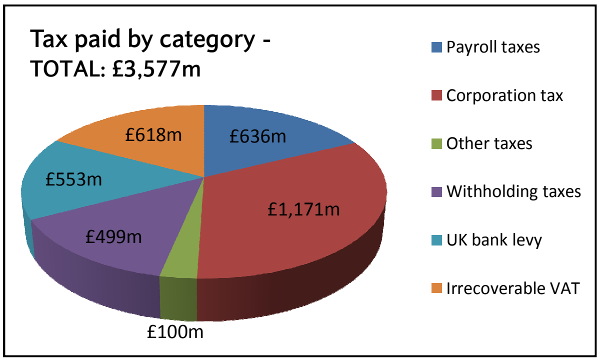
Barclays Tax – Our 2015 Country Snapshot

Welcome to the 2015 Barclays Country Snapshot. This report provides an overview of our tax contribution by country and also includes a summary of our approach to tax.

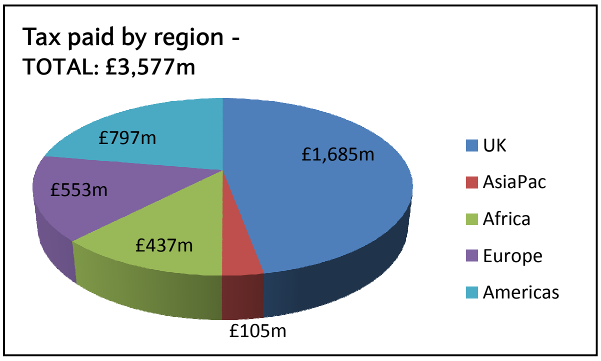
Highlights

Barclays continues to make substantial tax payments across the jurisdictions in which we operate, with taxes paid globally in 2015 being £3,577m. Our largest overall payment continues to be in the UK – the country in which we were founded and are headquartered. In 2015, PwC conducted their most recent survey of the One Hundred Group which represents most of the UK's largest groups and concluded that Barclays paid the greatest amount of UK tax. Below, we look in more detail at our global taxes paid.

Taxes by category



Taxes by region



Corporation taxes were the largest category of taxes paid in 2015. We are subject to corporation tax on our profits in the countries in which they are generated and this is often at a higher rate than in the UK.

Globally, we paid £1,171m (2014: £1,026m) of corporation tax in 2015 (excluding withholding taxes) on a global profit before tax of £2,073m making our global cash tax rate 56% (2014: 45%). The cash tax rate is the corporation tax paid in 2015 divided by our group profit before tax.

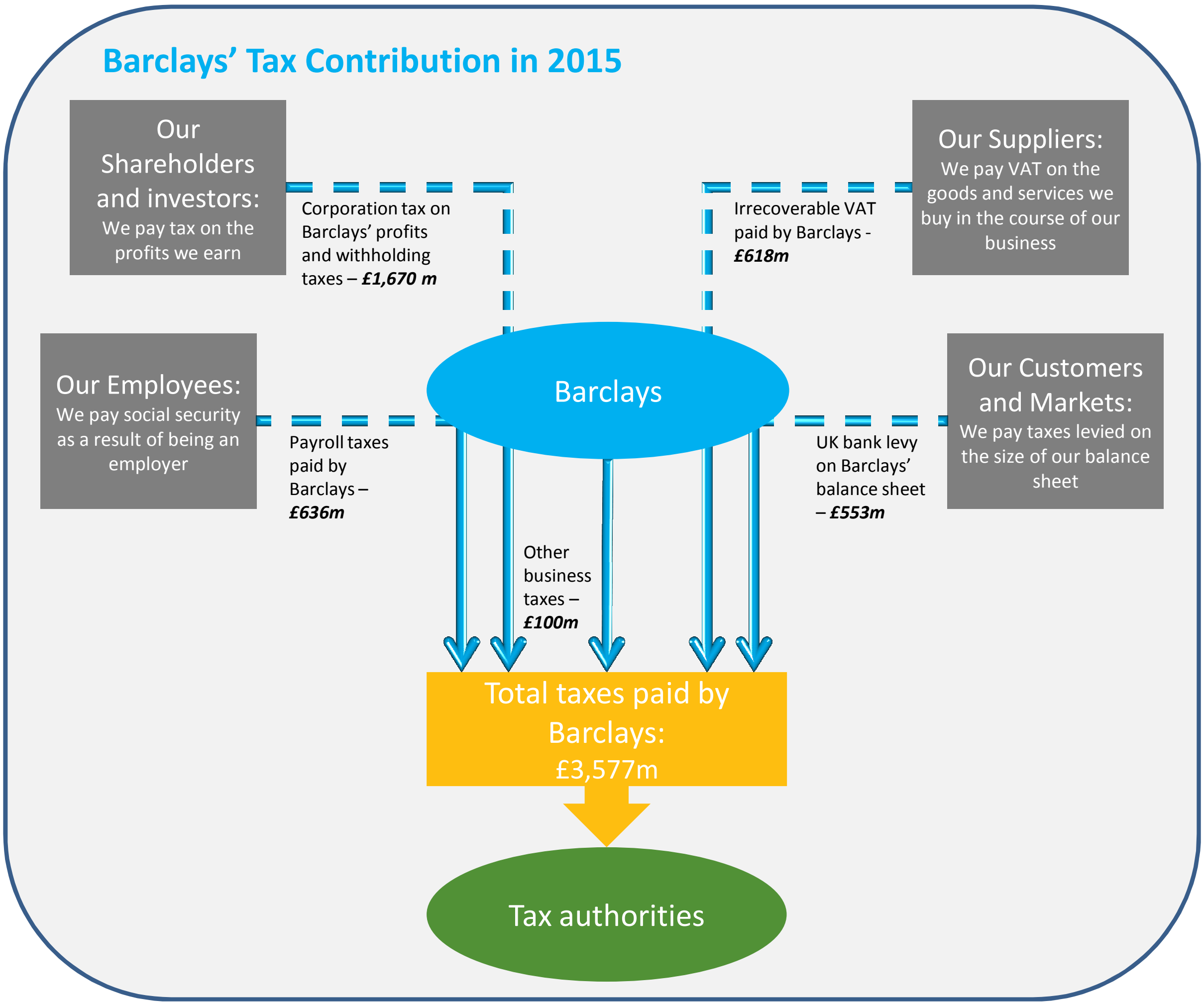
The second and third largest categories of taxes paid in 2015 were employer's payroll taxes of £636m and irrecoverable VAT of £618m. The payroll taxes amount represents payroll tax actually borne by Barclays and excludes taxes collected and paid on behalf of employees. Similarly, the irrecoverable VAT amount represents input VAT borne by Barclays and excludes VAT collected and paid on behalf of customers.

In 2015 Barclays paid £3,577m of tax (2014: £3,485m) of which £1,685m was paid in the UK (2014: £1,713m). This significant contribution to the UK economy reflects the fact that we are a UK-headquartered bank and that the UK is the main base of our global operations.

The table below shows that our total UK payments include very significant amounts of payroll tax and VAT and also includes a bank levy payment of £553m (2014: £525m). UK corporation tax is a relatively small part of the overall contribution. UK corporation tax is paid only on the profits Barclays actually generates in the UK and not, for example, on profits generated in other parts of our business and then passed to our UK headquarters as dividends. As has been the case in recent years, the level of our corporation tax payments in 2015 was reduced by tax losses incurred in earlier years that have been carried forward.

Global Tax Footprint

The diagram below shows the different taxes that we pay and how they arise as we do business. The diagram and the table below both show only the taxes that we as a business bear. We also collect taxes on behalf of employees and customers but have excluded those from the amounts presented in this document.



Country by country data

This is our third report providing detailed information on Barclays' business activities and tax contributions in the countries in which we operate. We provide details of turnover, employee numbers, the profits we generated, the tax we paid and any subsidies we received in each country in which we have significant business, alongside an explanation of the business we undertake there.

Independent Auditors' report to the Directors of Barclays Plc

We have audited the accompanying schedule of Barclays PLC for the year ended 31 December 2015 ("the schedule"). The schedule has been prepared by the Directors based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Directors' Responsibility for the schedule

The Directors are responsible for the preparation of the schedule in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the schedule, and for such internal controls as the Directors determine is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the information labelled as audited in the schedule based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Country-by-Country information labelled as audited in the schedule as at 31 December 2015 is prepared, in all material respects, in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Basis of Preparation and Restriction on Distribution

Without modifying our opinion, we draw attention to the fact that the Schedule may not be suitable for any other purpose other than meeting the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013, in accordance with which it has been prepared.

Our report is intended solely for the benefit of the Directors of Barclays PLC. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
29 February 2016
London, United Kingdom

(a) The maintenance and integrity of the Barclays PLC website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the schedule since it was initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of the schedule may differ from legislation in other jurisdictions.

Country Snapshot 2015		Audited	Audited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
		Turnover	Profit / (loss) before tax	Total tax paid	Corporation tax paid	Social Security paid	VAT paid	Bank Levy paid	Other taxes paid	Public subsidies received	Average number of employees
Country[1]	Commentary	£m	£m	£m	£m	£m	£m	£m	£m	£m	
United Kingdom	We are one of the largest banks in the UK, with operations spanning all business lines. Various factors mean that the profit we report here as being earned in the UK differs from the profits on which we were subject to corporation tax during 2015. As we are headquartered in the UK, the profit figure includes intra-group dividends received, which are not taxed in the UK. Our profit is also after significant expenses including provisions for ongoing investigations and litigation as well as customer redress that are not deductible for UK tax purposes. In addition, the tax payable on our UK taxable profits is reduced through the offset of tax losses from previous years, though new UK tax laws introduced with effect from 1 April 2015 limit the ability to offset losses incurred in prior years to 50% of the taxable profits generated.	15,305	1,292	1,674	159	403	482	553	77	1	48,622
United States	Our principal US activities include a significant and wide ranging investment bank business and Barclaycard operations. We pay US taxes, including federal, state and local corporate income taxes, on the profits from those activities at rates in excess of the UK corporation tax rate. The amount of corporation tax paid is high relative to the profit generated as the profit contains significant expenses including provisions for ongoing investigations and litigation which are not deductible for US tax purposes and which therefore result in the US taxable profits being higher than the reported profit before tax.	6,160	443	592	493	78	5	-	16	-	10,728
South Africa	Barclays owns 62.3% of Barclays Africa Group, which in turn owns Absa Bank, a household name in South Africa, and provides a full range of banking services including retail and investment banking. Operations span all business lines. Profits are taxed locally at rates in excess of the UK corporation tax rate.	2,752	832	301	236	10	49	-	6	-	31,221
Singapore	Singapore is a regional hub for our investment bank and also provides personal and corporate banking facilities. We employ a significant number of back-office and support staff in Singapore. These activities are taxed locally at below the UK corporation tax rate. The corporation tax paid in 2015 relates to profits earned in 2014.	600	(5)	19	7	11	1	-	-	-	2,882
Luxembourg	Luxembourg continues to be an important location for the bank. We carry on investment banking and treasury activity in Luxembourg including equities business, raising and providing financing from and to clients, and funding our international operations. The reduced turnover relative to 2014 reflects changes in the activities conducted and an increase in the funding costs the business pays within the Barclays Group. Luxembourg tax was not paid on the great majority of the profits due to either an offset of tax losses, or as a result of dividends not being taxed under Luxembourg law.	422	404	2	1	-	1	-	-	-	42
Hong Kong	Hong Kong is a regional hub for the investment bank, and also includes personal and corporate banking operations. Profits arising from onshore activities are taxable locally but no corporation tax is expected to be paid due to offset by tax losses from prior years.	368	60	-	-	-	-	-	-	-	765

[1] A list of the main entities that Barclays operates through around the world and which together contribute over 90% of the Group's turnover can be found within the Citizenship section of our website.

Country Snapshot 2015		Audited	Audited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
		Turnover	Profit / (loss) before tax	Total tax paid	Corporation tax paid	Social Security paid	VAT paid	Bank Levy paid	Other taxes paid	Public subsidies received	Average number of employees
Country	Commentary	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Germany	Our business in Germany comprises investment banking, corporate banking and Barclaycard operations, locally taxed at rates in excess of the UK corporation tax rate. The amount of corporation tax paid in 2015 was high relative to the profits generated as a result of additional amounts of corporation tax amounts being paid in respect of prior years.	338	81	61	49	6	6	-	-	-	745
Switzerland	We undertake investment banking and personal and corporate banking operations in Switzerland. Excluding internal dividends, which are not subject to Swiss tax, 2015 profits in the standalone Swiss business are £20m. Swiss tax was paid on a portion of these profits with the remaining tax being offset by tax losses from previous years.	308	170	14	5	6	3	-	-	-	341
Japan	Japan has significant investment banking and personal and corporate banking operations. The amounts recovered include withholding taxes borne on dividend income that we have received and corporation tax repayments in respect of amounts overpaid in previous years.	254	17	(16)	(23)	6	1	-	-	-	661
India	Our business in India comprises investment banking and personal and corporate banking operations locally taxed at rates above the UK corporation tax rate. We also employ a large number of back-office and support staff to support international operations and technology development.	244	133	57	48	7	2	-	-	-	14,180
Portugal	During 2015 our operations span all business lines. We have announced the sale of our retail (including wealth) and non-core corporate businesses in early 2016.	227	(54)	18	(1)	7	11	-	1	-	1,116
France	Our operations span all business lines and are taxed locally at a rate higher than the UK corporation tax rate.	225	(76)	56	(1)	47	10	-	-	-	1,243
Kenya	Our operations span all business lines and are taxed locally at a rate higher than the UK corporation tax rate.	197	82	32	24	1	7	-	-	-	2,876
Jersey	In 2015 we provided banking, investment management, trust and fiduciary, and brokerage services, all within the personal and corporate banking business line. These activities are taxed locally at rates below the UK rate. We have completed the sale of our offshore trust business in January 2016.	180	72	6	6	-	-	-	-	-	277
Isle of Man	In 2015 we provided banking, investment management, trust and fiduciary, and brokerage services, all within the personal and corporate banking business line. These activities are taxed locally at rates below the UK rate. We have completed the sale of our offshore trust business in January 2016.	157	71	7	7	-	-	-	-	-	460
Spain	At the beginning of 2015 the Spanish retail business was sold. The remaining operations in Madrid include Barclaycard, corporate and investment banking businesses.	130	8	19	2	2	15	-	-	-	536
Egypt	Our operations span all business lines and are locally taxed at a rate higher than the UK corporation tax rate.	130	67	23	20	1	2	-	-	-	1,321
Italy	In 2015 our operations span all business lines. In Q4 2015 we announced the sale the of the Italian retail business. The corporation tax paid reflects payments in respect of prior years.	120	(369)	64	34	15	15	-	-	-	991

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Country	Commentary	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Ireland	We have corporate banking, investment bank and wealth and investment management operations in Ireland. The activities are taxed locally at below the UK corporation tax rate.	109	91	3	2	1	-	-	-	-	125
Ghana	Our Ghana retail, corporate banking, investment bank and wealth and investment management operations are locally taxed at a rate higher than the UK corporation tax rate.	102	47	22	20	1	1	-	-	-	1,146
Monaco	Our operations are focussed on personal and corporate banking activities which are taxed at a higher rate than the UK corporation tax rate. Corporation tax is paid in the year following the year in which profits are generated and therefore the corporation tax paid in 2015 relates to profits generated in 2014.	89	26	11	4	5	2	-	-	-	181
Mauritius	We operate full-service personal and corporate banking businesses in Mauritius and our operations cover all business lines including investment banking. The majority of these activities are taxed locally under Mauritius law at rates below the UK rate.	83	42	4	4	-	-	-	-	-	814
Botswana	Our Botswana retail, corporate banking, investment bank, insurance and Barclaycard operations are taxed locally at a rate higher than the UK corporation tax rate.	82	21	8	7	-	1	-	-	-	1,236
UAE	Following the disposal of retail operations in 2014 our operations focus on mainly corporate banking. The corporation tax paid in 2015 relates to profits earned in 2014.	82	12	7	7	-	-	-	-	-	354
Tanzania	Our Tanzanian operations consist of retail, corporate banking and investment bank activities. Profits payable in Tanzania were reduced by tax losses from previous years.	77	5	4	-	4	-	-	-	-	1,774
Zambia	Our Zambia retail, corporate banking, investment bank and insurance operations are locally taxed at a rate higher than the UK corporation tax rate.	64	23	4	3	1	-	-	-	-	1,025
Guernsey	In 2015 we provided banking, investment management, trust and fiduciary, and brokerage services, all within the personal and corporate banking business line. These activities are taxed locally at rates below the UK rate. We have completed the sale of our offshore trust business in January 2016.	51	28	4	4	-	-	-	-	-	96
Mozambique	Our Mozambique retail, corporate banking and investment bank operations are locally taxed at a rate higher than the UK corporation tax rate but no corporation tax was paid due to the offset of tax losses from prior years.	48	6	2	-	2	-	-	-	-	984
Mexico	Our Mexican activities include investment banking activities. The corporation tax paid is relatively large primarily due to payments being based on future estimated profits.	47	16	33	30	1	2	-	-	-	66
South Korea	Our operations in South Korea consist mainly of investment bank operations. Profits are subject to tax locally at a rate higher than the UK corporation tax rate. We have announced that our offices in South Korea will be closed.	45	11	3	1	1	1	-	-	-	97
Australia	Our operations in Australia consist mainly of investment bank operations. Profits are subject to tax locally but no corporation tax was paid due to the offset of tax losses from prior years. We have announced that our offices in Australia will be closed.	45	11	2	-	2	-	-	-	-	79

Country Snapshot 2015		Audited	Audited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
		Turnover	Profit / (loss) before tax	Total tax paid	Corporation tax paid	Social Security paid	VAT paid	Bank Levy paid	Other taxes paid	Public subsidies received	Average number of employees
Country	Commentary	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Brazil	Our operations in Brazil consist mainly of investment bank operations and are locally taxed at a rate higher than the UK corporation tax rate.	43	11	12	8	4	-	-	-	-	94
Uganda	Our Ugandan retail, corporate banking and investment bank operations are locally taxed at a rate higher than the UK corporation tax rate but no corporation tax was paid due to the offset of tax losses from prior years.	42	14	1	-	1	-	-	-	-	895
Canada	Our operations in Canada consist mainly of investment bank operations. Our operations are locally taxed at a rate higher than the UK corporation tax rate.	37	(2)	4	3	1	-	-	-	-	74
Zimbabwe	Our operations in Zimbabwe are locally taxed at a rate higher than the UK corporation tax rate.	31	4	3	2	-	1	-	-	-	675
Israel	The corporation tax paid on our operations in Israel is based on future estimated profits.	31	(5)	3	3	-	-	-	-	-	37
Czech Republic	Our operations in Czech Republic are locally taxed at a rate similar to the UK corporation tax rate.	23	3	5	1	4	-	-	-	-	386
Seychelles	Our operations in Seychelles are locally taxed at a rate higher than the UK corporation tax rate.	20	10	4	4	-	-	-	-	-	190
Other	Represents 18 countries each with a turnover of less than £20m in 2015.	49	18	10	2	8	-	-	-	-	1,565
Subtotal		29,317	3,620	3,078	1,171	636	618	553	100	1	130,900
Withholding and other taxes		-	-	499	499	-	-	-	-	-	-
Intra-group eliminations:											
Dividends		(1,732)	(1,732)	-	-	-	-	-	-	-	-
Recharges		(2,365)		-	-	-	-	-	-	-	-
Asset transfers		36	36	-	-	-	-	-	-	-	-
Hedging		(275)	(324)	-	-	-	-	-	-	-	-
Other		473	473	-	-	-	-	-	-	-	-
Total		25,454	2,073	3,577	1,670	636	618	553	100	1	130,900

Explaining the above numbers

The table above provides the following information for Barclays in 2015:

Country: In most cases, we have determined which country to report activity under by looking at country of tax residence. Where activities are conducted by entities that are not themselves subject to tax (for example certain partnerships), then we have considered other factors such as the location of management and employees, the jurisdiction in which the majority of revenues are generated, and the country of establishment of the entity's parent. In these cases it is possible that tax is paid in a different country to the one where profits, upon which the tax is paid, are reported.

Commentary: We have explained the nature of our activities in each country, and have classified our activities as personal and corporate banking, investment banking, Africa banking and Barclaycard, primarily being credit card and payment processing. That disclosure is included within the Commentary column in the table above together with our explanation of any matters of interest.

Turnover: Turnover gives an indication of the size of our business in each country, and we have ordered the table in descending order. Turnover represents the 'Total income net of insurance claims' line on our income statement. Turnover includes net interest income, net fee and commission income, net trading income, net investment income, net premiums from insurance contracts and net claims and benefits incurred on insurance contracts. Some of the turnover numbers need to be treated with care as technical accounting requirements in the way these figures are prepared mean there is an element of double counting. Profits generated in South Africa and then paid to the UK as a dividend for example, will be counted within both the South Africa and UK figures. These adjustments, called intra-group eliminations, are broken down by type at the end of the table and total around £3.9bn for 2015 in relation to turnover.

Profit / (loss) before tax: These numbers are accounting profits. As with the turnover figures, these numbers include some double counting which is reconciled at the bottom of the table. Total intra-group eliminations for the profit / (loss) before tax column are around £1.5bn. The bulk of this is accounted for by the UK.

Total tax paid: This column shows the total tax Barclays actually paid in each country in 2015. The following columns break this total down into its constituent parts. Most of the taxes paid in any given year will not relate directly to the profits earned in that year. For example, bank levy is a tax on the amount and way we fund ourselves and is paid regardless of whether or not we make any profit.

Corporation tax paid: This column records corporation tax actually paid in each country in 2015. Corporation tax payable in any given year rarely relates directly to the profits earned in the same 12 months. This is because tax on profits is paid across multiple years, and taxable profits are calculated as prescribed by tax law which usually results in differences between accounting and taxable profits. This means it is possible that relatively high corporation tax can be paid when accounting profits are low and vice-versa. The amount of tax paid of £1,670m (2014: £1,552m) shown in the financial statements also includes withholding taxes. Withholding taxes comprise the tax charged on dividends or other income received, which is typically paid at the point of a distribution from one country to another. We have kept these amounts separate from corporation tax paid by country in the table above.

Payroll taxes paid: These are taxes borne by us, based on government social security policies in each country and, for example, in the UK represent employer's national insurance contributions. They do not represent income tax on payments to our employees or employees' national insurance contributions which are taxes collected but not borne by us.

VAT paid: This includes VAT and other consumption taxes (including goods and services tax, consumption tax and US Sales and Use Taxes). These are irrecoverable Value Added Tax figures. Unlike many other businesses, financial services businesses are only able to reclaim a small proportion of the VAT they incur, making VAT a significant part of our tax contribution. Not all countries have a VAT system which is why there are no entries against some countries within the table below. These numbers do not include any VAT charged to customers on Barclays' product base and collected on behalf of tax authorities.

Bank levy paid: Bank levy is a tax paid to the UK government on our global balance sheet as we are a UK headquartered bank. It is a tax charged on the funding we raise to support our businesses globally. As with corporation tax the bank levy is paid across multiple years and therefore the tax paid of £553m in 2015 should not be expected to equate to the accounting accrual in 2015 of £476m.

Other: Other taxes are the material property taxes that Barclays paid in 2015 and include, for example, taxes on the property we use in our business such as our network of high street branches.

Public subsidies received: Barclays received £1m from Scottish Development International in relation to job creation in Scotland.

Number of Employees: The number of employees has been calculated as the average number of employees, on a monthly full time equivalent basis, who were permanently employed by Barclays PLC or one of its subsidiaries during the relevant period. Contractors, agency staff, and staff on extended leave, such as maternity leave, are excluded.

Intra-group eliminations: These include adjustments that relate principally to transactions between Barclays businesses in different countries which are included within the individual country turnover, but are then eliminated in determining the overall group results to avoid double counting. Intra-group eliminations include dividend payments, income from intra-group transfers of assets, and income arising from hedging transactions that occur at a consolidated Barclays group level rather than an individual entity level.

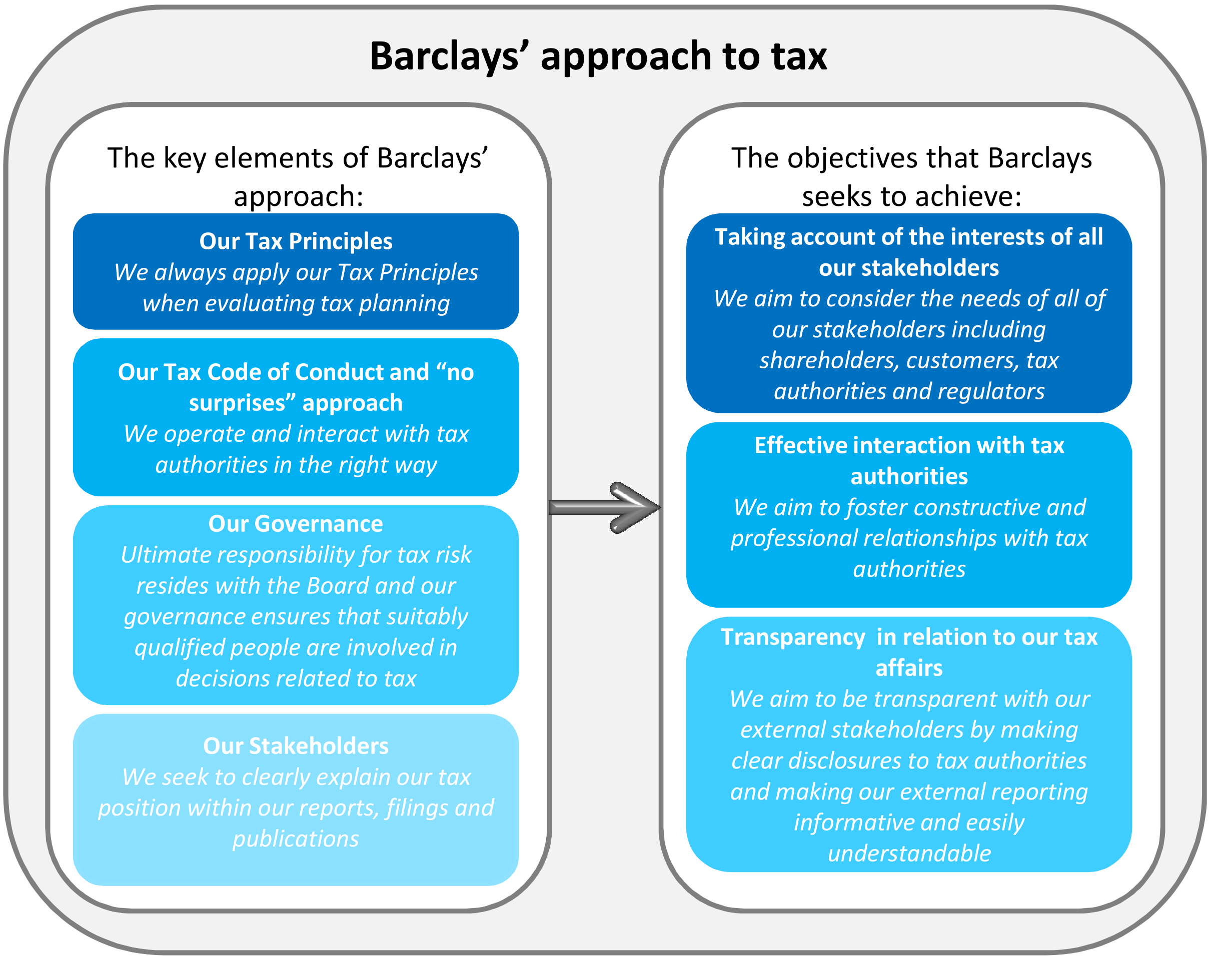
The comparable information for 2014 can be found on our website at https://www.home.barclays/citizenship/reports-and-publications/country-snapshot.html

Our approach to tax

Barclays' approach to tax has three core objectives:

- Taking account of the interests of all our stakeholders
- Effective interaction with tax authorities
- Transparency in relation to our tax affairs

Our approach to tax is built around ensuring we meet these objectives.



Our Tax Principles

During 2013 we set out and published clear Tax Principles that govern our approach to tax planning. Any tax planning for ourselves or on behalf of our clients must:

- support genuine commercial activity;
- comply with generally accepted custom and practice, in addition to the law and the UK Code of Practice on Taxation for Banks;
- be of a type that the tax authorities would expect;
- only take place with customers and clients sophisticated enough to assess its risks; and
- be consistent with, and seen to be consistent with, our Purpose and Values.

Our Tax Principles are central to our approach to tax planning undertaken for ourselves or on behalf of our clients. Since their introduction in 2013 we believe our Tax Principles have been an appropriate and valuable addition to the way we manage taxes, and the same applies to our Code of Conduct that is discussed below. We would update either of these if our approach to tax changed in the future.

- ***Our business***

  Tax influences decisions about how we run and organise our business and about where we base our operations. Making these decisions is an integral part of running a commercial organisation. When tax is a factor in deciding where or how we do business, we ensure that decisions made are consistent with our Tax Principles and that profits are taxed in the locations in which the economic activity generating them takes place. Transactions between group entities are priced on an arm's length basis, reflecting the economic substance of the transaction in accordance with established international standards and local tax laws. Arrangements that artificially transfer profits into a low tax jurisdiction would not be compliant with the Tax Principles.

  Barclays has business operations in a number of jurisdictions which have low tax rates. For example, we operate full-service retail and corporate banking businesses in Mauritius and the Seychelles. In both cases we are one of the leading banks in the country, having operated there for more than 50 years. Closer to the UK, we also have operations in offshore financial centres which are based principally in the Isle of Man, Jersey and Guernsey, where our operations are a long term major local employer. We have also historically incorporated companies under the laws of certain low tax jurisdictions because the local company law makes it easy and cost effective to set up and manage companies. Virtually all of the profits generated in these companies are subject to corporation tax at the UK corporation tax rate.

- ***Our clients***

  Our Tax Principles make it very clear that all tax planning for our clients must support genuine commercial activity. While our clients are ultimately responsible for any decisions in relation to their tax affairs, we, like other banks, do provide some tax related products to our clients. These products are well understood by tax authorities and often deliver tax incentives specifically intended by a government. Conversely, for example, we would not provide non-standard loan funding to a client where the funding is integral to the client's tax planning, if the tax planning does not comply with the spirit, as well as the letter, of the law.

  Barclays does not market the tax benefits of offshore financial centres to our clients. Where a client chooses to invest via an offshore financial centre, Barclays will only provide the client with services that are compliant with our Tax Principles.

Our Tax Code of Conduct and "no surprises" approach

Our tax department comprises in-house professionals from a combination of tax, legal and accounting backgrounds. Our tax professionals are subject to clear standards to ensure that they uphold the Tax Principles. Our Tax Code of Conduct is an integral part of how we operate:

- All tax planning must be subject to robust review and approval processes;
- We will maintain transparent disclosure in our relationship with the tax authorities, recognising that early resolution of risks is in everyone's best interest;
- We will routinely seek feedback from the tax authorities on the quality of our relationship with them;
- Any litigation necessary to resolve a difference of opinion will be handled professionally, efficiently and in a way that is consistent with our values; and
- We will reward employees based on a balanced scorecard approach to measuring performance, which includes an assessment of behaviour and appropriate consideration of tax risk over the long-term.

We ensure that, where necessary, we consult with reputable external advisors to help us manage Barclays' tax position and to ensure that we are making appropriate decisions.

Our aim is to take a "no surprises" approach to our interactions with the tax authorities by demonstrating the following behaviours in our dealings with them:

- We aim to have professional and constructive relationships;
- We make our tax returns as clear as possible and we try to raise important issues proactively so that tax authorities can focus their resources effectively;
- We aim to be cooperative and helpful when dealing with enquiries raised by tax authorities; and
- From time to time, if it is unclear how tax law should be applied, we may engage with tax authorities in advance of undertaking transactions to confirm the correct application of tax law.

Our Governance

The Board is ultimately responsible for tax matters and oversight of tax risk is carried out through Board level committees. Our governance around tax matters follows formal procedures which are fully in line with other Board approved governance procedures implemented across Barclays. The procedures in place ensure that all significant tax related decisions are subject to review and approval by appropriately qualified and experienced people.

Our Stakeholders

Barclays believes that it is important to be transparent in the disclosure of our tax affairs. This report aims to contribute to that transparency, as does our annual report and other publications.

Barclays engages with governments, non-governmental organisations and industry groups, through public consultations and other discussions, as part of our commitment to assisting with the development of tax policy and the improvement of tax systems, and our commitment to maintain transparency with these stakeholders. Tax regimes in many countries are undergoing a period of review in response to the OECD's Base Erosion and Profit Shifting project. We support the aims of that initiative which involves assisting tax regimes to develop in ways that make the global tax system fairer.