ROBERT F. KENNEDY HUMAN RIGHTS

ADASINA SOCIAL CAPITAL

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THE GEO GROUP

INVESTOR RISK BRIEF

Q3 2025

Earnings & Financial Performance

GEO Group's volatility and unstable financial performance reflect long-term shareholder risks.

- Earnings per share have **declined around 12% annually** over the past five years.
- **Free-cash-flow margin dropped 7.3 percentage points,** with GEO keeping less cash from each dollar it earns as costs rise.

Costly Litigation

Ongoing lawsuits expose Geo Group to mounting litigation costs and nationwide legal liability.

- In **GEO Group v. Menocal**, the Supreme Court is considering a nationwide class action alleging forced labor that **could cost the company millions**.
- A **federal appeals court** allowed government inspections that could cost over **$3 million in compliance upgrades and jeopardize $160 million in revenue**.

Local Opposition

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

- Pennsylvania residents demanded closure of the Moshannon ICE detention center following a **detained person's death**, prompting local officials' concern.

Federal Oversight & Accountability

Greater federal scrutiny threatens GEO's contracts.

- Ranking members of House committees scrutinized financial records of **border czar Tom Homan's past consulting role with GEO**.
- Congress members have **pressed for greater transparency** in costly oversight visits.
- Colorado congress members raised concerns over conditions and oversight at the **Aurora ICE facility**.

The GEO Group (NYSE: GEO) is a publicly traded company that manages over 80,000 beds at almost 100 prisons, immigration detention centers, and mental health facilities under contracts with federal, state, and local governments.

ABOUT US

RFK Human Rights advocates for human rights issues at home and around the world. We foster a social good approach to business. 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 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.

Media Contacts:
Amy Reid, reid@rfkhumanrights.org
Emma Gillett, gillett@rfkhumanrights.org