



K'oyitl'ots'ina Shareholder Opinion Survey Results

Conducted
February 3 to March 19, 2021



Methodology

Field Dates

- February 3 to March 19, 2021

Sample

- n=370 K-Corp Shareholders

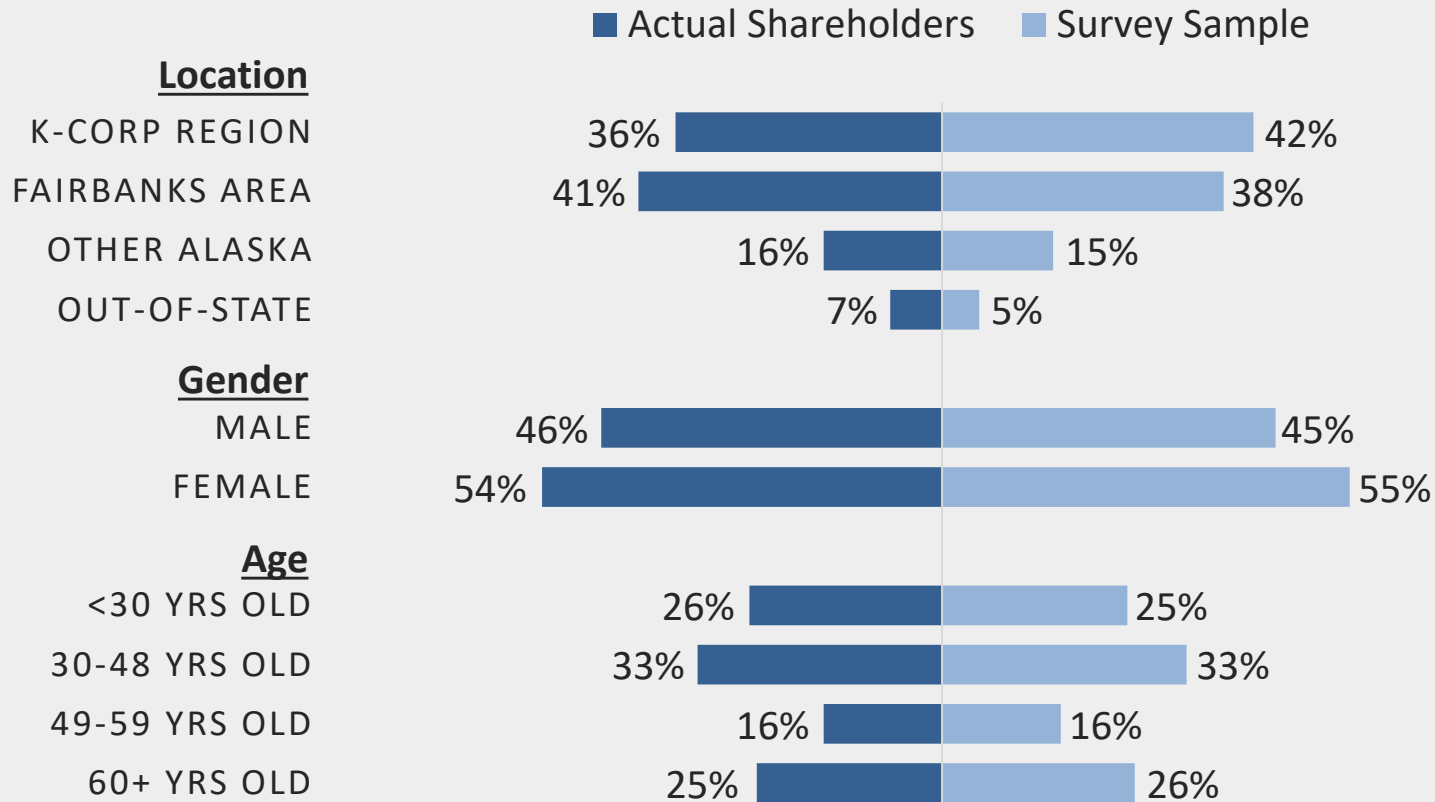
Interview Method

- Surveys were mailed to all shareholders. Surveys could be returned directly to the Dittman office in the included postage-paid return envelope. Shareholders also had the option of completing their survey online.
- Reminder postcards were mailed and arrived in the final week of fielding. Two reminder emails were sent in the final weeks of fielding.
- 206 (56%) surveys were completed by mail and 164 surveys (44%) were completed online.

Methodology

Representation

- The survey sample is highly representative of the actual shareholder population. With an accurate survey representation and a sample size of 370, we can be sure that the overall results of this survey are accurate to a margin of error of +/- 3.8%. This means that if all K-Corp shareholders were surveyed, the results would not differ by more than 3.8% in either direction from the results of this survey.



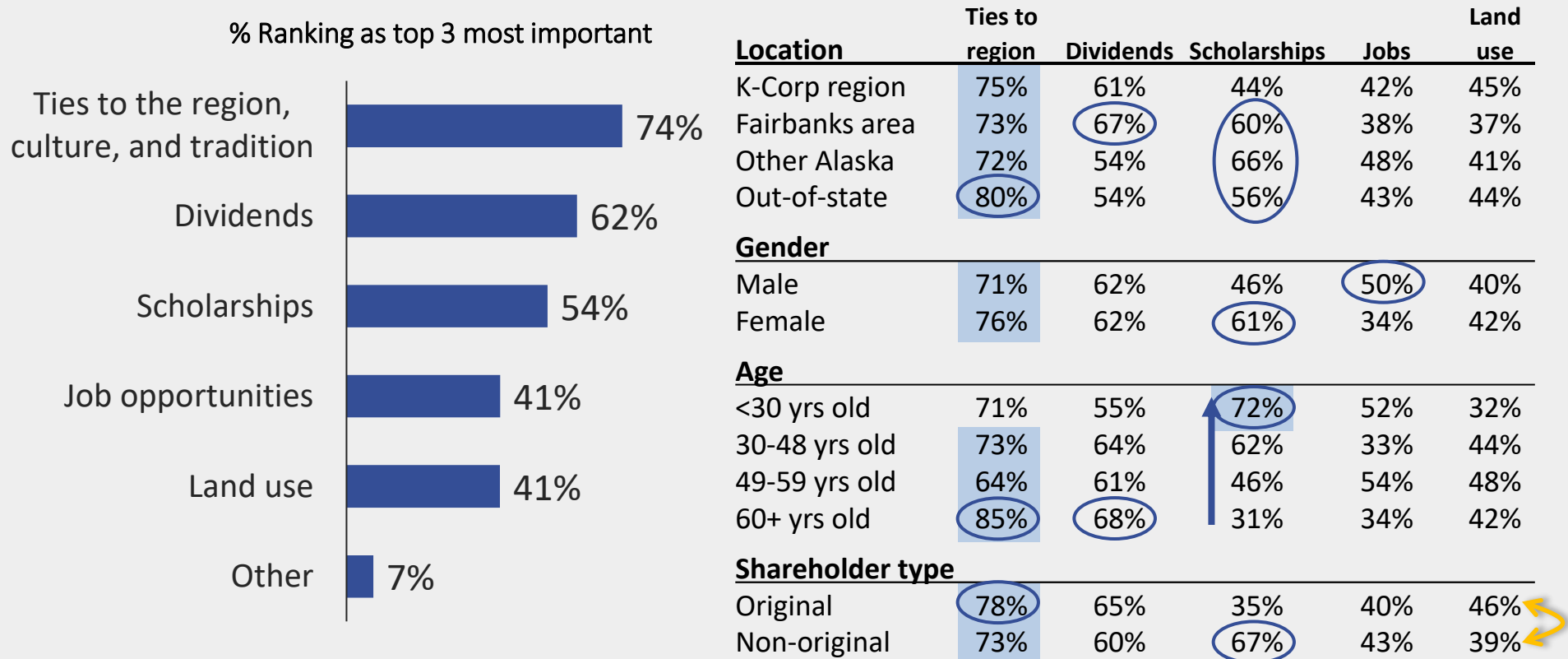
K'oyitl'ots'ina Shareholder Opinion Survey

FINDINGS

Most Important Benefits of Being a Shareholder

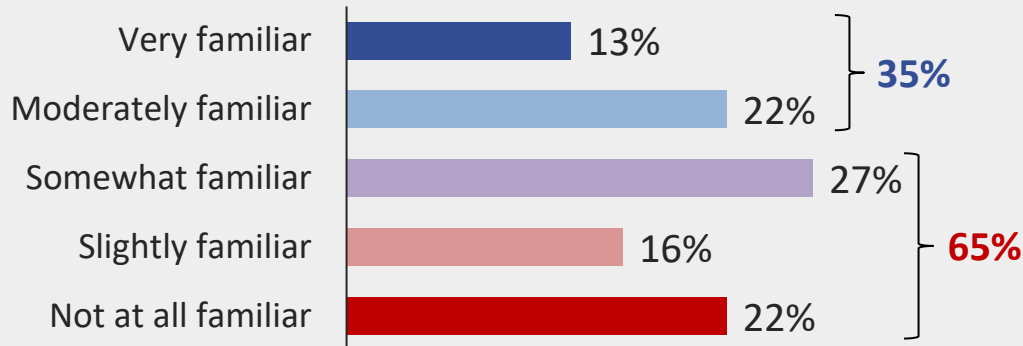
1) To begin, K'oyit'ots'ina would like to understand what you feel are the most important benefits of being a shareholder. Below are some of the common things heard from shareholders when they tell us why they value being a part of K'oyit'ots'ina. Please select the 3 things that are most important to you:

Overall and across nearly all demographic subgroups, a considerable percentage of shareholders say that *ties to the region, culture and tradition* is one of the most important benefits of being a shareholder. *Dividends* are ranked second in terms of overall importance, however *scholarships* are viewed as more important by a number of demographic subgroups.



Familiarity with Opening Enrollment

2) How familiar are you with the process, advantages and disadvantages of opening enrollment to descendants?



Familiarity with opening enrollment is low. Only about one-third (35%) are “very” or “moderately familiar”. Older shareholders, Original shareholders, and those owning a higher number of shares tend to be most familiar.

Location	Very/Moderately	Somewhat or less
K-Corp region	34%	66%
Fairbanks area	37%	63%
Other Alaska	33%	67%
Out-of-state	25%	75%

Gender	Very/Moderately	Somewhat or less
Male	36%	64%
Female	33%	67%

Age	Very/Moderately	Somewhat or less
<30 yrs old	25%	75%
30-48 yrs old	24%	76%
49-59 yrs old	55%	45%
60+ yrs old	44%	56%

Shareholder type	Very/Moderately	Somewhat or less
Original	49%	51%
Non-original	25%	75%

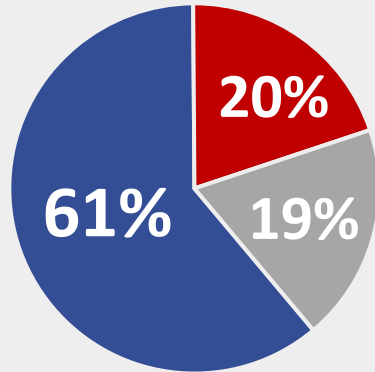
# of shares owned	Very/Moderately	Somewhat or less
< 25 shares	19%	81%
25-99 shares	41%	59%
100 shares +	45%	55%

Baseline Opinions on Opening Enrollment

3) Based on what you currently know about descendant enrollment, do you generally support or oppose opening enrollment to descendants of Original K'oyitl'ots'ina shareholders?

+41% Net Support
3-to-1 Margin

- Generally support
- Generally oppose
- Unsure



While at this point in the survey a sizable percentage of shareholders are not very familiar with the process, pros, and cons of enrollment, there is a lot of support for enrolling descendants. Three-out-of-five shareholders (61%) generally support opening enrollment, while only one-out-of-five (20%) are generally opposed. There are wide margins of support across all demographic subgroups.

Location	Generally Support	Generally Oppose	Unsure	Net Support
K-Corp region	58%	18%	24%	+40%
Fairbanks area	64%	23%	13%	+41%
Other Alaska	57%	20%	23%	+37%
Out-of-state	68%	12%	20%	+56%

Gender	Generally Support	Generally Oppose	Unsure	Net Support
Male	54%	26%	20%	+28%
Female	67%	15%	18%	+52%

Shareholder type	Generally Support	Generally Oppose	Unsure	Net Support
Original	60%	20%	20%	+40%
Non-original	61%	20%	19%	+41%

Age	Generally Support	Generally Oppose	Unsure	Net Support
<30 yrs old	56%	25%	19%	+31%
30-48 yrs old	62%	17%	21%	+45%
49-59 yrs old	59%	26%	15%	+33%
60+ yrs old	65%	15%	20%	+50%

# of shares owned	Generally Support	Generally Oppose	Unsure	Net Support
< 25 shares	54%	20%	26%	+34%
25-99 shares	69%	18%	13%	+51%
100 shares +	62%	18%	20%	+44%

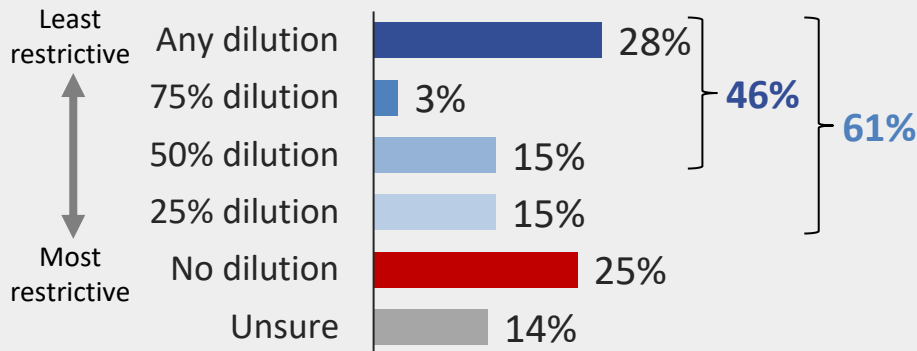
Familiarity with enrollments	Generally Support	Generally Oppose	Unsure	Net Support
Very familiar	70%	25%	5%	+45%
Moderately familiar	73%	24%	3%	+49%
Somewhat familiar	60%	22%	18%	+38%
Slightly familiar	55%	14%	31%	+41%
Not at all familiar	48%	14%	38%	+34%

Acceptable Amount of Dividend Dilution

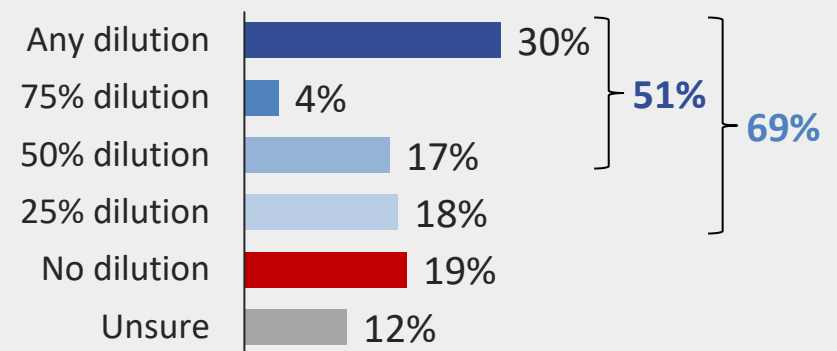
4) If descendant enrollment is opened, new shares would be created and issued to descendants of Original shareholders. Issuing new shares would decrease the dividend amount for current shareholders because the money that is set aside to pay dividends would be split up among more shares and shareholders when dividends are paid. Please tell us how much dividend dilution you would be willing to accept in order to enroll descendants:

With dividends being ranked as one of the most important benefits of being a K-Corp shareholder, we would expect to see some reluctance to having them reduced. Overall, only a quarter of shareholders are opposed to any dividend dilution. A large majority (61%) would likely support 25% dilution. Some shareholders would support greater levels of dilution, but not a majority of them. Interestingly, when looking at the results in terms of shares, acceptance of dilution higher. This means that overall, those who own more shares are more accepting of dilution.

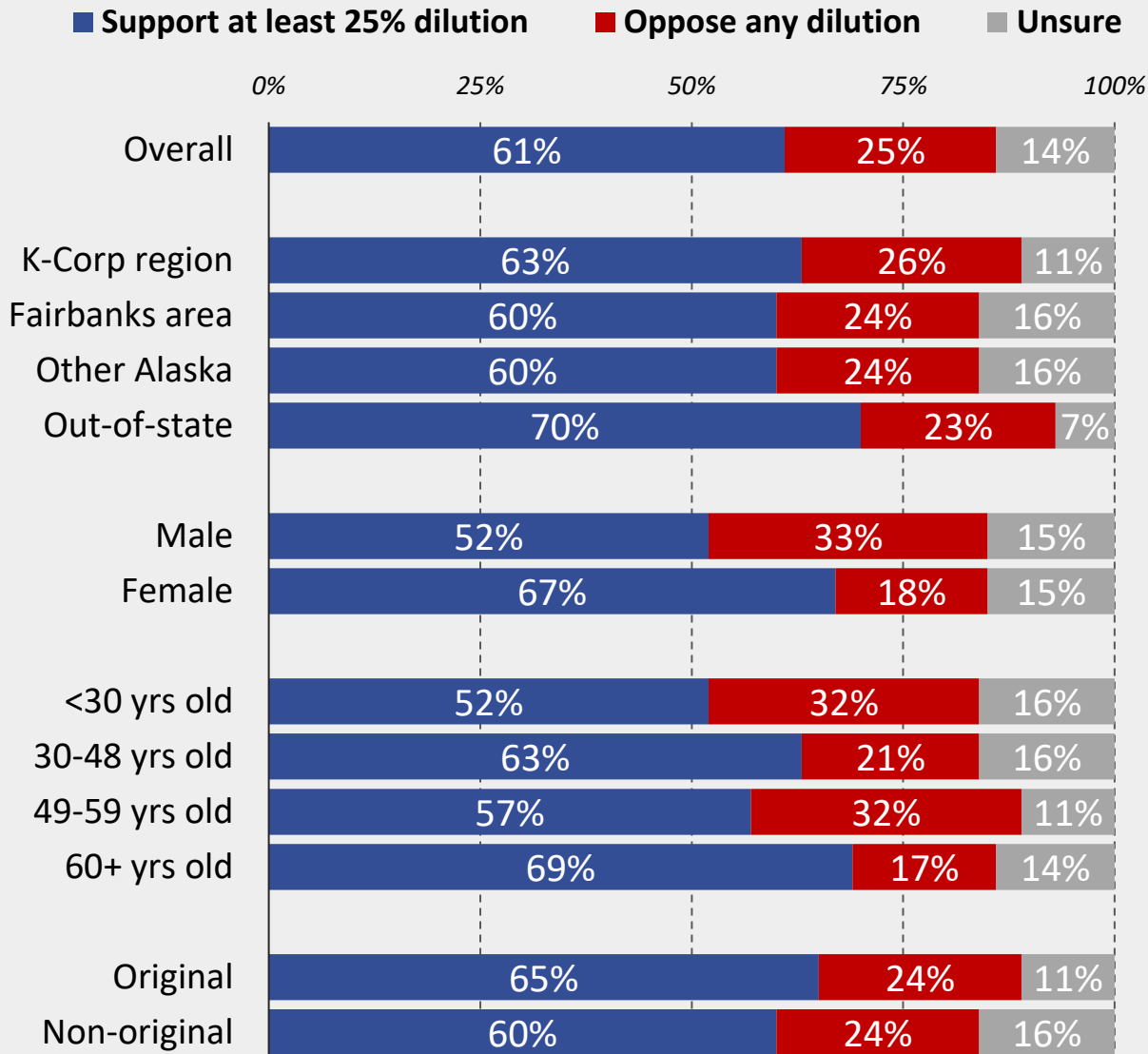
Results in Terms of Shareholders



Results in Terms of Shares*



Acceptable Amount of Dividend Dilution, cont.

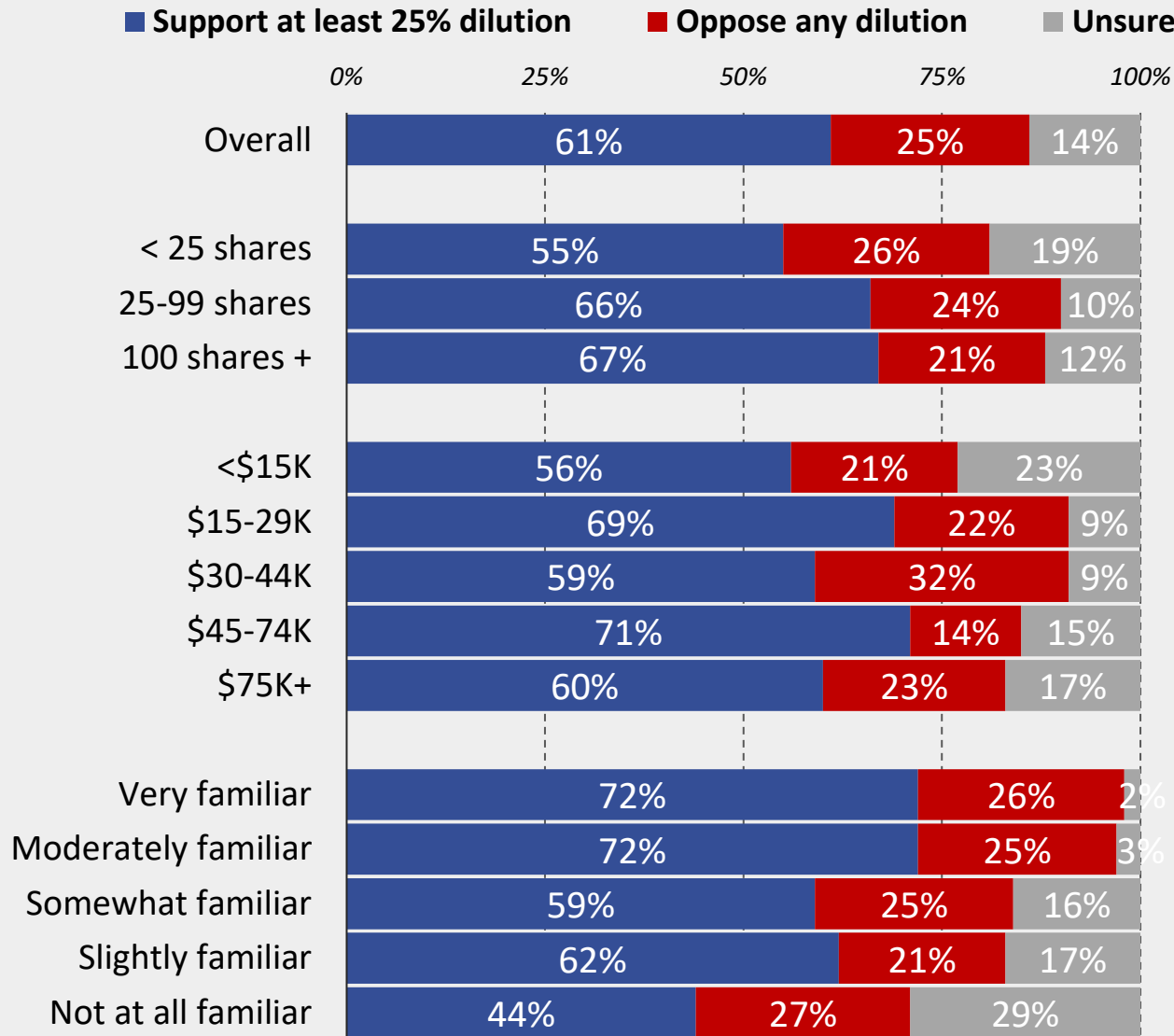


Support for at least 25% dilution is high and generally consistent across all regions.

Women are much more agreeable to dilution than men, however the majority of men still support 25% dilution.

Dilution tolerance is slightly lower among younger shareholders and non-original shareholders.

Acceptable Amount of Dividend Dilution, cont.



Shareholders who own fewer shares are less supportive of 25% dilution, however higher levels of “unsure” account for much of the difference.

Current household income level does not appear to have a significant correlation with views on dividend dilution.

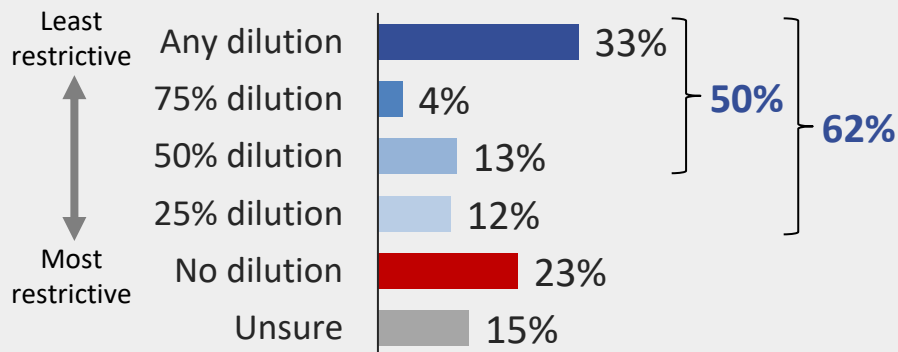
Among shareholders who are currently “very/moderately familiar” with the process, pros, and cons of opening enrollment, support for 25% dilution is high. Reports of being “unsure” increase among those less familiar with enrollment, but the largest percentage are still in support of 25% dilution.

Acceptable Amount of Vote Strength Dilution

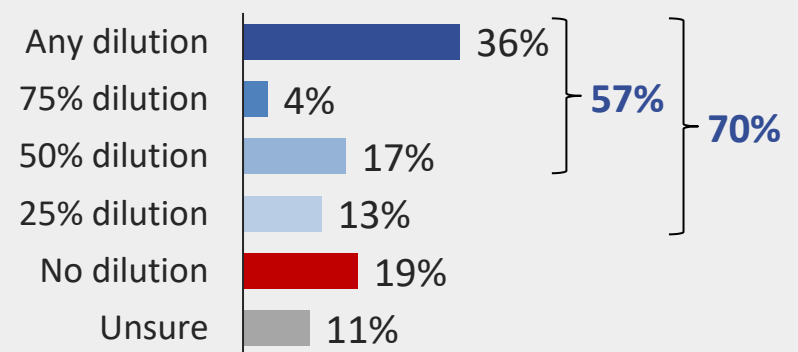
5) If descendant enrollment is opened, descendants of Original shareholders would receive new shares and they would be able to vote those shares in K'oyitl'ots'ina elections. This would reduce the voting strength of current shareholders. In other words, descendants of Original shareholders would have increased control in decisions that are voted on at K'oyitl'ots'ina. Please tell us how much vote strength dilution you would be willing to accept in order to enroll descendants:

Tolerance for voting strength dilution is slightly higher than tolerance for dividend dilution. Half of shareholders (50%) would likely support 50% voting strength dilution, while over three-out-of-five (62%) would likely support 25% dilution. In terms of shares, tolerance for voting strength dilution is even higher. The demographic trends previously seen on the dividend dilution question hold true here as well.

Results in Terms of Shareholders

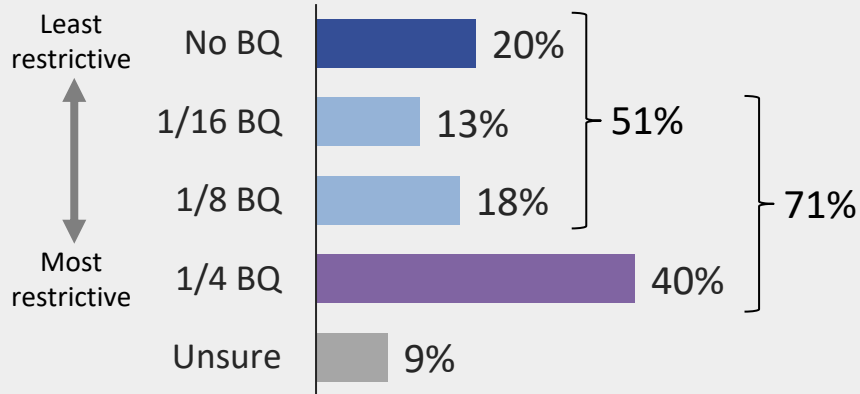


Results in Terms of Shares*



Blood Quantum Requirement

6) If descendant enrollment is opened, do you think new shareholders should be required to have a minimum amount of Alaska Native blood quantum, or should there be no blood quantum requirement, which would mean any descendant of an Original shareholder would be eligible to enroll?



A large majority of shareholders (71%) say that some degree of Alaska Native blood should be required for new shareholders. Just over half of shareholders (51%) think any requirement should be less than 1/4 Alaska Native blood, or that there should not be a requirement. Shareholders in the K-Corp region, men, and those under age 30 are more divided on the question.

Location	No/Less than 1/4 BQ Req.	1/4 BQ Req.	Unsure
K-Corp region	44%	43%	13%
Fairbanks area	53%	36%	11%
Other Alaska	55%	43%	2%
Out-of-state	61%	32%	7%

Gender	No/Less than 1/4 BQ Req.	1/4 BQ Req.	Unsure
Male	44%	47%	9%
Female	55%	35%	10%

Shareholder type	No/Less than 1/4 BQ Req.	1/4 BQ Req.	Unsure
Original	55%	39%	6%
Non-original	47%	41%	12%

Age	No/Less than 1/4 BQ Req.	1/4 BQ Req.	Unsure
<30 yrs old	43%	44%	13%
30-48 yrs old	51%	37%	12%
49-59 yrs old	50%	42%	8%
60+ yrs old	57%	39%	4%

Familiarity with enrollments	No/Less than 1/4 BQ Req.	1/4 BQ Req.	Unsure
Very familiar	52%	48%	0%
Moderately familiar	58%	38%	4%
Somewhat familiar	41%	47%	12%
Slightly familiar	50%	40%	10%
Not at all familiar	52%	30%	18%

Enrollment Method

7) If descendant enrollment is opened, K'oyitl'ots'ina would need to decide how long to open it for. Which of the following options do you think is best?

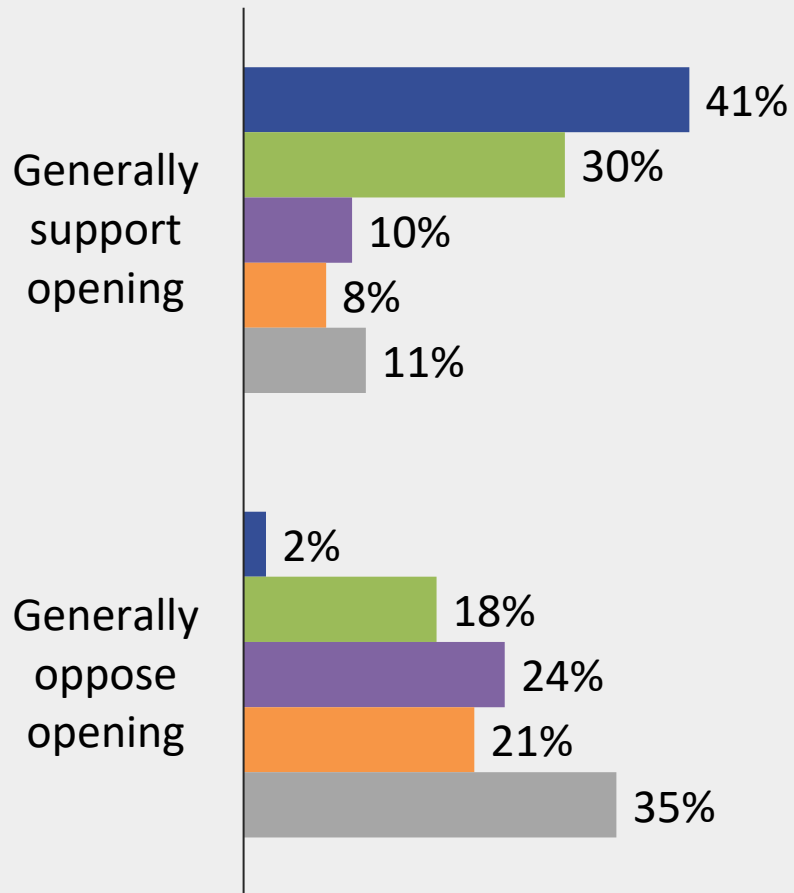
There is no strong consensus on the best way to open enrollment. By a slight margin, the largest percentage (28%) say that if enrollment is opened, it should be opened indefinitely. Nearly a quarter of shareholders are unsure what the best method might be. Given there is no consensus and high levels of “unsure” among shareholders, this is an aspect of enrollment that the board/management should consider determining on their own and communicating the reasons for that decision to shareholders.

- 28%** Open enrollment **indefinitely** – new descendants would continue to be enrolled until shareholders vote to end the enrollment.
- 25%** Open enrollment for descendants **born during a specific period of time** – such as descendants born between 1972 and 2020. Descendants born after this time period would not be eligible to enroll.
- 13%** Open enrollment for a **specified period of time** (for example, 10 or 20 years) – once the time period is up, enrollment would close to new descendants.
- 10%** Distribute a **predetermined number of shares** – once those shares have been distributed, enrollment would be closed to new descendants.

24% Unsure

Enrollment Method, cont.

Baseline Opinion on Enrollment by Preferred Enrollment Method



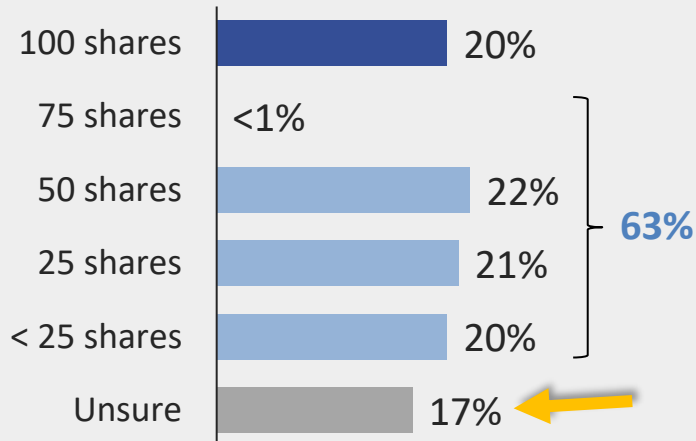
Among shareholders who generally support opening enrollment, there is a stronger preference for opening indefinitely or for descendants born during a specific period of time.

Among those who generally oppose opening enrollment, there is a strong preference for more restrictive methods of opening. Over a third (35%) are unsure.

- Indefinitely
- Born during period of time
- Open for a specific period of time
- Predetermined number of shares
- Unsure

Number of Shares to Issue

8) If descendant enrollment is opened, how many shares of stock should new shareholders receive? The greater the number of shares issued, the greater the impact to the dividends of current shareholders.



There is also no consensus on the number of shares to issue if enrollment is opened, although a large majority (63%) say it should be some amount less than 100 shares. Unsure responses are also relatively high. This is another aspect of enrollment that the board/management should likely drive the decision on and then communicate it to shareholders.

	100 shares	Less than 100 shares	Unsure
Location			
K-Corp region	24%	61%	15%
Fairbanks area	15%	66%	19%
Other Alaska	22%	63%	15%
Out-of-state	20%	53%	27%
Gender			
Male	23%	62%	15%
Female	18%	63%	19%
Shareholder type			
Original	27%	59%	14%
Non-original	15%	66%	19%

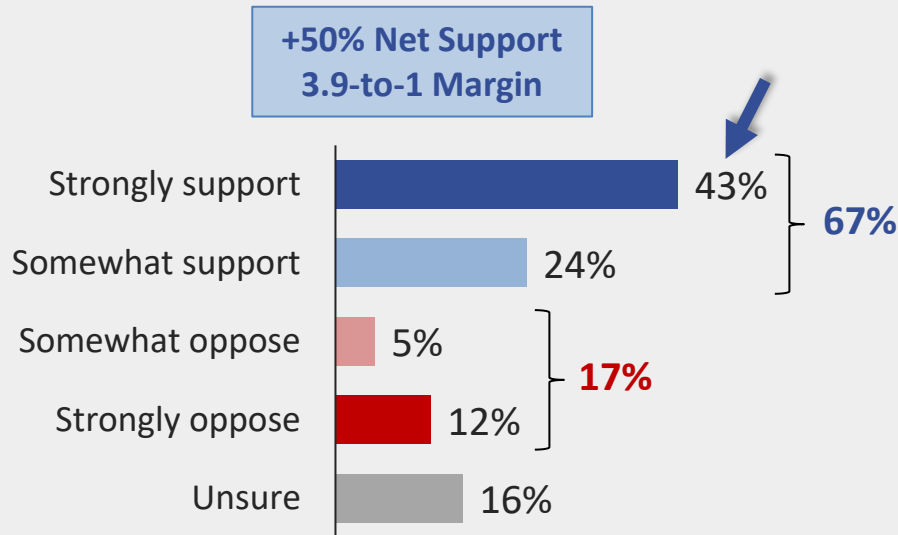
Age	100 shares	Less than 100 shares	Unsure
<30 yrs old	10%	78%	12%
30-48 yrs old	21%	55%	24%
49-59 yrs old	23%	60%	17%
60+ yrs old	27%	60%	13%

# of shares owned	100 shares	Less than 100 shares	Unsure
< 25 shares	15%	67%	18%
25-99 shares	18%	66%	16%
100 shares +	29%	57%	14%

Baseline opinion on enrollment	100 shares	Less than 100 shares	Unsure
Generally support	27%	63%	10%
Generally oppose	3%	77%	20%
Unsure	13%	49%	38%

Age/Education Requirements

9) Some corporations who have opened descendant enrollment have set requirements which delay dilution and incentivize completing an education. For example, new shareholders could be issued a portion of stock upon enrollment and the remaining stock once turning age 21. Or they could get their remaining stock sooner if they graduate from high school or receive a GED. If enrollment is opened, are these types of restrictions things you would support or oppose?



Two-thirds of shareholders (67%) support the idea of age and/or graduation stipulations for new shareholders. Support is high across all demographic subgroups.

	Total Support	Total Oppose	Unsure	Net Support
Location				
K-Corp region	63%	20%	17%	+43%
Fairbanks area	66%	17%	17%	+49%
Other Alaska	75%	13%	12%	+62%
Out-of-state	79%	8%	13%	+71%
Gender				
Male	65%	20%	15%	+45%
Female	68%	15%	17%	+53%

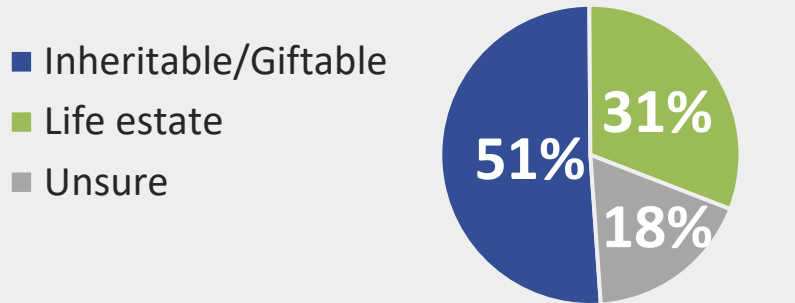
Age	Total Support	Total Oppose	Unsure	Net Support
<30 yrs old	70%	14%	16%	+56%
30-48 yrs old	59%	20%	21%	+39%
49-59 yrs old	74%	21%	5%	+53%
60+ yrs old	69%	14%	17%	+55%

Shareholder type	Total Support	Total Oppose	Unsure	Net Support
Original	69%	17%	14%	+52%
Non-original	65%	17%	18%	+48%

Education	Total Support	Total Oppose	Unsure	Net Support
< High school	61%	13%	26%	+48%
High school/GED	56%	19%	25%	+37%
Some college	74%	15%	11%	+59%
College degree +	75%	16%	9%	+59%
Voc/Tech cert.	61%	23%	16%	+38%

Inheritable/Giftable vs. Life Estate

10) Inheritable stock is stock that passes down to the shareholder's heirs when the shareholder dies. That stock can also be gifted to a close relative. All Original K'oyit'lots'ina stock is inheritable and giftable. Life estate stock is stock that stays with the shareholder as long as that shareholder is alive. Once that shareholder dies, the life estate stock is dissolved. All regional corporations that have opened descendant enrollment have issued life estate stock. If descendant enrollment is opened at K'oyit'lots'ina, do you think the stock granted to new shareholders should be inheritable/giftable or life estate?



Approximately half of shareholders (51%) think that new shares should be inheritable and giftable, although there is a relatively high level of “unsure” on this topic. Those who are most familiar with enrollments favor life estate stock by a small margin.

Location	Inherit/Gift	Life estate	Unsure
K-Corp region	46%	32%	22%
Fairbanks area	58%	29%	13%
Other Alaska	49%	35%	16%
Out-of-state	50%	29%	21%
Gender			
Male	51%	30%	19%
Female	51%	31%	18%
Age			
<30 yrs old	56%	27%	17%
30-48 yrs old	47%	34%	19%
49-59 yrs old	46%	44%	10%
60+ yrs old	55%	24%	21%

Shareholder type	Inherit/Gift	Life estate	Unsure
Original	52%	30%	18%
Non-original	50%	32%	18%

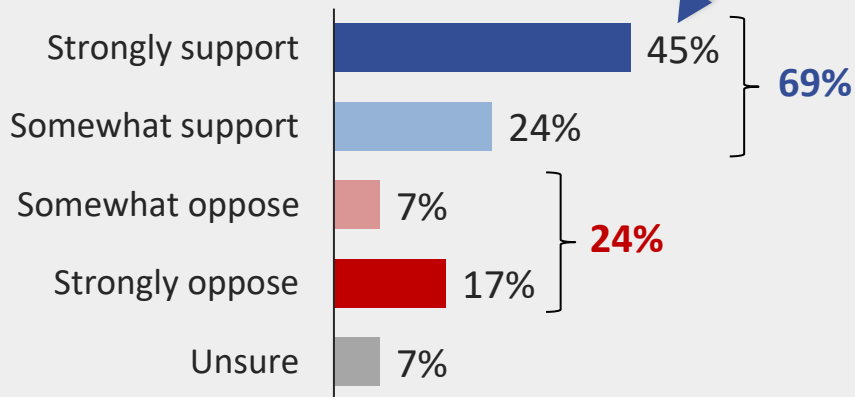
Familiarity with enrollments			
Very familiar	46%	48%	6%
Moderately familiar	55%	43%	2%
Somewhat familiar	47%	29%	24%
Slightly familiar	58%	20%	22%
Not at all familiar	50%	19%	31%

Baseline opinion on enrollment			
Generally support	62%	28%	10%
Generally oppose	30%	52%	18%
Unsure	39%	20%	41%

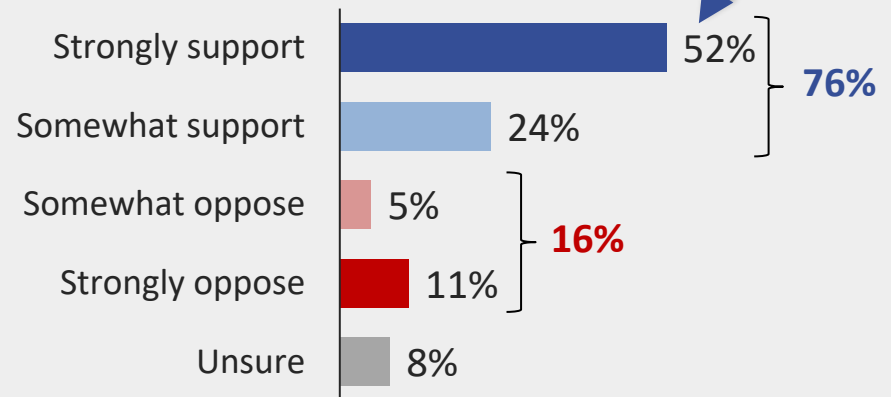
Informed Opinion on Opening Enrollment

11) Now that you have had a chance to read more about some of the considerations involved in opening descendant enrollment, do you support or oppose opening enrollment for descendants of Original K'oyit'ots'ina shareholders?

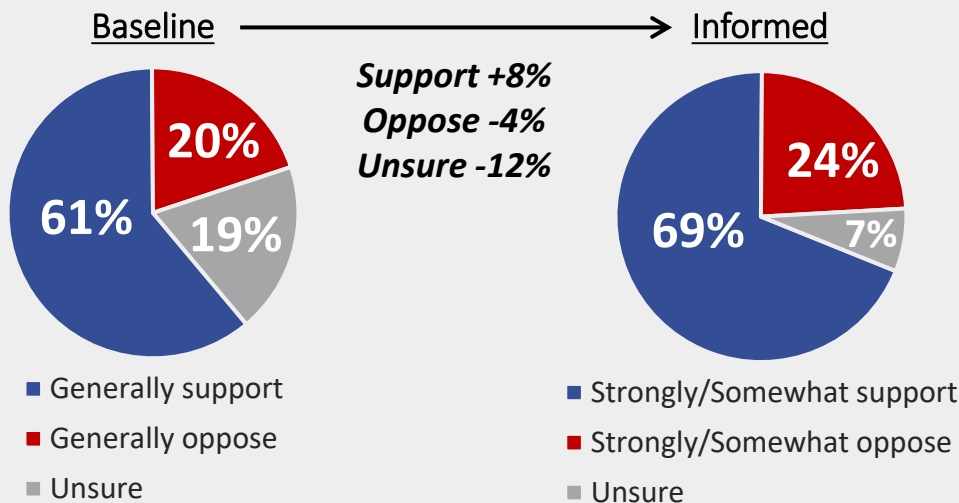
Results in Terms of Shareholders



Results in Terms of Shares



Results in Terms of Shareholders



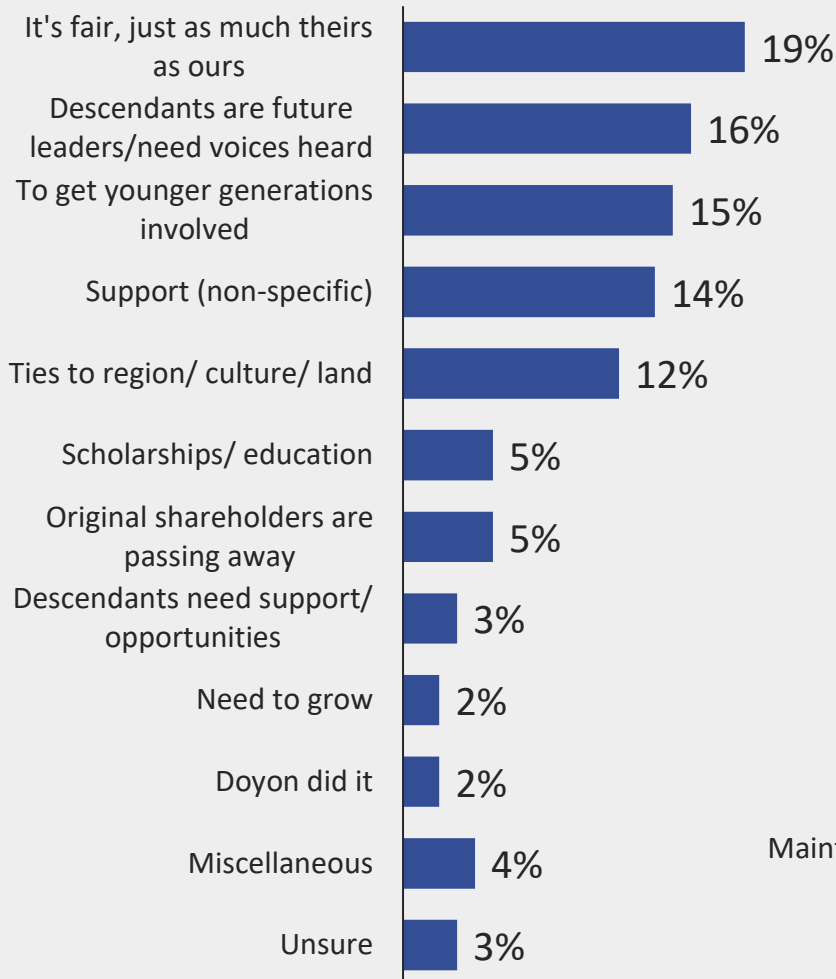
After taking everything in the survey into consideration, support for opening enroll increased to 69%, and nearly half of shareholders (45%) “strongly support” it. Support is again higher in terms of shares.

Why Support/Oppose Opening Enrollment?

12) Please explain why you support or oppose descendant enrollment for K'oyit'ots'ina.

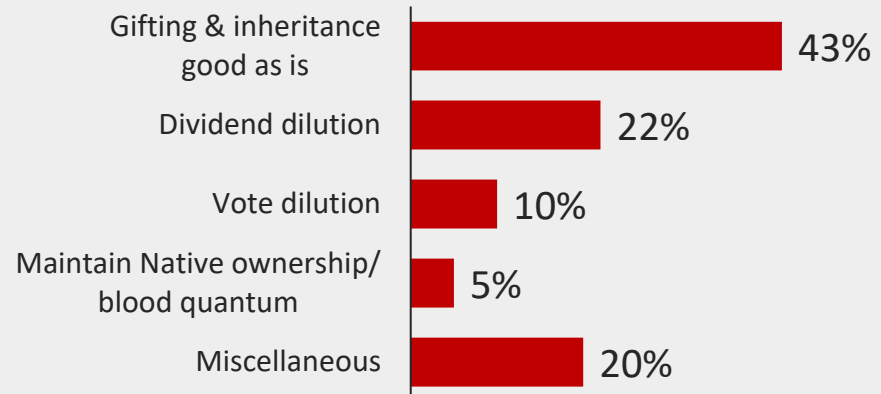
Coded Verbatim Comments

Among 69% who **support** enrollment and provided a comment (n=154)



Among those who support enrollment, the largest percentage (19%) say they support it because it is the fair thing to do. Many also made comments about how descendants are the future of the corporation and they need to get involved sooner. Those opposed to enrollment largely said it is because they believe the current method of gifting and inheritance is sufficient for enrolling new shareholders.

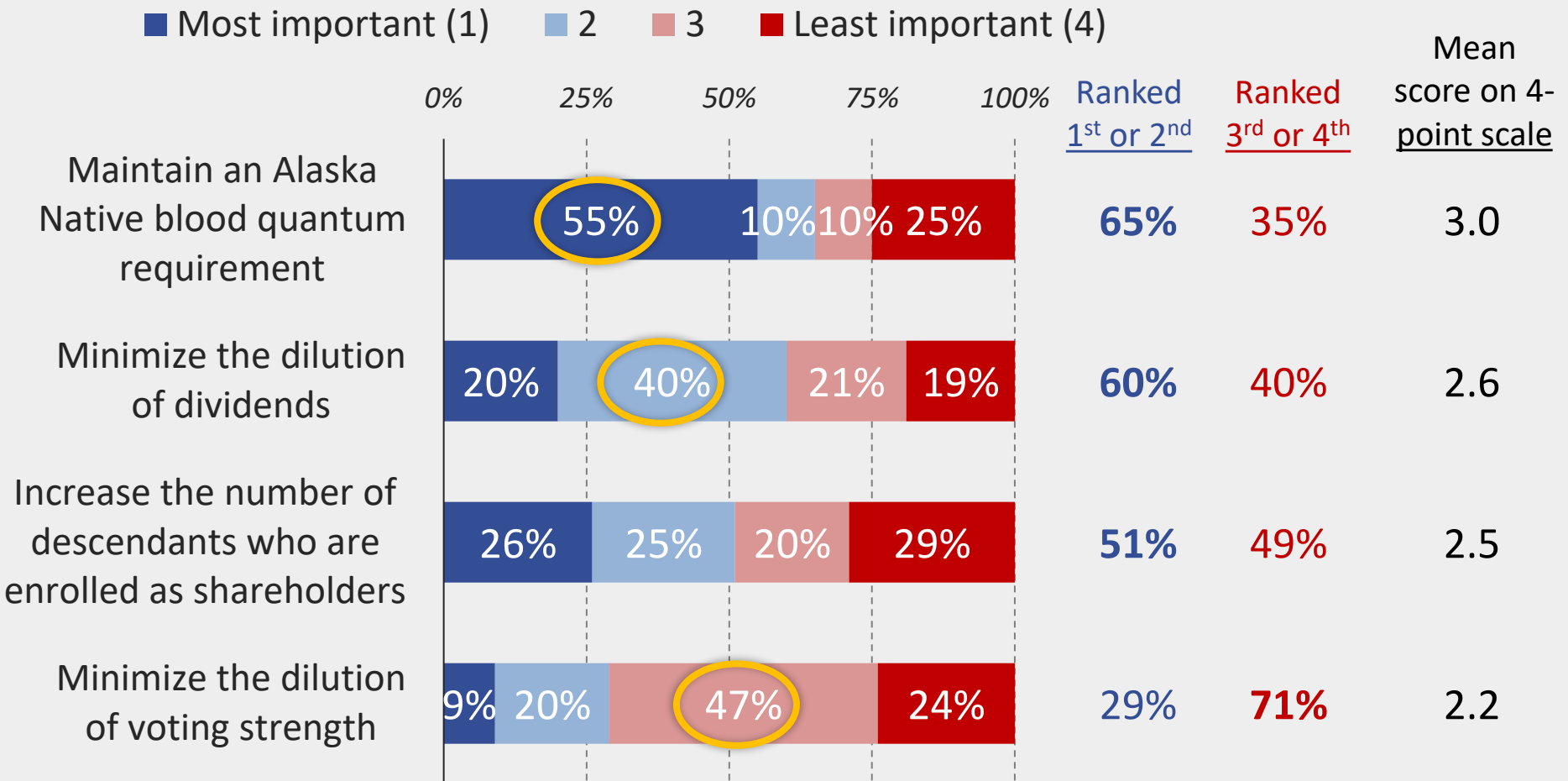
Among 24% who **oppose** enrollment and provided a comment (n=31)



Ranking Enrollment Considerations

13) Regarding descendant enrollment, please rank the following considerations in order of importance to you, with 1 being most important and 4 being least important.

When asked to rank the importance of some of the considerations that go into an enrollment, having a blood quantum requirement ranked as most important by a wide margin over the other considerations.

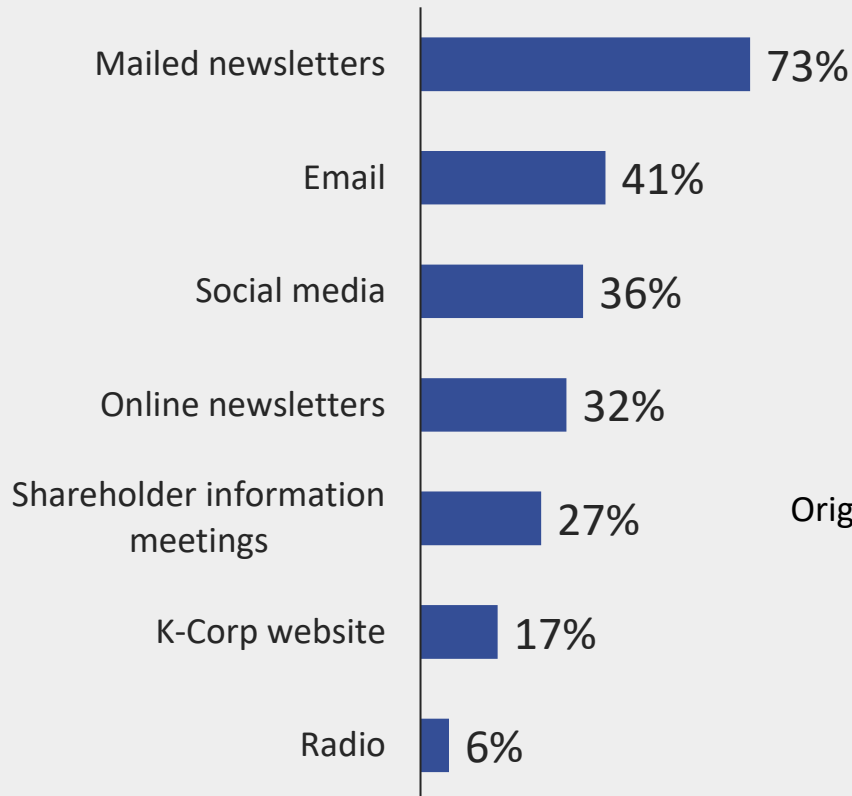


Preferred Method for Getting K-Corp News

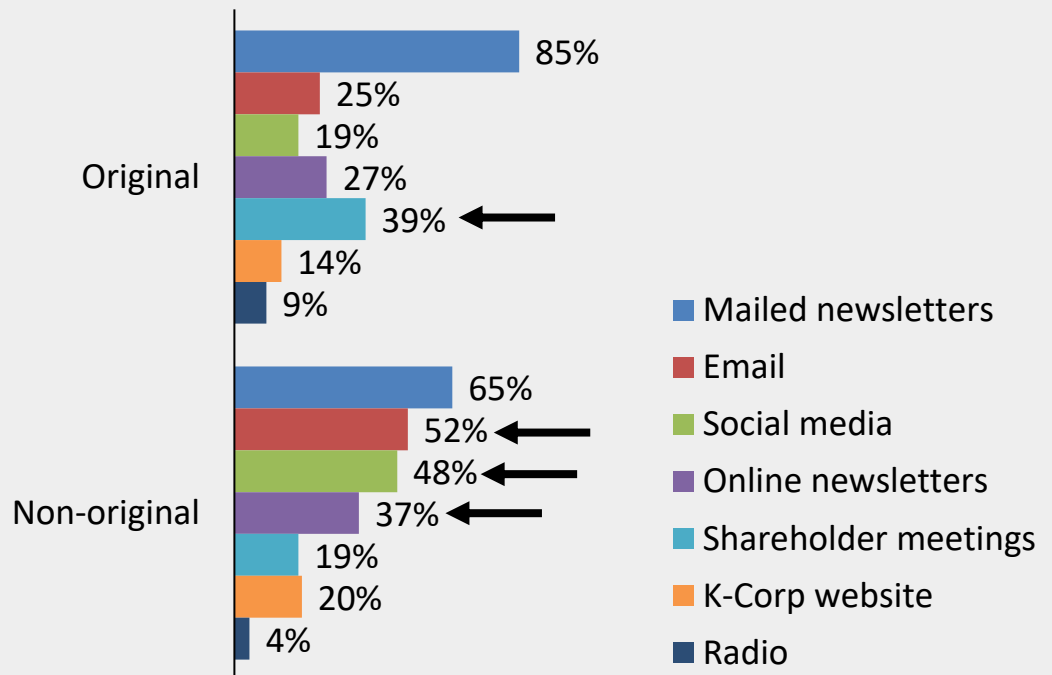
15) What are the best ways for K'oyitl'ots'ina to let you know what is going on in the corporation? Please select your 3 preferred methods:

Mailed newsletters are the preferred method of receiving news about K-Corp overall and across all demographic subgroups. Email, social media, and online newsletters are next most important overall, and the importance of these methods increases considerably among Non-original and younger shareholders (see crosstabs). Shareholder information meetings are second most important among Original shareholders.

% Ranking as top 3 preferred method overall



% Ranking as top 3 preferred method by shareholder type



K'oyitl'ots'ina Shareholder Opinion Survey

KEY FINDINGS

Key Findings

- Shareholders are very supportive of opening enrollment to descendants of Original shareholders. Even after hearing about considerations such as dividend dilution and blood quantum, over two-thirds (69%) say they support it.
- Support in terms of shares owned is greater than support in terms of shareholders. Support is also higher among older shareholders and Original shareholders.
 - Because of the higher support among those who own a larger percentage of K-Corp shares, it increases the chances that this issue would pass if put to a vote of shareholders.
 - These subgroups believe by a wide margin that ties to the region, culture, and tradition are the most important benefit of being a shareholder. This belief may be driving the higher levels of support.
- Familiarity with the process, pros, and cons of opening enrollment is low. This means communicating the impacts of an enrollment will be important as those impacts are currently not well-known. This also affords K-Corp board and management with an opportunity to craft an enrollment structure that is in the best interest of the corporation, shareholders and descendants.

Key Findings, cont.

- While familiarity with opening enrollment is low, shareholders do have some expectations when it comes to what an enrollment should look like.
 - There is a reasonable tolerance for dilution, but in the case of dividend dilution, majority support is not reached until dilution is as low as 25% (per share annual dividend reduction from \$20 to \$15 per share). In terms of shares, a higher dilution tolerance is accepted (50% dividend dilution), but only by a narrow majority (51%).
 - A large majority of shareholders (71%) think some degree of Alaska Native blood should be required for new shareholders. 40% think there should be a 1/4 blood quantum requirement, while just over half (51%) think the requirement should be less than 1/4 or that there should not be a requirement. Furthermore, maintaining a blood quantum requirement was ranked as the most important consideration when it comes to opening enrollment.
 - It is clear there is an expectation that a blood quantum requirement be in place, however it is less clear what that amount should be. This issue has the potential to be divisive as it is very important to shareholders. Understanding how different blood quantum level requirements will impact enrollment numbers would be helpful information to have when communicating on this topic.

Key Findings, cont.

- There is a lot of support for the idea of age and/or graduation requirements as a way to incentivize completing an education. For instance, new shareholders could be issued a portion of stock upon enrollment and the remaining stock once turning age 21. Or they could get their remaining stock sooner if they graduate from high school or receive a GED. These requirements would add complexity and potentially cost to managing an enrollment, so those should be considered before making a final decision on including this as part of an enrollment.
- There are several areas where there is less consensus and more uncertainty among shareholders. These are areas that the board/management should have a greater roll in shaping.
 - Shareholders are mixed as well as unsure on the best enrollment method (i.e., open indefinitely, open for a certain period of time, etc.).
 - There is no consensus and relatively high uncertainty with the number of shares to issue, although the majority of shareholders do say that less than 100 shares should be given.
 - A slight majority of shareholders (51%) think new stock should be giftable/inheritable, but nearly one-out-of-five (18%) are unsure.