



My Path to Purpose

Energy Executive of the Year Award dinner
London, UK

Ben van Beurden

CEO, Royal Dutch Shell plc
October 8, 2019



Ben van Beurden became Chief Executive Officer (CEO) with effect from January 1, 2014.

He joined Shell in 1983, after graduating with a Master's Degree in Chemical Engineering from Delft University of Technology in the Netherlands.

Ben's career in Shell spans both Upstream and Downstream activities. He has held a number of operational and commercial roles, including some 10 years in the LNG business, and a variety of positions in Downstream. He has been based in The Hague, Sudan, Malaysia, London and Houston.

In January 2005, he became Vice President, Manufacturing Excellence, based in Houston, USA. In this role he was responsible for standards in operational excellence and high-performance initiatives in refining and chemicals manufacturing.

In December 2006, he was appointed Executive Vice President, Chemicals, based in London, UK.

During his tenure in the role, Ben was appointed to the boards of a number of leading industry associations including the International Council of Chemicals Associations and the European Chemical Industry Council.

He is a visiting Professor of the International Studies Institute, the Party School of the Central Committee of the Chinese Communist Party, and a member of the Advisory Board of the School of Economics and Management Tsinghua University in Beijing (both since 2015).

From January to September 2013, he was Downstream Director and had regional responsibility for Europe and Turkey. He has been a member of the Executive Committee since January 2013.

Ben, a Dutch citizen, is married and has three daughters and a son.

In a speech to accept the award of Energy Executive of the Year, Ben van Beurden gives his personal perspective on purpose. From growing up as the son of a factory foreman in the Netherlands, to his enchantment with the magic of science; from his formative early postings in Shell to the moment his thought his career in the company was over; the speech explores how he came to be where he is, and why he is driven in the way he is today.

Ladies and gentlemen, colleagues in energy, friends.

Thank you. Thank you for being here this evening, thank you for this award. And Bob, thank you for such a generous introduction. Praise is all the sweeter from someone as praiseworthy as yourself.

And it is not just BP which is going to miss you when you step down next year but the entire industry. You have achieved truly remarkable success. I am sure Bernard Looney knows he has some big shoes to fill.

This is a bit of an unusual speech for me to make. Coming, as I do, from a Calvinist culture, it takes me a bit outside my comfort zone to receive such a prestigious award and then to have to talk about myself a bit. Talking about yourself is not very Dutch, you see – or, at least, not very like the type of Dutchman that I am.

Heart

But I suppose it is only fair that if you receive such a prominent award, you lift the veil somewhat. So I will. To let you understand a little where my heart is and what has made me the CEO that I am today.

So, let's jump in at the deep end. I would like to start by taking you to the age of Flower Power. Picture me back then. I was protesting against the Vietnam war. I was stacking shelves at a supermarket at night. I had hair down to here.

This young man was captivated by chemistry. The excitement of new materials. The opportunities those materials offered, and the cool kit that could produce them. In short, the sheer magic of it all.

And this young man also had a wanderlust. I had grown up the son of a factory foreman in a family that did not even have a car, let

alone go on holidays. I desperately wanted to see the world.

So, I fought to be the first person in my family to go to university. I got a state scholarship and I went to Delft. And when I graduated as a chemical engineer, I did the only sensible thing a travel-hungry Dutchman could. I joined Shell.

It was not long before I was lobbying for an overseas job. They offered me the UK, then Norway. And, yes, although they were overseas, neither were what I had in mind. They then got serious and offered me Sudan.

Resilience

I arrived just a few weeks before the coup that brought Omar Bashir to power. I experienced first-hand what resourcefulness means when you have to keep things ticking over at home and at work, even as all resources – goods and services – steadily vanish. It was a lesson in resilience I will never forget.

But the thing that stuck with me most at the time – and has stayed with me to this day – was how much having access to energy means to people who do not have it.

I saw and experienced how the arrival of energy resulted in an immeasurable uplift in quality of life. I witnessed the breaking of poverty cycles by basic economic progress. I watched as families got access to health care and clean water. All of it enabled by energy.

In a way, I had already learned that lesson – in a gentler, more benign setting – when I was very young. When I was a child my family only had two coal-fired stoves in the house. I would have to wash myself with a damp and rapidly cooling cloth in front of the stove in the kitchen. When natural gas

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came to my neighbourhood it transformed my life.

But it was Sudan that brought the lesson home to me. It brought it home in the starkest possible fashion. What happened has shaped my thinking in the area most profoundly. So, even though I have told this story before, it bears telling again.

I had made friends with the watchman at the building I lived in, in Port Sudan. Mohamed's wife had a daughter just after I arrived. We provided a goat for her name-giving. Over the weeks and months that followed I used my broken Arabic to talk with Mohamed. We spoke about his daughter every day.

And then one day, before she reached the age of two, he told me she was dead. Mohamed had been helpless because he had no transport to get her to a doctor, no light, or fridge or even fan to provide her comfort, no modern energy at all.

Belief

Being close to something like that stays with you. It has been a driving force behind my belief that companies like ours should not only provide cleaner energy and more energy, but also energy to more.

I returned to the Netherlands not long after that and, by the time I got my next significant foreign posting, I had a child of my own. And I have to confess that setting off on the long flight to Malaysia with a one-year-old boy in a cot on my lap was not exactly what I had imagined my life of travelling the world would be like.

But, nevertheless, back then my young family was along for the ride. My eldest daughter Sophie was born in Miri, Malaysia and both she and her older brother had experiences of the sort that I could never even have dreamed of when I was their age.

But that evolved too. As my career progressed my family went from sharing the adventure of my career to having to put up with it. The payback came, and it came in the form of a part-absent father and

husband. And, eventually, the end of my first marriage.

And somewhere in that period my career hit a wall too. It happened like this. I was called for what I thought was a training course but it turned out to be a leadership assessment. I had done only technical and operational roles at the time and, whoever that assessment was designed for, it was not designed for me.

They assessed me on nine different capabilities, and I could score green, which was good, amber, which was ok, or red, which was not. I had no green, two amber and the rest red. I failed comprehensively. I think I came bottom of the group.

The feedback to me was that I could not expect to advance much further in my career, with a subtext that they were surprised I had made it as far as I had. I was so miserable about it that I bought this watch to cheer myself up. I still wear it every day.

I suppose the fact that I am standing here this evening suggests the assessment they made of me was not entirely accurate. But it did get one thing right. It identified that I did not have a plan for myself. I was used to being handed my next role in Shell – that was how it worked back then. And as result I had no clear career direction.

Purpose

I woke up and realised I needed one. I realised that doing a good job in a meritocratic culture is fantastic and can bring you a long way, but will only get you so far. I realised I had to have a sense of personal purpose as well.

So, I worked out what I wanted to do and how I might get there. I must admit CEO was never on the career roadmap I plotted out, and the direction changed more than once. But with a greater sense of personal clarity and career purpose, the second part of my career was so much more fulfilling and, in a strange way, easier.

And so, with a lot of support from some fantastic mentors and patient and considerate colleagues, as well as some

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luck and good timing, I find myself here, talking to you.

It is fair to say I am a changed man from that young, flower-power Ben. I now have a haircut that my parents would probably approve of. And I do not look forward to a 14-hour flight the way I used to. But, perhaps some other changes are more pertinent.

Evolutions

My thirst for travel and to experience the world has evolved into a fascination with the international dimension that comes with a company like Shell. Complex supply systems, getting access to tricky markets, complicated cross-cultural understandings that you have to bridge. And, increasingly, the international collaboration that can bring around necessary and positive change.

My love of chemistry, engineering and clever kit has evolved too. I still think that what this industry can achieve technologically is astonishing. But it is not actually magic, it is science. And although it is still seductive, especially to an engineer, I believe it does not, and should not, define our industry. I believe our industry is defined by the effect we have on society, for good or ill.

And, finally, the relationship between me, my job and my family has evolved too. I found love and an amazing friendship with my second wife Stacey, who is here this evening. I have four wonderful children. And the journey I am on in this role – and the roles before this – has been a joint journey.

Stacey is my closest confidante and her strategic mind and industry experience help me tremendously. Her Aussie readiness to give me the tough-love feedback – that I seemingly so often deserve – is also a massive help to me. All my children help in that way too, actually – they can all put their finger on my weakest spot. Such painful honesty.

We have all experienced situations and interactions with people that have shaped us in life. I am no different. The unnecessary death of Mohamed's daughter was one;

seeing for myself the benefits that a big investment can bring about in a community and wider society was another.

From these key shaping moments I learned for myself what was really important for our industry to pursue, and for me as a person. What matters is not nifty kit, not marvels, and certainly not travel, but making a real and valuable difference to people's lives. From the experience I had of failing that assessment, I learned the importance of having a clear direction and purpose. With focus and commitment, you can achieve so much.

But understanding what that direction should be, truly understanding what Shell – and companies like it – can do within and for society – their place in the world – took the perspective that only a patient and loving family can provide. They have shaped me in a crucial way.

Big picture

They have helped me get my head out of the oil wells and look up, and take in the really big picture. And for that, and for so much else, I am so very grateful to them – and to Stacey in particular.

So, yes. I believe that we – Shell, and our industry at large – can dramatically improve hundreds of millions of lives. Most obviously, by providing reliable access to energy to those who do not have it. But much more too, because energy is critical to progress on almost every one of the UN Sustainable Development Goals.

I believe the scale of investment we bring, and the products we choose to sell, can be an enormous positive force in the world. And I believe our industry can make a major contribution to helping the world tackle climate change.

Change

Let nobody tell us that our industry cannot change. We have changed in the past and we are changing right now. And, as I know myself, the smart-sounding assessments of others can be very, very wrong.

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We can, and must, evolve. We must do so in our own interests – and in the interests of society at large – because it is in our interests to be as one with society.

That is what I deeply believe.

I thank you again for this award, which means a lot to me.

I hope from my words this evening you feel that you can understand a bit better where my heart is, where I come from, and why I feel the way I do – not only about the future of Shell, but also about the future of our industry.

Thank you.

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