



**Speech**  
**by**  
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**President of Iceland**  
**at**  
**2025 ESG**  
**Global Leaders Conference**  
**Shanghai**  
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Distinguished guests,  
business leaders, innovators, and friends:

It is a true honour to stand before you here in Shanghai – a former fishing village and market town that now symbolises both the depth of history and the energy of innovation. I bring you warm greetings from Iceland – a land of fishing towns, active volcanoes, melting glaciers and green energy – from people who have learned, out of necessity, to live in harmony with the forces of nature.

We gather here to talk about responsible business and ESG. And I would like to begin with a simple truth: *Business, at its best, is a force for good.*

I would like to elaborate a little. Business, at its best, can lift people out of poverty. It can drive innovations that help solve the great challenges of our time. It can foster inclusion, dignity and opportunity. It can support healthy communities and a peaceful world. But – and this is crucial – business only does so when responsibility, sustainability and humanity are at the heart of decision-making.

Iceland is a small country in a huge world. And yet we have long believed in thinking beyond our size – not only in terms of economic reach, sometimes for better and sometimes for worse, but also in terms of responsibility. We are a Nordic welfare society built on high trust, a country where collaboration between government, business and citizens is perhaps more common than in larger societies. Our homes and businesses are powered almost entirely by renewable energy. And we are a nation where gender equality is not just a vision, but a lived value – though, like all other countries, we still have work to do.

An entrepreneur at heart, I've spent much of my life championing business that serves the world, not just shareholders. That is the essence of ESG. It is not about ticking boxes or producing glossy reports. It is about ensuring that *how* we do business and *why* we do business aligns with the long-term wellbeing of people and planet. And that includes every corner of the globe – from the Arctic to the Yangtze River Delta.

The world is facing urgent, complex and interconnected challenges. These include geopolitical instability, conflicts and wars; an existential climate crisis; unsustainable inequality on both the national and global stage; demographic shifts; declining trust in local and international institutions; and an economic model that too often prioritises short-term profit over long-term value. But where there is complexity, there is also opportunity – if we act with courage and collaboration.

The ESG movement is not a trend. It is a transformation. And China, with its global economic influence and ambitious sustainability targets, has a crucial role to play.

In comparison to China, or even just Shanghai with its 25 million inhabitants, we Icelanders are few in number. We are certainly not a major economic power, but still our voice and values carry weight, and we are proud to be a partner in building a more sustainable future. Allow me to name a few

examples: We have used our geothermal expertise to support clean energy efforts around the world; Icelandic companies in fishing and food production lead in sustainable practices; our pension funds – among the largest per capita in the world – are increasingly aligning investments with ESG principles; and we are active participants in the Wellbeing Economy Governments partnership, which seeks to reframe what we measure and value in our economies.

ESG, I want to underline, is about redefining success and preparing for the future. GDP alone does not capture the full picture of what a healthy economy and society looks like. What about clean air? Safe communities? Mental health? Intergenerational equity? These are future-fit metrics because we can neither deliver financial profit nor economic growth in a world where we can't breathe, where people and nature are depleted, where we can't trust each other or where the young have lost faith that a better future awaits them.

To the business leaders in this room: The choices you make today will shape the world your children and grandchildren will live in tomorrow. ESG is not a cost – it is an investment in long-term resilience. And the greatest risk now is inaction. Responsible business means looking beyond quarterly reports and profits. It means asking a series of simple and yet significant questions: Are we building trust? Are we supporting our employees' wellbeing? Are we making our supply chains more transparent and just? Are we innovating in ways that protect the environment? Are we unlocking the full potential of all our people? These are not easy questions, but leadership never is.

To the young entrepreneurs and change-makers in this room: In my experience, your generation sees the world differently from earlier generations. You are not satisfied with business as usual. You expect purpose, not just profit. You understand that the line between climate and economy, between ethics and

enterprise, has disappeared. Stay true to that instinct. You are the architects of our future economy.

Ladies and gentlemen:

The Chinese character for “crisis” famously contains the symbols for both *danger* and *opportunity*. That is the moment we are in. The future of business is not extractive – it is regenerative. It is not competitive at any cost — it is collaborative for shared value. It is not about perfection, but about progress, transparency and humility.

I believe that East and West have much to learn from each other but also that we have a great deal in common. In Chinese philosophy, the concept of “Tiān rén héyī” (天人合一) symbolises the harmony between humans and nature. It deeply resonates with our Nordic traditions of living with, not against, the natural world. We must draw on such wisdom as we forge the future of responsible business.

We are in the most important decade when it comes to climate action, and the business case for sustainability has never been more powerful. Research from the World Economic Forum Alliance for CEO climate leadership indicates that while revenues of the companies involved collectively grew by 20% between 2019 and 2022, they were able to cut down carbon emissions by around 10%. A recent UN Global Compact study shows that 9 out of 10 CEOs intend to maintain or expand their sustainability commitments. The transformation is happening, and those of you who choose to join will not only survive but thrive. We see many Nordic companies leading the way, such as the Swedish retailer IKEA with its bold vision to be people and planet positive by 2030, and Novonosis, the sister company of Novo Nordisk, which is advancing a healthy planet and healthy lives with BioSolutions, using enzymes and microbial solutions to tackle global

sustainability challenges — from reducing carbon emissions to improving food production and industrial efficiency.

Individually, the Nordic countries may be small in comparison to China, but collectively our region represents the 10<sup>th</sup> largest economic area in the world, and our countries consistently rank at or towards the top when it comes to metrics ranging from GDP per capita to wellbeing and happiness.

I believe in the power of partnerships, irrespective of size. When we work together, progress is not only possible but inevitable. Iceland was the first European country to sign a free trade agreement with China. While we already enjoy a powerful partnership in geothermal energy, I know there are ample opportunities to do more together. Incidentally, I was invited to come to China this week to explain how gender equality has helped drive economic and social progress in Iceland.

May we be wise enough to choose long-term thinking over short-term gain. May we choose courage over conformity. And may we all, big and small alike, work together to build a future where business is truly in service of humanity and our shared home.