AML Questionnaire

1. General Information

1. Full name of the institution?
   St.Galler Kantonalbank AG, St. Gallen.
2. Registered address?
   St. Leonhardstrasse 25, CH-9001 St. Gallen.
3. Country of domicile?
   Switzerland (CH).
4. Please provide the names of the senior management of your institution.
   Roland Ledergerber, CEO
   Albert Koller, Head of Retail and Commercial Clients
   Dr. Felix Buschor, Head of Service Center
   Dr. Christian Schmid, Head of Corporate Center
   Dr. Hanspeter Wohlwend, Head of Private Banking
5. Does your institution maintain a physical presence in the licensing country?
   Yes.
6. Is your institution a publicly traded entity?
   Yes.
7. Please list the exchanges and symbols.
   SIX Swiss Exchange
   SGKN
8. Is your institution publicly owned?
   Yes, partly (51% owned by the Canton of St. Gallen).
9. Is your institution an agency, branch or subsidiary of a bank with physical presence?
   No.
10. Please provide the name(s) of any shareholder holding more than 20 percent of shares in your institution
    Canton of St. Gallen (51%)

2. General AML Policies, Practices and Procedures:

11. Are there legislation and regulations enacted for anti-money laundering (AML-Regulations) in your country?
    Yes, Switzerland belongs to the most regulated countries concerning anti money laundering in the world.
12. Are there specific laws and /or regulations in place covering anti-money laundering?
    Yes.
13. Does the AML compliance program require approval of the FI's Board or a senior committee thereof?
    Yes.
14. Does your anti-money laundering policy and programme include:
    14.1 Customer identification requirements at the inception of the relationship?
        Yes, Swiss law requires this.
    14.2 Staff training programme on AML?
        Yes, Swiss law requires this.
14.3 Internal controls and procedures in detecting and reporting of suspicious transactions?
   Yes, Swiss law requires this.

15. Are your anti-money laundering policy and programme applicable to your overseas branches and subsidiaries?
   We do not have any overseas branches or subsidiaries.

16. Does the St.Galler Kantonalbank have a legal and regulatory compliance program that includes a designated Compliance officer that is responsible for coordinating and overseeing the AML program on a day-to-day basis, which has been approved by senior management of the FI?
   Yes.

17. Has the St.Galler Kantonalbank developed written policies documenting the processes that they have in place to prevent, detect and report suspicious transactions that has been approved by senior management?
   Yes.

18. In addition to inspections by the government supervisors/regulators, does the St.Galler Kantonalbank have an internal audit function or other independent third party that assesses AML policies and practices on a regular basis?
   Yes, Swiss law requires this.

19. Does the St.Galler Kantonalbank have policies prohibiting accounts/relationships with shell banks (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) ?
   Yes, Swiss law requires this.

20. Does the St.Galler Kantonalbank have policies covering relationships with politically exposed persons consistent with industry best practices?
   Yes, Swiss law requires this.

21. Does the St.Galler Kantonalbank have appropriate record retention procedures pursuant to applicable law?
   Yes.

22. Does the St.Galler Kantonalbank require that its AML policies and practices be applied to all branches and subsidiaries of the FI both in the home country and in locations outside of the home country?
   Yes, as far as local law is respected.

23. Do you have written procedures to prevent the risk of money laundering?
   Yes.

24. If so, do they include procedures for identifying new customers and where applicable, confirming the legitimacy of their business?
   Yes.

25. Does your bank conduct business such as sale of monetary instruments or funds transfers for "walk-in" customers?
   We do identify "walk-in-customers" with e.g. passports or ID-cards.

26. Has your bank been fined for a breach of AML legislation?
   No.

3. Law/Regulation

27. Your institution conducts business at a physical address in a jurisdiction in which your institution is authorised to engage in banking and/or financial activities?
   See www.finma.ch "authorised institutions".

28. Please provide the name of the regulatory authority your institution is subjected to.
   Swiss federal banking commission, www.finma.ch

29. Do the laws and regulations in your jurisdiction limit or prohibit the opening or maintenance of anonymous or numbered accounts?
No, however the customer identification requirements at the inception of the relationship have to be obeyed.

4. Risk Assessment

30. Does the St.Galler Kantonalbank have a risk focused assessment of its customer base and transactions of its customers?
   Yes.
31. Does the St.Galler Kantonalbank 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 St.Galler Kantonalbank?
   Yes.

5. Know your customer, Due Diligence and Enhanced Due Diligence

32. Has the St.Galler Kantonalbank implemented systems for the identification of its customers, including customer information in the case of recorded transactions, account opening, etc. (for example: name, nationality, street address, telephone number, occupation, age/date of birth, number and type of valid official identification, as well as the name of the country/state that issued it)?
   Yes.
33. Does the St.Galler Kantonalbank have a requirement to collect information regarding its customers' business?
   Yes.
34. Does the St.Galler Kantonalbank collect information and assess its FI customers' AML policies or practices?
   Yes.
35. Does the St.Galler Kantonalbank have procedures to establish a record for each customer noting their respective identification documents and Know Your Customer Information collected at account opening?
   Yes.
36. Does the St.Galler Kantonalbank take steps to understand the normal and expected transactions of its customers based on its risk assessment of its customers?
   Yes.
37. Does the St.Galler Kantonalbank have policies or practices for the identification and reporting of transactions that are required to be reported to the authorities?
   Yes.
38. Does the St.Galler Kantonalbank have procedures to identify transactions structured to avoid large cash reporting requirements?
   Yes.
39. Does the St.Galler Kantonalbank screen transactions for customers or transactions the St.Galler Kantonalbank deems to be of significantly high risk (which may include persons, entities or countries that are contained on lists issued by government/international bodies) that special attention to such customers or transactions is necessary prior to completing any such transactions?
   Yes.
40. Does the St.Galler Kantonalbank 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? (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)
Yes.

41. Does the St.Galler Kantonalbank have policies to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in their countries of origin?
Yes.

6. Transaction Monitoring

42. Does the St.Galler Kantonalbank have a monitoring program for suspicious or unusual activity that covers funds transfers and monetary instruments (such as travellers checks, money orders, etc.)?
Yes.

7. Contacts

43. Officer responsible for account/relationship

Dr. Christoph Schönenberger, Head Legal & Compliance
Phone: 0041 71 231 33 20
Email: christoph.schoenenberger@sgkb.ch

Bernhard Reeb, Compliance Officer AML
Phone: 0041 71 231 32 91
Email: bernhard.reeb@sgkb.ch

8. Links

44. Regulatory authority
www.finma.ch

45. Regulations
www.finma.ch/e/regulierung/gesetze/Pages/default.aspx

46. Stock exchange
https://www.six-group.com/exchanges/index_en.html
https://www.six-group.com/exchanges/shares/security_info_en.html?id=CH0011484067CHF4

47. St.Galler Kantonalbank
www.sgkb.ch