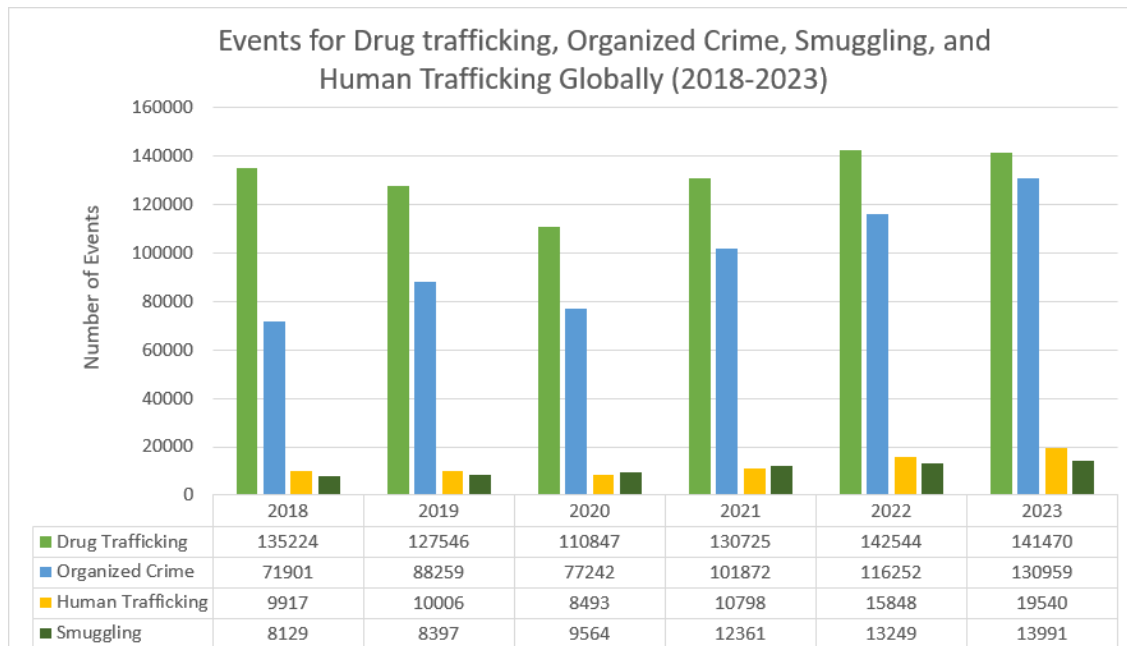


Customs & Border Protection

Increasing organized crime

Trafficking criminal commodities like vulnerable individuals, firearms, and narcotics across borders represents a lucrative enterprise for organized crime groups.

Moody's intelligent screening database saw a 23% increase in human trafficking events globally from 2022 to 2023. During the same time, organized crime increased 13%, smuggling 6%, and drug trafficking remained a consistent threat.



Preventing trafficking and smuggling; safeguarding borders; and ensuring the safety of communities, businesses, and trade is a top priority for customs and border agencies, as well as law enforcement.

OPTIMIZING INVESTIGATIONS WITH CONSTRAINED RESOURCES

Demand for investigations and enforcement has increased with the growth in awareness and severity of challenges linked to illegal migration and human trafficking, deaths caused by illegal drugs and trafficking of synthetic opioids like Fentanyl, and the other predicate offences of money laundering. However, budgets and resources may not have increased to match this need.

Investigating the individuals and entities who pose risks to national security has to be more efficient and effective, with targeted investigations that leverage insights from accurate and real-time data.

But how can that be achieved?

INDIVIDUAL AND ENTITY DATA THAT CREATES INSIGHTS

Transnational crime groups and organized crime networks leverage different tactics to hide their actions and evade detection. Legitimate vehicles, like shell companies or front companies, are frequently established with the objective of obscuring beneficial ownership and control structures. They are used to process the money derived from offenses like human trafficking and the trade in illegal drugs.

Customs and border agencies therefore need accurate and reliable data that indicate clear areas of risk - pointing them in the right direction to uncover threats.

Moody's screening database provides curated risk profiles on more than 21 million individuals and entities globally. It also provides access to the world's most powerful comparable data resource on private companies, with information on more than 489 million entities worldwide.

IDENTIFYING RISKY CORPORATE BEHAVIORS

Moody's shell company indicator also provides valuable insights for investigators. It highlights elevated risk through the identification of seven outlier behaviors that may warrant further examination.

1. Detecting circular ownership patterns
2. Locating instances of mass registration
3. Identifying outlier directorships
4. Finding companies that are dormant
5. Tracking companies with significant financial anomalies
6. Highlighting organizations with outlier ages for key individuals
7. Locating jurisdictional disparities

These indicators, in combination, illuminate where a shell company may exist, which can direct further investigation into beneficial owners and their practices.

ENHANCING CUSTOMS & BORDER PROTECTION WITH ADVANCED DATA ANALYTICS AND AUTOMATED SOLUTIONS

With access to the accurate data, automated solutions, and analytics, investigators in customs and border protection have the means to proactively dig into corporate structures and ownership and control linkages to find persons of interest and potential threats.

Investigators can leverage a holistic and proactive approach to tackling issues like human trafficking and drug trafficking, which in turn can be linked to financial crime including fraud and money laundering.

Through a single solution, Moody's can provide access to:

- Millions of risk profiles built on access to adverse media, sanctions, and PEPs data
- Leading entity verification data including beneficial ownership and control data
- Real-time company registries, tax registries, and corporate documentation
- A Shell Company Indicator that highlights outliers in seven categories of risk

Investigators can follow leads using real-time, globally curated data associated with the individuals and entities who may be implicated in organized crime.

An individual associated with a confirmed drug trafficking event could, for example, be screened to find associations with other high-risk individuals or business entities. These entities can then be screened, and if negative associations are uncovered, the evidence can be acted on.

An investigation process could help reveal where there are connections with high-risk jurisdictions; sanctioned individuals; entities implicated in financial crime; and other risk markers.

EFFICIENT AND EFFECTIVE RISK ASSESSMENT

Using Moody's data, workflow automation, and analytic solutions can help customs and border protection amass profiles of risk-relevant data to direct investigations and evidence threats to security.

With a holistic solution, fueled by data, a clearer picture of risks emerge for investigators to track and identify individuals and entities involved in serious crime.

For more information about how Moody's can support an efficient and effective approach to investigating organized crime, please get in touch.

Visit: www.moody's.com/kyc | Follow: <https://www.linkedin.com/company/moodys/>

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