

Investing in resiliency

How can supply chain and climate resiliency become
an opportunity for the energy sector?

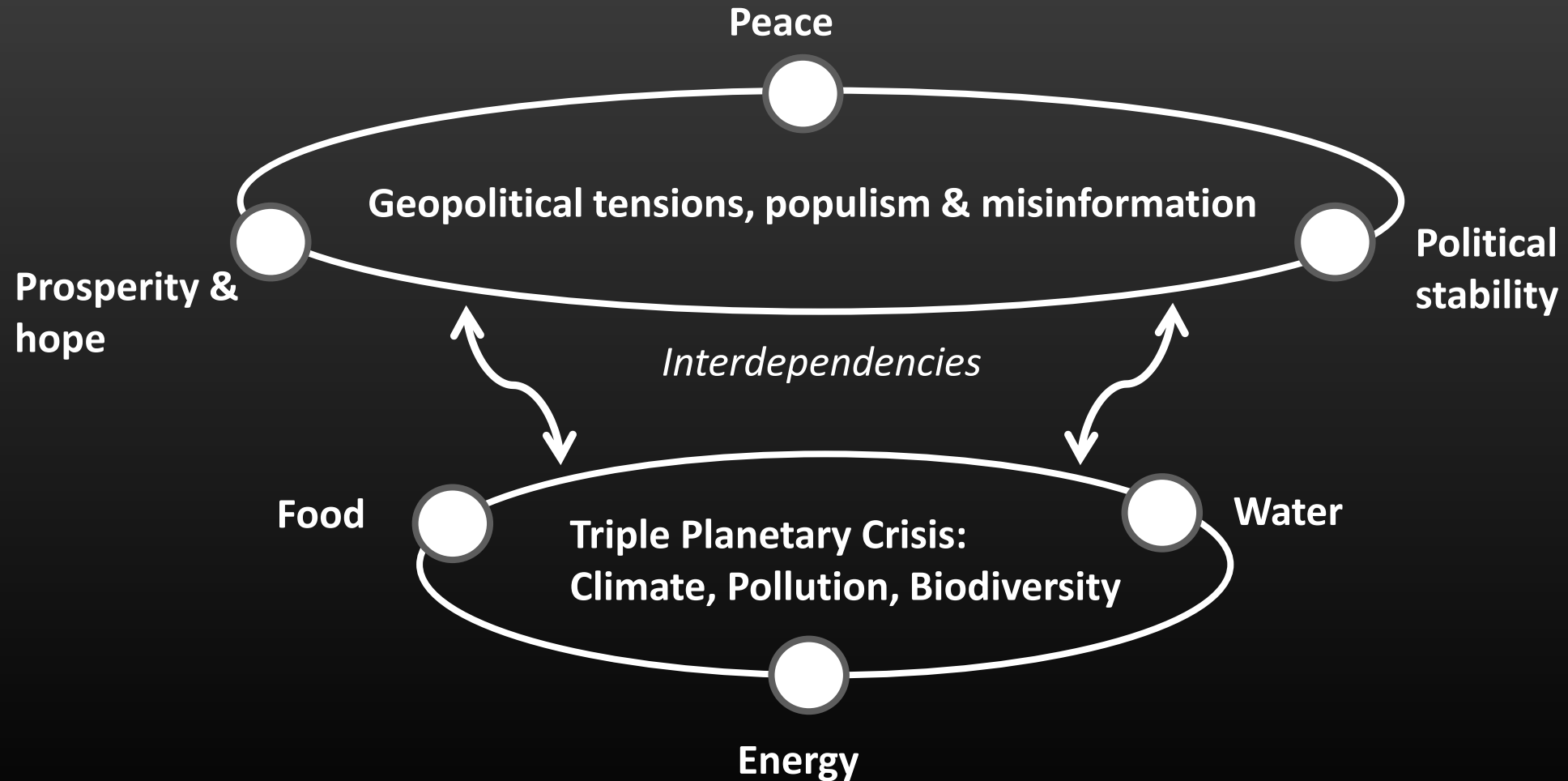
Jochen Hauff

SuperReturn 2025

Climate & Energy Transition Summit, Berlin June 2025

(Presentation with slight modifications after the event)

The “double nexus”: Basic needs are at risk. So is the stability of our societies.



Uncertainty threatens the ROIC of existing assets and makes it difficult to raise & deploy new funds



Foto: <https://war.ukraine.ua>

Foto: MSC/Preiss

Foto: The Independent

Foto: fotokostic

Foto: AL-Travelpicture

How urgent is the topic?

Let us ask two experts from banking and insurance



“... only the Disaster & Policy Stagnation scenario reflects the time we are in now.”

Dr. Sabine Mauderer
First Deputy Governor
Deutsche Bundesbank,
member of the NGFS
group of Central Banks

“... we already see an **increase of inflation** due to climate risk”



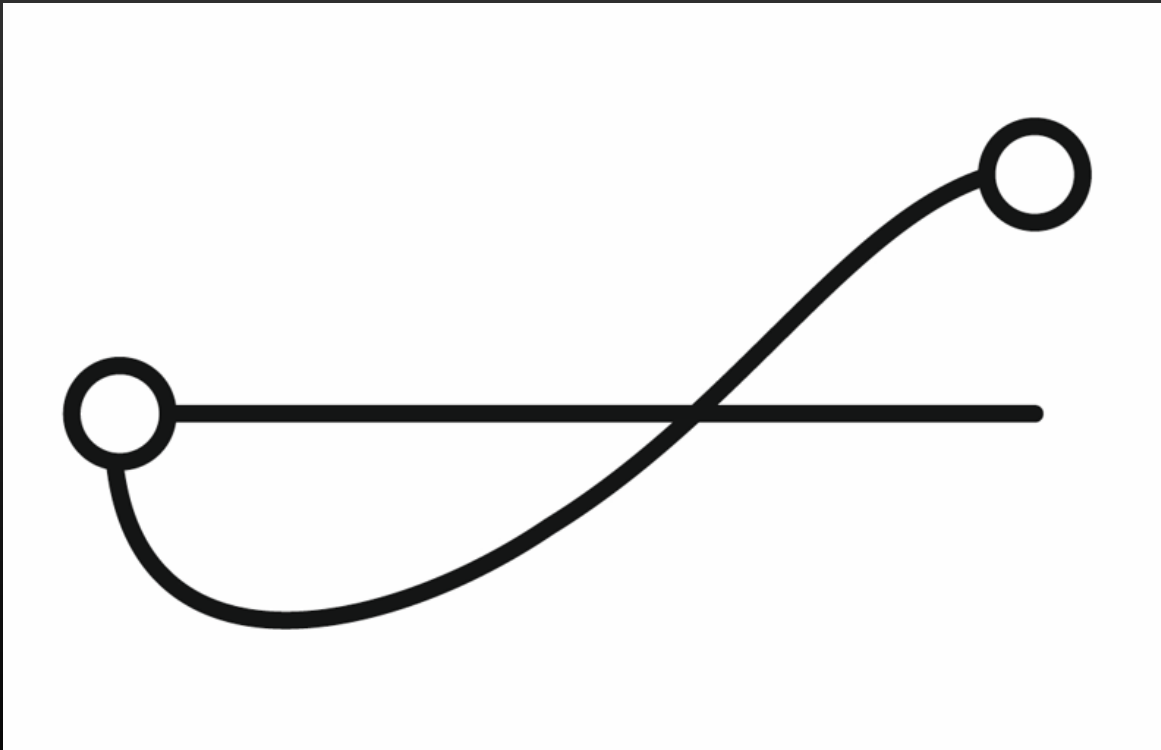
“The financial sector as we know it ceases to function...”

Dr. Günther Thallinger
Board Allianz SE,
investment
& sustainability

... and with it, **capitalism** as we know it **ceases to be viable.**”

What follows for investment?

A simple formula: Resiliency = risk mitigation + opportunity



Identify and invest in the opportunities

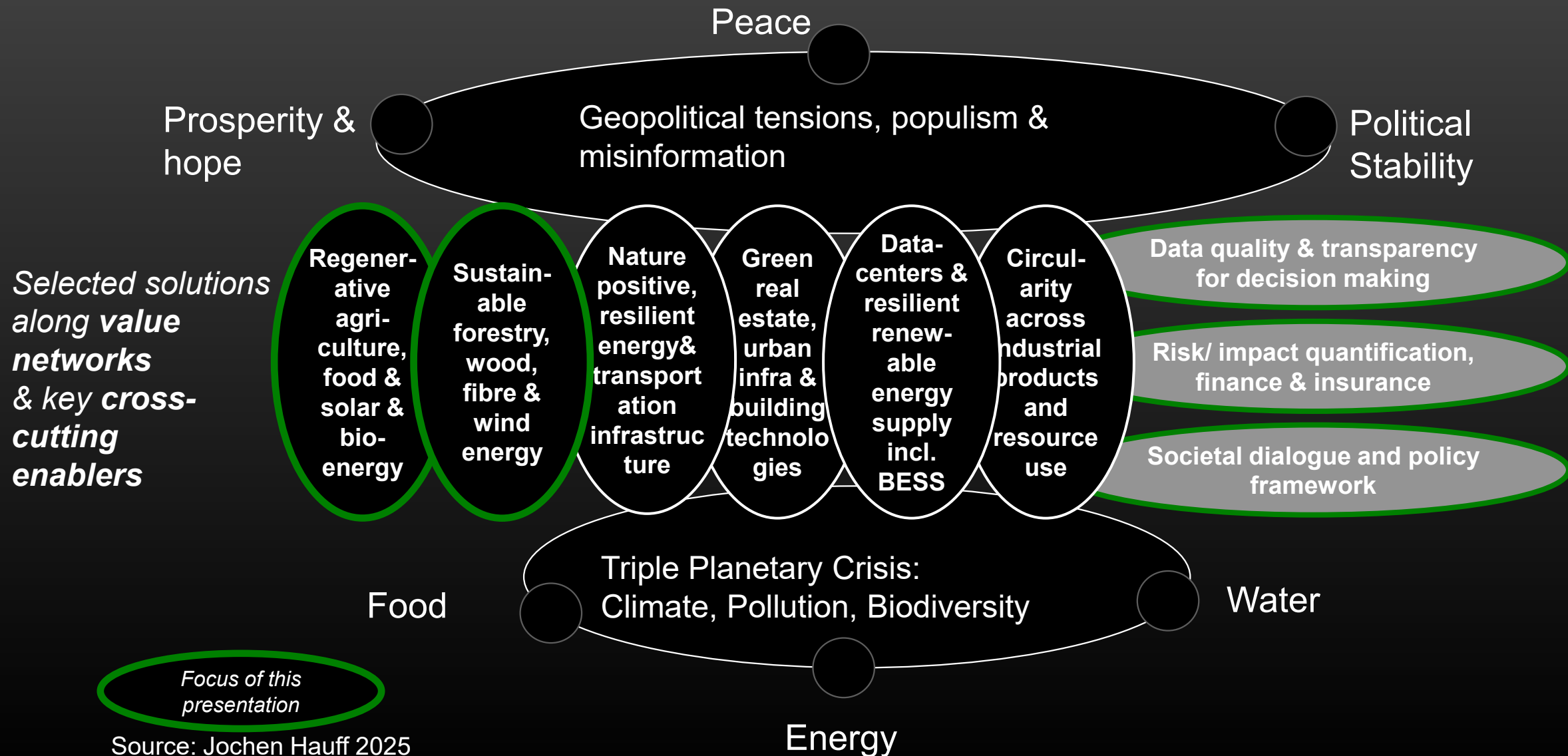


Manage & mitigate risks



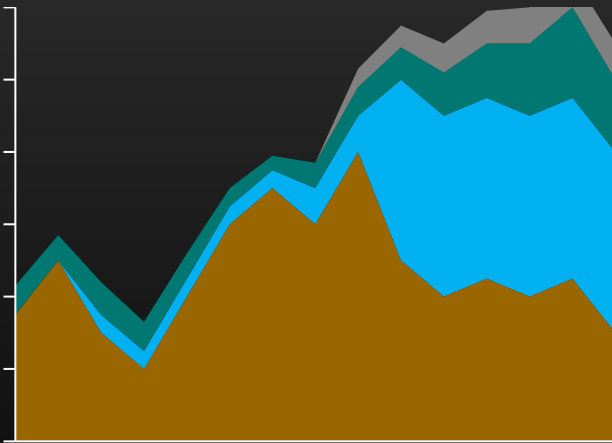
Understand & quantify the impacts

Investment opportunities in resiliency exist in various value creation networks



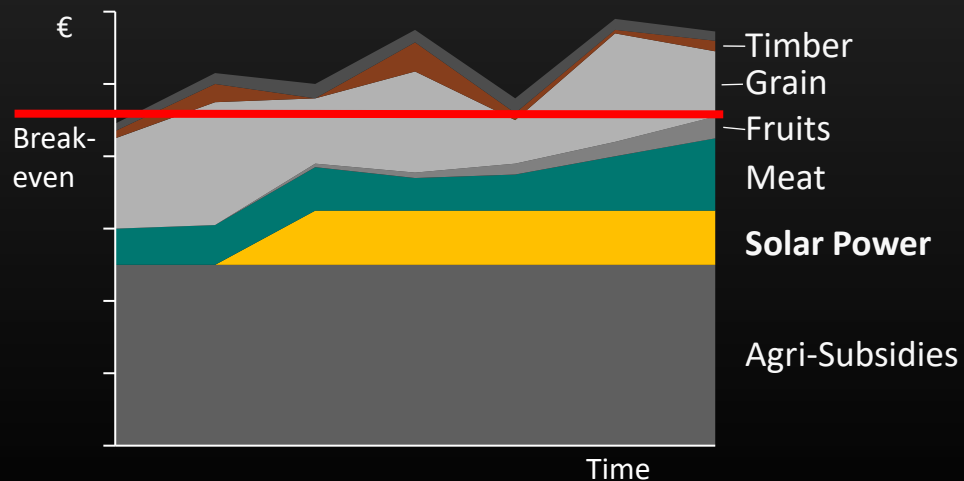
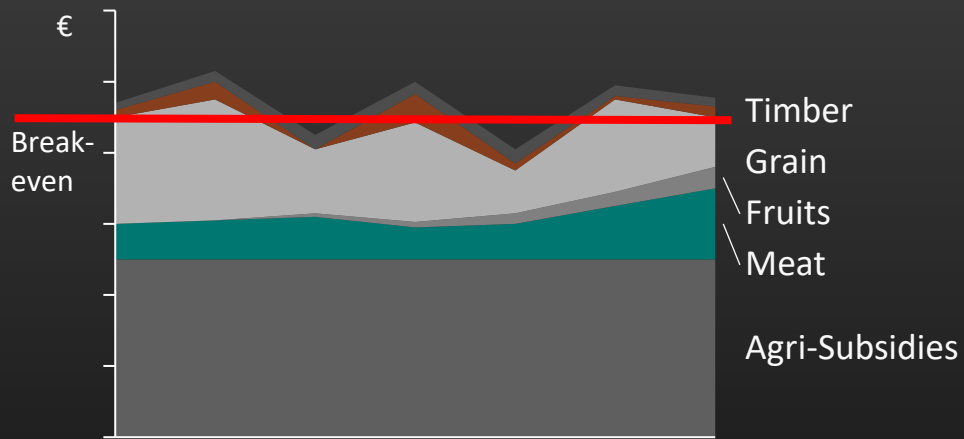
There will be rewards for leaving your silo

„Stacked revenue“ and/or „valley thinking“ investment models

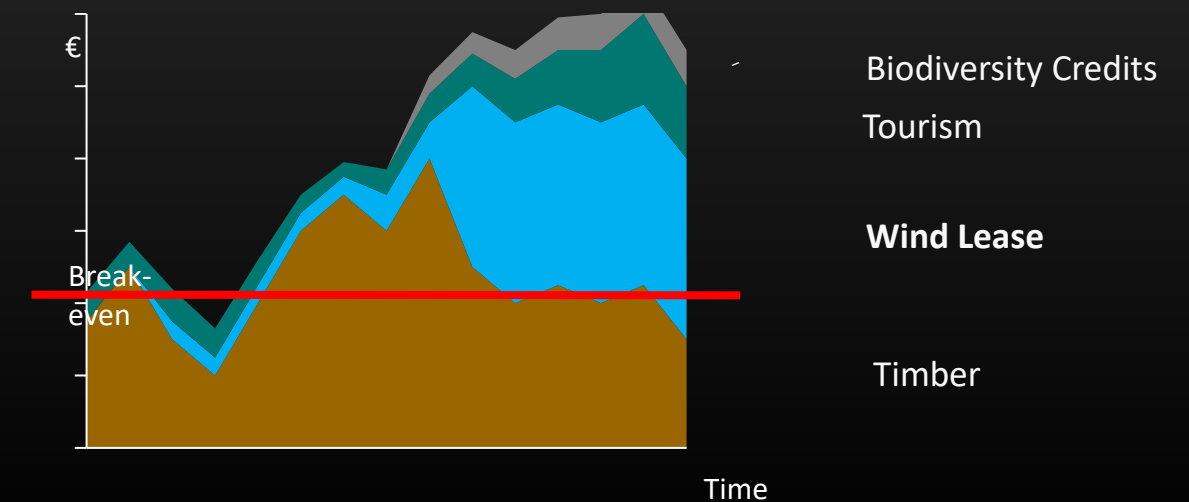
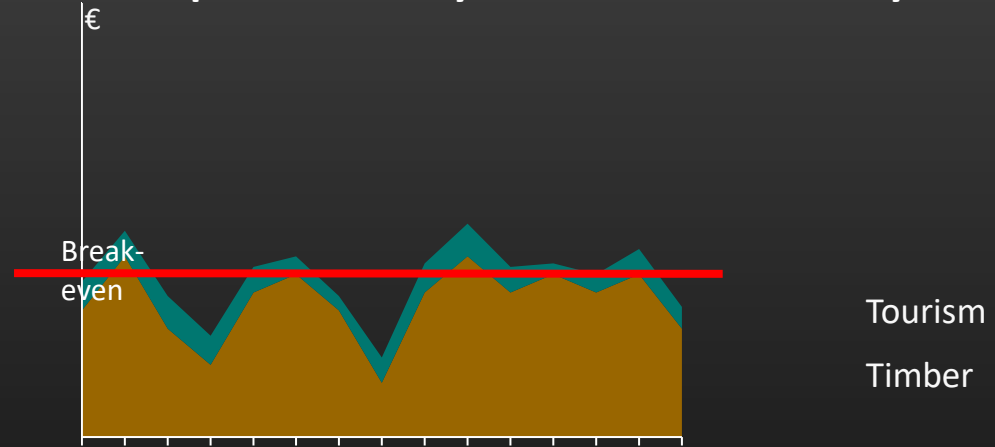


Stacked revenue models combine income from different sectors on a project level

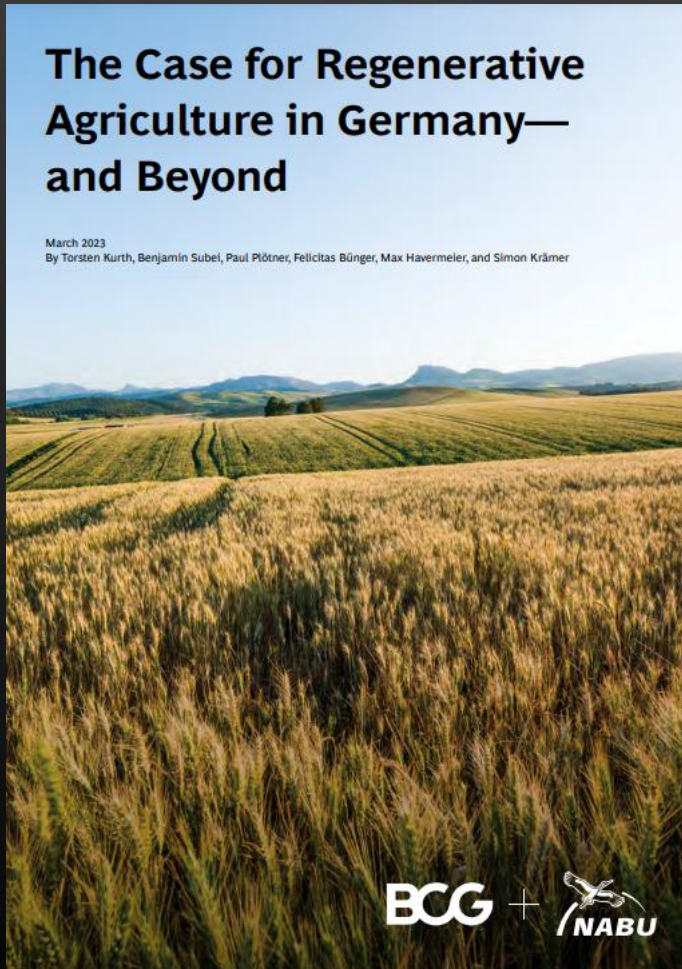
Example 1: Regenerative Farming & Solar



Example 2: Forestry, Tourism, Biodiversity & Wind Power



The financial case for regenerative agriculture – boosted by Agri-Photovoltaics



2023 BCG “base” study:

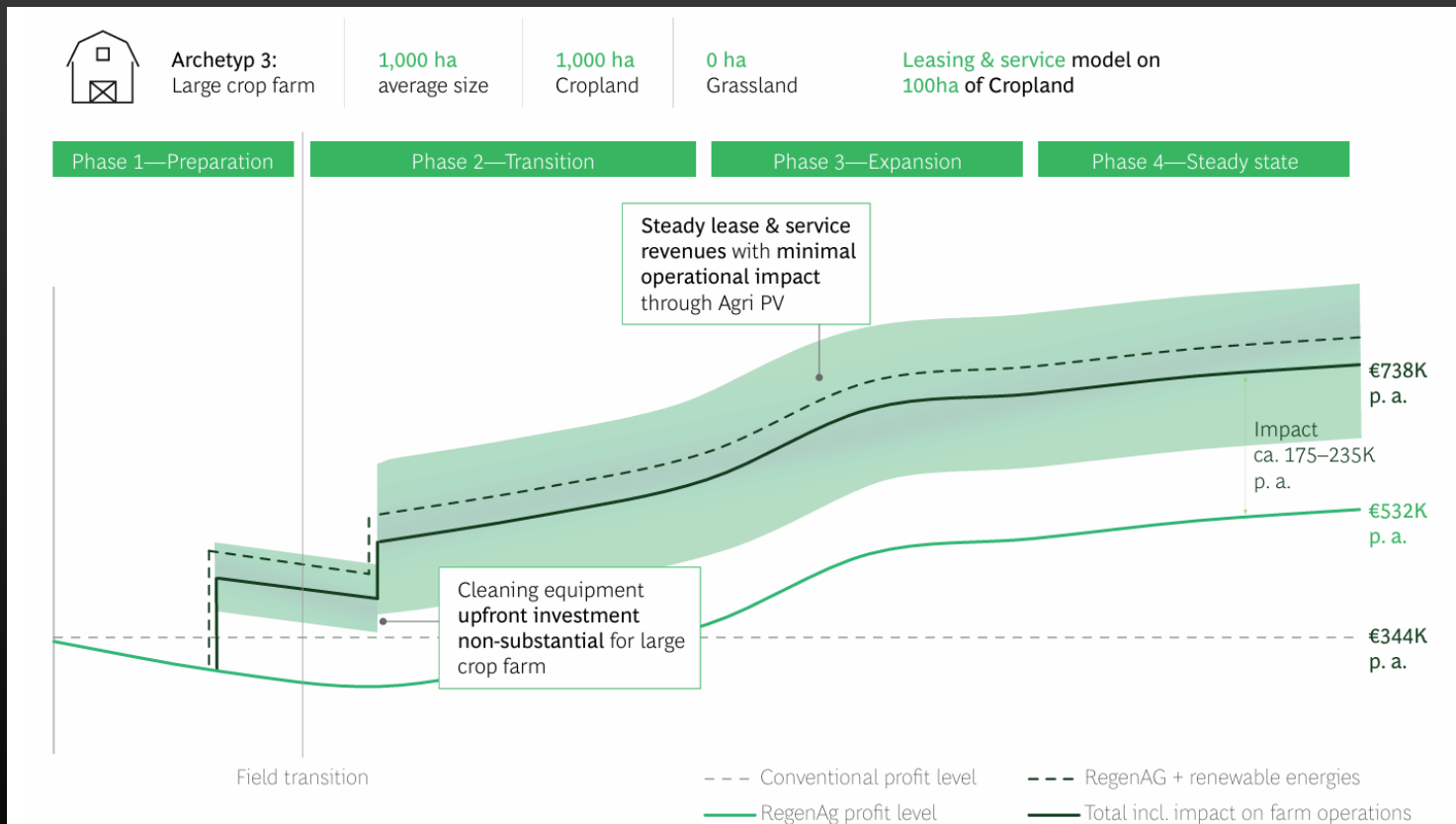
- ~35-65 % profit increase vs. conventional farming after 6-8 years by “regen only”. Dip in early years possible.

2024 BCG & BayWa r.e. “solar booster” paper:

- Profit increase of ~200 - 300 % after 6-8 years, combining agri-and solar benefits. Dip can be avoided.

Profits can increase by a factor of 2-3 within 4-6 years. Long-term growth is driven by regenerative agriculture

Study result for large scale farm in Germany, 2024 assumptions



Profit improvement vs. conventional farming due to:

- Solar lease & service income
- Cost reduction of inputs, e.g. diesel, fertilizer, pesticides
- Increased productivity of regeneratively farmed land
- Some carbon certificates

ROIC will greatly depend on crop, operational model, land lease/ purchase prices, etc.

Transforming monocultures to diverse continuous cover forestry systems has financial benefits

Investing in Continuous Cover Forestry in Europe

Paul McMahon
Darius Sarshar

SLM Partners



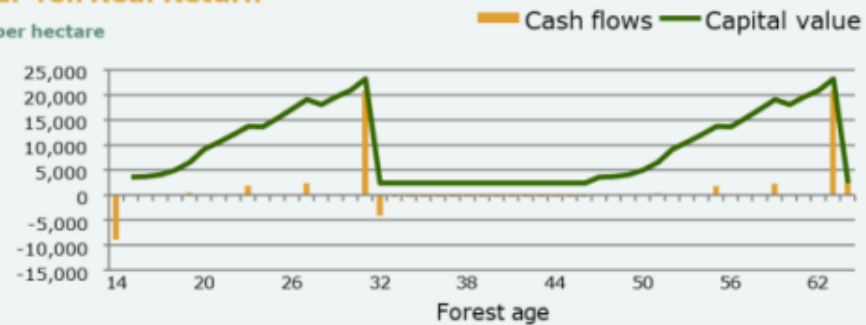
White Paper
February 2025

© SLM Partners

Economic performance of clearfell vs CCF forestry in Ireland

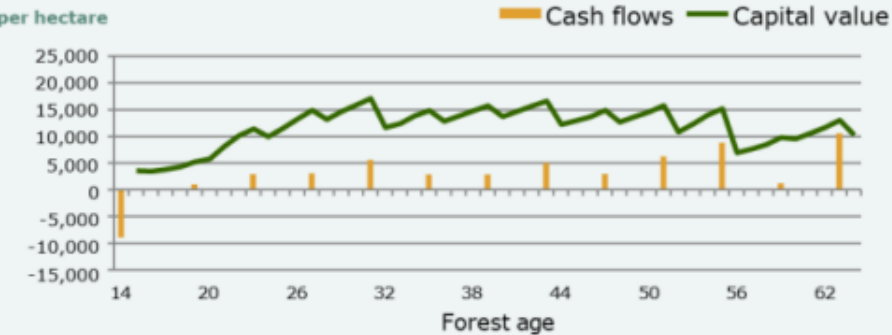
Clear-fell Real Return

EUR per hectare



CCF Real Return

EUR per hectare



Source: P. McMahon et al, *Investing in Continuous Cover Forestry*, SLM Partners White Paper (Sep 2016)

- Forest transformation brings forward cash flows as thinnings are needed to rebuild forest
- Less input cost because of natural re-growth
- Enhance with wind in the forest can add additional cash flow and value

Start focused and expand flexibly - depending on market feedback and team qualifications

“Option room” – an invest approach can draw on a selection

Agriculture	Conventional	No till, smart Ag	Regenerative	Smart Ag enabled regenerative	Smart, regenerative organic
Forestry	Monoculture	Reforestation with diverse species	Agriforestry	Diverse forest planting contious canopy	Accelerated natural succession
Solar	Standard ground based	Biodiverse ground based/ revamping	Agri-PV green-/cropland (interspace)	Agrivoltaics elevated or interspace	Greenhouse PV
Wind	Standard free field	Wind repowering/ hybridization	New wind above forest canopy
BESS	Standalone	Co-located with solar / wind	Behind the meter (self-consumption, etc)	BTM incl. Greenhouse ops/ vehicle charging	...
Carbon	Low level marketing claim	Certified offsetting	Carbon Insetting for partners
Biodiversity	Low level marketing claim	Biodiversity Services	Compliance	Net plus regulation	Tradable biodiv certificates
Other	Bioenergy	Vertical Farming	Roof-top PV	AgTech Venture	Timber construction

„Smart regenerative Agriculture, boosted by solar PV“ as key focus, with upsides as secondary criteria

“Smart regenerative agriculture, boosted by solar PV”

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„Diversified forestry, with RES accelerator“ can be appended with timber or bioenergy business models

“Diversified forestry with RES accelerator”

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„Valley-thinking“ as consortia or partnership can enhance ROI and spread risk

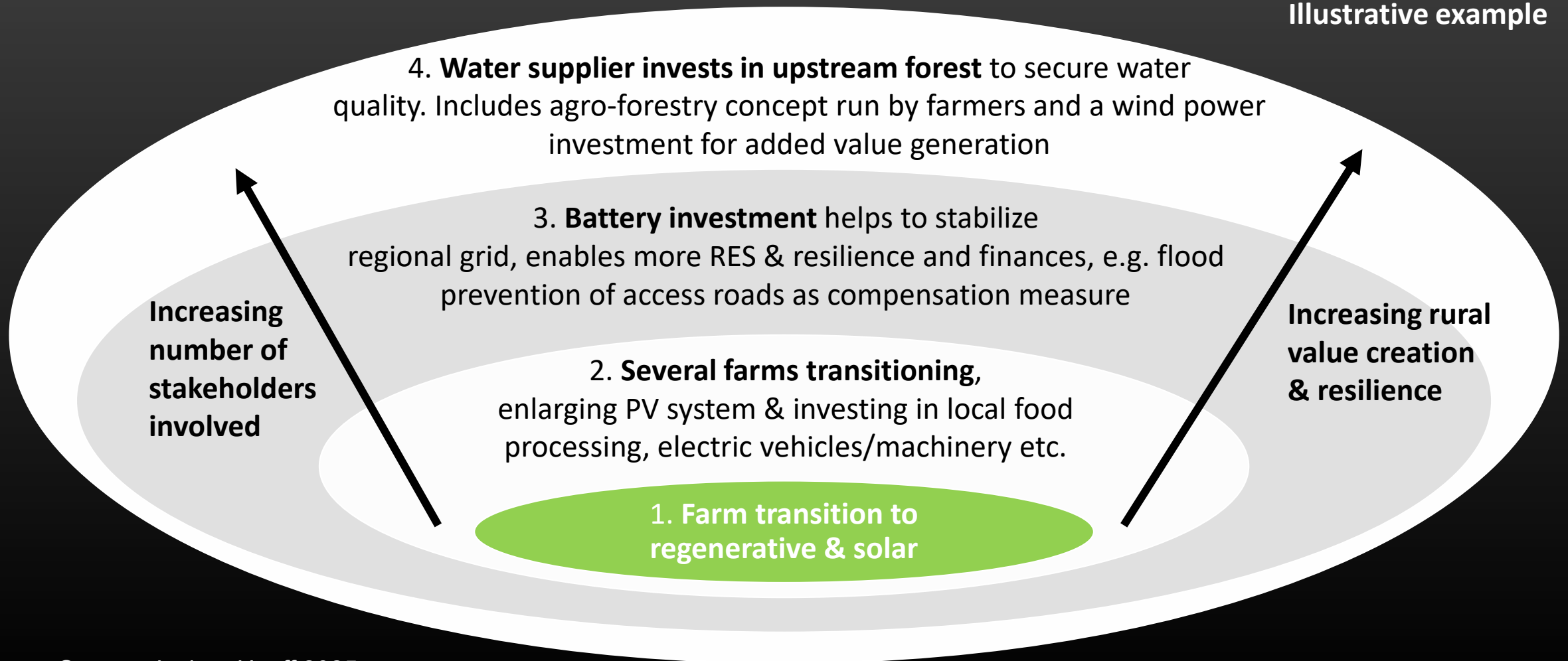


„Valley Consortium / Partnership“

- Cross-sector investment „consortium“ to reduce regional risk exposure/ and generate synergies
- Collaborate with communities to develop & execute local/ regional climate adaptation plans over time
- Allows diversify investment in several different valleys/ geographies/ crop & technology types, while still benefitting from investment synergies in each of them
- Collaborative approach allows scaling of investment model in own “comfort zone” – cross-silo thinking needed

A „valley consortium“ can develop over time, enhancing resilience & value creation

Illustrative example



A new narrative is needed to convince

“For our Planet”

“For our children!”

“Decarbonize by 2050”

“Protect land, lives & livelihoods”

„Here & now”

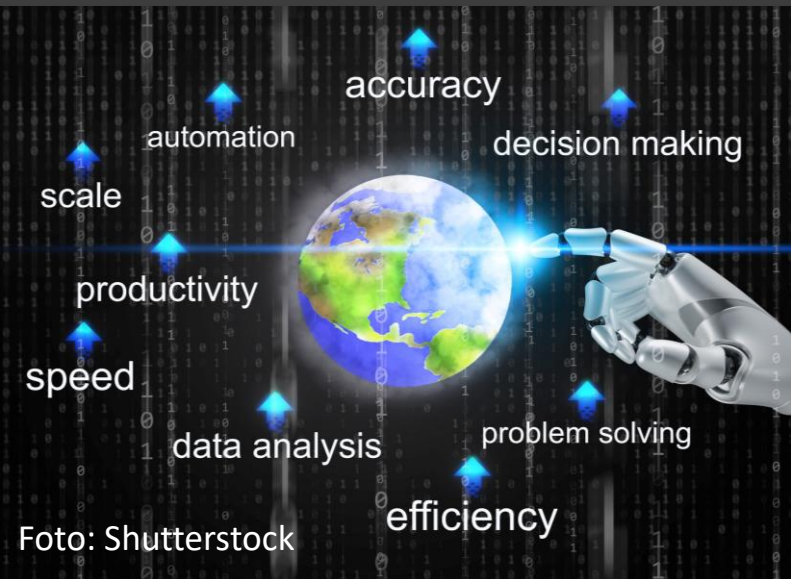
Summary of *draft* investment idea

Investment in Climate Resilient Rural Real Assets in Europe

Creating climate resilient returns through transformative and integrated food, timber, and renewable energy investment with long-term value upsides in land, carbon and biodiversity services & markets.

- Size: €200-300 million, Article 9 "deep green" investment vehicle. Built to generate resilient financial returns of **8-10% net IRR** over an 8-12-15 year time horizon.
- Designed for **institutional investors**, particularly Pension Funds and Insurance Companies, investing in climate-resilient real assets across 4-5 core European countries.
- The core strategy focuses on **integrated projects** that combine a transformation of food and/ or timber production with renewable energy production. Potential land value increase as well as carbon and biodiversity revenues are part of the core strategy.
- Contributing to climate mitigation and adaptation and delivering transparent, tangible social & financial **benefits in rural regions** from climate resilient projects.
- Suitable for **blended finance/ co-investment partnerships** to develop the field of climate resiliency investment while building in strong fundamental revenues based on food, timber and energy sales as basis for the expected return profile.

There will be an attractive future - if we invest in it!





Jochen Hauff ✓
Think Resiliency! Protect land, lives & livelihoods by investing in regenerative land stewardship and renewable energy
Germany · [Contact info](#)

Your questions &
comments,
please!

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