

Methodology note

Overall findings

Analysing the profit of the Forbes' [2023 edition of the 'Global 2000'](#) which lists the 2.000 largest public companies in the world we found that 722 companies made a combined windfall profit of \$1.09 trillion in 2021 and 1.1 trillion in 2022. A 90% windfall tax on this windfall could generate \$941 billion each year 2021 and 2022. A 50% windfall tax would generate \$523 billion each year 2021 and 2022.

- 45 energy corporation (oil and gas companies) made on average \$237bn a year in windfall profit in 2021 and 2022.
- 18 food and beverage companies made on average \$14bn a year in windfall profits in 2021 and 2022
- 9 Aerospace & defense companies made on average \$8bn a year in windfall profits in 2021 and 2022
- 28 Drugs companies made on average \$47bn a year in windfall profits in 2021 and 2022
- 28 retailers made on average \$23bn a year in windfall profits in 2021 and 2022

The companies in the sample saw their average 2021-2022 total profit increase by 89% compared to their 2017-2020 average total profits.

All numbers are nominal, i.e., not adjusted for inflation.

Methodology

Windfall profits

We define windfall profit as when the 2021-2022 average profit is 10% above the 2017-2020 average. Calculating the windfall profit for both 2021 and 2022 is done relative to the years before inflation and corporate profits took off in 2021.

The analysis is based on the Forbes 'Global 2000' list of the 2.000 largest public companies. The methodology that Forbes use to compile the list is available [here](#). Of the 2000 companies, 1.094 have been present on the Forbes list every year since fiscal year 2017. Eliminating the companies that made a loss in 2021 and 2022 reduced the number of companies from 1.094 to 976. Of those companies, 722 (74%) made a windfall profit. Where a company made an average loss in 2017-2020 this was treated as 0 and thus contributing to making the estimated size of windfall profits conservative.

Categorising the Forbes' 'Global 2000' companies according to industrial sector we calculated windfall profits for individual sectors.

All numbers are nominal, i.e., not adjusted for inflation.

Revenue estimation

Windfall tax revenue is calculated as a tax rate of between 50% to 90% of the windfall profits i.e. for both 2021 and 2022 only the profits 10% above the 2017-2020 average profits are included in the tax base for windfall profits.

Total yearly tax revenue from a 90 percent windfall tax on 2021-2022 windfall profits: \$941 bn. The tax revenue concerns the companies' global profits and cannot be presumed to be allotted to the headquarter country of any the respective companies. As most multinational corporations do

not currently provide a country-by-country breakdown of their profits it is not possible to present country level revenue estimates.

Wages and inflation

Oxfam estimates of CEOs across four countries real-term 9 percent pay hike in 2022, while workers' wages fell by 3 percent. One billion workers in 50 countries took an average pay cut of \$685 in 2022, a collective loss of \$746 billion in real wages compared to if wages had kept up with inflation. See <https://www.oxfam.org/en/press-releases/top-ceos-got-real-term-9-pay-rise-2022-while-workers-worldwide-took-3-pay-cut>

Energy billionaires

There are now 96 energy billionaires with a combined wealth of nearly \$432 billion (\$50 billion more than in April last year). This is based on the Forbes real time billionaires list as of end April 2022 and end May 2023 <https://www.forbes.com/billionaires/>