

pep checks: a challenge

description

a growing challenge for independent wealth managers

for **independent wealth managers**, ensuring compliance is not just a regulatory checkbox—it's a trust-building pillar. one of the most complex and critical aspects of compliance today involves **pep checks**. identifying **politically exposed persons (peps)** is essential in preventing [money laundering](#), [bribery](#), and corruption. while screening tools exist, the process is far from straightforward.

a pep isn't just a head of state or a senior official. it includes their **close associates**, **family members**, and even **business partners**. for banks and independent wealth managers, the due diligence doesn't stop with the individual — it extends to their entire network.

why pep screening matters

peps pose a higher risk due to their influence, visibility, and exposure to public funds. [regulatory bodies](#) such as **fatf**, **finma**, and **aml laws across europe** mandate enhanced due diligence on these individuals. for independent wealth managers, onboarding and monitoring processes must be robust, up-to-date, and watertight.

- **heavy fines**
- **loss of licence or finma approval**
- **reputational damage**
- **client attrition due to compliance concerns**

commonly used pep screening tools

many firms rely on **pep databases** and screening systems to support the compliance process. however, not all are created equal. coverage, update frequency, and data sources vary significantly.

provider	coverage & highlights	update frequency	source
world-check (refinitiv)	4m+ records on peps, sanctions, and adverse media	real-time for high-risk categories	lseg
firco global watchlist®	2m+ entities in 240+ countries incl. peps	regular	lexisnexis

provider	coverage & highlights	update frequency	source
accuity	sanctions, peps & adverse media profiles	regular	accuity
acuris risk intelligence	200+ jurisdictions	regular	acuris
moody's analytics	2m+ global peps with financial risk tagging	continuous monitoring	moody's
lexisnexis	230+ territories, frequent updates	multiple daily	lexisnexis
dilisense	57 international sources, real-time detection	real-time	dilisense
opensanctions	open-source coverage of high-risk profiles	regular	opensanctions
informa (thomson reuters)	broad jurisdictional coverage	regular	thomson reuters
pipl	identity verification with live enrichment	real-time	pipl
trulioo	global verification incl. pep & kyc	regular	trulioo
complyadvantage	pep screening, edd & sanctions checks	regular	complyadvantage

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inconsistencies in pep detection

one key issue is **variability** between systems. some tools rely on **static lists**, while others offer **real-time data streams**. one pep might appear in one system but not in another.

this inconsistency creates a risk for **independent wealth managers**, who typically offer a more bespoke and relationship-based service than large banks. manual checks, cross-database comparisons, and enhanced due diligence are often necessary to close the gaps.

network screening: family, associates & beyond

another layer of complexity is identifying the pep and its network. many family members and business associates don't hold public roles but still manage significant assets. these individuals may transfer funds, make investments, or open accounts—all of which may fall under aml scrutiny

if linked to a pep.

the role of multibanking and consolidated oversight

having a centralised view is key for wealth managers operating in a **multibanking setup**. real-time screening tools that integrate across custodians allow for better detection of risks across all client assets, not just within a single institution.

a **multibanking setup** consolidates all client accounts across different financial institutions, offering a complete overview of liquidity, transactions, and potential red flags. combined with robust pep screening tools, this setup enhances compliance and strategic decision-making.

compliance tools must be integrated into the workflow

a modern compliance strategy means more than simply “having a database.” tools must be:

- **integrated into onboarding** and ongoing **kyc monitoring**
- **able to flag network risks** and not just named individuals
- **updated frequently**, ideally in real-time
- **auditable**, providing logs of who was checked, when, and why

independent wealth managers using outdated or underperforming systems may not only miss key red flags, but they may also fall behind industry standards.

final thoughts: compliance is a competitive advantage

for independent wealth managers, **pep checks** [can no longer be seen as a burden](#)—they are a **differentiator**. clients trust those who protect their reputations and capital, and regulators reward those who maintain airtight processes.

wealth managers can position themselves as secure, modern, and globally aligned by investing in **high-quality pep databases**, understanding **network risk**, and embedding compliance into the entire client [lifecycle](#).

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