



THE ORION WAY
CREATING PATHWAYS
FOR SUCCESS



ANNUAL REPORT
» 2018





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Orion opened my eyes to other possibilities. Orion provided a great opportunity to absorb what a job has to offer, and that opened doors for me.

- Roxann

Contact Center Training
Program Participant

» NEW STARTS
START HERE



LETTER FROM THE PRESIDENT

BOY, DID 18 YEARS GO BY QUICKLY!

I wrote my first annual report letter for Orion in 2001. This one is my last. I am retiring after 18 wonderful, fulfilling and exciting years at Orion. In those 18 years, Orion has evolved in a way that none of us could have imagined. Orion now operates two business enterprises (aerospace manufacturing and contact center services) in three locations (Auburn, WA, Mukilteo, WA and Fort Eustis, VA). We are now the tenth largest aerospace employer in the state of Washington. We are a three-time Boeing Global Supplier of the Year, a Microsoft Supplier Excellence Award Winner, a two-time Seattle Business Magazine Nonprofit Manufacturer of the Year, and a Governor's Aerospace Company of the Year. We have been recognized by two national organizations as a leading national model for social enterprise. Best of all, we have leveraged the successes of our aerospace and contact center businesses to create pathways to meaningful employment for our most vulnerable community members — over 450 people yearly.

I will miss the thrill of running our businesses. I will miss the satisfaction of helping people realize their full potential. But most of all, I will miss the Orion staff.

Orion's Staff are an incredible team that keep finding new ways to interface our unique human services model with highly sophisticated and technical businesses. They are the best I have worked with in my 40-year career.

Thank you to all of Orion's community stakeholders for 18 great years and the work that you do to help the Orion team in delivering on our very important mission!

- John Theisen

President & CEO, Orion

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Seeing our team performing both production tasks and mentorship with equal enthusiasm is proof that we have found something special.

- Tom Brosius,
Vice President & General Manager



» AEROSPACE

NUMBER OF PARTS SHIPPED
1,400,000

CUSTOMER ORDERS
150,000

DIFFERENT TYPES OF PARTS SOLD
10,000

NUMBER OF MANUFACTURING EMPLOYEES
354

DELIVERY RATE
98%



Orion provides the environment that fosters excellence and growth.

MANUFACTURING COMMITTED TO EXCELLENCE

Orion is the tenth largest aerospace manufacturing company in Washington State (Puget Sound Business Journal). It is an award-winning supplier of precision-machined parts and sub-assemblies to some of the biggest names in the aerospace industry. With facilities in Auburn and Mukilteo, WA, Orion specializes in metal component fabrication, as well as the production of wire harness and cable assemblies. For this work, we are a three-time recipient of the Boeing Global Supplier of the Year award, among others.

But it is our social mission of which we are most proud. The financial success of our aerospace division allows Orion to support a holistic program devoted to helping members of our community with barriers to employment find meaningful, long-lasting careers. The manufacturing division itself provides a training ground for many of our program participants, who gain expertise and enjoy one-on-one mentorship on the production floor with our staff. We assess every incoming work statement, big and small, for new training opportunities.

And in 2018, our commitment continued to pay off. Our Mukilteo facility added over 100 skilled workers to build production wiring harnesses and equipment bay components for Boeing. Our Auburn facility is also working on Boeing components, having won a \$4 million contract to build the structure for overhead bins. The Auburn team also installed a new five-axis CNC (computer numerically controlled) machining center, which, using computer programming, lets us create complex parts faster and with a higher degree of precision. This capability not only increases what we can offer to our clients, but it also gives our program participants a more sophisticated level of expertise, which they can use to compete for more skilled jobs.

Finally, 2018 saw Orion recognized as the Manufacturing Nonprofit of the Year by Seattle Business Magazine. We're honored to be the first company to receive the award twice (previously in 2012), and we're even more honored by what this recognition represents: a lot of hard work by our staff and program participants, who have all committed to being a force for good in our communities.

EXCEPTIONAL PEOPLE COMBINED
WITH THE LATEST TECHNOLOGY

It's this combination of the right technology and the right staff that's increased our ability to provide better services for our customers, and better opportunities for our program participants.

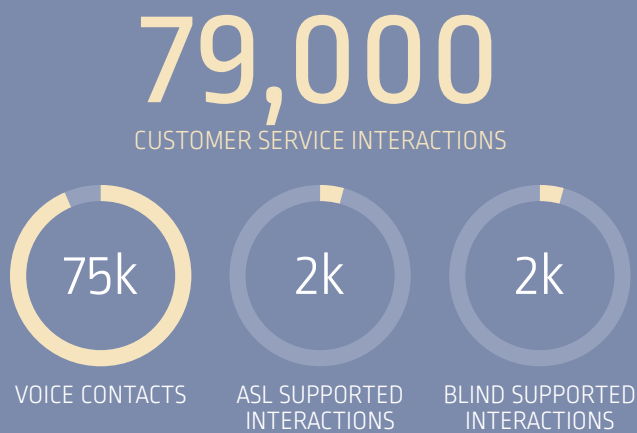
» CONTACT
CENTERS



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Advances in technology have improved how we engage with our customer's unique needs. Our brilliant team provides exceptional customer experiences every day.

- Steve Tyler
Director



CONTACT CENTERS
THE RIGHT TECH,
THE RIGHT STAFF

Orion operates a state-of-the-art, 200-seat contact center in its Auburn, WA headquarters, and an additional center in Fort Eustis, VA. We offer tech support, customer service, sales, and other inbound and outbound support to clients like Microsoft, the U.S. Army, and the Seattle Times. Our offering is totally flexible, giving our clients the ability to scale up or down depending on their need.

Our contact centers also fulfill Orion's social mission by providing training, one-on-one mentorship, and job opportunities to members of our communities with limited access to employment. With on-the-job experience imparting hard and soft skills, our program prepares participants for successful, long-term careers in the customer contact industry.

We have always made our contact center services accessible to customers with disabilities. And in 2018, we expanded our program. After soliciting feedback from our customers, we implemented a number of strategies to improve the ways in which we communicate, including partnering with BeMyEyes, using their app to provide support for Blind customers.

By using assistive technologies like these to overcome communication barriers, we have doubled our call volume, improved our call resolution rate, and exceeded expectations in subsequent rounds of customer feedback.

A big part of this service expansion included developing the kinds of opportunities we offer in our job training program. According to a 2016 report by the National Deaf Center, only 48.3% of Deaf people were employed compared to 72.1% for hearing people. We sought to tackle this issue head-on, expanding our program to include qualified Deaf and hard-of-hearing program participants, and promoting a Deaf person to supervise a team that included both Deaf and hearing contact center agents. Additionally, we strategically pursued client contracts that facilitated the employment of Deaf and DeafBlind people.

It's this combination of the right technology and the right staff that's increased our contact center accessibility this year, helping us provide better services for our customers, and better opportunities for our program participants.

PEOPLE PLACED IN JOBS

139

RETENTION RATE

84%

AVERAGE WAGE / FIRST JOB AFTER SERVICES

\$14.72

433

PEOPLE SERVED



AUBURN



MUKILTEO

» TRAINING & EMPLOYMENT



“

When program graduates tell us what they gained from Orion, the most common response is belief in themselves.

- Kathy Powers

Vice President of Services



TRAINING & EMPLOYMENT

CREATING PATHWAYS FOR SUCCESS

Orion's Training and Employment staff has one goal above all others: restoring hope. There are any number of reasons why a person might have limited access to employment, so we take an integrated approach, focusing on more than just job placement.

We work one-on-one with each individual in our program to identify their strengths and interests, to build their self-esteem and counsel them during their entry into the workforce, and to make sure they get the skills they need to land a job – and keep it.

Each trainee is assigned an on-the-job mentor, a counselor, and a job developer who helps them find employment upon program completion. They receive training in manufacturing, contact center services, office skills, and custodial skills, as well as soft skills like communication, attendance, work ethic, and teamwork.

Orion's training is complimented by classroom work including math and blue print classes. Class size is kept small to support a variety of learning styles.

Our manufacturing and contact center facilities in Auburn and Mukilteo, WA, and Fort Eustis, VA, provide the real-world work environments where training takes place. Finally, we work closely with local businesses to determine staffing needs, place program participants, and ensure that the relationship is a good fit going forward.

This year, we helped 139 program participants find jobs: a record number. Among them were 17 people who participated in the first full year of our transitional training program, in Mukilteo. We worked with 81 different employers in our communities to find career opportunities. And we helped host the annual retreat for the Roberts Enterprise Development Fund (REDF), a venture philanthropy that invests in social enterprises that focus on employment. We have received grants from REDF since 2015, and Orion is proud to represent the Seattle area in their portfolio.



AIYANA

FROM SCHOOL TO CAREER

Like most high school girls her age, Aiyana loves cats, music, watching YouTube, and of course, Justin Bieber. But she's also got a unique set of abilities that brought her to our School 2 Work (S2W) program, where we're privileged to work with her.

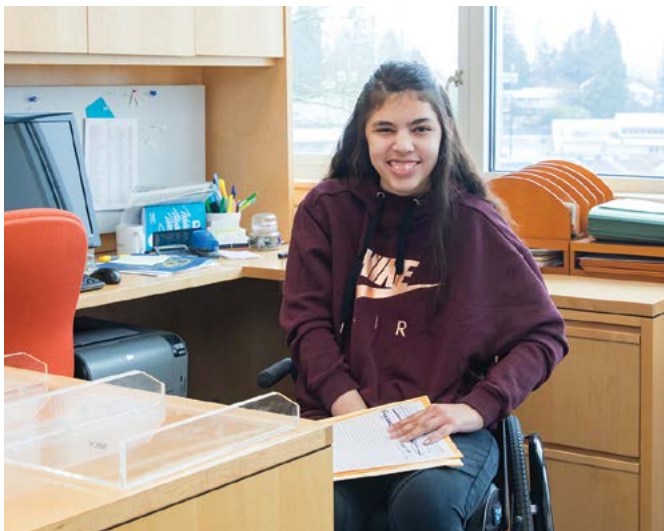
The goal of the S2W program is to help students shift into community employment prior to graduation, through skill/interest assessments, skill development, and career planning.

Orion also works with local employers to support training and customized work opportunities for the students.

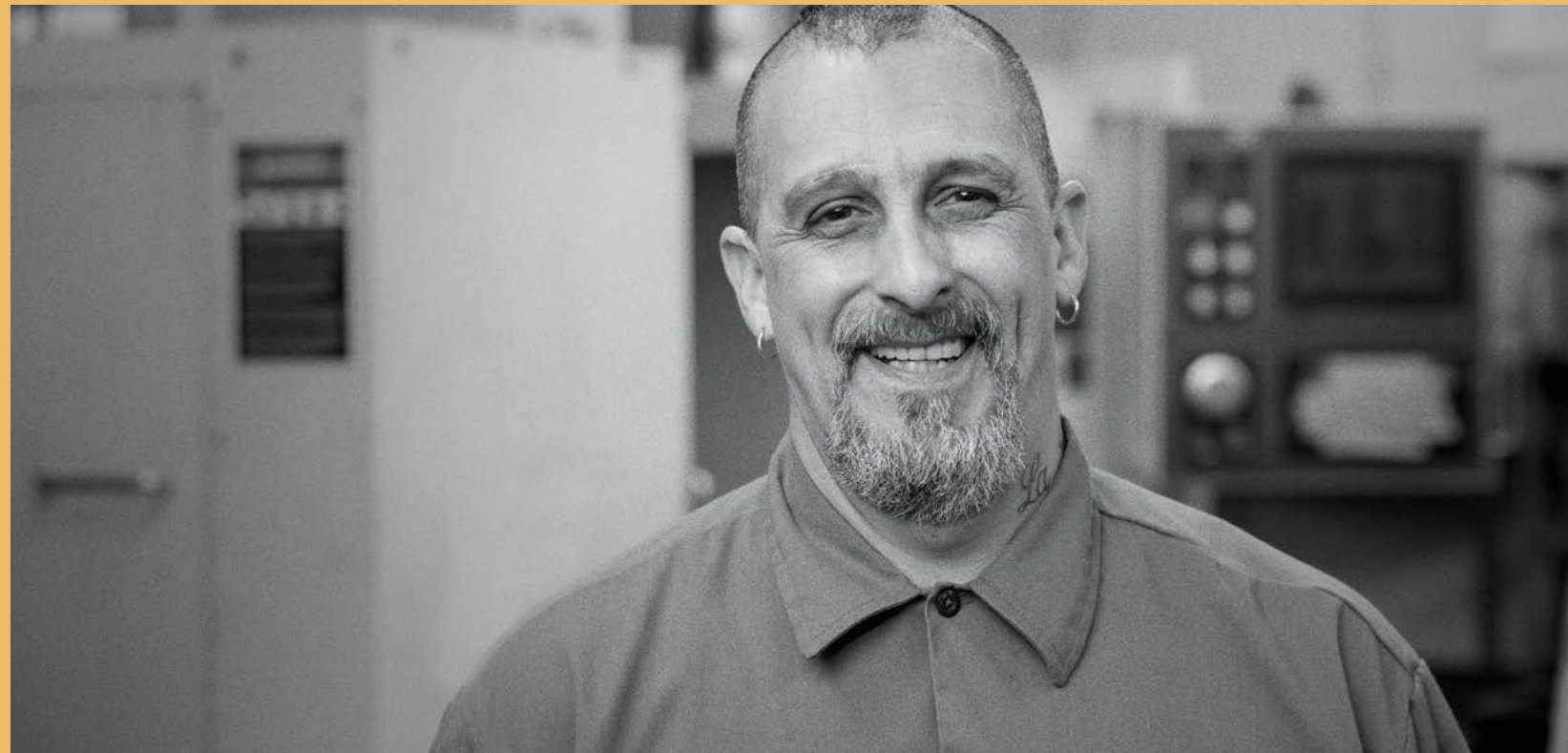
Aiyana is a student at Jackson High School, and through the S2W program is currently serving as an intern in the mailroom at the Everett Public Schools Community

Recourse Center (CRC), and she's doing an excellent job. She's also a pleasure to work with — an engaging and likeable young woman.

For the longer term, we're helping Aiyana develop a career plan around her interests, either in pet care or creative crafting. As she works toward these goals, we couldn't be prouder to watch Aiyana learn and grow.



» SUCCESS STORIES



ROOSTER

HARD WORK PAYS OFF

When Rooster first heard about Orion, he had no machining or manufacturing experience — but he knew he was looking for a change. One Orion facility tour later, and he'd decided on his next step.

First, Rooster and vocational counselor Tricia Cleavelin developed strategies for coping with a challenging custody battle for his children, which he won. Then he started Orion's paid Manufacturing Training Program, where he got working experience in the Blanking Press, Mechanical Assembly, and Finish Line areas. It was on the Finish Line that Rooster's mentor, Chris Pierce, noticed his trainee's "knack" with a pencil grinder, and told him so.

This encouragement made all the difference to Rooster: his hard work was paying off.

Today, Rooster works at RBK Manufacturing, performing precision hand-deburring, and he credits his one-on-one mentors at Orion with helping him get his start.

"My children inspired me to look for something better, and I found Orion. I want to do the best that I can for them every day. The trainers at Orion showed me how to be successful in a new career, and my hard work is making success a reality."



“We have the privilege and pleasure of having Sharon be part of the Starbucks team,” says her manager, Tiffany.

SHARON SETTING A HIGHER STANDARD

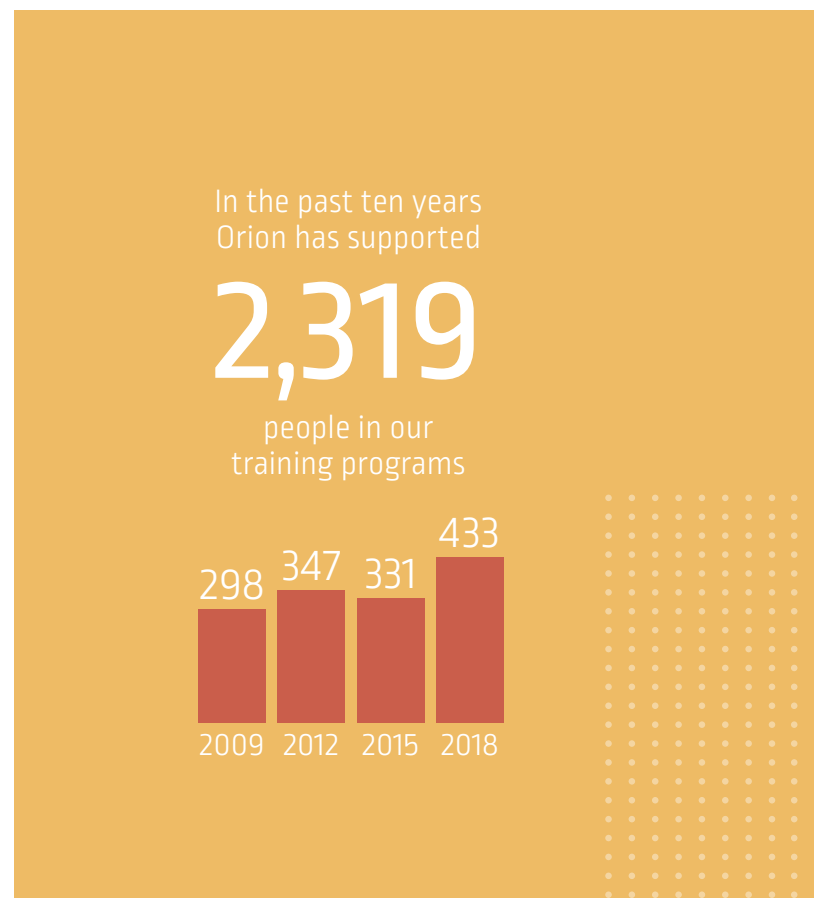
If you want to see what success looks like, look no further than Sharon.

In July 1972, Sharon applied at the current Mukilteo location back when it was Diversified Industries, and worked in the light assembly area. Since then, she has seen the company change and grow just as much as she has, including seeing Orion Industries merge with Diversified.

As if her Orion work wasn't enough to keep her busy, Sharon got a second job at Starbucks in 2007, where she'll continue working after retiring from Orion. The oldest partner at her Starbucks location, Sharon is looking forward to celebrating her 12-year anniversary there.

“We have the privilege and pleasure of having Sharon be part of the Starbucks team,” says her manager, Tiffany.

We know exactly what she means. Congratulations Sharon!



SANDY A NEW START

Imagine: you're living your life, and then out of the blue the unthinkable happens and you have to start all over again. If you've lived through this, you know how Sandy felt the day she lost her retail position of 15 years.

“My whole world was shattered when I lost my job,” she says.

For Sandy, the turning point came when she joined the Orion Office Skills and Customer Service Training Program — though initially, she had her doubts.

“Being older and not familiar with computers,” she says, “I was surprised that I could learn to do this.”

But she did learn office skills, and quickly, with the help of instructor Jeri Lucas. She completed her training and found a job with the Auburn-area CONNECT Chamber of Commerce, where she's worked for over a year, performing accounting and payroll functions, taking notes at meetings, and working with the board on finance projects.

“Orion came at a time when I really needed it,” she says. “I gained experience and confidence, and I proved that I was able to change careers.”





JANUARY 31, 2018

Governor Jay Inslee visits Orion

2018 started off on a high note. On January 31, Governor Jay Inslee paid a visit to the Orion manufacturing and contact center facility in Auburn, WA.

While the Governor took a tour of our operations, he was able to learn about our social mission of clearing pathways to employment for our community members – and then watch that mission in practice.

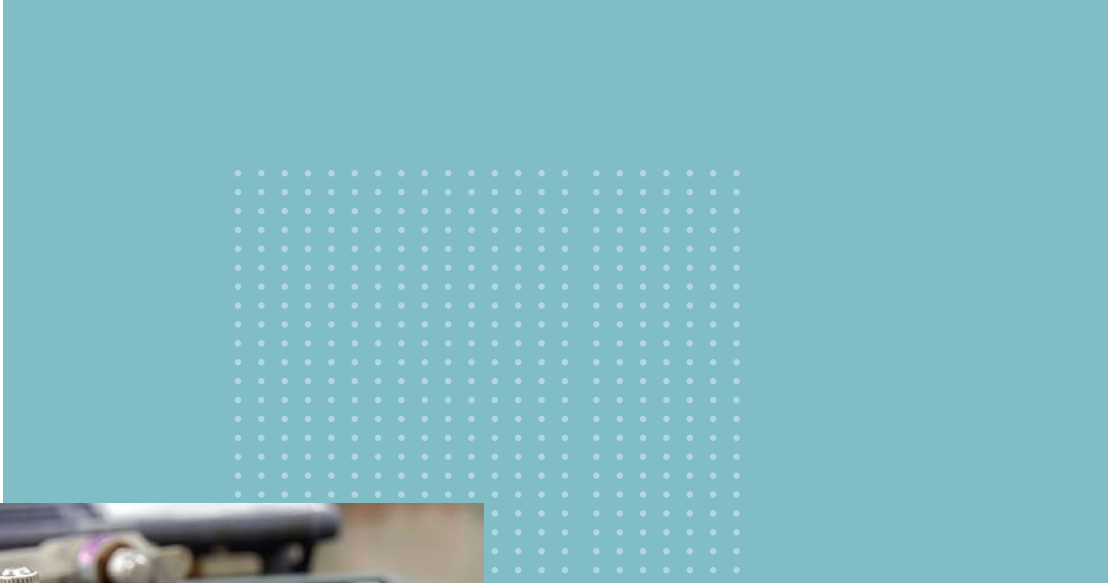
The visit gave him a clearer understanding of the positive impact Orion has on the surrounding community, and on the state economy. We're proud to have hosted him for a great day.



MAY 4, 2018

Orion named Washington Nonprofit Manufacturer of the Year

In May, we were proud to be named the 2018 Nonprofit Manufacturer of the Year, by Seattle Business Magazine. That we were recognized for the quality of our work and the effectiveness of our social mission was honor enough, but what made the recognition even more special was that we became the first company to receive the award twice. We were first honored by the magazine in 2012, and since then we've grown our team, acquired new businesses, earned multiple awards from our customers, and more than doubled the impact of our social mission.



» LIFTING UP OUR COMMUNITY

BOARD OF DIRECTORS

- Bob Fredrickson
CHAIRPERSON
- Steve Carnell
VICE CHAIRPERSON
- Al Orwiler
- Gina Key
- Jeff Alberts
- Jerry Knutzen
- Karen Hoffman
- Paul Richter
- Rob Graf
- Veronica Wade

ACCREDITATION

- CARF**
Employment Planning Services
Community Employment Services:
Employment Supports
Community Employment Services:
Job Development
- Aerospace Certifications**
The Boeing Company D1-4426
Model Based Definition (MBD)
- ISO9001/AS9100**
Certified by TUV: USA in the following standards: ISO 9001:2008 & AS9100C
- Contact Center Certifications**
ISO/IEC 27001:2013
Certified by Coalfire in the following standard: ISO/IEC 27001:2013
HIPAA Compliant
PCI Compliant

PARTNERS

- Ability One
- Aerospace Futures Alliance
- Aerospace Joint Apprenticeship Committee
- Developmental Disabilities Administration
- Division of Vocational Rehabilitation
- Labor & Industries
- REDF
- Seattle Jobs Initiative
- Stand Together
- Veterans Administration
- Washington State Board for Community and Technical Colleges
- Workforce Development Council of Seattle-King County
- Workforce Training and Education Coordinating Board

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Orion's impact on me has been huge. My whole life is getting back on track. That started at Orion.

- Duane

Manufacturing Training
Program Participant



ORION

Auburn

1590 A Street Northeast
Auburn, WA 98002
253.661.7805

Mukilteo

Orion Industries, Mukilteo
13008 Beverly Park Road
Mukilteo, WA 98275
425.355.1253

orionworks.org

WHO WE SERVE

6%

VETERANS

96%

LIVING AT OR BELOW
200% OF FEDERAL
POVERTY LEVEL

62%

INDIVIDUALS WITH
ONE OR MORE
DISABILITY