

# Shareholder Benefit FAQs



## Frequently Asked Questions About Shareholder Benefits.

### **What percentage of NANA's total operating income benefits shareholders? How is this amount determined?**

In FY 2004, NANA's earnings from business activities used for social, cultural and land management programs totaled \$2,277,436, which was 16 percent of the total operating income. Expenditures are made at the direction of the board of directors and reflect the guidance of committees focusing on educational and cultural programs. Expenditures were also made to support other organizations involved in Alaska Native issues of concern to NANA shareholders and the NANA region.

### **How does NANA support shareholder education and employment?**

#### **NANA's Shareholder Development Program**

Employing shareholders has been one of the most important goals of NANA ever since its formation in 1972. NANA employs a full time staff position to manage a series of shareholder development activities. NANA staff works with shareholders to increase their job skills, to facilitate internships, to provide direct scholarships, to assist with scholarship applications from other organizations, to develop leadership and mentoring programs and to track progress as shareholders move through their careers.

#### **Job Opportunities**

In 2004, NANA companies and partners employed 630 shareholders, resulting in nearly \$27 million in wages paid to NANA shareholders. NANA has the reputation among Alaska Native Corporations, as the company that offers significant opportunities for shareholders who work

either directly for NANA companies, or for our business partners providing services at Red Dog Mine, on the North Slope and in the Government Contracting arena. The success NANA has seen results from agreements between NANA and its partners and subsidiaries stipulating that the subsidiary will develop a shareholder development plan and that NANA shareholders will have hiring priority over other equally qualified candidates. We continue to work to improve our information about shareholder interests. Recently NANA's Human Resources Department surveyed all shareholders over the age of 18 who are looking for jobs. Each person who responded will be given one-on-one counseling in order to help them move either into available positions or into training programs that will help them become qualified for future opportunities.

#### **Scholarships**

NANA pays \$668,000 annually to the Aqqaluk Trust, a 501(c)(3) non-profit organization that was created by NANA to develop educational programs for NANA shareholders. The Aqqaluk Trust administers NANA's scholarship program and also that of NANA's partner at Red Dog Mine, Teck Cominco, Ltd. Additionally, college tuition costs are reimbursed for NANA employees, and some NANA companies provide their own scholarships to support NANA shareholders who are pursuing degrees that are directly related to the industry the company serves.

#### **Internships**

Since 1999, 107 shareholder students have participated in internship programs lasting anywhere from six weeks for a college student on summer break, to a year or more for those who are working their way up the ladder in a new field. Several shareholders who began as interns

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have utilized the internship program to work their way into the ranks of NANA's senior management team. NANA's Government Contracting companies are particularly supportive of the internship programs. During the summer of 2005, seven shareholder interns are working in Fairfax, VA with our subsidiary, TKC Management Services; three shareholders are working with AKIMA, our subsidiary in Charlotte, NC; one shareholder is working with NANA Services, in Redmond, WA; and two shareholders are working for NANA Pacific in Anchorage.

## **Business and Career Fair**

All of NANA's business units, from Government Contracting companies to those who provide Professional and Management Services, Oil and Mining Services and the Hospitality industry gathered on March 14, 2005 in Kotzebue to meet with shareholders and share information about job opportunities in NANA companies. NANA companies are aggressively seeking shareholders who are looking for jobs that are located in the NANA region, throughout the state of Alaska and around the globe.

## **NANA Village Partnerships**

NANA subsidiary, TKC Management Services, has taken the lead in developing a program designed to build a bridge between village-based shareholders and the highly trained executives of NANA's growing operations outside of the state of Alaska. The goal of this program is to look for ways to expand economic opportunity so shareholders can participate in business opportunities without necessarily having to leave their native land.

## **What other shareholder programs benefit from NANA's business interests?**

Profits from NANA's business interests support a variety of programs that benefit

NANA shareholders. All of these services meet NANA's responsibility to help improve the lives of its shareholders, and go beyond the typical requirements of an American corporation. Some of the services NANA pays for are:

## **Camp Sivunnigvik**

Through the Aqqaluk Trust, NANA provided \$50,000 in 2004 for costs associated with Camp Sivunnigvik, a traditional summer camp for NANA shareholders. Children and elders come to the camp during the summer months to learn and share the traditional skills of hunting, fishing and gathering that are required for people to live off of the land. The camp is also used in the winter for educational and elders programs.

## **Resource Specialists**

NANA spent \$344,000 in FY04 for Resource Specialists, a village-level program, which provides general assistance to village residents. The Resource Specialists are liaisons between the village and the organizations that serve them. They are called upon to perform such tasks as helping with job applications and resumes, helping local residence fill out government forms, helping a student research an appropriate training program and even with the coordination of local funeral services. This program provides a well-appreciated service that links village residents to the outside world.

## **Disaster, Medical and Burial Assistance**

NANA spent \$37,370 in assistance to shareholders and communities when they are challenged by life events like death, floods, family medical emergencies or search and rescue operations.

## **Cultural Programs**

Social and cultural committees at NANA help the company prioritize and administer the programs and services that are provided to shareholders. The

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company spent \$69,062 in 2004 to support these services.

## **Non-Profit Support**

Charitable organizations that wish support from NANA are required to show how the service they are providing is of benefit to NANA shareholders. NANA's funding for in-region organizations totaled \$324,000 in 2004, supporting such programs as the Boys and Girls Club, State Basketball Tournaments, the Inuit Circumpolar Conference, contributions to local tribal governments and to the Alaska Technical Center for shareholder vocational education.

## **Does NANA offer any programs to benefit elders?**

### **Regional Elders Programs**

NANA provides funds for Regional Elders Programs, which include meetings during which elders discuss issues and provide guidance to NANA and other regional organizations. \$107,000 was spent in 2004 to support these programs.

The NANA Regional Corporation Board of Directors, through its Rules Committee, has for several years been looking to a special benefit for the NANA elders. They are currently considering creating an ANCSA Settlement Trust to benefit NANA elders.

## **How does the Red Dog Mine benefit NANA shareholders?**

Red Dog Mine is the largest zinc mine in the world. The mine is on NANA land and operates under a lease agreement between NANA and the mine operator, Teck Cominco Ltd. In addition to financial terms, the agreement requires Teck Cominco to employ and train NANA shareholders. NANA shareholders generally make up 55 percent of the mine employees. Teck Cominco also supports

NANA's goals through job shadowing, employee mentoring and a scholarship program, which through 2004, has paid out \$1.6 million. NANA recently established a support position at Red Dog Mine in order to assist shareholder employees who work at the mine. Like the Resource Specialists, this position provides general services, as needed to help Red Dog employees deal with personal and career-related issues.

## **How does NANA support the land and natural resources of its region?**

The NANA region, encompassing 38,000 square miles, is about the size of Indiana. Situated in the Northwest Alaska, most of the region is above the Arctic Circle. The land varies dramatically from rugged mountains to rolling hills, sand dunes, swamps, river flood plains, coastal plains, barrier beaches and spits. Large rivers, the Kobuk, Noatak and Selawik, thread through the region and provide transportation corridors to inland villages, and hunting and fishing camps.

NANA's manages its land according to the following mission: "Maximize the benefit from our resource base while protecting NANA Lands, the environment, and our subsistence culture." Subsistence is the most important use of NANA lands, however NANA's land managers also monitor the land's potential for mineral development and other uses.

NANA spent \$330,000 in 2004 to manage its land. Revenues from NANA's natural resources come from Red Dog Mine royalties and from 7(i) revenues from other Regional Native Corporations. A small amount of revenue is also derived from gravel sales and land leases.