

Annual Report

2024



Built with planting proceeds: In 2024 Local communities in Kenya opened a new gathering space - and dedicated it to our Papariko project.

Letter from the CEO



Twenty years ago, I watched a whale breach through the icy waters off Alaska, and something changed. Since then, a quiet but growing desire to protect the ocean has stayed with me. Today, as I step into my role as Vlinder's new CEO, I'm grateful to turn that long-held intention into action by helping restore one of the ocean's most powerful ecosystems: mangroves.

2024 marked a major milestone for Vlinder, as our model was successfully validated under real-world conditions and at an increasing scale. The team, partners, and communities achieved incredible things. Since its inception in 2019, Vlinder has restored 1700 hectares of mangroves, has planted 5 million trees, and supports thousands of livelihoods. We reached major investment milestones through partnerships with Julius Bär Bank and Hummingbirds, and secured equity backing from both existing and new investors, including Rheinst, Rypples, and IdeaCarbon. These

partnerships show that when done right, nature restoration can attract private capital to deliver returns for people, the planet, and investors alike.

Personally, I am most excited about the long-term impact of this model. By linking global carbon markets to community-led restoration, we make conservation a viable livelihood. This transforms local communities into nature's most committed stewards, because when people directly benefit from restoration, they have every reason to protect it for generations to come.

And we're only just getting started. By 2030, we aim to restore 30,000 hectares with 25,000 community members, removing 30 million tonnes of CO₂ over the trees' lifetime. These thriving ecosystems will generate high-integrity carbon credits and unlock \$1 billion in income shared directly with local communities.

To get there, we need to grow thoughtfully and deepen our partnerships. To all who have been part of this journey so far, thank you. And, I would like to invite new partners to join us on our journey to make mangroves the first fully rehabilitated ecosystem on Earth within our lifetime.

Best wishes,



Tom Kagerer

Chief Executive Officer, Vlinder

Executive Summary

In 2024, Vlinder entered a decisive phase of growth, combining scientific credibility, financial innovation, and deep local engagement to accelerate the restoration of blue carbon ecosystems. Our work is now shaped not only by global demand for nature-based solutions but also by the strength of our team, partnerships, and field execution.

At the core is a strengthened leadership team. With Tom Kagerer joining as new CEO, he brings decades of business and impact finance experience, and Holly Elgar leading with ecological and social integrity, Vlinder has the right mix of bankability and scientific expertise to execute at scale.

Vlinder also deepened its strategic partnerships. Our collaboration with Julius Baer stands out, not only as a financial milestone, but as a validation that mangrove reforestation is investable and aligns impact with financial returns. What began as a client engagement evolved into a flagship partnership, underlining our ability to build trust with institutional actors in Europe.

Our experience in Kenya continues to demonstrate that restoration efforts succeed only when they are driven by the communities who depend on and care for these ecosystems. The WWF's site visit affirmed the breadth of local participation, particularly by women, and we finalized a robust Community Development Agreement formalizing shared benefits. With 210 hectares planted in total (150 ha in 2024) and Verra validation in the final stages, Papariko is now a benchmark for inclusive and scalable carbon projects.

Finally, we made key progress toward our 2030 goals with pipeline development in Indonesia, where we initiated planting and ground-truthing on the Kupu-Kupu project, the largest in Vlinder's portfolio at 30,000 hectares. Paired with steady progress in Senegal, the combination of our investments, our project portfolio and our pipeline positions Vlinder for scale.

Together, these developments signal a transition: Vlinder is no longer just proving its model, we are delivering it. Backed by strong governance, a credible team, and committed partners, we are moving confidently toward our target of restoring 30,000 hectares and delivering measurable climate, nature, and community outcomes at scale.

Project Portfolio

Project Development: Kenya – Papariko Project

2024 marked a transformative year for Papariko, Vlinder's flagship initiative, and now the first blue carbon project in Kenya in the registration pipeline with Verra. In our Phase 1 implementation area in Kwale, we more than doubled the restored area by planting an additional 150 hectares, bringing the total restored area to 262 hectares by year-end.

The project generated over 300 new project-related jobs, all filled by members of local communities. Women held more than 70% of these roles and 65% of leadership positions. Over 90 young people (aged 18–24) were trained and employed in ecosystem restoration.

Kenya Forest Service (KFS) audited our planted areas in Kwale and subsequently signed an addendum to the Framework of Collaboration, expanding the total Papariko project area in the Shirazi-Funzi Complex to 525 hectares.

We ground-truthed an additional 329 hectares of degraded mangrove forests in the Tana River Delta, which will be added as Phase 2 of the project in 2025. We were also invited by KFS to assess a further 1,800 hectares of degraded mangroves in Tsunza, Kwale.

In 2024, we went through validation rounds under Verra, with the Papariko project becoming the world's first blue carbon initiative to achieve *triple certification*—VCS, CCB, and SD ViSta—targeted for February 2025.

In 2025, in addition to planting in Shirazi-Funzi, Kwale, we will launch project activities in Tana River, expand restoration to new areas in Tsunza, Kwale, apply for the National carbon project registration, and initiate the Verra verification process, aiming for the issuance of our first carbon credits in early 2026.



Official meeting held with the Chief Conservator of Forests, Kenya Forest Service (KFS), to discuss potential expansion of Vlinder's mangrove restoration initiatives in Kwale County

Investment: Myanmar – WIF Project ([VCS 2088](#))

In Myanmar, Vlinder continued to support ongoing monitoring and impact assessment of Project 2088. Although no new planting occurred in 2024, significant effort went into ensuring ecosystem recovery and verifying permanence. We worked closely with our local partner, Worldview International Foundation, to assess mangrove growth, biodiversity recovery, and community engagement outcomes from earlier planting phases. The project remains a vital proof point for our long-term restoration strategy.

Investment: Indonesia – VNV Project ([GS 4944](#))

In 2024, our Indonesia project from VNV in Aceh and North Sumatra started the registration process under Gold Standard as project ID 4944. The project aligns with Indonesia's planned Mutual Recognition Agreement (MRA) with Gold Standard, which enables dual recognition with Indonesia's national registry (SRN) and facilitates international certification pathways.

Our focus in 2024 included completing the Free, Prior and Informed Consent (FPIC) process and conducting baselines for carbon stocks and livelihood outcomes. We also implemented the first phase of MRV systems tailored to Gold Standard's rigorous criteria, which emphasize both emissions reductions and sustainable development co-benefits. We anticipate the first tranche of credits by mid-2026, supporting our ambition for scale in Southeast Asia.



Planting progression from left to right:
Mature mangrove stands, 3–4 year growth, and 1–2 year growth stages.

Project Pipeline

Indonesia – Kupu-Kupu Project

The Kupu-Kupu project is poised to become Vlinder's largest and most ambitious reforestation initiative. In 2024, we advanced from concept to early implementation by conducting extensive ground-truthing across priority regions in South Sulawesi. We developed a preliminary planting design for more than 10,000 hectares and began coordination with district-level governments and customary landholders.

With initial community consultations underway, 50 hectares of pilot planting were conducted in 2024. In 2025, we observe the Indonesian carbon regulation to allow for the project to begin full implementation, as well as a full FPIC process in 2025.

Senegal – Lep-Lep Project

In Senegal, the Lep-Lep pipeline project progressed through the feasibility phase. Throughout 2024, our team worked with local partners to map ecological zones, assess legal frameworks, and initiate early-stage dialogue with community leaders. As part of the preparatory phase, we secured the allocation of 462 hectares of degraded mangrove areas from the Ministry of Environment and Sustainable Development and conducted a 5-hectare test planting.

The project has been well received, particularly due to its focus on livelihood support and coastal protection. We are currently undergoing the national carbon project registration process started in 2024. With further data collection and community consultation planned for 2025, we also look forward to deepening our engagement through additional verification of the restorability of the allocated areas and by building new partnerships with local researchers and experts in mangrove restoration and community-led implementation. Lep-Lep is on track to become our first West African mangrove restoration project under Verra certification.



A birds nest in the middle of a young mangrove forest

Key learnings of Project Development

Community co-ownership and trust drive results and require continuous, intentional engagement. Building and maintaining trust with local communities is not a one-time effort. It demands consistent presence, transparency, and shared decision-making from both us as project developers and our local partners on the ground.

Institutional partnerships unlock scale. Close collaboration with government bodies such as the Kenya Forest Service has been instrumental in securing land access.

Rigorous baseline and progress data collection is foundational. High-integrity certification and credible investor reporting both depend on robust, verifiable data. This requires investment in technical capacity, standardized monitoring, and consistent field-level data gathering.

Additional livelihoods are essential to long-term impact and permanence. Restoration alone is not enough. Strengthening and diversifying local livelihoods, through training, employment, and income-generating activities tied to the restoration process, is critical to ensuring community buy-in and reducing reversion risks.



Newly constructed, finely woven bird's nest in a young mangrove tree, most likely built by the local weaver bird

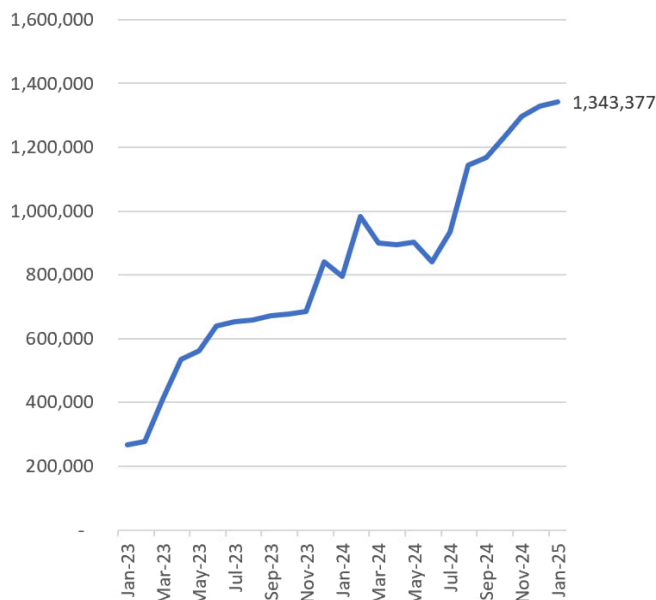
Market and Strategy

Market Landscape

Mangroves have remained a central focus in the nature-based climate solutions space. In addition to climate benefits, mangroves improve coastal resilience, sustain fisheries, and provide livelihoods to local communities, which is reflected in premium prices with verified trades in 2024 reaching \$40–\$45 per tonne.

The demand for blue carbon carbon credits continued to rise: retirements grew to 1.3 mln tCO₂ in 2024 (+70% YoY).

As companies seek credible ways to meet net-zero and nature-positive goals, mangroves are becoming a sought-after asset class—but one with high entry barriers and low availability of scalable, credible solutions.



Annual retirements TTM, tCO₂

Growth and Funding Strategy

Vlinder is prioritizing quality over rapid expansion, scaling with precision across Indonesia, Kenya, Brazil, Philippines, and Senegal.

Our blended finance model mobilizes philanthropic grants for early-stage development, concessional loans for infrastructure and planting, and long-term carbon offtake agreements (up to \$50M) to de-risk and scale project portfolios.

Project Pipeline Progression

We are on track to expand our Kenya project from 1,500 to 3,000 ha, scale to 30,000 ha in Indonesia (pending regulatory resolution), and launch new projects in South America.

Our Vision 2030 impact goals include creating 25,000 jobs, generating \$1B in community carbon revenue and \$1B for Vlinder and project investors.

A fixed 50% revenue share with host country stakeholders, including 25% to communities, anchors our commitment to equity.

Vision and Strategic Positioning

Guided by our Vision 2030 (“30 by 30”), Vlinder aims to restore 30,000 hectares of degraded mangroves by 2030, with a longer-term ambition of restoring 50% of all restorable mangrove areas globally by 2050.

Our North Star: to make mangroves the first globally restored natural ecosystem. We position Vlinder as the global leader in Social Blue Carbon—a premium segment where community uplift is embedded at the core of climate action.

Our key differentiators include deep community partnerships, for-profit impact scalability, and capital innovation.

Organizational Readiness

To deliver on this ambition, we are building robust internal capabilities: in-house data systems for real-time MRV, scientific capacity in mangrove ecology, and decentralized local teams for implementation. Strategic partnerships in science, finance, land tenure, and government relations are in place to support systemic scale.

Vlinder is building not just carbon projects, but the infrastructure for a community-led, climate-resilient future. By anchoring our strategy in social value, we are redefining what high-quality carbon truly means.



Tom Kagerer with local team members and a female community leader during a site visit

Financials

In 2024, Vlinder made deliberate financial decisions to strengthen its operational capacity, deepen its project pipeline, and position itself for future growth. The financial results of 2024 reflect a period of strategic investment, where building long-term impact and credibility took priority over short-term profitability.

Revenue Growth and Project Activity

Vlinder's total revenue grew in 2024, reaching €128,000—nearly quadruple the €32,000 recorded in the previous year. This increase was driven by project sales. Additionally, Vlinder managed to secure a WWF grant of €72,000.

Strategic Investments into People and Projects

A core financial theme in 2024 was investment in delivery capacity. Vlinder invested over €195,000 in personnel costs, more than tripling the amount spent in 2023. Additionally, €135,000 was spent on project team members located in Kenya, Indonesia, and Senegal, primarily linked to project design, planting activities, and carbon certification work.

Financial Result and Net Loss

Vlinder reported a net loss of €405,429 for 2024, compared to a €347,393 loss in 2023..

Why was Vlinder's P&L negative in the early years?

Vlinder invests heavily upfront in mangrove restoration projects, but revenue from carbon credits only starts flowing after ~3 years, once measurable carbon sequestration begins. According to Austrian accounting rules (UGB), these future revenues cannot be recognized immediately. Instead, payments from customers (e.g., forward sales) are recorded as **deferred revenue** and gradually released to the P&L over the project's lifetime (e.g., 30 years). This results in a short-term negative P&L despite strong long-term revenue visibility – a typical pattern for infrastructure and project development models. At the same time, the balance sheet shows strong growth in assets, reflecting the value of the secured carbon credit pipeline.

Balance Sheet Position and Capital Structure

As of December 31, 2024, total assets stood at €2.55 million, up from €2.15 million the year before. The majority of this increase was due to project investments into Kenya, Indonesia and Senegal. Capital reserves rose to €2.28 million, indicating strong support from shareholders and early-stage impact investors. Equity remains positive at €306,839, despite accumulated losses of €2 million, demonstrating investor confidence in the long-term value of Vlinder's mission and business model.

Funding and Liquidity

In 2024, Vlinder secured €554,000 in prepayments from Hummingbirds and Natalie Widmer. Additionally, shareholder contributions of €165,000 helped finance ongoing operations, keeping the company agile during a capital-intensive phase.

The financial statements, including the Balance Sheet and Profit & Loss Account, are provided in full at the end of this report.

Impact and Recognition

Recognition Highlights

In 2024, Vlinder celebrated recognition across various sectors, from project development to new customer segments unlocked. The most relevant are summarized below.

- 1. Comprehensive Community Development Agreement (CDA) adopted**
We signed a sector-leading CDA with communities in Kenya, formalizing long-term benefit sharing, inclusive governance, and grievance redress, setting a new standard in community-centered carbon finance.
- 2. Over 1,700 Hectares of Mangroves Restored to Date**
By the end of 2024, Vlinder had restored more than 1,700 hectares of mangroves across Kenya, Myanmar, and Indonesia, delivering climate mitigation, biodiversity revival, and coastal resilience.
- 3. Recognition by WWF and Sector Leadership Award**
WWF conducted a field visit to our Kenya project in February 2024, commending our inclusive model, especially women's involvement. In December 2024, Vlinder was voted **Bankable Nature Solution of the Year** by a panel of climate investors, recognizing our scalable model and credibility in the voluntary carbon market.
- 4. Spot Blue Carbon Credits Sold at Premium Prices**
We sold one of the first verified blue carbon spot credits (Myanmar, VCS 1764) at market-leading prices, up to USD 45/tCO₂, validating the value of our quality-first, community-integrated approach.
- 5. New Customer Segment: HNWI Removal Commitment**
In March 2024, we onboarded a new customer segment, high-net-worth individuals, with a USD 102,000 fully prepaid deal to cover a lifetime carbon footprint, reflecting growing private demand for credible removal credits.
- 6. Joined the Sustainable Ocean Alliance Network**
Vlinder became a member of the **Sustainable Ocean Alliance**, expanding our global ecosystem of ocean-focused innovation, policy dialogue, and climate-finance partnerships.
- 7. Represented at COP29**
Vlinder participated in COP29, contributing to discussions on nature-based solutions, community benefit-sharing, and the role of blue carbon in achieving net-zero targets, strengthening our visibility and policy alignment at the global level.
- 8. New CEO Appointed: Tom Kagerer**
In December 2024, Tom Kagerer officially joined Vlinder as CEO, bringing 25+ years of leadership in impact investing and international philanthropy. His appointment significantly boosts Vlinder's strategic and fundraising capabilities.

Community Impact Insight: Kenya Project

At the core of our work is our impact on local communities. Below, we give you an insight into our impact created through our Papariko project in Kenya.

Job Creation and Income Generation

322 part-time jobs were created for low-income community members (50 percent women, aged 18–40, earning less than \$80 per month). Each participant earned approximately \$95 per month during planting seasons, supporting local livelihoods through roles in nurseries, planting, and seed collection.

Capacity Building and Awareness

Over 400 people were trained in 22 technical sessions covering mangrove nursery management, planting, and monitoring. An additional 26 sessions raised awareness around climate change, gender equality, carbon markets, and human rights.

Participatory Governance and PFMP Support

In 2023, Vlinder supported the implementation of the Participatory Forest Management Plan (PFMP) in Shirazi-Funzi. This was implemented in 2024 by helping resource and fund eight land management programs, including Mangrove Conservation and Utilization initiatives.

Empowering Female Leadership

Women hold 70 percent of planting roles and 65 percent of leadership positions in our Kenya project, ensuring that women are not only included but also leading across core operations.

Raising National Standards

Thanks to strong regulatory compliance and community integration, the Papariko project is recognized nationally as a pioneering blue carbon initiative and is helping to raise the standard for project integrity in Kenya and beyond.



Lena Mechenkova participating in a discussion held in a female-only setting to facilitate open dialogue on sensitive community concerns

Outlook to 2025 and beyond

Looking ahead, Vlinder enters 2025 with strengthened foundations and clear momentum toward scale. With validated project models, trusted partnerships, and growing market recognition, we are positioned to deepen our impact and move decisively into the next phase of growth.

Our immediate focus will be on operationalizing scale in our two core geographies, Kenya and Indonesia. In Kenya, we aim to undergo Verra verification to begin issuance from our flagship Papariko project in early 2026. Simultaneously, we will continue Phase II expansion and roll out community livelihood initiatives as part of our long-term benefit-sharing plan. In Indonesia, we will scale up planting under the VNV project (Gold Standard ID 4944), leveraging our newly established certification pathway under the national SRN and the Gold Standard Mutual Recognition Agreement.

From a financing perspective, 2025 will be a year of mobilization. We aim to raise USD 1.9 million in blended capital, which will enable us to build out our planting and monitoring capacity, invest in key hires, and deliver on our target of restoring 30,000 hectares by 2025.

Beyond implementation, we are committed to further strengthening our identity as a pivotal player for global mangrove restoration. This means building brand equity, improving our data systems, and continuing to lead by example in community-centered, science-backed project development. Our updated knowledge sharing strategy will ensure that our lessons learned, whether about women's participation, carbon pricing, or local governance, contribute to broader sector progress.

We also recognize the importance of positioning Vlinder in the global climate finance arena. Our representation at COP29 and new alliances, such as our membership in the Sustainable Ocean Alliance, signal our readiness to shape the future of blue carbon at the intersection of policy, finance, and justice.

With the right team, trusted partners, and communities by our side, 2025 will be the year we accelerate, delivering measurable impact on the ground while maturing into a leading climate venture capable of shaping ecosystems, markets, and lives for decades to come.



Seedling nursery featuring young *Rhizophora mucronata* seedlings, approximately 1–2 months old.