

STATEMENT OF INVESTMENT PRINCIPLES

This statement sets out the principles governing decisions about the investment of the assets of the Habib Bank Ltd Pension and Life Assurance Scheme ("the Scheme"). The Trustees of the Scheme ("the Trustees") have prepared this statement to comply with section 35 of the Pensions Act 1995 and the Occupational Pension Schemes (Investment) Regulations 2005 (S.I. 2005/3378) ("the Investment Regulations").

As the Scheme has 100 or more members and is a wholly-insured scheme, this statement is required to cover:

- (a) the Trustees' policy for compliance with the requirements of section 36 of the Pensions Act 1995 (choosing investments) and
- (b) the reasons for the Scheme being a wholly-insured scheme.

The Trustees' policy for compliance with the requirements of section 36 of the Pensions Act 1995 (choosing investments) is as follows:

- (a) The Trustees have obtained and considered proper advice on the question of whether their investment in certain life and pensions products with AVIVA PLC is satisfactory having regard to the requirements of the Investment Regulations, so far as relating to the suitability of investments, and to the principles contained in this statement.
- (b) The Trustees have also determined at what intervals the circumstances, and in particular the nature of the investment, make it desirable to obtain such advice as is mentioned in (a) above and will obtain and consider such advice accordingly.

The reasons for the Scheme being a wholly-insured scheme with AVIVA PLC:

- (a) the financial strength of the insurance company;
- (b) the security given by:
 - (1) the insurance company's regulation by the Financial Services Authority and
 - (2) the Financial Services Compensation Scheme;
- (c) the professional management of the insurance company's investment funds;
- (d) the insurance company's pensions administration and investment expertise; and
- (e) value-for-money in investing in a packaged product with the insurance company.

This statement will be reviewed at least every three years and without delay after any significant change in investment policy.

Before preparing this statement, the Trustees have:

- (a) obtained and considered the written advice of a person who is reasonably believed by the Trustees to be qualified by his ability and practical experience of financial matters and to have the appropriate knowledge and experience of the management of the investments of occupational pension schemes and
- (b) consulted the employer in relation to the Scheme.

Signed on behalf of the Trustees of the Scheme

SIGNATURE
REMOVED FOR
SECURITY REASONS

Dated 10.02.2017