

Independent Country-by-Country Reporting Assurance Report to the Members of HBL Bank UK Limited

We have been engaged by the Directors of HBL Bank UK Limited ("the Company") to conduct a reasonable assurance engagement relating to the attached Country-by-Country Reporting ("CBCR") disclosures set out within for the period from 1 January 2018 to 31 December 2018:

In our opinion, the Country-by-Country Reporting disclosures for the period from 1 January 2018 to 31 December 2018 have been prepared, in all material respects, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Respective responsibilities of the directors and assurance provider

The Directors are responsible for preparing the CBCR disclosures in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Our responsibility is to express a conclusion on the CBCR disclosures based on our procedures. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB), in order to state whether the CBCR disclosures have been prepared, in all material respects, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Our engagement provides reasonable assurance as defined in ISAE 3000. Reasonable assurance means a high but not absolute level of assurance. Absolute assurance is very rarely attainable as a result of factors such as the following: the use of selective testing, the inherent limitations of internal control, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

Our procedures consisted primarily of:

- obtaining an understanding of the Company's business, which included discussions with Company management responsible for the CBCR disclosures to understand how the disclosure information is collected;
- considering the risk of material misstatement of the CBCR disclosures;

Our report is made solely to the company's members, as a body, in accordance with ISAE 3000. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the company's members as a body for our work, this report, or for the conclusions we have formed.

Independence

In conducting our engagement, we have complied with APB Ethical Standards for Auditors and the ICAEW Code of Ethics.



Atif Yusuf (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
30 September 2019

HBL Bank UK Limited (Company Registration Number 1719649)

Country by Country reporting as at 31st December 2018

Principal activities and location

HBL Bank UK Limited – HBL UK (Formerly known as Habibsons Bank Limited) is an authorised credit institution and provides a wide range of Banking and financial services including Retail and Commercial Banking, Private Banking and Treasury services. HBL UK is a wholly owned subsidiary of Habib Allied Holding Limited and is headquartered in London, United Kingdom and provides services to its clients through branches in:

United Kingdom

Netherlands

Switzerland

France (Closed in Oct 2018)

Subsidiaries

HBL UK has the following subsidiary incorporated and located in England and Wales:

Habibsons Nominees Limited

Turnover

The Net Operating Income of HBL UK for the year ended 31st December 2018 was £13.928mn.

Average number of employees

The average number of employees was 141 for the year ended 31st December 2018.

Country by Country breakdown

Country	Type of operations	Turnover £'000'	Operating profit/(loss) before taxation £'000'	Corporation tax paid £'000'	Average number of employees	Government subsidies received £'000'
United Kingdom	Retail and Commercial Banking (RCB), Private Banking (PB) and Treasury services (TS)	11,535	(5,822)	(311)	129	-
Netherlands	RCB	766	197	(149)	4	-
Switzerland	RCB and PB	1,273	(481)	(18)	7	-
France	RCB	354	14	(41)	1	-
Grand Total		13,928	(6,092)	(519)	141	-