Inclusion & Diversity at DSM
“In order to deliver on our strategic goals, we need more diversity in DSM. This is a prerequisite for being successful with innovation, internationalization and several other of our ambitions. Bottom line we mean with diversity the embracement of different styles, behaviors and mindsets, though all fitting with DSM’s values and mission. There are so many aspects of diversity which are important: age, nationality, culture, ethnic background, gender, religion, just to name a few. Just like strategy is all about making choices, we need to focus our resources on specific areas in diversity.

DSM’s Diversity choices for the next years are to focus on a more balanced gender and nationality mix. Many studies have identified that these two elements are the most discriminating in the success of companies. Our own gender and nationality ambitions should mirror the world we operate in. In order to facilitate this we will focus also, and (in fact first) on Inclusion: on a more inclusive culture, since that is a precondition to make the next steps in diversity. So to create an environment conducive to allow the benefits of Diversity to permeate throughout our organization, our executives need to play a proactive role in making this shift now.”

By Feike Sijbesma, CEO Royal DSM
Inclusion & Diversity

What do we mean by Inclusion & Diversity?

DSM believes that fostering an inclusive culture that embraces differences, will help to create a more diverse workforce. This will drive a high performance organization achieving its business and strategic goals, especially in view of DSM’s focus on further internationalization, innovation and sustainability.

A more balanced DSM leadership group (in terms of gender, nationality and background) will improve our decision making process and innovation as well as the implementation of DSM’s strategy. Inclusion & Diversity requires thoughtful bridging skills and a full commitment to our joint corporate values.

How are the two elements Inclusion and Diversity related?

The two elements of Inclusion & Diversity work together. Diversity is about getting the right mix. Inclusion is about getting the mix right. We must create an inclusive environment for diversity to flourish, so that the business can feel the benefit of different knowledge, ideas and insights. Like Ying and Yang, both are needed to obtain the benefits.
**Iceberg Metaphor**

The iceberg provides a useful visual model for illustrating the fact that whilst there are many things about a person that you can see straight away (such as gender and skin color), there are numerous aspects of each of us that are not visible or apparent, and which only become apparent once you get to know someone. We are all a complex, unique mixture of these elements, which together “make us all of who we are.” The waterline cuts across certain traits which can sometimes be both visible and invisible.

The most impactful diversity areas in play are generally those that are visible. They can be seen by our stakeholders, customers, consumers, our competitors and our employees. They can be associated with preconceived notions each of us have with what a person represents, whereas the deeper level, e.g. personality, life experiences, thinking styles, etc., take longer to recognize.

Our challenge at DSM is to create an environment in which all of our differences can be acknowledged and respected in a way that allows us to bring our whole self to work everyday.

**What are the behaviors connected to Inclusion & Diversity?**

Behaviors which connect to Inclusion & Diversity are:
- Embrace differences and create a more diverse workforce to drive high performance
- Foster Inclusion to mirror our internationalization and drive innovation & sustainability
- Balance leadership profiles (amongst others gender and nationality) to improve decision making processes
- Ensure and apply bridging skills and commit to our joint values

We live in a GLOBAL VILLAGE today. Things are constantly changing, new consumers are being created and existing ones are rapidly evolving their needs. In this exciting environment, for DSM to be successful we need to think and act based on multiple perspectives i.e. think with many heads. Diversity helps us involve many perspectives to address a situation. However to move from involving to thinking and acting, we need to include these diverse perspectives in our decisions. Hence Inclusion & Diversity becomes an essential part of our future success as DSM. Thinking together, winning together as DSM means we are a diverse company that is inclusive in its decision processes.

*Bharath Sesha*, President DSM India
Why I&D is important to DSM and the ONE DSM Culture Agenda

In order to successfully deliver on our mission “to create brighter lives for people today and generations to come,” we need a culture that supports and drives high performance.

As an individual, a woman in small size, I have thrived thanks to the noble concept of “Inclusion & Diversity” even before the exact words may have been spoken. As an organization, DSM will continue to thrive with “Inclusion & Diversity” engrained in our culture and our daily work. For this way, all our individuals will happily unleash their inner unique strengths towards our common goals, and together we rise above ourselves and become the strongest possible force as ONE DSM.

Xiangwei Gong, Regional President Asia & BU Director Hydrocolloids DFS

In a world where wealth and economic growth are shifting and expanding into new regions, where women are a growing pool of talent and maintain a strong decision making role as consumers, and where social media is changing human interaction, DSM needs different knowledge, ideas and insights to succeed.

Changing to better mirror our customer and global society, whilst fostering Inclusion so that these diverse voices are effectively heard and acted upon, is the best way to ensure we become the high-performance company necessary to execute our strategy and deliver on our ambitious goals.

The ONE DSM Culture Agenda is now based on four themes that reflect these new realities and which are rooted in our strategy. They include:

• External Orientation
• Accountability for Performance & learning
• Collaboration with Speed
• Inclusion & Diversity

External Orientation
DSM is convinced that, in order to be able to execute our growth strategy and rapidly adapt to changing customer and industry requirements, the vast majority of our people need to be fully in tune with the challenges the external world offers us. Blocking reasons to exploit this entrepreneurial behavior should be removed. This refers not only to anticipate on customer needs to drive our marketing & sales and innovation priorities, but also to track, learn and compete with (best) practices for all functions, like purchasing, R&D, manufacturing, etc. The external orientation is also needed to broaden our networks and engaging with stakeholder groups.

Accountability for Performance & learning
DSM expects that its employees set ambitious targets and take ownership to deliver these. Accountability for performance is about people taking responsibility for their actions and for the performance of their teams, about recognizing and celebrating successes, but also about the trust to deliver or bringing issues to the surface and viewing mistakes as individual and collective learning opportunities.

Collaboration with speed
DSM expects that in an ever more connected world, where collaboration is becoming an important source of competitive advantage, DSM employees will actively (co-)create, share and build on ideas, information, knowledge and expertise of their colleagues and the external world. By collaborating, DSM will harvest the power of its growing global workforce, as anchored in our leveraged organization model with businesses, functions and regions. We need to collaborate whilst speeding up our decision making and execution. We need to build a ONE DSM Culture where we trust on each others skills since we all together are DSM.

Inclusion & Diversity
DSM believes that fostering an inclusive culture that embraces differences will help to create a more diverse workforce which will drive a high performance organization achieving its business and strategic goals, especially in view of DSM’s focus on further internationalization, innovation and sustainability. A more balanced DSM leadership group (in terms of gender, nationality and background) will improve our decision making process as well as the implementation of DSM’s strategy. Inclusion and Diversity requires thoughtful bridging skills and a full commitment to our joint corporate values.

While our focus on Inclusion & Diversity will have specific targets, priorities and behaviors in support to the ONE DSM Culture Agenda, it’s important to also recognize there are specific I&D connections to the first three elements as well.
DSM is operating in a global environment where many of our new stakeholders come from new footprint regions and high growth economies. As with other aspects of our business, (e.g. Financials, Safety, Health, Environment) targets are successful tools to drive attention and monitor progress. In order to support our global footprint, attract and retain diverse talent, mirror stakeholders, customers and project a dynamic, high performing and winning company, DSM’s leadership has set the following targets to assure we see sustainable progress over time.

**Targets play a role in driving behavior and change**

‘What gets measured gets done.’

**Overall 2015 targets**

- 21% women in executive positions
- 24% nationalities from upcoming economies (BRIC+) in executive positions
- Majority local nationals in country leadership positions
- Increase year over year of ONE DSM Inclusion measures

**Hiring 2015 targets**

- 30% of all executive hires to be women
- 30% of university hires for technical roles to be women
- 50% of university hires for all other roles to be women
- Increase of hires BRIC+ countries

A more inclusive and diverse company will be a faster growing, high-performance one. If we can see sustainable progress in the areas of women and nationality, then we will see much more diversity throughout the organization, because they will bring a change of mindsets overall. That is our focus: changing mindsets by addressing hidden privileges, micro-inequities, and ensuring that we have an inclusive environment where people of all types can thrive and reach their potential. This means that we will see a richer, more stimulating and enjoyable environment for all.

**How will Inclusion be measured in DSM?**

One key determinant of our drive for diversity will be whether we can, at the same time, create the inclusive culture needed to allow diversity to flourish. In order to press that, we began in 2011 to assess the inclusion questions in the Employee Engagement Survey (EES). We will continue to measure this ‘Inclusion Index’ over time which will allow us to assess whether we are making progress in making a more inclusive, as well as diverse, DSM.

_Dimitri de Vreeze, Member of the Managing Board_
Gender and nationality targets, whilst pivotal to our I&D strategy, are only half the equation. The most impactful approach is one that balances attention between targets and behaviors, so as to eliminate hidden barriers, such as addressing unconscious stereotyping, the revision of key HR systems and processes, increasing diversity of hiring and assessment teams, developing our inspirational leaders with a global mindset, as per the new Leadership Development model, and placing additional focus on inclusive behaviors.

What are our Inclusion & Diversity priorities?

We all know the feeling of being “at home” – it’s a place where you are safe, often challenged, yet comfortable with yourself and with those around you. You are appreciated for what you contribute and who you are, in short, you can be yourself and don’t have to act to be someone else. DSM hires great people and we want them to also feel at home in DSM, so they can bring both their skills and experiences and who they are as a person to the workplace. We actually can measure this with our Inclusion and Diversity Measure (that is derived from the Employee Engagement form). For this to happen more often, “DSM needs to be at home in the world,” meaning that today’s leaders in DSM not only understand and embrace the differences in cultures and experiences but create an environment where our diverse colleagues thrive together to improve our company.

Stephan Tanda,
Member of the Managing Board

With this in mind key systems and processes will be addressed to see an increase in both measurable and non-measurable diversity. This will include among others:

- How we attract talents
- How we reduce attrition rates, and try to understand when and why certain groups leave at higher numbers than others.
- Training for executives and the HR community to see improvement of inclusive behaviors and increase of our diverse work force.
- Further understanding of and work on Inclusion, i.e. fostering the right behaviors, supported with our Inclusion Toolkits.

In addition, the Inclusion & Diversity Council will continue to guide and monitor this process, and will increase communication on and profile this topic in the company.
How will *progress* be monitored and measured?

Overall monitoring of our progress globally will be the responsibility of the **Inclusion & Diversity Council**, chaired by our CEO, Feike Sijbesma. Only nationality and gender can be measured at a global level. As a result, by creating measures that more often include these two elements, we are able to keep track of progress overall, and review accountability.

By making visible and measurable progress in these two areas, we will obtain a true change in mindset and behaviors based on life experiences and cultural know how, which in turn will benefit all aspects of diversity, and our business. Other measures will be the accountability of each Business Group and Function’s Leadership Team to assure they are individually driving progress in their own BG’s/SG’s and as a result to meet our collective 2015 aspirations.

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*Excellence in creating a Diverse and Inclusive environment means that people are able to bring their whole selves to work. All their energy can be directed into capturing opportunity and solving problems where their unique perspective builds on their colleagues to deliver better quality, faster results.*

**Laura Parks**, President & Business Unit Director DPI

*It is well known that Inclusion is required for diversity to flourish. So what is Inclusion? For me, it means being aware of the small things that have a big impact, such as including people who are on the phone in global meetings and watching that those who do sit in the room, don’t start to hold side conversations that are difficult to follow when on the phone.*

**Rolf-Dieter Schwalb**, Member of the Managing Board
Final Thoughts

By Josefine van Zanten,
Sr. Vice President ONE DSM Culture Agenda

“By placing Inclusion & Diversity in the ONE DSM Culture Agenda, we ensure that it is an integral part of the behaviors that DSM wants to accelerate throughout the organization. Our inclusive behaviors need to drive and foster an environment, where we can benefit from the various experiences, knowledge, and working styles of all our people, as well as celebrate differences across regions and cultures.

Our Inclusion Index and toolkit enable DSM to translate this important topic into real and tangible activities that benefit our people, our organization, and our community. The Inclusion & Diversity Council, headed by our CEO, leads the way in ensuring that it remains a key issue and on radar screens at all levels.

This means that Inclusion & Diversity will continue to become an integral part of all that we do, be it in HR, innovation, safety, manufacturing, sales, marketing, and project management.

So much more remains to be done. Achieving our Inclusion & Diversity aspirations will provide us with the insight and foundation needed to sustain our growth for the next 100 years and beyond – yet today also counts, and each and every time we engage with each other as employees and colleagues, stakeholders, customers, and joint venture partners, we have an opportunity to demonstrate our commitment to Inclusion & Diversity!”

Leaders should create an inclusive environment where everyone’s perspective is heard. Though not everyone is always going to agree it is important to become comfortable with allowing the disagreements to surface safely, after listening to all opinions, in the end, the best decisions can be made.

Thus, by exposing and being open to diverse views, life experiences and know how, we allow the best representation of our customers, stakeholders and partners to surface in our business decisions. This is what sets high performing organizations from performing ones.

Chris Van Steenbergen,
Executive VP Corporate Human Resources

True inclusion is when people feel confident enough to share their perspectives knowing that even if it is not agreed with, it will be respected. As a leader I need to be curious and seek those differing opinions and listen to them. I believe it is important to show respect for these opinions even when I may disagree.

Angelique Paulussen,
Executive Vice President Communications and Branding

Our society is becoming increasingly a globally connected universe. Inclusion & Diversity is a prerequisite for any company to operate in such global context, and a key attribute to achieve our business goals.
In DSM we need I&D to have the appropriate richness of thoughts and views to form the best decisions. I expect from all our employees eagerness and openness to reach out to people of different heritage and/or gender and to proactively use their differences and to make them feel included. Only by doing this well we will improve on our Inclusion Index and reach the diversity targets we have set.

Stefan Doboczky,
Member of the Managing Board
Royal DSM is a global science-based company active in health, nutrition and materials. By connecting its unique competences in Life Sciences and Materials Sciences DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, pharmaceuticals, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM's 23,500 employees deliver annual net sales of around €9 billion. The company is listed on NYSE Euronext.