



2021


ANNUAL REPORT

## Financial Highlights\*

(in thousands, except per share amounts)

	2021	2020	2019
Revenue	\$1,862,616	\$1,905,485	\$1,980,689
Net Income (Loss)	(\$51,896)	\$55,338	\$188,886
Adjusted Net Income	\$126,746	\$159,722	\$204,806
Diluted EPS	(\$0.43)	\$0.45	\$1.59
Adjusted Diluted EPS	\$1.04	\$1.32	\$1.72
Normalized FFO	\$225,484	\$271,768	\$311,921
Normalized FFO Per Diluted Share	\$1.85	\$2.25	\$2.62
EBITDA	\$316,406	\$304,038	\$427,958
Adjusted EBITDA	\$402,026	\$404,805	\$443,878

\* Please refer to page A-1 in the Form 10-K insert accompanying the Annual Letter to Stockholders for a calculation of Adjusted Net Income, Adjusted Diluted EPS, Normalized FFO, Normalized FFO Per Share, EBITDA, and Adjusted EBITDA, and a reconciliation to their most comparable measures presented in accordance with generally accepted accounting principles.



CoreCivic is a diversified government-solutions company with the scale and experience needed to solve tough government challenges in flexible, cost-effective ways. CoreCivic provides a broad range of solutions to government partners that serve the public good through corrections and detention management, a network of residential reentry centers to help address America's recidivism crisis, and government real estate solutions. CoreCivic is the nation's largest owner of partnership correctional, detention and residential reentry facilities, and believes it is the largest private owner of real estate used by government agencies in the U.S. CoreCivic has been a flexible and dependable partner for government for nearly 40 years. CoreCivic's 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](http://www.corecivic.com).

# Dear Fellow Shareholders,

**I find it difficult to think of 2021 on a standalone basis, which I'm sure is a feeling a lot of us share. In many ways, it felt like a continuation of the unprecedented series of events that started in 2020, so many of the themes I cover here will feel similar to last spring. And, of course, any discussion of the last year has to begin with COVID-19.**

We've all felt the mental and physical fatigue brought about by the personal and professional stress of managing this pandemic for two years. That's exactly why I believe it's so important to call attention to the incredible team of over 10,000 professionals we have at CoreCivic. I'm constantly inspired by their passion and have seen firsthand their heroic efforts in supporting the individuals in our care throughout the pandemic. It's first and foremost the effort of the collective team at CoreCivic that allows us to deliver on our mission to better the public good, which ultimately benefits the individuals in our care, our government partners, our communities and you, our shareholders.

COVID-19 was at the forefront of our minds every day. Throughout the year, we worked closely with our government partners to adjust our operational policies in response to changing advice coming from leading health experts. As vaccines became available, we also had to work closely with relevant state and local health departments who were charged with coordinating distribution on a location-by-location basis. It was no small undertaking by our team to manage this process because each state established their own vaccine rollout strategy and prioritized different population groups at different times, as well as the fact that vaccine distribution differed greatly in both quantity and type across

the country. At this same time, we were working diligently to develop and distribute educational information on the vaccines to our employees and the individuals in our care to encourage its acceptance. The vaccination rates for our employees and individuals in our care increased steadily throughout the year, very similar to those of the general public.

While these efforts increased the pace at which our facilities could return to pre-pandemic activities like in-person visitation, mutations in the virus -- particularly the Delta and Omicron strains -- extended the need for most of our pandemic-driven operational policies. We believe these policies helped prevent our facilities from experiencing the significant uptick in positive cases that we saw in the general public in the fall and winter of 2021 due to these variants. As we hopefully approach the end of the pandemic phase of this virus, we remain positive in our outlook toward returning to fully normalized facility operations. There are many lessons learned over the last two years that will continue to inform our policies as we move forward, and we believe we've done everything possible to put CoreCivic in an even stronger position for future success.

Now turning to our business segments, CoreCivic Safety is a national leader in high-quality corrections and detention management, guided by correctional best practices and held to independent, national accreditation standards. CoreCivic Community provides residential and nonresidential services focused on helping returning citizens successfully reintegrate into their communities after prison or as a way to avoid being incarcerated in the first place. CoreCivic Properties leverages our nearly

40 years of experience designing, building and managing government real estate projects and facilities to deliver cost-saving real estate solutions to our government partners throughout the United States. Enterprise-wide we own over 15.1 million square feet of real estate used by federal, state and local governments

Each of our three segments performed well considering the challenging circumstances faced throughout the year due to the pandemic. Although our financial results for 2021 were negatively impacted due to higher income taxes resulting from our conversion to a C-Corporation effective January 1, 2021, we once again showed the resilience of our business and the critical need for the services we provide. Revenue of \$1.86 billion only declined 2.2% compared with 2020. Our 2021 Normalized Funds From Operations of \$225 million, or \$1.85 per share, was relatively consistent with our 2020 performance when taking into consideration the higher income taxes we incurred from the transition in our corporate tax structure from a Real Estate Investment Trust (REIT) in 2020 to a taxable C-Corporation in 2021. We also continued to support our reentry programs within the parameters of the pandemic. For example, our educators continued to meet the needs of those in our care with innovative education delivery. Their efforts resulted in nearly 3,300 individuals receiving either a high school equivalency diploma or an industry-recognized certification.



*President and CEO Damon Hininger visits staff at Nevada Southern Detention Center in Pahrump, Nevada*

We continue to strongly advocate for public policies aimed at reducing recidivism and removing barriers that inhibit successful community reentry. Each year, our team researches legislation across the United States that supports pro-reentry initiatives. We support legislation that will help returning citizens access education more easily, restore their voting rights, and secure stable employment once they are released. Our goal is to see action in the form of meaningful legislation passed at the state and federal levels. Since launching our public policy advocacy initiative in 2017, we have sent nearly 2,700 letters to federal and state officials in support of nearly 100 bills aimed at helping people succeed in their communities after incarceration. These efforts are core to our mission and we continue to seek additional opportunities to support successful reentry.

As the first company in our sector to publish an Environmental, Social, and Governance (ESG) report back in 2019, our transparency into these factors continues to expand as we will publish our fourth annual ESG report in 2022. Like its predecessors, this report provides a comprehensive and transparent look at topics of greatest material impact to our stakeholders by sharing our progress towards established goals and management's related processes.

We've made meaningful progress reducing our overall debt since we announced our corporate structure change in the summer of 2020. After careful consideration of market conditions and our projected future cost of borrowing at the time, the management team and board of directors chose to make a strategic shift in our corporate structure. Our decision has already resulted in improving our access to the debt capital markets and reducing our cost of borrowing. Although we aim for further improvement, our progress so far has been meaningful in improving our long-term ability to cost-effectively fund our business. There remains a disconnect between our credit ratings and the strength of our balance sheet, the durability of our cash flows and the creditworthiness of our government partners. It is because of this that we remain focused on continuing to reduce our overall debt levels.

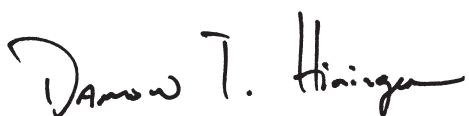
We continue to believe our capital allocation strategy is the most prudent approach for positioning the company to generate long-term value through a stable capital structure and continue to cost-effectively meet the needs of our government customers with less reliance on outside sources of capital. However, starting in 2022, we expect to be in a position to shift our capital allocation strategy to one that once again returns a portion of our cash flows to our shareholders while continuing to reduce leverage and without sacrificing investments in our people that will be needed in this challenging labor market. We believe the valuation of our equity remains well below its intrinsic value, and we feel strongly that once we achieve our debt reduction goals, we could create substantial value for our shareholders by repurchasing shares over multiple years.

Looking ahead, a new, recently announced contract with the state of Arizona is going to provide a great solution for the state in the form of a much-needed modern facility as they transition away from the aging Arizona State Prison Complex in Florence. With the significant correctional infrastructure challenges nationwide, our ability to provide flexible solutions like the one in Arizona will become even more vital. Over the last five to 10 years, we've seen a shift in thinking regarding the need to modernize aging prison facilities around the country. Two years ago, we put together an innovative solution for the state of Kansas, and last year we provided another solution in New Mexico. There's a growing need to replace aging facilities—especially considering the challenges of COVID-19—because they are costly to maintain and don't have adequate facilities for effective medical and mental health programming. In the coming years, I believe more correctional systems will look to the private sector for infrastructure solutions, and we'll be ready to help develop an individualized approach to meet those unique needs.

Among other meaningful, nationwide impacts from COVID-19, one of the most notable has been around staffing availability and meaningful wage inflation. It's been challenging for all businesses in this labor market to recruit new employees. This is not just a CoreCivic issue, but a nationwide shift in the behavior of employees and employers. With support from our board and government partners, we have been able to make additional investments in our employees. There is still work to be done, but we are committed to keeping this as an area of focus in 2022.

Reflecting on all of the above, I would like to once again express my deep appreciation and tremendous pride in our CoreCivic team. Their dedication throughout 2021, with all the challenges it presented, was once again exceptional and inspiring. For that, I am grateful and honored to work alongside them.

To our shareholders, we remain focused on long-term value creation by ensuring the company can continue to deliver mission-critical solutions to our government partners in an efficient, cost-effective way. I hope you can see our passion and dedication to our mission, our government partners and improving the lives of the individuals in our care. The last year presented many challenges, but I believe through our actions we have emerged an even stronger, more durable organization and are well positioned to deliver long-term shareholder value. Your investment in CoreCivic helps support our team of over 10,000 professionals as they work every day to positively change lives and better the public good -- a core mission we're all proud to support.



**Damon T. Hininger**

President and CEO

# 2021 Accomplishments

In spite of the continued challenges presented by COVID-19 on our business in 2021, we entered into a number of new contracts, renewed several other significant contracts, and completed numerous other transactions and milestones, including the following:

## CoreCivic Safety

- Partnered with Home Builders Institute, or HBI, in opening a Construction Academy at our Crowley County Correctional Facility in Colorado. HBI is a national nonprofit organization that provides training, curriculum development, and job placement services for the building industry. Carpentry is taught at the Construction Academy at our Crowley facility and students can earn a Pre-Apprenticeship Certificate and receive job placement assistance from HBI staff.
- Partnered with Trinity Services Group, a national leader in correctional food service, in opening a Culinary Training Program at our Lake Erie Correctional Institution in Ohio. Through the 10-month program offered at the Lake Erie facility, students can earn a Certified Fundamental Cook Certificate issued by the American Culinary Federation. The program also teaches students restaurant and catering management skills.



*Photo above: Ohio Department of Rehabilitation & Correction (ODRC), CoreCivic and Trinity Services Group team members cut ribbon at the Culinary Training Program launch.*

*Photo on left: Culinary Training Program participants at Lake Erie prepare hors d'oeuvres for launch event.*

- Expanded our existing contract with the state of Montana at our 664-bed Crossroads Correctional Center by 96 beds to utilize 100% of the facility capacity, and replacing capacity previously utilized by the United States Marshals Service, or USMS.
- Entered into a new contract with Mahoning County, Ohio to utilize up to 990 beds at our 2,016-bed Northeast Ohio Correctional Center to assist in caring for County inmates and federal detainees in their custody, replacing substantially all of our capacity previously utilized by the USMS.
- Awarded a new contract by the state of Arizona for up to 2,706 inmates at our 3,060-bed La Palma Correctional Center in Arizona, which we expect to commence late in the first quarter or early in the second quarter of 2022.



*HBI Program participants and staff cut the ribbon at Crowley's HBI program launch.*



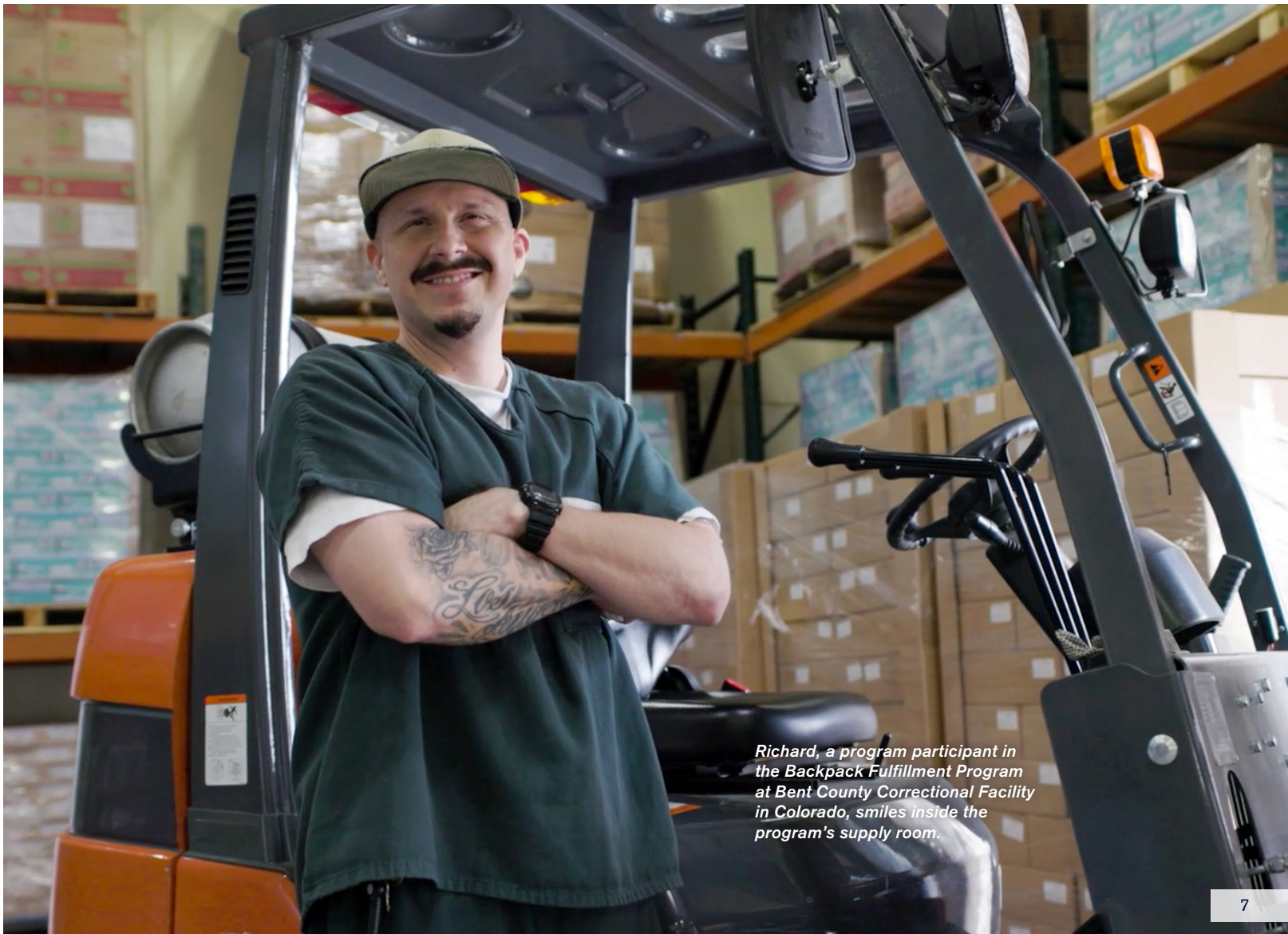
*An HBI Program participant shows event guests the dedicated carpentry classroom at Crowley.*



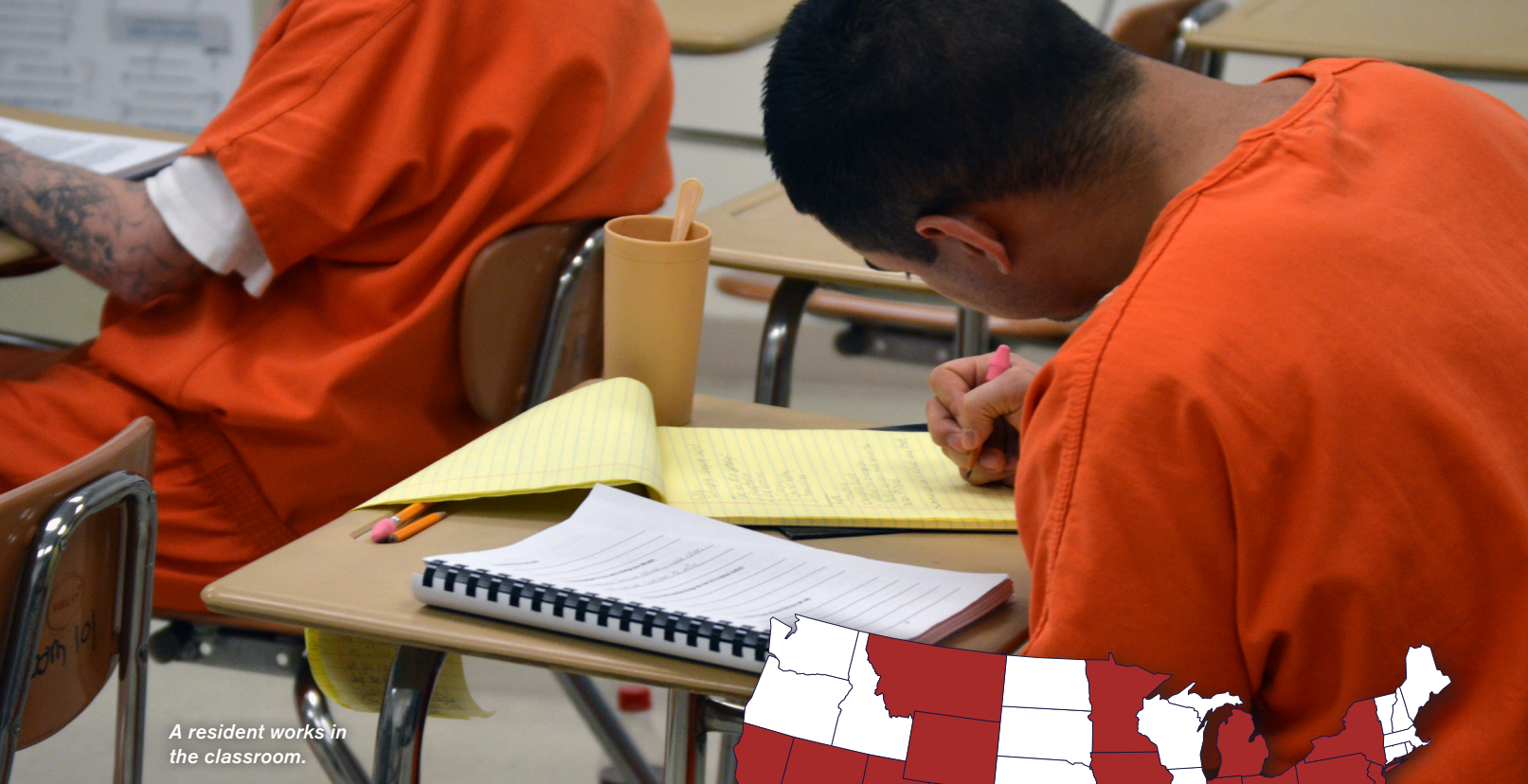
*A new contract with Mahoning County allows Northeast Ohio to extend its care to County inmates and federal detainees.*



*Steven Crosby, an individual who enrolled in an HVAC program while incarcerated at CoreCivic's Lake City Correctional Facility in Florida, secured an HVAC technician position post-release.*



*Richard, a program participant in the Backpack Fulfillment Program at Bent County Correctional Facility in Colorado, smiles inside the program's supply room.*



A resident works in the classroom.

States with CoreCivic properties



## CoreCivic Properties

- Completed the sale of two government-leased properties in a single transaction to a third party for an aggregate price of \$73.0 million, generating net proceeds of \$46.2 million after the repayment of debt associated with one of the properties and other transaction-related costs.
- Completed the sale of a 541,000 square foot government-leased property to a third-party for a price of \$253.0 million, generating net proceeds of \$76.4 million after the repayment of the debt related to the property and other transaction related costs.
- Entered into a three-year lease agreement with the state of New Mexico at our 596-bed Northwest New Mexico Correctional Center. We previously operated the Northwest New Mexico facility in our Safety segment under a contract with the state of New Mexico. The new lease agreement commenced on November 1, 2021 and includes extension options that could extend the term of the lease through October 31, 2041.







*Outdoor pavilion at Tulsa Residential Center*



*Children's playground at Tulsa Residential Center*



*Turley Residential Center in Tulsa, Oklahoma*

## CoreCivic Community

- Activated a new contract with the United States Federal Bureau of Prisons, or BOP, to provide residential reentry and home confinement services at our previously idled 289-bed Turley Residential Center and at our 494-bed Oklahoma Reentry Opportunity Center, both in Oklahoma.

*Oklahoma City Police Department visits with staff at Oklahoma Reentry Opportunity Center.*



*Sign outside Oklahoma Reentry Opportunity Center*



*Residents' computer lab at Oklahoma Reentry Opportunity Center*



*Resident lounge area at Oklahoma Reentry Opportunity Center*

## Corporate and Other:

- Completed our plan to revoke our REIT election and become a taxable C Corporation, effective January 1, 2021, providing us with greater financial flexibility.
- Sold \$450.0 million of 8.25% senior unsecured notes at 99% of face value, resulting in an effective yield to maturity of 8.5%. The new notes mature in April 2026.
- Completed a tack-on offering of \$225.0 million of 8.25% senior unsecured notes at an issue price of 102.25% of face value, resulting in an effective yield to maturity of 7.65%. The notes mature in April 2026.
- Repaid approximately \$444.0 million of indebtedness, net of the change in cash, extended our weighted average maturity of recourse debt by approximately one year, and reduced our debt leverage ratio to 2.9x for the year ended December 31, 2021, from 3.7x for the year ended December 31, 2020.
- Issued our third Environmental, Social and Governance, or ESG, report which summarizes our impacts and aspirational goals across environmental, social, and governance topics. The report details our commitment to reducing the national recidivism crisis through evidence-based practice in our reentry programs and covers progress in our human rights-related goals.



- Named one of America's Most Responsible Companies by Newsweek, making our inaugural appearance on the 2021 list published in November 2021.



# 2021 Public Policy Support

**700**

Letters of support



**24**

Reentry-friendly bills



**12**

States and U.S. Congress

 **PASSED**

**Washington HB 1078\***

Restores voting rights for returning citizens



 **PASSED**

**New Hampshire HB 555\***

Restores voting rights for returning citizens

 **PASSED**

**Maryland SB 86\***

Increases access to correctional education programming



 **PASSED**

**Connecticut HB 6402\***

Establishes a task force to explore an expansion of prison education programs



 **PASSED**

**REAL Act\***

Reinstates Pell Grant eligibility for incarcerated individuals



*\*Legislation supported by CoreCivic*

# Environmental, Social and Governance

In May 2021, we issued our third Environmental, Social and Governance (ESG) report to summarize CoreCivic's activities and impacts in three key areas relevant to investors and other stakeholders: our environmental impact, our social responsibility commitments and our corporate governance.

In 2019 we became the first company in our industry to publish an ESG report, and we continue to build on those efforts, highlighting our progress in key programs, responsibilities and metrics we've identified through a comprehensive stakeholder engagement process.

Our last report was also heavily influenced by the COVID-19 pandemic and its impact on our operations. COVID-19 affected nearly every facet of our operations in 2020 and 2021 and continues to do so today. Principles of preparedness, control and management anchor our approach to the ongoing pandemic. We maintain the ability to respond rapidly to emergency scenarios of many kinds, including communicable diseases and pandemics. While COVID-19 presented challenges on an unprecedented scale, our pandemic-related policies, procedures, and experience in this area enabled us to communicate timely and relevant information to stakeholders as developments occurred.



*Individuals listen to guest speaker at a graduation at Davis Correctional Facility in Oklahoma, where more than 100 individuals received their high school diploma in September 2021.*



**COMPREHENSIVE PLANS**

Routinely distributed mitigation procedures and management policies around all aspects of virus prevention, response and vaccination



**EMERGENCY OPERATIONS CENTER**

Activated our EOC for 24/7 monitoring and response



**HEALTH SCREENINGS**

Implemented health screening entry controls at our facilities and followed CDC guidance on sanitation and prevention procedures



**PERSONAL PROTECTIVE EQUIPMENT**

Continuously assessed our supply chain to ensure access and distribution of PPE for residents and employees



**COMMUNITY SUPPORT**

During the nationwide mask shortage for health care workers, our facilities and residents contributed to the national effort by creating our own masks and donating to communities in need



**SOCIAL DISTANCING**

Modified food service, programming and visitation practices to follow partner agency direction and CDC guidelines



**ACCESS TO MEDICAL CARE**

Worked with government partners to waive medical co-pays for residents



**COMMUNICATIONS**

Provided routine updates for families, employees and the public regarding all aspects of COVID-19 best practices and changes to our operations



**EMPLOYEE SUPPORT**

Provided a \$500 bonus for all facility employees and implemented new paid time off and sick leave procedures for COVID-19 symptoms/exposures



**VACCINE ADMINISTRATION**

Developed logistical capability to administer vaccine and created education campaigns for employees and residents

Our ESG reporting has been prepared in accordance with Global Reporting Initiative (GRI) Standards: Core option, as issued by the Global Sustainability Standards Board. To ensure disclosures are relevant and measurable, CoreCivic conducted a comprehensive stakeholder materiality analysis utilizing employees, executive leadership and numerous subject matter experts.

ESG reporting authority is delegated to our vice president and chief ethics and compliance officer by our president and CEO with oversight by our board of directors. CoreCivic appointed a cross-functional team to collect disclosure data and provide updates to material topics. The report is reviewed by members of our senior management team, and ESG matters are reported to the risk committee of the CoreCivic Board of Directors.

We expect our 2021 ESG report, to be published in May 2022, will continue to build on the substantial progress we have made through four years of ESG reporting.



*Employees receive COVID-19 vaccinations at Wheeler Correctional Facility in Georgia.*

# Board of Directors

With decades of combined business and leadership experience, CoreCivic's Board of Directors guide and support the vision of our organization. They ensure accountability and instill governance. Together, the CoreCivic Board works with management to drive our leadership in making prudent, ethical decisions that benefit and protect all those we serve.



**Mark A. Emkes**  
*Chairman of the Board,  
Compensation Committee,  
Nominating and Governance  
Committee, Executive Committee  
(Chair)*



**Anne L. Mariucci**  
*Audit Committee, Compensation  
Committee*



**Damon T. Hininger**  
*President and Chief Executive  
Officer, Executive Committee*



**Thurgood Marshall, Jr.**  
*Risk Committee (Chair),  
Nominating and Governance  
Committee*



**Donna M. Alvarado**  
*Nominating and Governance  
Committee (Chair), Audit  
Committee, Risk Committee*



**Devin I. Murphy**  
*Audit Committee, Risk Committee*



**Robert J. Dennis**  
*Compensation Committee (Chair),  
Executive Committee*



**Charles L. Overby**  
*Executive Committee, Nominating  
and Governance Committee, Risk  
Committee*



**Stacia Hylton**  
*Nominating and Governance  
Committee, Risk Committee*



**John R. Prann, Jr.**  
*Audit Committee (Chair),  
Compensation Committee*



**Harley G. Lappin**

## Executive Officers

At CoreCivic, ethical leadership is the standard, rooted in the values that define our company. Guided by the principles of professionalism, respect, integrity, duty and excellence, our officers feel an immense responsibility to lead well. Each executive officer guides his or her respective area in line with CoreCivic's company-wide strategy of innovation, continuous improvement and distinction.



**Damon T. Hininger**  
*President and Chief Executive Officer*



**Patrick Swindle**  
*Executive Vice President and Chief Operating Officer*



**David M. Garfinkle**  
*Executive Vice President and Chief Financial Officer*



**David Churchill**  
*Executive Vice President and Chief Human Resources Officer*



**Anthony L. Grande**  
*Executive Vice President and Chief Development Officer*



**Cole Carter**  
*Executive Vice President and General Counsel*



**Lucibeth N. Mayberry**  
*Executive Vice President, Real Estate*

## Shareholder Information

### Corporate Office

CoreCivic, Inc.  
5501 Virginia Way, Suite 110  
Brentwood, TN 37027  
(615) 263-3000  
Website: [ir.CoreCivic.com](http://ir.CoreCivic.com)

### Stock Information

Our common stock is listed on the New York Stock Exchange, under the symbol CXW.

### Stock Transfer Agent and Registrar

American Stock Transfer & Trust Company, LLC  
6201 15th Avenue  
Brooklyn, NY 11219  
800-937-5449

Inquiries regarding stock transfers, lost certificates or address changes should be directed to the registrar and transfer agent at the contact information above.

### Form 10-K and NYSE Certifications

Upon written request, we will provide without charge a copy of our Form 10-K for the fiscal year ended December 31, 2021 to our shareholders. Requests should be directed to:

### Investor Relations

CoreCivic, Inc.  
5501 Virginia Way, Suite 110  
Brentwood, TN 37027

Our Form 10-K is also available on our website at [ir.CoreCivic.com](http://ir.CoreCivic.com).



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NYSE: CXW