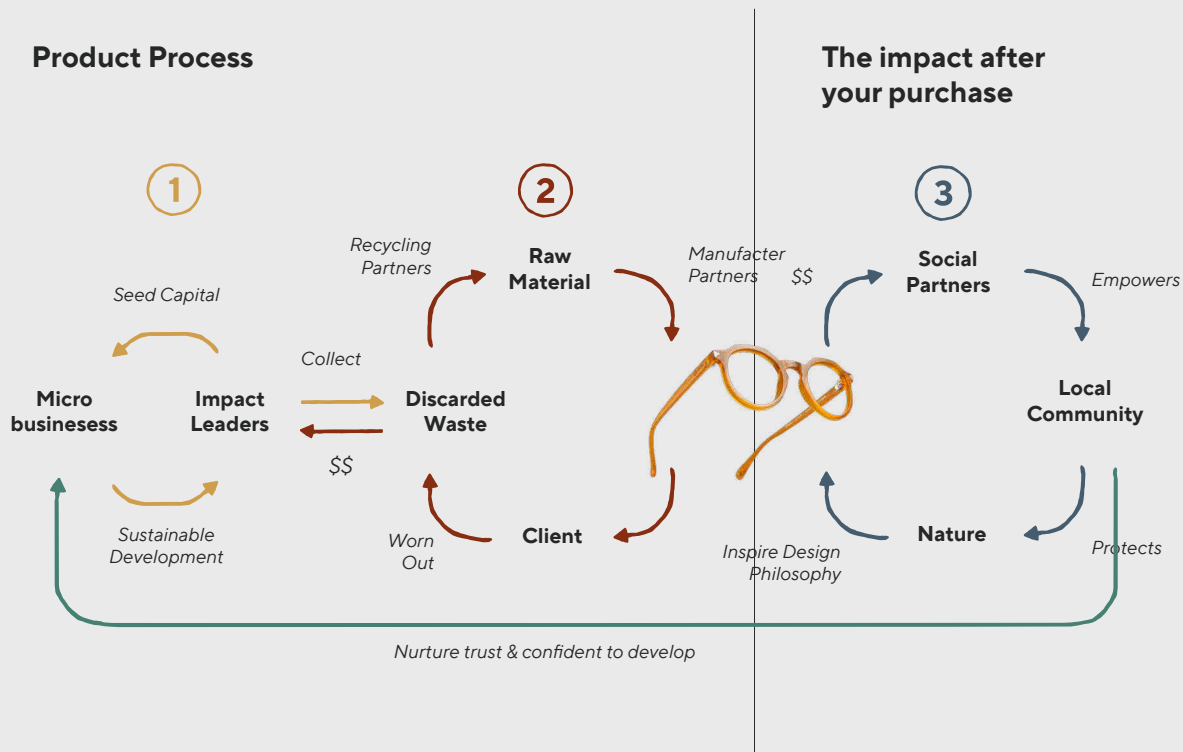
03. Circular Value Chain

At Karün, creating a circular value chain is not just about challenging the status quo, but about responding to a critical need: redefining conventional practices that threaten our planet today.

This chain, designed to address global challenges by prioritizing positive impact and circularity, integrates organically with and from communities, acting as an ally in preserving natural ecosystems and fostering the creation of social capital, thus becoming a catalyst for progress toward regeneration.

We share our internal value chain, which has taken us years to build, in this report to motivate more companies to join, as well as to open new discussions with those who read it and continue learning through dialogue and collaboration. We see transparency as a valuable opportunity for all companies to move towards a more conscious business model.

THIS IS OUR CIRCULAR VALUE CHAIN:



a) Collection and restoration

Leaders of Impact

“Leaders of Impact” are entrepreneurs, community leaders, neighbors, and residents from various areas of Patagonia who share the conviction that we can, and should, protect nature and our natural environments if we truly want to ensure the conscious development of our society. Through the collection of different discarded materials, which will later become the raw materials for our eyewear, these leaders contribute to the restoration of their environments and the protection of nature. Ultimately, through the purchase of these materials, Karün can support their projects and ensure the reuse of these waste materials.

Every month, regardless of weather conditions, our team travels along the coasts of Lebu, Cochamó, and Hualaihué to visit each of the Karün Impact Leaders who have committed to caring for their community, collecting tons of waste that affects the environment. Throughout our history, we have built a strong network of collaboration with the inhabitants of the territory, sharing a common vision of environmental preservation. This approach is reflected not only in the manufacturing of each pair of glasses but also in the shared conviction of our consumers, who recognize the value of a commitment that goes beyond production to embrace shared responsibility for our planet.

Finally, we express our sincere gratitude to companies Starken, Aza, and Atando Cabos, who support us month after month in our territorial collection network.



So far, any
questions?

Who
are this
Leaders and
where are they from?

Aulén: Alejandra Vargas.

Caleta manzano: John Oyarzo y
Valentina Vera.

La Poza: Angélica Uribe.

Quildaco: Ivonne Neira.

Caleta Rollizo: Karen Mansilla

Pocoihuen: Escuela Pocoihuen.

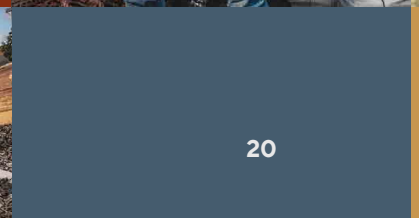
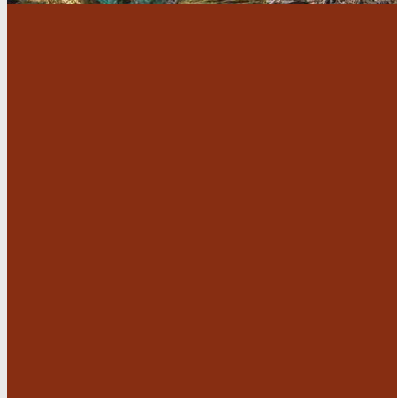
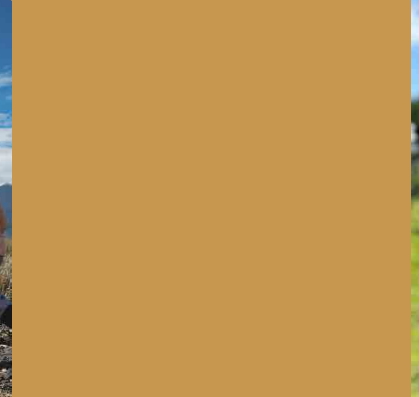
Cochamó: Nicole Díaz y Raúl Rojas.

Puelo: Escuela Río Puelo, Karina
Contreras, Mirna Kryste y Pedro
Rubio.

Chaparano: Francisco Guerrero y
Camilo Toledo.

Puerto de Lebu: Ignacio Torres.

Chamiza: Paz García y Pilar
Fuentealba.



Where are they and how much do they collect?



Beyond Patagonia

As our model suggests, we always seek to act on both global and local approaches to cultivate resilience and collaboration through diversity. That's why we work with different certified collection partners around the world, expanding the reach of our positive impact and drawing from the variety of systems, complexities, and strengths of their collection models.



Healthy Seas, a global leader in marine conservation, has been one of our collection partners since 2021. Through tireless dedication and extensive collaborative work, this foundation continues to lead efforts to preserve our oceans and combat marine litter.



OCEAN
MATERIAL

New
2023

During 2023, we aimed to expand our collaboration network to reach new territories and increase the impact of our model. That's why we established a strategic partnership with Ocean Material, an organization that shares our same principles and core values in building the value chain.

This partnership will allow us to reach communities in various countries, primarily in Asia, which face profound pollution problems, to ensure the collection of waste and its transformation into high-quality recycled material.

It's worth noting that Ocean Material® operates under the OceanCycle® certification program, ensuring traceability from collection to recycling, with high standards of quality.

b) Circular Production

Or as my grandmother says, everything in life comes back around.

At the heart of our production chain lies the circular production cycle. This encompasses everything from collection, design, and manufacturing of eyewear to processes that ensure a new life for our products at the end of their useful cycle.

To implement circularity in our basic production processes, we start with the premise that all our products must be made from recycled, reused, or organic materials. Additionally, once they have fulfilled their useful life, we establish collection channels that guarantee their reprocessing and reintegration into new production processes for eyewear manufacturing and/or contribute to other production chains that benefit the communities and territories of Patagonia.

In 2023, we celebrated significant advancements in this cycle. Our team dedicated their creativity to designing new collections, notably highlighting the “Origins” and “Lite” lines, which we will detail further. We also focused on the development of innovative recycling protocols that are implemented directly in the same territory where we collect the raw materials for our eyewear.

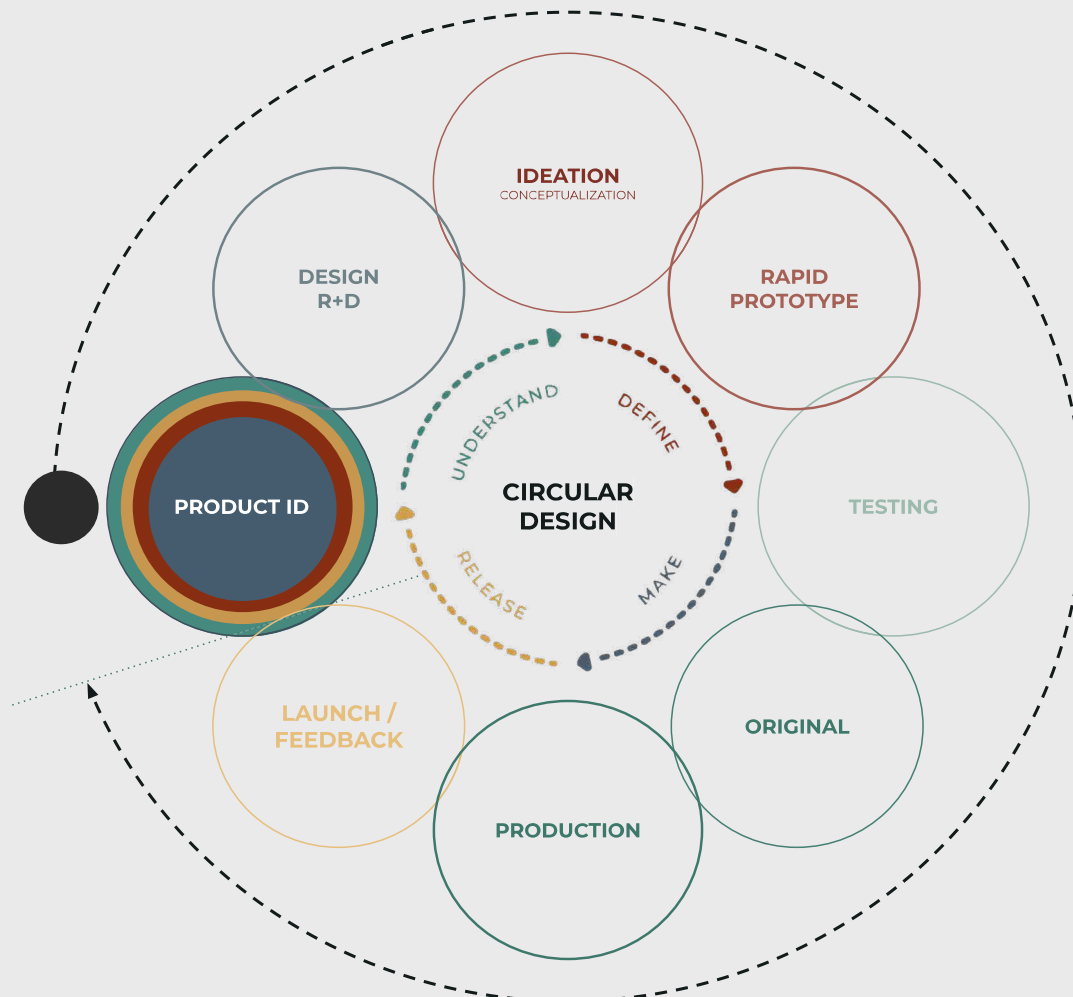


Product Design

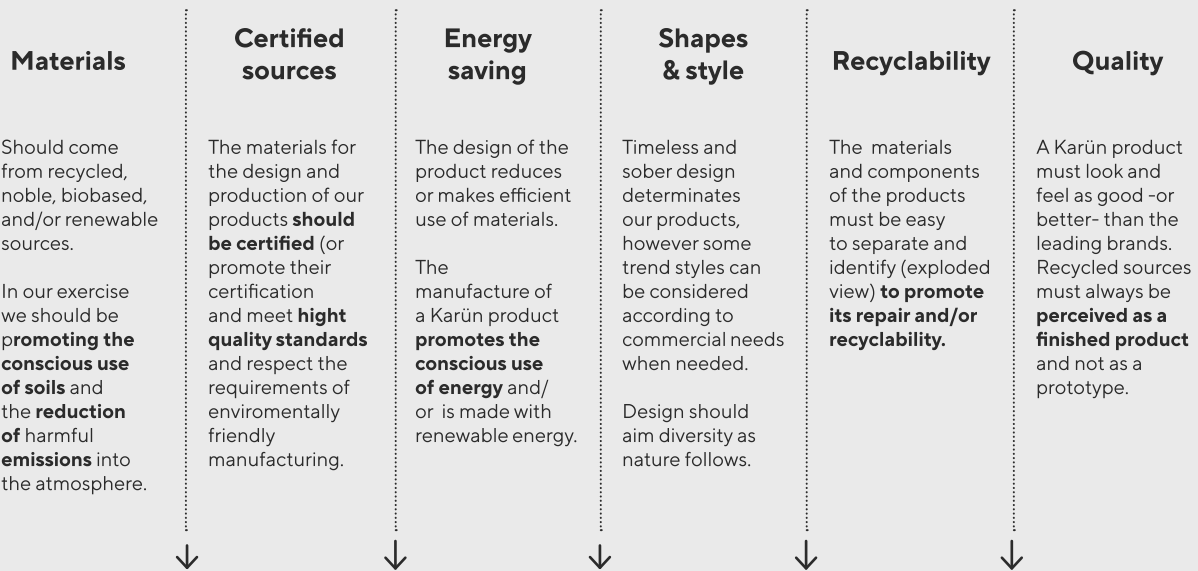
Circular design is a bridge between the vision of a sustainable future and the concrete actions we take today to build it, so creativity and responsibility come together through design to shape a future where consumption is not in conflict with sustainability. **We design intending to extend the product's lifespan, and create durable mechanisms that speak of quality, repair, and recycling.**

Throughout the entire design process, we rely on carefully selected indicators to guide our decision-making, resulting in inspiring, innovative, and conscious products, identifying opportunities to minimize waste, reduce our carbon footprint, and optimize resource use.

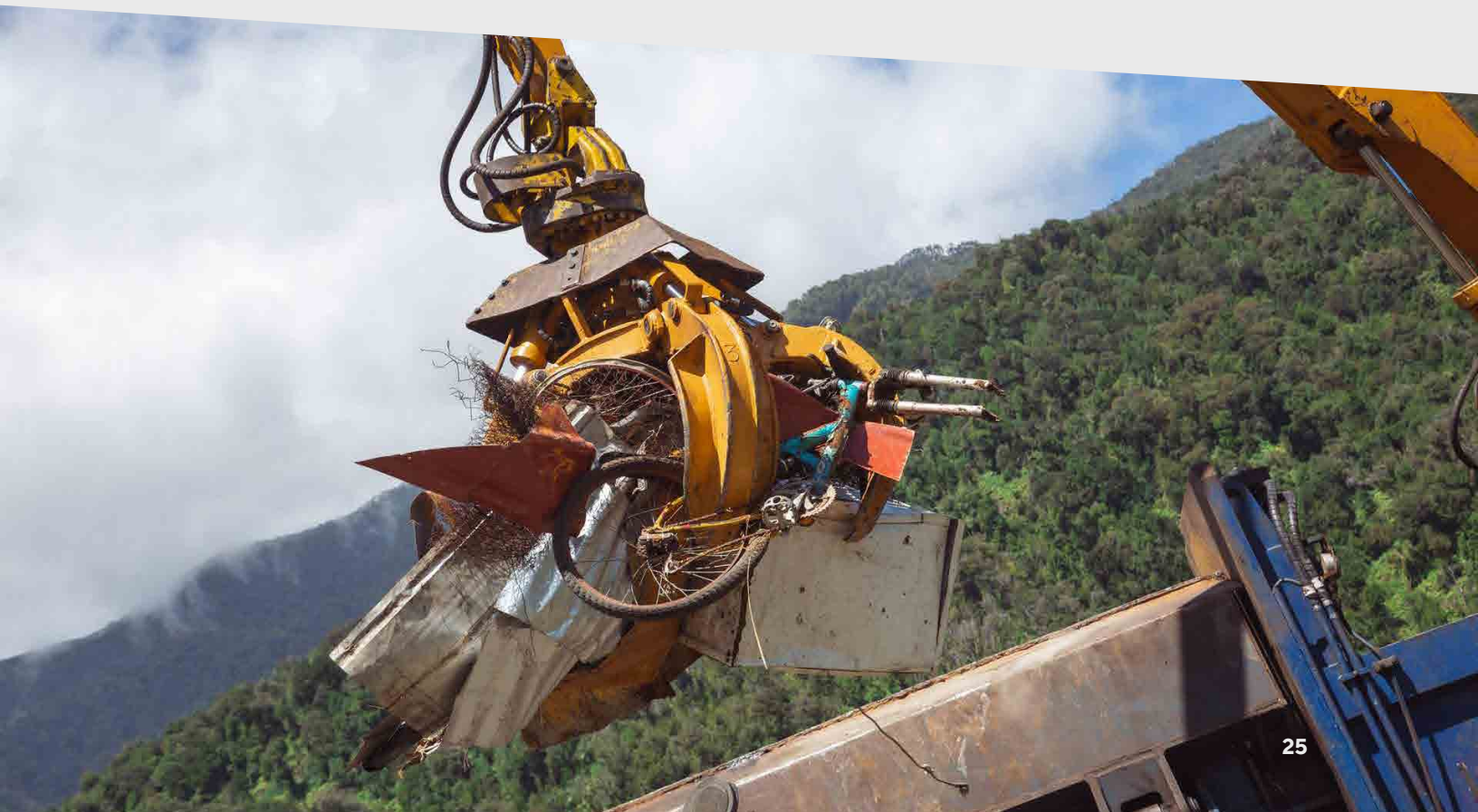
This is the Karün Circular Product Design Model:



These are the guidelines that guide this process:



apply circular design tools throughout



WASTE FROM SOME, TREASURES FOR OTHERS

Materials



Econyl®

Through a radical process of regeneration and purification of materials, nylon waste is recycled to its original purity, pioneering technology in achieving these results. This means that the regenerated nylon ECONYL® has the same technical characteristics as virgin nylon. No waste. No new resources. Only endless possibilities.

ECONYL® is certified by: DNV (Det Norske Veritas), a global certification body that provides certification, verification, assessment, and consulting services in a variety of areas, including quality, safety, sustainability, and risk management.



Metals

The recycled metal used in the production of our frames comes from different officially certified sources, which provide discarded material for us to recycle. Since we always seek to go beyond our commitment to protect and restore nature, each gram of recycled metal we use is further compensated through the collection of tens of tons of scrap in isolated areas of Patagonia.

It has GRS (Global Recycled Standard) certification, a global standard that demonstrates a company's commitment to sustainability and the circular economy, as well as transparency in the supply chain of recycled products.





Polycarbonate

The polycarbonate used in the production of these frames comes from a strategic partner in Spain, which provides us with this recycled material. They provide us with recycled polycarbonate from the automotive industry, turning old car headlights into high-quality eyeglass frames.



Polyester

In line with our eyeglasses, the cleaning cloths also come from recycled raw materials: 100% post-consumer recycled polyester. Like our metals, it has GRS (Global Recycled Standard) certification.



Cardboard

The box that comes with our products is made of 100% recycled cardboard with FSC certification, a seal of guarantee that indicates that forest products have been produced responsibly and respectfully towards the environment, workers' rights, and local communities, promoting responsible management.



NEW MATERIAL IN PROCESS!

Cellulose Acetate (Celion ®)

At Karün, innovation is deeply rooted in the pursuit of harmony between humanity and nature. That's why our team tirelessly explores new materials that allow us to transform environmental challenges into user-centered innovation opportunities.

This mindset led our attention to one of the most toxic forms of oceanic plastic pollution: **cigarette butts.**

The problem?



5.6

cigarette butts are discarded into the environment each year.

That's equivalent to filling **80 Olympic-sized swimming pools** every second.



Up to

50

liters of water are contaminated by just one cigarette butt.

1.3

million tons is the total weight of discarded cigarette butts each year.



The solution?



Reusing acetate, is the main component in cigarette butts (plastic).

This new efficient, sustainable, and scalable mechanical-chemical process developed by our partners at IMEKO eliminates the toxicity of the filters and recovers pure cellulose acetate as a new sustainable raw material: Celion®

Celion®



Thanks to this, from what used to be waste, we can obtain high-quality glasses, transforming fashion as a symbol of change.



For every ton of Celion®, up to **5.6 million** cigarette butts are eliminated.

Throughout the year 2023, we worked on the development and testing of this new material, employing advanced technology from our partners at IMEKO, a Chilean clean technology company that collects, processes, and recovers cellulose acetate found in cigarette butts, which will be transformed into Celion®, the essential material with which the next Karün eyewear collection will be produced in 2024. This will be the first collection marketed worldwide made from cigarette butts, marking another milestone in our commitment to the environment.

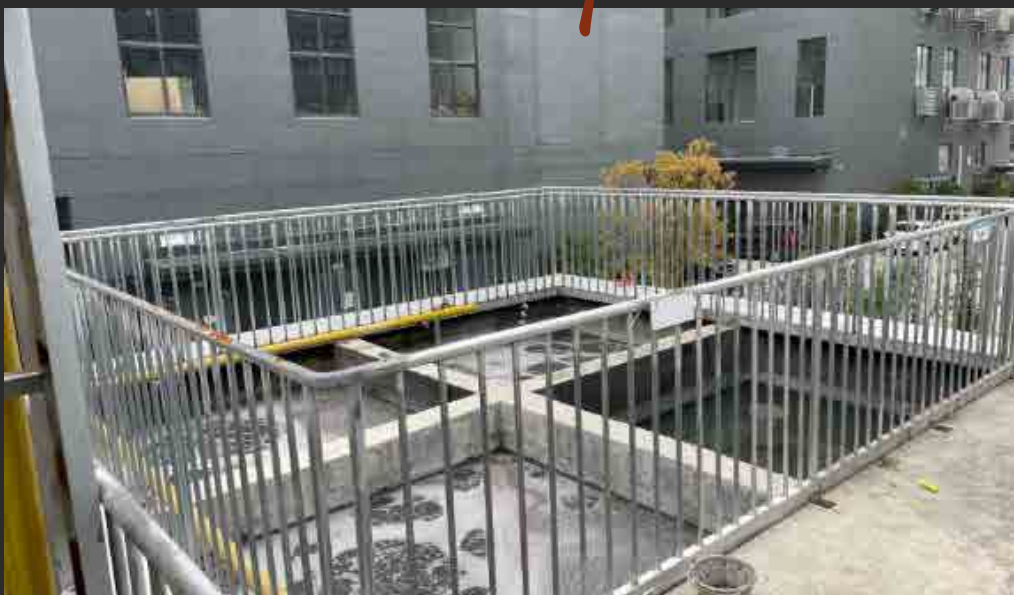
Manufacturing

It is in the last part of the second cycle of our value chain where our manufacturing partners come in, who are also strategic allies. They are key partners in creating eyewear that meets the highest quality standards while working with the best raw materials we can find in terms of CO2 emissions, recyclability, and superior technical characteristics.

Since 2015, we have been working with a leading Italian company in injection molding and high-tech eyewear creations. Located among the Dolomites mountains, this factory helps us manufacture our products under high standards of quality, social responsibility, and environmental sustainability.

Our second factory is a multinational company with facilities in China and Korea, where we work with both. This factory has 20 years of experience and is recognized for its quality standards with FDA, ISO 9001, and CE certifications, and the importance they give to their staff in everything they do.

Here's a photo of the factory's water reuse system!



The creation of our products in this factory is divided into two phases:

1. The injection molding process and the creation of the different parts of the product. This phase takes place in their specialized facilities in China.
2. The technical assembly and calibration process, where all the pieces are assembled and the lenses are calibrated. The result of this assembly process is the final product and takes place in their Korean establishments.

In addition, throughout 2023, we focused on designing and developing new aspects in our Sports category. This effort allowed us to incorporate a pioneering new factory in Taiwan, a leader in the creation of sports eyewear, recognized for both the quality of its products and innovation in its work methodologies. This collaboration will be essential to achieve our goals in the Sports line launches planned for 2024.



At Karün, excellence in the quality of our products is non-negotiable. Therefore, we not only rigorously comply with the testing protocols and quality standards inherent in our factories during the production cycle, but we also implement an additional evaluation strategy through external quality tests on each batch produced. This commitment ensures that each collection not only meets but exceeds the established standards of excellence, thus ensuring the supremacy of our products in the market.



Here's a photo of our CEO, Thomas Kimber, and COO, Marcelo Atalah, sharing with the factory team and getting to know its innovative facilities.

Finally, our straps are produced entirely in Chile, manufactured by artisans with braided cotton thread, leather scraps, and rivets made from recycled metal.

Through an entire community of women, our straps seek to value artisanal work and articulate a network of support, leadership, and entrepreneurship through a functional and quality product. Learn more about this beautiful project [here](#).



Pamela



Ana María



Claudia



Gladys

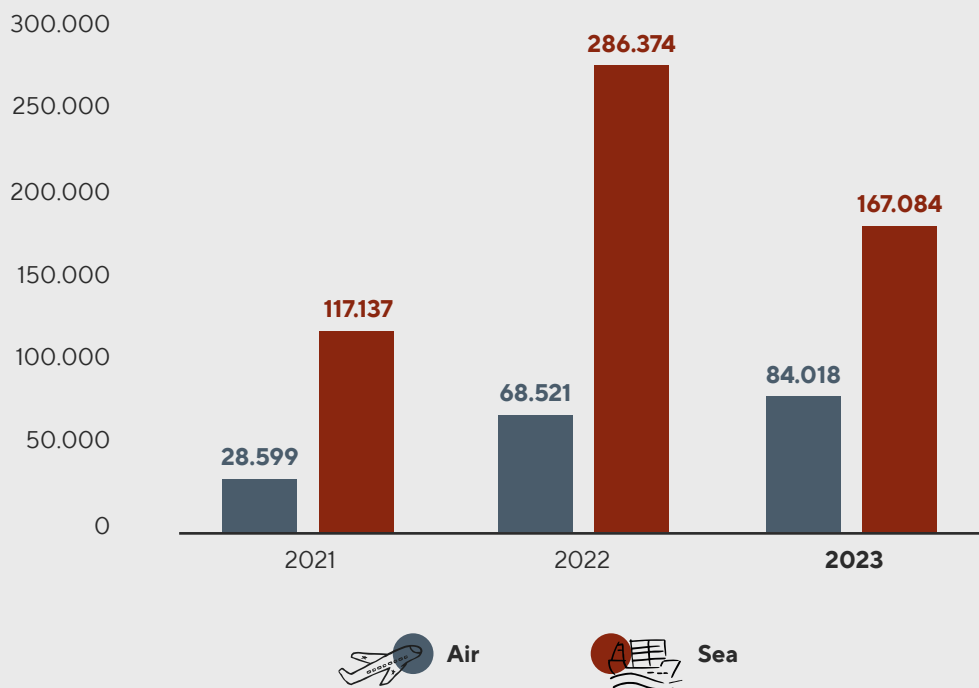
Operations

The year 2023 was characterized by financial difficulties that negatively impacted the proportion of goods shipped by air versus sea. This is something we consider essential to highlight in order to continue being accountable and to take responsibility for our actions, while also allowing us to anticipate and address this issue in 2024.

To this end, we implemented weekly S&OP (Sales and Operations Planning) meetings among the Product, Operations, and Sales teams to better manage the availability of our collections by market in a timely manner, while striving to keep air mobilizations to a minimum.

Additionally, we highlight the optimization achieved by discontinuing low-rotation SKUs, enhancing our most emblematic and best-selling products to achieve a balanced portfolio and reduce the number of units moved in 2023 by 29% compared to 2022. These types of optimizations are key to minimizing our carbon footprint as a company.

Here we see an annual comparison of our unit mobilizations by type of transport:



Other milestones in the area:

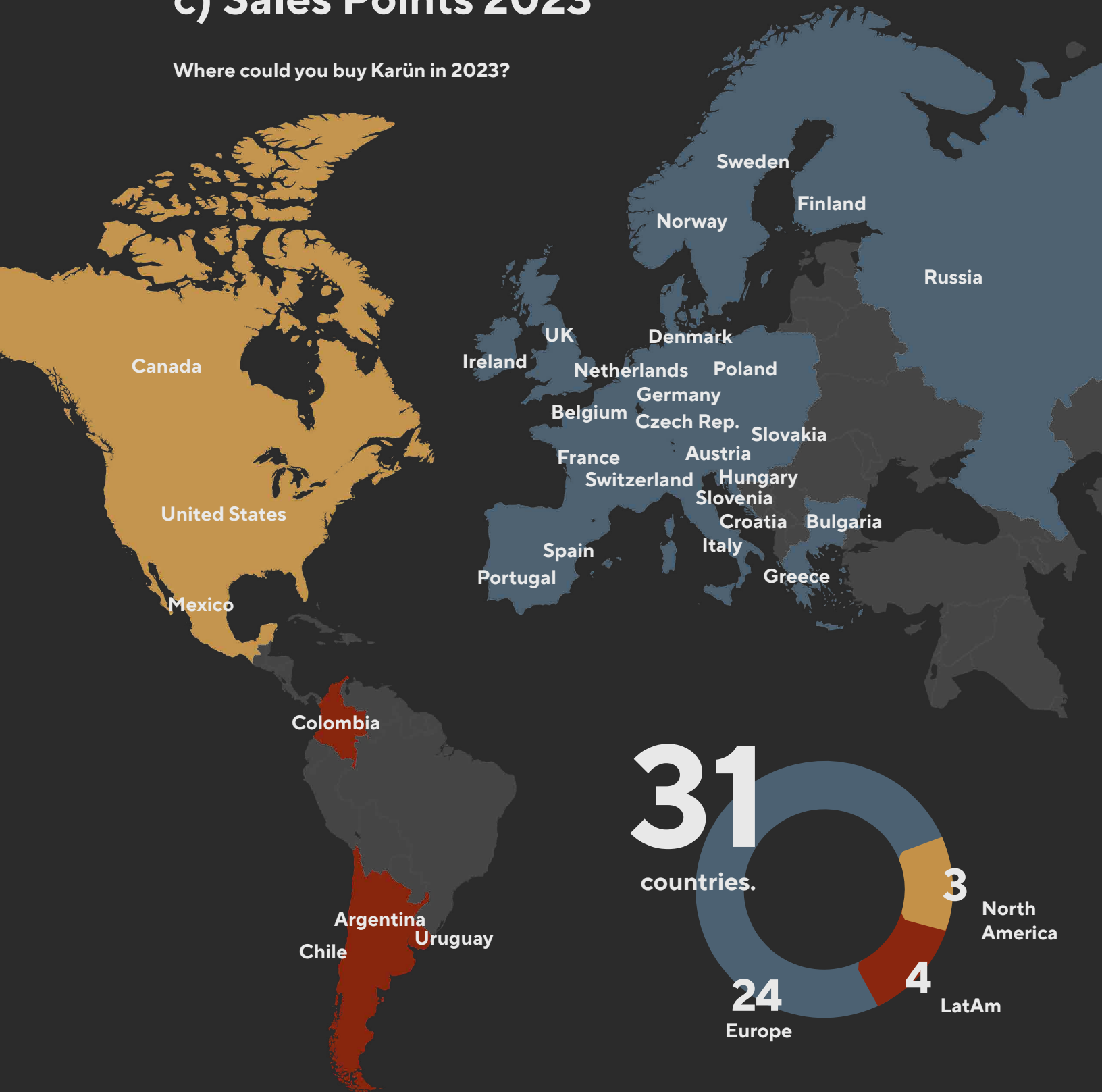
Among all the processes we had to audit for the LCA and review in order to carry out a new measurement of carbon footprint emissions and thus recertify ourselves as a carbon-neutral company, were all the actions that our Operations team carries out in the last mile. Below are some of the main ones:

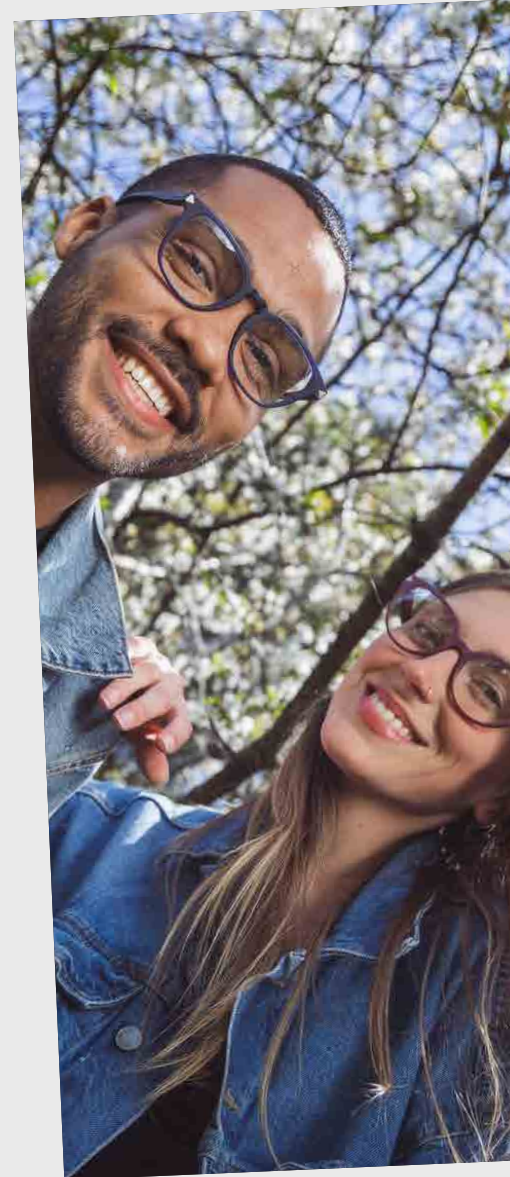
- 1.** This year we will continue to consolidate our strategic and commercial relationship with Ecoliga, who transport our products 100% by bicycles, covering a large part of the shipments in the Metropolitan Region of Chile (where our commercial office and operations warehouse are located), saving us unnecessary carbon emissions thanks to their eco-friendly transport.
- 2.** At the same time, we continued to work until June 2023 with our partners at Servisenior, a platform through which we shipped our products using people over the age of 50, fostering the development of job opportunities for adults. Servisenior ceased its activities in July 2023. We are currently looking for suppliers who can make a positive impact and complement our work with Ecoliga to cover our last mile.
- 3.** We maintain our commercial relationship with Greenmile in Chile for another year, who provide us with compostable bags for our D2C shipments.
- 4.** We work with a customs broker in Argentina who sends all the documentation generated from their processes (papers) to a public hospital for recycling and generating resources that serve as social aid to them.
- 5.** All international shipments we made during 2023 with DHL were selected for carbon emission compensation.
- 6.** We minimized packaging in the operation with our main customer in the United States by sending glasses in boxes of 10, optimizing space and increasing the load of a pallet by 33%.



c) Sales Points 2023

Where could you buy Karün in 2023?

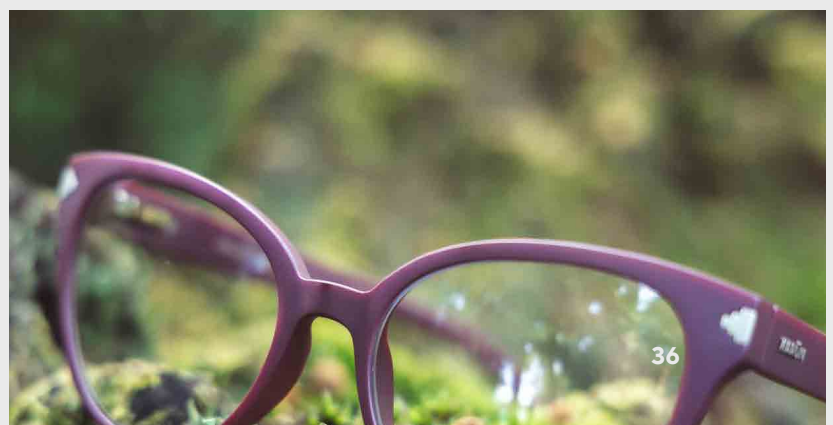




Hello Walmart!

In 2023, we consolidated our presence in the United States with the launch of Karün Eyewear in **1,400 Walmart Vision Centers nationwide**, helping millions of North Americans find sustainable eyewear options.

The new collection offers a portfolio of 18 styles, including classic aviators, round frames, rectangular, and square ones. This new alliance advances towards the shared regenerative goal of Karün and Walmart, in addition to reducing plastic and making more sustainable options more accessible during weekly shopping.



d) Repair and recycling

One of the most important challenges we face as companies today is to extend the lifecycles of products as much as possible, as well as the ability to repair and recycle them.

Thanks to all the customers who bring us Karün glasses that were accidentally broken or that have reached the end of their useful life after many years (and are no longer in a state to be repaired), we can implement our recycling system.

By handing us their glasses, these customers not only receive a 25% discount but also contribute to them being recycled in the same place where we collect our raw materials.

How do we make this possible? First of all, because we create products designed to easily dismantle all their parts. This step is fundamental and is a crucial factor in circular production, as it allows for both repair and recycling of each of its materials. The product is designed from the outset to then be recyclable.

This process is a great example of a circular economy, as it is also carried out by our impact leaders in Cochamó. These individuals, who are the same ones who collect the raw materials for the manufacturing of our products, now also prepare the glasses for recycling, thus generating additional income for themselves and their families.

This meticulous procedure involves disassembling each component, including temples, metal cores, hinges, and screws, among others.

This work requires great precision to ensure that the pieces remain intact and to prevent the mixing of materials. Once separated, each part is sent to specialized plants for recycling according to the type of material.



In the photo, Valeska, at her home in front of the Yates volcano, disassembling glasses with each part separated: temples, metal, lenses, logos, screws, and others.

e) Transparency initiative

Our transparent production initiative completely changes the way we understand the impact behind each Karün product.

And that's where we aim to make a change, in understanding the impact and communicating it to consumers.

How? We have measured and labeled the carbon footprint of each product and have also developed a Responsive Web Platform for the management and traceability of the value chain of our glasses from the origin of the raw materials we collect, through each link in the ecosystem of collaborating partners and suppliers, to the final product.

Customers deserve to know how their purchases impact the environment, and we have set out to do everything possible to push this paradigm shift. However, traceability and eco-labeling have complex facets that are difficult to address at first. It's about revealing the good and also what is not up to the standard we seek today. There are elements we are infinitely proud of and others that we believe have significant opportunities for improvement.

Nevertheless, we want to transparently disclose both successes and deficiencies. We want to know in detail and show everything we can because we know that this way, and only this way, can we improve. What is observable is optimizable, which greatly aids companies themselves. Moreover, in the future, it would be logical for synergies to be generated that allow us to learn from each other on this path of transparency to improve our processes, providing us with

knowledge that translates into more options and better ways to approach production.

Easily comparing products based on their practices and processes would be a highly desirable new standard. As traceability and eco-labeling become widespread, this will create a race towards constant improvement to reduce the impact of products, which would also be a tremendous achievement.

But for that, we need to be more. If only a handful of companies publish the data, it becomes profoundly difficult for consumers to decipher this data and make decisions based on it. They need points of comparison to know if process X is more or less desirable for the planet than process Y.

Only if we manage to push transparency and traceability to become the new standard for companies, could this become a radical act.

**"There is no
knowledge that is
not power"**

Mortal Kombat.



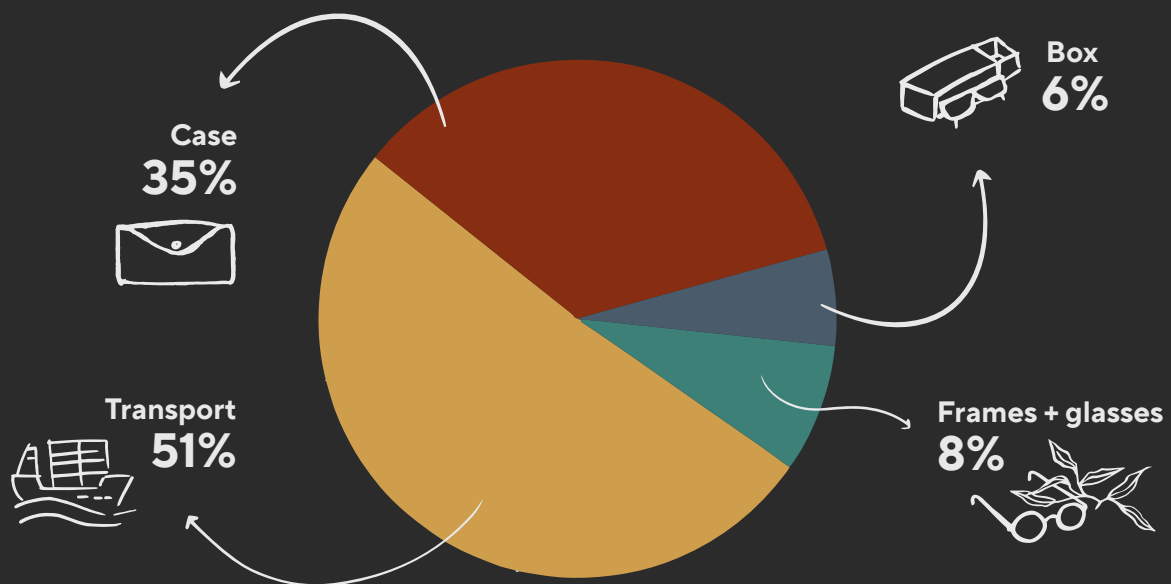
Carbon footprint eco-labeling

Because we cannot improve what we do not measure, we conducted a Life Cycle Analysis (LCA) to understand the impact our products have on the planet in terms of carbon footprint, and global warming potential, among other factors. This way, we can understand our environmental inefficiencies and work on them to reduce our footprint.

What are we measuring? The entire process is from raw materials (which in our case are from recycled sources) to the production of the final frame, lenses, cases, cardboard packaging, and transportation to a single distribution center in Europe.

Main results:

Average/final product
1,69 CO₂e



Since our average of 1.69 KG CO₂e per final product doesn't mean much on its own, we should compare it with others. Inspired by **Oatly and their "Together for Climate Labeling" initiative**, we want to set an example in the eyewear industry and call on other players to publish their numbers as well.



14.1

KG of CO₂e each average shoe. Source: Allbirds.



3.2

KG of average CO₂e per liter of cow's milk



3.72

KG of average CO₂e per conventional eyewear

allbirds

10

KG of average CO₂e by Allbirds shoe



0.51

KG of average CO₂e Oat Milk Oatly Barista Version



1.69

KG of average CO₂e per Karün eyewear

This way, we can compare and hopefully share practices that help us advance in reducing the footprint we leave on our planet.

This way, we can compare and hopefully share practices that help us advance in reducing the footprint we leave on our planet. The main differences in carbon footprint among our products lie in the composition of the raw materials within the frames. We've identified three main groups:



1.59

KG CO₂e

Recycled metals and/or Econyl regenerated nylon.

Products made 100% of metal, 100% of Econyl, or a combination of both, have the lowest carbon footprint.



1.67

KG CO₂e

Recycled polycarbonate combined.

Products made exclusively with recycled polycarbonate.



1.82

KG CO₂e

Recycled polycarbonate.

All products made solely with recycled polycarbonate.

The numbers, much like nature, will change as we work to improve each day and update the information behind our footprint. The most recent data will be available on our website. If you're like us and want to read even more information, please check it out [here!](#)



Karün Traceability System™

(It's like sharing location 📍)

Data is powerful, allowing us to empirically understand what, up to this day, in most companies and industries, remains a black box. No problem can be solved until we can delineate its contours and transform it from something vague into something concrete and observable. Where does the raw material for my product come from? How many kilometers did it have to travel to reach its production plant? Did it pass through one or multiple plants to become what it is? Where were these plants located? Our new tool empowers the customer and certifies them through Blockchain which are the answers to all these questions.

Two applications make up the solution:



The Karün Traceability System™

We launched a responsive web application that allows Karün customers to track their eyewear throughout the production process, interacting with a map, audiovisual content, and the different links on it, accessing multimedia content that illustrates each participant in the development during the journey.

Karün Backoffice

A responsive web platform that manages all the information necessary to feed the traceability system. Here, our team can upload information about the different steps involved throughout the eyewear manufacturing process, from material collection and recycling to distribution. Some selected transactional data in this process is protected through blockchain technology.

And what role or need is there to use Blockchain? This technology allows us to ensure to the customer, through external validation, all relevant transactions within the backoffice application. For this, a blockchain API located on an A1 AWS (Amazon Web Services) is invoked to persist and secure each transaction executed by the backoffice system.

In this regard, Karün's backoffice users can save and secure information related to the different steps involved:

COLLECTED BATCHES

RECYCLING BATCHES

PRODUCTION BATCHES

DISTRIBUTION BATCHES

Additionally, the application provides entry for the multimedia content associated with each link, to display this content in the traceability system. This way, you can view and connect with the audiovisual content of collections in Patagonia, plants, recycling centers, etc.

Why all this effort? So you can make informed purchasing decisions. And also to encourage the rest of the industry to join. We want to inspire and catalyze companies' commitment so that together, we can change the parameters by which consumers can choose a product and, as a result, reduce carbon emissions globally.



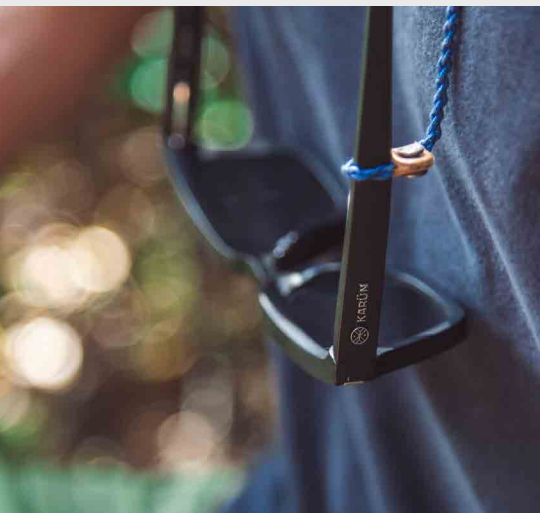
f) Launches and Collections 2023

New Models

These new models were inspired by the timeless colors of autumn, following the concepts of rawness, growth, and liberation. They feature tones that reflect the fusion between nature and well-being, complemented by a selection of more vibrant colors in smaller proportions.

From a shape perspective, the collection seeks a middle ground between the traditional, with clean and well-balanced geometries within lightweight metal structures, and the modern, mixing pastel shades on one hand, while on the other hand emphasizing a stronger visual impact through bolder volumes and high-contrast colors, such as yellow tortoise.

This collection stands out for its versatility in sizes, designs, and color palette, conveying unprecedented adaptability.



Karün Lite

We created ultra-lightweight reading and screen glasses, but differently!

The reading glasses industry (yes, those you see hanging in pharmacies and bookstores, already pre-graded) is currently based on constant product replenishment due to their excessive use. This motivates brands to build products with programmed obsolescence and rapid turnover. This results in thousands of glasses being discarded each year in landfills.

To address this problem, we have developed a collection of reading glasses with a circular design approach as a counterproposal to fast fashion. Our glasses are made from recycled materials and feature a hinge system that extends the product's lifespan.

We've invented a lighter, more durable, and easier-to-recycle eyewear. In this project, our Product Design team has created a hinge that's easy to recycle, allowing the eyewear to be practically recycled as a whole. This hinge, developed by Karün, is an innovation in the market that opens the doors to a future of environmentally conscious products. Our proprietary design and material innovation in hinges enable easy to repair, thus avoiding the overconsumption of eyewear and eliminating their stigma as "disposable".

**"Best Industrial Design in
Miscellaneous Category"**

**9th edition of the Ibero-
American Design Awards**



Origins

After a 6-year interval since the introduction of our iconic wooden glasses “Patagonia,” we are thrilled to introduce our Origins model, which not only sets new standards in the wooden eyewear industry but also reconnects us with our roots.

What natural materials were used for the Origins glasses?



We used certified **Coihue (Nothofagus dombeyi)** for the frame structure.

Certified **Oak (Nothofagus obliqua)** was used for the final appearance.

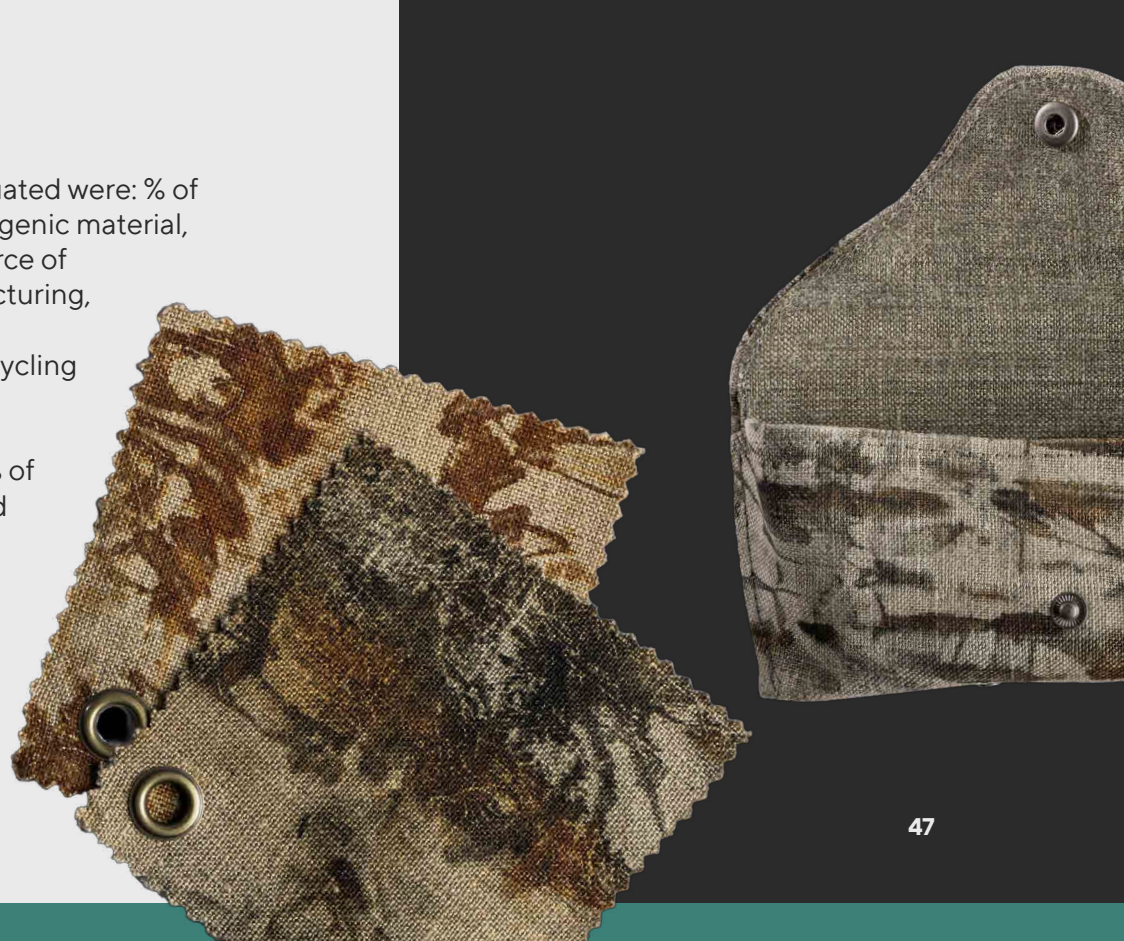
Both were selected for their character and presence in Patagonia, as well as their particular physical and mechanical properties.



Thanks to this case, we were recognized for our leadership and commitment to sustainability at the international MIDO fair in Milan, winning the “Certified Sustainable Eyewear Award”, specifically for developing the most sustainable case in the industry in our Origins collection.



Among the variables evaluated were: % of recycled material, % of biogenic material, distance between the source of raw materials and manufacturing, transportation, amount of material sent for reuse, recycling and disposal, electricity and water consumption, emissions management, % of dismantlable, reusable and recyclable components, etc. These were some of the components that positioned it as the most sustainable in the industry in 2023.



04.

Collaborative Governance

04. Collaborative governance

If we want to transform a traditional model into a regenerative one, we must consider all its areas and stakeholders, from production processes to sales and interaction with the territory.

For this to be possible, every process, every decision-making, and strategic definition must be oriented towards regeneration. This is why governance, as a collaborative process, must incorporate these principles in their entirety. We don't seek to be responsible for the environment; we seek to contribute to its regeneration. We don't seek to be transparent in the information provided to consumers; we seek for them to make informed decisions and for us to improve our processes.

And so the list goes on. Here is a list of the milestones achieved in 2023 in this pillar, which from different perspectives help us ensure that all internal processes and policies push towards circularity, quality, transparency, and above all, regeneration.



a) Planning from the Territories

In all organizations, planning processes vary. At Karün, during these processes, we outline and articulate strategic plans with an eye toward the future of our company. It's a meticulous and deep effort, where each department actively participates, contributing creatively, innovatively, and with specialized expertise towards achieving the objectives we collectively establish.

However, our planning wouldn't be complete without the integration of territories and their communities in shaping this 'roadmap' to our future.

With this purpose in mind, we annually organize a celebration and planning event that involves part of our internal team, collectors, impact leaders, and all those who contribute to our process in the territory on a monthly basis.

In Cochamó and Hualaihué, we close the year with two events where we engage in dialogue, laughter, remembrance, and with those learnings, we look towards the future. These instances only reaffirm that through collaboration, our impact will always be much greater.

Hualaihué.



Cochamó.



b) ISO 9001 Certification

This milestone reflects our commitment to operational excellence and quality in all aspects of our business. It wouldn't be possible without collaboration across all areas of our organization to meet the requirements of the ISO 9001:2015 standard, joining forces to consolidate and continuously improve our processes.

What is ISO 9001? It's a quality management standard aimed at structuring a company towards customer satisfaction and continuous improvement through a quality management system or model.

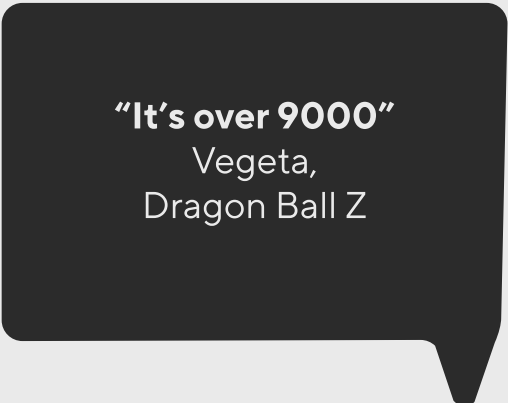
A company's quality policy is the foundation upon which its quality management system is built by the requirements of ISO 9001. This policy must align with the principles and requirements of the standard.

Get to know our Karün quality policy:

At Karün, we design, manufacture, market, and provide after-sales services for sustainable eyewear, both optical and sunglasses, which reflect our way of seeing the world. Therefore, we commit to:

- Constantly contributing to the environmental recovery of Patagonia by using waste as part of our raw materials, compensating by recovering material from beaches and bays much more than we need.
- Contributing socioeconomically to the requirements of our customers, both corporate and end-users, as well as the regulatory and legal requirements applicable to our operations.
- Continuously improving the performance of our processes and our quality management system.

For this, we have Impact Allies, with whom we seek to join efforts to be articulators of positive impact on socio-environmental issues; with Rural Communities, who articulate the protection of the territory; with Investors who believe in transforming the way we interact with our planet; with Customers who dare to see the world from another perspective; and with our main asset, our Team, who contribute with their experience and willingness to change the business from within and towards nature.



"It's over 9000"
Vegeta,
Dragon Ball Z

05.

People and Conscious Culture

05. People and Conscious Culture

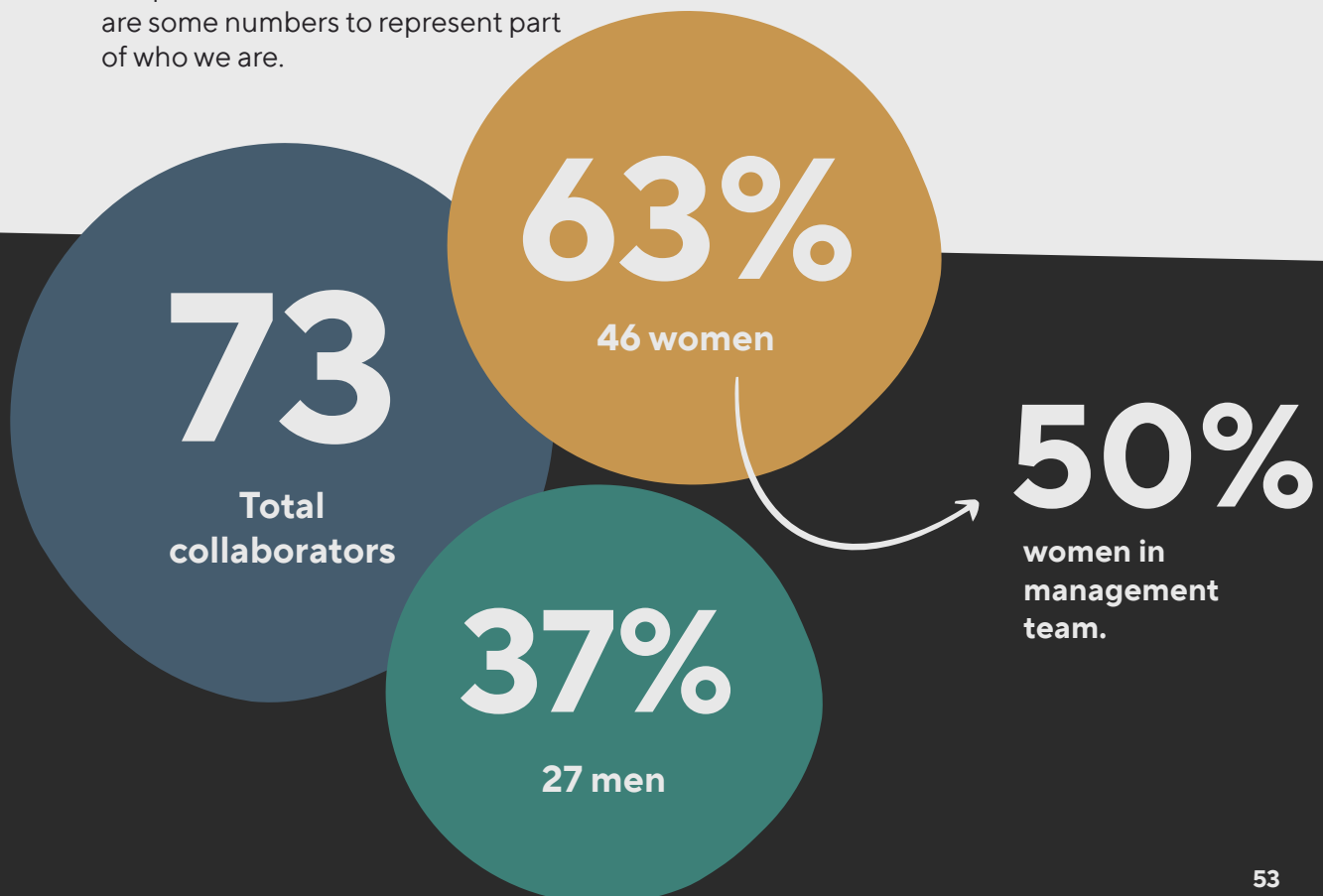
The possibility of a virtuous organizational culture and good teamwork is only possible to the extent that we build an environment where respect, empathy, and dialogue are the fundamental basis. At Karün, each team member has been selected to join the project for their unique and valuable perspective, and we celebrate this diversity as one of our greatest assets.

Only through genuine connection with our environment and with each other can we build a cohesive team that dreams together. This involves not only caring for each member's personal and professional goals but also working collaboratively to achieve shared goals. It is in this context of trust and mutual support that each person can bring out their best and contribute significantly to collective success.

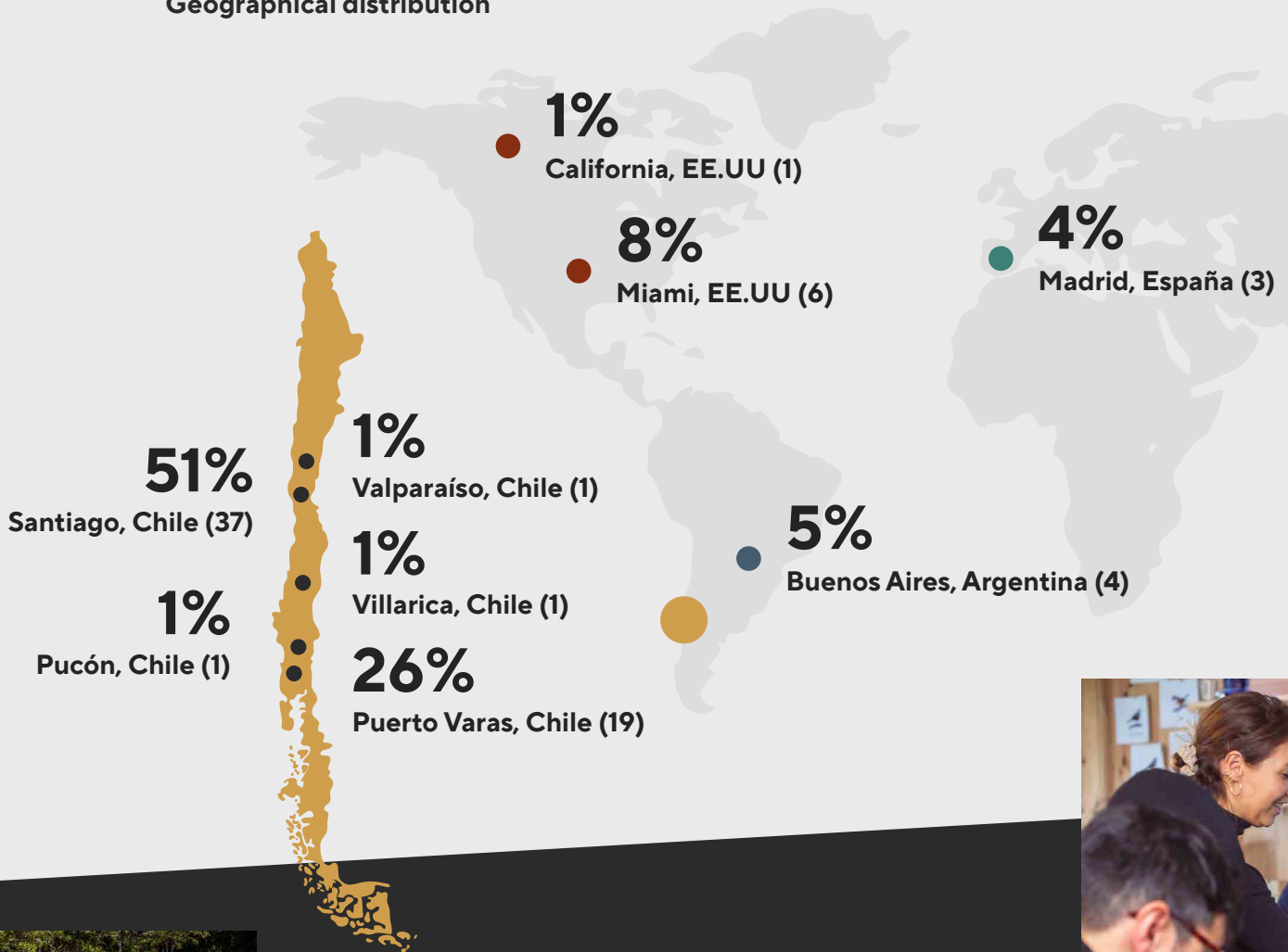
Below, we present our team and milestones for 2023.

a) Our team

People are not numbers, but here are some numbers to represent part of who we are.



Geographical distribution



b) Building Happiness Survey

To understand the impact of Karün's culture on the well-being of our employees, we actively participated in the Building Happiness survey by BUK. Using this tool, along with other internal surveys, we make sure to monitor and track our culture and employee well-being.

Out of the 190 companies that participated, we achieved a result that is above our category in the following statements:



On the other hand, through the same survey, we were able to observe that the team perceived a need to strengthen our recognition practices. Each team member must know that their contributions are valued and recognized, so in 2023, we took this gap as a fundamental improvement opportunity. For this, we developed two programs aimed at providing a comprehensive view of the perception of individual contributions and their impact on the team:

360° Feedback Program: This allows all team leaders at Karün to obtain detailed feedback from their teams, highlighting both strengths and areas for improvement and blind spots in their leadership.

Performance Management Program (PMP): It is a formal process designed to establish, monitor, and evaluate personal performance, seeking to drive individual growth and contribute to Karün's success.

c) Talent Development

Since the moment our collaborators join Karün, we support their onboarding and growth through the implementation of the following programs:

1

Onboarding:

We create a 90-day plan to accompany new employees in their immersion into our culture and the challenges of the business.

2

Leadership:

Annually, we conduct a 360° Feedback to assess the leadership of each team leader, identifying strengths and areas for improvement.

3

Performance Management:

A formal process to establish, monitor, and evaluate performance with the goal of driving both personal growth and achievement of results at Karün.

4

Recognition:

Every 3 months, we publicly reward those who are ambassadors of our Karün virtues.

5

Climate:

Survey that measures the happiness of employees in 4 pillars: Well-being, Engagement, Appreciation, and Sustainability.

06.

Healthy
Territory

06. Healthy territory

As we well know, our organization does not operate in a vacuum but as part of a larger system where it must assume a regenerative role. We are aware that all our interactions impact the territory and vice versa. Therefore, we have designed our value chain, governance, and culture to foster symbiotic exchanges, leveraging our capabilities and forging a mutually beneficial relationship between our company and its environment.

This is why our model integrates a series of actions based on our experience, collaboration, and mutual learning, completely aimed at cultivating a healthier territory.

a) Regenerating ecosystems

What would the world look like if we all understood that we are nature? We do not have a definitive answer to this question, but we are certain that it would be a much better world, in harmony with the planet. That is why it is fundamental for us to invest time and resources not only in protecting ecosystems but also in connecting people in these processes and pushing for reflection on this question, to truly achieve comprehensive regeneration.

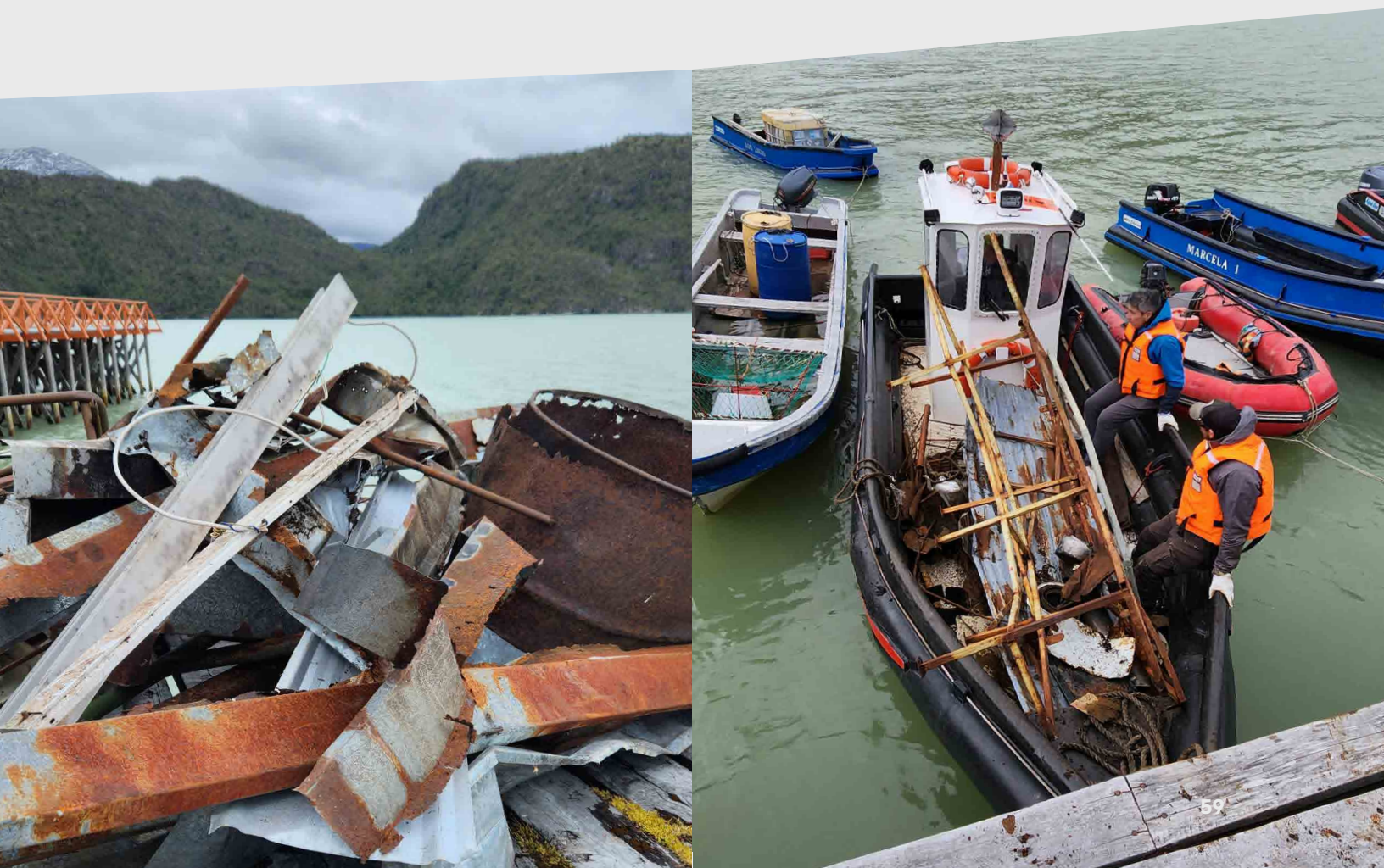
As we deeply believe in the transformative power of people and their connection with nature, we work throughout the year on different initiatives that seek to mobilize organizations and communities in Patagonia to collaboratively generate tangible changes in their territories. By actively involving people in the process of environmental protection, we enhance a regeneration that encompasses both the ecosystem and the social fabric, fostering sustainable and lasting change.

Scrap Collection in Caleta Tortel

In November 2023, we carried out a collection never before seen, unthinkable for communities as isolated as Caleta Tortel. Thanks to a joint effort with the local Municipality, Parque la Tapera, Balloon Latam, as well as the entire community and territorial organizations, we managed to remove more than 2000 kilos of scrap from the area, much of it accumulated for decades in remote areas.

To do this, we planned the operation months in advance and managed to coordinate all the actors involved to mobilize the scrap to 10 docks and the roundabout, generating collection centers there. Then we loaded everything collected onto a barge and hopper to take it to Puerto Natales, where our partners at Aza were able to take it for recycling.

This cleanup was extremely complex due to the distance, logistics, and difficulty of access, but thanks to collaborative effort, we recovered valuable public green spaces, neighbors' yards, and even cleaned up the Tortel school.



Scrap Collection in Hualaihué

In December 2023, we launched an ambitious collection campaign in the commune of Hualaihué, Hornopirén, to collect more than 30 tons of scrap, which was our goal. We also aimed to expand our reach, visiting more localities and reaching out to more neighbors than in 2022, to maximize our contribution to the community.

Thanks to the combined effort of an exceptional team, led by the local venture Reciclajes J&V, and the indispensable support of the municipality of Hualaihué and AZA, and especially the active participation and enthusiasm of the neighbors to clean their commune, we exceeded our goal by removing more than 35 tons of scrap. This success demonstrates that collective effort can drive initiatives that significantly benefit both the environment and the community.



b) Voices from de territory

During 2023, we aimed to systematically capture the voices of those individuals who have accompanied Karün's development from the territory. This active listening allowed us to validate and refine our collaborative work model.

In collaboration with professionals in the field of sociology, we conducted a project to gather information, characterize, and co-create with collectors, impact leaders, and other relevant actors from the communes of Cochamó, Hualaihué, Puerto Montt, and Puerto Varas, as well as members of the Karün team.

This material helps foster close collaboration and co-created planning, ensuring that we can build a strategy truly together, aligned with the realities and values of all involved parties, thus driving a more significant and enduring change.

A qualitative methodology was employed for this report, including analysis of preliminary conversations and 15 in-depth interviews. The process was divided into two stages: In the first, concepts of leadership and the relationship between nature and society were explored. The second stage involved semi-structured interviews with social leaders and key actors, based on previous definitions and emerging themes.

Some learnings:

- Communities demonstrate a deep connection with their natural environment and a concern for its preservation, although they face socio-environmental and social cohesion challenges.
- The gender role is evolving, with women assuming leadership roles in the community and environmental sphere.
- Collaboration with companies like Karün can enhance local initiatives and generate a positive impact in communities.



The following are the pillars that emerge from this research. These represent the convergence of different themes, needs, and opportunities in the territories, highlighting the main findings and areas of interest for future research or interventions.



Well-being:

Just as healthy natural environments entail healthier populations and vice versa, the idea arises that there is a direct relationship between societal habits and the conditions of the natural environment. In this case, well-being is recognized as a fundamental strategic pillar to work on because communities themselves acknowledge Karün for the work it has done in this area, from both a physical and psychological perspective.

Collaborative empowerment:

This forms the third strategic pillar to promote individuals with regenerative leadership and, in turn, regenerative communities with healthy natural environments. This pillar encompasses all actions that allow the development of the territory by the same people who inhabit it. Thus, it is crucial to emphasize the crucial role of women and the application of a gender perspective in each project.



Culture:

The culture pillar is linked to education but also to the incorporation of new habits, meaning that awareness must be accompanied by action. In this way, culture can be worked on by the individual, community, or in the relationship of the latter with nature.

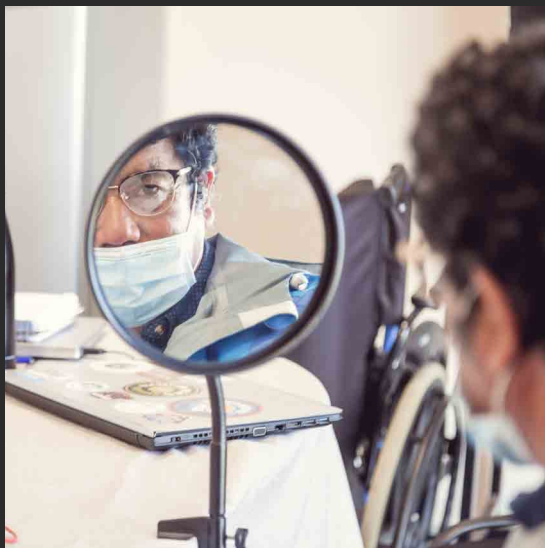
c) Ophthalmological Operations

Seeing is believing.

Ophthalmological operations are a fundamental part of our territorial regeneration program, which not only promotes visual health but also closes a circle in our value chain.

It all begins with free visual exams, conducted by specialists whom we take to isolated areas of Patagonia, in the same communes where we collect the nets, ropes, and metals with which we make our glasses. Thus, we help alleviate the waiting list at the local health centers and offer, literally, a new vision to the community in the territory where we operate.

Our purpose goes beyond simply allowing people to see; we want to make tangible the idea that what they consider garbage can be transformed into high-quality products. Therefore, after the visual exams, we have glasses made and sent to them according to their prescriptions. Thus, the same nets that are collected return to them now as glasses that allow them to see.



Hualaihué:

In March 2023, together with Sonapesca, Atando Cabos, the Fishing Union of Hualaihué, and the coastal community of the commune, we allied with a primary focus: a circularity and collaboration project, to transform the high amount of waste from the port into a real product that could return to the fishing community and also raise awareness about artisanal fishing waste.

Thus, we devised a project spanning months, in which, through the union and coastal communities, we collected over 5 tons of nets and ropes from fishing activities to give circularity to this waste and promote learning about environmental care. The big surprise for the community was that, after this collection, we were able to deliver over 70 custom-made prescription glasses to neighbors and union members, from Contao to Pichicolo.

Cochamó:

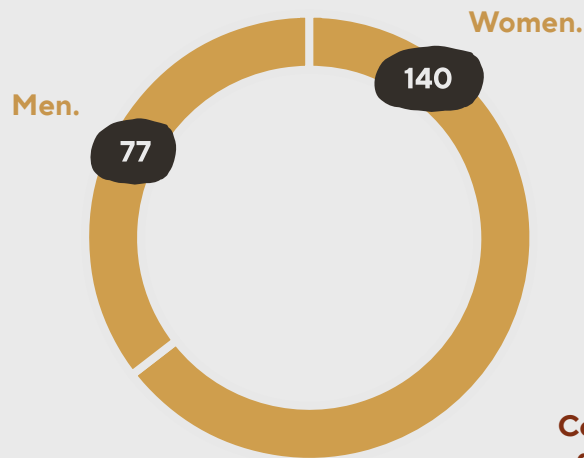
This year, we managed to carry out a new operation in the commune, visiting 4 localities: Río Puelo, Llanada Grande, Cochamó, and Picoihuen. One of the main objectives of these operations is to reach very isolated places and assist rural neighbors who have difficulties getting to the health centers in their communes. Thus, as in previous versions, collaborative work with the Cochamó CESFAM was key to reaching corners of the commune and providing support in such a fundamental need as vision.

Ophtalmological Operation Hualaihué:

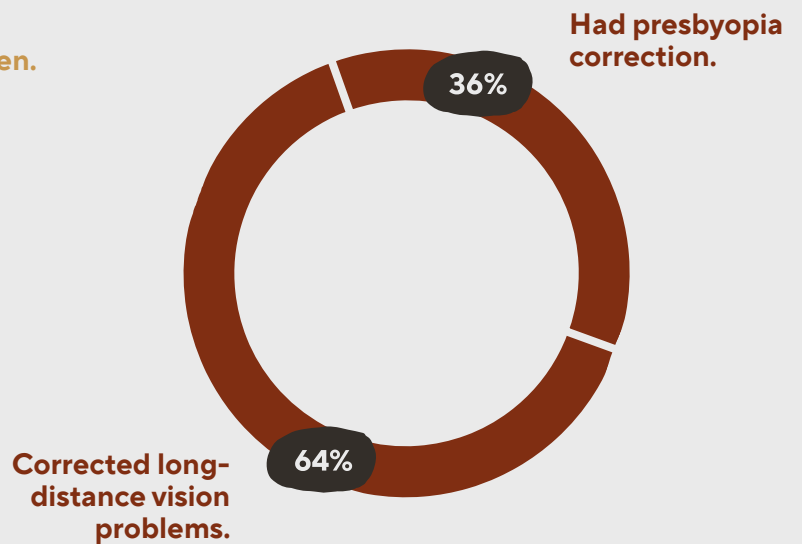


Results of our operations in 2023

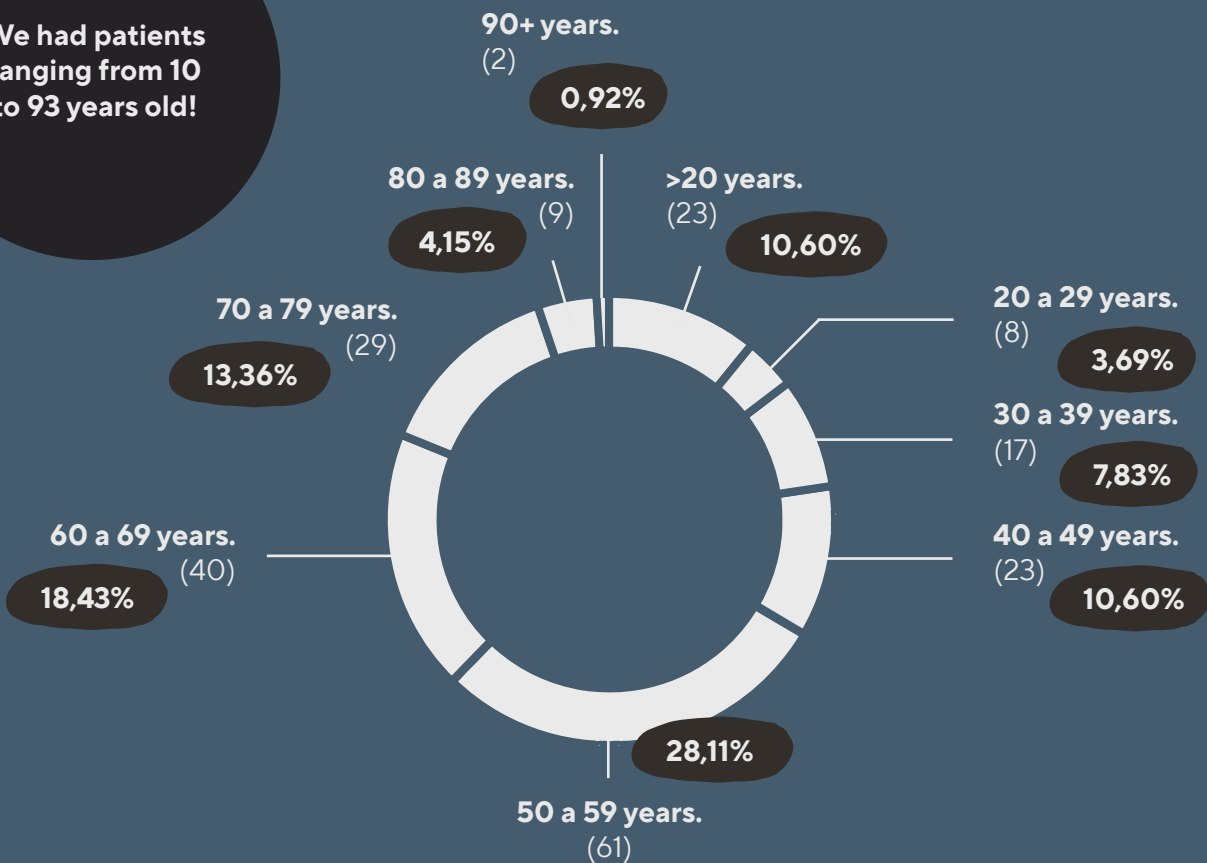
We provided glasses to:



Of the glasses we provided:



We had patients ranging from 10 to 93 years old!



The most chosen frame models in this operation were:



Aurora

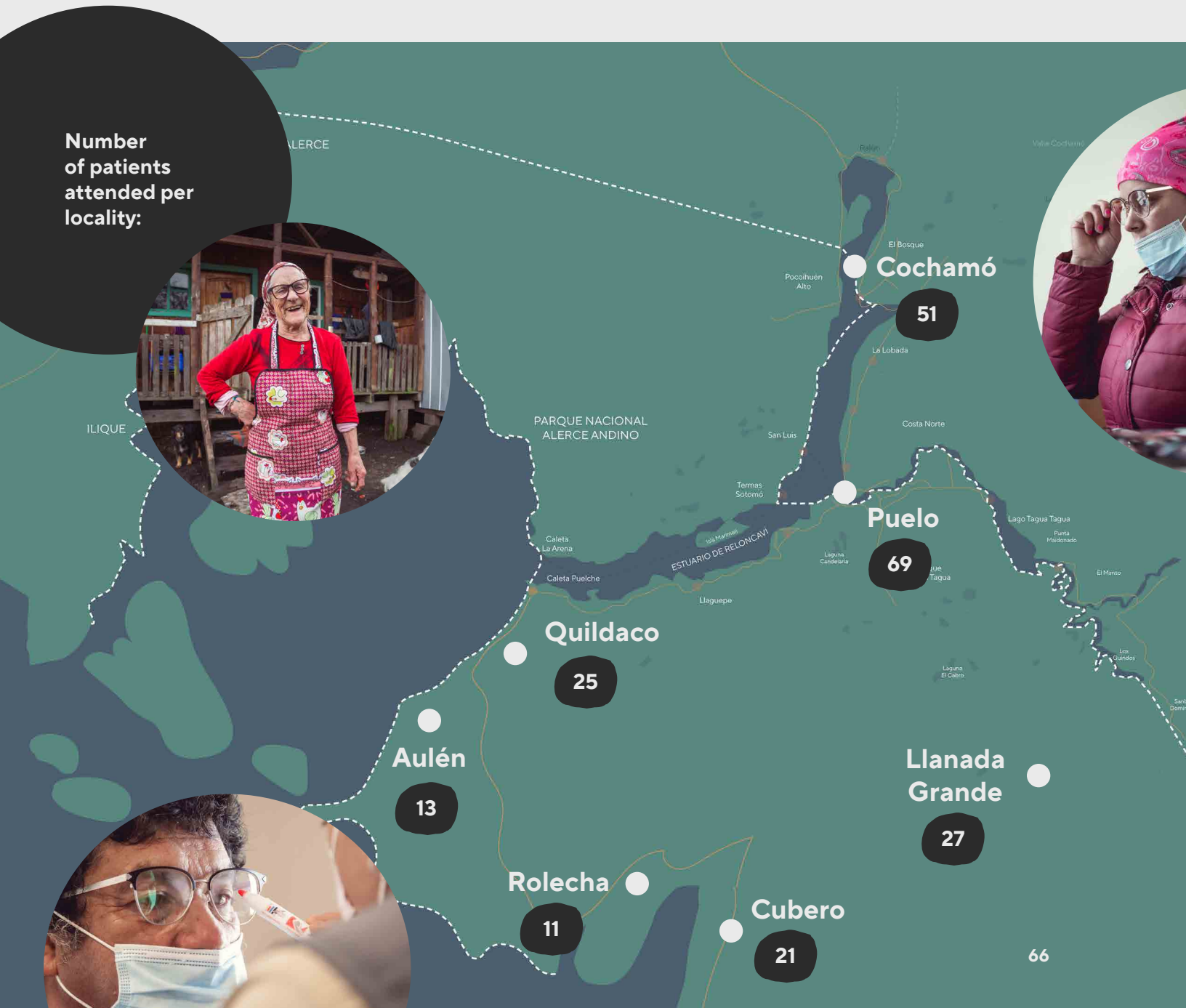


Franca



Puma/Hail

Number of patients attended per locality:



d) Community fairs

In 2023, we participated in multiple community fairs in Rollizo, Puelo, Puerto Varas, and other sectors of Patagonia. Our commitment to community development led us to contribute with financial support and the promotion of prizes in the form of glasses for these events.

These sponsorships not only allow us to showcase our products in the locality where we collect waste but also allow us to interact directly with community members, listen to their needs, and gain valuable insights that help us better understand how to contribute to the development of this region of Patagonia.

1 National Blacksmith Tournament - Southern Zone



2 Expogualasfest



3

Caleta Rollizo Festival



4

Newen Leufu Kayak Championship in Hornopirén



5

World Recycling Fair in Puerto Montt



e) Education for regeneration

A society that fails to address the intersectionality between education and climate challenges deeply jeopardizes sustainable development.

Recognizing the critical nexus between these elements, in 2023, we placed a strong emphasis on working with rural schools in the territory where we operate. Students in Patagonia, who experience nature as an essential part of their daily lives, have the potential to be its greatest guardians.

That's why we have closely collaborated with rural schools in Patagonia to create educational opportunities focused on nature conservation, circularity, and waste management. Additionally, we have promoted connection and mutual learning through workshops and various experiences that not only enrich environmental knowledge but also strengthen community ties and shared responsibility toward our planet.

In 2023, **we conducted these educational workshops for 506 students** in rural schools in Rollizo, Cochamó, Puelo, and Quemchi.



Rollizo School



San Antonio Pocolhuén School



Río Puelo Rural School



Lliuco Quemchi School



07.

2023
Results

07. 2023 results

We are thrilled to present you with a summary of the most significant milestones of the period. This summary not only aims to reflect our commitment to transparency as a company but also to celebrate the recognitions received, the goals achieved, and the growth attained globally.

All of this is the result of the tireless work of our great team, which, with infinite conviction, drive, and creativity, seeks to redefine the boundaries of what is possible year after year.

Thanks to each person involved in our greatest hits of 2023:

Certifications:



Empresa



Certificada



Recognitions for Karün



GLOBAL BRAND AWARDS
 “Most Sustainable Eyewear Brand Global 2023”



MIC + EMOL
 “Most Innovative Companies 2023”



FORBES
 “Chile’s Top 100 Startups”



MIDO
 “Certified Sustainable Eyewear Award” in the Cases category + top three for the “Stand Up for Green” award for booth.

Posición	Empresa
1	WALMART
2	BOSONAC
3	PALARELLA
4	JUMBO
5	ALCANTARA
6	INDUSTRIAL
7	DESPACHOS
8	KARÜN
9	HEA
10	ROSEN

MERCO

“Companies with the best corporate reputation, ranked 10th in Chilean retail.”

Posición	Empresa
1	WALMART
2	BOSONAC
3	PALARELLA
4	JUMBO
5	ALCANTARA
6	INDUSTRIAL
7	DESPACHOS
8	KARÜN
9	HEA
10	ROSEN

MERCO

“Companies that attract and retain personnel talent, ranked 9th in retail in Chile and 97th across all national industries.”

Posición	Empresa
1	WALMART
2	BOSONAC
3	PALARELLA
4	JUMBO
5	ALCANTARA
6	INDUSTRIAL
7	DESPACHOS
8	KARÜN
9	HEA
10	ROSEN

MERCO

“Most responsible ESG companies, ranked 9th in retail and 95th across all industries in Chile.”

Recognitions for Thomas Kimber:

Our founder and CEO!



EMOL

“Innovative Energy: 200 Faces with Which Chile Confronts Major Global Transitions”



FORBES

“30 Sustainable Minds of Chile”



HORSE

“100 Most Innovative Business Leaders in Chile”

Impact Leaders

We are very pleased to announce that this year, new collectors and locations joined our chain! Additionally, in 2023, thanks to them, we managed to expand into new areas: **Yates and Charparano**, both in the Cochamó commune.

17

Impact Leaders
at Karün.

6

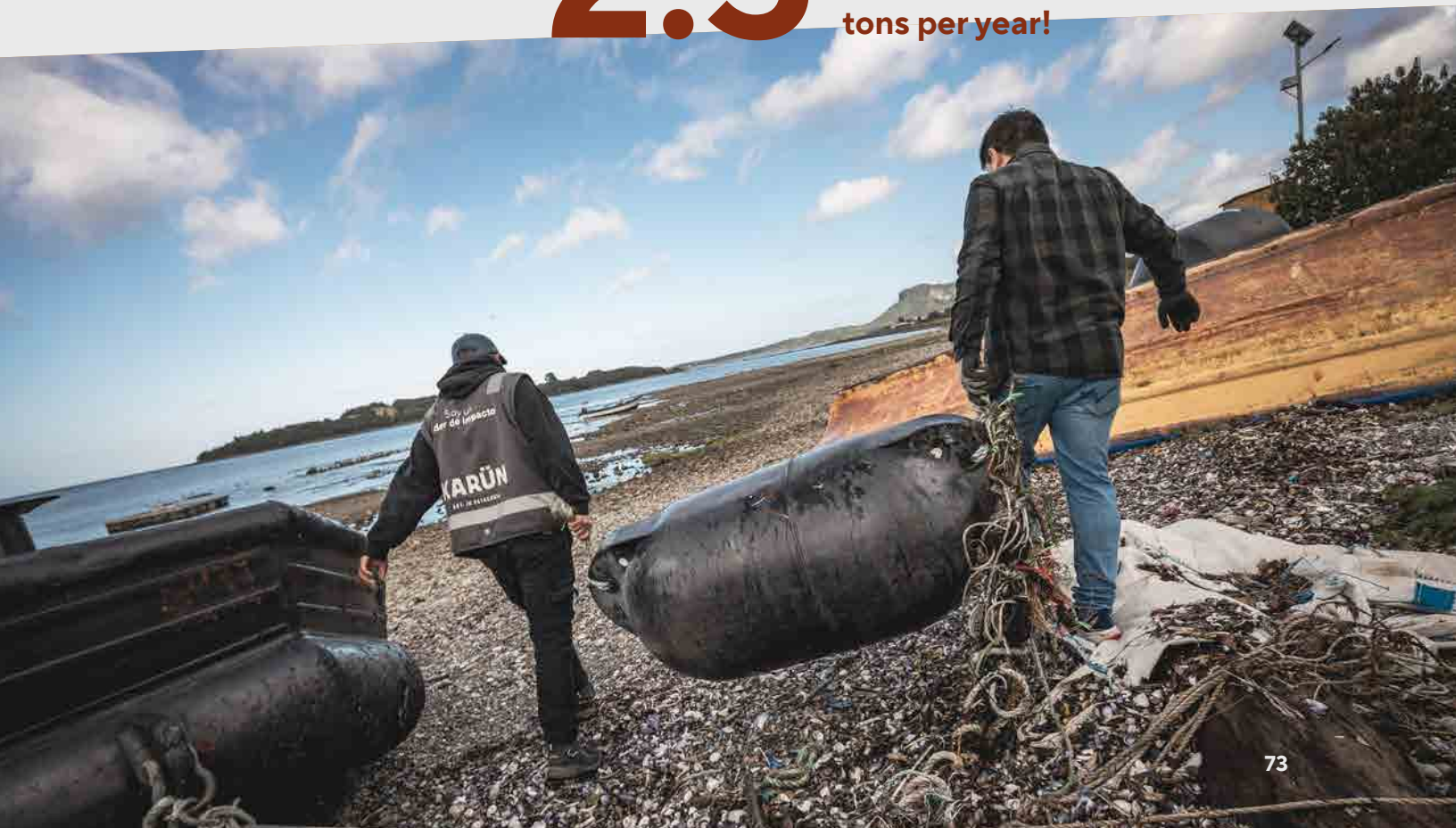
Territorials
Organizations.

11

Local
Entrepreneurs.

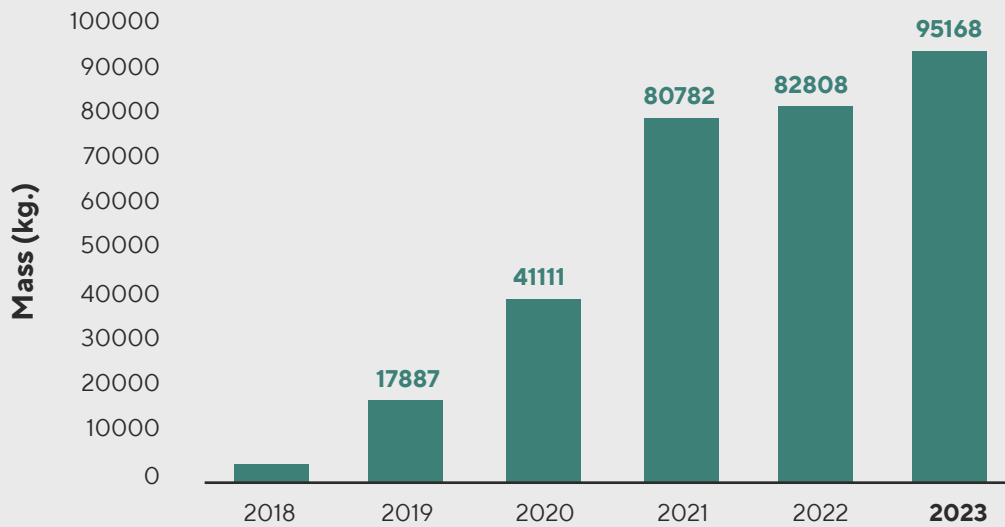
Each leader collected
an average

2.5 tons per year!



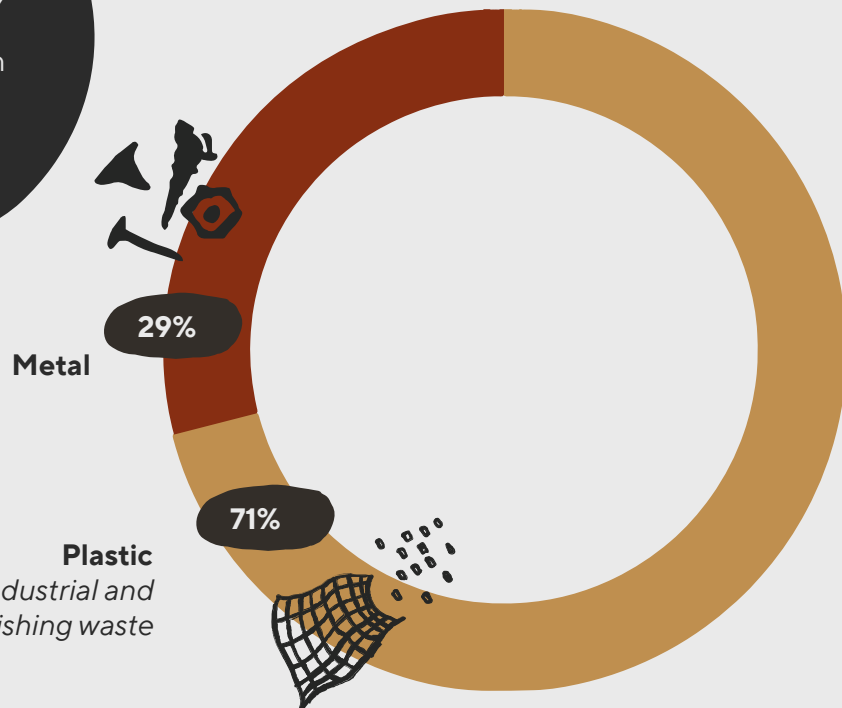
Our 2023 collection

Total raw material collected:



Total collected in 2023 by type of raw material

Did you know that for every pair of glasses sold, **we collect over 800 grams of material**, which is equivalent to 20 times their weight?



Plastic
** nets and ropes, industrial and artisanal fishing waste*

Our collection partners, where are they?

Thanks to their support, we not only managed to significantly increase the amount of tons collected but also expanded our reach, extending beyond Patagonia to other places in the world.



Recovered marine waste:

86.5 tons of waste, bringing the total to 991 tons of fishing nets and other marine debris removed since 2013. This weight is equivalent to the weight of 6.4 blue whales or 225 orcas!

Paraná River:

Alongside Fundación Rosario, Fixit, Global Shapers, and Fridays for Future, we conducted our first collection in Argentina, specifically in the Paraná River, city of Rosario.

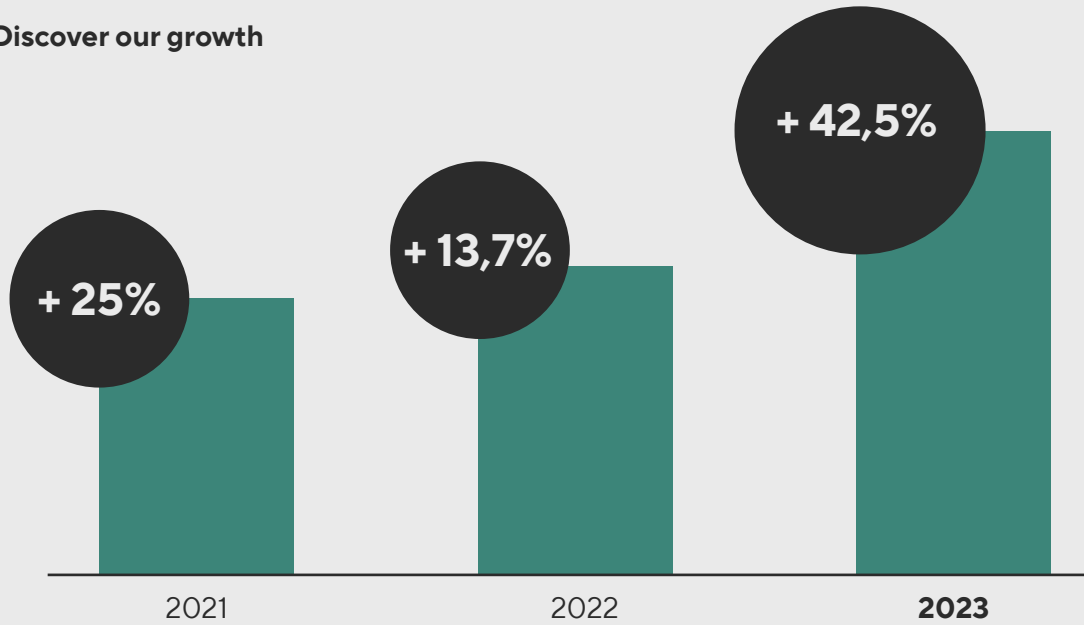


We expanded our collaboration network to reach new territories in Asia and increase the impact of our model.



Sales 2023

Discover our growth



Total number of countries where we sell



Our corporate carbon footprint

During the year 2023, we once again conducted the process of measuring the corporate carbon footprint from the previous year.

The study provided us with **a result of 105.57 tCO₂e** (total for the year 2022) with the following breakdown by scope:

Scope	Description	Detail	Greenhouse gas emission (tCO ₂ e)
Scope 1	Fuel	Diesel oil and LPG	0,27
Scope 2	Electricity	Electricity acquired from SEN and SEA	21,04
Scope 3	Supply Chain	Corporate travel, waste management, material use, B2C and B2B logistics, telecommuting, losses from transmission and distribution	84,26
			105,57

Karün’s growth in the respective year resulted in a 20% increase in our footprint. This outcome is attributed to an increase in Scope 2 and 3 emissions primarily, where the expansion into new markets and stores has led to greater energy consumption and transportation intensity. This is a figure we must reverse to achieve our goal of reducing corporate CO₂ footprint by 50% by the year 2030.

To accomplish this, we are implementing various strategies, including reducing corporate flights, enhancing energy efficiency in offices and stores, and reducing waste generation while improving recycling management.

Get to know
how much
our offices
recycled in
2023!

	Puerto Varas	Las Catalpas	
Inorganic Waste	Cardboard	215 kg.	155,5 kg.
	Glass	114 kg.	33,6 kg.
	Plastics	124 kg.	31,6 kg.
	Tetra Pack	15 kg.	N/A
	Aluminum	32 kg.	N/A
	Other Metals	16 kg.	N/A
	Total	516 kg.	220,7 kg.
Organic Waste	215 kg.	215 kg.	

To offset the total of our corporate carbon footprint, this year we have once again selected 3 projects in South America:



50
tonCO₂e

Choapa Totoral Wind Power Portfolio, Chile, VCS:

In Chile, a wind farm of over 30 megawatts supplies clean energy to more than 55,000 households.

**Acre Amazonian Rainforest Portfolio REDD+,
Brasil VCS & CCB:**

In Brazil, a biodiverse area with over 100,000 hectares. With the support of carbon financing, deforestation of the world’s most biodiverse virgin rainforest is prevented, working with local communities and groups, and providing economic development models that avoid forest destruction.



48
tonCO₂e



10
tonCO₂e

Valdivian Coastal Reserve, Chile VCS & CCB:

In Chile, this coastal reserve holds one of the Earth’s most significant biodiversity hotspots. Conserving 60,000 hectares of this forest aims to ensure biodiversity security and conduct scientific research.

08.

Our
Impact
Leaders

LAST, BUT NEVER LEAST

08. Our Impact Partners

Meet the strategic partners who make all our work possible:

Empresa



Sistema B: A company that supports various organizations in incorporating triple-impact economies to structurally generate environmental and social impacts. Through their certification, we quantify impact metrics with the community, our workers, suppliers, clients, etc., to achieve an inclusive, equitable, and regenerative system. **At Karün, we have been part of Sistema B since 2012!**



Carbon Neutral: Climate Impact Partners' CarbonNeutral® certification is the most recognized carbon neutrality certification in the world. This company provides us with a set of guidelines to acquire and maintain carbon neutrality, as well as a rigorous and transparent framework for measuring our products and activities. Thanks to them, we can offset the footprint that we work hard to reduce every year.



Green Ticket: With over a decade of sustainability experience, these partners help us drive sustainable growth while reducing our environmental impact. They specialize in measuring and controlling our corporate and product CO2 footprint.



Aquafil: Aquafil has been a raw material producer for 50 years and is a leader in the production of Polyamide 6 and recycled yarn. It is one of the first companies in Italy to adopt a holistic approach or vision of a product and evaluate its environmental impact through the ECONYL® regeneration system.



Healthy Seas: Healthy Seas is a registered charity founded in 2013 to address the phenomenon of ghost fishing, responsible for many marine animal deaths. Through cleanups with volunteer divers and working with stakeholders in the fishing industry to prevent marine litter, we collect discarded nets and ensure they become a valuable resource that will be transformed into raw materials for our glasses.



Aceros AZA: A company that manufactures steel products from the recycling of ferrous scrap. Thanks to their concern for the environment and communities, we have joined them in different campaigns to remove scrap from isolated territories in Patagonia.



Comberplast: Comberplast manufactures a range of products from recycled plastic marketed throughout Chile. With over 25 years in the market, they transform plastic into new materials with innovative technology that preserves the same quality as virgin material. With them, we have transformed recycled fishing nets into raw materials for glasses.



Starken: A company dedicated to national and international distribution, storage, and logistics. They are a great ally that supports us monthly with the collection of recycled metals, nets, and ropes, traveling monthly with their trucks to the Cochamó commune and the Puelo locality.



Balloon Latam: A certified B social enterprise that seeks to install entrepreneurial skills in rural communities, generating a shared vision of territorial development through effective participation.



Taller Verde Sur: A recycling company for household waste in Puerto Varas, that also conduct educational workshops for different educational centers on waste management periodically. They help us with recycling our waste at the Puerto Varas office!



Rembre: A company responsible for collecting recycling from our office in Santiago, which removes plastics, metals, cardboard/paper, Tetra Pak, glass, and Styrofoam fortnightly.



Regenera Orgánico: A company responsible for collecting organic waste from our office in Puerto Varas, preventing it from ending up in landfills.



Reciclaje J&V: John and Valentina are entrepreneurs from the Hualaihué commune. Together, they have managed to dedicate themselves to waste management and recycling. Together with them, we have collected tons of nets and ropes to ensure that these waste materials leave the commune and have a second life.



Fundación Rosario: Arising from private and public consensus to strengthen Rosario's identity; articulating among the different actors in the city, showcasing its attributes, and materializing projects through its drive, support, and communication. Alongside Fundación Rosario, we have been able to implement our model in Argentina, starting in Rosario and protecting the Paraná.



Badinotti: A company that manufactures and maintains fishing nets for the fishing industry in Chile and other countries. Together with them, we have achieved Ensure the recycling of more than 30 tons of materials from of this industry, preventing them from reaching landfills.

09

Messi x Join The Planet

**Very nice
but, where
is Leo?**

09. Messi x Join The Planet

a) The Karün Regeneration Model™ in New Industries

At Karün, we've always said we're not just an eyewear company. We're a group of passionate individuals working to redefine how we create businesses, products, and relationships with ourselves and the planet. Through creativity, collaboration, and sustainable innovation, we're pushing the boundaries with our Karün™ Regeneration Model to create a future from a different perspective.

The year 2023 was one of intense work to develop a project that excites us greatly, as for the first time, we're doing something other than eyewear, thereby proving the successful application of our Karün Regeneration Model™ in other industries and products, also opening the doors to unlimited possibilities for its application.



Where does this collaboration stem from?

In the framework of COP28, Argentine footballer Lionel Messi made a historic move by announcing that he would strongly join the movement for the care of our planet through a collaboration with Join the Planet. His goal is to raise awareness among people worldwide about the urgency of protecting nature. This alliance will strengthen the mission and projects of Join the Planet Foundation, an organization committed to protecting nature and empowering rural communities through attractive, innovative, and globally-reaching projects.

Since 2023, at Karün, we have become strategic partners of Join the Planet and its ambassador, Messi, with the aim of inspiring global movements that address environmental challenges through collaborations with celebrities and leaders from different areas.

Join The Planet invited us to participate as strategic allies due to our extensive experience in sustainable business models, establishing new standards of circular production, transparency, traceability, and sustainability.

Thanks to this transformative collaboration between Messi, Join The Planet, and Karün, the passion for football could turn into a movement for the planet. Together, we are leading an unprecedented initiative that seeks to catalyze the world of sports passion with the urgency of a movement for the planet.

The first milestone of this alliance

To celebrate this partnership, in 2023, we celebrated by doing what we love: cleaning coastlines with friends. That's why, along with Join the Planet, Fundación Rosario, and other local socio-environmental organizations, we conducted a significant experience on the banks of the Paraná River in Rosario, Messi's hometown.

It was a day of collective action where environmental awareness and waste collection brought together hundreds of volunteers, united by a quest for environmental regeneration and to honor the river of the famous number 10 city. The 328 kilograms of waste collected during the day were delivered to organizations responsible for their recovery and reuse as raw materials.



More than 173 volunteers from the Rosario community participated in this event, and a total of 328 kilograms of waste were recovered, sorted, and cleaned. Of these, 81% were plastics, 12% glass, 4% paper, and 3% metals. Infinite thanks to our partners [@fundacionrosario](#) and allies [@ecodeconstruccion](#) [@mov.ecorio](#) [@globalshapersrosario](#) [@viernesporelfuturo.rosario](#) [@gea_rosario](#) [@somosfixit](#).

Without you, it would have been impossible!



And what will we do together with Join The Planet and its ambassador Leo Messi?

b) The Boot

In 2023, we worked on developing a new product: a sculpture of the footballer's left boot, symbolizing his sports career and the initial kick-off that number 10 is giving regarding environmental care. This is a collector's piece created to encourage people to choose sustainable products and stimulate discussion about the urgency of environmental protection.

To be launched in 2024, it will be made from recycled materials from Patagonia, Indonesia, China, Thailand, India, and Ghana. The different parts of the boot incorporate recycled nylon plastic from discarded fishing nets, recycled polypropylene plastic from ropes and discarded bottle caps, and recycled fiberglass for greater durability. All of these can be traced, thanks to the Karün Traceability System™, and the boot will come with its carbon footprint measured and a Digital Certificate of Authenticity.

"We can take care of the planet with effort and a sense of community"
Lionel Messi.



Each replica of this iconic Messi boot is not only a symbol of sporting excellence but also aims to be a symbol of sustainability, as part of the sales of this product will be allocated to support causes related to environmental conservation. Thus, together, we seek to make history by uniting the passion for the game with the passion for the planet.

This project has been an ambitious and challenging exercise as we ventured outside our industry in design, consultancy, production, and communication. Likewise, given the scale of this initiative, we had to find new collection partners around the world to cope with the amount of recyclable material needed for the production of these dimensions.

Despite the complexities, the development of the project was a success, as we delivered on time and within strict standards to achieve the level that both Join The Planet and Messi were aiming for. It's a challenge that makes us happy and encourages us to continue seeking new ways to inspire more and more people to join the movement for the planet.



Do you want to learn more about this story?

Click [here](#) to learn more about this collective play between Karün, Join The Planet, and their ambassador Leo Messi.

The image features a dark grey rectangular box at the top center containing the text 'KARÜN' in a large, bold, white sans-serif font. Below it, in a smaller white sans-serif font, is 'EST. IN PATAGONIA'. The background is a blurred photograph of a person standing on a rocky shore next to a body of water with white foam. The overall tone is natural and serene.

KARÜN

EST. IN PATAGONIA

**Thank you for
being part of
the change.**

**Let's look at
the world from
a different
point of view.**