

# Artificial Intelligence–powered Name Screening to Fight Financial Crime

## BABEL STREET ANALYTICS

### Manage risk while accelerating customer due diligence

Financial institutions (FIs) must continuously balance regulatory compliance requirements — such as anti-money laundering (AML) sanctions screening, customer due diligence (CDD), and transaction monitoring — with efficient customer onboarding and an enhanced customer experience.

Name screening occurs millions of times a day in financial compliance processes, however, names are rarely straightforward and highly variable. Misspellings, nicknames, abbreviations, transliterations, and cultural variations all lead to significant challenges for FIs when trying to match the names of people and organizations.

With manual processes or outdated, rules-based screening technology, every transaction introduces delay and exposes FIs to the risk of regulatory scrutiny and violations. Multilingual text adds another layer of complexity. For example, a system that relies solely on translation before matching would translate the Arabic name **ي كريم** (“Karim”) as its literal meaning, “generous.” An AI-based system that matches names within and across languages understands these pitfalls and avoids them.

Babel Street Analytics, composed of Name Match and Text Analytics, applies artificial intelligence to automate CDD tasks. The highly customizable name matching engine efficiently processes each potential match through over 20 different matching schemes to produce the highest quality results based on real-world training data and AI expertise.

FIs that integrate Name Match with their in-house systems experience a dramatic reduction in false positives and false negatives. This decreases the amount of time needed for manual investigation, minimizes the chances of a high-risk entity getting through, and streamlines compliance processes.

#### What’s at risk?

Inaccurate screening methods overwhelm compliance teams with false positives, and obscure or miss true alerts. Doing business with sanctioned individuals could result in fines from regulatory agencies, while the associated loss of reputation could cause even more financial damage from plummeting stock prices and lost confidence.

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Financial institutions are constantly balancing compliance budgets with risk management. At many FIs, these budgets remain unsustainably stagnant while compliance requirements from both regulators and executives continue to grow. FIs can increase the efficiency of their compliance processes by investing in advanced, AI-driven systems for their due diligence. Babel Street Analytics enables institutions to expand their risk profile by conducting more thorough screening for sanctions, politically exposed persons (PEPs), watchlists, and adverse media, without increasing workloads.

### **Trusted by financial institutions worldwide**

Rapid advances in AI and natural language processing (NLP) have made it possible to dramatically reduce manual labor for CDD by enabling cross-lingual and semantic (meaning)-based searches, and filtering news articles to only those about predicate offenses. Currently in use by financial institutions around the globe, Babel Street Analytics integrates with search engines and applications, so there's no need to replace existing systems.

#### **Key benefits include:**

**Ensures accurate, maintainable, and explainable name matching** — As compliance obligations and FI policies evolve, the algorithms in Name Match are flexible and configurable to address the variety and ambiguity of personal and organization names, dates, and addresses. Explainable AI satisfies audits with

transparency into match score calculations. Name Match handles names written in English and 20+ languages in their native scripts, including Arabic, Chinese, Russian, Korean, and Japanese. It minimizes false positives so you can focus on the reduced number of true alerts that require attention.

**Facilitates rapid tracing of ultimate beneficial ownership (UBO)** — Text Analytics processes the types of data needed for UBO investigations, such as news sources, corporate filings, and public records. Text Analytics extracts names of people, places, and organizations from multilingual text using multiple approaches: pattern-matching, entity lists, and statistical models — including deep learning.

**Reduces human labor in adverse media screening** — Better than static keyword searches by human staff, Text Analytics uses NLP techniques to return only those articles about the person or organization in question. It further filters articles to include only those with words and phrases related to predicate offenses — and it searches by the meaning of those words and phrases across multiple languages. It leverages event extraction to return only the articles where the person is the actor of the offense, and not just mentioned in the article. NLP enables staff to focus on reviewing high priority data instead of searching for it.

Compliance in a complex and changing regulatory environment can feel impossible...

**With Babel Street Analytics, welcome to what's possible.**

Babel Street is the trusted technology partner for the world's most advanced identity intelligence and risk operations. The Babel Street Insights platform delivers advanced AI and data analytics solutions to close the Risk-Confidence Gap.

Babel Street provides unmatched, analysis-ready data regardless of language, proactive risk identification, 360-degree insights, high-speed automation, and seamless integration into existing systems. We empower government and commercial organizations to transform high-stakes identity and risk operations into a strategic advantage.

Learn more at [babelstreet.com](https://babelstreet.com).

