

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended June 30, 2022

OR

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

For the transition period from _____ to _____
Commission File Number 001-31400

CACI International Inc

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

54-1345888
(I.R.S. Employer
Identification No.)

12021 Sunset Hills Road, Reston, VA 20190
(Address of principal executive offices)
(703) 841-7800
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	CACI	New York Stock Exchange

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

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

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

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

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

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

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

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

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

The aggregate market value of common shares held by non-affiliates of the Registrant on December 31, 2021 was \$6,235,243,074, based upon the closing price of the Registrant's common shares as quoted on the New York Stock Exchange composite tape on such date.

As of July 27, 2022, there were 23,417,481 shares outstanding of CACI International's common stock, par value \$0.10 per share.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Form 10-K incorporates by reference certain information from the Registrant's Proxy Statement to be filed with the Securities Exchange Commission (SEC) pursuant to Regulation 14A for the 2022 Annual Meeting of Stockholders.

INFORMATION RELATING TO FORWARD-LOOKING STATEMENTS

Certain information included or incorporated by reference in this Annual Report on Form 10-K, may not address historical facts and, therefore, could be interpreted to be "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 and other federal securities laws. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including projections of financial performance; statements of plans, strategies and objectives of management for future operations; any statement concerning developments, performance or industry rankings relating to products or services; any statements regarding future economic conditions or performance; any statements of assumptions underlying any of the foregoing; and any other statements that address activities, events or developments that the Company intends, expects, projects, believes or anticipates will or may occur in the future. Forward-looking statements may be characterized by terminology such as "believe," "anticipate," "expect," "should," "intend," "plan," "will," "estimates," "projects," "strategy" and similar expressions. These statements are based on assumptions and assessments made by the Company's management in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties that include but are not limited to the factors set forth under Item 1A, Risk Factors in this Annual Report on Form 10-K.

Any such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ materially from those envisaged by such forward-looking statements. The forward-looking statements included herein speak only as of the date of this Annual Report on Form 10-K. The Company disclaims any duty to update such forward-looking statements, all of which are expressly qualified by the foregoing.

CACI International Inc

FORM 10-K

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PART I

Item 1. Business

Overview

CACI International Inc (“CACI”), a Delaware corporation, is a holding company whose operations are conducted through subsidiaries primarily located in the United States and Europe. CACI was founded in 1962 as a simulation technology company and has grown into a leading provider of Expertise and Technology to Enterprise and Mission customers, supporting national security missions and government modernization/transformation in the intelligence, defense, and federal civilian sectors, both domestically and internationally. Unless the context indicates otherwise, the terms “we”, “our”, “the Company” and “CACI” as used in Parts I, II and III include CACI International Inc and its subsidiaries and ventures that are majority-owned or otherwise controlled by it. The term “the Registrant” as used in Parts I, II and III refers to CACI International Inc only.

- **Enterprise** – CACI provides capabilities that enable the internal operations of a government agency.
- **Mission** – CACI provides capabilities that enable the execution of a government agency’s primary function, or “mission”.
- **Expertise** – CACI provides Expertise to both Enterprise and Mission customers. For Enterprise customers, we deliver talent with the specific technical and *functional* knowledge to support internal agency operations. Examples include functional software development expertise, data and business analysis, and IT operations support. For Mission customers, we deliver talent with technical and *domain* knowledge to support the execution of an agency’s mission. Examples include engineering expertise such as naval architecture, marine engineering, and life cycle support; and mission support expertise such as intelligence and special operations support.
- **Technology** – CACI delivers Technology to both Enterprise and Mission customers. For both Enterprise and Mission, CACI provides: Software development at scale using open modern architectures, DevSecOps, and agile methodologies; and advanced data platforms, data operations and analyst-centric analytics including application of Artificial Intelligence and multi-source analysis. Additional examples of Enterprise technology include: Network and IT modernization; the customization, implementation, and maintenance of commercial-off-the-shelf (COTS) and enterprise resource planning (ERP) systems including financial, human capital, and supply chain management systems; and cyber security active defense and zero trust architectures. Additional examples of Mission technology include: Developing and deploying multi-domain offerings for signals intelligence, resilient communications, free space optical communications, electronic warfare including Counter-UAS, cyber operations, and Radio Frequency (RF) and 5G spectrum awareness, agility and usage. CACI invests ahead of customer need with research and development to generate unique intellectual property and differentiated technology addressing critical national security and government modernization needs.

Our proven Expertise and Technology and strong record of program delivery have enabled us to compete for and secure new customers and contracts, win repeat business, and build and maintain long-term customer relationships. We seek competitive business opportunities and have built our operations to support major programs through a market-focused business development organization.

Our customers are primarily agencies and departments of the U.S. government as well as foreign governments and commercial enterprises. The demand for our Expertise and Technology, in large measure, is created by the increasingly complex network, systems, and information environments in which governments and businesses operate, and by the need to stay current with emerging technology while increasing productivity, enhancing security, and, ultimately, improving performance.

For additional discussion and analysis on recent business developments, see “Business Environment and Industry Trends” in “Management’s Discussion and Analysis of Financial Condition & Results of Operations” in Part II of this Annual Report on Form 10-K.

Our Markets

Domestic Operations

We provide our Expertise and Technology to our domestic customers in the following market areas:

- **Digital Solutions** – CACI transforms how government does business. Using our Agile-at-scale method and business process automation tools, we modernize enterprise and agency-unique applications, enterprise infrastructure, and business processes to enhance productivity and increase user satisfaction. We use data analytics and visualization to provide insights and outcomes that optimize our customer’s operations.

- **C4ISR, Cyber & Space** – CACI teams ensure information superiority by delivering multi-domain command, control, communications, and computer (C4) technology and networks. Our software-defined, full-spectrum cyber, electronic warfare, and counter-unmanned aircraft system (C-UAS) solutions provide electromagnetic spectrum advantage and deliver precision effects against national security threats. We are at the forefront of developing technologies that meet the challenges of 5G wireless communications both on and off the battlefield, mmWave, and the use of lasers for free space optical communications and long-range sensing.
- **Engineering Services** – CACI provides platform integration and modernization and sustainment, system engineering, naval architecture, training and simulation services, and logistics engineering to help our customer achieve a decisive tactical edge. We enhance platforms to improve situational awareness, mobility, interoperability, lethality, and survivability. We conduct software vulnerability analysis and harden technology to protect against malicious actors. Our platform-agnostic, mission-first approach ensures optimal performance, so our nation's forces can overmatch our adversaries.
- **Enterprise IT** – CACI amplifies efficiency with unmatched expertise and next-generation technology. We pioneered secure, enterprise cloud solutions for classified and unclassified networks. We design, implement, protect, and manage secure enterprise IT solutions for approximately 50 federal agencies to optimize efficiency, enhance performance, and ensure end-user satisfaction.
- **Mission Support** – CACI's intelligence support ensures continuous advances in collection, analysis, and dissemination to optimize decision-making. We provide analytic services in 50 languages, as well as scenario-based instruction across the spectrum of intelligence processing, collection, and products. Our investigation and litigation experts support the U.S. government on thousands of cases, saving taxpayers billions of dollars. And CACI facilitates the secure flow of supplies across the globe.

Domestic Operations represented 96.9%, 97.1%, and 97.1% of our total revenues for the fiscal year ended June 30, 2022 ("fiscal 2022"), June 30, 2021 ("fiscal 2021") and June 30, 2020 ("fiscal 2020"), respectively.

International Operations

Our international operations are conducted primarily through our operating subsidiaries in Europe, CACI Limited and CACI BV, and account for substantially all revenues generated from international customers. Headquartered in London, our international operations provide a diverse mix of IT services and proprietary data and software products, serving commercial and government customers throughout the U.K., continental Europe and around the world.

International Operations represented 3.1%, 2.9%, and 2.9% of our total revenues for fiscal 2022, 2021, and 2020, respectively.

Competition

We operate in a highly competitive industry that includes many firms, some of which are larger in size and have greater financial resources than we do. We obtain much of our business on the basis of proposals submitted in response to requests from potential and current customers, who may also receive proposals from other firms. Non-traditional players have entered the market and have established positions related to such areas as cloud computing, cyber, satellite operations, and business systems. Additionally, we face indirect competition from certain government agencies that perform services for themselves similar to those marketed by us. We know of no single competitor that is dominant in our fields of technology. We have a relatively small share of the addressable market for our solutions and services and intend to achieve growth and increase market share both organically and through strategic acquisitions.

Strengths and Strategy

We primarily offer our entire range of Expertise and Technology to defense, intelligence and civilian agencies of the U.S. government. Our work for U.S. government agencies may combine a wide range of skills drawn from our Expertise and Technology. We also contract through our international operations to provide our offerings to governments of other nations. As with other government contractors, our business is subject to government customer funding decisions and actions that are beyond our control.

Our international commercial customer base consists primarily of large commercial and government enterprises in the U.K. This market is the primary target of a diverse mix of IT consultancy services and proprietary data and software products. Commercial bids are frequently negotiated as to terms and conditions for schedule, specifications, delivery and payment.

In order to effectively perform on our existing customer contracts and secure new customer contracts within the U.S. government, we must maintain expert knowledge of agency policies, operations and challenges. We combine this comprehensive knowledge with Expertise and Technology for our Enterprise and Mission customers. Our capabilities provide us with opportunities either to compete directly for, or to support other bidders in competition for multi-million dollar and multi-year award contracts from the U.S. government.

We have strategic business relationships with a number of companies associated with the information technology industry. These strategic partners have business objectives compatible with ours and offer expertise and technology that complement ours. We intend to continue development of these kinds of relationships wherever they support our growth objectives.

Our marketing and new business development is conducted by many of our officers and managers including the Chief Executive Officer, executive officers, vice presidents and division managers. We employ marketing professionals who identify and qualify major contract opportunities, primarily in the federal government market.

Much of our business is won through submission of formal competitive bids. Government and commercial customers typically base their decisions regarding contract awards on their assessment of the quality of past performance, responsiveness to proposal requirements, price, and other factors. The terms, conditions and form of contract of government bids, however, are in most cases specified by the customer. In situations in which the customer-imposed contract type and/or terms appear to expose us to inappropriate risk or do not offer us a sufficient financial return, we may seek alternate arrangements or opt not to bid for the work. Essentially all contracts with the U.S. government, and many contracts with other government entities, permit the government customer to terminate the contract at any time for the convenience of the government or for default by the contractor. Although we operate under the risk that such terminations may occur and have a material impact on operations, such terminations have been rare and, generally, have not materially affected operations.

Our contracts and subcontracts are composed of a wide range of contract types, including fixed-price, cost reimbursement, time-and-materials, indefinite delivery/indefinite quantity (IDIQ) and government wide acquisition contracts (known as GWACS) such as General Services Administration (GSA) schedule contracts. By company policy, significant fixed-price contracts require the approval of at least two of our senior officers.

For fiscal 2022, the top ten revenue-producing contracts, many of which consist of many task orders, accounted for 35.7% of our revenues, or \$2.2 billion.

Recent Acquisitions

During the past three fiscal years, we completed a total of eight acquisitions, including:

- During fiscal 2022, CACI completed four acquisitions that provide mission and enterprise technology to sensitive government customers. Their capabilities include open source intelligence solutions, specialized cyber, satellite communications, multi-domain photonics technologies for free-space optical (FSO) communications, and commercial solutions for classified (CSfC) security technologies.
- During fiscal 2021, CACI completed the acquisition of Ascent Vision Technologies (AVT). AVT specializes in Electro-Optical Infrared payloads, On-Board Computer Vision Processing and counter-unmanned aircraft system (C-UAS) solutions.
- During fiscal 2020, CACI completed three strategic acquisitions adding key capabilities in mission Expertise and Technology.

Seasonal Nature of Business

Our business in general is not seasonal, although the summer and holiday seasons affect our revenues because of the impact of holidays and vacations on our labor. Variations in our business also may occur at the expiration of major contracts until such contracts are renewed or new business is obtained.

The U.S. government's fiscal year ends on September 30 of each year. It is not uncommon for government agencies to award extra tasks or complete other contract actions in the weeks before the end of a fiscal year in order to avoid the loss of unexpended funds. Moreover, in years when the U.S. government does not complete the budget process for the next fiscal year before the end of September, government operations whose appropriations legislation has not been signed into law are funded under a continuing resolution that authorizes them to continue to operate but traditionally does not authorize new spending initiatives.

Human Capital

Our People

Our employees are our most valuable resource. We are in continuing competition for highly skilled professionals in virtually all of our market areas. The success and growth of our business is significantly correlated with our ability to recruit, train, promote and retain high quality people at all levels of the organization. As of June 30, 2022, we employed approximately 22,000 talented full and part-time employees that help make CACI a respected and recognized industry leader.

Our Culture

Our culture defines who we are, how we act, and what we believe is the right way to conduct business and is the driving force behind our success. Our culture unifies us as a company and strengthens our resolve to meet our customers' – and our country's – most critical missions.

We believe that there are two pillars to our culture: Character and Innovation. Character is demonstrated in our commitment to ethics and integrity as we expect all of our employees and independent contractors to comply with our high standards for the conduct of our business that are reflected in our policies and practices. We require all of our employees, independent contractors working on customer engagements, officers, and directors annually to execute and affirm to the code of ethics applicable to their activities. In addition, we require annual ethics and compliance training for all of our employees to provide them with the knowledge necessary to maintain our high standards of ethics and compliance.

Innovation is demonstrated in our dedication to advancement and excellence. Our Center for Research, Application, Development, Learning, and Engagement (CRADLESM) is a state-of-the-art collaboration facility that provides customers with an enhanced engagement experience, built to foster innovation, creative designs, and unique solutions. The CRADLE brings together customers, industry partners, academia, and CACI personnel to explore and discover new ways to solve complex problems and challenges.

Diversity and Inclusion

We embrace diversity and inclusion as core values and seek to ensure that all our employees experience a highly inclusive working environment. Diversity and inclusion are woven into the fabric of CACI's culture where people bring their genuine selves to work, feel inspired about CACI's mission, and are passionate about making a difference for our people, customers, and the community.

Embracing diversity and fostering inclusion enables our people to unleash their full potential and appreciate a richness of differences. A diverse workforce also encourages us to approach problems from a variety of perspectives – that mindset, coupled with the spirit of collaboration, empowers us to be creative and find the best solutions for our customers' toughest challenges.

CACI's diversity and inclusion efforts are guided by a Diversity and Inclusion Working Group that includes a cross-section of diverse employees and senior executive leaders who have created a foundation and strategy for embracing diversity. This Group meets with our Chief Executive Officer (CEO) and Chief Human Resources Officer (CHRO) to set strategy, seek input, create advocacy, and ensure alignment with CACI's business strategy.

Talent Acquisition, Development and Retention

Our industry is ever-evolving, and those who are most successful evolve with it, continually learning and growing throughout their careers. To ensure we have the talent to meet the needs of our customers, we employ broad recruiting and outreach efforts, including partnerships with universities, the military, and professional organizations, resulting in an inclusive pool of the most qualified candidates.

We are able to retain our employees through our career mobility corporate culture, where we believe in growth at all levels. We encourage all employees to embrace a career growth mindset at CACI and strive to provide our employees with long-term professional advancement and a great workplace experience through professional development and a culture of mobility because our people drive our company.

CACI has conducted employee engagement surveys and we rank above external benchmark companies in the areas of sustainable engagement, customer focus, inclusion, innovation, teamwork and empowerment. Specifically, our employees report that they have a personal sense of accomplishment in their work, they feel safe to speak up, and they have pride in CACI. These indicators of an exceptionally strong culture and work environment puts CACI in an extremely competitive position to attract and retain talent and reach our organizational growth objectives. We continue to invest in the areas that produce such high engagement – leadership education, career resources for employees, comprehensive onboarding for new employees, and formal and informal communications that create a two-way dialogue among employees and leaders.

Employee Safety and Health

Our primary focus is the health and safety of our employees and customers. By ensuring the health and safety of our employees and customers, we are doing our part to contribute to the ongoing health in communities where we operate.

We have formed a multi-functional working group to monitor and respond to COVID-19. As travel restrictions, social distancing advisories, and other requirements began to be implemented in March 2020, we instructed our workforce to begin to work remotely to the extent possible. While a majority of our workforce is able to work remotely, some employees must still travel to client or company facilities in order to work. While CACI employees were deemed part of the 'critical infrastructure workforce', ensuring their ability to work despite state travel limitations, our business still experienced some impacts as a result of COVID-19 risk mitigation efforts. For example, in order to reduce personnel concentration and ensure social distancing in classified environments, shift work was implemented, which reduced the number of hours our employees could work and we could bill customers on certain programs.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was passed by Congress and signed by the President on March 27, 2020, provided a mechanism to bill hours where our employees are ready and able to work but unable to access required facilities due to COVID-19. This support was subsequently extended through September 30, 2021 as part of the American Rescue Plan Act of 2021, which was signed into law on March 11, 2021. We continue to work with our customers to ensure provisions of the CARES Act are followed, as well as appropriate risk mitigation efforts and alternative work arrangements.

Patents, Trademarks, Trade Secrets and Licenses

Generally, our solutions and services are not substantially dependent upon obtaining or maintaining intellectual property protections, although our operations make use of such protections and benefit from them as discriminators in competition. The Company owns patents and claims copyright, trademark and other proprietary rights in a variety of intellectual property. We also maintain a number of trade secrets that contribute to our success and competitive distinction and endeavor to accord such trade secrets protection adequate to ensure their continuing availability to us.

Our proprietary information is protected through a combination of contractual arrangements with our employees and third parties and intellectual property laws. From time to time, we are required to assert our rights against former employees or other third parties who attempt to misappropriate our proprietary and confidential information. Although we are not materially dependent on the protection of our intellectual property, we take such matters seriously and pursue claims against such individuals to the extent necessary to adequately protect our rights.

As a systems integrator, it is important that we maintain access to software, data and technology supplied by third parties and we continue to enter into agreements that give us the right to distribute and receive income from third party software, data and technology that serve our customers. The durations of such agreements are negotiated and vary according to the terms of the agreements.

Business Segments, Foreign Operations, and Major Customers

The Company reports operating results and financial data in two segments: Domestic Operations and International Operations. See “Note 18 – Business Segments” in Part II of this Annual Report on Form 10-K for additional information.

Available Information

Our telephone number is (703) 841-7800 and our website can be accessed at www.caci.com. We make our web site content available for information purposes only. It should not be relied upon for investment purposes, nor is it incorporated by reference into this Annual Report on Form 10-K.

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are made available free of charge on our website at www.caci.com as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Documents filed by us with the SEC can also be viewed at www.sec.gov.

Item 1A. Risk Factors

You should carefully consider the risks and uncertainties described below, together with the information included elsewhere in this Annual Report on Form 10-K and other documents we file with the SEC. The risks and uncertainties described below are those that we have identified as material but are not the only risks and uncertainties that we face. Our business is also subject to general risks and uncertainties, such as overall U.S. and non-U.S. economic and industry conditions including a global economic slowdown, geopolitical events, changes in laws or accounting rules, fluctuations in interest and exchange rates, terrorism, international conflicts, major health concerns including global pandemics like COVID-19, natural disasters or other disruptions of expected economic and business conditions, that affect many other companies. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial also may impact our business operations and liquidity.

Risks Related to our Business and Industry

We generate substantially all of our revenues from contracts with the federal government. If the federal government significantly decreased or ceased doing business with us, our business, prospects, financial condition and operating results would be materially and adversely affected.

The federal government is our primary customer, with revenues from federal government contracts, either as a prime contractor or a subcontractor, accounting for 94.8% and 95.5% of our total revenues in fiscal 2022 and 2021, respectively. Specifically, we generated 69.8% and 69.3% of our total revenues in fiscal 2022 and 2021, respectively, from contracts with agencies of the DoD. We expect that federal government contracts will continue to be the primary source of our revenues for the foreseeable future. If we were suspended or debarred from contracting with the federal government or any significant agency in the intelligence community or the DoD, if our reputation or relationship with government agencies was impaired, or if the government otherwise ceased doing business with us or significantly decreased the amount of business it does with us, our business, prospects, financial condition and operating results would be materially and adversely affected.

Our business could be adversely affected by delays caused by our competitors protesting major contract awards received by us, resulting in the delay of the initiation of work.

The number of bid protests of contract awards by unsuccessful bidders is increasing and the U.S. government is taking longer to resolve such protests. Bid protests may result in an increase in expenses related to obtaining contract awards or an unfavorable modification or loss of an award. In the event a bid protest is unsuccessful, the resulting delay in the startup and funding of the work under these contracts may cause our actual results to differ materially and adversely from those anticipated.

Our business could be adversely affected by changes in spending levels or budgetary priorities of the federal government.

Because we derive substantially all of our revenues from contracts with the federal government, we believe that the success and development of our business will continue to depend on our successful participation in federal government contract programs. Changes in federal government budgetary priorities, such as for homeland security or to address global pandemics like COVID-19, or actions taken to address government budget deficits, the national debt, and/or prevailing economic conditions, could directly affect our financial performance. A significant decline in government expenditures, a shift of expenditures away from programs that we support or a change in federal government contracting policies could cause federal government agencies to reduce their purchases under contracts, to exercise their right to terminate contracts at any time without penalty or not to exercise options to renew contracts. For further discussion, refer to “Business Environment and Industry Trends” in “Management’s Discussion and Analysis of Financial Condition & Results of Operations” in Part II of this Annual Report on Form 10-K.

At times, we may continue to work without funding, and use our own internal funds in order to meet our customer’s desired delivery dates for expertise or technology. It is uncertain at this time which of our programs’ funding could be reduced in future years or whether new legislation will be passed by Congress in the next fiscal year that could result in additional or alternative funding cuts.

Additionally, our business could be affected if we experience an increase in set-asides for small businesses that could result in our inability to compete directly for prime contracts.

Our federal government contracts may be terminated by the government at any time and may contain other provisions permitting the government not to continue with contract performance, and if lost contracts are not replaced, our operating results may differ materially and adversely from those anticipated.

We generate substantially all of our revenues from federal government contracts that typically include a base period and discrete option periods. The option periods typically cover more than half of the contract’s potential duration. Federal government agencies generally have the right not to exercise these option periods. In addition, our contracts typically also contain provisions permitting a government customer to terminate the contract for its convenience. A decision not to exercise option periods or to terminate contracts for convenience could result in significant revenue shortfalls from those anticipated.

Federal government contracts contain numerous provisions that are unfavorable to us.

Federal government contracts contain provisions and are subject to laws and regulations that give the government rights and remedies, some of which are not typically found in commercial contracts, including allowing the government to:

- cancel multi-year contracts and related orders if funds for contract performance for any subsequent year become unavailable;
- claim rights in systems and software developed by us;
- suspend or debar us from doing business with the federal government or with a governmental agency;
- impose fines and penalties and subject us to criminal prosecution; and
- control or prohibit the export of our data and technology.

If the government terminates a contract for convenience, we may recover only our incurred or committed costs, settlement expenses and profit on work completed prior to the termination. If the government terminates a contract for default, we may be unable to recover even those amounts and instead may be liable for excess costs incurred by the government in procuring undelivered items and services from another source. Depending on the value of a contract, such termination could cause our actual results to differ materially and adversely from those anticipated. Certain contracts also contain organizational conflict of interest (OCI) clauses that limit our ability to compete for or perform certain other contracts. OCIs arise any time we engage in activities that (i) make us unable or potentially unable to render impartial assistance or advice to the government; (ii) impair or might impair our objectivity in performing contract work; or (iii) provide us with an unfair competitive advantage. For example, when we work on the design of a particular system, we may be precluded from competing for the contract to develop and install that system. Depending upon the value of the matters affected, an OCI issue that precludes our participation in or performance of a program or contract could cause our actual results to differ materially and adversely from those anticipated.

As is common with government contractors, we have experienced and continue to experience occasional performance issues under certain of our contracts. Depending upon the value of the matters affected, a performance problem that impacts our performance of a program or contract could cause our actual results to differ materially and adversely from those anticipated.

If we fail to establish and maintain important relationships with government entities and agencies, our ability to successfully bid for new business may be adversely affected.

To facilitate our ability to prepare bids for new business, we rely in part on establishing and maintaining relationships with officials of various government entities and agencies. These relationships enable us to provide informal input and advice to government entities and agencies prior to the development of a formal bid. We may be unable to successfully maintain our relationships with government entities and agencies, and any failure to do so may adversely affect our ability to bid successfully for new business and could cause our actual results to differ materially and adversely from those anticipated.

We derive significant revenues from contracts and task orders awarded through a competitive bidding process. If we are unable to consistently win new awards over any extended period, our business and prospects will be adversely affected.

Our contracts and task orders with the federal government are typically awarded through a competitive bidding process. We expect that much of the business that we will seek in the foreseeable future will continue to be awarded through competitive bidding. Budgetary pressures and changes in the procurement process have caused many government customers to increasingly purchase goods and services through IDIQ contracts, GSA schedule contracts and other government-wide acquisition contracts. These contracts, some of which are awarded to multiple contractors, have increased competition and pricing pressure, requiring that we make sustained post-award efforts to realize revenues under each such contract. In addition, in consideration of the practice of agencies awarding work under such contracts that is arguably outside the intended scope of the contracts, both the GSA and the DoD have initiated programs aimed to ensure that all work fits properly within the scope of the contract under which it is awarded. The net effect of such programs may reduce the number of bidding opportunities available to us. Moreover, even if we are highly qualified to work on a particular new contract, we might not be awarded business because of the federal government's policy and practice of maintaining a diverse contracting base.

This competitive bidding process presents a number of risks, including the following:

- we bid on programs before the completion of their design, which may result in unforeseen technological difficulties and cost overruns;
- we expend substantial cost and managerial time and effort to prepare bids and proposals for contracts that we may not win;
- we may be unable to estimate accurately the resources and cost structure that will be required to service any contract we win; and
- we may encounter expense and delay if our competitors protest or challenge awards of contracts to us in competitive bidding, and any such protest or challenge could result in the resubmission of bids on modified specifications, or in the termination, reduction or modification of the awarded contract.

If we are unable to win particular contracts, we may be prevented from providing to customers services that are purchased under those contracts for a number of years. If we are unable to consistently win new contract awards over any extended period, our business and prospects will be adversely affected and that could cause our actual results to differ materially and adversely from those anticipated. In addition, upon the expiration of a contract, if the customer requires further services of the type provided by the contract, there is frequently a competitive rebidding process. There can be no assurance that we will win any particular bid, or that we will be able to replace business lost upon expiration or completion of a contract, and the termination or non-renewal of any of our significant contracts could cause our actual results to differ materially and adversely from those anticipated.

Our business may suffer if we or our employees are unable to obtain the security clearances or other qualifications we and they need to perform services for our customers.

Many of our federal government contracts require us to have security clearances and employ personnel with specified levels of education, work experience and security clearances. Depending on the level of clearance, security clearances can be difficult and time-consuming to obtain. If we or our employees lose or are unable to obtain necessary security clearances, we may not be able to win new business and our existing customers could terminate their contracts with us or decide not to renew them. To the extent we cannot obtain or maintain the required security clearances for our employees working on a particular contract, we may not generate the revenues anticipated from the contract which could cause our results to differ materially and adversely from those anticipated.

If our subcontractors fail to perform their contractual obligations, our performance as a prime contractor and our ability to obtain future business could be materially and adversely impacted and our actual results could differ materially and adversely from those anticipated.

Our performance of government contracts may involve the issuance of subcontracts to other companies upon which we rely to perform all or a portion of the work we are obligated to deliver to our customers. A failure by one or more of our subcontractors to satisfactorily deliver on a timely basis the agreed-upon supplies, perform the agreed-upon services, or appropriately manage their vendors may materially and adversely impact our ability to perform our obligations as a prime contractor.

A subcontractor's performance deficiency could result in the government terminating our contract for default. A default termination could expose us to liability for excess costs of reprocurement by the government and have a material adverse effect on our ability to compete for future contracts and task orders. Depending upon the level of problem experienced, such problems with subcontractors could cause our actual results to differ materially and adversely from those anticipated.

The federal government's appropriation process and other factors may delay the collection of our receivables, and our business may be adversely affected if we cannot collect our receivables in a timely manner.

We depend on the collection of our receivables to generate cash flow, provide working capital, pay debt and continue our business operations. If the federal government, any of our other customers or any prime contractor for whom we are a subcontractor fails to pay or delays the payment of their outstanding invoices for any reason, our business and financial condition may be materially and adversely affected. The government may fail to pay outstanding invoices for a number of reasons, including lack of appropriated funds or lack of an approved budget. In addition, the Defense Contract Audit Agency (DCAA) may revoke our direct billing privileges, which would adversely affect our ability to collect our receivables in a timely manner. Contracting officers have the authority to impose contractual withholdings, which can also adversely affect our ability to collect timely. The Defense Federal Acquisition Regulations require DoD contracting officers to impose contractual withholdings at no less than certain minimum levels if a contracting officer determines that one or more of a contractor's business systems have one or more significant deficiencies. Some prime contractors for whom we are a subcontractor have significantly less financial resources than we do, which may increase the risk that we may not be paid in full or payment may be delayed. If we experience difficulties collecting receivables, it could cause our actual results to differ materially and adversely from those anticipated.

The federal government may change its procurement or other practices in a manner adverse to us.

The federal government may change its procurement practices, or adopt new contracting rules and regulations, such as those related to cost accounting standards. It could also adopt new contracting methods relating to GSA contracts or other government-wide contracts, adopt new socio-economic requirements, or change the basis upon which it reimburses our compensation and other expenses or otherwise limit such reimbursements. In all such cases, there is uncertainty surrounding the changes and what actual impacts they may have on contractors. These changes could impair our ability to obtain new contracts or win re-competed contracts or adversely affect our future profit margin. Any new contracting methods could be costly or administratively difficult for us to satisfy and, as a result, could cause actual results to differ materially and adversely from those anticipated.

Restrictions on or other changes to the federal government's use of service contracts may harm our operating results.

We derive a significant amount of revenues from service contracts with the federal government. The government may face restrictions from new legislation, regulations or government union pressures, on the nature and amount of services the government may obtain from private contractors (i.e., insourcing versus outsourcing). Any reduction in the government's use of private contractors to provide federal services could cause our actual results to differ materially and adversely from those anticipated.

Our contracts and administrative processes and systems are subject to audits and cost adjustments by the federal government, which could reduce our revenues, disrupt our business, or otherwise adversely affect our operating results.

Federal government agencies, including the DCAA and the Defense Contract Management Agency (DCMA), routinely audit and investigate government contracts and government contractors' administrative processes and systems. These agencies review our performance on contracts, pricing practices, cost structure and compliance with applicable laws, regulations and standards. They also evaluate the adequacy of internal controls over our business systems, including our purchasing, accounting, estimating, earned value management, and government property systems. Any costs found to be improperly allocated or assigned to contracts will not be reimbursed, and any such costs already reimbursed must be refunded and certain penalties may be imposed. Moreover, if any of the administrative processes and systems are found not to comply with requirements, we may be subjected to increased government scrutiny and approval that could delay or otherwise adversely affect our ability to compete for or perform contracts or collect our revenues in a timely manner. Therefore, an unfavorable outcome of an audit by the DCAA or another government agency could cause actual results to differ materially and adversely from those anticipated. If a government investigation uncovers improper or illegal activities, we may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeitures of profits, suspension of payments, fines and suspension or debarment from doing business with the federal government. In addition, we could suffer serious reputational harm if allegations of impropriety were made against us. Each of these results could cause actual results to differ materially and adversely from those anticipated.

Failure to maintain strong relationships with other contractors could result in a decline in our revenues.

We derive substantial revenues from contracts in which we act as a subcontractor or from teaming arrangements in which we and other contractors bid on particular contracts or programs. As a subcontractor or teammate, we often lack control over fulfillment of a contract, and poor performance on the contract could impact our customer relationship, even when we perform as required. We expect to continue to depend on relationships with other contractors for a portion of our revenues in the foreseeable future. Moreover, our revenues and operating results could differ materially and adversely from those anticipated if any prime contractor or teammate chose to offer directly to the customer services of the type that we provide or if they team with other companies to provide those services.

We may not receive the full amounts authorized under the contracts included in our backlog, which could reduce our revenues in future periods below the levels anticipated.

Our total backlog consists of funded and unfunded amounts. Funded backlog represents contract value for which funding has been appropriated less revenues previously recognized on these contracts. Unfunded backlog represents estimated values that have the potential to be recognized into revenue from executed contracts for which funding has not been appropriated and unexercised contract options. Our backlog may not result in actual revenues in any particular period, or at all, which could cause our actual results to differ materially and adversely from those anticipated.

The maximum contract value specified under a government contract or task order awarded to us is not necessarily indicative of the revenues that we will realize under that contract. For example, we generate a substantial portion of our revenues from government contracts in which we are not the sole provider, meaning that the government could turn to other companies to fulfill the contract. We also generate revenues from IDIQ contracts, which do not require the government to purchase a pre-determined amount of goods or services under the contract. Action by the government to obtain support from other contractors or failure of the government to order the quantity of work anticipated could cause our actual results to differ materially and adversely from those anticipated.

Without additional Congressional appropriations, some of the contracts included in our backlog will remain unfunded, which could materially and adversely affect our future operating results.

Many of our federal government contracts include multi-year performance periods in which Congress appropriates funds on an annual basis. As a result, a majority of our contracts are only partially funded at any point during their full performance period and unfunded contract work is subject to future appropriations by Congress. As a result of a lack of appropriated funds or efforts to reduce federal government spending, our backlog may not result in revenues or may be delayed. We calculate our unfunded backlog based on the aggregate contract revenues that we have the potential to realize. If our backlog estimate is inaccurate and we fail to realize those amounts as revenues, our future operating results could be materially and adversely affected.

Employee misconduct, including security breaches, could result in the loss of customers and our suspension or debarment from contracting with the federal government.

We may be unable to prevent our employees from engaging in misconduct, fraud or other improper activities that could adversely affect our business and reputation. Misconduct could include the failure to comply with federal government procurement regulations, regulations regarding the protection of classified information and legislation regarding the pricing of labor and other costs in government contracts. Many of the systems we develop involve managing and protecting information involved in national security and other sensitive government functions. A security breach in one of these systems could prevent us from having access to such critically sensitive systems. Other examples of employee misconduct could include timecard fraud and violations of the Anti-Kickback Act. The precautions we take to prevent and detect this activity may not be effective, and we could face unknown risks or losses. As a result of employee misconduct, we could face fines and penalties, loss of security clearance and suspension or debarment from contracting with the federal government, which could cause our actual results to differ materially and adversely from those anticipated.

Our failure to attract and retain qualified employees, including our senior management team, could adversely affect our business.

Our continued success depends to a substantial degree on our ability to recruit and retain the technically skilled personnel we need to serve our customers effectively. Our business involves the development of tailored solutions for our customers, a process that relies heavily upon the expertise and services of our employees. Accordingly, our employees are our most valuable resource. Competition for skilled personnel in the information technology services industry is intense, and technology service companies often experience high attrition among their skilled employees. There is a shortage of people capable of filling these positions and they are likely to remain a limited resource for the foreseeable future. Recruiting and training these personnel require substantial resources. Our failure to attract and retain technical personnel could increase our costs of performing our contractual obligations, reduce our ability to efficiently satisfy our customers' needs, limit our ability to win new business and cause our actual results to differ materially and adversely from those anticipated.

In addition to attracting and retaining qualified technical personnel, we believe that our success will depend on the continued employment of our senior management team and its ability to generate new business and execute projects successfully. Our senior management team is very important to our business because personal reputations and individual business relationships are a critical element of obtaining and maintaining customer engagements in our industry, particularly with agencies performing classified operations. The loss of any of our senior executives could cause us to lose customer relationships or new business opportunities, which could cause actual results to differ materially and adversely from those anticipated.

Our markets are highly competitive, and many of the companies we compete against have substantially greater resources.

The markets in which we operate include a large number of participants and are highly competitive. Many of our competitors may compete more effectively than we can because they are larger, better financed and better known companies than we are. In order to stay competitive in our industry, we must also keep pace with changing technologies and customer preferences. If we are unable to differentiate our services from those of our competitors, our revenues may decline. In addition, our competitors have established relationships among themselves or with third parties to increase their ability to address customer needs. As a result, new competitors or alliances among competitors may emerge and compete more effectively than we can. There is also a significant industry trend towards consolidation, which may result in the emergence of companies which are better able to compete against us. The results of these competitive pressures could cause our actual results to differ materially and adversely from those anticipated.

Our quarterly revenues and operating results could be volatile due to the unpredictability of the federal government's budgeting process and policy priorities.

Our quarterly revenues and operating results may fluctuate significantly and unpredictably in the future. In particular, if the federal government does not adopt, or delays adoption of, a budget for each fiscal year beginning on October 1, or fails to pass a continuing resolution, federal agencies may be forced to suspend our contracts and delay the award of new and follow-on contracts and orders due to a lack of funding. Further, the rate at which the federal government procures technology may be negatively affected following changes in presidential administrations and senior government officials. Therefore, period-to-period comparisons of our operating results may not be a good indication of our future performance.

Our quarterly operating results may not meet the expectations of securities analysts or investors, which in turn may have an adverse effect on the market price of our common stock.

An increase in the prices of goods and services could raise the costs associated with providing our services, diminish our ability to compete for new contracts or task orders and/or reduce customer buying power.

We may experience an increase in the costs in our supply and labor markets due to global inflationary pressures and other various geopolitical factors. We generate a portion of our revenues through various fixed price and multi-year government contracts which anticipate moderate increases in costs over the term of the contract. With the current pace of inflation our standard approach to moderate annual price escalations in our bids for multi-year work may be insufficient to counter inflationary cost pressures. This could result in reduced profits, or even losses, as inflation increases, particularly for fixed priced contracts and our longer-term multi-year contracts. In the competitive environment in which we operate as a government contractor, the lack of pricing leverage and ability to renegotiate long-term, multi-year contracts, could reduce our profits, disrupt our business, or otherwise materially adversely affect our results of operations.

We may lose money or generate less than anticipated profits if we do not accurately estimate the cost of an engagement which is conducted on a fixed-price basis.

We generated 29.4% and 29.3% of our total revenues in fiscal 2022 and 2021, respectively, from fixed-price contracts. Fixed-price contracts require us to price our contracts by predicting our expenditures in advance. In addition, some of our engagements obligate us to provide ongoing maintenance and other supporting or ancillary services on a fixed-price basis or with limitations on our ability to increase prices. Many of our engagements are also on a time-and-materials basis. While these types of contracts are generally subject to less uncertainty than fixed-price contracts, to the extent that our actual labor costs are higher than the contract rates, our actual results could differ materially and adversely from those anticipated.

When making proposals for engagements on a fixed-price basis, we rely on our estimates of costs and timing for completing the projects. These estimates reflect our best judgment regarding our capability to complete the task efficiently. Any increased or unexpected costs or unanticipated delays in connection with the performance of fixed-price contracts, including delays caused by factors outside of our control, could make these contracts less profitable or unprofitable. From time to time, unexpected costs and unanticipated delays have caused us to incur losses on fixed-price contracts, primarily in connection with state government customers. On rare occasions, these losses have been significant. In the event that we encounter such problems in the future, our actual results could differ materially and adversely from those anticipated.

Our earnings and margins may vary based on the mix of our contracts and programs.

At June 30, 2022, our backlog included cost reimbursable, time-and-materials and fixed-price contracts. Cost reimbursable and time-and-materials contracts generally have lower profit margins than fixed-price contracts. Our earnings and margins may therefore vary materially and adversely depending on the relative mix of contract types, the costs incurred in their performance, the achievement of other performance objectives and the stage of performance at which the right to receive fees, particularly under incentive and award fee contracts, is finally determined.

Risks Related to our Acquisitions

We may have difficulty identifying and executing acquisitions on favorable terms and therefore may grow at a slower rate than we historically have grown.

One of our key growth strategies has been to selectively pursue acquisitions. Through acquisitions, we have expanded our base of federal government customers, increased the range of solutions we offer to our customers and deepened our penetration of existing markets and customers. We may encounter difficulty identifying and executing suitable acquisitions. To the extent that management is involved in identifying acquisition opportunities or integrating new acquisitions into our business, our management may be diverted from operating our core business. Without acquisitions, we may not grow as rapidly as we historically have grown, which could cause our actual results to differ materially and adversely from those anticipated. We may encounter other risks in executing our acquisition strategy, including:

- increased competition for acquisitions may increase the costs of our acquisitions;
- our failure to discover material liabilities during the due diligence process, including the failure of prior owners of any acquired businesses or their employees to comply with applicable laws or regulations, such as the Federal Acquisition Regulation and health, safety and environmental laws, or their failure to fulfill their contractual obligations to the federal government or other customers; and
- acquisition financing may not be available on reasonable terms or at all.

Each of these types of risks could cause our actual results to differ materially and adversely from those anticipated.

We may have difficulty integrating the operations of any companies we acquire, which could cause actual results to differ materially and adversely from what we anticipated.

The success of our acquisition strategy will depend upon our ability to continue to successfully integrate any businesses we may acquire in the future. The integration of these businesses into our operations may result in unforeseen operating difficulties, absorb significant management attention and require significant financial resources that would otherwise be available for the ongoing development of our business. These integration difficulties include the integration of personnel with disparate business backgrounds, the transition to new information systems, coordination of geographically dispersed organizations, loss of key employees of acquired companies, and reconciliation of different corporate cultures. For these or other reasons, we may be unable to retain key customers of acquired companies. Moreover, any acquired business may fail to generate the revenues or net income we expected or produce the efficiencies or cost-savings we anticipated. Any of these outcomes could cause our actual results to differ materially and adversely from those anticipated.

We have substantial investments in recorded goodwill as a result of prior acquisitions, and changes in future business conditions could cause these investments to become impaired, requiring substantial write-downs that would reduce our operating income.

As of June 30, 2022, goodwill accounts for \$4.1 billion of our recorded total assets. We evaluate the recoverability of recorded goodwill amounts annually or when evidence of potential impairment exists. The annual impairment test is based on several factors requiring judgment. Principally, a decrease in expected reporting unit cash flows or changes in market conditions may indicate potential impairment of recorded goodwill. If there is an impairment, we would be required to write down the recorded amount of goodwill, which would be reflected as a charge against operating income.

Risks Related to our Indebtedness

Our senior secured credit facility (the Credit Facility) imposes certain restrictions on our ability to take certain actions which may have an impact on our business, operating results and financial condition.

The Credit Facility imposes certain operating and financial restrictions on us and requires us to meet certain financial covenants. These restrictions may significantly limit or prohibit us from engaging in certain transactions, and include the following:

- incurring or guaranteeing certain amounts of additional debt;
- paying dividends or other distributions to our stockholders or redeeming, repurchasing or retiring our capital stock in excess of specific limits;
- making certain investments, loans and advances;
- exceeding specific levels of liens on our assets;
- issuing or selling equity in our subsidiaries;
- transforming or selling certain assets currently held by us, including certain sale and lease-back transactions;

- amending or modifying certain agreements, including those related to indebtedness; and
- engaging in certain mergers, consolidations or acquisitions.

The failure to comply with any covenants in the Credit Facility would cause a default under the Credit Facility. A default, if not waived, could cause our debt to become immediately due and payable. In such situations, we may not be able to repay our debt or borrow sufficient funds to refinance it, and even if new financing is available, it may not contain terms that are acceptable to us.

Despite our outstanding debt, we may incur additional indebtedness.

The Credit Facility consists of a \$1,975.0 million revolving credit facility (the Revolving Facility) and a \$1,225.0 million term loan facility (the Term Loan). The Revolving Facility has sub-facilities of \$100.0 million for same-day swing line loan borrowings and \$25.0 million for stand-by letters of credit. At any time and so long as no default has occurred, the Company has the right to increase the Revolving Facility or the Term Loan in an aggregate principal amount of up to the greater of \$500.0 million and 75% of the Company's EBITDA plus an unlimited amount of indebtedness subject to 3.75 times, calculated assuming the revolving Facility is fully drawn, with applicable lender approvals. As of June 30, 2022, \$533.0 million was outstanding under the Revolving Facility and \$1,209.7 million was outstanding under the Term Loan. In addition, the terms of the Credit Facility allow us to incur additional indebtedness from other sources so long as we satisfy the covenants in the agreement governing the Credit Facility. If new debt is added to our current debt levels, the risks related to our ability to service that debt could increase.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

The Credit Facility matures on December 13, 2026. Principal payments under the term loan are due in quarterly installments. Our business may not generate cash flow from operations sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive.

A change in control or fundamental change may adversely affect us.

The Credit Facility provides that certain change in control events will constitute a default.

Risks Related to our Operations

We must comply with a variety of laws and regulations, and our failure to comply could cause our actual results to differ materially from those anticipated.

We must observe laws and regulations relating to the formation, administration and performance of federal government contracts which affect how we do business with our customers and may impose added costs on our business. For example, the Federal Acquisition Regulation and the industrial security regulations of the DoD and related laws include provisions that:

- allow our federal government customers to terminate or not renew our contracts if we come under foreign ownership, control or influence;
- require us to divest work if an OCI related to such work cannot be mitigated to the government's satisfaction;
- require us to disclose and certify cost and pricing data in connection with contract negotiations; and
- require us to prevent unauthorized access to classified information, covered defense information, and controlled unclassified information.

Our failure to comply with these or other laws and regulations could result in contract termination, loss of security clearances, suspension or debarment from contracting with the federal government, civil fines and damages and criminal prosecution and penalties, any of which could cause our actual results to differ materially and adversely from those anticipated.

Systems failures may disrupt our business and have an adverse effect on our operating results.

Any systems failures, including network, software or hardware failures, whether caused by us, a third party service provider, unauthorized intruders and hackers, computer viruses, natural disasters, power shortages or terrorist attacks, could cause loss of data or interruptions or delays in our business or that of our customers. Like other global companies, we have experienced cyber security threats to our data and systems, our company sensitive information, and our information technology infrastructure, including malware and computer virus attacks, unauthorized access, systems failures and temporary disruptions. Prior cyber attacks directed at us have not had a material adverse impact on our business or our financial results, and we believe that our continuing commitment toward threat detection and mitigation processes and procedures will reduce such impact in the future. Due to the evolving nature of these security threats, however, the impact of any future incident cannot be predicted. In addition, the failure or disruption of our mail, communications or utilities could cause us to interrupt or suspend our operations or otherwise harm our business. Our property and business interruption insurance may be inadequate to compensate us for all losses that may occur as a result of any system or operational failure or disruption and, as a result, our actual results could differ materially and adversely from those anticipated.

The systems and networks that we maintain for our customers, although highly redundant in their design, could also fail. If a system or network we maintain were to fail or experience service interruptions, we might experience loss of revenues or face claims for damages or contract termination. Our errors and omissions liability insurance may be inadequate to compensate us for all the damages that we might incur and, as a result, our actual results could differ materially and adversely from those anticipated.

Customer systems failures could damage our reputation and adversely affect our operating results.

Many of the systems that we develop, integrate, maintain, otherwise support or use involve managing and protecting intelligence, national security, and other sensitive government information. While we have programs designed to protect such information and comply with all relevant privacy and security requirements, the threats that our clients face have grown more frequent and sophisticated. A security breach or system failure in a system that we develop, integrate, maintain or otherwise support could result in a loss of revenues, remediation costs, claims for damages or contract termination and our errors and omissions liability insurance may be inadequate to compensate us for all the damages that we might incur. Any such event could also cause serious damage to our reputation and prevent us from having access to or being eligible for further work on such sensitive systems for U.S. government customers.

In addition, in order to provide services to our customers, we often depend upon or use customer systems that are supported by the customer or third parties. Any security breach or system failure in such systems could result in an interruption of our customer's operations, significant delays under a contract, and a material adverse effect on our results of operations.

Our operations involve several risks and hazards, including potential dangers to our employees and to third parties that are inherent in aspects of our federal business (e.g., counterterrorism training services). If these risks and hazards are not adequately insured, it could adversely affect our operating results.

Our federal business includes the maintenance of global networks and the provision of special operations services (e.g., counterterrorism training) that require us to dispatch employees to various countries around the world. These countries may be experiencing political upheaval or unrest, and in some cases war or terrorism. It is possible that certain of our employees or executives will suffer injury or bodily harm, or be killed or kidnapped in the course of these deployments. We could also encounter unexpected costs for reasons beyond our control in connection with the repatriation of our employees or executives. Any of these types of accidents or other incidents could involve significant potential claims of employees, executives and/or third parties who are injured or killed or who may have wrongful death or similar claims against us.

We maintain insurance policies that mitigate against risk and potential liabilities related to our operations. This insurance is maintained in amounts that we believe are reasonable. However, our insurance coverage may not be adequate to cover those claims or liabilities, and we may be forced to bear significant costs from an accident or incident. Substantial claims in excess of our related insurance coverage could cause our actual results to differ materially and adversely from those anticipated.

Our failure to adequately protect our confidential information and proprietary rights may harm our competitive position.

Our success depends, in part, upon our ability to protect our proprietary information. Although our employees are subject to confidentiality obligations, this protection may be inadequate to deter misappropriation of our proprietary information. In addition, we may be unable to detect unauthorized use of our proprietary information in order to take appropriate steps to enforce our rights. If we are unable to prevent third parties from infringing or misappropriating our proprietary information, our competitive position could be harmed and our actual results could differ materially and adversely from those anticipated.

We face additional risks which could harm our business because we have international operations.

We conduct the majority of our international operations in the United Kingdom and the Netherlands. As a percentage of our total revenues, our international operations generated 3.1% and 2.9% in fiscal 2022 and 2021, respectively. Our international operations are subject to risks associated with operating in a foreign country. These risks include fluctuations in the value of the British pound and the Euro, longer payment cycles, changes in foreign tax laws and regulations and unexpected legislative, regulatory, economic or political changes.

The effects of health epidemics, pandemics and similar outbreaks may have material adverse effects on our business, financial position, results of operations and/or cash flows.

We face various risks related to health epidemics, pandemics and similar outbreaks, including the global outbreak of COVID-19. The COVID-19 pandemic and the mitigation efforts to control its spread have adversely impacted the U.S. and global economies, leading to disruptions and volatility in global capital markets. While we have taken steps to mitigate the impact of the COVID-19 pandemic on our employees and our business, the continued spread of COVID-19 may have a material adverse effect on our business, financial position, results of operations and/or cash flows as the result of significant portions of our workforce being unable to work due to illness, quarantines, government actions, facility closures, vaccination status, or other restrictions; the inability for us to fully perform on our contracts as a result of government actions or reduction in personnel due to the federal vaccine mandate which requires all federal contractors to be vaccinated; delays or limits to the ability of the U.S. Government or other customers to make timely payments; incurrence of increased costs which may not be recoverable; adverse impacts on our access to capital; or other unpredictable events. We continue to monitor the effect of COVID-19 on our business, but we cannot predict the full impact of COVID-19 as the extent of the impact will depend on the duration and spread of the pandemic and the actions taken by federal, state, local and foreign governments to prevent the spread of COVID-19.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

As of June 30, 2022, we leased building space (including offices, manufacturing plants, warehouses, laboratories and other facilities) at 138 U.S. locations containing an aggregate of approximately 3.6 million square feet located in 29 states and the District of Columbia. In five countries outside the U.S., we leased office space at 18 locations containing an aggregate of approximately 0.1 million square feet. Our corporate headquarters is located at 12021 Sunset Hills Road, Reston, Virginia. We believe our facilities are in good condition and adequate for their current use. We may improve, replace, or reduce facilities as considered appropriate to meet the needs of our operations. See “Note 10 – Leases” in Part II of this Annual Report on Form 10-K for additional information.

Item 3. Legal Proceedings

Al Shimari, et al. v. L-3 Services, Inc. et al.

On June 30, 2008, Plaintiff Al Shimari filed a twenty-count complaint in the United States District Court for the Southern District of Ohio. Plaintiff Al Shimari is an Iraqi who claimed that he suffered significant physical injury and emotional distress while held at Abu Ghraib prison in Iraq. The lawsuit named CACI International Inc, CACI Premier Technology, Inc. and former CACI employee Timothy Dugan as Defendants, along with L-3 Services, Inc. The complaint alleged that the Defendants conspired with U.S. military personnel to engage in illegal treatment of Iraqi detainees. The complaint did not allege any interaction between Plaintiff Al Shimari and any CACI employee. Plaintiff Al Shimari sought, inter alia, compensatory damages, punitive damages, and attorney’s fees. On August 8, 2008, the court granted CACI’s motion to transfer the action to the United States District Court for the Eastern District of Virginia. Thereafter, an amended complaint was filed adding three plaintiffs. On September 12, 2008, Mr. Dugan was dismissed from the case without prejudice. On October 2, 2008, CACI filed a motion to dismiss the case. CACI also moved to stay discovery pending further proceedings. The court granted CACI’s motion to stay discovery. On March 18, 2009, the court granted in part and denied in part CACI’s motion to dismiss. On March 23, 2009, CACI filed a notice of appeal with respect to the March 18, 2009 decision. Plaintiffs filed a motion to strike CACI’s notice of appeal and a motion to lift the stay on discovery. The United States District Court for the Eastern District of Virginia denied both motions. On April 27, 2009, Plaintiffs filed a motion to dismiss the appeal in the United States Court of Appeals for the Fourth Circuit. The United States Court of Appeals for the Fourth Circuit deferred any ruling on Plaintiffs’ motion and issued a briefing schedule. Plaintiffs filed a notice of cross-appeal, which CACI moved to dismiss. The Court of Appeals dismissed the Plaintiffs’ cross-appeal. On October 26, 2010, the United States Court of Appeals for the Fourth Circuit heard oral argument in the appeal and took the matter under advisement. On September 21, 2011, the United States Court of Appeals for the Fourth Circuit reversed the decision of the United States District Court for the Eastern District of Virginia and remanded the action with instructions to dismiss the action. On October 5, 2011, Plaintiffs filed a petition for a rehearing en banc, which the Court of Appeals granted. The Court of Appeals also invited the United States to participate in the en banc rehearing of the appeal as amicus curiae. The United States participated in that capacity in the en banc rehearing. On January 27, 2012, the Court of Appeals, sitting en banc, heard oral argument. On May 11, 2012, the Court of Appeals, in an 11-3 decision, held that it lacked jurisdiction over the appeal and dismissed the appeal. The action returned to the district court for further proceedings.

On October 12, 2012, the district court conducted a status conference at which the court asked the parties to prepare and submit a plan for discovery in the action. The parties subsequently filed a joint discovery plan, which the court approved. The Court also lifted the stay of discovery, and reinstated the claims arising under the Alien Tort Statute (ATS) that the Court had previously dismissed. On December 26, 2012, Plaintiffs filed a Second Amended Complaint. Defendants moved to dismiss several counts of the Second Amended Complaint. On March 8, 2013, the Court dismissed the conspiracy claims in the Second Amended Complaint, and dismissed CACI International Inc from the action. Subsequently, the Court allowed Plaintiffs to file a Third Amended Complaint for the purpose of repleading the conspiracy claims. On March 28, 2013, Plaintiffs filed a Third Amended Complaint, and on April 15, 2013, Defendant CACI Premier Technology, Inc. moved to dismiss the conspiracy claims in the Third Amended Complaint.

On March 19, 2013, the Court granted a motion for reconsideration filed by Defendants with respect to the statute of limitations applicable to the common law tort claims of three of the four Plaintiffs, and dismissed those claims. Defendant CACI Premier Technology, Inc. also filed a motion for sanctions with respect to the failure of three of the four Plaintiffs to appear for depositions and medical examinations as ordered by the court. On April 12, 2013, the Court denied that motion but entered an order requiring the three Plaintiffs to appear for depositions and medical examinations no later than April 26, 2013 and stating that if the three Plaintiffs did not comply with the order their claims were subject to dismissal. Plaintiffs did not appear for depositions in the United States as of April 26, 2013. Defendant CACI Premier Technology, Inc. then renewed its motion for sanctions, seeking dismissal, for the three Plaintiffs' violation of the Court order to appear for depositions and medical examinations. Defendant CACI Premier Technology, Inc. also filed a motion to dismiss the ATS claims of all four Plaintiffs for lack of jurisdiction in light of the U.S. Supreme Court's April 17, 2013 decision in *Kiobel v. Royal Dutch Petroleum*, and a motion to dismiss the common law claims of the single Plaintiff with those claims on various grounds.

On June 26, 2013, the Court issued a Memorandum Opinion and Order granting Defendant CACI Premier Technology, Inc.'s motions with respect to Plaintiffs' ATS claims and Plaintiffs' common law claims, and dismissing the Third Amended Complaint without prejudice. The Court also denied all other pending motions, including Defendant CACI Premier Technology, Inc.'s motions for sanctions and to dismiss the conspiracy claims, as moot.

On July 24, 2013, Plaintiffs filed a Notice of Appeal of the district court's June 26 decision.

On March 18, 2014, a three judge panel of the United States Court of Appeals for the Fourth Circuit held a hearing on Plaintiffs' appeal and took the matters under advisement. On June 30, 2014, the three judge panel vacated the district court's June 26, 2013 Order and remanded Plaintiffs' claims for further proceeding.

On remand, Defendant CACI Premier Technology, Inc. moved to dismiss Plaintiffs' claims based upon the political question doctrine. On June 18, 2015, the Court issued an Order granting Defendant CACI Premier Technology, Inc.'s motion to dismiss, and on June 26, 2015 entered a final judgment in favor of Defendant CACI Premier Technology, Inc.

On July 23, 2015, Plaintiffs filed a Notice of Appeal of the district court's June 2015 decision. On October 21, 2016, the Court of Appeals vacated and remanded the District Court's judgment with instructions for the District Court to make further determinations regarding the political question doctrine. The District Court conducted an initial status conference on December 16, 2016. On June 9, 2017, the District Court dismissed Plaintiff Rashid without prejudice from the action based upon his inability to participate. On July 19, 2017, CACI Premier Technology, Inc. filed a motion to dismiss the action on numerous legal grounds. The Court held a hearing on that motion on September 22, 2017, and denied the motion pending issuance of a written decision. On January 17, 2018, CACI filed a third-party complaint naming the United States and John Does 1-60, asserting claims for contribution, indemnification, exoneration and breach of contract in the event that CACI Premier Technology, Inc. is held liable to Plaintiffs, as Plaintiffs are seeking to hold CACI Premier Technology, Inc. liable on a co-conspirator theory and a theory of aiding and abetting. On February 21, 2018, the District Court issued a Memorandum Opinion and Order dismissing with prejudice the claims of direct abuse of the Plaintiffs by CACI personnel (Counts 1, 4 and 7 of the Third Amended Complaint) in response to the motion to dismiss filed by CACI on July 19, 2017, and denying the balance of the motion to dismiss. On March 14, 2018, the United States filed a motion to dismiss the third party complaint or, in the alternative, for summary judgment. On April 13, 2018, the Court held a hearing on the United States' motion to dismiss and took the matter under advisement.

On April 13, 2018, the Plaintiffs filed a motion to reinstate Plaintiff Rashid, which CACI opposed. On April 20, 2018, the District Court granted that motion subject to Plaintiff Rashid appearing for a deposition. On May 21, 2018, CACI filed a motion to dismiss for lack of subject matter jurisdiction based on a recent Supreme Court decision. On June 25, 2018, the District Court denied that motion. On October 25, 2018, the District Court conducted a pre-trial conference at which the District Court addressed remaining discovery matters, the scheduling for dispositive motions that CACI intends to file, and set a date of April 23, 2019 for trial, if needed, to start. On December 20, 2018, CACI filed a motion for summary judgment and a motion to dismiss based on the state secrets privilege. On January 3, 2019, CACI filed a motion to dismiss for lack of subject matter jurisdiction. On February 15, 2019, the United States filed a motion for summary judgment with respect to CACI's third-party complaint. On February 27, 2019, the District Court denied CACI's motion for summary judgment and motions to dismiss for lack of subject matter jurisdiction and on the state secrets privilege. On February 28, 2019, CACI filed a motion seeking dismissal on grounds of derivative sovereign immunity.

On March 22, 2019, the District Court denied the United States' motion to dismiss on grounds of sovereign immunity and CACI's motion to dismiss on grounds of derivative sovereign immunity. The District Court also granted the United States' motion for summary judgment with respect to CACI's third-party complaint. On March 26, 2019, CACI filed a Notice of Appeal of the District Court's March 22, 2019 decision. On April 2, 2019, the U.S. Court of Appeals for the Fourth Circuit issued an Accelerated Briefing Order for the appeal. On April 3, 2019, the District Court issued an Order cancelling the trial schedule and holding matters in abeyance pending disposition of the appeal. On July 10, 2019, the U.S. Court of Appeals for the Fourth Circuit heard oral argument in Spartanburg, South Carolina on CACI's appeal. On August 23, 2019, the Court of Appeals issued an unpublished opinion dismissing the appeal. A majority of the panel that heard the appeal held that rulings denying derivative sovereign immunity are not immediately appealable even where they present pure questions of law. The panel also ruled, in the alternative, that even if such a ruling was immediately appealable, review was barred because there remained disputes of material fact with respect to CACI's derivative sovereign immunity defenses. The Court of Appeals subsequently denied CACI's request for rehearing *en banc*. CACI then filed a motion to stay issuance of the mandate pending the filing of a petition for a writ of *certiorari*. On October 11, 2019, the Court of Appeals, by a 2-1 vote, denied the motion to stay issuance of the mandate. CACI then filed an application to stay issuance of the mandate with Chief Justice Roberts in his capacity as Circuit Justice for the U.S. Court of Appeals for the Fourth Circuit. After CACI filed that application, the Court of Appeals issued the mandate on October 21, 2019, returning jurisdiction to the district court. On October 23, Chief Justice Roberts denied the stay application "without prejudice to applicants filing a new application after seeking relief in the district court." CACI then filed a motion in the district court to stay the action pending filing and disposition of a petition for a writ of *certiorari*. On November 1, 2019, the district court granted CACI's motion and issued an Order staying the action until further order of the court. On November 15, 2019, CACI filed a petition for a writ of *certiorari* in the U.S. Supreme Court. On January 27, 2020, the U.S. Supreme Court issued an Order inviting the Solicitor General to file a brief in the case expressing the views of the United States. On August 26, 2020, the Solicitor General filed a brief recommending that CACI's petition for a writ of *certiorari* be held pending the Supreme Court's disposition of *Nestle USA, Inc. v. Doe*, cert. granted, No. 19-416 (July 2, 2020), and *Cargill, Inc. v. Doe*, cert. granted, No. 19-453 (July 2, 2020). The United States' brief recommended that if the Supreme Court's decisions in *Nestle* and *Cargill* did not effectively eliminate the claims in *Al Shimari*, then the Supreme Court should grant CACI's petition for a writ of *certiorari*. On June 17, 2021, the Supreme Court issued its decision in the *Nestle* and *Cargill* cases, holding that the allegations of domestic conduct in the cases were general corporate activity insufficient to establish subject matter jurisdiction. As a result, the Supreme Court remanded the cases for dismissal. On June 28, 2021, the Supreme Court denied CACI's petition for a writ of *certiorari*.

On July 16, 2021, the District Court granted CACI's consent motion to lift the stay of the action, and ordered the parties to submit status reports to the District Court by August 4, 2021. On July 23, 2021, CACI filed a motion to dismiss the action for lack of subject matter jurisdiction based on, among other things, the recent Supreme Court decision in the *Nestle* and *Cargill* cases. On August 4, 2021, the parties submitted status reports to the District Court.

On September 10, 2021, the Court conducted a hearing on CACI's motion to dismiss for lack of subject matter jurisdiction and took the motion under advisement. The Court issued an Order directing the plaintiffs to provide the Court with a calculation of specific damages sought by each plaintiff. In response, plaintiffs advised the Court that, if the case is tried, they do not intend to request a specific amount of damages.

On October 1, 2021, the plaintiffs filed an estimate of compensatory damages between \$6.0 million and \$9.0 million (\$2.0 million to \$3.0 million per plaintiff) and an estimate of punitive damages between \$23.5 million and \$64.0 million.

On July 18, 2022, CACI filed a memorandum of supplemental authority in support of its motion to dismiss filed on July 23, 2021, asserting that a recent decision from the U.S. Court of Appeals for the Fourth Circuit regarding the test for extraterritoriality supported dismissal for lack of subject matter jurisdiction. Also on July 18, 2022, CACI filed a second motion to dismiss for lack of subject matter jurisdiction on the grounds that three decisions issued by the Supreme Court in June 2022 demonstrate that courts should not recognize claims under the ATS that arise out of the United States' prosecution of war.

Abbass, et al v. CACI Premier Technology, Inc. and CACI International Inc, Case No. 1:13CV1186-LMB/JFA (EDVA)

On September 20, 2013, fifty-five Plaintiffs filed a nine-count complaint in the United States District Court for the Eastern District of Virginia styled *Abbass, et al. v. CACI Premier Technology, Inc., et al.* Plaintiffs are Iraqi nationals who assert that their allegations are essentially the same as those of the plaintiffs in *Al Shimari*. Plaintiffs claim that they suffered significant physical injury and emotional distress while in U.S. custody in Iraq. The lawsuit names CACI International Inc and CACI Premier Technology, Inc. as Defendants. The complaint alleges that Defendants conspired with U.S. military personnel to engage in illegal treatment of Iraqi detainees. The complaint does not allege any interaction between Plaintiffs and any CACI employee. Plaintiffs' claims are brought pursuant to the Alien Tort Statute and the Torture Victims Protection Act. Plaintiffs seek, inter alia, compensatory damages, punitive damages, and attorney's fees.

Plaintiffs' action was originally filed in 2009 in U.S. District Court for the District of Columbia, but was voluntarily dismissed without prejudice in September 2011 after the Supreme Court denied *certiorari* in *Saleh v. Titan Corp.* and *Ibrahim v. Titan Corp.*, 580 F.3d 1 (D.C. Cir. 2009).

The CACI Defendants have moved to dismiss the complaint. Before deciding the motion to dismiss, the district court stayed the action pending a decision from the Court of Appeals in *Al Shimari v. L-3 Services, Inc.*

We are vigorously defending the above-described legal proceedings, and based on our present knowledge of the facts, believe the lawsuits are completely without merit.

On September 13, 2021, the Court issued an Order directing plaintiffs' counsel to file a report advising the Court of the status of each plaintiff, and indicating that any plaintiff whom counsel is unable to contact may be dismissed from the action. On October 4, 2021, plaintiffs' counsel filed a memorandum stating that the action was brought by forty-six plaintiffs, and that plaintiffs' counsel was in contact with many of the plaintiffs but needed additional time to provide the Court with a final report. On October 4, 2021, the Court entered an Order extending plaintiffs' response to October 25, 2021. On October 25, 2021, plaintiffs' counsel filed a memorandum stating that he was in communication with 46 plaintiffs or their representatives.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

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

Our common stock is listed on the New York Stock Exchange under the ticker symbol "CACI".

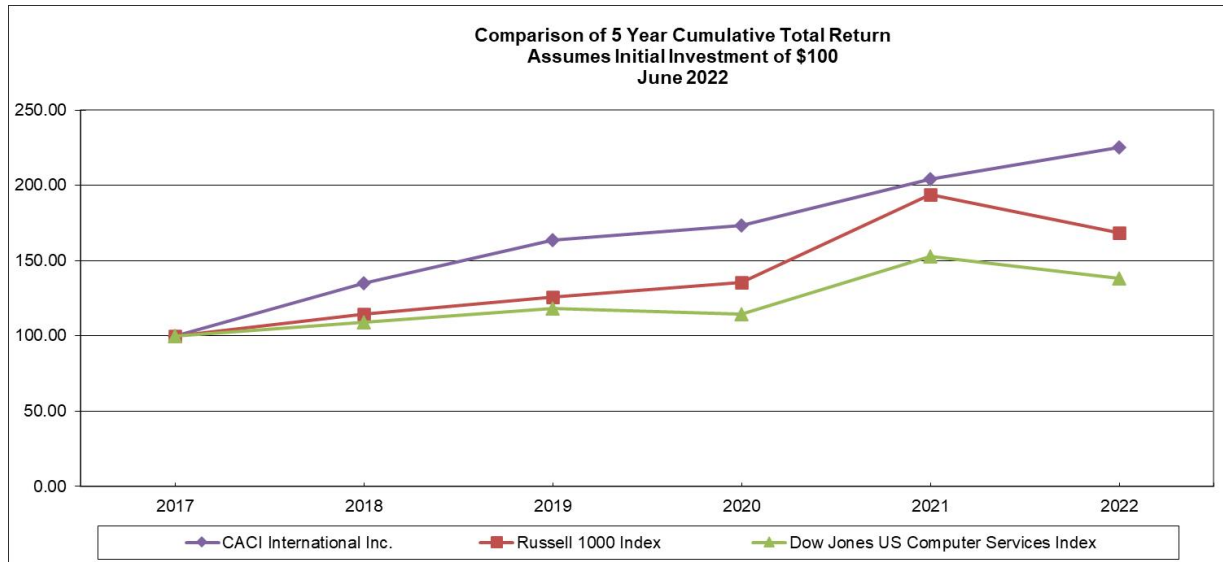
We have never paid a cash dividend. Our present policy is to retain earnings to provide funds for the operation and expansion of our business. We do not intend to pay any cash dividends at this time. The Board of Directors will determine whether to pay dividends in the future based on conditions existing at that time, including our earnings, financial condition and capital requirements, as well as economic and other conditions as the board may deem relevant.

As of July 27, 2022, the number of stockholders of record of our common stock was approximately 174. The number of stockholders of record is not representative of the number of beneficial stockholders due to the fact that many shares are held by depositories, brokers, or nominees.

The following table provides certain information with respect to our purchases of shares of CACI International Inc's common stock during the three months ended June 30, 2022:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
April 2022	8,141	\$ 305.16	1,293,466	206,534
May 2022	—	—	—	—
June 2022	—	—	—	—
Total	8,141	\$ 305.16	1,293,466	—

The following graph compares the cumulative five-year total return to shareholders on CACI International Inc's common stock relative to the cumulative total returns of the Russell 1000 index and the Dow Jones U.S. Computer Services Total Stock Market index. The graph assumes that the value of the investment in our common stock and in each of the indexes (including reinvestment of dividends) was \$100 on June 30, 2017 and tracks it through June 30, 2022.



\$100 invested on 6/30/17 in stock or index—including reinvestment of dividends. Fiscal year ending June 30.

	June 30,					
	2017	2018	2019	2020	2021	2022
CACI International Inc	\$ 100.00	\$ 134.79	\$ 163.61	\$ 173.43	\$ 204.01	\$ 225.33
Russell 1000	\$ 100.00	\$ 114.54	\$ 126.01	\$ 135.44	\$ 193.78	\$ 168.52
Dow Jones U.S. Computer Services Index	\$ 100.00	\$ 109.10	\$ 118.26	\$ 114.57	\$ 152.59	\$ 138.00

The stock price performance included in this graph is not necessarily indicative of future stock price performance.

Item 6. [Reserved]

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

The following discussion and analysis of our financial condition and results of operations is provided to enhance the understanding of, and should be read together with, our consolidated financial statements and the Notes to those statements that appear elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements that involve risks and uncertainties. Unless otherwise specifically noted, all years refer to our fiscal year which ends on June 30.

Overview

We are a leading provider of Expertise and Technology to Enterprise and Mission customers, supporting national security missions and government modernization/transformation in the intelligence, defense, and federal civilian sectors, both domestically and internationally. The demand for our Expertise and Technology, in large measure, is created by the increasingly complex network, systems, and information environments in which governments and businesses operate, and by the need to stay current with emerging technology while increasing productivity, enhancing security, and, ultimately, improving performance.

Some of our key initiatives include the following:

- Continue to grow organic revenues across our large, addressable market;
- Deliver strong profitability and robust cash flows from operations;
- Differentiate ourselves through our investments, including our strategic mergers and acquisition program, allowing us to enhance our current capabilities and create new customer access points;
- Recruit and hire a world class workforce to execute on our growing backlog; and
- Continue our unwavering commitment to our customers while supporting the communities in which we work and live.

Budgetary Environment

We carefully follow federal budget, legislative and contracting trends and activities and evolve our strategies to take these into consideration. On March 15, 2022, the President signed into law the omnibus appropriations bill that provides full-year funding for the government fiscal year ending September 30, 2022 (GFY22). Of the total approximately \$1.5 trillion in discretionary funding, approximately \$782 billion is for national defense and approximately \$730 billion is for nondefense. These defense and nondefense funding levels represent increases of 5.6% and 6.7%, respectively, over GFY21 enacted levels. GFY22 defense spending in fact increased both over the President's GFY22 budget request and the National Defense Authorization Act (NDAA) passed by Congress on December 27, 2021. Defense spending has generally increased over the last several years, and given the current global threat environment, including the conflict in Ukraine, this trend is likely to continue in GFY23. In fact, the President's initial GFY23 budget proposal calls for an increase in aggregate defense spending of approximately 4% from GFY22 levels. In addition, funding for intelligence programs, including Military Intelligence Programs (MIP) and National Intelligence Programs (NIP), as well as cybersecurity-related programs, is also projected to increase in both GFY22 and GFY23.

While we view the budget environment as constructive and believe there is bipartisan support for continued investment in the areas of defense and national security, it is uncertain when in any particular GFY that appropriations bills will be passed. During those periods of time when appropriations bills have not been passed and signed into law, government agencies operate under a continuing resolution (CR). On September 30, 2021, the President signed a CR, a temporary measure allowing the government to continue operations through December 3, 2021 at prior year funding levels. A second CR was signed on December 3, 2021 that funded government operations through February 18, 2022, and a third CR was signed on February 18, 2022 to fund government operations until the final omnibus bill was passed and signed.

Depending on their scope, duration, and other factors, CRs can negatively impact our business due to delays in new program starts, delays in contract award decisions, and other factors. When a CR expires, unless appropriations bills have been passed by Congress and signed by the President, or a new CR is passed and signed into law, the government must cease operations, or shutdown, except in certain emergency situations or when the law authorizes continued activity. We continuously review our operations in an attempt to identify programs potentially at risk from CRs so that we can consider appropriate contingency plans.

Market Environment

Across our addressable market, we provide expertise and technology to government enterprise and mission customers. Based on the analysis of an independent market consultant retained by the Company, we believe that the total addressable market for our offerings is approximately \$240 billion. Our addressable market is expected to continue to grow over the next several years. Approximately 70% of our revenue comes from defense-related customers, including those in the Intelligence Community (IC), with additional revenue coming from non-defense IC, homeland security, and other federal civilian customers.

We continue to align the Company's capabilities with well-funded budget priorities and took steps to maintain a competitive cost structure in line with our expectations of future business opportunities. In light of these actions, as well as the budgetary environment discussed above, we believe we are well positioned to continue to win new business in our large addressable market. We believe that the following trends will influence the USG's spending in our addressable market:

- A stable-to-higher USG budget environment, particularly in defense and intelligence-related areas;
- Increased focus on cyber, space, and the electromagnetic spectrum as key domains for National Security;
- Increased spend on network and application modernization and enhancements to cyber security posture;
- Increased investments in advanced technologies (e.g., Artificial Intelligence, 5G), particularly software-based technologies;
- Increasing focus on near-peer competitors and other nation state threats;
- Continued focus on counterterrorism, counterintelligence, and counter proliferation as key U.S. security concerns; and
- Increased demand for innovation and speed of delivery.

We believe that our customers' use of lowest price/technically acceptable (LPTA) procurements, which contributed to pricing pressures in past years, has moderated, though price still remains an important factor in procurements. We also continue to see protests of major contract awards and delays in USG procurement activities. In addition, many of our federal government contracts require us to employ personnel with security clearances, specific levels of education and specific past work experience. Depending on the level of clearance, security clearances can be difficult and time-consuming to obtain and competition for skilled personnel in the information technology services industry is intense. Additional factors that could affect USG spending in our addressable market include changes in set-asides for small businesses, changes in budget priorities as a result of the COVID-19 pandemic, and budgetary priorities limiting or delaying federal government spending in general.

Impact of COVID-19

We continue to take steps to mitigate the impact of COVID-19 on our employees and our business. The impact of the continued spread of COVID-19 on our business will depend on future developments, which are uncertain and cannot be predicted, as well as other known factors outside our control. The surge of the Omicron variant of COVID-19, for example, resulted in increased positive cases broadly, including within the employee base of some of our government customers. As a result, some of our government customers have limited in-person meetings, reduced access to customer facilities, and have seen impacts to the normal operation of their business. We continue to work with our customers to implement appropriate risk mitigation efforts and alternative work arrangements, as necessary. The surge of Omicron and other COVID-19 variants, both in and outside the U.S., also continues to be one of many reasons for continued supply chain shortages.

Results of Operations

Our results of operations were as follows:

	Year Ended June 30,		Year to Year Change	
	2022	2021	2021 to 2022	
	Dollars		Dollars	Percent
	(dollar in thousands)			
Revenues	\$ 6,202,917	\$ 6,044,135	\$ 158,782	2.6%
Costs of revenues:				
Direct costs	4,051,188	3,930,707	120,481	3.1
Indirect costs and selling expenses	1,520,719	1,448,614	72,105	5.0
Depreciation and amortization	134,681	125,363	9,318	7.4
Total costs of revenues	5,706,588	5,504,684	201,904	3.7
Income from operations	496,329	539,451	(43,122)	(8.0)
Interest expense and other, net	41,757	39,836	1,921	4.8
Income before income taxes	454,572	499,615	(45,043)	(9.0)
Income taxes	87,778	42,172	45,606	108.1
Net income	\$ 366,794	\$ 457,443	\$ (90,649)	(19.8)

Revenues. The increase in revenues was primarily attributable to revenues from the four acquisitions completed in fiscal 2022.

Revenues by customer type with related percentages of revenues were as follows:

	Year Ended June 30,			
	2022		2021	
	Dollars	Percent	Dollars	Percent
	(dollars in thousands)			
Department of Defense	\$ 4,331,327	69.8%	\$ 4,185,292	69.3%
Federal Civilian Agencies	1,549,791	25.0	1,585,672	26.2
Commercial and other	321,799	5.2	273,171	4.5
Total	<u>\$ 6,202,917</u>	<u>100.0%</u>	<u>\$ 6,044,135</u>	<u>100.0%</u>

- DoD revenues include expertise and technology provided to various Department of Defense customers.
- Federal civilian agencies' revenues primarily include expertise and technology provided to non-DoD agencies and departments of the U.S. federal government, including intelligence agencies and Departments of Justice, Agriculture, Health and Human Services, and State.
- Commercial and other revenues primarily include expertise and technology provided to U.S. state and local governments, commercial customers, and certain foreign governments and agencies through our International reportable segment.

Direct Costs. The increase in direct costs was primarily attributable to the four acquisitions completed in fiscal 2022. As a percentage of revenues, total direct costs were 65.3% and 65.0% for fiscal 2022 and 2021, respectively. Direct costs include direct labor, subcontractor costs, materials, and other direct costs.

Indirect Costs and Selling Expenses. The increase in indirect costs was primarily attributable to the four acquisitions completed in fiscal 2022 and to an increase in fringe benefit expenses. As a percentage of revenues, total indirect costs were 24.5% and 24.0% for fiscal 2022 and 2021, respectively.

Depreciation and Amortization. The increase in depreciation and amortization was primarily attributable to intangible amortization from the four acquisitions completed in fiscal 2022 and increased depreciation from higher property and equipment balances.

Interest Expense and Other, Net. The increase in interest expense and other, net was primarily attributable to higher average outstanding debt balances and the write-off of unamortized deferred financing costs related to the December 13, 2021 Credit Facility Amendment.

Income Taxes. The income tax provisions represent effective tax rates of 19.3% and 8.4% for fiscal 2022 and 2021, respectively. The effective income tax rate increased primarily as a result of the tax benefit recognized from the method changes elected at the end of fiscal 2021. See "Note 16 – Income Taxes" in Part II of this Annual Report on Form 10-K for additional information.

Contract Backlog

The Company's backlog represents value on existing contracts that has the potential to be recognized into revenues as work is performed. The Company includes unexercised option years in its backlog and excludes the value of task orders that may be awarded under multiple award indefinite delivery/indefinite quantity ("IDIQ") vehicles until such task orders are issued.

The Company's backlog as of period end is either funded or unfunded:

- Funded backlog represents contract value for which funding has been appropriated less revenues previously recognized on these contracts.
- Unfunded backlog represents estimated values that have the potential to be recognized into revenue from executed contracts for which funding has not been appropriated and unexercised contract options.

As of June 30, 2022, the Company had total backlog of \$23.3 billion, compared with \$24.2 billion a year ago, a decrease of 3.7%. Funded backlog as of June 30, 2022 was \$3.2 billion. The total backlog consists of remaining performance obligations plus unexercised options. See "Note 5 – Revenues" in Part II of this Annual Report on Form 10-K for additional information related to remaining performance obligations.

There is no assurance that all funded or potential contract value will result in revenues being recognized. The Company continues to monitor backlog as it is subject to change from execution of new contracts, contract modifications or extensions, government deobligations, early terminations, or other factors. Based on this analysis, an adjustment to the period end balance may be required.

Revenues by Contract Type

The Company generates revenues under three basic contract types:

- *Cost-plus-fee contracts:* This contract type provides for reimbursement of allowable direct expenses and allocable indirect expenses plus an additional negotiated fee. The fee component of the contract may include fixed fees, award fees and incentive fees. Fixed fees are fees that are negotiated and fixed at the inception of the contract. In general, award fees are more subjective in performance criteria and are earned based on overall cost, schedule, and technical performance as measured against contractual requirements. Incentive fees have more objective cost or performance criteria and generally contain a formula based on the relationship of actual costs incurred to target costs.
- *Fixed-price contracts:* This contract type provides for a fixed-price for specified expertise and technology and is often used when there is more certainty regarding the estimated costs to complete the contractual statement of work. Since the contractor bears the risk of cost overruns, there is higher risk and potential profit associated with this contract type.
- *Time-and-materials contracts:* This contract type provides for a fixed hourly rate for defined contractual labor categories, with reimbursement of billable material and other direct costs. For this contract type, the contractor bears the risk that its labor costs and allocable indirect expenses are greater than the fixed hourly rate defined within the contract.

As discussed further within Item 1A, Risk Factors in this Annual Report on Form 10-K, our earnings and margins may vary based on the mix of our contract types. We generated the following revenues by contract type for the periods presented:

	Year Ended June 30,					
	2022		2021		2020	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
(dollars in thousands)						
Cost-plus-fee	\$ 3,632,359	58.6%	\$ 3,504,838	58.0%	\$ 3,274,707	57.2%
Fixed-price	1,823,221	29.4	1,769,841	29.3	1,629,475	28.5
Time-and-materials	747,337	12.0	769,456	12.7	815,860	14.3
Total	<u>\$ 6,202,917</u>	<u>100.0%</u>	<u>\$ 6,044,135</u>	<u>100.0%</u>	<u>\$ 5,720,042</u>	<u>100.0%</u>

Effects of Inflation

During fiscal 2022, 58.6% of our revenues was generated under cost-reimbursable contracts which automatically adjust revenues to cover costs that are affected by inflation. 12.0% of our revenues was generated under time-and-materials contracts where we adjust labor rates periodically, as permitted. The remaining portion of our business is fixed-price and may span multiple years. We generally have been able to price our time-and-materials and fixed-price contracts in a manner that accommodates the rates of inflation experienced in recent years.

Liquidity and Capital Resources

Existing cash and cash equivalents and cash generated by operations are our primary sources of liquidity, as well as sales of receivables under our Master Accounts Receivable Purchase Agreement and available borrowings under our Credit Facility. As of June 30, 2022, we had \$114.8 million in cash and cash equivalents.

The Company has a \$3,200.0 million Credit Facility, which consists of an \$1,975.0 million Revolving Facility and a \$1,225.0 million Term Loan. The Revolving Facility is a secured facility that permits continuously renewable borrowings and has subfacilities of \$100.0 million for same-day swing line borrowings and \$25.0 million for stand-by letters of credit. As of June 30, 2022, \$1,209.7 million was outstanding under the Term Loan, \$533.0 million was outstanding under the Revolving Facility and no borrowings on the swing line.

The Term Loan is a five-year secured facility under which principal payments are due in quarterly installments of \$7.7 million through December 31, 2023 and \$15.3 million thereafter until the balance is due in full on December 13, 2026. The Credit Facility contains customary financial and restrictive covenants which we have been in compliance with since inception.

Interest rates applicable to loans under the Credit Facility are floating interest rates that, at our option, equal a base rate or a Eurodollar rate calculated based on the London Interbank Offered Rate ("LIBOR") plus, in each case, an applicable margin based upon our consolidated total net leverage ratio. On July 27, 2017, the UK's Financial Conduct Authority announced that LIBOR would be discontinued or become unavailable as a reference rate by the end of 2021 and LIBOR will be fully discontinued or become unavailable as a benchmark rate by June 2023. Although our Credit Facility includes provisions to facilitate the adoption by us and our lenders of an alternative benchmark in place of LIBOR no assurance can be made that such alternative benchmark rate will perform in a manner similar to LIBOR or result in interest rates that are at least as favorable to us as those that would have resulted had LIBOR remained in effect, which could result in an increase in our interest expense.

See "Note 6 – Sales of Receivables" and "Note 12 – Debt" in Part II of this Annual Report on Form 10-K for additional information.

On January 1, 2022, a provision of the Tax Cuts and Jobs Act of 2017 went into effect which eliminates the option to deduct domestic research and development costs in the year incurred and instead requires taxpayers to amortize such costs over five years. Congress may defer, modify, or repeal the provision, but the ultimate outcome is uncertain. If no new legislation is passed, the provision would go into effect for the Company's fiscal year ending June 30, 2023 and is expected to decrease cash flows from operations by approximately \$95.0 million and increase net deferred tax assets by a similar amount.

A summary of cash flow information is presented below:

	Year Ended June 30,	
	2022	2021
	(dollar in thousands)	
Net cash provided by operating activities	\$ 745,554	\$ 592,215
Net cash used in investing activities	(689,149)	(426,646)
Net cash used in financing activities	(21,209)	(190,596)
Effect of exchange rate changes on cash	(8,423)	5,822
Net change in cash and cash equivalents	26,773	(19,205)

Net cash provided by operating activities increased \$153.3 million primarily as a result of a \$264.2 million reduction in cash paid for income taxes, partially offset by a \$52.5 million benefit in the prior year from deferrals of employer related social security taxes under the CARES Act compared to a payment of \$46.5 million in the current year.

Net cash used in investing activities increased \$262.5 million primarily as a result of a \$259.2 million increase in cash used in acquisitions of businesses.

Net cash used in financing activities decreased \$169.4 million primarily as a result of a \$499.3 million reduction in repurchases of common stock, partially offset by a \$329.0 million decrease in net borrowings under our Credit Facility.

We believe that the combination of internally generated funds, available bank borrowings, and cash and cash equivalents on hand will provide the required liquidity and capital resources necessary to fund on-going operations, customary capital expenditures, debt service obligations, and other working capital requirements over the next twelve months. We may in the future seek to borrow additional amounts under a long-term debt security. Over the longer term, our ability to generate sufficient cash flows from operations necessary to fulfill the obligations under the Credit Facility and any other indebtedness we may incur will depend on our future financial performance which will be affected by many factors outside of our control, including current worldwide economic conditions and financial market conditions.

Contractual Obligations

For a description of the Company's contractual obligations related to debt, leases, and retirement plans refer to "Note 10 – Leases", "Note 12 – Debt", and "Note 17 – Retirement Plans" in Part II of this Annual Report on Form 10-K. In addition, as of June 30, 2022 the Company had \$46.6 million of deferred payments of the employer portion of social security taxes as permitted under the CARES Act which will be paid in December 2022.

Commitments and Contingencies

We are subject to a number of reviews, investigations, claims, lawsuits, other uncertainties and future obligations related to our business. For a discussion of these items, see "Note 19 – Commitments and Contingencies" in Part II of this Annual Report on Form 10-K.

Critical Accounting Policies

The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the U.S. requires us to make estimates and judgments that affect the amounts reported in those financial statements and accompanying notes. We consider the accounting policies and estimates addressed below to be the most important to our financial position and results of operations, either because of the significance of the financial statement item or because they require the exercise of significant judgment and/or use of significant estimates. Although we believe that the estimates are reasonable based on reasonably available facts, due to the inherent uncertainty involved in making those estimates, actual results reported in future periods may differ.

We believe the following accounting policies require significant judgment due to the complex nature of the underlying transactions:

Revenue Recognition

The Company generates almost all of our revenues from three different types of contractual arrangements with the U.S. government: cost-plus-fee, fixed-price, and time-and-materials contracts. Our contracts with the U.S. government are generally subject to the Federal Acquisition Regulation (FAR) and are competitively priced based on estimated costs of providing the contractual goods or services.

We account for a contract when the parties have approved the contract and are committed to perform on it, the rights of each party and the payment terms are identified, the contract has commercial substance, and collectability is probable. At contract inception, the Company determines whether the goods or services to be provided are to be accounted for as a single performance obligation or as multiple performance obligations. This evaluation requires professional judgment as it may impact the timing and pattern of revenue recognition. If multiple performance obligations are identified, we generally use the cost plus a margin approach to determine the relative standalone selling price of each performance obligation.

When determining the total transaction price, the Company identifies both fixed and variable consideration elements within the contract. Variable consideration includes any amount within the transaction price that is not fixed, such as: award or incentive fees; performance penalties; unfunded contract value; or other similar items. For our contracts with award or incentive fees, the Company estimates the total amount of award or incentive fee expected to be recognized into revenue. Throughout the performance period, we recognize as revenue a constrained amount of variable consideration only to the extent that it is probable that a significant reversal of the cumulative amount recognized to date will not be required in a subsequent period. Our estimate of variable consideration is periodically adjusted based on significant changes in relevant facts and circumstances. In the period in which we can calculate the final amount of award or incentive fee earned - based on the receipt of the customer's final performance score or determining that more objective, contractually-defined criteria have been fully satisfied - the Company will adjust our cumulative revenue recognized to date on the contract.

We generally recognize revenues over time throughout the performance period as the customer simultaneously receives and consumes the benefits provided on our services-type revenue arrangements. This continuous transfer of control for our U.S. government contracts is supported by the unilateral right of our customer to terminate the contract for a variety of reasons without having to provide justification for its decision. For our services-type revenue arrangements in which there are a repetitive amount of services that are substantially the same from one month to the next, the Company applies the series guidance. We use a variety of input and output methods that approximate the progress towards complete satisfaction of the performance obligation, including: costs incurred, labor hours expended, and time-elapsed measures for our fixed-price stand ready obligations. For certain contracts, primarily our cost-plus and time-and-materials services-type revenue arrangements, we apply the right-to-invoice practical expedient in which revenues are recognized in direct proportion to our present right to consideration for progress towards the complete satisfaction of the performance obligation.

When a performance obligation has a significant degree of interrelation or interdependence between one month's deliverables and the next, when there is an award or incentive fee, or when there is a significant degree of customization or modification, the Company generally records revenue using a percentage of completion method. For these revenue arrangements, substantially all revenues are recognized over time using a cost-to-cost input method based on the ratio of costs incurred to date to total estimated costs at completion. When estimates of total costs to be incurred on a contract exceed total revenues, a provision for the entire loss on the contract is recorded in the period in which the loss is determined.

Contract modifications are reviewed to determine whether they should be accounted for as part of the original performance obligation or as a separate contract. When contract modifications add distinct goods or services and increase the contract value by an amount that reflects the standalone selling price, those modifications are accounted for as separate contracts. When contract modifications include goods or services that are not distinct from those already provided, the Company records a cumulative adjustment to revenues based on a remeasurement of progress towards the complete satisfaction of the not yet fully delivered performance obligation.

Based on the critical nature of our contractual performance obligations, the Company may proceed with work based on customer direction prior to the completion and signing of formal contract documents. The Company has a formal review process for approving any such work that considers previous experiences with the customer, communications with the customer regarding funding status, and our knowledge of available funding for the contract or program.

Business Combinations

We record all tangible and intangible assets acquired and liabilities assumed in a business combination at fair value as of the acquisition date, with any excess purchase consideration recorded as goodwill. Determining the fair value of acquired assets and liabilities assumed, including intangible assets, requires management to make significant judgments about expected future cash flows, weighted-average cost of capital, discount rates, and expected long-term growth rates. During the measurement period, not to exceed one year from the acquisition date, we may adjust provisional amounts recorded to reflect new information subsequently obtained regarding facts and circumstances that existed as of the acquisition date.

Goodwill and Intangible Assets

Goodwill represents the excess of the fair value of consideration paid for an acquisition over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. We recognize purchased intangible assets in connection with our business acquisitions at fair value on the acquisition date. Goodwill and intangible assets, net represent 70.0% and 66.6% of our total assets as of June 30, 2022, and June 30, 2021, respectively.

We evaluate goodwill for both of our reporting units for impairment at least annually on the first day of the fiscal fourth quarter, or whenever events or circumstances indicate that the carrying value may not be recoverable. The evaluation includes comparing the fair value of the relevant reporting unit to its respective carrying value, including goodwill, and utilizes both income and market approaches. The analysis relies on significant judgements and assumptions about expected future cash flows, weighted-average cost of capital, discount rates, expected long-term growth rates, and financial measures derived from observable market data of comparable public companies. During the fourth quarter of fiscal 2022, we completed our annual goodwill assessment and determined that each reporting unit's fair value significantly exceeded its carrying value.

Intangible assets with finite lives are amortized using the method that best reflects how their economic benefits are utilized or, if a pattern of economic benefits cannot be reliably determined, on a straight-line basis over their estimated useful lives, which is generally over periods ranging from one to twenty years. Intangible assets with finite lives are assessed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Recently Adopted and Issued Accounting Pronouncements

See "Note 3 – Recent Accounting Pronouncements" in Part II of this Annual Report on Form 10-K for additional information.

Item 7A. Quantitative and Qualitative Disclosure About Market Risk

The interest rates on both the Term Loan and the Revolving Facility are affected by changes in market interest rates. We have the ability to manage these fluctuations in part through interest rate hedging alternatives in the form of interest rate swaps. We have entered into floating-to-fixed interest rate swap agreements for an aggregate notional amount of \$800.00 million related to a portion of our floating rate indebtedness. All remaining balances under our Term Loan, and any additional amounts that may be borrowed under our Revolving Facility, are currently subject to interest rate fluctuations. With every one percent fluctuation in the applicable interest rate, interest expense on our variable rate debt for the twelve months ended June 30, 2022 would have fluctuated by approximately \$12.3 million.

Approximately 3.1% and 2.9% of our total revenues in fiscal 2022 and 2021, respectively, were generated from our international operations headquartered in the U.K. Our practice in our international operations is to negotiate contracts in the same currency in which the predominant expenses are incurred, thereby mitigating the exposure to foreign currency exchange rate fluctuations. To the extent that it is not possible to do so, there is some risk that profits will be affected by foreign currency exchange rate fluctuations. As of June 30, 2022, we held a combination of euros and pounds sterling in the U.K. and in the Netherlands equivalent to approximately \$53.2 million. Although these balances are generally available to fund ordinary business operations without legal or other restrictions, a significant portion is not immediately available to fund U.S. operations unless repatriated. Our intention is to reinvest earnings from our foreign subsidiaries. This allows us to better utilize our cash resources on behalf of our foreign subsidiaries, thereby mitigating foreign currency conversion risks.

Item 8. Financial Statements and Supplementary Data

Consolidated Financial Statements

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of CACI International Inc

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of CACI International Inc (the Company) as of June 30, 2022 and 2021, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended June 30, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at June 30, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended June 30, 2022, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of June 30, 2022, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated August 11, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

Critical Audit Matters

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

Revenue recognition based on the percentage of completion method

Description of the Matter

As described in Notes 2 and 5 to the consolidated financial statements, the Company records revenue using the percentage of completion method based on costs incurred for applicable contracts. For those contracts, the Company estimates variable consideration (e.g., award or incentive fees) and the estimated costs at completion (EAC). Changes in variable consideration and contract EACs can occur over the contract performance period for a variety of reasons including changes in contract scope and schedule and technical issues that may affect the award or incentive fee earned and total costs at completion. Significant changes in estimates could have a material effect on the Company's results of operations.

Auditing revenue recognition based on the percentage of completion method involved subjective auditor judgment because the Company's estimates include time and materials necessary to complete the contract and management's expectation of award and incentive fees that will be earned. These estimates are based on management's assessment of the current status of the contract as well as historical results.

*How We Addressed
the Matter in Our
Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's accounting for percentage of completion revenue recognition. For example, we tested controls over the determination of significant assumptions regarding award or incentive fees that will be earned, future costs based on the current status of the contract, and changes in EAC estimates.

To test the estimate of revenue recognition based on the percentage of completion method, our audit procedures included among others, comparing estimates of hours and materials and award or incentive fees to historical results of similar contracts, agreeing the key terms, including the terms of the award and incentive fees, to contract documentation and management's estimates, and obtaining an understanding of contract performance through review of customer correspondence.

Valuation of Acquired Intangible Assets

*Description of the
matter*

As described in Notes 2 and 4 to the consolidated financial statements, the Company completed acquisitions during the year ended June 30, 2022. The Company's accounting for the acquisitions included determining the fair value of the intangible assets acquired, which primarily included technology and customer relationships.

Auditing the Company's accounting for certain acquired intangible assets involved subjective auditor judgment due to the significant estimation required in management's determination of the fair value of intangible assets. The significant estimation was primarily due to the sensitivity of the respective fair values to underlying assumptions including discount rates, projected revenue growth rates and profit margins. These assumptions relate to the future performance of certain of the acquired businesses, are forward-looking and could be affected by future economic and market conditions.

*How We Addressed
the Matter in Our
Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's process for accounting for certain acquired intangible assets. For example, we tested controls over management's review of the valuation of intangible assets, including the review of the valuation model and significant assumptions used in the valuation.

To test the fair value of these certain acquired intangible assets, our audit procedures included, among others, evaluating the Company's use of valuation methodologies, evaluating the prospective financial information and testing the completeness and accuracy of underlying data. We involved our valuation specialists to assist in testing the significant assumptions used to value the certain acquired intangible assets. For example, we compared the significant assumptions to current industry, market and economic trends, historical results of the acquired business and to other relevant factors. We also performed sensitivity analyses of the significant assumptions to evaluate the change in the fair value resulting from changes in the assumptions.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Tysons, Virginia
August 11, 2022

CACI INTERNATIONAL INC
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	June 30,	
	2022	2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 114,804	\$ 88,031
Accounts receivable, net	926,144	879,851
Prepaid expenses and other current assets	168,690	363,294
Total current assets	1,209,638	1,331,176
Goodwill	4,058,291	3,632,578
Intangible assets, net	581,385	476,106
Property, plant and equipment, net	205,622	190,444
Operating lease right-of-use assets	317,359	356,887
Supplemental retirement savings plan assets	96,114	102,984
Accounts receivable, long-term	10,199	12,159
Other long-term assets	150,823	70,038
Total assets	\$ 6,629,431	\$ 6,172,372
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 30,625	\$ 46,920
Accounts payable	303,443	148,636
Accrued compensation and benefits	405,722	409,275
Other accrued expenses and current liabilities	287,571	279,970
Total current liabilities	1,027,361	884,801
Long-term debt, net of current portion	1,702,148	1,688,919
Supplemental retirement savings plan obligations, net of current portion	102,127	104,490
Deferred income taxes	356,841	327,230
Operating lease liabilities, noncurrent	315,315	363,302
Other long-term liabilities	72,096	138,352
Total liabilities	3,575,888	3,507,094
COMMITMENTS AND CONTINGENCIES		
Shareholders' equity:		
Preferred stock \$0.10 par value, 10,000 shares authorized, no shares issued or outstanding	—	—
Common stock \$0.10 par value, 80,000 shares authorized; 42,820 issued and 23,416 outstanding at June 30, 2022 and 42,676 issued and 23,554 outstanding at June 30, 2021	4,282	4,268
Additional paid-in capital	571,650	484,260
Retained earnings	3,555,881	3,189,087
Accumulated other comprehensive loss	(31,076)	(36,291)
Treasury stock, at cost (19,404 and 19,122 shares, respectively)	(1,047,329)	(976,181)
Total CACI shareholders' equity	3,053,408	2,665,143
Noncontrolling interest	135	135
Total shareholders' equity	3,053,543	2,665,278
Total liabilities and shareholders' equity	\$ 6,629,431	\$ 6,172,372

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Year Ended June 30,		
	2022	2021	2020
Revenues	\$ 6,202,917	\$ 6,044,135	\$ 5,720,042
Costs of revenues:			
Direct costs	4,051,188	3,930,707	3,719,056
Indirect costs and selling expenses	1,520,719	1,448,614	1,432,602
Depreciation and amortization	134,681	125,363	110,688
Total costs of revenues	5,706,588	5,504,684	5,262,346
Income from operations	496,329	539,451	457,696
Interest expense and other, net	41,757	39,836	56,059
Income before income taxes	454,572	499,615	401,637
Income taxes	87,778	42,172	80,157
Net income	\$ 366,794	\$ 457,443	\$ 321,480
Basic earnings per share	\$ 15.64	\$ 18.52	\$ 12.84
Diluted earnings per share	\$ 15.49	\$ 18.30	\$ 12.61
Weighted-average basic shares outstanding	23,446	24,705	25,031
Weighted-average diluted shares outstanding	23,677	24,992	25,485

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Year Ended June 30,		
	2022	2021	2020
Net income	\$ 366,794	\$ 457,443	\$ 321,480
Other comprehensive income (loss):			
Foreign currency translation adjustment	(29,401)	22,656	(4,990)
Change in fair value of interest rate swap agreements, net of tax	33,633	12,753	(24,280)
Effects of post-retirement adjustments, net of tax	983	585	141
Total other comprehensive income (loss), net of tax	5,215	35,994	(29,129)
Comprehensive income	\$ 372,009	\$ 493,437	\$ 292,351

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended June 30,		
	2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 366,794	\$ 457,443	\$ 321,480
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	134,681	125,363	110,688
Amortization of deferred financing costs	2,276	2,320	2,346
Loss on extinguishment of debt	891	—	—
Non-cash lease expense	69,382	77,148	73,248
Stock-based compensation expense	31,732	30,463	29,302
Deferred income taxes	9,570	108,973	17,874
Changes in operating assets and liabilities, net of effect of business acquisitions:			
Accounts receivable, net	(4,463)	(38,162)	34,550
Prepaid expenses and other assets	(13,605)	(15,760)	(38,242)
Accounts payable and other accrued expenses	80,874	49,812	(24,406)
Accrued compensation and benefits	(55,037)	68,742	46,769
Income taxes payable and receivable	187,854	(231,971)	(25,118)
Operating lease liabilities	(74,080)	(73,057)	(74,928)
Long-term liabilities	8,685	30,901	45,142
Net cash provided by operating activities	745,554	592,215	518,705
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures	(74,564)	(73,129)	(72,303)
Acquisition of businesses, net of cash acquired	(615,508)	(356,261)	(106,226)
Other	923	2,744	—
Net cash used in investing activities	(689,149)	(426,646)	(178,529)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings under bank credit facilities	2,508,595	3,290,000	1,698,000
Principal payments made under bank credit facilities	(2,508,542)	(2,960,920)	(1,960,920)
Payment of financing costs under bank credit facilities	(6,286)	—	—
Payment of contingent consideration	—	—	(8,700)
Proceeds from employee stock purchase plans	9,728	9,181	7,432
Repurchases of common stock	(9,785)	(509,137)	(7,806)
Payment of taxes for equity transactions	(14,919)	(19,720)	(31,400)
Net cash used in financing activities	(21,209)	(190,596)	(303,394)
Effect of exchange rate changes on cash and cash equivalents	(8,423)	5,822	(1,574)
Net change in cash and cash equivalents	26,773	(19,205)	35,208
Cash and cash equivalents, beginning of year	88,031	107,236	72,028
Cash and cash equivalents, end of year	\$ 114,804	\$ 88,031	\$ 107,236
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash paid (refunds received) during the period for income taxes	\$ (121,998)	\$ 142,177	\$ 79,071
Cash paid during the period for interest	\$ 37,652	\$ 36,137	\$ 50,986
Non-cash financing and investing activities:			
Accrued capital expenditures	1,863	950	1,078
Landlord sponsored tenant incentives	\$ 2,788	\$ 16,363	\$ 2,925

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands)

	Common Stock		Additional	Retained	Accumulated	Treasury Stock		Total CACI	Noncontrolling	Total
	Shares	Amount	Paid-in Capital	Earnings	Other Comprehensive Income (Loss)	Shares	Amount	Shareholders' Equity	Interest	Shareholders' Equity
Balance at June 30, 2019	<u>42,314</u>	<u>\$ 4,231</u>	<u>\$ 576,277</u>	<u>\$ 2,410,164</u>	<u>\$ (43,156)</u>	<u>17,434</u>	<u>\$ (576,185)</u>	<u>\$ 2,371,331</u>	<u>\$ 135</u>	<u>\$ 2,371,466</u>
Net income	—	—	—	321,480	—	—	—	321,480	—	321,480
Stock-based compensation expense	—	—	29,302	—	—	—	—	29,302	—	29,302
Tax withholdings on restricted share vestings	211	22	(31,293)	—	—	—	—	(31,271)	—	(31,271)
Other comprehensive loss, net of tax	—	—	—	—	(29,129)	—	—	(29,129)	—	(29,129)
Repurchases of common stock	—	—	(622)	—	—	34	(7,184)	(7,806)	—	(7,806)
Treasury stock issued under stock purchase plans	—	—	80	—	—	(36)	7,188	7,268	—	7,268
Balance at June 30, 2020	<u>42,525</u>	<u>\$ 4,253</u>	<u>\$ 573,744</u>	<u>\$ 2,731,644</u>	<u>\$ (72,285)</u>	<u>17,432</u>	<u>\$ (576,181)</u>	<u>\$ 2,661,175</u>	<u>\$ 135</u>	<u>\$ 2,661,310</u>
Net income	—	—	—	457,443	—	—	—	457,443	—	457,443
Stock-based compensation expense	—	—	30,463	—	—	—	—	30,463	—	30,463
Tax withholdings on restricted share vestings	151	15	(19,734)	—	—	—	—	(19,719)	—	(19,719)
Other comprehensive income, net of tax	—	—	—	—	35,994	—	—	35,994	—	35,994
Repurchases of common stock	—	—	(100,232)	—	—	1,731	(408,905)	(509,137)	—	(509,137)
Treasury stock issued under stock purchase plans	—	—	19	—	—	(41)	8,905	8,924	—	8,924
Balance at June 30, 2021	<u>42,676</u>	<u>\$ 4,268</u>	<u>\$ 484,260</u>	<u>\$ 3,189,087</u>	<u>\$ (36,291)</u>	<u>19,122</u>	<u>\$ (976,181)</u>	<u>\$ 2,665,143</u>	<u>\$ 135</u>	<u>\$ 2,665,278</u>
Net income	—	—	—	366,794	—	—	—	366,794	—	366,794
Stock-based compensation expense	—	—	31,732	—	—	—	—	31,732	—	31,732
Tax withholdings on restricted share vestings	144	14	(14,883)	—	—	—	—	(14,869)	—	(14,869)
Other comprehensive income, net of tax	—	—	—	—	5,215	—	—	5,215	—	5,215
Repurchases of common stock	—	—	70,477	—	—	318	(80,262)	(9,785)	—	(9,785)
Treasury stock issued under stock purchase plans	—	—	64	—	—	(36)	9,114	9,178	—	9,178
Balance at June 30, 2022	<u>42,820</u>	<u>\$ 4,282</u>	<u>\$ 571,650</u>	<u>\$ 3,555,881</u>	<u>\$ (31,076)</u>	<u>19,404</u>	<u>\$ (1,047,329)</u>	<u>\$ 3,053,408</u>	<u>\$ 135</u>	<u>\$ 3,053,543</u>

See Notes to Consolidated Financial Statements

CACI INTERNATIONAL INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Nature of Operations and Basis of Presentation

CACI International Inc (collectively, with its consolidated subsidiaries, “CACI”, the “Company”, “we”, “us” and “our”) is a leading provider of Expertise and Technology to Enterprise and Mission customers in support of national security missions and government modernization/transformation in the intelligence, defense, and federal civilian sectors, both domestically and internationally. CACI’s customers include agencies and departments of the U.S. government, various state and local government agencies, foreign governments, and commercial enterprises. We operate in two reportable segments: Domestic Operations and International Operations.

The accompanying consolidated financial statements of the Company have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (SEC) and include the assets, liabilities, results of operations and cash flows for the Company, including its subsidiaries and ventures that are majority-owned or otherwise controlled by the Company. All intercompany balances and transactions have been eliminated in consolidation.

Note 2 – Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reported periods. The most significant of these estimates and assumptions relate to estimating contract revenues and costs, measuring progress against the Company’s performance obligations, assessing the fair value of acquired assets and liabilities accounted for through business acquisitions, valuing and determining the amortization periods for long-lived intangible assets, assessing the recoverability of long-lived assets, reserves for accounts receivable, and reserves for contract related matters. Management evaluates its estimates on an ongoing basis using the most current and available information. However, actual results may differ significantly from estimates. Changes in estimates are recorded in the period in which they become known.

Business Combinations

The Company records all tangible and intangible assets acquired and liabilities assumed in a business combination at fair value as of the acquisition date, with any excess purchase consideration recorded as goodwill. Determining the fair value of acquired assets and liabilities assumed, including intangible assets, requires management to make significant judgments about expected future cash flows, weighted-average cost of capital, discount rates, and expected long-term growth rates. During the measurement period, not to exceed one year from the acquisition date, the Company may adjust provisional amounts recorded to reflect new information subsequently obtained regarding facts and circumstances that existed as of the acquisition date.

Acquisition and Integration Costs

Costs associated with legal, financial and other professional advisors related to acquisitions, whether successful or unsuccessful, as well as applicable integration costs are expensed as incurred.

Revenue Recognition

The Company generates almost all of our revenues from three different types of contractual arrangements with the U.S. government: cost-plus-fee, fixed-price, and time-and-materials contracts. Our contracts with the U.S. government are generally subject to the Federal Acquisition Regulation (FAR) and are competitively priced based on estimated costs of providing the contractual goods or services.

We account for a contract when the parties have approved the contract and are committed to perform on it, the rights of each party and the payment terms are identified, the contract has commercial substance, and collectability is probable.

At contract inception, the Company determines whether the goods or services to be provided are to be accounted for as a single performance obligation or as multiple performance obligations. This evaluation requires professional judgment and it may impact the timing and pattern of revenue recognition. If multiple performance obligations are identified, we generally use the cost plus a margin approach to determine the relative standalone selling price of each performance obligation.

When determining the total transaction price, the Company identifies both fixed and variable consideration elements within the contract. Variable consideration includes any amount within the transaction price that is not fixed, such as: award or incentive fees; performance penalties; unfunded contract value; or other similar items. For our contracts with award or incentive fees, the Company estimates the total amount of award or incentive fee expected to be recognized into revenues. Throughout the performance period, we recognize as revenue a constrained amount of variable consideration only to the extent that it is probable that a significant reversal of the cumulative amount recognized to date will not be required in a subsequent period. Our estimate of variable consideration is periodically adjusted based on significant changes in relevant facts and circumstances. In the period in which we can calculate the final amount of award or incentive fee earned - based on the receipt of the customer's final performance score or determining that more objective, contractually-defined criteria have been fully satisfied - the Company will adjust our cumulative revenue recognized to date on the contract.

We generally recognize revenues over time throughout the performance period as the customer simultaneously receives and consumes the benefits provided on our services-type revenue arrangements. This continuous transfer of control for our U.S. government contracts is supported by the unilateral right of our customer to terminate the contract for a variety of reasons without having to provide justification for its decision. For our services-type revenue arrangements in which there are a repetitive amount of services that are substantially the same from one month to the next, the Company applies the series guidance. We use a variety of input and output methods that approximate the progress towards complete satisfaction of the performance obligation, including: costs incurred, labor hours expended, and time-elapsed measures for our fixed-price stand ready obligations. For certain contracts, primarily our cost-plus and time-and-materials services-type revenue arrangements, we apply the right-to-invoice practical expedient in which revenues are recognized in direct proportion to our present right to consideration for progress towards the complete satisfaction of the performance obligation.

When a performance obligation has a significant degree of interrelation or interdependence between one month's deliverables and the next, when there is an award or incentive fee, or when there is a significant degree of customization or modification, the Company generally records revenue using a percentage of completion method. For these revenue arrangements, substantially all revenues are recognized over time using a cost-to-cost input method based on the ratio of costs incurred to date to total estimated costs at completion. When estimates of total costs to be incurred on a contract exceed total revenue, a provision for the entire loss on the contract is recorded in the period in which the loss is determined.

Contract modifications are reviewed to determine whether they should be accounted for as part of the original performance obligation or as a separate contract. When a contract modification changes the scope or price and the additional performance obligations are at their standalone selling price, the original contract is terminated and the Company accounts for the change prospectively when the new goods or services to be transferred are distinct from those already provided. When the contract modification includes goods or services that are not distinct from those already provided, the Company records a cumulative adjustment to revenues based on a remeasurement of progress towards the complete satisfaction of the not yet fully delivered performance obligation.

Based on the critical nature of our contractual performance obligations, the Company may proceed with work based on customer direction prior to the completion and signing of formal contract documents. The Company has a formal review process for approving any such work that considers previous experiences with the customer, communications with the customer regarding funding status, and our knowledge of available funding for the contract or program.

Costs of Revenues

Costs of revenues includes all direct contract costs such as labor, materials, subcontractor costs, and indirect costs that are allowable and allocable to contracts under federal procurement standards. Costs of revenues also includes expenses that are unallowable under applicable procurement standards and are not allocable to contracts for billing purposes. Such unallowable expenses do not directly generate revenues but are necessary for business operations.

Changes in Estimates on Contracts

The Company recognizes revenues on many of its fixed price, award fee, and incentive fee arrangements over time primarily using a cost-to-cost input method based on the ratio of costs incurred to date to total estimated costs at completion. The process requires the Company to use professional judgment when assessing risks, estimating contract revenues and costs, estimating variable consideration, and making assumptions for schedule and technical issues. The Company periodically reassesses its assumptions and updates its estimates as needed. When estimates of total costs to be incurred on a contract exceed total revenues, a provision for the entire loss on the contract is recorded in the period in which the loss is determined.

Contract Balances

Contract assets include unbilled receivables in which our right to consideration is conditional on factors other than the passage of time. Contract assets exclude billed and billable receivables.

In addition, the costs to fulfill and obtain a contract are considered for capitalization based on contract specific facts and circumstances. The incremental costs to fulfill a contract (e.g., ramp up costs at the beginning of the period of performance) may be capitalized when expenses are incurred prior to satisfying a performance obligation. The incremental costs of obtaining a contract (e.g., sales commissions) are capitalized as an asset when the Company expects to recover them either directly or indirectly through the revenue arrangement's profit margins. These capitalized costs are subsequently expensed over the revenue arrangement's period of performance. The Company has elected to apply the practical expedient to immediately expense the costs to obtain a contract when the performance obligation will be completed within twelve months of contract inception.

Contract assets are periodically reassessed based on reasonably available information as of the balance sheet date to ensure they do not exceed their net realizable value.

Contract liabilities primarily include advance payments received from a customer in excess of revenues that may be recognized as of the balance sheet date. The advance payment is subsequently recognized into revenues as the performance obligation is satisfied.

Remaining Performance Obligations

Remaining performance obligations (RPO) represent the expected revenues to be recognized for the satisfaction of remaining performance obligations on existing contracts. This balance excludes unexercised contract option years and task orders that may be issued underneath an Indefinite Delivery/Indefinite Quantity (IDIQ) vehicle until such task orders are awarded. The RPO balance generally increases with the execution of new contracts and converts into revenues as contractual performance obligations are satisfied. The Company continues to monitor this balance as it is subject to change from execution of new contracts, contract modifications or extensions, government deobligations, or early terminations.

Cash and Cash Equivalents

The Company considers all investments with an original maturity of three months or less on their trade date to be cash equivalents. The Company classifies investments with an original maturity of more than three months but less than twelve months on their trade date as short-term marketable securities.

Receivables

Receivables include billed and billable receivables, and unbilled receivables. Amounts billable and unbilled receivables are recognized at estimated realizable value and consist of costs and fees, substantially all of which are expected to be billed and collected generally within one year. When events or conditions indicate that amounts outstanding from customers may become uncollectible, an allowance is estimated and recorded. Upon determination that a specific receivable is uncollectible, the receivable is written off against the allowance for doubtful accounts reserve. The Company's allowance for doubtful accounts was \$3.2 million and \$3.1 million at June 30, 2022 and June 30, 2021, respectively.

Accounting for Sales of Financial Assets

The Company accounts for receivable transfers under its Master Accounts Receivable Purchase Agreement (MARPA) as sales under ASC 860, *Transfers and Servicing*, and derecognizes the sold receivables from its balance sheets.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to credit risk include accounts receivable and cash equivalents. Management believes that credit risk related to the Company's accounts receivable is limited due to a large number of customers in differing segments and agencies of the U.S. government. Accounts receivable credit risk is also limited due to the credit worthiness of the U.S. government. Management believes the credit risk associated with the Company's cash equivalents is limited due to the credit worthiness of the obligors of the investments underlying the cash equivalents. In addition, although the Company maintains cash balances at financial institutions that exceed federally insured limits, these balances are placed with high quality financial institutions.

Inventories

Inventories are stated at the lower of cost (average cost or first-in, first-out) or net realizable value and are included in prepaid expenses and other current assets on the accompanying consolidated balance sheets. The Company periodically assesses its current inventory balances and records a provision for damaged, deteriorated, or obsolete inventory based on historical patterns and forecasted sales.

Goodwill and Intangible Assets

Goodwill represents the excess of the fair value of consideration paid for an acquisition over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. The Company evaluates goodwill for both of its reporting units for impairment at least annually on the first day of the fiscal fourth quarter, or whenever events or circumstances indicate that the carrying value may not be recoverable. The evaluation includes comparing the fair value of the relevant reporting unit to its respective carrying value, including goodwill, and utilizes both income and market approaches. The analysis relies on significant judgements and assumptions about expected future cash flows, weighted-average cost of capital, discount rates, expected long-term growth rates, and financial measures derived from observable market data of comparable public companies.

Intangible assets with finite lives are amortized using the method that best reflects how their economic benefits are utilized or, if a pattern of economic benefits cannot be reliably determined, on a straight-line basis over their estimated useful lives, which is generally over periods ranging from one to twenty years. Intangible assets with finite lives are assessed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Property, Plant and Equipment

Purchases of property, plant and equipment are capitalized at cost. Depreciation of equipment and furniture has been provided over the estimated useful life of the respective assets (ranging from three to eight years) using the straight-line method. Leasehold improvements are generally amortized using the straight-line method over the remaining lease term or the useful life of the improvements, whichever is shorter. Repairs and maintenance costs are expensed as incurred.

We evaluate our long-lived assets for potential impairment whenever there is evidence that events or changes in circumstances indicate that the carrying value may not be recoverable and the carrying amount of the asset exceeds its estimated fair value.

External Software Development Costs

Costs incurred in creating software to be sold or licensed for external use are expensed as incurred until technological feasibility has been established. Technological feasibility is established upon completion of a detailed program design or, in its absence, completion of a working model. Thereafter, all such software development costs are capitalized and subsequently reported at the lower of unamortized cost or estimated net realizable value. Capitalized costs are amortized on a straight-line basis over the remaining estimated economic life of the software.

Leases

The Company enters into contractual arrangements primarily for the use of real estate facilities, information technology equipment, and certain other equipment. These arrangements contain a lease when the Company controls the underlying asset and has the right to obtain substantially all of the economic benefits or outputs from the asset. All of our leases are operating leases.

The Company records a right of use (ROU) asset and lease liability as of the lease commencement date equal to the present value of the remaining lease payments. Most of our leases do not provide an implicit rate that can be readily determined. Therefore, we use a discount rate based on the Company's incremental borrowing rate, which is determined using our credit rating and information available as of the commencement date. The ROU asset is then adjusted for initial direct costs and certain lease incentives included in the contractual arrangement. The Company has elected to not apply the lease recognition guidance for short-term equipment leases and to separate lease from non-lease components. Our operating lease arrangements may contain options to extend the lease term or for early termination. We account for these options when it is reasonably certain we will exercise them. ROU assets are evaluated for impairment in a manner consistent with the treatment of other long-lived assets.

Operating lease expense is recognized on a straight-line basis over the lease term and is recorded primarily within indirect costs and selling expenses on the consolidated statement of operations. Variable lease expenses are generally recorded in the period they are incurred and are excluded from the ROU asset and lease liability.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and amounts included in other current assets and current liabilities that meet the definition of a financial instrument approximate fair value because of the short-term nature of these amounts.

The fair value of the Company's debt under its bank credit facility approximates its carrying value at June 30, 2022. The fair value of the Company's debt under its bank credit facility was estimated using Level 2 inputs based on market data on companies with a corporate rating similar to CACT's that have recently priced credit facilities.

Earnings Per Share

Basic earnings per share excludes dilution and is computed by dividing income by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock but not securities that are anti-dilutive. Using the treasury stock method, diluted earnings per share includes the incremental effect of restricted shares and those restricted stock units (RSUs) that are no longer subject to a market or performance condition. Information about the weighted-average number of basic and diluted shares is presented in “Note 14 – Earnings Per Share”.

Income Taxes

Income taxes are accounted for using the asset and liability method which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities due to a change in tax rates is recognized in income in the period that includes the enactment date. Estimates of the realizability of deferred tax assets are based on the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies.

Liabilities for uncertain tax positions are recognized when it is more likely than not that a tax position will not be sustained upon examination and settlement with taxing authorities. Liabilities for uncertain tax positions are measured based upon the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. Tax penalties and interest are included in income tax expense.

Supplemental Retirement Savings Plan

The Company maintains the CACI International Inc Group Executive Retirement Plan (the Supplemental Savings Plan) and maintains the underlying assets in a Rabbi Trust. The Supplemental Savings Plan is a non-qualified defined contribution supplemental retirement savings plan for certain key employees whereby participants may elect to defer and contribute a portion of their compensation, as permitted by the plan. Each participant directs his or her investments in the Supplemental Savings Plan (see “Note 17 – Retirement Plans”).

A Rabbi Trust is a grantor trust established to fund compensation for a select group of management. The assets of this trust are available to satisfy the claims of general creditors in the event of bankruptcy of the Company. The assets held by the Rabbi Trust are invested in corporate owned life insurance (COLI) products. The COLI products are recorded at cash surrender value in the consolidated financial statements as supplemental retirement savings plan assets. The amounts due to participants are based on contributions, participant investment elections, and other participant activity and are recorded as supplemental retirement savings plan obligations.

Foreign Currency

The assets and liabilities of the Company’s foreign subsidiaries whose functional currency is other than the U.S. dollar are translated at the exchange rate in effect on the reporting date, and income and expenses are translated at the weighted-average exchange rate during the period. The Company’s primary practice is to negotiate contracts in the same currency in which the predominant expenses are incurred, thereby mitigating the exposure to foreign currency fluctuations. The net translation gains and losses are recorded as accumulated other comprehensive income (loss) in shareholders’ equity. Foreign currency transaction gains and losses are recorded as incurred in indirect costs and selling expenses in the accompanying consolidated statements of operations.

Other Comprehensive Income (Loss)

Comprehensive income is the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Other comprehensive income (loss) refers to revenue, expenses, and gains and losses that under U.S. GAAP are included in comprehensive income, but excluded from the determination of net income. The elements within other comprehensive income consist of foreign currency translation adjustments; the changes in the fair value of interest rate swap agreements, net of tax of \$11.8 million, \$4.5 million and \$8.7 million for the years ended June 30, 2022, 2021 and 2020, respectively; and differences between actual amounts and estimates based on actuarial assumptions and the effect of changes in actuarial assumptions made under the Company’s post-retirement benefit plans, net of tax (see Note 13).

As of June 30, 2022, 2021 and 2020, accumulated other comprehensive loss included losses of \$45.3 million, \$15.9 million, and \$38.6 million respectively, related to foreign currency translation adjustments, a gain of \$13.1 million, a loss of \$20.5 million, and a loss of \$33.2 million, respectively, related to the fair value of its interest rate swap agreements, and a gain of \$1.1 million, a gain of \$0.1 million, and a loss of \$0.5 million, respectively, related to unrecognized post-retirement costs.

Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

Note 3 – Recent Accounting Pronouncements

Accounting Standards Updates Issued but Not Yet Adopted

In March 2020, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. This ASU provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions that reference the London Interbank Offered Rate (LIBOR) or another reference rate expected to be discontinued because of reference rate reform. The guidance in this ASU is optional and expedients may be elected over time, as reference rate reform activities occur through December 31, 2022. However, in April 2022, the FASB proposed extending the sunset date under Topic 848 from December 31, 2022 to December 31, 2024. The change is to align the temporary accounting relief guidance with the expected cessation date of LIBOR, which was postponed by administrators earlier this year to June 2023, a year after the current sunset date of ASU 2020-04. During the year ended June 30, 2020, CACI elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives consistent with past presentation. Application of these expedients assisted in preserving the Company's presentation of derivatives as qualifying cash flow hedges. The Company continues to evaluate this guidance and may apply other elections as relevant contract and hedge accounting relationship modifications are made during the course of the reference rate reform transition period.

Accounting Standards Updates Adopted

In October 2021, the FASB issued ASU 2021-08, Accounting for Contract Assets and Contract Liabilities from Contracts with Customers. This ASU requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASU 2014-09, Revenue from Contracts with Customers (Topic 606). Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree. Historically, such amounts were recognized by the acquirer at fair value in accordance with acquisition accounting. The standard is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, with early adoption permitted. The Company early adopted this standard in fiscal 2022 and it did not have a material impact on our consolidated financial statements.

Note 4 – Acquisitions

Fiscal 2022

During the year ended June 30, 2022, CACI completed four acquisitions that provide mission and enterprise technology to sensitive government customers. Their capabilities include open source intelligence solutions, specialized cyber, satellite communications, multi-domain photonics technologies for free-space optical communications, and commercial solutions for classified security technologies. The aggregate purchase consideration was approximately \$612.2 million. The Company preliminarily recognized fair values of the assets acquired and liabilities assumed and allocated \$444.6 million to goodwill, largely attributable to intellectual capital and the acquired assembled workforces, and \$180.6 million to intangible assets. The intangible assets consist of customer relationships of \$98.4 million and technology of \$82.2 million. The fair value attributed to intangible assets is being amortized on an accelerated basis over a range of approximately 15 to 20 years for customer relationships and over a range of approximately 5 to 10 years for technology. The fair value attributed to the intangible assets acquired was based on assumptions and other information compiled by management, including independent valuations that utilized established valuation techniques. Of the value attributed to goodwill and intangible assets, approximately \$487.7 million is deductible for income tax purposes.

Fiscal 2021

On August 11, 2020, CACI completed the acquisition of Ascent Vision Technologies (AVT) for a purchase price of approximately \$348.8 million. AVT specializes in Electro-Optical Infrared payloads, On-Board Computer Vision Processing and counter-unmanned aircraft system (C-UAS) solutions. The Company recognized fair values of the assets acquired and liabilities assumed and allocated \$211.0 million to goodwill and \$133.8 million to intangible assets. The goodwill of \$211.0 million is largely attributable to the assembled workforce of AVT and expected synergies between the Company and AVT. The intangible assets consist of customer relationships of \$65.7 million and technology of \$68.1 million. The fair value attributed to intangible assets is being amortized on an accelerated basis over approximately 20 years for customer relationships and over approximately 10 years for technology. The fair value attributed to the intangible assets acquired was based on assumptions and other information compiled by management, including independent valuations that utilized established valuation techniques. Of the value attributed to goodwill and intangible assets, approximately \$319.7 million is deductible for income tax purposes.

Fiscal 2020

During the year ended June 30, 2020, CACI completed three strategic acquisitions adding key capabilities in mission Expertise and Technology. The aggregate purchase consideration was approximately \$109.4 million. The Company recognized fair values of the assets acquired and liabilities assumed and allocated \$70.3 million to goodwill and \$29.5 million to intangible assets.

Note 5 – Revenues

Disaggregation of Revenues

The Company disaggregates revenues by contract type, customer type, prime vs. subcontractor, and whether the solution provided is primarily Expertise or Technology. These categories represent how the nature, amount, timing, and uncertainty of revenues and cash flows are affected.

Disaggregated revenues by contract type were as follows (in thousands):

	Year Ended June 30, 2022			Year Ended June 30, 2021			Year Ended June 30, 2020		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Cost-plus-fee	\$ 3,632,359	\$ —	\$ 3,632,359	\$ 3,504,838	\$ —	\$ 3,504,838	\$ 3,274,707	\$ —	\$ 3,274,707
Fixed-price	1,690,480	132,741	1,823,221	1,651,343	118,498	1,769,841	1,524,381	105,094	1,629,475
Time-and-materials	688,220	59,117	747,337	712,211	57,245	769,456	757,584	58,276	815,860
Total	<u>\$ 6,011,059</u>	<u>\$ 191,858</u>	<u>\$ 6,202,917</u>	<u>\$ 5,868,392</u>	<u>\$ 175,743</u>	<u>\$ 6,044,135</u>	<u>\$ 5,556,672</u>	<u>\$ 163,370</u>	<u>\$ 5,720,042</u>

Disaggregated revenues by customer type were as follows (in thousands):

	Year Ended June 30, 2022			Year Ended June 30, 2021			Year Ended June 30, 2020		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Department of Defense	\$ 4,331,327	\$ —	\$ 4,331,327	\$ 4,185,292	\$ —	\$ 4,185,292	\$ 3,999,261	\$ —	\$ 3,999,261
Federal civilian agencies	1,549,791	—	1,549,791	1,585,672	—	1,585,672	1,467,801	—	1,467,801
Commercial and other	129,941	191,858	321,799	97,428	175,743	273,171	89,610	163,370	252,980
Total	<u>\$ 6,011,059</u>	<u>\$ 191,858</u>	<u>\$ 6,202,917</u>	<u>\$ 5,868,392</u>	<u>\$ 175,743</u>	<u>\$ 6,044,135</u>	<u>\$ 5,556,672</u>	<u>\$ 163,370</u>	<u>\$ 5,720,042</u>

Disaggregated revenues by prime vs. subcontractor were as follows (in thousands):

	Year Ended June 30, 2022			Year Ended June 30, 2021			Year Ended June 30, 2020		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Prime contractor	\$ 5,389,870	\$ 175,052	\$ 5,564,922	\$ 5,284,761	\$ 164,829	\$ 5,449,590	\$ 5,057,930	\$ 153,436	\$ 5,211,366
Subcontractor	621,189	16,806	637,995	583,631	10,914	594,545	498,742	9,934	508,676
Total	<u>\$ 6,011,059</u>	<u>\$ 191,858</u>	<u>\$ 6,202,917</u>	<u>\$ 5,868,392</u>	<u>\$ 175,743</u>	<u>\$ 6,044,135</u>	<u>\$ 5,556,672</u>	<u>\$ 163,370</u>	<u>\$ 5,720,042</u>

Disaggregated revenues by Expertise or Technology were as follows (in thousands):

	Year Ended June 30, 2022			Year Ended June 30, 2021			Year Ended June 30, 2020		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Expertise	\$ 2,796,038	\$ 73,279	\$ 2,869,317	\$ 2,901,204	\$ 71,762	\$ 2,972,966	\$ 2,938,379	\$ 63,133	\$ 3,001,512
Technology	3,215,021	118,579	3,333,600	2,967,188	103,981	3,071,169	2,618,293	100,237	2,718,530
Total	<u>\$ 6,011,059</u>	<u>\$ 191,858</u>	<u>\$ 6,202,917</u>	<u>\$ 5,868,392</u>	<u>\$ 175,743</u>	<u>\$ 6,044,135</u>	<u>\$ 5,556,672</u>	<u>\$ 163,370</u>	<u>\$ 5,720,042</u>

Changes in Estimates

Aggregate net changes in estimates reflected an increase to income before income taxes of \$29.8 million (\$0.93 per diluted share), \$44.1 million (\$1.30 per diluted share), and \$33.0 million (\$0.95 per diluted share) during fiscal 2022, 2021, and 2020, respectively. The Company uses its statutory tax rate when calculating the impact to diluted earnings per share.

Revenues recognized from previously satisfied performance obligations were not significant for fiscal 2022 compared to \$2.5 million and \$10.5 million for fiscal 2021 and 2020, respectively. The change in revenues generally relates to final true-up adjustments for estimated award or incentive fees in the period in which the customer's final performance score was received or when it can be determined that more objective, contractually-defined criteria have been fully satisfied.

Remaining Performance Obligations

As of June 30, 2022, the Company had \$8.2 billion of remaining performance obligations and expects to recognize approximately 50% and 73% over the next 12 and 24 months, respectively, with the remainder to be recognized thereafter.

Contract Balances

Contract balances consisted of the following (in thousands):

Description of Contract Related Balance	Financial Statement Classification	June 30, 2022	June 30, 2021
Billed and billable receivables	Accounts receivable, net	\$ 800,597	\$ 763,921
Contract assets – current unbilled receivables	Accounts receivable, net	125,547	115,930
Contract assets – current costs to obtain	Prepaid expenses and other current assets	5,167	4,144
Contract assets – noncurrent unbilled receivables	Accounts receivable, long-term	10,199	12,159
Contract assets – noncurrent costs to obtain	Other long-term assets	10,703	9,584
Contract liabilities – current deferred revenue and other contract liabilities	Other accrued expenses and current liabilities	(84,810)	(70,907)
Contract liabilities – noncurrent deferred revenue and other contract liabilities	Other long-term liabilities	(7,552)	(6,837)

During fiscal 2022 and 2021, respectively, we recognized \$74.2 million and \$57.1 million of revenue that was included in a previously recorded contract liability as of the beginning of the period.

Note 6 – Sales of Receivables

On December 23, 2021, the Company amended its Master Accounts Receivable Purchase Agreement (MARPA) with MUFG Bank, Ltd. (Purchaser), for the sale of certain designated eligible U.S. government receivables. The amendment extended the term of the MARPA to December 22, 2022. Under the MARPA, the Company can sell eligible receivables, including certain billed and unbilled receivables up to a maximum amount of \$200.0 million. The Company's receivables are sold under the MARPA without recourse for any U.S. government credit risk.

The Company accounts for receivable transfers under the MARPA as sales under ASC 860, *Transfers and Servicing*, and derecognizes the sold receivables from its balance sheets. The fair value of the sold receivables approximated their book value due to their short-term nature.

The Company does not retain an ongoing financial interest in the transferred receivables other than cash collection and administrative services. The Company estimated that its servicing fee was at fair value and therefore no servicing asset or liability related to these receivables was recognized as of June 30, 2022. Proceeds from the sold receivables are reflected in our operating cash flows on the statement of cash flows.

MARPA activity consisted of the following (in thousands):

	As of and for the Year Ended June 30,	
	2022	2021
Beginning balance:	\$ 182,027	\$ 200,000
Sales of receivables	2,724,090	2,741,518
Cash collections	(2,748,332)	(2,759,491)
Outstanding balance sold to Purchaser: (1)	157,785	182,027
Cash collected, not remitted to Purchaser (2)	(16,502)	(62,159)
Remaining sold receivables	\$ 141,283	\$ 119,868

- (1) During fiscal 2022 and 2021, the Company recorded a net cash outflow in its cash flows from operating activities of \$24.2 million and a net cash outflow of \$18.0 million, respectively, from sold receivables. MARPA cash flows are calculated as the change in the outstanding balance during the fiscal year.
- (2) Includes the cash collected on behalf of but not yet remitted to Purchaser as of June 30, 2022 and 2021. This balance is included in other accrued expenses and current liabilities as of the balance sheet date.

Note 7 – Inventories

Inventories consisted of the following (in thousands):

	June 30,	
	2022	2021
Materials, purchased parts and supplies	\$ 57,407	\$ 52,615
Finished goods	13,207	15,728
Work in process	28,748	11,353
Total	<u>\$ 99,362</u>	<u>\$ 79,696</u>

Note 8 – Goodwill and Intangible Assets**Goodwill**

Changes in the carrying amount of goodwill by reportable segment were as follows (in thousands):

	Domestic	International	Total
Balance at June 30, 2020	<u>\$ 3,279,856</u>	<u>\$ 127,254</u>	<u>\$ 3,407,110</u>
Goodwill acquired	211,004	(1,478)	209,526
Foreign currency translation	887	15,055	15,942
Balance at June 30, 2021	<u>\$ 3,491,747</u>	<u>\$ 140,831</u>	<u>\$ 3,632,578</u>
Goodwill acquired	444,417	—	444,417
Foreign currency translation	(1,539)	(17,165)	(18,704)
Balance at June 30, 2022	<u>\$ 3,934,625</u>	<u>\$ 123,666</u>	<u>\$ 4,058,291</u>

There were no impairments of goodwill during the periods presented.

Intangible Assets

Intangible assets, net consisted of the following (in thousands):

	June 30, 2022			June 30, 2021		
	Gross carrying value	Accumulated amortization	Net carrying value	Gross carrying value	Accumulated amortization	Net carrying value
Customer contracts and related customer relationships	\$ 656,353	\$ (275,538)	\$ 380,815	\$ 601,516	\$ (276,498)	\$ 325,018
Acquired technologies	280,196	(79,626)	200,570	198,273	(47,185)	151,088
Total intangible assets	<u>\$ 936,549</u>	<u>\$ (355,164)</u>	<u>\$ 581,385</u>	<u>\$ 799,789</u>	<u>\$ (323,683)</u>	<u>\$ 476,106</u>

Amortization expense related to intangible assets was \$74.1 million, \$67.5 million and \$59.3 million for fiscal 2022, 2021, and 2020, respectively. Intangible assets with a gross carrying value of \$41.8 million became fully amortized during fiscal 2022 and are no longer reflected in the gross carrying value and accumulated amortization as of June 30, 2022.

As of June 30, 2022, the estimated annual amortization expense is as follows (in thousands):

Fiscal Year Ending June 30,	Amount
2023	\$ 75,377
2024	71,922
2025	67,776
2026	60,166
2027	53,366
2028 and thereafter	252,778
Total intangible assets, net	<u>\$ 581,385</u>

Actual amortization expense in future periods could differ from these estimates as a result of future acquisitions, divestitures, impairments, and other factors.

Note 9 – Property, Plant and Equipment

Property, plant and equipment consisted of the following (in thousands):

	June 30,	
	2022	2021
Equipment and furniture	\$ 263,344	\$ 234,721
Leasehold improvements	216,646	187,542
Property, plant and equipment, at cost	479,990	422,263
Less accumulated depreciation and amortization	(274,368)	(231,819)
Total property, plant and equipment, net	<u>\$ 205,622</u>	<u>\$ 190,444</u>

Depreciation expense, including amortization of leasehold improvements, was \$60.5 million, \$57.9 million and \$49.4 million in fiscal 2022, 2021, and 2020, respectively.

Note 10 – Leases

All of the Company's leases are operating leases. The current portion of operating lease liabilities is included in other accrued expenses and current liabilities in our consolidated balance sheets. Lease balances in our consolidated balance sheet are as follows (in thousands):

	June 30,	
	2022	2021
Operating lease right-of-use assets	\$ 317,359	\$ 356,887
Operating lease liabilities, current	67,256	61,280
Operating lease liabilities, noncurrent	315,315	363,302
	<u>\$ 382,571</u>	<u>\$ 424,582</u>

The Company's total lease cost is recorded primarily within indirect costs and selling expenses and had the following impact on the consolidated statement of operations (in thousands):

	Year Ended June 30,		
	2022	2021	2020
Operating lease cost	\$ 80,748	\$ 89,254	\$ 86,039
Short-term and variable lease cost	15,567	15,160	14,777
Sublease income	(404)	(379)	(1,201)
Total lease cost	<u>\$ 95,911</u>	<u>\$ 104,035</u>	<u>\$ 99,615</u>

The Company's future minimum lease payments under non-cancelable operating leases as of June 30, 2022 are as follows (in thousands):

Fiscal Year Ending June 30:

2023	\$ 76,743
2024	76,985
2025	68,248
2026	57,753
2027	47,382
Thereafter	88,715
Total undiscounted lease payments	415,826
Less: imputed interest	(33,255)
Total discounted lease liabilities	<u>\$ 382,571</u>

The weighted-average remaining lease terms as of June 30, 2022 and 2021 were 6.16 years and 6.79 years and the weighted-average discount rates were 2.72% and 2.76%, respectively.

Cash paid for operating leases was \$85.2 million, \$85.2 million, and \$87.1 million in fiscal 2022, 2021, and 2020, respectively. Operating lease liabilities arising from obtaining new ROU assets was \$30.9 million, \$102.8 million and \$50.5 million in fiscal 2022, 2021, and 2020, respectively, which includes all noncash changes arising from new or remeasured operating lease arrangements.

Note 11 – Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The Company's financial assets and liabilities recorded at fair value on a recurring basis are categorized based on the priority of the inputs used to measure fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- Level 1 Inputs – unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs – unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
- Level 3 Inputs – amounts derived from valuation models in which unobservable inputs reflect the reporting entity's own assumptions about the assumptions of market participants that would be used in pricing the asset or liability.

The following table summarizes the financial assets and liabilities measured at fair value on a recurring basis and the level they fall within the fair value hierarchy (in thousands):

Description of Financial Instrument	Financial Statement Classification	Fair Value Hierarchy	As of June 30,	
			2022	2021
			Fair Value	
Interest rate swap agreements	Prepaid expenses and other current assets	Level 2	\$ 337	\$ —
Interest rate swap agreements	Other long-term assets	Level 2	\$ 19,184	\$ —
Interest rate swap agreements	Other accrued expenses and current liabilities	Level 2	\$ —	\$ 1,028
Interest rate swap agreements	Other long-term liabilities	Level 2	\$ —	\$ 24,838

The Company entered into interest rate swap agreements to manage its interest rate risk. The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves. To comply with the provisions of ASC 820, the Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. Changes in the fair value of the interest rate swap agreements are recorded as a component of accumulated other comprehensive income or loss.

Note 12 – Debt

Long-term debt consisted of the following (in thousands):

	June 30,	
	2022	2021
Bank credit facility – term loans	\$ 1,209,688	\$ 797,635
Bank credit facility – revolver loans	533,000	945,000
Principal amount of long-term debt	1,742,688	1,742,635
Less unamortized discounts and debt issuance costs	(9,915)	(6,796)
Total long-term debt	1,732,773	1,735,839
Less current portion	(30,625)	(46,920)
Long-term debt, net of current portion	<u>\$ 1,702,148</u>	<u>\$ 1,688,919</u>

Bank Credit Facility

The Company has a \$3,200 million credit facility (the Credit Facility), which consists of a \$1,975.0 million revolving credit facility (the Revolving Facility) and a \$1,225.0 million term loan (the Term Loan). The Revolving Facility has sub-facilities of \$100.0 million for same-day swing line loan borrowings and \$25.0 million for stand-by letters of credit. At any time and so long as no default has occurred, the Company has the right to increase the Revolving Facility or the Term Loan in an aggregate principal amount of up to the greater of \$500.0 million and 75% of the Company's EBITDA plus an unlimited amount of indebtedness subject to 3.75 times, calculated assuming the Revolving Facility is fully drawn, with applicable lender approvals. The Credit Facility is available to refinance existing indebtedness and for general corporate purposes, including working capital expenses and capital expenditures.

The Revolving Facility is a secured facility that permits continuously renewable borrowings of up to \$1,975.0 million. As of June 30, 2022, the Company had \$533.0 million outstanding under the Revolving Facility and no borrowings on the swing line. The Company pays a quarterly facility fee for the unused portion of the Revolving Facility.

The Term Loan is a five-year secured facility under which principal payments are due in quarterly installments of \$7.7 million through December 31, 2023 and \$15.3 million thereafter until the balance is due in full on December 13, 2026. As of June 30, 2022, the Company had \$1,209.7 million outstanding under the Term Loan.

The interest rates applicable to loans under the Credit Facility are floating interest rates that, at the Company's option, equal a base rate or a Eurodollar rate plus, in each case, an applicable rate based upon the Company's consolidated total net leverage ratio. As of June 30, 2022, the effective interest rate, including the impact of the Company's floating-to-fixed interest rate swap agreements and excluding the effect of amortization of debt financing costs, for the outstanding borrowings under the Credit Facility was 2.59%.

The Credit Facility requires the Company to comply with certain financial covenants, including a maximum total leverage ratio and a minimum interest coverage ratio. The Credit Facility also includes customary negative covenants restricting or limiting the Company's ability to guarantee or incur additional indebtedness, grant liens or other security interests to third parties, make loans or investments, transfer assets, declare dividends or redeem or repurchase capital stock or make other distributions, prepay subordinated indebtedness and engage in mergers, acquisitions or other business combinations, in each case except as expressly permitted under the Credit Facility. As of June 30, 2022, the Company was in compliance with all of the financial covenants. A majority of the Company's assets serve as collateral under the Credit Facility.

All debt issuance costs are being amortized from the date incurred to the expiration date of the Credit Facility.

The aggregate maturities of long-term debt as of June 30, 2022, are as follows (in thousands):

Fiscal Year Ending June 30,		
2023	\$	30,625
2024		45,938
2025		61,250
2026		61,250
2027		1,543,625
Principal amount of long-term debt	\$	<u>1,742,688</u>

Cash Flow Hedges

The Company periodically uses derivative financial instruments as part of a strategy to manage exposure to market risks associated with interest rate fluctuations. The Company has entered into several floating-to-fixed interest rate swap agreements for an aggregate notional amount of \$800.0 million which hedge a portion of the Company's floating rate indebtedness. The swaps mature at various dates through 2028. The Company has designated the swaps as cash flow hedges. Unrealized gains are recognized as assets while unrealized losses are recognized as liabilities. The interest rate swap agreements are highly correlated to the changes in interest rates to which the Company is exposed. Realized gains and losses in connection with each required interest payment are reclassified from accumulated other comprehensive income or loss to interest expense. The Company does not hold or issue derivative financial instruments for trading purposes.

The effect of derivative instruments in the consolidated statements of operations and accumulated other comprehensive loss for the periods presented was as follows (in thousands):

	Year Ended June 30,		
	2022	2021	2020
Gain (loss) recognized in other comprehensive income	\$ 22,751	\$ (1,458)	\$ (26,915)
Amounts reclassified to earnings from accumulated other comprehensive loss	10,882	14,211	2,635
Net current period other comprehensive income (loss)	<u>\$ 33,633</u>	<u>\$ 12,753</u>	<u>\$ (24,280)</u>

Note 13 – Composition of Certain Financial Statement Captions***Accrued Compensation and Benefits***

Accrued compensation and benefits consisted of the following (in thousands):

	June 30,	
	2022	2021
Accrued salaries and withholdings	\$ 183,481	\$ 185,844
Accrued leave	135,830	140,529
Deferred payroll taxes, current	39,837	46,560
Accrued fringe benefits	46,574	36,342
Total accrued compensation and benefits	<u>\$ 405,722</u>	<u>\$ 409,275</u>

Other Accrued Expenses and Current Liabilities

Other accrued expenses and current liabilities consisted of the following (in thousands):

	June 30,	
	2022	2021
Deferred revenue, current	\$ 84,810	\$ 70,907
Vendor obligations	81,595	68,001
MARPA payable	16,502	62,159
Operating lease liabilities, current	67,256	61,280
Other	37,408	17,623
Total other accrued expenses and current liabilities	<u>\$ 287,571</u>	<u>\$ 279,970</u>

Other Long-Term Liabilities

Other long-term liabilities consisted of the following (in thousands):

	June 30,	
	2022	2021
Deferred payroll taxes, noncurrent	\$ —	\$ 46,560
Reserve for unrecognized tax benefits	43,042	31,617
Interest rate swap agreements	—	24,838
Accrued post-retirement obligations	6,661	6,980
Deferred revenue, noncurrent	7,552	6,837
Transition tax	—	4,496
Other	14,841	17,024
Total other long-term liabilities	<u>\$ 72,096</u>	<u>\$ 138,352</u>

Accrued post-retirement obligations include projected liabilities for benefits the Company is obligated to provide under long-term care, group health, and executive life insurance plans, each of which is unfunded. Plan benefits are provided to certain current and former executives, their dependents and other eligible employees, as defined. Post-retirement obligations also include accrued benefits under supplemental retirement benefit plans covering certain executives. The expense recorded under these plans was \$1.3 million, \$1.3 million and \$1.2 million during fiscal 2022, 2021, and 2020, respectively.

Note 14 – Earnings Per Share

Earnings per share and the weighted-average number of diluted shares are computed as follows (in thousands, except per share data):

	Year Ended June 30,		
	2022	2021	2020
Net income	\$ 366,794	\$ 457,443	\$ 321,480
Weighted-average number of basic shares outstanding during the period	23,446	24,705	25,031
Dilutive effect of RSUs after application of treasury stock method	231	287	454
Weighted-average number of diluted shares outstanding during the period	23,677	24,992	25,485
Basic earnings per share	\$ 15.64	\$ 18.52	\$ 12.84
Diluted earnings per share	\$ 15.49	\$ 18.30	\$ 12.61

Accelerated Share Repurchase

On March 12, 2021, the Company entered into an accelerated share repurchase agreement (ASR Agreement) with JPMorgan Chase Bank, National Association (JPMorgan). Under the ASR Agreement, the Company paid \$500.0 million to JPMorgan and received an initial delivery of 1.7 million shares of common stock which became treasury shares. During the year ended June 30, 2022, the ASR Agreement was completed and an additional 0.3 million shares of common stock were received which became treasury shares. In total, 2.0 million shares were repurchased at an average price per share of \$253.47.

Note 15 – Stock-Based Compensation

Historically, the Company grants non-performance-based RSUs and performance-based RSUs to key employees. Stock-based compensation expense is recognized on a straight-line basis ratably over the respective vesting periods. Performance-based RSUs are subject to achievement of a performance metric in addition to grantee service. Stock-based compensation expense for performance-based RSUs is recognized on an accelerated basis by treating each vesting tranche as if it was a separate grant. A summary of the components of stock-based compensation expense recognized, together with the income tax benefits realized, is as follows (in thousands):

	Year Ended June 30,		
	2022	2021	2020
Stock-based compensation included in indirect costs and selling expense:			
Restricted stock and RSU expense	\$ 31,732	\$ 30,463	\$ 29,302
Income tax benefit recognized for stock-based compensation	\$ 8,218	\$ 8,009	\$ 5,849

The Company recognizes the effect of expected forfeitures of equity grants by estimating an expected forfeiture rate for grants of equity instruments. Amounts recognized for expected forfeitures are subsequently adjusted periodically and at major vesting dates to reflect actual forfeitures.

The incremental income tax benefits realized upon the exercise or vesting of equity instruments are reported as operating cash flows. During fiscal 2022, 2021, and 2020, the Company recognized \$5.2 million, \$7.3 million, and \$13.5 million of excess tax benefits, respectively, which have been reported as operating cash inflows in the accompanying consolidated statements of cash flows.

Equity Grants and Valuation

Under the terms of its 2016 Amended and Restated Incentive Compensation Plan (the 2016 Plan), the Company may issue, among others, non-qualified stock options, restricted stock, RSUs, SSARs, and performance awards, collectively referred to herein as equity instruments. The 2016 Plan was approved by the Company's stockholders in November 2016 and amended and restated the 2006 Stock Incentive Plan (the 2006 Plan) which was due to expire at the end of the ten-year period. Grants that were made under the 2006 Plan, and equity instruments granted prior to approval of the 2016 Plan continue to be governed by the terms of the 2006 Plan. During the periods presented all equity instrument grants were made in the form of RSUs.

Annual grants under the 2016 Plan are generally made to the Company's key employees during the second quarter of the Company's fiscal year and to members of the Company's Board of Directors during the second quarter of the Company's fiscal year. With the approval of its Chief Executive Officer, the Company also issues equity instruments to strategic new hires and to employees who have demonstrated superior performance.

Upon the vesting of restricted shares and RSUs, the Company fulfills its obligations under the equity instrument agreements by either issuing new shares of authorized common stock or by issuing shares from treasury. The total number of shares authorized by shareholders for grants under the 2016 Plan and its predecessor plan was 2,400,000 plus any forfeitures from the 2006 Plan. The aggregate number of grants that may be made may exceed this approved amount as forfeited restricted stock and RSUs become available for future grants. As of June 30, 2022, cumulative grants of 1,300,717 equity instruments underlying the shares authorized have been awarded, and 247,981 of these instruments have been forfeited.

Performance-based stock awards vest and the stock is issued at the end of the performance period based upon the achievement of specific performance criteria. For performance-based stock awards granted to key employees in October 2021, the final number of RSUs earned by participants is based on the achievement of a specified cumulative three-year EBITDA target below which no shares will be issued. Also, during October 2021, we granted non-performance-based RSUs that vest over a period of three years. For performance-based stock awards granted to key employees in October 2020 and 2019, the final number of RSUs earned by participants is based on the achievement of a specified one-year EPS target and on the average share price for the 90-day period ended for the following three years. If the 90-day average share price of the Company's stock in years one, two and three exceeds the 90-day average share price at the grant date by 100% or more the number of shares ultimately awarded could range up to 200% of the specified target award. In addition to the performance conditions, there is a service vesting condition that stipulates 50% of the award will vest three years from the grant date and 50% will vest approximately four years from the grant date, depending on the award date.

The annual performance-based awards granted for each of the fiscal years presented were as follows:

	Performance-based stock awards granted	Number of additional shares earned under performance-based stock awards
Fiscal 2022	47,749	—
Fiscal 2021	111,729	8,143
Fiscal 2020	108,844	5,104

We account for stock-based payments to employees, including grants of employee stock awards and purchases under employee stock purchase plans, in accordance with ASC 718, *Compensation-Stock Compensation*, which requires that stock-based payments (to the extent they are compensatory) be recognized in our consolidated statements of operations based on their fair values. The fair value of RSU grants are determined based on the Company's common stock closing price on the date of grant. The fair value of RSUs with market-based vesting features is also measured on the grant date but uses a binomial lattice model. The fair value of our market-based and performance-based RSUs is determined at the date of grant using generally accepted valuation techniques and the closing market price of our stock. The weighted-average fair value of RSUs granted during fiscal 2022, 2021, and 2020, was \$249.04, \$243.87, and \$252.25, respectively.

The Company also issues equity instruments in the form of RSUs under its Management Stock Purchase Plan (MSPP) and Director Stock Purchase Plan (DSPP). In addition, annual grants are made to members of the Company's Board of Directors in the form of a set dollar value of RSUs. Grants to members of the Board of Directors vest based on the passage of time and continued service as a Director of the Company.

Restricted shares and most non-performance-based RSUs generally vest in full three years from the date of grant.

Changes in the number of unvested restricted stock and RSUs during the periods presented, together with the corresponding weighted-average fair values, are as follows:

	Restricted Stock and Restricted Stock Units	
	Number of Shares	Weighted Average Grant Date Fair Value
Unvested at June 30, 2019	628,806	\$ 134.10
Granted	271,542	252.25
Vested	(348,897)	77.33
Forfeited	(49,528)	181.89
Unvested at June 30, 2020	501,923	\$ 173.18
Granted	198,564	243.87
Vested	(240,950)	99.55
Forfeited	(33,566)	219.94
Unvested at June 30, 2021	425,971	\$ 209.60
Granted	237,723	249.04
Vested	(200,371)	114.01
Forfeited	(26,704)	249.09
Unvested at June 30, 2022	436,619	\$ 253.02

The total intrinsic value of RSUs that vested during fiscal 2022, 2021, and 2020 was \$49.6 million, \$52.7 million and \$79.6 million, respectively, and the income tax benefit realized was \$12.9 million, \$13.9 million and \$15.9 million, respectively.

As of June 30, 2022, there was no unrecognized compensation cost related to SSARs and stock options and \$59.3 million of unrecognized compensation cost related to restricted stock and RSUs scheduled to be recognized over a weighted-average period of 2.3 years.

Stock Purchase Plans

The Company adopted the 2002 Employee Stock Purchase Plan (ESPP), MSPP and DSPP in November 2002, and implemented these plans beginning July 1, 2003. There are 1,500,000, 500,000, and 75,000 shares authorized for grants under the ESPP, MSPP and DSPP, respectively.

The ESPP allows eligible full-time employees to purchase shares of common stock at 95% of the fair market value of a share of common stock on the last day of the quarter. The maximum number of shares that an eligible employee can purchase during any quarter is equal to two times an amount determined as follows: 20% of such employee's compensation over the quarter, divided by 95% of the fair market value of a share of common stock on the last day of the quarter. The ESPP is a qualified plan under Section 423 of the Internal Revenue Code and, for financial reporting purposes, was amended effective July 1, 2005 so as to be considered non-compensatory. Accordingly, there is no stock-based compensation expense associated with shares acquired under the ESPP. As of June 30, 2022, participants have purchased 1,293,466 shares under the ESPP, at a weighted-average price per share of \$71.89. Of these shares, 35,404 were purchased by employees at a weighted-average price per share of \$257.40 during fiscal 2022. During the year ended June 30, 2013, the Company established a 10b5-1 plan to facilitate the open market purchase of shares of Company stock to satisfy its obligations under the ESPP.

The MSPP provides those senior executives with stock holding requirements a mechanism to receive RSUs in lieu of up to 100% of their annual bonus. For the fiscal 2022, 2021, and 2020, RSUs awarded in lieu of bonuses earned were granted at 85% of the closing price of a share of the Company's common stock on the date of the award, as reported by the New York Stock Exchange. RSUs granted under the MSPP vest at the earlier of 1) three-years from the grant date, 2) upon a change of control of the Company, 3) upon a participant's retirement at or after age 65, or 4) upon a participant's death or permanent disability. Vested RSUs are settled in shares of common stock. The Company recognizes the value of the discount applied to RSUs granted under the MSPP as stock compensation expense ratably over the three-year vesting period.

Activity related to the MSPP during the year ended June 30, 2022 is as follows:

	MSPP
RSUs outstanding, June 30, 2021	3,093
Granted	2,789
Issued	(756)
Forfeited	(417)
RSUs outstanding, June 30, 2022	4,709
Weighted average grant date fair value as adjusted for the applicable discount	\$ 207.73

The DSPP allows directors to elect to receive RSUs at the market price of the Company's common stock on the date of the award in lieu of up to 100% of their annual retainer fees. Vested RSUs are settled in shares of common stock. There were no DSPP awards outstanding during fiscal 2022.

Note 16 – Income Taxes

The domestic and foreign components of income before provision for income taxes are as follows (in thousands):

	2022	Year Ended June 30, 2021	2020
Domestic	\$ 421,942	\$ 471,711	\$ 379,414
Foreign	32,630	27,904	22,223
Income before income taxes	\$ 454,572	\$ 499,615	\$ 401,637

The components of income tax expense are as follows (in thousands):

	2022	Year Ended June 30, 2021	2020
Current:			
Federal	\$ 66,956	\$ (94,143)	\$ 42,268
State and local	1,372	19,958	14,744
Foreign	9,880	7,384	5,271
Total current	78,208	(66,801)	62,283
Deferred:			
Federal	(12,884)	109,157	12,940
State and local	22,140	185	5,465
Foreign	314	(369)	(531)
Total deferred	9,570	108,973	17,874
Total income tax expense	\$ 87,778	\$ 42,172	\$ 80,157

Income tax expense differs from the amounts computed by applying the U.S. federal statutory income tax rate of 21.0% as a result of the following (in thousands):

	2022	Year Ended June 30, 2021	2020
Expected tax expense computed at federal statutory rate	\$ 95,460	\$ 104,919	\$ 84,344
State and local taxes, net of federal benefit	21,295	21,252	15,965
Remeasurement of current year NOL	(1,124)	(56,192)	—
R&D tax credit, net	(15,708)	(18,173)	(10,700)
Stock-based compensation	(3,981)	(5,525)	(10,900)
Nonincludible and nondeductible items, net	1,588	(2,269)	3,133
Remeasurement of deferred taxes	(5,629)	—	—
Other	(4,123)	(1,840)	(1,685)
Total income tax expense	\$ 87,778	\$ 42,172	\$ 80,157
Effective income tax rate	19.3%	8.4%	20.0%

The effective tax rate for fiscal 2022 was favorably impacted primarily by federal research tax credits and the remeasurement of state deferred taxes.

The effective tax rate for fiscal 2021 was favorably impacted primarily by the Company's method of accounting changes that resulted in a carryback of a federal income NOL and related income tax benefit as well as federal research tax credits.

The effective tax rate for fiscal 2020 was favorably impacted primarily by federal research tax credits and the amount of excess tax benefits under ASU 2016-09, *Stock Compensation*.

The tax effects of temporary differences that give rise to deferred taxes are presented below (in thousands):

	June 30,	
	2022	2021
Deferred tax assets:		
Operating lease liabilities	\$ 99,997	\$ 110,282
Reserves and accruals	46,513	58,900
Credits and net operating loss carryovers	6,647	39,123
Deferred compensation and post-retirement obligations	31,537	36,183
Stock-based compensation	11,907	11,767
Interest rate swaps	—	6,800
Other	—	2,757
Total deferred tax assets	196,601	265,812
Deferred tax liabilities:		
Goodwill and other intangible assets	(318,150)	(291,282)
Property, plant and equipment	(102,940)	(167,527)
Operating lease right-of-use assets	(80,551)	(90,186)
Deferred revenue	(34,850)	(35,115)
Prepaid expenses	(11,162)	(8,932)
Interest rate swaps	(4,954)	—
Other	(835)	—
Total deferred tax liabilities	(553,442)	(593,042)
Net deferred tax liability	<u>\$ (356,841)</u>	<u>\$ (327,230)</u>

The deferred tax assets and liabilities were revalued in fiscal 2022 due to a reduction in the blended state effective tax rate.

The Company is subject to income taxes in the U.S. and various state and foreign jurisdictions. Tax statutes and regulations within each jurisdiction are subject to interpretation and require the application of significant judgment. The Company is currently under examination by the Internal Revenue Service for fiscal 2017 through 2021. Based on the current IRS audit status and expected conclusion timing, approximately \$73.5 million of federal income tax receivables have been classified as long term as of June 30, 2022. The Company does not expect the resolution of these examinations to have a material impact on its results of operations, financial condition or cash flows.

U.S. income taxes have not been provided for undistributed earnings of foreign subsidiaries that have been permanently reinvested outside the United States. As of June 30, 2022, the estimated deferred tax liability associated with these undistributed earnings is approximately \$2.6 million.

Changes in the Company's liability for unrecognized tax benefits is shown in the table below (in thousands):

	Year Ended June 30,		
	2022	2021	2020
Beginning of year	\$ 31,505	\$ 8,826	\$ 1,530
Additions based on prior year tax positions	8,221	20,025	5,003
Additions based on current year tax positions	8,313	5,702	2,293
Settlement with taxing authorities	(5,229)	(3,048)	—
End of year	<u>\$ 42,810</u>	<u>\$ 31,505</u>	<u>\$ 8,826</u>

The Company's total liability for unrecognized tax benefits as of June 30, 2022, 2021 and 2020 was approximately \$42.8 million, \$31.5 million and \$8.8 million, respectively. During fiscal 2022, the Company recognized an increase in reserves related to current and prior year research and development tax credits. Any amount, if recognized, would positively impact the Company's effective tax rate.

The Company recognizes net interest and penalties as a component of income tax expense. Over the next 12 months, the Company does not expect a significant increase or decrease in the unrecognized tax benefits recorded at June 30, 2022. As of June 30, 2022, the entire balance of unrecognized tax benefits is included in other long-term liabilities.

Note 17 – Retirement Plans

Defined Contribution Plans

The Company sponsors various defined contribution plans in which most employees are eligible to participate. Company contribution expense for fiscal 2022, 2021, and 2020 was \$100.3 million, \$97.6 million and \$94.8 million, respectively.

Supplemental Savings Plan

The Company maintains the Supplemental Savings Plan through which, on a calendar year basis, officers at the director level and above can elect to defer for contribution to the Supplemental Savings Plan up to 50% of their base compensation and up to 100% of their bonuses. The Company provides a contribution of 5% of compensation for each participant's compensation that exceeds the limit as set forth in IRC 401(a)(17) (currently \$305,000 per year). The Company also has the option to make annual discretionary contributions. Company contributions vest five-years from the date of enrollment, and vesting is accelerated in the event of a change of control of the Company. Participant deferrals and Company contributions will be credited with the rate of return based on the investment options and asset allocations selected by the Participant. Participants may change their asset allocation as often as daily, if they so choose. A Rabbi Trust has been established to hold and provide a measure of security for the investments that finance benefit payments. Distributions from the Supplemental Savings Plan are made upon retirement, termination, death, or total disability. The Supplemental Savings Plan also allows for in-service distributions.

Supplemental Savings Plan obligations due to participants totaled \$109.7 million at June 30, 2022, of which \$7.5 million is included in accrued compensation and benefits in the accompanying consolidated balance sheet. Supplemental Savings Plan obligations decreased by \$14.3 million during fiscal 2022, consisting of \$23.6 million of distributions and \$5.5 million of investment losses, offset by \$13.8 million of participant compensation deferrals and \$1.0 million of Company contributions.

The Company maintains COLI assets in a Rabbi Trust to offset the obligations under the Supplemental Savings Plan. The value of the COLI in the Rabbi Trust was \$96.1 million at June 30, 2022 and COLI losses were \$5.0 million for fiscal 2022. The value of the COLI in the Rabbi Trust was \$103.0 million at June 30, 2021 and COLI gains were \$9.7 million for fiscal 2021.

Contribution expense for the Supplemental Savings Plan during fiscal 2022, 2021, and 2020, was \$0.9 million, \$1.6 million, and \$1.9 million, respectively.

Note 18 – Business Segments

The Company reports operating results and financial data in two segments: domestic operations and international operations. Domestic operations provide Expertise and Technology primarily to U.S. federal government agencies. International operations provide Expertise and Technology primarily to international government and commercial customers.

The Company evaluates the performance of its operating segments based on net income. Summarized financial information for the Company's reportable segments is as follows (in thousands):

	Year Ended June 30, 2022			Year Ended June 30, 2021			Year Ended June 30, 2020		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Revenues from external customers	\$ 6,011,059	\$ 191,858	\$ 6,202,917	\$ 5,868,392	\$ 175,743	\$ 6,044,135	\$ 5,556,672	\$ 163,370	\$ 5,720,042
Net income	339,381	27,413	366,794	432,912	24,531	457,443	302,822	18,658	321,480
Net assets	2,867,396	186,147	3,053,543	2,461,048	204,230	2,665,278	2,482,283	179,027	2,661,310
Goodwill	3,934,625	123,666	4,058,291	3,491,747	140,831	3,632,578	3,279,856	127,254	3,407,110
Total long-term assets	5,271,444	148,349	5,419,793	4,665,782	175,414	4,841,196	4,297,885	158,701	4,456,586
Total assets	6,380,745	248,686	6,629,431	5,898,869	273,503	6,172,372	5,293,588	248,884	5,542,472
Capital expenditures	72,736	1,828	74,564	69,610	3,519	73,129	70,499	1,804	72,303
Depreciation and amortization	131,401	3,280	134,681	121,725	3,638	125,363	105,874	4,814	110,688

Interest income and interest expense are not presented above as the amounts attributable to the Company's international operations are insignificant.

Customer Information

The Company earned 94.8%, 95.5% and 95.6% of its revenues from various agencies and departments of the U.S. government for fiscal 2022, 2021 and 2020, respectively.

Note 19 – Commitments and Contingencies

Legal Proceedings

The Company is involved in various lawsuits, claims, and administrative proceedings arising in the normal course of business. Management is of the opinion that any liability or loss associated with such matters, either individually or in the aggregate, will not have a material adverse effect on the Company's operations and liquidity.

Government Contracting

Payments to the Company on cost-plus-fee and time-and-materials contracts are subject to adjustment upon audit by the Defense Contract Audit Agency (DCAA) and other government agencies that do not utilize DCAA's services. The DCAA has completed audits of the Company's annual incurred cost proposals through fiscal year ended June 30, 2020. We are still negotiating the results of prior years' audits with the respective cognizant contracting officers and believe our reserves for such are adequate. In the opinion of management, adjustments that may result from these audits and the audits not yet started are not expected to have a material effect on the Company's financial position, results of operations, or cash flows as the Company has accrued its best estimate of potential disallowances. Additionally, the DCAA continually reviews the cost accounting and other practices of government contractors, including the Company. In the course of those reviews, cost accounting and other issues are identified, discussed and settled.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in the Exchange Act Rules 13a-15(e) and 15d-15(e), that are designed to ensure that information required to be disclosed in our periodic filings with the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Our disclosure controls and procedures are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate, to allow timely decisions regarding required disclosure.

The effectiveness of a system of disclosure controls and procedures is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the soundness of internal controls, and fraud. Due to such inherent limitations, there can be only reasonable, and not absolute, assurance that any system of disclosure controls and procedures will be successful in detecting or preventing all errors or fraud, or in making all material information known in a timely manner to the appropriate levels of management.

We performed an evaluation of the effectiveness of our disclosure controls and procedures under the supervision of the CEO and CFO, as of June 30, 2022. Based on the evaluation procedures, our management, including the CEO and CFO, concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2022.

Changes in Internal Control Over Financial Reporting

Under the supervision and with the participation of our management, an evaluation was also performed of any changes in our internal control procedures over financial reporting that occurred during our last fiscal quarter. Based on this evaluation, management determined there were no changes in our internal control over financial reporting that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

The management of CACI International Inc is responsible for establishing and maintaining effective internal control over financial reporting, and for assessing the effectiveness of internal control over financial reporting. Management maintains a comprehensive system of internal controls intended to ensure that transactions are executed in accordance with management's authorization, that assets are safeguarded, and that financial records are reliable. CACI International Inc's internal control system is designed to provide reasonable assurance to Company management and its Board of Directors regarding the preparation and fair presentation of consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Due to inherent limitations, internal control systems can provide only reasonable assurance with respect to financial statement preparation and presentation, and may not prevent or detect financial statement misstatements. Also, projections of any evaluation of internal control effectiveness to future periods are subject to the risk that existing controls may become inadequate because of changing conditions, or that the degree of compliance with existing policies and procedures may deteriorate.

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of CACI International Inc's internal control over financial reporting based on the framework and criteria established in *Internal Control-Integrated Framework (2013 Framework)*, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this evaluation, our management has concluded that CACI International Inc's internal control over financial reporting was effective as of June 30, 2022.

Ernst & Young LLP, an independent registered public accounting firm, has audited the Company's consolidated financial statements included herein and has reported on the Company's internal control over financial reporting as of June 30, 2022.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of CACI International Inc

Opinion on Internal Control over Financial Reporting

We have audited CACI International Inc's internal control over financial reporting as of June 30, 2022, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, CACI International Inc (the Company) maintained, in all material respects, effective internal control over financial reporting as of June 30, 2022, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of June 30, 2022 and 2021, and the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended June 30, 2022, and the related notes and our report dated August 11, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

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

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Tysons, Virginia
August 11, 2022

Item 9B. Other Information

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

The Information required by Items 10, 11, 12, 13 and 14 of Part III of Form 10-K has been omitted in reliance on General Instruction G(3) and is incorporated herein by reference to our proxy statement to be filed with the SEC pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended, as set forth below:

Item 10. Directors, Executive Officers and Corporate Governance

Except for the specific disclosures below, the information required by this Item 10 is included under the headings “Executive Officers” and “Corporate Governance” in our 2022 Proxy Statement for the annual meeting to be held with respect to the fiscal year ended June 30, 2022 (2022 Proxy Statement) and is incorporated by reference.

Code of Ethics

We have adopted a code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions. That code, our Standards of Ethics and Business Conduct, is posted in the “Investors Relations/Corporate Governance” section of our website at www.caci.com and a printed copy of such code will be furnished free of charge to any shareholder who requests a copy.

We intend to disclose any amendment to the Standards of Ethics and Business Conduct that relates to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K, and any waiver from a provision of the Standards of Ethics and Business Conduct granted to any director, principal executive officer, principal financial officer, principal accounting officer, or any other executive officer of the Company, in the “Investors” section of our website at www.caci.com within four business days following the date of such amendment or waiver.

Corporate Governance Guidelines

We have adopted a set of corporate governance guidelines in accordance with the requirements of Section 303A of the New York Stock Exchange Listed Company Manual. Those guidelines can be found posted on our website at www.caci.com and a printed copy will be furnished free of charge to any shareholder who requests a copy.

Item 11. Executive Compensation

The information required by this Item 11 will be incorporated herein by reference to the Proxy Statement for the 2022 Annual Meeting of Shareholders to be filed within 120 days after the end of the company’s fiscal year.

Item 12. Security Ownership of Certain Beneficial Owners and Management

The information required by this Item 12 will be incorporated herein by reference to the Proxy Statement for the 2022 Annual Meeting of Shareholders to be filed within 120 days after the end of the company’s fiscal year.

Item 13. Certain Relationships and Related Transactions

The information required by this Item 13 will be incorporated herein by reference to the Proxy Statement for the 2022 Annual Meeting of Shareholders to be filed within 120 days after the end of the company’s fiscal year.

Item 14. Principal Accountant Fees and Services

The information required by this Item 14 will be incorporated herein by reference to the Proxy Statement for the 2022 Annual Meeting of Shareholders to be filed within 120 days after the end of the company’s fiscal year.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) The following documents are filed as part of this Annual Report:

(1) Financial Statements

[Consolidated Balance Sheets](#)
[Consolidated Statements of Operations](#)
[Consolidated Statements of Comprehensive Income](#)
[Consolidated Statements of Cash Flows](#)
[Consolidated Statements of Shareholders' Equity](#)
[Notes to the Consolidated Financial Statements](#)

(2) Financial Statements Schedules

All schedules have been omitted because they are not applicable, not required or the information has been otherwise supplied in the consolidated financial statements or notes to consolidated financial statements.

(3) Exhibits

Exhibit No.	Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date	Exhibit No.
3.1	Certificate of Incorporation of CACI International Inc. as amended to date.		10-K	September 13, 2006	3.1
3.2	Amended and Restated By-laws of CACI International Inc. amended as of March 16, 2017.		8-K	March 21, 2017	3.1
4.1	Description of the Corporation's Securities Registered Pursuant to Section 12 of the Exchange Act of 1934.		10-K	August 14, 2020	4.1
10.1	Amended and Restated Credit Agreement by and among CACI International Inc as borrower; Bank of America, N.A. as administrative agent, swing line lender and L/C issuer and each of the lenders named therein.		8-K	December 17, 2021	10.1
10.2	Master Accounts Receivable Purchase Agreement, dated December 28, 2018, among CACI International Inc, CACI, Inc.-Federal, certain subsidiaries from time to time party thereto, MUFG Bank, Ltd., as Administrative Agent, and certain purchasers from time to time party thereto.		8-K	January 4, 2019	10.1
10.3	Performance Undertaking, dated December 28, 2018, made by CACI International Inc in favor of MUFG Bank, Ltd., as Administrative Agent, for the benefit of the purchasers.		8-K	January 4, 2019	10.2
10.4	Amendment No. 1 to Master Accounts Receivable Purchase Agreement dated December 28, 2018, among CACI, International Inc, CACI, Inc.-Federal, certain subsidiaries from time to time party thereto, MUFG Bank, Ltd., as Administrative Agent, and certain purchasers from time to time party thereto.		8-K	December 31, 2019	10.1

Exhibit No.	Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date	Exhibit No.
10.5	Amendment No. 2 to the Master Accounts Receivable Purchase Agreement dated December 28, 2018, among CACI, International Inc, CACI, Inc.-Federal, certain subsidiaries from time to time party thereto, MUFG Bank, Ltd., as Administrative Agent, and certain purchasers from time to time party thereto.		8-K	December 30, 2020	10.1
10.6	Amendment No. 3 to the Master Accounts Receivable Purchase Agreement dated December 28, 2018, among CACI, International Inc, CACI, Inc.-Federal, certain subsidiaries from time to time party thereto, MUFG Bank, Ltd., as Administrative Agent, and certain purchasers from time to time party thereto.		8-K	December 29, 2021	10.1
10.7	Amended and Restated Management Stock Purchase Plan of CACI International Inc. *		10-K	August 27, 2008	10.5
10.8	Amendment to the CACI International Inc Management Stock Purchase Plan dated June 23, 2010. *		10-K	August 25, 2010	10.34
10.9	Form of Restricted Stock Unit (RSU) Agreement under CACI International Inc Management Stock Purchase Plan. *	X			
10.10	Amended and Restated Director Stock Purchase Plan of CACI International Inc. *		10-Q	May 4, 2012	10.1
10.11	Form of Stock Grant Agreement under CACI International Inc Director Stock Purchase Plan. *		S-8	February 6, 2012	10.15
10.12	CACI International Inc 2016 Amended and Restated Incentive Compensation Plan. *		Def 14A	October 1, 2020	Appendix A
10.13	Form of RSU Grant Agreement pursuant to the CACI International Inc 2016 Incentive Compensation Plan. *	X			
10.14	Form of Performance RSU Grant Agreement pursuant to the CACI International Inc 2016 Incentive Compensation Plan (Prior to FY2022). *		10-K	August 14, 2020	10.30
10.15	Form of Performance RSU Grant Agreement pursuant to the CACI International Inc 2016 Incentive Compensation Plan (FY2022). *	X			
10.16	Form of Non-Employee Director Restricted Stock Unit Grant Agreement issued pursuant to the 2016 Incentive Compensation Plan. *		10-K	August 21, 2017	10.30
10.17	Severance Compensation Agreement dated October 1, 2007 between Thomas A. Mutryn and CACI International Inc. *		S-1/A	October 9, 2007	10.25
10.18	Severance Compensation Agreement dated June 16, 2008 between Gregory R. Bradford and CACI International Inc. *		10-K	August 27, 2008	10.23
10.19	Supplemental Executive Retirement Plan dated June 3, 2019 between John S. Mengucci and CACI International Inc. *		10-K	August 21, 2019	10.32

Exhibit No.	Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date	Exhibit No.
10.20	Employment Agreement dated July 1, 2019 between John S. Mengucci and CACI International Inc. *		10-K	August 21, 2019	10.33
21.1	Subsidiaries of the Registrant.	X			
23.1	Consent of Independent Registered Public Accounting Firm.	X			
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities and Exchange Commission.	X			
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities and Exchange Commission.	X			
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.	X			
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.	X			
101.INS	XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)				
101.SCH	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101)				

* Denotes a management contract, compensatory plan, or arrangement.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, on the 11th day of August 2022.

CACI International Inc
Registrant

Date: August 11, 2022

By: /s/ JOHN S. MENGUCCI
John S. Mengucci
President,
Chief Executive Officer and Director
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in capacities and on the dates indicated.

Signatures	Title	Date
<u>/s/ JOHN S. MENGUCCI</u> John S. Mengucci	President, Chief Executive Officer and Director (Principal Executive Officer)	August 11, 2022
<u>/s/ THOMAS A. MUTRYN</u> Thomas A. Mutryn	Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	August 11, 2022
<u>/s/ TRAVIS B. JOHNSON</u> Travis B. Johnson	Senior Vice President, Corporate Controller and Chief Accounting Officer (Principal Accounting Officer)	August 11, 2022
<u>/s/ MICHAEL A. DANIELS</u> Michael A. Daniels	Chairman of the Board of Directors	August 11, 2022
<u>/s/ LISA S. DISBROW</u> Lisa S. Disbrow	Director	August 11, 2022
<u>/s/ SUSAN M. GORDON</u> Susan M. Gordon	Director	August 11, 2022
<u>/s/ WILLIAM L. JEWS</u> William L. Jews	Director	August 11, 2022
<u>/s/ GREGORY G. JOHNSON</u> Adm Gregory G. Johnson, USN (Ret.)	Director	August 11, 2022
<u>/s/ RYAN D. MCCARTHY</u> Ryan D. McCarthy	Director	August 11, 2022
<u>/s/ PHILIP O. NOLAN</u> Philip O. Nolan	Director	August 11, 2022
<u>/s/ JAMES L. PAVITT</u> James L. Pavitt	Director	August 11, 2022
<u>/s/ DEBORA A. PLUNKETT</u> Debora A. Plunkett	Director	August 11, 2022
<u>/s/ WILLIAM S. WALLACE</u> Gen William S. Wallace, USA (Ret.)	Director	August 11, 2022



RESTRICTED STOCK UNIT (RSU) AGREEMENT

This Restricted Stock Unit (hereinafter "RSU") Agreement, by and between **CACI International Inc.**, a corporation organized under the laws of the State of Delaware ("CACI"), and **[Participant Name]** ("Executive").

WHEREAS, the purpose of the CACI International Inc Management Stock Purchase Plan is to provide participants with an opportunity to acquire and maintain, through an allocation of a portion of their annual incentive compensation, an equity interest in CACI; and,

WHEREAS, RSUs awarded under the Plan are intended to advance the interests of CACI International Inc and its subsidiary and affiliated companies by enabling them to: (i) align the interests of those senior executives who share the primary responsibility for the management, growth, and protection of the business of CACI with those of CACI International Inc's stockholders; (ii) furnish an incentive to such persons to continue their services to CACI; and (iii) provide a means through which CACI may effectively compete with other organizations to obtain and retain the services of competent senior management personnel; and,

WHEREAS, in furtherance of the purpose of the Plan, and in accordance with Executive's allocation of a portion of Executive's bonus into the Plan, CACI wishes to grant to Executive RSUs for shares of the common stock of CACI International Inc.

NOW, THEREFORE, CACI and Executive hereby agree as follows:

I. Restricted Stock Unit Award

- A. Definitions.** For purpose of this Agreement, capitalized terms shall have the same meaning as provided in the Plan, unless explicitly provided with a different meaning herein.
- B. RSU Award.** Pursuant to and subject to the terms of the Plan, CACI hereby grants to Executive a total of **[Shares Granted]** RSUs representing an equal number of shares of the Stock of CACI International Inc at the "Adjusted Price" (meaning the Fair Market Value of a share of Stock on the date of grant less fifteen percent (15%)) of **[\$XXXX]** per share. The RSUs are granted subject to the restrictions and conditions as set forth in the Plan and this Agreement. Executive shall not have the rights of a stockholder with respect to any RSUs credited to Executive's Account until shares of Stock have been distributed to
-

Executive pursuant to Article IV or V. B., and Executive's name has been entered as a stockholder of record on the books of CACI with respect to such distributed shares of Stock.

II. Grant Date

The effective grant date of the RSUs awarded under this Agreement is [XXXX] (the "Grant Date").

III. Vesting

The RSUs granted pursuant to this Agreement shall vest on the applicable date below (the "Vesting Date"):

- A.** Executive shall become fully vested in the RSUs granted pursuant to this Agreement thirty-six (36) months after the Grant Date (i.e., on [XXXX]), provided that Executive has remained continuously employed on a full-time basis by CACI for the entire thirty-six (36) month period. Executive shall also become fully vested in the RSUs granted pursuant to this Agreement in the event any of the following occur on or before [XXXX]:
- (1) In the event of termination of Executive's full-time employment with CACI as a result of Executive's Disability or death prior to [XXXX], all RSUs granted pursuant to this Agreement shall become 100 percent vested upon Executive's death or Disability.
 - (2) In the event of a Good Reason Termination or Involuntary Termination Without Cause (each as defined below) prior to [XXXX], and within twenty-four (24) months following a Change in Control, the RSUs granted pursuant to this Agreement shall become 100 percent vested on the date of such Good Reason Termination or Involuntary Termination Without Cause.
 - (3) In the event of Executive's voluntary Retirement (as defined below), the RSUs granted pursuant to this Agreement shall become 100 percent vested on the date of Executive's Retirement.
- B.** Except as provided in Article III. A. 1, 2 or 3 above or otherwise determined by the Committee, in order to become vested in RSUs under the terms of this Agreement, the Executive must have been in the continuous full-time employ of CACI (or an Affiliate of CACI) from the Grant Date through the close of business on the Vesting Date. The Executive shall not be deemed to be employed by CACI (or an Affiliate of CACI) if the Executive's employment has
-

been terminated, even if the Executive is receiving severance in the form of salary continuation through the regular payroll system. If Executive terminates employment with CACI (or an Affiliate of CACI) for any reason other than a Good Reason Termination or Involuntary Termination Without Cause within twenty-four (24) months following a Change in Control or by Retirement, Disability or death, or converts from full-time to part-time status (other than after becoming eligible for Retirement), Executive shall forfeit any RSUs granted under this Agreement that are not vested as of such date.

C. The following definitions shall apply for purposes of this Agreement:

“Cause” means:

- (1) gross negligence, willful misconduct or willful malfeasance by the Executive in connection with the performance of any material duty for the Company or an Affiliate;
 - (2) the Executive's commission or participation in any violation of any legal requirement or obligation relating to the Company (unless the Executive had a reasonable good faith belief that the act, omission or failure to act in question was not a violation of such legal requirement or obligation) and such violation has materially and adversely affected the Company;
 - (3) the Executive's conviction of, or plea of guilty or *nolo contendere*, to a crime committed during the course of his/her employment with the Company that the Committee, acting in good faith, reasonably determines is likely to have a material adverse affect on the reputation or business of the Company or an Affiliate;
 - (4) theft, embezzlement or fraud by the Executive in connection with the performance of his or her duties for the Company or an Affiliate;
 - (5) a violation of any confidentiality agreement or obligation or non-compete agreement with the Company or an Affiliate;
 - (6) a material violation of (i) the Company's Standards of Conduct, as the same may be amended and in effect from time to time, or (ii) any other published Company policy; or
 - (7) the diversion or appropriation of any material business opportunity.
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If the written employment agreement between Executive and the Company provides a different definition of "Cause" (or other term that defines conduct on the part of the Executive that permits the Company to terminate such written employment agreement without liability to the Executive), that definition shall control and shall be substituted for the above in applying the Plan to that Executive.

"Change in Control Date" means the date (after the Grant Date) on which a Change in Control event is legally consummated and legally binding on the parties.

"Good Reason Termination" means Executive's resignation from full-time employment with the Company (or a Subsidiary or Affiliate of the Company) following the occurrence of any of the following circumstances without the Executive's prior written consent:

- (1) A material reduction in the Executive's total compensation and benefit opportunity from that in effect on the day before the Change in Control Date (other than a reduction made by the Board, acting in good faith, based upon the performance of the Executive, or to align the compensation and benefits of the Executive with that of comparable executives, based on market data);
- (2) A substantial adverse alteration in the conditions of the Executive's employment from those in effect on the day before the Change in Control Date;
- (3) A substantial adverse alteration in the nature or status of the Executive's position or responsibilities from those in effect on the day before the Change in Control Date; or
- (4) A change in the geographic location of the Executive's job more than fifty (50) miles from the place at which such job was based on the day before the Change in Control Date.

Before the Executive may resign for Good Reason, the Executive must provide the Company at least thirty (30) days' prior written notice of his intent to resign for Good Reason and specify in reasonable detail the Good Reason upon which such resignation is based. The Company shall have a reasonable opportunity to cure any such Good Reason (that is susceptible of cure) within thirty (30) days after the Company's receipt of such notice. The Executive's delay in providing such notice shall not be deemed to be a waiver of any such

Good Reason, nor does the failure to resign for one Good Reason prevent any later Good Reason resignation for a similar or different reason.

"Involuntary Termination Without Cause" means a termination by the Company (or a Subsidiary or Affiliate of Company) of Executive's full-time employment without Cause.

"Retirement" means retirement from full-time employment with CACI (or an Affiliate of CACI) or a change from full-time employment with CACI (or an Affiliate of CACI)) to part-time status, in both cases on or after Executive has attained age 65, and following delivery of a notice from Executive to CACI's Plan Administrator stating that Executive is permanently retiring from CACI and the Information Technology industry.

IV. Delivery of Shares

- A.** Unless Executive has elected a deferred distribution date, then, subject to the requirements of Section 10 of the Plan and Article VI of this Agreement, CACI shall establish an account for Executive at UBS Financial Services, Inc., or such other similar organization which provides stock administration services to the Company, and transfer into such account one share of unrestricted Common Stock of CACI International Inc for each vested RSU covered by this Agreement within thirty (30) days after the earlier of: (1) the end of the 36-month period beginning on the Grant Date, (2) the date of Executive's death, (3) ninety (90) days after Executive's disability (within the meaning of Section 409A(a)(2)(C) of the Code), or (4) the date of Executive's Separation from Service.
 - B.** If Executive has elected a deferred distribution date, CACI shall issue to Executive one share of Stock with respect to each vested RSU that is subject to such election, within thirty (30) days after the earlier of: (1) the deferred distribution date (if expressed as a whole number of years, not less than three (3), following the Grant Date) specified by Executive in the Subscription Agreement; (2) the date of Executive's death, (3) ninety (90) days after Executive's disability (within the meaning of Section 409A(a)(2)(C) of the Code), or (4) the date of Executive's Separation from Service. The issuance of such Stock shall be in full settlement of the Award.
 - C.** CACI shall effect a withholding of shares of Stock to be issued hereunder in such number whose aggregate Fair Market Value at such time equals the total amount of any federal, state or local taxes or any applicable taxes or other withholding of any jurisdiction required by law to be withheld as a result of the issuance of the Stock in whole or in part; provided, however, that the value of the Stock withheld by CACI may not exceed the statutory minimum
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withholding amounts required by law. In lieu of such deduction, CACI may require that the Executive make a cash payment to CACI equal to the amount required to be withheld.

V. Forfeiture and Termination

- A.** Except as may otherwise be determined by the Committee or as required by Article III. A. 1, 2 or 3 above, if Executive voluntarily terminates employment with CACI, is terminated by CACI for Cause or converts from full-time status to part-time status prior to the Vesting Date (or becoming eligible for Retirement), or in the event of the lapsing of the RSUs in accordance with the provisions of Article VIII below prior to the Vesting Date, all unvested RSUs shall be forfeited, and Executive will be entitled to receive within thirty (30) days following his or her Separation from Service the lesser of:
- (1) a cash amount equal to the number of RSUs granted under this Agreement, multiplied by the Adjusted Price of an RSU, plus simple interest using the one-year Treasury Bill rate in effect on August 22 of each year from the Grant Date to the date of Executive's termination; or,
 - (2) a cash amount equal to the value of the shares underlying the RSUs as based on the closing share price at Executive's date of termination or conversion to part-time status.
- B.** Except as may otherwise be determined by the Committee or as required by Article III. A. 1, 2 or 3 above, if CACI terminates Executive's employment without Cause prior to the Vesting Date and Executive had not previously converted from full-time to part-time status, then the RSUs shall be canceled and Executive shall receive a payment within thirty (30) days following Executive's Separation from Service determined as follows: The number of RSUs shall be multiplied by a fraction, the numerator of which is the number of full months that Executive was employed by CACI after the Grant Date and the denominator of which is thirty-six (36); Executive shall be deemed vested in such RSUs and shall receive the resulting number of such vested RSUs in shares of Stock. With respect to the remaining portion of such RSUs (consisting of nonvested RSUs), Executive shall receive within thirty (30) days following Executive's Separation from Service the lesser of:
- (1) a cash amount equal to the number of such RSUs, multiplied by the Adjusted Price of an RSU, plus simple interest using the one-year
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Treasury Bill rate in effect on August 22 of each year from the date of grant to the date of Executive's termination; or,

- (2) a cash amount equal to the value of the shares underlying such RSUs as based on the closing share price at Executive's date of termination.

VI. Specified Employees

Notwithstanding anything herein to the contrary, any distribution under Article IV or V to a Specified Employee on account of a Separation from Service shall be made as soon as practical (but not later than 30 days) after the first day of the seventh month following the date of Separation from Service (or, if earlier, the date of death).

VII. Designation of Beneficiary

- A.** From time to time, Executive may designate a beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Agreement is to be paid in case of Executive's death before Executive has received all benefits to which Executive would have been entitled under this Agreement. Each designation of beneficiary shall revoke all prior designations by Executive, shall be in a form prescribed by the Committee (copy attached), and shall be effective only when received in writing by the Plan Administrator. The last valid beneficiary designation received shall be controlling; provided, however, that no beneficiary designation, change or revocation shall be effective unless received prior to Executive's death.
 - B.** If no valid and effective beneficiary designation exists at the time of Executive's death, or if no designated beneficiary survives Executive, or if Executive's beneficiary designation is legally invalid, any benefit payable hereunder shall be made to Executive's surviving spouse, if any, or if there is no such surviving spouse, to the executor or administrator of Executive's estate. If the Plan Administrator is in doubt as to the right of any person to receive payment of any benefit hereunder, the Committee may direct that the amount of such benefit be paid into a court of competent jurisdiction in an interpleader action, and such payment into court shall fully and completely discharge any liability or obligation of the Plan, CACI, the Committee, CACI International Inc, the Board of Directors of CACI International Inc, or the Plan Administrator under this Agreement.
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VIII. Conditions of Lapsing

The RSUs granted pursuant to this Agreement shall lapse and terminate and may no longer be converted to unrestricted shares of CACI International Inc Common Stock if:

- A.** Executive terminates his or her employment with CACI for any reason other than death, Disability or voluntary retirement in accordance with Article III. A. 1 or 3 before the Vesting Date;
- B.** Prior to reaching age 65, Executive converts from full-time employment status with CACI to another status before the Vesting Date; or
- C.** CACI International Inc is placed under the jurisdiction of a bankruptcy court, dissolved or liquidated.

IX. Adjustment to RSUs

- A.** The award of these RSUs to Executive shall not affect in any way the right or power of CACI International Inc or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in CACI International Inc's capital structure or its business, or any merger or consolidation of CACI International Inc, or any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock or the rights thereof, or the dissolution or liquidation of CACI International Inc, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.
 - B.** If CACI International Inc shall effect a subdivision or consolidation of shares or other capital readjustment, the payment of a stock dividend, or other increase or reduction of the number of shares of the Common Stock outstanding, without receiving compensation therefore in money, services or property, the number and class of shares of Common Stock represented by the RSUs granted pursuant to this Agreement shall be appropriately adjusted in such a manner as to ensure that Executive receives the same total number of shares that the owner of an equal number of outstanding shares of the Common Stock would own as a result of the event requiring the adjustment.
 - C.** Except as hereinbefore expressly provided, the issue by CACI International Inc of shares of stock of any class, or securities convertible into shares of stock of any class, for cash or property, or for labor or services, either upon direct sale or upon the exercise of rights or warrants to subscribe therefore, or upon
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conversion of shares or obligations of CACI International Inc convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of RSUs granted pursuant to this Agreement.

X. Fractional Shares

No fractional shares or scrip representing fractional shares of Common Stock shall be issued in connection with the conversion of the RSUs granted pursuant to this Agreement. If, upon granting shares herein, Executive would be entitled to a fractional share of Common Stock, the number of shares to which Executive is entitled shall be rounded up to the next highest whole number.

XI. Rule 16b-3 Securities Law Compliance

Transactions under the Plan are intended to comply with all applicable conditions of Rule 16b-3 under the U.S. Securities and Exchange Act of 1934 to the extent they are or may be applicable to the Plan. Any ambiguity or inconsistency in the construction of an RSU award or the Plan shall be interpreted to give effect to such intention.

XII. Assignment

This Agreement and the RSUs granted under it may not be assigned without the prior written consent of the Committee.

XIII. Acknowledgement of Grant Quantity

By signing this Agreement, Executive hereby acknowledges his/her understanding that the number of RSUs granted under the Agreement, as indicated in Article I, is the proper number of RSUs granted based on the amount of his/her annual bonus for the fiscal year ended June 30, 2021 deferred under the Plan.

XIV. Amendment

This Agreement embodies the entire understanding between CACI and Executive regarding the subject matter of the Agreement and supersedes any and all previous agreements and/or understandings between CACI and Executive concerning such subject matter, including the matter described in Article XIV immediately above. This Agreement may be amended only in a written instrument signed by both parties.

XV. Headings

Article headings are strictly for the purpose of convenience and general reference only and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

XVI. Applicable Law

This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware.

XVII. Severability

In the event that any provision of this Agreement shall be held illegal, invalid or unenforceable for any reason, such provision shall be fully severable, but shall not affect the remaining provisions of the Agreement, and the Agreement shall be construed so as to give effect to the intent of the Agreement as if the illegal, invalid, or unenforceable provision was not included herein.

XVIII. No Right to Employment

Nothing in the Plan or this Agreement, or any instrument executed pursuant to the Plan, shall create any Employment rights (including without limitation, rights to continued employment) in Executive or affect the right of CACI to terminate the employment of Executive at any time without regard to the existence of the Plan.

XIX. Notices

Any notice required or permitted to be given under this Agreement must be given by first class or certified mail, addressed as follows, unless notice of a change of address has subsequently been given in writing.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date(s) written below.

CACI:

By: [XXXX]

Date: [XXXX]



**CACI INTERNATIONAL INC 2016 AMENDED AND RESTATED INCENTIVE¹
COMPENSATION PLAN
RESTRICTED STOCK UNIT (RSU) GRANT AGREEMENT**

This Restricted Stock Unit (RSU) Grant Agreement (the “**Agreement**”) is entered into by and between CACI International Inc, a Delaware corporation (the “**Company**” or “**CACI**”) and [Participant Name] (the “**Grantee**”), effective as of [Grant Date] (the “**Grant Date**”).

Recitals

WHEREAS, Section 7 of the CACI International Inc 2016 Amended and Restated Incentive Compensation Plan (the “**Plan**”) permits the Committee to make awards of Restricted Stock Units to key employees of the Company or any Subsidiary or Affiliate.

WHEREAS, the Grantee has been determined to be a key employee who is entitled to an Award under the Plan; and

WHEREAS, on [Grant Date] (the “**Grant Date**”), the Committee awarded the Grantee **[Shares Granted]** Restricted Stock Units in order to provide the Grantee with a direct proprietary interest in the Company and to provide the Grantee with an incentive to remain in the employ of the Company or a Subsidiary or Affiliate.

NOW, THEREFORE, the Company and the Grantee covenant and agree as follows:

1. DEFINITIONS.

Under this Agreement, except where the context otherwise indicates, the following definitions apply:

(a) “**Account**” means the bookkeeping account maintained for the Grantee pursuant to Section 2.

(b) “**Agreement**” means this Restricted Stock Unit (RSU) Grant Agreement and shall include the applicable provisions of the Plan, which are hereby incorporated into and made a part of this Agreement.

(c) “**Cause**” means:

(1) gross negligence, willful misconduct or willful malfeasance by the Grantee in connection with the performance of any material duty for the Company or an Affiliate;

(2) the Grantee's commission or participation in any violation of any legal requirement or obligation relating to the Company (unless the Grantee had a reasonable good faith belief that the act, omission or failure to act in question was not a violation of such legal requirement or obligation) and such violation has materially and adversely affected the Company;

(3) the Grantee's conviction of, or plea of guilty or *nolo contendere*, to a crime committed during the course of their employment with the Company that the Committee, acting in good faith, reasonably determines is likely to have a material adverse effect on the reputation or business of the Company or a Subsidiary or Affiliate of the Company;

(4) theft, embezzlement or fraud by the Grantee in connection with the performance of their duties for the Company or a Subsidiary or Affiliate of the Company;

(5) a violation of any confidentiality agreement or obligation or non-compete agreement with the Company or a Subsidiary or Affiliate of the Company;

(6) a material violation of (i) the Company's Standards of Conduct, as the same may be amended and in effect from time to time, or (ii) any other published Company policy; or

(7) the diversion or appropriation of any material business opportunity from the Company or any Subsidiary.

If the written employment agreement between the Grantee and the Company provides a different definition of "Cause" (or other term that defines conduct on the part of the Grantee that permits the Company to terminate such written employment agreement without liability to the Grantee), that definition shall control and shall be substituted for the above in applying the Plan to the Grantee.

(d) **"Change in Control Date"** shall be the date (after the Grant Date) on which a Change in Control event is legally consummated and legally binding upon the parties.

(e) **"Good Reason"** means, following a Change in Control, the Grantee's Separation from Service resulting from the Grantee's resignation following the occurrence of any of the following circumstances without the Grantee's prior written consent:

(1) A material reduction in the Grantee's total aggregate compensation and benefit opportunity from that in effect on the day before the Change in Control Date (other than a reduction made by the Board, acting in good faith, based upon the performance of the Grantee, or to align the compensation and benefits of the Grantee with that of comparable executives, based on market data);

(2) A substantial adverse alteration in the nature or status of the Grantee's position or responsibilities from those in effect on the day before the Change in Control Date; or

(3) A change in the geographic location of the Grantee's principal job location by more than fifty (50) miles from the place at which such job was based on the day before the Change in Control Date.

Before the Grantee may resign for Good Reason, the Grantee must provide the Company at least thirty (30) days' prior written notice of his intent to resign for Good Reason and specify in reasonable detail the Good Reason upon which such resignation is based. Such notice must be given within ninety (90) days of the initial existence of the "Good Reason". The Company shall have a reasonable opportunity to cure any such Good Reason (that is susceptible of cure) within thirty (30) days after the Company's receipt of such notice. The failure to resign for one Good Reason does not prevent any later Good Reason resignation for a similar or different reason.

If a written employment agreement between the Grantee and the Company provides a different definition of "Good Reason" (or other term that defines conduct on the part of the Company that permits the Grantee to terminate such written employment agreement and receive substantially the same benefits

as in the case of a termination by the Company without cause), that definition shall control and shall be substituted for the above with respect to the Grantee.

(f) **“Grant Date”** means [Grant Date].

(g) **“Involuntary Termination Without Cause”** means a Separation from Service due to the Grantee’s termination of employment by the Company without Cause.

(h) **“Plan”** means the CACI International Inc 2016 Amended and Restated Incentive Compensation Plan, as amended from time to time.

(i) **“Retirement”** means the date of the Grantee’s Separation from Service, on or after the date on which (i) the Grantee has attained age 55 or older, and (ii) the sum of the Grantee’s age and consecutive years of service with the Company (both in whole years) totals 65 or more, due to retirement following delivery of a Retirement Notice.

(j) **“Retirement Notice”** means a written notice from the Grantee to the Committee or the Committee Delegate of the Grantee’s intention to have a Separation from Service due to Retirement without any other employment that would be prohibited under Section 5 of this Agreement, which such notice is provided by the Grantee no less than thirty (30) days prior to the Grantee’s proposed date of Retirement.

(k) **“Restricted Stock Unit” or “RSU”** means the right to receive one share of Stock under the Plan pursuant to the terms and conditions of this Agreement, without transferring to the Grantee any of the attributes of ownership of Stock prior to the issuance of the Stock.

(l) **“Separation from Service”** means a Separation from Service, as defined in the Plan, of the Grantee from the Company (or a Subsidiary or Affiliate of the Company).

(m) **“Vesting Date”** means each date on which a portion of the RSUs become vested in accordance with the Vesting Schedule.

(n) **“Vesting Schedule”** means the schedule set forth below indicating the dates on which RSUs vest.

[XXXX]

Any capitalized term used herein that is not expressly defined in this Agreement shall have the meaning that such term has under the Plan unless otherwise provided herein.

2. AWARD OF RSUs.

(a) **Grant of RSUs.** Subject to the provisions of this Agreement and pursuant to the provisions of the Plan, the Committee hereby grants to the Grantee on the Grant Date [Shares Granted] RSUs. The Grantee shall be entitled to receive one share of Stock for each RSU that vests pursuant to the terms and conditions of this Agreement. The Grantee’s Account shall be the record of RSUs granted to the Grantee hereunder and is solely for accounting purposes and shall not require a segregation of any assets of the Company. The Grantee shall not have the rights of a stockholder with respect to any RSUs credited to the Grantee’s Account until shares of Stock have been distributed to the Grantee pursuant to Section 4, and the Grantee’s name has been entered as a stockholder of record on the books of the Company with respect to such distributed shares of Stock.

(b) **Dividend Equivalents.** If on any date prior to issuance of the shares of Stock subject to the RSUs, the Company shall pay any dividend on the Stock (other than a dividend payable in shares of Stock), the number of RSUs credited to Grantee's Account shall as of such date be increased by an amount equal to: (A) the product of the number of RSUs credited to the Grantee's Account as of the record date for such dividend, multiplied by the per share amount of any dividend (or, in the case of any dividend payable in property other than cash, the per share value of such dividend, as determined in good faith by the Board of Directors of the Company), divided by (B) the Fair Market Value of a share of Stock on the payment date of such dividend.

3. VESTING.

(a) **Regular Vesting Schedule.** Except as set forth in this Section 3, the RSUs granted pursuant to this Agreement shall vest in accordance with the Vesting Schedule.

(b) **Retirement; Involuntary Termination Without Cause.** Upon the Grantee's Retirement or Involuntary Termination without Cause no earlier than one (1) year following the Grant Date, subject to the Grantee's continued compliance with the Grantee's obligations under Sections 5(c) and 5(d), the RSUs shall continue to vest pursuant to the Vesting Schedule as if the Grantee had remained actively employed.

(c) **Vesting Upon Disability or Death.** The Grantee shall become 100% vested in all outstanding unvested RSUs upon the occurrence of one of the following events: (i) the Grantee's death or (ii) the Grantee's Separation from Service due to Disability.

(d) **Vesting Upon Change in Control.** The Grantee shall become 100% vested in all unvested RSUs if the Grantee's employment with the Company (or a Subsidiary or Affiliate of the Company) is Involuntarily Terminated without Cause by the Company (or a Subsidiary or Affiliate of the Company) or by the Grantee for "Good Reason", and further provided that such termination of employment occurred within six (6) months before or twenty-four (24) months after a Change in Control.

(e) **Employment Requirement; Forfeiture.** Except as provided in Section 3(b), (c) or (d), or otherwise determined by the Committee, in order to become vested in (i.e., earn) RSUs under the terms of this Agreement, the Grantee must have been in the continuous employment of the Company (or a Subsidiary or Affiliate of the Company) from the Grant Date through the close of business on the applicable Vesting Date (or such earlier date on which the RSUs become vested under Section 3(b), (c) or (d)). The Grantee shall not be deemed to be employed by the Company (or a Subsidiary or Affiliate of the Company) if the Grantee's employment has been terminated, even if the Grantee is receiving severance in the form of salary continuation through the regular payroll system. If the Grantee terminates employment with the Company (or a Subsidiary or Affiliate of the Company) for any reason other than Retirement as set forth in Section 3(b), Involuntary Termination Without Cause as set forth in Section 3(b), Disability, or death, the Grantee shall forfeit any RSUs granted under this Agreement that are not vested as of such date and such RSUs shall no longer be eligible to vest.

(f) **Adjustment of Award.** Payments under this Agreement are subject to recovery by the Company to the extent required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the Sarbanes-Oxley Act of 2002 and any regulations promulgated thereunder and under any clawback or recoupment policy of the Company.

(g) **Forfeiture of Award and Right to Payments.** In the event that the employment of the Grantee is terminated for Cause then, in such event, the Grantee shall forfeit all rights to the RSUs and shall repay to the Company all shares of Stock received by the Grantee with respect to such RSUs or the Fair Market Value of such shares of Stock if no longer in Grantee's possession on or after the date of the act giving rise to the Grantee's termination for Cause

In the event that, following the Grantee's termination of employment the Company discovers that, during the course of his employment with the Company, the Grantee committed an act that would have given rise to a termination for Cause, then, in such event, the Grantee shall forfeit all outstanding rights to the RSUs. Further, the Grantee agrees and undertakes to repay to the Company all shares of Stock received by the Grantee or the Fair Market Value of such shares of Stock if no longer in Grantee's possession on or after the date of such act or violation.

(h) **Bankruptcy; Dissolution.** RSUs granted under this Agreement shall be of no further force or effect and forfeited in the event that the Company is placed under the jurisdiction of a bankruptcy court, or is dissolved or liquidated.

4. ISSUANCE OF SHARES.

(a) **Issuance of Shares.** As soon as practicable after the Grantee's shares have become earned and vested, the Company shall establish an account for the Grantee at UBS Financial Services, Inc., or such other similar organization which provides stock administration services to the Company, and transfer into such account shares of Stock equal in number to the number of RSUs that became earned and vested (less the amount of any shares of Stock that are withheld to satisfy any tax withholding requirement); provided, however, in no event shall shares of Stock be issued later than the last day on which such issuance will qualify as a "short-term deferral" under Treas. Reg. §1.409A-1(a)(4).

Upon issuance, such shares of Stock shall be registered on the Company's books in the name of the Grantee in full payment and satisfaction of such RSUs.

(b) **Transfer Restrictions.** Transfer of the shares of Stock shall be subject to the Company's trading policies and any applicable securities laws or regulations governing transferability of shares of the Company.

(c) **Securities Regulations.** No Stock shall be issued hereunder until the Company has received all necessary stockholder and regulatory approvals and has taken all necessary steps to assure compliance with federal and state securities laws or has determined to its satisfaction and the satisfaction of its counsel that an exemption from the requirements of the federal and applicable state securities laws are available. To the extent applicable, transactions under the Plan are intended to comply with all applicable conditions of Rule 16b-3 under the U. S. Securities and Exchange Act of 1934. Any ambiguities or inconsistencies in the construction of this Agreement or the Plan shall be interpreted to give effect to such intention. However, to the extent any provision of the Plan or action by the Committee fails to so comply, it shall be deemed null and void to the extent permitted by law and deemed advisable by the Committee in its discretion.

(d) **Fractional Shares.** No fractional shares or scrip representing fractional shares of Stock shall be issued pursuant to this Agreement. If, upon the issuance of shares of Stock under this Agreement, the Grantee would be entitled to a fractional share of Stock, the number of shares to which the Grantee is entitled shall be rounded down to the next lower whole number.

(e) **Beneficiary.**

(i) The Grantee may, from time to time, designate a beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Agreement is to be paid in case of the Grantee's death before the Grantee has received all benefits to which the Grantee would have been entitled under this Agreement. Each designation of beneficiary shall revoke all prior designations by the Grantee, shall be in a form prescribed by the Committee, and will be effective only when received in writing by the Committee. The last valid beneficiary designation received shall be controlling; provided, however, that no beneficiary designation, or change or revocation thereof, shall be effective unless received prior to the Grantee's death.

(ii) If no valid and effective beneficiary designation exists at the time of the Grantee's death, or if no designated beneficiary survives the Grantee, or if the Grantee's beneficiary designation is invalid under the law, any benefit payable hereunder shall be made to the Grantee's surviving spouse, if any, or if there is no such surviving spouse, to the executor or administrator of the Grantee's estate. If the Committee is in doubt as to the right of any person to receive payment of any benefit hereunder, the Committee may direct that the amount of such benefit be paid into a court of competent jurisdiction in an interpleader action, and such payment into court shall fully and completely discharge any liability or obligation of the Plan, CACI, the Committee, or the Board of Directors of CACI under this Agreement.

5. GRANTEE COVENANTS.

(a) **Acknowledgements.** The Grantee acknowledges and agrees that, by reason of the Grantee's highly specialized skillset and CACI's investment of time, training, money, trust, and exposure to CACI confidential information, the Grantee is intimately involved in the planning and direction of CACI's global business operations. The Grantee further acknowledges and agrees that the Grantee's agreement to enter into, and their compliance with, the covenants in this Section 5 are material factors in CACI's decision to grant the RSUs, which constitute good and valuable consideration for the covenants set forth in this Section 5. For purposes hereof, "CACI Group" means CACI and its direct and indirect Subsidiaries.

(b) **Unfair Competition.** The Grantee acknowledges and agrees that, as a result of their receipt of CACI Group confidential information, their role at the CACI Group, and their relationships with CACI Group customers and/or employees, the Grantee would have an unfair competitive advantage if he or she were to violate this Section 5 and that, in the event that their employment with the CACI Group terminates for any reason, he or she possess marketable skills and abilities that will enable him or her to find suitable employment without violating the covenants set forth in this Section 5. The Grantee further acknowledges and affirms that he or she is accepting this Agreement voluntarily, that he or she has read this Agreement carefully, that he or she has had a full and reasonable opportunity to consider this Agreement (including actual consultation with legal counsel), and that her or she has not been pressured or in any way coerced, threatened or intimidated into entering into this Agreement.

(c) **Noncompetition.** During the Grantee's period of employment with the CACI Group (the "Employment Period") and thereafter for a "Restricted Period" of one year following termination of the Grantee's employment for any reason, the Grantee agrees that he or she will not, directly or indirectly, on his own behalf or as a partner, owner, officer, director, stockholder, member, employee, agent or consultant of any other person, within any state (including the District of Columbia), territory, possession or country where the CACI Group conducts business during the Employment Period or during the Restricted Period: (i) own, manage, operate, control, be employed by, provide services as a consultant to, or participate in the ownership, management, operation, or control of, any person engaged in any activity competitive with the CACI Group; (ii) engage in the business of providing goods or services that are the same as or similar to the goods or services of the CACI Group; (iii) have any contact with any of the CACI Group's Customers or potential Customers for the purpose of soliciting or inducing (or attempting to solicit or induce) any of the CACI Group's Customers to discontinue or reduce its business with the CACI Group, or any potential Customers not to conduct business with the CACI Group, or any Customer or potential Customer to conduct business with or contract with any other person that competes with the CACI Group; or (iv) persuade or attempt to persuade any supplier, agent, broker, or contractor of the CACI Group to discontinue or reduce its business with the CACI Group (or any prospective supplier, broker, agent, or contractor to refrain from doing business with the CACI Group. Notwithstanding the foregoing, the Grantee may own or hold, solely as passive investments, securities of persons engaged in any business that would otherwise be included in (i) or (ii), as long as with respect to each such investment, the securities held by the Grantee do not exceed five percent (5%) of the outstanding securities of such person and such securities are publicly traded and registered under Section 12 of the Securities Exchange Act of 1934, as amended. For purposes hereof,

“Customer” means all persons that have either sought or purchased the Company’s goods or services, have contacted the CACI Group for the purpose of seeking or purchasing the CACI Group’s goods or services, or have been contacted by the CACI Group for the purpose of selling its goods and services during the Grantee’s employment and for one year prior thereto, and all persons subject to the control of those persons, and the Customers covered by this Section 5(c) shall include any Customer or potential Customer of the Company at any time during the Employment Period.

(d) **Nonsolicitation.** During the Restricted Period, the Grantee agrees that he or she shall not, directly or indirectly, on his own behalf or as a partner, owner, officer, director, stockholder, member, employee, agent or consultant of any other person, within any state (including the District of Columbia), territory, possession or country where the Company conducts business during the Employment Period or during the Restricted Period solicit, hire, or otherwise attempt to establish for any person, any employment, agency, consulting or other business relationship with any person who is an employee or consultant of the CACI Group, provided that the prohibition in this Section 5(d) shall not bar the Grantee from soliciting or hiring any former employee or former consultant who at the time of such solicitation or hire had not been employed or engaged by the CACI Group for a period of at least six (6) months.

(e) **Severability.** If any covenant, provision, or agreement contained in this Section 5 is found by a court having jurisdiction to be unreasonable in duration, scope or character of restrictions, or otherwise to be unenforceable, such covenant, provision or agreement shall not be rendered unenforceable thereby, but rather the duration, scope or character of restrictions of such covenant, provision or agreement shall be deemed reduced or modified with retroactive effect to render such covenant, provision or agreement reasonable or otherwise enforceable (as the case may be), and such covenant, provision or agreement shall be enforced as modified. If the court having jurisdiction will not review the covenant, provision or agreement, the parties hereto shall mutually agree to a revision having an effect as close as permitted by applicable law to the provision declared unenforceable. The parties hereto agree that if a court having jurisdiction determines, despite the express intent of the parties hereto, that any portion of the covenants, provisions or agreements contained herein are not enforceable, the remaining covenants, provisions and agreements herein shall be valid and enforceable. Moreover, to the extent that any provision is declared unenforceable, the CACI Group shall have any and all rights under applicable statutes or common law to enforce its rights with respect to any and all trade secrets or confidential or proprietary information or unfair competition by the Grantee.

(f) **Remedies.** The Grantee acknowledges and agrees that if the Grantee breaches any of the provisions of Section 5(c) or 5(d) hereof, the CACI Group will suffer immediate and irreparable harm for which monetary damages alone will not be a sufficient remedy, and that, in addition to all other remedies that the CACI Group may have, the CACI Group shall be entitled to seek injunctive relief, specific performance or any other form of equitable relief to remedy a breach or threatened breach of this Section 5 by the Grantee and to enforce the provisions of this Section 5. In addition, the Grantee shall immediately forfeit all unvested RSUs and, upon request of the Company, shall promptly return to the Company any shares issued hereunder or, if Grantee no longer holds such shares, the cash Fair Market Value thereof). The existence of these rights shall not preclude or otherwise limit the applicability or exercise of any other rights and remedies which the CACI Group may have at law or in equity. The Grantee waives any and all defenses he may have on the grounds of lack of subject matter jurisdiction or competence of a court to grant the injunctions or other equitable relief provided above and to the enforceability of this Agreement.

(g) **Amendments for Certain Grantees.** Section 5(c) shall not apply to the Grantee if, following the termination of the Grantee’s CACI Group employment, the Grantee continues to reside or work in California or Massachusetts or if the enforcement thereof otherwise is prohibited by the law of the state in which the Grantee resides.

(h) **Other Restrictions.** For the avoidance of doubt, this Section 5 does not supersede any protective covenants applicable to the Grantee with respect to the CACI Group, and those covenants shall continue in full force and effect in accordance with their terms.

(i) **Exclusive Jurisdiction.** The Grantee agree that the federal or state courts of Delaware have exclusive jurisdiction over any dispute relating to this Section 5 and the Grantee specifically consents to personal jurisdiction in such courts, even if the Grantee does not reside in Delaware at the time of any dispute arising out of or involving this Section 5; provided that, if, following the termination of the Grantee's employment, the Grantee continues to reside or work in California, the Grantee agrees that (i) California law shall apply to this Section 5, and (ii) the federal or state courts of California have exclusive jurisdiction over any dispute relating to this Section 5 and the Grantee specifically consents to personal jurisdiction in such courts if the Grantee resides in California at the time of any dispute arising out of or involving this Section 5.

(j) **Disclosure.** In the event that the Grantee leave the CACI Group for any reason, the Grantee agrees to disclose the existence and terms of this Section 5 to any prospective employer, partner, co-venturer, investor or lender prior to entering into an employment, partnership or other business relationship with such prospective employer, partner, co-venturer, investor or lender.

6. MISCELLANEOUS.

(a) **No Restriction on Company Authority.** The award of these RSUs to the Grantee pursuant to this Agreement shall not affect in any way the right or power of CACI or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in CACI's capital structure or its business, or any merger or consolidation of CACI, or any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the common stock or the rights thereof, or the dissolution or liquidation of CACI, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(b) **Adjustment of RSUs.** If CACI shall effect a subdivision or consolidation of shares of Stock or other capital readjustment, the payment of a stock dividend, or other increase or reduction of the number of shares of Stock outstanding, without receiving compensation therefore in money, services or property, the number and class of shares of Stock represented by the RSUs granted pursuant to this Agreement and credited to the Grantee's Account shall be appropriately adjusted by the Committee in accordance with the terms of the Plan in such a manner as to represent the same total number of RSUs that the owner of an equal number of outstanding shares of Stock would own as a result of the event requiring the adjustment.

(c) **No Adjustment Otherwise.** Except as hereinbefore expressly provided, the issue by CACI of shares of stock of any class, or securities convertible into shares of stock of any class, for cash or property, or for labor or services, either upon direct sale or upon the exercise of rights or warrants to subscribe therefore, or upon conversion of shares or obligations of CACI convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Stock represented by the RSUs granted pursuant to this Agreement.

(d) **RSUs Nontransferable.** RSUs are not transferable by the Grantee by means of sale, assignment, exchange, pledge, hypothecation, or otherwise.

(e) **Obligation Unfunded.** The obligation of the Company with respect to RSUs granted hereunder shall be interpreted solely as an unfunded contractual obligation to make payments of Stock in the manner and under the conditions prescribed under this Agreement. Any shares or other assets set aside with respect to amounts payable under this Agreement shall be subject to the claims of the Company's general creditors, and no person other than the Company shall, by virtue of the provisions of the Plan or

this Agreement, have any interest in such assets. In no event shall any assets set aside (directly or indirectly) with respect to amounts payable under this Agreement be located or transferred outside the United States. Neither the Grantee nor any other person shall have any interest in any particular assets of the Company by reason of the right to receive a benefit under this Agreement, and the Grantee or any such other person shall have only the rights of a general unsecured creditor of the Company with respect to any rights under the Plan or this Agreement.

(f) **Withholding Taxes.** The Company shall effect a withholding of shares of Stock to be issued hereunder in such number whose aggregate Fair Market Value at such time equals the total amount of any federal, state or local taxes or any applicable taxes or other withholding of any jurisdiction required or permitted by law to be withheld as a result of the issuance of the Stock in whole or in part; provided, however, that the value of the Stock withheld by the Company may not exceed the statutory maximum withholding amounts. In lieu of such deduction, the Company may permit the Grantee to make a cash payment to the Company equal to the amount required to be withheld.

(g) **Impact on Other Benefits.** The value of the RSUs (either on the Grant Date or at the time, if ever, the RSUs are vested) shall not be includable as compensation or earnings for purposes of any other benefit plan offered by the Company.

(h) **Compliance With Section 409A.** Notwithstanding anything herein to the contrary, no amount shall be paid earlier than the earliest date permitted under Section 409A of the Code or an exception thereto. The terms of this Agreement are intended to comply with the provisions of Section 409A of the Code or an exception thereto and if any provision is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of the interpretation or construction which is consistent with the Agreement complying with the provisions of Section 409A or an exception thereto. CACI makes no representations as to the tax consequences of the award of RSUs to the Grantee or their vesting (including, without limitation, under Section 409A of the Code, if applicable). The Grantee understands and agrees that the Grantee is solely responsible for any and all income, employment or other taxes imposed on the Grantee with respect to the award.

(i) **Right to Continued Employment.** Nothing in the Plan or this Agreement shall be construed as a contract of employment between the Company (or a Subsidiary or Affiliate of the Company) and the Grantee, or as a contractual right of the Grantee to continue in the employ of the Company (or a Subsidiary or Affiliate of the Company), or as a limitation of the right of the Company (or a Subsidiary or Affiliate of the Company) to discharge the Grantee at any time.

(j) **Governing Law.** This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without respect to its choice of law principles.

(k) **Arbitration.** Except as provided in Section 5(i), any dispute between the parties hereto arising under or relating to this Agreement shall be resolved in accordance with the procedures of the American Arbitration Association for arbitration of employment-related disputes. Any resulting hearing shall be held in the Washington, DC metropolitan area. The resolution of any dispute achieved through such arbitration shall be binding and enforceable by a court of competent jurisdiction. This Section 6(k) supersedes any other agreement addressing disputes between the Grantee and the Company (or a Subsidiary or Affiliate of the Company) with respect to the RSUs.

(l) **Successors.** This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

(m) **Headings.** Headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this agreement.

(n) **Notices.** All notices and other communications made or given pursuant to the Agreement shall be in writing and shall be sufficiently made or given if hand delivered or mailed by first class or certified mail, addressed to the Grantee at the address contained in the records of the Company, or addressed to the Committee, care of the Company for the attention of its Secretary at its principal office or, if the receiving party consents in advance, transmitted and received via telecopy or via such other electronic transmission mechanism as may be available to the parties.

(o) **Entire Agreement; Modification.** The Agreement contains the entire agreement between the parties with respect to the subject matter contained herein and may not be modified, except as provided in the Plan or in a written document signed by each of the parties hereto.

(p) **Conformity with Plan.** This Agreement is intended to conform in all respects with, and is subject to all applicable provisions of, the Plan, which is incorporated herein by reference. Unless stated otherwise herein, capitalized terms in this Agreement shall have the same meaning as defined in the Plan. Inconsistencies between this Agreement and the Plan shall be resolved in accordance with the terms of the Plan. In the event of any ambiguity in the Agreement or any matters as to which the Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (i) interpret the Plan and Grant Agreements related thereto, (ii) prescribe, amend and rescind rules and regulations relating to the Plan, and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan. The Grantee acknowledges by signing this Agreement that he or she has reviewed a copy of the Plan.

(q) **Counterparts.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Company has caused this Restricted Stock Unit (RSU) Grant Agreement to be executed by its duly authorized officer, and the Grantee has hereunto set their hand and seal, on the date(s) written below.

CACI INTERNATIONAL INC

By: _____

Date: [Grant Date]

[Participant Name]

Date: _____

2016 Stock Incentive Plan Document



**CACI INTERNATIONAL INC 2016 AMENDED AND RESTATED INCENTIVE
COMPENSATION PLAN
PERFORMANCE RESTRICTED STOCK UNIT (PRSU) GRANT AGREEMENT**

This Performance Restricted Stock Unit (PRSU) Grant Agreement (the “**Agreement**”) is entered into by and between CACI International Inc, a Delaware corporation (the “**Company**” or “**CACI**”) and [Participant Name] (the “**Grantee**”), effective as of [Grant Date] (the “**Grant Date**”).

Recitals

WHEREAS, the CACI International Inc 2016 Amended and Restated Incentive Compensation Plan (the “**Plan**”) permits the Committee to make awards of Performance Restricted Stock Units to key employees of the Company or any Subsidiary or Affiliate.

WHEREAS, the Grantee has been determined to be a key employee who is entitled to an Award under the Plan; and

WHEREAS, on [Grant Date] (the “**Grant Date**”), the Committee awarded the Grantee [**Shares Granted**] Performance Restricted Stock Units in order to provide the Grantee with a direct proprietary interest in the Company and to provide the Grantee with an incentive to remain in the employ of the Company or a Subsidiary or Affiliate.

NOW, THEREFORE, the Company and the Grantee covenant and agree as follows:

1. DEFINITIONS.

Under this Agreement, except where the context otherwise indicates, the following definitions apply:

(a) “**Account**” means the bookkeeping account maintained for the Grantee pursuant to Section 2.

(b) “**Agreement**” means this Performance Restricted Stock Unit (PRSU) Grant Agreement and shall include the applicable provisions of the Plan, which are hereby incorporated into and made a part of this Agreement.

(c) “**Cause**” means:

(1) gross negligence, willful misconduct or willful malfeasance by the Grantee in connection with the performance of any material duty for the Company or an Affiliate;

(2) the Grantee's commission or participation in any violation of any legal requirement or obligation relating to the Company (unless the Grantee had a reasonable good faith belief that the act, omission or failure to act in question was not a violation of such legal requirement or obligation) and such violation has materially and adversely affected the Company;

(3) the Grantee's conviction of, or plea of guilty or *nolo contendere*, to a crime committed during the course of their employment with the Company that the Committee, acting in good faith, reasonably determines is likely to have a material adverse effect on the reputation or business of the Company or a Subsidiary or Affiliate of the Company;

(4) theft, embezzlement or fraud by the Grantee in connection with the performance of their duties for the Company or a Subsidiary or Affiliate of the Company;

(5) a violation of any confidentiality agreement or obligation or non-compete agreement with the Company or a Subsidiary or Affiliate of the Company;

(6) a material violation of (i) the Company's Standards of Conduct, as the same may be amended and in effect from time to time, or (ii) any other published Company policy; or

(7) the diversion or appropriation of any material business opportunity from the Company or any Subsidiary.

If the written employment agreement between the Grantee and the Company provides a different definition of "Cause" (or other term that defines conduct on the part of the Grantee that permits the Company to terminate such written employment agreement without liability to the Grantee), that definition shall control and shall be substituted for the above in applying the Plan to the Grantee.

(d) **"Change in Control Date"** shall be the date (after the Grant Date) on which a Change in Control event is legally consummated and legally binding upon the parties.

(e) **"EBITDA"** means the Company's earnings before interest, taxes, depreciation and amortization as determined in accordance with GAAP and reflected in the Company's earnings release, but without regard to any change in accounting standards that may be required by the Financial Accounting Standards Board after the Grant Date and modified so as to exclude any Extraordinary Items of Income.

(f) **"Good Reason"** means, following a Change in Control, the Grantee's Separation from Service resulting from the Grantee's resignation following the occurrence of any of the following circumstances without the Grantee's prior written consent:

(1) A material reduction in the Grantee's total aggregate compensation and benefit opportunities from those in effect on the day before the Change in Control Date (other than a reduction made by the Board, acting in good faith, based upon the performance of the Grantee, or to align the compensation and benefits of the Grantee with that of comparable executives, based on market data);

(2) A substantial adverse alteration in the nature or status of the Grantee's position or responsibilities from those in effect on the day before the Change in Control Date; or

(3) A change in the geographic location of the Grantee's principal job location by more than fifty (50) miles from the place at which such job was based on the day before the Change in Control Date.

Before the Grantee may resign for Good Reason, the Grantee must provide the Company at least thirty (30) days' prior written notice of their intent to resign for Good Reason and specify in reasonable detail the Good Reason upon which such resignation is based. Such notice must be given within ninety (90) days of the initial existence of the "Good Reason". The Company shall have a reasonable opportunity to cure any such Good Reason (that is susceptible of cure) within thirty (30) days after the Company's receipt of such notice. The failure to resign for one Good Reason does not prevent any later Good Reason resignation for a similar or different reason.

If a written employment agreement between the Grantee and the Company provides a different definition of “Good Reason” (or other term that defines conduct on the part of the Company that permits the Grantee to terminate such written employment agreement and receive substantially the same benefits as in the case of a termination by the Company without cause), that definition shall control and shall be substituted for the above with respect to the Grantee.

- (g) **“Grant Date”** means [Grant Date].
- (h) **“Involuntary Termination Without Cause”** means a Separation from Service due to the Grantee’s termination of employment by the Company without Cause.
- (i) **“Performance Period”** means the three-year period commencing [XXXX] and ending [XXXX].
- (j) **“Performance RSU”** means a bookkeeping entry that represents an amount equivalent to one share of Stock.
- (k) **“Plan”** means the CACI International Inc 2016 Amended and Restated Incentive Compensation Plan, as amended from time to time.
- (l) **“Retirement”** means the date of the Grantee’s Separation from Service, on or after the date on which (i) the Grantee has attained age 55 or older, and (ii) the sum of the Grantee’s age and consecutive years of service with the Company (both in whole years) totals 65 or more, due to retirement following delivery of a Retirement Notice.
- (m) **“Retirement Notice”** means a written notice from the Grantee to the Committee or the Committee Delegate of the Grantee’s intention to have a Separation from Service due to Retirement without any other employment that would be prohibited under Section 5 of this Agreement, which such notice is provided by the Grantee no less than thirty (30) days prior to the Grantee’s proposed date of Retirement.
- (n) **“Separation from Service”** means a Separation from Service, as defined in the Plan, of the Grantee from the Company (or a Subsidiary or Affiliate of the Company).
- (o) **“Service Requirement”** means the Grantee must have been in the continuous employment of the Company (or a Subsidiary or Affiliate of the Company) from the Grant Date through the Vesting Date as provided in Section 3(b) without incurring a Separation from Service.
- (p) **“Vesting Date”** means [XXXX].

Any capitalized term used herein that is not expressly defined in this Agreement shall have the meaning that such term has under the Plan unless otherwise provided herein.

2. **AWARD OF RSUs.**

(a) **Grant of Performance RSUs.** Subject to the provisions of this Agreement and pursuant to the provisions of the Plan, the Committee hereby grants to the Grantee on the Grant Date **[Shares Granted]** Performance RSUs. The Grantee shall be entitled to receive one share of Stock for each Performance RSU earned by the Grantee and vested pursuant to the terms of this Agreement. The number of Performance RSUs to which the Grantee would be entitled to the extent the EBITDA vesting condition is attained by the Company, and the Service Requirement fully completed, shall be credited to the Grantee's Account as of the Grant Date. The Grantee's Account shall be the record of Performance RSUs granted to the Grantee hereunder and is solely for accounting purposes and shall not require a segregation of any assets of the Company. The Grantee shall not have the rights of a stockholder with respect to any Performance RSUs credited to the Grantee's Account until shares of Stock have been distributed to the Grantee pursuant to Section 4, and the Grantee's name has been entered as a stockholder of record on the books of the Company with respect to such distributed shares of Stock.

(b) **Dividend Equivalents.** If on any date prior to issuance of the shares of Stock subject to the Performance RSUs, the Company shall pay any dividend on the Stock (other than a dividend payable in shares of Stock), the number of Performance RSUs credited to Grantee's Account shall as of such date be increased by an amount equal to: (A) the product of the number of Performance RSUs credited to the Grantee's Account as of the record date for such dividend, multiplied by the per share amount of any dividend (or, in the case of any dividend payable in property other than cash, the per share value of such dividend, as determined in good faith by the Board of Directors of the Company), divided by (B) the Fair Market Value of a share of Stock on the payment date of such dividend.

3. **VESTING.**

The Performance RSUs shall become earned and vested only upon, and to the extent of, the satisfaction of the Performance Measures (as defined in the Plan) and the completion of the employment requirements set forth below.

(a) **EBITDA Condition/Vesting.** The Performance RSUs shall be earned as follows, based on EBITDA achievement for the Performance Period (and the number of Performance RSUs that are so earned are referred to herein as "**Earned RSUs**"), subject to the Committee's certification of EBITDA achievement:

[XXXX]

For EBITDA achievement between the goals above, the Earned RSUs shall be determined by linear interpolation.

EBITDA achievement for the Performance Period may be adjusted by the Committee in good faith to exclude the impact of any acquisitions, dispositions, and other significant events involving the Company or its Subsidiaries.

(b) **Regular Vesting Schedule.** The Earned RSUs shall vest on the Vesting Date, subject to the Grantee's continued employment through the Vesting Date except as otherwise provided in this Section 3.

(c) **Retirement; Involuntary Termination Without Cause.** Upon the Grantee's Retirement or Involuntary Termination without Cause no earlier than one (1) year following the Grant Date, subject to the Grantee's continued compliance with the Grantee's obligations under Sections 5(c) and 5(d), the Earned RSUs (if any) shall vest on the Vesting Date as if the Grantee had remained actively employed.

(d) **Vesting Upon Disability or Death.** The Grantee shall become 100% vested in all Earned RSUs on the Vesting Date if the Grantee's employment terminates due to one of the following events: (i) the Grantee's death or (ii) the Grantee's Separation from Service due to Disability.

(e) **Vesting Upon Change in Control.** The Grantee shall become 100% vested in all unvested RSUs at the Target level of performance if the Grantee's employment with the Company (or a Subsidiary or Affiliate of the Company) is Involuntarily Terminated without Cause by the Company (or a Subsidiary or Affiliate of the Company) or by the Grantee for "Good Reason", and further provided that such termination of employment occurred within six (6) months before or twenty-four (24) months after a Change in Control.

(f) **Employment Requirement; Forfeiture.** Except as provided in Section 3(b), (c), (d) or (e), or otherwise determined by the Committee, in order to become vested in (i.e., earned) Performance RSUs under the terms of this Agreement, the Grantee must have been in the continuous employment of the Company (or a Subsidiary or Affiliate of the Company) from the Grant Date through the close of business on the Vesting Date (or such earlier date on which the Performance RSUs become vested under Section 3(b), (c), (d) or (e)). The Grantee shall not be deemed to be employed by the Company (or a Subsidiary or Affiliate of the Company) if the Grantee's employment has been terminated, even if the Grantee is receiving severance in the form of salary continuation through the regular payroll system. If the Grantee terminates employment with the Company (or a Subsidiary or Affiliate of the Company) for any reason other than Retirement as set forth in Section 3(c), Involuntary Termination Without Cause as set forth in Section 3(c), Disability, or death, the Grantee shall forfeit any Performance RSUs granted under this Agreement that are not vested as of such date and such Performance RSUs shall no longer be eligible to vest.

(g) **Adjustment of Award.** Payments under this Agreement are subject to recovery by the Company to the extent required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the Sarbanes-Oxley Act of 2002 and any regulations promulgated thereunder and under any clawback or recoupment policy of the Company.

(h) **Forfeiture of Award and Right to Payments.** In the event that the employment of the Grantee is terminated for Cause then, in such event, the Grantee shall forfeit all rights to the Performance RSUs and shall repay to the Company all shares of Stock received by the Grantee with respect to such RSUs or the Fair Market Value of such shares of Stock if no longer in Grantee's possession on or after the date of the act giving rise to the Grantee's termination for Cause.

In the event that, following the Grantee's termination of employment the Company discovers that, during the course of their employment with the Company, the Grantee committed an act that would have given rise to a termination for Cause, then, in such event, the Grantee shall forfeit all outstanding rights to the Performance RSUs. Further, the Grantee agrees and undertakes to repay to the Company all shares of Stock received by the Grantee or the Fair Market Value of such shares of Stock if no longer in Grantee's possession on or after the date of such act or violation.

(i) **Bankruptcy; Dissolution.** Performance RSUs granted under this Agreement shall be of no further force or effect and forfeited in the event that the Company is placed under the jurisdiction of a bankruptcy court, or is dissolved or liquidated.

4. ISSUANCE OF SHARES.

(a) **Issuance of Shares.** As soon as practicable after the Grantee's shares have become earned and vested, the Company shall establish an account for the Grantee at UBS Financial Services, Inc., or such other similar organization which provides stock administration services to the Company, and transfer into such account shares of Stock equal in number to the number of Performance RSUs that became earned and vested (less the amount of any shares of Stock that are withheld to satisfy any tax withholding requirement);

provided, however, in no event shall shares of Stock be issued later than the last day on which such issuance will qualify as a “short-term deferral” under Treas. Reg. §1.409A-1(a)(4). Upon issuance, such shares of Stock shall be registered on the Company’s books in the name of the Grantee in full payment and satisfaction of such Performance RSUs.

(b) **Transfer Restrictions.** Transfer of the shares of Stock shall be subject to the Company’s trading policies and any applicable securities laws or regulations governing transferability of shares of the Company.

(c) **Securities Regulations.** No Stock shall be issued hereunder until the Company has received all necessary stockholder and regulatory approvals and has taken all necessary steps to assure compliance with federal and state securities laws or has determined to its satisfaction and the satisfaction of its counsel that an exemption from the requirements of the federal and applicable state securities laws are available. To the extent applicable, transactions under the Plan are intended to comply with all applicable conditions of Rule 16b-3 under the U. S. Securities and Exchange Act of 1934. Any ambiguities or inconsistencies in the construction of this Agreement or the Plan shall be interpreted to give effect to such intention. However, to the extent any provision of the Plan or action by the Committee fails to so comply, it shall be deemed null and void to the extent permitted by law and deemed advisable by the Committee in its discretion.

(d) **Fractional Shares.** No fractional shares or scrip representing fractional shares of Stock shall be issued pursuant to this Agreement. If, upon the issuance of shares of Stock under this Agreement, the Grantee would be entitled to a fractional share of Stock, the number of shares to which the Grantee is entitled shall be rounded up to the next lower whole number.

(e) **Beneficiary.**

(i) The Grantee may, from time to time, designate a beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Agreement is to be paid in case of the Grantee’s death before the Grantee has received all benefits to which the Grantee would have been entitled under this Agreement. Each designation of beneficiary shall revoke all prior designations by the Grantee, shall be in a form prescribed by the Committee, and will be effective only when received in writing by the Committee. The last valid beneficiary designation received shall be controlling; provided, however, that no beneficiary designation, or change or revocation thereof, shall be effective unless received prior to the Grantee’s death.

(ii) If no valid and effective beneficiary designation exists at the time of the Grantee’s death, or if no designated beneficiary survives the Grantee, or if the Grantee’s beneficiary designation is invalid under the law, any benefit payable hereunder shall be made to the Grantee’s surviving spouse, if any, or if there is no such surviving spouse, to the executor or administrator of the Grantee’s estate. If the Committee is in doubt as to the right of any person to receive payment of any benefit hereunder, the Committee may direct that the amount of such benefit be paid into a court of competent jurisdiction in an interpleader action, and such payment into court shall fully and completely discharge any liability or obligation of the Plan, CACI, the Committee, or the Board of Directors of CACI under this Agreement.

5. GRANTEE COVENANTS.

(a) **Acknowledgements.** The Grantee acknowledges and agrees that, by reason of the Grantee’s highly specialized skillset and CACI’s investment of time, training, money, trust, and exposure to CACI confidential information, the Grantee is intimately involved in the planning and direction of CACI’s global business operations. The Grantee further acknowledges and agrees that the Grantee’s agreement to enter into, and their compliance with, the covenants in this Section 5 are material factors in CACI’s decision to grant the Performance RSUs, which constitute good and valuable consideration for the

covenants set forth in this Section 5. For purposes hereof, “CACI Group” means CACI and its direct and indirect Subsidiaries.

(b) **Unfair Competition.** The Grantee acknowledges and agrees that, as a result of their receipt of CACI Group confidential information, their role at the CACI Group, and their relationships with CACI Group customers and/or employees, the Grantee would have an unfair competitive advantage if they were to violate this Section 5 and that, in the event that their employment with the CACI Group terminates for any reason, he or she possess marketable skills and abilities that will enable him or her to find suitable employment without violating the covenants set forth in this Section 5. The Grantee further acknowledges and affirms that they are accepting this Agreement voluntarily, that they have read this Agreement carefully, that they have had a full and reasonable opportunity to consider this Agreement (including actual consultation with legal counsel), and that they have not been pressured or in any way coerced, threatened or intimidated into entering into this Agreement.

(c) **Noncompetition.** During the Grantee’s period of employment with the CACI Group (the “Employment Period”) and thereafter for a “Restricted Period” of one year following termination of the Grantee’s employment for any reason, the Grantee agrees that they will not, directly or indirectly, on their own behalf or as a partner, owner, officer, director, stockholder, member, employee, agent or consultant of any other person, within any state (including the District of Columbia), territory, possession or country where the CACI Group conducts business during the Employment Period or during the Restricted Period: (i) own, manage, operate, control, be employed by, provide services as a consultant to, or participate in the ownership, management, operation, or control of, any person engaged in any activity competitive with the CACI Group; (ii) engage in the business of providing goods or services that are the same as or similar to the goods or services of the CACI Group; (iii) have any contact with any of the CACI Group’s Customers or potential Customers for the purpose of soliciting or inducing (or attempting to solicit or induce) any of the CACI Group’s Customers to discontinue or reduce its business with the CACI Group, or any potential Customers not to conduct business with the CACI Group, or any Customer or potential Customer to conduct business with or contract with any other person that competes with the CACI Group; or (iv) persuade or attempt to persuade any supplier, agent, broker, or contractor of the CACI Group to discontinue or reduce its business with the CACI Group (or any prospective supplier, broker, agent, or contractor to refrain from doing business with the CACI Group. Notwithstanding the foregoing, the Grantee may own or hold, solely as passive investments, securities of persons engaged in any business that would otherwise be included in (i) or (ii), as long as with respect to each such investment, the securities held by the Grantee do not exceed five percent (5%) of the outstanding securities of such person and such securities are publicly traded and registered under Section 12 of the Securities Exchange Act of 1934, as amended. For purposes hereof, “Customer” means all persons that have either sought or purchased the Company’s goods or services, have contacted the CACI Group for the purpose of seeking or purchasing the CACI Group’s goods or services, or have been contacted by the CACI Group for the purpose of selling its goods and services during the Grantee’s employment and for one year prior thereto, and all persons subject to the control of those persons, and the Customers covered by this Section 5(c) shall include any Customer or potential Customer of the Company at any time during the Employment Period.

(d) **Nonsolicitation.** During the Restricted Period, the Grantee agrees that they shall not, directly or indirectly, on their own behalf or as a partner, owner, officer, director, stockholder, member, employee, agent or consultant of any other person, within any state (including the District of Columbia), territory, possession or country where the Company conducts business during the Employment Period or during the Restricted Period solicit, hire, or otherwise attempt to establish for any person, any employment, agency, consulting or other business relationship with any person who is an employee or consultant of the CACI Group, provided that the prohibition in this Section 5(d) shall not bar the Grantee from soliciting or hiring any former employee or former consultant who at the time of such solicitation or hire had not been employed or engaged by the CACI Group for a period of at least six (6) months.

(e) **Severability.** If any covenant, provision, or agreement contained in this Section 5 is found by a court having jurisdiction to be unreasonable in duration, scope or character of restrictions, or otherwise to be unenforceable, such covenant, provision or agreement shall not be rendered unenforceable thereby, but rather the duration, scope or character of restrictions of such covenant, provision or agreement shall be deemed reduced or modified with retroactive effect to render such covenant, provision or agreement reasonable or otherwise enforceable (as the case may be), and such covenant, provision or agreement shall be enforced as modified. If the court having jurisdiction will not review the covenant, provision or agreement, the parties hereto shall mutually agree to a revision having an effect as close as permitted by applicable law to the provision declared unenforceable. The parties hereto agree that if a court having jurisdiction determines, despite the express intent of the parties hereto, that any portion of the covenants, provisions or agreements contained herein are not enforceable, the remaining covenants, provisions and agreements herein shall be valid and enforceable. Moreover, to the extent that any provision is declared unenforceable, the CACI Group shall have any and all rights under applicable statutes or common law to enforce its rights with respect to any and all trade secrets or confidential or proprietary information or unfair competition by the Grantee.

(f) **Remedies.** The Grantee acknowledges and agrees that if the Grantee breaches any of the provisions of Section 5(c) or 5(d) hereof, the CACI Group will suffer immediate and irreparable harm for which monetary damages alone will not be a sufficient remedy, and that, in addition to all other remedies that the CACI Group may have, the CACI Group shall be entitled to seek injunctive relief, specific performance or any other form of equitable relief to remedy a breach or threatened breach of this Section 5 by the Grantee and to enforce the provisions of this Section 5. In addition, the Grantee shall immediately forfeit all unvested Performance RSUs and, upon request of the Company, shall promptly return to the Company any shares issued hereunder or, if Grantee no longer holds such shares, the cash Fair Market Value thereof). The existence of these rights shall not preclude or otherwise limit the applicability or exercise of any other rights and remedies which the CACI Group may have at law or in equity. The Grantee waives any and all defenses they may have on the grounds of lack of subject matter jurisdiction or competence of a court to grant the injunctions or other equitable relief provided above and to the enforceability of this Agreement.

(g) **Amendments for Certain Grantees.** Section 5(c) shall not apply to the Grantee if, following the termination of the Grantee's CACI Group employment, the Grantee continues to reside or work in California or Massachusetts or if the enforcement thereof otherwise is prohibited by the law of the state in which the Grantee resides.

(h) **Other Restrictions.** For the avoidance of doubt, this Section 5 does not supersede any protective covenants applicable to the Grantee with respect to the CACI Group, and those covenants shall continue in full force and effect in accordance with their terms.

(i) **Exclusive Jurisdiction.** The Grantee agrees that the federal or state courts of Delaware have exclusive jurisdiction over any dispute relating to this Section 5 and the Grantee specifically consents to personal jurisdiction in such courts, even if the Grantee does not reside in Delaware at the time of any dispute arising out of or involving this Section 5; provided that, if, following the termination of the Grantee's employment, the Grantee continues to reside or work in California, the Grantee agrees that (i) California law shall apply to this Section 5, and (ii) the federal or state courts of California have exclusive jurisdiction over any dispute relating to this Section 5 and the Grantee specifically consents to personal jurisdiction in such courts if the Grantee resides in California at the time of any dispute arising out of or involving this Section 5.

(j) **Disclosure.** In the event that the Grantee leaves the CACI Group for any reason, the Grantee agrees to disclose the existence and terms of this Section 5 to any prospective employer, partner, co-venturer, investor or lender prior to entering into an employment, partnership or other business relationship with such prospective employer, partner, co-venturer, investor or lender.

6. **MISCELLANEOUS.**

(a) **No Restriction on Company Authority.** The award of these Performance RSUs to the Grantee pursuant to this Agreement shall not affect in any way the right or power of CACI or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in CACI's capital structure or its business, or any merger or consolidation of CACI, or any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the common stock or the rights thereof, or the dissolution or liquidation of CACI, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(b) **Adjustment of Performance RSUs.** If CACI shall effect a subdivision or consolidation of shares of Stock or other capital readjustment, the payment of a stock dividend, or other increase or reduction of the number of shares of Stock outstanding, without receiving compensation therefore in money, services or property, the number and class of shares of Stock represented by the Performance RSUs granted pursuant to this Agreement and credited to the Grantee's Account shall be appropriately adjusted by the Committee in accordance with the terms of the Plan in such a manner as to represent the same total number of Performance RSUs that the owner of an equal number of outstanding shares of Stock would own as a result of the event requiring the adjustment.

(c) **No Adjustment Otherwise.** Except as hereinbefore expressly provided, the issue by CACI of shares of stock of any class, or securities convertible into shares of stock of any class, for cash or property, or for labor or services, either upon direct sale or upon the exercise of rights or warrants to subscribe therefore, or upon conversion of shares or obligations of CACI convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Stock represented by the Performance RSUs granted pursuant to this Agreement.

(d) **Performance RSUs Nontransferable.** Performance RSUs are not transferable by the Grantee by means of sale, assignment, exchange, pledge, hypothecation, or otherwise.

(e) **Obligation Unfunded.** The obligation of the Company with respect to Performance RSUs granted hereunder shall be interpreted solely as an unfunded contractual obligation to make payments of Stock in the manner and under the conditions prescribed under this Agreement. Any shares or other assets set aside with respect to amounts payable under this Agreement shall be subject to the claims of the Company's general creditors, and no person other than the Company shall, by virtue of the provisions of the Plan or this Agreement, have any interest in such assets. In no event shall any assets set aside (directly or indirectly) with respect to amounts payable under this Agreement be located or transferred outside the United States. Neither the Grantee nor any other person shall have any interest in any particular assets of the Company by reason of the right to receive a benefit under this Agreement, and the Grantee or any such other person shall have only the rights of a general unsecured creditor of the Company with respect to any rights under the Plan or this Agreement.

(f) **Withholding Taxes.** The Company shall effect a withholding of shares of Stock to be issued hereunder in such number whose aggregate Fair Market Value at such time equals the total amount of any federal, state or local taxes or any applicable taxes or other withholding of any jurisdiction required or permitted by law to be withheld as a result of the issuance of the Stock in whole or in part; provided, however, that the value of the Stock withheld by the Company may not exceed the statutory maximum withholding amounts. In lieu of such deduction, the Company may permit the Grantee to make a cash payment to the Company equal to the amount required to be withheld.

(g) **Impact on Other Benefits.** The value of the Performance RSUs (either on the Grant Date or at the time, if ever, the Performance RSUs are vested) shall not be includable as compensation or earnings for purposes of any other benefit plan offered by the Company.

(h) **Compliance With Section 409A.** Notwithstanding anything herein to the contrary, no amount shall be paid earlier than the earliest date permitted under Section 409A of the Code or an exception thereto. The terms of this Agreement are intended to comply with the provisions of Section 409A of the Code or an exception thereto and if any provision is subject to more than one interpretation or construction, such ambiguity shall be resolved in favor of the interpretation or construction which is consistent with the Agreement complying with the provisions of Section 409A or an exception thereto. CACI makes no representations as to the tax consequences of the award of Performance RSUs to the Grantee or their vesting (including, without limitation, under Section 409A of the Code, if applicable). The Grantee understands and agrees that the Grantee is solely responsible for any and all income, employment or other taxes imposed on the Grantee with respect to the award.

(i) **Right to Continued Employment.** Nothing in the Plan or this Agreement shall be construed as a contract of employment between the Company (or a Subsidiary or Affiliate of the Company) and the Grantee, or as a contractual right of the Grantee to continue in the employ of the Company (or a Subsidiary or Affiliate of the Company), or as a limitation of the right of the Company (or a Subsidiary or Affiliate of the Company) to discharge the Grantee at any time.

(j) **Governing Law.** This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without respect to its choice of law principles.

(k) **Arbitration. Except as provided in Section 5(i), any dispute between the parties hereto arising under or** relating to this Agreement shall be resolved in accordance with the procedures of the American Arbitration Association for arbitration of employment-related disputes. Any resulting hearing shall be held in the Washington, DC metropolitan area. The resolution of any dispute achieved through such arbitration shall be binding and enforceable by a court of competent jurisdiction. This Section 6(k) supersedes any other agreement addressing disputes between the Grantee and the Company (or a Subsidiary or Affiliate of the Company) with respect to the Performance RSUs.

(l) **Successors.** This Agreement shall be binding upon and inure to the benefit of the successors, assigns and heirs of the respective parties.

(m) **Headings.** Headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this agreement.

(n) **Notices.** All notices and other communications made or given pursuant to the Agreement shall be in writing and shall be sufficiently made or given if hand delivered or mailed by first class or certified mail, addressed to the Grantee at the address contained in the records of the Company, or addressed to the Committee, care of the Company for the attention of its Secretary at its principal office or, if the receiving party consents in advance, transmitted and received via telecopy or via such other electronic transmission mechanism as may be available to the parties.

(o) **Entire Agreement; Modification.** The Agreement contains the entire agreement between the parties with respect to the subject matter contained herein and may not be modified, except as provided in the Plan or in a written document signed by each of the parties hereto.

(p) **Conformity with Plan.** This Agreement is intended to conform in all respects with, and is subject to all applicable provisions of, the Plan, which is incorporated herein by reference. Unless stated otherwise herein, capitalized terms in this Agreement shall have the same meaning as defined in the Plan. Inconsistencies between this Agreement and the Plan shall be resolved in accordance with the terms of the Plan. In the event of any ambiguity in the Agreement or any matters as to which the Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (i) interpret the Plan and Grant Agreements related thereto, (ii) prescribe, amend and rescind rules and regulations relating to the Plan, and (iii) make all other

determinations deemed necessary or advisable for the administration of the Plan. The Grantee acknowledges by signing this Agreement that they have reviewed a copy of the Plan.

(q) **Counterparts.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Company has caused this Performance Restricted Stock Unit (RSU) Grant Agreement to be executed by its duly authorized officer, and the Grantee has hereunto set their hand and seal, on the date(s) written below.

CACI INTERNATIONAL INC

By: _____
[XXXX]

Date: [Grant Date]

[Participant Name]

Date: _____

Subsidiaries of the Registrant

CACI, INC. – FEDERAL, a Delaware corporation
CACI, LLC – COMMERCIAL, a Delaware limited liability company
CACI NSS, LLC, a Delaware limited liability company
CACI N.V., a Netherlands corporation
CACI Limited, a United Kingdom private company limited by shares
CACI Technologies, LLC, a Virginia limited liability company (also does business as “CACI Productions Group”)
CACI Dynamic Systems, LLC, a Virginia limited liability company
CACI Premier Technology, LLC, a Delaware limited liability company
CACI Enterprise Solutions, LLC, a Delaware limited liability company
CACI-ISS, LLC, a Delaware limited liability company
CACI Technology Insights, LLC, a Virginia limited liability company
CACI-CMS Information Systems, LLC, a Virginia limited liability company
CACI-WGI, LLC, a Delaware limited liability company (also does business as “The Wexford Group International”)
CACI-Athena, LLC, a Delaware limited liability company
CACI Products Company, a Delaware corporation
LGS Innovations LLC, a Delaware limited liability company
Six3 Systems, LLC, a Delaware limited liability company
Six3 Advanced Systems, Inc., a Virginia corporation

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- 1) Registration Statement (Form S-8 No. 333-257432) pertaining to the 2002 Employee Stock Purchase Plan and the 2016 Amended and Restated Incentive Compensation Plan,
- 2) Registration Statement (Form S-8 No. 333-148032) pertaining to the 2016 Amended and Restated Incentive Compensation Plan,
- 3) Registration Statement (Form S-8 No. 333-146505) pertaining to the 2002 Employee Stock Purchase Plan,
- 4) Registration Statement (Form S-8 No. 333-146504) pertaining to the CACI SMART Plan,
- 5) Registration Statement (Form S-8 No. 333-104118) pertaining to the 2002 Employee, Management, and Director Stock Purchase Plans, as amended,
- 6) Registration Statement (Form S-8 No. 333-91676) pertaining to the CACI SMART Plan,
- 7) Registration Statement (Form S-8 No. 333-157093) pertaining to the 2016 Amended and Restated Incentive Compensation Plan,
- 8) Registration Statement (Form S-8 No. 333-164710) pertaining to the 2002 Employee Stock Purchase Plan, as amended,
- 9) Registration Statement (Form S-8 No. 333-179392) pertaining to the 2016 Amended and Restated Incentive Compensation Plan, and
- 10) Registration Statement (Form S-8 No. 333-193781) pertaining to the 2002 Employee Stock Purchase Plan, as amended;

of our reports dated August 11, 2022, with respect to the consolidated financial statements of CACI International Inc and the effectiveness of internal control over financial reporting of CACI International Inc included in this Annual Report (Form 10-K) of CACI International Inc for the year ended June 30, 2022.

/s/ Ernst & Young LLP

Tysons, Virginia
August 11, 2022

Section 302 Certification

I, John S. Mengucci certify that:

1. I have reviewed this Annual Report on Form 10-K, of CACI International Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financing reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent function):
 - (a) All significant deficiencies and material weaknesses in the designs or operation of internal control over financial reporting which are reasonably likely to affect the Registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: August 11, 2022

/s/ JOHN S. MENGUCCI
John S. Mengucci
President,
Chief Executive Officer and Director
(Principal Executive Officer)

Section 302 Certification

I, Thomas A. Mutryn, certify that:

1. I have reviewed this Annual Report on Form 10-K, of CACI International Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent function):
 - (a) All significant deficiencies and material weaknesses in the designs or operation of internal control over financial reporting which are reasonably likely to affect the Registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: August 11, 2022

/s/ THOMAS A. MUTRYN
Thomas A. Mutryn
 Executive Vice President, Chief Financial Officer
 and Treasurer
 (Principal Financial Officer)

Section 906 Certification

In connection with the Annual Report on Form 10-K of CACI International Inc (the “Company”) for the fiscal year ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned President and Chief Executive Officer of the Company certifies, to the best of his knowledge and belief pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2022

/s/ JOHN S. MENGUCCI

John S. Mengucci
President,
Chief Executive Officer and Director
(Principal Executive Officer)

Section 906 Certification

In connection with the Annual Report on Form 10-K of CACI International Inc (the “Company”) for the fiscal year ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, Executive Vice President, Chief Financial Officer and Treasurer of the Company certifies, to the best of his knowledge and belief pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 11, 2022

/s/ THOMAS A. MUTRYN

Thomas A. Mutryn
Executive Vice President, Chief Financial Officer
and Treasurer
(Principal Financial Officer)