
ESG Report 2018

About This Report

This Environmental, Social and Governance (ESG) report summarizes CoreCivic's activities and impacts in three key areas: our environmental impact, our social responsibility commitments and our corporate governance. This is CoreCivic's first ESG report, and it covers its last completed fiscal year, which ran from January 1, 2018 to December 31, 2018, unless stated otherwise.

This report has been prepared with reference to selected [GRI standards](#) issued by the Global Sustainability Standards Board. Referenced GRI standards are listed in the GRI Content Reference Index included as an appendix to this report and are the standards effective for reports or other materials published on or after July 1, 2018. GRI (also referred to as the "Global Reporting Initiative") is an international independent standards organization created to help business, government and other organizations understand and communicate how their operations affect issues of global importance, such as human rights, corruption and climate change. In conducting the ESG materiality assessment described in this report, we also considered the relevance and impact of our actions toward the United Nations Sustainable Development Goals ("UN SDGs"), which were established in 2015 as a blueprint for addressing global societal challenges with measures that promote good health and well-being, clean and affordable energy, decent work and economic growth, climate action, and peace and justice.

We recommend that this report be reviewed alongside CoreCivic's current [annual report](#), [proxy statement](#) and [shareholder letter](#), available at <http://ir.corecivic.com>, through which we provide additional facts, figures and analysis. This report and future updates can be accessed at www.corecivic.com.

A cross-functional CoreCivic team was responsible for drafting this report. The report is reviewed by members of our senior leadership team and is reported to our board of directors. For questions regarding this report or its contents, contact Cameron Hopewell, managing director, investor relations at CoreCivic, at InvestorRelations@corecivic.com.

CoreCivic in Brief

CoreCivic, Inc. is a diversified government solutions company with the scale and experience needed to solve tough government challenges in cost-effective ways. We provide a broad range of solutions to government partners that serve the public good through three distinct business segments: CoreCivic Safety, providing corrections and detention management; CoreCivic Properties, offering government real estate solutions; and CoreCivic Community, managing a growing network of residential reentry centers to help address America's recidivism crisis.

CoreCivic is a publicly traded real estate investment trust (REIT) and the nation's largest owner of partnership correctional, detention and residential reentry facilities. We also believe we are the largest private owner of real estate used by government agencies. Our stock is traded on the New York Stock Exchange (NYSE: CXW).

CoreCivic has been a flexible and dependable partner for government for more than 35 years. Our employees are driven by a deep sense of service, high standards of professionalism and a responsibility to help government better the public good. Learn more at www.corecivic.com.



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At CoreCivic, our mission is to help government better the public good. An important way that we help government do better is by taking a hard, clear look inward.

We ask ourselves how we can improve the way we meet and exceed our service goals. We look at the way we uphold our responsibilities to society and the environment. We ask if we are managing ourselves to the highest standards and best practices of contemporary corporate governance.

Simply asking these questions is not enough. We want people to see how we work and how we're making a difference. To that end, I am pleased to introduce our company's first ESG report.

In this report, we detail how we deliver on our service commitments to our government partners and manage our operations responsibly and ethically. We discuss our current goals to contribute meaningfully to society and govern our company at high standards, and we report our progress. We believe, like many, that any businesses worthy of public support should be a responsible corporate citizen.

I'm pleased with our progress thus far, though our efforts and reporting are very much a work in progress. Even as CoreCivic evolves, real-time public transparency keeps us accountable — to ourselves, our partners and our stakeholders — and improves our ability to better the public good.

For example, about five years ago, CoreCivic set unprecedented goals to help the men and women in our care gain the skills and resources they need to never return to prison. In 2017, we reported on our progress with an industry-first [Reentry Report](#). Publicly reporting our metrics for each reentry program area has motivated our employees and program volunteers like never before. Starting this year, our update on those reentry goals will be featured in our broader ESG report.

Outside our facilities, transparency is critical to upholding public confidence. Our employees, shareholders, investors, potential investors, public leaders, community members, journalists and inmates, detainees and residents and their families are important stakeholders who want information about how our company works, what our goals and values are, and whether we're living up to our commitments. This report is intended to be a resource for those stakeholders. We want to answer as many questions as possible in one place. In this report format, we can provide consistent year-over-year internal measurements of our progress toward our goals and provide consistent benchmarking against global reporting standards that show how and where we're fitting into the big picture.

In short, today's CoreCivic exists to help solve some of the government's biggest challenges — from managing corrections and detention needs, to addressing America's recidivism crisis with a growing national network of residential reentry centers and non-residential case management and monitoring services and providing government partners with cost-effective real estate solutions.

CoreCivic has come a long way since our company was founded in 1983. Back then, we strove to lead the industry and meet and exceed government standards. I'm proud of that. Today, our company has evolved, society has evolved and the business world has evolved. Business excellence and shareholder value are no longer the only standards to which we hold ourselves. Our service mission

has broadened, and our own understanding of the ways we can best do our jobs has changed — in some cases dramatically and not that long ago.

To help shape our unique pathways toward environmental stewardship, social responsibility and responsible governance, we've engaged with our investors, our government partners, our employees, inmates and stakeholders in our communities and our industry. There is enormous interest in what we do and the way we do it. We welcome the interest. We also welcome your best thinking. If you have any knowledge, suggestions or ideas on ways we can keep improving, we'd like to hear from you.

At CoreCivic, we learned long ago that success does not come by assuming we know more than others what works. Rather, success happens when we blend the knowledge of our partners in government, business and the nonprofit sector. Success happens when we reach out and listen and learn about the needs and concerns of stakeholders. And success comes to businesses that are open, transparent and accountable. These are directions where we are striving for continuous improvement.

Our employees amaze me. Sometimes I like to think that I helped in some way to contribute to the CoreCivic culture, but each day I get to work and learn something new from it. I am grateful for their dedication, passion, ingenuity and empathy.

Our people keep my energy levels in high gear as this business moves toward its fourth decade.

Thanks for your interest. We are here to serve.



Damon T. Hininger
President and CEO, CoreCivic

About CoreCivic

Our Purpose and Mission

“Our fundamental commitment to better the public good remains unchanged from our beginning more than 35 years ago.”

- Tony Grande, executive vice president and chief development officer

Our Purpose

To help government better the public good.

What We Do: Our Mission

We help government better the public good through our three distinct but complementary business segments — CoreCivic Safety, CoreCivic Community and CoreCivic Properties — which are guided by a universal commitment to solving government challenges in innovative ways.

CoreCivic Safety

A national leader in corrections and detention management, CoreCivic Safety betters the public good through three service offerings:

- **Correctional Services** – For more than three decades, CoreCivic has partnered with local, state and federal government agencies to provide correctional services and programs that enhance public safety.
- **Detention Services** – CoreCivic provides working solutions that meet government's civil and criminal detention management needs with safe facilities that also meet the unique needs of those in our care.
- **Transportation** – CoreCivic provides safe and secure inmate transportation through our subsidiary, Transcor America.

CoreCivic Community

Reducing recidivism and building communities is at the heart of our mission to better the public good. Through our residential and non-residential services, we help people successfully reintegrate into their communities after prison or avoid being incarcerated in the first place.

- **Residential Services** – Through our network of residential reentry centers, we provide services in a step-down environment that allows individuals to hold jobs and find permanent housing.
- **Non-Residential Services** – Non-residential services like electronic monitoring and counseling are critical to reducing recidivism and reflect our core mission to better the public good.

CoreCivic Properties

With more than 35 years of experience designing, building and managing government real estate projects and facilities, CoreCivic Properties is an experienced partner that is committed to providing cost-saving governmental real estate solutions throughout the United States. Our solutions, which can be tailored to fit our government partners' unique needs, fall into two broad categories:

- **New Real Estate Projects** – We have decades of experience in the design, construction and financing of government real estate projects, saving time and resources for our partners.
- **Lease-Only Options** – With our lease-only option, we can provide a ready facility and assume all maintenance, while the government partner manages daily operations —providing maximum flexibility.



Why We Do It

When CoreCivic began operations more than 35 years ago, the court system had intervened in prisons in 40 states and the District of Columbia due to their poor conditions. Eight corrections systems had been declared unconstitutional or were operating under court order — meaning they were dangerously overcrowded or failed to meet minimum standards for safe and humane conditions.

Our company founders recognized the system's failings and recognized looming challenges that federal and state governments would face in addressing them. As a starting point on the path to modernization, CoreCivic's founders insisted on adhering to standards to improve and monitor facility operations as well as undergo regular review by the independent American Correctional Association's (ACA) Standards of Accreditation.

Achieving accreditation became fundamental for any correctional facility to affirm that its base standards of operations are humane and constitutional. CoreCivic strives to meet or exceed ACA or comparable standards in all our facilities.

Today, about 2.2 million people are incarcerated in the United States, including nearly 1.5 million in federal and state prisons and about 745,000 in locally run jails, according to the Bureau of Justice Statistics.

Our nation also faces an unprecedented immigration situation. CoreCivic is serving fundamental government needs that may otherwise not be met, or that might be met without appropriate resources. Our company plays an important role in keeping communities safe, enrolling thousands of inmates and residents in reentry programs that help them successfully return to society and, in the process, save taxpayers money. CoreCivic is key in providing humane living conditions for detained persons.

Private facilities house about 8 percent of inmates in the United States. Our work assists systems that are overcrowded or underfunded, or both, which create potentially dangerous environments for staff, inmates and host communities. For example, a U.S. federal court deemed California's prison system unconstitutional in 2007 when the system was operating at 200 percent of its capacity. The court ordered significant population reductions and the state turned to the private sector as a relief valve.

According to the Bureau of Justice Statistics (BJS), more than 290,000 prison beds in public facilities are more than 50 years old. Private facilities provide an alternative for systems that still rely on old, potentially unsafe facilities to house inmates. The private sector generally provides modern and cost-effective spaces.

What We Don't Do

Under longstanding corporate policy, CoreCivic does not advocate for or against any policies, regulations or legislation that impact the basis for — or duration of — an individual's incarceration or detention. This strict policy also applies to external government relations professionals working on CoreCivic's behalf at any level of government.

We don't engage in any public policy issues that drive incarceration or detention rates. In fact, private facilities represent a small portion of the country's correctional capacity, housing only about 8 percent of all inmates in the nation.

We don't cut corners on care, staff or training, which meets, and in many cases exceeds, our government counterparts' standards.

We don't operate without direct government supervision at our facilities. Instead, we receive

continuous monitoring and feedback from our government partners at all levels.

We don't interfere with residents' access to health care, which is provided by licensed providers pursuant to professional standards and requirements set by our government partners and independent accrediting agencies such as the ACA and NCCHC.

We don't require occupancy guarantees in all of our contracts, and in fact, less than half of our agreements have them. Contracts that do include such guarantees are designed to provide the government partner with access to a guaranteed capacity level that meets required standards. These types of contracts do not require a fixed population, and they typically contain explicit provisions allowing our government partners to terminate the agreement if the capacity isn't needed.



Selecting Areas to Report and Set Goals

Process and Stakeholder Engagement

To assess key topics for our first ESG report, in 2018 we conducted an ESG materiality assessment with reference to the GRI materiality framework.

Through our assessment, we studied our company's annual reports, analyst reports, media coverage and other documents to ensure we had a full understanding of the current state of CoreCivic's activities and what the public perceptions of our company entail. We benchmarked CoreCivic's activities against those of peer companies and other organizations, including sustainability leaders across industries. We also studied our own initiatives — completed and planned — including, for example, progress toward the reentry goals our president and CEO, Damon Hininger, set for CoreCivic in 2014.

We interviewed nearly 80 individuals as part of the assessment. Internal interviews included members of our senior leadership team and employees at our facilities, while external interviews focused on representatives from external NGOs, investors, government partners and other relevant stakeholder groups. The table below summarizes our stakeholder engagement activities.

Stakeholder Group	Engagement Channels	Focus Areas of Significant Interest
CoreCivic Board & Employees	<ul style="list-style-type: none"> Engagement and culture surveys One-on-one dialogue Focus groups and town halls Digital and print media Formal reporting mechanisms (e.g., CoreCivic ethics line) 	<ul style="list-style-type: none"> All
Residents	<ul style="list-style-type: none"> Daily interaction Resident climate surveys Formal reporting and grievance mechanisms 	<ul style="list-style-type: none"> Resident Treatment and Reentry Services
Government Partners	<ul style="list-style-type: none"> One-on-one dialogue Requests for information/proposals Oversight and monitoring 	<ul style="list-style-type: none"> Operational Excellence Resident Treatment and Reentry Services
Industry & Labor Associations	<ul style="list-style-type: none"> One-on-one dialogue Meetings and conferences Negotiations 	<ul style="list-style-type: none"> Operational Excellence Employee Engagement Resident Treatment and Reentry Services
Investors and Banks	<ul style="list-style-type: none"> Annual meeting of stockholders Quarterly earnings calls Investor presentations and events One-on-one dialogue Industry events ESG and proxy analyses Facility tours 	<ul style="list-style-type: none"> All
NGOs, Faith-Based Organizations, & Advocacy Groups	<ul style="list-style-type: none"> National and local partnerships One-on-one dialogue Employee volunteering and non-profit service Written communications and media Facility tours 	<ul style="list-style-type: none"> Resident Treatment and Reentry Services Community Relations
Community Members	<ul style="list-style-type: none"> One-on-one dialogue Employee volunteering and non-profit service Town halls and meetings Community member in-facility volunteer services Written communications and media 	<ul style="list-style-type: none"> All

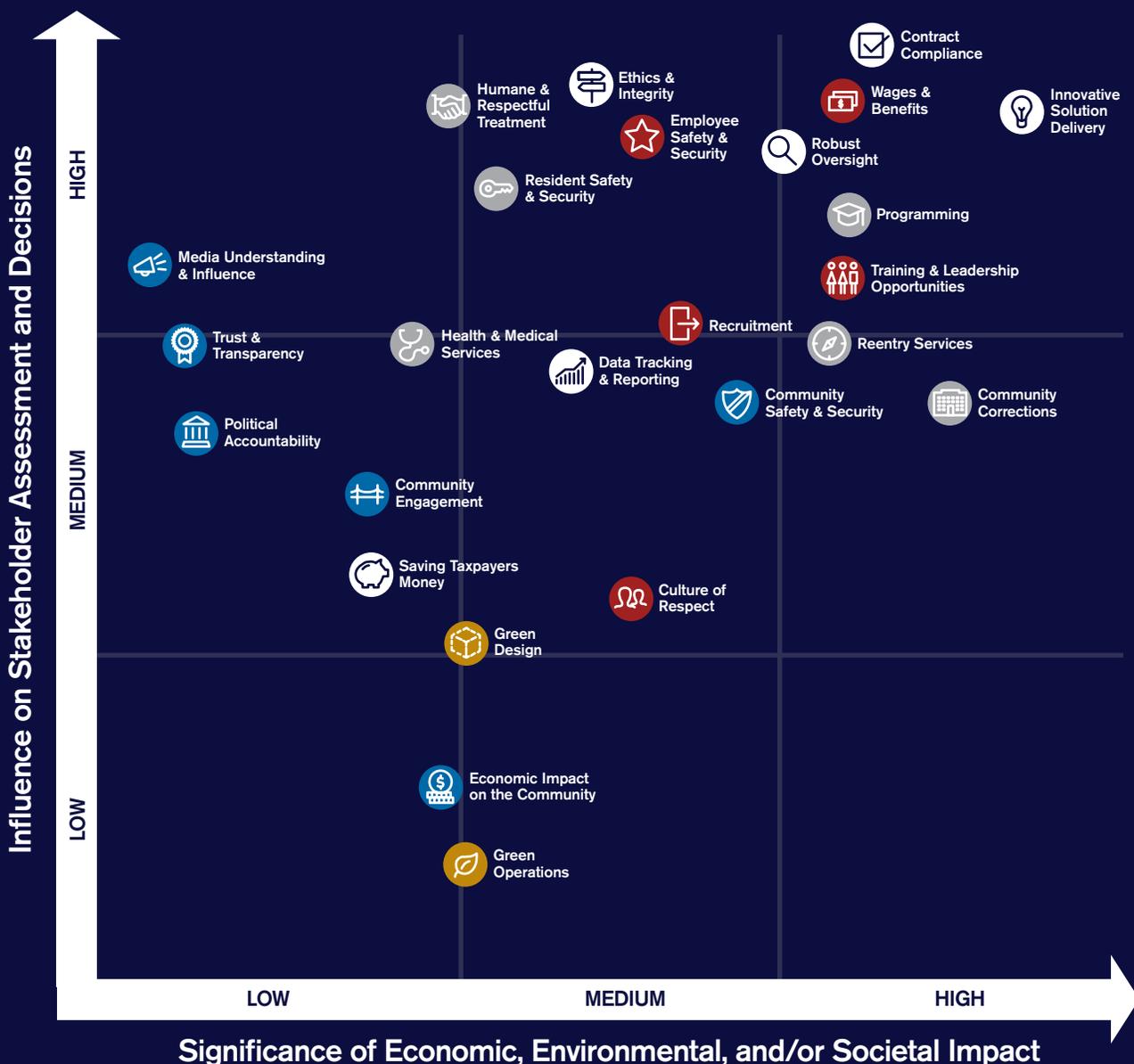
Findings and Materiality Matrix

The review and stakeholder engagement efforts shaped the direction of our 2018 ESG materiality assessment and the content of this report, ultimately identifying five focus areas and 26 key topics on which to report.

Focus Areas	Operational Excellence	Employee Engagement	Resident Treatment and Reentry Services	Community Relations	Improving Environmental Performance
Key Topics	<ul style="list-style-type: none"> Contract Compliance Data Tracking & Reporting Ethics & Integrity Innovative Solution Delivery Robust Oversight Saving Taxpayers Money 	<ul style="list-style-type: none"> Culture of Respect Employee Safety & Security Recruitment Training & Leadership Opportunities Wages & Benefits 	<ul style="list-style-type: none"> Community Corrections Health & Medical Services Humane & Respectful Treatment Resident Safety & Security Programming Reentry Services 	<ul style="list-style-type: none"> Community Engagement Community Safety & Security Economic Impact on the Community Media Understanding & Influence Political Accountability Trust & Transparency 	<ul style="list-style-type: none"> Green Design Green Operations

The key topics were then assessed based on expected economic, environmental, and social impact, taking into account, among other things, the UN SDGs, and ranked on the X-axis. To determine placement on the Y-axis, areas were assessed for the degree of influence on stakeholder assessment and decisions with respect to CoreCivic.

The topics most relevant to CoreCivic were mapped on this matrix:



ESG Related Goals

While this is our first ESG report, it is important for stakeholders to know that our commitment to social responsibility is long-standing. Our 2018 ESG materiality assessment reflects years of accumulated knowledge. By utilizing the formatting and benchmarking provided by our first, formal ESG report, and conforming to contemporary standards of transparency, we are able to spotlight goals, highlight our progress and provide guiding commentary in a clear, accessible public manner.

As noted, in 2014 our president and CEO, Damon Hininger, established a series of reentry-related goals. In 2017, we published an industry-first [Reentry Report](#) that updated those goals and reported on our progress. We also provide an [update on our progress](#) toward those goals later in this report.

More recently, CoreCivic's board of directors and senior management have integrated the goals and values represented by ESG reporting in the company's strategic planning. Our 2019 Strategic Management Plan sets targets to further our company's business, mission and culture in three specific areas highlighted below:

- Helping the people in our care succeed by achieving programming goals in literacy, career and technical skills, education and substance abuse prevention and treatment;
- Contract compliance, and
- Continuing robust leadership development through our corporate university program and the successful rollout of our new leadership principles.

For 2018, our board of directors tied a portion of senior management's 2018 cash incentive bonuses to ESG-related business goals. Executive compensation was linked in part to measurable achievements on the employee side with leadership development programs and on the inmate and resident side with completions of General Educational Development ("GED") tests or equivalents.

Coupled with our 2018 ESG materiality assessment findings, we expect that these goals will guide future reporting, our ESG strategy and our broader business strategy and activities. We also expect that they will help the company to establish even more meaningful metrics to measure and track our performance and to deepen engagement with key stakeholder groups.



How We Make an Impact

Services to Reduce the Nation's Recidivism Crisis

At CoreCivic, our commitment to reentry is based on the idea that people deserve a second chance, and we need to help the people in our care succeed when they leave prison.

More than 1.5 million people are in federal and state prisons. About 95 percent will be released. Yet, a study by the Bureau of Justice Statistics shows that nearly half of released inmates end up in prison again within three years and about 55 percent end up back in prison within five years.

Significant barriers remain to their successful reentry to society, including inadequate support systems, unsafe housing and poor emotional or impulse control. But inmates and residents who are provided educational services and job training, substance use disorder treatment and behavioral programs, and other personal development opportunities while incarcerated are less likely to return than those who are not afforded such programming.

At CoreCivic, we provide a catalyst for change with effective reentry programs run by our dedicated staff of chaplains, teachers, principals, treatment managers and counselors.

Please see the [Reentry Goals Supplement](#) for more details on the impact of our reentry programs and our progress toward company-wide reentry goals.

THE SOLUTION: FOCUS ON REENTRY

Data show that inmates who participate in...



EDUCATION



JOB TRAINING



FAITH-BASED
PROGRAMS



ADDICTION
TREATMENT

...while in prison are **less likely** to return. And investments in reducing recidivism provide overall economic benefit.

Inmates who obtain GEDs while in prison are up to **30% less likely** to return to prison. (RAND Corporation)

Inmates who complete substance use disorder treatment in prison are **50% less likely** to return to prison. (California Department of Corrections and Rehabilitation)

Inmates who complete vocational training are **28% more likely** to find a job after release. (RAND Corporation)

The goals and values embodied by ESG — responsibility in our actions and impact on the environment and society and in how we govern ourselves — are a working way of life in our operations, our outlook and all that we aspire to achieve. Here's an update on the progress we've made toward the reentry-specific goals, first established in 2014 and detailed in our 2017 Reentry Report.



Treatment and Behavioral Programs

GOAL:

75%

Minimum 75 percent completion rate for all enrolled in substance use treatment programs by 2019.

DETAIL:

Inmates and residents are provided access to programming that helps address substance use disorders.

PROGRESS:

2017:

61%

CoreCivic achieved a 61 percent completion rate in 2017.

2018:

72%

CoreCivic achieved a 72 percent completion rate in 2018, with seven facilities exceeding the 75 percent rate and three facilities at 90 percent or above.



Chaplaincy and Religious Services

GOAL:

2017:

1,350

Average daily enrollment in faith-based Threshold program

DETAIL AND REASON FOR GOAL CHANGE:

2018:

+930

Increase Threshold program completions to 930 in 2018 and 1,035 in 2019

The multimonth Threshold program provides participants with the opportunity to address risks to successful reentry within the context of their own faith or personal value system.

After 2017, the reentry services team concluded total program completions presented the most reliable metric for the program's success.

PROGRESS:

2017:

226 Threshold completions

2018:

868 Threshold completions

Educational Services



5-YEAR GOALS:

HIGH SCHOOL EQUIVALENCY

8,040

Help 8,040 inmates attain HSE certificates by the end of 2019

JOB TRAINING

25,000

Help 25,000 inmates attain industry-recognized certificates (IRCs), showing their job skills, by the end of 2019

YEAR-SPECIFIC GOALS:

2017 GOAL:

Continue progress toward 5-year goals

2018 GOAL:

HIGH SCHOOL EQUIVALENCY

1,595

Help 1,595 inmates earn HSE certificates in 2018

JOB TRAINING

4,454

Help 4,454 inmates earn IRCs in 2018

DETAIL AND REASON FOR GOAL CHANGE:

Awarding high school equivalency (HSE) and industry-recognized certificates (IRCs) through education and training.

The goal change reflects a 29 percent decrease in facilities eligible for programming. Applying this change to the 5-year goals, CoreCivic is on track to help 7,525 inmates earn HSE certificates and 22,849 inmates earn IRCs by the end of 2019.

PROGRESS:

2017:

1,684

HSE certificates awarded at CoreCivic in 2017, a 5 percent increase since 2016

4,483

IRCs awarded at CoreCivic in 2017, an 11 percent decrease since 2016

2018:

1,653

HSE certificates awarded at CoreCivic in 2018, a 2 percent decrease since 2017

4,712

IRCs awarded at CoreCivic in 2018, a 5 percent increase since 2017



Reentry Services

GOAL:

+10%

Increase Go Further journal completions 10 percent annually using 2017 as a baseline.

DETAIL:

The Go Further program couples individuals' long-term life goals with training and teaching tailored to their needs and ambitions.

PROGRESS:

2017:

560

CoreCivic helped inmates and residents complete 560 Go Further journals in 2017, setting a goal of 616 completions for 2018.

2018:

2,702

CoreCivic helped inmates and residents complete 2,702 Go Further journals in 2018, a 382% increase, setting a goal of 2,972 completions for 2019. Go Further was also added to eight facilities in 2018, bringing the total to 13.



Victim Impact Programs

5-YEAR GOAL:

2,300

2,300 program completions by the end of 2019

YEAR-SPECIFIC GOALS:

2017:

+6

Expand program training to six new facilities

2018:

+6

Expand program training to six new facilities

DETAIL:

Victim impact programs educate inmates and residents on the far-reaching impact of their crimes.

PROGRESS:

2017:

+7

Seven facilities trained, bringing the total to 13

455

Program completions, bringing the total to 1,082

2018:

+6

Six facilities trained, bringing the total to 19

996

Program completions, bringing the total to 2,078

Community Corrections

In addition to providing recidivism-reducing programming within prisons and jails, CoreCivic has also diversified its service offerings to include alternatives to incarceration. For example, CoreCivic has invested nearly \$300 million in a growing network of residential reentry centers that help returning citizens reintegrate into their communities while helping some residents avoid prison altogether. CoreCivic currently employs 927 residential reentry professionals working in a network of 27 reentry centers in six states with the capacity to service up to 5,274 returning citizens in our communities.

According to the [State of Colorado's Division of Community Corrections](#), CoreCivic Community's Colorado locations **outperform state-wide averages in reducing recidivism and assisting residents in obtaining employment.**

"Our reentry mission isn't limited to those in our care. In fact, it now extends to helping those who may never set foot in one of our facilities. One study funded by the National Institute of Justice (NIJ) found that electronic monitoring services like those provided by RMOMS can reduce the risk of recidivism by about 31 percent."

- Patrick Swindle, executive vice president and chief corrections officer



CoreCivic Community works with governments to reduce recidivism by helping individuals avoid incarceration altogether. CoreCivic accomplishes this through residential solutions like reentry centers and, as of 2018,

with non-residential alternatives offered through our acquisition of the Rocky Mountain Offender Management Systems (RMOMS) and Recovery Monitoring Solutions Corporation (RMS).

RMOMS and RMS are leaders in providing electronic monitoring and case management services to municipal, county and state governments across ten states. Their services currently help keep more than 50,000 justice-involved citizens from returning to prison, or from being incarcerated in the first place. RMOMS and RMS services include house arrest monitoring, reentry and life skills programs, treatment assessments/referrals, drug testing, outpatient treatment and other case management services. As a part of CoreCivic Community, RMOMS and RMS have continued their work with clients to make sure they are placed in the proper level of care and receive the services they need to succeed.

Adding Value for Taxpayers

We are committed to providing diverse government solutions that benefit taxpayers, support economic growth, generate local tax revenue, and provide stable, well-paying jobs with advancement opportunities for our employees. Through our three business segments, we are able to offer value-add solutions for our government partners working in various public sectors — not only corrections.

Positive Financial Impact

Public studies, plus our own direct findings, have shown that privately operated corrections and detention facilities can save our government partners money without sacrificing the quality of the service. An industry-supported, peer-reviewed study published by the Independent Institute found that companies like ours generate 12-58 percent in long-run taxpayer savings without sacrificing the quality of service.¹ CoreCivic accomplishes this through state-of-the-art facility design and technology that allow facility operations to run more efficiently.

For example, new facilities that CoreCivic builds and operates are designed to follow modern correctional and detention operational policies, using technologies that facilitate more efficient staffing patterns, improve inmate and employee safety, and allocate more physical space for rehabilitative and educational programming. Many of the once iconic symbols of correctional facilities that required substantial staffing, such as high concrete perimeter walls and even higher guard towers, have been rendered obsolete by modern technologies. Yet, such structures still exist at many government-owned correctional facilities across the country. CoreCivic's design elements can create meaningful short- and long-term savings, while improving facility safety and security.

CoreCivic can also save taxpayer money through our decades of experience in designing, building and financing new facilities — experience that government partners may not have. The up-front cost of constructing a new facility typically exceeds \$100 million, but the cost can vary widely based on the location selected for construction and the financing sources utilized. Cost overruns can occur due to project delays compounded by complex governmental procurement processes. The typical solutions we have provided transfer construction risks to CoreCivic instead of taxpayers.

According to the Economic League of Greater Philadelphia, connecting 100 formerly incarcerated individuals with employment would produce

\$1.2 million

in annual earnings and **\$55 million** in post-release lifetime earnings for a city.

CoreCivic typically delivers cost savings of up to

25%

while cutting construction time by **40%** (new facility construction).

An independent study from economists at Temple University found that using contractor-operated prisons saves

12%-58%

in long-run costs while maintaining high-quality service.



¹ While the Independent Institute study received funding from the private corrections industry, it was subject to a rigorous peer-review process, and it relied solely on data from state government sources for its calculations.

Adding Value for Taxpayers (Continued)

Infrastructure Improvement

Old and outdated buildings, in addition to being unsafe, inefficient and costly to maintain, may also lack sufficient space for reentry programs that provide inmates with the opportunity to successfully reenter society. Yet many government partners may face difficulties when competing for tax dollars with other agencies or competing for capital in the debt markets in order to construct new or renovate existing facilities.

“Many government buildings are no longer in good enough shape to serve the community’s needs.”

- Erik Rasmussen, CoreCivic Managing Director of Strategic Development.

An example is the Lansing Correctional Facility in Kansas, highlighted below. CoreCivic Properties offered a solution that could supply Kansas with a modern, state-of-the-art facility, a neutral impact on the state budget and lower leasing rates, thanks to CoreCivic’s strong financial position.



First-of-its-kind “rent-and-operate” agreement with the state of Kansas

In early 2018, the Kansas Department of Corrections awarded CoreCivic a 20-year lease agreement to replace the state’s aging Lansing Correctional Facility, originally constructed in 1863 — just two years after Kansas became a state.

Under the agreement, CoreCivic is using our more than 35 years of design and construction experience to build a new, state-of-the-art facility according to the state’s specifications and leasing it back to the partner over two decades. The state will manage the facility using its own staff, while CoreCivic will provide facility maintenance.

The arrangement allows Kansas to have a modernized facility that is safer for both inmates and employees, but also prevents the state from having to fund the construction of a brand-new facility — freeing those dollars to be used for other things that are important to its citizens. The new facility will alleviate costly staffing and overtime issues, reduce overcrowding and generally aging infrastructure, and minimize environmental impact with energy-efficient LED lighting, HVAC units with outside air economizers and substantial insulation to regulate inside temperatures.

This agreement represents our industry’s first development of a privately owned, built-to-suit correctional facility to be operated by a government agency through a long-term lease agreement.

“The immense budget challenge the state of Kansas faced in funding a replacement of their 150-year-old prison is not unique. With over 100,000 beds in operation today at correctional facilities over 100 years old, many states and the federal government are facing a similar challenge. Our solution allows the state of Kansas to have access to a modern, efficient facility that is safer for inmates and employees, while allowing the state to avoid using their limited bonding capacity for the construction of a new correctional facility.”

- Damon Hininger, CoreCivic president and chief executive officer

Supply Chain & Supplier Diversity

CoreCivic's supply chain includes goods and services from thousands of suppliers throughout the United States and Canada. Given the diverse offering of government solutions in our portfolio, our suppliers range from major construction contractors to suppliers of correctional goods and services. In 2018, primary goods and services procured in support of our facility's operations included items like pharmacy and medical supplies, resident-issued supplies, telecommunications equipment and services, and facility maintenance. Approximately 19 percent of our annual total spend originates from local suppliers that are located within the same state as the facility they support.

Now in its 10th year, CoreCivic's Diversity Business Inclusion (DBI) program uses the company's collective purchasing power to support small businesses as identified by the Small Business Administration and other economic development agencies. The program also encourages contracting with small businesses owned and operated by women, minorities and veterans.

Through the DBI program, we are able to help our government partners achieve their goals to provide opportunities for small and diverse businesses. We also create more options for procuring needed goods and services. In 2018, our diversity-related supplier spend constituted approximately 25 percent of our facility operations spend, or approximately \$89 million.

CoreCivic's partnerships go beyond a traditional supplier relationship. The company also provides mentorship and best practice sharing with partners through several local and national organizations that help small and diverse businesses access the resources and knowledge to grow and succeed.

A few examples include:

- CoreCivic's participation in the Centers of Excellence, a mentor-protégé program that connects corporations with selected, certified minority-owned businesses.
- CoreCivic's support of TSMDC's Education Foundation that provides scholarships to deserving youth.
- CoreCivic's membership in the Tri-State Minority Supplier Development Council (TSMDC), which is a regional affiliate of the National Minority Supplier Development Council (NMSDC).
- CoreCivic's corporate membership with the Southern Regional Chapter of the Women's Business Enterprise National Council.

CoreCivic's Partnerships with Small Diverse Businesses by the Numbers

In the past year, CoreCivic has partnered with **more than 500** small businesses across the country, and **150** of these are small diverse businesses. These include²:

23

minority-owned
businesses

30

veteran-owned
businesses

77

women-owned
businesses

"Since partnering with CoreCivic, we have been approached by other Fortune 500 companies to serve their supply chains, which has allowed us to grow to national and international status. Without the CoreCivic relationship, this would not have been possible."

- Sharon Reynolds, CEO and president of DevMar Products, LLC

² Other categories of diverse businesses supported by CoreCivic include small disadvantaged businesses, service-disabled veteran owned businesses, small businesses located in historically underutilized business zones (HUB Zone), and minority institutions or historically black colleges or universities (HBCU).

Improving our Communities

Community Development and the CoreCivic Foundation

At CoreCivic, we further our mission to better the public good by giving time and resources to deserving organizations working to help former offenders, victims of crime and underserved youth.

In our communities, we are a stable employer with good jobs and careers at competitive pay and benefits. We are a local corporate citizen with employees who volunteer time and talent to local organizations improving lives in the community. Our chaplains and other staff also encourage community volunteers to come into our facilities and help enhance the lives and skills of those in our care — both in correctional facilities and in residential reentry centers.

To further our mission, we established the CoreCivic Foundation, a 501(c)(3) non-profit, in 2018 to streamline our previous giving through the Community Foundation of Middle Tennessee. As the philanthropic arm of our company, the CoreCivic Foundation supports organizations that provide resources and guidance to current and former offenders, victims of crime and abuse, and underserved youth. We provide leadership, service and financial support to nonprofit organizations closely aligned with these goals. Over the past decade, CoreCivic has raised more than \$11 million and provided service hours for charities making a real impact in the lives of others within the reentry, victim advocacy, youth empowerment and education spaces.

Below is a brief sampling of the many charitable organizations and causes CoreCivic supports with both time and resources:

- Aphesis House
- Big Brothers Big Sisters of Middle TN
- Book 'Em
- Boy Scouts of America
- Boys and Girls Clubs of Middle TN
- Dismas, Inc.
- Education Equal Opportunity Group, Inc.
- Fannie Battle Day Home for Children, Inc.
- Girl Scouts of Middle TN
- Junior Achievement
- Martha O'Bryan Center
- Men of Valor
- Mending Hearts, Inc.
- Mental Health America
- Miriam's Promise
- Nashville Children's Alliance
- Renewal House, Inc.
- Tennessee Voices for Victims
- The Next Door
- The Salvation Army
- United Way
- You Have the Power... Know How to Use It, Inc.



"Companies like CoreCivic are vital for us to do what we do."

- Raul Lopez, executive director of Men of Valor, an organization providing intensive, faith-based reentry services to more than 800 men both inside and outside of prisons

How We Operate

Governance & Compliance: Ethically Sound, Purposeful

Corporate Governance and Our Board of Directors

CoreCivic operates under the governance of a majority independent board of directors comprised of 11 experienced and knowledgeable members of varying perspectives, professional backgrounds and life experiences. Our board's commitment mirrors the commitment of our workforce to operate with integrity in all that we do. We maintain the following policies and best practices:

- *Independence:* At least a majority of the company's directors must be independent directors. Currently, nine of our directors are independent. Our audit, risk, compensation, and nominating and governance committees are composed entirely of independent directors.
- *Separation of chairman and CEO Roles:* Since October 2009, the roles of chairman and CEO have been held separately.
- *Declassified board:* All directors are up for election each year.
- *Stock ownership requirement:* We maintain stock ownership guidelines for our executive officers and non-executive directors because we believe it is important to align the interests of our management and our board with the interests of our stockholders.
- *Diversity:* The board takes into account many factors when nominating and selecting members, including diversity, age, skills, and educational and professional background. The board believes its membership should reflect a diversity of experience, gender, race, ethnicity and age. CoreCivic was named a 2020 Women on Boards Winning Company because at least 20 percent of our board seats are held by women. In fact, three of our current 11 board seats are held by women, and this is the second year in a row we have received this notable designation.
- *Attendance*³: In 2018, each director attended at least 75 percent of the meetings of our board and of the committees of our board on which such director served. All of the directors attended last year's annual meeting of stockholders.
- *No Hedging or Pledging Permitted:* Our insider trading guidelines prohibit trading or "tipping" based on material, non-public information and include provisions that prohibit members of our board, executive officers, other officers and employees from engaging in hedging or pledging transactions involving company securities.

Our Board of Directors: Key Facts

As of year-end December 31, 2018

- Independent directors: 82%
- CEO or senior leadership experience: 100%
- 1-4 years service on our board: 36%
- 5-9 years service on our board: 27%
- 10+ years service on our board: 36%
- Gender and/or ethnic diversity: 36%

Our board is responsible for establishing our broad corporate policies and strategic objectives, reviewing our overall performance and overseeing management's performance. Among other things, our board selects and evaluates our executive officers; establishes, reviews and approves our corporate objectives and strategies; and evaluates and approves major acquisitions and capital commitments.

Additional information on our corporate governance practices can be found in our 2019 proxy statement and in our corporate governance guidelines.

Risk Governance

Our board has five regularly standing committees: the audit, compensation, nominating and governance, risk, and executive committees.

Our risk committee provides leadership to our board and audit committee in overseeing the company's risk assessment and risk management functions. It also assists in overseeing our financial, legal, contractual and regulatory risk functions. Organizational ethics and compliance oversight also fall under the risk committee's assigned oversight responsibilities.

In addition, our risk committee is charged with oversight of management's enterprise risk management (ERM) program. Our ERM program identifies, prioritizes and assesses a broad range of risks, including financial, operational, business, reputational, governance and managerial risk. The ERM program develops plans and improves controls for managing these risks or mitigating their effects. Our ERM program is led by our general counsel. It is a component of management's strategic planning process and is overseen by our risk committee, with periodic reports to the full board. Finally, the risk committee reviews policies and practices relating to the company's public reputation, including practices with respect to corporate social responsibility and sustainability.

The full board maintains an ongoing, direct role in risk oversight through, among other things, regular reports

³ For any director first appointed during 2018, applies only to those meetings for which the director was eligible to attend.

Governance & Compliance: Ethically Sound, Purposeful (Continued)

from the chair of our risk committee, regular reports from our CEO on the ERM process and oversight of management's strategic planning process, which includes an evaluation of opportunities and risks presented by the company's current strategies and alternative strategies.

In addition to our risk committee, other standing committees of our board have responsibility for risk oversight within their specific areas. Our audit committee focuses on financial risk, including fraud risk and risks relating to our internal controls over financial reporting. Our nominating and governance committee addresses certain governance-related risk such as those related to board and executive management succession planning. And our compensation committee addresses risks relating to our executive compensation strategies.

Although each aforementioned committee is responsible for evaluating certain risks and overseeing the management of risks, the entire board is regularly informed through committee chair and executive reports about such risks.

In addition, our quality assurance department regularly reports to the full board on the following topics:

- Significant incident data, including the following types of significant incidents at CoreCivic-operated facilities: escapes, disturbances/disruptive events, unnatural deaths (homicides and suicides) and hostage situations
- Quality assurance and government partner audit performance
- Key areas of operational risk and risk responses
- PREA incident and audit performance data

ESG Governance

A multi-disciplinary, corporate officer-led team is responsible for economic, environmental and social topics. Updates on our ESG strategy, implementation, and performance are communicated to the board of directors' risk committee, pursuant to its committee charter, and to our CEO, on a regular basis.

While this is our inaugural corporate responsibility report, we plan to present this and each subsequent ESG report to the board.



Business with P.R.I.D.E.

Operating Ethically, Always

CoreCivic is committed to doing business with P.R.I.D.E: Professionalism, Respect, Integrity, Duty and Excellence.

Led by CoreCivic's vice president and chief ethics and compliance officer, CoreCivic ethics and compliance follows best practice design principles for developing and administering initiatives that support the P.R.I.D.E objectives and fulfill legal and regulatory guidelines for effective ethics and compliance programs. The CECO reports directly to the president and CEO and to the chair of the risk committee of the board of directors. The CECO is supported by a five-member corporate ethics and compliance staff and by ethics liaisons at facilities throughout the organization.

The ethics and compliance office:

- Administers the CoreCivic ethics line
- Responds to questions and requests for guidance, regarding the CoreCivic Code of Ethics and other ethics and compliance-related policies
- Provides CoreCivic Code of Ethics training for all employees annually
- Conducts on-site ethics and compliance training at every facility, every 18 months
- Provides targeted ethics and compliance trainings
- Produces company-wide monthly *Ethics Matters!* and other targeted communications
- Oversees surveys and assessments to continue to improve
- Continually works to identify, engage with, and address issues of ethics or compliance, and conducts business with a sense of P.R.I.D.E

Ethics & Compliance Facts				
All	All	All	38	43
Employees required to take live, in-person code of ethics training as part of on-boarding	Employees required to take annual code of ethics training	Employees required to certify compliance and understanding of code of ethics at employment and annually thereafter	Annual ethics and compliance facility visits	Facility ethics liaisons

The CoreCivic Code of Ethics articulates the fundamental way we define, enforce and promote a business, operating and workplace culture of the highest-possible corporate standards. We encourage and train all employees to embed such standards in all that they do.

If an employee has concerns, he or she is encouraged to bring those concerns to a supervisor or management. Employees can also submit complaints online. Those who prefer to remain anonymous are able to call or submit reports online through the CoreCivic ethics line. More information can be found at <http://www.corecivic.com/about/corporate-ethics>.

The CoreCivic ethics line is available to all employees and other interested parties 24/7. In addition to providing a venue for raising issues and submitting reports about apparent or potential misconduct, participants are also able to ask questions and seek guidance on a broad range of issues. The ethics line is marketed broadly within CoreCivic to ensure employees have a resource to report issues and seek guidance. Calls to the ethics line are answered by a professional, third-party call center. Two full-time ethics and compliance staff triage and administer reports and act as a resource for employees.

Business with P.R.I.D.E. (Continued)

CoreCivic also employs an independent investigations unit within its legal department. The unit is charged with investigating reports of misconduct, incidents and other matters. It administers a policy that requires escalation of allegations of sexual harassment, retaliation, records falsification and other key matters identified in the policy.

We benchmark our ethics line and investigations activity against a report published annually by Navex Global. For the past three years, the ethics and compliance office has received over 1,000 contacts per year from employees, covering a broad range of issues.⁴ After reviewing Navex's report and comparing our results to results of other companies, we believe this is within the benchmark range for programs such as ours, indicating that our employees recognize the need to report issues and have been educated on how to do so. Our benchmark evaluation also indicates that we are in-line on other important metrics, such as rates of reports of retaliation, anonymous reporting and substantiation rates.

⁴ Research suggests active use by employees of internal reporting systems is a sign of organizational health, indicating a culture of open communication and allowing firms to spot negative trends and address issues early before they become severe. Stubben, Stephen and Welch, Kyle, Research: Whistleblowers Are a Sign of Healthy Companies, Harvard Business Review (November 14, 2018) (published on HBR.org). Navex Global's 2018 Ethics and Compliance Hotline and Incident Management Benchmark Report is available at www.navexglobal.com.



Code of Ethics at a Glance

Our Code of Ethics calls on us to put the CoreCivic Value of Integrity into Action by exhibiting five "Guiding Behaviors":

- ✓ Help each other do the right thing
- ✓ Meet our obligations with honest business practices
- ✓ Keep our facilities and communities safe
- ✓ Support a culture of respect and inclusion
- ✓ Protect the assets and interests of our organization

Quality Assurance and Facility Oversight

CoreCivic facility operations are subject to significant oversight and accountability measures, both internally and externally. Many of CoreCivic's government partners have full-time, on-site monitors in our facilities to promote accountability and ease of communication, and also require regular review and audit processes. In 2018, our government partners conducted 86 annual, comprehensive-type audits of our facilities and an additional 291 semi-annual, quarterly and other periodic audits.

CoreCivic facilities also are subject to a range of other audit and inspection processes, based on facility mission, location and contractual and regulatory requirements:

- CoreCivic Safety facilities that maintain American Correctional Association (“ACA”) accreditation undergo audits by independent auditors trained and assigned by the ACA on a three-year cycle. ACA audits review all facets of correctional operations, including inmate/resident health care.
- All CoreCivic Safety and Community facilities are subject to auditing on a three-year cycle for compliance with the Prison Rape Elimination Act (“PREA”).
- Some CoreCivic Safety facilities require accreditation by the National Commission on Correctional Health Care (“NCCCHC”), an independent organization that reviews health care operations in correctional environments.
- CoreCivic facilities with federal populations are periodically audited by the Office of Federal Contract Compliance Programs (“OFCCP”) of the United States Department of Labor.
- CoreCivic facilities are subject to inspections related to state and local requirements in areas such as fire safety and food service.
- Several CoreCivic facilities are subject to inspection in connection with oversight of our government partner agencies by other, independent government agencies, such as the U.S. Department of Justice Office of Inspector General (Federal Bureau of Prisons and U.S. Marshals Service), Department of Homeland Security (DHS) Office of Inspector General (Bureau of Immigration and Customs Enforcement (ICE)), DHS Office of Detention Oversight, and DHS Office for Civil Rights and Civil Liberties.
- CoreCivic employees have access to government inspectors general and similar offices for purposes of reporting fraud, waste and other forms of misconduct in connection with government contracts, and such offices typically have authority, by law or by contract, to investigate our operations and the conduct of our employees and agents.

Year after year, the average ACA accreditation score for our portfolio remains above 99% compliant.

Outside agency standards established by the globally recognized ACA provide us with the industry's most widely accepted operational guidelines. That means they must meet hundreds of professional standards in all areas of operations, including security, food service, fire/safety, sanitation, maintenance, health services, education, recreation, visitation, mail service and general administration. The ACA auditing and reaccreditation process requires meticulous and thorough facility maintenance and record keeping. ACA auditors spend two to three days on-site observing every area of the facility.

Of our 41 operational CoreCivic Safety facilities, 37 are ACA accredited.⁵ Currently, our portfolio average is 99.5 percent, which includes 15 facilities which were reaccredited last year by the ACA with an average score of 99.6 percent. We will continue working toward our goal of maximizing operational performance, which translates into strong ACA scores.

To continuously improve our facility operations and promote compliance with our government partner contracts, we also audit our facility operations to identify and resolve problems. Annual on-site audits without advance notice typically cover, on average, more than 1,000 audit indicators across all major operational areas. Audits are conducted by our quality assurance division, or QAD, which operates under and reports directly to our office of general counsel — independent of our operations division. QAD employs a nine-member corporate leadership group and a team of 10 full-time auditors who are subject matter experts with extensive experience from all major disciplines within our institutional operations.

*Each CoreCivic Safety facility is audited by our internal quality assurance division, which is independent from our operations division. Quality assurance audits are unannounced, meaning that **facilities are expected to be audit-ready year-round.***

⁵ The facility contracts not requiring ACA accreditation do not do so for various reasons, including for example, unique or changing missions for which no set of ACA accreditation standards exist.

KEY AUDIT AREAS

CoreCivic Safety facilities are evaluated on a wide range of topics - most of which are audited by multiple independent entities. Key areas of facility operations and resident rights covered by audits are listed below.

- Physical space designs (room layouts, capacities, accessibility)
- Air quality
- Heating and cooling
- Water quality
- Light levels and access to natural light
- Noise levels
- Shower and toilet areas
- Housekeeping and sanitation
- Maintenance/plumbing
- Clothing
- Bedding
- Personal hygiene products



Physical Environment ▲

▼ Resident Safety



- Emergency preparedness plans
- Fire safety
- Initial processing and classification procedures
- Population counts
- Resident grievance and incident response
- Self-harm and suicide prevention

- Written policy and procedures
- Staff training
- Prevention procedures
- Reporting procedures
- Intervention and investigation procedures
- Victim advocate services
- Data collection and reporting procedures



Sexual Abuse Prevention Program ▲

▼ Resident Programs



- Comprehensive education programs
- Vocational programs
- Counseling
- Substance abuse programs
- Exercise and recreation

- Visitation hours and access
- Visitation space
- Telephone services
- Mail services
- Legal communication
- Community involvement and volunteers
- On-site legal presentations



Community and Family Participation ▲

▼ Health Care



- Facilities and equipment
- Access to care
- Personnel quality and certification
- Clinical services
- Referrals and emergency plans
- Pregnancy management
- Communicable disease and infection controls
- Dental care
- Health screens
- Medical records management
- Mental health programming
- Medication management

- Qualifications
- Background checks
- Pre-service training
- Annual in-service training
- Use of force and restraints training
- Medical certifications and training
- Emergency response
- Post assignment checks



Facility Personnel ▲

▼ Legal and Religious Rights



- Access to legal library
- Updates to legal materials
- Legal communications
- Opportunity to practice one's faith
- Access to religious facilities and equipment
- Pastoral visits
- Dietary requirements

- Work program and plans
- Work details
- Hours of work and limitations
- Safety training
- Compensation policies



Work Programs ▲

▼ Food Service



- Health inspections
- Dietary allowances
- Menu planning
- Special dietary needs
- Canteen/commissary operations

- Written policies and procedures
- Staff training
- Use of force continuum
- Prohibited acts and techniques
- Maintaining audiovisual recording equipment
- Records, documentation and evidence protection
- After action review



Use of Force ▲

▼ Discipline and Restrictive Housing



- Disciplinary process
- Reasons for placement
- Review of status
- Partner notifications
- General conditions of confinement
- Close supervision
- Special staff training

Quality Assurance and Facility Oversight (Continued)

The contract compliance unit within the quality assurance division helps maintain an organizational focus on compliance with our government partner contracts.

In addition to the CoreCivic standard operational audit instrument, QAD maintains and audits against more than 25 unique instruments, which are tailored to the contractual requirements of our various government partners. Auditing directly against partner contract standards helps keep facility personnel focused and accountable for contract compliance. Partner-specific audit instruments are supplemented by CoreCivic proprietary operational and corporate review instruments. Working together, these instruments audit compliance with and effectiveness of internal controls and policies common to all CoreCivic facilities. QAD audit tools are updated annually to ensure consistency with current requirements and to reflect new or emerging controls and risks.

The quality assurance division supports operational quality and contract compliance by administering the corrective action planning process, supporting facility quality assurance managers and regularly reporting on audit and compliance activities to CoreCivic management and the board of directors.

Our QAD also supports operational quality and contract compliance by monitoring corrective action planning and by acting as a resource for and supporting the professional development of our system-wide network of quality assurance managers. QAD's corrective action planning process helps to ensure that audit findings are addressed promptly and effectively, employing a "root cause" analysis approach to understanding audit findings. Our network of facility quality assurance managers perform "self-audit" procedures at least annually at the facility level to support quality operations and audit readiness on an ongoing basis.

QAD reports regularly to the company's management team and to the board of directors on audit outcomes, operational compliance and risk management activities and significant incidents. QAD reporting includes the following:

- Weekly reporting to management on internal and external audit activities and outcomes, including resident climate survey results.
- Quarterly reporting to management on trends and significant audit outcomes, compliance monitoring and risk management activities.
- Quarterly reporting to the full board of directors that includes multi-year data for significant incidents and PREA matters, audit performance and operational risk and response.
- Annual reporting to the risk committee of the board of directors on the full scope of QAD activities, as well as trends and significant audit outcomes.

Quality assurance division audits include staff and inmate-resident climate surveys designed to take the pulse of the facility from both the employee and the inmate-resident points of view.

QAD audits also include staff and inmate-resident climate surveys to monitor staff and inmate-resident perceptions of the facility. Survey results are compared year-over-year at both the facility and organizational levels, allowing management to spot trends and areas of concern. The employee climate survey covers topics such as perceptions of safety and fairness, views on fair and ethical treatment of the inmate-resident population and whether staff members are comfortable raising issues through management or to ethics and compliance. The inmate climate survey covers topics such as perceptions of safety, accessibility of medical care, facility cleanliness and sanitation, satisfaction with food and commissary items, and access to the grievance process and law library/legal assistance.

OPERATIONAL TRANSPARENCY

CoreCivic facilities offer a number of opportunities for public interaction and visibility into our operations. The examples below describe how we promote transparency while maintaining the safety and security of our operations.

Quality Assurance Audit

The quality assurance division, independent from operations, audits each Safety facility annually on an unannounced basis using specifically tailored audit instruments designed to assess compliance with partner expectations and contract requirements.

Hotlines

Residents, employees, and visitors have access to 24/7 hotlines to report any concerns or allegations of misconduct, including: inmate concerns hotline, CoreCivic ethics line, national sexual assault hotline and various agency Office of Inspector General hotlines.

Public Tours and Visits

Our facilities are frequented by members of the public, including: residents' family and friends, community volunteers, journalists, attorneys, elected officials, NGOs and other interested parties.

On-Site Contract Monitors

Many of our facilities have government agency employees physically on-site to provide daily oversight and monitoring of facility operations.



PREA Audits

Independent, certified PREA auditors conduct audits to ensure compliance with sexual abuse prevention requirements.

Accrediting Organizations

The American Correctional Association and National Commission on Correctional Health Care conduct audits as independent accrediting organizations.

Regular Reporting

Depending on government agency areas of interest, CoreCivic facilities regularly report on a range of topics from serious incident occurrences to personnel changes.

Non-Correctional Certifications and Related Inspections

Our facilities are inspected by relevant officials, including: food safety, fire safety, occupational safety and public health.

Independent Government Agency Oversight Audits

Government agencies partnering with CoreCivic are subject to independent review of their oversight efforts, including: the Office of Inspector General for federal departments and various state agency oversight divisions.

Government Agency Audits

Government agencies often require CoreCivic to apply their preferred set of operational standards. CoreCivic is audited against these standards by the agency, including ICE PBNDS, USMS FPBDS, BOP inspection tool and various state audit tools.

Human Rights in our Facilities

At CoreCivic, we recognize the inherent dignity of the human person and the need to treat every individual with respect. As we have since our inception, we share the responsibility of our government partners when they entrust individuals to our care.

Our commitment is embodied in the [CoreCivic Human Rights Policy Statement](#), which was adopted by our board of directors in 2013 and is incorporated into the CoreCivic Code of Ethics. We are committed to promoting a work and facility environment where all employees, inmates, detainees and residents are treated with respect and dignity.

CoreCivic's Human Rights Policy Statement expresses a commitment to protecting and respecting the rights and well-being of the inmate, detainee and resident populations entrusted to us in the following core areas:

- **Legal rights:** Policies to protect legal rights, including freedom from harassment, discrimination and abuse; freedom of religion and expression; and equal access to counsel, media and programs
- **Safety and security:** Providing safe conditions with a high level of protection to those in our care and avoiding any cruel, inhuman or degrading treatment or punishment
- **Standards of living:** Facilities and operations that provide accommodations and necessities for safe, humane conditions
- **Health care:** Access to consistent, high-quality health care, including mental health care
- **Rehabilitation and reentry programs:** Identifying best practices, and developing and implementing creative programs appropriate to facility type, the needs of residents and the requirements of our government partners
- **Visitation and outside contact:** Providing appropriate avenues to exercise the right to communicate with the outside world through written and verbal means and visitation

Our objective is to translate our duties and commitments into everyday behaviors and operational decisions that uphold a culture of respect and dignity. We strive to do so, because respect for human rights is fundamental to our work and mission, helping to ensure safety for our employees, residents and communities and furthering our mission of promoting reentry and reducing recidivism. All of us at CoreCivic, not just those directly involved with residents' care, must uphold this obligation. We know there is more work to do to achieve our objectives in this area, and we are committed to ongoing dialogue and continuous improvement to strengthen our transparency and performance with respect to human rights.

Implementation highlights for our company-wide Human Rights Policy Statement include the following:

- Policies and training on key industry-specific human rights obligations (For more information, see [Who We Are: Training & Leadership Opportunities](#))
- Auditing and monitoring processes for key industry-specific human rights obligations (For more information, see [How We Operate: Quality Assurance and Facility Oversight](#))
- The incorporation of a human rights focus into our Code of Ethics and related Code of Ethics training
- Human rights focused training and communication activities led by Ethics and Compliance
- Human rights-focused questions incorporated into employee and inmate-resident climate surveys
- Adoption of a policy prohibiting and requiring mandatory reporting regarding human trafficking, including unlawful forced labor
- Incident reporting and escalation procedures for allegations raising significant human rights issues
- Regular engagement with human rights-focused stakeholder groups
- Formal human rights risk assessment using the UN Guiding Principles on Business and Human Rights framework, facilitated by an experienced consultant on international human rights

With a goal of continuing to improve in the protection and promotion of human rights at CoreCivic, we are conducting a formal human rights assessment. We are assessing and comparing our policies, practices and standards against the United Nations Guiding Principles on Business and Human Rights, and our future human rights initiatives will be informed based on our findings.

We also have begun adding human rights-related objectives as a component of our executive compensation program. In 2018, a portion of the cash incentive bonuses for our executives was tied to strategic business goals based on contributions to our workforce and those entrusted to our care by our government partners. Specifically, a portion of our senior executives' annual cash incentive bonus opportunity was conditioned on measurable achievements in both employee leadership development programs and resident General Educational Development ("GED") testing or equivalent completions. Additional information on our compensation philosophy and practices can be found in our [2019 proxy statement](#).

Human Rights in our Facilities (Continued)

Resident Rights and Treatment

A strong commitment to inmate, resident and detainee rights and proper treatment is essential for their well-being, their rehabilitation and reentry into society, and to our work.

In addition to the Code of Ethics and Human Rights Policy Statement, CoreCivic maintains policies to protect inmate, detainee and resident rights, including but not limited to policies addressing:

- Suicide prevention
- Sexual assault prevention and response
- Legal rights of inmates, detainees and residents, including access to counsel, freedom from unreasonable searches, freedom of religion and freedom from discrimination
- Inmate, detainee and resident grievance procedures
- Access to courts
- Visitation
- Facility education programs
- Chaplaincy and religious services
- Contact with news media

The above policies are supported by employee training and a grievance process and other systems designed to promote enforcement and respect for inmate, detainee and resident rights. CoreCivic policy prohibits retaliation, reprisal, harassment or discipline for use or participation in the informal resolution process or formal grievance process.

We also maintain other systems for receiving and addressing concerns or allegations of misconduct relating to inmates and residents, including:

- A toll-free hotline available to friends and family members of inmates, detainees and residents
- The CoreCivic ethics line
- Incident reporting and allegation escalation and investigation systems and procedures

Work Programs

Work programs for U.S. Immigration and Customs Enforcement detainees are voluntary and operated in compliance with standards established by our government partner, including federally established wage rates for detainee volunteer labor.



Employee Rights

We promote equal opportunity for the correctional officers, teachers, counselors and clergy who work in our facilities without regard to race, color, sex, national origin, religion, age, disability or sexual orientation. We work to prevent harassment of any kind, and we respect and promote diversity.

In addition to the CoreCivic Code of Ethics and Human Rights Policy Statement, we maintain policies designed to protect employee rights, including policies on the following topics:

- Equal employment opportunity
- Sexual harassment and harassment based on race, sex and other protected characteristics
- Accommodation for persons with disabilities

We train our employees on these policies and provide an employee grievance process for employees to address employment-related issues, including issues under the above policies. We prohibit retaliation, reprisal, harassment or discipline for use or participation in the informal resolution process or grievance process.

We also maintain other systems for enforcing employee rights and receiving and addressing employee concerns or allegations of misconduct, including:

- The CoreCivic ethics line
- Allegation escalation and investigation systems and procedures
- Employee discipline systems

We recognize employee freedom of association and we support the right of employees to decide freely if they want to be represented by a labor union. Approximately 11.5 percent of our employee base is represented by labor unions.

For information regarding the employment, advancement and compensation and benefits opportunities we offer our employees, see the ["Who We Are"](#) section later in this report.



Safety & Security, Health & Well-Being: Always Top Priorities

Policies and Processes for Safety and Security

At CoreCivic, we are committed to ensuring safety at each of our locations and in the surrounding communities. Our objective is to protect everyone who lives, works, visits or volunteers in our facilities. As we strive to maintain safe facility environments, we focus on doing our best for our employees, those in our care and those visiting or volunteering in our facilities. And through preparing residents for successful reentry, we promote safety for our communities as well.

All employees are expected to know and follow CoreCivic safety and security policies. Employees receive required pre- and in-service training covering all key policy areas, including but not limited to trainings that cover the following topics, among others:

- Basic security practices
- Emergency situations
- CPR, first aid and medical referral
- Hostage situations
- Sexual assault prevention
- Suicide prevention and intervention
- Use of force policy
- Conflict management
- Communication and de-escalation techniques

Our policies and procedures reflect the high standards generated by a number of sources beyond ACA, including the National Commission on Correctional Health Care, the Occupational Safety and Health Administration, as well as federal, state, and local government codes and regulations and longstanding correctional procedures.

Sexual Assault Prevention

CoreCivic has established a zero-tolerance policy against all forms of sexual abuse and sexual harassment, and the policy covers the efforts we undertake to prevent, detect, and respond to all allegations of conduct that falls into either category. This plan is articulated in [CoreCivic's Sexual Abuse Prevention and Response policy](#), which is designed to comply with applicable regulations implementing of the Prison Rape Elimination Act of 2003 (PREA).

CoreCivic staffs an Agency PREA Coordinator who is responsible for the development, implementation and oversight essential to demonstrate compliance with the National PREA Standards, and we maintain a PREA Compliance Manager at each of our facilities. Training and education serve as critical components of CoreCivic's efforts to prevent sexual abuse and to provide the best possible environment for inmates, detainees, residents and staff, and we have implemented a comprehensive PREA training plan for all employees. The federal requirement is that this training be refreshed every two years. However, as a part of our commitment to eliminating sexual abuse and sexual harassment in our facilities, CoreCivic has opted to ensure this training is provided annually. In addition, all inmates, detainees and residents housed at a CoreCivic facility, beginning at initial reception, receive education on the requirements of PREA. The training covers our zero-tolerance policy and also their rights to be free from sexual harassment and sexual abuse, directions on how to report allegations and their rights to be free from retaliation for reporting incidents. We also maintain an aggressive camera upgrade program in our facilities as part of our ongoing efforts to enhance inmate/detainee/resident safety and prevent sexual abuse.

During 2018, 15 CoreCivic Safety facilities and seven CoreCivic Community facilities were audited by certified PREA Auditors. Detailed information regarding our PREA compliance program and PREA data can be found in our annual [PREA report](#).

The goal is always to provide a safe environment for staff, visitors, residents, inmates, detainees and the general public. As CoreCivic expands into community corrections and creates new reentry programs we see an opportunity to lead by example and strengthen our commitment to creating a culture of reporting and addressing all forms of unsafe situations, whether those be sexual abuse or harassment, or broader areas of safety.



2018 PREA Program Updates

- New position, "Director, PREA Compliance and Investigations", created to provide additional oversight and assistance to facility investigations.
- PREA Awareness campaign completed in November, including: training sessions, webinars and group activities.
- Security camera upgrade program continued with new camera installations or system upgrades at 18 facilities.

Ensuring Critical Health Services

We work to ensure that residents in our facilities have ongoing access to high-quality and timely health care, including medical, dental and mental health treatment. All CoreCivic Safety facilities maintain health services clinics that offer residents health care administered by licensed professionals. CoreCivic is responsible for the management of the health services clinics in 30 of our 41 CoreCivic Safety facilities. CoreCivic contracts with health service providers at four facilities and our government partner agencies are responsible for the management of the clinics in the remaining seven facilities. Regardless of whether we manage the health services clinic at a facility or not, our employees receive training on recognizing and responding to the need for care. We expect all CoreCivic employees to look out for residents' well-being by following our policies and protocols related to health services.



National Commission on Correctional Health Care (NCCHC) – Facility of the Year Award

As the only organization dedicated solely to improving health care in jails, prisons and juvenile confinement facilities, the NCCHC is highly regarded in our industry. Each year, NCCHC presents the prestigious R. Scott Chavez Facility of the Year Award to one facility selected from among the nearly 500 prisons, jails and juvenile facilities accredited by NCCHC. In 2018, CoreCivic's Central Arizona Florence Correctional Complex was selected.

NCCHC acknowledged our work in effectively supporting resident health services in this large facility that maintains three federal partners. The NCCHC highlighted the extensive orientation and training requirements for our health services staff that go well beyond the 12 hours formally required by the NCCHC standards. For example, beyond the initial, 56-hour off-site orientation, health services staff also receive 40 hours of on-site education, 40 days with a preceptor and orientation follow-up that extends for 90 days.

The original NCCHC surveyor who nominated this property for the award stated: "This facility and the employees truly believe that they can be change agents for the population they serve, and they demonstrate this belief through the positive attitude we observed."

CoreCivic health care professionals undergo training and continuing education required for licensure annually. Nursing staff receives access to professional development and mandatory annual training in nursing skill modules through the Lippincott Nursing Center and Lippincott Procedures. Full-time and many part-time physicians and mid-level providers are provided access to an industry-leading medical knowledge and continuing medical education resource, Wolters Kluwer's UpToDate. UpToDate serves as a clinical decision support resource, which incorporates community standards of care and is associated with improved clinical outcomes. CoreCivic also uses telemedicine extensively to supplement the care we provide in our facilities. This gives additional access to multi-state licensed medical and mental health care providers who are highly trained in correctional medicine. When care needs exceed the services available on site, we arrange for specialty health care and hospitalization services through an extensive provider network in the communities in which we operate.

Management and oversight of facility health services offered by CoreCivic is provided by CoreCivic's health service division, which is led by our vice president of health services and our chief medical officer, as well as leaders from the dental and mental health fields and regional support professionals and staff. Additional oversight and accountability is provided by monitoring and audits by our government partners, our quality assurance division and the external accrediting agencies ACA and NCCHC, as further described in the [How We Operate: Quality Assurance and Facility Oversight](#) section of this report.

Occupational Health & Safety

CoreCivic is committed to providing a safe environment for those in our care and safe work conditions for our staff, volunteers and others who work in or visit our facilities. We seek to comply with or exceed federal, state and local codes. Our team safety program monitors and maintains the company's occupational health and safety management system. A team safety manual governs policies across our system. Work-related incidents are investigated by a facility safety manager and are recorded in an electronic database called the Team Safety Incident Management System. Facility safety managers are required to complete additional training specific to their roles in managing the occupational health and safety systems at their respective facilities.

Other important features of our workplace safety programs include:

- Essential and emergency occupational health services at facilities where CoreCivic manages a health services clinic;
- A workplace violence prevention policy and related investigation procedures; and
- A critical incident stress management (CISM) program that deploys team members from across CoreCivic with chaplaincy, mental health counseling and other relevant expertise to assist staff in critical incident situations.

Political Accountability

As a matter of longstanding corporate policy and practice, CoreCivic does not lobby for or against policies or legislation that would determine the basis for or duration of an individual's incarceration or detention.

Government Relations

CoreCivic's political and government relations activities are designed to educate federal, state and local officials on the benefits of partnership corrections, CoreCivic's ability to assist them in meeting their needs and our track record of success.

Our company does not, under longstanding policy, lobby for or against policies or legislation that would determine the basis for or duration of an individual's incarceration or detention. This policy is included in our Code of Ethics and our Government Relations Policy. In order to provide transparency regarding our government relations activities, the company has, since 2013, published an [annual report regarding political contributions and lobbying activity](#) on our website.

CoreCivic assesses corruption and compliance-related risks in connection with its business operations, including its government relations activities, and maintains policies and procedures designed to address those risks. CoreCivic's business operations currently are limited to the United States; however, we maintain policies designed to ensure compliance with foreign anti-corruption laws to the extent business outside the U.S. is considered.





Policy Support

In late 2017, CoreCivic adopted policies that allow and encourage support for political candidates in favor of public policies to reduce recidivism and promote reentry programming to help former inmates and residents become productive members of society.

The company believes that people who have served their time should have the opportunity to be judged primarily on their qualifications. We support Ban the Box provisions, which delay when a prospective employer can ask about an individual's criminal history until after he or she has been granted an initial interview.

We Support Ban the Box

One barrier to finding steady employment for former inmates occurs when they are eliminated right from the start of the hiring process because of their criminal history. "Ban the Box" (also known as "fair-chance") legislation provides former inmates an opportunity to clear the first hurdle in the employment process without their criminal history automatically disqualifying them from a potential job opportunity.

States, cities and counties from all regions of the country, often with bipartisan support, have adopted policies that apply to government agency hiring practices. Several municipalities have also applied Ban the Box provisions to private employers. Additionally, major organizations like Walmart and Target have voluntarily eliminated criminal history questions from their job applications nationwide.⁶

The company supports new efforts at the state and federal levels to promote the employment prospects of those who reenter communities upon leaving its facilities. We're proud that the many programs offered in our prisons and residential reentry centers help those formerly in our care gain and keep employment.



We support the following Ban the Box Policies:

- The Fair Chance Act (H.R. 1905, S. 842)
- Maintenance of President Obama's November 2015 Executive Action and the Office of Personnel Management's December 2016 Final Rule, which banned the box in the federal hiring process
- State-level legislation pending in South Carolina — and we will support states that introduce similar measures in upcoming legislative seasons

And we walk the walk. As of 2016, CoreCivic's application for employment no longer contains a "check the box" for applicants to disclose prior criminal history.⁷

We also support numerous other policies that will reduce recidivism and ease reentry. Additional information may be found in our [policy papers](#).

⁶ Avery, Beth, Ban the Box: U.S. Cities, Counties and States Adopt Fair Hiring Policies (April 4, 2019), <https://www.nelp.org/publication/ban-the-box-fair-chance-hiring-state-and-local-guide/> (reporting that 34 states and over 150 cities and counties have banned the box for government agency employment and 12 states and 18 cities have applied the restriction to private employers).

⁷ In order to comply with certain federal and state requirements, as well as contractual requirements of our government partners, the application process does contain some questions aimed at specific crimes (e.g. prior domestic abuse convictions) that may impact eligibility for employment.

Environmental Sustainability

Environmental Performance

As CoreCivic's real estate management component has grown and broadened, so too has our awareness of our responsibility to minimize our environmental impact. In late 2018, we began a strategic energy management program that will set environmental performance targets across our facility portfolio in four categories: Energy, Carbon, Water and Waste.

We expect to set meaningful environmental sustainability goals and to embed public reporting against those goals in future ESG reports.

Environmental Performance Metrics	For the years ended December 31		
	2016	2017	2018
Energy (consumption, by type)			
Electricity (kWh)	274,354,725	267,672,837	258,531,857
Natural Gas (therms)	7,921,585	7,497,174	7,543,954
Propane (gal)	887,841	860,311	1,003,768
Emissions (total reductions)			
GHG reductions as a direct result of conservation / efficiency initiatives (metric tons CO2 equivalents)	2,962	11,659	4,369
Water			
Average daily usage (gallons per resident)	95.49	92.52	90.14
Waste			
N/A ⁸	-	-	-



⁸ We are currently working to track our solid waste and hazardous waste generation across our whole portfolio of facilities.



Actions for Environmental and Social Benefit

Through our centralized energy and water management software, we compare energy and water performance of our facilities and take action to improve underperforming locations.

We also regularly implement water conservation measures to reduce water usage and effluence in our facilities. Ultimately, we incorporate green design elements – such as LED lighting, composting, water management systems and low-flow shower heads – in the design of our new facilities and ongoing maintenance and improvement of existing facilities. For all new facilities, we have a requirement to incorporate elements of green design. We currently have three LEED Certified or higher buildings in our portfolio.

Green design elements can improve facility environmental performance, employee productivity and employee satisfaction. Workplaces with natural light, thermal (heating) comfort and low contaminant cleaning agents have been proven to reduce absenteeism, improve productivity and enhance job satisfaction.⁹ And studies by researchers at Harvard University have found that the cognitive scores of occupants in green buildings were 61 percent higher than those working or residing in traditional buildings.¹⁰

We protect our properties, residents, employees and surrounding communities by protecting the environment around us. Conserving resources and avoiding environmental harm are smart business practices and are the right thing to do, environmentally and socially.

Green Building

Our Trousdale facility in Hartsville, Tennessee, is the largest private LEED Certified correctional facility in the nation. Sustainability technologies used in the building include but are not limited to:

- Solar hot water
- Piping dual water and using graywater for toilets
- Recycling and reusing water for laundry services
- Recycling construction debris

*“Cognitive function scores were better in green building conditions compared to the conventional building conditions across nine functional domains, including crisis response, strategy, and focused activity level.”
(Harvard University researchers)*

⁹ World Green Building Council, 2018. <https://www.worldgbc.org/news-media/doing-right-planet-and-people-business-case-health-and-well-being-green-building>.

¹⁰ Harvard, “The impact of green buildings on cognitive function,” <https://green.harvard.edu/tools-resources/research-highlight/impact-green-buildings-cognitive-function>.



Who We Are

Our People and Culture

Workforce Retention, Compensation and Benefits

CoreCivic employees have a service mentality, high standards of professionalism and a strong sense of responsibility to help government better the public good. The work is not often easy, but the potential to help people get their lives back on track, keep people safe and better the public good drives us. As of December 31, 2018, we employed 13,890 full- and part-time employees. Of such employees, 395 were employed at our corporate offices and 13,495 were employed at our facilities and in our inmate transportation business. The company hired 5,834 new employees in 2018, the vast majority of which were local hires from the communities in which we operate.

Employees/Board Members	2016	2017	2018
Employees			
Total Employees	13,755	12,790	13,890
% female	49.4	50.4	51.1
% people of color or underrepresented minorities (URM) ¹¹	55.5	58.5	56
% employees who are veterans	8.0	9.7	9.6
% facility-level employees	97.3	97.0	97.2
Board			
% female	33	33	27
% people of color or underrepresented minorities (URM)	22	22	18
Hiring			
% New hires, female	52.0	52.7	53.3
% New hires, male	48.0	47.3	46.7
% New hires aged < 30	49.7	51.1	48.2
% New hires aged 30 - 50	37.4	36.3	38.4
% New hires aged 50+	12.8	12.5	13.4

Recruiting and retaining employees who are committed and capable is critical to our ability to carry out our mission. Comprehensive and competitive compensation packages are a basic condition for success in this regard, and they are designed to encourage our employees to establish and maintain a balanced and healthy lifestyle. The packages offer medical, dental and vision coverage options, and include life insurance, short- and long-term disability coverage, and retirement plan benefits. Four out of every five eligible CoreCivic employee participates in one of the company's medical plans.

¹¹ Includes Hispanic/Latino, Black, American Indian/Alaska Native, Native Hawaiian/Pacific Islander and Asian.

Our People and Culture (Continued)

Employees are encouraged to join CoreCivic's wellness program, which provides many opportunities to engage in health-related activities. The program provides for an enrolled employee to receive quarterly incentives to complete wellness exams, biometric screenings, preventive screenings, online health assessments and other options. The wellness program also offers access to online tools and resources designed to help employees remain active and make healthy choices, and hosts wellness-related challenges that encourage competition among colleagues across the company.

Additional employee benefits include:

- Accidental death and dismemberment insurance
- Flexible spending accounts
- Paid leave benefits
- Access to an Employee Assistance Program (EAP) that provides counseling and other services to our employees and their families during times of need.

CoreCivic Compensation in Context:

- The average start rate for a CoreCivic Safety correctional/detention officer is \$17.13/hour, compared to \$17.76/hour for all 50 states and the District of Columbia.
- **56%** of CoreCivic Safety facilities have correctional/detention officer start rates that exceed the start rate for comparable positions in the states in which they are located.
- The median compensation for all CoreCivic employees in 2018 was \$36,757.

Supporting a Diverse Workforce, Including Veterans and their Families



CoreCivic strives to create a workforce that reflects many different backgrounds and experiences. The diversity of our workforce makes us stronger and better at what we do and helps us to attract, retain and develop the best employees.

In 2018, over 50 percent of our employees were women and 56 percent underrepresented minorities. Also in 2018, females and underrepresented minorities represented 27 percent of our board members, respectively. Our management team evaluates leadership diversity through our succession planning and talent management programs and is working to improve diversity in leadership positions across the company. Currently, the percentage of minority member group leaders in CoreCivic's "High Potential Leader Pool" is reflective of the percentage of the minority group member leader population as a whole. We are currently working on strategies to commensurately increase the female participation in the High Potential Leader Pool.

We are frequent recipients of the Military Friendly® Employer award from *Victory Media* and *G.I. Jobs Magazine*. We are proud that these high-visibility outlets continue to recognize CoreCivic for recruiting, hiring and training veterans, supporting businesses owned by veterans and having a positive brand reputation in the military community. Nearly 10 percent of our employee base is veterans, and we partnered with 30 veteran-owned small businesses in 2018 alone.



CoreCivic launched a pilot Veterans Task Force (VTF) in October 2017 at 15 facilities and expanded to an additional 33 facilities throughout 2018. We'll use what we learn from the pilot to lead a company-wide rollout of the program in October 2019. Through its grassroots operation, the VTF plans to develop facility-based task forces to be headed by facility veteran representatives. Their goal will be to provide outreach and support to veteran and active military employees in each facility.

Other VTF projects include better identification of veterans and active military members at CoreCivic, recognition of those members through coins and other means and support of national veteran recruiting activities for all facilities.

Training & Leadership Opportunities

We recognize the importance of investing in our people, and provide formal and informal training opportunities to our employees to help advance their careers and ensure that our services meet or exceed ACA and government partner standards. We know from experience that our employee training opportunities directly and indirectly facilitate our reentry mission.

CoreCivic Talent Central

In 2019, CoreCivic is making a major investment in employee training and talent development by launching a new "Talent Central" platform designed to enhance e-learning opportunities, recruiting and talent management for the entire employee life cycle.

Three examples of employee training are related to the ACA, Yearly In-Service, and State Partner Academy trainings.

1. *Pre-service/On the Job Training (OJT)*: We provide 200 hours of pre-service training for our new employees in accordance with ACA and contractual partner standards.
2. *Annual In-Service*: A minimum of 40 hours of training per employee is provided (in accordance with ACA standards) and supplemented by state requirements or academy standards (below).
3. *Contractual State Partner Academy*: Training provided at our state contract facilities also conforms with any and all state academy standards.

Pre-service/OJT curriculum in a CoreCivic Safety facility includes the types of courses listed below, among others. Course content is developed and evaluated by CoreCivic's corporate learning and development team and is linked to ACA standards, government partner standards and CoreCivic policy requirements. Instructors with adult learning and development or subject matter expertise conduct pre-service training live.

Typical Training Curriculum Highlights

- CoreCivic Code of Ethics
- Communication and de-escalation
- CPR, first aid/medical referral
- Cultural awareness
- Emergency plans
- Facility safety
- Inmate-resident grievances
- Inmate-resident rights
- Management of special populations
- Management/supervision of inmate-residents
- Opiate/opioid safety and response
- PREA
- Respectful workplace
- Restrictive housing
- Search procedures
- Stress management
- Suicide prevention
- Use of force
- Workplace violence

CoreCivic also provides targeted leadership development through CoreCivic University. This immersive learning environment provides training sessions and workshops to supervisors at all levels covering leadership development, communication, conflict resolution, career development, performance and personal growth. Here, our employees pursue meaningful educational and training opportunities for their ongoing leadership and professional development. By early 2019, CoreCivic had invested more than \$12 million in CoreCivic University. More than 3,300 employees are graduates, and the number is increasing.



CoreCivic provides annual performance and career development reviews to all employees, with over 99 percent of corporate and facility-level employees completing the review process in 2018.

Looking beyond our own organization, CoreCivic established the CoreCivic Scholarship Fund in 2015 to help support employees seeking to return to school and expand their professional growth.

We believe our training and leadership opportunities are creating better staff retention, growth and career satisfaction among graduates. In short, the more experienced employees we retain, the better and more experienced they become, and that means we are even better able to deliver on the company's core promise to better the public good.

Training & Leadership Opportunities (Continued)

CoreCivic Leadership Principles (B⁸)

Being “humble” is one of the eight principles that we promote to build an individual’s workplace and intrapersonal awareness. We call these principles “B8,” and they form the basis of a new policy that will be rolled out this year. These principles were selected to highlight core intrapersonal areas for skill development and are crucial to embedding a culture of integrity in our organization. Senior leaders will be required to demonstrate their commitment to these principles by signing a contract, and their adherence to these ideals will be considered during their evaluation.

The B8 Leadership Principles are:

- **Be Communicative**
- **Be Respectful**
- **Be a Good Decision-Maker**
- **Be Positive**
- **Be Humble**
- **Be a Situational Leader**
- **Be an Active Participant**
- **Be Aware**

Employee Recognition

CoreCivic’s 13,890 employees — including teachers, nurses, counselors, chaplains, treatment managers and correctional officers — are the backbone of our company. We are eager to recognize those who exemplify our service culture, our ambitions and our reason for going to work each day — to better the public good.

Each year we present one Employee of the Year Award, plus multiple Courage Awards and Distinguished Service Awards to deserving recipients. These employees are celebrated in our quarterly *CoreCivic Magazine*.

In addition to spotlighting national and local award recipients, our magazines and closed-circuit televisions highlight — alongside schedule announcements, career milestones, leadership development opportunities and other important matters — the charitable, educational, and social activities that make up and represent our company’s DNA.

CoreCivic Cares Fund *Helping Each Other*

The CoreCivic Cares Fund provides a vital relief valve of just-in-time financial support to employees and their families experiencing unforeseen hardship as a result of natural disasters, family illness, death in the family, funeral expenses of family members, circumstances requiring relocation of children to a new home or safe environment and domestic violence or abuse resulting in a need for transitional housing.

Founded in 2006 as a 501(c)3 non-profit by CoreCivic’s former president and CEO, John Ferguson, The CoreCivic Cares Fund has contributed more than \$4.5 million to more than 7,000 employees over the life of the fund. Employees contribute to the fund through voluntary payroll deductions, with even \$1-per-paycheck contributions compounding into meaningful, timely support for colleagues facing emergency circumstances. The fund typically pays a minimum of \$500, which never has to be repaid and can be greater in the event of exceptional circumstances. All employees — regardless of whether or not they contribute to CoreCivic Cares — are eligible for assistance



“It was a blessing to have received help with the financial burden my family and I faced after such a tragic event.”

- CoreCivic employee who received assistance from the CoreCivic Cares Fund

Notable Memberships, Partnerships, and Honors

Industry and Trade Associations

- American Correctional Association (ACA)
- National Association of Real Estate Investment Trusts (NAREIT)
- Convergence (Reentry Ready)
- Ethics & Compliance Initiative, Fellows Membership
- National Center for Construction Education and Research (NCCER)
- National Health Commission on Correctional Health Care
- U.S., Nashville Area, and Other State & Local Chambers of Commerce

Partner Organizations

Volunteers and other partner organizations play key roles in the reentry process. CoreCivic has more than 2,700 volunteers working regularly in our facilities, helping inmates, detainees and residential reentry center residents to connect with life and community resources. We also partner with a wide variety of organizations that provide support to our reentry programs. Examples of various groups we work with include:

- Alcoholics Anonymous (AA)
- AMAC Accessibility
- Auburn University's Canine Performance Sciences Program
- Community Service Council's Tulsa Reentry One-Stop
- Dismas House
- Essential Education
- FuelED
- GED Testing Service
- Habitat for Humanity
- HiSET
- Joni and Friends Wheels for the World
- Men of Valor
- Oconee Fall Line Technical College
- Operation New Hope's Ready4Work Program
- Reading Legacies
- Standing with Hope
- Tennessee Prison Outreach Ministry
- Tennessee Voices for Victims
- The Education and Employment Ministry (TEEM)
- Wiregrass Georgia Technical College

Honors and Awards

- 2020 Women on Boards' Winning "W" Certificate – awarded to public and private companies whose boards are comprised of 20 percent or more women.
- Military Friendly® Employer for 2019¹³ – recognized for supporting veterans in employment and contracting.
- Jack Hickey Award – presented by Dismas House honoring organizations that demonstrate ongoing support for Dismas and the rehabilitation and housing of former offenders.
- Iris Circle Award – United Way's highest award that recognizes the company's volunteer leadership and steady financial support.

¹³ By the publishers of GI Jobs Magazine (www.militaryfriendly.com)

Business Overview & Key Financials

We operate as a publicly-traded real estate investment trust (REIT). Our stock is traded on the New York Stock Exchange (NYSE: CXW).

Select financial data and other business metrics are highlighted below. Please refer to our most recent quarterly report filed on Form 10-Q, and/or our most recent annual report filed on Form 10-K, for additional supporting information.

Selected Data	For the years ended December 31		
	2016	2017	2018
Revenue	\$1,849,785	\$1,765,498	\$1,835,766
Operating Income	\$296,416	\$260,396	\$249,485
Net Income	\$219,919	\$178,040	\$159,207
Diluted EPS	\$1.87	\$1.50	\$1.34
Employees	13,755 (375 corporate office; 13,380 facilities and transportation)	12,875 (385 corporate office; 12,490 facilities and transportation)	13,890 (395 corporate office; 13,495 facilities and transportation)
CoreCivic Safety Properties (owned and managed)	46	42	44
CoreCivic Safety Properties (managed only)	11	7	7
CoreCivic Community Properties	20	26	26
CoreCivic Properties	8	12	27
Size of our Facility Portfolio	15 million sq. ft.	15 million sq. ft.	16 million sq. ft.

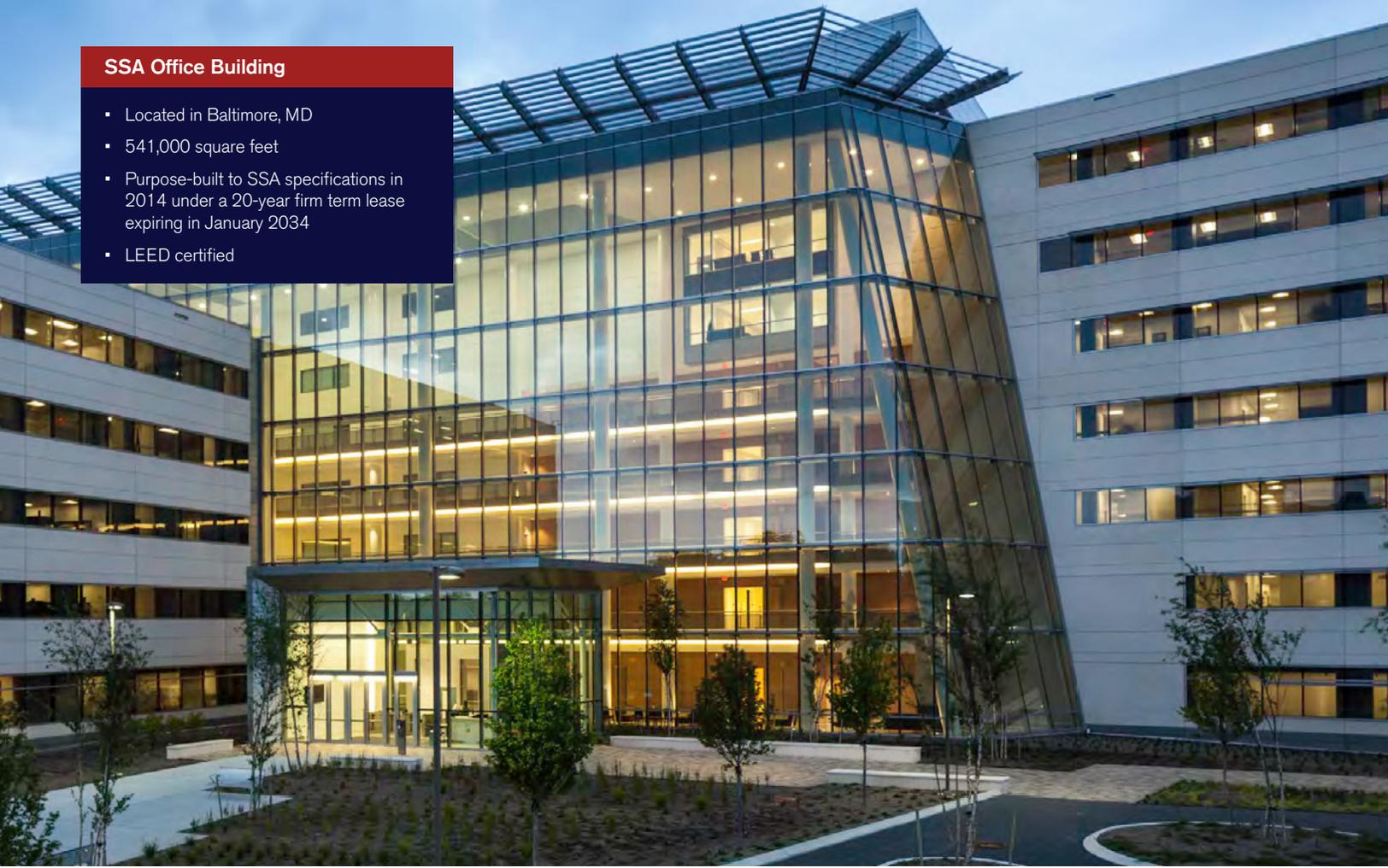
Dollar figures in this table are in thousands except for per share data.

SSA Office Building

- Located in Milledgeville, GA
- 8,710 square feet
- Acquired in 2017

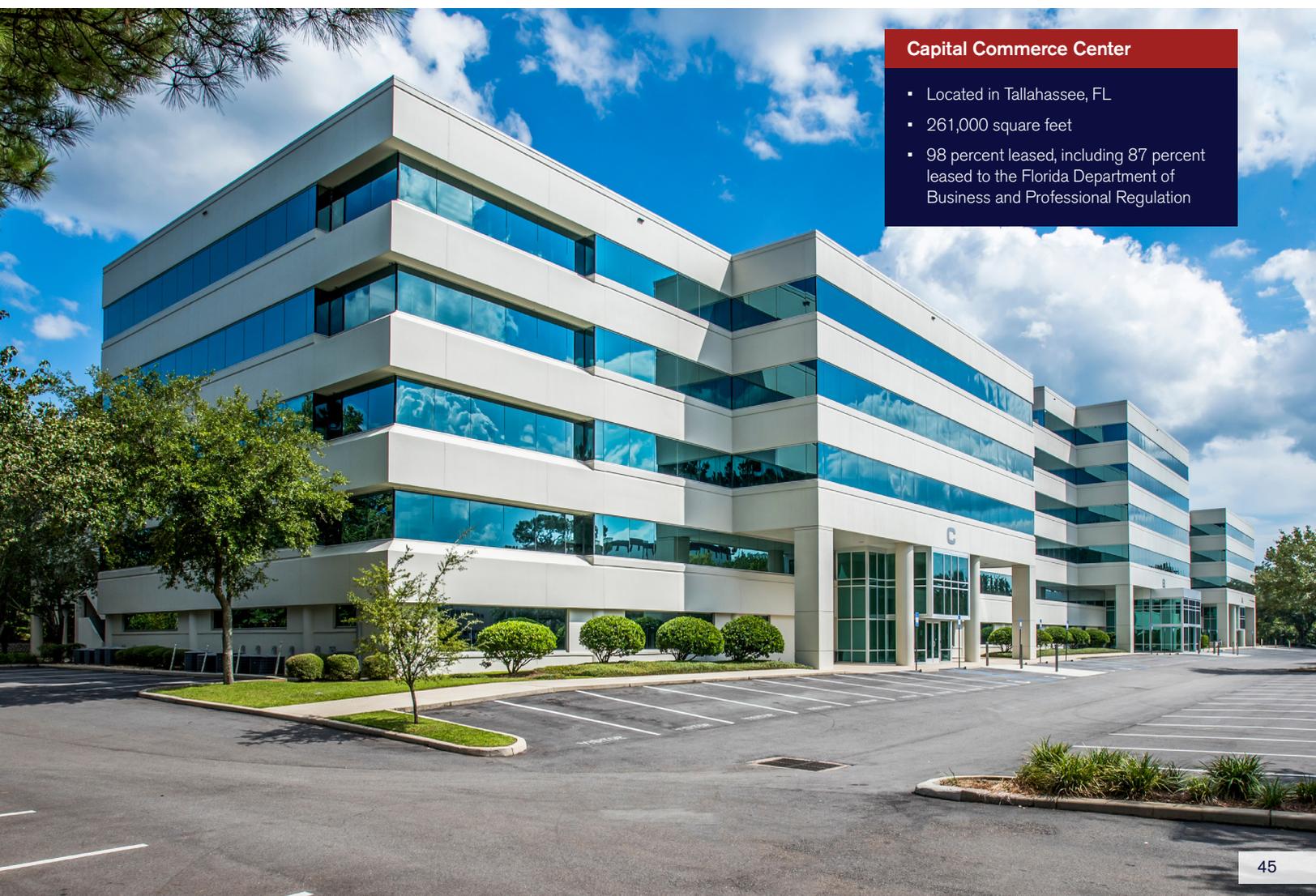
SSA Office Building

- Located in Baltimore, MD
- 541,000 square feet
- Purpose-built to SSA specifications in 2014 under a 20-year firm term lease expiring in January 2034
- LEED certified



Capital Commerce Center

- Located in Tallahassee, FL
- 261,000 square feet
- 98 percent leased, including 87 percent leased to the Florida Department of Business and Professional Regulation





Reentry Goals Supplement

Effective, high-quality reentry programs run by our dedicated staff of chaplains, teachers, principals, treatment managers and counselors are at the center of our mission to better the public good. In 2014, we made commitments unprecedented for the public or private sectors to strengthen our programming for inmate reentry. Here is a detailed update on our progress.



Reentry Services

“To facilitate the most efficient reentry programming for offenders, CoreCivic has developed Go Further, an individualized process that embraces all facility programs, adds an evidence-based, specialized curriculum, and uses a progressive highway model to promote successful reentry. To find out more about Go Further, you can send an email to GoFurther@Corecivic.com.”

- Joe Pryor, senior director, reentry services

Program Overview

Most inmates and residents will return to their communities. CoreCivic's reentry services make communities safer by helping these individuals prepare to return. With 35 years of service to every level of government, our team has the know-how and drive to help inmates and residents live successful lives. We use open-sourcing to generate ideas — and add our own best practices — to deliver programs that work. We listen to inmates' and residents' needs. We listen to communities' concerns. And we bring them together.

2017-2018 Goal

Increase Go Further curriculum journal completions by 10 percent each year using 2017 as a baseline.

2017 Progress

- Inmates and residents completed 560 Go Further reentry curriculum journals in 2017, setting a baseline for future goals.

2018 Progress

- Inmates and residents completed 2,702 Go Further reentry curriculum journals in 2018, representing a 382 percent increase. The program was also added to eight facilities, bringing the total to 13.

Looking Forward

Continue to work toward the goal of increasing Go Further reentry curriculum journal completions by 10 percent annually using 2017 as a baseline.





Q&A: Jeff Quasny, Director, Reentry Services, CoreCivic

Q: CoreCivic set a new reentry services goal in 2017 and surpassed it in 2018, including creating a new reentry process called Go Further. How was that accomplished?

A: It really comes down to our colleagues at the facilities. They believe in the mission, and it's a team effort. We had great success in our pilot facilities when we launched Go Further, and the excitement spread to our other facilities — and our partner organizations — around the country. We've made great progress in curriculum delivery and shifting our culture to making successful reentry our day one priority.

I would add that while the numbers are good, the driving theme here is that change happens in different ways for different people. One thing we have to learn in corrections is that we can't make people change. You're dealing with folks who in many cases may have had a substance use disorder. They've had difficulty finding spiritual growth. Before arriving at CoreCivic, some have been told over and over by society or others in their lives that they're stupid or bad people. Change comes in fits and starts. Sometimes there's regression. Folks don't always make forward progress. But it's really the meaningful conversations we have through Go Further, where we're discussing inmates' and residents' long-term goals and objectives with them, that makes a difference.

Q: What, if any, changes are you making to improve the Go Further Reentry Process?

A: We're doing several important things this year. One is doing fidelity checks at our facilities, where we'll measure whether we're having the impact that we expect. We're also working to increase community engagement — attracting nonprofits and state agencies to come into our facilities to do release prep work with inmates and residents. We're really trying to transform the model from outreach to actually bringing those community-based resources into the facility. Additionally, we plan to implement Go Further at seven more facilities, so that will bring us to 21 facilities by the end of the year.

And we'll continue to think critically about our respective roles in corrections. Our staff have made reentry a day one priority, and we're encouraging inmates and residents to

We had our first Reentry Conference in 2018, where we invited leaders to come in and talk about creating a dynamic where it's less of a confrontational "us vs. them" culture, and more of a collaborative, mutually respectful culture.

think critically about how they complete their sentences — what they want to accomplish while incarcerated and what they want to do with their lives once they're outside the criminal justice system.

Q: What feedback have you had from staff who are learning to implement this new reentry process? What feedback have you had from inmates and residents?

A: It's been transformative in our organization. It gives corrections professionals a whole different frame through which to view their profession. For many of our staff, it's kind of a refreshing pause in their careers, whether they're new or they've been doing it a long time. It gives them an opportunity to rethink why we come to work in correctional facilities every day. There's the security aspect, but equally important is the effort we make as staff to create an environment where people can make positive, lasting change.

As far as feedback from inmates, we've learned to take this process one person at a time. Human beings don't like change by nature of who we are. Now we're telling people to change their lives by 180 degrees on a dime. I recently heard from one inmate that a Go Further class was the first time someone sat down with him and asked him what the future looks like instead of telling him what to do to stay out of prison. We've started shaping the conversation where staying out of prison is a given. We talk about vocational interests, treatment needs for substance use disorders and other obstacles. We need to have a realistic conversation about how to overcome the real challenges that arise when someone goes out into the world.

GO FURTHER

Life is worth the journey.



Educational Services

“A recent study by the Rand Corporation showed that inmates who participate in correctional education programs were 28 percent less likely to re-offend and return to prison compared with inmates who did not participate in correctional education programs. Illustrating the magnitude of the need for education are federal statistics that show 68 percent of state prison inmates have not received a high school diploma, while inmates who obtain GEDs while in prisons are up to 30 percent less likely to return to prison.”

Source: Rand Corporation, “Does Providing Inmates with Education Improve Postrelease Outcomes? A Meta-Analysis of Correctional Education Programs in the United States.” Published in: Journal of Experimental Criminology [Epub May 2018]. doi:10.1007/s11292-018-9334-6. Posted on RAND.org on July 03, 2018.

Program Overview

A diploma in an inmate’s hands can be life-changing. A trade certification can make the difference between a job or returning to prison. CoreCivic helps inmates and residents get both. Our dedicated teachers, instructor supervisors and principals work one-on-one with inmates and residents, starting at the most appropriate level and working up to a high school equivalency diploma and beyond. Our educational services team designs research-based programs that work, helping inmates and residents get jobs after release — and keep them.

Five-Year Goal

Help 8,040 inmates attain high school equivalency (HSE) certificates and 25,000 inmates earn industry-recognized certificates (IRCs) by the end of 2019 and increase the number of inmates and residents receiving HSEs and IRCs by 5 percent annually

2017 Goal

- Increase the number of inmates and residents receiving high school equivalency (HSE) certificates and industry recognized certificates (IRC) by 5 percent annually over the next three years

2017 Progress

- 1,684 inmates and residents earned HSE certificates (5 percent growth)
- 4,483 inmates and residents earned IRCs (11 percent decrease)

2018 Goal

- Increase the number of inmates and residents receiving high school equivalency (HSE) certificates and industry recognized certificates (IRC) by 5 percent annually over the next two years
- Adjusting for a decrease in eligible facilities from 2015-2018, our updated goal for 2018 is to help 1,595 inmates and residents earn HSE certificates and 4,454 inmates and residents earn IRCs

2018 Progress

- 1,653 inmates and residents earned HSE certificates (2 percent decrease)
- 4,712 inmates and residents earned IRCs (5 percent growth)

Looking Forward

- Adjusting for changes in populations and facility missions, our goal is to help 1,563 inmates and residents earn HSE certificates and 4,657 inmates and residents earn IRCs by the end of the year. This will bring our grand total to 7,525 inmates and residents with HSE certificates and 22,849 inmates and residents with IRCs by the end of 2019.



Q&A: Michelle Cotter, Director, Educational Services, CoreCivic

Q&A: Michelle Cotter, Director, Educational Services, CoreCivic

Q: CoreCivic had an increase in HSE certificates earned in 2017, then a decrease in 2018. The company also had a decrease in IRCs earned in 2017, and then an increase in 2018. How do you explain the numbers?

A: The swings in the numbers come down to a couple of different factors. Let's start with 2017. We saw a nationwide trend in more students earning GED certificates (also called HSE certificates) that year. More teachers were becoming comfortable with the new curriculum standards implemented by the GED Testing Service in 2014, and more students were becoming adept at taking the tests on the new computer format. We also had a few facilities roll out what they called HSE Academy, where teachers were coordinating one-on-one review time with individual students to help them fine-tune areas where they needed to improve. So 2017 was a very successful year for inmates and residents earning HSE certificates. On the other hand, we lost some of our facilities with excellent IRC programming for unrelated reasons. That was really the only factor attributable to the reduction in IRCs earned in 2017.

Then, in 2018, due to changing partnerships and resident populations, we anticipated a decrease in facilities eligible for HSE programming, so we adjusted our goal to 1,595 inmates and residents earning HSE certificates. We beat that goal. We also got more of our IRC programs fully operational in 2018 and saw some encouraging growth in inmates and residents earning IRCs.

Q: What, if any, changes is CoreCivic making to keep improving its education programs?

A: We're doing some research and we're looking at more

online programs. We're seeing a lot of success with one of our pilot programs at the Lee Adjustment Center in Kentucky. We partnered with Fuel Education (FuelEd), which provides an online learning platform to our students. We've had 24 students graduate from computer science class through FuelEd, and there's now a waiting list to get into the class. Some of them have been incarcerated since before internet access was mainstream, and now they're learning skills that will make them competitive for modern jobs when they return to their communities.

We're also going to continue offering professional development to our educators. Later this year, we're going to bring all our principals in for a conference and give them some really nice tools to take back to the facilities.

Q: What feedback have you gotten from inmates, residents and staff about CoreCivic's education programs?

A: We're getting excellent buy-in from our staff. We're seeing more and more staff recognize that there's something tangible they can do to help people turn their lives around, whether education or substance use disorder programs or other reentry programs. We also have to remember that for educators in corrections, it's a daily grind. It's not something you win, and then it's over. You're going to have someone new every day who's going to need some help and need guidance and instruction. We're going to help our educators keep finding renewal and motivation.

We've also had some really encouraging feedback from inmates on our new programs. One inmate who graduated from the FuelEd computer science class wrote that the class made him believe for the first time that he could be successful without crime.



Our Partnership with Habitat for Humanity

Every day, vocational instructors at CoreCivic's Crowley County Correctional Facility in Colorado do the critical work of helping inmates learn real-world job skills. One program accomplishes this task, enabling inmates to learn skills to support long-term careers while also providing the opportunity to experience meaningful community service.

Inmates at Crowley learn carpentry skills through a four-year journeyman program. The program's signature focus is cabinets and trusses, which are donated to Habitat for Humanity, where they are put to good use in homes for families in need of affordable housing. And the carpentry skills learned by the inmates are also applied in the real world after release, especially by those who use their knowledge to earn a vocational degree.

The program acts as a catalyst for change, both for the families who benefit from the donations and the inmates who are able to give back while building a new future.

Treatment and Behavioral Services

Program Overview

In the struggle to break the cycle of crime, substance use disorders can present a daunting barrier. CoreCivic's dedicated treatment staff uses evidence-based curricula to help inmates and residents get the treatment they need. CoreCivic's treatment and behavioral services can help reduce recidivism and make communities safer by fostering coping skills, improving social interactions and building interpersonal skills that can help inmates and residents live a successful, productive life after release. Our cognitive behavioral substance use programs help participants develop prosocial attitudes and learn to focus on coping with issues that can cause them to relapse and re-offend.

2017-2018 Goal

Our goal is to continue helping inmates and residents enrolled in treatment programs complete them at a sustainable 75 percent completion rate by the end of 2019.

2017 Progress

- Achieved a 61 percent completion rate, surpassing our original 2014 goal of 60 percent

2018 Progress

- Achieved a 72 percent completion rate, with seven facilities exceeding the 75 percent goal, including three that achieved a 90 percent completion rate

Looking Forward

Continue working toward a sustainable program completion rate of 75 percent by the end of 2019





Q&A: Michelle Ryder-Grebel, Director, Treatment and Behavioral Services, CoreCivic

Q: CoreCivic had a decrease in the percentage of inmates and residents completing treatment programs in 2017, then a significant increase in 2018. How do you explain the numbers?

A: We had some challenges in 2017 keeping our programs running as effectively as possible. We applied the lessons learned and had an incredible year in 2018. We're seeing even more engagement at the facility level. Our goals have been emphasized with new facility leadership, and that focus on metrics has driven some great results. We're very close to our target of a sustained, company-wide 75 percent completion rate. We even had some individual facilities exceed 75 percent in 2018, with three facilities achieving an impressive a 90 percent completion rate.

It's encouraging when you compare that to 2014 when we first set our reentry goals. We said we would make sure at least 60 percent of participating inmates and residents completed their treatment programs. I'm proud to say we've beaten that goal every year. But we know we have to do even better. Because if we're serious about reentry, we have to help as many inmates and residents as we can get as far as they can in the recovery process so they can change their lives when they leave us.

Q: What, if any, changes is CoreCivic making to build on the success its treatment and behavioral programs saw in 2018?

A: A few exciting initiatives in development come to mind. For one, we're in discussions to pilot a new initiative with our government partners in Tennessee to allow inmates who are in recovery to receive training to become peer recovery specialists. They'll become certified to lead education groups, serve as mentors, and help with case management and transition plans for their peers undergoing treatment. When they're released, they'll be certified to obtain

employment within the treatment field. It will potentially bring the treatment process full-circle.

Another example is a wellness program that our staff at Northeast Ohio Correctional Center recently launched. The staff running the program are certified treatment counselors who specialize in health coaching, diet and healthy eating, and change theory, which helps individuals learn and practice positive behaviors. Often, when individuals are suffering from substance use disorders or exhibiting criminal behaviors, they're not focusing on other areas of health. The wellness program gets them to start practicing healthy behaviors in every aspect of their lives.

Q: What feedback have you gotten from inmates, residents and staff about CoreCivic's treatment and behavioral programs?

A: Our staff has shown incredible motivation to meet our goals. The collaboration across the whole company has been very encouraging. In our monthly manager calls, we're sharing what's working and what's not with our staff. We have so many managers that are doing it right and doing it well, and their knowledge is helping improve performance across the whole company.

We've also had some positive feedback from inmates in the wellness program at Northeast Ohio. Some inmates who participated said they weren't aware of how some of their behaviors had negatively impacted their lives. One individual was showing a lot of negative behaviors at the beginning of the program, but once he engaged and learned different ways to cope with his emotions, he didn't receive a single conduct report for the duration of the program. He said after that he felt less stressed about being released from prison because he now has the skills to help himself be physically and mentally well.



Victim Impact Programs

The program follows the curriculum set forth by the national Office for Victims of Crime and consists of 13 units, built around 10 core topics: property crime, assault, robbery, hate and bias, gang violence, sexual assault, child abuse and neglect, domestic violence, drunk and impaired driving, and homicide. The program is voluntary and includes open discussions, victim testimonies, and guest speakers who are victims, ex-offenders, or members of community organizations.

Program Overview

Helping inmates and residents develop empathy can help break the cycle of crime. CoreCivic uses nationally recognized victim impact programming to help inmates and residents appreciate the impact of crimes on both victims and their communities. Our facilitators often bring in persuasive former victims who explain the impact of crime, face to face.

2017 Goal

- Train additional facilities to meet our 2019 goals of training 16 facilities and achieve 2,300 program completions

2017 Progress

- Seven additional facilities were trained in 2017, and there were 455 program completions, bringing the total to 1,082

2018 Goal

- Train six new facilities in 2018 and achieve 50 completions per trained facility (trained prior to January 2018)

2018 Progress

- Six additional facilities were trained in 2018, and there were 996 program completions in 2018, bringing the total to 2,078

Looking Forward

CoreCivic seeks to meet our five-year goal of helping 2,300 inmates and residents complete victim impact programs by the end of 2019 (2014-2019 total).





Q&A: Michelle Ryder-Grebel, Director, Treatment and Behavioral Services, CoreCivic

Q: CoreCivic's victim impact programs have grown significantly in the last three years. How was that accomplished?

A: We took the time to get it right. We spent a full year in 2015 building out the program and training staff before we launched it. CoreCivic had victim impact programs available at four facilities at the time, and we wanted to expand it in a way that would have a lasting, positive impact on inmates and residents who participated. Once we got the program going, a lot of facilities bought into it and were eager to join. The curriculum is first-rate, but having volunteers share their experience being victims of crimes can be a very powerful way to motivate offenders to change their perspective.

Q: What, if any, changes is CoreCivic making to build on the success of its victim impact programs?

A: We learned to modify the program to fit the unique needs of each facility and its population. We don't use a one-size-fits-all approach. For example, some facilities like jails have higher turnover than prisons because the inmates are serving shorter amounts of time there. We made some modifications for those facilities without changing the critical components of the program. The inmates participating still get the content and the experience of hearing victims' perspectives, but they participate on a different timeline.

We are in the process of developing our own video that will enhance the program by expanding upon issues such as empathy, forgiveness, and the ripple effects of negative choices made by our participants.

Q: What kind of feedback have you gotten from inmates, volunteers and staff about the program?

A: Our staff has been supportive of the program, and they're eager to learn and bring it into the facilities. For inmates and residents, though, it can be life-changing. I've heard stories of inmates vastly improving their conduct after going through the program. As one of our facilitators recently shared, an inmate wrote that he'd always considered himself a victim until he went through the program. He wrote that the course inspired him to make amends when he was released by helping other ex-offenders repair their pasts.

It's often a cathartic experience for volunteers too. They have been victims of crime in the past, but they choose to reframe their experiences. Forgiving the people who harmed them opens up so many other opportunities for emotional wellness for both victim and offender. Victims and offenders can both go on to positively impact so many others in the prison system.



A study commissioned in 2015 by the national Office for Victims of Crime showed that inmates who complete victim impact programs are 40 percent less likely to return to prison within the three-year period following release. These success stories reduce crime and incarceration costs. They prove that people can put prison behind them, get back into society and build new lives.

Chaplaincy and Religious Services

“Threshold allows inmates to reflect on who they really are, while showing them who they can become. The program’s reassuring atmosphere helps participants approach life issues without fear of judgment.”

- Jay Phillips, program facilitator at CoreCivic’s Wheeler Correctional Facility

Program Overview

For inmates, practicing faith in prison can build needed life skills and strengthen ties to the outside community. Our dedicated chaplains, all licensed and ordained by their respective faith groups, work with inmates and community volunteer organizations to meet inmate needs. Challenges can relate to specific faiths or the secular realms of managing grief and anger, making decisions and learning life skills.

2017 Goal

- Maintain an average daily enrollment of 1,350 participants in Threshold programming (Note that during 2017, the reentry services team concluded total program completions presented a more reliable metric for the program’s success than average daily enrollment)

2017 Progress

- 226 inmates and residents completed the Threshold program in 2017

2018 Goal

- Help 930 inmates and residents complete Threshold programming in 2018

2018 Progress

- 868 inmates and residents completed the Threshold program in 2018

Looking Forward

CoreCivic seeks to help at least 1,035 inmates and residents complete the Threshold program in 2019.





Q&A: Tim O'Dell, Former Director, Chaplaincy and Religious Services, CoreCivic

Q: CoreCivic fell short of its 2017 goal, but the Threshold program appears to be growing. How do you explain the numbers?

A: The last couple of years proved challenging in several ways. First, we anticipated at the beginning of 2017 that we wouldn't meet our goal that year. The main cause of this was mission changes for our facilities. For example, some facilities switched from housing inmates completing longer sentences to housing those with shorter sentences. That makes it difficult to accurately predict how many people will be able to stay for the timespan of the program, which is six months. After 2017, we decided to adjust our goal from a target average daily enrollment to a target of 930 completions because the average daily enrollment goal was based on populations from prior years.

That said, we're making progress. The first year for Threshold, 2017, was a transition year. It was really about educating people on what Threshold does and getting the program running. We implemented the program in 20 facilities that year. We also had a lot of improvement in the quality of the program in 2018, but again, a reduction in our facilities' capacity made our goal a moving target. Our new goal is based on the expanded number of facilities with Threshold programming.

Q: What, if any, changes are being made to improve the Threshold program?

A: We're working on a few things. From a big-picture perspective, we're hoping to give new people coming into the field of correctional chaplaincy the tools they need to be successful without having to learn from trial and error. For years, people in correctional chaplaincy have learned primarily from experience. That works well for some people, but not so much for others. We're putting a program together that is more standardized and more beneficial to inmates and residents of all faiths and backgrounds.

In terms of concrete changes, we're trying to change Threshold's structure slightly. We want to accelerate the program so that each facility can go through two course cycles per year instead of one. That makes the completion numbers a little easier to predict, and it makes the program more available to inmates and residents who want to participate. We're also focusing on communicating with our volunteers about Threshold. Traditionally, volunteers come from a particular faith background, but Threshold is for all

faiths and secular perspectives. So there's a certain amount of training we do to answer their questions about what the program is and how it works.

"Threshold is a multi-faith, evidence-based process that affords individuals an opportunity to explore their spirituality and accommodates a broad range of religious and secular perspectives. The 26-week program teaches participants how to cultivate positive relationships with themselves and others, while improving their decision-making."

Q: What kind of feedback have you gotten from staff, volunteers, inmates and residents about the Threshold program?

A: By and large, inmates find it beneficial. The foundation of Threshold is about relationships. It's about encouraging people to look inward and think about how they see themselves and how they see and get along with others. There's a big focus on family relationships and helping inmates learn how to recover those relationships. In some cases, if they believe their relationships are irreparably damaged, we talk about how to make new relationships and build a new, positive life after they're released from prison.

The premise we start with is self-change. One misnomer in the corrections field is that we can somehow impose change on other people. Well, it's just not true. Change has to be internally motivated, and if it's not, it's not going to be long-lasting. We hope the inmates and residents we work with will take what we give them in Threshold and have the chance to build a new life down the road.

Tim O'Dell retired this year after 21 years in leadership and chaplaincy roles with CoreCivic.

GRI Content Reference Index

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102-48	General Disclosures	Restatements of information	No restatement of information necessary as this is the first year CoreCivic is issuing an ESG report.
102-49	General Disclosures	Changes in reporting	No significant changes from previous reporting periods in the list of material topics and topic boundaries, as this is the first year CoreCivic is issuing an ESG report.
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102-51	General Disclosures	Dates of most recent report	Not applicable, as this is the first year CoreCivic is issuing an ESG report.
102-52	General Disclosures	Reporting cycle	CoreCivic expects to report on an annual or biennial basis.
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102-54	General Disclosures	Claims of reporting in accordance with the GRI Standards	This report makes several references to the Global Reporting Initiative's (GRI) Standards for reporting purposes, and we are working toward preparing a report in accordance with the GRI Standards: Core option.
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Forward-Looking Statements

This report may contain statements as to our beliefs and expectations of the outcome of future events that are "forward-looking" statements within meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of current or historical fact contained in this report, including statements regarding CoreCivic's business and its future business plans, initiatives, sustainability goals and programs, are forward-looking statements. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from historical experience or from the expressed or implied by the forward-looking statements made in this report. Any or all of our forward-looking statements contained in this report may turn out to be inaccurate. Our forward-looking statements can be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties, including, but not limited to, the risks and uncertainties described in "Risk Factors" included in our most recent annual report on Form 10-K, or the Form 10-K, filed with the Securities and Exchange Commission, or SEC, and in the other reports, documents, and other information we file with the SEC from time to time. Please consider the forward-looking statements in this report in conjunction with the Form 10-K and with the other reports, documents and other information we file with the SEC. Any forward-looking statements made in this report are as of the date of this report and, except to the extent required by applicable securities laws, we undertake no obligation to update or publicly revise any of the forward-looking statements included in this report.



