Opening the vaults: the use of tax havens by Europe's biggest banks.

Methodology

1.1 Research population and data sources

Scope of the research

The 20 largest banks in the EU in terms of total assets[i] are included in this research:

Bank	Home country
HSBC	UK
Barclays	UK
RBS	UK
Lloyds	UK
Standard Chartered	UK
BNP Paribas	France
Crédit Agricole	France
Société Générale	France
BPCE	France
Crédit Mutuel-CIC	France
Deutsche Bank	Germany
Commerzbank AG	Germany
IPEX (KfW Group)	Germany
ING Group	Netherlands
Rabobank	Netherlands
UniCredit	Italy
Intesa Sanpaolo	Italy
Santander	Spain
BBVA	Spain
Nordea	Sweden

Country-by-country-reporting (CBCR) data

The information used in this report was taken from the 2015 CBCR that banks published in 2016 as part of their financial statements, annual reports or in separate reports and on their corporatewebsites.[ii] The banks listed above are required to disclose CBCR data annually under the EU's fourth Capital Requirements Directive (CRD IV), article 89,[iii] which reads:
'From 1 January 2015 Member States shall require each institution to disclose annually, specifying by Member State and by third country in which it has an establishment, the following information on a consolidated basis for the financial year:

(a) name(s), nature of activities and geographical location;
(b) turnover;

(c) number of employees on a full time equivalent basis;
(d) profit or loss before tax;
(e) tax on profit or loss;
(f) public subsidies received.’

The analysis in this report is based on the 2015 CBCR data as published by banks in 2016, unless the 2015 data was not available. This was only the case for Lloyds, who had not yet published data for 2015 by the time the research began. The most recent data available (2014) was used.[iv]
Full CBCR data was made available by all EU financial institutions for the first time in 2016, although some countries and banks were early implementers, one year ahead.
CBCR analysis will become more accurate and patterns and trends clearer as more data become available over the coming years.
The sample of 20 banks does not cover the whole banking sector, however, the institutions covered by this research constitute a significant share of the market. The scope of the research was mainly determined by the difficulties encountered in data collection (see Appendix 2) due to the lack of a centralized and open reporting format.

The information not required by the directive but provided by some banks in addition to the data mentioned above – such as total assets (ING, Netherlands) or both current and deferred taxes (all French banks except BPCE) – were also included in the data collection but not always used as it was not possible to get aggregated and comparable data for the 20 banks.

Banks reported in three different currencies (euros, dollars and pounds). All amounts were converted to euros using 2015 average exchange rates.[v] All data have been gathered in an Excel spreadsheet and published on Oxfam’s website to make them available to individuals, civil society, the media and MPs

US banks

US banks are, under CRD IV, obliged to publish a consolidated CBCR report for their European branches and subsidiaries (i.e. entities that are in the EU but are not directly or indirectly owned by another EU subsidiary). These banks are not required to publish a country-by-country report for their operations which are not subject to EU legislation. Banks headquartered in the EU provide one consolidated report that encompasses all of their business activity – these reports have been analyzed in the box on page 20. Because the EU subsidiaries of US banks that provide country-by-country reports are not at the top of the corporate structure, and because other, non-EU operations of US banks exist, US bank data is inherently less complete than data for EU banks. Because US banks are not required to report on all their subsidiaries or all their profits in their reporting, it could very well be that these banks shift profits to or from subsidiaries not covered in their country-by-country reports.
In addition, while EU banks have a European parent company at the top of their corporate structure and provide one single CBC report for their total operations, US banks provide several. This report analyses a total of 19 CBC reports available from the banks’ corporate websites (from the most recent year available). They cover 19 different EU subsidiaries of the banks, and are divided among the six US banks as follows (including the most recent year of available data):

Bank of America: three CBCR reports (2015)

- Bank of America Merrill Lynch International Ltd.
- Merrill Lynch International Ltd.
- Merrill Lynch International Bank D.A.C.

Citi Bank: three CBCR reports (2014)

- CITI Bank Europe PLC
- CITI Bank International Ltd.
- CITI Bank Global Markets

Goldman Sachs: one CBCR report (2014)

- Goldman Sachs Group UK Limited (which is taking several of its UK subsidiaries together)

JP Morgan & Chase: 10 CBCR reports (2014)

- JP Morgan International Bank Ltd.
- JP Morgan Bank Luxembourg SA
- JP Morgan Chase Bank, N.A., Milan Branch
- JP Morgan Bank (Ireland) PLC
- JP Morgan AG
- JP Morgan Trustee & Administration Services Limited
- JP Morgan Securities PLC
- JP Morgan Markets Limited
- JP Morgan Mansart Management Limited
- JP Morgan Limited

Morgan Stanley: one CBCR report (2014)

- Morgan Stanley International Limited

Wells Fargo: one CBCR report (2015)

<u>Methodology for the analysis of EU banks' US subsidiaries in Delaware (page 31)</u>

Annual reports in most cases include a full list of subsidiaries that is separate from the CBCR in which some banks provide a list of their main subsidiaries. Depending on the bank, the full list of subsidiaries may also include the location of the subsidiary (country or city), the nature of the subsidiary (fully owned subsidiary, associate, joint-venture), the percentage of participation, the consolidation status (consolidated or not), the status (active, dormant, in dissolution) and the type of activity. Full lists of subsidiaries were collected for 17 banks. The lists for Lloyds, ING bank and Nordea were not taken into account for the following reasons: Lloyds' list does not specify the exact location of subsidiaries, ING's list of subsidiaries is only available at the Dutch Chamber of Commerce and Nordea does disclose a list but it was not found at time for the research.

As explained in section 1.2, some jurisdictions appearing in Oxfam's list of tax havens do not feature in the country-by-country reports even though banks operate there. This is in particular the case for Delaware, US state and tax haven. The results mentioning Delaware in this paper therefore stem from the analysis of the full lists of subsidiaries, be it fully owned, associate or joint-venture.

Two cases must be highlighted.

1) Five EU banks (Deutsche Bank, Rabobank, Commerzbank AG, Intesa Sanpaolo and UniCredit) provided, along with their subsidiaries, information enabling their activity in Delaware to be differentiated from the rest of their activity in the US. For those banks, we simply calculated the proportion of their subsidiaries based in Delaware from their total of 474 US subsidiaries.
2) For the twelve other banks, which do not give such a high degree of information, the list of their US subsidiaries was analysed through the OpenCorporates database.[vi] OpenCorporates gathers and makes freely accessible scattered information owned by separate jurisdictions around the world. Generally, it is possible to have access to the name of the company, its type, company number, incorporation date and location. In the case of Delaware, OpenCorporates uses the information from Delaware's register of companies incorporated on its territory that is public but guarantees full secrecy as no information on members, managers or shareholders of the companies are listed.[vii] The banks' US subsidiaries were compared with the OpenCorporates database in order to count how many of them are incorporated in Delaware. In other words, the 783 US subsidiaries listed by the twelve banks in their financial documentation were screened on the OpenCorporates database. The latter provided matching suggestions for each subsidiary. Only suggestions that perfectly matched (regardless of the letter case and ending like 'CORP', 'INC', 'LLC') were taken into account, excluding many subsidiaries having almost the same name. After this first selection, two scenarios were possible:
   - When only one match was found, and if this subsidiary is located in Delaware according to OpenCorporates, this was counted as one subsidiary in Delaware.
   - When two or more matches were found (the majority of cases), only one subsidiary was counted. To do this, we examined the links between the suggested matches. Most of the time it was a parent company and affiliated companies with the same name. In this case, we considered only parent companies that are located in Delaware, excluding all other subsidiaries, including those in Delaware.

The findings presented in this section are conservative and should be viewed as a minimum estimate. In case 1), the survey shows that 357 of the 474 subsidiaries were domiciled in Delaware, which equals 75 percent of them. In case 2), the survey shows that at least 389 of 783 subsidiaries were registered in Delaware, which amounts to 50 percent. This means that in total at least 59 percent of EU banks' US subsidiaries were registered in Delaware in 2015.

<u>Company review and right of reply</u>

During the course of this research, Oxfam contacted the 20 EU banks and the 6 US banks covered by the study. This dialogue aimed at giving banks the opportunity to check the data used, reply to Oxfam's questions and need for clarifications and provide additional contextual information in order to enable the researchers to better understand the data. When judged useful and relevant, their responses were taken into account in the interpretation of the data and their explanations were added in the report.

1.2 List of tax havens

Tax havens are jurisdictions or territories which have intentionally adopted fiscal and legal frameworks which allow non-residents (individuals or legal entities) to minimize the amount of taxes they pay where they perform substantial economic activity.

Tax havens tend to specialize and most of them do not tick all of the boxes, but they usually fulfil several of the following criteria:

- They grant fiscal advantages to non-resident individuals or legal entities only, without requiring that substantial economic activity be made in the country or dependency.
- They provide a significantly lower effective level of taxation, including zero taxation for individual or legal entities.
- They have adopted laws or administrative practices that prevent the automatic exchange of information for tax purposes with other governments.
- They have adopted legislative, legal or administrative provisions that allow the non-disclosure of the corporate structure of legal entities (including trusts, charities, foundations etc.) or the ownership of assets or rights.

Oxfam calls for the setting up of integrated, binding, exhaustive and objective monitoring exercises of tax havens at a global level, in order to assess the risks posed by these jurisdictions. These exercises should be held regularly and their outcomes should be made public.

<u>List of territories operating as tax havens (2016)</u>

Despite periodic efforts, the international community has failed to agree collectively on a list of tax havens. The EU recently agreed on common criteria to identify corporate tax havens as well as secrecy jurisdictions, but it still needs to assess third countries according to these criteria, and EU countries themselves will not be assessed as part of this process. There is at the moment no universal list of tax havens.

While keeping this in mind, for this report Oxfam used a list of tax havens that:

(i) covers criteria agreed with civil society organizations;

(ii) refers to a compilation of lists used most frequently by the following international institutions:

- UN Conference on Trade and Development (UNCTAD)
- International Monetary Fund (IMF)
- Bank for International Settlements (BIS)
- US Government Accountability Office (GAO)
- Financial Times Stock Exchange (FTSE)
- European Commission (EC) and investigations from the European Commission (EU inv.)
- European Parliament (EP)
- Organisation for Economic Cooperation and Development (OECD)
- Financial Secrecy Index (FSI)

(iii) used Oxfam analysis to determine to what extent jurisdictions met one or several of the criteria identified above in the definition.

Oxfam has developed its own list according to the above criteria, using as much of the credible information that is available to identify a territory as a tax haven. Most of the lists used by the international institutions named above are complementary and there is substantial overlap. The end result is a list of 58 jurisdictions, of which:

- 83 percent (48 jurisdictions) are in at least three lists mentioned in point ii) above, with many appearing on all of the lists;
- 12 percent (7 jurisdictions) appear on two lists;
- 5 percent (3 jurisdictions) appear on just one list.

This is not, however, an exhaustive list of all countries fulfilling some or all of the criteria, and other countries may need to be added to the list. Some of the jurisdictions on this list are more frequently used by individuals for criminal activities or corruption, while others are primarily used by multinational corporations to avoid or defer payment of their fair share of taxes.

List of tax havens according to Oxfam

Tax haven	UNCTAD	IMF	BIS	GAO	FTSE	EC	EP	OECD	FSI	EU inv.
Andorra		X		X	X	X	X			
Anguilla	X		X	X	X	X	X	X	X	
Aruba	X	X	X	X	X		X	X	X	
Austria	X								X	
Bahamas	X	X	X	X	X	X	X	X	X	
Bahrain	X		X	X	X		X	X	X	
Barbados	X		X	X	X	X	X	X	X	
Belgium										X
Belize	X	X		X	X	X	X	X	X	
Bermuda	X	X		X	X	X	X	X	X	
British Virgin Islands	X	X		X	X	X	X	X	X	
Cayman Islands	X	X	X	X	X	X	X	X	X	
Costa Rica				X	X				X	
Curaçao			X						X	
Cyprus	X	X			X	X		X	X	
Dominica	X			X			X	X		
Delaware					X		X		X	
Fiji							X			
Gibraltar	X	X	X		X			X	X	
Grenada	X			X		X		X		
Guam			X				X			
Guernsey	X	X			X	X	X	X	X	
Hong Kong			X	X	X	X	X		X	
Ireland					X					X
Isle of Man	X	X	X		X		X	X	X	

Jersey	X	X	X		X		X	X	X	
Jordan				X	X					
Labuan		X					X		X	
Lebanon			X	X	X		X		X	
Liberia	X			X	X	X		X	X	
Liechtenstein	X	X			X	X	X	X	X	
Luxembourg					X				X	X
Macao		X	X	X	X		X		X	
Maldives					X	X	X			
Malta	X				X			X	X	
Marshall Islands	X			X		X	X	X	X	
Mauritius	X		X		X	X	X	X	X	
Monaco	X	X			X	X	X	X	X	
Montserrat	X	X		X		X	X	X		
Netherlands	X				X				X	X
Niue	X					X	X	X		
Nauru	X			X		X	X	X		
Palau		X					X			
Panama	X	X	X	X	X	X	X	X	X	
Samoa	X	X	X	X	X	X	X	X	X	
St Kitts y Nevis	X	X	X	X	X	X	X	X	X	
Saint Marten			X							
San Marino	X						X	X		
St Vincent and Gren.	X			X		X	X	X	X	
St Lucia	X			X	X		X	X	X	
Seychelles	X	X			X	X	X	X	X	
Singapore				X	X		X		X	
Switzerland					X		X		X	
Tonga				X			X			
The Cook Islands	X	X		X	X	X	X	X		
Turks and Caicos	X	X				X	X	X	X	
US Virgin Islands	X			X	X	X	X	X	X	
Vanuatu	X	X	X	X		X		X	X	

Note: The jurisdictions where at least one of the 20 banks covered by this research has operations are in bold

<u>Group 'tax havens'</u>

For the purposes of this study, the countries in which banks have activities were put into two groups: the tax havens and the rest of the world (see exceptions below). The tax havens group includes 31 countries and the rest of the world group lists 108 countries. This distinction is used throughout the report when comparing banking activities in tax havens and non-tax havens. The US state of Delaware and the Malaysian territory of Labuan are internal tax havens harboured by countries that are not tax havens as a whole. CBCR is insufficiently detailed to distinguish between the part of the activity (turnover, profit, employees, etc.) that is conducted in these specific territories and the rest of the country. In order not to skew the conclusions of this report, both the USA and Malaysia were excluded from the group of tax havens, excluding de facto Delaware and Labuan. This decision tends to understate the activities of banks in tax havens, particularly in the case of Delaware where banks have a significant proportion of their US subsidiaries (see analysis page 31)

For banks headquartered in a tax haven, the home-country activities are included in the total figures for home countries, not in those for tax havens. This is the case for the activities of ING and Rabobank in the Netherlands.

Jersey, Guernsey and the Isle of Man grouped as one single jurisdiction

Multiple banks have different reporting standards regarding Jersey and Guernsey (together referred to as 'the Channel Islands') and the Isle of Man. Some report on the Channel Islands as one jurisdiction. Others also include the Isle of Man in this small group. This limits the way in which this research can draw conclusions regarding Jersey, Guernsey and the Isle of Man as three separate jurisdictions. In order to minimize these limitations and avoid double counting, we chose to 'group' the three islands into one jurisdiction – as one tax haven.

1.3 Indicators

The CBCR data was collected for each of the 20 banks and was used to calculate a number of indicators for each bank and, subsequently, for each country. This section will explain: what each of these indicators calculates and how; in what way it can be an indication for profit shifting and can have an impact on the banks' tax liabilities paid in each country; and what the possible limitations are.

The results of the measuring of the indicators explained below are divided into several categories for each bank – when relevant and if possible – to allow for a more detailed analysis:

- Global (including all countries in which a bank has operations based on CBCR data).
- Home country (the country where its headquarters are located).
- Tax havens (including all countries on the Oxfam list of tax havens where a bank has operations according to CBCR data).

Effective tax rate

The general idea behind effective tax rates is to look at a corporation's actual tax contribution by dividing income taxes by a measure of taxable income.
If the effective tax rate is substantially lower than the statutory tax rate, this could mean that the company benefits from special tax exemptions or a preferential tax regime, or that part of its profits are not taxed in the jurisdiction. Combined with a high profit margin or high profits per employee, this indicates potential profit shifting into a low-tax jurisdiction.
The simplest and most commonly used measure draws on the tax expense line item in the income statement and divides this by the pre-tax income line item.[viii] This data is included in the country-by-country data of all non-UK banks. The five banks from the UK report taxes paid (on a cash basis, from the cash flow statement) in their country-by-country reports instead of the tax charge (on an accrual

basis, from the income statement). This makes it more difficult to interpret the data, because cash tax payments in 2015 partly relate to tax charges on the profits for the year 2014.

The following formula is used to calculate effective tax rates for banks in all the countries they operate in:

$$Effective\ tax\ rate = \frac{Tax\ on\ profit\ or\ loss}{Profit\ or\ loss\ before\ tax}$$

Another way to measure effective tax rates is to exclude deferred tax expenses.
Income tax expenses consist of both current tax expenses (taxes that are due regardless of future developments) and deferred tax expenses (tax on profits, or tax credits for losses, that will only become due in a later year, sometimes dependent on future developments). Sometimes companies use structures to defer tax payments indefinitely, or for a very long period. Deferred taxes can thus overstate income tax payments. The opposite is also possible, however: if a company (or bank in this case) expects to use tax credits in the future and thus lowers its reported total tax expense by including a deferred tax credit. Banks also told us that they set aside a portion of profits for non-tax one-off costs. These can reduce profits margins significantly.

Calculating a current effective tax rate (excluding deferred taxes) is only possible if banks make a distinction in their CBCR data between current and deferred income tax expenses. In the selection of banks looked at for this report, it appears that only four French banks report on this. Therefore, in this research it is only possible to calculate the current effective tax rate for BNP Paribas, Société Générale, Crédit Agricole and Crédit Mutuel-CIC, according to the following formula:

$$Current\ effective\ tax\ rate = \frac{Current\ tax\ on\ profit\ or\ loss}{Profit\ or\ loss\ before\ tax}$$

Labour productivity

Productivity can be calculated using profit (or loss) before tax, which shows how much profit (or loss) before tax is generated per employee. It is calculated by dividing profit (or loss) before tax by the number of employees, leading to the following formula:

$$Labour\ productivity\ (profit) = \frac{Profit\ or\ loss\ before\ tax}{Number\ of\ employees\ (FTE)}$$

This provides an indicator that can be used to draw comparisons between banks and countries. A relatively high labour productivity in a country could indicate the artificial shifting of profits towards that country for tax purposes. This is amplified by the fact that, in general, the subsidiaries of multinationals in tax havens have relatively few employees. This means that in tax havens the ratio between the number of employees and profits reported tend to be very high compared with non-tax havens where profits may be shifted from, and where in general, a bank has far more employees. This is thus considered to be an indication of profit shifting under the assumption that, when there is no profit shifting, average labour productivity should be similar between the different countries where a bank is active.

Pre-tax profit margin

The profit margin gives an indication of how profitable a company is – i.e. how much profit is made compared with the generated turnover. There are several ways of calculating the profit margin, depending mostly on which level of profit is used (gross profit, operating profit, pre-tax profit and net profit). Since CBCR provides us with pre-tax profit (or loss) only, this is the level of profit used in the calculations. The profit margin is therefore expressed as the profit (or loss) before tax as a percentage of turnover, which gives the following formula:

$$\text{Pre} - \text{tax profit margin} = \frac{Profit\ or\ loss\ before\ tax}{Turnover}$$

The pre-tax profit margin indicator gives another means of identifying countries to which banks may artificially shift profits to for tax purposes. This is the case because what is shifted is profit, not turnover. This means that the ratio between turnover and profits (which the pre-tax profit margin expresses) will be higher in jurisdictions where profits are shifted to and lower in jurisdictions where profits are shifted from. The assumption is made that without profit shifting taking place, the average profitability is similar between the different countries where a bank is active.

Over- or under-reporting of profit

Each of the two indicators above can be used to calculate the amount of profits expected to be reported in all jurisdictions. As a basis for the calculations, we take the overall global figure for each indicator (e.g. labour productivity). By multiplying a figure reported in a specific country (e.g. number of employees in Germany, as reported by HSBC) with the average labour productivity of HSBC as a whole, we can calculate an estimate of the profit we would expect in Germany if labour productivity was equal to the average of the group. Comparing the expected figure with the actual reported figure (HSBC's profit in Germany in this case) points to a gap that is called over- or under-reporting.[ix]

The discrepancy between the expected profit and the actual reported profit per country shows where profits seem to be over- or under-reported. This could point to the possible shifting of profits from jurisdictions where a lot of economic activity takes place (as indicated by number of employees or turnover) to jurisdictions with less economic activity but with an advantageous tax environment.

The following formulas are used to arrive at these estimates of expected profit for each country:

1. Based on productivity

$$Expected\ profit\ (or\ loss)\ in\ country\ X =$$

$$Number\ of\ employees\ in\ country\ X * Average\ labour\ productivity\ of\ bank\ Y$$

2. Based on profitability

$Expected\ profit\ in\ country\ X$ =

$$Turnover\ for\ country\ X * Average\ pretax\ profit\ margin\ of\ bank\ Y$$

Several assumptions underlie these calculations and the conclusions that can be drawn from them:

- Without profit shifting taking place, the amount of profit produced per employee would be similar across countries.
- Without profit shifting taking place, the amount of profit generated per unit of turnover would be similar across countries.

On the basis of these assumptions we thus estimate the amount or profit we would expect a bank to report in a certain jurisdiction if no profit shifting was taking place, and compare this with the actual reported figures of profit. This allows us to see if there are any mismatches between expected and effectively reported figures, and in which countries over- or under-reporting occurs. For example, this indicator shows that – based on the average pre-tax profit margin of the 20 European banks – expected profit would be much lower in Ireland than the actual reported profit. This could be an indication that the banks are shifting profits to Ireland because the country offers certain benefits that makes this shifting worthwhile.

[i] Relbanks. *Top European Banks* (assets 2015). http://www.relbanks.com/top-european-banks/assets. The top 20 banks according to Relbanks include two banks in Switzerland. Because Switzerland is not part of the EU, these have been excluded from the research. German KfW Group is a state-owned bank that fulfills a public interest mission and has a particular status, to the exception of one of its subsidiaries, KfW IPEX. KfW IPEX is a legally and financially independent entity competing with commercial banks and therefore subject to the same banking regulation, including public country-by-country reporting. This research takes into account KfW IPEX's activities only.

[ii] The CBCR reports of the 20 banks are available at:
HSBC (2016). *The Capital Requirements (Country-by-Country Reporting) Regulation 2013.* http://www.hsbc.com/~/media/hsbc-com/investorrelationsassets/financial-and-regulatory-reports/the-capital-requirements-country-by-country
Barclays (2016). *Barclays Tax – Our 2015 country snapshot*. https://www.home.barclays /content/dam/barclayspublic/docs/InvestorRelations/AnnualReport s/AR2015/Barclays%20PLC%20Country%20by%20Country%20Report%202015.pdf
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Standard Chartered. *Country by country disclosure. Year ended 31 December 2015.* http://files.shareholder.com/downloads/STANCHAR/3723809396x0x766075/b44e7a9c-47ec-4cae-935a-842fda75daa8/FINAL_Country_by_Country_Website_Disclosure_Year_Ended_31_December_2013.pdf
BNP Paribas (2016). *Registration document and annual financial report 2015*, p.518. https://invest.bnpparibas.com/sites/default/files/documents/ddr2015eng.pdf
Crédit Agricole Group (2016). *Financial statements 2015 – Update A01 of the 2015 registration document*, pp.202–3. https://www.credit-agricole.com/en/content/download/103278/1746426/version/10/file/CAG_ACTU_2015_DRF_VA_VMEL.pdfSociété Générale (2016). *2016 registration document, annual financial report 2015*, pp.60–2. https://www.societegenerale.com/sites/default/files/ddr-2016-depot-amf-11032016-uk.pdf
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Crédit Mutuel-CIC (2016). *Rapport financier 2015*, p. 60 [in French only] https://www.creditmutuel.fr/groupecm /fr/images/fichier_pdf/rapport_annuel/2015/rapport_annuel_financier_2015_CM.pdf
Deutsche Bank (2016). *Annual report 2015*, pp.386–7. https://www.db.com/ir/en/download/Deutsche_Bank_Annual_Report_2015.pdf
Commerzbank AG (2016). *Annual report 2015*, p.295. https://www.commerzbank.com/media/en/aktionaere/haupt/2016_5/geschaeftsbericht_2015.pdf
IPEX (2016). *Annual report 2015*, p.89. https://www.kfw-ipex-bank.de/PDF/Presse/Download-Center/2016-05-03_KfW_IPEX-Bank_AR2015.pdf
ING Bank(2016). *ING Bank annual report 2015*, p. 92–3. https://www.ing.com/web/file?uuid=673d79ba-b4d5-4534-bc5e-3c20f9bfe8a1&owner=b03bc017-e0db-4b5d-abbf-003b12934429&contentid=36990
Rabobank (2016). *Annual report 2015*, pp.214–6. https://www.rabobank.com/en/images/rabobank-annual-report-2015.pdf
UniCredit (2016). *Country by Country Reporting: Art. 89 CRD IV, as at December 31, 2015*. https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2015/4Q15/CbC_Disclosure_Dec_31_2015.pdf
Intesa Sanpaolo (2016). *Country-by-country report – data as at 31/12/2015.* http://www.group.intesasanpaolo.com/scriptIsir0/si09/contentData/view/20160316_Country_by_ Contry_Report_(data%20on%2031%2012%202015)_uk.pdf?id=CNT-05-0000000426C79&ct=application/pdf
Santander (2016). *Auditor's report and annual consolidated accounts 2015, Appendices, VI*, p.225-7 http://www.santanderannualreport.com/2015/sites/default/files/informe-auditorias-appendices-ing-acce_1.pdf
BBVA (2016). Consolidated financial statements *APPENDIX XIV Information in accordance with Article 89 of Directive 2013/36/EU of the European Parliament and its application to Spanish Law through Law 10/2014*http://accionistaseinversores.bbva.com/TLBB/micros/bbva2015/en/C/a14.html

Nordea (2016). *Nordea annual report*, p.162. http://www.nordea.com/Images/33-102773/2015-12-31_Annual-Report-2015-Nordea-Bank-AB_EN.pdf

[iii] *Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, Article 89 Country-by-country reporting*. http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32013L0036

[iv] The 2015 data for Lloyds show some differences to the 2014 data, including, for instance, lower profits recorded in Jersey (£54m down from £74m in 2014).

[v] Average exchange rate retrieved from: https://www.ofx.com/en-au/exchange-rates

[vi] OpenCorporates. https://opencorporates.com/. The authors of the report are grateful to the OpenCorporates team who provided full acess to their database as well as technical support throughout the research.

[vii] Rick Bell (2014). *Delaware LLC Privacy : What's on public record? DelawareInc.com*, 14 October 2014. https://www.delawareinc.com/blog/what-is-on-public-records-delaware/

[viii] For more information, see I. Römgens and T. Steinweg (2016). *Research Methodology: Calculating the effective tax rates of large Dutch companies and identifying tax avoidance.* https://www.somo.nl/nl/research-methodology/

[ix] This method is derived from (but not exactly the same as) a method explained by Richard Murphy in R Murphy (2015). *European Banks' Country-by-Country Reporting: A review of CRD IV data.* http://www.taxresearch.org.uk/Documents/CRDivCBCR2015.pdf