

Ben van Beurden's strange choice

"We are perhaps the world's biggest dividend payer. That's also important."

A remarkable statement by Ben van Beurden, CEO of Shell, in Het Financieele Dagblad on Tuesday May 24th. He also said: "The ten largest solar cell companies in the world together invest \$5 billion a year; last year Shell invested \$30 billion. Together, the ten largest solar energy companies have never made a profit or paid out a dividend."

It is rather strange to read that paying dividends is so important to Van Beurden that an accelerated transformation of Shell into a sustainable energy company – with all the associated beneficial consequences for life on Earth – is just not an option. And there are many other executives of listed companies who focus solely on maximizing profits. They call it 'creating shareholder value'.

The problem is that the same executives still often have a lot of influence on the decisions of our policy makers. And that affects the image that many government officials have of entrepreneurs.

Some time ago I gave a presentation to a group of civil servants to emphasize the importance of cooperation between government and the business community, particularly with regard to the implementation of sustainable technologies. One of the officials, however, remarked that this was actually impossible. This, he said, was because companies are only interested in profits, while the government serves a different purpose.

I was shocked. If everyone at Priva only worked to increase the company's profits, they would soon lose their motivation. At Priva, making a profit is a necessary precondition, but never an end in itself. Profits give us the opportunity to grow as a company, to grow together and to grow with our customers. To invest in the technology of tomorrow. To fulfill our shared mission.

Failure to invest in the future is not an option if you want your company to still be around in ten years' time. Because everything that no longer adds value will simply cease to exist.

In February, Van Beurden stated that keeping fossil fuels in the ground was not the "mission with which he had been entrusted by shareholders throughout the world". Thus, he pumps "everything he can pump up", irrespective of whether it is really necessary or will supply a sufficient financial return.

In other words, he would prefer to borrow in order to carry on paying dividends. Like an advance, to be paid back by the future? That future is rapidly changing, thanks to all those entrepreneurs who do want to invest in our climate.

Because there are so many other options within easy reach. These include the more efficient use of energy, the much greater use of sustainable energy sources such as geothermal energy, solar energy and other renewables, the linking of residential areas to horticultural greenhouses and/or data centers to exchange heat and cold 'free of charge', the generation of energy from the movements of the tides, the development of 'heating networks' in the built environment, the use of hydrogen or electricity as fuels, and so on. These are new business models that will eliminate many environmental problems using all sorts of integrated solutions.

Whether Ben van Beurden wants to be a part of that or not.