



The GEO Group Announces Discontinuation of Lawton Correctional and Rehabilitation Facility Contract in Oklahoma

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BOCA RATON, Fla.--(BUSINESS WIRE)--Jun. 20, 2024-- **The GEO Group, Inc. (NYSE: GEO)** ("GEO" or the "Company") announced today the discontinuation of its contract with the Oklahoma Department of Corrections for the company-owned, 2,600-bed Lawton Correctional and Rehabilitation Facility, which is set to expire on June 30, 2024, unless extended for an additional three months under terms proposed by GEO.

We are proud of our long-standing public-private partnership with the Oklahoma Department of Corrections, which dates to 1998. Over the last 26 years, we have made significant capital investments to provide needed correctional bedspace to help reduce Oklahoma prison overcrowding. We have implemented a world class rehabilitation program through our GEO Continuum of Care to help lower recidivism in the State of Oklahoma. Throughout this time, the health and safety of all those in our care and of our employees has always been our number one priority. All funding increases we have received from the State of Oklahoma in prior years have been directly allocated to increase wages for staff at the Lawton Correctional and Rehabilitation Facility.

In recent years, wage inflation and staffing shortages, following the COVID pandemic, have negatively impacted staff recruitment and retention at all state correctional facilities. Unfortunately, the recent veto of funding that was approved by the Oklahoma State Legislature will only exacerbate our significant challenges. Upon extensive consideration of the current funding levels and resources relative to the present service requirements, we have determined that we are no longer willing to manage the 2,600-bed Lawton Correctional and Rehabilitation Facility without changes to financial and operational terms. We have proposed a new three-month transition agreement starting July 1, 2024, allowing for an orderly relocation of inmates if new funding and contract terms cannot be mutually agreed upon.

The discontinuation of the Lawton Correctional and Rehabilitation Facility contract will not have a material impact on GEO's financial guidance.

Additionally, as has been reported in the media, as a result of recent significant damage caused to the physical plant and equipment at our company-owned, 1,940-bed Great Plains Correctional Facility, we have issued a default notice to the State of Oklahoma under our lease agreement for the Great Plains Correctional Facility, which is currently operated and maintained by the Oklahoma Department of Corrections. The default notice provides for a cure period of 30 days for the State of Oklahoma to carry out all necessary physical plant and equipment repairs at an estimated cost of \$3 million.

About The GEO Group

The GEO Group, Inc. (NYSE: GEO) is a leading diversified government service provider, specializing in design, financing, development, and support services for secure facilities, processing centers, and community reentry centers in the United States, Australia, South Africa, and the United Kingdom. GEO's diversified services include enhanced in-custody rehabilitation and post-release support through the award-winning GEO Continuum of Care®, secure transportation, electronic monitoring, community-based programs, and correctional health and mental health care. GEO's worldwide operations include the ownership and/or delivery of support services for 100 facilities totaling approximately 81,000 beds, including idle facilities and projects under development, with a workforce of up to approximately 18,000 employees.

Use of forward-looking statements

This news release may contain "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the U.S. Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on these forward-looking statements and any such forward-looking statements are qualified in their entirety by reference to the following cautionary statements. All forward-looking statements speak only as of the date of this news release and are based on current expectations and involve a number of assumptions, risks and uncertainties that could cause the actual results to differ materially from such forward-looking statements. Risks and uncertainties that could cause actual results to vary from current expectations and forward-looking statements contained in this press release include, but are not limited to, risk factors contained in GEO's filings with the U.S. Securities and Exchange Commission, including its Form 10-K, 10-Q, and 8-K reports. GEO disclaims any obligation to update or revise any forward-looking statements, except as required by law.

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