BARCLAYS

Barclays PLC
Country Snapshot
2016

Contents

Introduction to the report

About this report

Welcome to the 2016 Barclays Country Snapshot. This is our fourth annual report containing an overview of our tax contribution country by country. Transparency remains high on our agenda and tax continues to be an important issue for our stakeholders. As a result we have expanded and enhanced our 2016 report.

2016 highlights

Barclays continues to make substantial tax payments across the jurisdictions in which it operates, both in terms of the taxes we pay, which represent a cost to us (hereafter referred to as taxes paid) and taxes collected, which are those we administer on behalf of governments and collect from others as we do business.

In 2016, PwC conducted their most recent survey of the One Hundred Group which represents most of the UK's largest groups and Barclays is in the top three largest UK taxpayers, in terms of taxes paid, for the third year running.

Our key 2016 figures are shown below.

UK	
Rank in the list of groups by UK tax paid	No 2
Global	
Total taxes paid by Barclays	£2,824m
Total taxes collected by Barclays	£2,733m
Total tax contribution	£5,557m
Profit before tax	£4,127m
Number of countries that Barclays operates in	55
Total employees globally	122,947

"In 2016, PwC conducted their most recent survey of the One Hundred Group which represents most of the UK's largest groups and Barclays is in the top three largest UK taxpayers, in terms of taxes paid, for the third year running."

"Whilst we continue to publish information on our taxes paid by country, it is important that this is understood in the context of Barclays' overall approach to tax."

Changes in this year's report

- We have updated our report to include more information on our approach to tax. Whilst we continue to publish information on our taxes paid by country, it is important that this is understood in the context of Barclays' overall approach to tax.
- Although taxes paid by us remain the focus of our report, we have also included some information on the taxes that we collect. We collect those taxes because of the contribution made by our business activity, e.g. we collect substantial tax on our employees' remuneration which arises because we are a significant employer. Together, both taxes collected and taxes paid make up our total tax contribution. This total tax contribution has been set in the context of our overall contribution to the economy.
- The UK government's 2016 Budget introduced legislation requiring all large businesses to publish their UK tax strategy during 2017. As a bank founded and headquartered in the UK, we welcome this development and have included our approach to managing our UK tax affairs in this report.
- There have been significant developments in tax regulation at a global level over the past year and our report touches on some of the key areas.

"Transparency remains high on our agenda and tax continues to be an important issue for our stakeholders."

About Barclays

Barclays is a transatlantic consumer, corporate and investment bank that offers a well-balanced and integrated set of products and services across personal, corporate and investment banking, credit cards and wealth management. Our customers and clients include individuals, small and large businesses, local authorities, corporations, institutions and governments.

Our role in the economy

At Barclays, we are proud of our strong tax contribution and we are also a major investor, employer and purchaser of goods and services. In addition we facilitate individuals and corporations in making payments and managing their finances.

Our business units

Our business is constantly evolving in response to changes in the environment in which we operate.

We have announced our intention to focus on our strengths as a transatlantic consumer, corporate and investment bank. The Group aims to focus its operations in the two leading financial centres of the world, London and New York. Our core business units are shown below:

Barclays UK
Focused UK consumer and business bank with scale comprising:

- Personal Banking
- Barclaycard Consumer UK
- Wealth, Entrepreneurs and Business Banking

Barclays International
Diversified transatlantic wholesale and consumer bank comprising:

- Corporate and Investment Bank
- Consumer, Cards and Payments

“At Barclays, we are proud of our strong tax contribution and we are also a major investor, employer and purchaser of goods and services.”

Responding to change in the regulatory environment

- We are currently making a number of changes to the way Barclays is structured as a response to legislative requirements in the UK and the US. Structural Reform, sometimes referred to from a UK perspective as ‘ring-fencing’, aims to create a safer and more resilient banking system within which institutions can be more easily resolved without access to government funds.
- In the UK, ring-fencing will require banking products and services like savings accounts, current accounts and payments to be separated from more complex products like derivatives, and from activities that are conducted in locations and markets outside the UK and European Economic Area. The UK ring-fencing rules will take effect from January 2019.
- In the US, we were required to implement an Intermediate Holding Company (IHC) group within which all our US subsidiaries operate. The IHC is part of the Barclays International business unit and was established on 1 July 2016.

Conduct rules

- Conduct Rules are new behavioural requirements set by the UK Regulators, the Financial Conduct Authority and Prudential Regulation Authority, as part of the introduction of the Individual Accountability Rules in March 2016. They aim to hold people working at all levels in banking to appropriate standards of conduct.
- Barclays is committed to ensuring all of our employees uphold the Conduct Rules.

“We are currently making a number of changes to the way Barclays is structured as a response to legislative requirements in the UK and the US.”

Barclays’ contribution

Our wider contribution

Barclays contributes in many ways to the jurisdictions in which we operate. This report concentrates on our tax contribution which is just one element of our overall contribution. We look at some of the other ways in which we contribute here.

Economic Activity

Barclays directly generates economic activity by delivering financial services to customers through the operation of its offices and branch network. More information on our economic activity can be found in our Annual Report. Our contribution to the UK economy is addressed in our Barclays in the UK report – **home.barclays/news/2016/12/supporting-growth-in-the-uk.html**

Employment

Barclays generates and supports employment across all of the jurisdictions in which it operates. Globally Barclays employed an average of 122,947 full-time employees during 2016. Barclays also generates employment opportunities indirectly through its purchase of goods and services from suppliers. More information can be found on our website – **home.barclays**

Citizenship

Having a positive impact on the communities in which we operate is very important to us. A link to our Shared Growth Ambition can be found here – **home.barclays/news/2016/05/shared-growth-ambition.html**

Our global tax contribution

This section of the report looks at both taxes paid and taxes collected.

Taxes paid

Taxes paid are those that represent a cost to us. This amount includes:

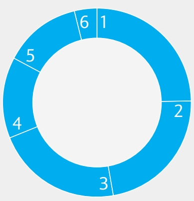
- corporation tax, including UK surcharge on banks
- irrecoverable VAT paid
- employer payroll taxes paid
- UK bank levy
- withholding taxes.

Taxes collected

Taxes collected are those that we administer on behalf of governments and collect from others as we do business.
This amount includes:

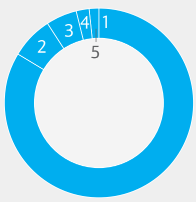
- taxes collected on employee salaries
- tax on share dealing
- tax deducted at source on interest
- net VAT (VAT charged on sales less recoverable VAT on purchases).

Taxes paid of £2,824m



		£m
1	Corporation tax	701
2	Irrecoverable VAT paid	636
3	Employer payroll taxes	611
4	UK bank levy	391
5	Withholding taxes	383
6	Other taxes	102

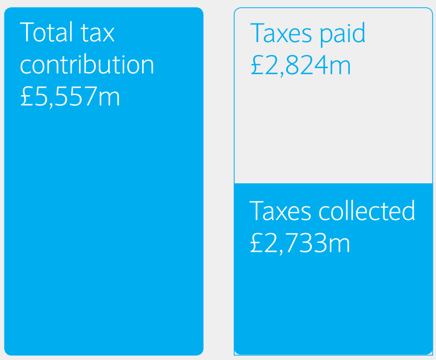
Taxes collected of £2,733m



		£m
1	Employee taxes	2,288
2	Tax on share dealing	198
3	Tax deducted at source on interest	142
4	Net VAT collected	62
5	Other taxes	43

Total taxes

Our total tax contribution in 2016 was £5,557m which includes both taxes paid and taxes collected on behalf of governments.



The remainder of this report focuses only on taxes paid

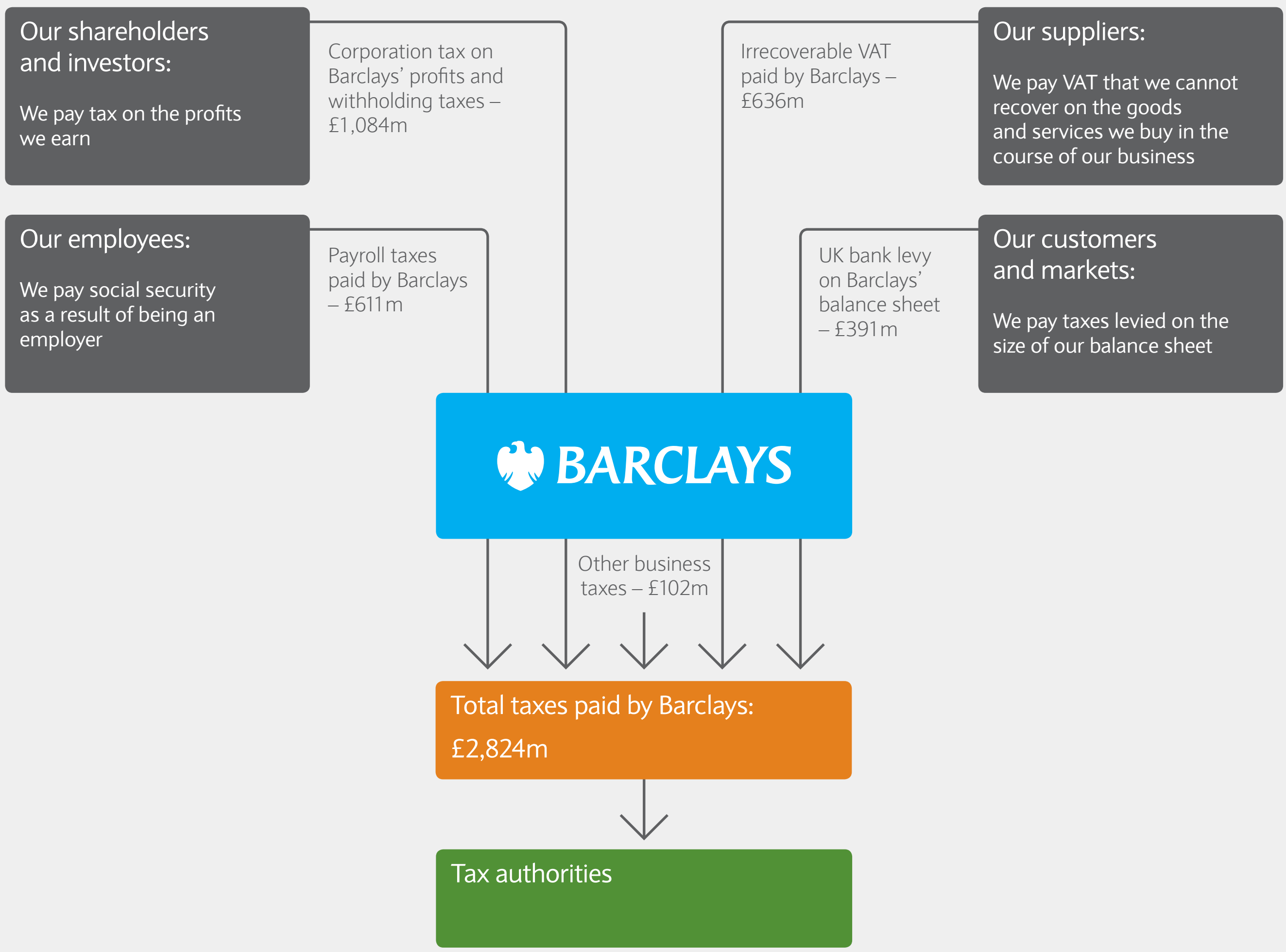
The taxes we pay as we do business

The diagram below shows how the taxes paid by us arise as we do business.

- When our business generates profits, we pay corporation tax. We also pay withholding taxes on dividends and certain other income we receive.
- As a large employer, our staff costs include social security, such as national insurance contributions that we pay as an employer to HMRC, in respect of the salaries we pay our employees.
- Unlike most other businesses, banks can only claim back a small proportion of the VAT that they incur, making this a significant cost to our business when we buy goods and services from our suppliers.
- Bank levy is paid to the UK government based on our total global balance sheet.
- We also pay other taxes such as property taxes on our network of high street branches.

Taxes collected have been excluded from the amounts presented below.

Taxes paid by Barclays in 2016



Our approach to tax

Our purpose and values

Our purpose is to help people achieve their ambitions – in the right way. This sits at the core of our business and underpins everything we do. We believe that only a business driven by strong values can deliver strong, sustainable returns.

Our values and behaviours, outlined in the Barclays Code of Conduct called The Barclays Way, govern our way of working across our business globally. It constitutes a reference point covering all aspects of colleagues' relationships, specifically (but not exclusively) with customers and clients, governments and regulators, business partners, suppliers, competitors and other Barclays' employees.

Our key objectives

Our approach to tax is rooted in our overall purpose and values and has three core objectives:

- responsible approach to tax
- effective interaction with tax authorities
- transparency in relation to our tax affairs.

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

We expand on the key elements of our approach on the following pages.

Barclays' approach to tax

The key elements of Barclays' approach:

Our tax principles

Our tax principles allow us to balance the needs of our stakeholders including shareholders, customers, tax authorities and regulators when making decisions

Our tax code of conduct and 'no surprises' approach

We operate and interact with tax authorities in the right way and in a way that they would expect

Our governance

Ultimate responsibility for tax risk resides with the Board and our governance ensures that suitably qualified people are involved in decisions related to tax

Our engagement

We seek to clearly explain our tax position within our reports, filings and publications

Our view on tax evasion

Tax evasion is a criminal activity which involves deliberately concealing income or assets from tax authorities

Tax evasion is wrong and we actively invest in and support initiatives to combat tax evasion

The objectives that Barclays seeks to achieve:

Responsible approach to tax

Ensuring we manage our tax affairs in accordance with our tax principles and tax code of conduct, our returns are filed on time and the correct amount of tax is paid

Effective interaction with tax authorities

Having a constructive and professional relationship with the tax authorities is key to how we manage our tax affairs

We also actively support and work with tax authorities to combat tax evasion

Transparency in relation to our tax affairs

Striving to be a leader in tax transparency by expanding external publications such as the Country Snapshot and making clear disclosures to tax authorities

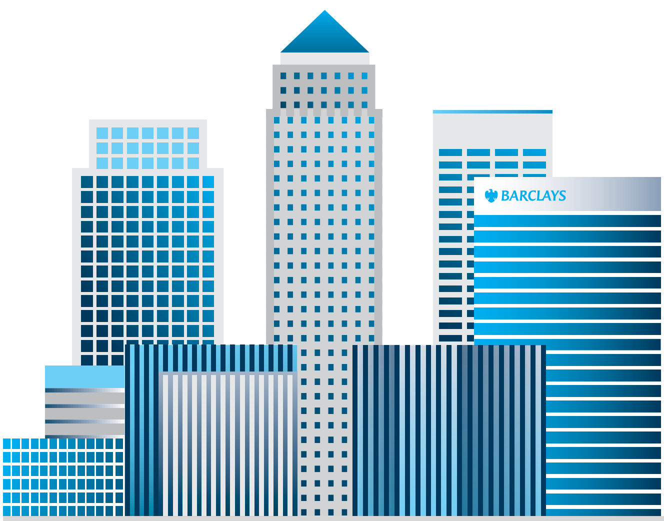
Our approach to tax

Our tax principles

We have set out and published clear tax principles that govern our approach to tax planning. Our tax planning 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
- be consistent with, and seen to be consistent with, our purpose and values.

Our tax principles are central to our approach to tax planning for ourselves or on behalf of our clients. Since their introduction in 2013 we believe our tax principles have been a very valuable addition to the way we manage tax, ensuring that we take into account all of our stakeholders when making decisions related to our tax affairs. The same applies to our tax code of conduct which is discussed further on page 8.



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 governments.

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.

“Our tax principles make it very clear that all tax planning for our clients must support genuine commercial activity.”

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 global 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.

Dealings between different companies within our Group are priced on an arm's-length basis and reflect 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 and we do not therefore enter into such arrangements.

“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.”

Low tax territories

We have 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 significant local employer.

However, we do 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.

We have also historically incorporated companies under the laws of other low tax jurisdictions, particularly the Cayman Islands, because the local company law makes it simple and cost effective to set up and manage companies. All of the profits generated in these companies are subject to corporation tax at a rate at least equal to the UK corporation tax rate.

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.

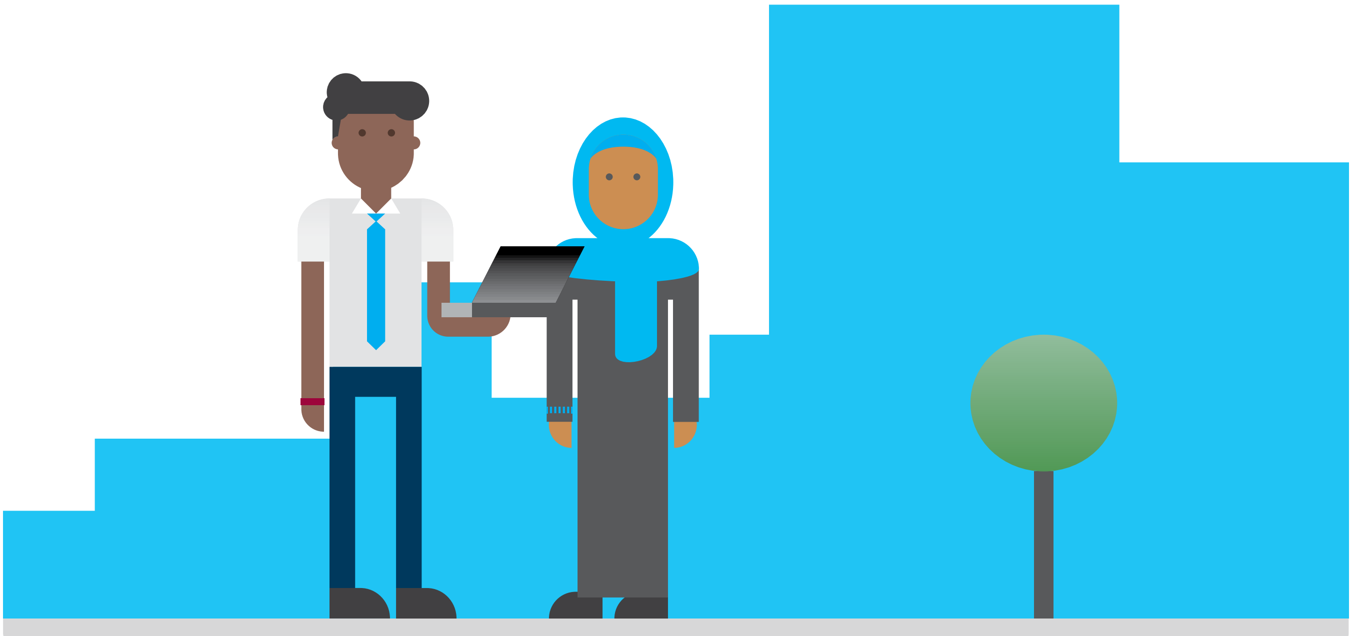
Our tax code of conduct is an integral part of how we operate:

- all tax planning is subject to a robust review and approval process
- our approach to taxation is clearly explained and publicly available, and our tax reporting is transparent and helpful to stakeholders
- our dealings with tax authorities are handled proactively, constructively and transparently, recognising that early resolution of our tax affairs is in everyone's interest, and we respond to feedback from tax authorities
- any litigation necessary to resolve a difference of opinion will be handled in a way that is consistent with our values.

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

Our aim is to take a 'no surprises' approach to our interactions with 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 co-operative and helpful when dealing with enquiries raised by tax authorities
- from time to time, if it is unclear how tax law should be applied, we may engage with tax authorities to confirm the correct application of tax law.



Our approach to tax

Our governance

We are aware that tax is a complex area and we understand the importance of having strong governance in place in relation to our tax affairs. We have a set of documented standards and procedures that must be adhered to by all employees.

These are kept under continuous review and are revised in light of factors such as material changes to our business. Our Board oversees tax matters and tax risk and carries this out through Board level committees.

The formal procedures around governance of tax matters are consistent with the broader framework for risk management that operates across the wider Barclays Group. The procedures in place ensure that all significant tax related decisions are subject to review and approval by appropriately qualified and experienced people.

Tax department – manages Barclays' tax affairs

Approvals committees – ensure that tax is fully taken into account when making business decisions

Board – oversees tax matters and tax risk

Our engagement

Barclays believes that it is important to be transparent in the disclosure of our tax affairs. This report contributes to that transparency, as do 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.

Our view on tax evasion

Tax evasion is a criminal activity which involves deliberately concealing income or assets from tax authorities. Barclays does not engage in tax evasion and does not provide services with the aim of facilitating tax evasion by third parties. As a financial institution we recognise that our normal banking services could potentially be used by third parties in the course of their own tax evasion.

To address this we have worked alongside governments and international organisations, such as the Organisation for Economic Cooperation and Development (OECD), to develop and implement strong but practical rules which support their efforts to tackle tax evasion and ensure that tax authorities have timely and automatic access to relevant information held by financial institutions. We have invested significantly in our systems and processes to support the objectives of governments in addressing tax evasion, and will continue to develop our approach in this area.

Changing face of global tax

Base Erosion and Profit Shifting (BEPS)
Public interest in the integrity of tax regimes globally has increased over recent years. This has in turn led to initiatives such as the OECD's BEPS project.

Tax regimes in many countries are undergoing a period of review in response to the recommendations of the BEPS project. The UK government has been at the forefront of this and is introducing a number of changes into UK tax law.

One of the aims of the BEPS project is to ensure that the international tax system operates to tax profits where relevant economic activity takes place. This is consistent with our approach so we do not expect any changes to the countries in which our profits are taxed as a result. We support the aims of BEPS which encourages tax regimes to develop in ways that make the global tax system fairer and more transparent.

Common Reporting Standard (CRS)
The CRS has been developed by the OECD as a global reporting standard which requires financial institutions to collect information relating to their customers and to provide this to tax authorities. Tax authorities share this information with one another. We support the aim of the CRS, which is to allow tax authorities to obtain a clearer understanding of where financial assets are held and where income is earned.

Our approach to tax in the UK

In 2016, the UK government introduced legislation which requires large businesses to publish their UK tax strategy. Our approach to the management of UK taxes is fully in line with our overall approach to tax as set out in this document.

We have summarised the way we manage our UK tax affairs below

Transparent and professional dealings with HMRC

- As outlined above, we operate in accordance with our tax code of conduct in relation to all of our tax affairs, including our UK tax affairs.
- In the UK, this involves maintaining a professional and constructive relationship with HMRC. We have regular meetings with HMRC to discuss their enquiries and material issues in relation to our tax affairs. This helps focus both our and HMRC's resources on the most important issues.
- As a large group, we make hundreds of filings to HMRC every year, and aim to make all of these on time. We also aim to make these tax filings as clear as possible and include explanations as required to ensure that our returns are easy to understand.
- Where we face significant uncertainty in relation to the application of tax law, we may seek to agree with HMRC how the tax law should properly apply. Any agreements have not provided any advantage to us as they have not resulted in any tax treatment that would not be available to other taxpayers.
- In the very rare instances that we ultimately need to have recourse to the Courts to resolve tax issues, we would continue to interact with HMRC in a constructive and helpful manner.

Responsible approach to tax planning

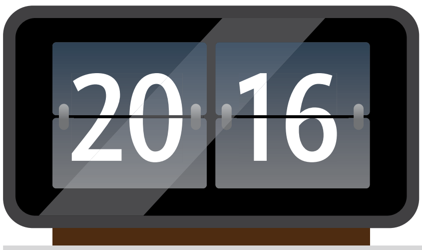
- All our tax planning is undertaken in accordance with our tax principles, tax code of conduct and the UK Code of Practice on Taxation for Banks.

Governance and controls over UK taxes

- Our global governance procedures are discussed more fully on page 9. The same procedures apply to our UK tax affairs.
- We are fully committed to the Code of Practice on Taxation for Banks and are fully transparent with HMRC about our governance procedures and how they comply with the Code's requirements.
- Under the Senior Accounting Officer regime in the UK, we provide an annual attestation confirming that we have appropriate accounting arrangements to allow our tax liabilities to be calculated correctly.
- We seek to ensure that our tax filings in the UK reflect full compliance with transfer pricing requirements and the arm's-length principle.

Effective risk management

- Given the scale of our UK business, the broad range of our tax obligations and the complexity of the tax laws that we are required to comply with, uncertainty arises in relation to our tax liabilities from time to time. We refer to this uncertainty as tax risk.
- Where there is significant uncertainty or complexity in relation to a tax risk, we may seek advice from external experts. This gives us confidence that our tax returns are appropriate.
- We proactively seek to identify, evaluate, manage and monitor UK tax risks to ensure our financial exposure is well understood and is within a level that we consider acceptable.



Taxes by region and by country

This section of our report provides detailed information regarding the taxes paid by us globally during the year ended 31 December 2016.

Taxes by region

- In 2016 Barclays paid £2,824m of tax of which £1,463m was paid in the UK. 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.
- Our total UK payments include very significant amounts of payroll tax and VAT paid by us and also include a bank levy payment of £391m. The reduction in bank levy payments when compared to 2015 is because we had overpaid in previous years and our 2016 liability was reduced by these overpayments.
- UK corporation tax is a relatively small part of all the taxes we bear globally. 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 these have already been taxed in the local jurisdiction. As has been the case in recent years, the level of our corporation tax payments in 2016 was reduced by tax losses incurred in earlier years that have been carried forward.

“In 2016 Barclays paid £2,824m of tax of which £1,463m was paid in the UK.”

Independent Auditors' report to the Directors of Barclays PLC

We have audited the accompanying schedule of Barclays PLC labelled 'Country by country data' for the year ended 31 December 2016 ('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.[a]

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 2016 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 Note 1 to the schedule, which describes the basis of preparation. The schedule is prepared to assist the Directors to meet the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. As a result, the schedule may not be suitable for any other purpose. [b]

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
22 February 2017

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 by country data

Country Snapshot 2016		Audited	Audited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
Country[a]	Commentary	Turnover £m	Profit/(loss) before tax £m	Total tax paid £m	Corporation tax paid £m	Social Security paid £m	VAT paid £m	Bank levy paid £m	Other taxes paid £m	Public subsidies received £m	Average number of employees
United Kingdom	We are one of the largest banks in the UK, with operations spanning all business units. Various factors mean that the profit we report as being earned in the UK differs from the profits on which we are subject to UK corporation tax. In particular, being a UK headquartered bank, the profit figure includes dividends received from overseas subsidiaries, which are not taxed in the UK as they have already been taxed in the local jurisdiction. In addition, during 2016 we disposed of a number of investments on which the gains are exempt from corporation tax. Our UK taxable profits in 2016 were reduced through the offset of tax losses brought forward from previous years. The amount of corporation tax we paid in 2016 was further reduced because we had overpaid in previous years and this overpayment was offset against our 2016 payments.	15,067	3,426	1,463	121	374	497	391	80	–	46,486
United States	Our principal US activities include a significant and wide-ranging corporate and investment banking business and Barclaycard operations. We pay US taxes, including federal, state and local corporate income taxes, on the profits from those activities. Our US taxable profits were reduced in 2016 due to the offset of tax losses brought forward from previous years.	7,196	1,667	184	85	78	4	–	17	–	9,741
South Africa	Barclays Africa Group Limited owns Absa Bank, a household name in South Africa, which provides a full range of banking services including personal and corporate banking, investment banking, wealth and insurance. Profits are taxed locally at rates in excess of the UK corporation tax rate.	2,923	823	293	224	10	54	–	5	–	30,445
Singapore	Singapore is a regional hub for our investment banking operations and also provides corporate banking facilities. The sale of our Singapore wealth and investment management business was completed during 2016. We also employ a significant number of back-office and support staff in Singapore. Our Singaporean activities are taxed locally at below the UK corporation tax rate. The corporation tax paid in 2016 relates to profits earned in 2015.	742	93	16	4	12	–	–	–	–	2,125
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. 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.	551	532	12	9	–	3	–	–	–	42
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 2016 was high relative to the profits generated as a result of additional amounts of corporation tax being paid in respect of prior years.	384	94	65	54	6	5	–	–	–	713
Japan	We have significant investment banking and personal and corporate banking operations in Japan. The amounts of tax we recovered include corporation tax repayments in respect of amounts overpaid in previous years.	320	53	(1)	(9)	6	2	–	–	–	518
India	Our business in India comprises investment banking and personal and corporate banking operations. We also employ a large number of back-office and support staff to support international operations and technology development. These activities are locally taxed at rates above the UK corporation tax rate.	265	162	71	62	8	1	–	–	–	13,606
Hong Kong	Hong Kong is a regional hub for our investment banking activity and also provides corporate banking facilities. The sale of our Hong Kong wealth business was completed during 2016.	250	(13)	7	7	–	–	–	–	–	543
Kenya	Our Kenyan operations span all business units and are taxed locally at a rate higher than the UK corporation tax rate.	249	84	30	23	1	6	–	–	–	2,845
France	During 2016, our French operations spanned all business units. We announced the sale of our retail (including wealth) and insurance businesses during 2016 and this is expected to complete during 2017.	222	(497)	68	–	58	10	–	–	–	1,173

a 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 by country data

Country Snapshot 2016		Audited	Audited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
Country[a]	Commentary	Turnover £m	Profit/(loss) before tax £m	Total tax paid £m	Corporation tax paid £m	Social Security paid £m	VAT paid £m	Bank levy paid £m	Other taxes paid £m	Public subsidies received £m	Average number of employees
Isle of Man	Following the sale of our offshore trust business in January 2016, our Isle of Man operations now focus on investment management, personal and corporate banking. These activities are taxed locally at rates below the UK corporation tax rate.	180	109	7	7	–	–	–	–	–	400
Switzerland	We undertake investment banking, personal and corporate banking and wealth and investment management operations in Switzerland.	159	(131)	8	–	5	3	–	–	–	295
Jersey	Following the sale of our offshore trust business in January 2016, our Jersey operations now focus on investment management, personal and corporate banking. These activities are taxed locally at rates below the UK corporation tax rate.	158	91	8	8	–	–	–	–	–	234
Ghana	Our Ghanaian personal and corporate banking, investment banking and wealth and investment management operations are locally taxed at a rate higher than the UK corporation tax rate.	144	81	21	19	1	1	–	–	–	1,112
Portugal	During 2016, we completed the sale of our retail (including wealth), non-core corporate and Barclaycard businesses in Portugal. Our operations in Portugal now consist mainly of investment banking and corporate banking activities.	133	99	13	1	3	9	–	–	–	336
Egypt	During 2016, our Egyptian operations spanned all business units and were locally taxed at a rate higher than the UK corporation tax rate. The sale of our Egyptian business is due to complete in 2017.	133	72	21	17	1	3	–	–	–	1,342
Mauritius	Our operations in Mauritius cover all business units. The majority of these activities are taxed locally at rates below the UK corporation tax rate. The 2016 profit before tax, but not the turnover, includes profits that arose on the intragroup transfer by Mauritian subsidiaries of two companies that provide services to the Group, as part of the structural reform of Barclays.	117	386	4	4	–	–	–	–	–	779
Monaco	Our operations are focused 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 2016 relates to profits generated in 2015.	110	45	15	7	6	2	–	–	–	182
Botswana	Our Botswana personal and corporate banking, investment banking, insurance and Barclaycard operations are taxed locally at a rate higher than the UK corporation tax rate.	110	37	10	10	–	–	–	–	–	1,190
Spain	Following the sale of our Spanish Barclaycard business in 2016, our Spanish operations now relate to corporate and investment banking businesses.	104	102	64	43	2	19	–	–	–	445
Tanzania	Our Tanzanian personal and corporate banking, investment banking and insurance operations are locally taxed at a rate higher than the UK corporation tax rate.	88	4	9	4	4	1	–	–	–	1,698
UAE	Our UAE operations focus mainly on corporate banking.	85	(23)	–	–	–	–	–	–	–	291
Mexico	Our Mexican operations focus on investment banking activities. We received a corporation tax refund in 2016 due to overpayments in 2014 and 2015.	73	38	(25)	(29)	1	3	–	–	–	65
Zambia	Our Zambian personal and corporate banking, investment banking and insurance operations are locally taxed at a rate higher than the UK corporation tax rate.	69	23	6	5	1	–	–	–	–	963
Italy	During 2016, we completed the sale of our retail business in Italy. Sales of further parts of our Italian business are expected to complete during 2017.	55	(166)	24	–	12	12	–	–	–	703
Ireland	Our Irish operations include corporate banking, investment banking and wealth and investment management. The sale of our Irish insurance business is due to complete in 2017. The activities are taxed locally at below the UK corporation tax rate.	55	35	5	4	1	–	–	–	–	119
Uganda	Our Ugandan personal and corporate banking and investment banking operations are locally taxed at a rate higher than the UK corporation tax rate but the corporation tax paid was reduced due to the offset of tax losses from prior years	54	19	1	–	1	–	–	–	–	855

a 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 by country data

Country Snapshot 2016		Audited	Audited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
Country[a]	Commentary	Turnover £m	Profit/(loss) before tax £m	Total tax paid £m	Corporation tax paid £m	Social Security paid £m	VAT paid £m	Bank levy paid £m	Other taxes paid £m	Public subsidies received £m	Average number of employees
Mozambique	Our Mozambican personal and corporate banking, investment banking and insurance operations are locally taxed at a rate higher than the UK corporation tax rate but the corporation tax paid was reduced due to the offset of tax losses from prior years.	51	10	1	–	1	–	–	–	–	929
Guernsey	Following the sale of our offshore trust business in January 2016, our Guernsey operations now focus on investment management, personal and corporate banking. These activities are taxed locally at rates below the UK corporation tax rate.	47	26	2	2	–	–	–	–	–	54
Czech Republic	Our operations in the Czech Republic focus on investment banking and are locally taxed at a rate similar to the UK corporation tax rate.	45	2	5	1	4	–	–	–	–	367
Zimbabwe	Our Zimbabwean operations focus on personal and corporate banking and are locally taxed at a rate higher than the UK corporation tax rate.	44	11	3	3	–	–	–	–	–	645
Canada	Our operations in Canada consist mainly of investment banking operations. Our operations are locally taxed at a rate higher than the UK corporation tax rate. Corporation tax payments made in 2016 were estimated based on 2015 taxable profits.	35	(5)	3	1	1	1	–	–	–	69
Israel	Our operations in Israel consist mainly of investment banking operations. The corporation tax paid on our operations in Israel is based on estimated taxable profits for 2016.	33	1	3	3	–	–	–	–	2	39
Seychelles	Our Seychellois personal and corporate banking and investment banking operations are locally taxed at a rate higher than the UK corporation tax rate.	23	11	3	3	–	–	–	–	–	201
Brazil	Our Brazilian operations span all business units and are locally taxed at a rate higher than the UK corporation tax rate.	14	(13)	9	6	3	–	–	–	–	50
Other[b]	Represents 19 countries each with a turnover of less than £10m in 2016.	16	(88)	13	2	11	–	–	–	–	1,347
Subtotal (including discontinued operations)		**30,304**	**7,200**	**2,441**	**701**	**611**	**636**	**391**	**102**	**2**	**122,947**
Withholding taxes				383	383						
Intra-group eliminations:											
Dividends		(2,345)	(2,345)								
Recharges		(2,353)									
Hedging		(858)	(738)								
Other		449	10								
Total including discontinued operations		**25,197**	**4,127**	**2,824**	**1,084**	**611**	**636**	**391**	**102**	**2**	**122,947**
Excluding discontinued operations[c]		**(3,746)**	**(897)**		**(304)**						**(41,028)**
Total for continuing operations		**21,451**	**3,230**		**780**						**81,919**

a 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.
b The countries with turnover of less than £10m in 2016 are Russia, Netherlands, Cyprus, Gibraltar, China, Sweden, Taiwan, Thailand, South Korea, Australia, Malaysia, Indonesia, Cayman Islands, Qatar, Lithuania, Argentina, Philippines, Namibia and Nigeria.
c On 1 March 2016, Barclays announced its intention to sell down the Group's interest in Barclays Africa Group. The Barclays Africa Group (which includes South Africa, Kenya, Ghana, Botswana, Mauritius, Tanzania, Zambia, Uganda, Mozambique and the Seychelles) meets the requirements for presentation as a discontinued operation under IFRS 5 and these results represent the majority of the amount relating to discontinued operations, presented separately in the Group income statement.

Country by country data

Note 1 - Basis of preparation

The table provides the following information for Barclays in 2016:

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 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 Canada and then paid to the UK as a dividend for example, will be counted within both the Canada and UK figures. These adjustments, called intra-group eliminations, are broken down by type at the end of the table and total around £5.1bn for 2016 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 £3bn. The majority of the adjusting figures reported relate to the UK.

Total tax paid: This column shows the total tax Barclays actually paid in each country in 2016. 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 2016. 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 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 paid 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 paid 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. 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 £391m in 2016 should not be expected to equate to the accounting accrual in 2016 of £475m, which includes both the bank levy charge on the face of the income statement as well as bank levy that relates to the Barclays Africa disposal group.

Other: Other taxes are the material property taxes that Barclays paid in 2016 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 £2m from the Israeli government in relation to IT development.

Average 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. An average of the number of full-time equivalent employees at the end of each calendar month has been calculated. 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 2015 can be found on our website at **home.barclays/citizenship/reports-and-publications/country-snapshot.html**