

Whereas, we believe in full disclosure of The GEO Group’s (“GEO”) direct and indirect lobbying activities and expenditures to assess whether GEO’s lobbying is consistent with GEO’s expressed goals and in the best interests of shareholders.

Resolved, the shareholders of GEO request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by GEO used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. GEO’s membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management’s and the Board’s decision making process and oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a “grassroots lobbying communication” is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. “Indirect lobbying” is lobbying engaged in by a trade association or other organization of which GEO is a member.

Both “direct and indirect lobbying” and “grassroots lobbying communications” include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on GEO’s website.

Supporting Statement

As shareholders, we encourage transparency and accountability in our company’s use of corporate funds to influence legislation and regulation. GEO has spent \$7.13 million from 2010 – 2018 on federal lobbying, including \$1.7 million in 2017, which reportedly was the highest amount in a year for a private prison.¹ These figures do not include lobbying expenditures to influence legislation in states, where GEO also lobbies but disclosure is uneven or absent. For example, GEO had at least 67 lobbyists in 16 states in 2018 (followthemoney.org). GEO spent \$1,500,000 on lobbying in Alabama for 2018² and \$3,995,000 on lobbying in Florida from 2012 – 2017.³ And GEO’s lobbying over how long immigrant children in Texas can be detained has attracted negative scrutiny.⁴

GEO is a member of the National Association of Real Estate Investment Trusts, which spent over \$7.8 million on lobbying in 2017 and 2018. GEO is also listed as a member of the Florida Chamber of Commerce, which had at least 25 lobbyists in Florida in 2017.⁵ GEO does not comprehensively disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying. Absent a system of accountability, company assets could be used for objectives contrary to GEO’s long-term interests.

¹ <https://www.opensecrets.org/news/2018/06/zero-tolerance-immigration-is-big-money-for-contractors-nonprofits/>

² <https://www.alreporter.com/2019/09/16/private-prison-detention-companies-spending-on-alabama-politicians/>

³ <https://www.followthemoney.org/research/blog/private-prisons-pour-millions-into-lobbying-state-lawmakers>

⁴ <https://theintercept.com/2017/05/02/private-prison-corporation-wrote-texas-bill-extending-how-long-immigrant-children-can-be-detained/>

⁵ <https://www.flchamber.com/the-good-the-bad-and-the-ugly/>

We are concerned that GEO's lack of lobbying disclosure presents reputational risks, and thus we urge the Board to institute comprehensive lobbying disclosure.