



Shareholder

A quarterly newsletter from Sealaska

President Obama Brings Attention to Southeast Efforts

U.S. President Barack Obama visited Alaska in late August, bringing with him a focus on climate change. The White House issued a “Fact Sheet” during Obama’s time in Alaska that announced new investments to combat climate change and assist remote communities. The “Fact Sheet” also provided an overview of non-federal actions taking place around the state.

“President Obama identified two Southeast Alaska partnerships that Sealaska is involved with,” said Sealaska President and CEO Anthony Mallott. “The Sustainable Southeast Partnership (SSP) and the Hoonah Native Forest Partnership (HNFP) align with Sealaska’s vision of strengthening people, culture and homelands. By working in partnerships we utilize collective resources that can attain greater benefit for our region than any of us can accomplish on our own.”

“We are thrilled to have the president recognize the efforts of SSP while he was in Alaska,” said SSP Program Director Alana Peterson. “Our partners are enhancing Hydaburg’s fishing economy, growing entrepreneurs, tourism efforts in remote communities like Kasaan and so much more. Our key partners are the catalysts to a thriving region.”

ABOUT SSP

- Project focus is on four areas: food security, economic development, energy, and natural resource management
- Community partners: Hoonah, Hydaburg, Kake, Kasaan, Sitka and Yakutat
- Regional partners: Haa Aani, LLC, The Nature Conservancy, Southeast Conference, Renewable Energy Alaska Project, Sitka Conservation Society, Alaska Conservation Foundation, and Grow Southeast

ABOUT HNFP

- Top goals of partnership: (1) Regional-scale land management and conservation planning to improve habitat for salmon and Sitka black-tailed deer, long-term timber production, and enhance products such as blueberries and firewood; (2) Development of a local workforce of forest/land technicians; (3) Gather important data on timber, fish and other resources and improve the ability to do multi-purpose planning through the application of scientific studies
- U.S. Department of Agriculture funded the \$2 million grant

Sealaska Land Supports Hoonah Hydro Project

Alternative Use of Land Benefits Southeast

Sealaska has set aside land near Hoonah, Alaska, to support a new renewable energy source for the community. On August 21, 2015, Inside Passage Electric Cooperative (IPEC) held a ribbon-cutting ceremony for the completion of the Gartina Falls Hydro Facility that sits on Sealaska land. The small diversion dam and intake just above Gartina Falls has a capacity of generating 455 kW. IPEC estimates that the project will supply up to 30 percent of Hoonah’s existing electric energy needs.

Why Sealaska is involved:

- The Gartina Falls Hydro Facility will benefit shareholders and the community of Hoonah well into the future.
- Affordable energy is vital to the health of the region.
- The project aligns with the Guiding Principles for Sealaska Land Management, adopted by the board and management in 2014. Specifically, it addresses ways to create value from our unique land base.



Water flows down the tube and spins a turbine that creates electricity. (Photo by Elizabeth Jenkins, courtesy of KT00)

Celebrating All Nations Children Dance Group

During the last 20 years, Sealaska employee and shareholder Vicki Soboleff has been the group leader for *Ldakát Naax Sati Yátx'í* (All Nations Children) dance group. She says the group is an opportunity to teach Alaska Native youth about their culture, promote self-esteem, self-confidence and leadership.

On August 15, 2015, she handed over the leadership position to Barbara Dude, a former member of the dance group. At this year's annual meeting, Dude was announced as Sealaska's 2015-2016 board youth advisor.

"It's rewarding to work as the corporate controller, helping to meet the company's goals and objectives," said Soboleff. "I was also taught to respect our Native values and to work to help other people succeed."

Soboleff is a solid example of upholding Sealaska's core Native values like *Haa Latseen* | 'íltl' *Dagwiigáay* | *Na Yugyetga'nm* | our strength, leadership. As a result of her dedication to the group, many former students are creating positive impact in the Native community. Soboleff first joined Sealaska as a corporate accountant, and then returned in 2003 as the senior corporate accountant and controller. In 2010 she was promoted to corporate headquarters controller.



Vicki Soboleff and Barbara Dude



Barbara Dude, 2015-2016 Sealaska Board Youth Advisor

Barbara Dude has been appointed by the Sealaska board of directors to serve as the Sealaska board youth advisor from June 2015 to June 2016.

"I am excited for the learning experiences I will gain during my year as the Sealaska board youth advisor. I am eager to gain a better understanding of Sealaska business and what it truly means to be a young shareholder. I hope to support the board and offer my knowledge of our community, families and children while also learning how Sealaska advocates and promotes the health, well-being and cultural identity of its 22,500 shareholders."

Learn more about Barbara Dude at Sealaska.com.

Shareholder Selected for OST Advisory Board



Sealaska shareholder Leilani Wilson Walkush has been appointed to the advisory board for the Office of the Special Trustee for American Indians. The nine-member advisory board is required by the American Indian Trust Fund Management Reform Act of 1994. Walkush will serve a two-year term on the advisory board, and has been named vice chair of the board.

"Sealaska played an integral role in my development as a student and a professional, through the scholarship and internship programs," shared Walkush. She worked with Sealaska from 1998 to 2002 and is a former intern and scholarship recipient.

Walkush was born and raised in Juneau and is Tlingit, Eagle, *Daklaweidi* (Killerwhale House). Her parents are Sue and John Wilson Jr. of Juneau. She is married to David Walkush, who is also a former Sealaska employee and scholarship recipient, and they have three children.

Attention Landless Shareholders

When the Alaska Native Claims Settlement Act (ANCSA) was passed in 1971, it created 12 regional Native corporations and hundreds of village corporations. In Southeast Alaska, five communities (Haines, Ketchikan, Petersburg, Tenakee Springs and Wrangell) were left out of ANCSA and are often referred to as landless communities. Legislation has been introduced in the U.S. Congress to amend ANCSA to allow the five landless communities to form corporations.

You will be receiving a letter in the mail if you are a shareholder who:

- originally enrolled in one of the five communities
- has received gifted or inherited shares from an original shareholder from one of the five communities

Sealaska will disclose shareholder contact information with landless representatives, unless shareholders "opt-out." It will only be used for communication regarding the landless legislation, other important outreach and potentially for enrollment purposes if legislation is enacted. Please watch your mail for additional details.

Sealaska Heritage Institute's 2015 Summer Programs



Photos: left to right, top to bottom. **1.** Our first Gumboot Camp, an early-literacy program for children ages 4-5 **2.** Our Math and Culture Academy, which teaches math skills through traditional practices such as weaving and carving **3.** Our Voices on the Land program, which improves literacy skills through performing arts **4.** SHI co-sponsored a Tlingit immersion retreat in Sitka that included our Tlingit mentor-apprentice teams **5.** Group photo from our Math and Culture Academy **6.** Our new Latseen Running Camp **7.** Our Latseen Hoop Camp, which teaches Native languages through basketball

SHI Releases Formline Design Curriculum and Kit

Sealaska Heritage has produced a curriculum and art kit for formline design—the basis of Northwest Coast art—and distributed it to schools in Southeast Alaska. The curriculum—Northwest Coast Formline Design: Definitions and Student Activities—is the culmination of SHI's Jinéit Art Academy, a three-year project to teach formline design regionwide and to cultivate more formline instructors. A team of K-12 teachers, Native artists, specialists and Sealaska Heritage staff spent years developing and field testing the curriculum, which was also vetted by the institute's Native Artist Committee. The textbook and kit are available for free download at www.sealaskaheritage.org. People who prefer a hardcopy version of the book may purchase it through the Sealaska Heritage Store at thestore@sealaska.com.

BROTHERS MAKE LARGE DONATION TO ARCHIVES

Ray Peck and Cy Peck Jr. have made a significant donation to SHI that includes letters and essays by the late Native rights leader William L. Paul Sr., for whom the institute's archives is named. The materials were collected by the late Native activist Cyrus E. Peck. Read more at sealaskaheritage.org.

Opportunities for Artists

SHI is seeking artists to demonstrate and sell their work in the Walter Soboleff Building during the First Friday of each month in Juneau. Apply: <https://goo.gl/cxtA3r>. In addition, SHI is seeking quality Native art to sell at the Sealaska Heritage Store. If you are interested in selling arts-and-craft products at wholesale prices or consigning art to SHI, please email a photo, description and wholesale or consignment price to thestore@sealaska.com. SHI encourages artists to register to its Native Artist Database to get prompt notices of art opportunities. Links are available on the art programs page at sealaskaheritage.org.

UPCOMING EVENTS

First Fridays: Monthly artist demos and sales

Exhibit: *Enter the World of the Tlingit, Haida and Tsimshian Peoples:* Through Spring 2016

Lecture Series: November 2015

Celebration 2016: June 8-11, 2016

Meet the 2015 Sealaska Interns

A big thank you to this year's Sealaska interns! Learn more about their backgrounds and the internship program at www.Sealaska.com. **Gunalchéesh | Háw'aa | T'oyaxsism**



MARISSA BRAKES

Tlingit, Yéil, *Gaanax.teidí*

Internship: Accounting

Location: Juneau, Alaska

School: Boise State University

Program: Criminology



DANA BRESEMEN

Tlingit, Yéil, *T'akdeintaan*

Internship: Operations

Location: Bellevue, Washington

School: Jacobs University

Program: Integrated Social Sciences



CHLOEY CAVANAUGH

Tlingit, *ch'áak'*

Internship: Building Management

Location: Juneau, Alaska

School: Cottey College

Program: Business



CHRISTINA DEMMERT

Tlingit, Yéil, *Taakw.aaneidí*

Internship: Operations

Location: Bellevue, Washington

School: Fort Lewis College

Program: Secondary Education

“You have the ability to voice input that matters, and know that your input could potentially create a meaningful impact.”

Chloey Cavanaugh, 2015 Sealaska Intern



MICHAELA DEMMERT

Tlingit, Yéil, *Taakw.aaneidí*

Internship: Natural Resources

Location: Juneau, Alaska

School: Dartmouth



LYDIA DOZA

Tsimshian, *Gisbwudwada*,
House of the Brown Bear

Internship: Information Technology

Location: Juneau, Alaska

School: Oregon Institute of Tech.

Program: Software Engineering Tech.



LAUVE GLADSTONE

Tlingit, *ch'áak'*, *Kaagwaantaan*

Internship: Haa Aaní, LLC

Location: Juneau, Alaska

School: Stanford University

Program: Comparative Studies in
Race and Ethnicity



ASHLYNN GOODY

Tlingit and Haida, Yéil

Internship: Natural Resources

Location: Juneau, Alaska

School: Boise State University

Program: Environmental Studies



SUSAN HAMILTON

Haida

Internship: Sealaska Heritage Institute

Location: Juneau, Alaska

School: The Evergreen State College
Reservation Based Community
Determined Program



WILLIAM LAUTH III

Haida, Ts'áak', Frog

Internship: Communications

Location: Juneau, Alaska

School: University of Hawaii at Manoa
Program: Communications

“The Sealaska internship is an amazing opportunity to work for the stewardship of Tlingit, Haida and Tsimshian land.”

Michaela Demmert, 2015 Sealaska Intern



JAIME MILLER

Tsimshian, Gispwudwada

Internship: Sealaska Government
Services, Accounting

Location: Bellevue, Washington

School: Central Washington University

Program: Accountancy



CHRYSTAL POINTER

Haida, Yáahl

Internship: Sealaska Environmental
Services

Location: Poulsbo, Washington

School: Washington State University

Program: Environmental Sciences



DAVID RUSSELL-JENSEN

Tsimshian, Gisbudwada,
House of Niisluut

Internship: Sealaska Heritage Institute

Location: Juneau, Alaska

School: University of Alaska Southeast

Program: Alaska Native Studies

Sealaska's internship program is part of our commitment to provide educational and employment opportunities for our shareholders and descendants. If you are interested in the program, you can find more information at www.Sealaska.com.

Sealaska Hires VP, Talent Management and Development



As Sealaska gains traction with a business strategy focused on data analytics and natural resources, talent management is becoming more critical for success. Sealaska has hired Mark Davidson to lead HR and build talent management and development programs. Before Sealaska, Davidson worked with Intellectual Ventures, leading talent disciplines for several related businesses and spinout companies.

Davidson has worked in business consulting, leadership development and human resource management for nearly 20 years. He studied human performance and physiology as an undergraduate at University of California, Davis and completed an MBA with an emphasis in finance and healthcare at The Wharton School in Pennsylvania.

In 2011 he moved to the Pacific Northwest to be closer to things he most values — family and community, mountains and oceans. Outside of work, Davidson enjoys hiking, skiing, sailing, climbing and camping with family and friends.

In Memory

Sealaska pays tribute to shareholders who have recently walked into the forest.

Theresa Bell — Juneau, AK (86)	Mikeal H. Messenger — Anchorage, AK (54)
Vernon H. Benson — Yakima, WA (91)	Frederick A. Nielsen — Anchorage, AK (81)
Donald C. Bishop — Sun Valley, NV (59)	Lillian Patterson — Juneau, AK (87)
Agnes Bohannon — Juneau, AK (88)	Priscilla Peele — Sitka, AK (70)
Bernice M. Bondy — Orinda, CA (87)	Raymond Peterson Sr. — Juneau, AK (74)
Milan Browne — Ketchikan, AK (74)	Barton F. Rose — Kake, AK (61)
Irma Button — Sitka, AK (73)	Shirrilane Ruth — Highland Village, TX (55)
James G. Campbell — Bealeton, VA (66)	Avis Sakamoto — Petersburg, AK (78)
Joel Charles — Juneau, AK (34)	Laurence Shupe — Kuna, ID (54)
Delbert E. Compton — Centralia, WA (77)	Rod A. Sivertsen — Anchorage, AK (44)
Diane Crosby — Hayward, CA (53)	Mary Watts Stevens — Cerritos, CA (99)
Karla M. Flynn — Bellingham, WA (82)	June R. Swink — Ketchikan, AK (73)
Wilma Huff — Crescent City, CA (84)	Jeffrey A. Syfert — Pendleton, OR (64)
Benjamin Jackson Jr. — Juneau, AK (48)	Mildred C. Tandy — Juneau, AK (95)
Mary R. Bird Jackson — Browning, MT (77)	Joseph A. Titus — Longview, WA (44)
Nadine Jones — Juneau, AK (59)	Leigh E. Towarak — Anchorage, AK (67)
Vivan V. Keltner — Port Ludlow, WA (95)	Ella E. Vonda — Juneau, AK (92)
Frank R. Lauth Jr. — Juneau, AK (84)	Kent M. Weisner — Kirkland, NM (70)
Mark E. Loats — Littleton, CO (61)	Frances J. Widmark Sr. — Sitka, AK (88)
Richard MacGowan — Dallas, TX (63)	
Henry McNeill — Klawock, AK (85)	

Please note that Sealaska will publish shareholder names only after the Shareholder Relations Department has received proper documentation.

Board Focuses on Governance and Limits Risk

The board continues to analyze how it can best contribute to the success of Sealaska. “As we ask management and staff to ensure a thriving company, the board must also find opportunities to be efficient,” said Governance Subcommittee Chair Tate London. “As a result the board is working closely with the Governance Subcommittee of the Audit Committee.”

Part of Sealaska’s strategic plan calls for improving our operating culture. As a result, we have implemented a holding company structure for the government services sector of our subsidiaries—Sealaska Government Services (SGS). The SGS group, including Sealaska Environmental Services, Managed Business Solutions and Sealaska Constructors, works collaboratively and are consolidating internal functions, such as accounting, to be nimble and efficient. These efforts will ultimately result in better oversight, improved decision-making and risk management, all of which will create cost savings for our operations.

SEALASKA GOVERNMENT SERVICES GROUP

Kingston Environmental companies
Managed Business Solutions, LLC
MBS Systems, LLC
Sealaska Construction Solutions, LLC
Sealaska Constructors, LLC
Sealaska Environmental Services, LLC
Sealaska Technical Services, LLC
Synergy Systems, Inc.

“We are seeing cost savings and increased oversight from the changes that have been made in our subsidiary organizational structure and as a result of changes in board and company policies,” said Governance Subcommittee Chair Tate London. “In addition, the Governance Subcommittee recommended policy changes that were implemented by the board over the past year to cut costs related to board fees and board meetings.”

Other action for improved oversight includes the establishment of the Compliance and Risk Management Department last year. This department will form part of Sealaska’s internal control and corporate governance structure. Time and effort spent on risk management is an investment that pays off far into the future by lowering the probability that unforeseen events will negatively affect Sealaska. This effort is key to assuring that we become a sustainable, operating entity.

CEO Letter

CELEBRATING A SUCCESSFUL ANNUAL MEETING



At this year's annual meeting we had a full house with 550 in attendance and approximately 2,000 online. We were able to highlight our achievements over the last year, most significantly the passage of the Sealaska lands bill. New this year was a panel discussion with some

key members of my executive team. Each discussed progress and goals on our operating initiatives. Together we spoke to shareholders about:

- Our government contracting operations
- Our operational investment process
- Our commitment to policy advocacy
- Our disciplined oversight and management of Sealaska investment funds

I would like to ensure shareholders are knowledgeable of Sealaska's strategic direction through open and transparent communication that allows us to consistently highlight our focus and progress.

Financial performance for 2015 is presently showing incremental operational improvement over 2014 results. In 2014, Sealaska's consolidated financial activities demonstrated a notable turnaround from 2013 with \$14.9 million in net income. The efforts we are taking this year have hopefully set the stage to continue to show growing improvement into 2016, across our operating platforms.

Efforts to implement our six key initiatives of the strategic plan have already lead to significant new contract wins and a pipeline of contract opportunities for the Sealaska Government Services group of companies that has never been greater. This will set up our companies to reach our goal of becoming a sustainable operating platform that provides meaningful annual operating income with

strong growth opportunities. The Sealaska Government Services group is also narrowing its focus to industry areas that are relevant now and expected to be far into the future, like water and energy services, environmental monitoring and data analytics. This long-term planning shows our commitment to *Haa Shuká*, one of the four core cultural values that guides our Values In Action strategic planning and decision making. *Haa Shuká* (our past, present and future) encompasses the significant responsibility to limit efforts that only accomplish short-term goals, and instead take on efforts that provide meaningful benefit to current and future generations. By focusing on industries that are relevant now and that will be far into the future, we are building toward a vision of a sustainable operating company that meets its mission for current and future shareholders.



The executive team and myself remain dedicated to our strategic plan. Each year we work alongside the board of directors to evaluate our strategic direction and key initiatives to achieve it. I encourage you to take some time today and review our strategic direction. We look forward to providing future updates on the success of these initiatives.

Sincerely,

Anthony Mallott

SEALASKA'S STRATEGIC PLAN KEY INITIATIVES

1. Investment process that adds to our growth and creates long-term advantages for our businesses
2. Sustainable land management focused on responsibly utilizing our land for long-term shareholder and community benefit
3. Improved and efficient operating processes lead by employees who strive to deliver increased value in their roles
4. Create growth-oriented operating platforms within natural resources, government services, and natural foods/seafood
5. Support Economic Development in Southeast Alaska
6. Build Sealaska's Vision

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SAVE THE DATE

2016 Sealaska Annual Meeting

Sealaska directors announced that Ketchikan, Alaska, will be the location for the 2016 Sealaska annual meeting of shareholders.

Date: Saturday, June 25, 2016

Location: Ketchikan High School Gym

Additional details will be announced

VISIT WWW.SEALASKA.COM

Q3 2015

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Our **PURPOSE** is to strengthen our people, culture and homelands.

Our **VISION** is to be an Alaska Native enterprise of excellence built on our core cultural values.

The Sealaska *Shareholder* is published for shareholders free of charge by Sealaska. Subscription information for non-shareholders is available by writing to Sealaska Communications.

Printed on 30% post-consumer recycled paper.

www.sealaska.com

Presorted
First Class Mail
US Postage
PAID
Juneau, AK
Permit No. 98