



Clients / Business Partners



Organization / Leadership



Enduring Solutions



Awards and Recognition



Employee-Ownership



People



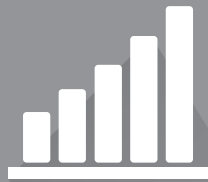
First Principles



Processes



Communities



Financial Growth



Shaping Our Future



Focus / Future

SHAPING OUR FUTURE

CALIBRE
2016 Annual Report













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	Organization / Leadership
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TO OUR FELLOW SHAREHOLDERS

In 2016, CALIBRE continued to execute our 2020 Strategic Plan. We saw changes in our industry, transitioned our leadership team with the retirement of key employees, continued to expand our business areas and capabilities with acquisitions, and reported continued positive financial results.

CALIBRE achieved strong 2016 performance as the company's Sales, Revenue, Project Fees, Earnings and Number of Employees all exceeded our business plan goals. Sales grew to \$247.4 million (up 60.1% from 2015), and Revenue grew to \$235.0 million (up 14.9% from 2015). Our culture of engaged employees, the shareholders of CALIBRE, and our resulting performance sets us apart from our competitors and is the foundation for "Shaping Our Future" – supporting our clients, our fellow employees, and our communities. Working together, **Shaping Our Future**, we will continue to build on our already strong reputation in the marketplace.

We won 11 of 12 recompetes awarded by our Federal Government clients in 2016, and we expanded our capabilities and client base. We fully integrated the health and information management acquisition that closed in September 2015. We completed another acquisition, Fusion Technology, in September 2016, positioning the company to pursue new opportunities. Fusion is a leading provider of enterprise talent management solutions and instructional systems design strategies to the Intelligence Community (IC).

Our business strategy emphasizes the objective to provide enduring value to our clients and to our employees, building on and sustaining our reputation in the marketplace. This strategy is supported by the outcomes we seek in the context of our company's First Principles:

- 1) **Operate Ethically** – hold ourselves to a high standard in how we interface with clients, business partners, fellow employees, and local communities;
- 2) **Achieve Superior Quality** – to consistently deliver timely, quality services and products that meet or exceed our clients' needs at competitive prices; and
- 3) **Renew Ourselves** – to capitalize on new and expanded opportunities individually and corporately, and to adjust rapidly to changes and challenges in the marketplace.

We continued to **Shape the Future** of CALIBRE with a leaner organization; increased employee training; improved business processes and analytics; expanded IT capabilities and past performance; sustained and increasingly important industry certifications; and expanded charitable giving and service.

In 2016, the second year of the CALIBRE 2020 Strategic Plan, we continued to strengthen our company by enhancing internal business management, adding world-class talent to our team, and delivering cost-effective results for our clients. Our business planning and business development activities resulted in a strong pipeline of opportunities totaling more than \$9 billion, and a growing backlog of work. Our solutions continue to focus on solving the critical challenges that confront our Defense, Federal / Civil, and commercial clients. CALIBRE's business performance garnered industry recognition in several areas, as shown on the next page.



J. Terry Scott
Chairman of the Board



Joseph A. Martore
President & CEO

CALIBRE's disciplined approach to business planning and execution builds value for you, our employee shareholders, and brings critical recognition for the CALIBRE brand. For the past six years, in an independent survey, 100% of CALIBRE's Federal clients indicated that they would use CALIBRE again and 100% would recommend CALIBRE to others. Once again, *The Washington Post* named CALIBRE one of the top workplaces in the Washington, DC area.





On December 31, 2016, we said goodbye to **Jack Mutarelli**, CALIBRE's Senior Executive Vice President & Chief Financial Officer (CFO), upon his retirement after 22 years with the company. Jack made invaluable contributions to CALIBRE beyond the typical CFO functions, including coordinating CALIBRE's ESOP program and leading our acquisition efforts. We thank Jack for his contributions to CALIBRE and wish him all the best in his retirement.



In May 2017, we will say goodbye to Lieutenant General **Thomas P. Carney** (U.S. Army Retired) upon his retirement after nearly 18 years on CALIBRE's Board of Directors, and 16 years as CALIBRE's second Chairman of the Board. He embraced CALIBRE's ethical business practices and focus on client success, leading CALIBRE's growth with his vision, his guidance, his values, and his encouragement to diversify the company's service offerings and client base. Under his leadership, CALIBRE grew in annual revenue from less than \$30 million to more than \$230 million, while never losing sight of our First Principles. We wish LTG Carney well in his retirement. We will miss him dearly and are grateful for his leadership, his example, and his contributions to CALIBRE's success.



As we shift our attention to 2017, we continue to focus on three fronts: supporting our clients' success in a changing industry landscape, solidifying CALIBRE's expertise and leading reputation in management consulting and information technology solutions, and winning in an increasingly competitive business environment. We can look with confidence to the future, as we continue to broaden and diversify our business and our client base.



Many industry analysts are bullish on the Government Contracting industry, due to expected increases in infrastructure (including IT) and Defense spending. Higher expected spending, reduced regulations, and lower taxes provide greater opportunities for corporate investments and acquisitions, which may prove beneficial for the industry and for CALIBRE and our shareholders.



However, we should keep in mind that CALIBRE is in a fiercely competitive business environment. We must continue to create value for our clients and manage our company cost-effectively. Only in this way will we continue to **Shape a Future** that builds value for our shareholders.



Our Success Follows Yours®




J. Terry Scott
 Chairman of the Board




Joseph A. Martore
 President & CEO



CALIBRE's Significant Accomplishments in 2016

- **Sales, Revenue, Project Fees, Earnings, and Number of Employees** exceeded 2016 Balanced Scorecard (BSC) goals
- Acquired **Fusion Technology**, a leading provider of enterprise talent management solutions and instructional systems design strategies to the Intelligence Community
- Health & Information Management Division, acquired in November 2015, won all of their recompetes, and thirteen employees were recognized with prestigious **National Institutes of Health (NIH) Merit Awards** and **CIO Awards**
- Selected as one of the **Top Workplaces in the Greater Washington Area** by *The Washington Post* for the second time in the last three years
- Named **Outstanding Veteran and Military Advocate** by the Northern Virginia Chamber of Commerce for CALIBRE's outstanding and visionary contributions to supporting the region's active-duty / reserve military, their families, and Veterans
- Successfully won the recompete of CALIBRE's longest standing contract – Deputy Assistant Secretary of the Army for Cost and Economics, **Operating and Support Management Information System (OSMIS)**
- Selected as a **Star Workplace Finalist in the Greater Washington, D.C. Area** by *SmartCEO* for fostering a dynamic, fun, and outcomes-driven workplace environment for our employees
- Honored as a **Top Supporter of Historically Black Colleges and Universities' Engineering Programs** by the engineering deans of the 15 ABET-accredited Historically Black Colleges and Universities
- Expanded our presence and reputation for delivering quality within the automotive industry, working with **Audi, Jaguar Land Rover, and Mercedes-Benz USA** to provide Veteran talent identification to close the gap in hiring qualified personnel to service and repair highly advanced luxury and performance automobiles
- Rewarded employees with **demonstrated financial performance at the top of our industry** and a **solid strategic platform to accelerate growth**
- Presented with the **American Gold Star Mothers Distinguished Service Medal** for CALIBRE's support in recognizing the sacrifices of Gold Star Families
- For the third straight year, partnered with **Homes for Our Troops** to help build accessible homes for wounded Veterans and their families



Winner of **SMARTCEO
GOVSTAR WORKPLACE IN
THE GREATER WASHINGTON,
DC AREA**
2016

Recipient of
**OUTSTANDING VETERAN AND
MILITARY ADVOCATE AWARD**
by the Northern Virginia
Chamber of Commerce
2016



**WASHINGTON
BUSINESS JOURNAL**



Named to Washington
Business Journal List
of Private Companies,
**HIGHLIGHTED AS A 'BIGGEST
GAINER' IN GROWTH OF
EMPLOYEES**
2016



Awarded the **GOLD STAR
MOTHERS DISTINGUISHED
SERVICE MEDAL**
2016



Named
**TOP WORKPLACES IN THE
GREATER WASHINGTON AREA**
by *The Washington Post*
2014, 2016



Named
**TOP SUPPORTER
OF HISTORICALLY
BLACK COLLEGES AND
UNIVERSITIES' (HBCUs)
ENGINEERING PROGRAMS**
2016

SIGNIFICANT CALIBRE RECOGNITION IN 2016

OUR COMPANY

CALIBRE's success over the past 27 years is demonstrated by consistent and impressive increases in stock value and revenue. While our 2016 financial statistics are impressive, CALIBRE is also routinely recognized for excellence in our industry and in our community. This success comes from our commitment to CALIBRE's First Principles, which provide a solid foundation (Operate Ethically, Achieve Superior Quality), and require that we never get too comfortable with the status quo (Renew Ourselves).

THE MORE THINGS CHANGE

For the company's first ten years the atmosphere felt like a small business. In fact, CALIBRE remained a small business during this time, with less than \$30 million in revenue. Everyone knew each other, and business meetings were held quarterly with our Board of Directors in attendance. Business meetings were day-long events that covered business development, operations, and corporate matters. Even then, a culture of renewal was prevalent:

- "Don't be satisfied with the status quo."
- "We want to be a leader in our field."
- "Placing in the top quartile is not good enough. Strive to be the best."

Business development was focused on winning contract renewals and looking for additional business. We were successful, but we recognized that continued success required growth beyond that comfort zone.

Fast-forward to 2016. Offsite two-day business planning meetings continue, with all senior leaders attending. Business development and project management have matured resulting in over \$230 million in annual revenue. Throughout this growth, the company's First Principles and client-focused culture remain unchanged. CALIBRE still upholds our long-held belief that **Shaping Our Future** requires planning, hard work, and renewal.

HOW DO WE DO IT?

CALIBRE employees are the key to the company's success. Through excellent client support, our clients seek us out for critical advice and solutions. We also pursue opportunities with new clients and large contract vehicles to create organic growth.

Another way we have grown is through acquisition. CALIBRE's acquisition strategy places a high level of importance on finding a good strategic fit. We acquire companies that have a culture and business strategy that complement our own. Our acquisitions often provide us with new capabilities and new clients, allowing us to expand our capabilities. Acquisition also provides a strategic approach to

breaking into a business area that typically has high barriers to entry, like the Intelligence Community.

Organic growth, supported by strategic acquisitions, is consistent with our Strategic Plan to achieve \$350 million in revenue by the year 2020. Our Strategic Plan and annual business planning process drive our performance and focus on growing and diversifying our capabilities.

SHAPING OUR FUTURE

CALIBRE's business strategy focuses first on client success. We analyze our clients' needs and provide enduring solutions that add value. CALIBRE's engaged employee-owners are shaping the company's future through industry analyses, client focus, business planning, and execution. A key component to our growth is leveraging our capabilities to a broader set of clients.

With this foundation, we will continue to **Shape Our Future** for success.

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MINDY SCOTT

*Vice President
Contracts & Procurement*

My team is *Shaping Our Future* by ensuring our infrastructure can keep up with growth. This includes streamlining contract processes and reporting capabilities. We are also ensuring CALIBRE's ability to successfully complete a Contractor Purchasing System Review (CPSR). CPSR compliance will contribute to recognition of CALIBRE's capability and reliability for our government clients.



OUR EMPLOYEES

CALIBRE's culture revolves around the fact that we are employee-owned. We are "owners" rather than "renters." We have a stake in CALIBRE's success, and we understand that our daily actions and decisions have an impact on the organization. We know that creating and maintaining a vibrant, engaged workforce benefits our clients, our communities, and, most importantly, our employees.

CALIBRE knows that attracting and retaining the best and brightest staff means we must provide opportunities for continued skill development, professional certification, and education. We must meet the demands of a complex and rapidly changing business environment and provide our employees the opportunity to achieve personal growth and professional goals. Our long-term success depends on our employees: their abilities, knowledge, and alignment with the corporate goal, business strategy, and objectives. Therefore, we offer our employees multiple ways to continue and / or further their skills, knowledge, and abilities through our robust professional development program.

We understand that one size does not fit all. Therefore, our employees are encouraged to achieve their professional development goals through various options: online courses, instructor-led courses, conferences, seminars, tuition reimbursement, and CALIBRE University. Additionally, we support our employees' desire to gain new skills or refresh current skills through our certification bonus program.

To prepare our company and our employees for continued success in the future, we also focus on leadership

development and succession planning. Our in-house educational program, CALIBRE University, is an integral part of *Shaping Our Future*. Cortney Meador administers CALIBRE University, and Craig College serves as the Provost. The university exposes employees to all areas of the company (including supervisory, business development, project management, and business management) and develops the skills and knowledge to work productively and grow professionally. By offering opportunities to experience real-life business studies that focus on individual and company-wide solutions, we continue to develop our leaders.

Senior Leadership engages at many levels with our employees, from our open door communication policy to working side-by-side on projects and leading many of our CALIBRE University courses. To ensure our leadership, employees, and the company have the tools necessary to continue to grow our business, engage with one another, and *Shape Our Future*, we are making a significant investment in our Human Resources Information System (HRIS). Our new HRIS will give employees and leadership fingertip access to key information. Enhanced workflow will allow our employees to request professional development or new responsibilities electronically. Leadership will have improved management information, allowing them to understand the human impact of their decisions. We anticipate this level of involvement will help create more proactive, empowered employees who understand that they each have a stake in the company's future.

We as CALIBRE employees create CALIBRE's success now and in the future and will become the leaders of tomorrow. Our First Principles, client-focus, and continued professional development will enable all of us to successfully *Shape Our Future*.

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LAURA WEIL

Vice President
Human Resources

To *Shape Our Future*, the Human Resources team is investing more than ever before in our HR systems and processes in order to provide our employees better access to information and greater knowledge of learning and growth opportunities. We aim to help achieve our third Corporate Objective, "Take Care of Our People."



EOAC REPORT

The Employee Owners Advisory Committee's (EOAC) mission is to serve the employee-owners of CALIBRE by developing and sharing information about the Employee Stock Ownership Plan (ESOP) and conducting and participating in activities that promote CALIBRE employee-ownership. The EOAC is comprised of seven volunteers who strive to fulfill this mission every day, each nominated by CALIBRE employee-owners and appointed by the Board of Directors.



The theme for Employee Ownership Month for October 2016 was "Own It." This embraces the idea that employees should take pride in their responsibilities and accomplishments. "Own it" is about each employee setting goals for themselves, taking stock of what they have done, and appreciating where they are. This internal reflection helps us become better employee-owners and for CALIBRE to remain an industry leader. Today's actions **Shape the Future** of CALIBRE.

During Employee Ownership Month, we heard from the following Corporate Leaders about various ways that we as a company and as employees can "Own It" every day in order to help CALIBRE's clients succeed and, in turn, see ourselves succeed as well.

- "Own it!" presented by Joe Martore, CEO
- "How We Own It" presented by Jeff Giangliuli, COO
- "It's Your Retirement – Own It!" presented by Jack Mutarelli, CFO
- "Owning Your Compensation Statement!" presented by Laura Weil, VP HR



EOAC OBJECTIVE 1

Promote a broad-based understanding of CALIBRE's ESOP, including basic terms and definitions, operations, benefits, and responsibilities of employee-owners.

In the spirit of renewal, the EOAC began a new method of education to promote a better understanding of CALIBRE's ESOP. The EOAC strives to educate each employee about the ESOP, sometimes in ways that are fun. The EOAC held word search contests and, judging by the number of participants, they were very well-received by employees. Each word search used phrases and knowledge points taken directly from the ESOP FAQs document located on the EOAC CALPortal page.

"Thanks for keeping us updated on Employee-Ownership. I'm enjoying the creative ways to learn more." – Saji Ijjyemi

"Thanks for an entertaining method to learn more about the ESOP." – Brad Ward





CALIBRE'S EMPLOYEES

CALIBRE'S EMPLOYEES





EOAC OBJECTIVE 2

Support a vibrant culture of employee-ownership at CALIBRE, including participating in external organizations and activities that promote the broader goal of employee-ownership in the workplace.

In addition to Employee Ownership Month activities, the EOAC helped coordinate many events across the globe for CALIBRE employee-owners to gather as a group, including **summer family events, ice cream socials, Halloween Trick or Treat, and Holiday dinners.** These events helped nurture our employee-ownership culture.

The EOAC is also tasked with coordinating and spreading the word about many charity events conducted by CALIBRE employees. Each year, our employees step forward to give their time and resources to support great charity events like these held at multiple locations: **Lee Denim Day Fundraiser, Toys for Tots Drive, Winter Outerwear Drive, and Supporting Our Troops** through activities such as helping to build mortgage-free homes for wounded soldiers and their families.

For example, in June of 2016, **Jack Mutarelli** and **Lindsey Schourek** presented six graduating sixth graders from Franconia Elementary School with the prestigious **CALIBRE /Franconia Citizenship Award.** This was the tenth year this award was given. CALIBRE and Franconia staff established the award as an extension of CALIBRE's partnership with the school, reinforcing our Corporate Objective to "Be Good Citizens." The award recognizes students who display both academic excellence and a well-defined understanding of good citizenship. The sixth grade essay contest is just one of many collaborative activities that CALIBRE conducts with the Franconia School. During the year, CALIBRE also donated school supplies and backpacks, and hosted **choral and instrumental performances** at CALIBRE's headquarters. This year, for the first time ever, the EOAC was able to live stream the Franconia School Winter Choral Concert so that CALIBRE employees across the country could participate in the partnership with the school.

None of these events could happen without the support and dedication of our CALIBRE employees.

EOAC OBJECTIVE 3

Represent the interests of all employee-owners to the Board of Directors.

Tom Peitler was re-elected as the EOAC member to serve on the Board of Directors. He continues to provide a voice for our employees to the Board during meetings—as well as serving on the Audit, Executive Compensation and Governance, and Risk Management Committees. In the Board's self-evaluation, they commented on the value of having an EOAC member serve as a full member of the Board. This unique employee position has been beneficial to the Board, employees, and the success of CALIBRE.



COLLEEN CAMPBELL

*Chair
Employee Owners Advisory
Committee*

Each employee has their own role in **Shaping Our Future.** For me, I use my programming skills to provide the best possible product to our client so that they will be successful. As our motto so eloquently reminds us, our clients' success determines the brightness of our future.





2016 BUSINESS HIGHLIGHTS

FINANCE, PERFORMANCE, & LOGISTICS (FPL)

The Finance, Performance, and Logistics (FPL) Division refocused and re-energized in 2016. This internal and external refocusing within the Division included functionally aligning new projects within Directorates in addition to establishing and continuing valuable, long-term business relationships. In creating these internal and external synergies, FPL **Shapes Our Future** success and develops enduring solutions.

The key to success in FPL is the energy of our employees and relationships established with our business partners. This commitment is evident in employee-owners like **Mark Hall**, who added a new cost model and enhancements on the FORCES contract, and delivers such quality work that clients have requested CALIBRE to compete for additional work and shape their solutions; **Dan Hogan**, who modernized the algorithms and website, and led cost analysis for contracts like AMCOS; **Patrick Algieri**, who led the win of a large continuous process improvement contract and performs related activities within critical client programs; and **Tom Roselius** and **Teresa Dos**, who led strategic partnerships with small businesses to capture and win new work supporting Army audit readiness. Externally, FPL's strategic business development decisions in 2016 led to new partnerships with cutting edge software companies, in addition to our established small business partners. The powerful combination of our employees, our plan, and our partners contributes to our future success.

HUMAN CAPITAL MANAGEMENT (HCM)

In 2016, HCM adroitly balanced defending the base – 90% of our portfolio was up for re-compete – with continuing to invest for new growth. These investments yielded excellent results in 2016 and position us well for the future.

The most significant achievement in 2016 was the award to CALIBRE of the Human Capital and Training Solutions (HCaTS) contract – a government-wide contract available to

all agencies with a 10-year period of performance and an \$11.5 billion dollar ceiling. **Ed Mason, Natalie Jones, and Shawna Piper** provided stellar support resulting in the contract win. The contract was “open for business” in October 2016, and we already have projects in the pipeline.

HCM continued to deliver strong project performance across our portfolio, earning the highest CPAR rating possible on several contracts. Our VOW VEI team, supporting transitioning Service members, secured a bridge contract into 2017 and submitted a top-quality proposal for the re-compete. Based on the strong performance of employee-owners like **Mike Donahue, Kim Jenks, Ben Rivera** and others at the Army Force Management School (AFMS), the client awarded a sole-source bridge contract to ensure client mission success. HCM continued to deliver outstanding work to other clients at VA, DoD, and DHS.

HCM also saw strong growth in our talent management service offering. We launched a Veterans hiring program for Jaguar Land Rover and developed a registered apprenticeship program for Mercedes-Benz USA, adding new employee-owners **Jeff Duncan** and **Trey Fuller** as recruiters to support this expansion.

With a new level of energy and focus on business development and diversification, HCM expects great results in 2017.

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DENISE OBERNDORF

*Vice President
Finance, Performance, & Logistics (FPL)*

Shaping Our Future means modernizing with the market and creating enduring solutions. Together with my FPL leadership team, I lead the continued growth and refocusing of the FPL portfolio. This includes developing integrated solutions and investing in employees. We are excited about FPL's continued success in 2017!

PHILIP RIZZI

*Vice President
Human Capital Management (HCM)*

The leadership team in HCM is passionate about **Shaping Our Future** by using the HCaTS contract vehicle to bring CALIBRE's exceptional capabilities in training, leader development, talent management, and organizational change to new clients and programs. As we grow, I look forward to adding new capabilities and exciting opportunities for our employee-owners.



HEALTH & INFORMATION MANAGEMENT (HIM)

2016 was the first full operating year for the HIM Division, which was created with an acquisition of 180 employees in September of 2015. We successfully rebranded IMC to CALIBRE with clients and partners, and won all five major contract recompetes. Due, in part, to the engagement of our employees, we added two new National Institutes of Health (NIH) clients. **Jim Martin** and **Tom Green** sold a geographic data visualization web site to the National Institute on Minority Health Disorders, and **Arathi Shidalaghatta** and **Katherine Maley** sold a contracts management system to the National Institute of Child Health and Human Development. The Division also welcomed new employees, led by **Malcolm Patel**, **David DeVaux**, and **Trichel Harris**, from the acquisition of Fusion Technology, which provides the Intelligence Community with software development and instructional design services.

At the National Institute for Allergy and Infectious Disease, 13 employees on the team led by Project Manager **Karen Lyman** received CIO awards for service excellence in six different project areas, including automating highly-regulated processes for preparing and submitting Investigational New Drug applications to the Food and Drug Administration. CALIBRE's excellent work in support of biomedical technology assessment, biosafety, and biosecurity at the NIH Office of Science Policy, led by Division Director of Health Applications **Tom Green**, was rewarded with a five-year

contract recompile win that doubled the number of team members. For the Department of Homeland Security, U.S. Citizenship and Immigration Services, a CALIBRE team used Agile methods to develop software applications that streamlined delivery of citizenship and immigration benefits.

TRAINING, INFRASTRUCTURE, & ENVIRONMENT (TIE)

TIE became the first ISO 9001:2008-certified Division in CALIBRE's history, which led to improved processes and products that will serve as a baseline for ISO certification across the company. Much of TIE's fiscal success centered on the final year of the Army G-3 Training Support System (TSS) contract. Despite having three other competitors on this multi-award contract, CALIBRE won and successfully executed more than 52% of all awards on that contract over the past five years. We provided Integrated Training Area Management (ITAM) support to 21 Army installations, seamlessly allowing soldiers to prepare for future deployments. TIE personnel, with our teammates, provided all Range Sustainment and Role Player support to the National Training Center, which serves as a unit's last stop in its training cycle before continuing overseas in support of their mission. Employee-owners **Cassie Baxter** and **Stephanie Miskell** were central to CALIBRE's success on the TSS contract, and have coordinated over 120 task order responses and managed numerous projects during those five years.

In our environmental portfolio, **Chelsea Portwood**, **Tannis Danley**, and **Colin Wagoner** work daily with their clients to

understand their needs and deliver enduring solutions. In Chesapeake, **Tonya Houston-Downs** makes sure that our BUILDER team has what they need to deploy and conduct efficient assessments. In Seattle, **Tom McKeon** serves as the consummate trusted advisor to Boeing, one of the largest companies in the world, as they conduct environmental remediation of Boeing properties. This diverse set of employee-owners builds relationships and helps shape CALIBRE's future to 2020 and beyond.

DORISA HARRIS

*Vice President
Health & Information Management (HIM)*

The HIM leadership team will continue to grow our health IT business, leverage the new intel team to grow within the intel community, and take care of our people. We support and encourage staff to improve and succeed as part of CALIBRE. We seek, create, and foster opportunities for CALIBRE's growth and strengthen relationships with our current health, security, and intel clients.

SHAWN GUNDRUM

*Vice President
Training, Infrastructure, & Environment (TIE)*

The TIE focus for 2017 is the expansion of training services into larger markets outside of the Army G-3. To *Shape Our Future*, TIE will see an increased emphasis on processes and standardization, both critical elements of sustainable large businesses.



SHAPING OUR FUTURE

Thanks to the effort of our employees, 2016 was an exceptional year for CALIBRE. We provided critical services to clients old and new, and our financial picture improved greatly over the previous year. Additionally, we worked hard to **Shape Our Future** through strategic acquisitions.



DEFENSE ACCOUNTS

We continue to look 'over the horizon' to strengthen CALIBRE's position in the Defense sector. Our major goals are to raise the CALIBRE brand, conduct long-term positioning, and understand our Defense clients' needs so that we can identify and qualify opportunities to pursue, capture, and win. We do this by directly supporting the four Operations Divisions, implementing the Space and Missile Defense (SMD) business plan, and focusing our Defense business development efforts. In 2015, we initiated efforts to raise CALIBRE's profile in the SMD sector. We successfully entered that market in 2016. **David Whitaker** and **Sheren Roberts** led our efforts that resulted in winning a position on the Missile Defense Agency TEAMS contract as a subcontractor to Yorktown Systems Group, Inc., a Veteran-owned small business with which CALIBRE was awarded a DoD Nunn-Perry Award for our Mentor-Protégé partnership. We also won or added to IDIQs that support the Army's Space and Missile Defense Command (SMDC). In 2017, we will continue our efforts to shape and win task orders on those contracts. With our win in 2016 on the Air Force National Capital Region (NCR) IT contract, we expanded our support to the Air Force market. In 2017, CALIBRE will **Shape our Future** by meeting our Defense clients' needs and delivering financial, installation, logistics, personnel, and training readiness.



REGIONAL ACCOUNTS

In addition to business development through our four Divisions, CALIBRE focuses joint efforts on three **Regions**: Huntsville, AL; the All American Defense Corridor; and the Pacific. **Mike Yadao**, brought in to help develop the Pacific Region, focuses growth efforts with the United States Army Pacific (USARPAC) and Eighth United States Army (EUSA) along with the training efforts in Hawaii. We continue to pursue new growth in both the All American Defense Corridor, concentrating on worldwide staff for the ARCENT G4 and FORSCOM, and in Huntsville, focusing on Space and Missile Defense and Army logistics.



Regional efforts target new clients to expand our footprint within the Army and diversify our offerings to other clients. CALIBRE's Sustainment Readiness Tool (SRT)[™] brings opportunities to support the Chief of Staff of the Army's priority of improving maintenance and cost management—providing a much-needed and accessible Business Intelligence tool to enable better fiscal oversight.



FEDERAL / CIVIL ACCOUNTS

CALIBRE entered 2017 with strong momentum for further growth in the Federal / Civil sector. Three cabinet agencies comprise the large majority of CALIBRE's Federal / Civil footprint: the Departments of Veterans Affairs (VA); Health and Human Services (HHS), including National Institutes of Health (NIH); and Homeland Security (DHS). More than half of CALIBRE's Federal / Civil sales were to the VA, mainly to support the transition of military Service members to civilian life and Veteran status. HHS engagements at the NIH and the Food and Drug Administration (FDA) include a functionally diverse mix of health IT system development, scientific and administrative process automation, biotechnology policy analysis, electronic records management, scientific help desk support, and clinical research informatics and regulatory systems development. At DHS, CALIBRE is performing Agile development for information and business process systems that support citizenship and immigration benefits delivery. All four CALIBRE Operations Divisions have engagements with Federal / Civil agencies.

CRAIG COLLEGE

*Senior Vice President
Strategy Development*

We **Shape Our Future** by building tools and applications that make CALIBRE's internal processes more effective and more efficient while contributing to business growth and the bottom line. We meet with current and potential clients and with potential business partners to communicate CALIBRE's value proposition and how we can support their missions.

RICHARD FORMICA

*Vice President
Defense Accounts*

In 2017, our focus includes strengthening CALIBRE in the defense sector: understanding our clients' needs; building the CALIBRE brand; growing our business in Space and Missile Defense, force management, and leader development; intensifying our efforts in Huntsville; and supporting our Operations Divisions.

ROBERT REEVES

*Vice President
Regional Accounts*

Deploying the Sustainment Readiness Tool (SRT)[™] into new markets and gaining acceptance of the tool as part of the solution for Army readiness helps to **Shape Our Future**. Re-establishing the CALIBRE brand at ARCENT will improve the portfolio of opportunities within the Regions.





In 2017, Federal / Civil business development will focus on both introducing existing company capabilities to agencies that are new to CALIBRE and expanding work with existing client agencies. CALIBRE seeks to replicate the success achieved at several NIH institutes in streamlining business processes, such as contracts management, in other NIH institutes. Extensive human capital management capabilities in training, leadership development, and organizational alignment delivered to the Army and VA will be offered to targeted civilian agencies under the newly awarded GSA Human Capital and Training Services (HCaTS) contract. Financial management capabilities, such as cost modeling and audit readiness consulting performed for the Army and Air Force, led by **Leon Smith**, will be offered elsewhere to other agencies. Facilities management capabilities such as maintenance planning, led by **Dan Geldermann**, and environmental restoration consulting, led by **Chad Henry**, will be expanded outside the Army.



SECURITY ACCOUNTS

In 2016, CALIBRE made a strategic push into the Intelligence Community (IC) market to diversify our business portfolio. Several actions were taken to bring this vision to reality. CALIBRE leadership appointed a Security Accounts Manager, **Chris Hall**, to develop a business plan and pursue the market. We acquired Fusion Technology (led by **Malcolm Patel**, **David DeVaux**, and **Trichel Harris**), a company embedded in the IC whose work aligns with CALIBRE's HIM Division. We hired the former Office of the Director of National Intelligence (ODNI) CFO and Deputy CFO of FBI, **Janice Lambert**, and strengthened our recruiting resources to compete in a challenging space for cleared personnel. These actions and key personnel serve as CALIBRE's internal IC team helping drive forward CALIBRE's IC business.



TECHNOLOGY

CALIBRE continued to **Shape our Future** in 2016 by researching and leveraging the latest technologies in the marketplace. Through this process, we began providing state-of-the-market technologies to our clients, while strengthening existing partnerships and creating new ones that will be the basis of our next-generation offerings.

In the FPL Division the OSMIS team, under the technical lead of **Preston Hendrickson**, replaced Army mainframe-based processing and began leveraging lower-cost, high-scale graph storage and processing engines to build a new intelligent version of OSMIS. This effort will lead to new capabilities around data analytics and processing, and mainframe modernization.



Under the technical management of **Matt Killmeyer** and the technical leadership of **George Embrey**, in conjunction with the internal Information Technology Engineering team, CALIBRE developed and delivered a cloud-based Enterprise Content Management system utilizing Amazon Web Services (AWS). The project strengthened our relationship with AWS and resulted in greater cloud capabilities. Operationally, as we look toward 2017, we are planning investments for expanding cloud capabilities, with not only AWS but also Microsoft Azure, IBM Softlayer, and others.

As we look toward the future, Information Technology is leading an effort on behalf of all Corporate Staff to upgrade CALIBRE's ERP infrastructure. These upgrades will benefit human capital management, enterprise business reporting, and contracts management. We will deploy an integrated human capital management platform to support our employees, from recruiting to retirement; and a new management report portal and a contracts management system to better integrate contract and subcontract management, purchasing, and project management.

GREGG WRIGHT

*Vice President
Federal / Civil Accounts*

In 2017, the Federal / Civil team plans to grow the civilian agency portfolio by organizing CALIBRE-led teams and positioning them with known clients to compete for multi-year opportunities that align with our capabilities. We will also partner with small businesses to broaden our capabilities and win new clients.

CHRISTIAN HALL

*Vice President
Security Accounts*

In 2017, the Security Accounts team plans to expand our Intelligence Community (IC) business by targeting immediate revenue-generating opportunities and bidding on IC-specific contract vehicles that will provide returns over the next five years. We also plan to continue our push into Cloud Services in the IC, Federal /Civil, and Defense markets.

THOMAS PEITLER

*Vice President &
Chief Technology Officer*

The Technology team *Shapes Our Future* by leading innovation through new technologies and capabilities that provide value to our clients and address our corporate requirements. We continue to foster strong relationships with the industry leaders of today and tomorrow, and prepare us for an ever-changing technology landscape.





The CALIBRE Board of Directors

LEADERSHIP

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Laura C. Weil ■ Vice President, Human Resources

Gregg J. Wright ■ Vice President, Federal / Civil Accounts



STAN ARTIS

Stan's leadership, management, and expertise are major reasons why CALIBRE is recognized across the industry as a highly-qualified full-service BUILDER provider.



ELAINE BANNER

Through Elaine's efforts, her Division not only achieved a valued CMMI Maturity Level 3 appraisal certification, but has been able to document real savings to CALIBRE.



CASSIE BAXTER

Cassie's contributions are substantial, and her hard work and sacrifice are a key reason why CALIBRE has achieved so much success under the TSS contract.



DORISA HARRIS

Dorisa has worked tirelessly to ensure that the integration of all HIM Division employees is successful, while also maintaining a focus on the success of our clients.



TRACY HIRSCH

Tracy demonstrates daily the character and qualities that epitomize what it means to be a CALIBRE employee-owner.



BERNIE HYLAND

Bernie started CALIBRE's automotive work with the Vets to Techs program. His passion for this work enabled him to leverage technology to support other automotive dealers.



MATTHEW KILLMEYER

Matt's can-do attitude, ability to foster client success, and tenacious project management has allowed CALIBRE to successfully support our clients.



KATIE KOEHLER

Katie is insightful, pro-active, and diligent in making sure that CALIBRE's work is coordinated, efficient, and successful.



SHEREN ROBERTS

Sheren is the epitome of the CALIBRE employee-owner who strives to be a Good Citizen. She dedicates her free time to a variety of charitable, Veterans', and community activities.



DEVEN SHAH

During his tenure, Dev has been a model of consistency, day in and day out. With his institutional knowledge and calm demeanor, he provides accounting answers to all.



TYLER STOPA

Tyler embodies what is meant by "employee-owner." First to raise his hand and accept a challenge, he has supported a number of CALIBRE projects.



LAURA WEIL

Laura has developed many of CALIBRE's industry-leading HR initiatives and programs. As a result, CALIBRE is consistently named among the Best Places to Work locally and nationally.



Clients / Business Partners



Organization / Leadership



Enduring Solutions



Awards and Recognition



Employee-Ownership



People



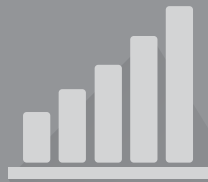
First Principles



Processes



Communities



Financial Growth



Shaping Our Future



Focus / Future

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