

# GLOBAL 500

- › Inside the VC firm that seeded **Apple** (No. 7)
- › **Shell** (No. 13), **TotalEnergies** (No. 23) lose ground
- › **Novo Nordisk** (No. 469) faces a fast-rising rival

# FORTUNE



## REBOOTING VOLKSWAGEN

After falling behind in electric cars, VW races to catch China. **BY VIVIENNE WALT**

AUGUST/SEPTEMBER 2024 FORTUNE.COM

EUROPE EDITION  
NUMBER 4



Austria	8,00	Netherlands	8,00
Belgium	8,00	Norway	Kr69
Finland	8,00	Portugal	8,00
France	8,00	Spain	8,00
Germany	8,00	Sweden	(+tax) Kr69
Greece	8,00	Switzerland	F15.00
Ireland	(+tax) 8,00	United Kingdom	£7.00
Italy	8,00	UAE (Middle East)	AED 40.00
Luxembourg	8,00		

# A RETURN OF THE ENTREPRENEURIAL SPIRIT

As Japan finally emerges from a long period of slow growth, soy sauce producer **Kikkoman** continues its global advance.

## IN FEBRUARY 2024, THE NIKKEI

Stock Average in Japan surpassed the record high that it set in 1990. To some, this peak signified that the country could finally put the “lost decades” of deflation and anemic growth behind. Yuzaburo Mogi, honorary CEO and chairman of the board of Kikkoman, is cautiously optimistic about this milestone. With a generational shift in motion, he sees Japan’s leadership regaining some of its old dynamism and entrepreneurial spirit.

“Business leaders who are now in their sixties and seventies were in middle management when Japan’s bubble economy collapsed,” says Mogi. “They became afraid to take risks or make big investments. But now, as upcoming managers take over as CEOs, they can make decisions coolly, unaffected by bad memories.”

As this new cohort takes the lead, Mogi hopes that excessive price competition will end. This strategy was introduced by supermarket pioneers in the late 1950s, when easy cost cuts could be made by eliminating waste on the distribution side. Mogi believes this practice has gone too far and that when companies feel that all price rises are bad, businesses become too timid to raise prices even when costs rise, and they compete without any regard to profitability. “Price competition isn’t smart competition. It’s not about adding value. It weakens the companies that adopt it and the broader economy,” says Mogi.



**YUZABURO MOGI**  
HONORARY CEO  
AND CHAIRMAN OF THE BOARD,  
KIKKOMAN

**Kikkoman**  
generates more  
than 70% of  
revenue and more  
than 80% of profit  
outside of Japan.

Thanks to its strong brand, Kikkoman has largely sidestepped the general rush to lower prices in Japan. Nonetheless, the company generates more than 70% of revenue and more than 80% of business profit abroad. Two-thirds of its overseas sales come from North America. In March this year, Kikkoman started building a third U.S. plant in Jefferson, Wis., to meet demand that continues to outstrip projections.

“We could have just expanded production capacity at our existing U.S. plants, but overconcentration is risky, so we decided to build a new one,” explains Mogi. Jefferson offers great market access, an outstanding workforce, a central location for soybeans and wheat, and plenty of pure, high-quality water. The plant will make smaller batches of soy sauce and other soy-based condiments as Kikkoman broadens its product range.

It’s just another step in Kikkoman’s decades-long global advance, which has included marketing operations and plants in the U.S., Europe, Asia-Pacific, and South America. The Jefferson plant marks its ninth overseas facility. In 2021, Kikkoman established a marketing company in India, aiming to become a market leader in the soy sauce and Asian sauces category. “India has a different food culture, so penetrating the market may take quite a while,” says Mogi, his own entrepreneurial spirit very much intact. “After India, our next long-term target is Africa.” ■

# Seasoning the world Helping you encounter various food cultures



To fill the world with the joys of food by delivering  
wholehearted flavor

A drop of Kikkoman.

The beginning of a delicious new encounter.

In more than 100 countries around the world, Kikkoman is proud to bring  
the skills and hospitality we have fostered in over 300 years  
of making traditionally-brewed soy sauce  
to your kitchen and your family.

We fill the world's dining tables with the joys of food.



**Kikkoman Corporation**

2-1-1 Nishi-Shinbashi, Minato-ku, Tokyo 105-8428, Japan

<https://www.kikkoman.com>

**food forum**

EXPLORE THE FOOD CULTURE  
OF JAPAN



AUGUST/SEPTEMBER 2024

VOLUME 190 • NUMBER 1

# CONTENTS

## FEATURES

### GLOBAL 500

**34**  
Sequoia Is a VC Giant. Roelof Botha Needs to Keep It Growing

The low-key investor leads the famed venture capital firm that helped launch Google and Apple. But to maintain Sequoia's winning streak, he's uprooting old habits and planting new seeds.

BY MICHAL LEV-RAM

**42**  
Inside Volkswagen's EV Comeback

The world's largest automaker was late to the EV revolution but is racing to catch up to the competition—fueled by its deep pockets and massive scale.

BY VIVIENNE WALT

**DEEP MIND**  
VC Botha's acumen makes him a notable force at decision-making time.

**48**  
The Lilly-Palooza

The outsize success of its diabetes and obesity drug has sent pharma giant Eli Lilly on a wild ride—to a nearly \$900 billion market cap.

BY ERIKA FRY

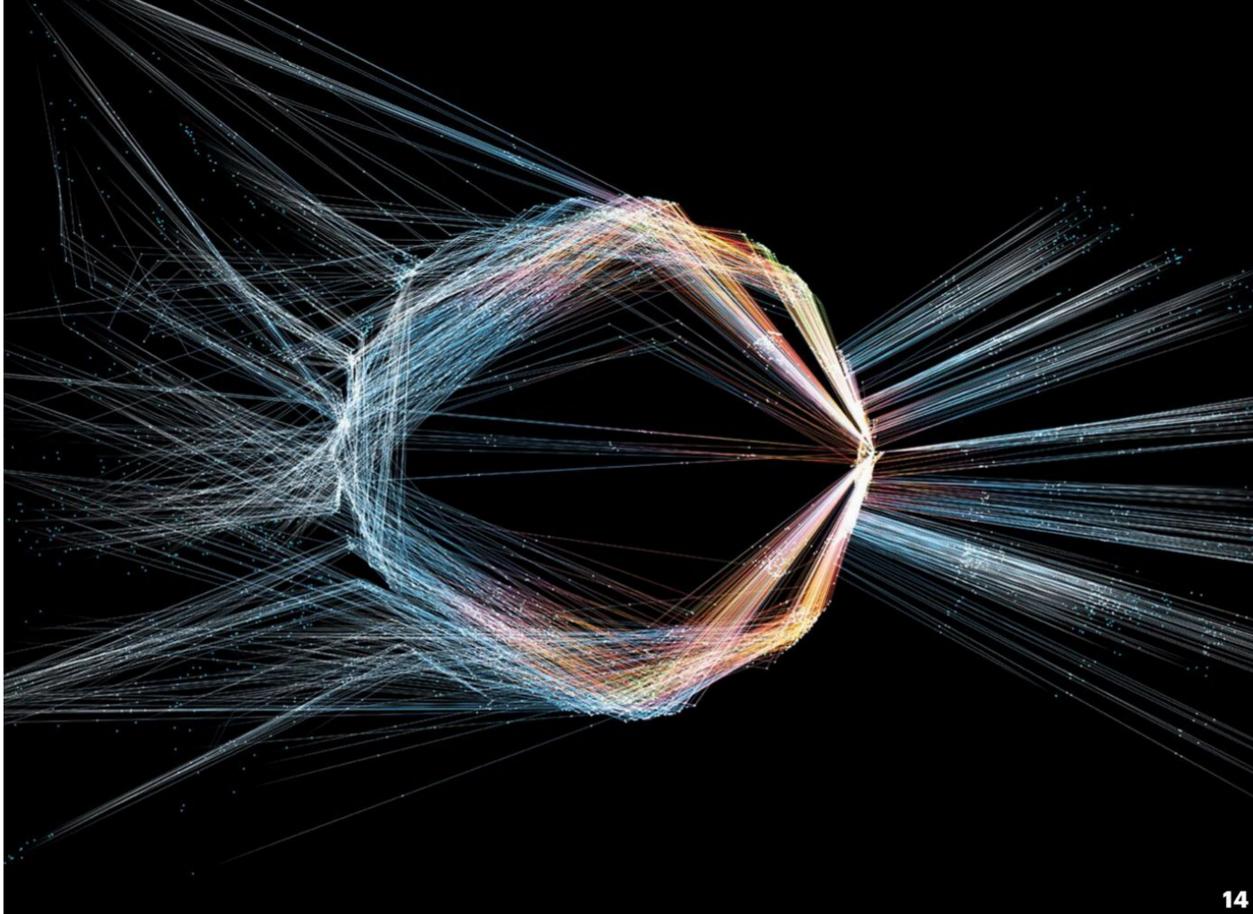
**55**  
Where the 500 Reside—Worldwide

A wide-angle view of the top global hotspots for big-time revenue makers.

BY NICOLAS RAPP

**56**  
The Global 500 Lists

F1 The World's Largest Companies  
F7 Notes & Index  
F9 This Year's Winners & Losers



14



**WHAT'S NEW AT FORTUNE**

**Impact Initiative 2024**

A gathering of executives dedicated to putting people, planet, and purpose at the core of their business strategies. (Oct. 8-9; Atlanta)

**CEO Daily Newsletter**

Every weekday, Diane Brady provides key context for the news leaders need to know. More than 125,000 readers trust *Fortune's* insights about—and from inside—the C-suite.



FOR MORE INFO, GO TO **FORTUNE.COM**

**PLUS**

**24**  
**What Business Can Expect From the Next U.S. President**  
There's one thing both political parties can agree on: higher tariffs on imports to America. Here are the challenges those policies will pose for corporate leaders.

BY GEOFF COLVIN

**30**  
**Leading the Charge**

*Fortune* spotlights 25 fast-growing firms led by women innovators who are smashing the glass ceiling.

BY RYAN HOGG & GRETHE SCHEPERS

**ON THE COVER**  
ILLUSTRATION BY EDDIE GUY

**DEPARTMENTS**

**FOREWORD**

**4** What Volkswagen's China Woes Say About the Future of Big Business in Europe

BY ALEX WOOD MORTON

**THE BRIEF**

**5** Succession Planning: How the White House Could Learn From the C-Suite

BY LILA MACLELLAN

**8** The Head of Norway's \$1.7 Trillion Sovereign Wealth Fund Aims to Make Business Better

BY VIVIENNE WALT

**12** Vanceconomics: Assessing the Effects of Trump's VP Pick on Business

BY JEFF JOHN ROBERTS

**14** AI's Hidden Biases May Be Influencing What You Think.

Here's What Should Be Done to Stop It

BY JEREMY KAHN

**16** The Inaugural Fortune Southeast Asia 500 Tracks a Region on the Rise

BY CLAY CHANDLER

**18** Global Advertisers Ponder the Future of AI

BY ASLESHA MEHTA

**20** Apocalypse Chic: Tesla's Cybertruck Is Changing the Shape of Luxury

BY JACLYN TROP

**THE CARTOGRAPHER**

**65** The High Cost of Low Employee Engagement Worldwide

BY NICOLAS RAPP & MATT HEIMER



## FOREWORD

## WHAT VW'S CHINA WOES SAY ABOUT EUROPE

**My Tesla Model Y was shipped from a plant in Shanghai—a true sign of the automotive world's shifting center of gravity.**



*Alex Wood Morton*

**ALEX WOOD MORTON**  
Executive Editor, Europe, *Fortune*  
@alexwoodmorton

**▶ IN 2019**, Volkswagen committed \$185 billion to transform itself into an electric-first powerhouse. Almost five years later, the carmaker now faces threats from all directions.

As *Fortune's* Vivienne Walt experienced firsthand at VW's massive, dedicated EV factory in Zwickau, in the former East Germany, China now presents the biggest existential threat to the German giant's future. Shenzhen-based BYD, China's largest EV and battery maker, overtook Tesla in EV sales for the first time last year. And the Chinese giant already has its sights set on Europe, with plans to open a factory in Hungary next year—a move to avoid upcoming tariffs on Chinese EV imports imposed by the European Union.

I've experienced VW's electric woes firsthand as well. Back in 2021, I looked to trade in my aging Audi A4 for the new Audi Q4 electric SUV, one of the first new models to roll out of VW's new Zwickau plant. (Audi is a VW-owned marque, as are Porsche, Bentley, and others.) With supply chains already squeezed by the pandemic, I placed

my order early, hoping for delivery in time for the upcoming birth of my son.

Months later, a salesman called to tell me the bad news: With critical microchip shortages and Russia's war on Ukraine hitting Volkswagen's wiring suppliers, my shiny new electric car was delayed by 18 months. Like hundreds of thousands of other Europeans, I put my feelings about Elon Musk aside and placed an order for a Tesla Model Y, which became not only the world's bestselling EV, but also the bestselling car overall in Europe in 2022.

My Model Y arrived on time, and VW Group lost a loyal customer. In a further blow to Europe's automotive workers, my first EV wasn't even made in Tesla's new factory in Berlin, which has been beset by "administrative delays." It was shipped all the way from a plant in Shanghai—a true sign of the automotive world's shifting center of gravity from Europe to the Far East.

Continuing the theme of Europe's existential crisis, *Fortune* speaks exclusively in this issue to Nicolai Tangen, head of Norges Bank Investment Management, asset man-

ager of the world's largest sovereign wealth fund. Something he shared at a private CEO conference this year has stuck with me all summer: "The key to a successful life is to live in Europe and invest in America."

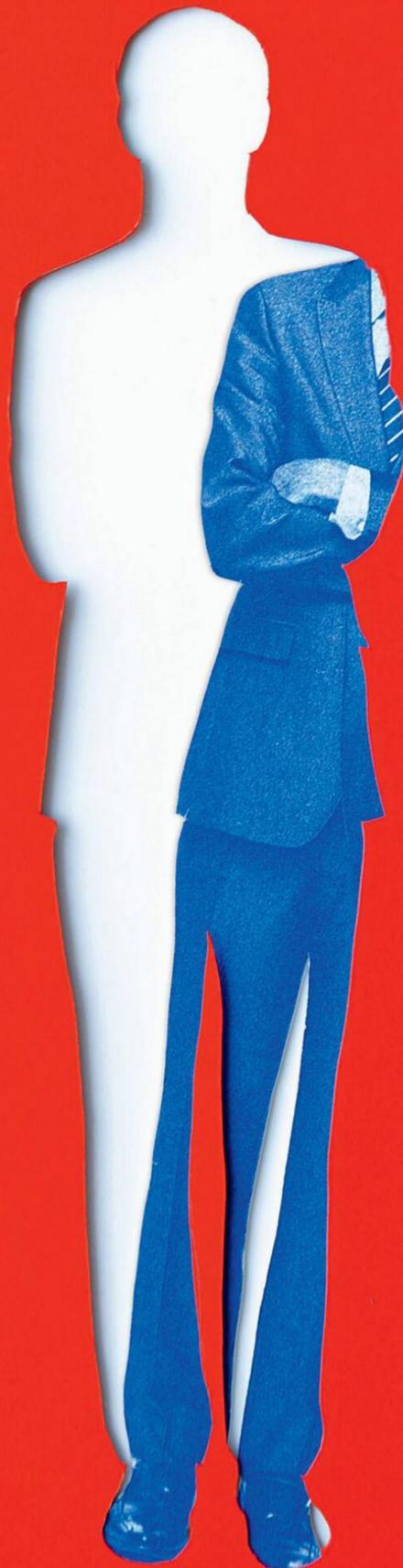
Europe's quality of life speaks for itself, especially during the summer months. But the longer-term challenge of making the continent an attractive place to grow business lingers on. Today, more than ever, promoting the needs of Big Business is a serious challenge to the continent's governments as its citizens turn to populism and the far right.

This issue also features the Fortune Global 500, which boasts 123 companies from Europe this year. Ranking the world's top companies by revenue, the list is a pulse check on the global economy. Automakers and energy companies dominate the eurozone economy more than is the case in the U.S., with Volkswagen (No. 11) retaining its title as the world's biggest automaker. But China's continued heft is undeniable—a trend European CEOs and policymakers can't afford to ignore. **F**

# THE BRIEF

BUSINESS. DISTILLED.

8 Norway's \$1.7 Trillion Man • 16 The Fortune Southeast Asia 500 • 20 Beware the Cybertruck



**GOVERNANCE WHAT AMERICAN POLITICS CAN  
LEARN ABOUT SUCCESSION PLANNING FROM  
AMERICAN CORPORATIONS** BY LILA MACLELLAN

ILLUSTRATION BY EDMON DE HARO

---

**A POPULAR ADAGE** about leaders says the most effective of them build self-sufficient organizations. If the conductor leaves, the orchestra plays on. But let's be honest: That's not true for many of today's most influential leaders, in business or politics. Instead, as this year's run-up to the U.S. election has made plain, we often elevate leaders who believe they're irreplaceable. Without me, the entire enterprise disintegrates, these leaders seem to think. The music stops.

Now Americans are watching in real time the problems this can cause. Less than a month before the start of the Democratic National Convention, the 81-year-old sitting president, Joe Biden, has capitulated to demands from within his party that he stand down from his campaign for a second term and make way for a younger candidate. His decision has won praise, although some say, as Frank Bruni put it in the *New York Times*, that it came "weeks later than it should have, after too much secrecy, too much arrogance, too much denial."

At the time of writing, the Democrats are scrambling to build a process for finding a new nominee. Biden endorsed Vice President Kamala Harris, and she is seen as the frontrunner after several powerful Democrats—but not all—quickly backed her.

The Democrats may still pull off a successful transition to a new candidate, but no one would say it has been a smooth process so far. And Biden's critics say his administration has failed to give Harris opportunities to demonstrate her ability to lead (a complaint that could be made about previous administrations, too). Having an emergency line-of-succession plan is not the same as building up the party's next presidential contender.

Meanwhile, Republicans remain solidly united behind their 78-year-old candidate. Even those

who once rejected Donald Trump's policies and antagonistic tone have endorsed him. As the nominee's daughter-in-law and Republican National Committee leader Lara Trump said, "Every single penny will go to the number one and the only job of the RNC: that is, electing Donald J. Trump as president of the United States and saving this country." But the RNC's total focus on one man—who is mortal, as the recent attempt on his life horrifyingly underlined—may prove precarious for the party.

This tumultuous month has shown that neither party has anything close to a playbook for replacing its torchbearer. It's a moment when political operatives on both sides of the aisle might admit that they need a new model for succession. For that, they

could look to the business world, and to corporate boards, where succession planning is an obsession.

## THE BOARD'S TOP JOB

To be sure, everyone can name a few companies where such plans haven't panned out (see Disney and Starbucks). Still, companies at least have a structure—the board—to ensure that someone is scouting for tomorrow's leaders, looking several layers into an organization or outside the company to find potential talent. Indeed, many company directors will tell you this is their main *raison d'être*, says Paroon Chadha, cofounder and CEO of OnBoard, a governance software company. In a recent poll of 6,000 boards, his company found that two-thirds said succession planning was their top priority.

Ted Dintersmith, a former venture capital investor and top Democratic Party donor, believes it's time to bring some semblance of corporate-style governance to politics, to help protect U.S. democracy: "The political system needs to put itself on pause and say, 'How can we embrace the principles that have made America's economy so strong?'"

Having served on more than 50 boards in his career, he points out that directors are meant to check a CEO's power and to deter and respond to

► **THE HOT SEAT**  
American politics could use a new model for succession planning.

unprofessional behavior. By comparison, Dintersmith adds, the leaders of political parties are rarely challenged by insiders. While each has aides and advisors, they are subordinate to their bosses and aren't beholden to any broader constituency.

In a corporate setting, a board would likely have considered both Biden and Trump to be bad bets as leaders, he argues. Biden's advanced age would put him in jeopardy, and Trump, who was found liable in a sexual abuse lawsuit, would never survive a decent board's sniff test.

Corporate-style governance doesn't always ensure a smooth succession process. Succession planning can get pushed off the agenda by more pressing matters, says Chadha, and it takes discipline to keep returning to a problem that doesn't require an immediate solution.

But that advance work to find and groom a potential replacement can pay off massively when a successor is needed, following either a leader's planned departure or an unplanned one.

## THE EGO PROBLEM

Another common roadblock to replacing a CEO: It's not easy to tell a powerful person that it's time to let go, to find a new iden-




---

## “HOW CAN WE EMBRACE THE PRINCIPLES THAT HAVE MADE AMERICA’S ECONOMY SO STRONG?”

**TED DINTERSMITH**  
INVESTOR AND DEMOCRATIC PARTY DONOR

---

tity, and to watch someone else do their old job. “It’s a sensitive topic for the incumbent,” Chadha says.

This human problem is familiar to anyone who has been part of an agonizing discussion about an older person’s fitness—whether that person is a president, a business leader, or even a parent. And again, corporate boards have developed strategies to manage such moments.

Some set age limits for CEOs, making some transitions automatic. Many companies use the board-chair role as a soft landing for departing CEOs—allowing an important person to exert influence while making space for someone else to lead.

A similar kind of position could be created for departing presidents: a White House advisor, perhaps, or a high-level role at a party’s national committee. Given his 36 years in Congress and 12 years in two White House administrations, Biden

could remain a guiding force in his party.

The Dutch management theorist Manfred F.R. Kets de Vries urges companies to create “beautiful exits” when it’s time for someone to leave. Longtime leaders may need coaching to envision that exit for themselves. “It’s hard for human beings to accept their own disintegration, so we go into all different kinds of defensive maneuvers,” he says—including clinging to power and to work.

### **THE SEARCH GOES ON**

---

As of this writing, it’s looking like Harris is poised to

be Biden’s de facto successor, though other candidates may come forward. Dintersmith, who was among the donors who had been calling for Biden to leave the race and for the party to select a new nominee, says a competitive nominating process would be the smarter path, one that would more closely resemble corporate governance procedures.

“If the CEO decides to step down, they would say to the board, ‘I think my chief operating officer would be perfect for this, and I hope you give them every consideration,’” he explains. “They’d also say, ‘But I know you’re going to

do your job and look at a full range of candidates before you make this choice.’”

A strong, competitive process benefits the organization and the successor no matter who is chosen, Dintersmith says.

Granted, time is short for the Democrats, but that can also be the case when a struggling firm needs a turnaround CEO. “The board might say: ‘With our reservoir of experience, it’s crystal clear this other person is perfect,’” Dintersmith says. “Or they might say, ‘Let’s do a search.’”

Finally, corporate boards wouldn’t see the party convention or even the election in November as the end of their process. When a new CEO takes over, boards immediately put together a succession plan for the next leadership change—to be reviewed periodically and adjusted as needed. That’s a task that both parties ought to take seriously come Nov. 5. **F**



IN FOCUS

**FRIENDLY FOE**  
Tangen hosted Elon Musk on his podcast in April; two months later, his fund opposed Musk's Tesla pay package.

# NORWAY'S **NICOLAI TANGEN** RUNS THE WORLD'S BIGGEST SOVEREIGN FUND. CAN HE LEVERAGE ITS ASSETS TO CHANGE BUSINESS FOR THE BETTER?

BY VIVIENNE WALT

PHOTOGRAPH BY JAN KHÜR

**▶ OSLO, WITH ITS** neatly painted houses and serene waterfront, is not known for high drama. But in 2020, Norway's capital erupted in controversy over one spectacularly wealthy investor, a splashy event in Philadelphia—and the biggest sovereign wealth fund on the planet.

That spring, Nicolai Tangen, the Norwegian founder of London hedge fund AKO Capital, was picked by Norway's central bank to be the next CEO of its gargantuan oil-and-gas-financed investment fund, whose value had soared above \$1 trillion. It soon emerged that months before his selection, Tangen had flown a private-plane-load of guests to a gathering he had organized with his alma mater, the University of Pennsylvania's Wharton School. The event featured seminars, fancy dinners, and a \$1 million performance by Sting—all at Tangen's expense. The then CEO of the oil fund, Norway's trade minister, and the country's attorney general had all attended.

Such finance-nerd blowouts may be standard fare on Wall Street, but they were a jolt in discreet, low-key Norway. The news ignited a media frenzy and even a parliamentary inquiry over favoritism and conflicts of interest. Above all, the affair was at odds with the country's squeaky-clean reputation—and with the perception of Norges Bank Investment

—

**“We don’t try to have influence because we want influence. We are trying to make more money in the long term.”**

—

Management, or NBIM, the fund’s asset manager, as a champion of better corporate governance.

“It got very messy,” says Anja Bakken Riise, executive director of Future in Our Hands, a Norwegian environmental NGO that fiercely opposed Tangen’s appointment. “He’s quite different from what we’ve seen in previous directors.”

When I visit Oslo—four years later—the brouhaha is still among the first things Norwegians mention when Tangen’s name comes up. But now it’s viewed more as a culture clash than a scandal (no formal allegations of wrongdoing were ever lodged). Inside NBIM’s sleekly modern headquarters, it seems to have largely faded from consciousness. Even so, the CEO remains “quite different” from Norway’s gray-suited bureaucratic class. He’s a voluble extrovert whose ease in the public eye is drawing renewed attention to the fund—now worth a stunning \$1.7 trillion—and its potential to influence how companies behave.

Tangen, who turns 58 in August, has begun the day with his year-round morning ritual: a 6 a.m. swim in Oslo’s ice-cold fjord, then a sauna at home and an electric-scooter ride to the office, where he plops his helmet on the coatrack and gets to work. Oslo is a world away from the London luxury of his hedge fund days. Yet he claims the moment he

heard about the NBIM job, he badly wanted it. “I was like, ‘Wow, incredible, three things I love,’” Tangen says: “management, organizational development, and doing something great for the country.”

Tangen launched AKO in 2005 and built it into one of Europe’s biggest hedge funds; after NBIM hired him, he and his wife, Katya, placed their personal fortune of about \$700 million into a charitable foundation. He describes his new, simpler life as idyllic. “You are close to the water, the ski slopes,” he says. “It is just fantastic.”

The relaxed style belies serious business. Founded in 1996, Norway’s oil fund now plays a key role in global finance—one starkly disproportionate to the tiny country of just 5 million people to whom the money belongs.

NBIM’s enormous holdings are equivalent to about 1.4% of the value of all public companies globally; in Europe, the fund’s share is closer to 2.6%. Its portfolio, which includes stakes in nearly 9,000 companies, is up

about 60% in value since Tangen arrived in 2020; a live tracker shows the value changing by billions of Norwegian kroner per second during trading hours.

The shorthand “oil fund” is becoming a misnomer: While NBIM’s original assets came from Norway’s oil and gas revenues, only about one-third now do; the rest are derived from the fund’s market performance, according to Tangen. The fund also owns some of the world’s priciest real estate, from Manhattan to Paris’s Champs-Élysées, including about one-quarter of Regent Street, London’s stratospherically expensive commercial district.

Arithmetically, the fund adds up to about \$300,000 for each Norwegian. Its ultimate purpose is to finance Norway’s social services, so that no citizen ever need worry about health care costs or retirement income. “It’s kind of like the national team in making money,” Tangen says.

The national team, ironically, is forbidden from investing directly in Norway itself, a restriction designed to prevent the economy from overheating. That marks a sharp difference from other sovereign entities, like Saudi Arabia’s \$925 billion Public Investment Fund, which seeds homegrown industries like tourism and sports.

Instead, NBIM is constructed as a global index fund, with stakes in the world’s most influential

companies. But Tangen—who holds graduate degrees in social psychology (earned in his thirties) and in art history (earned in his fifties)—has interests far beyond investing. In fact, his mind seems abuzz with almost anything *but* the nuts and bolts of financial returns. He’s an engaging company—even before delving into his culinary passions (he’s a Cordon Bleu-trained chef) or his collection of about 5,000 Nordic artworks, for which he recently funded a museum in his hometown of Kristiansand.

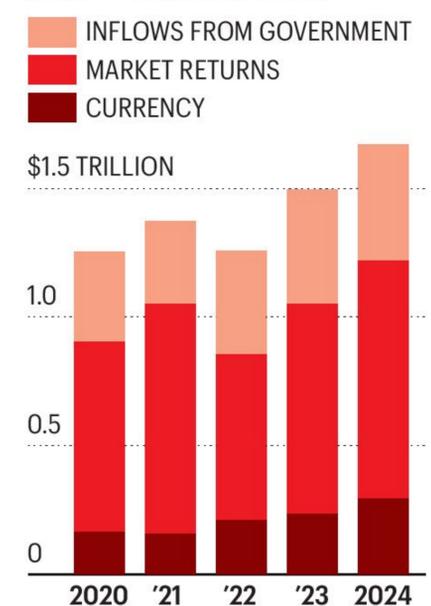
Among Tangen’s current fascinations: what he believes is a uniquely Indian business attitude among CEOs like Microsoft’s Satya Nadella and Adobe’s

—

## Small Country, Big Balance

Norway’s sovereign fund, originally financed by oil and gas revenue, now derives most of its value from its own investment returns.

### FUND’S MARKET VALUE



SOURCE: NBIM

Shantanu Narayan. “They talk about the importance of being in the here and now,” Tangen says. “Most people don’t talk like that.” Another: Norway’s decision to ban digital devices from schools, citing students’ distractedness. “It’s a fantastic decision,” says Tangen, even though NBIM owns billions in stock in Meta, Alphabet, and other attention-economy giants. “We’re not just talking about kids here,” he adds. “We’re talking about everybody. You cannot multitask the way you think you can.”

Tangen’s relentless curiosity was one motivation for launching a podcast, *In Good Company*, in 2022. The show features freewheeling interviews, 70 or so to date, with members of his ultra-elite circle, including Bill Gates, Sam Altman, and Elon Musk, who muse about leadership, business, and life. “Friendly, open-ended questions can get you pretty far,” he says.

Tangen believes the podcast has hugely boosted the fund’s profile, especially in the U.S.; he cites the roughly 1,500 résumés NBIM received for three summer internships in New York. When I ask what he has learned about leadership from his interviews, he says, “Empathy is the next big thing in management. It has been lacking for a while.”

**DESPITE A** track record of hedge fund success, Tangen has little opportunity

to flex his investment skills in Oslo. The fund’s exceedingly cautious management style leaves almost no room for independent stock picks.

NBIM is overseen by the Finance Ministry, whose strict mandates dictate that the fund maintain a long-term-oriented, balanced portfolio with 70% equities and 30% bonds. Any adjustments to the mix require approval from Norway’s parliament, which has been deeply reluctant to grant them. “Every Norwegian knows Nicolai Tangen by name, but no more than a half-percent would know the name of the head of the asset management department of the Finance Ministry, who is probably 20 times more powerful,” says Sony Kapoor, an economist and former investment banker and an expert on sovereign wealth funds.

The slow, steady approach has yielded about 6% average annual returns. That might be unsexy, but its predictability has won Norwegians’ trust, says Espen Henriksen, associate finance professor at BI Norwegian Business School. “It’s one of those

**\$1.7T**

ASSETS UNDER  
MANAGEMENT AT NBIM,  
JULY 2024

SOURCE: NBIM

## BEST ADVICE

**“The essence [of good leadership] is authenticity. You need to be who you are. Otherwise you have no credibility. People are not stupid—they look through you.”**

rare instances where a public entity has [tapped into] the biggest financial trend of the past 20 years: the global index fund.”

Even so, some analysts believe NBIM could be doing far better. Kapoor argues that the fund should invest some of its money in private equity, and greater amounts in emerging markets like India and Brazil. Its conservatism “has long-term costs not only for the Norwegian economy,” he says. “At a time when the world desperately needs funding for the green transition, it is contributing almost nothing to it.”

Tangen argues that the fund can catalyze change in other ways. Its ethics council scrutinizes companies, and forbids investments in coal, tobacco or cannabis producers, companies that violate human rights, or those involved in nuclear weapons development.

NBIM also pushes for changes within companies—a longtime hallmark of the fund that Tangen has made more visible.

It has backed a growing number of shareholder resolutions at annual meetings, especially on climate action and governance, which Tangen says directly impact the fund’s long-term returns. He estimates his staff holds 3,000 in-person meetings a year with company executives. Since Tangen became CEO, the fund has started publishing its voting decisions five days ahead of annual meetings, greatly amplifying its influence. Henriksen says NBIM has helped rally other shareholders to its causes: “The fund can push the needle a little bit in terms of better corporate governance.”

Lately, it has been pushing harder. NBIM vehemently opposed a lawsuit that Exxon Mobil (of which it owns 1.23%) filed against climate-activist shareholders. And in June, two months after Musk appeared on Tangen’s podcast, it voted against Musk’s humongous, much-criticized pay package at Tesla, in which it holds a stake of about 1%.

A U.S. judge dismissed Exxon’s lawsuit. But despite Norway’s pressure, Musk won his compensation vote. Still, for Tangen, investor activism goes beyond short-term wins and losses: Socially responsible businesses are ultimately better investments, he says. “We don’t try to have influence because we *want* influence,” he notes. “We are trying to do all this in order to make more money in the long term.” **F**

# Bringing together 70,000+ people, and the companies redefining the tech industry

[websummit.com](https://websummit.com)



**2024 ELECTION  
VANCEONOMICS:  
WHAT TRUMP'S  
VP PICK COULD MEAN  
FOR BUSINESS**  
BY JEFF JOHN ROBERTS

▶ **J.D. VANCE** first caught the public's attention with his 2016 memoir, *Hillbilly Elegy*, a populist howl about Appalachia that accuses elites of betraying the white working class. Since then, Vance has cultivated some of the wealthiest elites in tech and venture capital—including former Google chairman Eric Schmidt and the billionaire VC Peter Thiel—to help him win a U.S. Senate seat and, in July, the Republican nomination for vice president.

With Donald Trump's ticket on the rise, observers in the business community may well wonder what approach Vance will bring if voters put him in the White House. Will it be a radical populist agenda? Or will Vance deliver on the priorities of his well-heeled friends in Silicon Valley? It's too soon to say, of course. But based on his record, Vanceonomics seems indifferent or even hostile to the traditional business priorities—such as laissez-faire industrial policy and easy access to

goods and labor—that have been the bedrock of the Republican Party's platform for over a century.

In the ordinary course of things, there would be little interest in the views of the vice president—a position its first occupant, John Adams, described as the “most insignificant Office that ever the Invention of Man contrived.” But 2024 is no ordinary election. Vance would be a proverbial heartbeat from the presidency under a chief executive who would turn 83 in the final year of his term. And Trump's desire to cultivate a new generation of MAGA leaders suggests that he may give Vance a broad remit to pursue his own agenda—in part to set him up as his heir in 2028.

“This is one of those few times where, like Dick Cheney, the vice presidential beat will be worth covering,” says David

▶ **THE RUNNING MATE**  
**J.D. Vance greets the crowd at the Republican National Convention in Milwaukee in July.**

Wessel, former economics editor at the *Wall Street Journal*, who now directs a fiscal policy center at the Brookings Institution.

Wessel believes that in the White House, Vance would be active in shaping domestic economic initiatives—particularly tariffs—to protect American manufacturing and steep limits on immigration. This would be consistent with the themes Vance invoked in his speech to the GOP convention in July, where he bashed Wall Street and vowed to revive Rust Belt factories. (In his home state of Ohio, Vance has joined UAW

workers on the picket line.) Wessel's prediction also jibes with the few pieces of legislation that Vance has sponsored during his brief Senate tenure—including an executive-compensation clawback provision he drafted with progressive Elizabeth Warren (D-Mass.), which captured headlines but didn't become law.

Labor rights and restrictions on CEO pay are not exactly top priorities for venture capital donors like Thiel—who spotted Vance a whopping \$15 million for his 2022 Senate campaign—and David Sacks. Still, those patrons were



reportedly instrumental in persuading Trump to select him as a running mate. So what's in it for the VCs?

The philosophical answer: a shared interest in an America-first economic nationalism. The glib answer: a lot of money. Many of the VCs supporting the Trump-Vance ticket—including the founders of Andreessen Horowitz—have major stakes in cryptocurrency. They likely assume Vance, who owns Bitcoin, will help push forward regulations that favor crypto. More broadly, VCs who back Trump have faulted the Biden administration's antitrust scrutiny

## VENTURE DONORS

VCs were writing political checks well before Vance's ascent.

# \$165 M

DONATIONS TO FEDERAL CANDIDATES FROM THE VENTURE CAPITAL COMMUNITY IN EARLY PHASES OF THE 2023-24 ELECTION CYCLE

SOURCE: OPENSECRETS.  
NOTE: THROUGH 6/21/24; INCLUDES INDIVIDUAL AND PAC DONATIONS.

of Big Tech, which has slowed the M&A activity that gives venture firms many of their most profitable startup “exits.”

Vance might deliver more favorable regulation on the crypto front. He might disappoint on regulation, given his avowed fandom of Biden's Federal Trade Commission chair, the antitrust firebrand Lina Khan. But VCs and business leaders more broadly could pay a steep price in other areas of economic policy if the Republicans take the White House.

Richard M. Reinsch II, an editor at the American Institute for Economic Research and a self-described conservative, views Vance as a formidable thinker who is conversant with a wide range of ideas. But he is also concerned by Vance's support for Khan and by his desire to prevent Japan's Nippon Steel from buying a Cleveland steel mill. “I would characterize his economic approach as one that's fully consistent with [1980s Democratic candidates] Walter Mondale and Michael Dukakis—a pro-worker party based around a lot of government intervention and managing the economy,” says Reinsch.

Vanceconomics, in practice, could indeed have a major impact on the labor market. Like Trump, Vance has called for radical limits to immigration, which could make it harder for U.S. companies to hire both seasonal labor and highly skilled over-

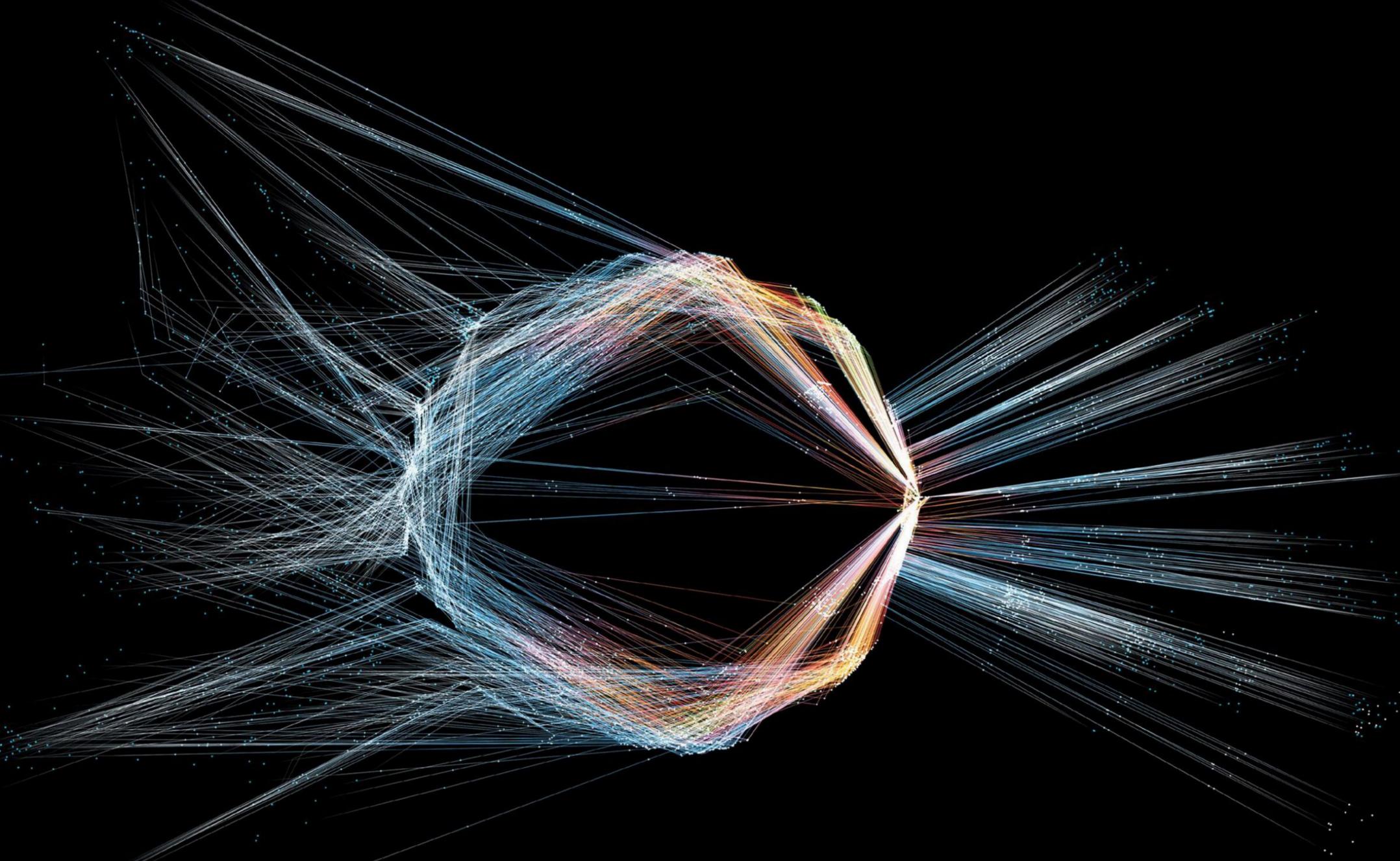
seas workers. Meanwhile, Vance's comments on the role of women in society could create an additional pinch when it comes to hiring. Specifically, his calls for a national abortion ban and for creating more incentives for parents to raise larger families represent a philosophy that could make it harder for women to stay in the workforce.

Many economists see this combination of protectionism and a smaller labor force as a formula for higher wages and inflation. (See our article on page 24.) Those factors can become huge headaches for employers in the non-digital economy, but they're the kinds of “externalities” that have less of an impact on the tech businesses overseen by Vance's VC allies.

There is a major proviso that goes with any predictions about Vance's potential economic influence: his age. Vance, who turns 40 on Aug. 2, would be the youngest vice president since Richard Nixon was elected alongside Dwight Eisenhower in 1952. His youth means Vance would be more likely to evolve in his thinking—on economic policy and everything else—than geriatric figures like Trump and Joe Biden. Business leaders trying to guess what Vance might do will have to wait; those nostalgic for traditional Republican business priorities, meanwhile, can worry.

“Let's hope, as progressives used to say of conservatives, he grows into the office,” says Reinsch. **F**





**TECH AI'S HIDDEN BIASES MAY BE INFLUENCING WHAT YOU THINK. HERE'S WHAT SHOULD BE DONE TO STOP IT**  
BY JEREMY KAHN

*In less than two years, artificial intelligence has radically changed how many people write and find information. While searching for details about Supreme Court precedent or polishing a college essay, millions seek help from AI chatbots like OpenAI's ChatGPT or Anthropic's Claude.*

*In his newly published book, *Mastering AI: A Survival Guide to Our Superpowered Future*, Fortune AI editor Jeremy Kahn explores this new tech-infused reality and what should be done to avert the inevitable pitfalls. In the following excerpt, he focuses on the little-recognized problem of subtle bias in AI and the potentially profound influence it can have on what users believe.*

▶ **TRISTAN HARRIS**, cofounder and executive director of the Center for Humane Technology, has been called “the closest thing Silicon Valley has to a conscience.” He was previously a design ethicist at Google in 2015, where he weighed in on the moral implications of the company's projects. In congressional testimony in 2019, Harris argued that the most important currency for technology companies is people's attention. In trying to corner the market for users' attention, tech companies were engaging in a “race to the bottom of the brain stem,” Harris said, aiming to constantly stimulate our amygdala,

the part of the brain that processes emotions such as fear and anxiety. This neurological manipulation was leading to dependence—to people being literally addicted to social media apps. By influencing how we think about what we do, buy, and say, Harris said, technology is chipping away at our ability to freely make our own decisions. Personalized AI assistants will make these problems worse, wrapping us in the ultimate filter bubble, controlling the innumerable decisions that make up our lives. It will take concerted action from the companies building AI products, prodded by government regulation, to prevent this.

Most tech companies train their chatbots to be agreeable, nonjudgmental, and “helpful.” The problem is that sometimes “helpful” isn’t helpful. In an effort to be empathetic, chatbots can wind up confirming mistaken or biased beliefs. A fine line exists between friendship and enablement. Most of the best-known AI chatbots, such as OpenAI’s ChatGPT, Anthropic’s Claude, and Google’s Gemini, will challenge users if they seem to be endorsing a well-known conspiracy theory, such as the idea that COVID-19 vaccines cause autism or the QAnon conspiracy. But on many controversial subjects, such as issues around Israel-Palestine or whether people should celebrate Columbus Day, the bots tend to respond with some variation of “it’s a complex and complicated topic with strong opinions on both sides.”

Some right-leaning politicians and technologists have accused AI systems designed by the leading technology companies of being “woke,” and argued for the creation of AI models with explicit “political personalities” so that users can choose to interact with a chatbot that supports their viewpoints. Elon Musk has promised that his xAI research lab, which has built a large-language-model-based chatbot called Grok, will produce AI designed to be anti-woke. Such developments seem certain to further inflame the culture wars

## “YOU MAY NOT EVEN KNOW THAT YOU ARE BEING INFLUENCED.”

MOR NAAMAN, CORNELL UNIVERSITY

and provide little reason to hope that AI will do anything to counter filter bubbles.

The influence of chatbots, however, can be much more subtle than this: Researchers at Cornell University found that using an AI assistant with a particular hidden viewpoint to help write an essay for or against a particular position subtly shifted the user’s own views on that topic in the direction of the bias. Mor Naaman, the study’s senior researcher, calls this “latent persuasion” and says “you may not even know that you are being influenced.” Trained on vast amounts of historical data, many LLMs harbor hidden racial or gender biases that could subtly shape their users’ opinions—for instance, an AI assistant for doctors that falsely believes that Black people have thicker skin or a higher pain threshold than white people.

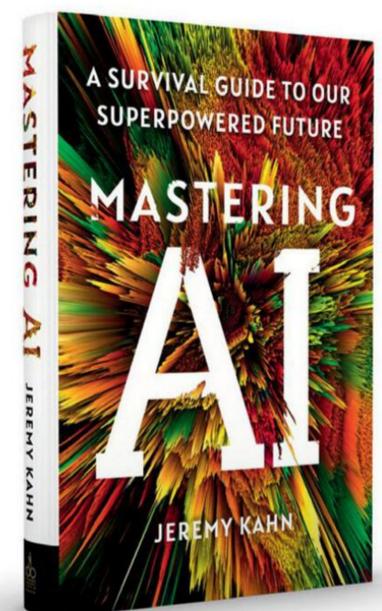
The only way to combat this kind of hidden bias will be to mandate that tech companies reveal far more about how their AI models have been trained and allow independent auditing and testing. We must also insist on trans-

parency from tech companies about the commercial incentives underlying their AI assistants. The Federal Trade Commission and other regulators should outlaw pay-to-play arrangements that would incentivize tech companies to have their chatbots recommend particular products, send traffic to certain websites, or endorse particular viewpoints. We should encourage business models, such as subscriptions, where the chatbot company has an unconflicted interest in serving the needs of its users, not the needs of its advertisers. When you need a new pair of running shoes and ask your AI personal assistant to research the options and buy the best pair for you, you want it to order the shoes that best suit your needs, not the ones from the brand that is paying the chatbot company the most to steer your business its way.

Yes, a chatbot that only tells you what you want to hear will reinforce filter bubbles. But we, as a society, could mandate that AI systems be designed to specifically pop these bubbles, asking people if they have considered alternative viewpoints

and highlighting other perspectives. IBM built an AI called Project Debater that could hold its own against human debate champs on a range of topics, surfacing evidence in support of both sides of an argument. Regulators could mandate that AI chatbots aren’t so nonjudgmental that they fail to challenge misinformed beliefs. We could even, in an effort to break down existing filter bubbles, require that chatbots surface alternative viewpoints and evidence.

Ultimately, the question is, How much power do we want to continue to cede to a handful of large technology companies? What’s at stake is ultimately our personal autonomy, our mental health, and society’s cohesion. **F**



▲ From *MASTERING AI* by Jeremy Kahn. Copyright © 2024 by Jeremy Kahn. Excerpted with permission by Simon & Schuster, a division of Simon & Schuster, Inc.

## RANKINGS THE FORTUNE SOUTHEAST ASIA 500 LIST TRACKS A REGION ON THE RISE BY CLAY CHANDLER

**▶ THE INAUGURAL** Fortune Southeast Asia 500 list, our first-ever ranking of the largest companies in this part of the world, reflects a dynamic and fast-changing region—one that boasts a GDP of \$4 trillion and whose core economies are growing notably faster than those of Europe or the U.S.

Southeast Asia is also taking on far greater significance in the global economy. In the wake of the COVID pandemic, a host of Global 500 multinationals have shifted more of their supply chains to Southeast Asian nations. Foreign direct investment to the region is soaring. And with a young and growing population of 680 million, low inflation, and stable exchange rates, Southeast Asia is emerging as an attractive market in its own right.

A defining feature of the Southeast Asia 500 is its domination by a handful of giant firms with far-flung global operations. But greater exposure to overseas markets may explain why Southeast Asia's largest companies saw their revenue shrink last year even as regional

economies grew.

In total, companies on the Fortune Southeast Asia 500 took in \$1.79 trillion in revenue in 2023, a drop of \$45 billion, or 2.5%, from the previous year. Earnings shrank to \$130 billion, down 9.6% from 2022.

The declines contrasted with the relative resilience of the region's six core economies. Those nations—Indonesia, Thailand, Malaysia, Singapore, Vietnam, and the Philippines—all grew their GDP in 2023, accelerating at a collective pace of 4.2%, down from 5.5% in 2022, according to the International Monetary Fund.

A deeper dive into the list helps explain the discrepancy. Only five companies on the Southeast Asia 500 were large enough to have made this year's edition of the Fortune Global 500, for which the revenue threshold was \$32.1 billion. (Some companies in the region did not report financial data in time to be included on this list.) By comparison, the Global 500 included 123 companies from Europe, 133 from China including Hong Kong and Taiwan, and 139 from the U.S.

But those top five—which include three huge Singapore-based commodities trading houses (Trafigura Group, Olam Group, and Wilmar International) and two state-owned oil and gas producers (Thailand's PTT and Indonesia's Pertamina)—loom large compared with regional peers, accounting for 26% of the total revenue generated by companies on the list. In 2023, these giants were buffeted by geopolitical conflict, supply-chain shocks, and uncertainty in markets like China and Europe. All five reported lower revenue in 2023 owing to weaker global demand for energy; as a group, their revenue shrank 16%.

In contrast, the 495 companies that account for the remaining 74% of the list's revenue increased sales by about 4%. Trends within that larger group include a healthy financial sector (the region's three largest banks, all based in Singapore, each reported revenue gains of more than 60%); a rebound among travel and transportation companies; and an increasingly vibrant tech scene.

The day may come, of course, when some of those smaller companies rise to supplant Southeast Asia's Big Five. The Southeast Asia 500 will track their ascent and descent as it chronicles this fast-changing region in the years to come. **F**

See the entire list at [fortune.com/sea500](https://fortune.com/sea500).

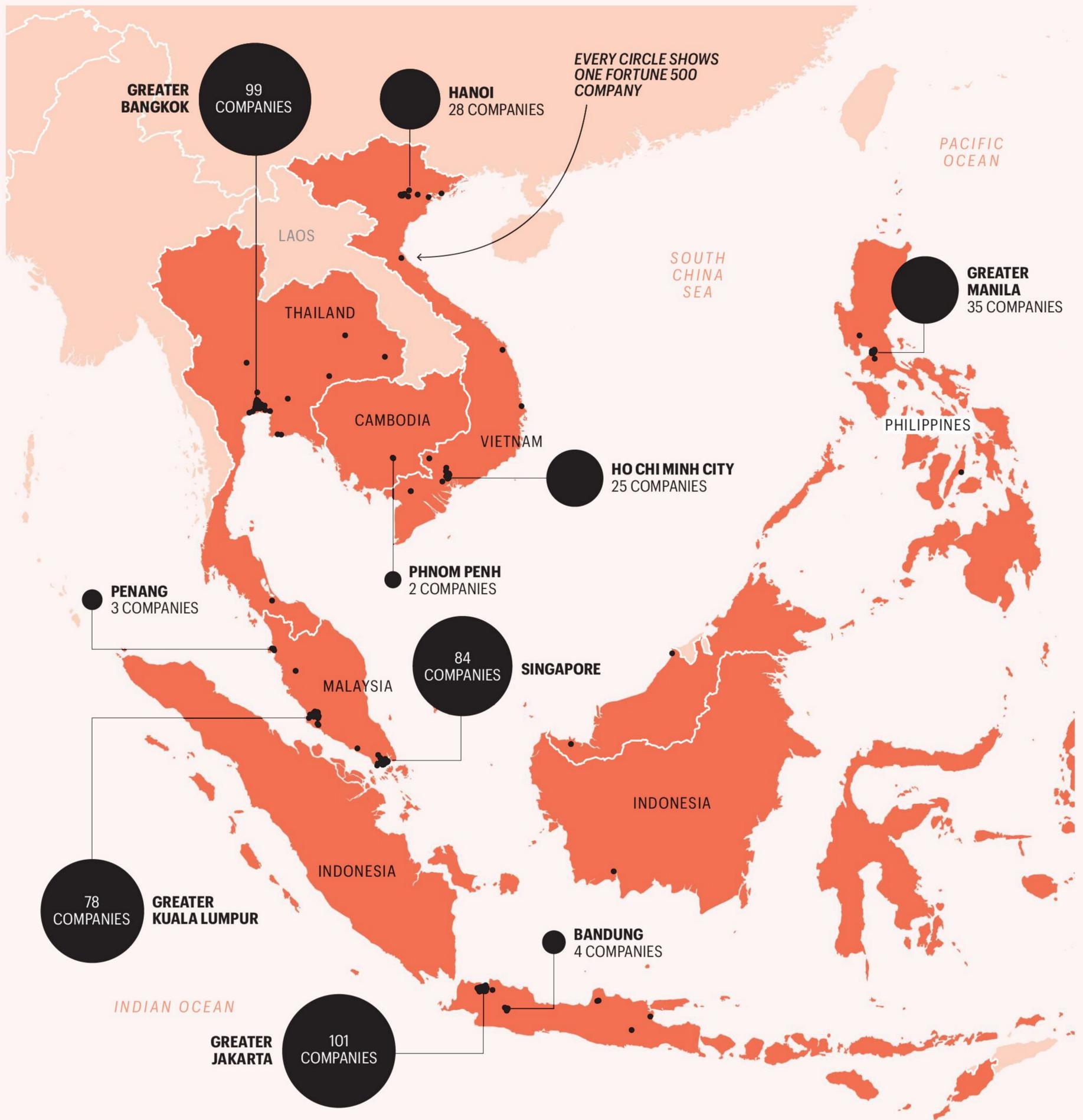
### TOP 5

## REGIONAL DOMINANCE

The top five companies on the Southeast Asia 500 account for 26% of the revenue for the entire list.

1. **TRAFIGURA GROUP**  
Singapore  
REVENUES IN MILLIONS:  
**\$244,280.2**
2. **PTT**  
Thailand  
**\$90,418.7**
3. **PERTAMINA**  
Indonesia  
**\$75,787.8**
4. **WILMAR INTERNATIONAL**  
Singapore  
**\$67,155.3**
5. **OLAM GROUP**  
Singapore  
**\$35,952.8**

**MAPPING THE FORTUNE SOUTHEAST ASIA 500**



COUNTRY	NUMBER OF COMPANIES	AGGREGATED REVENUES (\$ BILLION)	AVERAGE COMPANY PROFIT (\$ MILLION)
INDONESIA	110	\$321.4	\$250.6
THAILAND	107	\$375.9	\$177.9
MALAYSIA	89	\$194.9	\$155.5
SINGAPORE	84	\$619.4	\$527.1
VIETNAM	70	\$144.4	\$154.4
PHILIPPINES	38	\$130.9	\$350.0
CAMBODIA	2	\$1.4	\$163.1



**EVENTS GLOBAL ADVERTISERS  
PONDER THE FUTURE OF AI**  
BY ASLESHA MEHTA

▶ **GENERATIVE AI** will revolutionize the advertising sector. It may also challenge and undermine the brand authenticity that companies have invested significant time, money, and effort to build. At this year's Cannes Lions International Festival of Creativity, the global advertising world's favorite confab, *Fortune* and Meta Platforms cohosted a breakfast bulletin for CMOs and senior marketers to discuss these hopes and fears.

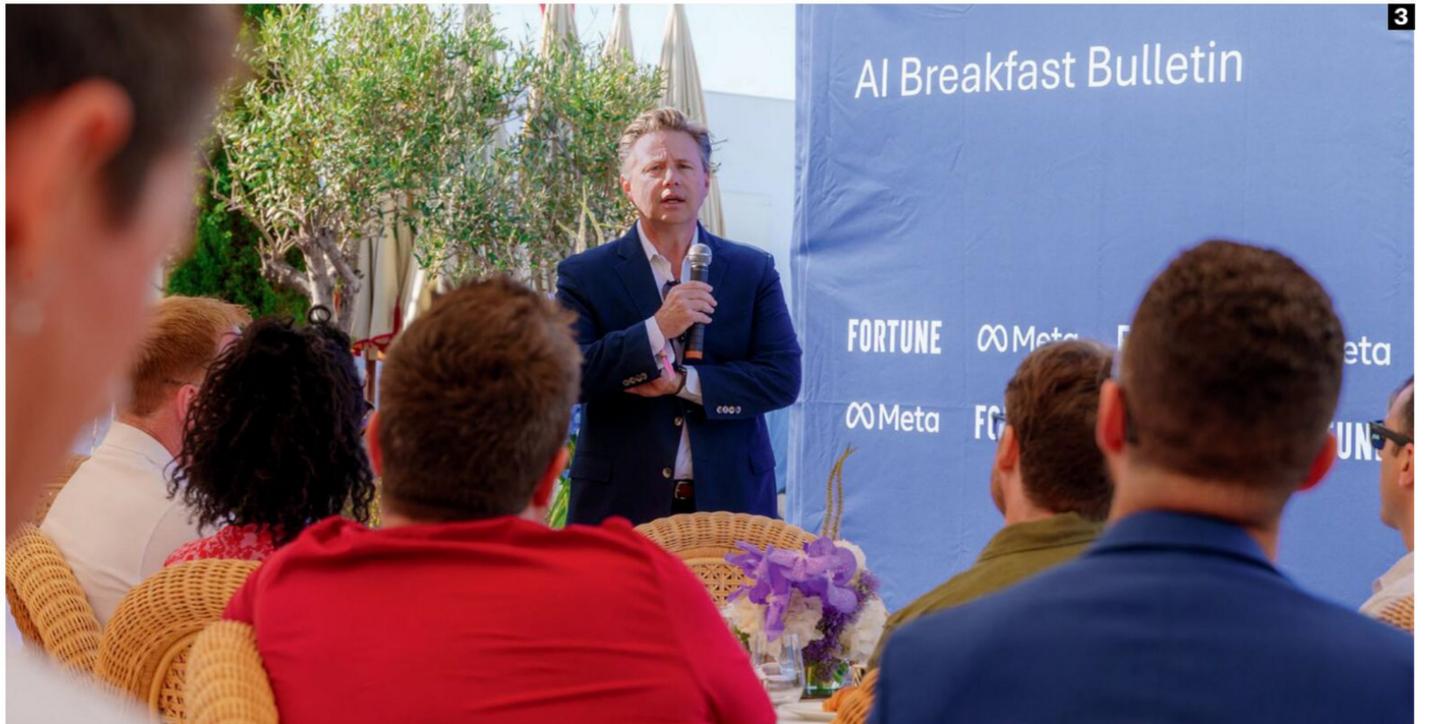
Over *viennoiseries* and other delicacies at Annex Beach on the Croisette, *Fortune* AI editor Jeremy Kahn spoke alongside Erik Hawkins, Meta's vice president for global partners. Among the topics: the importance of incorporating ethics into AI tools. (Meta is helping to form an AI alliance to ensure the accountability of these tools.) Kahn delivered key takeaways, and the world's leading marketing minds posed queries, discussed their own plans to incorporate generative AI (or not), and generally agreed that the world of advertising will never be the same. **F**

5



BRAHIM DRIOUACH FOR FORTUNE EUROPE

BRANDS THAT USE META'S AI TOOLS SEE A 22% INCREASE IN RETURN ON THEIR MARKETING DOLLARS, THE COMPANY SAYS.



**HIGHLIGHTS FROM THE GATHERING**

1. **Marketers from all over the world gather at Annex Beach in Cannes for the Fortune/Meta Platforms event.**
2. **Fortune's AI editor, Jeremy Kahn.**
3. **Meta's vice president for global partners, Erik Hawkins, delves into Meta's AI tools, which are designed to improve the company's accuracy in targeting ads to specific users.**
4. **Jasmine Haasbach, VP of global brand partnerships and head of Europe at e-sports company ESL Faceit Group, mingles with fellow guests.**
5. **Samantha Almon Adeluwoye, the global head of content, social media, and storytelling at shipping giant A.P. Moller Maersk.**

**OBJECTS IN THE MIRROR** The Cybertruck's bulk can loom over other cars on the road.



**CARS APOCALYPSE**  
**CHIC: TESLA'S**  
**CYBERTRUCK GIVES**  
**LUXURY A NEW SHAPE**  
 BY JACLYN TROP

► **FIVE YEARS AFTER** Tesla CEO Elon Musk unveiled plans for his polarizing Cybertruck, I found myself standing in a downtown Los Angeles parking lot on an afternoon in July, surveying the automaker's surrealist take on the electric utility vehicle: a triangular behemoth, sharp-angled and brutalist.

Its wide, unpainted, stainless-steel body boasts a massive windshield and nary a curve throughout, and it has managed to draw comparisons to both the Eiffel Tower and a preschooler's loose-leaf sketch.

"Just be careful if you walk too close to the front, or even the back, because people have cut themselves," says LJ, the owner who rented me his truck for the

day through an app. He pointed to the jagged intersections of body panels, which did indeed look sharp enough to cut flesh.

Those perilous edges were the result of a Musk decree that the designers eschew pliable sheet metal that can be molded into rounded shapes, in favor of far less practical stainless steel, which is impervious to stamping machines. (Another downside: Every fingerprint shows up on stainless steel.)

For \$340 a day, LJ had promised me "the exclusive feeling of possessing a car that has only graced the hands of the top one

percent." And the experience started out seeming suitably swanky: The doors unlocked soundlessly at the touch of a Tesla app on my phone.

It wasn't until I was sitting behind the wheel that I started to notice some of the truck's more unsettling features. First, despite its advertised "beast mode" ability to rocket from 0 to 60 mph in a neck-scrambling 2.6 seconds "while maintaining high-speed stability," the truck lacked tangible practicalities like grab bars. Then there's the world's smallest rearview mirror. Roughly the size of a deck of cards,

the slip of glass created a blind spot that swallowed whole cars behind me.

It wasn't an ideal setup for piloting a 6,600-pound tank—but for the brief time I was driving this brash automobile, it felt like the rules of the road no longer applied.

Evoking images of a *Mad Max*-style Armageddon, this truck may be the most controversial vehicle of all time. “Ugly,” “horrifying,” and “apocalyptic” are not the words carmakers usually wish to attach to their latest luxury vehicles. Buyers have traditionally seen their car as somewhere between a beloved pet and an essential home appliance. But the angular metallic brute now rolling through suburbs across the country presents a new version of luxury for our times—one that has little to do with such bourgeois values as comfort, convenience, or beauty. “Built for any planet,” as Tesla’s promotional site says, the Cybertruck’s citadel-like demeanor offers a suit of literal and metaphorical armor.

“I’ve always thought of

the Cybertruck as a good-looking assault or warfare vehicle,” Morningstar analyst David Whiston says.

Its ascendance raises the question: Can something be both jarringly unsightly and the status symbol of the year?

Though the Cybertruck’s foreboding silhouette has bedeviled bystanders and critics alike—“I wish not to be quoted about that low-polygon shit heap,” one respected trucking analyst tells me—the hulking electric vehicle, which starts at around \$80,000 and can top six figures, may well prove to be a design touchstone.

Tesla’s long-anticipated truck was designed by Franz von Holzhausen, who created the shapely Tesla Model S, which *Consumer Reports* likened to a supermodel sashaying down a Paris catwalk. But the Cybertruck is unlikely to draw comparisons to female anatomy. The inspiration board for the project included *Blade Runner*, *RoboCop*, and *Back to the Future’s* DeLorean DMC-12.

Biographer Walter

Isaacson recalls Musk looking at common pickup trucks with von Holzhausen. “Musk says these things are boring,” Isaacson writes. “He doesn’t like to be bored.”

Love it or hate it, the Cybertruck is certainly revolutionary, in an industry where the design has barely changed in more than a century: The typical three-box template for a truck is trifurcated into distinct compartments for the powertrain, passengers, and payload.

The Cybertruck’s arrival late last year challenged that uniformity, pioneering a new shape: the triangle. The exoskeleton’s pointy architecture distributes the truck’s load and tension more evenly, Tesla says, to handle like a sports car.

“The triangle approach looks unique compared to everything else out there,” says Whiston. “Whether it succeeds beyond Tesla loyalists and rich people who want to show off is another matter.”

So how does it feel to drive this aesthetic oddity? Surprisingly uncomfortable. At highway speed, the

truck produces a bumpy ride, tossing me around like a seat-buckled rag doll. To further complicate matters, the dashboard does not contain a single physical button, relying on an iPad-like touch screen instead. Even shifting gears requires pawing at a sliver of pixels at the screen’s corner.

The biggest benefit for the Cybertruck’s target customer seems to be its conspicuity. It’s built to be a status symbol for a flashy city like Miami or Los Angeles, not a workaday truck for a Wyoming rancher.

And driving the truck does confer a kind of instant celebrity. Everywhere I went, onlookers held out their phones to take photos or video. At the Jack in the Box on Malibu’s Pacific Coast Highway, the entire staff congregated at the drive-thru window as the server handed over my 99-cent taco.

As I lumbered around in this conspicuous piece of concept art, I realized that Tesla may have delivered exactly what the world needs in this era of political, environmental, and economic angst: something else to talk about. Whether it’s mocked or praised, the Cybertruck is the ultimate conversation piece. That’s perhaps a luxury in itself. **F**

#### READY FOR ARMAGEDDON

But the Cybertruck’s width makes it awkward to navigate in a city.



# LEADING JAPAN'S ECONOMIC SECURITY IMPERATIVE

As geopolitical tensions rise, consulting firm **Kitamura Economic Security** is helping businesses fortify their defenses and seize opportunities.



©THE YOMIURI SHIMBUN

KES PRESIDENT AND CEO SHIGERU KITAMURA'S KNOWLEDGE OF ECONOMIC SECURITY HELPS BUSINESSES FORTIFY THEIR FINANCIAL AND TECHNOLOGICAL DEFENSES IN A SHIFTING GLOBAL LANDSCAPE.

**AT THE END OF 2022, JAPAN MADE A SEISMIC** announcement: The country would be adopting a more assertive national security posture. The move, aimed at countering rising threats from authoritarian adversaries, precipitated a significant increase in military expenditure and a shift away from its post-World War II pacifism. In December 2023, Japan's cabinet approved a record 7.95 trillion yen [about \$50.3 billion] defense budget—a 16.5% increase from the previous year. But the focus of the country's revamped defensive strategy goes beyond military applications. Economic security has an equally important role to play.

A multifaceted concept that involves safeguarding financial interests, protecting advanced technologies, and maintaining an open international business environment, economic security has surged to the top of Japan's national agenda.

For businesses at home and abroad, this development has substantial implications.

"The intensifying confrontation between democratic nations and hegemonic states has led to what some call the 'New Cold War,'" says Shigeru Kitamura, president and CEO of Kitamura Economic Security (KES). "In this challenging business environment, companies must build robust supply chains, maintain critical infrastructure, and confront the weaponization of economic measures."

KES is at the forefront of helping enterprises navigate this complex geopolitical landscape. Built on four pillars—economic security, cybersecurity, compliance, and research and analysis—the company offers a suite of services designed to strengthen its customers' resilience and competitiveness.

“KES is not just a consulting firm; it’s also a vision,” explains Kitamura. The company’s capabilities span a wide range of areas, from advising customers on investments and takeovers by foreign companies to facilitating intellectual property transactions related to advanced technologies, such as artificial intelligence (AI) and quantum computing. The Tokyo-based firm provides guidance on complying with rapidly evolving domestic and international economic security regulations. And with global sustainability trends increasingly impacting businesses, Kitamura has made navigating energy and climate change-related policy (also known as green economic security) an essential KES offering. The company’s network of advisers and consultants consists of varying specialists, including cybersecurity experts, industry regulators, and policy experts.

#### Four Decades Championing Economic Security

Kitamura established KES in 2021, relying on his extensive national security experience and keen understanding of the shifting geopolitical scene. With a career spanning 41 years in the Japanese government, Kitamura has held high-level positions in the National Police Agency and the Prime Minister’s Office, where he served as the director of cabinet intelligence and the national security adviser for 10 years.

In these positions, Kitamura played a pivotal role in shaping Japan’s economic security approach. He established a specialized team, drafted the Economic Security Promotion Law, and laid the groundwork for the country’s Security Clearance Law, which was designed to deter leaking sensitive economic information.

Kitamura’s success stems from his deep understanding of how threats to national interests can change. “The era when foreign intelligence agencies sought only military and political secrets is over,” he explains. “Now, they are targeting cutting-edge technology developed by companies, not just government secrets.” This perception, coupled with his experience in counterintelligence, underpins Kitamura’s mission to support economic security efforts from the private sector.

#### Riding the Waves of Change

As the economic security landscape evolves, KES is expanding services and forging strategic global partnerships to better serve its customers. One key focus is helping companies measure and quantify their levels of economic security by prioritizing specific technology areas, screening personnel with relevant knowledge, and mapping supply chain relationships.

None of these changes would be effective without the company’s additional focus on governance and compliance. “Governments do not disclose economic security intelligence tailored to individual companies,” says Kitamura. “Therefore, each company must collect personal and supplier information through open-source intelligence. KES aims to support these areas by providing a fast and timely data collection system utilizing AI in combination with the expertise of analysts.”

KES’s strategic alliance with American Global Strategies, led by former U.S. national security adviser Robert O’Brien, enables the company to help U.S. businesses navigate Japan’s intricate economic security ecosystem. Additionally, in line with the late

“In this challenging business environment, companies must build robust supply chains, maintain critical infrastructure, and confront the weaponization of economic measures.”

**SHIGERU KITAMURA**  
PRESIDENT AND CEO, KES

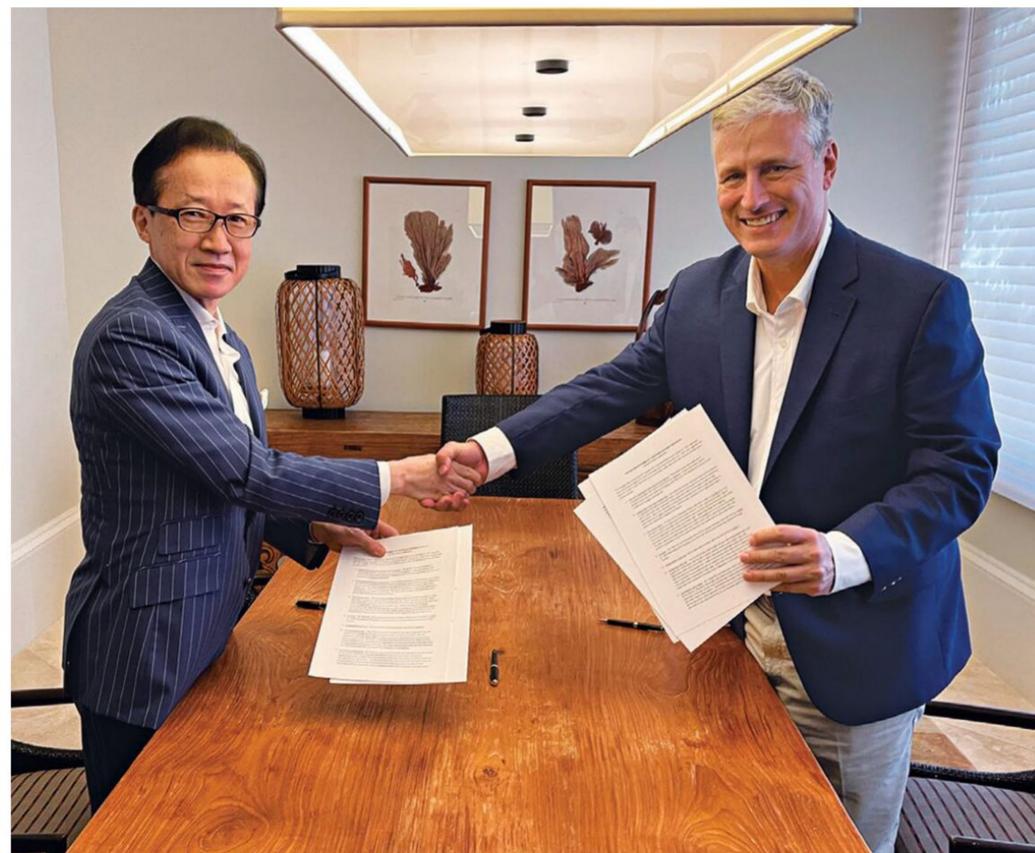
Prime Minister Shinzo Abe’s vision of a free and open Indo-Pacific, the firm is committed to strengthening ties with enterprises in South Korea, Australia, the Philippines, and Taiwan.

With data at the core of almost every tech-supported business, digital safety is an important area of focus for Kitamura’s team. “Leaders must recognize that cybersecurity is a crucial issue in their risk management,” he says. KES helps customers develop and implement effective cybersecurity measures across their entire supply chains, fostering communication with key stakeholders.

#### Protecting the Road Ahead

As geopolitical tensions intensify, the importance of economic security will only continue to grow. Businesses that embrace the challenge will be well-positioned to thrive in an increasingly complex and competitive global arena.

For Kitamura, the path forward is clear. “In the coming years, we anticipate a rapid acceleration in the pace of change,” he says. “By combining our deep expertise, innovative technologies, and global network, we aim to be the premier partner for businesses navigating the frontiers of economic security. The future belongs to those who are prepared—and we’re ready to help lead the way.” ■



AMERICAN GLOBAL STRATEGIES, LED BY FORMER U.S. NATIONAL SECURITY ADVISER ROBERT O'BRIEN (RIGHT), HAS PARTNERED WITH KES TO SUPPORT AMERICAN BUSINESSES NAVIGATING JAPAN'S COMPLEX ECONOMIC SECURITY ENVIRONMENT.

# WHAT CAN BUSINESS EXPECT FROM THE NEXT PRESIDENT?

★ ★ ★

**There's one thing Republicans and Democrats can agree on: higher tariffs on imports to America. Here are the challenges both parties' proposals will pose for corporate leaders. By Geoff Colvin**





**EVERY DAY, YOU'RE PAYING A TAX** that Congress never voted on, a tax that's growing rapidly heavier. Yet you may not even know when you're paying this tax because it goes by another name: tariffs. It is baked into the prices of products, from sneakers to semiconductors to compression springs, that are manufactured abroad or that use imported components or materials—that is, a large portion of the things Americans buy.

As the presidential election approaches, all signs point to higher tariffs on American imports—no matter who wins. (While Vice President Kamala Harris was the clear favorite to be the Democratic nominee as this article went to press, it's safe to say that any potential rival would have a similar trade agenda.) The consequences will reach far beyond those ballooning hidden taxes that Americans pay. They will also influence global geopolitics and touch every business and consumer in the U.S., plus billions more worldwide.

The trend is still hard to believe, for those who have been following the issue. After decades of working for freer trade worldwide, the U.S. has reversed course, with both parties on board. The two sides don't offer identical trade proposals—Donald Trump's would be much more severe—but broadly speaking, this is a rare issue on which both sides of the aisle are aligned.

Both parties are pursuing this agenda to assert their commitment to protecting American industry and jobs from overseas competition—but business mostly doesn't like it, especially companies selling consumer goods to price-sensitive customers already wary of inflation. “Unfortunately, there does seem to be this movement within both parties to turn insular and turn away from trade in ways that will be economically damaging,” says Neil Bradley, chief policy officer at the U.S. Chamber of Commerce. “They're going to end up hurting average Americans.”

Tariff proponents, in making their case, often cloud how they work. Tariffs require U.S. importers of foreign goods and services to pay duties to the U.S. Treasury, based on what was imported. Research over decades finds that importers pass the extra cost on to consumers in the form of higher prices—or they are forced to cut costs or accept lower profits.

This simple fact tends to be missing from the populist rhetoric: The exporting country does not pay the tariff. The importing company does. Donald Trump's campaign boasts that as president, Trump “imposed tariffs on China that brought billions of dollars into the federal Treasury”—failing to note that it was American consumers and com-

panies who paid those billions. Joe Biden's White House said often that tariffs he imposed “protect American workers and businesses,” without mentioning that those tariffs have also hurt many workers and businesses.

David French, the National Retail Federation's top government relations executive, tells *Fortune*, “Our hope is the next administration will move into a more comprehensive nontariff trade barrier discussion that includes multilateral negotiations. We'd love to be writing trade deals again.”

He's likely to be disappointed. As the campaigning heats up, Democrats will likely stand on Biden's record of imposing tariffs, pointing proudly to steeply increased tariffs on Chinese steel, aluminum, semiconductors, electric vehicles, batteries, solar cells, and more.

Trump goes much further, proposing a 60% tariff on all Chinese imports and a universal 10% tariff on imports from all countries—radically high and broad tariffs not



seen in the U.S. since World War II. Goldman Sachs calculates Trump's program would raise inflation by 1.1 percentage points and reduce GDP growth by a half point, a significant drop when GDP has most recently been growing at an annual rate of only 1.4%. Trump's tariffs would cost a middle-income household \$1,700 a year, according to the Peterson Institute for International Economics.

News that the U.S. is enthusiastically cranking up tariffs under both parties would have sounded otherworldly for most of the past 75 years. For the first portion of U.S. history, the bulk of the federal government's revenue—in some years nearly 100%—came from tariffs. The country began to trim its reliance on tariffs after a 1913 constitutional amendment allowed income tax. Then, at the end of World War II, 28 countries banded together to negotiate agreements that would reduce tariffs and other trade barriers, reasoning that lowering these barriers to free



**THE TARIFF GAP**  
Gap Inc. paid \$700 million in import duties in 2022, while Chinese fast-fashion company Shein paid nothing.

#### TO-DO LIST

## Whatever comes next, here's how U.S. companies can prepare

#### BRING IN DEDICATED POLICY EXPERTISE.

Says Theodore Bunzel of Lazard: "We're seeing a lot more companies designating a chief policy officer or chief geopolitical officer."

#### DO REALISTIC SCENARIO PLANNING.

What would your business do if a conflict—think Gaza or Ukraine—suddenly escalates? What if a major U.S. ally shifts its majority party in a national election, as the U.K. and France did recently? Apply such scenarios to an internal stress test: How would your business fare?

#### ACCEPT THAT LOBBYING DOESN'T WORK AS IT USED TO.

Pleas to Uncle Sam for protection based on national security will be received more favorably than traditional arguments based on economics.

#### RUN THE NUMBERS.

How would Trump's proposed 60% tariff on all imports from China and his universal 10% tariff affect your company and industry? What retaliatory responses seem likely? Consider adjusting your company strategy based on your findings.



trade would leave all the participating countries better off. That group's successor, the World Trade Organization (WTO), today has 164 member countries, whose progress over the decades has been dramatic. In 1948, the U.S. collected duties that were 14% of the value of all tariffed imports and 6% of total imports. By 2017, the respective tariff rates had plunged to 5% and 1%.

Then everything changed. In 2018, President Trump—who had famously tweeted that "trade wars are good, and easy to win"—followed through by launching a grand-scale trade war. He imposed a slew of tariffs that eventually covered Argentina, Brazil, Canada, China, the European Union, India, Mexico, and South Korea. Most of those countries quickly launched retaliatory tariffs against the U.S.—which in turn hurt American manufacturers' ability to compete in those growing overseas markets.

Result of the trade war: a draw at best. U.S. imports fell, but so did exports because of the retaliation, according to an extensive analysis, *The Return of Protectionism*, by researchers at several universities. (The pandemic did not distort the results, which were published in February 2020.) The authors found that U.S. consumers and firms that bought imports lost \$52 billion. And, the researchers observed, the tariffs appeared to be intensely political:



Industries that were protected by U.S. tariffs were concentrated in electorally competitive counties.

It doesn't sound like a policy triumph, or even a political one for Trump: Foreign retaliatory tariffs disproportionately hit industries in Republican counties, and of course Trump lost his bid for reelection. Yet while President Biden changed many of Trump's policies, he barely touched Trump's tariffs, keeping nearly all of those he inherited and adding many more, mostly targeting China.

"During the first couple years of this presidency, with the challenge of inflation, there was every incentive to think about ways to reduce inflationary pressure, including the reduction of tariffs—yet it appears that keeping the

#### SCORECARD

## Where the Democrats and Republicans stand on other issues business cares about

#### TAXES

The future of the wide-ranging 2017 Tax Cuts and Jobs Act, scheduled to expire at the end of 2025, is the big question. Trump, who signed it into law, wants to extend it. Democrats want to let it expire. Among the many changes for business if the law expires:

- Taxes on noncorporate businesses, like sole proprietorships, would rise.
- The corporate tax rate could rise from 21%, but exactly how much would be determined by Congress. The pre-TCJA rate was 35%.
- Companies would no longer be allowed to deduct the full cost of capital investments in the year spent, and instead would have to amortize the cost over a period of years.

#### REGULATION

Trump would roll back regulation, much as he did in 2017. The Democratic nominee would likely continue Biden's regulation of companies' actions affecting the environment, energy, finance, and mergers.

#### IMMIGRATION

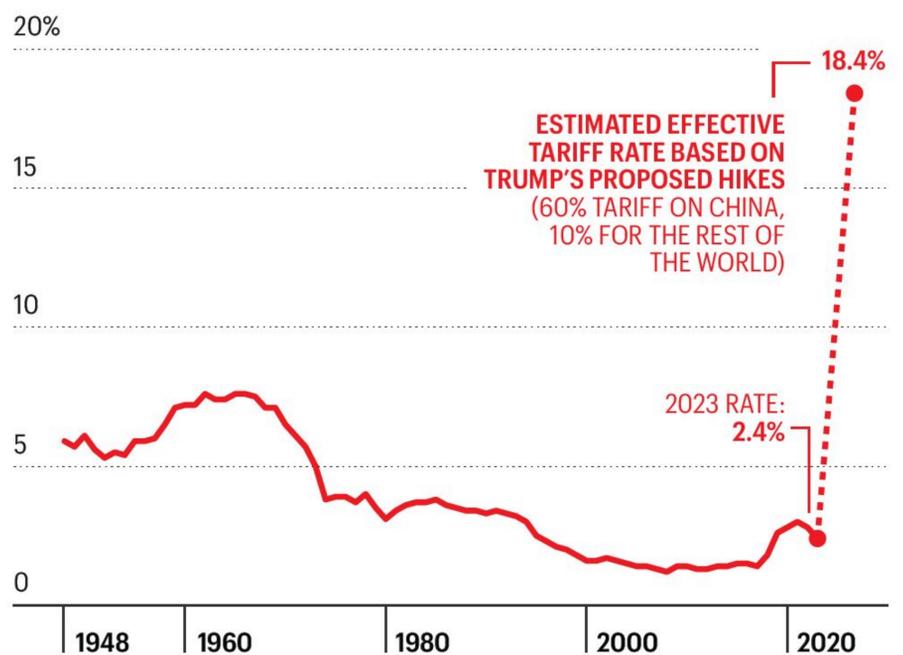
The Democratic Party platform will emphasize securing the southern border, consistent with Biden's recent toughened stance—increasing deportations and denying asylum to migrants who cross unlawfully. Trump has promised the "largest deportation operation" in U.S. history.

#### LABOR

The Democratic Party will strongly support labor unions. Trump has been courting union members, but as president he was not labor-friendly: The AFL-CIO called his record "catastrophic and devastating."

### EFFECTIVE U.S. TARIFF RATE ON IMPORTS

AVERAGE TARIFF PAID, AS A SHARE OF MERCHANDISE VALUE



SOURCES: U.S. INTERNATIONAL TRADE COMMISSION; GOLDMAN SACHS ESTIMATE

tariffs against China was a higher priority," says Theodore Bunzel, head of Lazard Geopolitical Advisory at the Lazard financial advisory and asset management firm. "That is striking in terms of the sea change it represents."

Put simply: U.S. protectionism, which reached its apex in the Great Depression and was nearly extinct by 2017, has been growing again, with bipartisan support.

Meanwhile, beyond tariffs, the geopolitical forces that prompted today's trade wars, prominently including the U.S.–China rivalry, have elevated business's role in policy. "CEOs today have a new job in Washington," says Klaus Kleinfeld, who dealt with trade policy when he was CEO of Alcoa and Arconic. "It's broader than tariffs." Companies and technology have become crucial players in international relations. "Corporations have increasingly become both the objects and instruments of foreign policy," wrote Lazard's Bunzel, Jami Miscik, and Peter Orszag in a recent article in *Foreign Affairs*.

Examples are everywhere. Elon Musk's Starlink satellite-based internet service plays a vital role in Russia's war with Ukraine. The U.S. forbids Nvidia from selling its most advanced chips for AI to China. The CHIPS and Science Act subsidizes semiconductor makers—American (such as Intel) and foreign (such as Taiwan's TSMC and South Korea's Samsung)—to build factories in the U.S.

Or consider Microsoft's April announcement that it was investing \$1.5 billion in G42, an AI company based in Abu Dhabi, capital of the United Arab Emirates. The

announcement didn't mention a critical element of the deal: that G42 would get rid of all its Chinese equipment, including that made by Huawei, the giant Chinese tech company that the U.S. considers a national security threat.

Business may have to face starkly different government priorities and geopolitical realities depending on who wins the election, with Democrats likely to follow Biden's lead on these issues. Biden embraced America's alliances, notably NATO, while Trump has disdained them, even threatening to take the U.S. out of NATO. Biden called Russian President Vladimir Putin "a killer," while Trump has often praised him. Biden refused to meet with North Korean leader Kim Jong Un without preconditions, while Trump met with Kim three times, saying they "fell in love."

Businesspeople like to say they can play to win if they know the rules. What they hate is when the rules keep changing. The outlook: With both political parties eager to reshape U.S. engagement in the global economy, wise business leaders will be checking the rules every morning.



## No matter who wins the election or how the next president manages U.S. trade, a few outcomes seem likely.

### Targeted countries will retaliate.

They always do, and have done so over the past six years. China, for example, retaliated against Trump's tariffs by imposing tariffs on U.S. agriculture products that China imports from several states. Those farm states may not have many people, but each has two senators who weren't happy. Trump learned that lesson and now promises to retaliate against the retaliators by enacting the Trump Reciprocal Trade Act, which he recently explained to a Wisconsin audience thus: "Reciprocal trade—that's you screw us, we screw you." Such tit-for-tat tariffs can escalate quickly.

### Foreign companies will find work-arounds.

Shein, a fast-growing fast-fashion Chinese retailer selling globally, uses a curious business model. Rather than shipping merchandise to the U.S. in large, economical containers for distribution to customers from U.S. warehouses, it mails U.S. customers' individual purchases direct from China. One reason: Packages valued at less than \$800 are exempt from U.S. tariffs. A congressional report says the American retailer Gap Inc. paid \$700 million in import duties in 2022 while Shein paid nothing—being the



exporter, not the importer—and the situation didn't help the American company compete with the Chinese one. While Gap Inc. likely passed along the cost of its tariffs to customers, driving up its prices, it's hard to imagine many of Shein's U.S. customers bought \$800 worth of \$7 sweat-shirts and \$1 earrings and had to pay duties.

### As protectionism expands, it will become complex and tangled.

The appliance maker Whirlpool's experience is cautionary. One of Trump's first trade actions was to impose steep tariffs on imported large residential washing machines. "It was a moment-in-time solution that allowed us to regain our competitive footing," says Whirlpool general counsel Kyle De Jong. "Eighty percent of what we sell in the U.S., we make in the U.S." But those measures expired in 2023, and now U.S. tariffs are working against Whirlpool. The company must pay tariffs on some component parts that are available only in China, but when those same components arrive in the U.S. inside Asian-made washers, they aren't separately tariffed. In addition, Whirlpool uses American-made steel to ensure a localized supply chain while avoiding tariffed imported Chinese steel. But De Jong points out that the company's foreign competitors can use that cheaper Chinese metal in their products. "That's the competitive dynamic we're concerned about," he says, "the unintended consequences for American manufacturing."

### Hurried tariffs may be the worst tariffs of all.

James Wallar, a retired Treasury official and trade expert, argues in a recent article that the Trump and Biden administrations opted "for speed and optics rather than careful analysis following international rules." Imposing tariffs on one country, as Trump and Biden have mostly done, is fast and easy for constituents and voters to understand. But significant change generally comes via multilateral negotiations, not piecemeal actions against individual countries. Wallar says the Biden administration undermined its own international profile and ability to exert pressure on other countries. Its quick and narrow tariffs on China "might look tough domestically—protection and tariffs are politically popular among voters," he says, "but it has diminished U.S. global leadership on trade policy and its effectiveness in promoting permanent change." ■

*Additional reporting by Alena Botros*

# LEADING THE CHARGE

## SPOTLIGHTING THE 25 COMPANIES SMASHING THE GLASS CEILING

BY RYAN HOGG

Research by Grethe Schepers

**FORTUNE'S** inaugural list of high-growth, innovative companies led by women offers a stark reminder of the state of play at the top of the corporate ladder: Women at the summit still have a long way to go in the search for equality.

To build this list, we looked at the fastest-growing companies across all sectors in Europe and selected those with women holding key positions that drove growth and innovation. That includes women working in roles like CEO, COO, and CCO, as well as in more explicitly innovation-oriented positions like chief AI officer, head of technology, or chief digital officer.

The 25 companies on our list represent standout leaders in a range of sectors, including banking,

cybersecurity, and retail, where a focus on equality has helped women move into positions of influence.

Combined, these 25 companies earned €18.7 billion (\$20.5 billion) in profits in 2023. They have also grown revenues at an average rate of more than 50% in the past three years, demonstrating that having smart women at the top pays dividends.

Milena Mondini de Focatiis, CEO of Welsh insurance firm Admiral, is one of the leaders driving that growth. She became the insurer's first female boss in 2021 and is on track to break the 10 million customer mark, as her group recorded a 31% jump in revenue last year.

Mondini de Focatiis is not alone on this list. Others, including Bene-

dicte Schilbred Fasmer of Norway's SpareBank 1 and Poppy Gustafsson of U.K. cybersecurity firm Darktrace, have also grown their companies as CEOs.

But inevitably, our list underscores the relatively small pool of companies with female leadership, and highlights that even when they reach the top, the glass ceiling persists in 2024. At *Fortune*, we believe in making business better—and as we build on this important list, we will champion more female leaders in the future.

### ON RUNNING TO SUCCESS

**SHOEMAKER ON** is one of our standout female-driven companies with innovation at its heart. Former triathlete and cofounder

Olivier Bernhard would experiment with cut-up pieces of garden hose for the first prototypes of a shoe that could help with injury prevention.

The retailer hasn't looked back since its 2010 launch. On has closed the gap with incumbents like Nike and Adidas by achieving average net revenue growth of 62% over the past three years, with sales





#### FEW, BUT MIGHTY

From left: Poppy Gustafsson, Darktrace; Britt Olsen, On; Hege Skryseth, Equinor; Milena Mondini de Focatiis, Admiral.

joined nearly a decade ago, the running landscape was quite different, and the typical running shoe was a far cry from the sleek, fashionable products you see on shelves today.

“Those were the days when you would walk into a run specialty store and look at a running wall, and it was almost as if everything had to be just incredibly awful-looking and poorly designed in order to be a good running shoe,” she says.

On’s CloudTec product has helped cement its highly recognizable cavernous soles in consumers’ minds, implicitly telling shoppers that running in its shoes is like running on a cloud. “We saw something really unique in innovation and product, and that’s what we stayed focused on,” Olsen says.

“There was no way at the time that we could compete with the marketing budgets of other brands.”

Olsen says On, which now employs around 2,300 people, maintains a startup mentality where moving fast is vital. The voices of Olsen and her female executive peers have helped them make the right decisions as they do so.

“Generally, I find that females can add a different perspective and often-times have a higher EQ,

topping \$2 billion last year.

The Swiss brand got a major profile boost in 2019 with an investment from tennis legend and countryman Roger Federer. It struck gold when runner Hellen Obiri wore its shoes in her victorious Boston Marathon races.

But it’s On’s female-filled C-suite who can claim credit for the explosive growth enjoyed by the

sports brand. Unusually for a company as big as On, women command multiple C-level positions there, including chief operating officer Jiahui Yin; Amanda Regele who heads up digital; and On’s chief commercial officer, Britt Olsen. The company’s leadership team is 45% female.

Such breadth of female influence in the C-suite is rare. According to S&P

Global Market Intelligence, the share of women at an executive level declined last year for the first time in two decades, making up just 11.8% of the 15,000 C-suite roles it analyzed.

For On’s Olsen, better representation has been pivotal to the group’s growth, which has helped its valuation double in the first half of 2023 to \$12.4 billion. When Olsen

# INNOVATORS, LED BY WOMEN

The inaugural Fortune Leading the Charge list looks at Europe's fastest-growing companies, and honors those with women in key leadership positions that drive innovation.

RANK	Company	Headquarters	% Ann. Rev. Growth*	Net Income € millions 2023	KEY WOMEN
1	EQUINOR	NORWAY	32.7	10,752.40	<b>Hege Skryseth</b> Executive Vice President and Chief Technology Officer
2	EUROCLEAR HOLDING	BELGIUM	70.9	4,223.90	<b>Valerie Urbain</b> Chief Executive Officer
3	SPAREBANK 1 SR-BANK	NORWAY	28.7	399.3	<b>Benedicte Schilbred Fasmer</b> Chief Executive Officer
4	ADMIRAL GROUP	U.K.	39.1	389.5	<b>Milena Mondini de Focatiis</b> Executive Director and Chief Executive Officer
5	HAFSLUND	NORWAY	96.9	381.2	<b>Toril Benum</b> EVP, Projects <b>Elise Horn</b> EVP, Corporate Development
6	LATVENERGO	LATVIA	36.7	349.7	<b>Ilvija Boreiko</b> Chief Development Officer
7	DINO POLSKA	POLAND	36.3	323.4	<b>Izabela Biadala</b> Director of Logistics and Warehouses
8	ARCADIUM LITHIUM	IRELAND	45.2	298.6	<b>Barbara Fochtman</b> Chief Downstream Operations Officer and Head of International Operations
9	AKER	NORWAY	49.1	288.6	<b>Lene Landoy</b> Senior Vice President, Strategy and Business Development
10	OAKNORTH BANK	U.K.	31.8	159.6	<b>Sharon Miles</b> Chief Operating Officer
11	LYSE	NORWAY	41.4	149.3	<b>Marianne Froystad Anestad</b> Executive Vice President of Infrastructure and Circular Energy
12	GLOBANT	LUXEMBOURG	37.1	143.4	<b>Patricia Pomies</b> Chief Operating Officer <b>Carolina Dolan Chandler</b> Chief Digital Officer
13	OMA SÄÄSTÖPANKKI	FINLAND	36.8	110.1	<b>Sarianna Liiri</b> CEO and Chief Financial and Administrative Officer
14	DARKTRACE	U.K.	38	100.3	<b>Poppy Gustafsson</b> Chief Executive Officer <b>Nicole Eagan</b> Chief Strategy and AI Officer
15	NOBA HOLDING	SWEDEN	53.6	94.5	<b>Malin Jonsson</b> Chief Operating Officer
16	PRIMEO ENERGIE	SWITZERLAND	44	91.3	<b>Laura Keshtmand</b> Head of Business Development
17	ON HOLDING	SWITZERLAND	61.5	85.5	<b>Jiahui Yin</b> Chief Operating Officer <b>Amanda Regele</b> Chief Digital Officer <b>Britt Olsen</b> Chief Commercial Officer
18	ALM. BRAND	DENMARK	42.6	82.1	<b>Anne Mette Toftegaard</b> Deputy Chief Executive Officer <b>Camilla Amstrup</b> Chief Commercial Officer
19	HEXATRONIC GROUP	SWEDEN	57.6	76.3	<b>Lise-Lott Schönbeck</b> Chief Marketing Officer
20	BETTER COLLECTIVE	DENMARK	53	39.8	<b>Petra Zackrisson</b> SVP of Growth
21	NNE	DENMARK	38.8	39.1	<b>Marianne Regin Palme</b> Vice President, Sales, Front-End and Innovation <b>Lotte Vistisen</b> VP, Process and Facility Design
22	CAMURUS	SWEDEN	72.2	38.8	<b>Agneta Svedberg</b> VP, Clinical Development <b>Behshad Sheldon</b> President
23	NCAB GROUP	SWEDEN	24.6	36.3	<b>Ann Juviken</b> Chief Digital and Information Officer
24	KEMPOWER	FINLAND	343.5	33.7	<b>Sanna Otava</b> Chief Operating Officer
25	ALFEN	NETHERLANDS	38.7	29.7	<b>Michelle Lesh</b> Chief Commercial Officer

\*3 YEARS THROUGH DECEMBER 2023; COMPOUNDED.

SOURCE: S&P CAPITAL IQ

or bring a vulnerability to a conversation and are not afraid to ask questions that sometimes feel scary or that people have a fear around asking," Olsen says. "So I actually find having a female voice in a room often gets a conversation much further along."

## NOT ENOUGH COMPANIES ARE FOLLOWING SUIT

**FEMALE-LED** C-suites are already a rarity, as are women in technical positions. Only 7% of Fortune 500 Europe companies are led by female CEOs, for example. That's a worse share even than the dismal rate in the U.S., where one in 10 women hold the top job.

Women make up just 8.3% of chief technology officer positions in the U.S., and are still overwhelmingly more likely to reach executive roles in fields like HR, finance, or marketing, according to KPMG.

There is just one female CTO among our top 25 firms, Equinor's Hege Skryseth. We do spotlight the occasional chief strategy and AI officer, including Darktrace's Nicole Eagan (a former co-CEO with Poppy Gustafsson). But typically women who rise to the top are more likely to occupy positions on the commercial or operational side.

Reflecting on these challenges, Olsen tells *Fortune*: "You can't be what you can't see, so representation matters." **F**



---

# WORLD'S LARGEST COMPANIES

---

▼  
In 2023, Big Tech once again expanded its footprint on our annual list of the world's largest companies. **Sequoia Capital**, the VC firm that seeded Fortune Global 500 giants like Apple and Nvidia, is a major force behind tech's inexorable growth; on page 34, we learn what makes it tick. We visit a **Volkswagen** factory to witness VW's tense battle with Chinese automakers for electric-car dominance (page 42). And we dig into the weight-loss-drug windfall that has turned **Eli Lilly** into the world's most valuable drugmaker (page 48). For the full scorecard of the winners and losers in global business, head to the **Lists** (page 56).

---



▼  
The low-key investor leads the famed venture capital firm that helped launch Apple, Google, and Nvidia. To keep Sequoia's 50-year winning streak alive in a changing industry, he's uprooting old habits and planting new seeds.

# SEQUOIA IS A VC GIANT. CAN ROELOF BOTHA KEEP IT GROWING?

▼  
By Michal Lev-Ram

▼  
PHOTOGRAPHS BY  
SPENCER LOWELL





**AT THE CROWN** of Roelof Botha's otherwise perfectly coiffed, light-brown head of hair, there's a small patch that's gone completely white. It's the result of a serious concussion Botha incurred in his twenties while playing rugby, his sport of choice in his native South Africa and in business school at Stanford.

That injury ended his playing days. But spend some time with Botha—who's now the head of Sequoia Capital, one of the oldest, largest, and most successful firms in venture capital—and rugby will come up again and again. Botha cites lessons from rugby in talks with founders and colleagues, and watches it devotedly while he exercises. The game has provided him with endless analogies about the value of teamwork and resilience—and some decent one-liners.

"Soccer is 90 minutes of pretending to be hurt when you're not," Botha tells me. "And rugby is 80 minutes of pretending not to be hurt, with blood spewing on your face."

While some soccer fans might quibble with the comparison, rugby is, indisputably, not for the faint of heart. Then again, neither is Botha's other

passion: venture capital. The industry that has become a financing pipeline for young, innovative, and risky companies is known for dramatic booms and busts—and it's coming off a particularly harrowing cycle. A COVID-era bump in demand for all things tech helped VC funds raise and invest record amounts in 2021, as an unprecedented 340 new U.S. startups achieved "unicorn" status, or valuations of \$1 billion or more. Then, in 2022, came a correction, triggered by high interest rates and a slumping stock market—a decline that bloodied balance sheets and left many people wondering whether the VC model itself was broken.

It's against this backdrop that Botha, who appears to be equal parts jock and nerd (a true unicorn) has taken the mantle. The former wunderkind and charter member of the PayPal mafia became senior steward, Sequoia's term for its top job, in July 2022. (After a reorganization, his title is now just "steward.") It's the culmination of a steady rise: Botha, who turns 51 in September, joined the firm in 2003 and had been running Sequoia's U.S. and Europe business since 2017, scoring lucrative wins over the years with investments in YouTube, Instagram, and Square, among other blockbusters.

All along, Botha has kept a low profile: "My inclination was never to run to

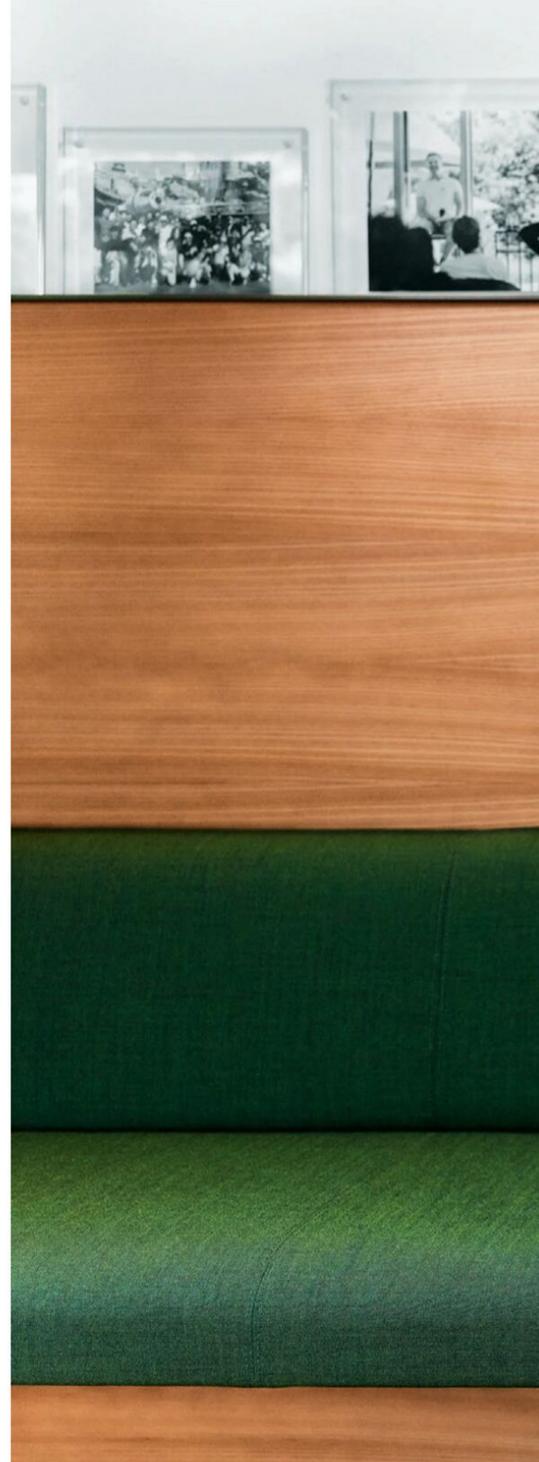
the spotlight," he says. But leading Sequoia comes with certain demands, not just to set strategy internally but to explain it externally. So far, Botha's run has coincided not just with VC turmoil but with blunders specific to Sequoia (more on that shortly). Still, the firm has ridden out the downturn better than most. It distributed more than \$43 billion to its investors over the past five years, including \$10 billion in 2023. Its limited partners, largely made up of endowments, charitable foundations, and nonprofits, seem satisfied: Indeed, the base of investors in Sequoia's primary fund grew slightly from 2022 to 2023, from 354 to 358.

It helps that the firm has delivered hit after hit, decade after decade. Sequoia has led investments in tech titans including Apple, Cisco, and Google, plus newer names like Nvidia, Airbnb, DoorDash, and WhatsApp, minting billions in returns along the way. More than 25% of the overall market capitalization of the Nasdaq—more than \$7 trillion, as of mid-July—is composed of Sequoia-backed companies. Sequoia's kingmaker position is also evident in less quantifiable ways: Securing dollars from the firm is one of tech's ultimate seals of approval.

That stellar reputation is precisely what makes Botha's job so hard. The task isn't so much to fix what's broken as it is to keep what

works from breaking—and not to be the guy who ends a five-decade winning streak. And what's kept Sequoia at the top in the past won't necessarily keep it there—especially in a VC industry that's scrambling to adapt. "I want Sequoia to thrive," says Botha. "At an organization that has achieved [so much], this is more daunting. It's much easier to be the underdog."

That said, there's a reason Sequoia is the alpha: Its culture from the get-go has been one of near-paranoid competitiveness, ruthless honesty, and a constant need for change. Botha has become a paragon of these qualities: His probabilistic-thinking acumen and factual





#### WALL OF FAME

Botha at the café in Sequoia's headquarters, backed by photos of founders including Elon Musk (second photo from left); Sergey Brin and Larry Page of Alphabet (third from right); and Jensen Huang of Nvidia (far right).

to die," says Julia Hartz, cofounder and CEO of ticketing platform Eventbrite, one of Botha's investments. "It's so Sequoia to take founders out and try to kill them just to prove a point."

While this year's weather was milder, the tone set by Sequoia was similarly ascetic. The message, repeated in toasts and talks and even spelled out in a book given to founders, was clear: Being an entrepreneur, especially one backed by Sequoia, means embarking on a journey that requires intellectual honesty and grueling work. Shared outdoor bathrooms? Sleeping in yurts? These elements were to be embraced, not just endured, in the spirit of building grit and resilience.

Sequoia has long been known for this demanding, direct ethos. The approach isn't just for founders: Its internal culture is one of radical candor and open disagreement. Partners have veto power over deals. For each funding decision, the process includes a "blind" pre-vote meant to discourage groupthink. Botha sometimes pushes partners to reargue a case if he feels they're being *too* positive.

The steward has also welcomed pressure-testing from Sequoia's own investors. "He's always looking for critical feedback, which is not something you hear from many firms," says Eric Doppstadt, chief investment officer of the Ford Foundation, the first

recall make him a force at decision-making time; his intense curiosity helps him question old ways of deciding. Partners credit him with reshaping the way Sequoia thinks—just in time for a moment of industrywide reset (not to mention an AI revolution).

"We're only as good as our next investment," Botha and his partners like to say. But any fear of failure on Botha's part is tempered with a relentless drive to master whatever he pursues, something he internalized as a boy in South Africa, and, yes, on the rugby field. Using the ultimate sports aphorism, the steward of Sequoia told me any chance he got, over the course of several interviews:

"Winning isn't everything, it's the only thing."

● **IN MID-MAY**, Sequoia gathered its partners and founders for a two-day retreat on a cattle ranch in California's San Benito County. The dusty but picturesque venue was nestled so deep in rolling hills that there's little cellular reception. There wasn't even an address—invitees were sent a set of longitude and latitude coordinates and told to download directions before they lost signal.

Dubbed Base Camp, Sequoia's far-from-Silicon-Valley get-together is a fixture for its portfolio companies. Founders from all over the world attended

this year's event, which featured master classes on "effective founder storytelling" and "clear thinking," plus a paella dinner under the stars. There were talks from Jensen Huang of Nvidia (a Sequoia investment in 1993), Fidji Simo of Instacart (Sequoia-funded in 2013), and the former captain of South Africa's rugby team (of course), who bore an uncanny resemblance to Botha.

But Base Camp is also about camping. Just a short walk from the barn where the talks took place was a grassy field dotted with neat rows of cream-colored yurts, the sleeping quarters for attendees. "The first year, it was so cold I thought we were going

LP to invest in Sequoia.

Since taking over, Botha has had ample opportunity to receive such feedback, both solicited and unsolicited. There was the firm's 2023 decision to decouple from its China business, partly because of deteriorating relations between the U.S. and China—a move some thought was

overdue. A boardroom spat last winter at Swedish fintech Klarna, involving former and current Sequoia partners, created embarrassing optics.

But perhaps the biggest blight was the collapse of cryptocurrency exchange FTX, in November 2022. Sequoia invested \$150 million in FTX, all of which

it lost, and critics savaged the firm for failing to better vet the company. (FTX founder Sam Bankman-Fried was later convicted of a massive fraud.) Botha ran to the fire: He quickly organized a call with investors both to apologize for the massive loss of capital and to offer concrete ways Sequoia would improve its due diligence.

LPs were mollified, and some were impressed. It was yet another twist in a rocky year—and another reminder that the firm can never stop adapting. “It’s not a profession where you master it and you’re done,” he says. “The business keeps changing, and the technologies you invest in keep changing, and you need to constantly reinvent yourself.”

One of the ways Botha has tried to reinvent Sequoia is by departing from the traditional 10-year cycle of VC funds. Such funds usually reap their returns through startup “exits”—IPOs or acquisitions. But they often miss out on the enormous value created if a company soars after its IPO. What’s more, funds’ 10-year timelines can induce angst when exits slow down owing to short-term market downturns.

That’s why, in February 2022, Botha launched the Sequoia Capital Fund, an “open-ended liquid portfolio” whose holdings include post-IPO equity in portfolio companies, along with allocations in more traditional funds.

The firm is going all in, reorganizing itself around this new structure. Botha’s timing was unlucky, as tech stocks tanked that year. But in some ways, that was the point: The strategy is meant to help Sequoia capitalize on investments over the long term, whether the market is up or down.

Botha talks about market volatility—indeed, about most things—without sounding especially up or down. At times, listening to him is like reading the world’s most eclectic encyclopedia. Botha is measured, analytical, methodical: He can barely have a conversation without bringing up probability distribution curves. He can break down the impact of cold-water currents on Bay Area microclimates just as easily as he explains the workings of a rugby scrum. Even when telling jokes (he keeps a book of them at his bedside), he delivers humor with a didactic twist.

But everything he says is tinged with the soft accent of Afrikaans, his mother tongue. That’s a reminder of the unusual path that eventually led him to Sequoia—and of the hidden layers of his personality.

● **“DID YOU KNOW** he makes jerky from exotic meats?” Hartz of Eventbrite tells me. “Seriously, you should ask him what he eats for breakfast.”

The next time I see Botha, I do just that, and he proceeds to rattle off the day’s protein-heavy menu.

#### EARLY BETS ON FUTURE GIANTS

## Sequoia’s Global 500 Footprint

THE 52-YEAR-OLD VENTURE CAPITAL FIRM HAS BACKED SEVERAL OF WHAT ARE NOW THE WORLD’S BIGGEST COMPANIES BY REVENUE. AMONG THEM:

RANK

**7**

**APPLE (2023 REVENUE: \$383.3 BILLION)**  
Sequoia founder Don Valentine’s first investment was in video game company Atari. Impressed by a young employee at Atari—a guy named Steve Jobs—Valentine put \$150,000 into Jobs’ computer startup in 1978. Apple is now worth over \$3 trillion.

RANK

**17**

**ALPHABET (\$307.4 BILLION)**  
Sequoia paid about \$12 million for a roughly 10% stake in Google in 1999. And Roelof Botha, then relatively new at Sequoia, invested in video service YouTube in 2005, scoring a hefty gain when Google bought it a year later. Google is now the biggest division of Alphabet.

RANK

**66**

**META PLATFORMS (\$134.9 BILLION)**  
While Sequoia didn’t back the company once known as Facebook, it funded two of its most popular services. In 2012, Botha led Sequoia’s Series B investment in Instagram, which Facebook bought for \$1 billion later that year. The firm invested in WhatsApp in 2011; Facebook bought it for \$19 billion in 2014.

RANK

**222**

**NVIDIA (\$60.9 BILLION)**  
Sequoia was an investor in the GPU chipmaker’s first round of financing in 1993—six years before Nvidia’s IPO and almost three decades before the company became central to the AI economy. Nvidia joined the Global 500 this year after notching 126% year-on-year revenue growth in 2023.

RANK

**246**

**CISCO SYSTEMS (\$57 BILLION)**  
Sequoia bought a reported 30% stake in the networking and connectivity giant in 1987, three years before it went public. In 2000, Cisco became the first company ever to attain a \$500 billion market capitalization.

# \$43B

## GAINS RETURNED TO SEQUOIA INVESTORS

from 2019 through mid-2024. That's more than in the previous 45 years combined, a big achievement at a time when "exits" for startup companies have slowed notably.

"This morning, it was some raw salmon and chicken meatballs," he says. "Yesterday I had bison." Venison, impala, and whole chickens—we're talking feet and head still on—are also staples in Botha's fridge. (A private chef handles the decapitating and cooking.) The avid foodie likes to say that a meal without meat is a snack—a common attitude in his home country.

Botha was born to a pair of star-crossed teenagers in Pretoria in 1973. His parents split when he was 3; he grew up with his mother but remained close to his dad's side of the family. He is named for his paternal grandfather, an Afrikaans tradition. "At my baptism, there is a photo of four generations of Roelof Bothas," he says: his dad, his grandfather, his great-grandfather, and himself. (Later, his dad would have another son and name him... Roelof Botha.)

It's Botha's grandfather who loomed largest in his life. Nicknamed Pik, the elder Botha served as South Africa's foreign minister in the last years of the apartheid regime, later joining Nelson Mandela's government after democratic elections ended apartheid. As a child, Botha had rare exposure to global dignitaries and business leaders who came to meet his grandfather. One of his earliest

memories is of walking in his grandfather's garden with Pik as journalists photographed the two of them. "I had a sense of the impact that somebody can have in the world," he says of those days.

But that understanding went hand in hand with immense pressure. "It's a little bit of a burden you carry," says Botha, "that I'm named after this person, and I have to live up to this person." There was another downside: Some assumed that any recognition he received was the product of nepotism. "No matter how well he did in something, it must have been because of... well, you can finish that sentence," says Doug Leone, Sequoia's former senior steward, whom Botha succeeded in 2022. "And that just drove him crazy."

It also drove him to distinguish himself. In elementary school, Botha scored so high on an aptitude exam that the district brought in a psychologist for an assessment—and to make sure he wasn't cheating. He studied up on how to study, reading books about best test- and note-taking tactics. (His handwriting is freakishly neat.) In college, he picked one of the most grueling majors, actuarial science—and earned the best undergraduate grade point average in the history of the University

of Cape Town.

Botha applied the same drive to his extracurriculars: playing for the top rugby team at his high school, competing in math and science "Olympiads." It was around this time that the family doctor approached his mom and stepdad to express concern that Botha would burn out because of his obsessive studying and the intensity with which he approached pretty much everything. His response was to double down. "I was like, I'll show you," says Botha. So straitlaced and focused was he that it was his mom who suggested he get an earring. He refused. To this day, Botha doesn't curse, saying that profanity is a "sloppy" way of expressing yourself.

Despite his stellar record in South Africa, Botha felt that the only way to truly make a name for himself was to go somewhere where his name didn't mean anything to anyone. After college, Botha worked for consultant McKinsey's local office, where one of his managers, a Stanford alum, suggested that Botha apply for its business school. Botha made the cut, packed his bags, and landed in Palo Alto at the age of 24.

Soon enough, he fell in love with Silicon Valley and its seemingly endless opportunities—and with his

future wife, Huifen Chan, a fellow Stanford student. True to his track record, Botha graduated at the top of his class—this time without anyone assuming he had received preferential treatment. And yet it was a South African connection that propelled him into the center of the action.

● **IN THE FALL OF 1999**, a Stanford classmate introduced Botha to Elon Musk, a fellow South African who was running an online bank called X.com. Musk saw something in Botha and worked hard to persuade him to come to X.com, which was about to merge with another firm to create what would become PayPal.

Botha, who had assumed he'd end up working with something cerebral like exotic derivatives, finally joined the startup in the spring of 2000. "I took the plunge," says Botha. "And then, two weeks later, the Nasdaq crashed." But even in those dark moments, there was the thrill of being a part of something potentially big and belonging to a team of intense, opinionated high performers. This was the group that *Fortune* later christened the PayPal mafia—a cadre of future A-list investors and founders that also included Peter Thiel, Max Levchin, and Reid Hoffman.

For all its talent, PayPal faced significant obstacles—including, increasingly, Musk himself. Musk was advocating unpopular moves, like killing off the PayPal brand even though consumers liked it. Botha became part of a core group that campaigned to remove Musk as CEO. “There were a lot of people at the company who thought I was his golden boy,” says Botha. “But he was not running the company well.”

While Musk was on his honeymoon, Botha and other mutineers met with PayPal’s lead investors to make their case. Those investors? Sequoia Capital. Musk was soon ousted, and Botha caught the eye of Sequoia partner Michael Moritz, who sat on PayPal’s board. Botha later became CFO, and working with Sequoia on PayPal’s IPO deepened the relationship.

Sequoia was already a Silicon Valley legend. Don Valentine, a former semiconductor exec famed for his eye for talent and his appetite for risk, started the firm in 1972. His first investment was in a fledgling video game company called Atari, which eventually sold to Warner Communications for a then unheard-of \$28 million, a 3x return. An even better return on that investment was an introduction to a young technician at Atari: Steve Jobs. In 1978, Valentine put \$150,000 into Apple, and the rest was tech history.

In 2003, after a months-

long interview process, Botha was on the verge of getting an offer. But some Sequoia leaders worried that Botha was missing a critical strand in his DNA: a humanity gene, as Leone calls it. Leone recalls partners wondering: “Is he normal? Can we work with him? Can he be part of a team?” Leone says Valentine himself wondered how Botha would handle failure, given that he’d had so much success. (Valentine died in 2019.)

Leone was tasked to suss out what Botha was really like. “When I started going there, we talked a lot about rugby,” says Leone. “I don’t know rugby, but Roelof swears there is no team sport like rugby.” And talking about extreme competition and teamwork, it turned out, uncovered Botha’s emotive side. Indeed, those who know Botha best describe him as unexpectedly sentimental. (During our conversations, Botha teared up several times—once, for example, when talking about his late stepfather, who played a pivotal role in his life.)

Proving his ability to emote was critical to Botha’s hiring; keeping feelings in check eventually proved just as important. Botha hit a home run early on, investing in 2005 in a little-known video-sharing site called YouTube, which Google acquired for \$1.65 billion just a year later. But then he entered what VCs call the Valley of Despair—when bets aren’t

paying off, or worse, are leading to loss after loss.

Botha credits Leone and Jim Goetz, another senior partner, for supporting him without coddling him. The experience gave Botha empathy for the failures that almost all founders go through. He often talks about “crucible moments” that shape the trajectory of a company or entrepreneur. This was one of his own.

He eventually snapped his losing streak, investing in companies including Instagram, Tumblr, and genetic-testing company Natera, all of which earned substantial exits. For years, Botha wrote “10 to the power of 9” at the right-hand corner of each sheet of paper in his copiously filled, impeccably legible notebooks. It was a reminder of a goal he had set for himself: to produce \$1 billion in gains for Sequoia. He hit that milestone in 2015.

He also repaired the relationship that had launched his Silicon Valley career. About a decade ago, Botha and Musk sat down for lunch. For the first time, they spoke about their upbringing in South Africa. “We both felt empathy for each other,” says Botha. “That rekindled our ability to have a conversation.”

It also opened the door to investments in Musk’s new companies. In May 2022, Sequoia announced that it had contributed to Musk’s \$44 billion takeover of Twitter, creating

the roller-coaster-riding company now known as X. Sequoia was not an early backer of SpaceX, to Botha’s regret, but it placed a late-stage bet on the company in 2019. And this year, it invested in yet another Musk company, participating in a \$6 billion round of funding in xAI—part of a focus on artificial intelligence that has become a hallmark of Botha’s stewardship.

**● SEQUOIA IS NO AI** newbie. The firm put money in OpenAI in 2021, before ChatGPT was cool. But under Botha, it has increased the intensity of its AI focus: Last year, 60% of Sequoia’s new investments were AI-focused; in 2024 so far, it’s made at least 10 such investments.

When I talk with Botha in mid-June, he’s pondering a new puzzle: AI’s sky-high computing costs. “It’s unsustainable at this level,” he says. But he’s jazzed about a new Sequoia startup called Fireworks. He explains that its goal is to make inference—the process of deploying AI to draw conclusions from new data—“way less expensive.” The company that reaches that goal, he implies, could have Google-like upside.

Whatever tech Sequoia is assessing, Botha wants it to do so with a fresh mindset. Jim Goetz, who was Sequoia’s steward for the U.S. and Europe until he passed the baton to Botha in 2017, says Botha has reshaped the firm’s decision-making

**SEEDLINGS**

Sequoia partner Jess Lee speaks with founders at an event for Arc, the firm's new "immersion program" for very-early-stage startups.



strategy in fundamental ways. Botha has rolled out “pre-parades”—thought experiments in which partners imagine not just what can go wrong but the best-case scenario of each potential investment. He’s also brought in learnings from behavioral psychology, including prospect theory, which asserts that people feel losses more deeply than gains, sometimes leading to faulty decisions. “We’ve modified our entire investment process to benefit” from such approaches, Goetz says.

Botha has also emphasized becoming more friendly and transparent with entrepreneurs. Sequoia’s longtime king-maker status led it to come across as elitist to some. But Botha has helped combat that perception, multiple founders told me.

Jack Dorsey first pitched Sequoia on his payment player Square in 2010.

“They were preachy and condescending,” Dorsey says of the firm; still, he wanted, and eventually got, Botha on his board. “As the former CFO of PayPal, Roelof had a bunch of experience we wanted,” recalls Dorsey. “The most helpful thing that any board member can do is provide context, and he’s done a lot of that.”

Botha, Dorsey adds, remains “the only investor that’s reached out to ask what his firm can do better.” (Dorsey told Botha that Sequoia should encourage more engineers to contribute to open-source code; Botha took it to heart, starting an open-source fellowship program.) Today, Botha remains a director at Block, the company Square eventually became a part of; he also sits on the boards of eight other companies, including MongoDB and Unity Technologies.

Kevin Systrom, the cofounder of Instagram, says his relationship with Sequoia, which joined his series B round in 2012, was also built on rapport with Botha. “He’s not your typical VC sales guy archetype, where he’s schmoozing you and taking you to play golf, and I really found myself drawn to that,” says Systrom.

Today, Botha says his biggest priority is keeping Sequoia involved throughout the life cycle of great companies—getting in on very-early-stage deals and staying invested even as they grow past the startup stage. It’s a huge competitive advantage, he asserts, to be able to partner with companies from concept to long after an IPO.

One initiative with that aim, launched in 2022, is Arc, an “immersion program” for early-stage startups. Entrepreneurs accepted into the five-week

program are taught “the Sequoia way to start, build, and scale enduring companies.” They’re also given funding—and the right to say they raised money from Sequoia. “There’s a lot of folks who would probably say, ‘Just don’t do that, just go invest,’” says Jess Lee, a partner on Sequoia’s early-stage team. But Botha, she says, “is willing to both fund and invest and believe in those new ideas.”

Innovating is critical, says Botha, given the iffy landscape for startup exits. Historically, slightly more than half of Sequoia’s exits have been through M&A. As regulators have moved to curb Big Tech, however, it has become difficult for companies to get acquired. This concerns Botha, who sees the overall health of the VC sector as vital to the broader economy. “I don’t think you can find a single technology company that is a public company in the last 20 or 30 years that wasn’t VC-backed along the way,” he says.

As for his own success, he’s changed the metrics. It’s no longer his own goals, or the “10 to the power of 9” number in the corner of his notebook: It’s collective success that counts. “For me, it’s not personal winning now,” says Botha. “It’s the winning of us as a team.” And a tight-knit team is invaluable—because in venture capital, just like in rugby, another fiercely competitive scrum is always just around the corner. **F**



▲ **FLOORING IT** Workers assemble EVs at a retrofitted Volkswagen plant in Zwickau, Germany, that used to produce the VW Golf.

# INSIDE VW'S EV COMEBACK



## Volkswagen

RANK  
11

COUNTRY  
GERMANY

2023 REVENUE  
\$348 BILLION

▼  
**First Tesla outmaneuvered Volkswagen. Now Chinese EVs are challenging VW's dominance. The world's largest automaker was late to the EV revolution, but it's racing to catch up by reaching into its deep pockets and leveraging its massive scale.**

▼  
**By Vivienne Walt**

▼  
PHOTOGRAPH BY  
**ANDREW WHITE**



**ABOUT 180 MILES** south of Berlin sits the small town of Zwickau, home to a sprawling Volkswagen factory—and a perfect encapsulation of the past century's epic history. Generations of German autoworkers have built cars in the area, since the dawn of the combustion engine in the early 1900s, through the Nazi regime, the devastating Second World War, and decades of Cold War isolation from the West, when Zwickau's auto production was a prized Communist asset in the heart of East Germany.

But step inside the Zwickau factory now and the clanging noise of robots and steel car parts is the soundtrack of a new epic drama—one that will define the \$4 trillion global auto industry for decades

to come: the EV revolution. Here in Volkswagen's first all-electric car factory, the company is live-testing the strategy for its long-term growth, in which EVs will become an ever bigger part of the world's auto market.

The question in this new battle is not whether Volkswagen can survive the world's steady shift from the combustion engine vehicles that it began making 87 years ago; its endurance seems assured. Last year it earned a whopping \$348 billion in revenues and delivered 9.24 million vehicles. On the 2024 Fortune Global 500 list, the group—which comprises the Volkswagen brand, Audi, Porsche, SEAT, and several others—is the world's biggest carmaker and Europe's biggest company. Globally, it's the 11th largest corporation by revenue.

Rather, the question is whether Volkswagen can successfully pull off a transition to electric vehicles quickly and efficiently enough, as the

global EV market begins to lift off in earnest and competition for EV tech and raw materials heats up among China, the U.S., and Europe. The answer could determine whether the manufacturing giant emerges a winner in this new EV age, or whether it will be outwitted and outpaced by nimble newcomers. And as more Chinese electric cars surge into global auto markets, other legacy carmakers will likely face the same dilemma.

As Volkswagen is discovering, increasing one's odds in the contest is both complex and dizzyingly expensive, with no leeway for slow-footedness. It launched its EV strategy only in the mid-2010s, years after Tesla and China's BYD had sold their first electric cars.

In Zwickau, Volkswagen plowed more than \$1.3 billion over the past five years into turning its combustion-engine factory into the company's first pure-EV production facility—a top-to-bottom retrofit that it now regards as its blueprint for how to transform some of Volkswagen's other 120 plants globally. Despite the investment, Zwickau is falling short of expectations: Two years after the first EVs rolled off the assembly line, production figures are slipping, from 247,000 in 2023 to a projected 220,000 cars this year.

Even so, Volkswagen is pushing ahead with

plans to increase its EV output hugely in the coming years, no matter the expense, including aiming to sell 4 million EVs in China by 2030, and for more than half of cars it sells globally to be electric by then. A lack of action, it believes, could prove far more costly.

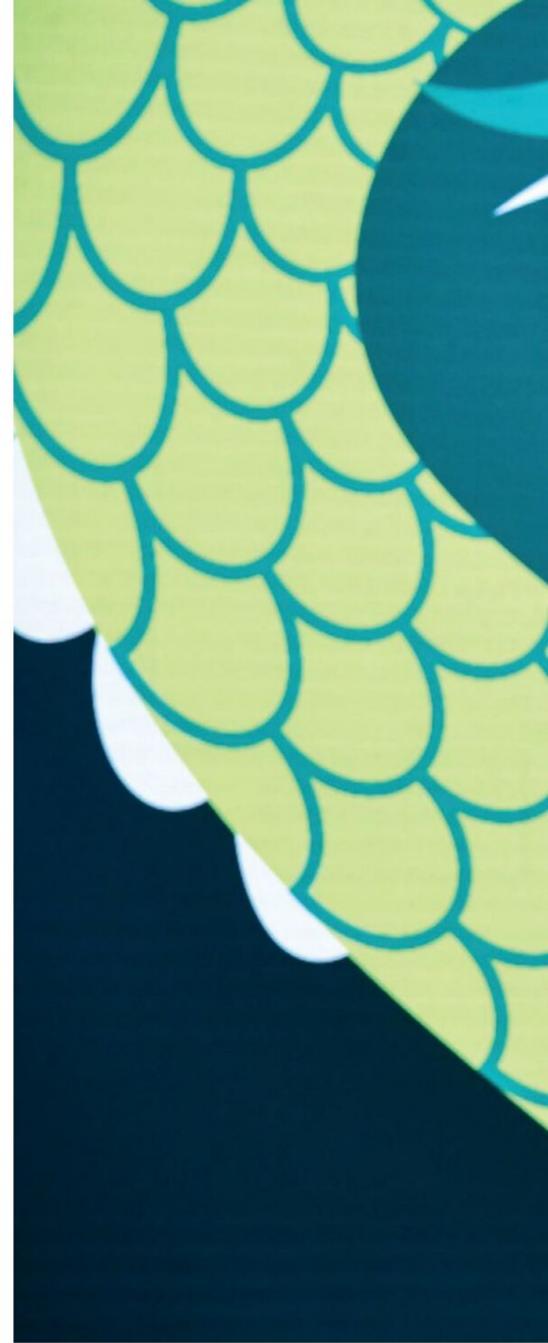
Volkswagen's EV plan revolves around creating and increasingly acquiring battery technology and platforms that can work across multiple models, leveraging its giant size.

"We are very committed to our strategy," Volkswagen CEO Oliver Blume tells *Fortune*. Proof of that, he says, is the roughly \$130 billion the company has committed to a massive EV ramp-up over the next five years, of which Zwickau is a key element.

“

THERE IS AN ADVANTAGE TO BEING BIG, AND THERE IS A DETRIMENT TO BEING BIG. THE NEW PRODUCERS CAN BE LIKE SPEEDBOATS.”

**JOE MCCABE**  
CEO, AUTOFORECAST SOLUTIONS





For years, many insiders questioned the need for such a mammoth investment in electrification. But that internal debate is now settled, according to Blume. “I think that electromobility is the prime technology of the future for the automotive industry,” he notes, fresh from signing a \$5 billion partnership with California electric carmaker Rivian to jointly develop next-generation EV software.

The question for Volkswagen is whether its deep pockets and huge scale of production can be harnessed in the transition, or whether its sheer size will slow it down. “There is an advantage to being big, and there is a detriment to being big,” says Joe McCabe, president and

▲ **IT’S ELECTRIC!** CEO Oliver Blume pumped the brakes on plans for Volkswagen to go all-electric.

CEO of AutoForecast Solutions, industry data analysts in Chester Springs, Pa. “The new producers can be like speedboats.”

● **THE LAST TIME** *Fortune* visited Volkswagen’s massive German auto plants, in early 2022, just that kind of “speedboat” had roared up: Tesla. Elon Musk’s spectacular growth in EV sales had turned Tesla into a leader in electric cars in both China and the U.S., virtually inventing the global EV market in little more than a decade. By 2022, Musk had his sights set on Europe, a market of 450 million

people with long-held loyalty to indigenous brands like Volkswagen, BMW, and Mercedes. Adding to Volkswagen’s discomfort, Musk had broken ground on Tesla’s first European gigafactory, a three-hour drive east of Volkswagen’s iconic headquarters in Wolfsburg, Germany.

While Tesla’s factory had not yet opened at that time, its threat was already clear in Wolfsburg. Then-CEO of Volkswagen Herbert Diess told *Fortune* at the time that the company’s sluggish response to the EV revolution was the result of its vast size—Volkswagen employs about 680,000 people across the world, more than half of them in Germany. Diess called it “an empire” that had been lulled into feeling “rock-solid and unbeatable.”

Today that sense of invincibility has left Volkswagen, and so has Diess, whose exit in September 2022 came after tensions over his push to develop EV software from scratch. The resulting Cariad software division was plagued with glitches and delays, costing the company valuable time in rolling out electric models.

But even with new partnerships, Volkswagen, as well as Tesla, now confronts the threat from a far bigger “empire”: China. The rise of Chinese EVs has stunned lawmakers in the U.S. and Europe.

The sales of Chinese electric vehicles are still relatively small in Europe,

and are largely unavailable to American buyers owing to a mix of tariffs and restrictions on some critical minerals from China.

But it is not the sales figures themselves that are spooking Western governments and auto giants like Volkswagen. It is the speed at which those figures are increasing—echoing for many Tesla’s unexpected surge into the market 15 years ago. China’s total car sales have accelerated at a mind-boggling pace, increasing more than fourfold this century, from about 6 million combustion-engine and electric vehicles in 2000 to about 26 million last year, compared with total car sales of 17 million in the U.S. and 13 million in Europe. About 14 million EVs were sold globally in 2023, of which 60% were in China, according to the International Energy Agency.

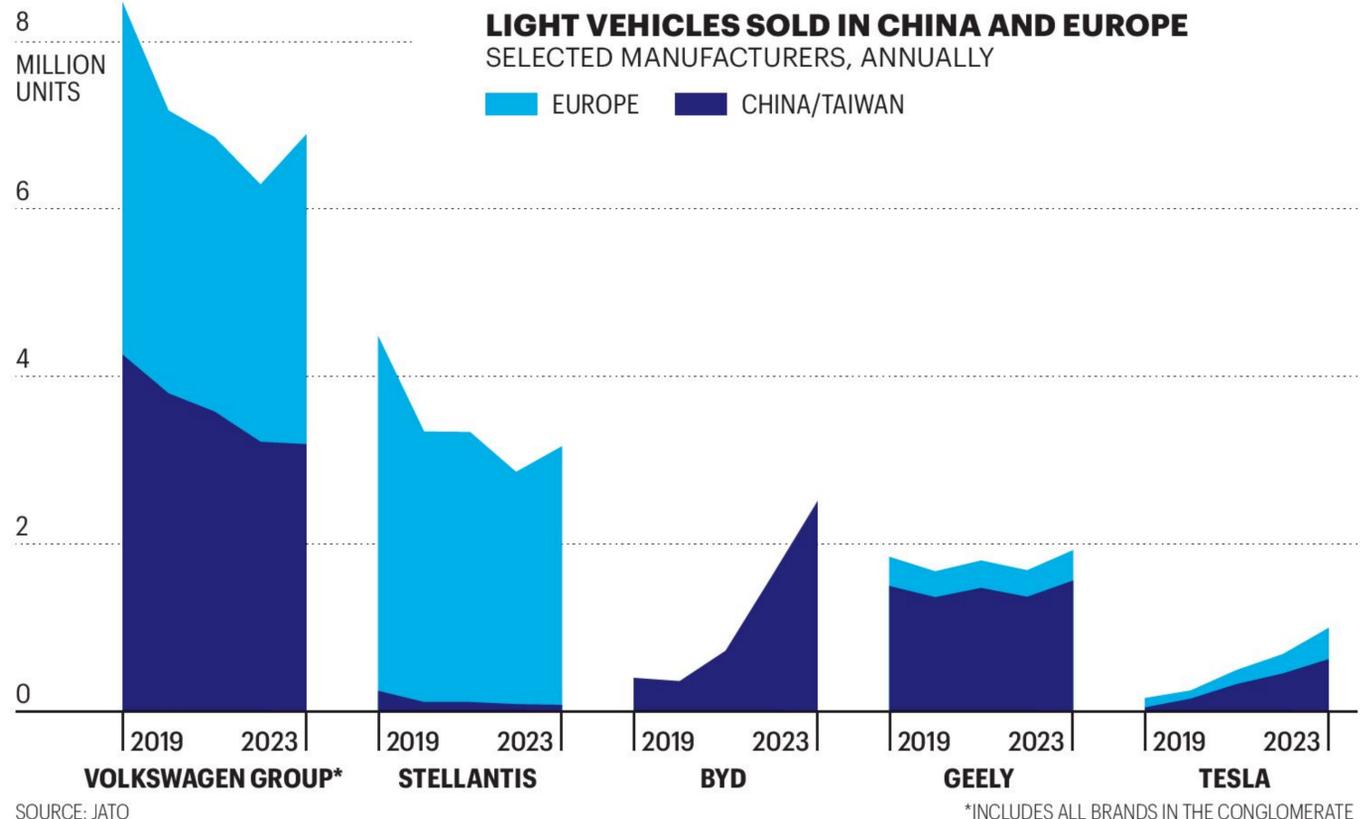
Last year, the Shenzhen producer BYD, China’s largest EV company, overtook Tesla for the first time as the world’s biggest electric-car seller, tripling its exports in just one year, in part by shipping thousands of vehicles to Europe, where it has opened sales rooms in Stockholm, Paris, and Berlin. While BYD’s Europe business represents less than 1% of its global sales, that share could increase sharply once BYD’s first European factory opens in Hungary next year. “The sales are still very low, but the quality is high, and they have

a good pricing system,” Jens Katzek, head of the Automotive Cluster East Germany, a regional industry group, says of Chinese EVs. Last year, China’s EV producers sold 4.66 million vehicles globally versus Tesla’s 1.81 million and Volkswagen’s 770,000.

When I arrived in Zwickau in late June, millions of Europeans were glued to their TVs, watching the European Championships—a monthlong soccer extravaganza featuring 24 countries. Few fans would have missed seeing the premier car sponsor, BYD, whose three letters were splashed across the edge of the pitches. It was a striking change from previous tournaments, when Volkswagen had been the partner. The switch stung—especially in Zwickau.

“It was really on the minds of people,” says Katzek. “People realize suddenly, there’s something from far away you’d never heard about before.”

Like the U.S. government, the EU has scrambled to try to ward off the impact of Chinese EVs, and to protect a century of carmaking prowess. After a six-month probe, it announced in June that it would impose steep tariffs on Chinese EVs starting in October, including a 17% tariff on BYD cars, on top of existing 10% import duties, and a 38% tariff on SAIC—the Shanghai carmaker with which Volkswagen formed its first Chinese joint venture when



it arrived in China in 1984.

The Volkswagen group built a huge business for itself in China in the decades before those Chinese automakers took off. It has 39 auto plants in China, a workforce of more than 90,000, and an estimated 3,000 dealerships. “That’s a big network,” says Blume, who did his PhD studies in Shanghai. “We count on a strong relationship in the country.”

Even so, that relationship might not sustain sales as the country increasingly shifts to EVs. Last year, BYD overtook Volkswagen-branded cars as the top seller (of both fossil-fuel and electric cars) in China. The Chinese market is saturated with more than 100 EV companies that have slashed prices in a struggle to survive; more than 12 manufacturers

shuttered production in 2023, according to a Chinese industry association. Added to that are a raft of incentives for consumers to buy Chinese-made EVs rather than fossil-fuel cars, including quicker delivery times and cheaper registration fees.

More and more, the EV factories that do survive, like BYD and its smaller competitors Nio and XPeng, produce high-end cars with state-of-the-art technology—often outshining old Western partners like Volkswagen.

That much was clear at the Beijing Auto Show in April, where 900 exhibitions drew large crowds. “The non-Chinese stands had no interest from the public or the press,” recalls Felipe Muñoz, senior global analyst for JATO Dynamics, an automotive consulting firm. “The

Western carmakers were looking at how [Chinese rivals] had become so powerful so fast, and wondering what to do and why did they let this happen.”

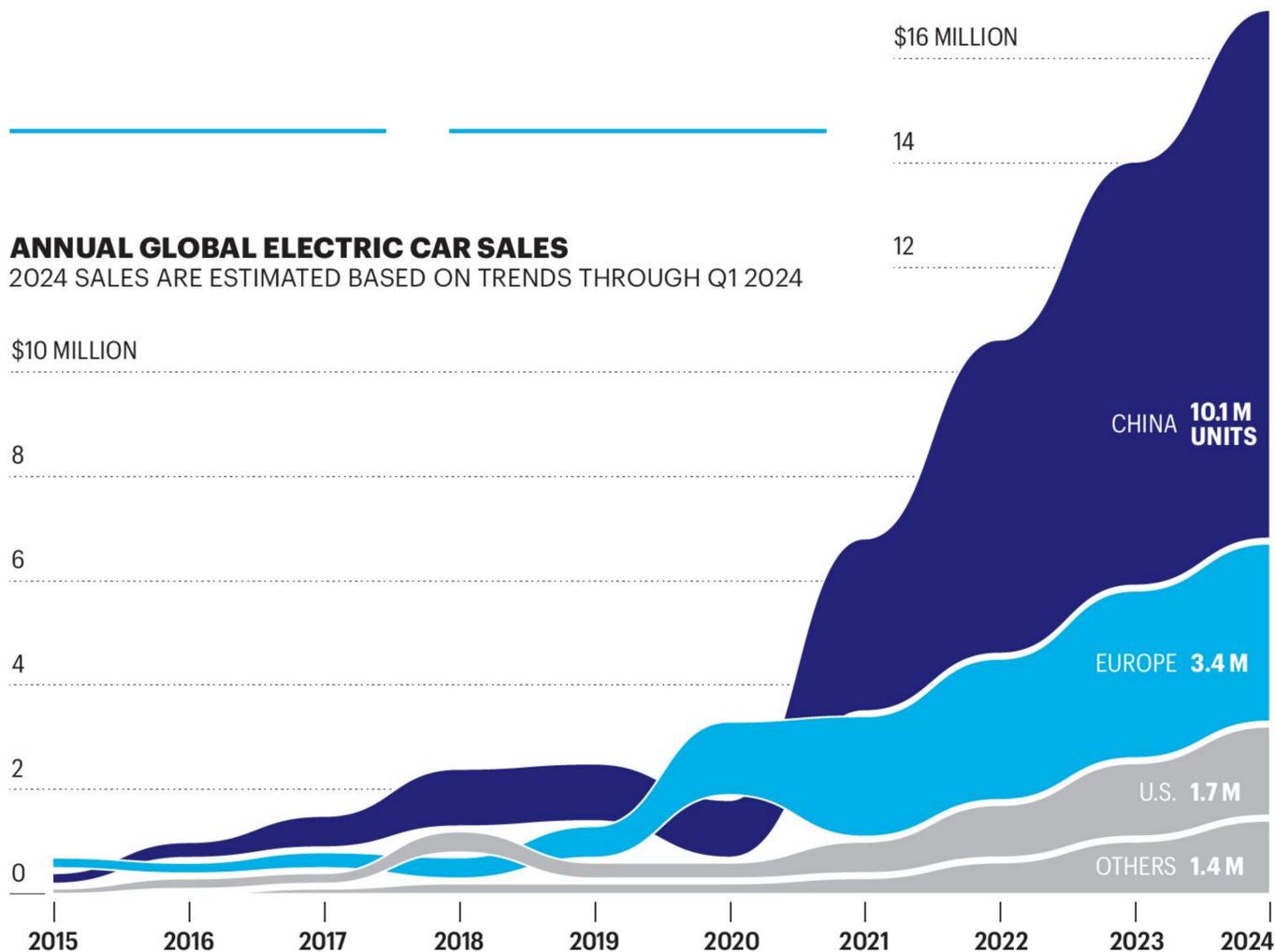
The answer to that is complex, including perhaps that Western auto giants believed they were “unbeatable” empires, in the words of Diess. “They should have foreseen the rapid evolution of EVs in China,” says Muñoz, who argues that one problem was crafting strategy in Europe, remote from the rapid changes. “They were the leaders, and when all these shifts came, they were not ready,” he says.

**TWO YEARS AFTER** the first electric cars rolled off the Zwickau assembly line, Volkswagen execs and autoworkers describe the factory’s rapid transformation as the

## ANNUAL GLOBAL ELECTRIC CAR SALES

2024 SALES ARE ESTIMATED BASED ON TRENDS THROUGH Q1 2024

\$10 MILLION



SOURCE: IEA

result of their finely tuned precision planning. The production floor had made VW Golf cars for decades. Volkswagen gutted it, installing its modular electric toolkit chassis, which was built in-house and fits dozens of different car models within the group. At full capacity, the Zwickau facility can build 360,000 cars a year—about one every minute—turning out three Volkswagen and two Audi models, and one SEAT hatchback.

Yet Zwickau's operations are far from full capacity. EV orders hover around 240,000 a year and have sunk with high inflation rates and the arrival in Europe of cheaper Chinese EVs. Worse, last December the German government halted its generous tax breaks on new EVs almost overnight, owing to the country's budget crisis—a

move recounted angrily in almost every conversation I had in Zwickau. Orders dropped almost immediately.

In half-year results in July, the company forecasted that profits on sales could fall 1% this year over last, and said it may shut its Brussels plant that produces Audi EVs, which would mark its first factory closure in 36 years. Globally, Volkswagen delivered more than 2.24 million vehicles in the second quarter—down 3.8% from the same period in 2023.

Last year, Zwickau cut one of its three eight-hour production shifts and laid off some workers on temporary contracts. "A couple of years ago we were the lighthouse of the industry," says Marc Stephan, vice president of production in Zwickau, who spent

four years at Volkswagen's Chattanooga plant before transferring to the EV factory in 2022. "Now we are more like the seismograph of the industry."

That is the pessimistic outlook, however—one that is not universally shared. McCabe, of AutoForecast Solutions, believes the company will ultimately emerge as an industry front-runner—and possibly the winner—since its mix of EVs and combustion-engine vehicles allows it to hedge one segment against the other, giving it a more dependable future than Tesla or BYD.

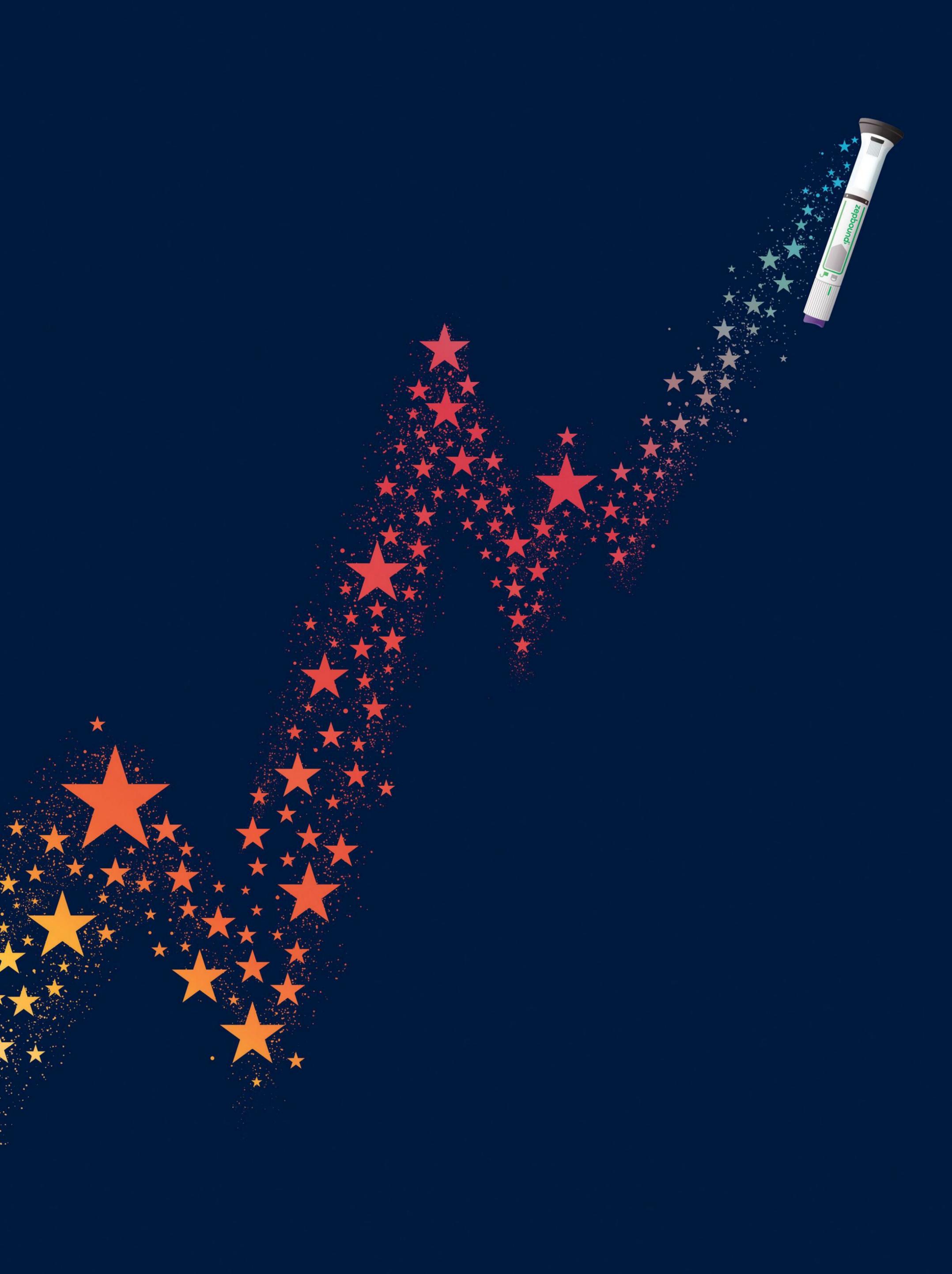
Volkswagen is also ramping up its EV technology—as evidenced by its Rivian investment—and its electrification efforts. Two years ago Volkswagen split off its battery operation as a subsidiary called PowerCo.

The new unit in July signed a \$130 million deal with San Jose-based QuantumScape to license next-generation solid-state EV batteries that retain 95% power for 300,000 miles. Volkswagen also adapted its 50-year-old combustion-engine plant in the west German town of Salzgitter to produce EV batteries, capable of powering about 4 million EVs a year.

"[Volkswagen] already [has] the sales channels and a significant footprint in the BEV space," McCabe says, referring to battery-powered EVs. Based on his company's data, he says, "if we fast-forward to 2028, we have Volkswagen taking a leadership position globally in BEVs."

Blume hopes that prediction is correct. The strategy has shifted since he took over as CEO two years ago, from the nearly century-old auto giant steadily becoming an all-electric company to continuing to offer hundreds of options, including many fossil-fuel cars. That breadth of options is especially important in the U.S., where only about 8% of new-car sales are pure electric. "It is about... being flexible," he says.

Few are as deeply familiar with evolution as the autoworkers of Zwickau, generations of whom have worked in car plants through wars and Communist isolation. The EV race is just the latest global transformation. **F**





**Eli Lilly**

RANK  
**455**

COUNTRY  
**U.S.**

2023 REVENUE  
**\$34.1 BILLION**

▼  
Not long ago, it looked like the best days of Eli Lilly were behind it. But tirzepatide, a drug for diabetes and obesity, has sent the 148-year-old pharma giant on a wild ride. It's now the ninth most valuable company in the world.

THE  
LILLY-  
PALOOZA

▼  
**By Erika Fry**

▼  
ILLUSTRATION BY  
**BEN WISEMAN**



**THE GOOD NEWS** about donanemab, Eli Lilly's Alzheimer's drug, reached CEO Dave Ricks on July 2 as he was hiking in a remote part of Colorado.

The pharmaceutical company had slogged for 35 years and spent \$8 billion to develop an effective treatment for the terrible memory-robbing disease. So when much-longed-for news of the Food and Drug Administration's approval of the medicine finally arrived—in the middle of the Indianapolis pharmaceutical company's annual shutdown week, with the CEO and most of his 20,000 U.S. employees on holiday—Ricks dialed into FaceTime for a quick impromptu celebration.

Two of his top science deputies toasted the achievement with their boss, raising glasses of Champagne as Ricks took a swig from his bottle of water. The monoclonal antibody soon to be branded as Kisunla and prescribed at a cost of \$32,000 a year is not a cure for Alzheimer's—it is meant to slow the early progression of the disease. Still, Ricks says, its approval is a sign that Lilly's processes are working.

"For us, it's a lesson in determination," the

57-year-old CEO tells me, back from vacation a week later. "Many times we could have given up, and we didn't."

Indeed, just over a decade ago there were serious concerns about the future of the 148-year-old company. But there is plenty to celebrate lately at Eli Lilly.

▲ **BOOM-TIME LEADER**  
Eli Lilly CEO Dave Ricks in Indianapolis.

The company, now the ninth most valuable in the world, returns this year to the Global 500 list, ranking No. 455 after a two-year hiatus. There are its record-breaking

sales—\$34.1 billion in 2023, up 20% over the previous year—and its growing stable of innovative new medicines for conditions as diverse as cancer and ulcerative colitis. Earlier this year, Lilly's experimental gene therapy successfully cured a child of deafness. This summer,



# \$895 B

## ELI LILLY'S MARKET CAPITALIZATION

Mounjaro and Zepbound, medicines for diabetes and obesity, have driven up the company's share price to make it the world's ninth most valuable company.

Lilly is a sponsor of Team USA at the Olympics, and you'll see the red cursive Lilly logo on the jerseys of WNBA team the Indiana Fever (including its rookie superstar Caitlin Clark).

But the big story for Lilly, the main reason for its stratospheric \$895 billion market cap—which makes it more valuable than Tesla, Exxon Mobil, and its fiercest pharma rival, Novo Nordisk, by the way—is the absolute mania (the Lilly-palooza?) that surrounds the company's weight loss drug, tirzepatide.

Even before it hit the market as the diabetes medication Mounjaro, in May 2022, tirzepatide had been declared the “King Kong of GLP-1s”—poised to crush the market's “gorilla,” semaglutide, which Novo markets as Ozempic and Wegovy. (GLP-1 drugs mimic hormones that regulate appetite. Tirzepatide is a leveling up of the category, mimicking two hormones.) It was a foregone conclusion that when Lilly released the drug as a \$13,000-a-year obesity medicine, Zepbound, it would be a blockbuster.

But the scale of the excitement has exceeded even Lilly's wildest projections. The drug's limited side effects and incredible efficacy—on average, patients lose 18% of their

body weight, even more than those on Ozempic, studies show—have made Zepbound a favorite of celebrities and TikTok-famous in its own right.

Together, Mounjaro and Zepbound have raked in \$7.3 billion in sales, and that total would be even greater had Lilly been able to meet patient demand: Both forms of tirzepatide, which are weekly injectables intended for long-term use, were placed on the FDA's national shortage list within months of Zepbound's debut, and certain dosages remain there.

It's hard to overstate the impact of this new class of medications, which are quickly blowing up America's \$90 billion diet industry. They have upended long-held assumptions about weight loss drugs: that they don't work and that insurance (where the money lies for drug-makers) won't cover them.

Not only do these drugs work, emerging evidence suggests that they effectively treat a host of related health issues, from obstructive sleep apnea to the liver disease MASH. They also seem to lower risk of cardiovascular events such as stroke and heart attack.

### A TORTOISE AMONG HARES

Few would have expected Lilly to reach such lofty

heights even a decade ago, when the company was navigating some of the most difficult years of its existence.

Eli Lilly has a long, proud history that begins in 1876 when its eponymous founder—a Civil War Union Army colonel turned chemist—opened a two-story laboratory in Indianapolis. In that era of dubious tinctures and snake oil, Lilly specialized in quality control and later staked its name on it, promoting the slogan, “If it bears a red Lilly, it must be right.”

Over the past century, the company's major products have included the first U.S. commercial insulin, polio vaccines, penicillin, and the blockbuster antidepressant Prozac.

But pharma is a business of booms and busts. Ricks, who joined Lilly 28 years ago and rose through the ranks to become CEO, has been around long enough to experience both.

He joined the company several years before “Year X”—the much-dreaded date that Prozac, a drug that accounted for a quarter of the company's revenue and a third of its profits, lost patent exclusivity, allowing other companies to manufacture it. Not even a decade later came “Years YZ,” the even more dire period in which four

Lilly drugs, accounting for half the company's sales, went generic. Worse, the cupboard was bare: Lilly had gone years without launching a new drug.

“There was a legitimate question,” Ricks remembers: “Is this actually a running concern?”

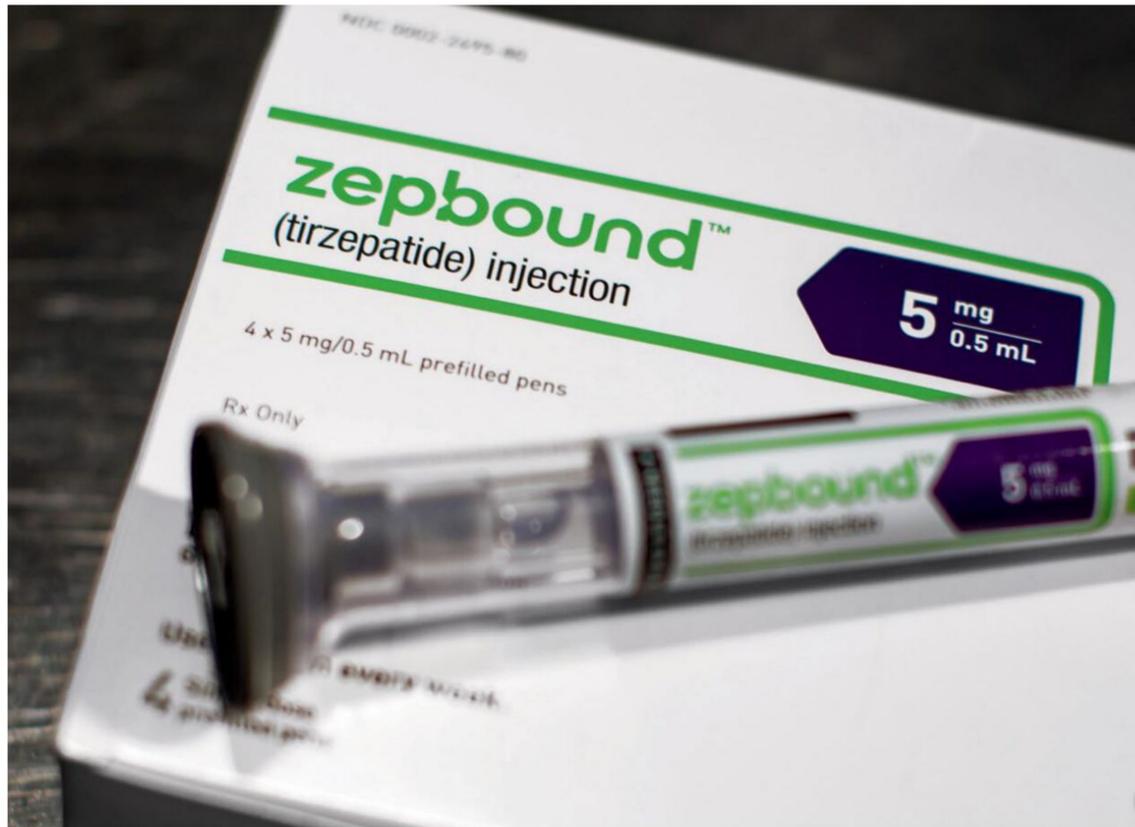
In 2009 the company's then-CEO John Lechleiter and his leadership team made a surprising decision in an effort to save Lilly. Rather than turning to one of the industry-favored shortcuts—large-scale M&A or selling a business unit—Lilly went to investors with a plan to double down on its own research and development.

“We basically said, ‘Our path is R&D... We're going to rebase the company. We're going to stop growing earnings; we're going to shrink them,’” Ricks recalls. “And we want you to stick with us and ride it out.”

The Street wasn't convinced: “The stock traded at \$28,” Ricks notes. “That's humbling.” (It now trades at \$948.)

### SLOW AND STEADY WINS THE RACE

This may have been the company's nadir, but hard times lay ahead. Lilly's scientists were known to be rigorous, but they were among the slowest in the industry, averaging



11 years to go from clinic to market. (Data from the time suggests the industry averaged eight years.) And too often, rather than good results, they got expensive late-stage failures. The pipeline coughed out five in a row at one point, and multiple misses in Alzheimer's. "It was bad," says Ricks.

At the time, a period in which most of Lilly's competitors were capitalizing on the industry's immuno-oncology boom, Lilly looked as if it had missed the boat. But Ricks and Dan Skovronsky, the company's chief scientific officer, say their focus, and even the failures, provided lessons that paved the way to this year's successes.

"We weren't loved by Wall Street. And, you know, we got complaints," remembers Skovronsky: "Why do you work on things that are so hard? Can't you jump on the

bandwagon where everyone else is?"

But over time, Lilly's work on less Street-pleasing pursuits, like diabetes and Alzheimer's, began to bear fruit. Months before he became CEO in 2017, Ricks received a call from Skovronsky, who told him about a small study in Singapore involving an experimental compound to treat diabetes: 12 participants had to drop out because they had lost so much weight that they needed to eat. It was odd, but the two men sensed a promising signal: "This is going to be something special," Skovronsky told him. That drug was tirzepatide.

At this crossroads, one might view Lilly's turnaround story like the fable of the tortoise and the hare, with Lilly's plodding, persistent work on the science ultimately beating out its less focused competitors (many of which are now

scrambling to get into the obesity race).

"Staying on track turns out to be a pretty important thing," Ricks tells me, with a hint of vindication. In retrospect, he says of the company's dark days, "we were in deep trouble—financially, we had a lot of problems—but actually our strategy was right."

The key was patience, Skovronsky explains. "Lilly as a company can focus on

hard problems for a long period of time," he says. "It's about resources, but also perseverance."

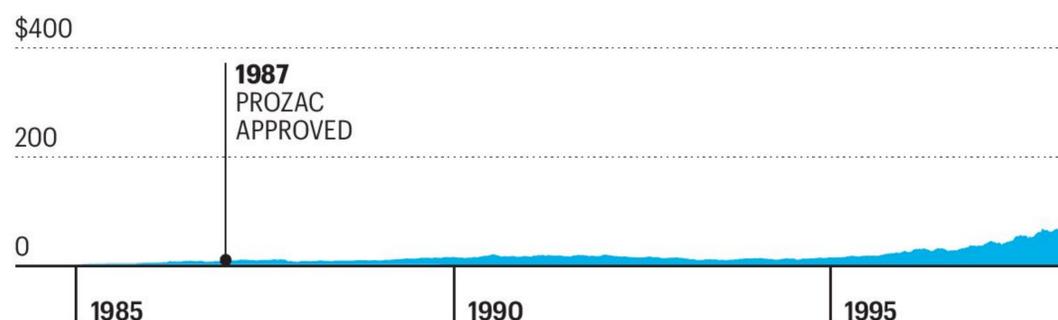
#### THE NEW GOALS: SPEED AND SCIENCE

Tirzepatide also represents a turning point for Lilly—from a company that moved too slowly to one that learned how to move fast. It took the company just six years to get tirzepatide from clinic

## A Tortoise Becomes a Hare

Eli Lilly's stock price has seen ups and downs, including when it released the antidepressant Prozac—then lost its patent exclusivity for that drug. But those shifts look like blips compared with the rise that has come with the "King Kong of GLP-1s," tirzepatide.

### ELI LILLY'S STOCK PRICE



**BLOCKBUSTER MEDS**

From left: Insulin manufacturing at an Eli Lilly plant in Indianapolis in 1935; shortages still plague Zepbound, Lilly's wildly popular obesity medication.

to market—a profound transformation from the Lilly of 11-year development cycles.

Key to the whole R&D evolution was rewiring the way Lilly's scientists thought. Ricks focused his organization on speed and science, with the goal of ridding the development process of inefficiencies, and of the biases that could lead to late-stage failure and waste.

The first goal—to become the fastest to market in the industry—was audacious, but arguably simpler. Skovronsky led the effort to map and streamline the 800 steps of the drug development process, prioritizing saving time over saving money.

The latter goal, of getting a scientific organization to make purely scientific decisions, sounds easy but requires overcoming people's natural biases toward particular ideas,

projects, or teams. The answer, says Ricks, is more thoughtfully designing studies to produce the critical data necessary to drive decisions.

Key, Skovronsky says, was giving scientists “permission to fail,” a freeing mindset that encouraged big, creative thinking about how to get around the usual development bottlenecks. For example, rather than wait the many months it took to enroll patients in clinical trials at hospital sites, Lilly outfitted some recreational vehicles as mobile labs and went directly to communities to recruit trial participants.

By 2020's pandemic, Lilly had proved it was no tortoise: It was the first company to develop a COVID antibody therapy, which it did in eight months. “That record is never going to be broken,” says Ricks.

Analysts and other observers now marvel at the company's evolution. “It's just been sort of remarkable, the amount of innovation at Lilly,” says Damien Conover, director of health care equity research at Morningstar.

“They were average players for a long time,” says Mike Rea, CEO of IDEA Pharma, a consultancy that tracks innovation in the industry. “Now [Lilly is] thinking about playing the game differently, as well as just playing the same game better than other people.”

**BECOMING A DIRECT-TO-CONSUMER COMPANY**

Ricks gives off the casual, cheerful vibe of a Midwestern dad (which he is). He often doesn't wear a tie—a choice, he notes, that distinguishes him from his 10 predecessors. (He recalls the formality he first encountered at Lilly, and shocking colleagues early in his career by greeting the company's CEO in the elevator.)

Increasingly, Ricks told me, he thinks of patients as Lilly's primary customers. That might seem like a given, but it's actually a change in his business, where, for many years, companies like Lilly focused foremost on the physicians who prescribed their products, and then, in more recent times, the payers (insurers and

pharmacy benefit managers, or PBMs) with whom they negotiated prices and coverage terms.

“Health care is a mess for consumers,” says Ricks, who adds that he wants to give people who take Lilly's medications an Apple Store-like experience: “That's so far from what we have now. We have a lot to aspire to in being a great consumer company.”

Doing that will require disruption of the status quo, and Lilly is making some moves. In early 2023, it soft-launched LillyDirect, an online pharmacy platform to distribute its insulin products to customers. The project proved logistically challenging, given cold-chain needs and state-by-state pharmacy licensing and regulatory requirements, but by early this year it was ready to offer (at its half-off coupon rate) Zepbound, Mounjaro, and Lilly's migraine medicine too. LillyDirect also



SOURCE: S&P GLOBAL

connects patients to health care providers and other resources.

Reddit forums suggest the platform, which is supported by Amazon's and Truepill's online pharmacies, has been inundated and that customer feedback is mixed (skewing poor).

Ricks acknowledges there's plenty to improve on, but says he considers the experiment so far to be "highly successful."

#### A THORNY PROBLEM STILL UNSOLVED

Yet all the innovation in the world can't solve Lilly's most pressing challenge: supply.

In March, Dave Knapp, a marketing professional and father of four from Cedar Falls, Iowa, put out a plea to Eli Lilly on TikTok: "Release the Vials!"

Knapp has taken Mounjaro for his Type 2 diabetes since 2022, and, like many others, he has struggled to fill his prescription at times. Though Lilly says it's producing more medicine than ever before, it simply doesn't have the manufacturing capacity to meet the current massive demand.

Lilly is furiously building more factories to produce its drugs—an investment of \$18 billion since 2020. But construction of such highly regulated manufacturing facilities typically takes three to four years.

The shortage is a frequent topic of Knapp's blog, *On the Pen*, which he started as a resource

“

WE WERE IN DEEP TROUBLE—  
FINANCIALLY, WE HAD  
A LOT OF PROBLEMS—  
BUT ACTUALLY OUR  
STRATEGY WAS RIGHT.”

**DAVE RICKS**  
CEO, ELI LILLY

for fellow patients, and which has grown into an online community of tens of thousands.

The stories of so many desperate people—driving for hours and calling hundreds of pharmacies to find medicine; puzzling over how to adjust their drug regimens when they couldn't find their meds—irked him. Why wasn't Lilly better managing the issue?

Knapp understood the complexity of Lilly's task: Tirzepatide is branded as two different drugs, each of which comes in six different dosages. The drug is distributed in single-dose injector pens, which are convenient for patients but complex to manufacture.

But he also knew Lilly had FDA approval to distribute the drug in simple single-dose vials. That requires patients to draw up the solution in a syringe themselves, but Lilly does distribute the drug this way in some foreign markets. It seemed to him that it should be easier to manufacture. Given that patients were struggling to get their

prescribed medication, Knapp thought, why not release the vials to Americans too?

"They've had this sort of rip cord all along," he tells me. Despite being an issue deep in the weeds of the pharmaceutical supply chain, Knapp's call to #ReleasetheVials went viral.

It got Ricks's attention, and he tells me he welcomes the engagement: "Consumers are getting smarter about how the industry works, and I think that's a good thing. It's really unheard-of in our sector, historically, that patients are sort of self-organizing online to lobby companies to make more. That's fantastic."

Still, Lilly hasn't released the vials. "We're open to every solution to address supply, including that one," Ricks tells me in July. He expresses regret that patients are struggling to get medicines. "It's the top priority for me and the company," he says. "But it's hard. It's capital intensive, technically challeng-

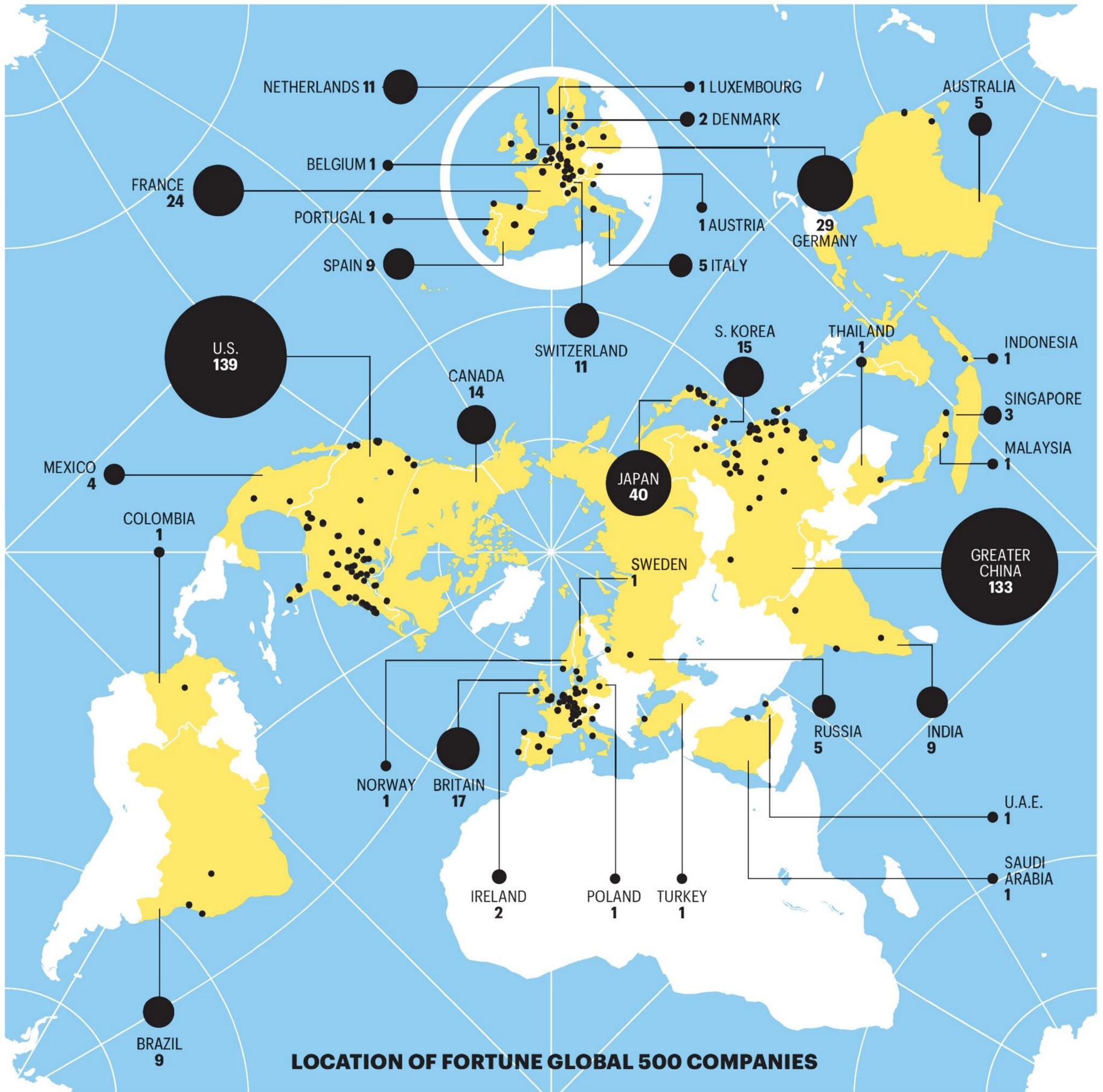
ing, logistically difficult, and highly regulated, so we have a lot to work through."

The day I visit, Ricks is bound for Pleasant Prairie, Wis., the site of a sterile manufacturing facility that Lilly recently acquired to boost production of its tirzepatide medications. And 30 miles north of Lilly's headquarters, construction workers are laying concrete and erecting steel beams in the middle of an Indiana cornfield, providing the first glimpses of what a dust-covered billboard announces as "the future manufacturing site of Mounjaro and Zepbound." Lilly hopes it will be operational by 2026.

Of course, Lilly isn't waiting on this earthly slog. It's racing ahead with its next-generation obesity drugs that many expect to unseat Zepbound. The most hyped include a triple-acting agent that promises even greater weight loss and a GLP-1 in pill form. It's also moving urgently to launch its new Alzheimer's drug, Kisunla. And it's pouring billions more into R&D this year.

At this moment of unprecedented success, Ricks has a new anxiety. "A lot of companies become mediocre as they grow," he tells me. The goal now is to keep rising "above the regular."

"That's our purpose," he says. "To do important things at scale." **F**



# POLES OF BUSINESS POWER

The U.S. and China, the world's two largest economies, have long dominated the Fortune Global 500 list of the world's largest companies. This year, relatively strong growth in the U.S. and sluggish consumer demand in China had a notable impact on our rankings. For the first time since 2018, the U.S. topped the list, with 139 companies that brought in a total of \$13.8 trillion in revenue; Greater China (including Taiwan) had 133, producing \$11 trillion in revenue. Europe gained ground with 123 companies, up four from last year; together they generated \$9 trillion in revenue. —*Matt Heimer*



# THE LIST

RANK 2023	2022	Company	Country/Territory	REVENUES	
				\$ millions	% change from 2022
1	1	WALMART <sup>1</sup>	U.S.	648,125.0	6.0
2	4	AMAZON.COM	U.S.	574,785.0	11.8
3	3	STATE GRID <sup>G</sup>	CHINA	545,947.5	3.0
4	2	SAUDI ARAMCO <sup>†,G</sup>	SAUDI ARABIA	494,890.1	(18.0)
5	6	SINOPEC GROUP <sup>G</sup>	CHINA	429,699.7 <sup>E</sup>	(8.8)
6	5	CHINA NATIONAL PETROLEUM <sup>G</sup>	CHINA	421,713.6 <sup>†,E</sup>	(12.7)
7	8	APPLE <sup>2</sup>	U.S.	383,285.0	(2.8)
8	10	UNITEDHEALTH GROUP	U.S.	371,622.0	14.6
9	14	BERKSHIRE HATHAWAY	U.S.	364,482.0	20.7
10	11	CVS HEALTH	U.S.	357,776.0	10.9
11	15	VOLKSWAGEN <sup>†</sup>	GERMANY	348,408.1	18.6
12	7	EXXON MOBIL	U.S.	344,582.0 <sup>E</sup>	(16.7)
13	9	SHELL <sup>†</sup>	BRITAIN	323,183.0 <sup>E</sup>	(16.3)
14	13	CHINA STATE CONSTRUCTION ENGINEERING <sup>G</sup>	CHINA	320,430.5	4.8
15	19	TOYOTA MOTOR <sup>†,3</sup>	JAPAN	312,018.2	13.7
16	18	MCKESSON <sup>3</sup>	U.S.	308,951.0	11.7
17	17	ALPHABET	U.S.	307,394.0	8.7
18	24	CENCORA <sup>2,4</sup>	U.S.	262,173.4	9.9
19	12	TRAFIGURA GROUP <sup>†,2</sup>	SINGAPORE	244,280.2	(23.3)
20	26	COSTCO WHOLESALE <sup>5</sup>	U.S.	242,290.0	6.8
21	53	JPMORGAN CHASE	U.S.	239,425.0	54.7
22	28	INDUSTRIAL & COMMERCIAL BANK OF CHINA <sup>†,G</sup>	CHINA	222,484.2	3.6
23	20	TOTALENERGIES <sup>†</sup>	FRANCE	218,945.0 <sup>E</sup>	(16.8)
24	21	GLENCORE <sup>†,6</sup>	SWITZERLAND	217,829.0	(14.9)
25	22	BP <sup>†</sup>	BRITAIN	213,032.0 <sup>E</sup>	(14.4)
26	30	MICROSOFT <sup>7</sup>	U.S.	211,915.0	6.9
27	34	CARDINAL HEALTH <sup>7</sup>	U.S.	205,012.0	13.0
28	31	STELLANTIS <sup>†</sup>	NETHERLANDS	204,908.3	8.5
29	23	CHEVRON	U.S.	200,949.0 <sup>E</sup>	(18.4)
30	29	CHINA CONSTRUCTION BANK <sup>†,G</sup>	CHINA	199,826.1	(1.4)
31	25	SAMSUNG ELECTRONICS <sup>†</sup>	SOUTH KOREA	198,256.7	(15.3)
32	27	HON HAI PRECISION INDUSTRY <sup>†</sup>	TAIWAN	197,876.0	(11.1)
33	35	CIGNA GROUP	U.S.	195,265.0	8.2
34	32	AGRICULTURAL BANK OF CHINA <sup>†,G</sup>	CHINA	192,398.3	2.9
35	39	CHINA RAILWAY ENGINEERING GROUP <sup>G</sup>	CHINA	178,562.9	4.0
36	46	FORD MOTOR	U.S.	176,191.0	11.5
37	49	BANK OF CHINA <sup>†,G</sup>	CHINA	172,327.6	9.8
38	82	BANK OF AMERICA	U.S.	171,912.0	49.4
39	50	GENERAL MOTORS	U.S.	171,842.0	9.6
40	51	ELEVANCE HEALTH	U.S.	171,340.0	9.4
41	57	BMW GROUP <sup>†</sup>	GERMANY	168,102.6	12.1

RANK 2023	2022	Company	Country/Territory	REVENUES	
				\$ millions	% change from 2022
42	47	MERCEDES-BENZ GROUP <sup>†</sup>	GERMANY	165,637.7	5.0
43	43	CHINA RAILWAY CONSTRUCTION <sup>G</sup>	CHINA	160,847.4	(1.3)
44	44	CHINA BAOWU STEEL GROUP <sup>G</sup>	CHINA	157,216.3	(2.8)
45	99	CITIGROUP	U.S.	156,820.0	55.1
46	60	CENTENE	U.S.	153,999.0	6.5
47	52	JD.COM <sup>§,8</sup>	CHINA	153,217.4	(1.5)
48	48	HOME DEPOT <sup>1</sup>	U.S.	152,669.0	(3.0)
49	55	ELECTRICITÉ DE FRANCE <sup>†,G</sup>	FRANCE	151,040.2	0.1
50	36	MARATHON PETROLEUM	U.S.	150,307.0 <sup>E</sup>	(16.5)
51	58	KROGER <sup>1</sup>	U.S.	150,039.0	1.2
52	37	PHILLIPS 66	U.S.	149,890.0 <sup>E</sup>	(14.7)
53	33	PING AN INSURANCE <sup>†</sup>	CHINA	145,759.1	(19.7)
54	38	SINOCHEM HOLDINGS <sup>G</sup>	CHINA	143,240.0	(17.6)
55	62	CHINA MOBILE COMMUNICATIONS <sup>G</sup>	CHINA	142,832.4	2.3
56	42	CHINA NATIONAL OFFSHORE OIL <sup>G</sup>	CHINA	141,731.7	(14.0)
57	70	HONDA MOTOR <sup>†,3</sup>	JAPAN	141,348.5	13.2
58	75	FANNIE MAE <sup>9</sup>	U.S.	141,240.0	16.2
59	54	CHINA LIFE INSURANCE <sup>G</sup>	CHINA	139,615.9	(7.8)
60	66	WALGREENS BOOTS ALLIANCE <sup>5</sup>	U.S.	139,081.0	4.8
61	40	VALERO ENERGY	U.S.	139,001.0 <sup>E</sup>	(18.8)
62	104	BANCO SANTANDER <sup>†</sup>	SPAIN	137,244.8	38.3
63	63	CHINA COMMUNICATIONS CONSTRUCTION <sup>G</sup>	CHINA	136,670.7	(1.2)
64	127	BNP PARIBAS <sup>†</sup>	FRANCE	136,076.2	51.9
65	45	MITSUBISHI <sup>†,3</sup>	JAPAN	135,389.8	(15.0)
66	81	META PLATFORMS	U.S.	134,902.0	15.7
67	130	HSBC HOLDINGS <sup>†</sup>	BRITAIN	134,901.0	53.6
68	64	VERIZON COMMUNICATIONS	U.S.	133,974.0	(2.1)
69	65	CHINA MINMETALS <sup>G</sup>	CHINA	132,019.7	(1.1)
70	68	ALIBABA GROUP HOLDING <sup>§,3,8</sup>	CHINA	131,337.9	3.6
71	100	CITIC GROUP <sup>G</sup>	CHINA	131,242.3	30.2
72	74	CHINA RESOURCES <sup>G</sup>	CHINA	126,169.5	3.7
73	85	HYUNDAI MOTOR <sup>†</sup>	SOUTH KOREA	124,576.7 <sup>†</sup>	12.8
74	78	AT&T	U.S.	122,428.0	1.4
75	72	SHANDONG ENERGY GROUP <sup>G</sup>	CHINA	122,383.2	(1.4)
76	77	COMCAST	U.S.	121,572.0	0.1
77	79	DEUTSCHE TELEKOM <sup>†</sup>	GERMANY	121,046.2	0.8
78	83	CHINA SOUTHERN POWER GRID <sup>G</sup>	CHINA	118,813.5	4.5
79	16	UNIPER <sup>†,G</sup>	GERMANY	116,662.5	(59.5)
80	144	WELLS FARGO	U.S.	115,340.0	39.2
81	123	HENGLI GROUP	CHINA	114,664.5	26.1
82	67	ALLIANZ <sup>†</sup>	GERMANY	113,517.7	(12.0)

# 1-164 / 500

For the 11th straight year, retail giant **WALMART** tops the Fortune Global 500, our annual list of the world's largest companies by revenue, with \$648 billion in sales. E-commerce dominator **AMAZON.COM** reclaims the No. 2 spot. Lower oil prices dinged the revenue of energy giants like **SAUDI ARAMCO**, **SINOPEC**, **EXXON MOBIL**, and **SHELL**—but also helped boost sales for automakers **VOLKSWAGEN** and **TOYOTA MOTOR**. High interest rates and strong stock markets in the U.S., meanwhile, powered big revenue gains at **JPMORGAN CHASE** and **BANK OF AMERICA**.

RANK		Country/Territory	REVENUES	
2023	2022		\$ millions	% change from 2022
83	86	CHINA POST GROUP <sup>G</sup>	CHINA	112,778.5 2.3
84	76	CHINA ENERGY INVESTMENT <sup>G</sup>	CHINA	112,048.7 (7.8)
85	69	XIAMEN C&D <sup>G</sup>	CHINA	110,665.6 (12.1)
86	88	RELIANCE INDUSTRIES <sup>3</sup>	INDIA	108,877.9 <sup>E</sup> (0.6)
87	185	GOLDMAN SACHS GROUP	U.S.	108,418.0 57.8
88	133	FREDDIE MAC <sup>9</sup>	U.S.	108,050.0 24.6
89	•	ROSNEFT OIL <sup>†</sup>	RUSSIA	107,543.1 —
90	90	TARGET <sup>1</sup>	U.S.	107,412.0 (1.6)
91	56	EQUINOR <sup>†,G</sup>	NORWAY	107,174.0 <sup>E</sup> (28.9)
92	116	HUMANA	U.S.	106,374.0 14.5
93	84	SAIC MOTOR <sup>G</sup>	CHINA	105,195.7 (4.9)
94	128	STATE FARM INSURANCE	U.S.	104,198.6 16.6
95	107	LIFE INSURANCE CORP. OF INDIA <sup>3,G</sup>	INDIA	103,547.6 5.1
96	106	NESTLÉ <sup>†</sup>	SWITZERLAND	103,505.2 4.6
97	59	ENEL <sup>†</sup>	ITALY	103,311.4 (30.1)
98	61	ENI <sup>†</sup>	ITALY	102,501.7 <sup>E</sup> (27.1)
99	71	PETROBRAS <sup>†,G</sup>	BRAZIL	102,409.0 <sup>E</sup> (17.7)
100	92	SK <sup>†</sup>	SOUTH KOREA	101,968.8 <sup>†,E</sup> (3.8)
101	73	E.ON <sup>†</sup>	GERMANY	101,280.1 <sup>E</sup> (16.7)
102	41	GAZPROM <sup>†,G</sup>	RUSSIA	100,252.5 <sup>E</sup> (40.3)
103	111	HUAWEI INVESTMENT & HOLDING <sup>†</sup>	CHINA	99,470.3 4.2
104	208	SOCIÉTÉ GÉNÉRALE <sup>†</sup>	FRANCE	99,163.4 56.4
105	118	BOSCH GROUP <sup>†</sup>	GERMANY	99,020.7 6.7
106	87	COFCO <sup>G</sup>	CHINA	97,765.1 (11.3)
107	96	ITOCHU <sup>†,3</sup>	JAPAN	97,074.1 (5.8)
108	105	POWERCHINA <sup>G</sup>	CHINA	97,034.9 (2.0)
109	80	PEMEX <sup>†,G</sup>	MEXICO	96,978.8 (18.2)
110	152	TESLA	U.S.	96,773.0 18.8
111	200	MORGAN STANLEY	U.S.	96,194.0 45.9
112	113	SINOPHARM <sup>G</sup>	CHINA	96,072.2 2.1
113	117	BROOKFIELD <sup>†</sup>	CANADA	95,924.0 3.4
114	121	ROYAL AHOLD DELHAIZE <sup>†</sup>	NETHERLANDS	95,834.8 4.8
115	112	JOHNSON & JOHNSON	U.S.	95,195.0 <sup>†</sup> 0.3
116	94	INDIAN OIL <sup>3,G</sup>	INDIA	94,273.0 <sup>E</sup> (10.5)
117	98	ARCHER DANIELS MIDLAND	U.S.	93,935.0 (7.5)
118	134	CRÉDIT AGRICOLE <sup>†</sup>	FRANCE	93,358.1 8.0
119	143	CHRISTIAN DIOR <sup>†</sup>	FRANCE	93,136.5 11.8
120	109	NIPPON TELEGRAPH AND TELEPHONE <sup>†,3</sup>	JAPAN	92,539.7 (4.6)
121	93	MITSUI <sup>†,3</sup>	JAPAN	92,196.4 (12.8)
122	125	CARREFOUR <sup>†</sup>	FRANCE	91,790.6 1.9
123	135	PEPSICO	U.S.	91,471.0 5.9

RANK		Country/Territory	REVENUES	
2023	2022		\$ millions	% change from 2022
124	101	UNITED PARCEL SERVICE	U.S.	90,958.0 (9.3)
125	110	PTT <sup>G</sup>	THAILAND	90,418.7 (6.0)
126	91	AXA <sup>†</sup>	FRANCE	90,405.7 (17.1)
127	114	FEDEX <sup>†0</sup>	U.S.	90,155.0 (3.6)
128	140	SONY <sup>†,3</sup>	JAPAN	90,091.7 5.7
129	131	CHINA FAW GROUP <sup>G</sup>	CHINA	89,485.0 2.1
130	89	ENGIE <sup>†</sup>	FRANCE	89,257.7 (18.2)
131	145	WALT DISNEY <sup>2</sup>	U.S.	88,898.0 7.5
132	216	ORLEN <sup>†</sup>	POLAND	88,717.5 <sup>E</sup> 42.3
133	97	DELL TECHNOLOGIES <sup>1</sup>	U.S.	88,425.0 (13.6)
134	103	DHL GROUP <sup>†</sup>	GERMANY	88,385.2 (11.0)
135	132	CHINA TELECOMMUNICATIONS <sup>G</sup>	CHINA	87,961.5 0.9
136	160	NISSAN MOTOR <sup>3</sup>	JAPAN	87,773.5 12.1
137	270	ROYAL BANK OF CANADA <sup>†,11</sup>	CANADA	87,498.7 68.1
138	136	ZHEJIANG RONGSHENG HOLDING GROUP	CHINA	86,535.6 0.4
139	108	LOWE'S <sup>1</sup>	U.S.	86,377.0 (11.0)
140	156	TESCO <sup>†,12</sup>	BRITAIN	86,231.3 <sup>†</sup> 8.2
141	147	TENCENT HOLDINGS <sup>†,8</sup>	CHINA	86,028.3 4.4
142	95	XIAMEN ITG HOLDING GROUP <sup>G</sup>	CHINA	85,818.8 (16.8)
143	212	BYD	CHINA	85,082.0 35.0
144	181	NIPPON LIFE INSURANCE <sup>3</sup>	JAPAN	83,090.0 16.7
145	162	SIEMENS <sup>†,2</sup>	GERMANY	82,931.9 6.5
146	148	JAPAN POST HOLDINGS <sup>3</sup>	JAPAN	82,905.5 0.7
147	150	AVIATION INDUSTRY CORP. OF CHINA <sup>G</sup>	CHINA	82,654.1 1.2
148	187	MITSUBISHI UFJ FINANCIAL GROUP <sup>3</sup>	JAPAN	82,270.3 20.0
149	154	PROCTER & GAMBLE <sup>7</sup>	U.S.	82,006.0 2.3
150	138	WUCHAN ZHONGDA GROUP	CHINA	81,952.4 (4.4)
151	129	SEVEN & I HOLDINGS <sup>12</sup>	JAPAN	80,124.6 (9.0)
152	164	ALBERTSONS <sup>12</sup>	U.S.	79,237.7 2.0
153	122	ENEOS HOLDINGS <sup>†,3</sup>	JAPAN	79,020.5 <sup>E</sup> (13.6)
154	161	BANK OF COMMUNICATIONS <sup>†</sup>	CHINA	78,757.1 0.7
155	126	ENERGY TRANSFER <sup>P</sup>	U.S.	78,586.0 (12.6)
156	159	U.S. POSTAL SERVICE <sup>2,G</sup>	U.S.	78,383.0 (0.3)
157	171	JIANGXI COPPER <sup>G</sup>	CHINA	78,243.2 4.4
158	120	PEOPLE'S INSURANCE CO. OF CHINA <sup>†,G</sup>	CHINA	78,181.7 (14.6)
159	197	BOEING	U.S.	77,794.0 16.8
160	146	CHINA NORTH INDUSTRIES GROUP <sup>G</sup>	CHINA	76,506.9 (7.5)
161	157	PACIFIC CONSTRUCTION GROUP	CHINA	76,433.0 (3.8)
162	196	KIA <sup>†</sup>	SOUTH KOREA	76,419.4 14.0
163	186	SYSCO <sup>7</sup>	U.S.	76,324.7 11.2
164	182	DAI-ICHI LIFE HOLDINGS <sup>3</sup>	JAPAN	76,304.8 8.5

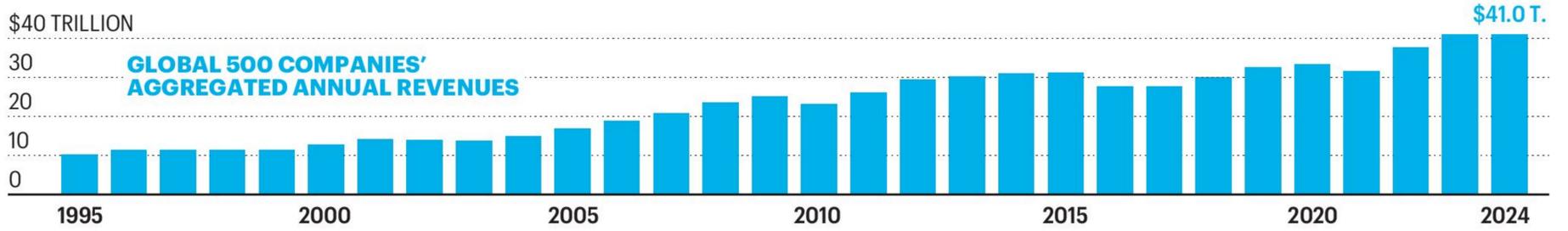
# 165-332 / 500

The aggregate revenue of the Fortune Global 500 in 2023 was \$41 trillion. That sum represents more than a third of global GDP—a sign of just how much economic power is concentrated in these companies. Revenue grew only 0.1% over 2022, but that flat result concealed major fluctuations among industries. Financial companies were the

fastest-growing sector, generating \$8.6 trillion in sales, up 21% from a year earlier. The automobile, food and drug store, and hotel and restaurant sectors also delivered double-digit sales gains, driven by inflation and high consumer demand. Revenue fell by 14.6% in the energy industry, meanwhile—and falling prices at the pump gave some of those consumers more money to spend. —MATT HEIMER

RANK		Country/Territory	REVENUES	
2023	2022		\$ millions	% change from 2022
165	141	PERTAMINA <sup>†,G</sup>	INDONESIA	75,787.8 <sup>E</sup> (10.7)
166	202	VINCI <sup>†</sup>	FRANCE	75,550.9 14.9
167	139	PETRONAS <sup>†,G</sup>	MALAYSIA	75,409.5 <sup>†,E</sup> (11.7)
168	294	TORONTO-DOMINION BANK <sup>†,11</sup>	CANADA	75,063.3 54.1
169	•	LUKOIL <sup>†</sup>	RUSSIA	75,012.8 <sup>E</sup> —
170	169	SHAANXI COAL & CHEMICAL INDUSTRY <sup>G</sup>	CHINA	74,776.7 (1.4)
171	222	SHENGHONG HOLDING GROUP	CHINA	74,700.8 22.0
172	119	BASF <sup>†</sup>	GERMANY	74,487.1 (18.9)
173	191	CHINA POLY GROUP <sup>G</sup>	CHINA	73,998.5 9.3
174	300	GROUPE BPCE <sup>†,C</sup>	FRANCE	73,774.7 54.6
175	172	SHANDONG WEIQIAO PIONEERING GROUP	CHINA	73,484.5 (1.9)
176	177	JBS <sup>†</sup>	BRAZIL	72,863.2 0.3
177	214	ALIMENTATION COUCHE-TARD <sup>†,13</sup>	CANADA	71,856.7 <sup>E</sup> 14.4
178	235	STATE BANK OF INDIA <sup>3,G</sup>	INDIA	71,844.0 21.9
179	179	CHINA MERCHANTS BANK <sup>†</sup>	CHINA	71,514.6 (1.1)
180	158	OIL & NATURAL GAS <sup>3,G</sup>	INDIA	71,466.1 <sup>E</sup> (9.2)
181	165	GUANGZHOU AUTOMOBILE INDUSTRY GROUP <sup>G</sup>	CHINA	71,386.1 (7.7)
182	347	UBS GROUP <sup>†</sup>	SWITZERLAND	71,245.0 65.9
183	219	AIRBUS <sup>†</sup>	NETHERLANDS	70,751.0 14.5
184	176	TOYOTA TSUSHO <sup>†,3</sup>	JAPAN	70,498.4 (3.1)
185	225	ZHEJIANG GEELY HOLDING GROUP	CHINA	70,356.8 16.5
186	168	TAIWAN SEMICONDUCTOR MANUFACTURING <sup>†</sup>	TAIWAN	69,415.8 (8.7)
187	142	XMXYG <sup>G</sup>	CHINA	69,286.9 (17.2)
188	195	RTX	U.S.	68,920.0 2.8
189	207	ITAÚ UNIBANCO HOLDING <sup>†</sup>	BRAZIL	68,455.0 19.5
190	155	ARCELORMITTAL <sup>†</sup>	LUXEMBOURG	68,275.0 (14.5)
191	167	GENERAL ELECTRIC	U.S.	67,954.0 (11.2)
192	193	BEIJING AUTOMOTIVE GROUP <sup>G</sup>	CHINA	67,852.2 0.8
193	199	LOCKHEED MARTIN	U.S.	67,571.0 2.4
194	259	KOÇ HOLDING <sup>†</sup>	TURKEY	67,482.7 23.9
195	253	AMERICAN EXPRESS	U.S.	67,364.0 21.1
196	153	HITACHI <sup>†,3</sup>	JAPAN	67,313.8 (16.3)
197	184	ROCHE GROUP <sup>†</sup>	SWITZERLAND	67,269.8 (3.3)
198	174	WILMAR INTERNATIONAL <sup>†</sup>	SINGAPORE	67,155.3 (8.5)
199	230	CATERPILLAR	U.S.	67,060.0 12.8
200	318	BANCO BILBAO VIZCAYA ARGENTARIA <sup>†</sup>	SPAIN	66,978.1 46.3
201	258	KOREA ELECTRIC POWER <sup>†,G</sup>	SOUTH KOREA	66,977.2 22.6
202	183	METLIFE	U.S.	66,905.0 (4.3)
203	189	AEON <sup>12</sup>	JAPAN	66,727.0 (1.9)
204	•	LLOYDS BANKING GROUP <sup>†</sup>	BRITAIN	66,697.6 399.6
205	354	DEUTSCHE BANK <sup>†</sup>	GERMANY	65,978.1 56.0
206	173	CHINA VANKE <sup>†</sup>	CHINA	65,789.4 (12.2)

RANK		Country/Territory	REVENUES	
2023	2022		\$ millions	% change from 2022
207	226	HCA HEALTHCARE	U.S.	64,968.0 7.9
208	321	SUMITOMO MITSUI FINANCIAL GROUP <sup>3</sup>	JAPAN	64,718.2 42.6
209	204	LG ELECTRONICS <sup>†</sup>	SOUTH KOREA	64,490.5 <sup>†</sup> (0.7)
210	210	UNILEVER <sup>†</sup>	BRITAIN	64,435.5 2.0
211	220	ACCENTURE <sup>§,5</sup>	IRELAND	64,111.7 4.1
212	325	BARCLAYS <sup>†</sup>	BRITAIN	63,800.6 41.7
213	163	JINNENG HOLDING GROUP <sup>G</sup>	CHINA	63,639.8 (18.2)
214	166	ALUMINUM CORP. OF CHINA <sup>G</sup>	CHINA	63,595.4 (17.4)
215	170	MUNICH RE GROUP <sup>†</sup>	GERMANY	63,353.3 (16.4)
216	250	SBERBANK <sup>†,G</sup>	RUSSIA	63,329.9 13.3
217	251	BANCO DO BRASIL <sup>†,G</sup>	BRAZIL	63,322.2 14.5
218	287	PROGRESSIVE	U.S.	62,108.5 25.2
219	224	INTERNATIONAL BUSINESS MACHINES	U.S.	61,860.0 2.2
220	236	NIPPON STEEL CORPORATION <sup>†,3</sup>	JAPAN	61,359.1 4.1
221	268	DEERE <sup>11</sup>	U.S.	61,251.0 16.5
222	•	NVIDIA <sup>1</sup>	U.S.	60,922.0 125.9
223	198	STONEX GROUP <sup>14,2</sup>	U.S.	60,856.1 (7.8)
224	358	ZURICH INSURANCE GROUP <sup>†</sup>	SWITZERLAND	60,645.0 45.3
225	309	BOUYGUES <sup>†</sup>	FRANCE	60,599.9 29.8
226	350	MIZUHO FINANCIAL GROUP <sup>3</sup>	JAPAN	60,503.6 41.7
227	264	DAIMLER TRUCK HOLDING <sup>†</sup>	GERMANY	60,420.4 12.8
228	297	ING GROUP <sup>†</sup>	NETHERLANDS	60,400.9 25.7
229	231	MERCK	U.S.	60,115.0 1.4
230	194	BUNGE GLOBAL <sup>§,15</sup>	U.S.	59,540.0 (11.4)
231	241	ANHEUSER-BUSCH INBEV <sup>†</sup>	BELGIUM	59,380.0 <sup>E</sup> 2.8
232	223	INDUSTRIAL BANK	CHINA	59,152.3 (3.0)
233	201	POSCO HOLDINGS <sup>†</sup>	SOUTH KOREA	58,999.2 (10.4)
234	218	PANASONIC HOLDINGS <sup>†,3</sup>	JAPAN	58,787.4 (5.0)
235	149	CONOCOPHILLIPS	U.S.	58,574.0 (28.7)
236	102	PFIZER	U.S.	58,496.0 (41.7)
237	280	DELTA AIR LINES	U.S.	58,048.0 14.8
238	209	CHINA HUANENG GROUP <sup>G</sup>	CHINA	57,890.8 (8.5)
239	256	CHINA ENERGY ENGINEERING GROUP <sup>G</sup>	CHINA	57,708.1 5.1
240	188	DONGFENG MOTOR <sup>G</sup>	CHINA	57,595.9 (15.8)
241	215	TD SYNEX <sup>16</sup>	U.S.	57,555.4 (7.7)
242	255	PUBLIX SUPER MARKETS	U.S.	57,534.0 4.7
243	244	ZHEJIANG HENGYI GROUP <sup>†</sup>	CHINA	57,468.0 0.2
244	276	ALLSTATE	U.S.	57,094.0 11.1
245	137	ASSICURAZIONI GENERALI <sup>†</sup>	ITALY	57,022.6 (33.5)
246	274	CISCO SYSTEMS <sup>17</sup>	U.S.	56,998.0 10.6
247	178	REPSOL <sup>†</sup>	SPAIN	56,980.5 <sup>E</sup> (21.4)
248	217	LENOVO GROUP <sup>†,3</sup>	CHINA	56,863.8 (8.2)



RANK		Country/Territory	REVENUES	
2023	2022		\$ millions	% change from 2022
249	229	HBIS GROUP <sup>G</sup>	CHINA	56,728.3 (4.8)
250	292	CONTEMPORARY AMPEREX TECHNOLOGY	CHINA	56,632.8 15.9
251	286	RENAULT <sup>†</sup>	FRANCE	56,621.6 13.4
252	273	BANCO BRADESCO <sup>†</sup>	BRAZIL	56,490.5 9.5
253	252	CHINA ELECTRONICS TECHNOLOGY GROUP <sup>G</sup>	CHINA	56,083.8 0.4
254	275	NATIONWIDE	U.S.	54,609.4 6.1
255	261	CHARTER COMMUNICATIONS	U.S.	54,607.0 1.1
256	262	STATE POWER INVESTMENT <sup>G</sup>	CHINA	54,484.6 0.9
257	288	EDEKA ZENTRALE <sup>18,C</sup>	GERMANY	54,454.6 10.1
258	233	BHARAT PETROLEUM <sup>3,G</sup>	INDIA	54,413.1 <sup>E</sup> (8.0)
259	240	ABBVIE	U.S.	54,318.0 (6.4)
260	238	NEW YORK LIFE INSURANCE	U.S.	54,317.2 (7.1)
261	211	INTEL	U.S.	54,228.0 (14.0)
262	285	TJX <sup>1</sup>	U.S.	54,217.0 8.6
263	271	NOVARTIS <sup>†</sup>	SWITZERLAND	54,088.0 <sup>†</sup> 4.4
264	254	RIO TINTO GROUP <sup>†</sup>	BRITAIN	54,041.0 (2.7)
265	257	TSINGSHAN HOLDING GROUP	CHINA	53,980.0 (1.3)
266	227	PRUDENTIAL FINANCIAL	U.S.	53,979.0 (10.1)
267	115	COSCO SHIPPING <sup>G</sup>	CHINA	53,929.6 (42.1)
268	180	BHP GROUP <sup>†,7</sup>	AUSTRALIA	53,817.0 (24.7)
269	213	HP <sup>11</sup>	U.S.	53,718.0 (14.6)
270	326	UNITED AIRLINES HOLDINGS	U.S.	53,717.0 19.5
271	337	TATA MOTORS <sup>3</sup>	INDIA	53,634.9 22.8
272	304	PERFORMANCE FOOD GROUP <sup>7</sup>	U.S.	53,354.7 <sup>E</sup> 13.1
273	246	IBERDROLA <sup>†</sup>	SPAIN	53,334.1 (6.0)
274	232	DEUTSCHE BAHN <sup>†,G</sup>	GERMANY	53,197.8 <sup>†</sup> (10.2)
275	221	IDEMITSU KOSAN <sup>3</sup>	JAPAN	53,042.6 <sup>E</sup> (13.6)
276	266	TYSON FOODS <sup>2</sup>	U.S.	52,881.0 (0.8)
277	278	MIDEA GROUP	CHINA	52,789.6 2.7
278	291	AMERICAN AIRLINES GROUP	U.S.	52,788.0 7.8
279	267	CHINA UNITED NETWORK COMMUNICATIONS <sup>G</sup>	CHINA	52,632.3 (0.3)
280	284	LIBERTY MUTUAL INSURANCE GROUP	U.S.	52,612.0 <sup>†</sup> 5.3
281	415	BANK OF NOVA SCOTIA <sup>†,11</sup>	CANADA	52,535.8 44.4
282	307	VOLVO <sup>†</sup>	SWEDEN	52,101.5 11.3
283	383	INTESA SANPAOLO <sup>†</sup>	ITALY	52,004.4 33.9
284	263	SAINT-GOBAIN <sup>†</sup>	FRANCE	51,830.3 (3.7)
285	269	SHAANXI YANCHANG PETROLEUM (GROUP) <sup>G</sup>	CHINA	51,525.9 <sup>E</sup> (1.3)
286	265	BAYER <sup>†</sup>	GERMANY	51,498.4 (3.5)
287	290	TOKIO MARINE HOLDINGS <sup>3</sup>	JAPAN	51,371.9 4.6
288	308	NIKE <sup>10</sup>	U.S.	51,217.0 9.6
289	151	MAERSK GROUP <sup>†</sup>	DENMARK	51,065.0 (37.4)
290	388	PHOENIX PHARMA <sup>†,1</sup>	GERMANY	50,934.9 33.9

RANK		Country/Territory	REVENUES	
2023	2022		\$ millions	% change from 2022
291	205	GREENLAND HOLDING GROUP	CHINA	50,897.0 (21.5)
292	260	SHANGHAI PUDONG DEVELOPMENT BANK <sup>†</sup>	CHINA	50,864.5 (5.9)
293	228	LOUIS DREYFUS <sup>†</sup>	NETHERLANDS	50,624.0 (15.5)
294	433	BANK OF MONTREAL <sup>†,11</sup>	CANADA	50,495.0 45.4
295	315	ZF FRIEDRICHSHAFEN <sup>†</sup>	GERMANY	50,406.6 9.4
296	339	KB FINANCIAL GROUP <sup>†</sup>	SOUTH KOREA	50,228.4 15.1
297	299	SANOFI <sup>†</sup>	FRANCE	50,208.7 5.2
298	190	MARUBENI <sup>†,3</sup>	JAPAN	50,166.9 (26.1)
299	352	ORACLE <sup>10</sup>	U.S.	49,954.0 17.7
300	289	JINCHUAN GROUP <sup>G</sup>	CHINA	49,900.7 0.9
301	316	SWISS RE <sup>§</sup>	SWITZERLAND	49,800.0 8.3
302	342	CHUBB <sup>§</sup>	SWITZERLAND	49,735.0 15.2
303	239	ENTERPRISE PRODUCTS PARTNERS <sup>P</sup>	U.S.	49,715.0 (14.6)
304	386	CAPITAL ONE FINANCIAL	U.S.	49,484.0 29.0
305	303	DENSO <sup>†,3</sup>	JAPAN	49,435.0 4.5
306	•	HDFC BANK <sup>3</sup>	INDIA	49,299.1 93.4
307	247	CHINA NATIONAL BUILDING MATERIAL GROUP <sup>G</sup>	CHINA	49,088.8 (13.1)
308	324	VEOLIA ENVIRONNEMENT <sup>†</sup>	FRANCE	49,027.1 8.7
309	272	CHINA STATE SHIPBUILDING <sup>G</sup>	CHINA	48,890.1 (5.6)
310	302	VODAFONE GROUP <sup>†,3</sup>	BRITAIN	48,871.9 <sup>†</sup> 2.8
311	243	PLAINS GP HOLDINGS <sup>P</sup>	U.S.	48,712.0 (15.1)
312	•	LANDESBANK BADEN-WÜRTTEMBERG <sup>†,G</sup>	GERMANY	48,566.6 137.8
313	317	EXOR GROUP <sup>†</sup>	NETHERLANDS	48,368.8 5.2
314	320	JINGYE GROUP	CHINA	48,120.0 5.3
315	•	UNICREDIT GROUP <sup>†</sup>	ITALY	48,044.4 68.4
316	237	ENERGIE BADEN-WÜRTTEMBERG <sup>†</sup>	GERMANY	48,032.2 (18.5)
317	242	TOKYO ELECTRIC POWER <sup>3,G</sup>	JAPAN	47,868.9 (16.9)
318	282	SUMITOMO <sup>†,3</sup>	JAPAN	47,812.9 (5.1)
319	234	WORLD KINECT	U.S.	47,710.6 (19.2)
320	319	ORANGE <sup>†</sup>	FRANCE	47,698.5 4.3
321	305	HD HYUNDAI <sup>†</sup>	SOUTH KOREA	46,959.0 (0.4)
322	314	INGKA GROUP <sup>5</sup>	NETHERLANDS	46,938.0 1.7
323	•	ANZ GROUP HOLDINGS <sup>†,19,2</sup>	AUSTRALIA	46,827.7 133.6
324	248	AMERICAN INTERNATIONAL GROUP	U.S.	46,802.0 (17.1)
325	295	SOFTBANK GROUP <sup>†,3</sup>	JAPAN	46,748.8 (3.7)
326	279	SINOMACH <sup>G</sup>	CHINA	46,482.2 (9.1)
327	249	TALANX <sup>†</sup>	GERMANY	46,155.8 (17.6)
328	349	AMÉRICA MÓVIL <sup>†</sup>	MEXICO	46,010.9 7.7
329	331	ASTRAZENECA <sup>†</sup>	BRITAIN	45,811.0 3.3
330	310	ZHEJIANG COMMUNICATIONS INVEST. GROUP <sup>G</sup>	CHINA	45,772.0 (1.8)
331	192	CHINA PACIFIC INSURANCE (GROUP)	CHINA	45,759.9 (32.4)
332	344	COCA-COLA	U.S.	45,754.0 6.4

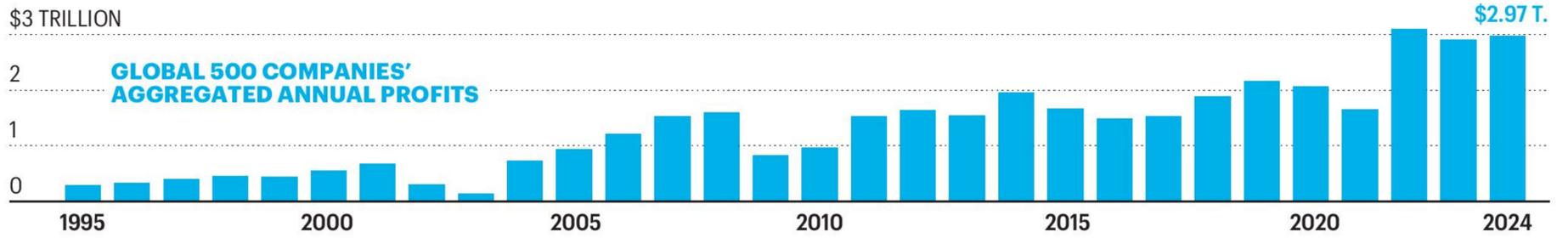
# 333-500 / 500

The Global 500 delivered its second-most-profitable year ever in 2023, with \$2.97 trillion in earnings, up 2% from the previous year. As always, the swinging economic pendulum shook up the ranks of profit winners and losers. The energy industry's profits fell 18%, as demand for oil stabilized (though that didn't stop

SAUDI ARAMCO from claiming the title of the world's most profitable company for the third straight year, with \$121 billion in earnings). Financial-service companies, meanwhile, grew earnings by 38% to \$923 billion. And America's tech giants continued to mint money: **APPLE, ALPHABET, MICROSOFT, META PLATFORMS,** and **NVIDIA** combined to earn \$312 billion in profits. —M.H.

RANK		Company	Country/Territory	REVENUES	
2023	2022			\$ millions	% change from 2022
333	366	TIAA	U.S.	45,734.8	11.8
334	406	CAIXA ECONÔMICA FEDERAL <sup>G</sup>	BRAZIL	45,706.7	23.3
335	298	CHS <sup>5,C</sup>	U.S.	45,590.0	(4.6)
336	323	CHINA HUADIAN <sup>G</sup>	CHINA	45,534.1	0.9
337	•	CRÉDIT MUTUEL GROUP <sup>†,C</sup>	FRANCE	45,489.9	59.1
338	384	MS&AD INSURANCE GROUP HOLDINGS <sup>3</sup>	JAPAN	45,478.4	17.2
339	372	HYUNDAI MOBIS <sup>†</sup>	SOUTH KOREA	45,368.7	12.8
340	313	SUSUN CONSTRUCTION GROUP	CHINA	45,265.4	(1.9)
341	340	SNCF GROUP <sup>†,G</sup>	FRANCE	45,145.0	3.6
342	312	BRISTOL-MYERS SQUIBB	U.S.	45,006.0	(2.5)
343	341	CHINA SOUTH INDUSTRIES GROUP <sup>G</sup>	CHINA	44,790.2	3.1
344	362	CONTINENTAL <sup>†</sup>	GERMANY	44,778.0	8.0
345	301	RAÍZEN <sup>†,3</sup>	BRAZIL	44,694.1 <sup>E</sup>	(6.3)
346	245	DOW	U.S.	44,622.0	(21.6)
347	336	GEORGE WESTON <sup>†</sup>	CANADA	44,559.5	1.6
348	370	L'ORÉAL <sup>†</sup>	FRANCE	44,520.7	10.6
349	454	FOMENTO ECONÓMICO MEXICANO <sup>†</sup>	MEXICO	44,167.9 <sup>†,E</sup>	31.9
350	355	TELEFÓNICA <sup>†</sup>	SPAIN	43,947.2	4.5
351	329	CHINA MINSHENG BANKING <sup>†</sup>	CHINA	43,553.6	(2.3)
352	311	BEST BUY <sup>†</sup>	U.S.	43,452.0	(6.1)
353	335	WOOLWORTHS GROUP <sup>†,7</sup>	AUSTRALIA	43,256.8	(2.0)
354	351	SHANGHAI CONSTRUCTION GROUP	CHINA	43,031.1	1.2
355	371	LG CHEM <sup>†</sup>	SOUTH KOREA	42,921.6 <sup>†</sup>	6.7
356	328	THERMO FISHER SCIENTIFIC	U.S.	42,857.0	(4.6)
357	394	MAGNA INTERNATIONAL <sup>§</sup>	CANADA	42,797.0	13.1
358	203	OMV GROUP <sup>†</sup>	AUSTRIA	42,661.8 <sup>E</sup>	(34.9)
359	369	MASSACHUSETTS MUTUAL LIFE INSURANCE	U.S.	42,641.4	5.9
360	417	UNITED SERVICES AUTOMOBILE ASSN.	U.S.	42,493.4	17.1
361	380	GUANGZHOU MUNICIPAL CONSTR. GROUP <sup>G</sup>	CHINA	42,403.2	8.0
362	379	GENERAL DYNAMICS	U.S.	42,272.0	7.3
363	332	VALE <sup>†</sup>	BRAZIL	41,784.0	(5.7)
364	373	ZIJIN MINING GROUP	CHINA	41,445.6	3.1
365	409	TRAVELERS	U.S.	41,364.0	12.1
366	449	WARNER BROS. DISCOVERY	U.S.	41,321.0	22.2
367	•	CANADIAN IMPERIAL BANK OF COMMERCE <sup>†,11</sup>	CANADA	41,169.8	69.0
368	281	LYONDELLBASELL INDUSTRIES <sup>§,20</sup>	NETHERLANDS	41,107.0	(18.5)
369	390	J. SAINSBURY <sup>†,3</sup>	BRITAIN	41,088.4	8.4
370	391	SHENZHEN INVESTMENT HOLDINGS <sup>G</sup>	CHINA	41,025.2	8.3
371	283	ANSTEEL GROUP <sup>G</sup>	CHINA	40,684.6	(18.7)
372	296	HANWHA <sup>†</sup>	SOUTH KOREA	40,683.2	(15.7)
373	•	U.S. BANCORP	U.S.	40,624.0	48.3
374	439	LUFTHANSA GROUP <sup>†</sup>	GERMANY	40,455.4 <sup>†</sup>	17.4

RANK		Company	Country/Territory	REVENUES	
2023	2022			\$ millions	% change from 2022
375	333	PEGATRON <sup>†</sup>	TAIWAN	40,356.8	(8.8)
376	338	ABBOTT LABORATORIES	U.S.	40,109.0	(8.1)
377	330	THYSSENKRUPP <sup>†,2</sup>	GERMANY	40,027.9	(10.1)
378	363	NEW HOPE HOLDING GROUP	CHINA	39,988.0	(3.5)
379	357	KDDI <sup>†,3</sup>	JAPAN	39,812.7	(5.0)
380	381	CHINA NATIONAL NUCLEAR <sup>G</sup>	CHINA	39,632.9	1.5
381	431	TAIKANG INSURANCE GROUP	CHINA	39,411.6	13.1
382	413	NORTHROP GRUMMAN	U.S.	39,290.0	7.3
383	348	JIANGSU SHAGANG GROUP	CHINA	39,241.3	(8.3)
384	467	MEITUAN <sup>†,8</sup>	CHINA	39,092.5	19.6
385	•	CHERY HOLDING GROUP	CHINA	39,091.7	75.3
386	444	INDITEX <sup>†,1</sup>	SPAIN	38,903.0	14.0
387	421	SCHNEIDER ELECTRIC <sup>†</sup>	FRANCE	38,812.2	8.0
388	408	NORTHWESTERN MUTUAL	U.S.	38,788.1	5.1
389	393	DOLLAR GENERAL <sup>1</sup>	U.S.	38,691.6	2.2
390	277	CENOVUS ENERGY <sup>†</sup>	CANADA	38,689.8	(24.7)
391	428	ACS <sup>†</sup>	SPAIN	38,634.6	9.3
392	435	COOP GROUP <sup>C</sup>	SWITZERLAND	38,582.7	7.7
393	•	FAIRFAX FINANCIAL HOLDINGS <sup>†</sup>	CANADA	38,417.2	37.0
394	414	GUANGZHOU INDUSTRIAL INVEST. HOLDINGS <sup>G</sup>	CHINA	38,345.2	4.8
395	306	PBF ENERGY	U.S.	38,324.8 <sup>E</sup>	(18.2)
396	•	STANDARD CHARTERED <sup>†</sup>	BRITAIN	38,292.0	54.2
397	360	XIAOMI <sup>†,8</sup>	CHINA	38,276.7	(8.1)
398	469	COMPASS GROUP <sup>†,2</sup>	BRITAIN	38,004.7	16.7
399	375	MEIJI YASUDA LIFE INSURANCE <sup>3</sup>	JAPAN	37,897.4	(5.3)
400	343	GSK <sup>†</sup>	BRITAIN	37,691.8	(12.4)
401	327	SUNCOR ENERGY <sup>†</sup>	CANADA	37,609.3 <sup>E</sup>	(16.3)
402	•	HANGZHOU INDUSTRIAL INVESTMENT GROUP <sup>G</sup>	CHINA	37,398.0	42.0
403	477	UBER TECHNOLOGIES	U.S.	37,281.0	17.0
404	•	DZ BANK <sup>†,C</sup>	GERMANY	37,220.9	31.7
405	322	GS CALTEX <sup>†</sup>	SOUTH KOREA	37,216.9	(17.9)
406	441	SUZUKI MOTOR <sup>3</sup>	JAPAN	37,184.9	8.4
407	419	HAIER SMART HOME	CHINA	36,928.8	2.0
408	398	X5 RETAIL GROUP <sup>†</sup>	NETHERLANDS	36,921.9	(1.5)
409	403	LA POSTE <sup>†,G</sup>	FRANCE	36,834.9	(1.0)
410	411	HANGZHOU IRON AND STEEL GROUP <sup>G</sup>	CHINA	36,772.3	(0.1)
411	438	SHANGHAI PHARMACEUTICALS HOLDING	CHINA	36,768.8	6.6
412	440	SHANDONG HI-SPEED GROUP <sup>G</sup>	CHINA	36,743.8	6.6
413	425	HONEYWELL INTERNATIONAL	U.S.	36,662.0	3.4
414	427	GUANGDONG GUANGXIN HOLDINGS GROUP <sup>G</sup>	CHINA	36,608.9	3.5
415	377	S.F. HOLDING	CHINA	36,502.4	(8.2)
416	407	MITSUBISHI ELECTRIC <sup>†,3</sup>	JAPAN	36,379.9	(1.6)



RANK		Country/Territory	REVENUES		
2023	2022		\$ millions	% change from 2022	
417	426	GUANGZHOU PHARMACEUTICAL HOLDINGS <sup>G</sup>	CHINA	36,309.8	2.6
418	396	CHINA DATANG <sup>G</sup>	CHINA	36,266.4	(3.6)
419		• MAPFRE GROUP <sup>†</sup>	SPAIN	36,097.7	45.7
420		• CFE <sup>†,G</sup>	MEXICO	36,077.6	16.8
421	395	JARDINE MATHESON <sup>†,21</sup>	CHINA	36,049.0	(4.4)
422	487	MONDELEZ INTERNATIONAL	U.S.	36,016.0	14.4
423	418	DAIWA HOUSE INDUSTRY <sup>3</sup>	JAPAN	35,999.4	(0.7)
424	473	STARBUCKS <sup>2</sup>	U.S.	35,975.6	11.6
425	376	OLAM GROUP <sup>†</sup>	SINGAPORE	35,952.8	(9.7)
426	334	QUALCOMM <sup>2</sup>	U.S.	35,820.0	(19.0)
427	462	BROADCOM <sup>11</sup>	U.S.	35,819.0	7.9
428	382	JFE HOLDINGS <sup>†,3</sup>	JAPAN	35,803.7	(8.0)
429		• HAILIANG GROUP	CHINA	35,701.8	15.8
430	446	US FOODS HOLDING	U.S.	35,597.0	4.5
431	423	ELO GROUP <sup>†</sup>	FRANCE	35,569.0	(0.6)
432	485	MIGROS GROUP <sup>C</sup>	SWITZERLAND	35,563.1	12.6
433		• MERCADONA	SPAIN	35,525.4	18.7
434	455	D.R. HORTON <sup>2</sup>	U.S.	35,460.4	5.9
435	368	CHINA ELECTRONICS <sup>G</sup>	CHINA	35,390.9	(12.2)
436	389	SHUDAO INVESTMENT GROUP <sup>G</sup>	CHINA	35,379.3	(6.9)
437	356	CHINA NATIONAL COAL GROUP <sup>G</sup>	CHINA	35,364.0	(15.8)
438	436	TONGLING NONFERROUS METALS GROUP <sup>G</sup>	CHINA	35,244.5	1.9
439	453	CK HUTCHISON HOLDINGS <sup>†,22</sup>	CHINA	35,199.8	5.0
440	480	PHILIP MORRIS INTERNATIONAL	U.S.	35,174.0 <sup>E</sup>	10.7
441		• PACCAR	U.S.	35,127.4	21.9
442		• PDD HOLDINGS <sup>§,23</sup>	CHINA	34,981.1	80.2
443	459	CRH <sup>§</sup>	IRELAND	34,949.0	4.7
444	345	QUANTA COMPUTER <sup>†</sup>	TAIWAN	34,860.2	(18.9)
445	491	SALESFORCE <sup>1</sup>	U.S.	34,857.0	11.2
446		• AIA GROUP <sup>†</sup>	CHINA	34,851.0	82.4
447	361	NUCOR	U.S.	34,713.5	(16.4)
448	456	JABIL <sup>5</sup>	U.S.	34,702.0	3.7
449		• NATIONAL AUSTRALIA BANK <sup>†,2</sup>	AUSTRALIA	34,549.9	85.9
450	472	SAP <sup>†</sup>	GERMANY	34,542.0 <sup>1</sup>	6.4
451	434	CRRC GROUP <sup>G</sup>	CHINA	34,519.7	(0.5)
452	451	SHANGHAI DELONG STEEL GROUP	CHINA	34,399.4 <sup>1</sup>	2.6
453	450	LENNAR <sup>16</sup>	U.S.	34,233.4	1.7
454	447	SOMPO HOLDINGS <sup>3</sup>	JAPAN	34,136.3	0.3
455		• ELI LILLY	U.S.	34,124.1	19.6
456	374	KOREA GAS <sup>†,G</sup>	SOUTH KOREA	34,114.8	(14.9)
457	475	MOLINA HEALTHCARE	U.S.	34,072.0	6.6
458	465	BEIJING JIANLONG HEAVY INDUSTRY GROUP	CHINA	34,069.6	3.6

RANK		Country/Territory	REVENUES		
2023	2022		\$ millions	% change from 2022	
459		• CUMMINS	U.S.	34,065.0	21.3
460	432	SHAANXI CONSTR. ENGINEERING HOLDING <sup>G</sup>	CHINA	34,060.9	(1.9)
461		• RABOBANK GROUP <sup>†,C</sup>	NETHERLANDS	34,042.6	53.8
462	470	AISIN <sup>†,3</sup>	JAPAN	33,969.6	4.4
463	353	RAJESH EXPORTS <sup>3</sup>	INDIA	33,944.1	(19.8)
464	445	BRITISH AMERICAN TOBACCO <sup>†</sup>	BRITAIN	33,907.4 <sup>E</sup>	(0.6)
465	378	CPC <sup>†,G</sup>	TAIWAN	33,903.7 <sup>E</sup>	(14.0)
466		• BANK OF NEW YORK MELLON	U.S.	33,805.0	69.1
467	476	TONGWEI GROUP	CHINA	33,731.3	5.6
468	484	NETFLIX	U.S.	33,723.3	6.7
469		• NOVO NORDISK <sup>†</sup>	DENMARK	33,703.8	34.7
470	410	SHOUGANG GROUP <sup>G</sup>	CHINA	33,621.3	(8.8)
471	359	SHANXI COKING COAL GROUP <sup>G</sup>	CHINA	33,533.2	(19.5)
472	495	GUANGXI INVESTMENT GROUP <sup>G</sup>	CHINA	33,428.1	6.9
473		• VTB BANK <sup>†</sup>	RUSSIA	33,420.2	73.1
474		• MAZDA MOTOR <sup>3</sup>	JAPAN	33,403.0	18.2
475	466	HUNAN IRON & STEEL GROUP <sup>G</sup>	CHINA	33,344.8	1.9
476	399	POWER CORP. OF CANADA <sup>†</sup>	CANADA	33,264.8	(11.1)
477		• TRUIST FINANCIAL	U.S.	33,246.0	31.1
478	490	SIEMENS ENERGY <sup>†,2</sup>	GERMANY	33,184.9	5.8
479		• SCHLUMBERGER <sup>§,24</sup>	U.S.	33,135.0	18.0
480	397	ECOPETROL <sup>†,G</sup>	COLOMBIA	33,126.5 <sup>E</sup>	(11.8)
481	404	ARROW ELECTRONICS	U.S.	33,107.1	(10.8)
482		• JERÓNIMO MARTINS <sup>†</sup>	PORTUGAL	33,089.1	23.9
483	483	CHINA NATIONAL AVIATION FUEL GROUP <sup>G</sup>	CHINA	32,984.2	4.2
484		• COMMONWEALTH BANK OF AUSTRALIA <sup>†,7</sup>	AUSTRALIA	32,980.5 <sup>1</sup>	50.2
485		• CENTRICA <sup>†</sup>	BRITAIN	32,882.1	12.3
486	460	LINDE <sup>§,25</sup>	BRITAIN	32,854.0	(1.5)
487		• HEINEKEN <sup>†</sup>	NETHERLANDS	32,823.1 <sup>E</sup>	8.7
488	479	LUXSHARE PRECISION INDUSTRY	CHINA	32,758.5	3.0
489	443	3M	U.S.	32,681.0	(4.5)
490		• VISA <sup>2</sup>	U.S.	32,653.0	11.4
491		• APOLLO GLOBAL MANAGEMENT	U.S.	32,644.0	180.8
492		• EMIRATES GROUP <sup>†,3,G</sup>	UAE	32,637.9	12.2
493	429	VIBRA ENERGIA <sup>†</sup>	BRAZIL	32,634.1	(7.2)
494	474	METRO <sup>†,2</sup>	GERMANY	32,579.2	1.2
495		• SUBARU <sup>†,3</sup>	JAPAN	32,540.1	16.7
496		• AIR FRANCE-KLM GROUP <sup>†</sup>	FRANCE	32,452.3	16.9
497	365	ENBRIDGE <sup>§</sup>	CANADA	32,349.5	(21.0)
498		• ABB <sup>§</sup>	SWITZERLAND	32,235.0	9.5
499	499	mitsubishi heavy industries <sup>†,3</sup>	JAPAN	32,223.2	3.8
500	457	SAMSUNG C&T <sup>†</sup>	SOUTH KOREA	32,077.9	(4.1)
<b>TOTAL</b>				<b>40,992,712.5</b>	

# NOTES

## Definitions and Explanations

### METHODOLOGY

Companies are ranked by total revenues for their respective fiscal years ended on or before March 31, 2024. All companies on the list must publish financial data and report part or all of their figures to a government agency. Figures are as reported, and comparisons are with the prior year's figures as originally reported for that year. *Fortune* does not restate the prior year's figures for changes in accounting.

### REVENUES

Revenue figures include consolidated subsidiaries and reported revenues from discontinued operations, but exclude excise taxes. For banks, revenue is the sum of gross interest income and gross noninterest income. For insurance companies, revenue includes premium and annuity income, investment income, realized capital gains or losses, and other income, but excludes deposits. Revenue figures for non-U.S. companies have been converted to U.S. dollars at the average exchange rate during each company's fiscal year (ended Dec. 31, 2023, unless otherwise noted).

### CREDITS

This year's Fortune Global 500 was prepared under the direction of list editor Scott DeCarlo. Financial statements and annual reports were reviewed by accounting specialist Rhona Altschuler and markets editor Kathleen Smyth. The *Fortune* China team, led by Julia Chu, provided figures for Chinese companies. The data verification process was aided substantially by S&P Global Market Intelligence and Refinitiv.

## Footnotes

- § Figures prepared in accordance with U.S. Generally Accepted Accounting Principles.
- ¶ Includes revenues from discontinued operations.
- † Figures prepared in accordance with International Accounting Standards.
- C A cooperative.
- E Excise taxes have been deducted.
- G Government owned 50% or more.
- P A partnership.
- 1 Figures are for fiscal year ended Jan. 31, 2024.
- 2 Figures are for fiscal year ended Sept. 30, 2023.
- 3 Figures are for fiscal year ended March 31, 2024.
- 4 Changed name from AmerisourceBergen, Aug. 30, 2023.
- 5 Figures are for fiscal year ended Aug. 31, 2023.
- 6 Company is incorporated in Jersey. Executive offices are in Switzerland.
- 7 Figures are for fiscal year ended June 30, 2023.
- 8 Company is incorporated in the Cayman Islands. Executive offices are in China.
- 9 Company's senior preferred stock is owned by the U.S. Treasury, which also holds a warrant to purchase 79.9% of the common stock.
- 10 Figures are for fiscal year ended May 31, 2023.
- 11 Figures are for fiscal year ended Oct. 31, 2023.
- 12 Figures are for fiscal year ended Feb. 28, 2024.
- 13 Figures are for fiscal year ended April 30, 2023.
- 14 Company reports sale of physical commodities on a gross basis.
- 15 Company is incorporated in Switzerland. Executive offices are in the U.S.
- 16 Figures are for fiscal year ended Nov. 30, 2023.
- 17 Figures are for fiscal year ended July 31, 2023.
- 18 Figures include operations for entire cooperative, including members.
- 19 Reorganized as holding company and changed name from Australia and New Zealand Banking Group, Jan. 3, 2023.
- 20 Company is incorporated in the Netherlands. Executive offices are in Britain and the U.S.
- 21 Company is incorporated in Bermuda. Executive offices are in Hong Kong.
- 22 Company is incorporated in the Cayman Islands. Executive offices are in Hong Kong.
- 23 Company is incorporated in the Cayman Islands. Executive offices are in China.
- 24 Company is incorporated in Curaçao. Executive offices are in the U.S.
- 25 Company is incorporated in Ireland. Executive offices are in Britain.

Company	Country/Territory	Global500 rank
ABB	SWITZERLAND	498
ABBOTT LABORATORIES	U.S.	376
ABBVIE	U.S.	259
ACCENTURE	IRELAND	211
ACS	SPAIN	391
AEON	JAPAN	203
AGRICULTURAL BANK OF CHINA	CHINA	34
AIA GROUP	CHINA	446
AIRBUS	NETHERLANDS	183
AIR FRANCE-KLM GROUP	FRANCE	496
AISIN	JAPAN	462
ALBERTSONS	U.S.	152
ALIBABA GROUP HOLDING	CHINA	70
ALIMENTATION COUCHE-TARD	CANADA	177
ALLIANZ	GERMANY	82
ALLSTATE	U.S.	244
ALPHABET	U.S.	17
ALUMINUM CORP. OF CHINA	CHINA	214
AMAZON.COM	U.S.	2
AMÉRICA MÓVIL	MEXICO	328
AMERICAN AIRLINES GROUP	U.S.	278
AMERICAN EXPRESS	U.S.	195
AMERICAN INTERNATIONAL GROUP	U.S.	324
ANHEUSER-BUSCH INBEV	BELGIUM	231
ANSTEEL GROUP	CHINA	371
ANZ GROUP HOLDINGS	AUSTRALIA	323
APOLLO GLOBAL MANAGEMENT	U.S.	491
APPLE	U.S.	7
ARCELORMITTAL	LUXEMBOURG	190
ARCHER DANIELS MIDLAND	U.S.	117
ARROW ELECTRONICS	U.S.	481
ASSICURAZIONI GENERALI	ITALY	245
ASTRAZENECA	BRITAIN	329
AT&T	U.S.	74
AVIATION INDUSTRY CORP. OF CHINA	CHINA	147
AXA	FRANCE	126
BANCO BILBAO VIZCAYA ARGENTARIA	SPAIN	200
BANCO BRADESCO	BRAZIL	252
BANCO DO BRASIL	BRAZIL	217
BANCO SANTANDER	SPAIN	62
BANK OF AMERICA	U.S.	38
BANK OF CHINA	CHINA	37
BANK OF COMMUNICATIONS	CHINA	154
BANK OF MONTREAL	CANADA	294
BANK OF NEW YORK MELLON	U.S.	466
BANK OF NOVA SCOTIA	CANADA	281
BARCLAYS	BRITAIN	212
BASF	GERMANY	172
BAYER	GERMANY	286
BEIJING AUTOMOTIVE GROUP	CHINA	192
BEIJING JIANLONG HEAVY IND. GROUP	CHINA	458
BERKSHIRE HATHAWAY	U.S.	9
BEST BUY	U.S.	352
BHARAT PETROLEUM	INDIA	258
BHP GROUP	AUSTRALIA	268
BMW GROUP	GERMANY	41
BNP PARIBAS	FRANCE	64
BOEING	U.S.	159
BOSCH GROUP	GERMANY	105
BOUYGUES	FRANCE	225
BP	BRITAIN	25
BRISTOL-MYERS SQUIBB	U.S.	342
BRITISH AMERICAN TOBACCO	BRITAIN	464
BROADCOM	U.S.	427
BROOKFIELD	CANADA	113
BUNGE GLOBAL	U.S.	230
BYD	CHINA	143
CAIXA ECONÓMICA FEDERAL	BRAZIL	334
CANADIAN IMPERIAL BANK	CANADA	367
CAPITAL ONE FINANCIAL	U.S.	304
CARDINAL HEALTH	U.S.	27
CARREFOUR	FRANCE	122
CATERPILLAR	U.S.	199
CENCORA	U.S.	18
CENOVUS ENERGY	CANADA	390
CENTENE	U.S.	46
CENTRICA	BRITAIN	485
CFE	MEXICO	420
CHARTER COMMUNICATIONS	U.S.	255
CHERY HOLDING GROUP	CHINA	385

CHEVRON U.S.	29	EMIRATES GROUP UNITED ARAB EMIRATES	492	JOHNSON & JOHNSON U.S.	115	PBF ENERGY U.S.	395	STATE GRID CHINA	3
CHINA BAOWU STEEL GROUP CHINA	44	ENBRIDGE CANADA	497	JPMORGAN CHASE U.S.	21	PDD HOLDINGS CHINA	442	STATE POWER INVESTMENT CHINA	256
CHINA COMMUNICATIONS CONSTR. CHINA	63	ENEL ITALY	97	KB FINANCIAL GROUP SOUTH KOREA	296	PEGATRON TAIWAN	375	STELLANTIS NETHERLANDS	28
CHINA CONSTRUCTION BANK CHINA	30	ENEOS HOLDINGS JAPAN	153	KDDI JAPAN	379	PEMEX MEXICO	109	STONEX GROUP U.S.	223
CHINA DATANG CHINA	418	ENERGIE BADEN-WÜRTTEMBERG GERMANY	316	KIA SOUTH KOREA	162	PEOPLE'S INSURANCE CO. OF CHINA CHINA	158	SUBARU JAPAN	495
CHINA ELECTRONICS CHINA	435	ENERGY TRANSFER U.S.	155	KOÇ HOLDING TURKEY	194	PEPSICO U.S.	123	SUMITOMO JAPAN	318
CHINA ELECTRONICS TECH. GROUP CHINA	253	ENGIE FRANCE	130	KOREA ELECTRIC POWER SOUTH KOREA	201	PERFORMANCE FOOD GROUP U.S.	272	SUMITOMO MITSUI FINANCIAL GROUP JAPAN	208
CHINA ENERGY ENGINEERING CHINA	239	ENI ITALY	98	KOREA GAS SOUTH KOREA	456	PERTAMINA INDONESIA	165	SUNCOR ENERGY CANADA	401
CHINA ENERGY INVESTMENT CHINA	84	ENTERPRISE PRODUCTS U.S.	303	KROGER U.S.	51	PETROBRAS BRAZIL	99	SUSUN CONSTRUCTION GROUP CHINA	340
CHINA FAW GROUP CHINA	129	E.ON GERMANY	101	LANDESBANK BADEN-WÜRTTEMBERG GER.	312	PETRONAS MALAYSIA	167	SUZUKI MOTOR JAPAN	406
CHINA HUADIAN CHINA	336	EQUINOR NORWAY	91	LA POSTE FRANCE	409	PFIZER U.S.	236	SWISS RE SWITZERLAND	301
CHINA HUANENG GROUP CHINA	238	EXOR GROUP NETHERLANDS	313	LENNAR U.S.	453	PHILIP MORRIS INTERNATIONAL U.S.	440	SYSCO U.S.	163
CHINA LIFE INSURANCE CHINA	59	EXXON MOBIL U.S.	12	LENOVO GROUP CHINA	248	PHILLIPS 66 U.S.	52	TAIKANG INSURANCE GROUP CHINA	381
CHINA MERCHANTS BANK CHINA	179	FAIRFAX FINANCIAL HOLDINGS CANADA	393	LG CHEM SOUTH KOREA	355	PHOENIX PHARMA GERMANY	290	TAIWAN SEMICONDUCTOR TAIWAN	186
CHINA MINMETALS CHINA	69	FANNIE MAE U.S.	58	LG ELECTRONICS SOUTH KOREA	209	PING AN INSURANCE CHINA	53	TALANX GERMANY	327
CHINA MINSHENG BANKING CHINA	351	FEDEX U.S.	127	LIBERTY MUTUAL INSURANCE GROUP U.S.	280	PLAINS GP HOLDINGS U.S.	311	TARGET U.S.	90
CHINA MOBILE COMMUNICATIONS CHINA	55	FOMENTO ECONÓMICO MEXICANO MEXICO	349	LIFE INSURANCE CORP. OF INDIA INDIA	95	POSCO HOLDINGS SOUTH KOREA	233	TATA MOTORS INDIA	271
CHINA NATIONAL AVIATION FUEL GROUP CHINA	483	FORD MOTOR U.S.	36	LILLY (ELI) U.S.	455	POWERCHINA CHINA	108	TD SYNEX U.S.	241
CHINA NATIONAL BLDG. MATERIAL GROUP CHINA	307	FREDDIE MAC U.S.	88	LINDE BRITAIN	486	POWER CORP. OF CANADA CANADA	476	TELEFÓNICA SPAIN	350
CHINA NATIONAL COAL GROUP CHINA	437	GAZPROM RUSSIA	102	LLOYDS BANKING GROUP BRITAIN	204	PROCTER & GAMBLE U.S.	149	TENCENT HOLDINGS CHINA	141
CHINA NATIONAL NUCLEAR CHINA	380	GENERAL DYNAMICS U.S.	362	LOCKHEED MARTIN U.S.	193	PROGRESSIVE U.S.	218	TESCO BRITAIN	140
CHINA NATIONAL OFFSHORE OIL CHINA	56	GENERAL ELECTRIC U.S.	191	L'ORÉAL FRANCE	348	PRUDENTIAL FINANCIAL U.S.	266	TESLA U.S.	110
CHINA NATIONAL PETROLEUM CHINA	6	GENERAL MOTORS U.S.	39	LOUIS DREYFUS NETHERLANDS	293	PTT THAILAND	125	THERMO FISHER SCIENTIFIC U.S.	356
CHINA NORTH INDUSTRIES CHINA	160	GLENCORE SWITZERLAND	24	LOWE'S U.S.	139	PUBLIX SUPER MARKETS U.S.	242	3M U.S.	489
CHINA PACIFIC INSURANCE CHINA	331	GOLDMAN SACHS GROUP U.S.	87	LUFTHANSA GROUP GERMANY	374	QUALCOMM U.S.	426	THYSSENKRUPP GERMANY	377
CHINA POLY GROUP CHINA	173	GREENLAND HOLDING GROUP CHINA	291	LUKOIL RUSSIA	169	QUANTA COMPUTER TAIWAN	444	TIAA U.S.	333
CHINA POST GROUP CHINA	83	GROUPE BPCE FRANCE	174	LUXSHARE PRECISION INDUSTRY CHINA	488	RABOBANK GROUP NETHERLANDS	461	TJX U.S.	262
CHINA RAILWAY CONSTRUCTION CHINA	43	GS CALTEX SOUTH KOREA	405	LYONDELL BASELL INDUSTRIES NETHERLANDS	368	RAÍZEN BRAZIL	345	TOKIO MARINE HOLDINGS JAPAN	287
CHINA RAILWAY ENGINEERING CHINA	35	GSK BRITAIN	400	MAERSK GROUP DENMARK	289	RAJESH EXPORTS INDIA	463	TOKYO ELECTRIC POWER JAPAN	317
CHINA RESOURCES CHINA	72	GUANGDONG GUANGXIN HOLDINGS CHINA	414	MAGNA INTERNATIONAL CANADA	357	RELIANCE INDUSTRIES INDIA	86	TONGLING NONFERROUS METALS CHINA	438
CHINA SOUTHERN POWER GRID CHINA	78	GUANGXI INVESTMENT GROUP CHINA	472	MAPFRE GROUP SPAIN	419	RENAULT FRANCE	251	TONGWEI GROUP CHINA	467
CHINA SOUTH INDUSTRIES GROUP CHINA	343	GUANGZHOU AUTO. INDUSTRY GROUP CHINA	181	MARATHON PETROLEUM U.S.	50	REPSOL SPAIN	247	TORONTO-DOMINION BANK CANADA	168
CHINA STATE CONSTR. ENGINEERING CHINA	14	GUANGZHOU INDUSTRIAL INVEST. HOLDINGS CHINA	394	MARUBENI JAPAN	298	RIO TINTO GROUP BRITAIN	264	TOTAL ENERGIES FRANCE	23
CHINA STATE SHIPBUILDING CHINA	309	GUANGZHOU MUNICIPAL CONSTR. GROUP CHINA	361	MASSACHUSETTS MUTUAL LIFE U.S.	359	ROCHE GROUP SWITZERLAND	197	TOYOTA MOTOR JAPAN	15
CHINA TELECOMMUNICATIONS CHINA	135	GUANGZHOU PHARMACEUTICAL HOLDINGS CHINA	417	MAZDA MOTOR JAPAN	474	ROSNEFT OIL RUSSIA	89	TOYOTA TSUSHO JAPAN	184
CHINA UNITED NETWORK COMM. CHINA	279	HAIER SMART HOME CHINA	407	MCKESSON U.S.	16	ROYAL AHOLD DELHAIZE NETHERLANDS	114	TRAFUGURA GROUP SINGAPORE	19
CHINA VANKE CHINA	206	HAILIANG GROUP CHINA	429	MEIJI YASUDA LIFE INSURANCE JAPAN	399	ROYAL BANK OF CANADA CANADA	137	TRAVELERS U.S.	365
CHS U.S.	335	HANGZHOU INDUSTRIAL INVEST. GROUP CHINA	402	MEITUAN CHINA	384	RTX U.S.	188	TRUIST FINANCIAL U.S.	477
CHUBB SWITZERLAND	302	HANGZHOU IRON AND STEEL GROUP CHINA	410	MERCADONA SPAIN	433	SAIC MOTOR CHINA	93	TSINGSHAN HOLDING GROUP CHINA	265
CIGNA GROUP U.S.	33	HANWHA SOUTH KOREA	372	MERCEDES-BENZ GROUP GERMANY	42	SAINSBURY (J.) BRITAIN	369	TYSON FOODS U.S.	276
CISCO SYSTEMS U.S.	246	HBIS GROUP CHINA	249	MERCK U.S.	229	SAINT-GOBAIN FRANCE	284	UBER TECHNOLOGIES U.S.	403
CITIC GROUP CHINA	71	HCA HEALTHCARE U.S.	207	META PLATFORMS U.S.	66	SALESFORCE U.S.	445	UBS GROUP SWITZERLAND	182
CITIGROUP U.S.	45	HDFC BANK INDIA	306	METLIFE U.S.	202	SAMSUNG C&T SOUTH KOREA	500	UNICREDIT GROUP ITALY	315
CK HUTCHISON HOLDINGS CHINA	439	HD HYUNDAI SOUTH KOREA	321	METRO GERMANY	494	SAMSUNG ELECTRONICS SOUTH KOREA	31	UNILEVER BRITAIN	210
COCA-COLA U.S.	332	HEINEKEN NETHERLANDS	487	MICROSOFT U.S.	26	SANOFI FRANCE	297	UNIPER GERMANY	79
COFCO CHINA	106	HENGLI GROUP CHINA	81	MIDEA GROUP CHINA	277	SAP GERMANY	450	UNITED AIRLINES HOLDINGS U.S.	270
COMCAST U.S.	76	HITACHI JAPAN	196	MIGROS GROUP SWITZERLAND	432	SAUDI ARAMCO SAUDI ARABIA	4	UNITED HEALTH GROUP U.S.	8
COMMONWEALTH BANK AUSTRALIA	484	HOME DEPOT U.S.	48	NETFLIX U.S.	468	SBERBANK RUSSIA	216	UNITED PARCEL SERVICE U.S.	124
COMPASS GROUP BRITAIN	398	HONDA MOTOR JAPAN	57	NEW HOPE HOLDING GROUP CHINA	378	SCHLUMBERGER U.S.	479	UNITED SERVICES AUTO. ASSN. U.S.	360
CONOCOPHILLIPS U.S.	235	HONEYWELL INTERNATIONAL U.S.	413	NEW YORK LIFE INSURANCE U.S.	260	SCHNEIDER ELECTRIC FRANCE	387	U.S. BANCORP U.S.	373
CONTEMPORARY AMPEREX TECH. CHINA	250	HON HAI PRECISION INDUSTRY TAIWAN	32	NIKE U.S.	288	SEVEN & I HOLDINGS JAPAN	151	US FOODS HOLDING U.S.	430
CONTINENTAL GERMANY	344	HORTON (D.R.) U.S.	434	NIPPON LIFE INSURANCE JAPAN	144	S.F. HOLDING CHINA	415	U.S. POSTAL SERVICE U.S.	156
COOP GROUP SWITZERLAND	392	HP U.S.	269	NIPPON STEEL CORPORATION JAPAN	220	SHAANXI COAL & CHEMICAL IND. CHINA	170	VALE BRAZIL	363
COSCO SHIPPING CHINA	267	HSBC HOLDINGS BRITAIN	67	NIPPON TELEGRAPH AND TELEPHONE JAPAN	120	SHAANXI CONSTRUCTION ENGINEERING CHINA	460	VALERO ENERGY U.S.	61
COSTCO WHOLESALE U.S.	20	HUAWAI INVESTMENT & HOLDING CHINA	103	NISSAN MOTOR JAPAN	136	SHAANXI YANCHANG PETROLEUM CHINA	285	VEOLIA ENVIRONNEMENT FRANCE	308
CPC TAIWAN	465	HUMANA U.S.	92	NORTHROP GRUMMAN U.S.	382	SHANDONG ENERGY GROUP CHINA	75	VERIZON COMMUNICATIONS U.S.	68
CRÉDIT AGRICOLE FRANCE	118	HUNAN IRON & STEEL GROUP CHINA	475	NORTHWESTERN MUTUAL U.S.	388	SHANDONG HI-SPEED GROUP CHINA	412	VIBRA ENERGIA BRAZIL	493
CRÉDIT MUTUEL GROUP FRANCE	337	HYUNDAI MOBIS SOUTH KOREA	339	NOVARTIS SWITZERLAND	263	SHANDONG WEIQIAO PIONEERING CHINA	175	VINCI FRANCE	166
CRH IRELAND	443	HYUNDAI MOTOR SOUTH KOREA	73	NOVO NORDISK DENMARK	469	SHANGHAI CONSTRUCTION GROUP CHINA	354	VISA U.S.	490
CRRC GROUP CHINA	451	IBERDROLA SPAIN	273	NUCOR U.S.	447	SHANGHAI DELONG STEEL GROUP CHINA	452	VODAFONE GROUP BRITAIN	310
CUMMINS U.S.	459	IDEMITSU KOSAN JAPAN	275	NVIDIA U.S.	222	SHANGHAI PHARMACEUTICALS HLDG. CHINA	411	VOLKSWAGEN GERMANY	11
CVS HEALTH U.S.	10	INDIAN OIL INDIA	116	NETFLIX U.S.	468	SHANGHAI PUDONG DEVEL. BANK CHINA	292	VOLVO SWEDEN	282
DAI-ICHI LIFE JAPAN	164	INDITEX SPAIN	386	NEW HOPE HOLDING GROUP CHINA	378	SHANXI COKING COAL GROUP CHINA	471	VTB BANK RUSSIA	473
DAIMLER TRUCK HOLDING GERMANY	227	INDUSTRIAL BANK CHINA	232	NEW YORK LIFE INSURANCE U.S.	260	SHELL BRITAIN	13	WALGREENS BOOTS ALLIANCE U.S.	60
DAIWA HOUSE INDUSTRY JAPAN	423	INDUSTRIAL & COMMER. BANK OF CHINA CHINA	22	NIKE U.S.	288	SHENGHONG HOLDING GROUP CHINA	171	WALMART U.S.	1
DEERE U.S.	221	ING GROUP NETHERLANDS	228	NIPPON LIFE INSURANCE JAPAN	144	SHENZHEN INVESTMENT HOLDINGS CHINA	370	WARNER BROS. DISCOVERY U.S.	366
DELL TECHNOLOGIES U.S.	133	INGKA GROUP NETHERLANDS	322	NIPPON STEEL CORPORATION JAPAN	220	SHOUGANG GROUP CHINA	470	WELLS FARGO U.S.	80
DELTA AIR LINES U.S.	237	INTEL U.S.	261	NIPPON TELEGRAPH AND TELEPHONE JAPAN	120	SHUDAO INVESTMENT GROUP CHINA	436	WESTON (GEORGE) CANADA	347
DENSO JAPAN	305	INTERNATIONAL BUSINESS MACHINES U.S.	219	NISSAN MOTOR JAPAN	136	SIEMENS GERMANY	145	WILMAR INTERNATIONAL SINGAPORE	198
DEUTSCHE BAHN GERMANY	274	INTESA SANPAOLO ITALY	283	NORTHROP GRUMMAN U.S.	382	SIEMENS ENERGY GERMANY	478	WOOLWORTHS GROUP AUSTRALIA	353
DEUTSCHE BANK GERMANY	205	ITAÚ UNIBANCO HOLDING BRAZIL	189	NORTHWESTERN MUTUAL U.S.	388	SINOCHEM HOLDINGS CHINA	54	WORLD KINECT U.S.	319
DEUTSCHE TELEKOM GERMANY	77	ITOCHU JAPAN	107	NOVARTIS SWITZERLAND	263	SINOMACH CHINA	326	WUCHAN ZHONGDA GROUP CHINA	150
DHL GROUP GERMANY	134	JABIL U.S.	448	NOVO NORDISK DENMARK	469	SINOPEC GROUP CHINA	5	X5 RETAIL GROUP NETHERLANDS	408
DIOR (CHRISTIAN) FRANCE	119	JAPAN POST HOLDINGS JAPAN	146	NUCOR U.S.	447	SINOPHARM CHINA	112	XIAMEN C&D CHINA	85
DISNEY (WALT) U.S.	131	JARDINE MATHESON CHINA	421	NVIDIA U.S.	222	SK SOUTH KOREA	100	XIAMEN ITG HOLDING GROUP CHINA	142
DOLLAR GENERAL U.S.	389	JBS BRAZIL	176	OIL & NATURAL GAS INDIA	180	SNCF GROUP FRANCE	341	XIAOMI CHINA	397
DONGFENG MOTOR CHINA	240	JD.COM CHINA	47	OLAM GROUP SINGAPORE	425	SOCIÉTÉ GÉNÉRALE FRANCE	104	XMXYG CHINA	187
DOW U.S.	346	JERÓNIMO MARTINS PORTUGAL	482	OMV GROUP AUSTRIA	358	SOFTBANK GROUP JAPAN	325	ZF FRIEDRICHSHAFEN GERMANY	295
DZ BANK GERMANY	404	JFE HOLDINGS JAPAN	428	ORACLE U.S.	299	SOMPO HOLDINGS JAPAN	454	ZHEJIANG COMMUNICATIONS INVEST. CHINA	330
ECOPETROL COLOMBIA	480	JIANGSU SHAGANG GROUP CHINA	383	ORANGE FRANCE	320	SONY JAPAN	128	ZHEJIANG GEELY HOLDING GROUP CHINA	185
EDEKA ZENTRALE GERMANY	257	JIANGXI COPPER CHINA	157	ORLEN POLAND	132	STANDARD CHARTERED BRITAIN	396	ZHEJIANG HENGYI GROUP CHINA	243
ELECTRICITÉ DE FRANCE FRANCE	49	JINCHUAN GROUP CHINA	300	PACCAR U.S.	441	STARBUCKS U.S.	424	ZHEJIANG RONGSHENG HOLDING GROUP CHINA	138
ELEVANCE HEALTH U.S.	40	JINGYE GROUP CHINA	314	PACIFIC CONSTRUCTION GROUP CHINA	161	STATE BANK OF INDIA INDIA	178	ZIJIN MINING GROUP CHINA	364
ELO GROUP FRANCE	431	JINNENG HOLDING GROUP CHINA	213	PANASONIC HOLDINGS JAPAN	234	STATE FARM INSURANCE U.S.	94	ZURICH INSURANCE GROUP SWITZERLAND	224

# WINNERS & LOSERS

## Newcomers and Returnees

	500 rank 2023
1 ABB*	498
2 AIA GROUP*	446
3 AIR FRANCE-KLM GROUP*	496
4 ANZ GROUP HOLDINGS*	323
5 APOLLO GLOBAL MANAGEMENT	491
6 BANK OF NEW YORK MELLON	466
7 CANADIAN IMPERIAL BANK OF COMMERCE*	367
8 CENTRICA*	485
9 CFE*	420
10 CHERY HOLDING GROUP	385
11 COMMONWEALTH BANK OF AUSTRALIA*	484
12 CRÉDIT MUTUEL GROUP	337
13 CUMMINS	459
14 DZ BANK*	404
15 EMIRATES GROUP*	492
16 FAIRFAX FINANCIAL HOLDINGS	393
17 HAILIANG GROUP*	429
18 HANGZHOU INDUSTRIAL INVESTMENT GROUP	402
19 HDFC BANK	306
20 HEINEKEN*	487
21 JERÓNIMO MARTINS	482
22 LANDESBANK BADEN-WÜRTTEMBERG*	312
23 ELI LILLY*	455
24 LLOYDS BANKING GROUP*	204
25 LUKOIL*	169
26 MAPFRE GROUP*	419
27 MAZDA MOTOR*	474
28 MERCADONA*	433
29 NATIONAL AUSTRALIA BANK*	449
30 NOVO NORDISK	469
31 NVIDIA	222
32 PACCAR*	441
33 PDD HOLDINGS	442
34 RABOBANK GROUP*	461
35 ROSNEFT OIL*	89
36 SCHLUMBERGER*	479
37 STANDARD CHARTERED*	396
38 SUBARU*	495
39 TRUIST FINANCIAL*	477
40 UNICREDIT GROUP*	315
41 U.S. BANCORP*	373
42 VISA	490
43 VTB BANK*	473

## Displaced From List

	500 rank 2022
1 AIR LIQUIDE	488
2 AMER INTERNATIONAL GROUP†	124
3 ANGLO AMERICAN	430
4 ANHUI CONCH GROUP	464
5 BRIDGESTONE	494
6 CANADIAN NATURAL RESOURCES	471
7 CARMAX	498
8 CHENGDU XINGCHENG INVESTMENT GROUP†	493
9 CHENIERE ENERGY	458
10 CHINA AEROSPACE SCIENCE & INDUSTRY†	400
11 CHINA MERCHANTS GROUP†	175
12 CHINA TAIPING INSURANCE GROUP†	385
13 CJ CORP.	481
14 COMPAL ELECTRONICS	420
15 COUNTRY GARDEN HOLDINGS†	206
16 DANAHER	489
17 DSV	461
18 ENERGI DANMARK GROUP	293
19 FINATIS	422
20 FRESENIUS	346
21 GASTERRA	401
22 HAPAG-LLOYD	416
23 HF SINCLAIR	387
24 KUEHNE + NAGEL INTERNATIONAL	364
25 LONGFOR GROUP HOLDINGS	402
26 LU'AN CHEMICAL GROUP†	468
27 MAGNIT	448
28 MEDTRONIC	482
29 MITSUBISHI CHEMICAL GROUP	442
30 NATURGY ENERGY GROUP	424
31 NEW CHINA LIFE INSURANCE	478
32 NRG ENERGY	486
33 NUTRIEN	392
34 OCCIDENTAL PETROLEUM	405
35 PARAMOUNT GLOBAL	492
36 POSTE ITALIANE	452
37 RWE	367
38 SAMSUNG LIFE INSURANCE	496
39 SK HYNIX	437
40 SUMITOMO LIFE INSURANCE	497
41 WISTRON	463
42 XINJIANG GUANGHUI INDUSTRY INVESTMENT	500
43 XINJIANG ZHONGTAI GROUP†	412

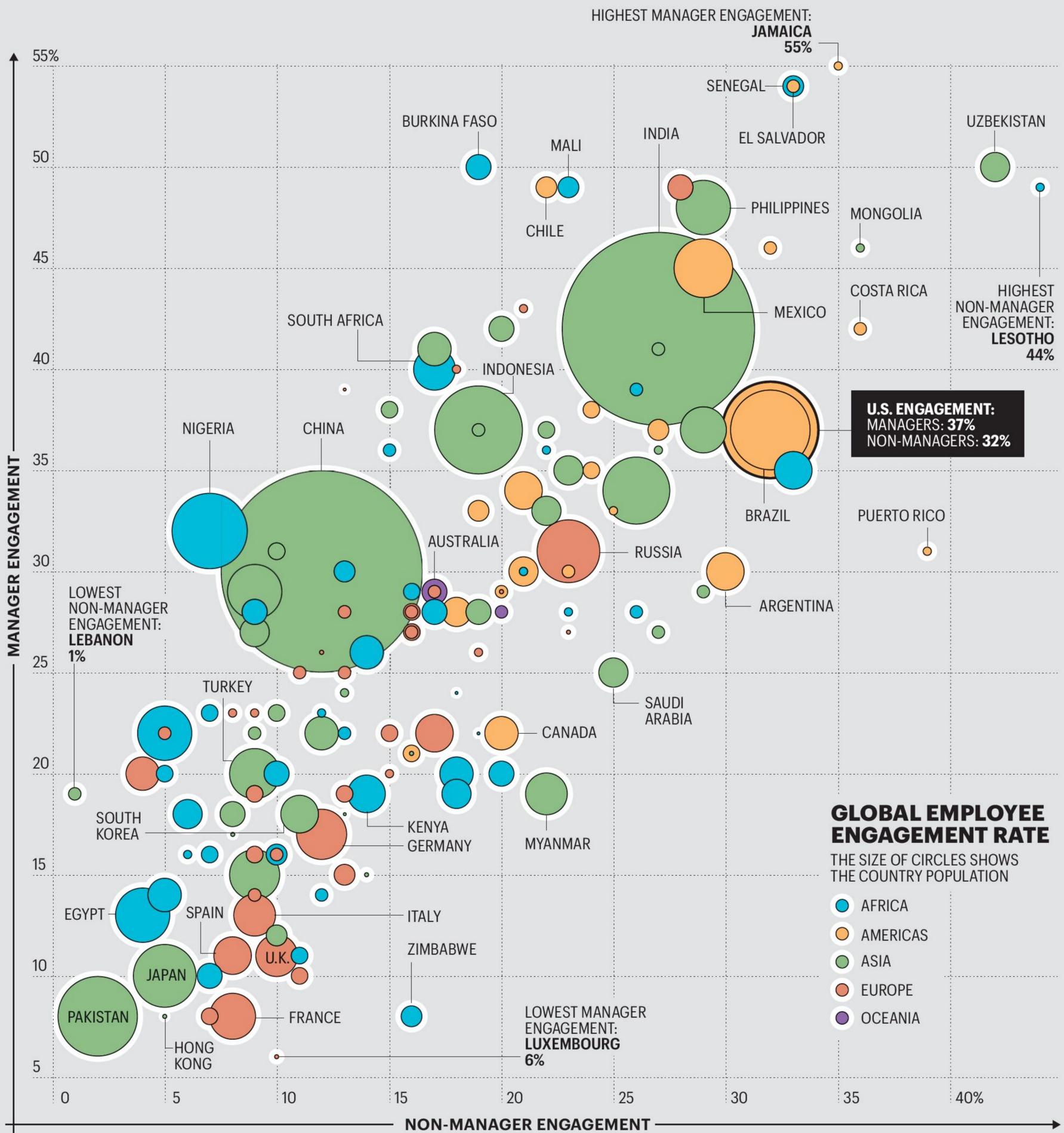
## The 33 Money Losers

	Revenues rank	Loss \$ millions
BRITISH AMERICAN TOBACCO	464	17,855.4
GAZPROM	102	7,383.4
3M	489	6,995.0
U.S. POSTAL SERVICE	156	6,478.0
STATE FARM INSURANCE	94	6,272.3*
SIEMENS ENERGY	478	4,832.9*
KOREA ELECTRIC POWER	201	3,692.4*
SINOCHEM HOLDINGS	54	3,666.0*
BAYER	286	3,179.4
WARNER BROS. DISCOVERY	366	3,126.0*
WALGREENS BOOTS ALLIANCE	60	3,080.0
DEUTSCHE BAHN	274	2,566.4*
BOEING	159	2,222.0*
THYSSENKRUPP	377	2,209.6
SOFTBANK GROUP	325	1,575.1*
TIAA	333	1,408.9
GREENLAND HOLDING GROUP	291	1,349.9
TRUIST FINANCIAL	477	1,091.0
TELEFÓNICA	350	964.3
CHINA LIFE INSURANCE	59	841.2
MASSACHUSETTS MUTUAL LIFE	359	771.6
CPC	465	656.7*
TYSON FOODS	276	648.0
SK	100	594.8
KOREA GAS	456	582.8
ELO GROUP	431	409.7
DONGFENG MOTOR	240	391.6
JBS	176	212.5
ALLSTATE	244	188.0*
NEW HOPE HOLDING GROUP	378	93.0
ANSTEEL GROUP	371	83.1
NATIONWIDE	254	45.2
ZF FRIEDRICHSHAFEN	295	33.5
<b>TOTAL LOSSES</b>		<b>85,499.6</b>
<b>MEDIAN LOSS</b>		<b>1,349.9</b>

\* ALSO LOST MONEY IN 2022.

\* A RETURNEE TO THE FORTUNE GLOBAL 500 LIST.

† COMPANY DID NOT PROVIDE REQUIRED FINANCIALS FOR INCLUSION IN THE FORTUNE GLOBAL 500.



**THE CARTOGRAPHER**

## The Global Economy's \$8.9 Trillion Motivation Problem

**EMPLOYEE ENGAGEMENT IS THE GOAL** of every good business leader—and it's distressingly rare. Worldwide, only 30% of managers and 23% of rank-and-file workers describe themselves as highly involved and enthusiastic at work, according to Gallup. In the U.S. those numbers are 37% and 32%, respectively—higher than those in China, Japan, and most of Europe, but also an 11-year low. Gallup estimates that low engagement costs the global economy a stunning \$8.9 trillion a year, owing to lower productivity and higher turnover. Overwork, boredom, and mental health issues are among the main factors behind the dissatisfaction. One ray of hope: Highly engaged managers often boost the engagement of their direct reports. So: How are you feeling? —MATT HEIMER

# TOGETHER WE REINVENTED

Big businesses.  
Local economies.  
Automation.  
Transportation.  
Aerospace.  
Outer space.  
Actual space.  
Corporate responsibility.  
The future of mobility.  
And sustainability.  
Decarbonization.  
Reforestation.  
Smart crops.  
The seed market.  
The corporate grind.  
Time saving.  
Cost cutting.  
Forward-thinking.  
Circling back.  
Concert halls.  
The world's stage.  
Sports arenas.  
Streaming platforms.  
Retail therapy.  
Global markets.  
Capital investments.  
The Fortune 500®.  
Micro trends.  
Industry leaders.  
Media juggernauts.  
Tech giants.  
NGOs.  
Start ups.  
Legacy brands.

13 industries. In over 120 countries.  
With more than 9,000 clients.

REINVENTED WITH   
**accenture**