

Laudation for

Dr.h.c. Feike Sijbesma

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By Prof. Peter C. Verhoef

***Laudatio* Feike Sijbesma**

The University of Groningen confers a doctorate *Honoris Causa* upon Feike Sijbesma, former CEO and currently Honorary Chairman of Royal DSM, for the impact he had as CEO and his contribution to global sustainable development and climate change adaptation.

Doing well by doing good

Feike Sijbesma first studied Medical Biology at the University of Utrecht, and subsequently went on to study Management at Erasmus University Rotterdam.

Where Medical Biology provided you with important substantive knowledge about biology and human health, and a scientific mindset, your management education taught you to understand and interpret the reasoning underlying why and how choices

are made and how decision processes work. Combining your knowledge of medical biology and management, you started working at Royal Gist-Brocades. You were ambitious and joined the executive board when you were only 33.

Gist-Brocades was taken over by Royal DSM in 1998; you became CEO of DSM in 2007, going on to lead DSM for the next thirteen years.

DSM is one of the top companies in the Netherlands. Its origins lay in coal mining but in the 1970s [nineteen seventies], it transformed into a chemicals company. Under your leadership, DSM made another successful transformation, to become a company active in health- and material science. This resulted in stronger market positions and higher profit margins.

Although this was a major transformation, you also actively pursued a strategy of focusing strongly on all your stakeholders, with the ambition *to do well by doing good*. The objectives of a company should be more far-reaching than to just make money. Your being listed in the top-50 CEOs by the Harvard Business Review in 2019 clearly shows the success of these two transforming strategies.

Next to your role as CEO you have been active in global sustainable development, including being Co-Chair of the Global Center of Climate Adaptation, together with our honorary doctorate Ban Ki-moon, and you are now also Co-Chair of the High Level Assembly of the Carbon Pricing Leadership Coalition. You have been acknowledged for your leading roles by the United Nations. Importantly, you were also listed in Fortune's famous top-50 list of the world's greatest leaders in 2018.

In our informal contacts while preparing for this ceremony, we have had very interesting discussions on the importance of transformations in business and society. You clearly pointed out that our society faces several great challenges, such as climate change, decreasing bio-diversity, poverty, and inequality. Even in the early days of your career, you already understood that these enormous transformations imply responsibility. Making an impact goes beyond achieving business or financial targets. For you, this implied a broader development in your thinking and personal development.

In a recent interview you referred to the classic principle of *stewardship*, the basis of

which can be found in the norms and values you learned growing up in Nieuw-Loosdrecht, south of Amsterdam. It is not only self-interest that should guide people, but also the fact that we live with and for others. Taking this responsibility seriously, in 2020 you accepted the enormous challenge of becoming the Dutch government's special envoy during the first stages of the current COVID-19 pandemic.

In the field of economics and business we have seen monetarism become a dominant school of thought, originating largely with Milton Friedman at the University of Chicago. Broadly speaking, trust placed in the macroeconomic concept has led to the decreasing role of governments and the increasing role of global financial markets in the Western world's economies. There is a strong focus on free markets, and a dominant focus on shareholder value.

In recent years, we have been confronted with several crises, such as the financial crises, including that of 2008, and the daily experience of strong negative externalities – costs that you need to make, but which are not compensated – such as climate change. There is a clear need to make changes in the

way we think about economics and economic sustainability.

Many leaders around the world have plead to make changes in the system. For companies, this implies that a stronger focus on the long-term consequences of their business strategies on society is required, and that they need to focus more on stakeholders rather than shareholders. This is a complex process, as the entire economic system focuses strongly on short-term, or at best mid-term, results. This also holds true for large shareholders like public investors, such as pension funds. Your strategic transformation of Royal DSM towards a focus on doing well by doing good is an important example of how successful results can be achieved in the tough day-to-day conditions of work and business.

Transformation requires a wide acceptance in order to be successful. Specifically, the current climate change transformations may face low societal acceptance if they imply that citizens must pay for the costs of change. Especially where specific income groups already face problems due to increased inequality and a lack of financial buffers. The protests of the recent Yellow Vest movement in France and other parts of

Europe emphasize this point. It may also provide fertile ground for the denial of climate change by populist parties around the world. You have clearly acknowledged the important role of societal acceptance, the need to invest in life-long learning, and the important role of global institutions, governments and business in securing a broad acceptance.

Although you are actively advocating sustainable development and are still working with global think-tanks and committees, your style is to focus much more on making an impact on companies' actual activities and effecting change there, as you have shown at DSM. This reflects your northern down-to-earth approach, which you may have inherited from your Friesian ancestors.

Feike Sijbesma, it is for your impact on making important transformations happen, for being a strong and renowned advocate for global sustainable development, and specifically for your efforts in climate change and climate adaptation that the University of Groningen confers upon you a Doctorate *Honoris Causa*.