

Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Questionnaire

NAME OF FINANCIAL INSTITUTION: PUBLIC BANK GROUP (PBB)

LOCATION: KUALA LUMPUR, MALAYSIA

Below is the information of Public Bank Group regarding its AML/CFT policies, practices and procedures.

1.0 AML/CFT Policies, Practices and Procedures		
1.1	Is the AML/CFT Compliance Programme approved by PBB's board or a senior committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.2	Does PBB have a legal and regulatory compliance programme that includes a designated officer that is responsible for coordinating and overseeing the AML/CFT framework?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.3	Has PBB developed written policies documenting the processes that you have in place to prevent, detect and report:	
1.3a	Money laundering	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.3b	Terrorist financing	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.3c	Sanctions violations	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.4	Does PBB have policies covering Politically Exposed Persons (PEPs), their family and close associates?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.5	Does PBB have record retention procedures that comply with applicable law? If yes, for how long? <u>7 YEARS</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.6	Are PBB's AML/CFT policies and practices being applied to all branches and subsidiaries of the PBB both in the home country and in locations outside of the jurisdiction?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1.7	Does PBB comply with the recommendations developed by the Financial Action Task Force (FATF)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

2.0 Risk Assessment		
2.1	Does PBB have a risk-based assessment of its customer base and their transactions?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.2	Does PBB determine the appropriate level of enhanced due diligence necessary for those categories of customers and transactions that the PBB has reason to believe pose a heightened risk of illicit activities at or through PBB?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.3	Does PBB have a process to address risks related to non-face-to-face business relationships, the use of intermediaries and other third party sources of business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



3.0 Know Your Customer, Due Diligence and Enhanced Due Diligence		
3.1	Has PBB implemented processes for the identification of those customers on whose behalf it maintains or operates accounts or conducts transactions, including beneficial owner of legal persons?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.2	Does PBB have a requirement to collect information regarding its customers' business activities?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.3	Does the due diligence process result in customers receiving a risk classification?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.4	Does PBB have a process to review and, where appropriate, update customer information relating to high risk client information?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.5	Does PBB have a risk-based approach to screen customers to determine whether they are PEPs or controlled by PEPs?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.6	Does PBB have procedures to establish a record for each new customer noting their respective identification documents and 'Know Your Customer' information?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.7	Does PBB complete a risk-based assessment to understand the normal and expected transactions of its customers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.8	Does PBB require complete information for outgoing wire transfer instructions which includes sender and beneficiary names, addresses, account numbers and reason for the transfer?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.9	Does PBB deal with walk-in customers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.10	If the answer to Question 3.9 is yes, does PBB request for proof of identification?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

4.0 Transaction Monitoring		
4.1	Does PBB have a monitoring program for unusual and potentially suspicious activity that covers funds transfers and monetary instruments such as travelers checks, money orders, etc.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

5.0 Reporting of Suspicious Transactions and Cash Transactions		
5.1	Does PBB have policies or practices for the identification and reporting of transactions that are required to be reported to the authorities? If yes, to which relevant authorities does PBB report suspicious activities and transactions? Name of Authorities: CENTRAL BANK OF MALAYSIA	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



5.2	Does PBB have regulatory requirements to report cash transactions?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5.2a	Does PBB have policies, procedures and processes to comply with the cash transaction reporting requirements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5.2b	Does PBB have the procedures to identify transactions structured to avoid such obligations?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
5.3	Does PBB adhere to the Wolfsberg Group Payment Transparency Principles and the appropriate usage of the SWIFT MT 202/202COV and MT205/205COV message format?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

6.0 Sanctions

6.1	Does PBB screen its customers, including beneficial ownership information collected during onboarding and regularly thereafter against Sanctions Lists?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.2	Does PBB screen all sanctions relevant data contained in cross border transactions against Sanctions Lists?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.3	Does PBB have a physical presence e.g. branches, subsidiaries or representative offices located in countries/regions against which UNSC and OFAC have enacted comprehensive jurisdiction-based Sanctions?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

7.0 Shell Banks & Correspondent Banking Relationship

7.1	Does PBB have policies to:	
7.1a	Prohibit accounts/ relationships with shell banks? (<i>A shell bank is defined as a bank incorporated in a jurisdiction in which it has no physical presence and which is unaffiliated with a regulated financial group.</i>)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.1b	Ensure that transactions with or on behalf of shell banks will not be conducted through any of its accounts or products?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.1c	Ensure that it only operates with correspondent banks that possess licenses to operate in their countries of origin?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.1d	Ensure that the correspondent banking relationship does not include correspondent institutions that have no physical presence and which is unaffiliated with a regulated financial group (e.g. shell banks)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.2	During the review of cross-border correspondent banking and other similar relationships, does PBB collect sufficient information about a correspondent institution in order to understand their business, reputation, quality of supervision and regulatory history?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



7.3	Does PBB assess its customers' AML/CFT policies or practices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.4	Does PBB allow any external party to access directly any correspondent account that you maintain with another financial institution (FI) for the purpose of facilitating payments (i.e. payable-through accounts)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7.5	Does your PBB offer “nested/downstream correspondent services ¹ ” to other FI?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7.6	<p>Does PBB have any relationships/business dealings with customers/FIs/ government from UN sanctioned countries?</p> <p>If yes, please provide the list of the sanctioned countries and the nature of the relationship.</p> <p><u>The Bank has transactions involving individuals who are citizens of sanctioned countries and are legally permitted to reside or work in non-sanctioned countries. Such exceptions require enhanced due diligence which include senior management’s approval when establishing business relationship.</u></p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

8.0 AML/CFT Training		
8.1	Does PBB provide training to relevant employees that includes:	
8.1a	Identification and reporting of transactions that must be reported to government authorities.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.1b	Examples of different forms of money laundering, terrorist financing and sanctions violations involving the PBB’s products and services.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.1c	Internal policies to prevent money laundering, terrorist financing and sanctions violations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.1d	New issues/regulatory updates	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.2	If the answer to Question 8.1 is yes, is the AML/CFT training conducted on a regular basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.3	Does your PBB provide training to:	
8.3a	Board and senior management	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.3b	1 st Line of Defence	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.3c	2 nd Line of Defence	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.3d	3 rd Line of Defence	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.4	Does PBB retain records of its training sessions including attendance records and relevant training materials used?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No


¹ Refers to the use of a bank’s correspondent relationship by a number of underlying banks or FIs through their relationships with the correspondent bank’s direct customer. The underlying respondent banks or FIs conduct transactions and obtain access to other financial services without being direct customers of the correspondent bank.



8.5	Does PBB employ third parties to carry out some of the functions of the FI?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.6	If the answer to Question 8.5 is YES, does PBB provide AML/CFT training to relevant third parties that includes:	
8.6a	Identification and reporting of transactions that must be reported to government authorities.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.6b	Examples of different forms of money laundering, terrorist financing and sanctions violations involving the PBB's products and services.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.6c	Internal policies to prevent money laundering, terrorist financing and sanctions violations.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

9.0 Audit

9.1	In addition to inspections by the government supervisors/regulators, does PBB have an internal audit function, a testing function or other independent third party, or both, that assess the AML/CFT and Sanctions policies and practices on a regular basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
-----	---	---

Name:	TAN SHIEN DOON
Title:	CHIEF COMPLIANCE OFFICER
Signature	
Date	19 MARCH 2020