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### **CalSTRS to Divest from Private Prisons**

*CoreCivic and GEO Group to be removed from Teachers' Retirement Fund portfolio*

**WEST SACRAMENTO, Calif. (Nov. 7, 2018)**– The Teachers' Retirement Board of the California State Teachers' Retirement System voted to direct investment staff to remove the Fund's holdings in the two U.S. publicly-held companies that operate private prisons: CoreCivic and GEO Group.

On July 20, 2018 at the Investment Committee meeting, Chief Investment Officer Christopher J. Ailman initiated [CalSTRS Divestment Policy](#) in relation to private prisons after the Trump administration's zero tolerance policy for border crossing led to the separation of children from their parents. Since July, CalSTRS heightened their due diligence with both CoreCivic and GEO Group in order to engage both companies in productive dialog surrounding their business practices. This included visits to various detention facilities and face to face meetings with senior management concerning operational processes and risk management efforts.

“The board conducted a review of the staff research; we agreed that the engagement efforts were thorough; and, listened to our expert investment consultants. Based on all the information and advice we were provided, the board decided to divest according to the policy criteria,” said Teachers' Retirement Board Investment Committee Chair Harry Keiley.

The process of divesting from CalSTRS CoreCivic and GEO Group holdings will begin immediately and is expected to be completed within six months.

As of November 6, 2018 combined CalSTRS Global Equities and Fixed Income Portfolios' holdings in CoreCivic and in GEO Group were \$12,142,211.

#### **About CalSTRS**

The [California State Teachers' Retirement System](#), with a portfolio valued at \$229.2 billion as of September 30 2018, is the largest educator-only pension fund in the world. CalSTRS serves California's more than 933,000 public school educators and their families from the state's 1,700 school districts, county offices of education and community college districts. A hybrid retirement system, CalSTRS administers a combined traditional defined benefit, cash balance and voluntary defined contribution plan. CalSTRS also provides disability and survivor benefits. CalSTRS members retire on average after more than 25 years of service, with a median retirement age of 62.9, and a monthly pension of approximately \$4,475, which is not eligible for Social Security participation. For more data, download the CalSTRS [Fast Facts 2017](#) brochure.

See how CalSTRS demonstrates its strong commitment to long-term corporate sustainability principles in its annual Global Reporting Initiative sustainability report: [Global Stewardship at Work](#)

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