

2023

The Knoble

ANNUAL REPORT



DEAR DONORS & CORPORATE MEMBERS,

Thank you for making 2022 such an amazing year! Your generosity and support were instrumental in helping us achieve our Mission and execute our Strategy.

In 2022, we at the Knoble strongly emphasized building our Network and ramping up the number of Initiatives. Together, we can accomplish so much more than we ever could on our own. The collective brilliance of our Network members allows us to tap into the best ideas, people, processes, and initiatives from all over the world.

We're continuing to seek out those in the industry who are actively working to combat Human Crime and empower others to make a positive impact. We're equipping them with the tools they need to be effective and productive and encouraging them to use their knowledge, influence, skills, time, finances, or relationships to make a difference. We want to celebrate everyone who is making a real difference in this fight.

On the next pages, we're excited to share some of our key accomplishments, thanks to your generous support.



EXECUTIVE SUMMARY

In 2022, we set an ambitious goal to expand our community of individual financial crime fighters by 500 members. We're thrilled that we exceeded that target by an additional 100 members. This means that we were able to engage nearly 600 members in our initiatives to fight financial crime. This is a testament to the dedication of our members and the effectiveness of our strategies.

HUMAN TRAFFICKING IMPACT

2022 Super Bowl

We are proud to have partnered with Prove and Homeland Security Investigations on a cutting-edge project to identify and combat human trafficking in the lead-up to the 2022 Super Bowl in Los Angeles. By utilizing targeted scenarios and information, we were able to engage a total of 53 individuals and 30 financial institutions (FIs) in this effort. This collaboration resulted in 20 new leads related to human trafficking, which is a significant accomplishment. Additionally, many FIs that participated had not previously used their investigative capabilities to search for human trafficking cases, making this project a great success in raising awareness and expanding our efforts.

World Games

This year, The Knoble teamed up with Homeland Security Investigations to tackle human trafficking at the World Games in Birmingham. Using cutting-edge detection scenarios and targeted information, we were able to mobilize 54 individuals from 32 organizations to aid in our efforts.

Financial Institution Roundtables

Also, in 2022, we held a series of roundtables sponsored by Guidehouse to empower financial institutions to take action against human trafficking. These roundtables offered a confidential space for financial institutions to share strategies and best practices for detecting and investigating the proceeds of human trafficking within their systems. The four roundtables throughout the year covered various topics, including investigations, response, prevention, and detection. This effort was aimed at providing a platform for financial institutions to come up with the best possible solution to combat human trafficking.

CHILD EXPLOITATION IMPACT

Project Umbra

In 2022, we launched Project Umbra, sponsored by LexisNexis Risk Solutions and Scotiabank. This project was a shining example of how public-private collaboration can lead to efficient, effective processes for identifying and stopping child sexual exploitation.

We generated a sixfold increase in LE referrals from the previous year by working with five banks and leveraging child exploitation indicators within their existing processes.

The key to the network's success was a 1.5:1.0 false positive rate, proving that this approach can be effectively implemented on a large scale.

This project aimed to make the world a better place for children, who are the world's future, and stopping the sexual exploitation of children is a first step towards it.

1.7 Million Children
Globally Were Victims
Of Commercial Sexual
Exploitation In 2021.

In The U.S. The Number
Of Child Sex Trafficking
Victims Is
Conservatively
Estimated At 20,994
Children.

SCAMS IMPACT

Scams Roundtable

In 2022, we took decisive action in the fight against scams by launching the Scams Roundtable Series, sponsored by Early Warning Services. This series was open to all participants and provided a platform for collaboration, learning and working more effectively as an industry to combat scams. Through two roundtables, we explored the ways financial institutions track scams and their impact on customers.

Open Letter

In addition to the roundtables, we also released an Open Letter on Fighting Scams, written by Ian Mitchell. This thought leadership piece delved into the actions we, in financial services, can take to address the scam problem more effectively, highlighting the recent connection between human trafficking and scams. The letter generated significant engagement, receiving almost 100 reactions on LinkedIn.

Definitions & Typologies Report

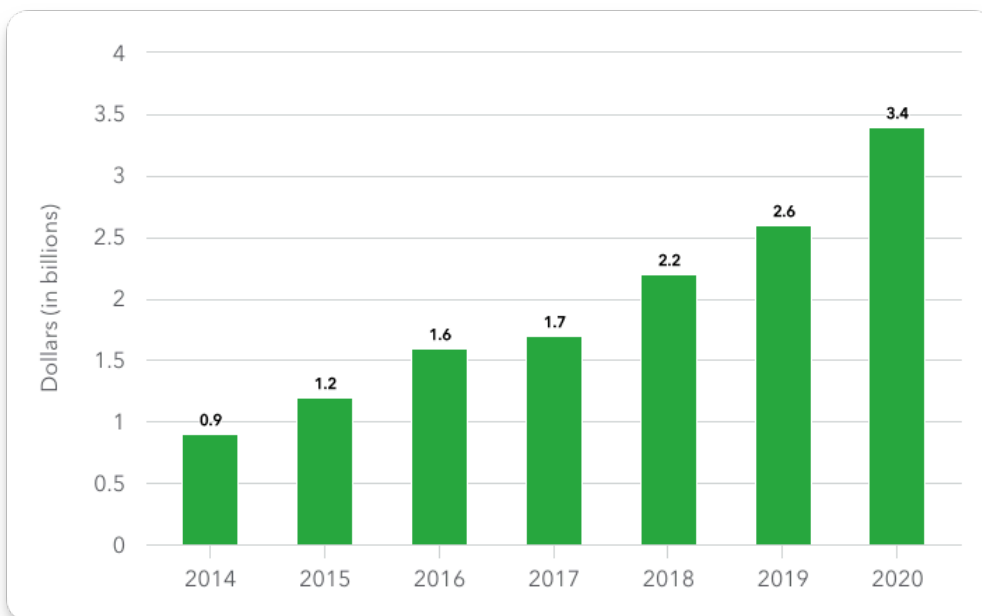
We also recognized that standard definitions were crucial for financial institutions to track scams effectively. Based on survey results from the Scams Roundtable, we found that 47% of FIs did not actively track this information. In response, we created definitions and typologies that could serve as a common language for FIs and made the information available to our Member Center. This initiative is an important step in the fight against scams. We plan to continue this effort in 2023 by helping FIs better understand how to operationalize this categorization methodology. Together, we can make a real impact in the fight against scams and protect the most vulnerable members of our society.

ELDER ABUSE IMPACT

Elder Financial Exploitation Peer-Solutions-Generating Roundtable

MidFirst Bank took the lead and brought financial institutions together for a lively and informative discussion on reducing vulnerabilities for our senior customers.

Inspired by recent guidance from the Consumer Financial Protection Bureau, we dove into the tactics and strategies network institutions are using to safeguard some of the most susceptible members of our communities from scams. We had a great time learning from each other and discovering new ways to protect our senior customers.



Elder Financial Exploitation Reports by Year (in Billions)

The total amount involved in EFE SARs was \$3.4 billion in 2020, an increase from \$2.6 billion in 2019. This is the largest year-to-year increase since 2013.

1 In 10 Americans Over 60 Have Experienced Some Form Of Financial Elder Abuse.

IMPACT

2022 LE Advisory Council

Established last year, this effort provides a venue for leaders in the law enforcement community to provide subject matter expertise and guidance in our efforts to reduce Human Crime. This year we completed five sessions with this group and are looking for ways to build on this success in 2023.

Enterprise Program Office

We launched the EPO early this year as a core component of our governance process. The EPO is intended to provide overall guidance around our strategic initiative and through leadership project portfolio to ensure proper alignment of initiatives with The Knoble strategy as well as protection of The Knoble brand and risk mitigation. The EPO comprises key Knoble participants, Board members, and external experts. Meeting 8 times this year, the EPO is now approving all initiatives before launch and offering thoughtful insight into our portfolio and specific initiatives.

Middlebury Practicum

We were honored to have two Middlebury Institute of International Studies students working with us during the year. We were able to deliver a webinar focused on cryptocurrency and the role it plays in financial crime & the intersection with human trafficking. This topic proved to be popular, with almost 300 registrants.

Member Center

We launched the Member Center platform in December due to our ability to link our financial crime fighter network. The new Member Center platform, built on WordPress, is more cost-effective and user-friendly. Ease of navigation is key to engaging

and retaining members and offering them a protective way to share information and intelligence.

Human Crimes Employee Training

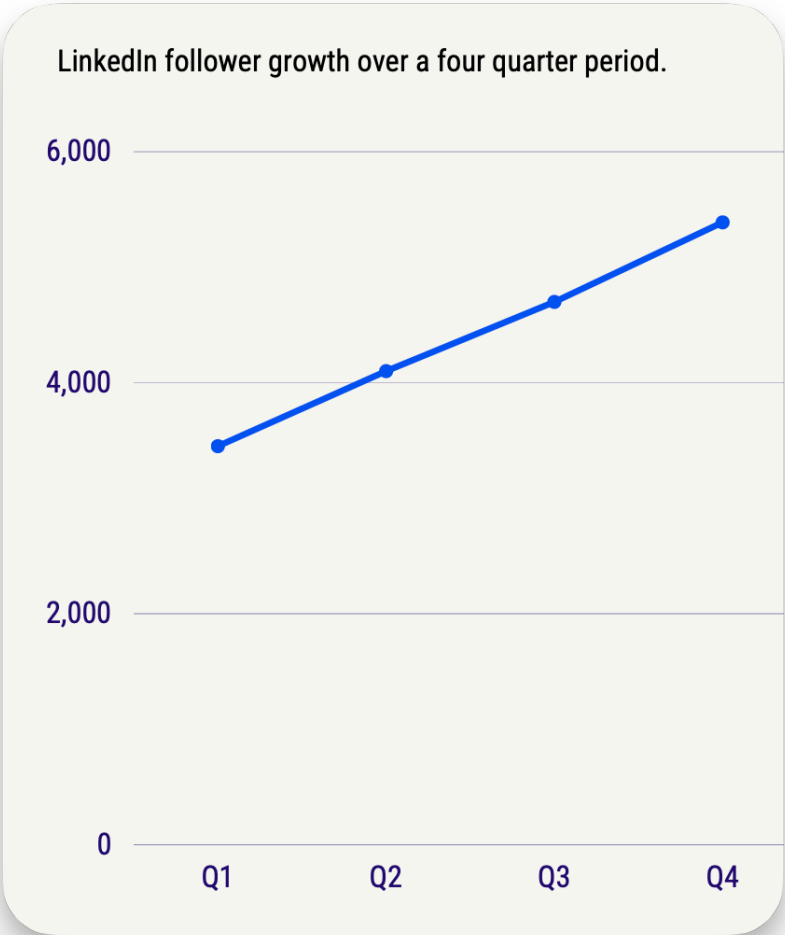
Done in conjunction with Omega FinCrime, this training content is intended to provide employees of financial institutions an overview of the types of Human Crime and what to look for. It includes an overview of the four critical areas of Human Crime, common red flags, and what to do if you suspect a Human Crime has been committed. A follow-up project in 2023 is planned to expand on this work.

Trade Conferences

The Knoble was a visible presence and five industry conferences, including IAFCI (International Association of Financial Crime Investigators), Aite, BPI BITS Roundtable, Fiserv, ACFE (Association of Certified Fraud Examiners), and ABA (American Bankers Association). We enhanced our visibility through presentations to conference attendees and a booth presence and signed new members along the way.

Increased Awareness

5.4K LinkedIn Followers
300K Unique Impressions
4.6K Newsletter Subscribers



2023 STRATEGY

Goals

1. Launch and complete six strategic initiatives, plus ten thought-leadership initiatives, to create a strong foundation for success.
2. Expand the human trafficking and scam verticals to build a comprehensive financial crime-fighting network.
3. Recruit 35 financial institutions and ten service providers to join as corporate members and inspire 175 financial crime fighters to join the member center.
4. Reach an active membership of 3,000 financial crime fighters by year-end.
5. Recruit 50 Corporate Partners to sign the Noble “Accord,” helping make the world safer.

Q1 and Q2 Plans

Human Crimes Insights Report

Sponsored by Mastercard, this ambitious initiative focuses on the development of human trafficking trend reporting, leveraging the transaction processor’s data assets and key scenarios. Subject Matter Experts provide critical guidance to the effort, allowing us to move closer to our goal of creating a safer world.

Gift Cards

Walmart is sponsoring this powerful initiative to increase awareness of the scale and scope of gift card use as a monetary instrument in scam-related activities. Separate work streams are focused on a baseline industry survey, a graphical representation of how gift

cards are used in scams, and a risk assessment that institutions can use to minimize risk in this area.

Survivor Stories

This pioneering project looks for financial indicators of the trafficking stories of survivors. Partnering with NGOs in the Tennessee area, survey questions were provided for survivor organizations to gather information on how financial transactions were conducted in their discussions with survivors. Information will be shared with select FIs to determine if this data is helpful in the fight against human trafficking.

Why We Should Care

Securing essential leadership in FIs is key to faster progress in the fight against Human Crime. This effort, sponsored by Lexis Nexis, focuses on awareness for C-Suite executives around addressing Human Crime.

Operationalizing Scams Definitions & Typologies

With survey results showing that many FIs still need to track this, this effort, sponsored by Nice Actimize, will focus on implementing scam tracking in financial institutions.

Project Umbra Phase 2

Building on the success of the initial Umbra project, this initiative extends the efforts to additional FIs, targeting the top 25 banks. Lessons learned from Phase 1 will be leveraged to extend the effort of identifying transactions in financial institutions that could be indicative of child sexual exploitation. Scotiabank is sponsoring this project.

2023 STRATEGY

What Law Enforcement Wishes Banks Knew

Through this thought leadership effort, we are communicating to FIs quick pieces of information from a law enforcement perspective in the fight against Human Crime. An initial focus is on an infographic detailing what happens in the SAR process after it has been filed. Additional efforts in this area will likely be coordinated through the Law Enforcement Advisory Board.

Fireside Chat

Thought-leadership videos based on an interview with multiple industry leaders, such as the Global Head of Financial Threats at Citi, will offer insight into what challenges teams that fight financial threats face. Clips will be posted to LinkedIn, and the full interview will be available on the Member Center.

Child Sexual Exploitation Investigator Training

This project will build on the learnings of Project Umbra, developing a training program and investigations approach to support financial institutions in their efforts to fight CSE. With this project, we are one step closer to creating a world free of Human Crime.

THANK YOU

We are truly grateful for your support in 2022. We hope these highlights and The Network's 2023 plans, depicted in this letter, energize and inspire continued support of The Knoble Network and the mission to unite the financial services industry in the fight.

Sincerely,

Ian Mitchell
Founder and Board Chair



Dave Worland
Executive Director

