Taking Root

CommuniTree Carbon Program

Focusing on what matters to grow forests that last

2025 Annual Report

PLAN VIVO
For nature, climate and communities

BOSNICA

2025

ANNUAL REPORT

CommuniTree Carbon Program

Focusing on what matters to grow forests that last

CommuniTree Carbon Program Annual Report for year ended 31 December 2025

Message from the CommuniTree Leadership Team

The long-term opportunity for forest restoration in Nicaragua is extraordinary. Research reveals that an estimated 2.02 million hectares across the country are suitable for restoration, with the potential to capture approximately 31.48 million tonnes of CO_2 each year. While CommuniTree is now restoring over 18,436.44 hectares of degraded land in partnership with 4,954 farming families, the horizon extends far beyond what we've accomplished so far. What's more, we have the knowledge, tools, and partners to meet this opportunity.

Fifteen years of implementation have generated a clear body of evidence about what drives long-term success for forests and farmers. The 2025 monitoring season marked CommuniTree's largest to date, with inventories conducted across more than 7,000 hectares, adding depth and confidence to that long-term understanding. It is this accumulated insight that shaped where we focused our effort and investment in 2025: strengthening training systems to ensure consistency across regions, sharpening field guidance so farmers can act at the right moments, and advancing technology that reduces administrative burden while strengthening farmer engagement. With a growing pipeline of farmers ready to begin restoring land and the operational systems to support them from day one, the foundations are strong because they were built intentionally, with the understanding that restoration is measured in decades rather than years.

These foundations position the program well as market conditions for nature-based carbon removals enter a critical phase of maturation. A concentrated group of forward-looking buyers and investors is working to establish long-term partnership models that reflect the ecological timelines forest restoration requires. From its inception, CommuniTree has been structured around these timelines, with monitoring, partnership, and delivery systems designed to align with the long-term investment and offtake models increasingly shaping the restoration sector.

This evolution is unfolding during a period of political and regulatory uncertainty that continues to influence climate ambition and investment decisions globally. Against this backdrop, the importance of restoration programs built on durability, transparency, and strong community partnerships has never been clearer. Recognizing that restoration requires meaningful upfront investment and sustained stewardship before forests reach full carbon delivery, the program continues to combine carbon finance with grant funding and other non-dilutive capital. This blended approach strengthens implementation, reduces early-stage risk, and supports farmer participation while market structures continue to evolve. It also helps ensure that CommuniTree's growth remains aligned with buyer confidence, investor requirements, and the long-term success of the farming communities and landscapes the program serves.

This commitment to quality and durability received meaningful external recognition in 2025. CommuniTree earned an updated provisional A rating from Sylvera, incorporating a comprehensive review of the project's carbon model for the first time, and was featured in the Mongabay Reforestation Catalog with high ratings across permanence, ecological, social, and financial criteria. Our Nicaraguan partner BOSNICA was honoured with the 9th Edition of the Cleaner Production Award, affirming the strength of locally grounded leadership and farmer-centred implementation.

None of this would be possible without the people who make it real. To the farming families who tend these forests with skill, care, and dedication: thank you. Your knowledge of the land and your willingness to invest in its future are the basis of everything we do. To the BOSNICA team working alongside farmers every day in the field: your technical expertise and deep relationships are what turn principles into practice. To our staff and partners who provide essential support, resources, and collaboration: your belief in this work amplifies what's possible. And to our supporters who have stood with us through complexity and change: your trust sustains our ability to take the long view.

I have never been more confident in the direction of CommuniTree, in the people delivering it, or in the mission that guides us. We are building something designed to last – not only forests, but also the relationships, systems, and knowledge required to nurture them across generations. The opportunity ahead is vast, and we are ready to meet it with the same rigour, integrity, and patience that has brought us this far.

Together, we continue to grow something meant to endure.

KAHLIL BAKER
CEO & Co-Founder

In forest restoration, what happens in the first 12 months shapes outcomes for generations. Years of field data and operational experience have shown us exactly what drives success: planting within optimal time windows, maintaining forests through establishment, and intervening precisely when it makes a difference. The challenge is not just knowing what works, it's guiding thousands of farmers to carry out those practices consistently, season after season.

In 2025, we focused on closing that gap between operational knowledge and field execution. Centralized training ensured our field team delivers uniform, practice-based guidance across all regions. Region-specific activity calendars gave farmers clear timelines for critical work. Improved operational visibility of field activity progress allowed BOSNICA to direct support where it was needed most. Modernized payment systems increased efficiency and strengthened trust. These tools translate directly into performance: when planting occurs within the optimal window and farmers receive payment in days rather than weeks, it reflects systems designed to support both quality and scale.

The partnership between Taking Root and BOSNICA made this possible. Throughout 2025, we designed and deployed new operational tools rapidly, adapted training based on field feedback, and allocated resources with precision. BOSNICA's local leadership and the trust farmers place in that relationship enable CommuniTree to deliver meaningful climate and nature outcomes while unlocking long-term value for farming families.

The investments made in 2025 strengthen our capacity to support farmers through the critical establishment phase. Our focus was clear: work with farmers to conduct the right activities at the right times so young forests establish quickly and emerge from their most vulnerable stage. When parcels succeed through this high-intensity phase, farmers see their efforts pay off as trees reach the height and density that makes them far less susceptible to mortality. That confidence matters, not just for individual farmers and their forests, but for the credibility and durability of restoration at scale.

LAURA MORILLAS
Reforestation Partnerships (Nicaragua) Director, Taking Root

Since our beginnings in 2010, we have built a project defined by adaptability, resilience, and long-term vision. Growth and scale inevitably bring change, and over the years we have learned that remaining effective on the ground requires listening closely to the market and responding with flexibility without losing sight of the principles that guide our work.

Central to those principles is our long-standing commitment to farmers. This is, and always has been, non-negotiable. Honouring contractual obligations, ensuring timely payments, and maintaining open and continuous communication are fundamental to how we operate. Even as global dynamics shift around us, our presence and accountability in the field have remained constant. Trust is not built through words alone, but through actions sustained over time.

It is precisely this consistency that drives impact. Because farmers know they can rely on the project, they remain invested and committed for the long term. The results are visible and measurable: trees have been planted, they are growing, and they are being managed responsibly.

This work continues to be driven by a shared commitment to farms, communities, and future generations.

CommuniTree represents stability, transparency, and proven experience. We operate with full traceability, strong financial management, and a clear focus on efficiency and effectiveness. Investing with us means supporting a model that delivers tangible results—socially, environmentally, and financially—while contributing directly to the socioeconomic development of Nicaraguan families.

Here in the Nicaraguan tropics, we remain steadfast—doing everything possible, and sometimes the impossible—to move forward today, tomorrow, and always.

ELVIN CASTELLON
Executive Director, BOSNICA

2025 Vintage at a Glance

In 2025, CommuniTree delivered strong climate, nature, and community outcomes across Nicaragua while continuing to strengthen the systems that support long-term forest restoration. The year focused on improving how forests are managed, how farmers are supported, and how key decisions are made to ensure lasting impact.

During the year, the program issued 321,340 certified carbon credits, representing 1,415,794 trees established across 1,181.88 hectares of land owned and managed by 453 smallholder farming families, 342 of which are new to the program.

These credits are linked to forests established in 2024 and already under active management. Issuance was carefully sequenced to align supply with market demand while maintaining consistent technical support for farmers and ongoing care of forests. This approach reflects a commitment to transparency, integrity, and long-term durability.

Across the program, 2025 introduced targeted improvements that strengthened performance and sharpened how the program operates in practice. Today, 4,954 farmers are collectively restoring forests across 18,436.44 hectares of land that remove carbon, strengthen biodiversity, and enhance the resilience of local ecosystems and watersheds.

1,181.88

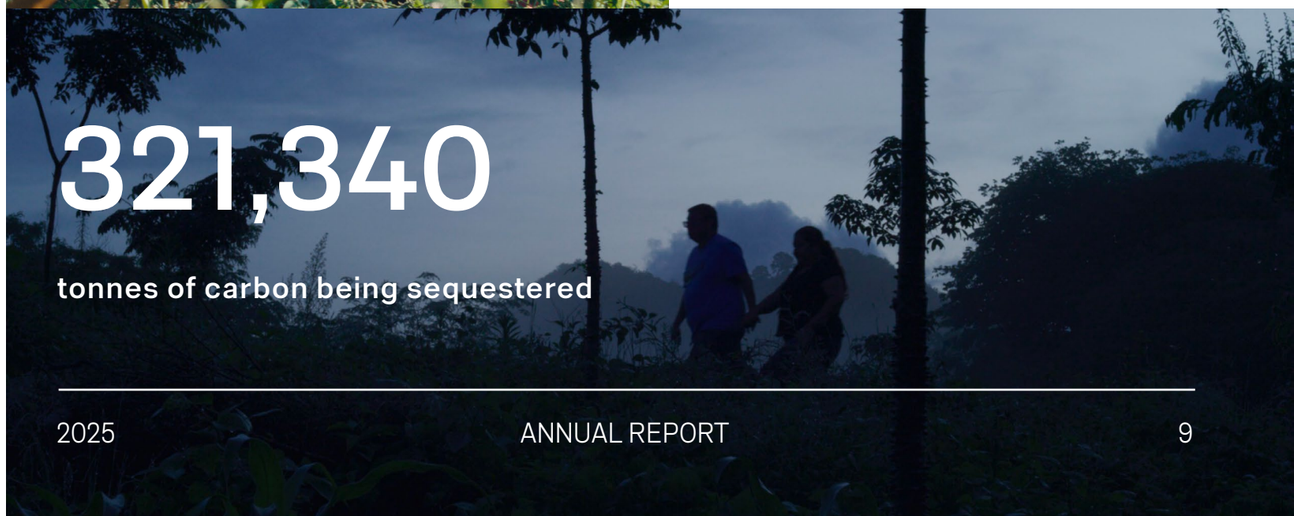
hectares of land added

342

new farming families

1,415,794

trees planted



321,340

tonnes of carbon being sequestered

Total Program Impacts
for people and nature

Community engagement

1,655

Communities in program

Livelihoods

4,954

Participating smallholder families

Climate justice

60%

of carbon revenue paid to farmers

Economic

197

Permanent local jobs

Land

18,436.44

Hectares being restored

Water

6 out of 6

Key watersheds being restored

Soil

36,464 kg

Biochar applied in 2025 for enhanced soil health

Biodiversity

129

Unique tree species recorded

Project Updates

Highlights

01 Early, consistent support sets farmers and forests up for long-term success

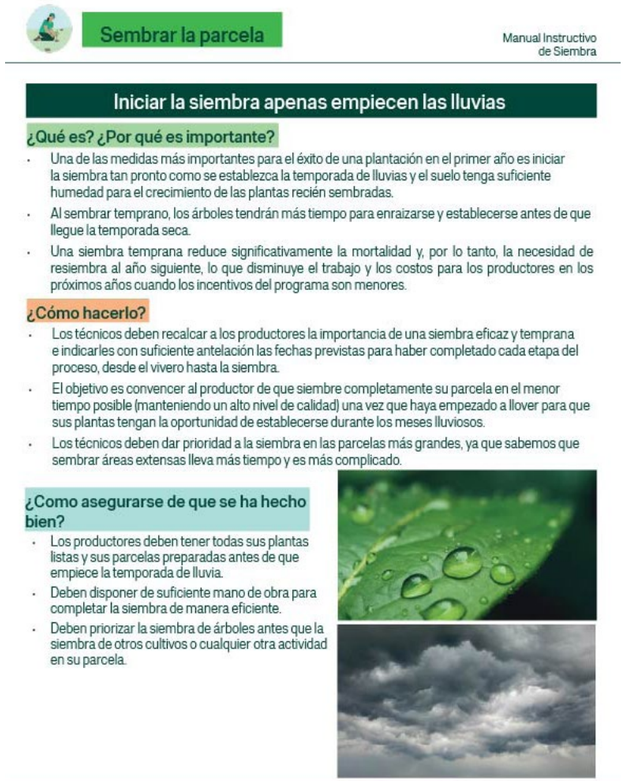
The long-term success of forests is shaped by the actions taken during the early stages of parcel establishment. Planting timing, maintenance, and farmer engagement all play a decisive role in long-term tree survival and performance. In 2025, CommuniTree strengthened this foundational phase, with a deliberate focus on consistency, clarity of practice, and effective implementation across all program regions.

To support this, Taking Root and BOSNICA introduced a more centralized model for technician training, ensuring that farmers receive reliable, practice-based input regardless of location or technician assignment. In total, 160 technicians, along with 11 regional managers and 11 operations assistants, completed training across the core program curriculum. Technicians oversee field implementation and provide direct support to farmers, while regional managers and operations assistants ensure consistent coordination, administrative oversight, and compliance across regions. Core training content now spans the full annual operational cycle, including farmer engagement, nursery management, planting, and the structured use of worklogs during technician visits. By reinforcing common approaches across teams, this model reduces variation in field-level recommendations and enables high-quality execution during the most critical stages of forest establishment.

An online training module for BOSNICA techicians

A central element of this work was the creation of video-based training modules that provide practical, visual demonstrations of activities. Establishing a parcel involves more than a thousand individual steps and techniques, and these videos give BOSNICA staff an accessible reference they can consult as needed. Their on-demand format facilitates faster technician onboarding and helps maintain continuity as teams evolve over time and with program growth.

This was complemented by the development of an updated planting manual designed as a technician-facing resource. Aligned with the centralized training framework, the manual serves as a shared reference during farmer interactions, helping technicians translate technical requirements into clear, actionable guidance.



An extract from the updated planting manual

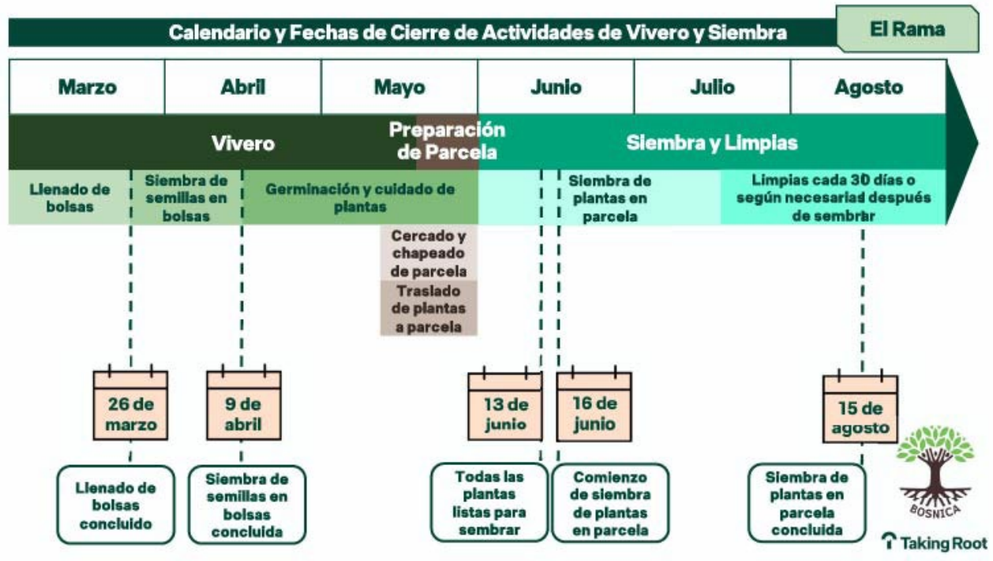
Technician assessments added a further layer of reinforcement. Knowledge reviews were conducted across the project's operational regions to identify specific gaps and pinpoint where follow-up training was needed, rather than relying on uniform refresher sessions. Across all participants, the average assessment score was 88%, providing a clear benchmark of technical understanding and helping ensure that advice provided to farmers remains accurate and grounded in shared standards.

Together, these investments reflect a concentrated effort to get each and every parcel's establishment phase right—where consistency of practice has the greatest influence on long-term forest outcomes and enables durable, scalable restoration across thousands of parcels.

02 Clear expectations and practical tools enable strong execution in the field

Strong field execution depends on farmers being able to plan their work and act at the right moments in the silvicultural cycle. When activities are clearly sequenced and practical barriers are reduced, establishment and early maintenance are more likely to take place within optimal timeframes for tree survival and growth. In 2025, CommuniTree further enabled this farmer-led execution by strengthening planning tools, improving access to shared equipment, and enhancing program-wide visibility so technical support could be effectively directed.

One important initiative was the rollout of a regionally specific activity calendar, shared in printed form with participating farmers. The calendar outlines the timing of core silvicultural activities—such as nursery establishment, planting, weeding, and follow-up care—tailored to local conditions. By making these timelines explicit and easier to anticipate, the calendar supports farmer planning and encourages proactive engagement throughout the year.



2025 activity calendar given to farmers in the operating region of El Rama

Training farmers on the use of hole diggers and other planting techniques in Sebastián de Yalí

To address practical constraints—such as limited household labour and the physical demands of manual land preparation and weeding—the program also expanded access to shared equipment to support labour-intensive tasks. In 2025, an additional 26-hole diggers and five weed whackers were purchased and loaned free of charge to farmers across operational regions based on need. By reducing manual workload, these tools help farmers complete tasks more efficiently and improve the likelihood that work is carried out within recommended windows.

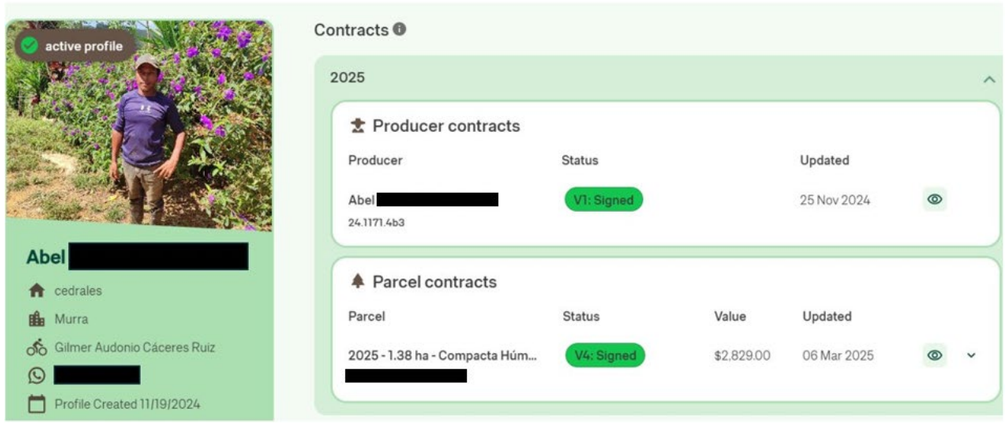
Farmer execution was further supported through more timely technician follow-up, enabled by new operational tracking tools. In 2025, project teams transformed how field activity data is visualized and surfaced at both the parcel and program level, enhancing visibility into farmer progress against key timelines. This made it easier for BOSNICA to identify where farmers were on track and where additional support would be most valuable (see Learnings 02 for more information).

These measures improved the timing of field execution, as reflected in the most recent planting season, when 99% of planting was completed by the end of September—supporting early wet-season establishment, steady growth through the remaining rains, and higher rates of tree survival. When combined with improvements in technician guidance as outlined in Highlights 01, these measures reinforce farmers' ability to carry out activities at optimal points in the silvicultural calendar—strengthening outcomes not only for individual parcels, but for farmers, their land, and the surrounding ecosystems.

03 Digital systems reinforce trust, transparency, and participation

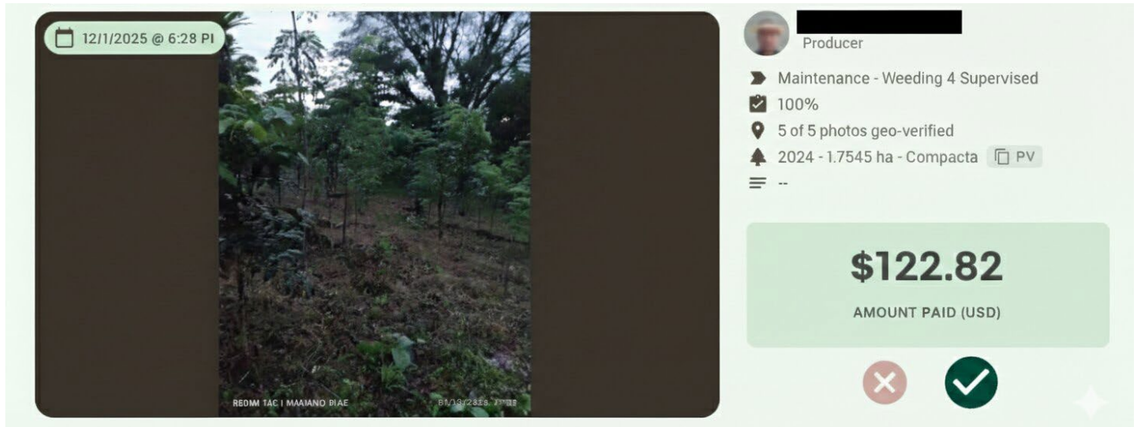
While completing the right silvicultural activities at the right time is essential for success, so is sustaining farmer engagement over time. For farmers, this means receiving timely payment for verified activities and having a clear understanding of how payments relate to contractual commitments. For the Nicaraguan project team, it requires processes that reduce administrative burden and free up capacity to provide hands-on guidance to the 4,954 farming families participating across the country. To meet these needs, Taking Root upgraded its technology platform to reduce administrative burden and improve farmer engagement by clarifying how verified activities translate into timely payments.

A key development was the introduction of a new digital contracting process. Farmer contracts are now generated directly within the platform, incorporating parcel-specific details such as location, size, required activities, and payment schedules. Farmers continue to review and sign a paper copy of the contract, which they retain for their own records. Technicians then upload the signed agreement through the mobile app, creating centralized documentation and ensuring consistent traceability of farmer consent across the program.



Example of contract documentation stored within a farmer's digital profile on Taking Root's technology platform

Significant progress was also made in modernizing payment workflows. Previously, each payment required technicians to visit parcels to verify work, submit payment requests for regional approval, collect physical cheques, and return to farms to deliver them—after which farmers needed to travel to financial institutions to deposit funds. Now, a new digital payment system reduces this process to a single verification visit, with technicians confirming completion of activities directly within the platform. Once reviewed, payments are issued primarily through mobile wallets or bank transfers, with cheque payments remaining available where preferred by farmers. In 2025, the program processed 17,354 individual payments, underscoring the scale and operational intensity of supporting thousands of verified field activities across the country and the importance of streamlined workflows to ensure timely farmer compensation.



A farmer's profile showing verified worklogs triggering payment disbursement

These changes have transformed both farmer experience and program operations. Faster payments and clearer links between completed work and contractual commitments have improved farmer understanding and satisfaction, while BOSNICA staff have greater capacity to direct to farmer support. In parallel, stronger traceability across contracts, field activities, and payments enhances auditability and builds confidence among farmers, technicians, and external partners alike.

Learnings

01 Long-term data continues to confirm what drives durable forest outcomes

In forest restoration, long-term forest durability does not happen by chance. It is shaped by actions taken early in a parcel's life and reinforced through consistent management. Drawing on fifteen years of implementation alongside family farmers in Nicaragua, CommuniTree's experience and data point to a clear conclusion: forests are most likely to succeed when a defined set of evidence-backed practices is applied, adapted to local conditions, and sustained over time.

One of the clearest expressions of this pattern is seen in timely planting and early maintenance. Across the CommuniTree program, planting timing consistently emerges as one of the strongest predictors of long-term performance. Parcels planted within an appropriate window during the rainy season show higher survival and more stable growth trajectories. Early maintenance practices are equally critical. Parcels that received three weedings after planting demonstrated survival rates 14% higher than parcels that received only one weeding, with the effect even more pronounced for faster-growing species, where survival was 19% higher. These practices vary by region due to climatic differences and have been refined over time through ongoing analysis of project data.

As forests mature, long-term data also informs when and how interventions such as thinning are most effective. Managing competition as trees approach canopy closure is essential to sustaining healthy growth and avoiding suppressed development later on. Together, these insights contribute to an evolving silvicultural "recipe" that is implemented throughout CommuniTree, grounded in long-term evidence and practical field experience and adapted to regional ecological conditions..

These learnings are embedded directly into farmer contracts, activity schedules, and technician guidance, shaping how forests are established and managed from the outset. By translating evidence into clear expectations and structured support, the program helps farmers focus effort on the actions that matter most at each stage of forest growth, increasing the likelihood that parcels remain on track to meet growth targets, unlock farmer payments, and deliver durable benefits over time.

CommuniTree participant Marcio de Jesús Gomez Gonzalez weeding his parcel

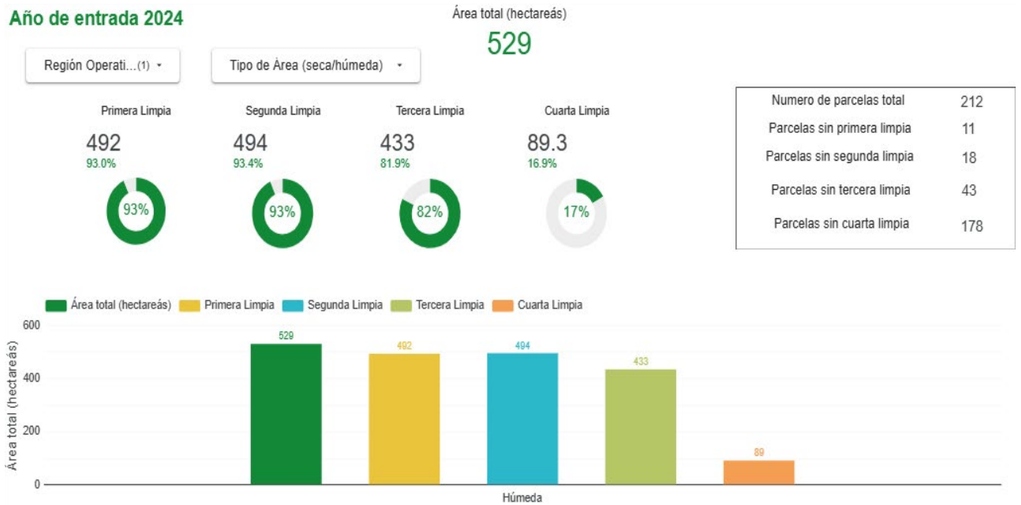
Pruning training provided to a group of farmers on the parcel of Jordin Ramon Calderon Moran in Telpaneca

02 Real-time visibility sharpens planning, prioritization, and adaptation

Knowing what drives long-term forest success is only valuable if teams can respond effectively to what is happening on the ground. Real-time visibility into parcel and program progress has emerged as a critical enabler of targeted support, timely intervention, and adaptive decision-making over time.

Building on this learning, improved visualization of field data captured during technician visits has strengthened the ability to track progress across parcels and regions as activities unfold. This provides near real-time insight into key silvicultural milestones, including nursery preparation, planting and replanting progress, and the completion of early maintenance activities such as weeding. As a result, it is easier to assess whether work is occurring within the timeframes most closely associated with strong survival and growth.

This improved visibility strengthens prioritization and adaptive response. Teams can more readily identify which parcels are on track and which require additional follow-up, focusing technician time and operational support where it is needed. At the regional level, emerging patterns help highlight where conditions are most supportive of success and where adjustments may be needed.



Illustrative example of the weeding ('limpia') dashboard for the region of San Pedro del Norte for parcels entered into the program in 2024

Real-time insight has also strengthened the planning of planting seasons. By combining long-term data on seedling success and mortality with current progress against key timelines, teams can better anticipate risks, build appropriate buffers, and align nursery production, planting, and replanting activities more effectively.

This planning approach is reinforced by the introduction of a standardized replanting assessment playbook that guides decisions about when replanting is truly necessary. While some level of early tree mortality is expected, the playbook provides a shared methodology for evaluating parcel conditions and determining whether intervention is warranted. By promoting more consistent, evidence-based decision-making, it reduces unnecessary replanting, saves farmers time and cost, and helps keep parcels on track to meet long-term targets.

This integrated set of tools and practices enables a more deliberate portfolio management approach across parcels. As the program has matured, CommuniTree has recognized that parcels perform differently and require differentiated levels of support. Real-time insight allows teams to respond proportionately, sustaining routine follow-up where parcels are progressing well and directing more intensive engagement or corrective action where risks or underperformance emerge. In rare cases where contractual obligations are not being met despite targeted support, this approach also provides for temporary suspension with defined corrective actions as a management tool, without removing parcels from the program.

By linking real-time field insight with shared assessment methods, teams can more clearly distinguish where action is required and where it is not. This supports more deliberate use of effort, timely intervention when needed, and forest development that remains aligned with long-term objectives.

Replanting seedlings with biochar inputs

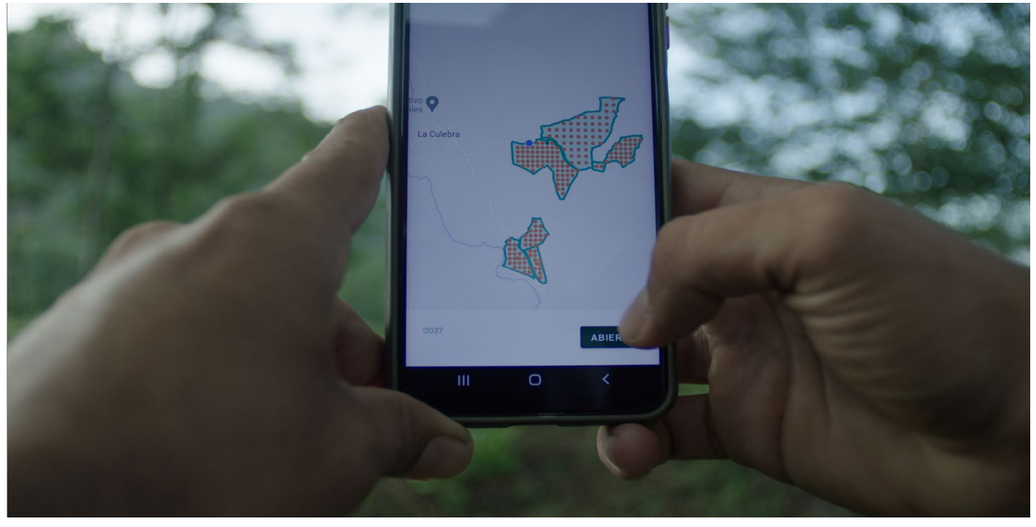
Brenda Gutierrez, BOSNICA technician, using Taking Root's technology platform on the parcel of Ignacia Martines Gonzalez

03 Monitoring continues to sharpen understanding of long-term forest durability

Monitoring plays a critical role in understanding whether forests endure over time, but its greatest value lies in what it reveals about why outcomes differ. A key learning for CommuniTree is that long-term monitoring results largely reflect actions taken in the earliest stages of implementation—often years before those results become visible.

Across years of implementation, monitoring has consistently reinforced that factors such as how quickly planting activities are completed, the timing and frequency of weedings, and the consistency of early field execution have a disproportionate influence on long-term parcel performance. These drivers shape forest durability early on, even though their effects are often only confirmed later through formal monitoring.

This understanding has helped clarify the distinction between lagging and leading indicators. Traditional monitoring outcomes are, by nature, lagging indicators: they confirm results once forests have had time to grow. At the same time, long-term data and survival analysis have enabled CommuniTree to identify the leading indicators that most strongly influence those outcomes, including early establishment practices, adherence to critical timelines, and the quality and consistency of maintenance during the most vulnerable phases of growth.



Using Taking Root's technology platform to enter measurements for monitoring plots

Measuring diameter at breast height (left) and tree height (right) during formal field monitoring

Building on this learning, CommuniTree is evolving how monitoring informs operations. While outcome monitoring remains essential for accountability, increasing emphasis is now placed on using monitoring insights to reinforce attention to leading indicators earlier in the forest lifecycle. This expanded lens supports earlier risk identification, more timely responses, and better-targeted support at the points where intervention can have the greatest influence on long-term survival and growth.

Overall, this reflects a more forward-looking approach to monitoring—one that preserves its essential role in reporting and verification while strengthening how evidence is used to guide earlier action and operational focus. In this way, monitoring continues to confirm outcomes over time while also helping shape the conditions for long-term forest survival and growth.

Future developments

01 Strengthening participation through clearer screening and eligibility processes

Not all land is suitable for forest restoration. While effective parcel management is essential, long-term success also depends on working with committed farmers on parcels that meet the ecological and operational conditions for restoration. Clear, early screening helps ensure that participation in CommuniTree is transparent, efficient, and aligned with the requirements for sustained impact—benefiting both farmers and the program as a whole.

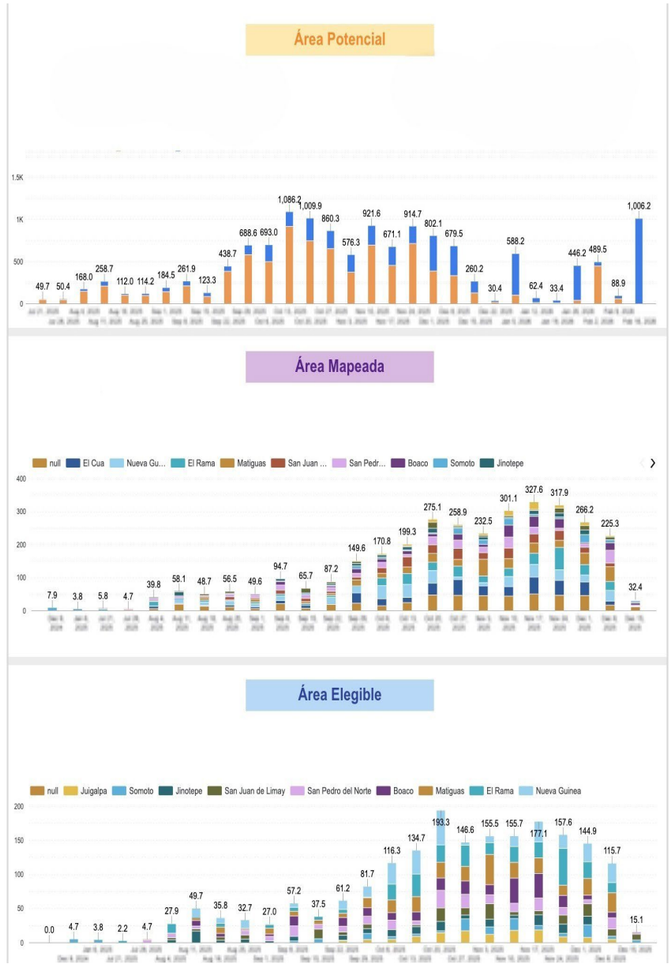
In 2025, this focus was advanced through the integration of a new leads function within Taking Root's technology platform. The leads function allows BOSNICA technicians to capture farmer interest early, assess eligibility, and track land and farmer readiness through a series of progressive checkpoints. By introducing structure at the earliest stages of engagement, the program is better able to confirm eligibility before more time-intensive steps, such as mapping, are initiated. This helps set clearer expectations for farmers from the outset and ensures that field effort is focused on parcels with a strong likelihood of meeting program criteria.

Farmer recruitment event in the municipality of Matiguas

This earlier clarity also reduces unnecessary follow-up and administrative workload. By avoiding downstream processing of ineligible parcels, the program can limit time spent on mapping, repeat site visits, and additional eligibility reviews, allowing BOSNICA to concentrate their effort where it can have the greatest impact. Improved visibility across each stage of the farmer journey further supports planning and prioritization by providing earlier insight into likely enrollment and land area outcomes, helping teams adjust outreach and resource allocation more intentionally based on real-time information.

With this structure in place, eligibility processes will be further strengthened through the expanded use of AI-assisted land tenure review. Pilots conducted in 2025 included a six-week parallel testing phase alongside human reviewers and demonstrated how technology can support objective, rule-based assessments, with AI results matching human reviewer determinations 98.5% of the time. This enables clear acceptance and rejection cases to be handled efficiently while reserving human review for more complex situations, such as where secondary documentation is needed as supporting evidence. This substantially reduces administrative workload, saving an estimated 400–600 hours of human review time in one season alone. By improving the consistency and accuracy of tenure checks, this approach helps ensure the legal validity of signed contracts while allowing technical staff to dedicate more time to field-based activities that directly support farmers and improve parcel performance.

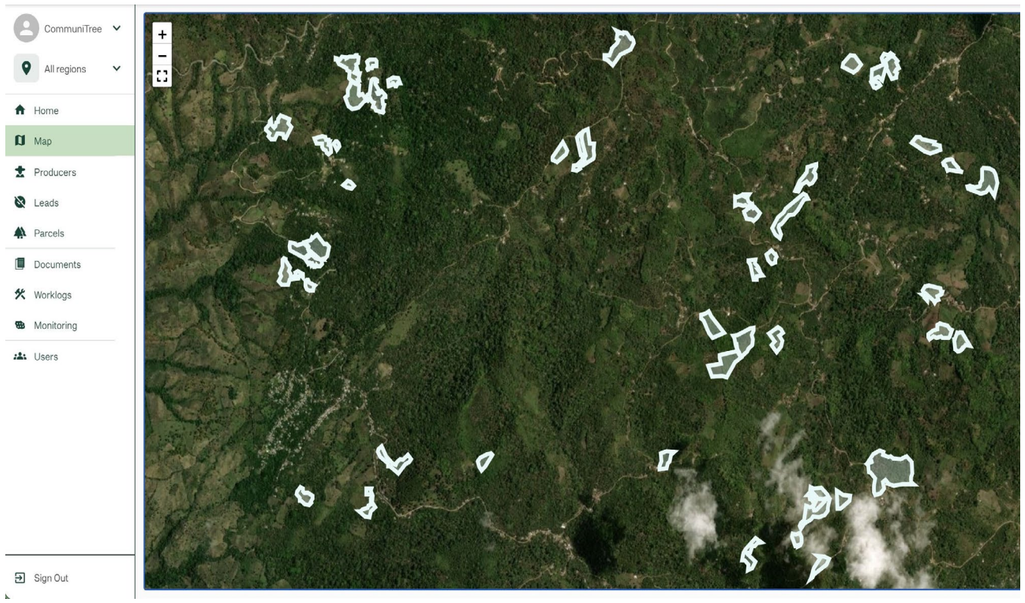
These developments reflect an emphasis on participation that is driven by preparedness and quality from the outset. By strengthening early screening and eligibility processes, CommuniTree is better positioned to reduce downstream risk, increase efficiency, and ensure meaningful impacts that endure for generations to come.



Illustrative example of recruitment tracking interface translating farmer leads into mapped and eligible parcels

02 Advancing from insight to decision-ready guidance

Once participation is clearly defined and eligibility is validated early, the next challenge is supporting consistent, high-quality forest restoration across an active and growing portfolio of parcels. As the CommuniTree program has matured, this has required moving beyond visibility alone toward guidance that helps teams act with confidence and precision across the full silvicultural cycle. The next phase of Taking Root's technology platform therefore focuses on translating operational insight into decision-ready guidance that supports timely and targeted interventions to help both farmers and their forests succeed.



Map view within the Taking Root platform showing some of the participating parcels across Nicaragua

To date, the platform has provided strong visibility into field activity through dashboards and monitoring outputs that support planning and prioritization. These tools allow technicians and regional managers to see what work has taken place, track progress across parcels, and identify where follow-up may be required. In this form, the platform has functioned primarily as a "pull" tool—making information available for users to interpret and apply based on their experience.

Building on this foundation, future development focuses on shifting from insight to guidance. Rather than relying solely on users to interpret data, the platform is being developed to surface clearer, more actionable signals informed by assessed field activity and established operational knowledge. For example, the system will prompt technicians when planting windows are approaching based on local silvicultural schedules, flag parcels where weeding or other maintenance activities are overdue, and highlight early signs of risk—such as delayed planting or incomplete establishment—so corrective action can be taken before forest performance is affected.

The aim of this shift is to enable earlier response and more deliberate use of resources across a growing and diverse portfolio of parcels. By surfacing clear, actionable signals when parcels begin to diverge from recommended timelines or when early risks emerge, the platform allows BOSNICA to focus support before challenges escalate or become visible through longer-term monitoring. Informed by more than fifteen years of program experience and data, this approach moves beyond visibility toward decision-ready guidance that enables more targeted, proportionate interventions and more effective forest restoration at scale.

Field technician using the Taking Root application during a technical visit

CommuniTree participant Jeronimo Rafael Cordonero Duarte (left) receiving a technical support visit

03 Sequencing growth to align market demand with long-term opportunity

Maintaining high-integrity outcomes requires discipline not only in how forests are grown, but also in how issuance and program development are paced. While the carbon market continues to represent a powerful opportunity to fund nature restoration, the conditions that support long-term, high-confidence offtake are still evolving. In response, Taking Root has adopted a measured approach that prioritizes alignment between supply, demand, and long-term program durability.

Over the past year, buyer engagement around high-integrity afforestation, reforestation, and revegetation (ARR) projects has continued to mature. Larger buyers and emerging coalitions are increasingly exploring longer-term offtake arrangements, reflecting a growing focus on delivery confidence, durability, and long-term stewardship. These developments are promising and point to a market that is learning and evolving. At the same time, shifting political and regulatory dynamics have contributed to a more complex environment for near-term decision-making.

Within this context, Taking Root has intentionally sequenced issuance decisions. In 2025, this included the partial issuance of credits from land established in 2024, reflecting a deliberate approach to timing rather than a change in underlying delivery. The same considerations informed the decision not to fully transition to Version 5 issuance during the year, ensuring that standards transitions and the issuance of verified carbon credits remain well matched to prevailing market conditions.

Alongside market alignment, Taking Root has continued to secure grant funding in step with broader public-sector priorities, including climate resilience, watershed protection, and landscape restoration. These grants support ongoing implementation across Nicaragua while reinforcing alignment with longer-term environmental and development objectives. This blended approach helps sustain program capacity while maintaining flexibility as carbon market conditions continue to evolve.

Looking ahead, the long-term opportunity for restoration in Nicaragua remains substantial. Independent landscape analyses, including recent work co-authored by The Nature Conservancy, highlight the scale of this potential. The research identifies up to 2.02 million hectares suitable for forest restoration, with the capacity to capture approximately 31.48 million tonnes of CO_2 per year — equivalent to removing around 6.8 million cars from the road annually — while delivering biodiversity and community benefits and avoiding negative trade-offs.

This approach reflects a clear intent: to leverage Nicaragua's restoration potential responsibly, scaling at a pace that preserves integrity while continuing to support nature, climate, and people. By sequencing growth thoughtfully, CommuniTree remains positioned to respond as market conditions evolve, without compromising the quality or durability of the forests it helps to grow.

Aerial view of agricultural land in Nicaragua, where the potential for forest restoration remains significant

Project documentation updates

There are no new updates to CommuniTree's project documentation in 2025.

Taking Root has made an active decision to remain flexible in order to meet market demand. As outlined in Future Developments 03, this includes intentionally pacing the timing of documentation updates and any future transition toward issuing ex-post credits, ensuring alignment with market conditions, verification readiness, and long-term program integrity.

Dionisio Antonio Talavera

Dionisio Antonio Talavera, a farmer from Santa Somoto, joined CommuniTree in 2024. He reflects on what motivated him to plant a mixed-species forest and what it represents for his family's future.

Name:
Dionisio Antonio Talavera

Community:
Santa Somoto

What motivated you to join the CommuniTree program?

What motivated me most was wanting my land to look better and be better cared for. Over time, I also realized that this forest could provide benefits for my family, such as timber or firewood for household use. That's very important for someone like me, as a farmer.

What has your experience with the project been like so far?

At first, I thought it would be difficult because I had no experience planting trees. But with the support of the program and the technical team, I began to learn. Now, some of the plants are already over a metre tall, showing that the forest is establishing well.

What stands out most to you about CommuniTree?

What has surprised me most is the ongoing support and incentives we receive as farmers. The technical staff have always been attentive, showing patience and willingness to help. For me, that has been one of the project's greatest benefits.

Looking ahead, what do you hope this forest will provide in the future?

It motivates me to know that when the forest reaches its productive stage, it will also bring benefits for my family. In six or seven years, I hope to see the results of the work we are doing now. In the long term, I imagine a well-developed forest with good-quality timber—not for commercial purposes, but to meet family needs and improve our home.

What message would you like to share with the people who support the project?

My message is that they continue supporting farmers. Our ability to keep working depends on the support they provide. It is important that they do not abandon us, because just as we receive benefits, they do as well. Everyone fulfils their part—that is the idea: to keep working together for the benefit of all.

"The technical staff have always been attentive, showing patience and willingness to help."

Dionisio Antonio Talavera

Summary of credit issuance

Table 1: Program summary

Project overview	
Reporting period	1 January 2025 – 31 December 2025
Technical specifications applied in 2025 vintage	Mixed Species Forest Plantation, Silvopastoral Planting
Technical specifications applied in historic vintages	Mixed Species Forest Plantation, Silvopastoral Planting, Coffee Agroforestry, Boundary Planting
Geographical areas	Nicaragua
Area under management	
New area put under management and meeting targets in 2025 (ha)	1,181.88
New area allocated to replace historic area removed from program (ha)	33.43
New area allocated to 2025 PVC issuance (ha)	1,148.45
Total program area under management as reported in 2024 annual report (ha)^	17,287.99
Total program area under management (ha)	**18,436.44**
Smallholder farmers participating in program	
New smallholder farmers joining program in 2025	342
Smallholder farmers from previous historic vintages adding additional land in 2025	111
Total smallholder farmers adding land and meeting targets in 2025	**453**
Smallholder farmers reported in 2024 annual report	4,613
Smallholder farmer dropouts in 2025 from previous historic vintages	1
Total smallholder farmers participating in program	**4,954**
Plan Vivo Certificates (PVC) issued	
Total saleable PVCs generated in 2025	330,817
Total risk buffer PVCs generated in 2025 (15%)	58,380
Total PVCs generated in 2025	389,197
Saleable PVC losses from historic vintages in 2025	9,468
Risk buffer PVC losses from historic vintages in 2025	1,682
Total PVC losses from historic vintages and reallocated using 2025 PVCs	11,150
Total issuance submission from 2025 vintage PVCs	378,047
Issuance submission for 2025 vintage saleable PVCs	**321,340**
Issuance submission for 2025 vintage risk buffer PVCs	56,707
Historical saleable PVCs issued as reported in 2024 annual report	4,679,018
Total PVCs issued to Plan Vivo Risk Buffer from program	882,416
Total saleable PVCs issued from program	**5,000,358**

Table 2: Total Community Fund allocations from project sales (all vintages, cumulative to date)(USD)

Community Fund allocations from project sales (USD)	Total
Opening Community Fund allocation balance	$27,245,807
Increase from credit sales made in 2025	$3,061,417
Total Community Fund allocations to date	**$30,307,224**

Table 3: Total payments distributed from the Community Fund (cumulative to date) (USD)

Payments made from the Community Fund (USD)	Total
Cumulative PES payments made to date	$13,083,143
Cumulative Community Fund payments made to the community to date	$7,305,240
Total payments made from the Community Fund	**$20,388,383**

$20.3M+

total payments made from the Community Fund

17,354

individual payments made to farmers in 2025

Table 4: Community Fund liability – net position (USD)

The Community Fund liability represents allocated Community Fund amounts not yet disbursed through PES payments or Community Fund payments as of December 31, 2025.

Community Fund liability – net position (USD)	Total
Total Community Fund allocations to date	$30,307,224
Less: Cumulative PES payments made to date	($13,083,143)
Less: Cumulative Community Fund payments made to the community	($7,305,240)
Community Fund liability outstanding at year-end	**$9,918,841**

Activities, Total Project Size, and Participation

Current land-use activities updates

In 2025, Taking Root continued implementing its Mixed Species and Silvopastoral Planting technical specifications while maintaining coffee agroforestry and boundary planting used as a technical specification in previous years. All technical specifications are integrated into the CommuniTree PDD which can be downloaded from the Plan Vivo website:

https://www.planvivo.org/projects/communitree-nicaragua

Mixed species planting

This technical specification involves planting and intensively managing multi-purpose mixed-species forest plantations on participating smallholders' land. All the species selected are native to the region and are chosen in consultation with local smallholder groups and professional foresters. This technical specification was added in 2014.

Silvopastoral planting

The Silvopastoral Planting technical specification acknowledges the need for cattle pastures by integrating trees and improved pastures with livestock. The trees improve pasture productivity, provide shade, and produce timber and forage for the farmers and their cattle. The short-rotation nitrogen-fixing species are harvested at a young age, providing building posts while fertilizing the soil. Silvopastoral Planting sequesters carbon dioxide, provides ecosystem services in the short term, and sustainably produced, highly prized timber in the long term. Additionally, the system helps improve the pasture below the trees and adds biomass to the soil. This technical specification was added in 2012.

2025 Participation and Program Size

Table 5: Summary of new participation and program size of year (2025 vintage)

During the year, CommuniTree expanded participation to include land from an additional 169 communities, reflecting the incorporation of previously planted land into the program. The project now works across a total of 1,655 participating communities, as detailed in Appendix 2 Table 5.

Participants	
Total smallholders with new registered PES agreements meeting targets	453
Total area planted meeting targets (ha)	1,181.88
Area planted and meeting targets breakdown by technical specification	**Area in hectares**
Mixed Species Forest Plantation	964.74
Silvopastoral Planting	217.14

Ongoing Community Participation

Ongoing community participation is central to how CommuniTree operates in Nicaragua. Beyond field implementation, the program continues to engage closely with farmers, technicians, and local institutions to build trust, strengthen local capacity, and support long-term value creation. In 2025, this work focused on reinforcing local leadership, deepening farmer engagement, and ensuring that participation remains clear, accessible, and grounded in local realities.

Recognition of local leadership and environmental stewardship

In 2025, BOSNICA was recognized with the 9th Edition of the Cleaner Production Award, presented by the Comisión Nacional de Producción más Limpia. The award recognizes organizations that measurably reduce environmental impact while improving efficiency and contributing to sustainable development. For BOSNICA, this recognition reflects strong local leadership, a sustained commitment to environmental responsibility, and the effectiveness of farmer-centred implementation on the ground.

BOSNICA's trophy for the 9th Edition of the Cleaner Production Award

Capacity building and collaboration through centralized training

Continued investment in capacity building supported more consistent engagement with farmers across program regions. In 2025, centralized training for BOSNICA technicians, regional managers, and operations staff reinforced shared standards and helped ensure that guidance provided to farmers remained practical, aligned with best practices, and consistent across locations.

Training combined field-focused content—such as planting practices and how to explain contracts to farmers—with instruction on the use of digital tools that support worklogs, contracting, and payments. Over the course of the year, training materials and sessions were frequently provided to more than 180 BOSNICA personnel, including technicians, regional managers, and operations staff, using a mix of live sessions and on-demand video modules. Refresher training and targeted evaluations were used to identify gaps and direct follow-up support where it was most needed, helping maintain a reliable level of technical assistance and care across the program nationwide. See Highlights 01 for more details.

Above, right: BOSNICA planting training

Right: Jose Del Carmen Lagos Araus using a hole digger

Continued engagement with farmers and local communities

Throughout the year, BOSNICA maintained regular engagement with participating communities and local authorities through open-invite meetings that created space for project information to be exchanged directly with community members. In addition, participating farmers received ongoing support through field visits, with 20,648 farmer education sessions delivered across project regions to reinforce key practices related to forest establishment and management.

Group training session with farmers in the community of Pantasma

Taking Root's CEO, Kahlil Baker, at London Climate Action Week

External recognition and sector engagement

The strength of CommuiTree's locally grounded approach has been affirmed through external recognition of the project's quality and rigour. In 2025, CommuniTree received an updated provisional A rating from Sylvera, which for the first time incorporated a review of the project's carbon model. The program was also featured in the Mongabay Reforestation Catalog, receiving high ratings across permanence, ecological, social, and financial criteria.

In parallel, Taking Root shared operational insights at international forums, including London Climate Action Week and Toronto Climate Action Week, reflecting growing interest in nature-based solutions that combine durable climate outcomes, strong local partnerships, and applied technological innovation.

Supporting farmer value and livelihoods

Creating value for farmers is a cornerstone of the CommuniTree program. Alongside long-term environmental benefits, farmers are supported to derive practical value from their forests as they grow. One important way this occurs is through the byproducts of routine silvicultural activities, such as pruning and thinning, which generate usable wood over time.

In Nicaragua, national regulations define how forest products may be harvested and marketed. CommuniTree helps farmers understand and operate within this framework so they can derive value from their forests in ways that remain consistent with regulatory requirements. This includes training on domestic self-consumption provisions so that farmers can responsibly use wood for household purposes, such as firewood and construction materials.

At the same time, the project teams continue to engage with the Ministry of the Environment and Natural Resources (MARENA) to support the longer-term development of the sector. These discussions are focused on identifying sustainable pathways that enable farmers to access higher-value timber markets so that they can continue to improve their livelihoods over time.

The byproducts of pruning collected for firewood

Wood thinnings collected at CommuniTree's processing facility in Somoto

Elsa Damarys González

Elsa Damarys González has been part of BOSNICA since 2010 and currently serves as Operations Director. Over the past 16 years, she has helped guide the program's technical and strategic development—from the first trees planted to Nicaragua's largest community forest restoration project.

Name:
Elsa Damarys González

Title:
Operations Director

You have been part of the project from the beginning. How has it evolved?

I have been involved since the very beginning, not only planting the first trees but also helping shape the vision behind the initiative. At the start, I often wondered whether I would ever see the long-term results of our efforts. I questioned whether the trees would truly grow and whether the impact would become tangible.

Today, more than a decade later, I can confidently say that not only did the trees grow, but families grew, communities grew, and we grew as an organization. Watching a parcel transform into a forest, while at the same time seeing a family shift toward long-term stewardship of their land, is deeply moving. Our work is not simply about restoring land; it is about transforming lives.

What does it take to sustain a program of this scale?

Sustaining the project requires absolute commitment. It demands discipline, responsibility, and a mindset of continuous improvement. From an operational standpoint, we must ensure technical excellence, compliance with standards, and alignment with our organizational mission.

We do not work merely to meet targets. We work to honour our commitment to farmers, partners, and carbon buyers. It is essential that we never lose sight of our purpose—why we do this work and for whom we are doing it.

On a practical level, this means beginning each week by reviewing results, aligning regional teams around clear priorities, and ensuring that planning is grounded in reliable data. Field visits are equally important, allowing us to evaluate plantations directly, strengthen technical capacity, and maintain quality standards across regions.

What are you most proud of?

I am proud of everything we have built together. We have created jobs, strengthened family economies, and restored thousands of hectares of degraded land.

We began working with just 19 farmers. Today, we collaborate with more than 5,000. We went from having no office infrastructure to establishing a strong and consolidated regional presence. This growth represents not only institutional development but also the trust we have earned within the communities we serve.

Looking ahead, what do you hope to see?

I see the future defined by both expansion and responsibility. There are still thousands of degraded hectares in Nicaragua that can and should be restored. I dream of seeing rivers that have lost their flow begin to run again as a result of forest restoration.

However, above all, we must protect our essence: working for families, for the land, and for a lasting cultural transformation.

Top, right: Elsa hugging a tree

Centre: Elsa and Kahlil Baker

Bottom, right: Elsa demonstrating planting best practices

Monitoring Results

Nature and socio-economic impacts

Table 6 displays some of the key nature, environmental and socio-economic impacts of CommuniTree during this year. The data is collected and reported through Taking Root's technology platform.

Table 6: Nature and socio-economic impacts in 2025

Nature impacts:	
Trees planted:	
Mixed species forest plantations trees planted for 2025 vintage PVC issuance	1,322,743
Silvopastoral plantations trees planted for 2025 vintage PVC issuance	93,050
Total trees planted for 2025 vintage PVC issuance	**1,415,794**
Water:	
Watersheds being restored from all project parcels	6 out of 6 key watersheds being restored
Soil:	
Biochar applied in 2025 plantings to enhance soil health (kg)	36,464
Biodiversity:	
Number of unique tree species recorded in program	129
Socio-economic impacts:	
Community engagement:	
Participating new communities in 2025	169
Total communities in program	**1,655**
Participating new smallholder families in 2025	342
Total participating smallholder families	**4,954**
Education:	
Education and support sessions^	20,648
Total session attendance	**21,445**
Jobs:	
Total seasonal workers hired^^	3,028
Permanent positions	197
Total employment created	**3,225**

^ Education and support sessions are logged through Taking Root's platform and include sessions where technicians have supported or educated farmers in various aspects of the program including silviculture best practices such as land preparation and forest management.

^^ This figure includes all temporary workers hired directly by the program, including cuadrillas and nursery workers. This represents a change from the 2024 annual report, which counted only cuadrilla workers.

Summary of 2025 monitoring results

As the 2025 vintage reflects a partial issuance of land planted in 2024, there is no separate monitoring dataset for newly planted 2025 Plan Vivo Certificates. Table 7 therefore presents a consolidated view of monitoring results across parcels established between 2010 and 2024. Monitoring data is provided from vintages 2016, 2021, 2023, and 2024 in line with CommuniTree completing formal field inventories of parcels in years 3, 5 and 10 of them joining the project, along with post-planting monitoring of parcels in year 1. Further details can be found in Appendix 2.

Table 7: Summary of 2025 monitoring results for parcels established between 2010–2024

Parcels established between 2010-2024	
Historic area meeting and exceeding targets (ha)	5,408.91
Historic area monitored (ha)	7,104.79
Percentage of monitored land meeting and exceeding monitoring targets (%)	76.13%

Monitoring results for the 2025 vintage reflect the most comprehensive monitoring season completed to date, with assessments conducted across 87.7% of the land scheduled for monitoring, with 76.13% of monitored parcels meeting contractual performance targets.

Land attrition

Through 2025, 33.43 hectares from historically planted land was removed from the CommuniTree program. The decision to remove parcels was made as these parcels either had no possibility of meeting growth targets in the future or farmers were not motivated to stay in the program. The land and associated credits lost has been replaced by an equivalent amount of land restored in 2024 to ensure the total carbon being removed from the atmosphere remains the same.

Field monitoring visit by BOSNICA technical staff

7,104.79

hectares of historic land monitored

76.13%

of monitored land meeting targets

Project Finances

Project sales and allocations

Table 8 summarizes the sale of PVCs for the 2025 vintage.

Table 8: Program CO2 sales and allocations for the 2025 vintage

Metric	Value
Total volume of CO2 forward sold	220,657
Total sales for 2025 vintage (USD)	
Average certificate price (USD)	
% of average sale price to Community Fund	60%
Average increase to Community Fund per offset (USD)	
Increase to Community Fund from this year's vintage (USD)	

Sales summary vintage 2025

Table 9 summarizes the distribution of PVCs sold in the 2025 vintage through December 31st, 2025. For a detailed list of all carbon sales to date, see Appendix 2 Table 3.

Table 9: Summary of carbon sales for vintage 2025

Vintage	Name of purchaser	PVCs purchased	Price/PVC (USD)	Amount signed (USD)
2025	MyClimate	50,000		
2025	MyClimate	25,000		
2025	MyClimate	50,000		
2025	MyClimate	25,000		
2025	C Level	5,000		
2025	C Level	5,000		
2025	C Level	5,000		
2025	C Level	5,000		
2025	C Level (Springer Nature	50,000		
2025	Cloverly	557		
2025	L'Espiegl	100		
Total		**220,657**		

Total payment for ecosystem services made

Table 10 summarizes the payments for ecosystem services (PES) made to date.

Table 10: PES summary – total payments made^

Payment year	PES amount paid (USD)
2010	$5,019
2011	$28,202
2012	$97,290
2013	$121,694
2014	$123,505
2015	$178,912
2016	$309,174
2017	$372,811
2018	$323,914
2019	$147,072
2020	$521,286
2021	$906,795
2022	$1,961,226
2023	$2,137,649
2024	$2,496,661
2025	**$3,351,931**
Total	**$13,083,143**

^Includes payments for ecosystem services made through FY2025 for all current participating producers. Some payments relate to parcels classified as held-back inventory and are not associated with credits issued in this reporting round.

Additional payments to the community

Table 11: Other payments to the community to date^

Payment year	Amount paid (USD)
2010	n/a
2011	$14,221
2012	$33,288
2013	$44,291
2014	$52,616
2015	$50,870
2016	$113,955
2017	$41,608
2018	$91,110
2019	$135,669
2020	$267,820
2021	$411,108
2022	$798,827
2023	$1,637,547
2024	$1,969,454
2025	**$1,642,856**
Total	**$7,305,240**

^Amounts include community fund contributions made through FY2025. A portion of these contributions relates to parcels designated as held-back inventory and is therefore not linked to credits issued in the current reporting round.

Organizational Expenses and Revenue

Table 12 provides an overview of organizational and operational expenses and revenue in US Dollars for the period January 1, 2025, to December 31, 2025. The table consolidates both Canadian and Nicaraguan financial activity related to the CommuniTree program.

The figures are unaudited and reflect program-specific financial activity. Amounts may differ from other tables in this report due to scope and timing differences in revenue recognition.

Table 12: Organizational expenses and revenue in USD for the reporting period (unaudited)

Reporting period	Jan 1 - Dec 31, 2025
Revenues	
Carbon offset sales	
Value chain revenues	
Total revenues	
Costs of goods sold	
Cost of sales - carbon removals	
Value chain inputs	
Total costs of goods sold	
Expenses	
Human resources	
Operational costs	
Administration	
Transport and travel	
Total expenses	
Other income	
Interest income	
Grants and donations	
SRED tax credits	
Financial fees and foreign exchange	
Total other income	
Net loss	

Appendix 1:

Saleable tCO2 per Technical Specification

The following Table 13 shows the equivalent tonnes of CO2 removed per unit area for each technical specification currently in use.[1]

Table 13: Saleable tCO2 sequestered per technical specifications

Technical specification	Gross tCO2e sequestered per unit (Saleable + Risk Buffer)	Saleable tCO2e sequestered per unit
Mixed Species Forest Plantation	352.6 tCO2e/ha	299.7 tCO2e/ha
Silvopastoral	225.8 tCO2e/ha	191.9 tCO2e/ha
Coffee Agroforestry	241.5 tCO2e/ha	203.2 tCO2e/ha

[1] A PVC represents the long-term sequestration or mitigation of one tonne of CO2e by a Plan Vivo-certified project.

Gross equivalent tonnes of CO2 sequestered per technical specification in the CommuniTree program.

352.6 tCO2e/ ha
Mixed Species Forest Plantation

225.8
tCO2e/ ha
Silvopastoral

241.5
tCO2e/ ha
Coffee Agroforestry

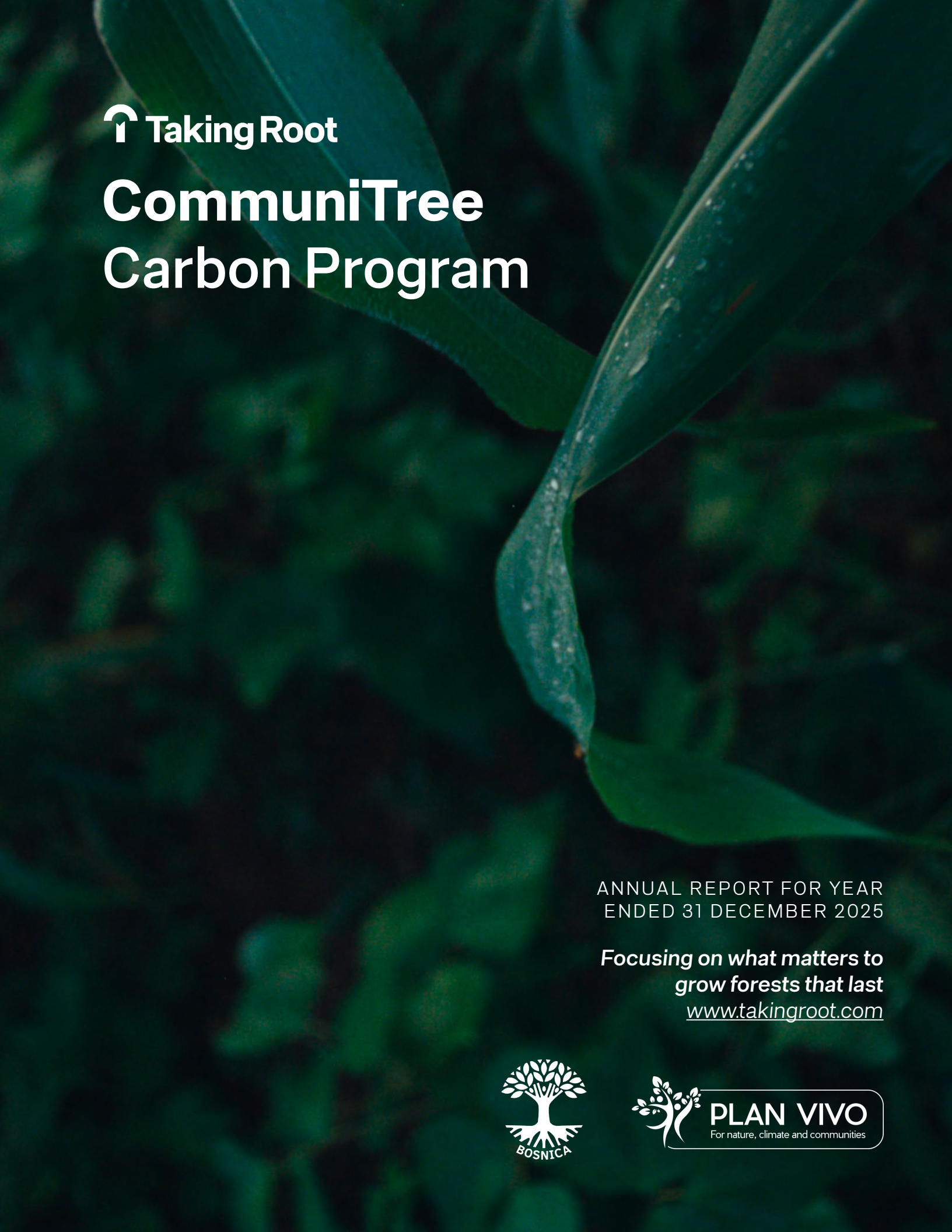
Appendix 2:

Supplementary Information

Due to the high volume of information and data connected to the CommuniTree Carbon Program, Taking Root has included select information through an Excel file, viewable through this link.

The information in the file is broken into 5 different tabs:

1. **Land added in 2025:** The Table A1 lists each parcel that was added to the program in 2025.
2. **Detailed carbon sales to date:** The Table A2 provides a detailed list of Plan Vivo Certificates sold to date by vintage.
3. **Monitoring results:** The Table A3 contains Taking Root's monitoring results or forest inventory from 2025 for plan vivos planted in 2016, 2021 and 2023, and 2024.
4. **Land and farmers exiting in 2025:** The Table A4 contains a comprehensive list of the parcels lost in 2025 along with accompanying farmer data.
5. **Program communities:** The Table A5 contains all communities that have farmers participating in PES agreements and shows which of them are new communities in 2025.



Taking Root

CommuniTree Carbon Program

ANNUAL REPORT FOR YEAR ENDED 31 DECEMBER 2025

Focusing on what matters to grow forests that last

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BOSNICA

PLAN VIVO
For nature, climate and communities