



CORECIVIC

INVESTOR RISK BRIEF Q1 2025



Liability for chronic understaffing

Chronic understaffing imposes regulatory fines and legal liability.

- In April 2025, an MT federal jury found CoreCivic liable for a **\$28 million** payout to a man beaten nearly to death in facility without proper staffing levels.
- As of February 2025, CoreCivic was accruing a \$5,000 daily fine for understaffing in FL.

Local opposition

Local opposition to opening of immigration detention centers imposes costly litigation fees.

• In April 2025, the city of Leavenworth, KS <u>sued</u> <u>CoreCivic</u> for attempting to open an ICE detention facility without a permit.

State legislative crackdowns

Increasing state law oversight threatens CoreCivic's business model.

- In May 2025, TN enacted a law mandating continuous <u>10% reductions in private prison</u> <u>populations</u> at private prisons with death rates of double those of state-run facilities.
- In May 2025, NJ took its state law <u>ban on</u>
 <u>private immigration detention centers</u> before
 a federal court of appeals, in a case that would
 shutter CoreCivic's NJ facility.

CoreCivic, Inc. (NYSE: CXW), formerly known as Corrections Corporation of America, operates prisons, detention centers, and residential reentry programs throughout the United States.

Federal investigations

Costly federal investigations into allegations of mismanagement continue.

- In February 2025, whistleblowers at a NM facility alleged to federal oversight bodies that CoreCivic leadership permitted falsification of records and violations of health, safety, and labor laws.
- In an ongoing Department of Justice civil rights investigation into a TN facility, a <u>CoreCivic warden was placed on</u> <u>administrative leave</u>.

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ABOUT US

RFK Human Rights advocates for human rights issues at home and around the world within a network that includes some of the world's most powerful fiduciaries, cultivating equity in the boardroom, across workforces, and in investment portfolios.

Adasina Social Capital provides social justice groups and impact-driven investors with a platform where people, investments, campaigns, and education work in unison to drive large-scale, systemic change.

FreeCap Financial is a research company that provides investors and money managers with intelligent, racial justice-oriented data that helps them leverage capital markets to dismantle the prison industrial complex—a necessary step to end mass incarceration.