INVESTORS SAY GEO GROUP IS ILL-PREPARED TO GUARD AGAINST HUMAN RIGHTS RISKS

Report delivered at request of shareholders exposes serious lapses in human rights policies and a failure to demonstrate ‘respect for our inmates and detainees’.

NEW YORK, NY, Monday, November 18th, 2018 – Shareholders in GEO Group and members of the Interfaith Center on Corporate Responsibility are making public a letter they sent to the company which provides feedback on a report it developed in response to a 2019 shareholder resolution regarding the company’s human rights performance.

The shareholder proposal, which passed with 88% shareholder support at the company’s 2019 annual meeting, called for details regarding how the implementation of GEO’s human rights policy demonstrates respect for inmates and detainees in light of serious allegations of human rights abuses. Specifically, the resolution sought to understand:

- How GEO ensures that its employees are aware of, and know how to apply, the company’s commitment to inmate/detainee human rights;
- Metrics used to assess human rights performance, including any process for independent outside verification of such metrics; and

While GEO did produce the requested report, the shareholders say it falls far short of expectations and fails to meet current standards for human rights policies and processes, leaving the company exposed to numerous legal, reputational and financial risks. The lead filer is making the letter, which includes detailed comments on the report, public as a way to inform fellow shareholders who supported the proposal.

“We offered to meet to provide comment and guidance in the preparation of this report multiple times, but GEO declined our invitations, and still does” said Rev. Bryan Pham, S.J. of the USA West Province of the Society of Jesus and lead filer of the resolution. “In our view, the report demonstrates significant gaps that raise more questions than they answer. Importantly, GEO’s
policies are not aligned with the UN Guiding Principles on Business and Human Rights, considered the current best practice standard for human rights due diligence.”

The Department of Homeland Security’s Office of Inspector General in October 2018 reported “serious issues relating to safety, detainee rights, and medical care” at a GEO-owned and operated immigration detention center in Adelanto, California. Inspectors found nooses made from twisted bed sheets in 15 of 20 cells inspected, despite 1 suicide and 7 attempts at the facility last year. In addition, during their visit officials found that all 14 detainees in administrative segregation had been placed inappropriately.

A GEO-owned and operated prison in Clayton, New Mexico, the site of a major riot in September 2017, resulted in the serious injury of an inmate. The New Mexico Secretary of Corrections confirms “major security breaches. It wasn’t safe” and GEO had less than half its required staffing the evening of the riot.

There are currently three lawsuits alleging forced labor/human trafficking at GEO immigrant detention centers in California, Colorado, and Washington, and the ACLU of Colorado is bringing a wrongful death lawsuit against GEO for the death of a man at the Aurora Contract Detention Facility while in the custody of U.S. Immigration and Customs Enforcement (ICE).

Said Patricia Zerega of Mercy Investment Services, a co-filer of the resolution, “We have engaged GEO’s primary competitor CoreCivic on similar concerns, and found it used a more formal risk assessment process facilitated by an experienced consultant on international human rights. In addition, CoreCivic is assessing its policies, practices and standards against the UN Guiding Principles. This was the expectation we had when we asked for details on the implementation of GEO’s human rights policy, and perhaps why we are so disappointed in its report.”

According to the Business and Human Rights Resource Center, “GEO Group has also been accused of relying on detained immigrants for cheap and unpaid labor and is facing several lawsuits alleging that ‘voluntary’ work programs at their facilities violate state minimum-wage laws. Several people currently or formerly living in detention have alleged that they were threatened if they didn’t work and worried they could not afford basic commissary items without performing labor for GEO.”

“As long-term shareholders who have been engaging GEO on human rights concerns for many years, we are eager to see it take seriously its responsibility to respect the human rights and dignity of the individuals in their custody,” said Sr. Judy Byron of the Northwest Coalition for Responsible Investment. “The letter outlines several areas we see as deficient and indicates actions for improvement. Once again we reiterate our willingness to help GEO sort through these issues and mitigate its significant human rights risks via productive shareholder engagement.”

About the Interfaith Center on Corporate Responsibility (ICCR)
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