



## Director Nominations Open for Koniag's 2022 Board Election

Nominations are open for Koniag shareholders seeking election to the Board of Directors. Three seats are up for election at the Annual Meeting of Shareholders to be held Saturday, October 1, 2022 in Anchorage, Alaska.

All valid nominations will be included in the Corporation's Proxy Statement.

The Nomination Committee is seeking candidates that embrace Koniag's Values and Ethics, have demonstrated leadership skills, a track-record of service to their community and strong communication skills.

KONIAG'S BYLAWS PROVIDE THAT A SHAREHOLDER CAN BE NOMINATED IN ANY OF FOUR WAYS:

1. An incumbent director may nominate themselves by giving notice to the Board of Directors or the Nomination Committee of their intent to run for reelection.
2. The Board of Directors may nominate specific candidates by the majority vote of the Board of Directors.
3. Shareholders may nominate themselves for Director upon submission to the Nomination Committee a Candidate Nominee Information Form.
4. A Shareholder, who has filed with the State of Alaska Division of Banking and Securities such information required by the laws of the State of Alaska, may be nominated from the floor during a meeting of shareholders at which Directors are to be elected.

**APPLICATION DEADLINE:**  
**Monday, March 14, 2022** at  
5:00 p.m. AKDST

**Applications received after this date will not be considered.**

Applications are available at Koniag's Kodiak and Anchorage offices and on our website: [www.koniag.com](http://www.koniag.com).

Have questions? Email [elections@koniag.com](mailto:elections@koniag.com) or call April Fischer at 800.658.3818

INDIVIDUALS WHO WISH TO BE INCLUDED ON THE KONIAG PROXY FORM MUST SUBMIT THE FOLLOWING MATERIALS:

1. Completed Candidate Nominee Information Form
2. Resume
3. Current Photo

Candidates who wish to be included on the Koniag Proxy Form, and/or considered by the Koniag Nominations Committee must complete the Candidate Nominee Information Form.

This form must be submitted to the Nomination Committee by the date and time set by the Board of Directors and must be accompanied by such other information as may be required by the Board of Directors.

The failure of a nominee to provide the mandatory information will result in such nominee's name and biography being excluded from the materials circulated by the Corporation with the Notice of Annual Meeting.

*For more information about filing with Securities visit:*  
[www.commerce.state.ak.us/bsc/pub/ANCSA\\_brochure.pdf](http://www.commerce.state.ak.us/bsc/pub/ANCSA_brochure.pdf)

## Interested in Serving on the Board of Directors?

### *Learn How the Nomination and Election Process Works*

*Over the past years, many questions have been asked about serving as a Director as well as the nomination and election process.*

*As we prepare for this year's nomination process and annual election, the Board of Directors wishes to clarify any confusion by answering some frequently asked questions.*

#### **Q: Do I have to be a shareholder to run for the Board?**

**A:** Yes. To qualify a Director must be at least 18 years of age and a voting shareholder of the Corporation. (Only Natives or Descendants of Natives, as defined in ANCSA Section 3(b), and whose names appears in the stock records of Koniag are eligible voting shareholders).

#### **Q: What is the time commitment of a Director?**

**A:** The responsibilities and time commitment of a Director are extensive. The Koniag Board holds a minimum of five regular scheduled meetings each year and each meeting typically lasts for two full days. There is also one Board Retreat, one Annual Meeting of Shareholders, numerous committee meetings and special meetings as needed. Each one of these meetings requires preparation time to review Board material, as well as travel time depending on the location of the meeting.

#### **Q: What compensation does a Director receive?**

**A:** Directors receive fees for their time spent on approved corporate business. Fees are paid at \$500 per day of business conducted. A Director also receives a stipend of \$35,000 per year, modest life insurance, and training relevant to board service.

Board members do not receive fees for time spent preparing for meetings or attending Board committee meetings in which they are not an official member.

#### **Q: Can I be listed on the Koniag proxy if I am not selected for the Board endorsed slate?**

**A:** Absolutely! All candidates who submit a complete Nominee Information Form to the Nomination Committee by the stated deadline will be listed in the proxy materials and on the Corporation's solicited proxy.

#### **Q: Can I run a write-in campaign and be legally elected as a Director?**

**A:** Yes, however the Bylaws require that shareholders who do not wish to go through the Board's designated Nomination Committee process (in order to be considered for the Board endorsed slate, or to be listed on the Corporation's proxy) must have previously filed all of the information required under the State of Alaska's Banking and Securities laws and regulations. This information is very similar to that required by the Nominee Information Form.

As long as proper documentation in accordance with Alaska state statutes was properly filed with the State of Alaska Division of Banking and Securities, a shareholder may become a candidate by being nominated by a shareholder on the floor of the Annual Meeting. A shareholder nominated from the floor of the meeting who has not filed the appropriate materials with Banking & Securities is not legally considered a valid nominee for Director.

**Q: Can I be a Director of a Village Corporation and also be on the Koniag Board?**

**A:** No. The Koniag Bylaws state that “no person who is elected or selected to be a Director may take the oath of office as a Director if such individual is also a Director of an ANCSA Corporation in the Kodiak Region, nor may any Director of the Corporation be elected to serve as a Director of an ANCSA Corporation in the Kodiak Region while serving as a Director of the Corporation.”

**Q: Why do we offer proxy prizes if we are trying to save money as a corporation?**

**A:** To be a valid election, a majority, or 50% plus one vote of the outstanding voting shares of the corporation must be represented at the annual meeting by proxy or in person. On average, only 52-57% of voting shares cast their votes -- putting Koniag just above quorum. If we did not offer an incentive, many shareholders would not vote. The cost to the corporation would be much greater if quorum was not met, the elections were invalidated or could not be held, and we had to redo the process.

**Q: Do you have to vote for the Board-endorsed slate in order to win proxy prizes?**

**A:** Absolutely not! A shareholder can vote for any candidate on the proxy, as well as write in candidates, and still qualify for proxy prize drawings. But your proxy must be valid (signed, with the proper number of votes cast), in order for your votes to be counted.

**As part of the nomination and election process, Koniag provides information to candidates that covers the requirements and compliance obligations that are part of being a valid candidate. All potential candidates are encouraged to participate to ensure compliance with Alaska law and the Banking and Securities regulations.**

**If you have any further questions on the nomination or election process, please contact April Fischer at [elections@koniag.com](mailto:elections@koniag.com)**

**Mail, e-mail, fax, or hand-deliver applications by March 14, 2022 at 5:00 p.m. to:**

**Koniag**

Fax: 907.562.5258  
Email: [elections@koniag.com](mailto:elections@koniag.com)  
Attn: April Fischer

3800 Centerpoint Dr. Suite 502 Anchorage, AK 99503  
194 Alimaq Dr. Kodiak, AK 99615



**Koniag, Inc. ByLaws**  
**ARTICLE 3**  
**BOARD OF DIRECTORS**

**3.1.2 Qualifications.**

Directors shall be eighteen years of age or older and shall each be the holder of voting stock of the Corporation. No person who is elected or selected to be a Director may take the oath of office as a Director if such individual is also a Director of an ANCSA Corporation in the Kodiak Region, or an employee at a Vice President level or equivalent level of managerial authority of an ANCSA Corporation in the Kodiak Region. No Director of the Corporation may be elected or serve as a Director of an ANCSA Corporation in the Kodiak Region while serving as a Director of the Corporation. No employee of the Corporation or of a subsidiary of the Corporation, in which the Corporation owns a substantial interest, may be elected to the position of, or serve as a Director of the Corporation. Should any person who is subject to this provision

refuse to observe the provisions of this section after thirty day written notice from the President as to existence of the violation of this section, then such individual shall be deemed to have resigned his/her position as Director of the Corporation and such vacancy shall be filled as provided by these Bylaws. As used in this section, the term “ANCSA Corporation” shall mean any Corporation created for the purpose of receiving benefits under ANCSA, including but not limited to village corporations, group corporations, urban corporations, corporations identified in Section 1427 (e) (2) of the Alaska National Lands Conservation Act, all corporations in which any such corporations may be merged or consolidated, and all subsidiaries of any such corporations. As used in this Section, a “substantial interest” shall mean a voting interest of twenty percent (20%) or more of the total voting interests of such subsidiary. Notwithstanding any other provision in these Bylaws, the Board has the right and authority to fill an officer vacancy on an interim basis, including through the appointment of one of its members.

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***As stated in the Koniag, Inc. Corporate Board Policy Manual***  
**SECTION F. DUTIES OF THE BOARD OF DIRECTORS**

**1. FIDUCIARY DUTY**

Directors have a fiduciary relationship to Koniag Inc., to act in the best interest of the Corporation for the benefit of its shareholders. As fiduciaries, Directors must act honestly and diligently in performing duties and in conducting any business involving Koniag.

**2. DUTY TO ACT IN GOOD FAITH**

Directors must exercise the utmost good faith in performing their duties and in conducting any business involving Koniag.

**3. DUTY TO ACT IN THE BEST INTERESTS OF THE CORPORATION**

Directors must act in a manner the Director reasonably believes to be in the best interests of Koniag.

**4. DUTY OF DUE CARE & DUTY TO MAKE REASONABLE INQUIRY**

Directors owe Koniag a duty of care, including reasonable inquiry that an ordinarily prudent person in a like position would use under similar circumstances. In other words, Directors

should not act negligently in managing the affairs of Koniag. Directors are entitled to rely on information, opinions, financial statements, financial data and other statements prepared by or presented by:

- **Officers or employees of Koniag** who the Director reasonably believes to be reliable and competent in the matter; or
- **Professionals or experts** such as legal counsel, public accountants or other persons as to matters that the Director reasonably believes to be within the persons professional or expert competence; or
- **A Board Committee** (on which the relying Director does not serve) if the Director reasonably believes the Board committee to merit confidence.

## **5. DUTY OF LOYALTY & DUTY OF FULL DISCLOSURE**

Directors have a duty to act fairly and in the best interest of Koniag. Directors must avoid financial conflicts of interest with Koniag, Inc., and must not place their self-interest above the interest of the Corporation. With the exception of services and benefits generally available to all Koniag Shareholders, Directors shall not transact personal business involving Koniag property or services without having first fully disclosed the terms of the transaction to the Board and, after disclosure, receiving the approval of a majority of disinterested Directors. Directors must not take advantage of a corporate opportunity in which it is reasonably foreseeable that Koniag may have an interest in without first offering the opportunity to Koniag.

## **6. DUTY TO ACT AS A DELIBERATIVE BODY**

Directors owe a duty to Koniag to meaningfully consider all issues on the Board meeting agenda. Directors of Koniag are vested with its management, not as individuals, but as the Board. A Director has no power to act individually on behalf of Koniag without proper authorization from the Board.

## **7. DUTY TO BE INFORMED**

Directors have a duty to be familiar with and understand Koniag's business operations, financial condition, Articles of Incorporation, By-Laws, Policies, procedures, programs, and general affairs. Directors shall be familiar with the agenda for Board meetings and shall review Board packets and be prepared for informed discussions and voting on agenda items.

## **8. DUTY OF EFFECTIVE REPRESENTATION**

As representatives of Koniag, Directors have a duty to attend Board meetings and Board Committee meetings for the full session unless unforeseen circumstances mandate otherwise. Directors must act effectively and participate meaningfully in all Board meetings.

## **9. DUTY OF FAIR REPRESENTATION**

Once selected, Directors have a duty to represent all Koniag Shareholders fairly and not just a particular geographic area. Directors shall also be familiar with important issues of concern to members of their village corporation(s) and inform the Board of such issues and concerns.

## **10. DUTY OF PROPER OVERSIGHT**

Directors do not participate in the day-to-day management of Koniag. The Board formulates corporate policies and oversees adherence to established policies and strategic objectives. As the Governing body, the Board has the right to take exceptions to any Policy of the Corporation.

## **G. STANDARDS OF CONDUCT FOR KONIAG, INC. DIRECTORS**

### **1. As a Director of Koniag, I will:**

- Respect the opinion of my fellow Directors;
- Support the majority decisions of the full Board;
- Respect the traditions and customs of the Sugpiaq-Alutiiq people, including be respectful of elders.
- Recognize that all authority is vested in the Board when it meets in legal session and not with individual Board members;
- Review all Board material prior to meetings and keep informed of developments that are relevant to issues that may come before the Board;
- Call to the attention of the Board any issues that I believe may have an adverse effect on Koniag;
- Declare any conflicts of interest between my personal or professional life and my position on the Board and avoid voting on issues that appear to present a conflict of interest;
- Refer complaints from Shareholders to the proper individual in the chain of command within Koniag's management structure;
- Recognize that a Directors' job is to ensure that the Corporation is being well-managed and not to directly manage the Corporation;
- Strive to hire the optimal person available to manage the Corporation;
- Represent all Shareholders equally and not a particular geographic area or special interest group;
- Consider myself a trustee of the Corporation and do my best to ensure that the Corporation is well managed, financially secure, growing, and always operating in the best interest of those we serve;
- Strive to improve skill sets and attributes incumbent of a Director;
- Regularly attend and participate actively in Board and Committee meetings and note that Directors attendance must be reported to the Shareholders annually;
- Publicly support the Corporation, Board, and Management.

### **2. As a Director of Koniag, I will not:**

- Be critical, in or outside a Board meeting, of fellow Board members or their opinions;
- Use the Corporation or any part of Koniag for my personal advantage or the personal advantage of my friends or relatives;
- Act individually on behalf of Koniag outside of Board meetings without proper Board authorization;
- Communicate or discuss in any manner the confidential proceedings of the Board with unauthorized parties;
- Promise prior to a meeting how I will vote or solicit a promise from others to vote on any issue in a meeting;
- Interfere with the duties of the Koniag's President and/or CEO or undermine their authority.