NetReveal Sanctions and PEP Screening

Identify sanctioned or high-risk entities that are on watch lists or PEP lists with fewer false positive alerts

The challenge

Financial institutions are responsible for screening customers and involved parties against multiple sanctions lists and Politically Exposed Persons (PEP) lists for matching persons, legal entities, countries or PEPs and their associates in order to ensure they do not have sanctioned entities as customers and have correctly risk assessed PEPs.

Sanctions and PEP screening is notoriously prone to high false positive alerts due to the number of lists, spellings, many (low quality) aliases, and different global character sets. Institutions struggle to effectively process the sheer volume of alerts to ensure investigators correctly identify a person or company on a sanctions or PEP list.

To compound this challenge, new entries are added to sanctions lists seemingly daily, meaning people or entities on these lists change fast. Financial institutions must ensure they are constantly screening against the latest entries and have the right rules in place to cover the regulatory requirements. Failure can result in sanctions breaches and potential regulator fines which can reach billions of dollars.

It is a constant balance adhering to these sanctions and PEP designations with internal resources.

Our approach

The NetReveal® Sanctions and PEP Screening solution from BAE Systems helps financial institutions comply with internal, domestic and international watch list enforcement regulations by identifying high-risk and sanctioned individuals and entities.

The solution enables institutions to rapidly screen, detect and track beneficial owners and their linkages in real-time – all while delivering accurate and productive alerts.

NetReveal Sanctions and PEP Screening provides financial institutions with:

• **Worldwide coverage** – sanctioned entities, PEPs, individuals, and beneficial owners are screened against 350+ global watch lists
• **Concatenated free text matching** – increases strength of detection by alerting on sanctioned entities or persons that have intentionally included too many or removed spaces to avoid detection by screening systems
• **Entity-based investigations** – improves investigator efficiency on average by 20–30%. Investigators are presented with a single combined alert related to a customer or entity in one user interface, rather than individual alerts for each triggered activity
• **Supervisor-controlled queuing and routing** – provides a 10% average productivity gain by prioritising alerts by urgency
• **Automated updates** – lists are automatically imported and updated daily or even multiple times per day to ensure institutions are screening against the most up-to-date lists


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## Additional capabilities

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<tr>
<th>Feature</th>
<th>Benefit</th>
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<tr>
<td><strong>Global Compliance</strong></td>
<td>Optimised to work across geographic boundaries and regulatory jurisdictions. Supports watch lists from OFAC, BIS, HM Treasury, EU CFSP, OSFI, and BANZ; list vendors, including World-Check, Dow Jones, and Accuity; and internal and non-public lists, such as FinCEN 314(a)</td>
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<td><strong>Packaged, Risk-based Solution</strong></td>
<td>Provides a packaged yet configurable risk-based approach for Sanctions, PEPs, PEP associates, negative media news, and Anti-Bribery and Corruption screening</td>
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<td><strong>Risk-based Screening</strong></td>
<td>Uses the degree of matching as well as configurable risk variables such as country, occupation, and relationship risks, to provide greater risk assurance</td>
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<td><strong>Real-time and Batch Screening</strong></td>
<td>Screens against full or delta lists and data sets, in more than 60 different languages and character sets</td>
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<td><strong>Advanced Matching</strong></td>
<td>Incorporates matching technology specifically developed to address local spelling conventions, common typographical and transliteration errors, and 60 languages and character sets, including those in Asia, Eastern Europe, and the Middle East</td>
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<td><strong>False Positive Alert Reduction</strong></td>
<td>Weighted words and normalisation reduce non-productive alerts so that highly skilled staff can focus on analysing genuine alerts</td>
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<td><strong>Single Enterprise-wide Deployment</strong></td>
<td>A single deployment of NetReveal supports multiple lines of business and any complexity of segregated organisational hierarchy, not only by reducing cost, but also by enabling data-sharing between diverse operations easier. Where necessary, local customisations can also be added. Field-level security enables FI to comply with local data privacy regulations.</td>
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### NetReveal Sanctions and PEP Screening

1. **Onboard new customer**
   - Screen data against external domestic and international regulator watch lists or internal lists in real-time or batch:
     - prospect/customer
     - employee/director
     - beneficial owner
     - counterparty
   - Generate alert
   - Generate workflow for further investigation
2. **Daily check of existing customers against watch list changes**
   - Match found
3. **Existing customer updates details**
   - Internal reporting/Generate regulatory report

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