

**Alaska State Legislature  
House Resources Committee  
March 1, 2019**

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# About Sealaska

Sealaska is an Alaska Native Corporation established in 1972 under the Alaska Native Claims Settlement Act (ANCSA). We are a Native institution owned by more than 23,000 shareholders, predominantly of Tlingit, Haida and Tsimshian descent, whose core Native values guide all that we do. Sealaska owns and manages 362,000 acres of our traditional homeland in Southeast Alaska. Our activities are guided by our values, to build excellence in our Native enterprise and take action toward our purpose.

## **Sealaska's Purpose:**

Strengthen people, culture and homelands through Values In Action.

# SEALASKA VALUES IN ACTION

## ALASKA NATIVE VALUES

They represent the core cultural values of Sealaska's tribal member shareholders. They guide all that Sealaska does and represent the rich heritage of our people: the Tlingit, Haida and Tsimshian of Southeast Alaska.

### HAA AANÍ: OUR LAND

- The basis of our collective identity and culture
- Utilizing the land while protecting for future generations
- Sustainable relationship with our lands
- Sustainable communities

### HAA SHUKÁ: OUR PAST, PRESENT, FUTURE

- Our collective identity reaches across generations
- Sanctity of ancestral cultural and sacred sites and heritage
- Social and financial benefits for current and future generations
- Social and environmental responsibility for sustainable operations

### HAA LATSEEN: OUR STRENGTH, LEADERSHIP

- Our collective identity gives us strength
- Discipline, resilience, perseverance and adaptability
- Education and training
- Healthy families and communities

### WOOCH.YAX: BALANCE, RECIPROCITY AND RESPECT

- Our collective identity relies on spiritual and social balance
- Institutional partnerships and collaboration
- People, tribes and organizations working together (Wooch.éen)

## OPERATING GOALS

They are shaped by our Alaska Native values. Achievement of these goals allows us to fulfill our Purpose.

### OPPORTUNITY:

**Enriching the lives of Sealaska shareholders and communities**

- Educational Benefits
- Sustainable Economic Development
- Employment Opportunities
- Stable Dividends
- Advocacy

### PROSPERITY:

**Business is a vehicle to provide for a better future**

- Business Excellence
- Competitive Advantage
- Diversity Solutions
- Innovation

### SUSTAINABILITY:

**Honor the relationship with your resources**

- Responsible Investments
- Healthy Communities
- Building Capacity
- Green Practices
- Silviculture

## SEALASKA PURPOSE

It is built upon the foundation of our Alaska Native values and represents what our operating goals seek to achieve.

### ANCSA PURPOSE:

**To forever preserve Alaska Native land, rights and ways of life.**

### SEALASKA PURPOSE:

**Strengthen our people, culture and homelands.**

### SEALASKA WAY:

**Utilizing our Values In Action to increase profitability and build Alaska Native capacity.**

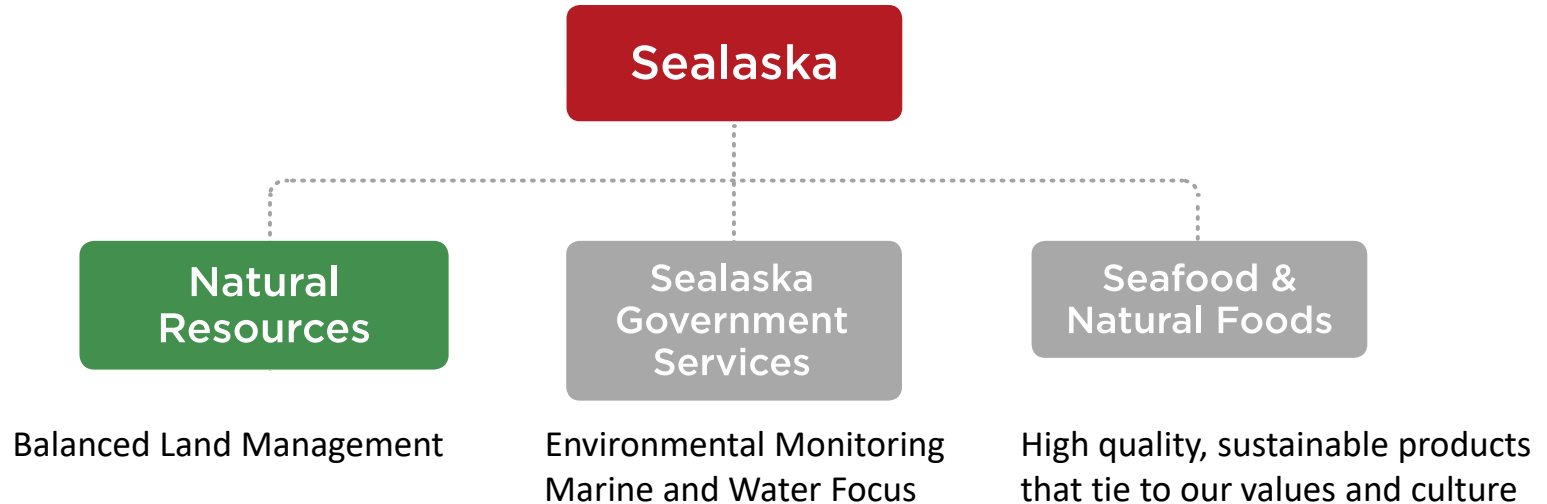
## SEALASKA VISION

**An Alaska Native enterprise of excellence built on our cultural values.**

**Our Vision inspires us to achieve our Purpose, and unites us to reach the aspirational goals of our people and our communities**

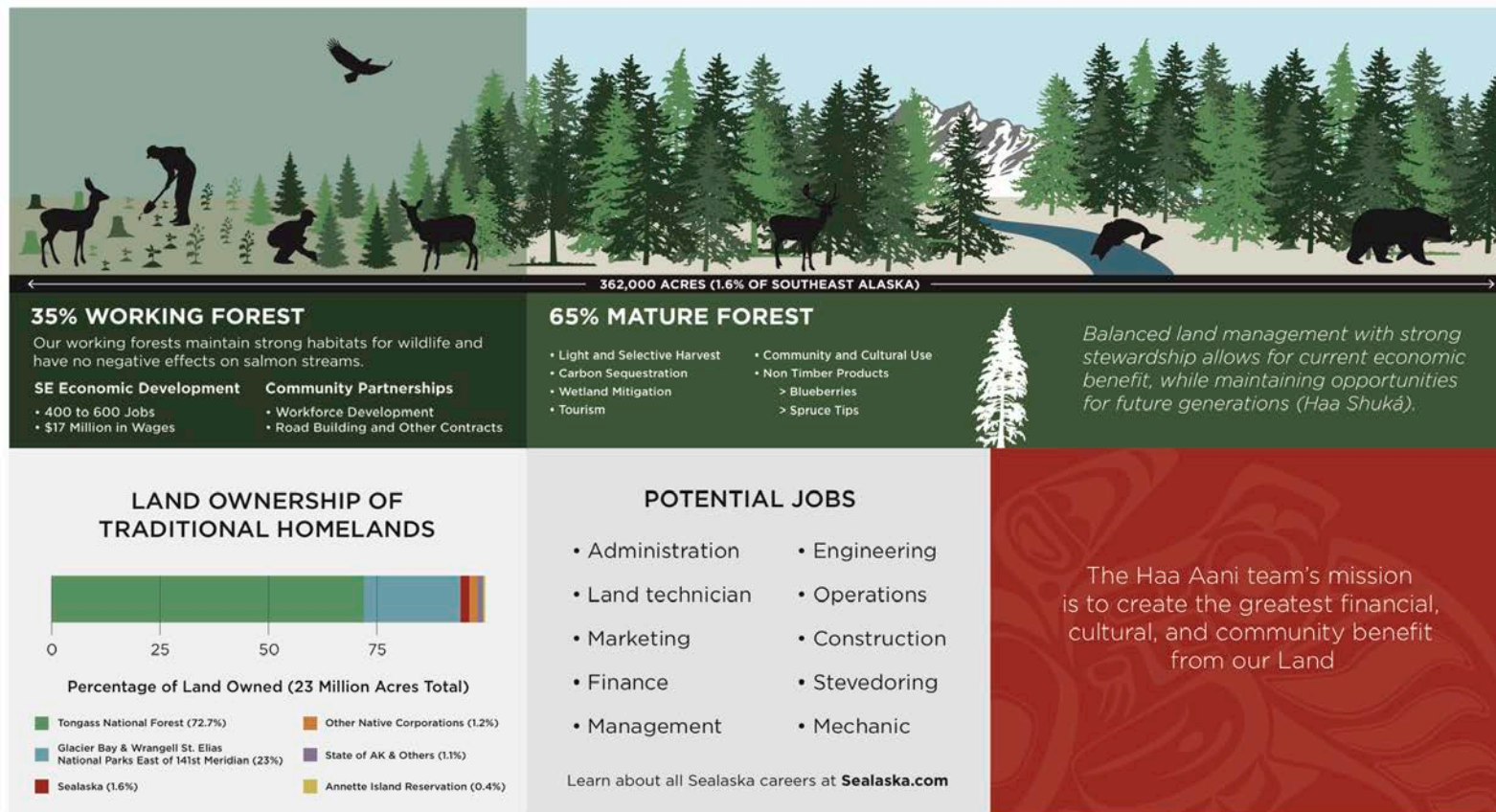






*Sealaska is experiencing unprecedented growth and income, supported by thriving businesses that have a common purpose, connected by a shared goal of working toward healthier oceans and enhancing the natural environment.*

# HAA AANÍ Sealaska's Balanced Land Management.



# Land Management Update

## Harvest Update

- Sealaska intends to harvest 55-65 mmbf per year from its timber base on Prince of Wales Island
  - 2018 Production ended up at 59 mmbf
- Harvest Areas for 2019 are at Keete Inlet and McKenzie Bay on Prince of Wales
- Icy Bay stumpage over the next two years will add another 18-20 mmbf per year
- Young growth harvest will be 5-10 mmbf per year
- Sealaska primarily exports its logs to China, Japan, and Korea, with its pulp and cedar going to Washington and Canada
- The China Tariff, as proposed, will significantly impact the completion of its Icy Bay stumpage sale obligation
  - Currently at 10%, but could increase to 25% if no agreement by March 2, 2019
  - 50/50 split has been accepted by customers for 10% tariff



# Land Management Update

- Silviculture activities will include 4,000 acres per year of pre-commercial thinning on Sealaska and Village Corporation lands, with some basal pruning and 100 acres per year of tree planting
  - 1,600 Acres of Village Corporation Lands
  - 2,400 Acres of Sealaska Lands
- With all of these harvesting and land management activities, Haa Aaní supports approximately 340-350 jobs per year
- We are Involved in the All Landowners Group, and maintain regular Communication with the USFS, the State of Alaska, and Other landowners on our land management and harvesting activities



# Areas of Concern for Timber Program

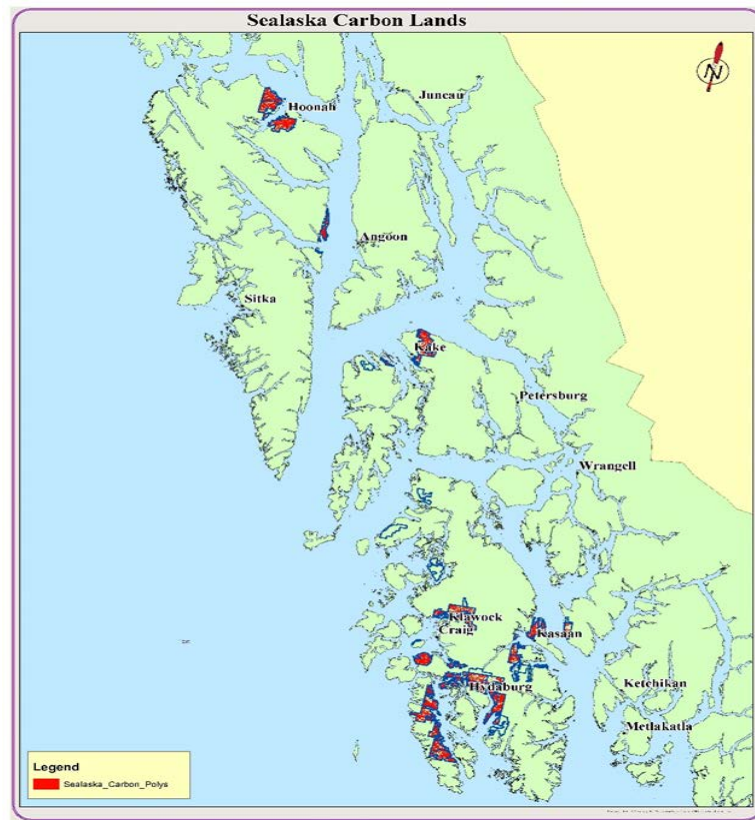
- Tariffs – An Increase to 25% for some species will likely stop Sales to China
- Contractors – New Contractor; others not Investing to stay
- Workforce Development
- Consistent Operations at USFS and State
- Roadless Rule
- State Staffing/Funding for Permitting and Regulatory Requirements



# Sealaska's Carbon Offset Project

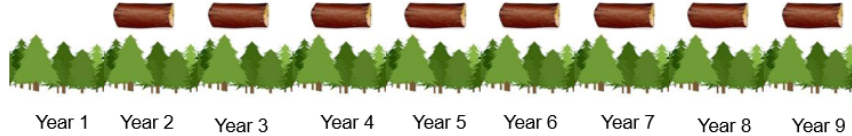
## Improved Forest Management

- Sealaska receives saleable offset credits that represent verified greenhouse gas (GHG) emission reductions from 165,000 acres
- Forest projects are required to monitor, report and verify offset project data for duration of project life, 100 years, to assure the net climate benefits of activities that sequester carbon on forestland
- Sealaska maintains ownership of carbon offset lands, with no access restrictions, allowing continued customary and traditional gathering
- Limited loss of development rights, while assuring emission reductions or net climate benefit
- The project is a tremendous success for Sealaska, representing our commitment to addressing the environmental affects of climate change, while providing financial benefit
- We are helping Village Corporations who have carbon project opportunities

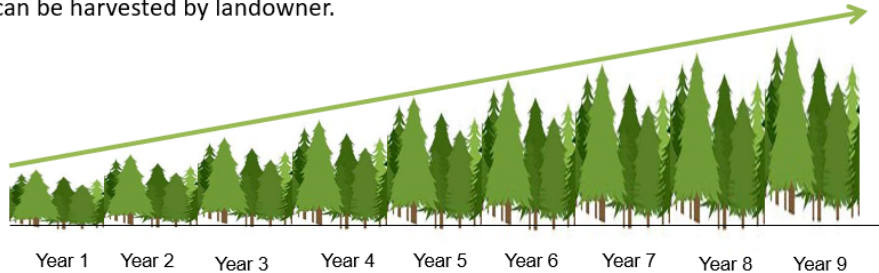


# Growth Credits Help Limit Opportunity Cost

Every year a forest grows. If that growth is harvested, it creates wood products at a sustainable rate.



If that growth is not harvested, it can be sold as carbon. Any percentage of growth can be harvested by landowner.



- Limited loss of development rights, while assuring emission reductions
- Still Able to:
  - Harvest
  - Pursue tourism and land development opportunities
  - Pursue mineral extraction
  - Build roads and other forms of development

# THANK YOU

*Gunalchéesh - Háw'aa - T'oyaxsism*

