

## Al Rajhi Bank Malaysia Anti-Money Laundering Questionnaire

At Al Rajhi Bank Malaysia (ARBM), we are constantly striving to set higher standards i.e. at minimum to meet the international best practices in anti-money laundering and anti-terrorism financing.

For this purpose, we have demonstrated through this questionnaire a self due diligence in comparison with FATF's standards and The Wolfsberg Group's Anti-Money Laundering Questionnaire.

GENERAL INFORMATION		
1	Legal Name	Al Rajhi Banking & Investment Corporation (Malaysia) Bhd
2	Entity Address	Ground Floor, East Block, Wisma Selangor Dredging, 142-B Jalan Ampang, 50450 Kuala Lumpur, Malaysia
3	Telephone No.	+603-2301 7000
4	Facsimile No.	+603-2332 6062
5	Web Address	www.alrajhibank.com.my
6	Country of incorporation	Malaysia (Islamic Banking license issued on 19 July 2006)
7	Registration Number	719057-X
8	Name of Registration Body	Companies Commission of Malaysia
9	Primary business activities of the institution. Please refer to our website for further information.	Personal Banking, Corporate Banking, Trade Finance, Correspondent Banking, Wealth Management and Investment Banking
10	Total number of branches	18 branches in Malaysia. (We do not have any subsidiaries or branches outside Malaysia)
11	Total number of employees	Approximately 700
12	Our parent company  Address  Public listed entity	Al Rajhi Bank, Saudi Arabia  Al Akariyah Building No. 111, Olaya Main Street, P.O. Box 28, Riyadh 11411, Saudi Arabia.  In the Saudi Stock Exchange (Tadawul), Symbol 1120
13	Name of External Auditor	Ernst & Young
14	Malaysia's AML law	Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001
15	Al Rajhi Bank Malaysia's (ARBM) regulator	Central Bank of Malaysia / Bank Negara Malaysia
16	Name of competent authority to which ARBM reports suspicious money laundering/terrorist financing cases	Financial Intelligence and Enforcement Department of Central Bank of Malaysia

# AI Rajhi Bank Malaysia Anti-Money Laundering Questionnaire

<b>ARBM's AML POLICY AND PROCEDURES</b> (Wolfsberg Questionnaire)		
1	Is the AML compliance program approved by the FI's board or a senior committee?	Yes. A summary of ARBM's policy is available.
2	Does the FI have a legal and regulatory compliance program that includes a designated officer that is responsible for coordinating and overseeing the AML framework?	Yes. We have a designated Branch Compliance Officer (BCO) & Division/Department Compliance Officer (DCO) at branches and Head Office respectively.
3	Has the FI developed written policies documenting the processes that they have in place to prevent, detect and report suspicious transactions?	Yes. A revision was approved in October 2017.
4	In addition to inspections by the government supervisors/regulators, does the FI client have an internal audit function or other independent third party that assesses AML policies and practices on a regular basis?	Yes. Internal Audit Division includes AML requirement as part of the audit scope.
5	Does the FI have a policy prohibiting 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>	Yes. Business relationship is strictly prohibited with shell banks and those under any sanctions.
6	Does the FI have policies to reasonably ensure that they will not conduct transactions with or on behalf of shell banks through any of its accounts or products?	Yes.
7	Does the FI have policies covering relationships with Politically Exposed Persons (PEP's), their family and close associates?	Yes. Our coverage is for both foreign and domestic PEPs.
8	Does the FI have record retention procedures that comply with applicable law?	Yes. We follow the requirements of our parent company which is 10 years.
9	Are the FI's AML policies and practices being applied to all branches and subsidiaries of the FI both in the home country and in locations outside of that jurisdiction?	Yes. We have branches only in Malaysia. We do not have subsidiaries or branches overseas.
10	Does the FI have a risk-based assessment of its customer base and their transactions?	Yes.
11	Does the FI determine the appropriate level of enhanced due diligence necessary for those categories of customers and transactions that the FI has reason to believe pose a heightened risk of illicit activities at or through the FI?	Yes. High risk customers are subject to enhanced due diligence and Senior Management approval prior to on-boarding.

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<b>ARBM's AML POLICY AND PROCEDURES</b> <i>(Wolfsberg Questionnaire)</i>		
12	Has the FI implemented processes for the identification of those customers on whose behalf it maintains or operates accounts or conducts transactions?	Yes.
13	Does the FI have a requirement to collect information regarding its customers' business activities?	Yes.
14	Does the FI assess its FI customers' AML policies or practices?	Yes. Every customer is subject to due diligence and the KYC information is mandatory and kept up to date.
15	Does the FI have a process to review and, where appropriate, update customer information relating to high risk client information?	Yes.
16	Does the FI have procedures to establish a record for each new customer noting their respective identification documents and 'Know Your Customer' information?	Yes.
17	Does the FI complete a risk-based assessment to understand the normal and expected transactions of its customers?	Yes.
18	Does the FI have policies or practices for the identification and reporting of transactions that are required to be reported to the authorities?	Yes. Suspicious Transaction Reports are submitted to Financial Intelligence and Enforcement Department of Central Bank of Malaysia.
19	Where cash transaction reporting is mandatory, does the FI have procedures to identify transactions structured to avoid such obligations?	Yes. Daily Cash Threshold Reporting is submitted to Financial Intelligence and Enforcement Department of Central Bank of Malaysia. Measures are in place to detect structured transactions.
20	Does the FI screen customers and transactions against lists of persons, entities or countries issued by government/competent authorities?	Yes. We screen customers at minimum, against the following lists:- <ul style="list-style-type: none"> <li>• UNSCR</li> <li>• Malaysian</li> <li>• Saudi Arabian</li> <li>• US OFAC</li> <li>• EU</li> <li>• HM Treasury</li> <li>• Internal Watchlist</li> </ul> <p>Additionally, we prohibit on-boarding of customers from FATF's high risk category i.e. Iran &amp; North Korea.</p>

# AI Rajhi Bank Malaysia Anti-Money Laundering Questionnaire

<b>ARBM's AML POLICY AND PROCEDURES</b> <i>(Wolfsberg Questionnaire)</i>		
21	Does the FI have policies to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in their countries of origin?	Yes.
22	Does the FI adhere to the Wolfsberg Transparency Principles and the appropriate usage of the SWIFT MT 202/202COV and MT 205/205COV message formats?  The four payment message standards to be observed are: <ul style="list-style-type: none"> <li>▶ FIs should not omit, delete, or alter information in payment messages or orders for the purpose of avoiding detection of that information by any other FI in the payment process;</li> <li>▶ FIs should not use any particular payment message for the purpose of avoiding detection of information by any other FI in the payment process;</li> <li>▶ Subject to applicable laws, FIs should cooperate as fully as practicable with other FIs in the payment process when requesting to provide information about the parties involved; and</li> <li>▶ FIs should strongly encourage their correspondent banks to observe these principles.</li> </ul>	Yes.
23	Does the FI have a monitoring program for unusual and potentially suspicious activity that covers funds transfers and monetary instruments such as traveler's checks, money orders, etc?	Yes.
24	Does the FI provide AML training to relevant employees that includes: <ul style="list-style-type: none"> <li>• Identification and reporting of transactions that must be reported to government authorities.</li> <li>• Examples of different forms of money laundering involving the FI's products and services.</li> <li>• Internal policies to prevent money laundering</li> </ul>	Yes. Training is conducted:- <ul style="list-style-type: none"> <li>➤ During on-boarding of new staff</li> <li>➤ Through annual e-learning</li> </ul>
25	Does the FI retain records of its training sessions including attendance records and relevant training materials used?	Yes.
26	Does the FI communicate new AML related laws or changes to existing AML related policies or practices to relevant employees?	Yes.

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ARBM's AML POLICY AND PROCEDURES (Wolfsberg Questionnaire)		
27	Does the FI employ third parties to carry out some of the functions of the FI?	No. We have not outsourced any of our functions.

## ADDITIONAL INFORMATION ON ARBM'S POLICIES AND PROCEDURES

AML/CFT POLICY		
1	Is your institution compliant with the anti-money laundering laws/counter terrorist financing laws of the jurisdiction in which you operate?	Yes.
2	Within the past 5 years, has your institution been subject to any civil or criminal penalties stemming from deficiencies in your AML/CFT and Sanctions program?	No.
3	Does your institution keep your policy up to date and apply the changes required based on FATF public statements issued from time to time?	Yes.
4	Does your institution deal with countries under FATF's " <i>Jurisdictions subject to a FATF call on its members and other jurisdictions to apply counter-measures to protect the international financial system</i> "?	No. We do not enter into any relationship with any persons or entity from these countries.
5	Does your institution apply enhanced due diligence with countries under FATF's " <i>Jurisdictions with strategic AML/CFT deficiencies that have not made sufficient progress in addressing the deficiencies</i> "?	Yes. All customers under this category are subject to enhanced due diligence and approval prior to on-boarding.
6	Do you have a function responsible for implementing and monitoring AML compliance & Sanctions?	Yes. We have a dedicated team that manages risk arising from sanctions and suspicious activities.
7	Does your institution's AML policy and procedures cover all financial crimes?	Yes.
8	Does your institution apply measures to detect top 5 financial crimes identified in the National Risk Assessment?	Yes.
9	Do you have a policy that all new products and services are subject to ML/TF risk assessment?	Yes. All products are to be evaluated for ML/TF risks associated with customers, countries or geographical areas and delivery channels prior to launches.
10	Does your institution have clauses in your Terms and Conditions to exit/terminate relationship including close accounts and withdraw facilities, if your institution finds the customer's activity to be doubtful or suspicious?	Yes.

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AML/CFT POLICY		
11	Does your institution have a requirement to collect the nature of customers' business activities?	Yes.
12	Does your institution obtain the purpose for account opening, credit facilities and transactions?	Yes.
13	Does your institution provide money changing or wholesale currency business?	No.
14	Does your institution confirm the existence of corporations/non-corporate entities using independent source documents?	Yes.
15	Does your institution open or maintain anonymous accounts, fictitious or numbered accounts?	No.
16	Do you have measures to identify beneficial ownership in corporate, trust etc.?	Yes. We determine beneficial ownership with 5% and more shareholding.
17	Does your institution have requirements to identify Politically Exposed Persons (PEP) and High Net Worth Individuals (HNWI)?	Yes.
18	If you do identify PEPs & HNWIs, do you determine the source of wealth and source of funds?	Yes.
19	Is there a senior management approval process for high risk clients such as PEPs, Correspondent Banks, HNWIs?	Yes.
20	Do you have customer identification requirements for non-established /occasional (walk in client) with respect to recorded transactions (for example cash payments, the sale of monetary instruments or wire transfers)?	We do not accept walk-in customers. All customers must be registered as a customer prior to use of any form of transactions.
21	Does your institution employ third parties to carry out some of the AML functions and processes of the financial institution?	No. We have not outsourced any of our functions.
22	Does your institution initiate/process transactions on behalf of non-clients (i.e. clients that conduct one-off transactions)?	No. We do not accept walk-in customers.
23	Does your institution have policies to reasonably ensure that it only provides vostro accounts for banks that have a license to operate in the country in which it is located?	Yes.
24	Will your institution's account(s) be used to provide downstream clearing to other financial institutions or offer payable-through accounts to its customers?	No.

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AML/CFT POLICY		
25	<p>Does your institution have an established Internal Audit and Compliance review function to test the adequacy of your Anti-Money Laundering/Counter Financing of Terrorism policies and programs?</p> <p>If yes, how frequently, Internal Audit and/or Compliance reviews of the AML/CFT program conducted?</p>	<p>Yes.</p> <p>Annually and a report is submitted to the Board and the competent authority.</p>
26	Does your institution rely on automated processes in order to detect unusual activity related to money laundering and terrorist financing?	Yes, automated.
27	Does your institution have a monitoring program for suspicious or unusual activity including electronic funds transfers?	Yes.
28	<p>Has your institution implemented systems and processes for the identification of its customers, including customer record keeping information for account opening, one-off transactions, etc.?</p> <p><i>("Know Your Customer" information i.e. name, nationality, address, telephone number, occupation, age/ date of birth, employment details, number and type of valid government issued identification, as well as the name of the country/state that issued it.)</i></p>	<p>Yes.</p> <p>These are mandatory information of customers that must be obtained during on-boarding and kept current.</p>
29	Does your institution conduct checks on the names of new customers, as well as regular checks on the names of existing customers against United Nations Security Council (UNSC) on counter terrorism measures in particular the UNSC Resolutions 1267 (1999), 1373 (2001), 1988 (2011) and 1989 (2011)?	Yes.
30	Does your institution screen your customer database to ensure that it is not providing financial services to a listed person or entity?	Yes.
31	Is this client screening process through an automated system?	Yes, automated.
32	Does your institution screen transactions (incoming and outgoing) to ensure that financial services are not facilitated on behalf of, in favor of a listed individual/entity/country?	Yes.
33	Do you subscribe to a third party service provider for a screening database?	Yes, we use two providers.
34	Does your screening system apply "fuzzy logic" technology?	Yes.

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AML/CFT POLICY		
35	Is the institutions customers' beneficial owner, directors, principal owners screened against relevant sanctions watch lists?	Yes.
36	Do you screen transactions where your institution acts as intermediaries (i.e. instances where your institution does not have any relationships with the remitter or the beneficiary)?	We do not act as intermediaries for correspondent banks except payments through our parent bank and we screen the payments.
37	Does your institution have Know Your Employee (KYE) program in place to carry out due diligence on your institution's employees?	Yes. The KYE is carried out:- ➤ During on-boarding of new employee ➤ Annual assessment
38	Does your institution have measures in place to carry out assessment on vendors that your institution has relationship with as part of Know Your Vendor (KYV) program?	Yes.
39	Do you have sanctions policy that covers the following scope? To respond to: <ul style="list-style-type: none"> <li>• Situations that pose a threat to international peace and security i.e. United Nations Security Council (UNSC)</li> <li>• FATF's call on countries which do not or insufficiently apply the FATF's Recommendations</li> <li>• Respective countries' economic sanctions aligned with national security, foreign policy and economic objectives</li> </ul>	Yes.
40	Are your institution sanctions requirement applicable to the following categories? <ul style="list-style-type: none"> <li>• All new customers</li> <li>• All existing customers on a periodic but frequent basis</li> <li>• Associates and related parties</li> <li>• Beneficiary names at the creation stage and also prior to executing transactions</li> <li>• Key parties in a trade finance transaction including vessels used</li> <li>• Correspondent banks</li> <li>• Employees</li> <li>• Vendors and third party relationship</li> </ul>	Yes.
41	Does your institution apply additional measures to deter trade based money laundering?	Yes.



## Al Rajhi Bank Malaysia Anti-Money Laundering Questionnaire

<b>AML/CFT POLICY</b>		
42	Does your institution pay attention to cross border movement such as country & entity screening as well as inward & outward payments?	Yes.
43	Are you a member of SWIFT KYC Registry?	Yes.

<b>CODE OF CONDUCT</b>		
44	Does your institution have policy on code of conduct and procedures for staff to be steadfast in their duties?	Yes.
45	Does your institution take serious action on anyone deviating from the code of conduct required of them?	Yes.


<b>FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) &amp; COMMON REPORTING STANDARD (CRS)</b>		
46	Is your FI required to register under FATCA? If yes, have you registered?	Yes.
47	If so, please provide your GIIN (Global Intermediary Identification Number)	GIIN No: 5JRS81.00002.ME.458
48	Who is your institution's registered FATCA officer?	Chief Compliance Officer
49	Has your institution initiated measures to comply with Common Reporting Standards (CRS) of OECD?	<p>Malaysia has signed up to be one of the countries that will adopt the exchange of tax information under CRS.</p> <ul style="list-style-type: none"> <li>➤ Malaysia's first reporting is expected by July 2018.</li> <li>➤ We have implemented the measures since June 2016.</li> </ul>

<b>ANTI-BRIBERY &amp; ANTI-CORRUPTION POLICY (ABC) &amp; WHISTLE BLOWER POLICY</b>		
50	Does your institution have ABC policy to safeguard the reputation of the institutions from corrupt practices?	Yes.
51	Has your institution implemented measures to deter bribery and corruption in your business practice?	Yes. We have a zero tolerance policy.
52	Does your institution have Whistle Blower Policy for staff to do voluntary disclosures or report on any improper conduct or malpractices committed or to be committed by staff?	Yes.
53	Does your institution have a whistle-blowing channel for reporting of fraud/bribery/corruption?	Yes.

**Al Rajhi Bank Malaysia**  
**Anti-Money Laundering Questionnaire**

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DETAILS OF ARBM'S CHIEF COMPLIANCE OFFICER	
Name	Mr. V Maslamani
Job Title	Chief Compliance Officer
Department / Division	Compliance Division
Address	Level 6, West Block, Wisma Selangor Dredging, 142-B Jalan Ampang, 50450 Kuala Lumpur, Malaysia
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Facsimile No.	+603-2332 6085
Email Address	mani@alrajhibank.com.my

Signature of CCO	
Date	20/2/2018