

CORECIVIC

INVESTOR RISK BRIEF

Q3 2025



Costly Litigation

Conditions in CoreCivic facilities bring legal liabilities and operational disruptions.

- Since the start of 2025, **roughly 100 lawsuits and legal complaints have been filed against CoreCivic** and its subsidiaries, wardens, medical staff, correctional officers and others working in the facilities.
- A formerly detained person **filed suit** against CoreCivic **alleging sexual assault** by a guard at the Otay Mesa Detention Center.

Liability for Dangerous Conditions

- Accounts describe conditions as **“hell on earth.”**
- **Witnesses in Texas facility** report undrinkable water, sleep deprivation, inadequate food, medical neglect, COVID outbreaks, deaths, suicide risks, and excessive force.

Volatile Financials

Analysts warn of instability tied to shifting politics, lawsuits, and federal funding decisions.

- **CoreCivic stock has fallen** roughly 12% in the past month and 17% year-to-date.
- Analysts caution that policy volatility, lawsuits, and public backlash make CoreCivic **a high-risk investment** with **unreliable long-term returns**.

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, we cultivate equity in the boardroom, across workforces, and in investment portfolios.

Adasina Social Capital is an impact investing firm that helps investors leverage their individual and collective power to advance social justice and support grassroots movements – while achieving competitive returns aligned with the more prosperous, equitable future we all want to inhabit.

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.

Management Risks

Leadership instability and alleged malfeasance threaten fiduciary duties to investors.

- Longtime CEO Damon Hininger announced his resignation amid turnover at key facilities.
- Federal Border Czar Tom Homan implicated in bribery allegations in scheme to arrange federal contracts for private prison companies.
- Reports of detained people missing or unaccounted for highlight risk of major lapses in tracking, internal control, and business judgement.



Local Opposition

Local opposition to CoreCivic facilities shows growing long-term reputational risks.

- In California City, CA, residents demanded transparency in opposition to local CoreCivic facility.
- Chicago-area residents protested CoreCivic's hiring push.
- Oklahoma residents accused CoreCivic of rural exploitation.
- In Walsenburg, CO, Leavenworth, KS, and Baldwin, MI, towns that voted Republican in the presidential election, residents oppose new ICE contracts and detention sites.

Increased Regulatory Scrutiny

Regulatory authorities are advancing costly investigations of CoreCivic practices.

- In September 2025, U.S. Senators demand investigation and oversight of ICE contractors related to deaths of detained people and stronger oversight of ICE contractors.
- The FBI is investigating the Cibola County facility in New Mexico over reports of drug trafficking, staff corruption, and multiple deaths of detained people.

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