

ORION

UNITING EXCELLENCE
WITH OPPORTUNITIES



ANNUAL REPORT
2020



» CREATING RESILIENCY



Orion gives a chance to people who don't think that they have a chance. And with my role as a CNC Mills Mentor in Orion's Manufacturing Training Program, I get to play a part in helping someone get into a career.

- Josh Miller
Orion Mentor

JERRY CHASE

2020 MESSAGE FROM ORION INDUSTRIES PRESIDENT & CEO

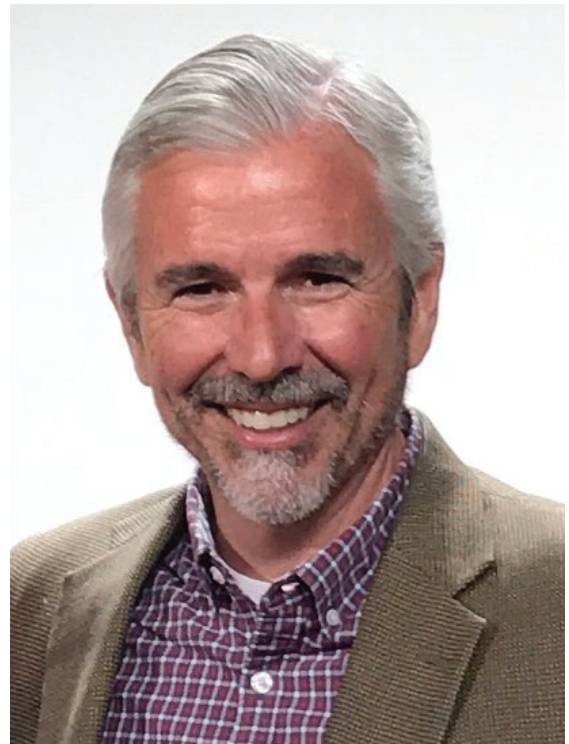
Orion leverages our Aerospace manufacturing business to create paths to employment through building self-esteem, mentoring, training, education, and community services. Our mission changes lives, families, and the communities where we live.

Significant challenges in the Aerospace Industry brought upon by Covid-19 caused Orion's 2020 revenue to be cut in half, and our ability to serve our social mission was reduced to levels not seen since 2009. In response, we implemented timely plans to maintain the health of our mission and business. Even in this challenging environment we were able to serve 247 people, place 90 into good paying jobs, and support 52 adults with Intellectual/Developmental Disabilities.

Throughout the year, the health and safety of our employees, their families and communities remained our top priority. We established strict workplace health and safety measures and provided for everyone who was able to telecommute to do so. In response to school shutdowns we established an on-site Learning Pod operated by Orion Staff for the children of Orion Staff.

As a result of our focus and actions Orion had no person-to-person transmission of Covid-19.

We are very grateful for the substantial support we received during the year from Federal, State, and local programs such



as the Payroll Protection Plan loans, the Washington State Shared Work Week program and a Community Development Block Grant from the City of Auburn. Through these programs we were able to weather significant challenges and protect our future.

In 2020 we achieved record 12-month Quality and Delivery Ratings. During the month of October we were proud to be recognized by Boeing as a Supplier of the Month. We also passed numerous financial, mission, manufacturing process, Aerospace Industry and Federal Aviation Administration audits with flying colors. Orion was further recognized by the Auburn Chamber of Commerce with the 2020 Auburn Area Connect Employer of The Year Award and by the Pacific Northwest Aerospace Alliance (PNAA) with their Inspire Award.

During a challenging year, by focusing on our mission and business, implementing timely plans and actions, taking care of our team and through shared sacrifice, we are positioned to serve and grow our mission and business for many, many years to come!

From all of us here at Orion, we wish you and your families good health and safety.

-Jerry Chase
President & CEO



With hands on training, building self-esteem, and mentoring, Orion breaks down the barriers in gaining employment. Through my work in the Clamp block cell, I get the opportunity to help individuals grow and see them succeed. The mission here at Orion really hits home for me, having a child on the Autism spectrum it gives me hope for his future.

- Nicole Langley
Orion Mentor

PARTS SHIPPED
820,000

CUSTOMER ORDERS
48,000

DIFFERENT TYPES OF PARTS SOLD
14,000

» AEROSPACE



MANUFACTURING EMPLOYEES
135

DELIVERY RATE
99.8%

QUALITY RATE
99.95%



MANUFACTURING RESILIENCY IN ACTION

A motto for business, “Hope for the best but have a plan for the worst.” Well, Orion had contingency plans in place for all sorts of scenarios that might occur. None of them quite prepared us for 2020. We started the year with the announced abrupt shut-down of the Boeing 737 production line, impacting almost half our business. Then in March, we experienced the full four-week shut-down of all Boeing production lines due to the pandemic.

Math could not provide an answer to how we would retain our key staff and continue to support our mission. Credit our strong culture of collaboration and excellence, and some help from the government, for finding the path. Through those efforts, Orion remains one of the largest aerospace companies in the Puget Sound region.

We supply precision-machined parts and sub-assemblies to top tier Original Equipment Manufacturers around the world. From our locations in Auburn and Mukilteo, WA, we provide metal component fabrication, machining and assembly, and produce wire harness and panel assemblies. We are known for our commitment to excellence and have been recognized as a three-time Boeing Global Supplier of the Year award recipient.

Orion provides support to those in our community who have barriers to employment by helping them gain the skills they need to secure meaningful work at a living wage. Our aerospace manufacturing business provides both the financial support

and training opportunities that prepare our program participants to thrive.

We are proud of the work we do but it is our social mission that drives us.

We use operations in our aerospace division as a platform to teach the technical skills that are in-demand in the job market. Our manufacturing staff includes 85 trained mentors who work one-on-one with program participants while teaching both technical skills and soft skills. Mentors are in place in each stage of our production process, providing training in multiple areas.

Despite the incredible challenges that the aerospace industry went through in 2020, decisions made at every level of the organization considered how to best preserve the mission. While we said goodbye to some of our staff, we were successful at retaining most of our training program capacity.

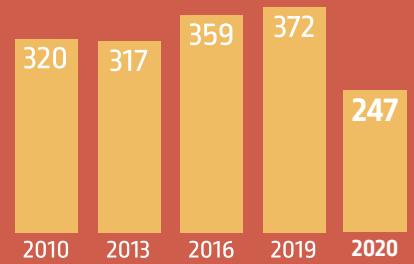
We also were able to focus attention on a key strategic initiative, the replacement of our ERP system. This system enables us to operate our business at both of our locations seamlessly, and quickly monitor our performance. The Manufacturing team adapted to the dramatic changes of 2020, completed our key strategic initiatives and achieved our highest ever quality and delivery performance.

-Tom Brosius
Vice President & General Manager

ORION HAS SUPPORTED

2,640

PEOPLE IN OUR TRAINING
PROGRAMS OVER 11 YEARS



RETENTION RATE

84%

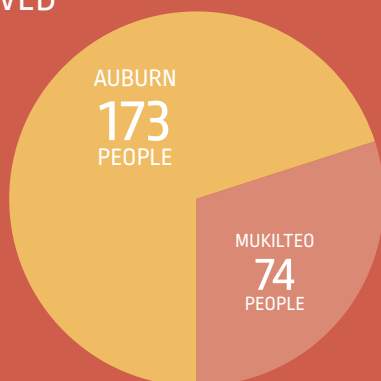
AVERAGE WAGE

\$15.77

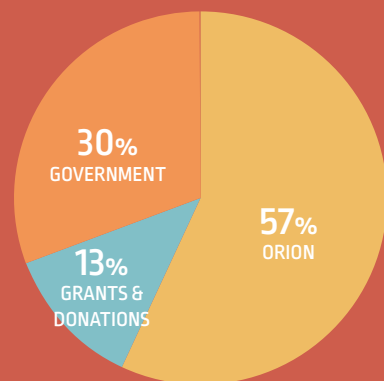
» TRAINING & EMPLOYMENT

PEOPLE SERVED

247



PROGRAM
RESOURCES





TRAINING & EMPLOYMENT A FOCUS ON THE FUTURE

While 2020 was a year no one expected, Orion continued to support individuals throughout the pandemic. We provided services to 247 people, and successfully guided 90 individuals into new careers.

Our transitional training programs paused for one month, but resumed as we operated in a safe manner, utilizing social distancing and masks.

In our manufacturing programs, participants continued to gain the soft skills they need to gain employment through one-on-one work with our mentors.

This support is paired with guidance from our Vocational Counselors and Job Developers to help each individual gain employment. Our staff work to address barriers that may have interfered with employment in the past and to provide the right level of support to allow each participant to successfully transition to work outside of Orion.

Orion's DDA (Developmental Disabilities Administration) services include Individual Employment, School to Work, and Community Inclusion programs. We support individuals with Intellectual and Developmental Disabilities in King and Snohomish counties by opening pathways to employment and enabling them to be a contributing part of their community.

In 2020 Orion helped 90 program participants locate community employment.

Throughout the year, Orion worked with sixty-two employers, matching our program graduates with their hiring needs. We also provided follow-up services to support participants and employers for 90 days after placement. Training, placement and follow-up services are all provided at no charge to the participant or employer.

With the help of an Employees Community Fund of Boeing grant, we used the interruption in services to begin renovations of our Office Skills classroom. By re-purposing a space on the upper floor of our Auburn campus, we created a safe space for participants. The new classroom, completed in 2021, will provide an opportunity for people to learn basic computer skills, the Microsoft office suite, brush up on skills, conduct job searches, and complete employment applications.

-Kathy Powers
Vice President of Services



SUCCESS STORIES

GREG & TOMMY GRADUATES OF THE YEAR

Greg initially came to Orion's program in 2019, and his mentors and T&E staff quickly realized how dependable, motivated and resourceful he was.

Before coming to Orion Auburn, **Greg** was unstably housed and unemployed. He realized he needed to gain new skills to find employment, and that's when he enrolled in Orion's Manufacturing Training Program. Though he had never done manufacturing work, Greg had a great attitude and was willing to do any task - big or small. Each day, rain or shine, Greg would ride his bicycle over six miles to attend training.

His first job ended when the owners sold the company he was working for, so Greg returned to Orion in 2020. His subsequent career ended abruptly because a contract ended earlier than expected; however, Greg had demonstrated what an excellent worker he was, and the company brought him back

in a new role. Through it all, Greg kept a positive attitude, persisting through each setback.

Tommy came to Orion Mukilteo eager to gain work experience and build his skills. Tommy was reliable, a hard worker, and exhibited a desire to learn. He had not held paid employment before and found it challenging to navigate employment opportunities.

In October 2020, Tommy started working full-time as part of a road maintenance crew. He is excited about having his own company truck at work. Tommy enjoys being part of a team and looks forward to learning new skills on the job. He has goals to keep building his career and learn everything he can. With an attitude like that, we are sure he will succeed, and we will be there to help him along the way.

Congratulation, Greg and Tommy, for being our 2020 Graduates of the Year!

CAMERON OVERCOMING BARRIERS

Before coming to Orion, Cameron experienced frustration in his search for employment. Cameron has high functioning Autism which has impacted his ability to interact socially and with employers, which was limiting the number of jobs he could perform. He had difficulty focusing on work tasks for an extended length of time and would sometimes get frustrated with himself, and have to walk away to calm down.

While at Orion he learned how to manage his frustrations by discussing them with his mentor, who he trusted. His mentors created a safe environment for Cameron and helped him to develop strategies to deal with his frustration. Finding the best way to approach Cameron has proven to be a very successful strategy in keeping him motivated to do his best.

In February of 2020, Cameron acquired a full-time position at Associated Materials. Since then, his employer has asked his Orion Job Developer to “send more Cameron’s”. They love him! He has built friendships and expanded his skill set at his job. Last month we learned that Cameron would receive special recognition for exhibiting examples of Associated Materials core competencies and has been nominated for Employee of the Year. Cameron proved that he is determined and can overcome the obstacles his disability has presented.

The Production Supervisor at AMI said, “I have been the Supervisor in IG (insulated glass) here at AMI for several months and I have seen tremendous growth in Cameron. At first he didn’t talk much, but as time passed and through saying hello to Cameron daily, he began to open up. When I would say good morning to him we would fist bump or high five.

Then one day the employee that primarily works with Cameron went on vacation, and I had to put a newer employee with Cameron. I was not sure how it was going to go since



this employee speaks limited English. Within the first couple of hours Cameron was actually training this employee by showing him what and how the position is done. We were all very impressed with Cameron for his willingness to take on this challenge. Cameron worked with this employee for a week and now this employee fills in at this position when needed.

“Imagine how great it would be if we could clone Cameron.”

Cameron has also come to me expressing that he would like to learn new positions just to try them out. Cameron is a great person and a model employee. Several times in conversation myself and the Production Manager have said ‘Imagine how great it would be if we could clone Cameron.’” In December of 2020, Cameron was nominated for “Employee of the Year” at AMI and received a certificate of recognition.

Cameron is a perfect example of Orion’s mission in action, and we are so proud of his hard work and commitment to a new career.



Orion gave me the opportunity to shine, not shrink - I was able to discover, rediscover, learn, bump my head and trust in the power of failure. Orion was a canvas for me- I was able to create something wonderful here.

- Lavada Kindle
Job Developer and Former Participant

» COMMUNITY NEWS

WHO WE SERVE

BIPOC (BLACK, INDIGENOUS, & PEOPLE OF COLOR)

48%

LIVING AT OR BELOW FEDERAL POVERTY LEVEL

92%

INDIVIDUALS WITH ONE OR MORE DISABILITY

85%

MARCH 15, 2020

Orion receives PNAA's Inspire Award 2020

Orion was pleased to be recognized in 2020 by Pacific Northwest Aerospace Alliance. PNAA said, "PNAA's Inspire Award honors businesses and individuals in the aerospace community that have shown exceptional creativity in working with young people and diverse populations, in an effort to promote diversity and inclusion in the aerospace industry and cultivate interest and skills leading to aerospace careers."

"Orion Industries' record of successful placement of individuals in the workforce is impressive."

In 2019, Orion provided paid, on-the-job training to 372 people and placed 125 into living wage jobs. Of the people Orion served in 2018, 96% were living at or below the federal poverty level and 82% of those served had one or more disabilities. Over the past 10 years Orion has supported over 2,300 people in its training programs and have placed almost 1,000 people into careers.

When the Covid-19 pandemic forced schools in the state of Washington to shift to remote learning, Kristina Pressley, Orion's Human Resources Manager, spearheaded the effort to organize Orion's Learning Pod. Kristina and Orion's staff formed a cooperative to provide a safe, supervised space and learning resources for children of employees. Orion's Learning Pod consists of 20 children from 13 families and 6 school districts. Nikki Malcolm, PNAA Chairwoman, notes 'Orion's out of the box thinking created a way for their employees to be at work and relieve some of the stress that parents are facing with homeschooling and working a full-time job.'

At the organizational level, Orion has a simple belief: good jobs change lives. Orion devotes itself to its program participants and strives for excellence in everything it does. It offers hope and creates paths to employment through building esteem, mentoring, training, education, community services, and successful businesses."



Kristina Pressley Human Resources Manager

NOVEMBER 9, 2020

Orion receives Employer of the Year Spotlight Award from Auburn Area Chamber of Commerce

The Employer of the Year SPOTLIGHT Award recognizes an employer who has implemented innovative job retention, creation, benefits, and/or compensation plans that foster a thriving work environment in the Auburn Area. Thank you to the Auburn Area Chamber of Commerce for this honor.

PARTNERS

Aerospace Futures Alliance
Aerospace Joint Apprenticeship
Committee
Association of Washington Business
British American Business Council
Developmental Disabilities Administration
Division of Vocational Rehabilitation
IPC International
Labor & Industries
Pacific Northwest Aerospace Alliance
REDF
Seattle Jobs Initiative
Veterans Administration
Washington State Board for Community
and Technical Colleges
Workforce Development Council of
Seattle-King County
Workforce Training and Education
Coordinating Board

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



ORION

BOARD OF DIRECTORS 2020

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

AUBURN

1590 A Street Northeast
Auburn, WA 98002
253.661.7805

MUKILTEO

13008 Beverly Park Road
Mukilteo, WA 98275
425.355.1253

orionworks.org