

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-K**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 1-14260

The GEO Group, Inc.

(Exact name of registrant as specified in its charter)

Florida

State or other jurisdiction of
incorporation or organization

4955 Technology Way

Boca Raton, Florida

(Address of principal executive offices)

65-0043078

(I.R.S. Employer
Identification No.)

33431

(Zip Code)

Registrant's telephone number, including area code: (561) 893-0101

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 Par Value	GEO	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the 139,275,778 voting and non-voting shares of common stock held by non-affiliates of the registrant as of June 30, 2025 (based on the last reported sales price of such stock on the New York Stock Exchange on such date, the last business day of the registrant's quarter ended June 30, 2025 of \$23.95 per share) was approximately \$3.3 billion.

As of February 23, 2026, the registrant had 134,361,648 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's definitive proxy statement pursuant to Regulation 14A of the Securities Exchange Act of 1934 for its 2026 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission within 120 days after the end of the year covered by this report, are incorporated by reference into Part III of this report.

Auditor Firm Id: 248

Auditor Name: Grant Thornton LLP

Auditor Location: Fort Lauderdale, Florida, United States of America

TABLE OF CONTENTS

	<u>Page</u>
<u>PART I</u>	
Item 1. <u>Business</u>	3
Item 1A. <u>Risk Factors</u>	24
Item 1B. <u>Unresolved Staff Comments</u>	46
Item 1C. <u>Cybersecurity</u>	46
Item 2. <u>Properties</u>	47
Item 3. <u>Legal Proceedings</u>	47
Item 4. <u>Mine Safety Disclosures</u>	50
<u>PART II</u>	
Item 5. <u>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	51
Item 6. <u>[Reserved]</u>	52
Item 7. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	53
Item 7A. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	72
Item 8. <u>Financial Statements and Supplementary Data</u>	72
Item 9. <u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	131
Item 9A. <u>Controls and Procedures</u>	131
Item 9B. <u>Other Information</u>	131
Item 9C. <u>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</u>	132
<u>PART III</u>	
Item 10. <u>Directors, Executive Officers and Corporate Governance</u>	133
Item 11. <u>Executive Compensation</u>	133
Item 12. <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	133
Item 13. <u>Certain Relationships and Related Transactions, and Director Independence</u>	133
Item 14. <u>Principal Accounting Fees and Services</u>	133
<u>PART IV</u>	
Item 15. <u>Exhibits and Financial Statement Schedule</u>	134
Item 16. <u>Form 10-K Summary</u>	142
<u>Signatures</u>	143

PART I

Item 1. Business

As used in this report, the terms “we,” “us,” “our,” “GEO” and the “Company” refer to The GEO Group, Inc., its consolidated subsidiaries and its unconsolidated affiliates, unless otherwise expressly stated or the context otherwise requires.

General

We specialize in the ownership, leasing and management of secure facilities, processing centers and reentry facilities and the provision of community-based services in the United States, Australia and South Africa. We own, lease and operate a broad range of secure facilities including maximum, medium and minimum-security facilities, processing centers, as well as community-based reentry facilities. We develop new facilities based on contract awards, using our project development expertise and experience to design, construct and finance what we believe are state-of-the-art facilities. We provide innovative technologies, industry-leading monitoring services, and evidence-based supervision and treatment programs for community-based programs. We also provide secure transportation services domestically and in the United Kingdom through our joint venture GEOAmev Ltd. (“GEOAmev”). As of December 31, 2025, our worldwide operations include the management and/or ownership of approximately 75,000 beds at 95 secure and community-based facilities, including idle facilities, and also includes the provision of reentry and electronic monitoring and supervision services for thousands of individuals, including an array of technology products including radio frequency, GPS, and alcohol monitoring devices.

We provide a diversified scope of services on behalf of our government agency partners:

- our secure facility management services involve the provision of security, administrative, rehabilitation, education, and food services at secure services facilities;
- our reentry services involve supervision of individuals in community-based programs and reentry centers and the provision of temporary housing, programming, employment assistance and other services with the intention of the successful reintegration of residents into the community;
- we provide comprehensive electronic monitoring and supervision services;
- we develop new facilities, using our project development experience to design, construct and finance what we believe are state-of-the-art facilities;
- we provide secure transportation services; and
- our services are provided at facilities which we either own, lease or are owned by our government agency partners.

Business Segments

We conduct our business through four reportable business segments: our U.S. Secure Services segment; our Electronic Monitoring and Supervision Services segment; our Reentry Services segment and our International Services segment. We have identified these four reportable segments to reflect our current view that we operate four distinct business lines, each of which constitutes a material part of our overall business.

Our U.S. Secure Services segment primarily encompasses our U.S.-based public-private partnership secure services business. Our Electronic Monitoring and Supervision Services segment, which conducts its services in the U.S., consists of our electronic monitoring and supervision services. Our Reentry Services segment consists of various community-based and reentry services. Our International Services segment primarily consists of our public-private partnership secure services operations in Australia and South Africa. Financial information about these segments for years 2025, 2024 and 2023 is contained in Note 14 — Business Segments and Geographic Information included in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Recent Developments

Chief Executive Officer Developments

On February 6, 2026, J. David Donahue, our Chief Executive Officer, provided notice to us of his retirement effective February 28, 2026 (the “Separation Date”).

Mr. Donahue and GEO entered into a Separation Agreement and General Release on February 9, 2026 (the “Separation Agreement”). Pursuant to the terms of the Separation Agreement, Mr. Donahue will be entitled to receive the following in addition to accrued wages: (i) the payment of \$104,167 per month commencing on March 1, 2026 and continuing through February 28, 2028 in accordance with the terms of the Consultant Agreement described below; (ii) be entitled to the payment of health insurance premiums for himself and any covered dependents under the Consolidated Omnibus Budget Reconciliation Act (“COBRA”) for a period ending on the earlier of eighteen (18) months following the Separation Date (or up to twenty-four months if entitled to an extension) or the date he is no longer entitled to receive COBRA continuation coverage; and (iii) the outstanding unvested stock options and restricted stock previously granted to Mr. Donahue will continue to vest in accordance with the applicable performance-based vesting metrics under our long-term equity incentive plan. The Separation Agreement also contains mutual release, cooperation and non-disparagement provisions.

Mr. Donahue and GEO also entered into a Consultant Agreement (the “Consultant Agreement”), effective as of March 1, 2026, for a term continuing through February 28, 2028 (the “Consulting Period”). Pursuant to the terms of the Consultant Agreement, Mr. Donahue will provide consulting services to GEO with respect to secure services business opportunities in the United States and overseas, including business development services and contract administration assistance for existing contracts. In consideration for such services, Mr. Donahue will receive, as previously disclosed in the Separation Agreement, the consulting fee of \$104,167 per month during the Consulting Period, payable upon submission of a monthly billing statement, and will be reimbursed for reasonable and necessary documented travel and business expenses incurred in connection with the performance of services, subject to prior approval requirements. The Consultant Agreement also contains provisions related to confidentiality and conflicts of interest.

On February 9, 2026, George C. Zoley, our founder and Executive Chairman, was appointed Chief Executive Officer effective March 1, 2026 (the “Effective Date”). In connection with his appointment, Dr. Zoley and GEO entered into the Second Amendment to Executive Employment Agreement (the “Employment Agreement”) on February 9, 2026 to reflect Dr. Zoley’s new title as Chairman and Chief Executive Officer and amend the compensation terms discussed below beginning on the Effective Date. The term of the Employment Agreement remains the same and ends on April 2, 2029 as may be extended by mutual agreement of the parties on an annual basis subject to the termination provisions in the Employment Agreement. Pursuant to the terms of the Employment Agreement, Dr. Zoley will serve as Chief Executive Officer and report directly to the Board of Directors.

Under the terms of the Employment Agreement, Dr. Zoley will be paid an annual base salary of \$1,200,000, subject to the review and potential increase in the sole discretion of the Compensation Committee. Dr. Zoley will also be entitled to receive a target annual performance award of 200% of Dr. Zoley’s base salary and be entitled to receive an annual equity incentive award of restricted stock with a grant date fair value equal to at least 300% of Dr. Zoley’s base salary that shall vest in accordance with the terms of the Company’s equity compensation plan. In addition, Dr. Zoley is entitled to the compensation and benefits provided under the Amended and Restated Executive Retirement Agreement, between Dr. Zoley and GEO, dated May 27, 2021. All other terms and conditions of Dr. Zoley’s Employment Agreement with GEO shall remain unchanged and in full force and effect in accordance with the Executive Chairman Employment Agreement, dated May 27, 2021, as amended by the Amendment to Executive Chairman Employment Agreement, dated July 7, 2025.

Contract Developments

On December 22, 2025, we announced that our wholly-owned subsidiary, BI Incorporated (“BI”), has been awarded a contract by U.S. Immigration and Customs Enforcement (“ICE”) for the provision of skip tracing services. Skip tracing services entail enhanced location research with identifiable information, commercial data verification, and physical observation to verify current address information and investigate alternative address information for individuals on the federal government’s non-detained docket. The new contract has a term of two years, with an initial term of one year, effective December 16, 2025, and an additional one-year period.

On September 30, 2025, we announced that we entered into a two-year contract with ICE for the continued provision of electronic monitoring, case management and supervision services under the Intensive Supervision and Appearance Program ("ISAP"). The contract has an initial term of one-year, effective October 1, 2025, with an additional one-year option period.

On September 16, 2025, we announced that the Florida Department of Corrections has issued Notices of Intent to Award three managed-only contracts to GEO for the assumption of management and support services at the 985-bed Bay Correctional and Rehabilitation Facility and the 1,884-bed Graceville Correctional and Rehabilitation Facility and for the continuation of management and support services at the 985-bed Moore Haven Correctional and Rehabilitation Facility. The three contracts are expected to have an initial term of three years, effective July 1, 2026, with unlimited two-year renewal option periods

On August 28, 2025, we entered into an agreement with another contractor to form an entity to provide management services for the State of Florida at the state-owned 1,310-bed North Florida Detention Facility in Baker County, Florida.

On June 16, 2025, we announced that our wholly-owned subsidiary, GEO Transport, Inc. has entered into a new five-year contract, inclusive of option periods, with the U.S. Marshals Service for the provision of secure transportation and contract detention officer services across three service regions covering 26 federal judicial districts and spanning 14 states.

On June 10, 2025, we announced that the U.S. District Court, Central District of California has approved a settlement in the case of *Roman v. Wolf*, which allows for immediate full intake at its company-owned, 1,940-bed Adelanto ICE Processing Center in California (the "Adelanto Center"). The court had previously issued several injunction orders, including an intake prohibition order issued more than four years ago, limiting the use of the Adelanto Center based on then-prevailing COVID-19 conditions. ICE and GEO entered into a 15-year contract on December 19, 2019, for the provision of secure residential housing and support services at the Adelanto Center, consisting of a five-year base period followed by two five-year option periods. The current contract option period is effective through December 19, 2029.

On June 9, 2025, we announced that we have entered into a contract modification with ICE, effective June 6, 2025, to activate a federal immigration processing center at our company-owned, 1,868-bed, D. Ray James Facility in Folkston, Georgia under the existing intergovernmental service agreement involving the company-owned, 1,118-bed Folkston ICE Processing Center. Our support services will include the exclusive use of this federal facility by ICE, along with security, maintenance, and food services, as well as access to recreational amenities, medical care, and legal counsel.

On April 21, 2025, we received a notice of termination from the New Mexico Corrections Department for the contract for our company-owned 1200-bed Lea County Correctional Facility effective June 30, 2025.

On March 20, 2025, we announced that we have entered into a contract with ICE for the immediate activation of a federal immigration processing center at our company-owned, 1-800 bed North Lake Facility, in Baldwin Michigan. The contract has a full term expiration of July 20, 2027.

On March 10, 2025, we announced that ICE has entered into a contract modification of the current intergovernmental service agreement ("IGSA") for our company-owned, 1,328-bed Karnes ICE Processing Center (the "Karnes Center") in Karnes City, Texas to transition the Karnes Center from housing adult males only to housing mixed populations. Subsequently, ICE decided to continue to house single adults at the Karnes ICE Center based on an assessment of the agency's current needs. GEO provides support services for ICE at the Karnes Center under an IGSA between Karnes County and ICE, that is effective through August 2029. GEO's support services include the exclusive use of the Karnes Center by ICE, along with security, maintenance, and food services, as well as access to recreational amenities, medical care, and legal counsel.

On February 27, 2025, we announced that we have been awarded a 15-year, fixed-price contract by ICE to provide support services for the establishment of a federal immigration processing center at the company-owned, 1,000-bed Delaney Hall Facility in Newark, New Jersey. GEO's support services include the exclusive use of the Delaney Hall Facility by ICE, along with security, maintenance, and food services, as well as access to recreational amenities, medical care, and legal counsel.

Asset Sale

On June 3, 2025, we entered into a Purchase and Sale Agreement (the "Sale Agreement") with CPT Operating Partnership L.P. (together with GEO, the "Seller") and the State of Oklahoma (the "Purchaser") pursuant to which, subject to the terms of the Sale Agreement, the Seller agreed to sell the 2,388-bed Lawton Correctional Facility located in Lawton, Oklahoma (the "Lawton Facility") to the Purchaser for a sale price of \$312 million. The sale resulted in a gain of approximately \$228 million. The Sale Agreement also contained certain customary representations, warranties and covenants that the parties made to each other. The sale of the Lawton Facility closed on July 25, 2025. and we

transitioned facility operations to the Oklahoma Department of Corrections simultaneously on July 25, 2025. We used the net proceeds from the sale, along with cash on hand and available liquidity, to purchase the Western Region Detention Facility, and pay off senior secured debt, including approximately \$300 million in floating rate debt.

Asset Purchase

On July 1, 2025, we announced that we have entered into a purchase agreement to acquire the 770-bed Western Region Detention Facility located in San Diego, California for approximately \$60 million. We previously leased the Western Region Detention Facility for approximately \$5.1 million annually under a lease agreement that was scheduled to expire on March 31, 2029. We have a contract with the U.S. Marshals Service for the exclusive use of the Western Region Detention Facility. The purchase of the Western Region Detention Facility closed on July 31, 2025 and was funded as a like kind real estate property exchange with proceeds from the sale of the Lawton Correctional Facility, which closed on July 25, 2025 as discussed above, resulting in an estimated capital gains cash tax savings of approximately \$9.3 million.

Idle Facilities

In our Secure Services segment, as of December 31, 2025, we are marketing 5,896 vacant beds with a net book value of approximately \$180.9 million at six of our idle facilities to potential customers. One of the facilities, Cheyenne Mountain Recovery Center, is under a contract which has yet to be activated. In our Reentry Services segment, as of December 31, 2025, we are marketing 750 vacant beds with a net book value of approximately \$11.6 million at two of our idle facilities to potential customers. The combined annual carrying cost of these idle facilities in 2026 is estimated to be \$23.4 million, including depreciation expense of \$12.0 million. We currently do not have any firm commitments or agreements in place to activate these facilities but have ongoing contact with several potential customers. Historically, some facilities have been idle for multiple years before they received a new contract award. The per diem rates that we charge our clients often vary by contract across our portfolio. However, if the eight idle facilities in our Secure Services and Reentry Services segments were to be activated using our Secure Services and Reentry Services average per diem rate in 2025 (calculated as revenue divided by the number of mandays) and based on the average occupancy rate in our facilities for 2025, we would expect to receive annual incremental revenue of approximately \$240 million and an increase in annual earnings per share of approximately \$0.20 to \$0.25 per share based on our average operating margin.

Quality of Operations

We operate each facility in accordance with our company-wide policies and procedures and with the standards and guidelines required under the relevant management contract. For many facilities, the standards and guidelines include those established by the American Correctional Association (“ACA”). The ACA is an independent organization of corrections professionals, which establishes correctional facility standards and guidelines that are generally acknowledged as a benchmark by governmental agencies responsible for correctional facilities. Many of our contracts in the United States require us to seek and maintain ACA accreditation for our facilities. We have sought and received ACA accreditation and re-accreditation for all such facilities. We achieved a median re-accreditation score of 100% as of December 31, 2025. Approximately 86% of our 2025 U.S. Secure Services revenue was derived from ACA accredited facilities for the year ended December 31, 2025. We have been successful in achieving and maintaining accreditation under the National Commission on Correctional Health Care (“NCCHC”) in a majority of the facilities that we currently operate. The NCCHC accreditation is a voluntary process which we have used to establish comprehensive health care policies and procedures to meet and adhere to the ACA standards. The NCCHC standards, in most cases, exceed ACA Health Care Standards and we have achieved this accreditation at 25 of our U.S. Secure Services facilities and at one reentry services location.

Business Development Overview

Upon his inauguration on January 20, 2025, President Trump issued nine executive actions intended to secure the borders of the United States and remove illegal immigrants, prioritizing those with criminal histories. These initial orders included the declaration of a national emergency at the United States southern border. Also included in these executive actions was the issuance of an executive order titled “Protecting the American People Against Invasion” which calls on the federal government to faithfully execute the immigration laws of the United States, including the removal of aliens, particularly those who threaten the safety of the American people. This executive order calls on the Secretary of Homeland Security to “take all appropriate action and allocate all legally available resources or establish contracts to construct, operate, control, or use facilities to detain removable aliens” and “ensure the detention of aliens apprehended for violations of immigration law pending the outcome of their removal proceedings or their removal from the country, to the extent permitted by law.” Effectively, this executive order requires an increase in interior enforcement by ICE and directs the DHS to detain those arrested by ICE, pending their removal or adjudication.

In addition, on January 20, 2025, President Trump reversed an executive order issued on January 26, 2021 by then-President Biden that had directed the Attorney General to not renew DOJ, contracts with privately operated criminal detention facilities. Two agencies of the DOJ,

the BOP, and the USMS, utilize our services. The BOP houses inmates who have been convicted, and the USMS is generally responsible for detainees who are awaiting trial. We currently do not operate any prison contracts for the BOP. This executive order only applied to agencies that are part of the DOJ, which includes the BOP and USMS. ICE facilities were not covered by this executive order, as ICE is an agency of the DHS, not the DOJ. It is possible future administrations could issue executive orders restricting the use of private correctional and detention facilities by the federal government.

Further, on January 29, 2025, President Trump signed into law the Laken Riley Act, which had been passed by Congress with bipartisan support. The Laken Riley Act requires ICE to detain certain non-United States nationals who have been charged, arrested, or convicted of crimes including burglary, theft, assault of a law enforcement officer, as well as killing or injuring another person. We believe the Laken Riley Act has contributed to the increased demand for detention beds by ICE, as further described in this Annual Report.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act, or OBBBA. OBBBA appropriates a total of \$75 billion in mandatory funding to ICE for immigration enforcement activities and to increase detention capacity. Specifically, OBBBA appropriates \$45 billion for single adult alien detention capacity and family residential center capacity. This funding is a significant increase in funding historically provided to ICE for border security and immigration detention. The funding will remain available through September 30, 2029, and is in addition to base annual appropriations during that time period. The additional funding is also being used by DHS to hire nearly 10,000 new ICE officers to implement the immigration enforcement initiatives.

Given the recent legislative and executive actions mentioned above, we believe the short-term growth opportunities of our business are particularly attractive as federal government agencies consider their emergent needs. ICE has begun to utilize additional bed capacity in our portfolio at facilities with existing contracts, we have signed new contracts to activate certain previously idled facilities, and we have been in discussion with ICE to activate additional idle facilities.

Our primary potential customers include: governmental agencies responsible for local, state and federal secure facilities in the United States; governmental agencies responsible for secure facilities in Australia and South Africa; federal, state and local government agencies in the United States responsible for reentry services for adult offenders; federal, state and local government agencies responsible for monitoring community-based parolees, probationers and pretrial defendants; and other foreign governmental agencies. We achieve organic growth through competitive bidding that begins with the issuance by a government agency of a request for proposal, or RFP. We primarily rely on the RFP process for organic growth in our U.S. and international secure services operations as well as in our reentry services and electronic monitoring and supervision services business.

For our facility management contracts, our state and local experience has been that a period of approximately 60 to 90 days is generally required from the issuance of a request for proposal to the submission of our response to the request for proposal; that between one and four months elapse between the submission of our response and the agency's award of a contract; and that between one and four months elapse between the award of a contract and the commencement of facility construction or management of the facility, as applicable.

For our facility management contracts, our federal experience has been that a period of approximately 60 to 90 days is generally required from the issuance of a request for proposal to the submission of our response to the request for proposal; that between 12 and 18 months elapse between the submission of our response and the agency's award of a contract; and that between four and 18 weeks elapse between the award of a contract and the commencement of facility construction or management of the facility, as applicable.

If the local, state or federal facility for which an award has been made must be constructed, our experience is that construction usually takes between nine and 24 months to complete, depending on the size and complexity of the project. Therefore, management of a newly constructed facility typically commences between 10 and 28 months after the governmental agency's award.

For the services provided by BI, local, state and federal experience has been that a period of approximately 30 to 90 days is generally required from the issuance of an RFP or Invitation to Bid, or ITB, to the submission of our response; that between one and three months elapse between the submission of our response and the agency's award of a contract; and that between one and three months elapse between the award of a contract and the commencement of a program or the implementation of program operations, as applicable.

The term of our local, state and federal contracts range from one to five years and some contracts include provisions for optional renewal terms beyond the initial contract term. Contracts can, and are periodically, extended beyond the initial contract term and optional renewal terms through alternative procurement processes including sole source justification processes, cooperative procurement vehicles and agency decisions to add extension time periods.

We believe that our long operating history and reputation have earned us credibility with both existing and prospective customers when bidding on new facility management contracts or when renewing existing contracts.

We also plan to leverage our experience and scale of service offerings to expand the range of public-private partnership services that we provide. We have engaged and intend in the future to engage independent consultants to assist us in developing public-private partnership opportunities and in responding to requests for proposals, monitoring the legislative and business climate, and maintaining relationships with existing customers.

Facility Design, Construction and Finance

We offer governmental agencies consultation and management services relating to the design and construction of new secure facilities and the redesign and renovation of older facilities including facilities we own, lease or manage as well as facilities we do not own, lease or manage.

Contracts to design and construct or to redesign and renovate facilities may be financed in a variety of ways. Governmental agencies may finance the construction of such facilities through any of the following methods:

- a one time general revenue appropriation by the governmental agency for the cost of the new facility;
- general obligation bonds that are secured by either a limited or unlimited tax levy by the issuing governmental entity; or
- revenue bonds or certificates of participation secured by an annual lease payment that is subject to annual or bi-annual legislative appropriations.

We may also act as a source of financing or as a facilitator with respect to the financing of the construction of a facility. In these cases, the construction of such facilities may be financed through various methods including the following:

- cash on hand and/or cash flows from our operations;
- borrowings by us from banks or other institutions (which may or may not be subject to government guarantees in the event of contract termination);
- funds from debt offerings of our notes;
- funds from equity offerings of our stock; or
- lease arrangements with third parties.

If the project is financed using direct governmental appropriations, with proceeds of the sale of bonds or other obligations issued prior to the award of the project, then financing is in place when the contract relating to the construction or renovation project is executed. If the project is financed using project-specific tax-exempt bonds or other obligations, the construction contract is generally subject to the sale of such bonds or obligations. Generally, substantial expenditures for construction will not be made on such a project until the tax-exempt bonds or other obligations are sold; and, if such bonds or obligations are not sold, construction and therefore, management of the facility, may either be delayed until alternative financing is procured or the development of the project will be suspended or entirely canceled. If the project is self-financed by us, then financing is generally in place prior to the commencement of construction.

Under our construction and design management contracts, we generally agree to be responsible for overall project development and completion. We typically act as the primary developer on construction contracts for facilities and subcontract with bonded National and/or Regional Design Build Contractors. Where possible, we subcontract with construction companies that we have worked with previously. We make use of an in-house staff of architects and operational experts from various service disciplines (e.g. security, medical service, food service, programs and facility maintenance) as part of the team that participates from conceptual design through final construction of the project. The staff coordinates all aspects of the development with subcontractors and provides site-specific services.

When designing a facility, our architects use, with appropriate modifications, prototype designs we have used in developing prior projects. We believe that the use of these designs allows us to reduce the potential of cost overruns and construction delays, thus controlling costs both to construct and to manage the facility. Our facility designs also maintain security because they increase the area under direct surveillance by correctional officers and make use of additional electronic surveillance.

Competitive Strengths

Long-Term Relationships with High-Quality Government Customers

We have developed long-term relationships with our federal, state and other governmental customers, which we believe enhance our ability to win new contracts and retain existing business. We have provided secure management services to the United States Federal Government for 39 years, the State of California for 37 years, the State of Texas for approximately 38 years, various Australian state government entities for 34 years and the State of Florida for approximately 32 years. These customers accounted for approximately 81% of our consolidated revenues for the fiscal year ended December 31, 2025.

Recurring Revenue with Strong Cash Flow

Our revenue base has historically been derived from our long-term customer relationships. We have historically been able to expand our revenue base by continuing to reinvest our strong operating cash flow into expansionary projects and through strategic acquisitions that provide scale and further enhance our service offerings. Our consolidated revenues were approximately \$2.6 billion in 2025. We expect our operating cash flow to be well in excess of our anticipated annual maintenance capital expenditure needs, which would provide us significant flexibility for the repayment of indebtedness.

Sizeable International Business

Our international infrastructure, which leverages our operational excellence in the U.S., allows us to aggressively target foreign opportunities that our U.S. based competitors without overseas operations may have difficulty pursuing. We currently have international operations in Australia, South Africa and the United Kingdom. Our international services business generated approximately \$197.1 million of revenues, representing approximately 7% of our consolidated revenues for the year ended December 31, 2025. We believe we are well positioned to continue benefiting from foreign governments' initiatives to enter into public-private partnerships for secure services including healthcare and transportation services.

Business Strategies

Provide High Quality, Comprehensive Services and Cost Savings Throughout the Corrections Lifecycle

Our objective is to provide federal, state and local governmental agencies with a comprehensive offering of high quality, essential services at a lower cost than they themselves could achieve. We believe government agencies facing budgetary constraints will increasingly seek to outsource a greater proportion of their correctional needs to reliable providers that can enhance quality of service at a reduced cost. We believe our expanded and diversified service offerings uniquely position us to bundle our high-quality services and provide a comprehensive continuum of care for our clients, which we believe will lead to lower cost outcomes for our clients and larger scale business opportunities for us.

Maintain Disciplined Operating Approach

We refrain from pursuing contracts that we do not believe will yield attractive profit margins in relation to the associated operational risks. In addition, although we engage in facility development from time to time without having a corresponding management contract award in place, we endeavor to do so only where we have determined that there is medium to long-term client demand for a facility in that geographical area. We have also elected not to enter certain international markets with a history of economic and political instability. We believe that our strategy of emphasizing lower risk and higher profit opportunities helps us to consistently deliver strong operational performance, lower our costs and increase our overall profitability.

Pursue International Growth Opportunities

As a global provider of public-private partnership secure services, we are able to capitalize on opportunities to operate existing or new facilities on behalf of foreign governments. We have seen increased business development opportunities including opportunities to cross sell our expanded service offerings in recent years in the international markets in which we operate. We will continue to actively bid on new international projects in our current markets and in new markets that fit our target profile for profitability and operational risk.

Intellectual Property and Patents

We have numerous United States and foreign patents issued as well as a number of United States patents pending in the electronic monitoring space. We believe these patents protect our intellectual property rights and provide us with a competitive advantage by seeking to prevent our competitors from duplicating our technology and/or products in the electronic monitoring line of business. The remaining duration of our patents range from 18 months to 2 years.

Facilities and Day Reporting Centers

The following table summarizes certain information with respect to our U.S. and international secure services facilities and our reentry services facilities. The information in the table includes the facilities that we (or a subsidiary or joint venture of GEO) owned, operated under a management contract, had an agreement to provide services, had an award to manage or was in the process of constructing or expanding during the year ended December 31, 2025:

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Secure Services — Western Region:								
Adelanto ICE Processing Center, Adelanto, CA	1,940	ICE	Federal Detention	Minimum/Medium	December 2019	5 years	Two, five year	Owned
Aurora/CE Processing Center Aurora, CO (2)	1,532	ICE / USMS	Federal Detention	All Levels	October 2021	1 year	Four, one-year	Owned
Central Arizona Correctional and Rehabilitation Facility Florence, AZ	1,280	AZ DOC	State Sex Offender Correctional	Minimum/Medium	December 2006	10 years	Two, Five-year	Managed
Central Valley Annex McFarland, CA (2)	700	ICE / USMS	Federal Detention	Medium	December 2019/October 2023	5 years/1 month	Two, five-year/one, year option plus one, six-month extension, plus one, three-month extension, plus one, six-month extension.	Owned
Cheyenne Mountain Center Colorado Springs, CO	700	Idle						Owned
Desert View Annex Adelanto, CA	750	ICE	Federal Detention	Medium	December 2019	5 years	Two, Five-year	Owned

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
El Centro Detention Facility, CA	512	USMS	Federal Detention	Medium	December 2019	2 years	Three, Two-year options, plus nine-month	Managed
Florence West Correctional and Rehabilitation Florence, AZ	750	AZ DOC	State Correctional	Minimum	October 2022	5 years	One, Five-year	Managed
Golden State Annex McFarland, CA	700	ICE	Federal Detention	Medium	December 2019	5 years	Two, Five-year	Owned
Guadalupe County Correctional Facility Santa Rosa, NM	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Kingman Correctional and Rehabilitation facility, Kingman, AZ	3,400	AZ DOC	State Correctional Facility	Minimum/Medium	February 2008	10 years	One, five-year plus one, two-year plus one, three-and-a-half month plus one, one-year extension, plus one, one-year, 7-and-a-half-month option	Managed
Lea County Correctional Facility Hobbs, NM	1,200	Idle						Owned
McFarland Female Community Reentry Facility McFarland, CA	300	Idle						Owned
Mesa Verde ICE Processing Center Bakersfield, CA	400	ICE	State Correctional	Minimum	December 2019	5 Years	Two, Five-year	Owned
Northwest ICE Processing Center Tacoma, WA	1,575	ICE	Federal Detention	All Levels	September 2015	1 Year	Four, one-year plus five-year extension, plus two, six-month extensions	Owned
Phoenix West Correctional and Rehabilitation Phoenix, AZ	500	AZ DOC	State DWI Correctional	Minimum	July 2022	5 Years	None	Managed
Western Region Detention Facility San Diego, CA	770	USMS	Federal Detention	Maximum	November 2017	1 Year, 10 Months	One, two-year , plus six-month extension, plus three-month extension, plus one fifteen-month option, plus one twenty-five month option, plus two two-year options.	Owned

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Secure Services — Central Region:								
Big Spring Correctional Facility Big Spring, TX (4)	924	Idle						Owned
Flightline Correctional Facility, TX (4)	1,452	Idle						Owned
Brooks County Detention Center, TX (2)	652	USMS - IGA	Local & Federal Detention	Medium	March 2013	Perpetual	None	Owned
Coastal Bend Detention Center, TX (2)	1,176	USMS/Hidalgo County	Local & Federal Detention	Medium	July 2012	Perpetual	None	Owned
Eagle Pass Correctional Facility, Eagle Pass, TX (2)	661	USMS - IGA	Federal Detention	Medium	October 2020	Perpetual	None	Owned
East Hidalgo Detention Center (2)	1,346	USMS - IGA	Local & Federal Detention	Medium	July 2012	Perpetual	None	Owned
Great Plains Correctional Facility Hinton, OK (4)	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Joe Corley Processing Center Conroe, TX (2)							None /Five-year, plus one, four and one half month extension, plus one, six-month extension, plus two, two-month extensions, plus one, four-month extension	
	1,517	USMS / ICE	Local Correctional	Medium	July 2008/ September 2018	Perpetual/5 Years		Owned
Karnes County Detention Facility Karnes City, TX (2)	679	USMS - IGA	Local & Federal Detention	All Levels	February 1998	Perpetual	None	Owned
Karnes County Immigration Processing Center, TX (2)	1,328	ICE - IGA	Federal Detention	All Levels	September 2024	5 years	None	Owned
Kinney County Detention Center, TX (2)	384	USMS - IGA	Local & Federal Detention	Medium	September 2013	Perpetual	None	Managed
Montgomery Processing Center Conroe, TX	1,314	ICE	Local & Federal Detention	All levels	October 2018	10 months	Nine, One-year	Owned

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/Owned
Rio Grande Processing Center Laredo, TX	1,900	USMS	Federal Detention	Medium	October 2008	5 years	Three, Five-year	Owned
South Texas ICE Processing Center Pearsall, TX	1,904	ICE	Federal Detention	All Levels	August 2020	1 year	Nine, One-year	Owned
Val Verde County Detention Facility Del Rio, TX (2)	1,407	USMS - IGA	Local & Federal Detention	All Levels	January 2001	Perpetual	None	Owned
Secure Services — Eastern Region:								
Alexandria Staging Facility Alexandria, LA (2)	400	ICE - IGA	Federal Detention	Minimum/Medium	November 2013	Perpetual	None	Owned
Blackwater River Correctional and Rehabilitation Facility Milton, FL	2,000	FL DMS	State Correctional	Medium/close	October 2010	3 years	Unlimited, Two-year	Managed
Broward Transitional Center Deerfield Beach, FL	700	ICE	Federal Detention	Minimum	September 2021	1 year	Four, One-year	Owned
Central Louisiana ICE Processing Center Jena, LA (2)	1,160	ICE - IGA	Federal Detention	Minimum/Medium	November 2013	Perpetual	None	Owned
D. Ray James Correctional Facility Folkston, GA (2)	1,868	ICE - IGA	Federal Detention	Minimum/Medium	December 2016	1 year	Four, one-year, plus one, two-month extension, plus one, five year renewal	Owned
Delaney Hall Facility	1,000	ICE	Federal Detention	Minimum	May 2025	15 years	None	Owned
Folkston ICE Processing Center Folkston, GA (2)	1,118	ICE - IGA	Federal Detention	Minimum	December 2016	1 year	Four, One-year, plus one, two-month, plus one, five-year	Owned
Heritage Trail Correctional Facility Plainfield, IN	1,066	IN DOC	State Correctional	Minimum	March 2011	4 years	One, Four-year, plus one, one year, four months and two days, plus one-year, plus five-year	Managed

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/Owned
Moshannon Valley Correctional Facility Philipsburg, PA	1,876	ICE-IGA	Federal Correctional	Medium	September 2021	5 years	None	Owned
Moore Haven Correctional and Rehabilitation Facility Moore Haven, FL	985	FL DMS	State Correctional	Minimum/Medium	July 2021	3 years	Unlimited, Two-year	Managed
New Castle Correctional Facility New Castle, IN	3,196	IN DOC	State Correctional	All Levels	September 2005	4 years	Three, two-year extensions plus one, four-year and nine-month extension plus one, three-month extension, plus one, nine-month extension with one, five-year extension with one, four-year option.	Managed
North Florida Detention Facility Sanderson, FL	1,310	ICE	Federal Detention	Minimum/Medium	August 2025	Perpetual	None	Managed
North Lake Correctional Facility Baldwin, MI	1,800	ICE	Federal Detention	Minimum/Medium	TBD	TBD	None	Owned
Pine Prairie ICE Processing Center, LA (2)	1,094	ICE-IGA	State Correctional	Medium	June 2015	5 years	One-month extension plus one, fifty-nine month extension, plus one, four-month, plus one, one-month extension, plus one four-month extension	Owned
Riverbend Correctional and Rehabilitation Facility Milledgeville, GA (5)	1,500	GA DOC	State Correctional	Medium	July 2010	1 year	Forty, One-year	Owned
Rivers Correctional Facility Winton, NC	1,320	Idle						Owned
Robert A. Deyton Detention Facility Lovejoy, GA	768	USMS	Federal Detention	Medium	February 2008	5 years	Three, five-year	Leased
South Bay Correctional and Rehabilitation Facility South Bay, FL	1,948	FL DOC	State Correctional	Medium/Close	July 2009	3 years	Four, two-year plus six-month extension plus three, two-year extensions	Managed
South Louisiana ICE Processing Center, LA (2)	1,000	ICE-IGA	State Correctional	Medium	June 2015	5 years	One-month extension plus one, fifty-nine month extension, plus one, four-month, plus one, one-month extension, plus one four-month extension	Owned
Secure Services —								
Australia:								
Fulham Correctional Centre & Nalu Challenge Community Victoria, Australia	922	VIC DOJ	State Prison	Minimum/Medium	July 2012	4 years	Nineteen years, Four months	Managed
Ravenhall Correctional Centre Melbourne, Australia	1,300	VIC DOJ	State Prison	Medium	November 2017	24 years plus 5 months	None	Managed

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Secure Services — South Africa:								
Kutama-Sinthumule Correctional Centre Limpopo Province, Republic of South Africa	3,024	RSA DCS	National Prison	Maximum	February 2002	25 years	None	Managed
Reentry Services:								
ADAPPT, PA	64	PA DOC	Community Corrections	Community	May 2024	4 years, 9 months	None	Owned
Alabama Therapeutic Education Facility, AL	722	AL DOC	Community Corrections	Community	December 2021	2 years	Three, one-year	Owned
Arapahoe County Residential Center, CO	202	Arapahoe County	Community Corrections	Community	July 2025	1 year	None	Owned
Beaumont Transitional Treatment Center Beaumont, TX	180	TDCJ	Community Corrections	Community	September 2025	2 years	Two, One-year	Owned
Bronx Community reentry Center Bronx, NY	172	BOP	Community Corrections	Community	July 2020	1 year	Nine, One-year	Leased
Casper Reentry Center, WY	342	BOP/WYDOC	Community Corrections	Community	January 2022/July 2024	1 year/1 years	Four, one-year/Two, one-year options	Owned

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Chester County, PA	142	PA DOC	Community Corrections	Community	May 2024	4 years, 9 months	None	Owned
Coleman Hall, PA	350	Idle						Owned
Community Alternatives of El Paso County, CO	240	4th Judicial District	Community Corrections	Community	July 2024	1 year	Four, One-year	Owned
Community Alternatives of the Black Hills, SD	68	BOP	Community Corrections	Community	October 2021	1 year	Four, One-year	Owned
Cordova Center Anchorage, AK	296	BOP / AK DOC	Community Corrections	Community	2019/November 2024	1 year/8 months	Nine, one-year/Four, one-year	Owned
El Monte Center El Monte, CA	70	BOP	Community Corrections	Community	October 2019	1 year	Nine, One-year	Leased
Grossman Center Leavenworth, KS	136	BOP	Community Corrections	Community	July 2019	1 year	Nine, One-year	Owned
Las Vegas Community Correctional Center Las Vegas, NV	124	BOP	Community Corrections	Community	February 2021	1 year	Four, one-year, plus one 6-month extension	Owned
Leidel Comprehensive Sanction Center Houston, TX	190	BOP	Community Corrections	Community	January 2021	1 year	Four, one-year plus one six-month extension	Owned

Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Logan Hall, NJ	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Leased
Long Beach Community Reentry Center, CA	112	CDCR	Community Corrections	Community	July 2024	09 years	None	Leased
Marvin Gardens Center Los Angeles, CA	60	BOP	Community Corrections	Community	December 2023	1 year	Four, One-year	Leased
Mid Valley House Edinburg, TX	128	BOP	Community Corrections	Community	December 2020	1 year	Nine, One-year	Owned
Midtown Center Anchorage, AK	32	AK DOC	Community Corrections	Community Corrections	November 2024	8 months	Four, One-year	Owned
New Mexico Mens Recovery Academy, NM	124	NM DOC	Community Corrections	Community Corrections	July 2023	4 years	None	Managed
New Mexico Womens Recovery Academy, NM	60	NM DOC	Community Corrections	Community Corrections	July 2023	4 years	None	Managed
Northstar Center Fairbanks, AK	120	AK DOC	Community Corrections	Community	July 2022	1 year	Three, One-year	Leased
Oakland Center Oakland, CA	69	BOP	Community Corrections	Community	February 2020	1 year	Nine, One-year	Owned
Parkview Center Anchorage, AK	112	AK DOC	Community Corrections	Community	November 2024	8 months	Four, One-year	Owned
Philadelphia Residential Reentry Center	400	Idle						
Reality House Brownsville, TX	94	BOP	Community Corrections	Community	July 2024	1 year	Four, One-year	Owned
Facility Name & Location	Capacity(1)	Primary Customer	Facility Type	Security Level	Commencement of Current Contract	Base Period	Renewal Options	Managed Leased/ Owned
Salt Lake City Center Salt Lake City, UT	115	BOP	Community Corrections	Community	June 2019	1 year	Nine, One-year	Owned
Scranton Facility, PA	100	PA DOC	Community Corrections	Community	May 2024	Four years, 9 months	None	Leased
Seaside Center Nome, AK	60	AK DOC	Community Corrections	Community	February 2025	5 months	Four, One-year	Owned
Southeast Texas Transitional Center Houston, TX	500	TDCJ	Community Corrections	Community	September 2025	2 years	Two One-year	Owned
The Harbor, NJ	260	NJ DOC	Community Corrections	Community	August 2025	1 year, 11 months	None	Leased
Toler Hall, NJ	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Leased
Tully House, NJ	344	NJ DOC	Community Corrections	Community	August 2025	1 year, 11 months	None	Owned
Taylor Street Center San Francisco, CA	240	BOP / CDCR	Community Corrections	Community	April 2021/July 2025	1 year/3 years	Four, one-year/Two, one-year	Owned
Tampa Residential Reentry Center Tampa, FL	118	BOP	Community Corrections	Community	September 2021	1 year	Four, One-year	Owned
Tundra Center Bethel, AK	85	AK DOC	Community Corrections	Community	January 2025	5 months	Four, One-year	Owned
Abraxas Academy Morgantown, PA	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Abraxas I Marienville, PA	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Abraxas Ohio Shelby, OH	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Southern Peaks Regional Treatment Center Canon City, CO	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Southwood Interventions Chicago, IL	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned
Woodridge Interventions Woodridge, IL	N/A	Third Party Tenant	N/A	N/A	N/A	N/A	N/A	Owned

The following table summarizes certain information with respect to our reentry Day Reporting Centers, which we refer to as DRCs. The information in the table includes the DRCs that we (or a subsidiary or joint venture of GEO) operated under a management contract or had an agreement to provide services as of December 31, 2025:

DRC Location	Number of reporting centers	Type of Customers	Commencement of current contract	Base period	Renewal options	Manage only/ lease
Colorado (3)	2	State, County, Local	Various, 2021 – 2026	1 year	Varies	Lease
California	35	State, County	Various, 2020 – 2028	3 years	One, One-year or Two One-Year	Lease or Manage only
New Jersey	5	State, County	2027	4 years	One, One-year	Lease
Pennsylvania	6	State, County	Various, 2020 – 2026	3 to 5 years	Varies	Lease
Illinois	10	State, County	2024-2029	5 years	One, Five-year	Lease or Manage only
Kansas	1	County	2027	1 year	Four, One-year	Lease
Louisiana	7	State	2025	3 years	None	Lease
Tennessee	21	State	2026	5 years	Five, One-year	Lease
Idaho	7	State	2026	3 years	After base, may be renewed, extended or amended	Lease
Kentucky	1	County	2030	1 year	Four, One-year	Lease

Customer Legend:

Abbreviation	Customer
AL DOC	Alabama Department of Corrections
AK DOC	Alaska Department of Corrections
AZ DOC	Arizona Department of Corrections
BOP	Federal Bureau of Prisons
CDCR	California Department of Corrections & Rehabilitation
FL DMS	Florida Department of Management Services
GA DOC	Georgia Department of Corrections
ICE	U.S. Immigration & Customs Enforcement
IN DOC	Indiana Department of Correction
IGA	Inter-governmental Agreement
NJ DOC	New Jersey Department of Corrections
NM DOC	New Mexico Department of Corrections
NSW	Commissioner of Corrective Services for New South Wales, Australia
OK DOC	Oklahoma Department of Corrections
PA DOC	Pennsylvania Department of Corrections
RSA DCS	Republic of South Africa Department of Correctional Services
TDCJ	Texas Department of Criminal Justice
USMS	United States Marshals Service
VA DOC	Virginia Department of Corrections
VIC DOJ	Department of Justice of the State of Victoria, Australia

- (1) Capacity as used in the table refers to operational capacity consisting of total beds for all facilities.
- (2) GEO provides services at these facilities through various Inter-Governmental Agreements, or IGAs, through the various counties and other jurisdictions.
- (3) The Colorado Day Reporting Centers provide many of the same services as the full-service Day Reporting Centers, but rather than providing these services through comprehensive treatment plans dictated by the governing authority, these services are provided on a fee for service basis. Such services may be connected to government agency contracts and would be reimbursed by those agencies. Other

- services are offered directly to offenders allowing them to meet court-ordered requirements and are paid by the offender as the service is provided.
- (4) GEO treats these facilities as owned due to GEO's ownership of the facilities and improvements and the long-term ground leases GEO has in place for these facilities.

Government Contracts — Terminations, Renewals and Competitive Re-bids

Generally, we may lose our facility management contracts due to one of three reasons: the termination by a government customer with or without cause at any time; the failure by a customer to renew a contract with us upon the expiration of the then current term; or our failure to win the right to continue to operate under a contract that has been competitively re-bid in a procurement process upon its termination or expiration. Our facility management contracts typically allow a contracting governmental agency to terminate a contract with or without cause at any time by giving us written notice ranging from 30 to 180 days. If government agencies were to use these provisions to terminate, or renegotiate the terms of their agreements with us, our financial condition and results of operations could be materially adversely affected. See "Risk Factors — "We are subject to the loss of our facility management contracts, due to terminations, non-renewals or competitive re-bids, which could adversely affect our results of operations and liquidity, including our ability to secure new facility management contracts from other government customers".

Aside from our customers' unilateral right to terminate our facility management contracts with them at any time for any reason, there are two points during the typical lifecycle of a contract which may result in the loss by us of a facility management contract with our customers. We refer to these points as contract "renewals" and contract "re-bids." Many of our facility management contracts with our government customers have an initial fixed term and subsequent renewal rights for one or more additional periods at the unilateral option of the customer. We count each government customer's right to renew a particular facility management contract for an additional period as a separate "renewal." For example, a five-year initial fixed term contract with customer options to renew for five separate additional one-year periods would, if fully exercised, be counted as five separate renewals, with one renewal coming in each of the five years following the initial term. As of December 31, 2025, 44 of our facility management contracts representing approximately 26,000 beds are scheduled to expire on or before December 31, 2026, unless renewed by the customer at its sole option in certain cases, or unless renewed by mutual agreement in other cases. These contracts represented approximately 10% of our consolidated revenues for the year ended December 31, 2025. We undertake substantial efforts to renew our facility management contracts. We cannot assure you that our customers will in fact exercise their renewal options under existing contracts. In addition, in connection with contract renewals, either we or the contracting government agency have typically requested changes or adjustments to contractual terms. As a result, contract renewals may be made on terms that are more or less favorable to us than those in existence prior to the renewals.

We define competitive re-bids as contracts currently under our management which we believe, based on our experience with the customer and the facility involved, will be re-bid to us and other potential service providers in a competitive procurement process upon the expiration or termination of our contract, assuming all renewal options are exercised. Our determination of which contracts we believe will be competitively re-bid may in some cases be subjective and judgmental, based largely on our knowledge of the dynamics involving a particular contract, the customer and the facility involved. Competitive re-bids may result from the expiration of the term of a contract, including the initial fixed term plus any renewal periods, or the early termination of a contract by a customer. Competitive re-bids are often required by applicable federal or state procurement laws periodically in order to encourage competitive pricing and other terms for the government customer. Potential bidders in competitive re-bid situations include us, other private operators and other government entities. While we are pleased with our historical win rate on competitive re-bids and are committed to continuing to bid competitively on appropriate future competitive re-bid opportunities, we cannot in fact assure you that we will prevail in future competitive re-bid situations. Also, we cannot assure you that any competitive re-bids we win will be on terms more favorable to us than those in existence with respect to the expiring contract.

As of December 31, 2025, 29 of our facility management contracts may be subject to competitive re-bid in 2026. These contracts in the aggregate represented approximately 18% and approximately \$469 million of our 2025 consolidated revenues. The following table sets forth the number of facility management contracts that we currently believe will be subject to competitive re-bid in each of the next five years and thereafter, and the total number of beds relating to those potential competitive re-bid situations during each period:

Year	Re-bid	Total Number of Beds up for Re-bid
2026	29	16,486
2027	16	10,913
2028	14	9,433
2029	18	3,005
2030	8	5,469
Thereafter	8	9,804
Total	93	55,110

Competition

We compete primarily on the basis of the quality and range of services we offer; our experience domestically and internationally in the design, construction, and management of public-private partnerships for secure service facilities; our reputation; and our pricing. We compete directly with the public sector, where governmental agencies responsible for the operation of secure services, processing services, community-based services and reentry facilities are often seeking to retain projects that might otherwise become a public-private partnership. In the private sector, our U.S. Secure Services and International Services business segments compete with a number of companies, including, but not limited to: Core Civic; Management and Training Corporation; LaSalle Corrections; Allied Universal; Sodexo Justice Services (formerly Kaylx); and Serco. Our Reentry Services and Electronic Monitoring and Supervision Services business segments compete with a number of different small-to-medium sized companies, reflecting the highly fragmented nature of the community-based services industry. BI's electronic monitoring business competes with a number of companies, including, but not limited to: Allied Universal. Some of our competitors are larger and have more resources than we do. We also compete in some markets with small local companies that may have a better knowledge of the local conditions and may be better able to gain political and public acceptance.

Human Capital Resources

The Company's key human capital management objectives are to attract, retain and develop the highest quality talent. To support these objectives, the Company's human resources programs are designed to develop talent to prepare them for critical roles and leadership positions for the future; reward and support employees through competitive pay, benefit, and perquisite programs; enhance the Company's culture through efforts aimed at making the workplace more engaging and inclusive; acquire talent and facilitate internal talent mobility to create a high-performing, diverse workforce; and evolve and invest in technology, tools, and resources to enable employees at work.

At December 31, 2025, we had approximately 18,000 full-time employees. Of our full-time employees, approximately 400 were employed at our corporate headquarters and regional offices and approximately 17,600 were employed at facilities and international offices. We employ personnel in positions of management, administrative and clerical, security, educational services, human resource services, health services and general maintenance at our various locations.

At December 31, 2025, approximately 8,200 and 1,500 employees are covered by collective bargaining agreements in the United States and at international offices, respectively. GEO welcomes the participation of labor unions in our facilities and respects the rights of individual employees to choose whether or not to join labor organizations. We actively participate in the collective bargaining process, negotiate in good faith and maintain excellent working relationships with each of the unions representing our employees. As a result, over the years, GEO has not experienced any significant or major labor actions, such as strikes or work stoppages.

Training

GEO has a robust training program for staff at all levels of the organization. Our training of managerial, administrative, and security staff is based on the standards set by the American Correctional Association. Training includes classroom learning, practical exercises, course examinations, and on-the-job training. GEO's corporate policy also mandates that every new employee receive orientation training prior to undertaking any assignments.

Under the laws applicable to most of our operations, and internal company policies, our correctional officers are required to complete a minimum amount of training. We generally require at least 40 hours of pre-service training before an employee is allowed to assume their duties plus an additional 120 hours of training during their first year of employment in our domestic facilities, consistent with ACA standards and/or applicable state laws. In addition to the usual 160 hours of training in the first year, most states require 40 or 80 hours of on-the-job training. Florida law requires that correctional officers receive 520 hours of training. We believe that our training programs meet or exceed all applicable requirements.

Our training program for domestic facilities typically begins with approximately 40 hours of instruction regarding our policies, operational procedures and management philosophy. Training continues with an additional 120 hours of instruction covering legal issues, rights of individuals within our care, techniques of communication and supervision, interpersonal skills and job training relating to the particular position to be held. Each of our employees who has contact with individuals within our care receives a minimum of 40 hours of additional training each year, and each manager receives at least 24 hours of training each year.

At least 160 hours of training are required for our employees in Australia and South Africa before such employees are allowed to work in positions that will bring them into contact with individuals within our care. Our employees in Australia and South Africa receive a minimum of 40 hours of refresher training each year.

With respect to BI and the Intensive Supervision and Appearance Program (“ISAP”) services contract, new employees are required to complete training requirements as outlined in the contract within 14 days of hire and prior to being assigned autonomous ISAP related duties. These employees receive 25 hours of refresher training annually thereafter. Program managers for our ISAP contract must receive 24 hours of additional initial training. BI’s monitoring services maintains its own comprehensive certification and training program for all monitoring service specialists. We require all new personnel hired for a position in monitoring operations to complete a seven-week training program. Successful completion of our training program and a final certification is required of all of our personnel performing monitoring operations. We require that certification is achieved prior to being permitted to work independently in the call center.

Health, Wellness and Employee Resources

GEO’s benefit offerings are designed to meet the varied and evolving needs of a diverse workforce across businesses and geographies. GEO offers a comprehensive employee benefits program that is competitive for each of the various locations in which we operate across the United States which are designed to develop, attract and retain personnel. The variety of our benefit offerings is designed to provide individual employees with the flexibility to choose coverage options and benefits that best meet their needs and address their priorities.

Career Growth and Development

GEO employees and their family members (parent, spouse and child) are eligible to further pursue their educational goals by receiving reduced tuition rates on a variety of accredited on-line degree programs in business, education, healthcare and other disciplines provided at 14 different higher education institutions. A tuition reimbursement program is also available for GEO employees pursuing their education as they work to develop their skills and enhance their job performance. Tuition reimbursement is provided to eligible employees for courses offered by accredited colleges, universities, and secretarial and trade schools. Separately, GEO’s subsidiary, BI, offers an education assistance program to its full-time employees with at least one year of service. Employees who enroll in the program are eligible to receive up to \$3,500 a year in tuition reimbursement.

Business Regulations and Legal Considerations

The industry in which we operate is subject to extensive federal, state, and local regulations, including educational, health care, data privacy and security, transportation, telecommunications, and safety regulations, which are administered by many governmental and regulatory authorities. Some of the regulations are unique to the corrections industry, and some target private, for-profit entities by imposing location requirements, compliance requirements, elevated litigation risk and financial penalties only on private, for-profit correction and detention providers. Facility management contracts typically include specific staffing requirements, reporting requirements, supervision, and on-site monitoring by representatives of the contracting governmental agencies. Corrections and reentry personnel are customarily required to meet certain training standards and, in some instances, facility personnel are required to be licensed and subject to background investigation. Certain jurisdictions also require us to award subcontracts on a competitive basis or to subcontract with certain types of businesses, such as small businesses and businesses owned by members of minority groups. Our facilities are also subject to operational and financial audits by the governmental agencies with which we have contracts. In addition, our technological infrastructure is required by federal agencies to undergo a security compliance audit and provide security logs on a monthly basis. Failure to comply with these regulations and contract requirements can

result in material penalties or non-renewal or termination of facility management contracts which could have a material effect on our financial position, results of operations and cash flows, or on our competitive position as a dependable government partner.

Many governmental agencies are required to enter into a competitive bidding procedure before awarding contracts for products or services. The laws of certain jurisdictions may also require us to award subcontracts on a competitive basis or to subcontract or partner with businesses owned by women or members of minority groups.

Certain states, such as Florida, deem correctional officers to be peace officers and require our personnel to be licensed and subject to background investigation. State law also typically requires correctional officers to meet certain training standards.

The failure to comply with any applicable laws, rules or regulations or the loss of any required license could have a material adverse effect on our business, financial condition and results of operations. Furthermore, our current and future operations may be subject to additional regulations as a result of, among other factors, new statutes and regulations and changes in the manner in which existing statutes and regulations are or may be interpreted or applied. Any such additional regulations could have a material adverse effect on our business, financial condition and results of operations.

Under various federal, state, and local environmental laws, ordinances and regulations, a current or previous owner or operator of real property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under, or in such property. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. As an owner of real estate assets and as the result of our operation and management of correctional, detention, and residential reentry facilities, we have been, and continue to be, subject to these laws, ordinances, and regulations. Phase I environmental assessments have been obtained on substantially all of the properties we currently own. We are not aware of any environmental matters that are expected to materially affect our financial condition or results of operations; however, if such matters are detected in the future, the costs of complying with environmental laws could have a material effect on our financial position, results of operations and cash flows, or on our competitive position as a dependable government partner.

The Health Insurance Portability and Accountability Act of 1996, as amended and implementing regulations, or HIPAA, require covered entities, which include most health care providers, to protect the privacy and security of individually identifiable health information, known as “protected health information” and establish individual rights related to understanding and controlling how health information is used or disclosed. In the event of breaches of unsecured protected health information, covered entities must notify affected individuals, the U.S. Department of Health and Human Services and, in certain situations involving large breaches, the media. Additionally, we are subject to complex and evolving U.S. federal and state privacy laws and regulations, including those pertaining to the processing of personal data, such as the California Consumer Privacy Act, and similar laws in various states in which we operate. Healthcare providers are also subject to a growing number of requirements intended to promote the interoperability and exchange of patient health information, including information blocking restrictions that prohibit practices that are likely to interfere with the access, exchange or use of electronic health information, with limited exceptions.

Insurance

The nature of our business exposes us to various types of third-party legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or individuals within our care, including damages arising from an escape of an individual in our care or from a disturbance or riot at a facility. In addition, our management contracts generally require us to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation. We maintain a broad program of insurance coverage for these general types of claims, except for claims relating to employment matters, for which we carry no insurance. There can be no assurance that our insurance coverage will be adequate to cover all claims to which we may be exposed. It is our general practice to bring merged or acquired companies into our corporate master policies in order to take advantage of certain economies of scale.

On October 1, 2021, GEO formed a wholly owned captive insurance subsidiary, Florina Insurance Company, Inc. (“Florina”), to enhance our risk financing strategies. Florina is incorporated in the state of Vermont and is licensed and regulated by the state of Vermont, including with respect to its insurance programs, levels of liquidity and other requirements. GEO began procuring insurance policies to cover deductibles for workers’ compensation, general liability, automobile liability, medical professional liability and directors’ and officers’ liability as well as the option of procuring insurance policies for its excess liability, directors’ and officers’ excess liability and excess medical professional

liability through Florina effective October 1, 2021. Florina holds cash and investments in order to meet solvency requirements and meet financial obligations as presented, including an investment portfolio of marketable fixed income and equity securities.

We currently maintain a general liability policy and excess liability policies with total limits of \$75.0 million per occurrence and \$95.0 million total general liability annual aggregate limits covering the operations of U.S. Secure Services, Reentry Services and Electronic and Supervision Services through commercial and captive policies. We have a professional liability insurance program with a specific loss limit of \$45.0 million per occurrence and in the aggregate related to medical professional liability claims arising out of correctional healthcare services. We are uninsured for any claims in excess of these limits. We also maintain insurance to cover property and other casualty risks including, workers' compensation, environmental liability, cybersecurity liability and automobile liability.

For most casualty insurance policies, we carry substantial deductibles or self-insured retentions of \$4.0 million per occurrence for general liability and \$5 million per occurrence for medical professional liability, \$2.0 million per occurrence for workers' compensation, \$2.3 million per occurrence for directors' and officers' liability and \$1.0 million per occurrence for automobile liability. In addition, certain of our facilities located in Florida and other high-risk hurricane areas carry substantial windstorm deductibles. Since hurricanes are considered unpredictable future events, no reserves have been established to pre-fund for potential windstorm damage. Limited commercial availability of certain types of insurance relating to windstorm exposure in coastal areas and earthquake exposure mainly in California and the Pacific Northwest may prevent us from insuring some of our facilities to full replacement value.

With respect to operations in South Africa and Australia, we utilize locally-procured insurance to meet contractual insurance requirements and protect us.

Of the insurance policies discussed above, our most significant insurance reserves relate to workers' compensation, general liability and auto claims. These reserves, which include Florina's reserves and GEO's legacy reserves, are undiscounted and were \$67.3 million and \$56.9 million as of December 31, 2025 and 2024, respectively, and are included in Accrued Expenses in the accompanying Consolidated Balance Sheets. We use statistical and actuarial methods to estimate amounts for claims that have been reported but not paid and claims incurred but not reported. In applying these methods and assessing their results, we consider such factors as historical frequency and severity of claims at each of our facilities, claim development, payment patterns and changes in the nature of our business, among other factors. Such factors are analyzed for each of our business segments. Our estimates may be impacted by such factors as increases in the market price for medical services and unpredictability of the size of jury awards. We also may experience variability between our estimates and the actual settlement due to limitations inherent in the estimation process, including our ability to estimate costs of processing and settling claims in a timely manner as well as our ability to accurately estimate our exposure at the onset of a claim. Because we have high deductible insurance policies, the amount of our insurance expense is dependent on our ability to control our claims experience. If actual losses related to insurance claims significantly differ from our estimates, our financial condition, results of operations and cash flows could be materially adversely impacted.

International Operations

Our international operations for fiscal years 2025, 2024 and 2023 consisted of the operations of our wholly-owned Australian subsidiary and South African Custodial Management Pty. Limited which we refer to as SACM and our consolidated joint venture in South Africa, which we refer to as SACS. In Australia, our wholly owned subsidiary, GEO Australia, currently manages three facilities. We operate one facility in South Africa through SACM. We also provide secure transportation services through our joint venture GEOAmeY. See Item 7 for more discussion related to the results of our international operations. Financial information about our operations in different geographic regions appears in Note-14 Business Segments and Geographic Information in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Business Concentration

Except for the major customers noted in the following table, no other single customer made up greater than 10% of our consolidated revenues for these years.

Customer	2025	2024	2023
Various agencies of the U.S. Federal Government:	67%	62%	63%

Concentration of credit risk related to the major customer above for accounts receivable is as follows:

Customer	2025	2024
Various agencies of the U.S. Federal Government:	78%	64%

The concentrations above relate primarily to the Company's U.S. Secure Services and its Electronic Monitoring Supervision segments.

In addition, our ISAP contract accounted for 9%, 10% and 14% of our consolidated revenues for the years ended December 31, 2025, 2024 and 2023, respectively.

Available Information

Additional information about us can be found at www.geogroup.com. We make available on our website, free of charge, access to our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, our annual proxy statement on Schedule 14A and amendments to those materials filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically submit such materials to the Securities and Exchange Commission, or the SEC. In addition, the SEC makes available on its website, free of charge, reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including GEO. The SEC's website is located at <http://www.sec.gov>. Information provided on our website or on the SEC's website is not part of this Annual Report on Form 10-K.

Item 1A. Risk Factors

Summary of Risk Factors

The risk factors summarized and detailed below could materially adversely affect our business, financial condition, or results of operations, impair our future prospects and/or cause the price of our common stock to decline. Additional risks not currently known to us or those we currently deem to be immaterial may also materially and adversely affect our business operations. Material risks that may affect our business, operating results and financial condition include, but are not necessarily limited to, those relating to:

Risks Related to Public-Private Partnerships

- Public and political opposition to the use of public-private partnerships could have a material adverse effect on our business.

Risks Related to Our High Level of Indebtedness

- Our level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our debt service obligations.
- We are incurring significant indebtedness in connection with substantial ongoing capital expenditures.
- We may still incur more indebtedness which could further exacerbate the risks we face.
- The covenants in the indentures governing our outstanding Secured and Unsecured Notes and our Credit Agreement impose significant operating and financial restrictions.
- An increase in interest rates would adversely affect cash flows.
- We depend on distributions from our subsidiaries to make payments on our indebtedness.
- We may not be able to satisfy our repurchase obligations in the event of a change of control.
- The value of collateral may not be sufficient to satisfy our obligations under the Secured Notes.

Risks Related to Our Business and Services

- The loss of, or a significant decrease in revenues from, our limited number of customers could seriously harm our financial condition and results of operations.
- Efforts to reduce the U.S. federal deficit could adversely affect our liquidity, results of operations and financial condition.

- Fluctuations in occupancy levels or participation in ISAP could cause a decrease in revenues and profitability.
- State budgetary constraints may have a material adverse impact on us.
- Loss of our facility management contracts could adversely affect our results of operations and liquidity.
- Our growth depends on our ability to secure contracts to develop and manage new secure facilities, processing centers, and community based facilities and to secure contracts to provide electronic monitoring services, community based reentry services and monitoring and supervisions services, the demand for which is outside our control.
- Competition for contracts may adversely affect the profitability of our business.
- We are dependent on government appropriations.
- Adverse publicity may negatively impact our ability to retain existing contracts and obtain new contracts.
- We may incur significant start-up and operating costs on new contracts before receiving related revenues.
- Our international operations expose us to risks that could materially adversely affect our financial conditions and results of operations.
- We are dependent upon our senior management and our ability to attract and retain sufficient qualified personnel.
- Adverse developments in our relationship with our employees could adversely affect our business, financial condition or results of operations.

Risks Related to Taxes

- Federal, state and local tax rules can adversely impact our results of operations and financial position.

Risks Related to Real Estate and Construction Matters

- Various risks associated with the ownership of real estate may adversely affect our results of operations.
- Risks related to facility construction and development activities may increase our costs.

Risks Related to the Capital Markets and its Impact on our Business

- Negative conditions in the capital markets could prevent us from obtaining financing.

Risks Related to our Electronic Monitoring Products and Technology

- Technological changes could cause our electronic monitoring products and technology to become obsolete or require a redesign.
- Any negative changes in the level of acceptance of or resistance to the use of electronic monitoring products and services by government customers could have a material adverse effect on our business, financial condition and results of operations.
- An inability to acquire, protect or maintain our intellectual property could harm our ability to compete or grow.
- We may be subject to costly product liability claims from the use of our electronic monitoring products.

Risks Related to Information Technology and Cybersecurity

- The interruption, delay or failure of the provision of our services or information systems could adversely affect our business.
- The failure to comply with data privacy, security and exchange legal requirements could have a material adverse impact on our business.

Risks Related to Acquisitions and Dispositions

- We may not be able to successfully identify or consummate acquisitions or dispositions.
- Our goodwill or other intangible assets may become impaired.

Risks Related to Legal, Regulatory and Compliance Matters

- Failure to comply with regulations and contractual requirements could have a material adverse effect.
- Our business operations expose us to various liabilities for which we may not have adequate insurance, including legal claims and proceedings, and may have a material adverse effect on our business, financial condition or results of operations.

Risks Related to Corporate Social Responsibility

- We are subject to risks related to corporate social responsibility.

Risks Related to Our Common Stock

- The market price of our common stock may vary substantially.
- Expectations about the growth in the utilization of detention beds by the federal government may not be realized, which may adversely impact our stock price.
- Future sales or issuances of shares of our common stock could adversely affect the market price of our common stock and may be dilutive to current shareholders.
- A “short squeeze” due to a sudden increase in demand for shares of our common stock that largely exceeds supply has led to, and may continue to lead to, extreme price volatility in shares of our common stock.

The following are certain risks to which our business operations are subject. Any of these risks could materially adversely affect our business, financial condition, or results of operations. These risks could also cause our actual results to differ materially from those indicated in the forward-looking statements contained herein and elsewhere. *The risks described below are not the only risks we face. Additional risks not currently known to us or those we currently deem to be immaterial may also materially and adversely affect our business operations.*

Risks Relating to Public-Private Partnerships

Public and political opposition to the use of public-private partnerships for secure facilities, processing centers and community reentry centers could result in our inability to obtain new contracts or the loss of existing contracts, impact our ability to obtain or refinance debt financing or enter into commercial arrangements, which could have a material adverse effect on our business, financial condition, results of operations and the market price of our securities.

The management and operation of secure facilities, processing centers and community reentry centers under public-private partnerships has not achieved complete acceptance by either government agencies or the public. Some governmental agencies have limitations on their ability to delegate their traditional management responsibilities for such facilities and centers to private sector companies or they may be instructed by a governmental agency or authority overseeing them to reduce their utilization or scope of public-private partnerships or undertake additional reviews of their public-private partnerships. Any report prepared by or requested by a governmental agency or public official, investigation or inquiry, public statement by any governmental agency or public official, policy or legislative change by any federal, state or local government, or other similar occurrence or action, that seeks to, or purports to, prohibit, eliminate, or otherwise restrict or limit in any way, the federal government’s (or any state or local government’s) ability to contract with private sector companies for the operation of these facilities and centers, could adversely impact our ability to maintain or renew existing contracts or to obtain new contracts.

On January 20, 2025, President Trump reversed an executive order issued by then-President Biden on January 26, 2021 that directed the United States Attorney General not to renew Department of Justice (“DOJ”) contracts with privately operated criminal detention facilities. Two agencies of the DOJ, the BOP and the USMS utilize our services. ICE facilities were not covered by this executive order, as ICE is an agency of the U.S. Department of Homeland Security. It is possible future administrations could issue executive orders or directives relating to federal criminal justice policies and immigration policies which may impact the federal government’s use of public-private partnerships with respect to correctional and detention needs, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including ICE.

Various state partners have or may choose in the future to undertake a review of their utilization of public-private partnerships. For example, California enacted legislation aimed at phasing out public-private partnership contracts for the operation of secure facilities within California and facilities outside of the state of California housing state of California inmates. We have public-private partnership contracts in place with ICE and the U.S. Marshals Service relating to facilities located in California. Also, the State of Washington has enacted legislation

similar to the California law. Although GEO was able to prevail in legal actions challenging the constitutionality of such laws in California and Washington, these or other states may propose or adopt similar laws in the future. Immigration reform laws are currently a focus for legislators and politicians at the federal, state, and local level. Legislation has been passed in California, Colorado, and New Jersey, where we operate detention facilities, as well as Maryland, Illinois, Oregon and Washington, that prohibits state and local agencies from contracting to detain immigrants in ICE custody. In addition, legislation has been proposed in New Mexico, a state in which we own facilities, that would prohibit state and local agencies from contracting to detain immigrants in ICE custody. While recent court decisions in California and New Jersey have struck down these restrictions as to direct contracts between ICE and private companies, restrictions on state and local agency contracts to detain immigrants in ICE custody generally remain in place in the states where such laws have been passed.

In addition, the movement toward using public-private partnerships for such facilities and centers has encountered resistance from groups which believe that such facilities and centers should only be operated by governmental agencies. For example, several financial institutions, including some of our lenders, had announced that they will not be renewing existing agreements or entering into new agreements with companies that operate such facilities and centers pursuant to public-private partnerships. Some of these same institutions have ceased their equity analyst coverage of our company. Proposed and future legislation could indirectly impose additional financial restrictions with respect to our business. If other financial institutions or third parties that currently provide us with financing or that we do business with decide in the future to cease providing us with financing or doing business with us, such determinations could have a material adverse effect on our business, financial condition and results of operations. Furthermore, recently proposed legislation in California, Assembly Bill 1633, or AB1633, would impose an annual tax equal to 50% of the gross receipts of private detention facility operators beginning on January 1, 2027, if enacted into law. As a result, if enacted into law, AB1633 would impose the 50% tax on gross receipts we receive in connection with the operation of each of the detention facilities we operate in California. Although it is uncertain whether AB1633 will be enacted into law, we can provide no assurance that it will not be enacted, and if enacted, would not impact our results of operations and cash flows.

Increased public and political opposition to the use of public-private partnerships for our facilities and centers in any of the markets in which we operate, as a result of these or other factors, could have a material adverse effect on our business, financial condition, results of operations and the market price of our securities.

Risks Related to Our High Level of Indebtedness

Our level of indebtedness could adversely affect our financial condition and prevent us from fulfilling our debt service obligations.

We have a significant amount of indebtedness. Our total consolidated indebtedness as of December 31, 2025 and 2024 was approximately \$1.7 billion. As of December 31, 2025 and 2024, we had \$44.4 million and \$62.9 million, respectively, outstanding in letters of credit and \$358.6 million and \$110.0 million, respectively, in borrowings outstanding under our revolver. As of December 31, 2025, we had the ability to borrow \$47.0 million under our revolver, after applying the limitations and restrictions in our debt covenants and subject to our satisfying the relevant borrowing conditions under our senior credit facility with respect to the incurrence of additional indebtedness. At December 31, 2025, we also had approximately AUD53 million (or approximately \$35 million based on exchange rates at December 31, 2025) in letters of credit outstanding under our Australian letter of credit facility in connection with certain performance guarantees related to the Ravenhall facility.

Our substantial indebtedness could have important consequences. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to our senior notes and our other debt and liabilities;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- increase our vulnerability to adverse economic and industry conditions;
- place us at a competitive disadvantage compared to competitors that may be less leveraged;
- restrict us from pursuing strategic acquisitions or exploiting certain business opportunities;
- limit our ability to borrow additional funds or refinance existing indebtedness on favorable terms; and
- require us to sell assets or take other actions to service our debt obligations.

If we are unable to meet our debt service obligations, we may need to reduce capital expenditures, restructure or refinance our indebtedness, obtain additional equity financing, suspend repurchases under our share repurchase program or sell assets. The revolving credit commitments under our credit agreement mature in April 2029. Our 8.625% senior secured notes due 2029 (“Secured Notes” or “8.625% Secured Notes Due 2029”) and our 10.250% senior notes due 2031 (“Unsecured Notes” or “10.250% Unsecured Notes due 2031”) mature in April 2029 and April 2031, respectively. Beginning in 2019, several financial institutions announced that they would not be renewing existing agreements or entering into new agreements with companies that operate secure services facilities and centers pursuant to public-private partnerships. Certain lenders also have publicly disclosed that they will no longer loan money to one of our key competitors. Although we successfully closed on a debt restructuring transaction that resulted in entering into a new credit agreement and the issuance of the Secured Notes and the Unsecured Notes, financial institutions may be unwilling to engage with us in the future and this may restrict our access to the debt and capital markets to support our operations or refinance our indebtedness, including by obtaining debt financing, equity financing or selling assets on satisfactory terms, or at all. This could materially increase the cost of capital and as a result have a material adverse effect on our business, financial condition and results of operations. In addition, our ability to incur additional indebtedness will be restricted by the terms of our credit agreement, and the indentures governing our Secured Notes and Unsecured Notes.

We are incurring significant indebtedness in connection with substantial ongoing capital expenditures. Capital expenditures for existing and future projects may materially strain our liquidity.

We currently have several active projects that we anticipate spending approximately \$120 to \$155 million on capital expenditures in 2026. Included in these projects are planned expenditures to deliver expanded detention capacity, secure transportation and electronic monitoring services to ICE. Of these projects, we estimate that approximately \$80 to \$95 million are related to facility maintenance costs. We intend to finance these and future projects using our own funds, including cash on hand, cash flow from operations and borrowings under the revolver. In addition to these current estimated capital requirements for 2026, we are currently in the process of bidding on, or evaluating potential bids for the design, construction and management of a number of new projects. In the event that we win bids for these projects and decide to self-finance their construction, our capital requirements in 2026 could materially increase. As of December 31, 2025, we had the ability to borrow \$47.0 million under the revolver after applying the limitations and restrictions in our debt covenants and subject to our satisfying the relevant borrowing conditions under the senior credit facility. While we believe we currently have adequate liquidity from cash on hand, cash flow from operations and borrowing capacity under our senior credit facility to fund our operations and all of our committed capital expenditure projects, we may need additional borrowings or financing from other sources in order to complete potential capital expenditures related to new projects in the future. We cannot assure you that such borrowings or financing will be made available to us on satisfactory terms, or at all. In addition, the large capital commitments that these projects will require over the next 12-18 month period may materially strain our liquidity and our borrowing capacity for other purposes. Capital constraints caused by these projects may also cause us to have to entirely refinance our existing indebtedness or incur more indebtedness. Such financing may have terms less favorable than those we currently have in place, or not be available to us at all. In addition, the concurrent development of these and other large capital projects exposes us to material risks. For example, we may not complete some or all of the projects on time or on budget, which could cause us to absorb any losses associated with any delays.

Despite current indebtedness levels, we may still incur more indebtedness, which could further exacerbate the risks described above.

The terms of the indentures governing the Secured Notes, Unsecured Notes and our credit agreement restricts our ability to incur, but do not prohibit us from incurring, significant additional indebtedness in the future. As of December 31, 2025, we had the ability to borrow an additional \$47.0 million under the revolver portion of our credit agreement after applying the limitations and restrictions in our debt covenants and subject to our satisfying the relevant borrowing conditions under the senior credit facility. Also, we may refinance all or a portion of our indebtedness, including borrowings under our credit agreement, the Secured Notes and the Unsecured Notes. The terms of such refinancing may be less restrictive and permit us to incur more indebtedness than we can now. If new indebtedness is added to our and our subsidiaries’ current debt levels, the related risks that we and they now face related to our significant level of indebtedness could intensify.

Our borrowing costs and access to capital and credit markets could be adversely affected by a downgrade or potential downgrade of our credit ratings.

Rating agencies routinely evaluate us, and their ratings of our long-term and short-term debt are based upon a number of factors, including our cash generating capability, levels of indebtedness, policies with respect to shareholder distributions and financial strength generally, as well as factors beyond our control, such as the then-current state of the economy and our industry generally. Any downgrade of our credit ratings by a credit rating agency, whether as a result of our actions or factors which are beyond our control, can increase our future borrowing costs, impair our ability to access capital and credit markets on terms commercially acceptable to us or at all and result in a reduction in our liquidity. Our borrowing costs and access to capital markets also can be adversely affected if a credit rating agency announces that our ratings are under review for a potential downgrade. An increase in our borrowing costs, limitations on our ability to access the global capital and credit markets or a reduction in our liquidity can adversely affect our financial condition, results of operations and cash flows.

The covenants in the indentures governing the Secured Notes and the Unsecured Notes and the covenants in our Credit Agreement impose significant operating and financial restrictions which may adversely affect our ability to operate our business.

The indentures governing the Secured Notes and the Unsecured Notes and our Credit Agreement impose significant operating and financial restrictions on us and certain of our subsidiaries, which we refer to as restricted subsidiaries. These restrictions limit our ability to, among other things:

- sell assets;
- make certain restricted payments;
- incur additional indebtedness or issue preferred stock;
- create liens;
- create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us;
- enter into mergers, consolidations or sales of substantially all of our assets;
- enter into transactions with affiliates;
- designate restricted and unrestricted subsidiaries;
- enter into sale and leaseback transactions; and
- engage in business, except as otherwise permitted.

These restrictions could limit our ability to finance our future operations or capital needs, make acquisitions or pursue available business opportunities. In addition, our Credit Agreement requires us to maintain specified financial ratios and satisfy certain financial covenants, including maintaining a maximum total leverage ratio, a maximum first lien coverage ratio, a minimum interest coverage ratio and a cap on the amount of unrestricted cash that our foreign subsidiaries may hold as of the last day of any fiscal quarter. We may be required to take action to reduce our indebtedness or to act in a manner contrary to our business objectives to meet these ratios and satisfy these covenants. We could also incur additional indebtedness having even more restrictive covenants. Our failure to comply with any of the covenants under our Credit Agreement, the Secured Notes and the Unsecured Notes, or any other indebtedness could prevent us from being able to draw on the Revolver, cause an event of default under such documents and result in an acceleration of all of our outstanding indebtedness. If all of our outstanding indebtedness were to be accelerated, we likely would not be able to simultaneously satisfy all of our obligations under such indebtedness, which would materially adversely affect our financial condition and results of operations.

Servicing our indebtedness will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control and we may not be able to generate the cash required to service our indebtedness.

Our ability to make payments on our indebtedness and to fund planned capital expenditures will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Our business may not be able to generate sufficient cash flow from operations or future borrowings may not be available to us under our Credit Agreement or otherwise in an amount sufficient to enable us to pay our indebtedness or debt securities, including the Secured Notes and the Unsecured Notes, or to fund our other liquidity needs. As a result, we may need to refinance all or a portion of our indebtedness on or before maturity. However, we may not be able to complete such refinancing on commercially reasonable terms or at all. If for any reason we are unable to meet our debt service obligations, we would be in default under the terms of the agreements governing our outstanding debt. If such a default were to occur, the lenders under the Credit Agreement, and holders of the Secured Notes and the Unsecured Notes could elect to declare all amounts outstanding immediately due and payable, and the lenders would not be obligated to continue to advance funds under the Credit Agreement. If the amounts outstanding under the Credit Agreement or other agreements governing our outstanding debt, were accelerated, our assets may not be sufficient to repay in full the money owed to our lenders and holders of the Secured Notes, the Unsecured Notes and any other debt holders.

Because portions of our senior indebtedness have floating interest rates, an increase in interest rates would adversely affect cash flows.

Borrowings under our Credit Agreement bear interest at a variable rate using a spread over SOFR. As a result, to the extent our exposure to increases in interest rates is not eliminated through interest rate protection agreements, such increases will result in higher debt service costs which will adversely affect our cash flows. We currently do not have interest rate protection agreements in place to protect against interest rate fluctuations on borrowings under our Credit Agreement. As of December 31, 2025, we had \$358.6 million of indebtedness outstanding under our Credit Agreement, and a one percent increase in the interest rate applicable to our Credit Agreement would increase our annual interest expense by approximately \$4 million.

We depend on distributions from our subsidiaries to make payments on our indebtedness. These distributions may not be made.

A substantial portion of our business is conducted by our subsidiaries. Therefore, our ability to meet our payment obligations on our indebtedness is substantially dependent on the earnings of certain of our subsidiaries and the payment of funds to us by our subsidiaries as dividends, loans, advances or other payments. Our subsidiaries are separate and distinct legal entities and, unless they expressly guarantee any indebtedness of ours, they are not obligated to make funds available for payment of our indebtedness in the form of loans, distributions or otherwise. Our subsidiaries' ability to make any such loans, distributions or other payments to us will depend on their earnings, business results, the terms of their existing and any future indebtedness, tax considerations and legal or contractual restrictions to which they may be subject. If our subsidiaries do not make such payments to us, our ability to repay our indebtedness may be materially adversely affected. For the year ended December 31, 2025, our subsidiaries accounted for 51.6% of our consolidated revenues, and as of December 31, 2025, our subsidiaries accounted for 85.6% of our total assets.

We may not be able to satisfy our repurchase obligations in the event of a change of control or fundamental change because the terms of our indebtedness or lack of funds may prevent us from doing so.

Upon a change of control as specified in the indentures governing the terms of our Secured Notes and Unsecured Notes, each holder of the Secured Notes and Unsecured Notes will have the right to require us to repurchase their notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase. The terms of the Credit Agreement limit our ability to repurchase the notes in the event of a change of control. In addition, the terms of each of the indentures governing the Secured Notes and the Unsecured Notes will limit our ability to repurchase the other series of notes in the event of a change of control. Any future agreement governing any of our indebtedness may contain similar restrictions and provisions. Accordingly, it is possible that restrictions in the Credit Agreement, the indentures governing the Secured Notes and the Unsecured Notes or other indebtedness that may be incurred in the future will not allow the required repurchase of the Secured Notes and the Unsecured Notes upon a change of control. Even if such repurchase is permitted by the terms of our then existing indebtedness, we may not have sufficient funds available to satisfy our repurchase obligations. Our failure to purchase any of the Secured Notes and Unsecured Notes would be a default under the indenture governing such notes, which in turn would trigger a default under the Credit Agreement and the indenture governing the other series of notes.

The Unsecured Notes and the guarantees on the Unsecured Notes (the "Unsecured Note Guarantees") will be effectively subordinated to our and the guarantors' senior secured indebtedness and structurally subordinated to the indebtedness of our subsidiaries that do not guarantee the Unsecured Notes.

The Unsecured Notes and the Unsecured Note Guarantees will be senior, unsecured obligations of GEO and the guarantors, respectively, and will rank (i) equal in right of payment with all of our and the guarantors' existing and future senior, unsecured indebtedness and the related guarantees, (ii) effectively junior in right of payment to all of our and the guarantors' existing and future secured indebtedness, including our obligations under the Credit Agreement and the related guarantees, and the Secured Notes and the guarantees on the Secured Notes, to the extent of the value of the assets securing such indebtedness, (iii) senior in right of payment to any of our and the guarantors' future subordinated indebtedness, and (iv) structurally subordinated to all existing and future indebtedness and other liabilities, including trade payables, of any of our subsidiaries that do not guarantee the Unsecured Notes.

In the event we or the guarantors become the subject of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding, our assets and the assets of the guarantors securing indebtedness could not be used to pay holders of the Unsecured Notes until after all secured claims against us and the guarantors have been fully paid.

The value of the collateral may not be sufficient to satisfy our obligations under the Secured Notes.

The Secured Notes are secured by a first-priority lien on the collateral, which collateral also secures our obligations under the Credit Agreement and other first lien debt permitted under the Credit Agreement and the indenture governing the Secured Notes (referred to herein as other "Additional Pari Passu Obligations"), and there may not be sufficient collateral to pay the Secured Notes and the Additional Pari Passu Obligations. The rights of the holders of the Secured Notes to the collateral may be diluted by any increase in debt secured by the collateral or a reduction in the collateral. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against us or any

guarantor, the collateral securing the other Additional Pari Passu Obligations and the Secured Notes must be used to pay the other Additional Pari Passu Obligations and the Secured Notes ratably as set forth in the First Lien Intercreditor Agreement. We may incur Additional Pari Passu Obligations in the future. Any Additional Pari Passu Obligations incurred in the future will adversely affect the relative position of the holders of the Secured Notes with respect to the collateral securing such Secured Notes.

No appraisals of any collateral were prepared in connection with the offering of the Secured Notes. The value of the collateral at any time will depend on market and other economic conditions, including the availability of suitable buyers for the collateral. By their nature, some or all of the pledged assets may be illiquid and may have no readily ascertainable market value. The value of the collateral securing the Secured Notes could be impaired in the future as a result of changing economic conditions, our failure to implement our business strategy, competition and other future events or trends. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, no assurance can be given that the proceeds from any sale or liquidation of the collateral securing the Secured Notes will be sufficient to pay our obligations under the Secured Notes, in full or at all, while also paying the Additional Pari Passu Obligations.

In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against us or any guarantor, all proceeds from the collateral will be applied first to repay the obligations in respect of the Secured Notes and any Additional Pari Passu Obligations. No assurance can be given that the proceeds from any sale or liquidation of the collateral will be sufficient to pay our obligations under the Secured Notes, in full or at all, while also paying the Additional Pari Passu Obligations. Additionally, with respect to some of the collateral, the Secured Notes collateral agent's security interest and ability to foreclose will be limited by the need to meet certain requirements, such as obtaining third-party consents and making additional filings.

Accordingly, there may not be sufficient collateral to pay all or any of the amounts due on the Secured Notes. Any claim for the difference between the amount, if any, realized by holders of the Secured Notes from the sale of the collateral securing the Secured Notes and the obligations under the Secured Notes will rank equally in right of payment with all of our other unsecured unsubordinated indebtedness and other obligations, including trade payables.

Risks Related to Our Business and Services

We partner with a limited number of governmental customers who account for a significant portion of our revenues. The loss of, or a significant decrease in revenues from, these customers could seriously harm our financial condition and results of operations.

We currently derive, and expect to continue to derive, a significant portion of our revenues from a limited number of governmental agencies. Of our governmental partners, three federal governmental agencies with correctional and detention responsibilities, the BOP, ICE, and the U.S. Marshals Service, accounted for 66.6% and 61.8% of our total consolidated revenues for the year ended December 31, 2025 and 2024, respectively, through multiple individual contracts, with the BOP accounting for 2.6% and 3.1% of our total consolidated revenues for 2025 and 2024, respectively, ICE accounting for 47.6% and 41.5% of our total consolidated revenues for 2025 and 2024, respectively, and the U.S. Marshals Service accounting for 15.9% and 17.2% of our total consolidated revenues for 2025 and 2024, respectively. No individual contract with these clients accounted for more than 10.0% of our total consolidated revenues for 2025. However, in 2024 our ISAP contract accounted for approximately 10% of our total consolidated revenues.

Our revenues depend on our governmental customers receiving sufficient funding and providing us with timely payment under the terms of our contracts. If the applicable governmental customers do not receive sufficient appropriations to cover their contractual obligations, they may delay or reduce payment to us or terminate their contracts with us. With respect to our federal government customers, any future impasse or struggle impacting the federal government's ability to reach agreement on the federal budget, debt ceiling or any future federal government shut-downs could result in material payment delays, payment reductions or contract terminations. Additionally, our governmental customers may request in the future that we reduce our per diem contract rates or forego increases to those rates as a way for those governmental customers to control their spending and address their budgetary shortfalls.

Our governmental customers may also from time to time adopt, implement or modify certain policies or directives that may adversely affect our business. Our federal, state or local governmental partners may in the future choose to undertake a review of their utilization of public-private partnerships, or may re-negotiate, cancel or decide not to renew our existing contracts with them. Various state partners have or may choose in the future to undertake a review of their utilization of public-private partnerships.

The loss of, or a significant decrease in, our current contracts with ICE, the U.S. Marshals Service or any other significant customers could seriously harm our financial condition and results of operations. We expect these federal and state agencies and a relatively small group of other governmental customers to continue to account for a significant percentage of our revenues.

ICE, the federal executive agency under the direction of DHS, has recently expanded its methods for physical detention by utilizing non-traditional detention capacity and by obtaining ownership of non-traditional facilities, and such methods could have an adverse impact on our business.

With the extensive funding made available by the OBBBA, in order to boost total available detention beds, accelerate deportation initiatives and explore cost savings, DHS has considered various alternative forms of detention capacity and increased utilization of non-traditional private sector detention facilities. For example, ICE has increased its use of military bases (domestically and at Guantanamo Bay), soft-sided facilities, idled or under-utilized facilities owned and operated by the BOP, facilities owned by state and local government agencies, international options, and has most recently proposed using warehouse-based real estate, and has acquired certain real estate assets for use in ICE detention. If we were to sell one of our owned facilities to a governmental customer, such as ICE, we may be unable to invest the proceeds from the sale in one or more properties that yield as much cash flow as the property sold. Even if we were to be engaged by a governmental customer to operate the facility following the sale, our operation of the facility pursuant to a management agreement may be less profitable than our ownership of the facility, and there can be no assurance that such governmental customer will not terminate the management contract associated with such facility or engage another operator to manage such facility. Utilization of additional forms of detention options, including through governmental ownership of detention facilities, could divert potential occupancy from our facilities, and thereby have an adverse impact on our business, financial condition and results of operations.

Fluctuations in occupancy levels or participation in ISAP could cause a decrease in revenues and profitability.

While a substantial portion of our cost structure is generally fixed, most of our revenues are generated under facility management contracts which provide for per diem payments based upon daily occupancy. Several of these contracts provide fixed-price payments that cover a portion, or all of our fixed costs based on a guaranteed minimum level of occupancy regardless of the actual level of occupancy. During the pandemic, we received these fixed-price payments at a number of our facilities where the actual level of occupancy was below the guaranteed minimum level of occupancy and as a result those facilities experienced a greater amount of profitability. If the levels of occupancy at the facilities subject to a guaranteed minimum level of occupancy were to increase, our costs may increase and therefore result in a decreased amount of profitability at these facilities. However, many of our contracts have no fixed-price payments and simply provide for a per diem payment based on actual occupancy. As a result, with respect to our contracts that have no fixed-price payments, we are highly dependent upon the governmental agencies with which we have contracts to utilize our facilities. Under a per diem rate structure, a decrease in our utilization rates could cause a decrease in revenues and profitability. When combined with relatively fixed costs for operating each facility, regardless of the occupancy level, material fluctuations in occupancy levels at one or more of our facilities could have a material adverse effect on our revenues and profitability, and consequently, on our financial condition and/or results of operations. In addition material fluctuations in participation in ISAP could have a material adverse effect on our revenues and profitability, and consequently, on our financial condition and/or results of operations.

Efforts to reduce the U.S. federal deficit could adversely affect our liquidity, results of operations and financial condition.

Any reductions in government spending in an effort to reduce the U.S. federal deficit could result in a reduction in the utilization of our services or additional pricing pressure. Further, there is ongoing uncertainty regarding the federal budget and federal spending levels, including the possible impacts of a failure to increase the “debt ceiling.” Any U.S. government default on its debt could have broad macroeconomic effects that could, among other things, raise our borrowing costs. Any future shutdown of the federal government or failure to enact annual appropriations could also have a material adverse impact on our liquidity, results of operations and financial condition.

Additionally, considerable uncertainty exists regarding how future budget and program decisions will continue to evolve, including the spending priorities of the U.S. presidential administration and Congress and what challenges any budget reductions will present for us and our industry generally. Pressures on and uncertainty surrounding the U.S. federal government’s budget, and potential changes in budgetary priorities and spending levels, could adversely affect the funding for and delay or eliminate the ability for additional contracting or increased bed capacity.

State budgetary constraints may have a material adverse impact on us.

Long-running pressure on state budgets had eased in the years prior to the COVID-19 pandemic, amid widespread economic growth and tax revenue gains that resulted in the first budget surpluses in years for many states. The COVID-19 pandemic adversely impacted the economic expansion and budget surpluses enjoyed by numerous states. Still, some states were in a stronger position than others as they began to experience a public health emergency and their greatest fiscal and economic tests since the Great Recession of 2007-09. GEO has numerous state clients across the country. If state budgetary conditions deteriorate, our state customers’ ability to pay us may be impaired and/or we may be forced to renegotiate our management contracts with those customers on less favorable terms and our financial condition, results of operations or cash flows could be materially adversely impacted. In addition, budgetary constraints in states that are not our current customers could prevent those states from using public-private partnerships for secure facilities, processing centers or community based service opportunities that we otherwise could have pursued.

From time to time, we may not have a management contract with a client to operate existing beds at a facility or new beds at a facility that we are expanding and we cannot assure you that such a contract will be obtained. Failure to obtain a management contract for these beds will subject us to carrying costs with no corresponding management revenue.

From time to time, we may not have a management contract with a customer to operate existing beds or new beds at facilities that we are currently in the process of renovating and expanding. While we will always strive to work diligently with a number of different customers for the use of these beds, we cannot assure you that a contract for the beds will be secured on a timely basis, or at all. While a facility or new beds at a facility are vacant, we incur carrying costs. In our U.S. Secure Services segment, as of December 31, 2025, we were marketing 5,896 vacant beds with a net book value of approximately \$180.9 million at six of our idle facilities to potential customers. In our Reentry Services segment, as of December 31, 2025, we were marketing 750 vacant beds with a net book value of approximately \$11.6 million at two of our idle facilities to potential customers. The combined annual carrying cost of these idle facilities in 2026 is estimated to be \$23.4 million, including depreciation expense of \$12.0 million. Failure to secure a management contract for a facility or expansion project could have a material adverse impact on our financial condition, results of operations and/or cash flows. We review our facilities for impairment whenever events or changes in circumstances indicate the net book value of the facility may not be recoverable. Impairment charges taken on our facilities could require material charges to our results of operations. In addition, in order to secure a management contract for these beds, we may need to incur significant capital expenditures to renovate or further expand the facility to meet potential clients' needs.

We are subject to the loss of our facility management contracts, due to terminations, non-renewals or competitive re-bids, which could adversely affect our results of operations and liquidity, including our ability to secure new facility management contracts from other government customers.

We are exposed to the risk that we may lose our facility management contracts primarily due to one of three reasons: (i) the termination by a government customer with or without cause at any time; (ii) the failure by a customer to exercise its unilateral option to renew a contract with us upon the expiration of the then current term; or (iii) our failure to win the right to continue to operate under a contract that has been competitively re-bid in a procurement process upon its termination or expiration. Our facility management contracts typically allow a contracting governmental agency to terminate a contract with or without cause at any time by giving us written notice ranging from 30 to 180 days. If government agencies were to use these provisions to terminate, or renegotiate the terms of their agreements with us, our financial condition and results of operations could be materially adversely affected.

As of December 31, 2025, 29 of our facility management contracts, as well as certain of our other management contracts, may be subject to competitive re-bid in 2026. These contracts in the aggregate represented approximately 18% and approximately \$469 million of our 2025 consolidated revenues. We cannot in fact assure you that we will prevail in future re-bid situations or that any competitive re-bids we win will be on terms more favorable to us than those in existence with respect to the applicable expiring contract.

Our federal, state or local governmental partners may in the future choose to undertake a review of their utilization of public-private partnerships, or may re-negotiate, cancel or decide not to renew our existing contracts with them. For example, on January 26, 2021, President Biden signed an Executive Order directing the United States Attorney General not to renew DOJ contracts with privately operated criminal detention facilities. While this Executive Order has been revoked, a future administration may implement further executive orders or directives relating to federal criminal justice policies and immigration policies which may impact the federal government's use of public-private partnerships with respect to correctional and detention needs, including with respect to our contracts, and/or may impact the budget and spending priorities of federal agencies, including ICE.

For additional information on facility management contracts that we currently believe will be competitively re-bid during each of the next five years and thereafter, please see "Business — Government Contracts — Terminations, Renewals and Competitive Re-bids". The loss by us of facility management contracts due to terminations, non-renewals or competitive re-bids could materially adversely affect our financial condition, results of operations and/or liquidity, including our ability to secure new facility management contracts from other government customers.

Our growth depends on our ability to secure contracts to develop and manage new secure facilities, processing centers and community based facilities and to secure contracts to provide electronic monitoring services, community-based reentry services and monitoring and supervision services, the demand for which is outside our control.

Our growth is primarily dependent upon our ability to obtain new contracts to develop and/or manage secure, processing, and community based facilities under public-private partnerships. Additionally, our growth is generally dependent upon our ability to obtain new contracts to offer electronic monitoring services, provide community-based reentry services and provide monitoring and supervision services.

Demand for new public-private partnership facilities in our areas of operation may decrease and our potential for growth will depend on a number of factors we cannot control, including overall economic conditions, governmental and public acceptance of public-private partnerships, government budgetary constraints, and the number of facilities available for public-private partnerships.

In particular, the demand for our secure facility and processing center services, electronic monitoring services, community-based reentry services and monitoring and supervision services could be affected by changes in existing policies which adversely impact the need for and acceptance of public-private partnerships across the spectrum of services we provide. Various factors outside our control could adversely impact the growth of our Reentry Services business, including government customer resistance to the public-private partnerships for residential community based facilities, and changes to Medicaid and similar reimbursement programs.

We may not be able to meet state requirements for capital investment or locate land for the development of new facilities, which could adversely affect our results of operations and future growth.

Certain jurisdictions have in the past required successful bidders to make a significant capital investment in connection with the financing of a particular project. If this trend were to continue in the future, we may not be able to obtain sufficient capital resources when needed to compete effectively for facility management contracts. Additionally, our success in obtaining new awards and contracts may depend, in part, upon our ability to locate land that can be leased or acquired under favorable terms. Our inability to secure financing and desirable locations for new facilities could adversely affect our results of operations and future growth.

Competition for contracts may adversely affect the profitability of our business.

We compete with government entities and other public-private partnership operators on the basis of cost, bed availability, location of facility, quality and range of services offered, experience in managing facilities, and reputation of management and personnel. Barriers to entering the market for the management of secure and processing facilities and the provision of community reentry programs may not be sufficient to limit additional competition in our industry. In addition, some of our government customers may assume the management of a facility currently managed by us upon the termination of the corresponding management contract or, if such customers have capacity at the facilities which they operate, they may choose to use less capacity at our facilities. Since we are paid on a per diem basis based on actual occupancy under some of our contracts, a decrease in occupancy could cause a decrease in both our revenues and our profitability.

We are dependent on government appropriations, which may not be made on a timely basis or at all and may be adversely impacted by budgetary constraints at the federal, state, local and foreign government levels.

Our cash flow is subject to the receipt of sufficient funding of and timely payment by contracting governmental entities. If the contracting governmental agency does not receive sufficient appropriations to cover its contractual obligations, it may terminate our contract or delay or reduce payment to us. Any delays in payment, including as a result of the most recent government shutdown or a future government shutdown, or the termination of a contract, could have a material adverse effect on our cash flow and financial condition, which may make it difficult to satisfy our payment obligations on our indebtedness, including the Secured Notes, Unsecured Notes and the Credit Agreement, in a timely manner. In addition, domestically, federal, state and local governments have encountered, and may continue to encounter, unusual budgetary constraints. As a result, a number of federal, state and local governments may be under pressure to control additional spending or reduce current levels of spending which could limit or eliminate appropriations for the facilities that we operate. Additionally, as a result of these factors, we may be requested in the future to reduce our existing per diem contract rates or forego prospective increases to those rates. Budgetary limitations may also make it more difficult for us to renew our existing contracts on favorable terms or at all. Further, a number of states and foreign governments in which we operate may experience budget constraints for fiscal year 2026. We cannot assure you that these constraints would not result in reductions in per diems, delays in payment for services rendered or unilateral termination of contracts.

Adverse publicity may negatively impact our ability to retain existing contracts and obtain new contracts.

Any negative publicity about an escape, riot, other disturbance, pandemic outbreak, death or injury of a detainee, or perceived conditions and access to health care and other services at a facility, including any work program at a facility, under a public-private partnership, any failures experienced by our electronic monitoring services and any negative publicity about a crime or disturbance occurring during a failure of service or the loss or unauthorized access to any of the data we maintain in the course of providing our services may result in publicity adverse to us and public-private partnerships in general. Any of these occurrences or continued trends may make it more difficult for us to renew existing contracts or to obtain new contracts or could result in the termination of an existing contract or the closure of one or more of our facilities, which could have a material adverse effect on our business. Such negative events may also result in a significant increase in our liability insurance costs.

We may incur significant start-up and operating costs on new contracts before receiving related revenues, which may impact our cash flows and not be recouped.

When we are awarded a contract to manage a facility, we may incur significant start-up and operating expenses, including the cost of constructing the facility, purchasing equipment and staffing the facility, before we receive any payments under the contract. These expenditures could result in a significant reduction in our cash reserves and may make it more difficult for us to meet other cash obligations, including our payment obligations on the Secured Notes, Unsecured Notes and the Credit Agreement. In addition, a contract may be terminated prior to its scheduled expiration and as a result we may not recover these expenditures or realize any return on our investment.

We may face community opposition to facility locations, which may adversely affect our ability to obtain new contracts.

Our success in obtaining new awards and contracts sometimes depends, in part, upon our ability to locate land that can be leased or acquired, on economically favorable terms, by us or other entities working with us in conjunction with our proposal to construct and/or manage a facility. Some locations may be in or near populous areas and, therefore, may generate legal action or other forms of opposition from residents in areas surrounding a proposed site. When we select the intended project site, we attempt to conduct business in communities where local leaders and residents generally support the establishment of a new project. Future efforts to find suitable host communities may not be successful. In many cases, the site selection is made by the contracting governmental entity. In such cases, site selection may be made for reasons related to economic development interests.

Natural disasters, pandemic outbreaks, global political events and other serious catastrophic events could disrupt operations and otherwise materially adversely affect our business and financial condition.

As an owner and operator of secure facilities, processing centers and community reentry centers with operations in many states throughout the United States and multiple foreign countries, we are subject to numerous risks outside of our control, including risks arising from natural disasters, pandemic outbreaks, such as the COVID-19 pandemic, and other global health emergencies or disruptive global political events, including terrorist activity and war, or similar disruptions that could materially adversely affect our business and financial performance. Such occurrences can result in destruction or damage to our secure facilities, processing centers and community reentry centers and our information systems, disruption of our operations, require the evacuation of detainees or our personnel, and require the adoption of specific health protocols or treatments to safeguard the health of our detainees or personnel. Although it is not possible to predict such events or their consequences, these events could materially adversely affect our reputation, business and financial condition.

Our international operations expose us to risks that could materially adversely affect our financial condition and results of operations.

For the years ended December 31, 2025 and 2024, our international operations accounted for approximately 7% and 9%, respectively, of our consolidated revenues from operations. We face risks associated with our operations outside the United States. These risks include, among others, political and economic instability, exchange rate fluctuations, taxes, duties and the laws or regulations in those foreign jurisdictions in which we operate. In the event that we experience any difficulties arising from our operations in foreign markets, our business, financial condition and results of operations may be materially adversely affected.

We conduct certain of our operations through joint ventures or consortiums, which may lead to disagreements with our joint venture partners or business partners and adversely affect our interest in the joint ventures or consortiums.

We conduct our operations in South Africa through our consolidated joint venture, SACM, and through our 50% owned and unconsolidated joint venture South African Custodial Services Pty. Limited, referred to as SACS. We conduct our escort and related custody services in the United Kingdom through our 50% owned and unconsolidated joint venture in GEOAmeY Limited, which we refer to as GEOAmeY. We may enter into additional joint ventures in the future. Although we have the majority vote in our consolidated joint venture, SACM, through our ownership of 62.5% of the voting shares, we share equal voting control on all significant matters to come before SACS. We also share equal voting control on all significant matters to come before GEOAmeY. These joint venture partners, as well as any future partners, may have interests that are different from ours which may result in conflicting views as to the conduct of the business of the joint venture or consortium. In the event that we have a disagreement with a joint venture partner or consortium business partner as to the resolution of a particular issue to come before the joint venture or consortium, or as to the management or conduct of the business of the joint venture or consortium in general, we may not be able to resolve such disagreement in our favor and such disagreement could have a material adverse effect on our interest in the joint venture or consortium or the business of the joint venture or consortium in general.

The rising cost and increasing difficulty of obtaining adequate levels of surety credit on favorable terms could adversely affect our operating results.

We are often required to post performance bonds issued by a surety company as a condition to bidding on or being awarded a facility development contract. Availability and pricing of these surety commitments is subject to general market and industry conditions, among other factors. If we are unable to effectively pass along surety costs to our customers, any increase in surety costs could adversely affect our operating results. In addition, we may not continue to have access to surety credit or be able to secure bonds economically, without additional collateral, or at the levels required for any potential facility development or contract bids. If we are unable to obtain adequate levels of surety credit on favorable terms, we would have to rely upon letters of credit under our Credit Agreement, which would entail higher costs even if such borrowing capacity was available when desired, and our ability to bid for or obtain new contracts could be impaired.

We are dependent upon our senior management and our ability to attract and retain sufficient qualified personnel.

We are dependent upon the continued service of each member of our senior management team, including George C. Zoley, Ph.D., our current Executive Chairman and Chairman and Chief Executive Officer effective March 1, 2026, Mark J. Suchinski, our Chief Financial Officer, Paul Laird, our Senior Vice President and President, Secure Services, Matthew Albence, our Senior Vice President, Client Relations and our other executive officers. The unexpected loss of Dr. Zoley, Mr. Suchinski or any other key member of our senior management team could materially adversely affect our business, financial condition or results of operations.

In addition, the services we provide are labor-intensive. When we are awarded a facility management contract or open a new facility, depending on the service we have been contracted to provide, we may need to hire operating, management, correctional officers, security staff, physicians, nurses and other qualified personnel. Our business is labor intensive, and some of our operations may experience a high rate of employee turnover from time to time. We believe there is currently a labor shortage impacting both publicly operated and privately operated secure facilities, processing centers and community reentry centers. It can be challenging for us to find appropriately skilled and qualified personnel at affordable rates. We may be unable to hire and retain a sufficiently skilled labor force to support our operating needs, our contractual requirements and our growth strategy. A labor shortage could negatively affect our ability to efficiently operate our facilities and our overall business. Any such shortage may adversely impact our ability to serve our customers effectively. Our labor and training expenses could increase as a result of a shortage in the supply of skilled personnel and an increase in the compensation we will need to pay to attract and retain such personnel and such compensation expenses may not be covered by our governmental customers, which could adversely affect our profitability. The success of our business requires that we attract, develop and retain our personnel. Our inability to hire sufficient qualified personnel on a timely basis or the loss of significant numbers of personnel at existing facilities could have a material effect on our business, financial condition or results of operations. If we were to be unable to fully staff or fill vacancies on a timely basis in our secure facilities, processing centers and community reentry centers, it could result in negative consequences, including requests by our government customers to provide a plan of correction, assessments of fines or other penalties under our contracts, or contract cancellations or non-renewals.

Adverse developments in our relationship with our employees could adversely affect our business, financial condition or results of operations.

At December 31, 2025, approximately 54% of our workforce was covered by collective bargaining agreements and, as of such date, collective bargaining agreements with approximately 9% of our employees were set to expire in less than one year. While approximately 54% of our workforce is covered by collective bargaining agreements, increases in organizational activity or any future work stoppages could have a material adverse effect on our business, financial condition, or results of operations.

Our profitability may be materially adversely affected by inflation.

Many of our facility management contracts provide for fixed management fees or fees that increase by only small amounts during their terms. While a substantial portion of our cost structure is generally fixed, if, due to inflation or other causes, our operating expenses, such as costs relating to personnel, utilities, insurance, medical and food, increase at rates faster than increases, if any, in our facility management fees, then our profitability could be materially adversely affected.

Risks Related to Taxes

Federal, state and local tax rules can adversely impact our results of operations and financial position.

We are subject to federal, state and local taxes in the United States, as well as in Australia, Canada, South Africa and the UK. Significant judgment is required in determining the provision for income taxes. We believe our income tax estimates are reasonable, but such estimates assume no changes in current tax rates. In addition, if the Internal Revenue Service or other taxing authority disagrees on a tax position we have taken and upon final adjudication we are required to change such position, we could incur additional tax liability, including interest and penalties. Such costs and expenses could have a material adverse impact on our financial condition, results of operations, and cash flows. Additionally, the taxability of our services is subject to various interpretations within the taxing jurisdictions in which we operate. Consequently, in the ordinary course of business, a jurisdiction may contest our reporting positions with respect to the application of its tax code to our operations. A conflicting position taken by a state or local taxation authority on the taxability of our operations could result in additional tax liabilities and could negatively impact our competitive position in that jurisdiction. If we fail to comply with applicable tax laws and regulations, we could suffer civil or criminal penalties in addition to the delinquent tax assessment. In the taxing jurisdictions where our services have been determined to be subject to tax, the jurisdiction may increase the tax rate assessed on such operations. We seek to pass-through to our customers such tax increases. In the event we are not able to pass-through any portion of the tax increase, our results of operations, financial condition and cash flows could be adversely impacted.

Risks Related to Real Estate and Construction Matters

Various risks associated with the ownership of real estate may increase costs, expose us to uninsured losses and adversely affect our financial condition and results of operations.

Our ownership of secure and processing facilities subjects us to risks typically associated with investments in real estate. Investments in real estate, and in particular, secure and processing facilities, are relatively illiquid and, therefore, our ability to divest ourselves of one or more of our facilities promptly in response to changed conditions is limited. Investments in secure and processing facilities, in particular, subject us to risks involving potential exposure to environmental liability and uninsured loss. Our operating costs may be affected by the obligation to pay for the cost of complying with existing environmental laws, ordinances and regulations, as well as the cost of complying with future legislation. In addition, although we maintain insurance for many types of losses, there are certain types of losses, such as losses from hurricanes, earthquakes, riots and acts of terrorism, which may be either uninsurable or for which it may not be economically feasible to obtain insurance coverage, in light of the substantial costs associated with such insurance. As a result, we could lose both our capital invested in, and anticipated profits from, one or more of the facilities we own. Further, even if we have insurance for a particular loss, we may experience losses that may exceed the limits of our coverage.

Risks related to facility construction and development activities may increase our costs related to such activities.

When we are engaged to perform construction and design services for a facility, we typically act as the primary contractor and subcontract with other companies who act as the general contractors. As primary contractor, we are subject to the various risks associated with construction (including, without limitation, shortages of labor and materials, work stoppages, labor disputes and weather interference) which could cause construction delays. In addition, we are subject to the risk that the general contractor will be unable to complete construction within the level of budgeted costs or be unable to fund any excess construction costs, even though we typically require general contractors to post construction bonds and insurance. Under such contracts, we are ultimately liable for all late delivery penalties and cost overruns.

Risks Related to the Capital Markets and its Impact on our Business

Negative conditions in the capital markets could prevent us from obtaining financing, which could materially harm our business.

Our ability to obtain additional financing is highly dependent on the conditions of the capital markets, among other things. The capital and credit markets have experienced significant periods of volatility and disruption since the Great Recession of 2007-2009, and more recently during 2020 and 2021 due to the impact of the COVID-19 pandemic. During this time period, the economic impacts observed have included a downturn in the equity and debt markets, a tightening of the credit markets, a general economic slowdown and other macroeconomic conditions, volatility in stock prices and currency exchange rates, inflation, concerns over sovereign debt levels abroad and in the U.S. and concerns over the failure to adequately address the federal deficit and the debt ceiling. If those macroeconomic conditions continue or worsen in the future, we could be prevented from raising additional capital or obtaining additional financing on satisfactory terms, or at all. If we need, but cannot obtain, adequate capital as a result of negative conditions in the capital markets or otherwise, our business, results of operations and/or financial condition could be materially adversely affected. Additionally, such inability to obtain capital could prevent us from pursuing attractive business development opportunities, including new facility constructions or expansions of existing facilities, and business or asset acquisitions.

Risks Related to our Electronic Monitoring Products and Technology

Technological changes could cause our electronic monitoring products and technology to become obsolete or require the redesign of our electronic monitoring products, which could have a material adverse effect on our business.

Technological changes within the electronic monitoring business in which we conduct business may require us to expend substantial resources in an effort to develop and/or utilize new electronic monitoring products and technology. We may not be able to anticipate or respond to technological changes in a timely manner, and our response may not result in successful electronic monitoring product development and timely product introductions. If we are unable to anticipate or timely respond to technological changes, our business could be adversely affected and could compromise our competitive position, particularly if our competitors announce or introduce new electronic monitoring products and services in advance of us. Additionally, new electronic monitoring products and technology face the uncertainty of customer acceptance and reaction from competitors.

Any negative changes in the level of acceptance of or resistance to the use of electronic monitoring products and services by governmental customers could have a material adverse effect on our business, financial condition and results of operations.

Governmental customers use electronic monitoring products and services to monitor low risk offenders as a way to help reduce overcrowding in secure facilities, as a monitoring tool, and to promote public safety by imposing restrictions on movement and serving as a deterrent for alcohol usage. If the level of acceptance of or resistance to the use of electronic monitoring products and services by governmental customers were to change over time in a negative manner so that governmental customers decide to decrease their usage levels and contracting for electronic monitoring products and services, this could have a material adverse effect on our business, financial condition and results of operations.

We depend on a limited number of third parties to manufacture and supply quality infrastructure components for our electronic monitoring products. If our suppliers cannot provide the components or services we require and with such quality as we expect, our ability to market and sell our electronic monitoring products and services could be harmed.

If our suppliers fail to supply components in a timely manner that meets our quantity, quality, cost requirements, or technical specifications, we may not be able to access alternative sources of these components within a reasonable period of time or at commercially reasonable rates. A reduction or interruption in the supply of components, or a significant increase in the price of components, could have a material adverse effect on our marketing and sales initiatives, which could adversely affect our financial condition and results of operations.

An inability to acquire, protect or maintain our intellectual property and patents in the electronic monitoring space could harm our ability to compete or grow.

We have numerous United States and foreign patents issued as well as a number of United States patents pending in the electronic monitoring space. There can be no assurance that the protection afforded by these patents will provide us with a competitive advantage, prevent our competitors from duplicating our products, or that we will be able to assert our intellectual property rights in infringement actions.

In addition, any of our patents may be challenged, invalidated, circumvented or rendered unenforceable. There can be no assurance that we will be successful should one or more of our patents be challenged for any reason. If our patent claims are rendered invalid or unenforceable, or narrowed in scope, the patent coverage afforded to our products could be impaired, which could significantly impede our ability to market our products, negatively affect our competitive position and harm our business and operating results.

There can be no assurance that any pending or future patent applications held by us will result in an issued patent, or that if patents are issued to us, that such patents will provide meaningful protection against competitors or against competitive technologies. The issuance of a patent is not conclusive as to its validity or its enforceability. The United States federal courts or equivalent national courts or patent offices elsewhere may invalidate our patents or find them unenforceable. Competitors may also be able to design around our patents. Our patents and patent applications cover particular aspects of our products. Other parties may develop and obtain patent protection for more effective technologies, designs or methods. If these developments were to occur, it could have an adverse effect on our sales. We may not be able to prevent the unauthorized disclosure or use of our technical knowledge or trade secrets by consultants, vendors, former employees and current employees, despite the existence of nondisclosure and confidentiality agreements and other contractual restrictions. Furthermore, the laws of foreign countries may not protect our intellectual property rights effectively or to the same extent as the laws of the United States. If our intellectual property rights are not adequately protected, we may not be able to commercialize our technologies, products or services and our

competitors could commercialize our technologies, which could result in a decrease in our sales and market share that would harm our business and operating results.

Additionally, the expiration of any of our patents may reduce the barriers to entry into our electronic monitoring line of business and may result in loss of market share and a decrease in our competitive abilities, thus having a potential adverse effect on our financial condition, results of operations and cash flows.

Our electronic monitoring products could infringe on the intellectual property rights of others, which may lead to litigation that could itself be costly, could result in the payment of substantial damages or royalties, and/or prevent us from using technology that is essential to our products.

There can be no assurance that our current products or products under development will not infringe any patent or other intellectual property rights of third parties. If infringement claims are brought against us, whether successfully or not, these assertions could distract management from other tasks important to the success of our business, necessitate us expending potentially significant funds and resources to defend or settle such claims and harm our reputation. We cannot be certain that we will have the financial resources to defend ourselves against any patent or other intellectual property litigation.

In addition, intellectual property litigation or claims could force us to do one or more of the following:

- cease selling or using any products that incorporate the asserted intellectual property, which would adversely affect our revenue;
- pay substantial damages for past use of the asserted intellectual property;
- obtain a license from the holder of the asserted intellectual property, which license may not be available on reasonable terms, if at all; or
- redesign or rename, in the case of trademark claims, our products to avoid infringing the intellectual property rights of third parties, which may not be possible and could be costly and time-consuming if it is possible to do.

In the event of an adverse determination in an intellectual property suit or proceeding, or our failure to license essential technology, our sales could be harmed and/or our costs could increase, which would harm our financial condition.

We license intellectual property rights in the electronic monitoring space, including patents, from third party owners. If such owners do not properly maintain or enforce the intellectual property underlying such licenses, our competitive position and business prospects could be harmed. Our licensors may also seek to terminate our license.

We are a party to a number of licenses that give us rights to third-party intellectual property that is necessary or useful to our business. Our success will depend in part on the ability of our licensors to obtain, maintain and enforce our licensed intellectual property. Our licensors may not successfully prosecute any applications for or maintain intellectual property to which we have licenses, may determine not to pursue litigation against other companies that are infringing such intellectual property, or may pursue such litigation less aggressively than we would. Without protection for the intellectual property we license, other companies might be able to offer similar products for sale, which could adversely affect our competitive business position and harm our business prospects.

If we lose any of our rights to use third-party intellectual property, it could adversely affect our ability to commercialize our technologies, products or services, as well as harm our competitive business position and our business prospects.

We may be subject to costly product liability claims from the use of our electronic monitoring products, which could damage our reputation, impair the marketability of our products and services and force us to pay costs and damages that may not be covered by adequate insurance.

Manufacturing, marketing, selling, testing and the operation of our electronic monitoring products and services entail a risk of product liability. We could be subject to product liability claims to the extent our electronic monitoring products fail to perform as intended. Even unsuccessful claims against us could result in the expenditure of funds in litigation, the diversion of management time and resources, damage to our reputation and impairment in the marketability of our electronic monitoring products and services. While we maintain liability insurance, it is possible that a successful claim could be made against us, that the amount of our insurance coverage would not be adequate to cover the costs of defending against or paying such a claim, or that damages payable by us would harm our business.

Risks Related to Information Technology and Cybersecurity

The interruption, delay or failure of the provision of our services or information systems could adversely affect our business.

Certain segments of our business depend significantly on effective information systems. As with all companies that utilize information technology, we are vulnerable to negative impacts if information is inadvertently interrupted, delayed, compromised or lost. A significant disruption or failure of our information technology systems may have a significant impact on our operations, potentially resulting in service interruptions, security violations, regulatory compliance failures and other operational difficulties. We routinely process, store and transmit large amounts of data for our clients. We continually work to update and maintain effective information systems. Despite the security measures we have in place and any additional measures we may implement in the future, our facilities and systems, and those of our third-party service providers, could be vulnerable to security breaches, computer viruses, lost or misplaced data, programming errors, human errors, acts of vandalism, or other events. For example, we disclosed in November 2020 that we had begun the process of notifying current and former employees and would provide additional notifications as required by applicable state and federal law regarding a ransomware attack that impacted a portion of our information technology systems and a limited amount of data that contained personally identifiable information and protected health information. Any security breach or event resulting in the interruption, delay or failure of our services or information systems, or the misappropriation, loss, or other unauthorized disclosure of client data, employee and former employee data or confidential information, whether by us directly or our third-party service providers, could damage our reputation, expose us to the risks of litigation and liability, disrupt our business, result in lost business or otherwise adversely affect our results of operations.

The failure to comply with data privacy, security and exchange legal requirements could have a material adverse impact on our business, financial position, results of operations, cash flows and reputation.

We are subject to complex and evolving U.S. federal and state privacy laws and regulations, which sometimes conflict among the various jurisdictions where we do business. For example, we are subject to HIPAA, which requires us to protect the privacy and security of individually identifiable health information, known as “protected health information” and recognize individual rights related to understanding and controlling how health information is used or disclosed. Various states have passed laws pertaining to the processing of personal data that require companies, including us, to provide new disclosures and options to such persons about data collection, use and sharing practices. Some of these laws are already in effect, while others will go into effect during 2026 and 2027. HIPAA and state laws require us to report data breaches to affected individuals, government regulators, and in certain cases involving large breaches, the media. Further, the U.S. federal government and a significant number of additional states are considering expanding or passing privacy laws in the near term. We are also subject to increasing legal requirements with respect to the use of artificial intelligence and machine learning applications and tools (including in relation to hiring and employment practices) and biometric information. These legal requirements are rapidly changing and are subject to uncertain application, interpretation and enforcement standards. Our current or future use of artificial intelligence or machine learning tools in our business operations could expose us to new or additional costs and risks, including the potential introduction of new vulnerabilities or cybersecurity risks within our information technology systems and the potential inadvertent or unauthorized release of confidential or protected health information resulting from the use (whether or not authorized) of artificial intelligence or machine learning tools by our employees, contractors, agents, representatives or affiliates. In addition, the artificial intelligence tools we may incorporate into certain aspects of our operations may not generate the intended efficiencies and may impact our business results.

The increasingly complex, restrictive and rapidly evolving regulatory environment at the federal and state level related to data privacy and data protection, including with respect to protected health information and the use of artificial intelligence, may require significant continued effort and cost, changes to our business and data processing practices and impact our ability to obtain and use data. These laws provide for civil penalties for violations, and some confer a private right-of-action to certain individuals for data breaches. Federal and state regulatory bodies, including the Federal Trade Commission and the California Privacy Protection Agency are engaging in enforcement investigations and actions with respect to privacy and data protection. There is no assurance that our security controls, training of employees on data privacy and data security, and policies, procedures and practices will prevent the improper use or disclosure of personal data. Our inability to adapt or comply with such legal requirements, or the improper use or disclosure of personal data in violation of data privacy laws could harm our reputation, cause loss of consumer confidence, subject us to government enforcement actions, or result in private litigation against us, which could result in loss of revenue, increased costs, liability for monetary damages, fines and/or criminal prosecution, all of which could have a material adverse impact on our business, financial position, results of operations and cash flows.

Risks Related to Acquisitions and Dispositions

We may not be able to successfully identify or consummate acquisitions or dispositions.

We pursue select acquisitions that meet our criteria for growth and profitability when market opportunities arise. We pursue select dispositions of assets and businesses that meet our criteria for maximizing the realization of value for such assets or businesses and for

furthering our goal of deleveraging our balance sheet and reducing funded recourse debt. The pursuit of acquisitions or dispositions may pose certain risks to us. We may not be able to identify acquisition candidates that fit our criteria for growth and profitability. We may not be able to identify purchasers for the sale of any of our assets or businesses or we may not be able to obtain a purchase price for such assets or businesses that we feel is reflective of the quality of such assets or businesses. Even if we are able to identify such candidates or purchasers, we may not be able to acquire such targets or dispose of such assets or businesses on terms satisfactory to us. We will incur expenses and dedicate attention and resources associated with the review of acquisition or disposition opportunities, whether or not we consummate such acquisitions or dispositions.

Additionally, even if we are able to acquire suitable targets on agreeable terms, we may not be able to successfully integrate their operations with ours. Achieving the anticipated benefits of any acquisition will depend in significant part upon whether we integrate such acquired businesses in an efficient and effective manner. We may not be able to achieve the anticipated operating and cost synergies or long-term strategic benefits of our acquisitions within the anticipated timing or at all. For example, elimination of duplicative costs may not be fully achieved or may take longer than anticipated. For at least the first year after a substantial acquisition, and possibly longer, the benefits from the acquisition will be offset by the costs incurred in integrating the businesses and operations. We may also assume liabilities in connection with acquisitions that we would otherwise not be exposed to. An inability to realize the full extent of, or any of, the anticipated synergies or other benefits of an acquisition as well as any delays that may be encountered in the integration process, which may delay the timing of such synergies or other benefits, could have an adverse effect on our business and results of operations.

Additionally, even if we are able to dispose of any assets or businesses on agreeable terms, we may not achieve the anticipated benefits of such disposition within the contemplated timing or at all. A disposition of any assets or businesses may result in decreased earnings, revenue, or cash flow. We may also be subject to claims from the purchasers of such assets or businesses relating to liabilities or indemnification obligations in connection with such dispositions. An inability to realize the full extent of, or any of, the anticipated benefits of a disposition as well as any delays that may be encountered in the disposition process, could have an adverse effect on our business, results of operations and our ability to deleverage our balance sheet and reduce funded recourse debt.

As a result of our acquisitions, we have recorded and will continue to record a significant amount of goodwill and other intangible assets. In the future, our goodwill or other intangible assets may become impaired, which could result in material non-cash charges to our results of operations.

We have a substantial amount of goodwill and other intangible assets resulting from business acquisitions. As of December 31, 2025, we had \$873.4 million of goodwill and other intangible assets. At least annually, or whenever events or changes in circumstances indicate a potential impairment in the carrying value (as defined by Generally Accepted Accounting Principles in the United States of America, or U.S. GAAP), we will evaluate this goodwill for impairment by first assessing qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of the reporting unit is less than the carrying amount. Estimated fair values could change and/or decline if there are changes in our capital structure, cost of debt, interest rates, capital expenditure levels, operating cash flows, market capitalization, and the political and regulatory environment. For example, our stock price has experienced volatility and periods of significant decline over the course of the last several years. A future decline or prolonged decline in the value of our stock price may result in material impairment charges. Impairments of goodwill or other intangible assets could require material non-cash charges to our results of operations.

Risks Related to Legal, Regulatory and Compliance Matters

Failure to comply with extensive government regulation and applicable contractual requirements could have a material adverse effect on our business, financial condition or results of operations.

The sector in which we operate is subject to extensive federal, state and local regulation, including educational, environmental, health care and safety laws, rules and regulations, which are administered by many regulatory authorities. Some of the regulations are unique to the sector, and the combination of regulations affects all areas of our operations. Corrections officers are customarily required to meet certain training standards, and, in some instances, facility personnel are required to be licensed and are subject to background investigations. Certain jurisdictions also require us to award subcontracts on a competitive basis or to subcontract with businesses owned by members of minority groups. We may not always successfully comply with these and other regulations to which we are subject and failure to comply can result in material penalties or the non-renewal or termination of facility management contracts. In addition, changes in existing regulations could require us to substantially modify the manner in which we conduct our business and, therefore, could have a material adverse effect on us.

In addition, public-private partnerships are increasingly subject to government legislation and regulation attempting to restrict the ability of private sector companies to operate facilities housing certain classifications of individuals, such as individuals from other

jurisdictions or individuals at higher security levels. Legislation has been enacted in several states and has previously been proposed in the United States House of Representatives, containing such restrictions.

Governmental agencies may investigate and audit our contracts and, if any improprieties are found, we may be required to refund amounts we have received, to forego anticipated revenues and we may be subject to penalties and sanctions, including prohibitions on our bidding in response to RFPs from governmental agencies to manage secure facilities. Governmental agencies we contract with have the authority to audit and investigate our contracts with them. As part of that process, governmental agencies may review our performance of the contract, our pricing practices, our cost structure and our compliance with applicable laws, regulations and standards. For contracts that actually or effectively provide for certain reimbursement of expenses, if an agency determines that we have improperly allocated costs to a specific contract, we may not be reimbursed for those costs, and we could be required to refund the amount of any such costs that have been reimbursed. If we are found to have engaged in improper or illegal activities, including under the United States False Claims Act, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeitures of profits, suspension of payments, fines and suspension or disqualification from doing business with certain governmental entities. An adverse determination in an action alleging improper or illegal activities by us could also adversely impact our ability to bid in response to RFPs in one or more jurisdictions.

In addition to compliance with applicable laws and regulations, our facility management contracts typically have numerous requirements addressing all aspects of our operations which we may not be able to satisfy. For example, our contracts require us to maintain certain levels of coverage for general liability, workers' compensation, vehicle liability, and property loss or damage. If we do not maintain the required categories and levels of coverage, the contracting governmental agency may be permitted to terminate the contract. In addition, we are required under our contracts to indemnify the contracting governmental agency for all claims and costs arising out of our management of facilities and, in some instances, we are required to maintain performance bonds relating to the construction, development and operation of facilities. Facility management contracts also typically include reporting requirements, supervision and on-site monitoring by representatives of the contracting governmental agencies. Failure to properly adhere to the various terms of our customer contracts could expose us to liability for damages relating to any breaches as well as the loss of such contracts, which could materially adversely impact us.

Our business operations expose us to various liabilities for which we may not have adequate insurance and may have a material adverse effect on our business, financial condition or results of operations.

The nature of our services exposes us to various types of third-party allegations and legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, claims relating to the federal Trafficking and Victims Protection Act, claims relating to our COVID-19 response procedures, breach of fiduciary duty claims, shareholder derivative claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or detainees, including damages arising from an inmate's escape or from a disturbance or riot at a facility. In addition, our management contracts generally require us to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation.

We maintain insurance coverage for these general types of claims, except for claims relating to employment matters, for which we carry no insurance. However, we generally have high deductible payment requirements on our primary insurance policies, including our general liability insurance, and there are also varying limits on the maximum amount of our overall coverage. As a result, the insurance we maintain to cover the various liabilities to which we are exposed may not be adequate. Any losses relating to matters for which we are either uninsured or for which we do not have adequate insurance could have a material adverse effect on our business, financial condition or results of operations. In addition, any losses relating to employment matters could have a material adverse effect on our business, financial condition or results of operations. To the extent the events serving as a basis for any potential claims are alleged or determined to constitute illegal or criminal activity, we could also be subject to criminal liability. Such liability could result in significant monetary fines and could affect our ability to bid on future contracts and/or retain our existing contracts.

During the fourth quarter of 2021, we received an unfavorable jury verdict and combined \$23.2 million judgments in the retrial of two cases, *State of Washington v. GEO Group and Nwauzor et al. v. GEO Group*, in U.S. District Court for the Western District of Washington, which judgment amounts were subsequently increased by a further award against the Company of attorney's fees, costs, and pre-judgment interest in the amount of \$14.4 million. On January 16, 2025, the Ninth Circuit Court of Appeals issued an Opinion by a 2-1 vote affirming the lower court's decision. That Opinion includes a 24-page dissenting opinion. On February 6, 2025, GEO timely filed its Petition for Rehearing En Banc. On August 13, 2025, the Ninth Circuit issued an order denying GEO's Petition for Rehearing En Banc. That order included six dissenting opinions. On September 2, 2025, the Ninth Circuit granted GEO's motion to stay the issuance of the Court's mandate pending

GEO's Petition for Writ of Certiorari to the Supreme Court. A final mandate has not been issued by the Ninth Circuit, and the appeal remains pending until resolution of GEO's Petition for Writ of Certiorari to the Supreme Court.

On January 9, 2026, GEO filed its Petition for Writ of Certiorari to the Supreme Court of the United States. Although the Company strongly disputes this claim and continues to vigorously defend itself, the Company accrued a reserve of approximately \$37.6 million. If GEO were not to prevail in these cases, it could have an adverse effect on GEO's business and results of operations.

The results of these claims or proceedings, or other litigation matters, cannot be predicted with certainty, and an unfavorable resolution of one or more of these claims or proceedings could have a material adverse effect on the Company's financial condition, results of operations or cash flows. The Company's accruals for loss contingencies are reviewed quarterly and adjusted as additional information becomes available. The Company establishes accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. The Company does not accrue for anticipated legal fees and costs but expenses those items as incurred.

We may not be able to obtain or maintain the insurance levels required by our government contracts.

Our government contracts require us to obtain and maintain specified insurance levels. The occurrence of any events specific to our company or to our industry, or a general rise in insurance rates, could substantially increase our costs of obtaining or maintaining the levels of insurance required under our government contracts, or prevent us from obtaining or maintaining such insurance altogether. If we are unable to obtain or maintain the required insurance levels, our ability to win new government contracts, renew government contracts that have expired and retain existing government contracts could be significantly impaired, which could have a material adverse effect on our business, financial condition and/or results of operations.

Failure to comply with anti-bribery and anti-corruption laws could subject us to penalties and other adverse consequences.

As we operate both domestically and abroad, we are subject to the United States Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, and other anti-corruption and anti-bribery laws and regulations in the jurisdictions in which we do business, both domestic and abroad. These laws and regulations generally prohibit improper payments or offers of improper payments to government officials, political parties, or commercial partners for the purpose of obtaining or retaining business or securing an improper business advantage.

We have operations, deal with and enter into contracts with governmental or quasi-governmental entities in the United States and in non-U.S. countries, including Australia, the U.K. and South Africa, and further expansion of our services abroad may involve additional regions. Corruption issues pose a risk in every country and jurisdiction, but in many countries, particularly in countries with developing economies, it may be more common for businesses to engage in practices that are prohibited by the FCPA or other applicable laws and regulations, and our activities in these countries pose a heightened risk of unauthorized payments or offers of payments by one of our employees or third-party business partners, representatives, and agents that could be in violation of various laws including the FCPA. The FCPA, U.K. Bribery Act and other applicable anti-bribery and anti-corruption laws also may hold us liable for acts of corruption and bribery committed by our third-party business partners, representatives, and agents. We and our third-party business partners, representatives, and agents may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and we may be held liable for the corrupt or other illegal activities of our employees or such third parties even if we do not explicitly authorize such activities. The FCPA or other applicable laws and regulations also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions.

While we have implemented policies and procedures to address compliance with such laws, we cannot ensure that our employees or other third parties working on our behalf will not engage in conduct in violation of our policies or applicable law for which we might ultimately be held responsible. Violations of the FCPA, the U.K. Bribery Act, and other laws may result in whistleblower complaints, adverse media coverage, investigations, imposition of significant legal fees, as well as severe criminal or civil sanctions, including suspension or debarment from U.S. government contracting, and we may be subject to other liabilities and adverse effects on our reputation, which could negatively affect our business, results of operations, financial condition, and growth prospects. In addition, responding to any enforcement action may result in a significant diversion of management's attention and resources and significant defense costs and other professional fees. Our exposure for violating these laws increases as our non-U.S. presence expands and as we increase operations in foreign jurisdictions.

Risks Related to Corporate Social Responsibility

We are subject to risks related to corporate social responsibility.

The consideration of corporate social responsibility or ESG factors in making investment and voting decisions is relatively new, and frameworks and methods used by investors for assessing corporate social responsibility or ESG policies are not fully developed and vary considerably among the investment community. We have published reports and policies that relate to corporate social responsibility or ESG, including human rights, ESG, and our political and lobbying activities in the past and may continue to do so in the future.

These policies, practices and reports, whether it be the standards we set for ourselves or ESG criteria established by third parties, whether or not we meet such standards, and the level of disclosure we provide in our reports may influence our reputation. For example, the perception held by our governmental partners, vendors, suppliers, shareholders, other stakeholders, the communities in which we do business or the general public may depend, in part, on the standards we have chosen to aspire to meet, whether or not we meet these standards on a timely basis or at all, whether or not we meet external ESG factors they deem relevant and the level of disclosure we provide relating to human rights, ESG, and our political and lobbying activities. The subjective nature and wide variety of frameworks and methods used by various stakeholders, including investors, to assess a company with respect to ESG criteria can result in the application or perception of negative ESG factors or a misrepresentation of our corporate social responsibility or ESG policies and practices. Our failure to meet human rights or ESG criteria set by third parties, or provide the disclosure relating to human rights, ESG, political and lobbying activities which any third parties may believe is necessary or appropriate could adversely affect our business, financial condition and/or results of operations.

When we elect to publicly report on corporate social responsibility or ESG, our business may face increased scrutiny. As a result, our reputation could be adversely impacted if we fail to act responsibly in the areas in which we report. Any harm to our reputation resulting from setting these standards or our failure or perceived failure to meet such standards could impact: the willingness of our governmental partners, vendors and suppliers to do business with us or the quality of our relationships with our governmental partners, vendors and suppliers; our ability to access capital in the debt or equity markets; our investors willingness or ability to purchase or hold our securities; and employee retention and the quality of relations with our employees, any of which could adversely affect our business, financial condition and/or results of operations.

Certain states have proposed legislation to direct or prevent pension investments and financial institutions from basing their investment decisions on ESG standards and ratings. To the extent that we are performing favorably measured against a pension investment's or financial institution's ESG standards and ratings, the enactment of such legislation could have an adverse effect on us and impact an investor's ability to purchase or hold our securities.

Risks Related to Our Common Stock

The market price of our common stock may vary substantially.

The market price of our common stock may vary substantially. Factors that could affect the market price of our common stock include the following:

- actual or anticipated variations in our quarterly results of operations;
- changes in market valuations of companies in our industry;
- announcements by us or our competitors of changes to capital allocation strategy, acquisitions, dispositions, investments or strategic alliances;
- changes in expectations of future financial performance or changes in estimates of securities analysts;
- fluctuations in stock market prices and volumes;
- issuances of common stock or other securities convertible into common stock in the future;
- the addition or departure of key personnel; and
- changes in the prospects of public-private partnerships.

Expectations about growth in the utilization of detention beds by the federal government may not be realized, which could negatively impact our stock price.

We currently expect demand from the federal government for our correctional and detention facilities to increase under the new presidential administration, particularly from ICE, as a result of anticipated changes in immigration policy and funding levels of our federal government partners charged with correctional and detention responsibilities. This anticipated increase in demand could result in higher utilization of our available capacity under existing contracts, as well as through new contracts utilizing our idle correctional and detention

facilities or our other existing capacity. However, we can provide no assurance that the federal government will increase the utilization of our available capacity. Further, the activation of our idle correctional and detention facilities generally requires four to six months to hire, train, and prepare our facilities to accept residential populations, which could result in substantial expenses before we are able to realize additional revenue. If the demand from the federal government for our correctional and detention facilities is not realized or does not increase to levels generally expected in the marketplace, our stock price could decline.

Future sales or issuances of shares of our common stock could adversely affect the market price of our common stock and may be dilutive to current shareholders.

Sales or issuances of shares of our common stock, or the perception that such sales or issuances could occur, could adversely affect the price for our common stock. As of December 31, 2025, there were 225,000,000 shares of common stock authorized under our Articles of Incorporation, of which 136,242,983 shares were outstanding. Our Board of Directors may authorize the issuance of additional authorized but unissued shares of our common stock or other authorized but unissued securities of ours at any time, including pursuant to our equity incentive plan and our employee stock purchase plan.

On October 30, 2023, the Company filed an automatic shelf registration statement on Form S-3ASR with the SEC that enables the Company to offer for sale, from time to time and as the capital markets permit, an unspecified amount of common stock, preferred stock, debt securities, guarantees of debt securities, warrants and units. Each time the Company offers to sell securities under the registration statement, the Company will provide a prospectus supplement that will contain specific information about the terms of that offering and the securities being offered. The shelf registration statement became automatically effective upon filing and is valid for three years.

We are not restricted from issuing additional shares of our common stock or other instruments exchangeable or convertible into our common stock. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for our common stock. If we issue more of our common stock or additional instruments exchangeable or convertible into or exercisable for our common stock, it may materially and adversely affect the price of our common stock. An offering or issuance of shares of our common stock may have a dilutive effect on our earnings per share and funds from operations per share after giving effect to the issuance of such shares of common stock and the receipt of the expected net proceeds. The actual amount of dilution from any offering of our equity securities cannot be determined at this time. The market price of our common stock or other such instruments could decline as a result of sales of a large number of shares of our common stock in the market pursuant to an offering, or otherwise, or as a result of the perception or expectation that such sales or issuances could occur.

Various anti-takeover protections applicable to us may make an acquisition of us more difficult and reduce the market value of our common stock.

We are a Florida corporation and the anti-takeover provisions of Florida law impose various impediments to the ability of a third party to acquire control of our company, even if a change of control would be beneficial to our shareholders. In addition, provisions of our articles of incorporation may make an acquisition of our company more difficult. Our articles of incorporation authorize the issuance by our Board of Directors of “blank check” preferred stock without shareholder approval. Such shares of preferred stock could be given voting rights, dividend rights, liquidation rights or other similar rights superior to those of our common stock, making a takeover of our company more difficult and expensive. In addition to discouraging takeovers, the anti-takeover provisions of Florida law and our articles of incorporation may have the impact of reducing the market value of our common stock.

Failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 could have an adverse effect on our business and the trading price of our common stock.

If we fail to maintain the adequacy of our internal controls, in accordance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as such standards are modified, supplemented or amended from time to time, our exposure to fraud and errors in accounting and financial reporting could materially increase. Also, inadequate internal controls would likely prevent us from concluding on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002. Such failure to achieve and maintain effective internal controls could adversely impact our business and the price of our common stock.

We may issue additional debt securities that could limit our operating flexibility and negatively affect the value of our common stock.

In the future, we may issue additional debt securities which may be governed by an indenture or other instrument containing covenants that could place restrictions on the operation of our business and the execution of our business strategy in addition to the restrictions on our business already contained in the agreements governing our existing debt. In addition, we may choose to issue additional debt that is

convertible or exchangeable for other securities, including our common stock, or that has rights, preferences and privileges senior to our common stock. Because any decision to issue debt securities will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of any future debt financings and we may be required to accept unfavorable terms for any such financings. Accordingly, any future issuance of debt could dilute the interest of holders of our common stock and reduce the value of our common stock.

The Company could be negatively affected as a result of the actions of activist or hostile shareholders.

Shareholder activism, which could take many forms and arise in a variety of situations, has experienced an increase in prior years among publicly traded companies. Shareholder activism, including potential proxy contests, requires significant time and attention by management and the Board of Directors, potentially hindering the Company's ability to execute its strategic plan and negatively affecting the trading value of our common stock. Additionally, shareholder activism could give rise to perceived uncertainties as to the Company's future direction, adversely affect its relationships with key executives, customers and other business partners, or make it more difficult to attract and retain qualified personnel. Also, the Company may in the future be required to incur significant legal fees and other expenses related to activist shareholder matters. Any of these impacts could materially and adversely affect the Company and operating results.

A "short squeeze" due to a sudden increase in demand for shares of our common stock that largely exceeds supply has led to, and may continue to lead to, extreme price volatility in shares of our common stock.

Investors may purchase shares of our common stock to hedge existing exposure or to speculate on the price of our common stock. Speculation on the price of our common stock may involve long and short exposures. To the extent aggregate short exposure exceeds the number of shares of our common stock available for purchase on the open market, investors with short exposure may have to pay a premium to repurchase shares of our common stock for delivery to lenders of our common stock. Those repurchases may in turn, dramatically increase the price of shares of our common stock until additional shares of our common stock are available for trading or borrowing. This is often referred to as a "short squeeze." A large proportion of our common stock has been in the past and may continue to be traded by short sellers which may increase the likelihood that our common stock will be the target of a short squeeze. A short squeeze has led and could continue to lead to volatile price movements in shares of our common stock that are unrelated or disproportionate to our operating performance or prospects and, once investors purchase the shares of our common stock necessary to cover their short positions, the price of our common stock may rapidly decline. Investors that purchase shares of our common stock during a short squeeze may lose a significant portion of their investment.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

As a government contractor, GEO routinely processes, stores, and transmits large amounts of "Personally Identifiable Information". As such, we understand the criticalness of having a robust cybersecurity program that protects company assets as well as our clients' data. Our customers, suppliers, service providers, subcontractors, and joint venture partners face similar cybersecurity threats, and a cybersecurity incident impacting us or any of these entities could materially adversely affect our operations, performance, and results of operations.

The Board, through its Cybersecurity and Environmental Oversight Committee, oversees management's processes for identifying and mitigating risks, including cybersecurity risks, to help align our risk exposure with our strategic objectives. Senior leadership, including our Chief Information Security Officer (CISO), quarterly or as needed briefs the Board of Directors on our cybersecurity and information security posture, and the Board of Directors is apprised of cybersecurity incidents deemed to have a moderate or higher business impact, even if immaterial to us.

Our corporate information security organization, led by our CISO, is responsible for our overall information security strategy, policy, security engineering, operations and cyber threat detection and response. Our current CISO has extensive information technology and program management experience and has served many years in our corporate information security organization. In addition, our CISO has a certificate in Cybersecurity Oversight from the Carnegie Mellon University Software Engineering Institute. The corporate information security organization oversees, manages, and continually enhances a robust enterprise security structure with the goal of preventing cybersecurity incidents to the extent feasible, while simultaneously increasing our system resilience to minimize the business impact should an incident occur. Employees outside of our corporate information security organization also have a role in our cybersecurity defenses and they are immersed in a corporate culture that supports information security, which we believe improves our cybersecurity.

The corporate information security organization has implemented a governance structure and processes to assess, identify, manage, and report cybersecurity risks. The underlying controls of the cyber risk management program are based on recognized best practices and standards for cybersecurity and information technology, including the National Institute of Standards and Technology ("NIST") Cybersecurity Framework

("CSF") and the Center for Internet Security controls. In addition, GEO has robust policies and procedures related to cybersecurity and general IT practices that include but are not limited to encryption standards, antivirus protection, remote access, multifactor authentication, confidential information and the use of the internet, social media, email, and wireless devices. These policies go through an internal review process and are approved by appropriate members of management.

Assessing, identifying, and managing cybersecurity related risks are integrated into our overall enterprise risk management (ERM) process. These initiatives are supported by a Managed Security Service Provider ("MSSP") that provides continuous intelligence and threat assessments, including such risks from cybersecurity threats associated with our use of any third-party service provider. Also, as part of the program, GEO engages third party cybersecurity organizations to perform bi-annual assessments of the environment. Identified cybersecurity related risks are included in the risk universe that the ERM function evaluates to assess top risks to the enterprise on an annual basis. To the extent the ERM process identifies a heightened cybersecurity related risk, risk owners are assigned to develop risk mitigation plans, which are then tracked to completion. The ERM process's annual risk assessment is presented to the Board.

Notwithstanding the extensive approach we take to prevent cybersecurity breaches, we may not be successful in preventing or mitigating a cybersecurity incident that could have a material adverse financial impact to our business. While GEO maintains cybersecurity insurance, the costs related to cybersecurity threats or disruptions may not be fully insured. See Item 1A. "Risk Factors" for a discussion of cybersecurity risks. There have been no risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect GEO, including its business strategy, results of operations, or financial condition.

Item 2. *Properties*

The Company owns and leases its corporate offices, which are both located in Boca Raton, Florida. The Company purchased land in Boca Raton, Florida to construct a new corporate office building which was completed in the first quarter of 2019. The Company's lease on its additional corporate office space expires in December 2028 and has two 5-year renewal options which if exercised will result in a maximum term ending in December 2038. In addition, we lease office space for our eastern regional office in Charlotte, North Carolina; our central regional office in San Antonio, Texas; and our western regional office in Los Angeles, California. We are also currently leasing office space in Boulder, Colorado and Aurora, Illinois in connection with our BI subsidiary. We also lease office space in Sydney and Melbourne, Australia, and in Sandton, South Africa, through our overseas affiliates to support our Australian, and South African operations, respectively. We consider our office space adequate for our current operations.

See the Facilities and Day Reporting Centers listed under Item 1 for a list of the correctional, detention and reentry properties we own or lease in connection with our operations and specifically our U.S. Secure Services segment, our Reentry Services segment and our International Services segment.

Item 3. *Legal Proceedings*

Immigration Detainee Litigation

Civil immigration detainees at the Aurora ICE Processing Center filed a class action lawsuit on October 22, 2014, against the Company in the U.S. District Court for the District of Colorado. The complaint alleges that the Company was in violation of the Colorado Minimum Wage Act ("CMWA") and the Federal Trafficking Victims Protection Act ("TVPA"). The complaint also claims that the Company was unjustly enriched based on the level of payment the detainees received for work performed in a Voluntary Work Program ("VWP") the Company is required to implement at the facility under the terms of its contract with the federal government. On July 6, 2015, the court found that detainees were not employees under the CMWA and dismissed this claim. On February 27, 2017, the court granted the plaintiffs' motion for class certification on the TVPA and unjust enrichment claims. The plaintiffs' class seeks actual damages, compensatory damages, exemplary damages, punitive damages, restitution, attorneys' fees and costs, and such other relief as the court may deem proper. On October 18, 2022, the court issued an order granting plaintiffs' motion for summary judgment on the Company's affirmative defenses, denying the Company's motion for summary judgment, motion to dismiss, and motion for decertification of the class, narrowing the class period for plaintiffs' TVPA claims, and otherwise ruling against the Company's motions for relief. All trial dates were stayed by court order pending appeal of certain of GEO's defenses to the Tenth Circuit Court of Appeals. Oral argument before the Tenth Circuit was held on September 18, 2023. On October 22, 2024, the Tenth Circuit issued an Order finding appellate review of GEO's claim of immunity was premature and, therefore, the Tenth Circuit was currently without jurisdiction to consider the merits of GEO's claimed immunity. On January 13, 2025, GEO filed a Petition for Writ of Certiorari with the United States Supreme Court seeking review of the Tenth Circuit's decision. On June 2, 2025, the United States Supreme Court granted GEO's Petition for Writ of Certiorari. Oral argument before the Supreme Court was held on November 10, 2025. On February 25, 2026, the Supreme Court issued a decision affirming the decision of the Tenth Circuit and finding that there is no immediate right to appellate review of a ruling on GEO's Yearsley defense. The Supreme Court further stated that the holding still allows immediate appellate review of a ruling on a Yearsley defense via a separate appellate certification process.

The first of two State of Washington lawsuits, *Nwauzor v. GEO Group*, was filed on September 26, 2017, by immigration detainees against the Company in the U.S. District Court for the Western District of Washington. The second lawsuit was filed on September 20, 2017, by the State Attorney General against the Company in the Superior Court of the State of Washington for Pierce County, which the Company removed to the U.S. District Court for the Western District of Washington on October 9, 2017. The plaintiffs claimed that State of Washington minimum wage laws should be enforced with respect to detainees who volunteer to participate in a VWP administered by GEO at the Northwest ICE Processing Center (the "Center") as required by the U.S. Department of Homeland Security under the terms of GEO's contract. The Center houses people in the custody of federal immigration authorities while the federal government is determining their immigration status. In October 2021, an unfavorable jury verdict and court judgment resulting in a combined \$23.2 million judgment entered against the Company in the retrial of the two cases, which judgment amounts were subsequently increased by a further award against the Company of attorney's fees, costs, and pre-judgment interest in the amount of \$14.4 million. Post-judgment interest is accruing on these judgments in accordance with Washington law. The trial court waived the necessity to post a supersedeas bond for the combined judgments and has stayed enforcement of the verdict and judgments while GEO's appeal to the U.S. Court of Appeals for the Ninth Circuit is pending. Oral argument before the Ninth Circuit was held on October 6, 2022.

On March 7, 2023, the Ninth Circuit certified certain state law questions to the Washington Supreme Court. Oral argument before the Washington Supreme Court was held on October 17, 2023. On December 21, 2023, the Washington Supreme Court issued an opinion answering the questions certified by the Ninth Circuit. Under the Ninth Circuit's March 7, 2023, order certifying the above questions to the Washington Supreme Court, the Ninth Circuit resumed control and jurisdiction over the State of Washington lawsuits. On February 21, 2024, the United States Department of Justice filed its Brief for the United States as Amicus Curiae in Support of GEO, arguing that the State of Washington judgments should be reversed because the Supremacy Clause precludes application of the Washington Minimum Wage Statute to work programs for federal detainees. In its Brief, the Department of Justice asserted that application of the Washington law independently contravened intergovernmental immunity because it would make federal detainees subject to provisions that do not apply, and never have applied, to persons in state custody, singling out a contractor with the federal government for obligations Washington does not itself bear. The Department of Justice also contended that the immigration statutory structure approved by Congress does not contemplate a role for states or state law in governing the VWP for federal detainees. On January 16, 2025, the Ninth Circuit issued an Opinion by a 2-1 vote affirming the lower court's decision. That Opinion includes a 24-page dissenting opinion.

On February 6, 2025, GEO timely filed its Petition for Rehearing En Banc. On March 20, 2025, the United States filed an Amicus Brief with the Ninth Circuit in which it argued that the January 16, 2025 decision of the Ninth Circuit is incorrect in multiple respects, runs contrary to Circuit precedent, and creates significant tension with the case law of other circuits. The United States argued that the application of the state minimum-wage law to federal immigration detainees in the voluntary work program is preempted by a federal appropriation statute that sets the minimum allowance for detainee participants at \$1 per day. Additionally, the United States argued that the application of the state minimum-wage law to federal immigration detainees likewise impermissibly discriminates against the federal government in violation of intergovernmental-immunity principles.

On August 13, 2025, the Ninth Circuit issued an order denying GEO's Petition for Rehearing En Banc. That order included six dissenting opinions. On September 2, 2025, the Ninth Circuit granted GEO's motion to stay the issuance of the Court's mandate pending GEO's Petition for Writ of Certiorari to the Supreme Court.

A final mandate has not been issued by the Ninth Circuit, and the appeal remains pending until resolution of GEO's Petition for Writ of Certiorari to the Supreme Court. On January 9, 2026, GEO filed its Petition for Writ of Certiorari to the Supreme Court. Although the Company strongly disputes this claim and continues to vigorously defend itself, the Company accrued a reserve of approximately \$37.6 million, which is included in Other Non-Current Liabilities in the accompanying consolidated balance sheets, in accordance with Accounting Standards Codification No. 450 - Contingencies during the third quarter of 2025.

In California, a class action lawsuit was filed on December 19, 2017, by immigration detainees against the Company in the U.S. District Court, Eastern Division of the Central District of California. The California lawsuit alleges violations of the state's minimum wage laws, violations of the TVPA and California's equivalent state statute, unjust enrichment, unfair competition and retaliation. The California court has certified a class of individuals who have been civilly detained at the Company's Adelanto Facility from December 19, 2014, until the date of final judgment. On March 31, 2022, the court entered a stay until the Ninth Circuit rules on the State of Washington lawsuits, which is stayed pending resolution of GEO's Petition in *Nwauzor v. GEO Group* for Writ of Certiorari to the United States Supreme Court.

Current and former detainees of the Mesa Verde ICE Processing Center and the Golden State Annex ICE Processing Center filed a class action lawsuit on July 13, 2022, against the Company in the U.S. District Court for the Eastern District of California, Fresno Division. The complaint alleges that federal detainees who volunteer to participate in the VWP at GEO's Mesa Verde and Golden State Annex ICE facilities are employees of GEO and entitled to the state's minimum wage. Plaintiffs also make claims for unfair competition, unjust

enrichment, human trafficking, forced labor, California's Private Attorneys General Act, and retaliation. GEO filed both a motion to stay the action pending the Ninth Circuit's decision in the State of Washington lawsuits and a motion to dismiss the action in its entirety. On July 10, 2023, the court entered a stay until the Ninth Circuit rules on the State of Washington lawsuits. On February 10, 2025, the Court denied plaintiffs' request to lift the stay until the Ninth Circuit rules on GEO's Petition for Rehearing En Banc, which is stayed pending resolution of GEO's Petition in *Nwauzor v. GEO Group for Writ of Certiorari* to the United States Supreme Court.

GEO believes it operates the VWP in full compliance with its contract with ICE and all applicable laws, regulations, and standards. GEO strongly disputes the claims made in these lawsuits and intends to take all necessary steps to vigorously defend itself from these lawsuits. GEO has not recorded any accruals relating to these lawsuits, other than in connection with the *Nwauzor* case discussed above, at this time as losses are not considered probable nor reasonably estimable. If GEO were not to prevail in these cases, it could have an adverse effect on GEO's business and results of operations.

Challenges to State Legislation that Conflict with Federal Contracts

On July 13, 2023, the Company filed a lawsuit in the U.S. District Court for the Western District of Washington against the State of Washington for declaratory and injunctive relief challenging the State of Washington's newly enacted law – House Bill 1470. House Bill 1470 purports to empower state agencies with new rule making, inspection, investigation, and testing powers over the Northwest ICE Processing Center. House Bill 1470 also creates a statutory regime of civil penalties applicable to private detention facilities for violations of House Bill 1470 detention standards, and purports to create a private right of action for detainees aggrieved by violations of the statute. On March 8, 2024, the U.S. District Court for the Western District of Washington entered an order preliminarily enjoining the enforcement of House Bill 1470 against GEO as the operator of the Northwest ICE Processing Center. On April 29, 2024, the State of Washington filed a Notice of Appeal of the order preliminarily enjoining the enforcement of House Bill 1470. On February 14, 2025, the U.S. Court of Appeals for the Ninth Circuit heard arguments on the State of Washington's appeal. On May 23, 2025, GEO filed a motion to dismiss the appeal as moot based on a newly enacted statute that amended portions of HB 1470. On August 18, 2025, the Ninth Circuit denied GEO's motion to dismiss the appeal, vacated the District Court's grant of a preliminary injunction, and remanded the case to the District Court for further proceedings. On September 16, 2025, GEO filed a Petition for Rehearing En Banc. On February 11, 2026, the Ninth Circuit denied GEO's Petition for Rehearing En Banc, with eight justices of the Ninth Circuit joining a harshly worded dissent from that decision. On February 16, 2026, GEO filed a Rule 41 motion with the Ninth Circuit seeking a stay of the mandate pending GEO's Petition for Writ of Certiorari to the Supreme Court of the United States.

On April 15, 2024, the Company filed a lawsuit in the U.S. District Court for the District of New Jersey against the State of New Jersey for declaratory and injunctive relief challenging the State of New Jersey's Assembly Bill 5207 – that purports to prohibit the operation of "private detention facilities" in the state, which would prevent the United States from using privately contracted detention facilities to house detainees in the custody of ICE. On April 25, 2024, the U.S. District Court for the District of New Jersey entered an order preliminarily enjoining the State of New Jersey from enforcing Assembly Bill 5207 against a private detention facility-including any owned by Plaintiff GEO until a further Order of the Court. On July 22, 2025, the Third Circuit Court of Appeals affirmed a U.S. District Court for the District of New Jersey decision in a similar case finding Assembly Bill 5207 unconstitutional. On August 22, 2025, the District Court entered an order permanently enjoining the Defendants from enforcing Assembly Bill 5207 against GEO with respect to GEO negotiating or contracting with the United States government to operate immigration detention facilities in New Jersey.

On October 22, 2024, the Company filed a lawsuit in the U.S. District Court for the Eastern District of California against the State of California and the Kern County Public Health Department for declaratory and injunctive relief challenging the State of California's newly enacted law – Senate Bill 1132. Senate Bill 1132 purports to empower state agencies with new inspection and investigation powers over GEO's California facilities providing contracted services to ICE. Senate Bill 1132 also purports to impose standards prescribed by the Board of State and Community Corrections on GEO's provision of contracted services to ICE in California. The State of California and Kern County filed a motion to dismiss on December 20, 2024. The U.S. District Court heard arguments on GEO's motion for declaratory and injunctive relief and the defendants' motion to dismiss on March 3, 2025. On May 5, 2025, the U.S. District Court for the Eastern District of California entered an order finding Senate Bill 1132 does not impose any standards on GEO's provision of contracted services to ICE and dismissing GEO's suit with leave to amend.

Other Litigation

The nature of the Company's business also exposes it to various other legal claims or litigation, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals in its care, medical malpractice claims, claims related to deaths in custody, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property

loss claims, environmental claims, automobile liability claims, indemnification claims by its customers and other third-parties, contractual claims and claims for personal injury or other damages resulting from contact with the Company's facilities, programs, electronic monitoring products, personnel or detainees, including damages arising from the escape of an individual in its care or from a disturbance or riot at a facility. Legal proceedings with respect to our facilities are unpredictable and, where material, can cause adverse effects, such as prompting modification or even termination of the underlying facility management contracts.

Other Assessment

A New Mexico non-income tax audit completed in 2016 included tax periods for which the state tax authority had previously processed a substantial tax refund. At the completion of the audit fieldwork, the Company received a notice of audit findings disallowing deductions that were previously claimed by the Company that was approved by the state tax authority and served as the basis for the approved refund claim. In early January 2017, the Company received a formal Notice of Assessment of Taxes and Demand for Payment from the taxing authority disallowing the deductions. The Company appealed the administrative ruling. In February 2024, the Company received notice that the New Mexico Court of Appeals had ruled against its appeal. The Company appealed this ruling to the New Mexico Supreme Court by timely filing a Petition for Writ of Certiorari on April 19, 2024. On July 8, 2024, the New Mexico Supreme Court denied the Company's Petition for Writ of Certiorari. The Company had established an estimated liability (inclusive of both the audit period and the post-audit period) based on its estimate of the most probable loss based on the facts and circumstances known and the advice of outside counsel in connection with this matter. In July 2024, the Company made a payment of approximately \$18.9 million towards the estimated liability related to the assessment for the audited period. Following the submission of an application in September 2024, the Company was accepted to participate in the State's managed audit program and entered into a Managed Audit Agreement (the "Agreement") with the New Mexico Taxation and Revenue Department for the post-audit period. The Agreement provides for a waiver of penalties and interest and as such, the Company recorded a favorable adjustment for penalties and interest related to the post-audit period of approximately \$6.3 million in the third quarter of 2024. The managed audit is ongoing at this time.

Accruals for Legal Proceedings

The Company establishes accruals for specific legal proceedings when it is considered probable that a loss has been incurred, and the amount of the loss can be reasonably estimated. However, the results of these claims or proceedings cannot be predicted with certainty, and an unfavorable resolution of one or more of these claims or proceedings could have a material adverse effect on the Company's financial condition, results of operations or cash flows, including the modification or loss of one or more facility management contracts, or could result in a material impairment of the Company's assets. The Company's accruals for loss contingencies are reviewed quarterly and adjusted as additional information becomes available. The Company generally does not accrue for anticipated legal fees and costs but expenses those items as incurred.

Item 4. *Mine Safety Disclosures*

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

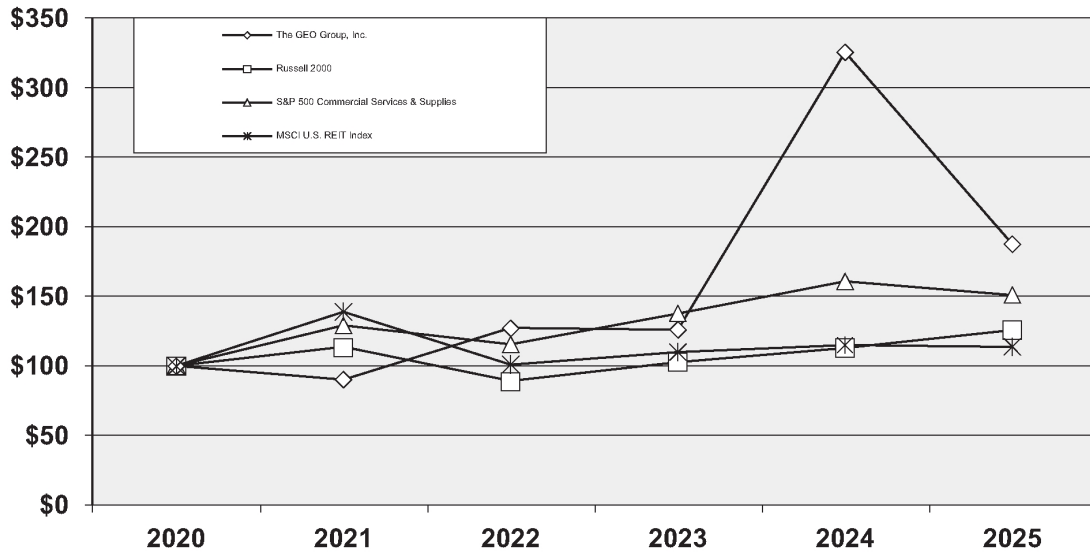
Our common stock trades on the New York Stock Exchange under the symbol “GEO.” As of February 23, 2026, we had 519 shareholders of record. Shareholders of record does not include shareholders who own shares held in "street name."

In connection with terminating GEO's REIT status in 2021, the Board also voted unanimously to discontinue our quarterly dividend payments and prioritize allocating GEO's free cash flow to reduce debt. While we do not currently anticipate paying cash dividends, once we achieve our stated debt and leverage reduction goals, we expect to explore options to return capital to our shareholders, which may include the payment of dividends. Any future determination to pay dividends will be made at the discretion of our Board, subject to applicable laws and will depend upon, among other factors, our results of operations, financial condition, contractual restrictions and capital requirements.

Performance Graph

The following performance graph compares the performance of our common stock to the Russell 2000, the S&P 500 Commercial Services and Supplies Index, and the MSCI U.S. REIT Index and is provided in accordance with Item 201(e) of Regulation S-K.

Comparison of Five-Year Cumulative Total Return*
The GEO Group, Inc., Russell 2000,
S&P 500 Commercial Services and Supplies Index
and MSCI U.S. REIT Index
(Performance through December 31, 2025)



	The GEO Group, Inc.	Russell 2000	S&P 500 Commercial Services & Supplies	MSCI U.S. REIT Index
December 31, 2020	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
December 31, 2021	\$ 90.08	\$ 113.69	\$ 129.09	\$ 138.77
December 31, 2022	\$ 127.27	\$ 89.18	\$ 115.45	\$ 100.84
December 31, 2023	\$ 125.87	\$ 102.64	\$ 137.53	\$ 109.87
December 31, 2024	\$ 325.20	\$ 112.81	\$ 160.69	\$ 114.92
December 31, 2025	\$ 187.36	\$ 125.68	\$ 150.78	\$ 113.59

Assumes \$100 invested on December 31, 2020 in our common stock and the respective Index.

* Total return assumes reinvestment of dividends.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions)
October 1, 2025 to October 31, 2025	—	\$ —	—	\$ —
November 1, 2025 to November 30, 2025	508,831	\$ 15.13	508,831	\$ 450,816
December 1, 2025 to December 31, 2025	2,463,842	\$ 16.77	2,463,842	\$ 409,418
Total	<u>2,972,673</u>		<u>2,972,673</u>	

(1) On August 4, 2025, our Board of Directors authorized a stock buyback program authorizing us to repurchase up to \$300 million of our shares of common stock effective through June 30, 2028. As of December 31, 2025, we have repurchased 4,939,452 of our common shares at an aggregate cost of \$91.0 million, or an average price of \$18.04. On November 4, 2025, our Board of Directors increased the authorization under our share buyback program to \$500 million shares of common stock and extended the expiration date to December 31, 2029.

Item 6. *[Reserved]*

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of our consolidated results of operations and financial condition. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of numerous factors including, but not limited to, those described above under "Item 1A. Risk Factors," and "Forward-Looking Statements - Safe Harbor" below. The discussion should be read in conjunction with the consolidated financial statements and notes thereto.

This section of this Form 10-K generally discusses 2025 and 2024 items and year-to-year comparisons between 2025 and 2024. Discussions of 2023 items and year-to-year comparisons between 2024 and 2023 that are not included in this Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and are incorporated herein by reference.

We specialize in the ownership, leasing and management of secure, reentry facilities and processing centers and the provision of community-based services in the United States, Australia and South Africa. We own, lease and operate a broad range of secure facilities including maximum, medium and minimum-security facilities, processing centers, and community-based reentry facilities. We offer counseling, education and/or treatment for alcohol and drug abuse problems at most of the domestic facilities we manage. We are also a provider of innovative compliance technologies, industry-leading monitoring services, and evidence-based supervision and treatment programs for community-based parolees, probationers and pretrial defendants. Additionally, we have a contract with ICE to provide supervision and reporting services designed to improve the participation of non-detained aliens in the immigration court system. We develop new facilities based on contract awards, using our project development expertise and experience to design, construct and finance what we believe are state-of-the-art facilities that maximize security and efficiency. We also provide secure transportation services for offender and detainee populations as contracted domestically and in the United Kingdom through our joint venture GEOAmeey.

As of December 31, 2025, our worldwide operations included the management and/or ownership of approximately 75,000 beds at 95 correctional, detention and reentry facilities, including idle facilities, and also included the provision of servicing individuals in a community-based environment on behalf of federal, state and local correctional agencies located throughout the country.

For the years ended December 31, 2025 and 2024, we had consolidated revenues of \$2.6 billion and \$2.4 billion, respectively and we maintained an average company-wide facility occupancy rate of 89.2% including 68,157 active beds and excluding 6,646 idle beds for the year ended December 31, 2025, and 87.2% including 67,604 active beds and excluding 11,675 idle beds for the year ended December 31, 2024.

Critical Accounting Policies and Estimates

The consolidated financial statements in this report are prepared in conformity with U.S. generally accepted accounting principles, or GAAP. As such, we are required to make certain estimates, judgments, and assumptions that we believe are reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. A summary of our significant accounting policies is described in Note 1 – Summary of Business Organization, Operations and Significant Accounting Policies of the notes to the audited consolidated financial statements contained in Part II, Item 8 of this Annual Report on Form 10-K. The significant accounting policies and estimates which we believe are the most critical to aid in fully understanding and evaluating our reported financial results include the following:

Idle Facilities/Asset Impairments

The following table summarizes our idled facilities as of December 31, 2025 and their respective carrying values, excluding equipment and other assets that can be easily transferred to other facilities.

Facility	Year Idled	Secure Services Design Capacity (beds)	Reentry Services Design Capacity (beds)	Secure Services	Reentry Services	Total
				Net Carrying Value	Net Carrying Value	Net Carrying Value
				December 31, 2025	December 31, 2025	December 31, 2025
Rivers Correctional Facility	2021	1,320	-	35,969	-	35,969
Big Spring Correctional Facility	2021	924	-	32,005	-	32,005
Flightline Correctional Facility	2021	1,452	-	39,761	-	39,761
McFarland Female Community Reentry Facility	2020	300	-	10,481	-	10,481
Cheyenne Mountain Recovery Center	2020	700	-	17,314	-	17,314
Lea County Correctional Facility	2025	1,200	—	45,412	—	45,412
Philadelphia Residential [1]	2024	-	400	-	6,032	6,032
Coleman Hall [1]	2017	-	350	-	5,531	5,531
Total		5,896	750	\$ 180,942	\$ 11,563	\$ 192,505

[1] We had entered into a purchase and sale agreement in the second quarter of 2024 for these facilities that was less than the net carrying values. As such, we recorded a total impairment loss for both facilities of approximately \$2.3 million during the second quarter of 2024 which is included in gain (loss) on asset divestitures/impairment in the accompanying consolidated statements of operations. The purchase and sale agreement was later terminated. There was no indication of impairment related to our idle facilities during the year ended December 31, 2025 or 2023.

We review long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Events that would trigger an impairment assessment include deterioration of profits for a business segment that has long-lived assets, or when other changes occur that might impair recovery of long-lived assets such as the termination of a management contract or a prolonged decrease in population. If impairment indicators are present, we perform a recoverability test to determine whether or not an impairment loss should be measured.

We test idle facilities for impairment upon notification that the facilities will no longer be utilized by the customer. If a long-lived asset is part of a group that includes other assets, the unit of accounting for the long-lived asset is its group. Generally, we group assets by facility for the purpose of considering whether any impairment exists. The estimates of recoverability are based on projected undiscounted cash flows associated with actual marketing efforts where available or, in other instances, projected undiscounted cash flows that are comparable to historical cash flows from management contracts achieved in the past at that facility or at similar facilities and probability weighted cash flows. Our probability weighted cash flows include adjustments to projected cash flows compared to the historical cash flows due to current business conditions which impact per diem rates as well as labor and other operating costs, changes related to facility mission due to changes in prospective clients, and changes in projected capacity and occupancy rates. We perform the impairment analysis on an annual basis for each of the idle facilities, or more frequently if needed, and take into consideration updates each quarter for market developments affecting the potential utilization of each of the facilities in order to identify events that may cause the Company to reconsider the most recent assumptions. Such events could include negotiations with a prospective customer for the utilization of an idle facility at terms significantly less favorable than the terms used in our most recent impairment analysis, or changes in legislation surrounding a particular facility that could impact our ability to house certain types of individuals at such facility. Further, a substantial increase in the number of available beds at other facilities we own, or in the marketplace, could lead to deterioration in market conditions and projected cash flows. Although they are not frequently received, an unsolicited offer to purchase any of our idle facilities, at amounts that are less than their carrying value could also cause us to reconsider the assumptions used in the most recent impairment analysis. We have identified marketing prospects to utilize each of the remaining currently idled facilities and have determined that no current impairment exists. However, we can provide no assurance that we will be able to secure management contracts to utilize our idle facilities, or that we will not incur impairment charges in the future. In all cases, the undiscounted cash flows in our analysis as of December 31, 2025, exceeded the carrying amounts of each facility, therefore no impairment charges were recorded.

Reserves for Insurance Losses

The nature of our business exposes us to various types of third-party legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile

liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or individuals within our care, including damages arising from the escape of an individual in our care or from a disturbance or riot at a facility. In addition, our management contracts generally require us to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation. We maintain a broad program of insurance coverage for these general types of claims, except for claims relating to employment matters, for which we carry no insurance. There can be no assurance that our insurance coverage will be adequate to cover all claims to which we may be exposed. It is our general practice to bring merged or acquired companies into our corporate master policies in order to take advantage of certain economies of scale.

On October 1, 2021, GEO formed a wholly owned captive insurance subsidiary, Florina Insurance Company, Inc. (“Florina”), to enhance our risk financing strategies. Florina is incorporated in the state of Vermont and is licensed and regulated by the state of Vermont, including with respect to its insurance programs, levels of liquidity and other requirements. GEO began procuring insurance policies to cover deductibles for workers’ compensation, general liability, automobile liability, medical professional liability and directors’ and officers’ liability as well as the option of procuring insurance policies for its excess liability and excess medical professional liability through Florina effective October 1, 2021. Florina holds cash and investments in order to meet solvency requirements and meet financial obligations as presented, including an investment portfolio of marketable fixed income and equity securities.

We currently maintain a general liability policy and excess liability policies with total limits of \$75.0 million per occurrence and \$95.0 million total general liability annual aggregate limits covering the operations of U.S. Secure Services, Reentry Services and Electronic Monitoring and Supervision Services through commercial and captive policies. We have a professional liability insurance program with a specific loss limit of \$45.0 million per occurrence and in the aggregate related to medical professional liability claims arising out of correctional healthcare services. We are uninsured for any claims in excess of these limits. We also maintain insurance to cover property and other casualty risks including, workers’ compensation, environmental liability, cybersecurity liability and automobile liability.

For most casualty insurance policies, we carry substantial deductibles or self-insured retentions of \$4.0 million per occurrence for general liability and \$5.0 million per occurrence for medical professional liability, \$2.0 million per occurrence for workers’ compensation, \$2.3 million per occurrence for directors’ and officers’ liability and \$1.0 million per occurrence for automobile liability. In addition, certain of our facilities located in Florida and other high-risk hurricane areas carry substantial windstorm deductibles. Since hurricanes are considered unpredictable future events, no reserves have been established to pre-fund for potential windstorm damage. Limited commercial availability of certain types of insurance relating to windstorm exposure in coastal areas and earthquake exposure mainly in California and the Pacific Northwest may prevent us from insuring some of our facilities to full replacement value.

Of the insurance policies discussed above, our most significant insurance reserves relate to workers’ compensation, general liability and auto claims. These reserves, which include Florina’s reserves and GEO’s legacy reserves and administrative costs for the plans, are undiscounted and were \$67.3 million and \$56.9 million as of December 31, 2025 and 2024, respectively, and are included in Accrued Expenses in the accompanying Consolidated Balance Sheets. We use statistical and actuarial methods to estimate amounts for claims that have been reported but not paid and claims incurred but not reported. In applying these methods and assessing their results, we consider such factors as historical frequency and severity of claims at each of our facilities, claim development, payment patterns and changes in the nature of our business, among other factors. Such factors are analyzed for each of our business segments. Our estimates may be impacted by such factors as increases in the market price for medical services and unpredictability of the size of jury awards. We also may experience variability between our estimates and the actual settlement due to limitations inherent in the estimation process, including our ability to estimate costs of processing and settling claims in a timely manner as well as our ability to accurately estimate our exposure at the onset of a claim. Because we have high deductible insurance policies, the amount of our insurance expense is dependent on our ability to control our claims experience. If actual losses related to insurance claims significantly differ from our estimates, our financial condition, results of operations and cash flows could be materially adversely impacted.

With respect to operations in South Africa and Australia, we utilize locally-procured insurance to meet contractual insurance requirements and protect us.

Recent Accounting Pronouncements

The following accounting standard was adopted in the current period:

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. ASU 2023-09 focuses on the tax rate reconciliation and income taxes paid disclosure in the Provision for Income Taxes. ASU No. 2023-09 requires a public business entity (PBE) to annually disclose a tabular rate reconciliation using both percentages and currency amounts. The tabular

information is to be broken out into specified categories. Information provided under the specified categories may need to be further broken out by nature and jurisdiction to the extent those items exceed a specified threshold, generally 5% of the federal tax amount. In addition, entities are required to disclose income taxes paid, net of refunds received disaggregated by federal, state/local, and foreign, with further disaggregation by jurisdiction, if the amount is at least 5% of total income tax paid, net of refunds received. For PBEs, the new standard is effective for annual periods beginning after December 15, 2024, with early adoption permitted. Entities may apply the amendments in this ASU prospectively by providing the revised disclosures for the period ended December 31, 2025, and continuing to provide the pre-ASU disclosures for the prior periods. Alternatively, entities may apply ASU 2023-09 retrospectively by providing the revised disclosures for all periods presented. We adopted this ASU prospectively for the period ended December 31, 2025, which impacted our disclosures with no impact to our financial condition and results of operations. Refer to Note 15 - Income Taxes of the notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further discussion.

The following accounting standards will be adopted in future periods:

In September 2025, the FASB issued ASU 2025-06, “Intangibles - Goodwill and Other - Internal-Use Software (Topic 350-40): Targeted Improvements to the Accounting for Internal-Use Software”. This amendment modernizes and makes targeted improvements to the accounting for software costs found under Topic 350-40, effective for fiscal years and interim periods beginning after December 15, 2027, with early adoption permitted. We are evaluating the impact of adopting this standard on our consolidated financial statements and disclosures.

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under ASC 606. The ASU is effective for the Registrants for annual and interim periods beginning after December 15, 2025. The guidance should be applied on a prospective basis. Early adoption is permitted. We are currently assessing the impact of this standard on our Consolidated Financial Statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This ASU requires an entity to disclose the amounts of purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption. It also requires an entity to include certain amounts that are already required to be disclosed under current GAAP in the same disclosure. Additionally, it requires an entity to disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, and to disclose the total amount of selling expenses and, in annual reporting periods, an entity’s definition of selling expenses. The amendments in the ASU are effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. An entity may apply the amendments prospectively for reporting periods after the effective date or retrospectively to any or all prior periods presented in the financial statements. We expect this ASU will impact only our disclosures and not our financial condition and results of operations.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants and the SEC did not, or are not expected to, have a material effect on our results of operations or financial position.

Results of Operations

The following discussion should be read in conjunction with our consolidated financial statements and the notes to the consolidated financial statements accompanying this report. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in the forward-looking statements as a result of certain factors, including, but not limited to, those described under “Item 1A. Risk Factors” and those included in other portions of this report.

2025 versus 2024

Revenues

	2025	% of Revenue	2024	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
U.S. Secure Services	1,827,00		1,604,38			
	\$ 0	69.4%	\$ 6	66.2%	\$ 222,614	13.9%
Electronic Monitoring and Supervision Services	320,919	12.2%	332,826	13.7%	(11,907)	(3.6)%
Reentry Services	286,521	10.9%	277,566	11.5%	8,955	3.2%
International Services	197,109	7.5%	208,924	8.6%	(11,815)	(5.7)%
Total	2,631,54		2,423,70			
	\$ 9	100.0%	\$ 2	100.0%	\$ 207,847	8.6%

U.S. Secure Services

Revenues for U.S. Secure Services increased by \$222.6 million in 2025 compared to 2024 due to aggregate net increases of \$152.4 million related to the activations of our new contracts at our company-owned Delaney Hall, North Lake and D. Ray James facilities as well as our managed-only contract at the North Florida Detention Center and new transportation contracts. We also experienced an aggregate net increase of \$121.3 million due to increases in occupancies, transportation services, rates and/or per diem amounts in connection with contract modifications. Partially offsetting these increases were decreases of approximately \$51.1 million related to contract terminations.

The number of compensated mandays in U.S. Secure Services facilities was approximately 17.2 million in 2025 and 16.6 million in 2024. We experienced an aggregate net increase of approximately 600,000 mandays as a result of contract activations and increases in occupancies discussed above. We look at the average occupancy in our facilities to determine how we are managing our available beds. The average occupancy is calculated by taking compensated mandays as a percentage of capacity. The average occupancy in our U.S. Secure Services facilities was 88.7% and 86.6% of capacity in 2025 and 2024, respectively, excluding idle facilities.

Electronic Monitoring and Supervision Services

Revenues for Electronic Monitoring and Supervision Services decreased by \$11.9 million in 2025 compared to 2024 primarily due to decreases in average participant counts under the Intensive Supervision and Appearance Program ("ISAP").

Reentry Services

Revenues for Reentry Services increased by \$9.0 million in 2025 compared to 2024 primarily due to increases of \$6.9 million due to new day reporting center contracts. We also experienced a net aggregate increase of \$5.4 million primarily related to increased census levels at certain of our community-based and reentry centers due to increased programming needs and referrals. Partially offsetting these increases were decreases of \$3.3 million due to contract terminations.

International Services

Revenues for International Services decreased by \$11.8 million in 2025 compared to 2024. We experienced a net decrease of \$14.6 million primarily due to the transition of our managed-only contract for the Junee Correctional Centre in Australia to the government effective March 31, 2025. Partially offsetting this decrease was an increase due to foreign exchange rate fluctuations of \$2.8 million.

Operating Expenses

	2025	% of Segment Revenues	2024	% of Segment Revenues	\$ Change	% Change
(Dollars in thousands)						
U.S. Secure Services	1,407,62		1,215,78			
	\$ 2	77.0%	\$ 4	75.8%	\$ 191,838	15.8%
Electronic Monitoring and Supervision Services	170,522	53.1%	160,948	48.4%	9,574	5.9%
Reentry Services	212,123	74.0%	205,650	74.1%	6,473	3.1%
International Services	178,214	90.4%	192,097	91.9%	(13,883)	(7.2)%
Total	1,968,48		1,774,47			
	\$ 1		\$ 9		\$ 194,002	10.9%

Operating expenses consist of those expenses incurred in the operation and management of our U.S. Secure Services, Electronic Monitoring and Supervision Services, Reentry Services and International Services segments.

U.S. Secure Services

Operating expenses for U.S. Secure Services increased by \$191.8 million in 2025 compared to 2024 primarily due to aggregate net increases of \$138.3 million in connection with labor and medical costs, transportation services, increased occupancies and additional staffing and training costs we continue to incur in preparation of expected future growth. We also experienced an increase of approximately \$93.4 million related to the activations of our new contracts at our company-owned Delaney Hall, North Lake and D. Ray James facilities as well as our managed-only contract at the North Florida Detention Center and new transportation contracts. Partially offsetting these increases were decreases of approximately \$39.9 million related to contract terminations.

Electronic Monitoring and Supervision Services

Operating expenses for Electronic Monitoring and Supervision Services increased by \$9.6 million in 2025 compared to 2024 primarily due to an increase in fixed costs related to our conversion to a cloud based data platform and employee severance costs as part of our efficiency initiative.

Reentry Services

Operating expenses for Reentry Services increased by \$6.5 million during 2025 compared to 2024 primarily due an increase of \$5.7 million due to new day reporting center contracts. We also experienced an aggregate net increase of 9.1 million related to increased census levels at certain of our community-based and reentry centers due to increased programming needs and referrals and the associated variable costs. Partially offsetting these increases were decreases of \$8.3 million due to contract terminations.

International Services

Operating expenses for International Services decreased in 2025 compared to 2024 by \$13.9 million. We experienced a net decrease of \$10.8 million primarily due to the transition of our managed-only contract for the Junee Correctional Centre in Australia to the government effective March 31, 2025. We also experienced a decrease of \$3.1 million related to foreign exchange rate fluctuations.

Depreciation and Amortization

	2025	% of Segment Revenue	2024	% of Segment Revenue	\$ Change	% Change
	(Dollars in thousands)					
U.S. Secure Services	\$ 90,823	5.0%	\$ 85,685	5.3%	\$ 5,138	6.0%
Electronic Monitoring and Supervision Services	25,411	7.9%	24,523	7.4%	888	3.6%
Reentry Services	13,405	4.7%	13,619	4.9%	(214)	(1.6)%
International Services	2,400	1.2%	2,393	1.1%	7	0.3%
Total	<u>\$ 132,039</u>	5.0%	<u>\$ 126,220</u>	5.2%	<u>\$ 5,819</u>	4.6%

U.S. Secure Services

U.S. Secure Services depreciation and amortization expense increased in 2025 compared to 2024 primarily due to renovations at certain of our company-owned and leased facilities as well as the impact of our purchase of the Western Region Detention Center offset by the sale of our company-owned Lawton Correctional Facility in July 2025.

Electronic Monitoring and Supervision Services

Depreciation and amortization expense increased in 2025 compared to 2024 primarily due to renovations at certain of our leased centers.

Reentry Services

Reentry Services depreciation and amortization expense decreased in 2025 compared to 2024 primarily due to certain assets becoming fully depreciated and/or amortized as well as certain asset dispositions at our company-owned centers.

International Services

Depreciation and amortization expense was relatively consistent in 2025 compared to 2024.

Other Unallocated Operating Expenses

	2025	% of Revenue	2024	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
General and Administrative Expenses	\$ 235,939	9.0%	\$ 213,028	8.8%	\$ 22,911	10.8%

General and administrative expenses comprise substantially all of our other unallocated operating expenses which primarily includes, corporate management salaries and benefits, professional fees and other administrative expenses. General and administrative expenses increased by \$22.9 million in 2025 compared to 2024 primarily due to the reorganization of our senior management team at the end of 2024, other employee restructuring expenses in 2025, higher employee related benefit costs and support for the revenue growth from our new contract awards.

Contingent Litigation Reserve

	2025	% of Revenue	2024	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
Contingent Liability Reserve	\$ 37,600	1.4%	\$ —	(—)%	\$ 37,600	100.0%

During 2025, we incurred a non-cash contingent litigation reserve of \$37.6 million in connection with a legal case in the State of Washington, *Nwauzor v. GEO Group*. Refer to Note 16 - Commitments, Contingencies and Other Matters of the notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further discussion.

Non-Operating Income and Expense

Interest Income and Interest Expense

	2025	% of Revenue	2024	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
Interest Income	\$ 9,076	0.3%	\$ 8,787	0.4%	\$ 289	3.3%
Interest Expense	\$ 160,521	6.1%	\$ 190,624	7.9%	\$ (30,103)	(15.8)%

Interest income increased in 2025 compared to 2024 primarily due to the effect of foreign exchange rate fluctuations.

Interest expense decreased by \$30.1 million in 2025 compared to 2024 primarily due to our Senior Notes Offering and new Term Loan under our new credit agreement that closed on April 18, 2024 which resulted in overall lower interest expense due to lower interest rates. We also retired the majority of our 6.50% Exchangeable Senior Notes due 2026 during 2024 and had lower overall principal balances in 2025 compared to 2024. Additionally, on July 14, 2025, we amended our Credit Agreement which increased our borrowing capacity and lowered the applicable interest rate. Lastly, we paid off our Term Loan under the credit agreement in July 2025. Refer to Note 11 - Debt of the notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further discussion.

Loss on Extinguishment of Debt

	2025	% of Revenue	2024	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
Loss on Extinguishment of Debt	\$ 8,446	0.3%	\$ 86,637	3.6%	\$ (78,191)	(90.3)%

During 2025, we paid off our Term Loan under our Credit Agreement. In connection with the repayment, we wrote off the related deferred financing costs and paid call premiums. During 2024, we completed a Senior Note Offering which resulted in a loss on extinguishment of debt of approximately \$86.6 million which consisted of the write-off of existing deferred financing costs and net discounts/premiums and the payment of call premiums. Refer to Note 11- Debt of the notes to the consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Other Income

	2025	% of Revenue	2024	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
Other Income	\$ 5,514	0.2%	\$ —	0.0%	\$ 5,514	100.0%

In 2025, we received an aggregate of \$5.5 million under the Employee Retention Tax Credit provisions of the CARES Act. This amount was recognized as other income in the consolidated financial statements.

Net Gain (Loss) on Asset Divestitures/Impairment

	2025	% of Revenue	2024	% of Revenue	\$ Change	% Change
	(Dollars in thousands)					
Net Gain (Loss) on Asset Divestitures/Impairment	\$ 232,381	8.8%	\$ (2,907)	(0.1)%	\$ 235,288	(8,093.8)%

During 2025, we experienced a gain on asset divestitures of approximately \$232.4 million related to the sale of our company-owned 2,388-bed Lawton Correctional Facility located in Lawton Oklahoma to the State of Oklahoma. Also included in the gain is the sale of our company-owned and previously idled 139-bed Hector Garza Center in San Antonio, Texas. During 2024, we experienced an impairment loss of approximately \$2.3 million related to two of our Company-owned facilities. We also donated a parcel of undeveloped land in Kern County, California which resulted in a loss on asset divestiture of approximately \$0.6 million.

Provision for Income Taxes

	<u>2025</u>	<u>Effective Rate</u>	<u>2024</u>	<u>Effective Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Provision for Income Taxes	\$ 85,720	25.6%	\$ 9,401	24.4%	\$ 76,319	811.8%

The provision for income taxes in 2025 increased compared to 2024 along with the effective tax rate. In 2025 and 2024, there was a \$53.4 million net discrete tax expense and \$4.8 million net discrete tax benefit, respectively. Included in the provision for income taxes in 2025 and 2024 was a \$3.2 million discrete tax benefit and a \$1.1 million discrete tax benefit related to stock compensation that vested during the respective periods. Also included in the provision for income taxes in 2025 was a \$56.6 million discrete tax expense related to the sale of our Lawton Facility and in the provision for income taxes in 2024 was a \$3.5 million discrete tax benefit from the interest deduction related to GEO shares issued to the holders of our 6.50% Exchangeable Senior Notes due 2026 that participated in private exchange transactions. We estimate our 2026 annual effective tax rate to be in the range of 28% to 30%, exclusive of any discrete items.

Equity in Earnings of Affiliates

	<u>2025</u>	<u>% of Revenue</u>	<u>2024</u>	<u>% of Revenue</u>	<u>\$ Change</u>	<u>% Change</u>
Equity in Earnings of Affiliates	\$ 4,532	0.2%	\$ 2,703	0.1%	\$ 1,829	67.7%

Equity in earnings of affiliates, presented net of income taxes, represents the earnings of SACS and GEOAmeY in the aggregate. Equity in earnings of affiliates in 2025 compared to 2024 increased primarily due to favorable performance at SACS and GEOAmeY.

Financial Condition

Capital Requirements

Our current cash requirements consist of amounts needed for working capital, debt service, supply purchases, investments in joint ventures, and capital expenditures related to either the development of new secure, processing and reentry facilities, or the maintenance of existing facilities. In addition, some of our management contracts require us to make substantial initial expenditures of cash in connection with opening or renovating a facility. Generally, these initial expenditures are subsequently fully or partially recoverable as pass-through costs or are billable as a component of the per diem rates or monthly fixed fees to the contracting agency over the original term of the contract. Additional capital needs may also arise in the future with respect to possible acquisitions, other corporate transactions or other corporate purposes.

As of December 31, 2025, we were developing a number of contractually committed projects that we estimate will cost approximately \$90.5 million, of which \$58.5 million was spent through December 31, 2025. We estimate our remaining contractually committed capital requirements to be approximately \$32.0 million. These projects are expected to be completed through 2026.

We plan to fund all of our capital needs, including capital expenditures, from cash on hand, cash from operations, borrowings under our Credit Agreement and any other financings which our management and Board, in their discretion, may consummate. Currently, our primary source of liquidity to meet these requirements is cash flow from operations and borrowings under our Credit Agreement. We completed our annual budgeting process, and for 2026, we will continue to strategically manage our capital expenditures to maintain both short and long term financial objectives. Additionally, we may from time to time pursue transactions for the potential sale of additional assets and businesses and/or other strategic transactions including potential acquisitions. Our management believes that cash on hand, cash flows from operations and availability under our Credit Agreement will be adequate to support our capital requirements for 2026 as disclosed under "Capital Requirements" above.

Liquidity and Capital Resources

Senior Notes Offering and Credit Agreement

On April 18, 2024, we announced the closing of our previously announced private offering of \$1.275 billion aggregate principal amount of senior notes, comprised of \$650.0 million aggregate principal amount of 8.625% senior secured notes due 2029 and \$625.0 million aggregate principal amount of 10.250% senior notes due 2031.

We also entered into a credit agreement, dated April 18, 2024 (the "Credit Agreement") to, among other things, evidence and govern a first-lien senior secured revolving credit facility and the commitments thereunder, and a first-lien senior secured term loan facility. The aggregate principal amount of revolving credit commitments under the senior revolving credit facility was originally \$310 million (including a \$175 million letter of credit subfacility) and the aggregate principal amount of the senior secured term loan facility was originally \$450.0 million.

We used the net proceeds of the senior notes offering, borrowings under the new term loan, and cash on hand to refinance approximately \$1.5 billion of existing indebtedness at that time, including to fund the repurchase, redemption or other discharge of our existing Tranche 1 Term Loan and Tranche 2 Term Loan under our prior senior credit facility, the 9.50% senior second lien secured notes due 2028, the 10.50% senior second lien secured notes due 2028, and the 6.00% senior notes due 2026, to pay related premiums, transaction fees and expenses, and for general corporate purposes of the Company.

With these transactions, as well as the private exchange transactions involving our 6.50% Exchangeable Notes due 2026 discussed below, we have been able to push out substantially all of our debt maturities to 2029 and 2031.

On July 14, 2025, we entered into a First Amendment to Credit Agreement (the "Amendment") which amended our Credit Agreement dated as of April 18, 2024. The Amendment increased our Revolving Credit Facility (the "Revolver") commitments from \$310 million to \$450 million and extends the Revolver's maturity from April 15, 2029 to July 14, 2030. The Amendment also lowered the applicable interest rates based on the total leverage ratio for loans using the Alternate Base Rate and loans using the Secured Overnight Financing Rate ("SOFR") by 0.50%. Prior to the closing of the Amendment, we repaid \$132 million of the Term Loan B outstanding under the Credit Agreement. Subsequently, as a result of an asset sale of one of our owned facilities, we repaid the remaining balance of the Term Loans under the Credit Agreement.

On November 13, 2025, the Company entered into a Second Amendment to Credit Agreement (the "Amendment"), by and among each of GEO and GEO Corrections Holdings, Inc., as the Borrowers, the guarantors named therein, Citizens Bank, N.A., as administrative agent, and the lenders party thereto. The Amendment effectively removes the 3.00 to 1.00 total leverage ratio hurdle from one-half of the \$150.0 million general carve-out to the Credit Agreement's restricted payments negative covenant.

On January 20, 2026, we entered into a Third Amendment to Credit Agreement (the "Amendment"). The Amendment increased the revolving credit facility commitments from \$450 million to \$550 million. The Amendment decreased the Incremental Amount (as defined in the Amendment) from \$250 million to \$150 million that we may request in the future in additional term loans, incremental equivalent debt or an increase to the revolving credit facility commitments, subject to the satisfaction of the applicable conditions in the Amendment and the credit agreement.

6.50% Exchangeable Senior Notes due 2026

On February 24, 2021, our wholly owned subsidiary, GEO Corrections Holdings, Inc. ("GEOCH"), completed a private offering of \$230 million aggregate principal amount of Convertible Notes. The Convertible Notes were scheduled to mature on February 23, 2026, unless earlier repurchased or exchanged. The Convertible Notes bore interest at the rate of 6.50% per year plus an additional amount based on the dividends paid by the Company on its common stock, \$0.01 par value per share. Interest on the Convertible Notes was payable semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2021.

Subject to certain restrictions on share ownership and transfer, holders were able to exchange the Convertible Notes at their option prior to the close of business on the business day immediately preceding November 25, 2025, but only under the following circumstances: (1) during the five consecutive business day period after any five consecutive trading day period, or the measurement period, in which the trading price per \$1,000 principal amount of Convertible Notes for each trading day of such measurement period was less than 98% of the product of the last reported sale price of the Company's common stock and the exchange rate for the Convertible Notes on each such trading day; or (2) upon the occurrence of certain specified corporate events. On or after November 25, 2025, until the close of business on the second scheduled trading day immediately preceding the maturity date of the Convertible Notes, holders were able to exchange their Convertible Notes at any time, regardless of the foregoing circumstances. Upon exchange of a Convertible Note, we would pay or deliver, as the case may be, cash or a combination of cash and shares of the Company's common stock.

Upon conversion, we would pay or deliver, as the case may be, cash or a combination of cash and shares of common stock. The initial conversion rate was 108.4011 shares of common stock per \$1,000 principal amount of Convertible Notes (equivalent to an initial conversion price of approximately \$9.225 per share of common stock). The conversion rate was subject to adjustment in certain events. If we had undergone a fundamental change, holders could have required GEOCH to purchase the Convertible Notes in whole or in part for cash at a fundamental change purchase price equal to 100% of the principal amount of the Convertible Notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date.

During 2024, we retired \$229.9 million in aggregate principal amount of our outstanding 6.50% Exchangeable Senior Notes as a result of private exchange transactions with an exchange value of approximately \$415 million. The consideration consisted of cash of \$229.9 million, using a combination of the net proceeds from the Senior Notes Offering and cash on hand, and approximately 12.4 million shares of GEO common stock. Of the total amount of shares issued, we issued 4,209,847 shares that were in treasury. During the first quarter of 2025, we entered into the last repurchase transaction that resulted in the retirement of the remaining principal balance.

We consider opportunities for future business and/or asset acquisitions or dispositions as we deem appropriate when market conditions present opportunities. If we are successful in our pursuit of any new projects or acquisitions, our cash on hand, cash flows from operations and borrowings under the new Credit Agreement may not provide sufficient liquidity to meet our capital needs and we could be forced to seek additional financing or refinance our existing indebtedness. There can be no assurance that any such financing or refinancing would be available to us on terms equal to or more favorable than our current financing terms, or at all. In the future, our access to capital and ability to compete for future capital-intensive projects will also be dependent upon, among other things, our ability to meet certain financial covenants in the indenture governing the Secured Notes, the indenture governing the Unsecured Notes and our Credit Agreement. A substantial decline in our financial performance could limit our access to capital pursuant to these covenants and have a material adverse effect on our liquidity and capital resources and, as a result, on our financial condition and results of operations. In addition to these foregoing potential constraints on our capital, a number of state government agencies have been suffering from budget deficits and liquidity issues. Also, the federal government has been experiencing delays in paying GEO under its contracts as a result of the prior government shutdown and we could experience further delays if there were to be another government shutdown. While we were in compliance with our debt covenants as of December 31, 2025, and we expect to continue to be in compliance with our debt covenants, if these constraints were to intensify, our liquidity could be materially adversely impacted as could our ability to remain in compliance with these debt covenants.

GEO's Secured Notes and Unsecured Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis (except on a senior secured basis in the case of the Secured Notes) by certain of our wholly owned domestic subsidiaries (the "Subsidiary Guarantors").

Share Repurchase Program

On August 4, 2025, our Board of Directors ("Board") authorized and approved a Share Repurchase Program covering the repurchase of up to \$300 million of shares of our common stock through an expiration date of June 30, 2028. Repurchases of our common stock will be made in accordance with applicable securities laws and may be made at senior management's discretion from time to time in the open market, by block purchase, through privately negotiated transactions, pursuant to a trading plan, or otherwise in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The authorization for the share repurchase program may be extended, increased, decreased, suspended or terminated by our Board of Directors in its discretion at any time. Repurchases of our common stock (and the timing thereof) will depend upon market conditions, regulatory requirements, our existing obligations, including our Credit Agreement, other corporate liquidity requirements and priorities and other factors as may be considered in our sole discretion. The authorization for the share repurchase program does not obligate us to purchase any particular amount of our common stock. During the year ended December 31, 2025, we repurchased 4,939,452 shares of our common stock under the program.

On November 4, 2025, our Board authorized and approved an increase to the size of the Share Repurchase Program from \$300 million to \$500 million and also extended the expiration date from June 30, 2028 to December 31, 2029.

Automatic Shelf Registration on Form S-3

On October 30, 2023, we filed an automatic shelf registration statement on Form S-3 with the Securities and Exchange Commission (the "SEC") that enables us to offer for sale, from time to time and as the capital markets permit, an unspecified amount of common stock, preferred stock, debt securities, guarantees of debt securities, warrants and units. The shelf registration statement became automatically effective upon filing and is valid for three years.

Prospectus Supplement

On December 28, 2023, in connection with the shelf registration, we filed with the SEC a prospectus supplement related to the offer and sale from time to time of our common stock at an aggregate offering price of up to \$300 million through sales agents. Sales of shares of our common stock under the prospectus supplement and equity distribution agreements entered into with the sales agents, if any, will be made in negotiated transactions or transactions that are deemed to be “at the market” offerings as defined in Rule 415 under the Securities Act of 1933. There were no shares of common stock sold under this prospectus supplement during the year ended December 31, 2025.

Other

We have entered into two identical Notes (as defined below) in the aggregate amount of \$44.3 million which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. The terms of the Notes are through September 1, 2034 and bear interest at SOFR plus 205 basis points and are payable in monthly installments plus interest. We have entered into interest rate swap agreements to fix the interest rate to 4.22%. Included in the balance at December 31, 2025 is \$0.4 million of deferred loan costs incurred in the transaction. Refer to Note 6 – Derivative Financial Instruments in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Guarantees

The Company has entered into certain guarantees in connection with the design, financing and construction of certain facilities as well as loan, working capital and other obligation guarantees for our subsidiaries in Australia, South Africa and our joint ventures. Refer to Note 11 - Debt in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Executive Retirement Agreement

We have a non-qualified deferred compensation agreement with our Executive Chairmen. The agreement provides for a lump sum payment upon retirement, no sooner than age 55. As of December 31, 2025, our Executive Chairman had reached age 55 and was eligible to receive the payment upon retirement.

GEO and our Executive Chairman entered into on May 27, 2021, and effective July 1, 2021, an Amended and Restated Executive Retirement Agreement which replaced the prior February 26, 2020 agreement discussed below. Pursuant to the terms of the Amended and Restated Executive Retirement Agreement, upon the date that the Executive Chairman ceases to provide services to GEO, we will pay to the Executive Chairman an amount equal to \$3,600,000 (the “2021 Grandfathered Payment”) which shall be paid in cash. The Grandfathered Payment shall be credited with interest at a rate of 5% compounded quarterly (the “Grandfathered Earnings Account”). Additionally, at the end of each calendar year provided that our Executive Chairman is still providing services to GEO pursuant to the Executive Chairman Employment Agreement, we will credit an amount equal to \$1,000,000 at the end of each calendar year (the “Employment Contributions Account”). The Employment Contributions Account will be credited with interest at the rate of 5% compounded quarterly. Upon the date that the Executive Chairman ceases to provide services to GEO, we will pay the Executive Chairman in one lump sum cash payment each of the 2021 Grandfathered Payment, the Grandfathered Earnings Account and the Employment Contributions Account subject to the six-month delay provided in the Amended and Restated Executive Retirement Agreement. As the Executive Chairman’s retirement payment will no longer be settled with a fixed number of shares of GEO’s common stock (as was provided for under the prior retirement agreement), \$3,600,000 has been reclassified from equity to other non-current liabilities in 2021. The balance of the Amended and Restated Executive Retirement Agreement was approximately \$16.3 million at December 31, 2025 which is fully funded. Refer to Note 13 - Benefit Plans in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further information. The following table presents the balance due to the Executive Chairman at the end of each of the next four years under the Amended and Restated Executive Retirement Agreement provided that the Executive Chairman is still providing services to GEO under his Employment Agreement, as amended which is effective through April 1, 2029:

Period End	Retirement Obligation (In thousands)
12/31/2026	\$ 20,856
12/31/2027	\$ 26,351
12/31/2028	\$ 33,029
12/31/2029	\$ 36,415

We have established several trusts for the purpose of paying the retirement benefit pursuant to the Amended and Restated Executive Retirement Agreement. The trusts were revocable “rabbi trusts” and the assets of the trusts are subject to the claims of our creditors in the event of our insolvency.

Guarantor Financial Information

GEO’s Secured Notes and Unsecured Notes are fully and unconditionally guaranteed on a joint and several senior unsecured basis (except on a senior secured basis in the case of the Secured Notes) by certain of our wholly owned domestic subsidiaries (the “Subsidiary Guarantors”).

Summarized financial information is provided for The GEO Group, Inc. (“Parent”) and the Subsidiary Guarantors on a combined basis in accordance with SEC Regulation S-X Rules 3-10 and 13-01. The accounting policies used in the preparation of this summarized financial information are consistent with those elsewhere in the consolidated financial statements of the Company, except that intercompany transactions and balances of the Parent and Subsidiary Guarantor entities with non-guarantor entities have not been eliminated. Intercompany transactions between the Parent and Subsidiary Guarantors have been eliminated and equity in earnings from and investments in non-guarantor subsidiaries have not been presented.

Summarized statement of operations (in thousands):

	Year Ended December 31, 2025	Year Ended December 31, 2024
Net operating revenues	\$ 2,421,724	\$ 2,202,285
Income from operations	225,298	274,752
Net income	221,230	1,673
Net income attributable to The GEO Group, Inc. operations	221,230	1,673

Summarized balance sheets (in thousands):

	December 31, 2025	December 31, 2024
Current assets	\$ 645,982	\$ 438,433
Noncurrent assets (a)	2,971,002	2,999,305
Current liabilities	257,936	255,851
Noncurrent liabilities (b)	2,021,019	2,002,284

(a) Includes amounts due from non-guarantor subsidiaries of \$52.8 million and \$55.9 million as of December 31, 2025 and 2024, respectively.

(b) Includes amounts due to non-guarantor subsidiaries of \$42.1 million and \$46.8 million as of December 31, 2025 and 2024, respectively.

Off-Balance Sheet Arrangements

Except as discussed above, and in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K, we do not have any off-balance sheet arrangements.

We are also exposed to various commitments and contingencies which may have a material adverse effect on our liquidity. See Note 16 – Commitments, Contingencies and Other Matters in the notes to our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K.

Derivatives

We have entered into two interest rate swap agreements in the aggregate notional amount of \$44.3 million to fix the interest rate on certain of our variable rate debt to 4.22%. We have designated these interest rate swaps as hedges against changes in the cash flows of two identical promissory notes (the “Notes”) which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. We have determined that the swaps have payment, expiration dates, and provisions that coincide with the terms of the Notes and are therefore considered to be effective cash flow hedges. Accordingly, we record the change in fair value of the interest rate swaps as accumulated other comprehensive income (loss), net of applicable taxes. There was no material ineffectiveness for the period presented. We do not expect to enter into any transactions during the next twelve months which would result in reclassification into earnings or losses

associated with these swaps currently reported in accumulated other comprehensive income (loss). Refer to Note 11 - Debt and Note 6 - Derivative Financial Instruments in the notes to our audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further information.

Cash Flow

Cash, cash equivalents, restricted cash and cash equivalents as of December 31, 2025 was \$123.6 million, compared to \$125.9 million as of December 31, 2024 and was impacted by the following:

Net cash provided by operating activities in 2025 and 2024 was \$72.6 million and \$242.2 million, respectively. Net cash provided by operating activities in 2025 was positively impacted by non-cash expenses such as depreciation and amortization, deferred tax provision, amortization of debt issuance costs, discount and/or premium and other non-cash interest, stock-based compensation expense, loss on extinguishment of debt and dividends received from our unconsolidated joint venture. Equity in earnings of affiliates and net gain on asset divestitures negatively impacted cash along with realized/unrealized gain on investments. Changes in accounts receivable, prepaid expenses and other assets increased in total by a net of \$233.0 million, representing a negative impact on cash. The increase was primarily driven by the timing of billings and collections along with delays in payment due to the government shut down during the fourth quarter of 2025. Changes in accounts payable, accrued expenses and other liabilities increased by \$97.3 million which positively impacted cash. The increase was primarily due to the timing of payments.

Net cash provided by operating activities in 2024 was positively impacted by non-cash expenses such as depreciation and amortization, deferred tax provision, amortization of debt issuance costs, discount and/or premium and other non-cash interest, stock-based compensation expense, net loss on asset divestiture/impairment, loss on extinguishment of debt and dividends received from our unconsolidated joint venture. Equity in earnings of affiliates negatively impacted cash along with realized/unrealized gain on investments. Changes in accounts receivable, prepaid expenses and other assets increased in total by a net of \$7.6 million, representing a negative impact on cash. The increase was primarily driven by the timing of billings and collections. Changes in accounts payable, accrued expenses and other liabilities decreased by \$21.9 million which negatively impacted cash. The decrease was primarily due to the timing of payments.

Net cash provided by investing activities of \$105.7 million in 2025 was primarily the result of proceeds from sale of real estate and other assets of \$321.1 million and proceeds from sale of marketable securities of \$4.6 million offset by capital expenditures of \$197.5 million and purchases of marketable securities of \$22.5 million. Net cash used in investing activities of \$101.7 million in 2024 was primarily the result of capital expenditures of \$78.7 million and purchases of marketable securities of \$33.1 million offset by proceeds from sale of marketable securities of \$10.1 million.

Net cash used in financing activities in 2025 was \$185.7 million compared to net cash used in financing activities of \$168.9 million in 2024. Net cash used in financing activities during 2025 was primarily the result of proceeds from borrowings on revolver of \$541.0 million, payments on long-term debt of \$322.2 million, payments on revolver of \$292.4 million, payments for call premiums of \$1.3 million, proceeds from stock option exercises of \$4.6 million, payments for repurchases of common stock of \$91.0 million and taxes paid related to net share settlement of equity awards of \$24.4 million. Net cash used in financing activities in 2024 was primarily the result of proceeds from long-term debt of \$1,720.5 million, proceeds from borrowings on revolver of \$110.0 million, payments on long-term debt of \$1,926.8 million, payments for call premiums of \$35.6 million, debt issuance costs of \$35.7 million, proceeds from stock option exercises of \$8.2 million and taxes paid related to net share settlement of equity awards of \$9.7 million.

Inflation

We believe that inflation, in general, did have a negative impact but did not have a material effect on our results of operations during 2025 and 2024. While some of our contracts include provisions for inflationary indexing, inflation could have a substantial adverse effect on our results of operations in the future to the extent that wages and salaries, which represent our largest recurring/fixed expense, increase at a faster rate than the per diem or fixed rates received by us for our management services.

Non-GAAP Measures

EBITDA is defined as net income adjusted by adding provisions for income tax, interest expense, net of interest income and depreciation and amortization. Adjusted EBITDA is defined as EBITDA adjusted for net loss (gain) on asset divestitures, pre-tax, net loss attributable to non-controlling interests, stock-based compensation expenses, pre-tax, non-cash contingent liability and litigation and settlement costs, pre-tax, employee restructuring expenses, pre-tax, ATM equity program expenses, pre-tax, close-out expenses, pre-tax, start-up expenses, pre-tax, transaction related expenses, pre-tax, other non-cash revenue and expenses, pre-tax, and certain other adjustments as defined from time to time.

Given the nature of our business as a real estate owner and operator, we believe that EBITDA and Adjusted EBITDA are helpful to investors as measures of our operational performance because they provide an indication of our ability to incur and service debt, to satisfy general operating expenses, to make capital expenditures, and to fund other cash needs or reinvest cash into our business.

We believe that by removing the impact of our asset base (primarily depreciation and amortization) and excluding certain non-cash charges, amounts spent on interest and taxes, and certain other charges that are highly variable from year to year, EBITDA and Adjusted EBITDA provide our investors with performance measures that reflect the impact to operations from trends in occupancy rates, per diem rates and operating costs, providing a perspective not immediately apparent from net income.

The adjustments we make to derive the non-GAAP measures of EBITDA and Adjusted EBITDA exclude items which may cause short-term fluctuations in income from continuing operations and which we do not consider to be the fundamental attributes or primary drivers of our business plan and they do not affect our overall long-term operating performance.

EBITDA and Adjusted EBITDA provide disclosure on the same basis as that used by our management and provide consistency in our financial reporting, facilitate internal and external comparisons of our historical operating performance and our business units and provide continuity to investors for comparability purposes.

Our reconciliation of net income to EBITDA and Adjusted EBITDA for the years ended December 31, 2025 and 2024 is as follows (in thousands):

	December 31, 2025	December 31, 2024
Net income	\$ 254,306	\$ 31,896
Add:		
Income tax provision *	86,587	10,203
Interest expense, net of interest income **	159,891	268,474
Depreciation and amortization	132,039	126,220
EBITDA	632,823	436,793
Add (Subtract):		
(Gain) loss on asset divestitures, pre-tax	(232,381)	2,907
Net loss attributable to noncontrolling interests	66	70
Stock based compensation, pre-tax	23,593	18,107
Non-cash contingent liability and litigation and settlement costs, pre-tax	38,224	—
Employee restructuring expenses, pre-tax	2,003	2,060
Start-up expenses, pre-tax	1,423	507
ATM equity program expenses, pre-tax	—	264
Close-out expenses, pre-tax	2,816	2,345
Transaction related expenses, pre-tax	76	3,632
Other non-cash revenue & expenses, pre-tax	(4,225)	(3,196)
Adjusted EBITDA	\$ 464,418	\$ 463,489

* Includes income tax provision on equity in earnings of affiliates

** Includes loss on extinguishment of debt

Outlook

The following discussion of our future performance contains statements that are not historical statements and, therefore, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those stated or implied in the forward-looking statement. Please refer to “Item 1A. Risk Factors” in this Annual Report on Form 10-K, the “Forward-Looking Statements — Safe Harbor,” as well as the other disclosures contained in this Annual Report on Form 10-K, for further discussion on forward-looking statements and the risks and other factors that could prevent us from achieving our goals and cause the assumptions underlying the forward-looking statements and the actual results to differ materially from those expressed in or implied by those forward-looking statements.

We continue to be encouraged by the current landscape of growth opportunities. We are preparing for what we believe is an unprecedented opportunity to help the federal government meet its expanded immigration enforcement priorities. We are taking several important steps to meet this opportunity, including making a previously announced significant investment in capital expenditures to strengthen our capabilities to deliver expanded detention capacity, secure transportation, and electronic monitoring and related services to U.S. Immigration and Customs Enforcement and the federal government. Additionally, in the first weeks of the new Administration, President Trump issued an Executive Order reversing the prior Administration's Executive Order that had directed the U.S. Attorney General to not renew U.S. Department of Justice contracts with privately-operated criminal detention facilities.

Any positive trends in the industry may be offset by several factors, including the impact of the federal government shutdown and any future federal government shutdown, budgetary constraints, contract modifications, contract terminations, contract non-renewals, contract re-bids and/or the decision to not re-bid a contract after expiration of the contract term and the impact of any other potential changes to the willingness or ability to maintain or grow public-private partnerships on the part of other government agencies.

Operating Expenses

Operating expenses consist of those expenses incurred in the operation and management of our contracts to provide services to our governmental clients. Labor and related costs represented approximately 70% and 69% of our operating expenses in 2025 and 2024, respectively. Additional significant operating expenses include food, utilities and inmate medical costs. In 2025 and 2024, operating expenses totaled approximately 75% and 73% of our consolidated revenues, respectively. Our operating expenses as a percentage of revenue in 2026 will be impacted by the opening of any new or existing facilities as a result of the cost of transitioning and/or start-up operations related to a facility opening. During 2026, we will incur carrying costs for facilities that were vacant in 2025.

General and Administrative Expenses

General and administrative expenses consist primarily of corporate management salaries and benefits, professional fees and other administrative expenses. For each of the years ended December 31, 2025 and 2024, general and administrative expenses totaled approximately 9% of our consolidated revenues. We expect general and administrative expenses as a percentage of revenue in 2026 to remain consistent or decrease as a result of cost savings initiatives.

Idle Facilities

In our Secure Services segment, we are currently marketing 5,896 vacant beds with a net book value of approximately \$180.9 million at six of our idle facilities to potential customers. In our Reentry Services segment, we are currently marketing 750 vacant beds with a net book value of approximately \$11.6 million at two of our idle facilities to potential customers. The combined annual carrying cost of these idle facilities in 2026 is estimated to be \$23.4 million, including depreciation expense of \$12.0 million. With the exception of a contract yet to be activated for one of our secure facilities, we currently do not have any firm commitments or agreements in place to activate these facilities but have ongoing contact with several potential customers. Historically, some facilities have been idle for multiple years before they received a new contract award. The per diem rates that we charge our clients often vary by contract across our portfolio. However, if the eight idle facilities in our Secure Services and Reentry Services segments were to be activated using our Secure Services and Reentry Services average per diem rate in 2025 (calculated as revenue divided by the number of mandays) and based on the average occupancy rate in our facilities for 2025, we would expect to receive annual incremental revenue of approximately \$240 million and an increase in annual earnings per share of approximately \$0.20 to \$0.25 per share based on our average operating margin.

Forward-Looking Statements — Safe Harbor

This Annual Report on Form 10-K and the documents incorporated by reference herein contain “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. “Forward-looking” statements are any statements that are not based on historical information. Statements other than statements of historical facts included in this report, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected costs and plans and objectives of management for future operations, are “forward-looking” statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate” or “continue” or the negative of such words or variations of such words and similar expressions. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements and we can give no assurance that such forward-looking statements will prove to be correct. Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements, or “cautionary statements,” include, but are not limited to:

- any adverse impact on our financial results caused by the most recent and any future federal government shutdown;
- our ability to timely build and/or open facilities as planned, successfully manage such facilities and successfully integrate such facilities into our operations without substantial additional costs;
- our ability to estimate the government's level of utilization of public-private partnerships for secure services and the impact of any modifications or reductions by our government customers of their utilization of public-private partnerships;
- our ability to accurately project the size and growth of public-private partnerships for secure services in the U.S. and internationally and our ability to capitalize on opportunities for public-private partnerships;
- our ability to successfully respond to any challenges or concerns that our government customers may raise regarding their use of public-private partnerships for secure services, including finding other government customers or alternative uses for facilities where a government customer has discontinued or announced that a contract with us will be discontinued;
- the impact of adopted or proposed executive action or legislation aimed at limiting public-private partnerships for secure facilities, processing centers and community reentry centers or limiting or restricting the business and operations of financial institutions or others who do business with us;
- our ability to successfully respond to delays encountered by states pursuing public-private partnerships for secure services and cost savings initiatives implemented by a number of states;
- our ability to activate the inactive beds at our idle facilities;
- our ability to maintain or increase occupancy rates at our facilities and the impact of fluctuations in occupancy levels or participants in ISAP on our revenues and profitability;
- our ability to expand, diversify and grow our secure services, reentry, community-based services, monitoring services, evidence-based supervision and treatment programs and secure transportation services businesses;
- our ability to win management contracts for which we have submitted proposals, retain existing management contracts, prevail in any challenge or protest involving the award of a management contract and meet any performance standards required by such management contracts;
- our ability to raise new project development capital given the often short-term nature of the customers' commitment to use newly developed facilities;
- our ability to develop long-term earnings visibility;
- our ability to successfully conduct our operations in the United Kingdom and South Africa through joint ventures;
- the instability of foreign exchange rates, exposing us to currency risks in Australia, the United Kingdom, and South Africa, or other countries in which we may choose to conduct our business;
- an increase in unreimbursed labor rates;
- our exposure to rising medical costs;
- our ability to manage costs and expenses relating to ongoing litigation arising from our operations;
- the risks associated with the U.S. Supreme Court agreeing to hear our appeal in the Nwauzor case and our ability to prevail on the merits, our company being required to record an additional accrual for the judgments in the future, and our ability to defend similar other pending litigation and the effect such litigation may have on our company;
- our ability to accurately estimate on an annual basis, loss reserves related to general liability, workers' compensation and automobile liability claims;
- our ability to fulfill our debt service obligations and its impact on our liquidity;
- our ability to deleverage and repay, refinance or otherwise address our debt maturities in an amount or on the timeline we expect, or at all;
- despite current indebtedness levels, we may still incur more indebtedness, which could further exacerbate the risks relating to our indebtedness;

- the covenants in the indentures governing the Secured Notes and the Unsecured Notes and the Credit Agreement impose significant operating and financial restrictions which may adversely affect our ability to operate our business;
- servicing our indebtedness will require a significant amount of cash and our ability to generate cash depends on many factors beyond our control and we may not be able to generate the cash required to service our indebtedness;
- because portions of our senior indebtedness have floating interest rates, an increase in interest rates would adversely affect cash flows;
- we depend on distributions from our subsidiaries to make payments on our indebtedness and these distributions may not be made;
- we may not be able to satisfy our repurchase obligations in the event of a change of control because the terms of our indebtedness or lack of funds may prevent us from doing so;
- the Unsecured Notes and the guarantees on the Unsecured Notes will be effectively subordinated to our and the guarantors' senior secured indebtedness and structurally subordinated to the indebtedness of our subsidiaries that do not guarantee the Unsecured Notes;
- the value of the collateral may not be sufficient to satisfy our obligations under the Secured Notes;
- our ability to identify and successfully complete any potential acquisitions of assets and businesses or sales of additional Company-owned assets and businesses on commercially advantageous terms on a timely basis, or at all;
- from time to time, we may not have a management contract with a client to operate existing beds at a facility or new beds at a facility that we are expanding, and we cannot assure you that such a contract will be obtained. Failure to obtain a management contract for these beds will subject us to carrying costs with no corresponding management revenue;
- negative conditions in the capital markets could prevent us from obtaining future financing on desirable terms, which could materially harm our business;
- we are subject to the loss of our facility management contracts, due to executive orders, terminations, non-renewals or competitive re-bids, which could adversely affect our results of operations and liquidity, including our ability to secure new facility management contracts from other government customers;
- our growth depends on our ability to secure contracts to develop and manage new secure facilities, processing centers and community-based facilities and to secure contracts to provide electronic monitoring services, community-based reentry services and monitoring and supervision services, the demand for which is outside our control;
- we may not be able to meet state requirements for capital investment or locate land for the development of new facilities, which could adversely affect our results of operations and future growth;
- we partner with a limited number of governmental customers who account for a significant portion of our revenues. The loss of, or a significant decrease in revenues from, these customers could seriously harm our financial condition and results of operations;
- efforts to reduce the U.S. federal deficit could adversely affect our liquidity, results of operations and financial condition;
- State budgetary constraints may have a material adverse impact on us;
- competition for contracts may adversely affect the profitability of our business;
- we are dependent on government appropriations, which may not be made on a timely basis or at all and may be adversely impacted by budgetary constraints at the federal, state, local and foreign government levels;
- public and political resistance to the use of public-private partnerships for secure facilities, electronic monitoring and supervision as alternatives to detention, processing centers and community reentry centers could result in our inability to obtain new contracts or the loss of existing contracts, impact our ability to obtain or refinance debt financing or enter into commercial arrangements, which could have a material adverse effect on our business, financial condition, results of operations and the market price of our securities;
- adverse publicity may negatively impact our ability to retain existing contracts and obtain new contracts;
- we may incur significant start-up and operating costs on new contracts before receiving related revenues, which may impact our cash flows and may not be recouped;
- failure to comply with extensive government regulation and applicable contractual requirements could have a material adverse effect on our business, financial condition or results of operations;
- we may face community opposition to facility locations, which may adversely affect our ability to obtain new contracts;

- our business operations expose us to various liabilities for which we may not have adequate insurance, including legal claims and proceedings, and may have a material adverse effect on our business, financial condition or results of operations;
- we may not be able to obtain or maintain the insurance levels required by our government contracts;
- our exposure to rising general insurance costs;
- natural disasters, pandemic outbreaks, global political events and other serious catastrophic events could disrupt operations and otherwise materially adversely affect our business and financial condition;
- our international operations expose us to risks that could materially adversely affect our financial condition and results of operations;
- we conduct certain of our operations through joint ventures or consortiums, which may lead to disagreements with our joint venture partners or business partners and adversely affect our interest in the joint ventures or consortiums;
- we are dependent upon our senior management and our ability to attract and retain sufficient qualified personnel;
- our profitability may be materially adversely affected by inflation;
- various risks associated with the ownership of real estate may increase costs, expose us to uninsured losses and adversely affect our financial condition and results of operations;
- risks related to facility construction and development activities may increase our costs related to such activities;
- the rising cost and increasing difficulty of obtaining adequate levels of surety credit on favorable terms could adversely affect our operating results;
- adverse developments in our relationship with our employees could adversely affect our business, financial condition or results of operations;
- the interruption, delay or failure of the provision of our services or information systems could adversely affect our business;
- the failure to comply with data privacy, security and exchange legal requirements could have a material adverse impact on our business, financial position, results of operations, cash flows and reputation;
- technological changes could cause our electronic monitoring products and technology, including our BI VeriWatch™ wrist-worn device, to become obsolete or require the redesign of our electronic monitoring products, which could have a material adverse effect on our business;
- any negative changes in the level of acceptance of or resistance to the use of electronic monitoring products, including our BI VeriWatch™ wrist-worn device, and services by governmental customers could have a material adverse effect on our business, financial condition and results of operations;
- we depend on a limited number of third parties to manufacture and supply quality infrastructure components for our electronic monitoring products. If our suppliers cannot provide the components or services we require and with such quality and at such cost as we expect, our ability to market and sell our electronic monitoring products and services could be harmed;
- an inability to acquire, protect or maintain our intellectual property and patents in the electronic monitoring space could harm our ability to compete or grow;
- our electronic monitoring products could infringe on the intellectual property rights of others, which may lead to litigation that could itself be costly, could result in the payment of substantial damages or royalties, and/or prevent us from using technology that is essential to our products;
- we license intellectual property rights in the electronic monitoring space, including patents, from third party owners. If such owners do not properly maintain or enforce the intellectual property underlying such licenses, our competitive position and business prospects could be harmed. Our licensors may also seek to terminate our license;
- we may be subject to costly product liability claims from the use of our electronic monitoring products, which could damage our reputation, impair the marketability of our products and services and force us to pay costs and damages that may not be covered by adequate insurance;
- our ability to identify suitable acquisitions or dispositions, and to successfully complete such acquisitions or dispositions;
- as a result of our acquisitions, we have recorded and will continue to record a significant amount of goodwill and other intangible assets. In the future, our goodwill or other intangible assets may become impaired, which could result in material non-cash charges to our results of operations;

- federal, state and local tax rules can adversely affect our results of operations and financial position;
- we are subject to risks related to corporate social responsibility;
- the market price of our common stock may vary substantially;
- expectations about growth in the utilization of detention beds by the federal government may not be realized, which could negatively impact our stock price;
- future sales of shares of our common stock or securities convertible into common stock could adversely affect the market price of our common stock and may be dilutive to current shareholders;
- our ability to execute on the Share Repurchase Program on the anticipated timeline;
- various anti-takeover protections applicable to us may make an acquisition of us more difficult and reduce the market value of our common stock;
- failure to maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 could have an adverse effect on our business and the trading price of our common stock;
- we may issue additional debt securities that could limit our operating flexibility and negatively affect the value of our common stock;
- a “short squeeze” due to a sudden increase in demand for shares of our common stock that largely exceeds supply has led to, and may continue to lead to, extreme price volatility in shares of our common stock;
- failure to comply with anti-bribery and anti-corruption laws could subject us to penalties and other adverse consequences; and
- other factors contained in our filings with the SEC, including, but not limited to, those detailed in this Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K filed with the SEC.

We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. All subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements included in this report.

Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*

Interest Rate Risk

We are exposed to market risks related to changes in interest rates with respect to our Credit Agreement. Payments under the Credit Agreement are indexed to a variable interest rate. Based on borrowings outstanding as of December 31, 2025 under the Credit Agreement of \$358.3 million, for every one percent increase in the interest rate applicable to the Credit Agreement, our total annual interest expense would increase by approximately \$3.6 million.

We have entered into certain interest rate swap arrangements for hedging purposes, fixing the interest rate on certain of our variable rate debt. The difference between the floating rate and the swap rate on these instruments is recognized in interest expense within the respective entity. Because the interest rates with respect to these instruments are fixed, a hypothetical 100 basis point change in the current interest rate would not have a material impact on our financial condition or results of operations.

Additionally, we invest our cash in a variety of short-term financial instruments to provide a return. These instruments generally consist of highly liquid investments with original maturities at the date of purchase of three months or less. While these instruments are subject to interest rate risk, a hypothetical 100 basis point increase or decrease in market interest rates would not have a material impact on our financial condition or results of operations.

Foreign Currency Exchange Rate Risk

We are exposed to market risks related to fluctuations in foreign currency exchange rates between the U.S. Dollar, the Australian Dollar, the South African Rand and the British Pound currency exchange rates. Based upon our foreign currency exchange rate exposure as of December 31, 2025 with respect to our international operations, every 10 percent change in historical currency rates would have a \$8.9 million effect on our financial position and a \$1.5 million impact on our results of operations over the next fiscal year.

Item 8. *Financial Statements and Supplementary Data*

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

To the Shareholders of
The GEO Group, Inc.:

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States. They include amounts based on judgments and estimates.

Representations in the consolidated financial statements and the fairness and integrity of such statements are the responsibility of management. In order to meet management's responsibility, the Company maintains a system of internal controls and procedures and a program of internal audits designed to provide reasonable assurance that our assets are controlled and safeguarded, that transactions are executed in accordance with management's authorization and properly recorded, and that accounting records may be relied upon in the preparation of financial statements.

The consolidated financial statements have been audited by Grant Thornton LLP, independent registered public accountants, whose appointment by our Audit and Finance Committee was ratified by our shareholders. Their report, which is included in this Form 10-K, expresses an opinion as to whether management's consolidated financial statements present fairly in all material respects, the Company's financial position, results of operations and cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. The effectiveness of our internal control over financial reporting as of December 31, 2025 has also been audited by Grant Thornton LLP, independent registered public accountants, as stated in their report which is included in this Form 10-K. Their audits were conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States).

The Audit and Finance Committee of the Board of Directors meets periodically with representatives of management, the independent registered public accountants and our internal auditors to review matters relating to financial reporting, internal accounting controls and auditing. Both the internal auditors and the independent registered public accountants have unrestricted access to the Audit and Finance Committee to discuss the results of their examinations.

J. David Donahue
Chief Executive Officer

Mark J. Suchinski
Chief Financial Officer

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is a process designed under the supervision of the Company's Chief Executive Officer and Chief Financial Officer that: (i) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets; (ii) provides reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements for external reporting in accordance with accounting principles generally accepted in the United States, and that receipts and expenditures are being made only in accordance with authorization of the Company's management and directors; and (iii) provides reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. In making its assessment of internal control over financial reporting, management used the criteria set forth in the Internal Control - Integrated Framework issued by the 2013 Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (the "2013 Internal Control - Integrated Framework").

The Company evaluated, with the participation of its Chief Executive Officer and Chief Financial Officer, its internal control over financial reporting as of December 31, 2025, based on the 2013 Internal Control — Integrated Framework. Based on this evaluation, the Company's management concluded that as of December 31, 2025, its internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Grant Thornton LLP, the independent registered public accounting firm that audited the financial statements included in this Annual Report on Form 10-K, has issued an attestation report on our internal control over financial reporting as of December 31, 2025.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
The GEO Group, Inc.

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of The GEO Group, Inc. (a Florida corporation) and subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Company as of and for the year ended December 31, 2025, and our report dated February 25, 2026 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Fort Lauderdale, Florida
February 25, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
The GEO Group, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of The GEO Group, Inc. (a Florida corporation) and subsidiaries (the “Company”) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, shareholders’ equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and financial statement schedule included under Item 15(a)(2) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 25, 2026 expressed an unqualified opinion.

Basis for opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Self-insurance reserves

As described further in Note 1 to the consolidated financial statements, the Company self-insures, up to certain policy-specified limits, certain risks related to general and workers’ compensation- liability costs. The estimated cost of claims under these self-insurance programs is estimated and accrued as the claims are incurred (although actual settlement of the claims may not be made until future periods) and may subsequently be revised based on developments relating to such claims. We identified self-insurance reserves (“self-insurance”) as a critical audit matter, specifically the reserves related to the Company’s estimate for unpaid losses and projected ultimate losses. The principal considerations for our determination that self-insurance reserves for unpaid losses and projected ultimate losses is a critical audit matter are that the accrual for self-insurance has higher risk of estimation uncertainty due to the loss development factors, including the frequency and severity of claims, and inherent assumptions in actuarial methods used in determining the required reserves. The estimation uncertainty and complexity of the actuarial methods utilized involved especially subjective auditor judgment and an increased extent of effort, including the need to involve an auditor-engaged actuarial specialist. Our audit procedures related to the self-insurance reserves included the following, among others:

- We obtained an understanding, evaluated the design and tested the operating effectiveness of key internal controls over financial reporting relating to self-insurance, including, but not limited to controls that (i) validate that claims were reported and submitted accurately and timely, (ii) validate that internal claims data was reconciled to claims data maintained by the third-party administrator and submitted to the Company's actuary and (iii) validate management's process and review of the third-party actuary report, including, but not limited to controls over management's review of the relevance, adequacy and appropriateness of the data, assumptions, valuation methods, and mathematical accuracy used to determine the required reserves as of the reporting date.
- We utilized an auditor-engaged actuarial specialist in evaluating management's methods and assumptions used in the actuarial study. We performed analytics that include a review of prior projections to current actual results to evaluate the reasonableness of changes in estimated ultimate losses.
- We reconciled claims data maintained by the third-party administrator to the claims data submitted to the Company's actuary used in the development of the loss triangles and selecting loss development factors.
- We selected a sample of underlying claims and reviewed the information utilized by management such as insurance claims and legal records to (i) test management's estimation process to determine if the reserve was reasonable and (ii) test the accuracy of the significant claim data attributes.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2006.

Fort Lauderdale, Florida
February 25, 2026

THE GEO GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended December 31, 2025, 2024 and 2023

	2025	2024	2023
	(In thousands, except per share data)		
Revenues	\$ 2,631,549	\$ 2,423,702	\$ 2,413,167
Operating Expenses (excluding depreciation and amortization)	1,968,481	1,774,479	1,744,228
Depreciation and Amortization	132,039	126,220	125,784
General and Administrative Expenses	235,939	213,028	190,766
Contingent Litigation Reserve	37,600	—	—
Operating Income	257,490	309,975	352,389
Interest and Investment Income	9,076	8,787	7,792
Interest Expense	(160,521)	(190,624)	(218,292)
Loss on Extinguishment of Debt	(8,446)	(86,637)	(8,532)
Other income	5,514	—	—
Net Gain (Loss) on Asset Divestitures/Impairment	232,381	(2,907)	4,691
Income Before Income Taxes and Equity in Earnings of Affiliates	335,494	38,594	138,048
Provision for Income Taxes	85,720	9,401	35,399
Equity in Earnings of Affiliates, net of income tax provision of \$867, \$802 and \$868	4,532	2,703	4,534
Net Income	254,306	31,896	107,183
Loss Attributable to Noncontrolling Interests	66	70	142
Net Income Attributable to The GEO Group, Inc. Operations	\$ 254,372	\$ 31,966	\$ 107,325
Weighted Average Common Shares Outstanding:			
Basic	137,487	131,318	121,908
Diluted	139,723	134,064	123,698
Income per Common Share Attributable to The GEO Group, Inc.:			
Basic:			
Net income per share — basic	\$ 1.85	\$ 0.23	\$ 0.73
Diluted:			
Net income per share — diluted	\$ 1.82	\$ 0.22	\$ 0.72

The accompanying notes are an integral part of these consolidated financial statements.

THE GEO GROUP, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Years Ended December 31, 2025, 2024 and 2023

	<u>2025</u>	<u>2024</u>	<u>2023</u>
	(In thousands)		
Net Income	\$ 254,306	\$ 31,896	\$ 107,183
Other comprehensive income (loss):			
Change in marketable securities, net of income tax provision (benefit) of \$126, \$(4) and \$253	\$ 491	\$ (15)	\$ 953
Foreign currency translation adjustments	5,415	(7,182)	258
Pension liability adjustment, net of income tax (benefit) provision of \$(338), \$385 and \$(88), respectively	(1,271)	1,447	(332)
Change in fair value of derivative instrument classified as cash flow hedge, net of income tax provision (benefit) of \$(289), \$210 and \$(161), respectively	(1,089)	792	(604)
Total other comprehensive (loss) income, net of tax	<u>3,546</u>	<u>(4,958)</u>	<u>275</u>
Total comprehensive income	257,852	26,938	107,458
Comprehensive loss attributable to noncontrolling interests	150	68	144
Comprehensive income attributable to The GEO Group, Inc. operations	<u>\$ 258,002</u>	<u>\$ 27,006</u>	<u>\$ 107,602</u>

THE GEO GROUP, INC.
CONSOLIDATED BALANCE SHEETS
December 31, 2025 and 2024

	2025	2024
	(In thousands, except share data)	
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 68,995	\$ 76,896
Restricted cash and cash equivalents	2,998	2,785
Accounts receivable, net of credit loss reserve of \$857 and \$685, respectively	593,463	376,013
Prepaid expenses and other current assets	53,073	44,485
Total current assets	718,529	500,179
Restricted Cash and Investments	179,366	145,366
Property and Equipment, Net	1,884,198	1,899,690
Operating Lease Right-of-Use Assets, Net	72,294	95,327
Deferred Income Tax Assets	9,396	9,522
Goodwill	756,028	756,001
Intangible Assets, Net	117,332	126,576
Other Non-Current Assets	106,479	99,419
Total Assets	\$ 3,843,622	\$ 3,632,080
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 58,727	\$ 67,464
Accrued payroll and related taxes	82,086	68,044
Accrued expenses and other current liabilities	197,530	177,768
Operating lease liabilities, current portion	17,193	25,335
Current portion of finance lease obligations and long-term debt	1,355	1,612
Total current liabilities	356,891	340,223
Deferred Income Tax Liabilities	99,689	78,198
Other Non-Current Liabilities	176,083	95,410
Operating Lease Liabilities	57,557	73,638
Long-Term Debt	1,649,268	1,711,197
Commitments and Contingencies (Note 16)		
Shareholders' Equity		
Preferred stock, \$0.01 par value, 30,000,000 shares authorized, none issued or outstanding	—	—
Common stock, \$0.01 par value, 225,000,000 shares authorized, 141,182,435 and 140,181,318 issued and 136,242,983 and 140,181,318 outstanding, respectively.	1,412	1,402
Additional paid-in capital	1,319,135	1,315,256
Retained earnings	294,252	39,880
Accumulated other comprehensive loss	(17,972)	(21,602)
Treasury stock, 4,939,452 and 0 shares at cost, respectively	(91,021)	—
Total shareholders' equity attributable to The GEO Group, Inc.	1,505,806	1,334,936
Noncontrolling interests	(1,672)	(1,522)
Total shareholders' equity	1,504,134	1,333,414
Total Liabilities and Shareholders' Equity	\$ 3,843,622	\$ 3,632,080

The accompanying notes are an integral part of these consolidated financial statements.

THE GEO GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Year Ended December 31, 2025, 2024 and 2023

	2025	2024	2023
	(In thousands)		
Cash Flow from Operating Activities:			
Net Income	\$ 254,306	\$ 31,896	\$ 107,183
Net loss attributable to noncontrolling interests	66	70	142
Net income attributable to The GEO Group, Inc. operations	254,372	31,966	107,325
Adjustments to reconcile net income attributable to The GEO Group, Inc. operations to net cash provided by operating activities:			
Depreciation and amortization expense	132,039	126,220	125,784
Deferred tax provision	22,089	1,537	1,476
Amortization of debt issuance costs, discount and/or premium and other non-cash interest	6,093	8,252	12,030
Stock-based compensation	23,593	18,107	15,065
Loss on extinguishment of debt	8,446	86,637	8,532
Gain on early lease termination	(828)	—	—
Equity in earnings of affiliates, net of tax	(4,532)	(2,703)	(4,534)
(Gain) loss on sale/disposal of property and equipment	—	(250)	1,197
Realized/unrealized gain on investments	(10,687)	(6,084)	(7,151)
Net (gain) loss on asset divestitures/impairment	(232,381)	2,907	(4,691)
Dividends received from unconsolidated joint ventures	10,165	5,082	2,987
Changes in assets and liabilities, net of acquisition:			
Changes in accounts receivable, prepaid expenses and other assets	(233,041)	(7,581)	11,672
Changes in accounts payable, accrued expenses and other liabilities	97,283	(21,854)	8,090
Net cash provided by operating activities	72,611	242,236	277,782
Cash Flow from Investing Activities:			
Proceeds from sale of real estate and other assets	321,050	—	19,583
Purchases of marketable securities	(22,488)	(33,119)	—
Proceeds from sale of marketable securities	4,634	10,092	—
Capital expenditures	(197,512)	(78,691)	(73,002)
Net cash provided by (used in) investing activities	105,684	(101,718)	(53,419)
Cash Flow from Financing Activities:			
Payments on long-term debt	(322,198)	(1,926,775)	(208,390)
Proceeds from long term debt	—	1,720,500	—
Proceeds from borrowings on revolver	541,000	110,000	—
Payments on revolver	(292,416)	—	—
Taxes paid related to net share settlements of equity awards	(24,430)	(9,657)	(3,443)
Debt issuance costs	—	(35,748)	(2,396)
Proceeds from the sale of treasury shares	—	—	5,750
Proceeds from stock options exercised	4,553	8,192	239
Proceeds from issuance of common stock in connection with ESPP	173	158	157
Payment for repurchases of common stock	(91,021)	—	—
Payments for call premiums	(1,320)	(35,558)	—
Net cash used in financing activities	(185,659)	(168,888)	(208,083)
Effect of Exchange Rate Changes on Cash, Cash Equivalents and Restricted Cash and Cash Equivalents	5,135	(5,633)	(256)
Net (Decrease) Increase in Cash, Cash Equivalents and Restricted Cash and Cash Equivalents	(2,229)	(34,003)	16,024
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, beginning of period	125,864	159,867	143,843
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, end of period	\$ 123,635	\$ 125,864	\$ 159,867
Supplemental Disclosures			
Cash paid during the year for:			
Income taxes	\$ 29,546	\$ 15,684	\$ 19,227
Interest	\$ 153,951	\$ 190,606	\$ 198,710
Non-cash investing and financing activities:			
Right-of-use asset written off due to early termination of lease	\$ 16,021	\$ —	\$ —
Operating lease liability written off due to early termination of lease	\$ 16,849	\$ —	\$ —
Right-of-use assets obtained from operating lease liabilities	\$ 17,863	\$ 21,324	\$ 35,233
Capital expenditures in accounts payable and accrued expenses	\$ 620	\$ 5,708	\$ 675

The accompanying notes are an integral part of these consolidated financial statements.

THE GEO GROUP, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
Years Ended December 31, 2025, 2024 and 2023

GEO Group Inc. Shareholders									
	Common Stock			Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss) (In thousands)	Treasury Stock		Noncontrolling Interest	Total Shareholders' Equity
	Number of Shares	Amount	Additional Paid-In Capital			Number of Shares	Amount		
Balance, January 1, 2023	124,061	\$ 1,289	\$ 1,291,363	\$ (4,236)	\$ (16,919)	4,852	\$ (105,099)	\$ (1,310)	\$ 1,165,088
Proceeds from stock options exercised	35	—	239	—	—	—	—	—	239
Stock based compensation expense	—	—	15,065	—	—	—	—	—	15,065
Shares withheld for net settlements of share-based awards [1]	(383)	(4)	(3,439)	—	—	—	—	—	(3,443)
Restricted stock granted	1,758	18	(18)	—	—	—	—	—	—
Restricted stock canceled	(47)	—	—	—	—	—	—	—	—
Sale of treasury shares [2]	642	—	(4,174)	—	—	(643)	9,924	—	5,750
Issuance of common stock (ESPP)	21	—	157	—	—	—	—	—	157
Net income	—	—	—	107,325	—	—	—	(142)	107,183
Other comprehensive income	—	—	—	—	277	—	—	(2)	275
Balance, December 31, 2023	126,087	\$ 1,303	\$ 1,299,193	\$ 103,089	\$ (16,642)	4,209	\$ (95,175)	\$ (1,454)	\$ 1,290,314
Proceeds from stock options exercised	584	6	8,186	—	—	—	—	—	8,192
Stock based compensation expense	—	—	18,107	—	—	—	—	—	18,107
Shares withheld for net settlements of share-based awards [1]	(698)	(7)	(9,650)	—	—	—	—	—	(9,657)
Restricted stock granted	1,827	18	(18)	—	—	—	—	—	—
Restricted stock canceled	(60)	—	—	—	—	—	—	—	—
Issuance of common stock (ESPP)	12	—	158	—	—	—	—	—	158
Reissuance of treasury shares [3]	4,209	—	—	(95,175)	—	(4,209)	95,175	—	—
Issuance of common shares [3]	8,220	82	(1,696)	—	—	—	—	—	(1,614)
Other adjustments to Additional Paid-In-Capital	—	—	976	—	—	—	—	—	976
Net income	—	—	—	31,966	—	—	—	(70)	31,896
Other comprehensive income (loss)	—	—	—	—	(4,960)	—	—	2	(4,958)
Balance, December 31, 2024	140,181	\$ 1,402	\$ 1,315,256	\$ 39,880	\$ (21,602)	—	\$ —	\$ (1,522)	\$ 1,333,414
Proceeds from stock options exercised	312	3	4,550	—	—	—	—	—	4,553
Stock based compensation expense	—	—	23,593	—	—	—	—	—	23,593
Shares withheld for net settlements of share-based awards [1]	(977)	(10)	(24,420)	—	—	—	—	—	(24,430)
Restricted stock granted	1,827	18	(18)	—	—	—	—	—	—
Restricted stock canceled	(150)	(1)	1	—	—	—	—	—	—
Purchase of treasury shares [4]	(4,939)	—	—	—	—	4,939	(91,021)	—	(91,021)
Issuance of common stock (ESPP)	8	—	173	—	—	—	—	—	173
Net income	—	—	—	254,372	—	—	—	(66)	254,306
Other comprehensive income (loss)	—	—	—	—	3,630	—	—	(84)	3,546
Balance, December 31, 2025	136,242	\$ 1,412	\$ 1,319,135	\$ 294,252	\$ (17,972)	4,939	\$ (91,021)	\$ (1,672)	\$ 1,504,134

[1] During the years ended December 31, 2025, 2024 and 2023, the Company withheld shares through net share settlements to satisfy statutory tax withholding requirements upon vesting of shares of restricted stock held by employees.

[2] The Company sold treasury shares to partially fund its obligation under its Amended and Restated Executive Retirement Agreement with its Executive Chairman.

[3] During 2024, the Company retired \$229.9 million in aggregate principal amount of its outstanding 6.50% Exchangeable Senior Notes in private exchange transactions for an exchange value of approximately \$415 million. The consideration consisted of cash of \$229.9 million and approximately 12.4 million shares of GEO common stock. Of the total amount of shares issued, the Company issued 4,209,847 shares that were previously held in treasury.

[4] During the year ended December, 31 2025, the Company repurchased 4,939,452 shares of its common stock in the open market.

The accompanying notes are an integral part of these consolidated financial statements.

THE GEO GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended December 31, 2025, 2024 and 2023

1. Summary of Business Organization, Operations and Significant Accounting Policies

The GEO Group, Inc., a Florida corporation, and subsidiaries (the “Company” or “GEO”) specializes in the ownership, leasing and management of secure facilities, processing centers and reentry centers in the United States, Australia and South Africa. The Company owns, leases and operates a broad range of facilities including maximum, medium and minimum-security facilities, processing centers, as well as community-based reentry facilities and offers an expanded delivery of rehabilitation services under its 'GEO Continuum of Care' platform. The 'GEO Continuum of Care' platform integrates enhanced rehabilitative programs, which are evidence-based and include cognitive behavioral treatment and post-release services and provides academic and vocational classes in life skills and treatment programs while helping individuals reintegrate into their communities. The Company develops new facilities based on contract awards, using its project development expertise and experience to design, construct and finance what it believes are state-of-the-art facilities that maximize security and efficiency. The Company provides innovative compliance technologies, industry-leading monitoring services, and evidence-based supervision and treatment programs for community-based parolees, probationers and pretrial defendants. The Company also provides secure transportation services for offender and detainee populations as contracted domestically and in the United Kingdom through its joint venture GEOAmeY Ltd. (“GEOAmeY”). As of December 31, 2025, GEO's worldwide operations included the ownership and/or management of approximately 75,000 beds at 95 secure and community services facilities, including idle facilities and projects under development, and also includes the provision of reentry and electronic monitoring and supervision services for thousands of individuals, including an array of technology products including radio frequency, GPS, and alcohol monitoring devices.

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The significant accounting policies of the Company are described below.

Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. The equity method of accounting is used for investments in non-controlled affiliates in which the Company’s ownership ranges from 20 to 50 percent, or in instances in which the Company is able to exercise significant influence but not control. The Company reports South Africa Custodial Services (“SACS”) and its 50% owned joint venture in the United Kingdom, GEOAmeY, under the equity method of accounting. Noncontrolling interests in consolidated entities represent equity that other investors have contributed to South Africa Custodial Management (“SACM”). Non-controlling interests are adjusted for income and losses allocable to the other shareholders in these entities. All significant intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company’s significant estimates include loss contingencies, reserves for self-insured retention related to general liability and workers’ compensation insurance, projected cash flows used to evaluate asset impairment, useful lives of its property, equipment and intangible assets. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While the Company believes that such estimates are reasonable when considered in conjunction with the consolidated financial statements taken as a whole, the actual amounts of such estimates, when known, will vary from these estimates. If actual results significantly differ from the Company’s estimates, the Company’s financial condition and results of operations could be materially impacted.

Cash and Cash Equivalents

Cash and cash equivalents include all interest-bearing deposits or investments with original maturities of three months or less when purchased. The Company maintains cash and cash equivalents with various financial institutions. These financial institutions are located throughout the United States, Australia, South Africa and the United Kingdom. As of December 31, 2025 and 2024, the Company had \$28.4 million in cash and cash equivalents held by its international subsidiaries.

Concentration of Credit Risk

The Company maintains deposits of cash in excess of federally insured limits with certain financial institutions and accordingly the Company is subject to credit risk. Other than cash, financial instruments that potentially subject the Company to concentrations of credit risk consist principally of trade accounts receivable, investments in marketable securities, long-term debt and financial instruments used in hedging activities. The Company's cash management and investment policies restrict investments to low-risk, highly liquid securities, and the Company performs periodic evaluations of the credit standing of the financial institutions with which it deals.

Accounts Receivable

Accounts receivable consists primarily of trade accounts receivable due from federal, state, local and international government agencies for operating and managing secure facilities, providing community-based services, providing electronic monitoring and supervision services, providing construction and design services and providing residential and transportation services. The Company generates receivables with its governmental clients and with other parties in the normal course of business as a result of billing and receiving payment. The Company regularly reviews outstanding receivables and provides for estimated losses through a credit loss reserve. In evaluating the level of credit loss reserves, the Company makes judgments regarding its customers' ability to make required payments, economic events and other factors. As the financial condition of these parties change, circumstances develop or additional information becomes available, adjustments to the credit loss reserve may be required. The Company also performs ongoing credit evaluations for some of its customers' financial conditions and generally does not require collateral. Generally, the Company receives payment for these services thirty to sixty days in arrears. However, certain of the Company's accounts receivable are paid by customers after the completion of their program year and therefore can be aged in excess of one year. The Company maintains reserves for potential credit losses, and such losses traditionally have been within its expectations. Actual write-offs are charged against the credit loss reserve when collection efforts have been unsuccessful. As of December 31, 2025 and 2024, the Company's trade receivables that were considered to be long-term were not significant.

Restricted Cash and Cash Equivalents

The following table provides a reconciliation of cash, cash equivalents and restricted cash and cash equivalents reported on the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Cash and Cash Equivalents	\$ 68,995	\$ 76,896	\$ 93,971
Restricted cash and cash equivalents - current	2,998	2,785	—
Restricted cash and investments - non-current	179,366	145,366	135,968
Less Restricted investments - non-current	(127,724)	(99,183)	(70,072)
Total cash, cash equivalents and restricted cash and cash equivalents shown in the statement of cash flows	<u>\$ 123,635</u>	<u>\$ 125,864</u>	<u>\$ 159,867</u>

Amounts included in restricted cash and cash equivalents are attributable to certain contractual cash restriction requirements at the Company's wholly owned Australian subsidiary related to asset replacement funds contractually required to be maintained and other guarantees as well as cash held in the Company's captive insurance company, Florina. Restricted investments - non-current (included in Restricted Cash and Investments in the accompanying consolidated balance sheets) consists of the Company's rabbi trust established for an employee and employer contributions to The GEO Group, Inc. Non-qualified Deferred Compensation Plan, its rabbi trust established for its Executive Chairman's retirement account held in a money market fund, investments in equity and fixed income mutual funds and money market funds held in the Company's captive insurance subsidiary, Florina, and certain contractual cash requirements at the Company's wholly owned Australian subsidiary related to certain performance guarantees at its Ravenhall facility. The investments held in the rabbi trust related to The GEO Group, Inc. Non-Qualified Deferred Compensation Plan and the investments in equity and fixed income mutual funds held in Florina are restricted investments that are not considered to be restricted cash and cash equivalents in the accompanying consolidated statements of cash flows. Refer to Note 8 - Financial Instruments.

Prepaid expenses and Other Current Assets

Prepaid expenses and other current assets include assets that are expected to be realized within the next fiscal year. Prepaid expenses represents \$48.4 million and \$37.4 million of the total balance as of December 31, 2025 and 2024. Other current assets consist primarily of food and uniform inventory. Included in the balance at December 31, 2025 is approximately \$7.6 million of federal, state and international tax overpayments that will be applied against tax payments in 2026. Included in the balance at December 31, 2024 is approximately \$8.9 million of federal, state and international tax overpayments that were applied against tax payments in 2025.

Inventory

Inventory, which consists primarily of component parts related to electronic monitoring equipment, is stated at the lower of average cost or net realizable value and is approximately \$41.0 million and \$35.9 million at December 31, 2025 and 2024, respectively. Inventory is included in Other Non-Current Assets in the accompanying consolidated balance sheets.

Property and Equipment

Property and equipment are stated at cost, less accumulated amortization and depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Buildings and improvements are depreciated over 2 to 50 years. Equipment and furniture and fixtures are depreciated over 3 to 10 years. Leasehold improvements are amortized on a straight-line basis over the shorter of the useful life of the improvement or the term of the lease. The Company performs ongoing evaluations of the estimated useful lives of the property and equipment for depreciation purposes. The estimated useful lives are determined and continually evaluated based on the period over which services are expected to be rendered by the asset. If the assessment indicates that assets will be used for a longer or shorter period than previously anticipated, the useful lives of the assets are revised, resulting in a change in estimate. The Company has not made any such changes in estimates during the years ended December 31, 2025, 2024 and 2023. Maintenance and repairs are expensed as incurred. Interest is capitalized in connection with the construction of company-owned secure facilities. Cost for self-constructed secure facilities includes direct materials and labor, capitalized interest and certain other indirect costs associated with construction of the facility, such as property taxes, other indirect labor and related benefits and payroll taxes. The Company begins the capitalization of costs during the pre-construction phase, which is the period during which costs are incurred to evaluate the site and continues until the facility is substantially complete and ready for occupancy. Labor costs capitalized for the years ended December 31, 2025, 2024 and 2023 were not significant. The capitalized costs of real estate projects are assigned to individual components of the project based on specific identification. Capitalized interest is recorded as part of the asset to which it relates and is amortized over the asset's estimated useful life. Refer to Note 5 - Property and Equipment.

Idle Facilities/Asset Impairments

The following table summarizes the Company's idled facilities as of December 31, 2025 and their respective carrying values, excluding equipment and other assets that can be easily transferred to other facilities.

Facility	Year Idled	Secure Services Design Capacity (beds)	Reentry Services Design Capacity (beds)	Secure Services	Reentry Services	Total
				Net Carrying Value	Net Carrying Value	Net Carrying Value
				December 31, 2025	December 31, 2025	December 31, 2025
Rivers Correctional Facility	2021	1,320	-	35,969	-	35,969
Big Spring Correctional Facility	2021	924	-	32,005	-	32,005
Flightline Correctional Facility	2021	1,452	-	39,761	-	39,761
McFarland Female Community Reentry Facility	2020	300	-	10,481	-	10,481
Cheyenne Mountain Recovery Center	2020	700	-	17,314	-	17,314
Lea County Correctional Facility	2025	1,200	—	45,412	—	45,412
Philadelphia Residential [1]	2024	-	400	-	6,032	6,032
Coleman Hall [1]	2017	-	350	-	5,531	5,531
Total		5,896	750	\$ 180,942	\$ 11,563	\$ 192,505

[1] The Company had entered into a purchase and sale agreement in the second quarter of 2024 for these facilities that was less than the net carrying values. As such, the Company recorded a total impairment loss for both facilities of approximately \$2.3 million during the second quarter of 2024 which is included in gain (loss) on asset divestitures/impairment in the accompanying consolidated statements of operations. The purchase and sale agreement was later terminated. There was no indication of impairment related to the Company's idle facilities during the year ended December 31, 2025 or 2023.

The Company reviews long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Events that would trigger an impairment assessment include deterioration of profits for a business segment that has long-lived assets, or when other changes occur that might impair recovery of long-lived assets such as the termination of a management contract or a prolonged decrease in population. If impairment indicators are present, the Company performs a recoverability test to determine whether or not an impairment loss should be measured.

The Company tests idle facilities for impairment upon notification that the facilities will no longer be utilized by the customer. If a long-lived asset is part of a group that includes other assets, the unit of accounting for the long-lived asset is its group. Generally, the Company groups assets by facility for the purpose of considering whether any impairment exists. The estimates of recoverability are based on projected undiscounted cash flows associated with actual marketing efforts where available or, in other instances, projected undiscounted cash flows that are comparable to historical cash flows from management contracts achieved in the past at that facility or at similar facilities and probability weighted cash flows. The Company's probability weighted cash flows include adjustments to projected cash flows compared to the historical cash flows due to current business conditions which impact per diem rates as well as labor and other operating costs, changes related to facility mission due to changes in prospective clients, and changes in projected capacity and occupancy rates. The Company performs the impairment analysis on an annual basis, or more frequently as needed, for each of the idle facilities and takes into consideration updates each quarter for market developments affecting the potential utilization of each of the facilities in order to identify events that may cause the Company to reconsider the most recent assumptions. Such events could include negotiations with a prospective customer for the utilization of an idle facility at terms significantly less favorable than the terms used in the Company's most recent impairment analysis, or changes in legislation surrounding a particular facility that could impact the Company's ability to house certain types of individuals at such facility. Further, a substantial increase in the number of available beds at other facilities the Company owns, or in the marketplace, could lead to deterioration in market conditions and projected cash flows. Although they are not frequently received, an unsolicited offer to purchase any of the Company's idle facilities, at amounts that are less than their carrying value could also cause the Company to reconsider the assumptions used in the most recent impairment analysis. The Company has identified marketing prospects to utilize each of the remaining currently idled facilities and has determined that no current impairment exists. The Company has also received valuations from a third party on certain facilities. However, the Company can provide no assurance that it will be able to secure management contracts to utilize its idle facilities, or that it will not incur impairment charges in the future. In all cases, the undiscounted cash flows in the Company's analysis as of December 31, 2025, exceeded the carrying amounts of each facility, therefore no impairment charges were recorded.

The Company's evaluations also take into consideration historical experience in securing new facility management contracts to utilize facilities that had been previously idled for periods comparable to or in excess of the periods the Company's currently idle facilities have been idle. Such previously idled facilities are currently being operated under contracts that generate cash flows resulting in the recoverability of the net book value of the previously idled facilities by substantial amounts. Due to a variety of factors, the lead time to negotiate contracts with federal and state agencies to utilize idle bed capacity is generally lengthy which has historically resulted in periods of idleness similar to the ones the Company is currently experiencing.

By their nature, these estimates contain uncertainties with respect to the extent and timing of the respective cash flows due to potential delays or material changes to forecasted terms and conditions in contracts with prospective customers that could impact the estimate of projected cash flows. Notwithstanding the effects the current economy has had on the Company's customers for available beds in the short term which has led to the Company's decision to idle certain facilities, the Company believes the long-term trends favor an increase in the utilization of its idle facilities. This belief is also based on the Company's experience in working with governmental agencies faced with significant budgetary challenges which is a primary contributing factor to the lack of appropriated funding to build new bed capacity by federal and state agencies.

Leases

The Company determines whether a contract is or contains a lease if the contract conveys the right to control the use of identified property, plant or equipment (an identified asset) for a period of time in exchange for consideration. For leases with terms greater than 12 months, the Company records the related asset and obligation at the present value of the lease payments over the term of the lease. Many of GEO's leases include rental escalation clauses, renewal options and/or termination options that are factored into the determination of lease payments when appropriate. Only renewal or termination options that are reasonably certain to be exercised by the Company are included in the lease term which is used in the calculation of lease liabilities and right-of-use assets. In addition, lease agreements may include periodic adjustments to payment amounts for inflation or other variables, or may require payments for taxes, insurance, maintenance or other expenses, which are generally referred to as non-lease components. The Company accounts for non-lease components together with the related lease components for all classes of leased assets. The Company does not typically enter into lease agreements that contain a residual guarantee or that provide for variable lease payments.

When available, the Company uses the rate implicit in the lease to discount lease payments to present value, however, most of GEO's lease agreements do not provide a readily determinable implicit rate. Therefore, the Company must estimate its incremental borrowing rate to discount the lease payments based on information available at lease commencement.

For leases where the Company is the lessor, upon adoption of ASC 842, the Company elected to also apply the practical expedient to not separate non-lease components from the associated lease component if certain criteria are met for each class of underlying assets. Lease components are elements of an arrangement that provide the customer with the right to use an identified asset. Non-lease components are distinct elements of a contract that are not related to securing the use of the leased asset and revenue is recognized in accordance with ASC 606. The Company considers common area maintenance ("CAM") and service income associated with tenant work orders to be non-lease components because they represent delivery of a separate service but are not considered a cost of securing the identified asset. In the case of the Company's business, the identified asset would be the leased real estate. The Company assessed and concluded that the timing and pattern of transfer for non-lease components and the associated lease component are the same. The Company determined that the predominant component was the lease component and as such its leases continue to qualify as operating leases. The Company made a policy election to account for and present the lease component and the non-lease component as a single component in revenue.

Assets Held under Finance Leases

Assets held under finance leases are recorded at the lower of the net present value of the minimum lease payments or the fair value of the leased asset at the inception of the lease. Amortization expense is recognized using the straight-line method over the shorter of the estimated useful life of the asset or the term of the related lease and is included in depreciation expense.

Goodwill and Other Intangible Assets, Net

Goodwill

The Company has recorded goodwill as a result of its business combinations. Goodwill is recorded as the difference, if any, between the aggregate consideration paid for an acquisition and the fair value of the net tangible assets and other intangible assets acquired. The Company's goodwill is not amortized and is tested for impairment annually on the first day of the fourth quarter, and whenever events or circumstances arise that indicate impairment may have occurred. Impairment testing is performed for all reporting units that contain goodwill. The reporting units are the same as the reportable segments for U.S. Secure Services, Electronic Monitoring and Supervision Services, Reentry Services and International Services.

On the annual measurement date of October 1, 2025, the Company's management elected to qualitatively assess the Company's goodwill for impairment for all of its reporting units. Under provisions of the qualitative analysis, when testing goodwill for impairment, the Company first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, the Company determines it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company performs a quantitative impairment test to identify goodwill impairment and measures the amount of goodwill impairment loss to be recognized, if any. The Company will also perform a quantitative test if it has been several years since the last one. The qualitative factors used by the Company's management to determine the likelihood that the fair value of the reporting unit is less than the carrying amount include, among other things, a review of overall economic conditions and their current and future impact on the Company's existing business, the Company's financial performance and stock price, industry outlook and market competition. With respect to the qualitative assessments, management determined that, as of October 1, 2025, it was more likely than not that the fair value of its reporting units exceeded their respective carrying values. Goodwill recorded at the Company's International Services reporting unit is not significant. No impairment charges were recorded for the years ended December 31, 2025, 2024 or 2023.

Other Intangible Assets, Net

The Company has also recorded other finite and indefinite lived intangible assets as a result of previously completed business combinations. Other acquired finite and indefinite lived intangible assets are recognized separately if the benefit of the intangible asset is obtained through contractual or other legal rights, or if the intangible asset can be sold, transferred, licensed, rented or exchanged, regardless of the Company's intent to do so. The Company's intangible assets include facility management contracts, trade names and technology. The facility management contracts represent customer relationships in the form of management contracts acquired at the time of each business combination; the value of BI's and Protocol Criminal Justice, Inc.'s ("Protocol") trade names represent, among other intangible benefits, name recognition to its customers and intellectual property rights; and the acquired technology represented BI's innovation with respect to its GPS tracking, monitoring, radio frequency monitoring, voice verification monitoring and alcohol compliance systems which is fully amortized as of December 31, 2025 and 2024. When establishing useful lives, the Company considers the period and the pattern in which the economic benefits of the intangible asset are consumed or otherwise used up; or, if that pattern cannot be reliably determined, using a straight-line

amortization method over a period that may be shorter than the ultimate life of such intangible asset. The Company also considers the impact of renewal terms when establishing useful lives. The Company currently amortizes its acquired facility management contracts over periods ranging from three to twenty-one years and its acquired technology over seven years to eight years. There is no residual value associated with the Company's finite-lived intangible assets. The Company reviews its trade name assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. The Company does not amortize its indefinite lived intangible assets. The Company reviews its indefinite lived intangible assets annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. The qualitative factors used by GEO's management to determine the likelihood that the fair value of the reporting unit is less than the carrying amount include, among other things, a review of overall economic conditions and their current and future impact on our existing business, our financial performance and stock price, industry outlook and market competition. These reviews resulted in no significant impairment to the carrying value of the indefinite lived intangible assets for all periods presented. The Company records the costs associated with renewal and extension of facility management contracts as expenses in the period they are incurred.

Internal-Use Software

Costs incurred to develop software for internal use are capitalized and amortized over the estimated useful lives of the software. Costs related to design or maintenance of internal-use software are expensed as incurred. As of December 31, 2025 and 2024, included in Property and Equipment, Net is approximately \$15.8 million and \$18.8 million of capitalized internal-use software costs, respectively.

Debt Issuance Costs

Debt issuance costs, net of accumulated amortization of \$7.5 million and \$4.5 million, totaling \$27.4 million and \$34.6 million at December 31, 2025 and 2024, respectively, are included in Long-Term Debt, Non-Recourse Debt and Other Non-Current Assets in the accompanying Consolidated Balance Sheets and are amortized to interest expense using the effective interest method over the term of the related debt.

Lease Revenue

The Company leases nine of its owned facilities to unrelated parties. Six of which have a five-year term through June 2030. The carrying value of these leased facilities as of December 31, 2025 is \$43.8 million, net of accumulated depreciation of \$27.7 million. For the additional three leased facilities, one facility has a term that expires in October 2026. The carrying value of this leased facility as of December 31, 2025 was \$2.0 million, net of accumulated depreciation of \$1.1 million. One facility has a term of sixty-six months with one-year renewal options which base term expires in October 2028. The carrying value of this leased facility as of December 31, 2025 was \$71.0 million, net of accumulated depreciation of \$40.8 million. The remaining facility has a term of twenty years with renewals and expires in October 2041. The carrying value of this leased facility as of December 31, 2025 was \$19.4 million, net of accumulated depreciation of \$19.5 million. Rental income, included in Revenues, for leased facilities for the years ended December 31, 2025, 2024 and 2023 was approximately \$15.1 million, \$15.0 million and \$11.4 million, respectively. As of December 31, 2025, future minimum rentals to be received on these leases are as follows:

Year	Annual Rental (in thousands)
2026	\$ 15,786
2027	15,934
2028	14,601
2029	7,124
2030	5,812
Thereafter	49,574
Total	\$ 108,831

Variable Interest Entities

The Company evaluates its joint ventures and other entities in which it has a variable interest (a "VIE"), generally in the form of investments, loans, guarantees, or equity in order to determine if it has a controlling financial interest and is required to consolidate the entity as a result. The reporting entity with a variable interest that provides the entity with a controlling financial interest in the VIE will have both of the following characteristics: (i) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb the losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The Company does not consolidate its 50% owned South African joint venture interest in SACS, a VIE. SACS joint venture investors are GEO and Kensani Corrections, Pty. Ltd (an independent third party); each partner owns a 50% share. The Company has determined it is not the

primary beneficiary of SACS since it does not have the power to direct the activities of SACS that most significantly impact its performance. As such, the Company's investment in this entity is accounted for under the equity method of accounting. SACS was established and subsequently, in 2001, was awarded a 25-year contract to design, finance and build the Kutama Sinthumule Correctional Centre in Louis Trichardt, South Africa. To fund the construction of the prison, SACS obtained long-term financing from its equity partners and lenders, the repayment of which is fully guaranteed by the South African government, except in the event of default, in which case the government guarantee is reduced to 80%. The Company's maximum exposure for loss under this contract is limited to its investment in the joint venture of approximately \$5.9 million at December 31, 2025.

The Company does not consolidate its 50% owned joint venture in the United Kingdom. In February 2011, GEO UK, executed a Shareholders Agreement (the "Shareholders Agreement") with Amey Community Limited ("Amey") and Amey UK PLC ("Amey Guarantor") to form GEOAmey, a private company limited by shares incorporated in England and Wales. GEOAmey was formed by GEO UK and Amey (an independent third party) for the purpose of performing escort and related custody services in England, Wales and Scotland. In order to form this private company, GEOAmey issued share capital of £100 divided into 100 shares of £1 each and allocated the shares 50/50 to GEO UK and Amey. GEO UK and Amey each have three directors appointed to the Board of Directors and neither party has the power to direct the activities that most significantly impact the performance of GEOAmey. As such, the Company's investment in this entity is accounted for under the equity method of accounting. The Company's maximum exposure for loss under this contract is limited to its investment in the joint venture of approximately \$7.7 million at December 31, 2025.

Fair Value Measurements

The Company defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("exit price"). The Company carries certain of its assets and liabilities at fair value, measured on a recurring basis, in the accompanying Consolidated Balance Sheets. The Company also has certain assets and liabilities which are not carried at fair value in its accompanying Consolidated Balance Sheets and discloses the fair value measurements compared to the carrying values as of each balance sheet date. The Company's fair value measurements are disclosed in Note 8 - Financial Instruments and Note 9 - Fair Value of Assets and Liabilities. The Company establishes fair value of its assets and liabilities using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels which distinguish between assumptions based on market data (observable inputs) and the Company's assumptions (unobservable inputs). The level in the fair value hierarchy within which the respective fair value measurement falls is determined based on the lowest level input that is significant to the measurement in its entirety. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities. Level 2 inputs are other than quotable market prices included in Level 1 that are observable for the asset or liability either directly or indirectly through corroboration with observable market data. Level 3 inputs are unobservable inputs for the assets or liabilities that reflect management's own assumptions about the assumptions market participants would use in pricing the asset or liability. The Company recognizes transfers between Levels 1, 2 and 3 as of the actual date of the event or change in circumstances that cause the transfer.

Revenue Recognition

Revenue is recognized when control of the promised goods or services is transferred to GEO's customers, in an amount that reflects the consideration GEO expects to be entitled to in exchange for those goods or services. Sales, value-added and other taxes GEO collects concurrent with revenue producing activities and that are subsequently remitted to governmental authorities are excluded from revenues. The guidance distinguishes between goods and services. The definition of services under the guidance includes everything other than goods. As such, in the case of GEO, this guidance views the provision of housing and electronic monitoring as a service.

When a contract includes variable consideration, GEO determines an estimate of the variable consideration and evaluates whether the estimate needs to be constrained; therefore, GEO includes the variable consideration in the transaction price only to the extent that it is probable that a significant reversal of the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Variable consideration estimates are updated at each reporting date. One of GEO's international contracts, related to its Ravenhall facility (discussed further below), contains a provision where a significant portion of the revenue for the contract is based on the performance of certain targets. These performance targets are based on specific criteria to be met over specific periods of time. Such criteria include the Company's ability to achieve certain contractual benchmarks relative to the quality of service it provides, non-occurrence of certain disruptive events, effectiveness of its quality control programs and its responsiveness to customer requirements. The performance of these targets is measured quarterly and there was no significant constraint on the estimate of such variable consideration for this contract during the years ended December 31, 2025, 2024 and 2023.

GEO does not disclose the value of unsatisfied performance obligations for (i) contracts with an expected length of one year or less and (ii) contracts for which revenue is recognized at the amount to which GEO has the right to invoice for services performed, which is generally the case for all of GEO's contracts. Incidental items that are immaterial in the context of the contract are recognized as expense. GEO generally

does not incur incremental costs related to obtaining a contract with its customers that would meet the requirement for capitalization. There were no assets recognized from costs to obtain a contract with a customer at December 31, 2025 or 2024.

The timing of revenue recognition may differ from the timing of invoicing to customers. GEO records a receivable when services are performed which are due from its customers based on the passage of time. GEO records a contract liability if consideration is received in advance of the performance of services. Generally, GEO's customers do not provide payment in advance of the performance of services. Therefore, any contract liability is not significant at December 31, 2025 or 2024. Revenue recognized during the years ended December 31, 2025, 2024 and 2023 that was included in the opening balance of unearned revenue was not significant. There have been no significant amounts of revenue recorded in the periods presented from performance obligations either wholly or partially satisfied in prior periods.

The right to consideration under GEO's contracts is only dependent on the passage of time and is therefore considered to be unconditional. Payment terms and conditions vary by contract type although terms generally include a requirement of payment within 30 days after performance obligations are satisfied and generally do not include a significant financing component. There have been no significant changes in receivables or unearned revenue balances during the periods other than regular invoicing and collection activity.

The following table disaggregates GEO's revenue by major source and also provides a reconciliation with revenue information disclosed for reportable segments in Note 14 - Business Segments and Geographic Information:

	Year Ended December 31, 2025 (in thousands)				
	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International	Total
Owned and Leased: Secure Services	\$ 1,388,316	\$ —	\$ —	\$ —	\$ 1,388,316
Owned and Leased: Community-based	—	—	164,471	—	164,471
Managed Only	438,684	—	6,846	197,109	642,639
Electronic Monitoring Services and Other Reentry	—	320,919	115,204	—	436,123
Total Revenues	\$ 1,827,000	\$ 320,919	\$ 286,521	\$ 197,109	\$ 2,631,549

	Year Ended December 31, 2024 (in thousands)				
	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International	Total
Owned and Leased - Secure Services	\$ 1,207,979	\$ —	\$ —	\$ —	\$ 1,207,979
Owned and Leased - Community-based	—	—	163,911	—	163,911
Managed Only	396,407	—	6,421	208,924	611,752
Electronic Monitoring Services and Other Reentry	—	332,826	107,234	—	440,060
Total Revenues	\$ 1,604,386	\$ 332,826	\$ 277,566	\$ 208,924	\$ 2,423,702

	Year Ended December 31, 2023 (in thousands)				
	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International	Total
Owned and Leased - Secure Services	\$ 1,140,548	\$ —	\$ —	\$ —	\$ 1,140,548
Owned and Leased - Community-based	—	—	166,987	—	166,987
Managed Only	377,744	—	5,093	193,894	576,731
Electronic Monitoring Services and Other Reentry	—	425,879	103,022	—	528,901
Total Revenues	\$ 1,518,292	\$ 425,879	\$ 275,102	\$ 193,894	\$ 2,413,167

Owned and Leased - Secure Services

GEO recognizes revenue for secure housing services where GEO owns or leases the facility as services are performed. GEO provides for the safe and secure housing and care of incarcerated individuals under public-private partnerships with federal, state and local government agencies. This includes providing 24-hour care and supervision, including but not limited to, such services as medical, transportation, food service, laundry services and various programming activities. These tasks are considered to be activities to fulfill the safe and secure housing performance obligation and are considered to be individually separate promises in the contract which are aggregated into one performance

obligation. Each of these activities is highly interrelated and GEO performs a significant level of integration of these activities. GEO has identified these activities as a bundle of services and determined that each day of the promised service is distinct. The services provided are part of a series of distinct services that are substantially the same and are measured using the same measure of progress (time-based output method). GEO has determined that revenue for these services are recognized over time as its customers simultaneously receive and consume the benefits as the services are performed, which is on a continual daily basis, and GEO has a right to payment for performance completed to date. Time-based output methods of revenue recognition are considered to be a faithful depiction of GEO's efforts to fulfill its obligations under its contracts and therefore reflect the transfer of services to its customers. GEO's customers generally pay for these services based on a net rate per day per individual or on a fixed monthly rate.

Owned and Leased - Community-based

GEO recognizes revenue for community-based reentry services where GEO owns or leases the facility in a manner similar to its secure services discussed above. GEO provides individuals nearing the end of their judicially imposed sentence with the resources necessary to productively transition back into society. Through its residential reentry centers, GEO provides federal and state parolees and probationers with temporary housing, rehabilitation, substance abuse counseling and vocational and educational programs. These activities are considered to be a bundle of services which are a part of a series of distinct services recognized over time based on the same criteria as discussed above for secure services revenues. GEO's customers also generally pay for these services based on a net rate per day per individual or on a fixed monthly rate.

Managed Only

GEO recognizes revenue for its managed only contracts in the same manner as its Owned and Leased Secure Services and Owned and Leased Community-based contracts as discussed above. The primary exception is that GEO does not own or lease the facility. The facility is owned by the customer. In certain circumstances, GEO's customers may request that GEO make certain capital improvements to the facility or make other payments related to the facility. These payments are amortized as a reduction of revenues over the life of the contract. GEO's customers generally pay for these services based on a net rate per day per individual or a fixed monthly rate.

Electronic Monitoring and Supervision Services and Other Reentry

Electronic Monitoring and Supervision Services and Other Reentry revenue consist of the Company's contracts with federal and various state and local governments to provide location, alcohol and drug detecting electronic monitoring and case management services to individuals on an as needed or as requested basis. This category also includes the Company's day reporting centers.

GEO recognizes revenues for electronic monitoring and case management services as the services are performed. Services provided consist of community-based supervision (home visits), in-person reporting, telephonic reporting and GPS and other electronic monitoring as well as overall contract management services. The rates for the various services are considered to be stated at their individual stand-alone selling prices. GEO has determined that the services to be provided are recognized over time based on the unit of occurrence of the various services as its customer simultaneously receives and consumes the benefits as the services are performed and GEO has a right to payment for performance completed to date. Generally, these services are paid based on a net rate per occurrence and a monthly fee for management services.

Certain of the Company's electronic monitoring contracts include providing monitoring equipment and related monitoring services activities (using internal proprietary software platforms) to its customers. These tasks are considered to be activities to fulfill the promise to provide electronic monitoring services to individuals and are not considered to be individually separate promises in the contract. In the context of the contract, the equipment and monitoring service is not considered to be capable of being distinct as the customer typically cannot benefit from the equipment or monitoring service on its own or with other readily available resources. Management has identified these activities as a bundle of services and determined that each day or unit of the promised service is distinct. These services are part of a series of distinct services that are substantially the same and are measured using the same measure of progress (time-based output method) and are therefore accounted for as a single performance obligation. GEO has determined that services are recognized over time as the customer simultaneously receives and consumes the benefits as the services are performed and GEO has a right to payment for performance completed to date.

Services provided for GEO's day reporting centers are similar to its Owned and Leased Community-based services discussed above with the exception of temporary housing.

Income Taxes

The consolidated financial statements reflect provisions for federal, state, local and foreign income taxes. The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, as well as operating loss and tax credit carryforwards. The Company measures

deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which those temporary differences and carryforwards are expected to be recovered or settled. The effect on deferred tax assets and liabilities as a result of a change in tax rates is recognized as income in the period that includes the enactment date. Refer to Note 15 - Income Taxes.

Deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement and tax basis of assets and liabilities given the provisions of enacted tax laws. Significant judgments are required to determine the consolidated provision for income taxes. Deferred income tax provisions and benefits are based on changes to the assets or liabilities from year to year. Realization of the Company's deferred tax assets is dependent upon many factors such as tax regulations applicable to the jurisdictions in which the Company operates, estimates of future taxable income and the character of such taxable income.

Additionally, the Company must use judgment in addressing uncertainties in the application of complex tax laws and regulations. If actual circumstances differ from the Company's assumptions, adjustments to the carrying value of deferred tax assets or liabilities may be required, which may result in an adverse impact on the results of its operations and its effective tax rate. Valuation allowances are recorded related to deferred tax assets based on the "more likely than not" criteria. The Company has not made any significant changes to the way it accounts for its deferred tax assets and liabilities in any year presented in the consolidated financial statements. Based on its estimate of future earnings and its favorable earnings history, the Company currently expects full realization of the deferred tax assets net of any recorded valuation allowances. Furthermore, tax positions taken by the Company may not be fully sustained upon examination by the taxing authorities. In determining the adequacy of our provision (benefit) for income taxes, potential settlement outcomes resulting from income tax examinations are regularly assessed. As such, the final outcome of tax examinations, including the total amount payable or the timing of any such payments upon resolution of these issues, cannot be estimated with certainty.

Reserves for Insurance Losses

The nature of the Company's business exposes it to various types of third-party legal claims, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals within our care, medical malpractice claims, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, contractual claims and claims for personal injury or other damages resulting from contact with our facilities, programs, electronic monitoring products, personnel or individuals within our care, including damages arising from the escape of an individual in the Company's care or from a disturbance or riot at a facility. In addition, the Company's management contracts generally require it to indemnify the governmental agency against any damages to which the governmental agency may be subject in connection with such claims or litigation. The Company maintains a broad program of insurance coverage for these general types of claims, except for claims relating to employment matters, for which the Company carries no insurance. There can be no assurance that the Company's insurance coverage will be adequate to cover all claims to which it may be exposed. It is the Company's general practice to bring merged or acquired companies into its corporate master policies in order to take advantage of certain economies of scale.

On October 1, 2021, GEO formed a wholly owned captive insurance subsidiary, Florina Insurance Company, Inc. ("Florina"), to enhance its risk financing strategies. Florina is incorporated in the state of Vermont and is licensed and regulated by the state of Vermont, including with respect to its insurance programs, levels of liquidity and other requirements. GEO began procuring insurance policies to cover deductibles for workers' compensation, general liability, automobile liability, medical professional liability and directors' and officers' liability as well as the option of procuring insurance policies for excess liability and excess medical professional liability through Florina effective October 1, 2021. Florina holds cash and investments in order to meet solvency requirements and meet financial obligations as presented, including an investment portfolio of marketable fixed income and equity securities.

The Company currently maintains a general liability policy and excess liability policies with total limits of \$75.0 million per occurrence and \$95.0 million total general liability annual aggregate limits covering the operations of U.S. Secure Services, Reentry Services and Electronic Monitoring and Supervision Services through commercial and captive insurance policies. The Company has a professional liability program with a specific loss limit of \$45.0 million per occurrence and in the aggregate related to medical professional liability claims arising out of correctional healthcare services. The Company is uninsured for any claims in excess of these limits. We also maintain insurance to cover property and other casualty risks including, workers' compensation, environmental liability, cybersecurity liability and automobile liability.

For most casualty insurance policies, the Company carries substantial deductibles or self-insured retentions of \$4.0 million per occurrence for general liability and \$5.0 million per occurrence for medical professional liability, \$2.0 million per occurrence for workers' compensation, \$2.3 million per occurrence for directors' and officers' liability and \$1.0 million per occurrence for automobile liability. In addition, certain of the Company's facilities located in Florida and other high-risk hurricane areas carry substantial windstorm deductibles. Since hurricanes are considered unpredictable future events, no reserves have been established to pre-fund for potential windstorm damage. Limited commercial availability of certain types of insurance relating to windstorm exposure in coastal areas and earthquake exposure mainly in California and the Pacific Northwest may prevent the Company from insuring some of its facilities to full replacement value.

Of the insurance policies discussed above, the Company's most significant insurance reserves relate to workers' compensation, general liability and auto claims. These reserves, which include Florina's reserves and GEO's legacy reserves and administrative costs for the plans, are undiscounted and were \$67.3 million and \$56.9 million as of December 31, 2025 and 2024, respectively, and are included in Accrued Expenses in the accompanying Consolidated Balance Sheets. The Company uses statistical and actuarial methods to estimate amounts for claims that have been reported but not paid and claims incurred but not reported. In applying these methods and assessing their results, the Company considers such factors as historical frequency and severity of claims at each of its facilities, claim development, payment patterns and changes in the nature of its business, among other factors. Such factors are analyzed for each of the Company's business segments. The Company estimates may be impacted by such factors as increases in the market price for medical services and unpredictability of the size of jury awards. The Company also may experience variability between its estimates and the actual settlement due to limitations inherent in the estimation process, including its ability to estimate costs of processing and settling claims in a timely manner as well as its ability to accurately estimate the Company's exposure at the onset of a claim. Because the Company has high deductible insurance policies, the amount of its insurance expense is dependent on its ability to control its claims experience. If actual losses related to insurance claims significantly differ from the Company's estimates, its financial condition, results of operations and cash flows could be materially adversely impacted.

With respect to operations in South Africa and Australia, the Company utilizes locally procured insurance to meet contractual insurance requirements and protect the Company.

Comprehensive Income

Comprehensive income (loss) represents the change in shareholders' equity from transactions and other events and circumstances arising from non-shareholder sources. The Company's total comprehensive income is comprised of net income attributable to GEO, net income attributable to noncontrolling interests, foreign currency translation adjustments that arise from consolidating foreign operations that do not impact cash flows, net unrealized gains and/ or losses on derivative instruments, and pension liability adjustments in the consolidated statements of shareholders' equity.

The components of accumulated other comprehensive loss attributable to GEO included in the consolidated statement of shareholders' equity are as follows (in thousands):

	Foreign currency translation adjustments attributable to The GEO Group, Inc.	Unrealized gain on derivatives, net of tax	Change Marketable Securities, net of tax	Pension adjustments, net of tax	Total
Balance, January 1, 2025	\$ (26,939)	\$ 3,833	\$ (15)	\$ 1,519	\$ (21,602)
Current-period other comprehensive income (loss)	5,499	(1,089)	491	(1,271)	3,630
Balance, December 31, 2025	\$ (21,440)	\$ 2,744	\$ 476	\$ 248	\$ (17,972)

	Foreign currency translation adjustments attributable to The GEO Group, Inc.	Unrealized loss on derivatives, net of tax	Change Marketable Securities, net of tax	Pension adjustments, net of tax	Total
Balance, January 1, 2024	\$ (19,755)	\$ 3,041	\$ —	\$ 72	\$ (16,642)
Current-period other comprehensive income (loss)	(7,184)	792	(15)	1,447	(4,960)
Balance, December 31, 2024	\$ (26,939)	\$ 3,833	\$ (15)	\$ 1,519	\$ (21,602)

There were no reclassifications out of accumulated other comprehensive income (loss) during the years ended December 31, 2025 or 2024.

The foreign currency translation adjustment, net of tax, related to noncontrolling interests was not significant for the years ended December 31, 2025 or 2024.

Foreign Currency Translation

The Company's foreign operations use their local currencies as their functional currencies. Assets and liabilities of the operations are translated at the exchange rates in effect on the balance sheet date and shareholders' equity is translated at historical rates. Income statement items are translated at the average exchange rates for the year. Any adjustment resulting from translating the financial statements of the foreign subsidiary is reflected as other comprehensive income, net of related tax. Gains and losses on foreign currency transactions are included in the statement of operations.

Derivatives

The Company's primary objective in holding derivatives is to reduce the volatility of earnings and cash flows associated with changes in interest rates. The Company measures its derivative financial instruments at fair value and records derivatives as either assets or liabilities on the balance sheet. For derivatives that are designed as and qualify as effective cash flow hedges, the portion of gain or loss on the derivative instrument effective at offsetting changes in the hedged item is reported as a component of accumulated other comprehensive income and reclassified into earnings when the hedged transaction affects earnings. Derivative instruments are classified in the same category as cash flows from the items being hedged and any related gains and losses are reported as financing activities in the Consolidated Statement of Cash Flows.

The Company formally documents all relationships between hedging instruments and hedge items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes attributing all derivatives that are designated as cash flow hedges to floating rate liabilities and attributing all derivatives that are designated as fair value hedges to fixed rate liabilities. The Company also assesses whether each derivative is highly effective in offsetting changes in the cash flows of the hedged item. Fluctuations in the value of the derivative instruments are generally offset by changes in the hedged item; however, if it is determined that a derivative is not highly effective as a hedge or if a derivative ceases to be a highly effective hedge, the Company will discontinue hedge accounting prospectively for the affected derivative.

Stock-Based Compensation Expense

The Company recognizes the cost of stock-based compensation awards based upon the grant date fair value of those awards. The impact of forfeitures that may occur prior to vesting is also estimated and considered in the amount recognized. Stock-based compensation expense is recognized ratably over the requisite service period, which is typically the vesting period.

The fair value of stock-based option awards was estimated using the Black-Scholes option-pricing model with the following weighted average assumptions for options awarded during years 2025, 2024 and 2023:

	2025	2024	2023
Risk free interest rates	4.02%	4.35%	4.27%
Expected term	4-5 years	4-5 years	4-5 years
Expected volatility	58%	53%	52%

The Company uses historical data to estimate award exercises and employee terminations/forfeitures within the valuation model. The expected term of the awards represents the period of time that awards granted are expected to be outstanding and is based on historical data and expected holding periods. The maximum contractual term of stock-based option awards is ten years. The Company issues shares of its common stock upon the exercise of stock-based option awards out of its reserve established for its Amended 2018 Plan.

For restricted stock share-based awards that contain a performance condition, the achievement of the targets must be probable before any share-based compensation is recorded. If subsequent to the initial measurement there is a change in the estimate of the probability of meeting the performance condition, the effect of the change in the estimated quantity of awards expected to vest is recognized by cumulatively adjusting compensation expense. If ultimately the performance targets are not met, for any awards where vesting was previously deemed probable, previously recognized compensation expense will be reversed in the period in which vesting is no longer deemed probable.

For restricted stock share-based awards that contain a market condition, the probability of satisfying the market condition is considered in the estimate of grant-date fair value and previously recorded compensation expense is not reversed if the market condition is never met. The fair value of restricted stock awards granted in 2025, 2024 and 2023 with market-based performance conditions was determined based on a Monte Carlo simulation, which calculates a range of possible outcomes and the probabilities that they will occur, using the following average key assumptions:

	2025	2024	2023
Expected volatility	51.4%	52.0%	62.9%
Beta	1.10	0.95	0.92
Risk free interest rate	3.90%	4.30%	4.60%

Earnings Per Share

Basic earnings per share of common stock is computed by dividing the net income attributable to The GEO Group, Inc. available to common stockholders by the weighted-average number of common shares outstanding for the period. Net income attributable to The GEO Group, Inc. available to common stockholders represents net income attributable to The GEO Group, Inc. reduced by an allocation of earnings to participating securities. The 6.50% Exchangeable Notes due 2026, which contained non-forfeitable rights to dividends declared and paid on the shares of common stock, were participating securities and were included in the computation of earnings per share pursuant to the two-class method. Diluted EPS is calculated under the if-converted method and the two-class method for each class of shareholders using the weighted average number of shares attributable to each class. The calculation that results in the lowest diluted earnings per share amount for common stock is reported in the Company's financial statements.

Recent Accounting Pronouncements

The following accounting standard was adopted in the current period:

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU 2023-09 focuses on the tax rate reconciliation and income taxes paid disclosure in the Provision for Income Taxes. ASU No. 2023-09 requires a public business entity (PBE) to annually disclose a tabular rate reconciliation using both percentages and currency amounts. The tabular information is to be broken out into specified categories. Information provided under the specified categories may need to be further broken out by nature and jurisdiction to the extent those items exceed a specified threshold, generally 5% of the federal tax amount. In addition, entities are required to disclose income taxes paid, net of refunds received disaggregated by federal, state/local, and foreign, with further disaggregation by jurisdiction, if the amount is at least 5% of total income tax paid, net of refunds received. For PBEs, the new standard is effective for annual periods beginning after December 15, 2024, with early adoption permitted. Entities may apply the amendments in this ASU prospectively by providing the revised disclosures for the period ended December 31, 2025, and continuing to provide the pre-ASU disclosures for the prior periods. Alternatively, entities may apply ASU 2023-09 retrospectively by providing the revised disclosures for all periods presented. We adopted this ASU prospectively for the period ended December 31, 2025, which impacted our disclosures with no impact to our financial condition and results of operations. Refer to Note 15 - Income Taxes of the notes to the audited consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K for further discussion.

The following accounting standards will be adopted in future periods:

In September 2025, the FASB issued ASU 2025-06, "Intangibles - Goodwill and Other - Internal-Use Software (Topic 350-40): Targeted Improvements to the Accounting for Internal-Use Software". This amendment modernizes and makes targeted improvements to the accounting for software costs found under Topic 350-40, effective for fiscal years and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is evaluating the impact of adopting this standard on its consolidated financial statements and disclosures.

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under ASC 606. The ASU is effective for the Registrants for annual and interim periods beginning after December 15, 2025. The guidance should be applied on a prospective basis. Early adoption is permitted. The Company is currently assessing the impact of this standard on their Consolidated Financial Statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This ASU requires an entity to disclose the amounts of purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption. It also requires an entity to include certain amounts that are already required to be disclosed under current GAAP in the same

disclosure. Additionally, it requires an entity to disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, and to disclose the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. The amendments in the ASU are effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. An entity may apply the amendments prospectively for reporting periods after the effective date or retrospectively to any or all prior periods presented in the financial statements. The Company expects that this ASU will impact only the Company's disclosures and not its financial condition and results of operations.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants and the SEC did not, or are not expected to, have a material effect on our results of operations or financial position.

2. Shareholders' Equity

Common Stock

Each holder of the Company's common stock is entitled to one vote per share on all matters to be voted upon by the Company's shareholders. Upon any liquidation, dissolution or winding up of the Company, the holders of common stock are entitled to share equally in all assets available for distribution after payment of all liabilities, subject to the liquidation preference of shares of preferred stock, if any, then outstanding.

Preferred Stock

In April 1994, the Company's Board authorized 30 million shares of "blank check" preferred stock. The Board is authorized to determine the rights and privileges of any future issuance of preferred stock such as voting and dividend rights, liquidation privileges, redemption rights and conversion privileges. As of December 31, 2025 and 2024, there were no shares of preferred stock outstanding.

Automatic Shelf Registration on Form S-3

On October 30, 2023, the Company filed an automatic shelf registration statement on Form S-3 with the Securities and Exchange Commission (the "SEC") that enables the Company to offer for sale, from time to time and as the capital markets permit, an unspecified amount of common stock, preferred stock, debt securities, guarantees of debt securities, warrants and units. The shelf registration statement became automatically effective upon filing and is valid for three years.

Prospectus Supplement

On December 28, 2023, in connection with the shelf registration, the Company filed with the SEC a prospectus supplement related to the offer and sale from time to time of our common stock at an aggregate offering price of up to \$300 million through sales agents. Sales of shares of GEO's common stock under the prospectus supplement and equity distribution agreements entered into with the sales agents, if any, will be made in negotiated transactions or transactions that are deemed to be "at the market" offerings as defined in Rule 415 under the Securities Act of 1933. There were no shares of common stock sold under this prospectus supplement during the years ended December 31, 2025 or 2024.

Share Repurchase Program

On August 4, 2025, the Company's Board of Directors ("Board") authorized and approved a Share Repurchase Program covering the repurchase of up to \$300 million of shares of the Company's common stock through an expiration date of June 30, 2028. Repurchases of the Company's common stock will be made in accordance with applicable securities laws and may be made at senior management's discretion from time to time in the open market, by block purchase, through privately negotiated transactions, pursuant to a trading plan, or otherwise in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended. The authorization for the share repurchase program may be extended, increased, decreased, suspended or terminated by the Board of Directors in its discretion at any time. Repurchases of the Company's common stock (and the timing thereof) will depend upon market conditions, regulatory requirements, the Company's existing obligations, including its Credit Agreement, other corporate liquidity requirements and priorities and other factors as may be considered in the Company's sole discretion. The authorization for the share repurchase program does not obligate the Company to purchase any particular amount of the Company's common stock. During the year ended December 31, 2025, the Company repurchased 4,939,452 shares of its common stock under the program.

On November 4, 2025, the Board authorized and approved an increase to the size of the Share Repurchase Program from \$300 million to \$500 million and also extended the expiration date from June 30, 2028 to December 31, 2029.

Noncontrolling Interests

The Company includes the results of operations and financial position of SACM or the “joint venture”, its majority-owned subsidiary, in its consolidated financial statements. SACM was established in 2001 to operate correctional centers in South Africa. The joint venture currently provides security and other management services for the Kutama Sinthumule Correctional Centre in the Republic of South Africa under a 25-year management contract which commenced in February 2002. The Company’s and the joint venture partner’s shares in the profits of the joint venture are 88.75% and 11.25%, respectively. There were no changes in the Company’s ownership percentage of the consolidated subsidiary during the years ended December 31, 2025, 2024 and 2023.

3. Equity Incentive Plans

The Board adopted The GEO Group, Inc. Second Amended and Restated 2018 Stock Incentive Plan (the “Amended 2018 Plan”), which was approved by the Company’s shareholders and became effective on May 3, 2024. The Amended 2018 Plan supersedes the previous 2018 Stock Incentive Plan. As of the date the Amended 2018 Plan was approved by the Company’s shareholders, it provided for a reserve of an additional 12,400,000 shares of common stock that may be issued pursuant to awards granted under the Amended 2018 Plan. The Company filed a Form S-8 registration statement related to the Amended 2018 Plan on May 7, 2024.

Under the terms of the Amended 2018 Plan, the vesting period and, in the case of stock options, the exercise price per share, are determined by the terms of each grant agreement. All stock options that have been granted under the Company plans are exercisable at the fair market value of the common stock at the date of the grant. Generally, the stock options vest and become exercisable ratably over a four-year period. All stock options awarded under the Amended 2018 Plan expire no later than ten years after the date of the grant. When options are exercised, the Company issues shares of common stock related to the exercised options.

The Company recognized compensation expense related to the Amended 2018 Plan for the years ended December 31, 2025, 2024 and 2023 as follows (in thousands):

	2025	2024	2023
Stock option plan expense	\$ 1,935	\$ 993	\$ 631
Restricted stock expense	\$ 21,658	\$ 17,115	\$ 14,433

Stock Options

A summary of the activity of the Company’s stock options is presented below:

	Shares (In thousands)	Wtd. Avg. Exercise Price	Wtd. Avg. Remaining Contractual Term (years)	Aggregate Intrinsic Value (In thousands)
Options outstanding at January 1, 2025	1,632	\$ 16.64	5.59	\$ 19,520
Granted	377	26.23		
Exercised	(312)	14.59		
Forfeited/Canceled	(233)	24.29		
Options outstanding at December 31, 2025	<u>1,464</u>	\$ 18.25	6.07	\$ 4,254
Options vested and expected to vest at December 31, 2025	<u>1,398</u>	\$ 18.15	5.95	\$ 4,141
Options exercisable at December 31, 2025	<u>714</u>	\$ 18.94	3.70	\$ 2,029

The aggregate intrinsic value in the table above represents the total pretax intrinsic value (i.e., the difference between the Company’s closing stock price on the last trading day of 2025 and the exercise price, times the number of shares that are “in the money”) that would have been received by the option holders had all option holders exercised their options on December 31, 2025. This amount changes based on the fair value of the Company’s stock.

The following table summarizes information relative to stock option activity during the years ended December 31, 2025, 2024 and 2023 (in thousands):

	2025	2024	2023
Intrinsic value of options exercised	\$ 3,673	\$ 4,804	\$ 94
Fair value of shares vested	\$ 1,065	\$ 658	\$ 519

The following table summarizes information about the exercise prices and related information of stock options outstanding under the Amended 2018 Plan at December 31, 2025:

Exercise Prices (\$)	Options Outstanding			Options Exercisable		
	Number Outstanding (In thousands)	Wtd. Avg. Remaining Contractual Life	Wtd. Avg. Exercise Price	Number Exercisable	Wtd. Avg. Remaining Contractual Life	Wtd. Avg. Exercise Price
0-8.75	204	5.76	\$ 6.45	146	5.62	\$ 6.73
8.75-18.23	555	7.25	\$ 12.01	193	6.00	\$ 12.70
18.23-27.35	521	6.67	\$ 24.58	191	2.34	\$ 21.74
27.35-34.42	184	1.16	\$ 32.27	184	1.16	\$ 32.27
Total	<u>1,464</u>	6.07	\$ 18.25	<u>714</u>	3.70	\$ 18.94

The weighted average grant date fair value of options granted during the year ended December 31, 2025, 2024 and 2023 was \$13.95, \$6.64 and \$4.53 per share, respectively. There were 0.4 million, 0.4 million and 0.4 million options granted during the year ended December 31, 2025, 2024 and 2023, respectively.

The following table summarizes the status of non-vested stock options as of December 31, 2025 and changes during the year ended December 31, 2025:

	Number of Shares (In thousands)	Wtd. Avg. Grant Date Fair Value
Options non-vested at January 1, 2025	318	\$ 4.86
Granted	377	13.95
Vested	(273)	3.91
Forfeited	(233)	5.80
Options non-vested at December 31, 2025	<u>189</u>	\$ 9.17

As of December 31, 2025, the Company had \$5.1 million of unrecognized compensation costs related to non-vested stock option awards that are expected to be recognized over a weighted average period of 2.9 years.

Restricted Stock

During the year ended December 31, 2025, the Company granted 1,827,298 shares of restricted stock to certain employees and executive officers. Of these awards, 137,500 are market and performance-based awards that will be forfeited if the Company does not achieve certain annual metrics during 2025, 2026 and 2027. The fair value of restricted stock awards, which do not contain a market-based condition, is determined using the closing price of the Company's common stock on the date of the grant and compensation expense is recognized over the vesting period. Generally, the restricted stock awards vest in equal increments over either a three or four-year period.

The vesting of market and performance-based restricted stock grants awarded in 2025 are subject to the achievement by GEO of two annual performance metrics as follows: (i) up to 50% of the shares of restricted stock ("TSR Target Award") can vest at the end of a three-year performance period if GEO meets certain total shareholder return ("TSR") performance targets, as compared to the total shareholder return of a peer group of companies, over a three year period from January 1, 2025 to December 31, 2027 and (ii) up to 50% of the shares of restricted stock ("ROCE Target Award") can vest at the end of a three-year period if GEO meets certain return on capital employed ("ROCE") performance targets over a three year period from January 1, 2025 to December 31, 2027. These market and performance awards can vest at between 0% and 200% of the target awards for both metrics. The number of shares shown for the market and performance-based awards is based on the target awards for both metrics.

During the year ended December 31, 2024, the Company granted 1,820,838 shares of restricted stock to certain employees and executive officers. Of these awards, 368,807 are market and performance-based awards that will be forfeited if the Company does not achieve certain annual metrics over a three-year period from January 1, 2024 to December 31, 2026.

The vesting of the market and performance-based restricted stock grants awarded in 2024 are subject to the achievement by GEO of two annual performance metrics as follows: (i) up to 50% of the TSR Target Award can vest at the end of a three-year performance period if GEO meets certain TSR performance targets, as compared to the total shareholder return of a peer group of companies, over a three year period from January 1, 2024 to December 31, 2026; and (ii) up to 50% of the ROCE Target Award can vest at the end of a three-year performance period if GEO meets certain ROCE performance targets over a three year period from January 1, 2024 to December 31, 2026. These market and performance-based awards can vest at between 0% and 200% of the target awards for both metrics. The number of shares shown for the market and performance-based awards is based on the target awards for both metrics.

During the year ended December 31, 2023, the Company granted approximately 1,758,455 shares of restricted stock to its executive officers and to certain senior employees. Of these awards, 422,121 are market and performance-based awards that will be forfeited if the Company does not achieve certain annual metrics over a three-year period from January 1, 2023 to December 31, 2025.

The vesting of the market and performance-based restricted stock grants awarded in 2023 are subject to the achievement by GEO of two annual performance metrics as follows: (i) up to 50% of the TSR Target Award can vest at the end of a three-year performance period if GEO meets certain TSR performance targets, as compared to the total shareholder return of a peer group of companies, over a three year period from January 1, 2023 to December 31, 2025; and (ii) up to 50% of the ROCE Target Award can vest at the end of a three-year period if GEO meets certain ROCE performance targets over a three year period from January 1, 2023 to December 31, 2025. These market and performance-based awards can vest at the end of the three-year performance period at between 0% and 200% of the target awards for both metrics. The number of shares shown for the performance-based awards is based on the target awards for both metrics.

The metric related to TSR is considered to be a market condition. For share-based awards that contain a market condition, the probability of satisfying the market condition must be considered in the estimate of grant-date fair value. Compensation expense is recognized over the vesting period and previously recorded compensation expense is not reversed if the market condition is never met. Refer to Note 1 - Summary of Business Organization, Operations and Significant Accounting Policies-*Stock-Based Compensation Expense*, for the assumptions and method used to value these awards.

The metric related to ROCE is considered to be a performance condition. For share-based awards that contain a performance condition, the achievement of the targets must be probable before any share-based compensation expense is recorded. The Company reviews the likelihood of which target in the range will be achieved and if deemed probable, compensation expense is recorded at that time. If subsequent to the initial measurement there is a change in the estimate of the probability of meeting the performance condition, the effect of the change in the estimated quantity of awards expected to vest is recognized by cumulatively adjusting compensation expense. If ultimately the performance targets are not met, for any awards where vesting was previously deemed probable, previously recognized compensation expense will be reversed in the period in which vesting is no longer deemed probable. During 2025, 2024 and 2023, the Company deemed the achievement of the target award to be probable and there were no significant changes in the estimated quantity of awards expected to vest. The fair value of these awards was determined based on the closing price of the Company's common stock on the date of grant.

The following table summarizes the status of restricted stock awards as of December 31, 2025 and changes during the year ended December 31, 2025:

	Shares (In thousands)	Wtd. Avg. Grant Date Fair value
Restricted stock outstanding at January 1, 2025	3,714	\$ 9.77
Granted	1,827	26.69
Vested	(2,934)	8.89
Forfeited/Canceled	(150)	15.19
Restricted stock outstanding at December 31, 2025	<u>2,457</u>	<u>\$ 15.70</u>

As of December 31, 2025, the Company had \$22.5 million of unrecognized compensation cost that is expected to be recognized over a weighted average period of 2.38 years.

Employee Stock Purchase Plan

The Company previously adopted The GEO Group, Inc. 2011 Employee Stock Purchase Plan (the "Plan" or "ESPP") effective July 9, 2011. The Company has since amended and restated the Plan (the "Amended ESPP") which was approved by the Company's shareholders on April 28, 2021, and became effective on July 9, 2021. The purpose of the Amended ESPP, which is qualified under Section 423 of the Code, is to encourage stock ownership through payroll deductions by the employees of GEO and designated subsidiaries of GEO in order to increase their identification with the Company's goals and secure a proprietary interest in the Company's success. These deductions are used to purchase shares of the Company's common stock at a 5% discount from the then current market price. The maximum number of shares of common stock reserved for issuance over the term of the Amended ESPP on the amended effective date shall not exceed 506,023 shares.

The Amended ESPP is considered to be non-compensatory. As such, there is no compensation expense required to be recognized. Share purchases under the Amended ESPP are made on the last day of each month. During the years ended December 31, 2025, 2024 and 2023, 8,180, 10,923 and 20,630 shares of common stock, respectively, were issued in connection with the Plan.

4. Earnings Per Share

Basic earnings per share of common stock is computed by dividing the net income attributable to The GEO Group, Inc. available to common stockholders by the weighted-average number of common shares outstanding for the period. Net income attributable to The GEO Group, Inc. operations available to common stockholders represents net income attributable to The GEO Group, Inc. operations reduced by an allocation of earnings to participating securities. The 6.50% Exchangeable Notes due 2026, which contained non-forfeitable rights to dividends declared and paid on the shares of common stock, were participating securities and were included in the computation of earnings per share pursuant to the two-class method. Diluted EPS is calculated under the if-converted method and the two-class method for each class of shareholders using the weighted average number of shares attributable to each class. The calculation that results in the lowest diluted earnings per share amount for common stock is reported in the Company's financial statements. The if-converted method includes the dilutive effect of potential common shares related to the 6.50% Exchangeable Notes due 2026, if any. The remaining balance of the 6.50% Exchangeable Notes due 2026 were redeemed in full in 2025. Basic and diluted earnings per share were calculated for the years ended December 31, 2025, 2024 and 2023 as follows (in thousands, except per share data):

Fiscal Year	2025	2024	2023
	(In thousands, except per share data)		
Net Income	\$ 254,306	\$ 31,896	\$ 107,183
Loss attributable to noncontrolling interests	66	70	142
Less: Undistributed income allocable to participating securities	—	(2,107)	(18,223)
Net income attributable to The GEO Group, Inc. operations available to common stockholders	\$ 254,372	\$ 29,859	\$ 89,102
Basic earnings per share attributable to The GEO Group, Inc. available to common stockholders:			
Weighted average shares outstanding	137,487	131,318	121,908
Per share amount-basic	<u>\$ 1.85</u>	<u>\$ 0.23</u>	<u>\$ 0.73</u>
Diluted earnings per share attributable to The GEO Group, Inc. available to common stockholders:			
Weighted average shares outstanding	137,487	131,318	121,908
Dilutive effect of equity incentive plans	2,236	2,746	1,790
Weighted average shares assuming dilution	<u>139,723</u>	<u>134,064</u>	<u>123,698</u>
Per share amount-diluted	<u>\$ 1.82</u>	<u>\$ 0.22</u>	<u>\$ 0.72</u>

For the year ended December 31, 2025, 485,880 weighted average shares of common stock underlying options were excluded from the computation of diluted EPS because the effect would be anti-dilutive. For the same period, 61,010 common stock equivalents from restricted shares were anti-dilutive and excluded from the computation of diluted EPS.

For the year ended December 31, 2024, 1,214,934 weighted average shares of common stock underlying options were excluded from the computation of diluted EPS because the effect would be anti-dilutive. For the same period, 13,470 common stock equivalents from restricted shares were anti-dilutive and excluded from the computation of diluted EPS.

For the year ended December 31, 2023, 1,560,715 weighted average shares of common stock underlying options were excluded from the computation of diluted EPS because the effect would be anti-dilutive. For the same period, 201,946 common stock equivalents from restricted shares were anti-dilutive and excluded from the computation of diluted EPS.

5. Property and Equipment

Property and equipment consist of the following at fiscal year-end:

	Useful Life (Years)	2025	2024
		(In thousands)	
Land	—	\$ 129,753	\$ 119,056
Buildings and improvements	2 to 50	2,300,407	2,327,392
Leasehold improvements	1 to 29	276,570	280,296
Equipment	3 to 10	253,639	245,591
Furniture, fixtures and computer software	1 to 7	91,603	86,064
Facility construction in progress	—	29,147	21,544
Total		\$ 3,081,119	\$ 3,079,943
Less accumulated depreciation and amortization		(1,196,921)	(1,180,253)
Property and equipment, net		\$ 1,884,198	\$ 1,899,690

The Company amortizes its leasehold improvements over the shorter of their estimated useful lives or the terms of the leases including renewal periods that are reasonably assured. The Company's construction in progress primarily consists of new construction and renovations to facilities that are owned by the Company. There was no Interest capitalized in property and equipment for the years ended December 31, 2025 and 2024.

Depreciation expense was \$117.6 million, \$113.2 million and \$111.0 million for the years ended December 31, 2025, 2024 and 2023, respectively.

6. Derivative Financial Instruments

The Company's primary objective in holding derivatives is to reduce the volatility of earnings and cash flows associated with changes in interest rates. The Company measures its derivative financial instruments at fair value.

In August 2019, the Company entered into two interest rate swap agreements in the aggregate notional amount of \$44.3 million to fix the interest rate on certain of its variable rate debt to 4.22%. The Company has designated these interest rate swaps as hedges against changes in the cash flows of two identical promissory notes (the "Notes") which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. The Company has determined that the swaps have payment, expiration dates, and provisions that coincide with the terms of the Notes and are therefore considered to be effective cash flow hedges. Accordingly, the Company records the change in fair value of the interest rate swaps as accumulated other comprehensive income (loss), net of applicable taxes. Total unrealized gain (loss) recorded in total other comprehensive income (loss), net of tax, related to these cash flow hedges was \$(1.1) million, \$0.8 million and \$(0.6) million during the years ended December 31, 2025, 2024 and 2023, respectively. The total fair value of the swap assets as of December 31, 2025 and 2024 was \$3.5 million and \$4.9 million, respectively, and is recorded as a component of Other Non-Current assets within the accompanying balance sheet. There was no material ineffectiveness for the period presented. The Company does not expect to enter into any transactions during the next twelve months which would result in reclassification into earnings or losses associated with these swaps currently reported in accumulated other comprehensive income (loss). Refer to Note 11 - Debt for additional information.

7. Goodwill and Other Intangible Assets, Net

The Company has recorded goodwill as a result of its various business combinations. Goodwill is recorded as the difference, if any, between the aggregate consideration paid for an acquisition and the fair value of the tangible assets and intangible assets acquired net of liabilities assumed, including noncontrolling interests. Changes in the Company's goodwill balances recognized during the years ended December 31, 2025 and 2024 were as follows (in thousands):

	January 1, 2025	Foreign currency translation	December 31, 2025
U.S. Secure Services	\$ 316,366	\$ —	\$ 316,366
Electronic Monitoring and Supervision Services	289,570	—	289,570
Reentry Services	148,873	—	148,873
International Services	1,192	27	1,219
Total Goodwill	\$ 756,001	\$ 27	\$ 756,028

	January 1, 2024	Additions	Foreign currency translation	December 31, 2024
U.S. Secure Services	\$ 316,366	\$ —	\$ —	\$ 316,366
Electronic Monitoring and Supervision Services	289,570	—	—	289,570
Reentry Services	148,873	—	—	148,873
International Services [1]	390	836	(34)	1,192
Total Goodwill	\$ 755,199	\$ 836	\$ (34)	\$ 756,001

[1] On May 1, 2024, the Company completed an acquisition of all of the ownership shares of Correct Care Australasia Pty Ltd, an entity that performed health care services located in Australia. The purchase price was approximately AUD6.0 million, or approximately \$3.9 million, based on exchange rates on the date of acquisition subject to certain adjustments. The purpose of the acquisition was to expand GEO's health care services in Australia. The net assets acquired and operations were not material to our results from operations during the year ended December 31, 2025 or 2024.

Intangible assets consisted of the following as of December 31, 2025 and 2024 (in thousands):

	Weighted Average Useful Life (years)	December 31, 2025			December 31, 2024		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Facility management contracts	17.3	\$ 223,798	\$ (151,666)	\$ 72,132	\$ 223,790	\$ (142,414)	\$ 81,376
Trade names	Indefinite	45,200	—	45,200	45,200	—	45,200
Total acquired intangible assets		\$ 268,998	\$ (151,666)	\$ 117,332	\$ 268,990	\$ (142,414)	\$ 126,576

The accounting for recognized intangible assets is based on the useful lives to the reporting entity. Intangible assets with finite useful lives are amortized over their useful lives and intangible assets with indefinite useful lives are not amortized. The Company estimates the useful lives of its intangible assets taking into consideration (i) the expected use of the asset by the Company, (ii) the expected useful lives of other related assets or groups of assets, (iii) legal or contractual limitations, (iv) the Company's historical experience in renewing or extending similar arrangements, (v) the effects of obsolescence, demand, competition and other economic factors and (vi) the level of maintenance expenditures required to obtain the expected cash flows from the asset.

Amortization expense was \$9.3 million, \$9.3 million and \$11.8 million for the years ended December 31, 2025, 2024 and 2023, respectively, and primarily related to the U.S. Secure Services and Reentry Services segments' amortization of intangible assets for acquired management contracts. The Company relies on its historical experience in determining the useful life of facility management contracts. The Company makes assumptions related to acquired facility management contracts based on the competitive environment for individual contracts, our historical success rates in retaining contracts, the supply of available beds in the market, changes in legislation, the projected profitability of the facilities and other market conditions. As of December 31, 2025, the weighted average period before the next contract renewal or extension

for the facility management contracts was approximately 1.3 years. Although the facility management contracts acquired have renewal and extension terms in the near term, the Company has historically maintained these relationships beyond the contractual periods.

Estimated amortization expense related to the Company's finite-lived intangible assets for 2026 through 2030 and thereafter is as follows (in thousands):

Fiscal Year	Total Amortization Expense
2026	\$ 7,107
2027	6,931
2028	6,853
2029	6,853
2030	6,853
Thereafter	37,535
	<u>\$ 72,132</u>

8. Financial Instruments

The following table provides a summary of the Company's significant financial assets carried at fair value and measured on a recurring basis (in thousands):

	Fair Value Measurements at December 31, 2025			
	Carrying Value at December 31, 2025	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Restricted investments:				
Rabbi Trusts	\$ 4,354	\$ —	\$ 4,354	\$ —
Marketable equity and fixed income securities	75,244	2,362	72,882	—
Interest rate swap derivatives	3,473	—	3,473	—
	Fair Value Measurements at December 31, 2024			
	Carrying Value at December 31, 2024	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Restricted investments:				
Rabbi Trusts	\$ 1,818	\$ —	\$ 1,818	\$ —
Marketable equity and fixed income securities	54,392	2,069	52,323	—
Interest rate swap derivatives	4,851	—	4,851	—

The Company's Level 2 financial instruments included in the tables above as of December 31, 2025 and December 31, 2024 consist of interest rate swap derivative assets/liabilities held by GEO, investments in equity and fixed income mutual funds held in the Company's captive insurance subsidiary, Florina and investments in mutual funds held in the Company's rabbi trust established for employer contributions to The GEO Group, Inc. Non-qualified Deferred Compensation Plan. The Company's Level 1 financial instruments included in the table above as of December 31, 2025 and 2024 consist of money market funds held in Florina.

The interest rate swap derivative assets are valued using a discounted cash flow model based on projected borrowing rates. The Company's restricted investment in the rabbi trust for The GEO Group, Inc. Non-qualified Deferred Compensation Plan is invested in equity and fixed income pooled funds. The marketable equity and fixed income securities are valued using quoted rates.

9. Fair Value of Assets and Liabilities

The Company's Consolidated Balance Sheets reflect certain financial instruments at carrying value. The following table presents the carrying values of those instruments and the corresponding estimated fair values (in thousands):

	Estimated Fair Value Measurements at December 31, 2025				
	Carrying Value as of December 31, 2025	Total Fair Value	Level 1	Level 2	Level 3
Assets:					
Cash and cash equivalents	\$ 68,995	\$ 68,995	\$ 68,995	\$ —	\$ —
Restricted cash and investments	54,640	54,640	54,640	—	—
Liabilities:					
Borrowings under credit agreement	\$ 358,583	\$ 358,583	\$ —	\$ 358,583	\$ —
8.625% Senior Secured Notes due 2029	650,000	684,437	—	684,437	—
10.250% Senior Notes due 2031	625,000	685,375	—	685,375	—
Estimated Fair Value Measurements at December 31, 2024					
	Carrying Value as of December 31, 2024	Total Fair Value	Level 1	Level 2	Level 3
Assets:					
Cash and cash equivalents	\$ 76,896	\$ 76,896	\$ 76,896	\$ —	\$ —
Restricted cash and investments	48,968	48,968	48,968	—	—
Liabilities:					
Borrowings under credit agreement	\$ 430,823	\$ 436,838	\$ —	\$ 436,838	\$ —
8.625% Senior Secured Notes due 2029	650,000	687,239	—	687,239	—
10.250% Senior Notes due 2031	625,000	682,281	—	682,281	—
6.50% Exchangeable Senior Notes due 2026	100	314	—	314	—

The fair values of the Company's cash and cash equivalents, and restricted cash and investments approximates the carrying values of these assets at December 31, 2025 and 2024. Restricted cash consists of money market funds, bank deposits, commercial paper and time deposits used for asset replacement funds and other funds contractually required to be maintained at the Company's Australian subsidiary. The fair value of the money market funds and bank deposits is based on quoted market prices (Level 1).

As of December 31, 2025 and 2024, the recurring fair values of the Company's 8.625% Secured Notes due 2029 and the 10.250% Unsecured Notes due 2028 are based on Level 2 inputs using quotations by major market news services, such as Bloomberg. The fair value of the Company's Credit Agreement was also based on quotations by major market news services and also estimates of trading value considering the Company's borrowing rate, the undrawn spread and similar instruments. The Company retired its remaining 6.50% exchangeable senior notes due 2026 (the "Convertible Notes" or 6.50% Exchangeable Senior Notes") during 2025.

10. Accrued Expenses and other current liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	2025	2024
Accrued interest	\$ 26,502	\$ 26,029
Accrued other compensation	29,982	22,082
Accrued insurance	74,658	65,490
Accrued property and other taxes	36,562	32,920
Accrued legal and professional fees	2,988	2,898
Construction retainage	819	373
Other	26,019	27,976
Total	<u>\$ 197,530</u>	<u>\$ 177,768</u>

11. Debt

Debt consisted of the following (in thousands):

	December 31, 2025	December 31, 2024
Credit Agreement		
Term Loan	\$ —	\$ 320,823
Unamortized discount on term loan	—	(2,889)
Unamortized debt issuance costs on term loan	—	(5,049)
Revolver	358,583	110,000
Total Credit Agreement	358,583	422,885
8.625% Secured Notes due 2029		
Notes Due in 2029	650,000	650,000
Unamortized debt issuance costs	(9,643)	(12,039)
Total 8.625% Secured Notes due 2029	640,357	637,961
10.250% Unsecured Notes due 2031		
Notes Due in 2031	625,000	625,000
Unamortized debt issuance costs	(10,169)	(11,522)
Total 10.25% Unsecured Notes due 2031	614,831	613,478
6.50% Exchangeable Senior Notes:		
Notes Due in 2026	-	100
Unamortized debt issuance costs	-	-
Total 6.50% Exchangeable Senior Notes Due in 2026	-	100
Finance Lease Obligations	29	556
Other debt	36,823	38,048
Total debt	<u>1,650,623</u>	<u>1,713,028</u>
Current portion of finance lease obligations and long-term debt	(1,355)	(1,612)
Finance Lease Obligations, long-term portion	-	(219)
Long-Term Debt	<u>\$ 1,649,268</u>	<u>\$ 1,711,197</u>

Senior Notes Offering and Credit Agreement

On April 18, 2024, the Company announced the closing of its private offering of \$1.275 billion aggregate principal amount of senior notes, comprised of \$650.0 million aggregate principal amount of 8.625% senior secured notes due 2029 (the "Secured Notes"), issued under the Indenture, dated as of April 18, 2024 (the "2029 Indenture") and \$625.0 million aggregate principal amount of 10.250% senior notes due 2031 (the "Unsecured Notes" and, together with the Secured Notes, the "Notes"), issued under the Indenture, dated as of April 18, 2024 (the "2031 Indenture" and, together with the 2029 Indenture, the "Indentures"). The Notes are guaranteed (the "Secured Note Guarantees" and the "Unsecured Note Guarantees," respectively, and collectively, (the "Guarantees")) by GEO's domestic subsidiaries that are guarantors under the senior secured credit facility (the "Guarantors").

The Company also entered into a credit agreement, dated April 18, 2024 (the "Credit Agreement") to, among other things, evidence and govern a first-lien senior secured revolving credit facility and the commitments thereunder, and a first-lien senior secured term loan facility.

On July 14, 2025, the Company entered into a First Amendment to Credit Agreement (the “Amendment”) which amended its Credit Agreement dated as of April 18, 2024. The Amendment increased the Company's Revolving Credit Facility (the “Revolver”) commitments from \$310 million to \$450 million and extended the Revolver's maturity from April 15, 2029 to July 14, 2030. The Amendment also lowered the applicable interest rates based on the total leverage ratio for loans using the Alternate Base Rate and loans using the Secured Overnight Financing Rate (“SOFR”) by 0.50%. Currently, revolving credit loans accruing interest at a SOFR based rate would accrue interest at the term SOFR reference rate for the applicable interest period plus 2.75% per annum, which is lower by 0.50% from the applicable rate prior to the Amendment. The Amendment also increases the Company's capacity to make restricted payments over the next five years and makes certain additional modifications to the Credit Agreement. Prior to the closing of the Amendment, GEO repaid \$132 million of the Term Loan B outstanding under the Credit Agreement. Subsequently, as a result of an asset sale of one of the Company's owned facilities, the Company repaid the remaining balance of the Term Loans under the Credit Agreement. In connection with these transactions, the Company incurred a loss on extinguishment of debt, consisting of the write-off of deferred finance costs and the payment of call premiums, of approximately \$8.4 million during the year ended December 31, 2025.

Secured Notes

Certain terms and conditions of the 2029 Indenture and the Secured Notes are as follows:

Maturity. The Secured Notes mature on April 15, 2029.

Interest. The Secured Notes accrue interest at a rate of 8.625% per year. Interest on the Secured Notes is payable semi-annually on each April 15 and October 15, commencing October 15, 2024.

Issue Price. The Secured Notes were issued at par.

Guarantees. The Secured Notes are fully and unconditionally guaranteed by each of the Initial Guarantors (as defined in the 2029 Indenture) and may be guaranteed by additional subsidiaries of the Company when a subsidiary guarantees debt under the credit facilities (other than debt securities) and debt securities in an aggregate principal amount of at least \$100.0 million.

Ranking. The Secured Notes and the Secured Note Guarantees are GEO and the Guarantors' respective senior, secured obligations, and the indebtedness evidenced by the Secured Notes and the Secured Note Guarantees will rank equal in right of payment to all of GEO's and the Guarantors' other existing and future senior obligations, including the indebtedness under the Credit Agreement and the guarantees thereof; effectively senior in right of payment to all of GEO's and the Guarantors' existing and future unsecured indebtedness, including the Unsecured Notes, and the guarantees thereof, to the extent of the value of the Collateral (as defined below); senior in right of payment to any of GEO's and the Guarantors' future subordinated indebtedness; effectively junior in right of payment to any of GEO's and the Guarantors' future secured indebtedness that is secured by a lien on any assets not constituting Collateral, to the extent of the value of such assets; and structurally subordinated to all existing and future indebtedness and other liabilities of the Subsidiaries that do not guarantee the Secured Notes and joint ventures, including trade payables.

Security. The Secured Notes and the Secured Note Guarantees are secured on a first-priority basis by the same collateral (the “Collateral”) that secures the obligations under the Credit Agreement in accordance with the terms of the 2029 Indenture and security agreements relating to the Collateral and instruments filed and recorded in appropriate jurisdictions to preserve and protect the liens on the Collateral (including, without limitation, mortgages, deeds of trust or deed to secure debt and financing statements under the Uniform Commercial Code of the relevant states applicable to the Collateral), each for the benefit of the Trustee, Collateral Agent and the holders of the Secured Notes.

Mandatory Redemption. The Company is not required to make mandatory redemption or sinking fund payments with respect to the Secured Notes.

Optional Redemption. On or after April 15, 2026, the Company may redeem all or a part of the Secured Notes (which includes Additional Notes (as defined in the 2029 Indenture), if any), upon not less than 10 nor more than 60 days' notice, at the fixed redemption prices expressed as percentages of the principal amount set forth in the 2029 Indenture, plus accrued and unpaid interest, if any, on the Secured Notes redeemed, to, but excluding, the applicable redemption date, subject to the rights of holders of Secured Notes on the relevant record date to receive interest due on the relevant interest payment date if the Secured Notes have not been redeemed prior to such date. In addition, the Company may redeem up to 35% of the aggregate principal amount of the Secured Notes at any time and from time to time before April 15, 2026, with an amount up to the net proceeds of certain equity offerings at a redemption price of 108.625% of the principal amount plus accrued and unpaid interest, if any, to, but excluding, the redemption date provided, that (1) at least 65% of the aggregate principal amount of Secured Notes remains outstanding immediately after the occurrence of that redemption and (2) the redemption occurs within 90 days of the date of the closing of the equity offering. The Company may also redeem the Secured Notes, in whole or in part, at any time and from time to time before April 15, 2026, at a redemption price equal to 100% of the principal amount of the Secured Notes (which includes Additional Notes, if any), plus the

Applicable Premium (as defined in the 2029 Indenture) as of the applicable redemption date, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, subject to the rights of holders of Secured Notes on the relevant record date to receive interest due on the relevant interest payment date if the Secured Notes have not been redeemed prior to such date. Additionally, during any twelve-month period prior to April 15, 2026, the Company shall be entitled at its option on one or more occasions to redeem the Secured Notes (which includes Additional Notes, if any) in an aggregate principal amount not to exceed 10% of the aggregate principal amount of the outstanding Secured Notes (which includes Additional Notes, if any) at a redemption price (calculated by the Company and expressed as a percentage of principal amount) of 103.000%, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

Change of Control. If a Change of Control (as defined in the 2029 Indenture) occurs, the Company will offer a payment in cash equal to 101% of the aggregate principal amount of Secured Notes repurchased, plus accrued and unpaid interest, if any, on the Secured Notes repurchased, to (but not including) the date of purchase, subject to the right of holders on the relevant record date to receive interest due on the relevant interest payment date if the Secured Notes have not been redeemed or repurchased prior to such date.

Certain Covenants. The 2029 Indenture contains certain covenants that will limit, among other things, the Company's and its Restricted Subsidiaries' (as defined in the 2029 Indenture) ability to: incur additional indebtedness (including guarantees thereof); incur or create liens, other than Permitted Liens (as defined in the 2029 Indenture); make certain Restricted Payments (as defined in the 2029 Indenture); make certain investments; dispose of certain assets; allow to exist certain restrictions on the ability of the Company's Restricted Subsidiaries to pay any dividend or make any other payment or distribution on account of the Company's or any Restricted Subsidiary's Equity Interests (as defined in the 2029 Indenture); engage in certain transactions with affiliates; and engage in any business other than Permitted Businesses (as defined in the 2029 Indenture). These covenants are subject to a number of important limitations and exceptions.

Events of Default. The 2029 Indenture contains customary events of default which could, subject to certain conditions, cause the Secured Notes to become immediately due and payable.

The Secured Notes are also subject to the terms of the First Lien Intercreditor Agreement (the "First Lien Intercreditor Agreement"), dated April 18, 2024, among GEO, GEOCH, the other grantors from time to time party thereto, Citizens Bank, N.A., as Credit Agreement Collateral Agent and Authorized Representative for the Credit Agreement Secured Parties, and Ankura Trust Company, LLC as Initial Additional Collateral Agent and Initial Additional Authorized Representative. The First Lien Intercreditor Agreement sets forth the relative rights and obligations of the holders of First Lien Secured Obligations (which means (i) all obligations as defined in the Credit Agreement, (ii) all obligations under the Secured Notes, the 2029 Indenture, the Secured Note Guarantees and the Security Documents (as defined in the 2029 Indenture), and (iii) any other indebtedness secured on a first lien pari passu basis with such obligations), in each case, with respect to shared Collateral.

Unsecured Notes

Certain terms and conditions of the 2031 Indenture and the Unsecured Notes are as follows:

Maturity. The Unsecured Notes mature on April 15, 2031.

Interest. The Unsecured Notes accrue interest at a rate of 10.250% per year. Interest on the Unsecured Notes is payable semi-annually on each April 15 and October 15, commencing October 15, 2024.

Issue Price. The Unsecured Notes were issued at par.

Guarantees. The Unsecured Notes are fully and unconditionally guaranteed by each of the Initial Guarantors (as defined in the 2031 Indenture) and may be guaranteed by additional subsidiaries of the Company when a subsidiary guarantees debt under the credit facilities (other than debt securities) and debt securities in an aggregate principal amount of at least \$100.0 million.

Mandatory Redemption. The Company is not required to make mandatory redemption or sinking fund payments with respect to the Unsecured Notes.

Optional Redemption. On or after April 15, 2027, the Company may redeem all or a part of the Unsecured Notes (which includes Additional Notes (as defined in the 2031 Indenture), if any), upon not less than 10 nor more than 60 days' notice, at the fixed redemption prices expressed as percentages of the principal amount set forth in the 2031 Indenture, plus accrued and unpaid interest, if any, on the Unsecured Notes redeemed, to, but excluding, the applicable redemption date, subject to the rights of holders of Unsecured Notes on the relevant record date to receive interest due on the relevant interest payment date if the Unsecured Notes have not been redeemed prior to such date. In addition, the Company may redeem up to 35% of the aggregate principal amount of the Unsecured Notes at any time and from time to time before April 15, 2027, with an amount up to the net proceeds of certain equity offerings at a redemption price of 110.250% of the principal amount plus accrued and unpaid interest, if any, to, but excluding, the redemption date provided, that (1) at

least 65% of the aggregate principal amount of Unsecured Notes remains outstanding immediately after the occurrence of that redemption and (2) the redemption occurs within 90 days of the date of the closing of the equity offering. The Company may also redeem the Unsecured Notes, in whole or in part, at any time and from time to time before April 15, 2027, at a redemption price equal to 100% of the principal amount of the Unsecured Notes (which includes Additional Notes, if any), plus the Applicable Premium (as defined in the 2031 Indenture) as of the applicable redemption date, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, subject to the rights of holders of Unsecured Notes on the relevant record date to receive interest due on the relevant interest payment date if the Unsecured Notes have not been redeemed prior to such date.

Change of Control. If a Change of Control (as defined in the 2031 Indenture) occurs, the Company will offer a payment in cash equal to 101% of the aggregate principal amount of Unsecured Notes repurchased, plus accrued and unpaid interest, if any, on the Unsecured Notes repurchased, to (but not including) the date of purchase, subject to the right of holders on the relevant record date to receive interest due on the relevant interest payment date if the Unsecured Notes have not been redeemed or repurchased prior to such date.

Certain Covenants. The 2031 Indenture contains certain covenants that will limit, among other things, the Company's and its Restricted Subsidiaries' (as defined in the 2031 Indenture) ability to: incur additional indebtedness (including guarantees thereof); incur or create liens, other than Permitted Liens (as defined in the 2031 Indenture); make certain Restricted Payments (as defined in the 2031 Indenture); make certain investments; dispose of certain assets; allow to exist certain restrictions on the ability of the Company's Restricted Subsidiaries to pay any dividend or make any other payment or distribution on account of the Company's or any Restricted Subsidiary's Equity Interests (as defined in the 2031 Indenture); engage in certain transactions with affiliates; and engage in any business other than Permitted Businesses (as defined in the 2031 Indenture). These covenants are subject to a number of important limitations and exceptions.

Events of Default. The 2031 Indenture contains customary events of default which could, subject to certain conditions, cause the Unsecured Notes to become immediately due and payable.

Credit Agreement

GEO and GEOCH, as borrowers (collectively, the "Credit Facility Borrowers"), entered into a Credit Agreement, dated April 18, 2024 (the "Credit Agreement") to, among other things, evidence and govern a first-lien senior secured revolving credit facility (the "Revolving Credit Facility"; and the commitments thereunder, the "Revolving Credit Facility Commitments") and a first-lien senior secured term loan facility (the "Term Loan Facility" and, together with the Revolving Credit Facility, the "Credit Facility"). As of December 31, 2025, the aggregate principal amount of revolving credit commitments under the Revolving Credit Facility was \$450 million (including a \$175 million letter of credit subfacility) and the aggregate principal amount of the New Term Loan Facility was \$450.0 million. On July 14, 2025, the Company amended its Credit Agreement as discussed above.

The loans under the Revolving Credit Facility (the "Revolving Credit Loans") bore interest at a per annum rate equal to either (i) Alternate Base Rate (as defined below) plus an applicable margin or (ii) Term SOFR (as defined below) (subject to a 0.75% floor) plus an applicable margin, which applicable margin shall, in either case, vary depending on GEO's total leverage ratio as of the most recent determination date, and the Credit Facility Borrowers would pay a fee in respect of the unused revolving commitments under the Revolving Credit Facility at a per annum rate ranging from 0.25% to 0.50%, in each case depending on GEO's total leverage ratio as of the most recent determination date, where "Alternate Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Rate for such day plus 1/2 of 1% and (c) Term SOFR (as defined below) for a one-month tenor in effect on such day, plus 1%, and "Term SOFR" means the Term Secured Overnight Financing Rate. The loans under the Term Loan Facility (the "Term Loans") bear interest at a per annum rate equal to either (i) Alternate Base Rate plus an applicable margin for Alternate Base Rate Loans and (ii) Term SOFR (subject to a 0.75% floor) plus an applicable margin for Term SOFR Loans.

The Term Loans amortized at a rate equal to 1.25% of the original principal amount of such Term Loans per quarter. Mandatory prepayments of loans under the Credit Agreement were required in respect of certain casualty and asset sale proceeds and excess cash flow, subject to certain thresholds and exceptions. Voluntary prepayments of the Revolving Credit Loans could be made by the Credit Facility Borrowers at any time without premium or penalty (subject to reimbursement for customary breakage expenses). Voluntary prepayments of the Term Loans and any prepayments of Term Loans required in connection with any acceleration of the maturity thereof (or in connection with a foreclosure or other disposition of or realization upon any Collateral or other satisfaction or compromise of any obligations thereunder in any insolvency or other similar proceeding) would require payment of a premium equal to (i) 2.00% of the principal amount prepaid or required to be prepaid if made prior to the first anniversary of the effective date of the Term Loan Facility and (ii) 1.00% of the principal amount prepaid or required to be prepaid if made on or after the first anniversary of the effective date of the Term Loan Facility but prior to the second anniversary of the effective date of the Term Loan Facility. As discussed above, the Company repaid the balance of the Term Loans during the third quarter of 2025.

The Revolving Credit Facility Commitments under the Revolving Credit Facility were scheduled to terminate, and the Revolving Credit Loans were scheduled to mature, on the earliest of (i) April 15, 2029, (ii) in the event that any Term Loans remain outstanding on the date that is ninety-one days prior to the Term Loan Maturity Date (as defined below), the date that is ninety-one days prior to the Term Loan Maturity Date, (iii) in the event that an aggregate principal amount equal to or greater than \$100,000,000 of any Senior Notes remains outstanding on the Senior Notes Springing Maturity Date (as defined below), it being understood that Senior Notes shall not be considered to be outstanding for purposes of this clause (iii) to the extent GEO, shall have deposited or caused to be deposited funds into a customary irrevocable escrow in an amount sufficient to pay or redeem such Senior Notes in full on the maturity date thereof (the "Maturity Reserve Condition"), where "Senior Notes" refers to each of the Secured Notes and the Unsecured Notes and any other senior notes issued by GEO or any of its subsidiaries and "Senior Notes Springing Maturity Date" means the date that is ninety-one days prior to the stated maturity date of the applicable Senior Notes. The Term Loans will mature on the earliest of (i) April 15, 2029 and (ii) in the event that an aggregate principal amount equal to or greater than \$100,000,000 of any series or class of Senior Notes remains outstanding on the Senior Notes Springing Maturity Date, such Senior Notes Springing Maturity Date, unless the Maturity Reserve Condition is satisfied with respect to such Senior Notes (such earliest date, the "Term Loan Maturity Date").

The Credit Agreement contains certain customary representations and warranties, affirmative covenants and negative covenants, including restrictions on the ability of GEO and its restricted subsidiaries to, among other things, (i) create, incur or assume any indebtedness, (ii) create, incur, assume or permit liens, (iii) make loans and investments, (iv) engage in mergers, acquisitions and asset sales, (v) make certain restricted payments, (vi) engage in transactions with affiliates, (vii) cancel, forgive, make any voluntary or optional payment or prepayment on, or redeem or acquire for value any subordinated indebtedness, except as permitted under applicable subordination terms, (viii) engage in other businesses, except as permitted, and (ix) materially impair the security interests securing the obligations under the Credit Agreement. The Credit Agreement also contains certain financial covenants, including a maximum total leverage ratio covenant, a maximum first lien leverage ratio covenant and a minimum interest coverage ratio covenant. In addition, the Credit Agreement restricts GEO from electing to be taxed as a real estate investment trust under the Internal Revenue Code. The Credit Agreement also contains certain customary events of default.

The Credit Facility guarantors will guarantee the obligations in respect of the commitments and loans under the Credit Agreement. The obligations of the Credit Facility Borrowers and the Credit Facility guarantors in respect of the Credit Agreement will be secured by first-priority liens on substantially all of their assets, including real property interests with respect to which the Credit Agreement requires the execution and delivery of a mortgage. The rights of the holders of the Secured Notes in the Collateral (including the right to exercise remedies) is subject to the First Lien Intercreditor Agreement.

On November 13, 2025, the Company entered into a Second Amendment to Credit Agreement (the "Amendment"), by and among each of GEO and GEO Corrections Holdings, Inc., as the Borrowers, the guarantors named therein, Citizens Bank, N.A., as administrative agent, and the lenders party thereto. The Amendment effectively removes the 3.00 to 1.00 total leverage ratio hurdle from one-half of the \$150.0 million general carve-out to the Credit Agreement's restricted payments negative covenant.

As of December 31, 2025, the Company had \$358.6 million in borrowings under its revolver, and approximately \$44.4 million in letters of credit which left approximately \$47.0 million in additional borrowing capacity under the revolver. The weighted average interest rate on outstanding borrowings under the Credit Agreement as of December 31, 2025 was 6.19%.

Subsequent to the year ended December 31, 2025, the Company closed on an amendment to the Company's Amended Credit Agreement to increase the Company's revolving credit facility commitments from \$450 million to \$550 million, effective January 20, 2026. Refer to Note 17 - Subsequent Events for further information.

6.50% Exchangeable Senior Notes due 2026

On February 24, 2021, the Company's wholly owned subsidiary, GEOCH, completed a private offering of \$230 million aggregate principal amount of 6.50% Exchangeable Senior Notes due 2026 (the "Convertible Notes"). The Convertible Notes were to mature on February 23, 2026, unless earlier repurchased or exchanged. The Convertible Notes bore interest at the rate of 6.50% per year plus an additional amount based on the dividends paid by the Company on its common stock, \$0.01 par value per share. Interest on the Convertible Notes was payable semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2021.

Subject to certain restrictions on share ownership and transfer, holders could have exchanged the Convertible Notes at their option prior to the close of business on the business day immediately preceding November 25, 2025, but only under the following circumstances: (1) during the five consecutive business day period after any five consecutive trading day period, or the measurement period, in which the trading price per \$1,000 principal amount of Convertible Notes for each trading day of such measurement period was less than 98% of the product of the last reported sale price of the Company's common stock and the exchange rate for the Convertible Notes on each such trading day; or (2) upon the

occurrence of certain specified corporate events. On or after November 25, 2025, until the close of business on the second scheduled trading day immediately preceding the maturity date of the Convertible Notes, holders could have exchanged their Convertible Notes at any time, regardless of the foregoing circumstances. Upon exchange of a Convertible Note, GEO was to pay or deliver, as the case may be, cash or a combination of cash and shares of the Company's common stock.

Upon conversion, the Company was to pay or deliver, as the case may be, cash or a combination of cash and shares of common stock. The initial conversion rate was 108.4011 shares of common stock per \$1,000 principal amount of Convertible Notes (equivalent to an initial conversion price of approximately \$9.225 per share of common stock). The conversion rate would have been subject to adjustment in certain events. If the Company or GEOCH had undergone a fundamental change, holders could have required GEOCH to purchase the Convertible Notes in whole or in part for cash at a fundamental change purchase price equal to 100% of the principal amount of the Convertible Notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date.

During 2024, the Company retired \$229.9 million in aggregate principal amount of its outstanding 6.50% Exchangeable Senior Notes as a result of private exchange transactions with an exchange value of approximately \$410 million. The consideration consisted of cash of \$229.9 million, using a combination of the net proceeds from the Senior Notes Offering and cash on hand, and approximately 12.4 million shares of GEO common stock. Of the total amount of shares issued, the Company issued approximately 4.2 million shares that were in treasury. During the first quarter of 2025, the Company retired the remaining outstanding balance.

Other

In August of 2019, the Company entered into two identical notes in the aggregate amount of \$44.3 million which are secured by loan agreements and mortgage and security agreements on certain real property and improvements. The terms of the notes are through September 1, 2034 and bear interest at LIBOR plus 200 basis points and are payable in monthly installments plus interest. The Company has entered into interest rate swap agreements to fix the interest rate to 4.22%. Included in the balance at December 31, 2025 is \$0.4 million of deferred loan costs incurred in the transaction. Refer to Note 6 - Derivative Financial Instruments for further information.

The weighted average interest rate on outstanding borrowings under all of our outstanding debt balances as of December 31, 2025 was 8.61%

The Company was in compliance with its debt covenants at December 31, 2025.

Debt Repayment

Debt repayment schedules under Finance Lease Obligations, Long-Term Debt, Term Loans and the Credit Agreement are as follows:

Fiscal Year	Finance Leases	Long-Term Debt	Revolver	Total Repayment
		(In thousands)		
2026	\$ 29	\$ 1,326	\$ —	\$ 1,355
2027	—	1,383	—	1,383
2028	—	1,439	—	1,439
2029	—	651,499	—	651,499
2030	—	1,576	358,583	360,159
Thereafter	—	655,034	—	655,034
	29	1,312,257	358,583	1,670,869
Current portion	(29)	(1,326)	—	(1,355)
Non-current portion	\$ —	\$ 1,310,931	\$ 358,583	\$ 1,669,514

Guarantees

The Company has entered into certain guarantees in connection with the performance of a facility in Australia. The obligations amounted to approximately AUD53 million, or \$35 million, based on exchange rates in effect as of December 31, 2025.

At December 31, 2025, the Company also had six letters of guarantee outstanding under separate international facilities relating to performance guarantees of its Australian subsidiary totaling \$7.6 million. The guarantees exist over the term of the respective contracts.

Except as discussed above, the Company does not have any off-balance sheet arrangements.

12. Leases

The Company has operating and finance leases for facilities, ground leases, office space, computers, copier equipment and transportation vehicles that have remaining lease terms of one year to seventy-six years, some of which include options to extend the lease for up to ten years.

Lease related assets and liabilities are recorded on the balance sheet as follows (in thousands):

Classification on the Balance Sheet		December 31, 2025	December 31, 2024
Assets			
Operating lease assets	Operating Lease Right-of-Use Assets, Net	\$ 72,294	\$ 95,327
Finance lease assets	Property and Equipment, Net	27	514
Total lease assets		\$ 72,321	\$ 95,841
Liabilities			
Current			
Operating	Operating lease liabilities, current portion	\$ 17,193	\$ 25,335
Finance [1]	Current portion of long-term debt	29	337
Noncurrent			
Operating	Operating Lease Liabilities	57,557	73,638
Finance [1]	Other Non-Current Liabilities	-	219
Total lease liabilities		\$ 74,779	\$ 99,529

[1] Also refer to Note 11 - Debt.

Certain information related to the lease costs for finance and operating leases is presented as follows (in thousands):

	Year Ended December 31, 2025	Year Ended December 31, 2024
Operating lease cost	\$ 32,812	\$ 34,359
Finance lease cost:		
Amortization of right-of-use assets	488	691
Interest on lease liabilities	9	35
Total finance lease cost	497	726
Short-term lease cost	16,751	13,302
Total lease cost	<u>\$ 50,060</u>	<u>\$ 48,387</u>
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	\$ 33,181	\$ 35,085
Operating cash flows for finance leases	\$ 10	\$ 36
Financing activities for finance leases	\$ 525	\$ 728
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 17,863	\$ 21,324
Right-of-use assets obtained in exchange for new finance lease liabilities	\$ —	\$ —
Weighted average remaining lease term:		
Operating leases	7.2 years	5.5 years
Finance leases	0.2 years	0.9 years
Weighted average discount rate:		
Operating leases	6.90%	6.60%
Finance leases	3.90%	3.90%

The table below reconciles the undiscounted cash flows for each of the first five years and total of the remaining years to the operating lease liabilities and finance lease liabilities recorded on the balance sheet as of December 31, 2025 (in thousands).

	Operating Leases	Finance Leases
2026	\$ 23,262	\$ 29
2027	18,920	—
2028	13,313	—
2029	9,585	—
2030	5,556	—
Thereafter	27,390	—
Total minimum lease payments	98,026	29
Less: amount of lease payment representing interest	(23,276)	—
Present value of future minimum lease payments	74,750	29
Less: current obligations under leases	(17,193)	(29)
Long-term lease obligations	<u>\$ 57,557</u>	<u>\$ —</u>

13. Benefit Plans

The Company's employees participate in an Employee Retirement Savings Plan (the "Retirement Plan") under Section 401(k) of the Internal Revenue Code that covers substantially all U.S. based salaried employees. Employees may contribute a percentage of eligible compensation to the Retirement Plan, subject to certain limits under the Internal Revenue Code. For the years ended December 31, 2025, 2024 and 2023, the Company provided matching contributions of \$9.5 million, \$9.5 million and \$8.5 million, respectively.

The Company has two non-contributory defined benefit pension plans covering certain of the Company's executives. Retirement benefits are based on years of service, employees' average compensation for the last five years prior to retirement and social security benefits. Currently, the plans are not funded. The Company purchased and is the beneficiary of life insurance policies for certain participants enrolled in the plans. There were no significant transactions between the employer or related parties and the plans during 2025, 2024 or 2023.

The Company had a non-qualified deferred compensation agreement with its Executive Chairman. The agreement provided for a lump sum payment upon retirement, no sooner than age 55. As of December 31, 2025, the Executive Chairman had reached age 55 and was eligible to receive the payment upon retirement.

The Company and its Executive Chairman entered into on May 27, 2021, and effective July 1, 2021, an Amended and Restated Executive Retirement Agreement. Pursuant to the terms of the Amended and Restated Executive Retirement Agreement, upon the date that the Executive Chairman ceases to provide services to the Company, the Company will pay to the Executive Chairman an amount equal to \$3,600,000 which shall be paid in cash. The payment shall be credited with interest at a rate of 5% compounded quarterly. Additionally, at the end of each calendar year provided that the Executive Chairman is still providing services to GEO pursuant to the Executive Chairman Employment Agreement, GEO will credit an amount equal to \$1,000,000 (the "Employment Contributions Account"). The Employment Contributions Account will be credited with interest at the rate of 5% compounded quarterly. As the Executive Chairman's retirement payment will no longer be settled with a fixed number of shares of GEO's common stock (as was provided for under the prior retirement agreement), \$3,600,000 has been reclassified from equity to other non-current liabilities in 2021. The balance of the Amended and Restated Executive Retirement Agreement was approximately \$16.3 million at December 31, 2025 which is fully funded. The following table presents the balance due to the Executive Chairman at the end of the next four years under the Amended and Restated Executive Retirement Agreement provided that the Executive Chairman is still providing services to the Company under his Employment Agreement, as amended which is effective through April 2, 2029:

Period End	Retirement Obligation (In thousands)
12/31/2026	\$ 20,856
12/31/2027	\$ 26,351
12/31/2028	\$ 33,029
12/31/2029	\$ 36,415

The Company had established several trusts for the purpose of paying the retirement benefit pursuant to the Amended and Restated Executive Retirement Agreement. The trusts are revocable "rabbi trusts" and the assets of the trusts are subject to the claims of the Company's creditors in the event of the Company's insolvency.

The following table summarizes key information related to the Company's defined benefit pension plans. The table illustrates the reconciliation of the beginning and ending balances of the benefit obligation showing the effects during the periods presented attributable to service cost, interest cost, plan amendments, termination benefits, actuarial gains and losses. The assumptions used in the Company's calculation of accrued pension costs are based on market information and the Company's historical rates for employment compensation and discount rates. The vested benefit obligation is determined as the actuarial present value of the vested benefits to which the employee is currently entitled to but based on the employee's expected date of separation or retirement.

	December 31, 2025	December 31, 2024
Accumulated Benefit Obligation, End of Year	\$ 26,248	\$ 24,007
Change in Projected Benefit Obligation		
Projected Benefit Obligation, Beginning of Year	\$ 27,027	\$ 27,790
Service Cost	532	653
Interest Cost	1,504	1,365
Actuarial Loss (Gain)	1,360	(1,772)
Benefits Paid	(1,382)	(1,009)
Projected Benefit Obligation, End of Year	\$ 29,041	\$ 27,027
Change in Plan Assets		
Plan Assets at Fair Value, Beginning of Year	\$ —	\$ —
Company Contributions	1,382	1,009
Benefits Paid	(1,382)	(1,009)
Plan Assets at Fair Value, End of Year	\$ —	\$ —
Unfunded Status of the Plan	<u>\$ (29,041)</u>	<u>\$ (27,027)</u>
Amounts Recognized in Accumulated Other Comprehensive Income		
Net Loss	(312)	(1,921)
Total Pension Cost	<u>\$ (312)</u>	<u>\$ (1,921)</u>
	2025	2024
Components of Net Periodic Benefit Cost		
Service Cost	\$ 532	\$ 653
Interest Cost	1,504	1,365
Amortization of:		
Net Loss	(249)	59
Net Periodic Pension Cost	<u>\$ 1,787</u>	<u>\$ 2,077</u>
Weighted Average Assumptions for Expense		
Discount Rate	5.55%	5.70%
Expected Return on Plan Assets	N/A	N/A
Rate of Compensation Increase	4.45%	4.44%

The long-term portion of the pension liability related to the defined benefit plan as of December 31, 2025 and 2024 was \$28.4 million and \$26.2 million, respectively, and is included in Other Non-Current liabilities in the accompanying consolidated balance sheets.

The amount included in accumulated other comprehensive income as of December 31, 2025 that has not yet been recognized as a component of net periodic benefit cost is \$0.3 million. There was no amount included in other accumulated comprehensive income as of December 31, 2025 that is expected to be recognized as a component of net periodic benefit cost in fiscal year 2026.

The benefit payments reflected in the table below represent the Company's obligations to employees that are eligible for retirement or have already retired and are receiving deferred compensation benefits:

Fiscal Year	Pension Benefits (In thousands)
2026	\$ 1,516
2027	1,733
2028	1,901
2029	2,116
2030	2,093
Thereafter	19,682
	\$ 29,041

The Company also maintains The GEO Group Inc. Deferred Compensation Plan ("Deferred Compensation Plan"), a non-qualified deferred compensation plan for employees who are ineligible to participate in its qualified 401(k) plan. Eligible employees may defer a fixed percentage of their salary and the Company matches employee contributions up to a certain amount based on the employee's years of service. Payments will be made at retirement age of 65, at termination of employment or earlier depending on the employees' elections. The Company established a rabbi trust; the purpose of which is to segregate the assets of the Deferred Compensation Plan from the Company's cash balances. The funds in the rabbi trust are included in Restricted Cash and Investments in the accompanying Consolidated Balance Sheets. A portion of the funds are invested in company owned life insurance policies which are recorded at their cash surrender values. The change in cash surrender value of the life insurance policies is recorded in operating expenses in the accompanying consolidated income statements. The remaining funds are invested in mutual funds. These funds are not available to the Company for any purpose other than to fund the Deferred Compensation Plan; however, these funds may be available to the Company's creditors in the event the Company becomes insolvent. The rabbi trust had a balance of approximately \$54.8 million at December 31, 2025. All employee and employer contributions relative to the Deferred Compensation Plan are made directly to the rabbi trust. The Company recognized expense related to its contributions of \$0.9 million, \$0.8 million and \$0.7 million for the years ended December 31, 2025, 2024 and 2023, respectively. The long-term portion of the liability for this plan at December 31, 2025 and 2024 was approximately \$47.6 million and \$41.8 million, respectively, and is included in Other Non-Current Liabilities in the accompanying Consolidated Balance Sheets. The current portion of this liability was \$3.7 million and \$2.7 million as of December 31, 2025 and 2024, respectively.

14. Business Segments and Geographic Information

Operating and Reporting Segments

The Company's segments are determined as those operations whose results are reviewed regularly by the chief operating decision maker ("CODM"), who is the Company's Chief Executive Officer, in deciding how to allocate resources and assess performance. The Company conducts its business through four reportable business segments: the U.S. Secure Services segment; the Electronic Monitoring and Supervision Services segment; the Reentry Services segment; and the International Services segment. The Company has identified these four reportable segments to reflect the current view that the Company operates four distinct business lines, each of which constitutes a material part of its overall business.

The U.S. Secure Services segment primarily encompasses U.S.-based secure services business. The Electronic Monitoring and Supervision Services segment, which conducts its services in the United States, represents services provided to adults for monitoring services and evidence-based supervision and treatment programs for community-based parolees, probationers, and pretrial defendants. The Reentry Services segment, which conducts its services in the United States represents services provided to adults for residential and non-residential treatment, educational and community-based programs, pre-release and half-way house programs. The International Services segment primarily consists of secure services operations in South Africa and Australia. Segment disclosures below (in thousands) reflect the results of continuing operations. All transactions between segments are eliminated. The accounting policies of the segments are the same as those described in the summary of significant accounting policies.

Revenue and operating income for each segment are used by the CODM to assess the performance of each segment in a financial period. The performance of the operating segments is evaluated based on segment operating income, which is defined as income before income taxes before the following: unallocated corporate general and administrative expenses, interest expense, net, loss on extinguishment of debt, and certain gains and losses not allocated to the operating segments. The CODM uses segment operating income as the measure to make resource (including financial or capital resources) allocation decisions for each segment, predominantly in the annual budget and forecasting process.

The CODM considers budget-to-actual variances on a monthly and quarterly basis when evaluating performance for each segment and making decisions about capital allocation.

Summarized financial information for the Company's segments is shown in the following tables including a reconciliation of the Company's total operating income from its reportable segments to the Company's income before income taxes and equity in earnings of affiliates, in each case, during the years ended December 31, 2025, 2024 and 2023, respectively.

Fiscal Year 2025

	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International Services	Total
Revenues	\$ 1,827,000	\$ 320,919	\$ 286,521	\$ 197,109	\$ 2,631,549
Less:					
Labor and Related Taxes [1]	1,050,275	96,234	128,684	108,013	1,383,206
Medical Services and Supplies [1]	60,261	—	—	—	60,261
Other Segment Items [2]	387,909	99,699	96,844	72,601	657,053
Operating Income from Segments	\$ 328,555	\$ 124,986	\$ 60,993	\$ 16,495	\$ 531,029
Unallocated amounts:					
General and administrative expense					(235,939)
Contingent litigation reserve					(37,600)
Net interest expense					(151,445)
Loss on extinguishment of debt					(8,446)
Other income					5,514
Gain on asset divestitures					232,381
Income before income taxes and equity in earnings of affiliates					\$ 335,494
Capital Expenditures	\$ 148,877	\$ 36,211	\$ 8,856	\$ 3,568	\$ 197,512
Depreciation and amortization	\$ 90,823	\$ 25,411	\$ 13,405	\$ 2,400	\$ 132,039

Fiscal Year 2024

	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International Services	Total
Revenues	\$ 1,604,386	\$ 332,826	\$ 277,566	\$ 208,924	\$ 2,423,702
Less:					
Labor and Related Taxes [1]	885,863	91,262	126,610	122,039	1,225,774
Medical Services and Supplies [1]	63,585	—	—	—	63,585
Other Segment Items [2]	352,021	94,209	92,659	72,451	611,340
Operating Income from Segments	\$ 302,917	\$ 147,355	\$ 58,297	\$ 14,434	\$ 523,003
Unallocated amounts:					
General and administrative expense					(213,028)
Net interest expense					(181,837)
Loss on extinguishment of debt					(86,637)
Net gain on asset divestitures/impairment					(2,907)
Income before income taxes and equity in earnings of affiliates					\$ 38,594
Capital Expenditures	\$ 46,837	\$ 24,190	\$ 6,206	\$ 1,458	\$ 78,691
Depreciation and amortization	\$ 85,685	\$ 24,523	\$ 13,619	\$ 2,393	\$ 126,220

Fiscal Year 2023

	U.S. Secure Services	Electronic Monitoring and Supervision Services	Reentry Services	International Services	Total
Revenues	\$ 1,518,292	\$ 425,879	\$ 275,102	\$ 193,894	\$ 2,413,167
Less:					
Labor and Related Taxes [1]	824,893	96,510	125,626	104,028	1,151,057
Medical Services and Supplies [1]	71,483	—	—	—	71,483
Other Segment Items [2]	351,927	116,466	100,741	78,338	647,472
Operating Income from Segments	\$ 269,989	\$ 212,903	\$ 48,735	\$ 11,528	\$ 543,155
Unallocated amounts:					
General and administrative expense					(190,766)
Net interest expense					(210,500)
Loss on extinguishment of debt					(8,532)
Net gain on asset divestitures/impairment					4,691
Income before income taxes and equity in earnings of affiliates					\$ 138,048
Capital Expenditures	\$ 48,270	\$ 17,434	\$ 4,403	\$ 2,895	\$ 73,002
Depreciation and amortization	\$ 78,917	\$ 28,053	\$ 16,588	\$ 2,226	\$ 125,784

[1] The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM. Intersegment expenses are included in the amounts shown.

[2] Other segment items include:

U.S. Secure Services - depreciation and amortization, food services and supplies, utilities, repairs and maintenance, rent and lease expense and certain other overhead expenses.

Electronic Monitoring and Supervision Services - depreciation and amortization, cost of goods sold, rent and lease expense and certain other overhead expenses.

Reentry Services - depreciation and amortization, medical services and supplies, food services and supplies, rent and lease expense, utilities and certain other overhead expenses.

International Services - medical services and supplies, food services and supplies, utilities, repairs and maintenance and certain other overhead expenses.

Segment Assets

	2025	2024
	(In thousands)	
Segment assets:		
U.S. Secure Services	\$ 2,547,537	\$ 2,356,105
Electronic Monitoring and Supervision Services	519,274	504,782
Reentry Services	439,656	465,014
International Services	76,400	71,610
Total segment assets	\$ 3,582,867	\$ 3,397,511

Asset Reconciliation

The following is a reconciliation of the Company's reportable segment assets to the Company's total assets as of December 31, 2025 and 2024, respectively.

	2025	2024
	(In thousands)	
Reportable segment assets	\$ 3,582,867	\$ 3,397,511
Cash	68,995	76,896
Deferred income tax assets	9,396	9,522
Restricted cash and investments, current and non-current	182,364	148,151
Total assets	<u>\$ 3,843,622</u>	<u>\$ 3,632,080</u>

Geographic Information

During each of the years ended December 31, 2025, 2024 and 2023, the Company's international operations were conducted through the Company's wholly owned Australian subsidiary, The GEO Group Australia Pty. Ltd., through which the Company has management contracts for three correctional facilities and a contract to provide health services for several public prisons and the Company's wholly-owned subsidiary in South Africa, SACM, through which the Company manages one correctional facility.

Fiscal Year	2025	2024	2023
	(In thousands)		
Revenues:			
U.S. operations	\$ 2,434,440	\$ 2,214,778	\$ 2,219,400
Australia operations	177,030	190,872	177,653
South African operations	20,079	18,052	16,114
Total revenues	<u>\$ 2,631,549</u>	<u>\$ 2,423,702</u>	<u>\$ 2,413,167</u>
Property and Equipment, net:			
U.S. operations	\$ 1,874,746	\$ 1,890,662	\$ 1,933,460
Australia operations	9,372	8,944	10,700
South African operations	80	84	118
Total Property and Equipment, net	<u>\$ 1,884,198</u>	<u>\$ 1,899,690</u>	<u>\$ 1,944,278</u>

Sources of Revenue

The Company derives most of its revenue from the management of secure facilities through public-private partnerships. The Company also derives revenue from the provision of reentry services and electronic monitoring and evidence-based supervision and treatment programs in the United States, and expansion of new and existing secure facilities, processing centers and reentry centers.

Fiscal Year	2025	2024
	(In thousands)	
Revenues:		
Secure Services [1]	\$ 2,024,109	\$ 1,813,310
Electronic Monitoring and Supervision Services	320,919	332,826
Reentry Services	286,521	277,566
Total revenues	<u>\$ 2,631,549</u>	<u>\$ 2,423,702</u>

[1] Includes international secured services

Equity in Earnings of Affiliates

Equity in earnings of affiliates for 2025, 2024 and 2023 includes the operating results of the Company's joint ventures in SACS and GEOAmeY. These joint ventures are accounted for under the equity method and the Company's investments in SACS and GEOAmeY are presented as a component of other non-current assets in the accompanying Consolidated Balance Sheets.

The Company has recorded \$1.9 million, \$0.3 million and \$1.7 million in earnings, net of tax impact, for SACS operations during the years ended December 31, 2025, 2024 and 2023, respectively, which are included in equity in earnings of affiliates, net of income tax provision in the accompanying Consolidated Statements of Operations. As of December 31, 2025 and 2024, the Company's investment in SACS was \$5.9 million and \$7.2 million, respectively. The investment is included in other non-current assets in the accompanying Consolidated Balance Sheets. The Company received dividend distributions of \$4.2 million, \$1.9 million and \$2.2 million, in 2025, 2024 and 2023, respectively, from this unconsolidated joint venture.

The Company has recorded \$2.6 million, \$2.4 million and \$2.9 million in earnings, net of tax impact, for GEOAmeY's operations during the years ended December 31, 2025, 2024 and 2023, respectively, which are included in equity in earnings of affiliates, net of income tax provision, in the accompanying Consolidated Statements of Operations. As of December 31, 2025 and 2024, the Company's investment in GEOAmeY was \$7.7 million and \$10.3 million, respectively, and represents its share of cumulative reported earnings. The Company received dividend distributions of \$5.9 million, \$3.2 million and \$0.8 million in 2025, 2024 and 2023, respectively, from this unconsolidated joint venture.

Business Concentration

Except for the major customer noted in the following table, no other single customer made up greater than 10% of the Company's consolidated revenues for the following fiscal years:

Customer	2025	2024	2023
Various agencies of the U.S. Federal Government:	67%	62%	63%

Concentration of credit risk related to the major customer above for accounts receivable is as follows:

Customer	2025	2024
Various agencies of the U.S. Federal Government:	78%	64%

The concentrations above relate primarily to the Company's U.S. Secure Services and its Electronic Monitoring Supervision segments.

In addition, the ISAP contract accounted for 10% and 14% of the Company's consolidated revenues for the years ended December 31, 2024 and 2023, respectively. For the year ended December 31, 2025, the ISAP contract accounted for less than 10% of the Company's consolidated revenues.

15. Income Taxes

The United States and foreign components of income before income taxes and equity in earnings in affiliates are as follows:

	2025	2024	2023
	(In thousands)		
Income before income taxes and equity in earnings in affiliates			
United States	\$ 317,699	\$ 22,723	\$ 125,495
Foreign	17,795	15,871	12,553
Income before income taxes and equity in earnings in affiliates	<u>\$ 335,494</u>	<u>\$ 38,594</u>	<u>\$ 138,048</u>

The provision for income taxes consists of the following components:

	2025	2024	2023
	(In thousands)		
Federal income taxes (benefit):			
Current	\$ 43,310	\$ (2,253)	\$ 23,107
Deferred	17,019	3,913	1,256
	<u>60,329</u>	<u>1,660</u>	<u>24,363</u>
State income taxes (benefit):			
Current	14,619	3,952	6,139
Deferred	4,943	(1,406)	766
	<u>19,562</u>	<u>2,546</u>	<u>6,905</u>
Foreign income taxes (benefit):			
Current	5,702	6,165	4,677
Deferred	127	(970)	(546)
	<u>5,829</u>	<u>5,195</u>	<u>4,131</u>
Total U.S. and foreign provision for income taxes	<u>\$ 85,720</u>	<u>\$ 9,401</u>	<u>\$ 35,399</u>

We adopted ASU 2023-09 "Income Taxes (Topic 740): Improvements To Income Tax Disclosures" on a prospective basis beginning with the year ended December 31, 2025. The following table presents required disclosure pursuant to ASU 2023-09 and reconciles the U.S. federal statutory tax amount and rate to our actual global effective amount and rate for the year ended December 31, 2025:

	2025	
	(In thousands)	Percent
Tax at U.S. Statutory Rate	\$ 70,453	21.0%
State and local income taxes, net of federal income tax effect ⁽¹⁾	15,557	4.6%
Foreign tax effects	2,121	0.6%
Effect of changes in tax laws or rates enacted in the current period	—	0.0%
Effect of cross-border tax laws	321	0.1%
Tax credits	(1,771)	-0.5%
Changes in valuation allowances	—	0.0%
Nontaxable or nondeductible items	(527)	-0.2%
Changes in unrecognized tax benefits	(154)	0.0%
Other, net	(280)	0.0%
Total provision (benefit) for income taxes	<u>\$ 85,720</u>	<u>25.6%</u>

(1) The states and local jurisdictions that contribute to the majority (greater than 50%) of the tax effect in this category include California, Florida and Texas.

The Company's effective tax rate differs from the U.S. statutory rate of 21% primarily due to a \$2.1 million tax expense related to foreign tax effects, a \$1.8 million tax benefit related to U.S. tax credits, and State income taxes, net of federal tax benefits of \$15.6 million.

A reconciliation of the provision for income taxes to the amount computed by applying the 21% statutory U.S. federal income tax rate to income before income taxes prior to the adoption of ASU 2023-09 is as follows:

	2024	2023
	(In thousands)	
Provisions using statutory federal income tax rate	\$ 8,105	\$ 28,990
State income taxes, net of federal tax benefit	2,291	8,221
Change in valuation allowance	(24)	(3,292)
Federal tax credits	(1,507)	(1,733)
Effect of tax rate differential in foreign jurisdictions	1,412	1,137
Tax impact of vested equity compensation	192	2,879
Asset divestiture	(921)	(1,529)
Interest deduction on equity issued (convertible debt)	(3,503)	—
Political contributions	1,090	629
Change in cash surrender value - COLI	(1,300)	(1,158)
Disallowed executive compensation - non-equity	1,174	1,444
Other, net	2,392	(189)
Total provision for income taxes	\$ 9,401	\$ 35,399

The Company's 2024 effective tax rate differed from the U.S. statutory rate of 21% primarily due to the net tax benefit of \$3.5 million (\$42.5 million tax benefit of the tax deduction less \$39.0 million tax expense of the related uncertain tax position) related to the \$174.4 million tax deduction for GEO shares issued to holders of our 6.50% Exchangeable Senior Notes due 2026 that participated in private exchange transactions during 2024 as reflected in shareholders' equity, the tax benefit from the release of a valuation allowance of \$3.3 million on certain state net operating losses used in 2023, and lower taxes on asset divestitures in 2024 and 2023 of \$0.9 million and \$1.5 million, respectively. Additionally, taxes differed due to state income taxes and foreign income taxes in excess of the US statutory rate in the presented periods. State income taxes, net of federal tax benefits of \$2.3 million and \$8.2 million were incurred in 2024, and 2023, respectively.

The following table presents the breakdown between non-current net deferred tax liabilities as classified on the balance sheets as of December 31, 2025 and 2024:

	2025	2024
	(In thousands)	
Deferred tax assets - non-current	\$ 9,396	\$ 9,522
Deferred tax liabilities - non-current	(99,689)	(78,198)
Total net deferred tax liabilities	\$ (90,293)	\$ (68,676)

The significant components of the Company's deferred tax assets and liabilities consisted of the following as of December 31, 2025 and 2024:

	2025	2024
Deferred tax assets:		
	(In thousands)	
Net operating losses	\$ 22,185	\$ 18,750
Accrued liabilities and reserves	14,127	12,907
Deferred compensation	20,335	17,974
Accrued compensation	8,238	8,595
Deferred revenue	990	1,071
Tax credits	2,275	2,264
Equity awards	2,629	3,797
Operating lease liability	18,984	24,809
Other, net	3,044	5,579
Valuation allowance	(22,974)	(19,331)
Total deferred tax assets	<u>\$ 69,833</u>	<u>\$ 76,415</u>
Deferred tax liabilities:		
Depreciation	\$ (91,879)	\$ (79,352)
Intangible assets	(49,885)	(41,838)
Other, net	(18)	(17)
Lease right-of-use assets	(18,344)	(23,884)
Total deferred tax liabilities	<u>\$ (160,126)</u>	<u>\$ (145,091)</u>
Total net deferred tax liabilities	<u>\$ (90,293)</u>	<u>\$ (68,676)</u>

Deferred income taxes should be reduced by a valuation allowance if it is not more likely than not that some portion or all of the deferred tax assets will be realized. On a periodic basis, management evaluates and determines the amount of the valuation allowance required and adjusts such valuation allowance accordingly. At year end 2025 and 2024, the Company has a valuation allowance of \$23.0 million and \$19.3 million, respectively related to deferred tax assets for foreign net operating losses and foreign tax credits, state net operating losses and state tax credits. The valuation allowance increased by \$3.6 million during the year ended December 31, 2025 related to certain deferred tax assets that were determined to not be more likely than not to be realized.

At December 31, 2025, the Company had no Federal net operating loss carryforwards and \$323.0 million of combined net operating loss carryforwards in various states which will begin to expire in 2027. The Company has recorded a partial valuation allowance against the deferred tax assets related to certain state operating losses. Related to the 2024 6.50% Exchangeable Senior Notes exchange transaction, the Company has an uncertain tax position of \$32.8 million offsetting the above state net operating losses.

Also, as of the year ended December 31, 2025, the Company had \$22.1 million of foreign net operating losses and \$0.2 million foreign capital losses which carry forward indefinitely and \$0.2 million of state tax credits which will begin to expire in 2027. The Company has recorded a partial valuation allowance against the deferred tax assets related to the foreign operating losses and state tax credits.

The Company recognizes the cost of employee services received in exchange for awards of equity instruments based upon the grant date fair value of those awards. The exercise of non-qualified stock options and vesting of restricted stock awards which have been granted under the Company's equity award plans give rise to compensation income which is includable in the taxable income of the applicable employees and the majority of which is deductible by the Company for federal and state income tax purposes. In the case of non-qualified stock options, the compensation income results from increases in the fair market value of the Company's common stock subsequent to the date of grant. At December 31, 2025, the deferred tax asset related to unexercised stock options and restricted stock grants for which the Company has recorded a book expense was \$2.6 million.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2025	2024	2023
	(In thousands)		
Balance at Beginning of Period	\$ 42,603	\$ 1,538	\$ 1,520
Additions based on tax positions related to the current year	—	40,707	—
Additions for tax positions of prior years	13	459	75
Reductions as a result of a lapse of applicable statutes of limitations	(184)	(101)	(57)
Balance at End of Period	<u>\$ 42,432</u>	<u>\$ 42,603</u>	<u>\$ 1,538</u>

All tax figures in the above reconciliation are reported on a gross basis and do not reflect a federal tax benefit on state income taxes. The Company has accrued \$38.4 million of uncertain tax benefits as of December 31, 2025 which is inclusive of the federal tax benefit on state income taxes. This accrual includes \$36.7 million related to the tax deduction on shares provided related to the 6.50% Exchangeable Senior Notes exchange transactions. Included in the balance of uncertain tax positions as of December 31, 2025 are \$40.7 million of unrecognized tax benefits which, if ultimately recognized, will reduce the Company's annual effective tax rate.

The Company is subject to income taxes in the U.S. federal jurisdiction, and various states and foreign jurisdictions. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. The Company is no longer subject to tax examination of its 2021 U.S. federal return. Additionally, with few exceptions, it is no longer subject to state and local, or non-U.S. income tax examinations by tax authorities for the years before 2021.

The calculation of the Company's provision (benefit) for income taxes requires the use of significant judgment and involves dealing with uncertainties in the application of complex tax laws and regulations. In determining the adequacy of the Company's provision (benefit) for income taxes, potential settlement outcomes resulting from income tax examinations are regularly assessed. As such, the final outcome of tax examinations, including the total amount payable or the timing of any such payments upon resolution of these issues, cannot be estimated with certainty.

During the year ended December 31, 2025, the Company recognized a net increase in interest of \$0.5 million related to the unrecognized tax benefits noted in the table above. There was no potential penalty recorded during the years ended December 31, 2025, 2024 or 2023.

The Company had approximately \$1.0 million, \$0.5 million and \$0.4 million accrued for interest and penalties as of December 31, 2025, 2024 and 2023, respectively. The Company classifies interest and penalties as interest expense and operating expense, respectively.

The following table presents the income taxes paid by jurisdiction for the year ended December 31, 2025:

	2025
	(In thousands)
Income Taxes Paid (Net of Refunds Received)	
Federal	\$ 16,887
State and local	
California	3,210
Texas	1,933
All other state	2,166
Foreign	
Australia	4,292
All other foreign	1,058
Total cash taxes paid	<u>\$ 29,546</u>

16. Commitments, Contingencies and Other Matters

Collective Bargaining Agreements

The Company had approximately 54% of its workforce covered by collective bargaining agreements at December 31, 2025. Collective bargaining agreements with 9% of employees are set to expire in less than one year.

Contract Developments

On December 22, 2025, the Company announced that its wholly-owned subsidiary, BI Incorporated (“BI”), has been awarded a contract by U.S. Immigration and Customs Enforcement (“ICE”) for the provision of skip tracing services. Skip tracing services entail enhanced location research with identifiable information, commercial data verification, and physical observation to verify current address information and investigate alternative address information for individuals on the federal government’s non-detained docket. The new contract has a term of two years, with an initial term of one year, effective December 16, 2025, and an additional one-year period.

On September 30, 2025, the Company announced that it entered into a two-year contract with ICE for the continued provision of electronic monitoring, case management and supervision services under the Intensive Supervision and Appearance Program (“ISAP”). The contract has an initial term of one-year, effective October 1, 2025, with an additional one-year option period.

On September 16, 2025, the Company announced that the Florida Department of Corrections has issued Notices of Intent to Award three managed-only contracts to GEO for the assumption of management and support services at the 985-bed Bay Correctional and Rehabilitation Facility and the 1,884-bed Graceville Correctional and Rehabilitation Facility and for the continuation of management and support services at the 985-bed Moore Haven Correctional and Rehabilitation Facility. The three contracts are expected to have an initial term of three years, effective July 1, 2026, with unlimited two-year renewal option periods

On August 28, 2025, the Company entered into an agreement with another contractor to form an entity to provide management services for the State of Florida at the state-owned 1,310-bed North Florida Detention Facility in Baker County, Florida.

On June 16, 2025, the Company announced that its wholly-owned subsidiary, GEO Transport, Inc. has entered into a new five-year contract, inclusive of option periods, with the U.S. Marshals Service for the provision of secure transportation and contract detention officer services across three service regions covering 26 federal judicial districts and spanning 14 states.

On June 10, 2025, the Company announced that the U.S. District Court, Central District of California has approved a settlement in the case of *Roman v. Wolf*, which allows for immediate full intake at its company-owned, 1,940-bed Adelanto ICE Processing Center in California (the “Adelanto Center”). The court had previously issued several injunction orders, including an intake prohibition order issued more than four years ago, limiting the use of the Adelanto Center based on then-prevailing COVID-19 conditions. ICE and GEO entered into a 15-year contract on December 19, 2019, for the provision of secure residential housing and support services at the Adelanto Center, consisting of a five-year base period followed by two five-year option periods. The current contract option period is effective through December 19, 2029.

On June 9, 2025, the Company announced that it has entered into a contract modification with ICE, effective June 6, 2025, to activate a federal immigration processing center at its company-owned, 1,868-bed, D. Ray James Facility in Folkston, Georgia under the existing intergovernmental service agreement involving the company-owned, 1,118-bed Folkston ICE Processing Center. The Company’s support services will include the exclusive use of this federal facility by ICE, along with security, maintenance, and food services, as well as access to recreational amenities, medical care, and legal counsel.

On April 21, 2025, the Company received a notice of termination from the New Mexico Corrections Department for the contract for its company-owned 1200-bed Lea County Correctional Facility effective June 30, 2025.

On March 20, 2025, the Company announced that it has entered into a contract with ICE for the immediate activation of a federal immigration processing center at its company-owned, 1-800 bed North Lake Facility, in Baldwin Michigan. The contract has a full term expiration of July 20, 2027.

On March 10, 2025, the Company announced that ICE has entered into a contract modification of the current intergovernmental service agreement (“IGSA”) for its company-owned, 1,328-bed Karnes ICE Processing Center (the “Karnes Center”) in Karnes City, Texas to transition the Karnes Center from housing adult males only to housing mixed populations. Subsequently, ICE decided to continue to house single adults at the Karnes ICE Center based on an assessment of the agency’s current needs. GEO provides support services for ICE at the Karnes Center under an IGSA between Karnes County and ICE, that is effective through August 2029. GEO’s support services include the exclusive use of the Karnes Center by ICE, along with security, maintenance, and food services, as well as access to recreational amenities, medical care, and legal counsel.

On February 27, 2025, the Company announced that it has been awarded a 15-year, fixed-price contract by ICE to provide support services for the establishment of a federal immigration processing center at the company-owned, 1,000-bed Delaney Hall Facility in Newark, New Jersey. GEO's support services include the exclusive use of the Delaney Hall Facility by ICE, along with security, maintenance, and food services, as well as access to recreational amenities, medical care, and legal counsel.

Asset Sale

On June 3, 2025, the Company entered into a Purchase and Sale Agreement (the "Sale Agreement") with CPT Operating Partnership L.P. (together with GEO, the "Seller") and the State of Oklahoma (the "Purchaser") pursuant to which, subject to the terms of the Sale Agreement, the Seller agreed to sell the 2,388-bed Lawton Correctional Facility located in Lawton, Oklahoma (the "Lawton Facility") to the Purchaser for a sale price of \$312 million. The sale resulted in a gain of approximately \$228 million. The Sale Agreement also contained certain customary representations, warranties and covenants that the parties made to each other. The sale of the Lawton Facility closed on July 25, 2025 and the Company transitioned facility operations to the Oklahoma Department of Corrections simultaneously on July 25, 2025. The Company used the net proceeds from the sale, along with cash on hand and available liquidity, to purchase the Western Region Detention Facility, and pay off senior secured debt, including approximately \$300 million in floating rate debt.

Asset Purchase

On July 1, 2025, the Company announced that it has entered into a purchase agreement to acquire the 770-bed Western Region Detention Facility located in San Diego, California for approximately \$60 million. The Company previously leased the Western Region Detention Facility for approximately \$5.1 million annually under a lease agreement that was scheduled to expire on March 31, 2029. The Company has a contract with the U.S. Marshals Service for the exclusive use of the Western Region Detention Facility. The purchase of the Western Region Detention Facility closed on July 31, 2025 and was funded as a like kind real estate property exchange with proceeds from the sale of the Lawton Correctional Facility, which closed on July 25, 2025 as discussed above, resulting in an estimated capital gains cash tax savings of approximately \$9.3 million.

Commitments

As of December 31, 2025, the Company had contractually required commitments for a number of projects using existing Company financing facilities. The Company's management estimates that these existing contractually required capital projects will cost approximately \$90.5 million, of which \$58.5 million was spent through 2025. The Company estimates the remaining capital requirements related to these contractually required capital projects to be approximately \$32.0 million. These projects are expected to be completed through 2026.

In addition to these current estimated capital requirements, the Company is currently in the process of bidding on, or evaluating potential bids for the design, construction and management of a number of new projects. In the event that the Company wins bids for these projects and decides to self-finance their construction, its capital requirements could materially increase.

Litigation, Claims and Assessments

Immigration Detainee Litigation

Civil immigration detainees at the Aurora ICE Processing Center filed a class action lawsuit on October 22, 2014, against the Company in the U.S. District Court for the District of Colorado. The complaint alleges that the Company was in violation of the Colorado Minimum Wage Act ("CMWA") and the Federal Trafficking Victims Protection Act ("TVPA"). The complaint also claims that the Company was unjustly enriched based on the level of payment the detainees received for work performed in a Voluntary Work Program ("VWP") the Company is required to implement at the facility under the terms of its contract with the federal government. On July 6, 2015, the court found that detainees were not employees under the CMWA and dismissed this claim. On February 27, 2017, the court granted the plaintiffs' motion for class certification on the TVPA and unjust enrichment claims. The plaintiffs' class seeks actual damages, compensatory damages, exemplary damages, punitive damages, restitution, attorneys' fees and costs, and such other relief as the court may deem proper. On October 18, 2022, the court issued an order granting plaintiffs' motion for summary judgment on the Company's affirmative defenses, denying the Company's motion for summary judgment, motion to dismiss, and motion for decertification of the class, narrowing the class period for plaintiffs' TVPA claims, and otherwise ruling against the Company's motions for relief. All trial dates were stayed by court order pending appeal of certain of GEO's defenses to the Tenth Circuit Court of Appeals. Oral argument before the Tenth Circuit was held on September 18, 2023. On October 22, 2024, the Tenth Circuit issued an Order finding appellate review of GEO's claim of immunity was premature and, therefore, the Tenth Circuit was currently without jurisdiction to consider the merits of GEO's claimed immunity. On January 13, 2025, GEO filed a Petition for Writ of Certiorari with the United States Supreme Court seeking review of the Tenth Circuit's decision. On June 2, 2025, the United States Supreme Court granted

GEO's Petition for Writ of Certiorari. Oral argument before the Supreme Court was held on November 10, 2025. On February 25, 2026, the Supreme Court issued a decision affirming the decision of the Tenth Circuit and finding that there is no immediate right to appellate review of a ruling on GEO's Yearsley defense. The Supreme Court further stated that the holding still allows immediate appellate review of a ruling on a Yearsley defense via a separate appellate certification process.

The first of two State of Washington lawsuits, *Nwauzor v. GEO Group*, was filed on September 26, 2017, by immigration detainees against the Company in the U.S. District Court for the Western District of Washington. The second lawsuit was filed on September 20, 2017, by the State Attorney General against the Company in the Superior Court of the State of Washington for Pierce County, which the Company removed to the U.S. District Court for the Western District of Washington on October 9, 2017. The plaintiffs claimed that State of Washington minimum wage laws should be enforced with respect to detainees who volunteer to participate in a VWP administered by GEO at the Northwest ICE Processing Center (the "Center") as required by the U.S. Department of Homeland Security under the terms of GEO's contract. The Center houses people in the custody of federal immigration authorities while the federal government is determining their immigration status. In October 2021, an unfavorable jury verdict and court judgment resulting in a combined \$23.2 million judgment entered against the Company in the retrial of the two cases, which judgment amounts were subsequently increased by a further award against the Company of attorney's fees, costs, and pre-judgment interest in the amount of \$14.4 million. Post-judgment interest is accruing on these judgments in accordance with Washington law. The trial court waived the necessity to post a supersedeas bond for the combined judgments and has stayed enforcement of the verdict and judgments while GEO's appeal to the U.S. Court of Appeals for the Ninth Circuit is pending. Oral argument before the Ninth Circuit was held on October 6, 2022.

On March 7, 2023, the Ninth Circuit certified certain state law questions to the Washington Supreme Court. Oral argument before the Washington Supreme Court was held on October 17, 2023. On December 21, 2023, the Washington Supreme Court issued an opinion answering the questions certified by the Ninth Circuit. Under the Ninth Circuit's March 7, 2023, order certifying the above questions to the Washington Supreme Court, the Ninth Circuit resumed control and jurisdiction over the State of Washington lawsuits. On February 21, 2024, the United States Department of Justice filed its Brief for the United States as Amicus Curiae in Support of GEO, arguing that the State of Washington judgments should be reversed because the Supremacy Clause precludes application of the Washington Minimum Wage Statute to work programs for federal detainees. In its Brief, the Department of Justice asserted that application of the Washington law independently contravened intergovernmental immunity because it would make federal detainees subject to provisions that do not apply, and never have applied, to persons in state custody, singling out a contractor with the federal government for obligations Washington does not itself bear. The Department of Justice also contended that the immigration statutory structure approved by Congress does not contemplate a role for states or state law in governing the VWP for federal detainees. On January 16, 2025, the Ninth Circuit issued an Opinion by a 2-1 vote affirming the lower court's decision. That Opinion includes a 24-page dissenting opinion.

On February 6, 2025, GEO timely filed its Petition for Rehearing En Banc. On March 20, 2025, the United States filed an Amicus Brief with the Ninth Circuit in which it argued that the January 16, 2025 decision of the Ninth Circuit is incorrect in multiple respects, runs contrary to Circuit precedent, and creates significant tension with the case law of other circuits. The United States argued that the application of the state minimum-wage law to federal immigration detainees in the voluntary work program is preempted by a federal appropriation statute that sets the minimum allowance for detainee participants at \$1 per day. Additionally, the United States argued that the application of the state minimum-wage law to federal immigration detainees likewise impermissibly discriminates against the federal government in violation of intergovernmental-immunity principles.

On August 13, 2025, the Ninth Circuit issued an order denying GEO's Petition for Rehearing En Banc. That order included six dissenting opinions. On September 2, 2025, the Ninth Circuit granted GEO's motion to stay the issuance of the Court's mandate pending GEO's Petition for Writ of Certiorari to the Supreme Court.

A final mandate has not been issued by the Ninth Circuit, and the appeal remains pending until resolution of GEO's Petition for Writ of Certiorari to the Supreme Court. On January 9, 2026, GEO filed its Petition for Writ of Certiorari to the Supreme Court. Although the Company strongly disputes this claim and continues to vigorously defend itself, the Company accrued a reserve of approximately \$37.6 million, which is included in Other Non-Current Liabilities in the accompanying consolidated balance sheets, in accordance with Accounting Standards Codification No. 450 - Contingencies during the third quarter of 2025.

In California, a class action lawsuit was filed on December 19, 2017, by immigration detainees against the Company in the U.S. District Court, Eastern Division of the Central District of California. The California lawsuit alleges violations of the state's minimum wage laws, violations of the TVPA and California's equivalent state statute, unjust enrichment, unfair competition and retaliation. The California court has certified a class of individuals who have been civilly detained at the Company's Adelanto Facility from December 19, 2014, until the date of final judgment. On March 31, 2022, the court entered a stay until the Ninth Circuit rules on the State of Washington lawsuits, which is stayed pending resolution of GEO's Petition in *Nwauzor v. GEO Group* for Writ of Certiorari to the United States Supreme Court.

Current and former detainees of the Mesa Verde ICE Processing Center and the Golden State Annex ICE Processing Center filed a class action lawsuit on July 13, 2022, against the Company in the U.S. District Court for the Eastern District of California, Fresno Division. The complaint alleges that federal detainees who volunteer to participate in the VWP at GEO's Mesa Verde and Golden State Annex ICE facilities are employees of GEO and entitled to the state's minimum wage. Plaintiffs also make claims for unfair competition, unjust enrichment, human trafficking, forced labor, California's Private Attorneys General Act, and retaliation. GEO filed both a motion to stay the action pending the Ninth Circuit's decision in the State of Washington lawsuits and a motion to dismiss the action in its entirety. On July 10, 2023, the court entered a stay until the Ninth Circuit rules on the State of Washington lawsuits. On February 10, 2025, the Court denied plaintiffs' request to lift the stay until the Ninth Circuit rules on GEO's Petition for Rehearing En Banc, which is stayed pending resolution of GEO's Petition in *Nwauzor v. GEO Group for Writ of Certiorari* to the United States Supreme Court.

GEO believes it operates the VWP in full compliance with its contract with ICE and all applicable laws, regulations, and standards. GEO strongly disputes the claims made in these lawsuits and intends to take all necessary steps to vigorously defend itself from these lawsuits. GEO has not recorded any accruals relating to these lawsuits, other than in connection with the *Nwauzor* case discussed above, at this time as losses are not considered probable nor reasonably estimable. If GEO were not to prevail in these cases, it could have an adverse effect on GEO's business and results of operations.

Challenges to State Legislation that Conflict with Federal Contracts

On July 13, 2023, the Company filed a lawsuit in the U.S. District Court for the Western District of Washington against the State of Washington for declaratory and injunctive relief challenging the State of Washington's newly enacted law – House Bill 1470. House Bill 1470 purports to empower state agencies with new rule making, inspection, investigation, and testing powers over the Northwest ICE Processing Center. House Bill 1470 also creates a statutory regime of civil penalties applicable to private detention facilities for violations of House Bill 1470 detention standards, and purports to create a private right of action for detainees aggrieved by violations of the statute. On March 8, 2024, the U.S. District Court for the Western District of Washington entered an order preliminarily enjoining the enforcement of House Bill 1470 against GEO as the operator of the Northwest ICE Processing Center. On April 29, 2024, the State of Washington filed a Notice of Appeal of the order preliminarily enjoining the enforcement of House Bill 1470. On February 14, 2025, the U.S. Court of Appeals for the Ninth Circuit heard arguments on the State of Washington's appeal. On May 23, 2025, GEO filed a motion to dismiss the appeal as moot based on a newly enacted statute that amended portions of HB 1470. On August 18, 2025, the Ninth Circuit denied GEO's motion to dismiss the appeal, vacated the District Court's grant of a preliminary injunction, and remanded the case to the District Court for further proceedings. On September 16, 2025, GEO filed a Petition for Rehearing En Banc. On February 11, 2026, the Ninth Circuit denied GEO's Petition for Rehearing En Banc, with eight justices of the Ninth Circuit joining a harshly worded dissent from that decision. On February 16, 2026, GEO filed a Rule 41 motion with the Ninth Circuit seeking a stay of the mandate pending GEO's Petition for Writ of Certiorari to the Supreme Court of the United States.

On April 15, 2024, the Company filed a lawsuit in the U.S. District Court for the District of New Jersey against the State of New Jersey for declaratory and injunctive relief challenging the State of New Jersey's Assembly Bill 5207 – that purports to prohibit the operation of "private detention facilities" in the state, which would prevent the United States from using privately contracted detention facilities to house detainees in the custody of ICE. On April 25, 2024, the U.S. District Court for the District of New Jersey entered an order preliminarily enjoining the State of New Jersey from enforcing Assembly Bill 5207 against a private detention facility-including any owned by Plaintiff GEO until a further Order of the Court. On July 22, 2025, the Third Circuit Court of Appeals affirmed a U.S. District Court for the District of New Jersey decision in a similar case finding Assembly Bill 5207 unconstitutional. On August 22, 2025, the District Court entered an order permanently enjoining the Defendants from enforcing Assembly Bill 5207 against GEO with respect to GEO negotiating or contracting with the United States government to operate immigration detention facilities in New Jersey.

On October 22, 2024, the Company filed a lawsuit in the U.S. District Court for the Eastern District of California against the State of California and the Kern County Public Health Department for declaratory and injunctive relief challenging the State of California's newly enacted law – Senate Bill 1132. Senate Bill 1132 purports to empower state agencies with new inspection and investigation powers over GEO's California facilities providing contracted services to ICE. Senate Bill 1132 also purports to impose standards prescribed by the Board of State and Community Corrections on GEO's provision of contracted services to ICE in California. The State of California and Kern County filed a motion to dismiss on December 20, 2024. The U.S. District Court heard arguments on GEO's motion for declaratory and injunctive relief and the defendants' motion to dismiss on March 3, 2025. On May 5, 2025, the U.S. District Court for the Eastern District of California entered an order finding Senate Bill 1132 does not impose any standards on GEO's provision of contracted services to ICE and dismissing GEO's suit with leave to amend.

Other Litigation

The nature of the Company's business also exposes it to various other legal claims or litigation, including, but not limited to, civil rights claims relating to conditions of confinement and/or mistreatment, sexual misconduct claims brought by individuals in its care, medical malpractice claims, claims related to deaths in custody, product liability claims, intellectual property infringement claims, claims relating to employment matters (including, but not limited to, employment discrimination claims, union grievances and wage and hour claims), property loss claims, environmental claims, automobile liability claims, indemnification claims by its customers and other third-parties, contractual claims and claims for personal injury or other damages resulting from contact with the Company's facilities, programs, electronic monitoring products, personnel or detainees, including damages arising from the escape of an individual in its care or from a disturbance or riot at a facility. Legal proceedings with respect to our facilities are unpredictable and, where material, can cause adverse effects, such as prompting modification or even termination of the underlying facility management contracts.

Other Assessment

A New Mexico non-income tax audit completed in 2016 included tax periods for which the state tax authority had previously processed a substantial tax refund. At the completion of the audit fieldwork, the Company received a notice of audit findings disallowing deductions that were previously claimed by the Company that was approved by the state tax authority and served as the basis for the approved refund claim. In early January 2017, the Company received a formal Notice of Assessment of Taxes and Demand for Payment from the taxing authority disallowing the deductions. The Company appealed the administrative ruling. In February 2024, the Company received notice that the New Mexico Court of Appeals had ruled against its appeal. The Company appealed this ruling to the New Mexico Supreme Court by timely filing a Petition for Writ of Certiorari on April 19, 2024. On July 8, 2024, the New Mexico Supreme Court denied the Company's Petition for Writ of Certiorari. The Company had established an estimated liability (inclusive of both the audit period and the post-audit period) based on its estimate of the most probable loss based on the facts and circumstances known and the advice of outside counsel in connection with this matter. In July 2024, the Company made a payment of approximately \$18.9 million towards the estimated liability related to the assessment for the audited period. Following the submission of an application in September 2024, the Company was accepted to participate in the State's managed audit program and entered into a Managed Audit Agreement (the "Agreement") with the New Mexico Taxation and Revenue Department for the post-audit period. The Agreement provides for a waiver of penalties and interest and as such, the Company recorded a favorable adjustment for penalties and interest related to the post-audit period of approximately \$6.3 million in the third quarter of 2024. The managed audit is ongoing at this time.

Accruals for Legal Proceedings

The Company establishes accruals for specific legal proceedings when it is considered probable that a loss has been incurred, and the amount of the loss can be reasonably estimated. However, the results of these claims or proceedings cannot be predicted with certainty, and an unfavorable resolution of one or more of these claims or proceedings could have a material adverse effect on the Company's financial condition, results of operations or cash flows, including the modification or loss of one or more facility management contracts, or could result in a material impairment of the Company's assets. The Company's accruals for loss contingencies are reviewed quarterly and adjusted as additional information becomes available. The Company generally does not accrue for anticipated legal fees and costs but expenses those items as incurred.

17. Subsequent Events

Chief Executive Officer Developments

On February 6, 2026, J. David Donahue, the Company's Chief Executive Officer, provided notice to The GEO Group, Inc. ("GEO" or the "Company") of his retirement effective February 28, 2026 (the "Separation Date").

Mr. Donahue and GEO entered into a Separation Agreement and General Release on February 9, 2026 (the "Separation Agreement"). Pursuant to the terms of the Separation Agreement, Mr. Donahue will be entitled to receive the following in addition to accrued wages: (i) the payment of \$104,167 per month commencing on March 1, 2026 and continuing through February 28, 2028 in accordance with the terms of the Consultant Agreement described below; (ii) be entitled to the payment of health insurance premiums for himself and any covered dependents under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") for a period ending on the earlier of eighteen (18) months following the Separation Date (or up to twenty-four months if entitled to an extension) or the date he is no longer entitled to receive COBRA

continuation coverage; and (iii) the outstanding unvested stock options and restricted stock previously granted to Mr. Donahue will continue to vest in accordance with the applicable performance-based vesting metrics under the Company's long-term equity incentive plan. The Separation Agreement also contains mutual release, cooperation and non-disparagement provisions.

Mr. Donahue and GEO also entered into a Consultant Agreement (the "Consultant Agreement"), effective as of March 1, 2026, for a term continuing through February 28, 2028 (the "Consulting Period"). Pursuant to the terms of the Consultant Agreement, Mr. Donahue will provide consulting services to GEO with respect to secure services business opportunities in the United States and overseas, including business development services and contract administration assistance for existing contracts. In consideration for such services, Mr. Donahue will receive, as previously disclosed in the Separation Agreement, the consulting fee of \$104,167 per month during the Consulting Period, payable upon submission of a monthly billing statement, and will be reimbursed for reasonable and necessary documented travel and business expenses incurred in connection with the performance of services, subject to prior approval requirements. The Consultant Agreement also contains provisions related to confidentiality and conflicts of interest.

On February 9, 2026, George C. Zoley, GEO's founder and Executive Chairman, was appointed Chief Executive Officer effective March 1, 2026 (the "Effective Date").

In connection with his appointment, Dr. Zoley and the Company entered into the Second Amendment to Executive Employment Agreement (the "Employment Agreement") on February 9, 2026 to reflect Dr. Zoley's new title as Chairman and Chief Executive Officer and amend the compensation terms discussed below beginning on the Effective Date. The term of the Employment Agreement remains the same and ends on April 2, 2029 as may be extended by mutual agreement of the parties on an annual basis subject to the termination provisions in the Employment Agreement. Pursuant to the terms of the Employment Agreement, Dr. Zoley will serve as Chief Executive Officer and report directly to the Board of Directors.

Under the terms of the Employment Agreement, Dr. Zoley will be paid an annual base salary of \$1,200,000, subject to the review and potential

increase in the sole discretion of the Compensation Committee. Dr. Zoley will also be entitled to receive a target annual performance award of 200% of Dr. Zoley's base salary and be entitled to receive an annual equity incentive award of restricted stock with a grant date fair value equal to at least 300% of Dr. Zoley's base salary that shall vest in accordance with the terms of the Company's equity compensation plan. In addition, Dr. Zoley is entitled to the compensation and benefits provided under the Amended and Restated Executive Retirement Agreement, between Dr. Zoley and GEO, dated May 27, 2021. All other terms and conditions of Dr. Zoley's Employment Agreement with GEO shall remain unchanged and in full force and effect in accordance with the Executive Chairman Employment Agreement, dated May 27, 2021, as amended by the Amendment to Executive Chairman Employment Agreement, dated July 7, 2025.

Credit Agreement

On January 20, 2026, the Company entered into a Third Amendment to Credit Agreement (the "Amendment"), by and among each of GEO and GEO Corrections Holdings, Inc., as the Borrowers, the other loan parties named therein, Citizens Bank, N.A., as administrative agent, and the lenders party thereto. The Amendment increased the revolving credit facility commitments from \$450 million to \$550 million. The Amendment decreased the Incremental Amount (as defined in the Amendment) from \$250 million to \$150 million that the Company may request in the future in additional term loans, incremental equivalent debt or an increase to the revolving credit facility commitments, subject to the satisfaction of the applicable conditions in the Amendment and the credit agreement.

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

None.

Item 9A. *Controls and Procedures*

Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, referred to as the Exchange Act), as of the end of the period covered by this report. On the basis of this review, our management, including our Chief Executive Officer and our Chief Financial Officer, has concluded that as of the end of the period covered by this report, our disclosure controls and procedures were effective to give reasonable assurance that the information required to be disclosed in our reports filed with the Securities and Exchange Commission, or the SEC, under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and to ensure that the information required to be disclosed in the reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, in a manner that allows timely decisions regarding required disclosure.

It should be noted that the effectiveness of our system of disclosure controls and procedures is subject to certain limitations inherent in any system of disclosure controls and procedures, including the exercise of judgment in designing, implementing and evaluating the controls and procedures, the assumptions used in identifying the likelihood of future events, and the inability to eliminate misconduct completely. Accordingly, there can be no assurance that our disclosure controls and procedures will detect all errors or fraud. As a result, by its nature, our system of disclosure controls and procedures can provide only reasonable assurance regarding management's control objectives.

Internal Control Over Financial Reporting

(a) Management's Annual Report on Internal Control Over Financial Reporting

See "Item 8. — Financial Statements and Supplementary Data — Management's Annual Report on Internal Control Over Financial Reporting" for management's report on the effectiveness of our internal control over financial reporting as of December 31, 2025.

(b) Attestation Report of the Registered Public Accounting Firm

See "Item 8. — Financial Statements and Supplementary Data — Report of Independent Registered Public Accounting Firm" for the report of our independent registered public accounting firm on the effectiveness of our internal control over financial reporting as of December 31, 2025.

(c) Changes in Internal Control over Financial Reporting

Our management is responsible for reporting any changes in our internal control over financial reporting (as such terms are defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Management believes that there have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. *Other Information*

Rule 10b5-1 Trading Arrangements

Scott M. Kernan, a member of our Board of Directors, entered into a 10b5-1 trading plan on November 13, 2025, as amended on November 24, 2025 to make a correction to the applicable cooling off period (the "Trading Plan"). The Trading Plan provides for the potential sale of up to 6,633 shares of GEO common stock and will be in effect until the earlier of (i) April 30, 2026 and (ii) the date on which all of the shares have been sold. The Trading Plan was originally entered into during an open insider trading window and is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended, and GEO's policies regarding transactions in GEO securities.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

ITEM 10. *Directors, Executive Officers and Corporate Governance*

We have adopted a code of business conduct and ethics applicable to all of our directors, officers, employees, agents and representatives, including our consultants. The code strives to deter wrongdoing and promote honest and ethical conduct, the avoidance of conflicts of interest, full, fair, accurate, timely and transparent disclosure, compliance with the applicable government and self-regulatory organization laws, rules and regulations, prompt internal reporting of violations of the code, and accountability for compliance with the code. In addition, we have adopted a code of ethics for the CEO, our senior financial officers and all other employees. The codes can be found on our website at <http://www.geogroup.com> by clicking on the link "About Us" on our homepage and then clicking on the link "Corporate Governance." In addition, the codes are available in print to any shareholder who request them by contacting our Vice President of Corporate Relations at 561-999-7306. In the event that we amend or waive any of the provisions of the code of business conduct and ethics and the code of ethics for the CEO, our senior financial officers and employees that relate to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K, we intend to disclose the same on our Investor Relations website. The other information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2026 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the year covered by this report.

We have insider trading policies and procedures that govern the purchase, sale, and other disposition of our securities by our directors, officers, and employees that we believe are reasonably designed to promote compliance with insider trading laws, rules and regulations and the listing standards of the New York Stock Exchange. A copy of our Insider Trading Policy is filed with this Annual Report on Form 10-K as Exhibit 19.1.

ITEM 11. *Executive Compensation*

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2026 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

ITEM 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2026 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

ITEM 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2026 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

ITEM 14. *Principal Accountant Fees and Services*

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2026 annual meeting of shareholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

PART IV

Item 15. Exhibit and Financial Statement Schedules

(a)(1) *Financial Statements.*

The consolidated financial statements of GEO are filed under Item 8 of Part II of this report.

(2) *Financial Statement Schedule.*

Schedule II — Valuation and Qualifying Accounts — Page 142

All other schedules specified in the accounting regulations of the Securities and Exchange Commission have been omitted because they are either inapplicable or not required.

(3) *Exhibits Required by Item 601 of Regulation S-K. The following exhibits are filed as part of this Annual Report:*

<u>Exhibit Number</u>	<u>Description</u>	
1.1	Form of Equity Distribution Agreement, dated December 28, 2023, by and among The GEO Group, Inc. and each of Cantor Fitzgerald & Co., Compass Point Research & Trading, LLC, Imperial Capital, LLC, JonesTrading Institutional Services LLC, Noble Capital Markets, Inc., Northland Securities, Inc., StoneX Financial Inc., Virtu Americas LLC, and Wedbush Securities Inc.	https://www.sec.gov/Archives/edgar/data/923796/000119312523305223/d669399dex11.htm
3.1	Articles of Merger, effective as of June 27, 2014 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, filed on June 30, 2014).	https://www.sec.gov/Archives/edgar/data/923796/000119312514254491/d750635dex32.htm
3.2	Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on May 9, 2024).	https://www.sec.gov/Archives/edgar/data/923796/000119312524135357/d784973dex31.htm
3.3	Third Amended and Restated Bylaws of The GEO Group, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on June 21, 2021).	https://www.sec.gov/Archives/edgar/data/0000923796/000119312521195250/d192125dex31.htm
3.4	Amendment to Third Amended and Restated Bylaws, effective January 21, 2022 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on January 27, 2022).	https://www.sec.gov/Archives/edgar/data/0000923796/00011931252019826/d305099dex31.htm

3.5	Amendment to Third Amended and Restated Bylaws, effective February 14, 2022 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on February 18, 2022).	https://www.sec.gov/Archives/edgar/data/0000923796/000119312522045923/d106900dex31.htm
3.6	Amendment to Third Amended and Restated Bylaws, effective December 27, 2022 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on December 28, 2022).	https://www.sec.gov/Archives/edgar/data/923796/000119312522313783/d398856dex31.htm
3.7	Amendment to Third Amended and Restated Bylaws, effective February 9, 2024 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on February 15, 2024).	https://www.sec.gov/Archives/edgar/data/923796/000119312524037639/d763000dex31.htm
3.8	Amendment to Third Amended and Restated Bylaws, effective June 12, 2024 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed on June 18, 2024).	https://www.sec.gov/Archives/edgar/data/923796/000119312524163412/d855800dex31.htm
4.1	Indenture, dated as of April 18, 2024, by and among The GEO Group, Inc., the Initial Guarantors and Ankura Trust Company, LLC as trustee and collateral agent, relating to the 8.625% Senior Secured Notes due 2029 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed on April 24, 2024).**	https://www.sec.gov/Archives/edgar/data/923796/000119312524110253/d764760dex41.htm
4.2	Form of Secured Note (included in Exhibit 4.3).	https://www.sec.gov/Archives/edgar/data/923796/000119312524110253/d764760dex41.htm
4.3	Indenture, dated as of April 18, 2024, by and among The GEO Group, Inc., the Initial Guarantors and Ankura Trust Company, LLC, as trustee, relating to the 10.250% Senior Notes due 2031 (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on April 24, 2024).**	https://www.sec.gov/Archives/edgar/data/923796/000119312524110253/d764760dex43.htm

4.4	Form of Unsecured Note (included in Exhibit 4.5).	https://www.sec.gov/Archives/edgar/data/923796/000119312524110253/d764760dex43.htm
4.5	Description of Registrant's Securities (incorporated by reference to exhibit 4.14 to the Company's Annual Report on Form 10-K filed on February 27, 2023).	https://www.sec.gov/Archives/edgar/data/923796/000095017023004713/geo-ex4_14.htm
4.6	Form of Indenture for Senior Debt Securities (incorporated by reference to Exhibit 4.1 to the Company's registration statement on Form S-3ASR, filed on October 30, 2023).	https://www.sec.gov/Archives/edgar/data/923796/000119312523266272/d4531971dex41.htm
4.7	Form of Indenture for Subordinated Debt Securities (incorporated by reference to Exhibit 4.2 to the Company's registration statement on Form S-3ASR, filed on October 30, 2023).	https://www.sec.gov/Archives/edgar/data/923796/000119312523266272/d4531971dex42.htm
10.1	Form of Indemnification Agreement between the Company and its Officers and Directors (incorporated herein by reference to Exhibit 10.3 to the Company's registration statement on Form S-1, filed on May 24, 1994) (P)	
10.2	The GEO Group, Inc. Senior Management Performance Award Plan, as Amended and Restated (incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K, filed on February 26, 2019) †	https://www.sec.gov/Archives/edgar/data/923796/000119312519050054/d663410dex103.htm
10.3	Amendment to The GEO Group, Inc. Senior Management Performance Award Plan (incorporated by reference to exhibit 10.3 to the Company's Annual Report on Form 10-K filed on February 27, 2023). †	https://www.sec.gov/Archives/edgar/data/923796/000095017023004713/geo-ex10_3.htm
10.4	Amended and Restated The GEO Group, Inc. Senior Officer Retirement Plan, effective December 31, 2008 (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K January 7, 2009) †	https://www.sec.gov/Archives/edgar/data/923796/000095014409000110/g17230exv10w8.htm
10.5	Amended and Restated The GEO Group, Inc. Executive Retirement Plan (effective January 1, 2008) (incorporated by reference to	https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1036.htm

	Exhibit 10.36 to the Company's Quarterly Report on Form 10-K, filed on March 1, 2012) †	
10.6	Amendment to The GEO Group, Inc. Executive Retirement Plan (incorporated by reference to Exhibit 10.37 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1037.htm
10.7	The GEO Group, Inc. Deferred Compensation Plan (as amended and restated effective January 1, 2008) (incorporated by reference to Exhibit 10.38 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1038.htm
10.8	Amendment to The GEO Group, Inc. Deferred Compensation Plan (incorporated by reference to Exhibit 10.39 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	https://www.sec.gov/Archives/edgar/data/0000923796/000119312512090269/d259590dex1039.htm
10.9	Amendment to The GEO Group, Inc. Deferred Compensation Plan (incorporated by reference to Exhibit 10.40 to the Company's Annual Report on Form 10-K, filed on March 1, 2012) †	https://www.sec.gov/Archives/edgar/data/923796/000119312512090269/d259590dex1040.htm
10.10	The GEO Group, Inc. Second Amended and Restated 2018 Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on May 9, 2024) †	https://www.sec.gov/Archives/edgar/data/923796/000119312524135357/d784973dex101.htm
10.11	The GEO Group, Inc. Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed on May 4, 2021). †	https://www.sec.gov/Archives/edgar/data/0000923796/000119312521150222/d178751dex102.htm
10.12	Separation and General Release Agreement, dated as of May 27, 2021, by and between The GEO Group, Inc. and George C. Zoley (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on June 1, 2021). †	https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex101.htm
10.13	Executive Chairman Employment Agreement, dated as	https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex102.htm

	of May 27, 2021, by and between The GEO Group, Inc. and George C. Zoley (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed on June 1, 2021). †	
10.14	Amended and Restated Executive Retirement Agreement, dated as of May 27, 2021, by and between The GEO Group, Inc. and George C. Zoley (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed on June 1, 2021). †	https://www.sec.gov/Archives/edgar/data/0000923796/000119312521177770/d318382dex103.htm
10.15	Executive Employment Agreement, dated as of June 22, 2021, between The GEO Group, Inc. and Shayn March (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on December 5, 2023). †	https://www.sec.gov/Archives/edgar/data/923796/000119312523289201/d628144dex104.htm
10.16	Credit Agreement, dated as of April 18, 2024, by and among The GEO Group, Inc. and GEO Corrections Holdings, Inc, as borrowers, Citizens Bank, N.A. as Administrative Agent, and the lenders referred to therein (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on April 24, 2024).**	https://www.sec.gov/Archives/edgar/data/923796/000119312524110253/d764760dex103.htm
10.17	First Lien Intercreditor Agreement, dated as of April 18, 2024, by and among The GEO Group, Inc., GEO Corrections Holdings, Inc., the Guarantors, Citizens Bank, N.A., as Credit Agreement Collateral Agent and Authorized Representative for the Credit Agreement Secured Parties, Ankura Trust Company, LLC, as Initial Additional Collateral Agent and Initial Additional Authorized Representative, and each additional authorized representative from time to time party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 24, 2024).	https://www.sec.gov/Archives/edgar/data/923796/000119312524110253/d764760dex101.htm

10.18	Executive Employment Agreement, effective as of July 8, 2024, between The GEO Group, Inc. and Mark J. Suchinski (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 10, 2024). †	https://www.sec.gov/Archives/edgar/data/923796/000119312524158342/d800341dex101.htm
10.19	Amendment to Executive Chairman Employment Agreement, dated as of July 7, 2025, between The GEO Group, Inc. and George C. Zoley (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 9, 2025). †	https://www.sec.gov/Archives/edgar/data/923796/000119312525137828/d936802dex101.htm
10.20	Separation Agreement and General Release, entered into on December 13, 2024, between The GEO Group, Inc. and Brian Evans (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 16, 2024). †	https://www.sec.gov/Archives/edgar/data/923796/000119312524279667/d847086dex101.htm
10.21	Separation and General Release Agreement, entered into on December 3, 2024, between The GEO Group, Inc. and James H. Black. (incorporated by reference to Exhibit 10.23 to the Company's Annual Report on Form 10-K, filed on February 28, 2025). †	https://www.sec.gov/Archives/edgar/data/923796/000095017025029972/geo-ex10_23.htm
10.22	Consultant Agreement, effective January 1, 2025, between The GEO Group, Inc. and James H. Black (incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K, filed on February 28, 2025). †	https://www.sec.gov/Archives/edgar/data/923796/000095017025029972/geo-ex10_24.htm
10.23	First Amendment to Credit Agreement, dated as of July 14, 2025, among The GEO Group, Inc. and GEO Corrections Holdings, Inc. as borrowers, Citizens Bank, N.A. as Administrative Agent, the other loan parties thereto and the other lender parties thereto (incorporated by reference to Exhibit 10.1 to the	https://www.sec.gov/Archives/edgar/data/923796/000119312525160544/d95178dex101.htm

	Company's Current Report on Form 8-K, filed on July 17, 2025).	
10.24	<u>Second Amendment to Credit Agreement, dated as of November 13, 2025, among The GEO Group, Inc. and GEO Corrections Holdings, Inc., as borrowers, Citizens Bank, N.A. as Administrative Agent, the other loan parties thereto and the other lender parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on November 18, 2025).</u> **	https://www.sec.gov/Archives/edgar/data/923796/000119312525285288/d17936dex101.htm
10.25	Third Amendment to Credit Agreement, dated as of January 20, 2026, among The GEO Group, Inc. and GEO Corrections Holdings, Inc., as borrowers, Citizens Bank, N.A. as Administrative Agent, the other loan parties thereto and the other lender parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on January 26, 2026).	https://www.sec.gov/Archives/edgar/data/923796/000119312526022602/d85667dex101.htm
10.26	Separation Agreement and General Release, entered into on February 9, 2026, between The GEO Group, Inc. and J. David Donahue (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 12, 2026). †	https://www.sec.gov/Archives/edgar/data/923796/000119312526048953/d91287dex101.htm
10.27	Consultant Agreement and General Release, entered into on February 9, 2026, between The GEO Group, Inc. and J. David Donahue (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on February 12, 2026).	https://www.sec.gov/Archives/edgar/data/923796/000119312526048953/d91287dex102.htm
10.28	Second Amendment to Executive Employment Agreement, entered into on February 9, 2026, between The GEO Group, Inc. and George	https://www.sec.gov/Archives/edgar/data/923796/000119312526048953/d91287dex103.htm

	C. Zoley (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on February 12, 2026). †	
10.29	Purchase and Sale Agreement, dated as of June 3, 2025, by and between The GEO Group, Inc., CPT Operating Partnership L.P. and the State of Oklahoma (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed on June 9, 2025). **	https://www.sec.gov/Archives/edgar/data/923796/000119312525137828/d936802dex101.htm
19.1	Insider Trading Policy (incorporated by reference to Exhibit 19.1 to the Company's Quarterly Report on Form 10-Q filed on May 7, 2025).	https://www.sec.gov/Archives/edgar/data/923796/000095017025065689/geo-ex19_1.htm
21.1	Subsidiaries of the Company*	
22.1	List of Guarantor Subsidiaries *	
23.1	Consent of Grant Thornton LLP, Independent Registered Public Accounting Firm*	
31.1	Rule 13a-14(a) Certification in accordance with Section 302 of the Sarbanes-Oxley Act of 2002*	
31.2	Rule 13a-14(a) Certification in accordance with Section 302 of the Sarbanes-Oxley Act of 2002*	
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*	
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*	
97.1	The GEO Group, Inc. Clawback Policy (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K filed on February 29, 2024). †	https://www.sec.gov/Archives/edgar/data/923796/000095017024023181/geo-ex97_1.htm

101 The following financial information from the Company's Annual Report on Form 10-K for the year ended December 31, 2025, formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Consolidated Statements of Operations, (ii) the Consolidated Statements of Comprehensive Income (Loss), (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Stockholders' Equity, and (vi) the Notes to the Consolidated Financial Statements. The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document. *

104 Cover Page Interactive Data Title - the cover page XBRL tags are embedded within the Inline XBRL document. *

* Filed herewith.

** Certain portions of these Exhibits have been omitted in accordance with Regulation S-K Item 601 because they are both (i) not material to investors and (ii) the type of information that the Registrant customarily and actually treats as private or confidential and have been marked with “[***]” to indicate where omissions have been made. The Registrant agrees to furnish supplementally an unredacted copy of the Exhibit to the SEC upon its request.

† Management contract or compensatory plan, contract or agreement as defined in Item 402 (a)(3) of Regulation S-K.

(P) Paper filing

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE GEO GROUP, INC.

/s/ Mark J. Suchinski

Mark J. Suchinski

Senior Vice President and Chief Financial Officer

Date: February 25, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ George C. Zoley</u> George C. Zoley	Executive Chairman	February 25, 2026
<u>/s/ J. David Donahue</u> J. David Donahue	Chief Executive Officer (principal executive officer)	February 25, 2026
<u>/s/ Mark J. Suchinski</u> Mark J. Suchinski	Senior Vice President and Chief Financial Officer (principal financial officer)	February 25, 2026
<u>/s/ Ronald A. Brack</u> Ronald A. Brack	Executive Vice President, Chief Accounting Officer and Controller (principal accounting officer)	February 25, 2026
<u>/s/ Julie M. Wood</u> Julie M. Wood	Director	February 25, 2026
<u>/s/ Lindsay L. Koren</u> Lindsay L. Koren	Director	February 25, 2026
<u>/s/ Jack Brewer</u> Jack Brewer	Lead Independent Director	February 25, 2026
<u>/s/ Dr. Thomas Bartzokis</u> Dr. Thomas Bartzokis	Director	February 25, 2026
<u>/s/ Donna Arduin Kauranen</u> Donna Arduin Kauranen	Director	February 25, 2026
<u>/s/ Scott M. Kernan</u> Scott M. Kernan	Director	February 25, 2026

THE GEO GROUP, INC.
SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
For the Years Ended December 31, 2025, 2024 and 2023

Description	Balance at Beginning of Period	Charged to Cost and Expenses	Charged to Other Accounts	Deductions, Actual Charge-Offs	Balance at End of Period
(In thousands)					
YEAR ENDED DECEMBER 31, 2025:					
Allowance for credit losses	\$ 685	\$ 411	\$ —	\$ (239)	\$ 857
YEAR ENDED DECEMBER 31, 2024:					
Allowance for credit losses	\$ 606	\$ 133	\$ —	\$ (54)	\$ 685
YEAR ENDED DECEMBER 31, 2023:					
Allowance for credit losses	\$ 809	\$ 397	\$ —	\$ (600)	\$ 606

The GEO Group, Inc. Subsidiaries

The following is a list of the Company's subsidiaries as of December 31, 2025 (except for certain subsidiaries that, in the aggregate, would not be a "significant subsidiary" as defined in Rule 1-02 (w) of Regulation S-X). Unless otherwise stated, the Company holds directly or indirectly 100% of the subsidiaries listed below.

B.I. Incorporated (CO)
Cornell Companies, Inc. (DE)
CPT Operating Partnership L.P. (DE)
GEO Corrections Holdings, Inc. (FL)
GEO Reentry Services, LLC (FL)
GEO Secure Services, LLC (FL)
GEO Transport, Inc. (FL)
MCF GP, LLC (DE)
The GEO Group Australia Pty. Ltd. (AUS)

Certain Subsidiaries Omitted (75 of which are domestic subsidiaries and 20 of which are foreign subsidiaries).
The omitted subsidiaries considered in the aggregate do not constitute significant subsidiaries individually or in the aggregate.

Guarantor Subsidiaries

The following is a list of the subsidiary guarantors to the outstanding senior notes issued by The GEO Group, Inc., specifically the Secured Notes and the Unsecured Notes.

ADAPPT, LLC
Arapahoe County Residential Center, LLC
BI Incorporated
Behavioral Acquisition Corp.
Behavioral Holding Corp.
BI Mobile Breath, Inc.
BII Holding Corporation
BII Holding I Corporation
Broad Real Estate Holdings, LLC
CCC Wyoming Properties, LLC
CCMAS, LLC
CEC Intermediate Holdings, LLC
CEC Parent Holdings, LLC
CEC Staffing Solutions, LLC
CiviGenics, Inc.
CiviGenics Management Services, LLC
CiviGenics-Texas, Inc.
Clearstream Development, LLC
Community Alternatives
Community Corrections, LLC
Community Education Centers, Inc.
Cornell Companies Inc.
Cornell Corrections Management LLC
Cornell Corrections of Rhode Island, Inc.
Cornell Corrections of Texas, Inc.
Correctional Properties Prison Finance LLC
Correctional Properties, LLC
Correctional Services Corporation LLC
Correctional Systems, LLC
CPT Limited Partner, LLC
CPT Operating Partnership L.P.
Fenton Security, LLC
GEO Acquisition II, Inc.
GEO Care Services, LLC
GEO Care, Inc.
GEO CC3 Inc.
GEO Secure Services, LLC
GEO Corrections Holdings, Inc.
GEO CPM, Inc.
GEO Management Services, Inc.
GEO Holdings I, Inc.
GEO International Services, Inc.

GEO MCF LP, LLC
GEO Leasing, LLC
GEO RE Holdings LLC
GEO Reentry of Alaska Inc.
GEO Reentry Services, LLC
GEO Reentry, Inc.
GEO Transport, Inc.
GEO/DEL/R/02, Inc.
GEO/DEL/T/02, Inc.
Highpoint Investments, LLC
MCF GP, LLC
Minsec Companies, LLC
Minsec Treatment, LLC
Municipal Corrections Finance, L.P.
Protocol Criminal Justice, Inc.
Public Properties Development and Leasing LLC
SECON, Inc.
WBP Leasing, LLC

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated February 25, 2026, with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of The GEO Group, Inc. on Form 10-K for the year ended December 31, 2025. We consent to the incorporation by reference of said reports in the Registration Statements of The GEO Group, Inc. on Form S-3 (File No. 333-275219) and on Forms S-8 (File No. 333-279182, File No. 333-257116, File No. 333-224871, File No. 333-181175 and File No. 333-09981).

/s/ GRANT THORNTON LLP

Fort Lauderdale, Florida
February 25, 2026

THE GEO GROUP, INC.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, J. David Donahue, certify that:

1. I have reviewed this Annual Report on Form 10-K of The GEO Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2026

/s/ J. David Donahue

J. David Donahue
Chief Executive Officer

THE GEO GROUP, INC.

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Mark J. Suchinski, certify that:

1. I have reviewed this Annual Report on Form 10-K of The GEO Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2026

/s/ Mark J. Suchinski

Mark J. Suchinski
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of The GEO Group, Inc. (the "Company") for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. David Donahue, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ J. David Donahue

J. David Donahue
Chief Executive Officer

Date: February 25, 2026

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of The GEO Group, Inc. (the "Company") for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark J. Suchinski, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark J. Suchinski

Mark J. Suchinski
Chief Financial Officer

Date: February 25, 2026
