



CALISTA CORPORATION
www.calistacorp.com



Tournament MC Olivia Piiyuuk Shields, a Calista Shareholder, putts with a team at the Calista Education 19th Annual Golf Classic.

SEE MORE PICTURES ON PAGE 6

2018 ANNUAL MEETING RESULTS

Calista Corporation Shareholders turned out in historic numbers to vote on Board of Directors seats and an important resolution at the 44th Annual Meeting of Shareholders held in Bethel, July 6.

Four Board of Directors seats were up for election. Shareholders re-elected Myron Naneng, Sr., JoAnn Werning and Robert Beans for Administrative Units 1, 2 and 3, respectively. Shareholders elected Marcie Sherer for the At-Large Administrative Unit. Directors serve three-year terms.

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STORYKNIFE

THE VOICE OF THE REGION

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AUGUST 2018 • CALISTA CORPORATION NEWSLETTER

CALISTA'S COMMITMENT TO COMMUNICATION

Thank you for an open and honest Annual Meeting. Calista Corporation's leadership team appreciates the thousands of Shareholders who cast their votes for a stronger Calista. By a wide margin, Shareholders voted for stability and continuing the steady and positive growth of our Corporation. The Calista Board and Executive Team appreciate every person who let their voice be heard at the Annual Meeting and through proxies.

Shareholders overwhelmingly supported establishing a Settlement Trust, which can significantly reduce Corporation taxes and in turn, provide our Shareholders and Descendants with monetary and other benefits.

At Calista, the power is in Shareholder's hands, and they express it through voting. In 2012, the Calista Board of Directors responded to Shareholder feedback and removed discretionary voting by the Board. In every Annual Meeting since, Shareholders exercised their power to elect directors by voting.

Serving on the Board of Directors is a tremendous responsibility. Calista leadership recognizes and thanks each candidate who ran for a position on the Board. It's no simple task to put time and energy into a campaign, running is an achievement in itself. We would also like to say *Quyana* to those who stepped up to serve.

We value transparency. During the meeting, there was discussion about media reports concerning a former Calista employee and allegations of harassment and related litigation. Our goal is to provide honest and accurate information regarding this situation to our Shareholders and Descendants, our employees and the public.

We want you to know, Calista does not overlook or disregard any type of harassment. The Calista governance system and code of conduct are in place to protect Calista employees and all the people with whom we work. Here is some information not reported in the media:

- In fall 2017, a potential female business partner expressed frustration about working with a Calista employee to President Andrew Guy. Guy redirected her to a Calista business development representative.
- More than a month later, the same woman, against the same employee, made the first allegations of sexual harassment. Without delay, Calista placed the alleged harasser on administrative leave and an independent, neutral third-party law firm specializing in employment matters conducted an investigation of the claim.
- Following completion of the investigation and a determination that there may have been violations of the employee code of conduct, the employee was immediately terminated.

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BOARD MESSAGE

Robert Beans, Board Chair

Quyana Cakneq to every candidate who ran for a Board of Directors seat. Each candidate accepted the opportunity to serve Shareholders and the knowledge of the position's major responsibilities and to faithfully and impartially serve Shareholders, while following the Code of Business Ethics and Conduct for Directors.

We welcome re-elected Directors Myron Naneng, Sr., JoAnn Werning and myself, Robert Beans. Shareholders also elected Marcie Sherer to the At-Large seat. She previously served 2012-2015.

We also thank outgoing Director Robert Hoffman for his service to the Calista Region.

And, a big thank you to our Shareholders who turned out in big numbers. The Calista Settlement Trust resolution passed by the largest vote margin for any resolution in our history. Over 90 percent of Shareholders who voted chose "Yes" to create a Trust. The Settlement Trust will have direct benefits to Shareholders and to the Corporation.

Following our Bylaws, the Board elected Officers. I was elected Board Chair, Margaret Pohjola as Vice Chair, Johnny Evan as Secretary, and Marcie Sherer as Treasurer. We look forward to serving all Shareholders.



"OATH OF OFFICE, "I, AS A NEWLY ELECTED OR RE-ELECTED DIRECTOR OF CALISTA CORPORATION, DO SOLEMNLY SWEAR THAT I WILL FAIRLY, IMPARTIALLY AND TO THE BEST OF MY ABILITY, PERFORM MY DUTIES TO PROTECT AND PRESERVE THE ASSETS OF THIS CORPORATION, AND WILL ABIDE BY THE CODE OF BUSINESS ETHICS AND CONDUCT FOR DIRECTORS, SO HELP ME GOD."



PRESIDENT'S MESSAGE

Andrew Guy, President and CEO

There is no better way for Calista Corporation Shareholders to voice their opinions than through voting. I am extremely pleased with the number of Shareholders who voted in this year's Annual Meeting.

The independent Inspector of Elections reported 56 percent of all Calista Corporation shares were voted this year. This number is impressive, especially because Calista had thousands of new Shareholders voting for the first time.

This year the percentage of Annual Meeting voting among Shareholders ages 18-39 was up significantly from the previous six-year average. Our young voters' participation had a direct impact in achieving quorum, the minimum percentage required for a valid Annual Meeting.

Remember the importance of voting extends beyond Calista's meetings. In fact, there is a crucial public vote occurring later this year. **Calista urges a "NO" vote on Alaska Ballot Measure 1 because it could have a significantly negative impact on rural development projects and costs.**

Our people have long relied on salmon, we understand the need to ensure that salmon are available for future generations. The State of Alaska already has a very stringent permitting system for projects that could impact water, to ensure that our drinking water is safe and that our salmon are protected. Ballot Measure 1 creates a challenge for

rural development projects such as roads, airports, running water for our communities and sewage lagoons – these projects improve the quality of life for our people.

As you know, building in rural Alaska is very costly. A water safety project in the Yukon-Kuskokwim Delta, for example, could easily be up to 40 percent more expensive than a project on the road system. Most of the cost is due to transporting materials to rural areas. There are also a large number of permits that must be granted by various State and Federal agencies. The time to study and prepare to submit permit applications is also costly.

If Ballot Measure 1 passes, the costs to develop projects will increase because new, unnecessary requirements and permitting processes will be put in place which will result in increasing financial and physical barriers to development and burdens on companies like ours. Some projects, like sewage lagoons or wells for drinking water, may become too difficult to develop. Additionally, If Ballot Measure 1 is voted through, individual homeowners could be fined up to \$10,000.

Please vote "NO" on Ballot Measure 1.

Quyana Cakneq to all the Shareholders who take time to speak up through voting.

LEADERS FROM THE REGION

NUYALRAN KET'AQ ISHNOOK, SHAREHOLDER SERVICES INTERN

There's a lot of behind the scenes paperwork and organization that goes into operating a corporation with thousands of Shareholders. The Shareholder Services department at Calista Corporation has always been busy, but when enrollment opened to Descendants born after the ANCSA cutoff, the paperwork began piling up. Keeping tabs on Shareholder information may not be the most glamorous job, but it's one of the most important, just ask intern Nuyalran Ket'aq Ishnook (Nuya).

Nuya spent her summer interning in the Calista Shareholder Services department. During her internship, she learned many valuable office skills. Her responsibilities included filing, sorting, scanning documents, data entry and more. Her biggest project of the summer was filing a large stack of stock wills and making sure they were organized properly.

"They were valid stock wills Shareholders filled out during a contest last year. All were entered into the contest but they were so numerous staff didn't have enough time to back them up," Nuya said. "This project took me six business days. I had to research, write their Shareholder number on each, sort them in order and file them. Honestly, the day I finished, it didn't feel real."

Nuya learned the importance of keeping Shareholder information confidential, organized and on file. With thousands of new Shareholders enrolling in the corporation, she was glad she played a role in helping the next generation of Shareholders become members of her Corporation. Nuya also helped the department



Nuyalran Ket'aq Ishnook, Calista Shareholder summer intern.

produce several PowerPoint presentations and worked on a video with the Communications Department. She encourages all Calista Youth to be involved and consider an internship with Calista. "We need to make sure the Corporation stays in our hands," Nuya said. "We don't want to hand Calista over to non-Calista people."

Inspiring future generations is a passion for Nuya. She is currently studying at the University of Alaska Anchorage for a bachelor's degree in elementary education. She wants to become a teacher in Alaska and eventually pursue a master's degree and doctorate. Nuya is from Kwethluk and attended Ket'acik & Aapalluk Memorial School.

CALISTA'S COMMITMENT TO COMMUNICATION

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- The litigation is ongoing and Calista is looking forward to a successful result once all the facts are presented in court.

Our goal has been and continues to be to provide honest, accurate information about the situation to our Shareholders, Descendants and the public. If you still have questions visit www.calistafacts.com.

Calista has had a tremendous year due to our Shareholder and Descendant engagement, and guidance from Shareholders and the Board. Quyana and we look forward to even greater successes in future years!



"OUR YOUNGER SHAREHOLDERS TURNED OUT IN IMPRESSIVE NUMBERS TO VOTE THIS YEAR. I AM THANKFUL FOR THEIR VOICE AND OPTIMISTIC ABOUT THE FUTURE OF OUR CORPORATION AND PEOPLE THANKS TO THESE YOUNG LEADERS."

2018 SHAREHOLDER AWARD WINNERS

Shareholders and Descendants are the heart and voice of Calista Corporation. Shareholders embody our cultural values of respect, teamwork and dedication to the people of our community. Calista recognizes these special individuals every year with the Shareholder Awards. Nominated by fellow Shareholders and Descendants, recipients bring cultural values to life.

Each honoree receives a plaque and financial award.

“THESE EXCEPTIONAL SHAREHOLDERS INSPIRE US TO LIVE OUR VALUES AND LEAD OTHERS TO SUCCESS. LEADERS LIKE THIS ARE VITAL TO THE SURVIVAL OF ALASKA NATIVE CULTURES.”

— ANDREW GUY, PRESIDENT & CEO



CALISTA YOUTH/EDUCATOR OF THE YEAR: **MIKE ULROAN** (CHEVAK)

Mike Ulroan wants to show other Calista Region Youth that seeking higher education is possible. He calls himself the first engineer to graduate from Chevak. As the Alaska Native Science & Engineering Program (ANSEP) Regional Director, Ulroan has led efforts to increase STEM opportunities for rural Alaska students. The national Algebra 1 completion rate for eighth grade students is 26 percent; the completion rate for ANSEP STEM students is 77 percent.

“I am fortunate to work for a program like ANSEP that provides higher education opportunities to our next generation of leaders,” said Mike. “As a former Calista scholarship recipient, quyana cakneq to Calista Corporation for the recognition and most of all to my family and loving wife for the support throughout my professional and academic endeavors.”



AXEL C. JOHNSON DISTINGUISHED SHAREHOLDER: **JOHN ACTIVE** (BETHEL)

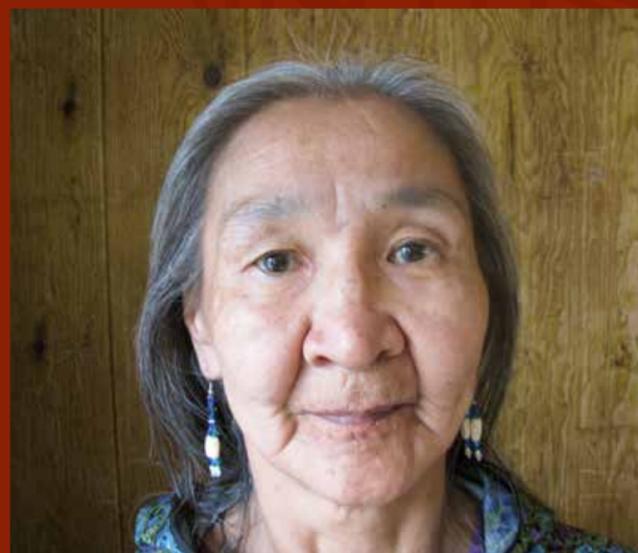
John Aqumgaciq Active was a beacon for Yup'ik storytelling, culture and language preservation. John died June 4, 2018, at age 69. A true master of the Yup'ik language, John was one of the first people to translate the KYUK newscast from English to Yup'ik. He was strongly involved in theater, music, dance, writing and storytelling. The way he told traditional Yup'ik stories made everyone around him laugh. He attributed his passion for storytelling to his grandmother, Maggie Lind.



CALISTA ELDER OF THE YEAR: **JENNIE ZAUKAR** (SLEETMUTE)

Jennie Zaukar served over 30 years as a community health aide. She leads by example. Her actions teach others how to respect Elders, the earth and each other. She lives a sober life, free of alcohol and drugs. She also encourages everyone around her to practice and teach their children and grandchildren our heritage and traditional values, so they will not be lost. Jennie was married to the late Peter Zaukar Sr.

“I would like to thank Calista for the wonderful award and for my beautiful daughter for nominating me,” said Jennie. “Thank you for thinking of me. I really appreciate it so much. Love and prayers.”



CALISTA CULTURE BEARER: **LIZA PHILLIPS** (LOWER KALSKAG)

Liza Phillips is an active member of Lower Kalskag. She supports families experiencing loss, despite battling her own health issues. Liza prepares food and tables for gatherings. Her community thanks her for her years of commitment to keeping culture alive through helping others.

“When loved ones pass away it makes them feel good to have someone who cares, and I’m glad to support them any way I can,” said Liza. “Becoming an example helps the younger generation get involved with the Elders and the culture.”



RAYMOND C. CHRISTIANSEN BUSINESS OF THE YEAR: **DELTA DISCOVERY** (BETHEL)

Shareholders Greg and Kelly Lincoln own and operate the Delta Discovery. The paper is an important news outlet for the Region, covering search and rescue efforts, local news and providing obituaries at no cost. Their coverage has earned the Delta Discovery dozens of Alaska Press awards over the years.

“To the Calista Board of Directors, our friends and family, quyana for this nomination. We are very grateful and honored,” said Greg and Kelly. “We would not have been able to do our work without the help of countless others and our thanks and gratitude goes out to them as well. We are inspired and humbled by this recognition.”

CALISTA EDUCATION 19TH ANNUAL GOLF CLASSIC

The Calista Education and Culture Golf Classic Tournament raises money to provide scholarships for students who are Calista Shareholders or Descendants pursuing vocational or higher education. This year, 132 players took part in the tournament, raising more than \$200,000.

Your support gives students of the Yukon-Kuskokwim Delta a hand on their path to success!

More info at <http://www.calistaeducation.org/golf-tournament.html>



2018 ANNUAL MEETING RESULTS

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The only resolution up for a vote passed by a historic over 90 percent. Shareholders overwhelmingly supported Calista establishing an Alaska Native Settlement Trust. The Trust will benefit Shareholders in monetary and other ways. Calista's dividends are expected to become taxable in 2021, once total dividends exceeded the monetary settlement from the Alaska Native Claims Settlement Act of 1971. Calista received \$80 million from ANCSA. The Corporation has distributed over \$61.4 million in dividends and Elders Benefits. All of these have been nontaxable. With the establishment of a Trust, these distributions will continue to be nontaxable.

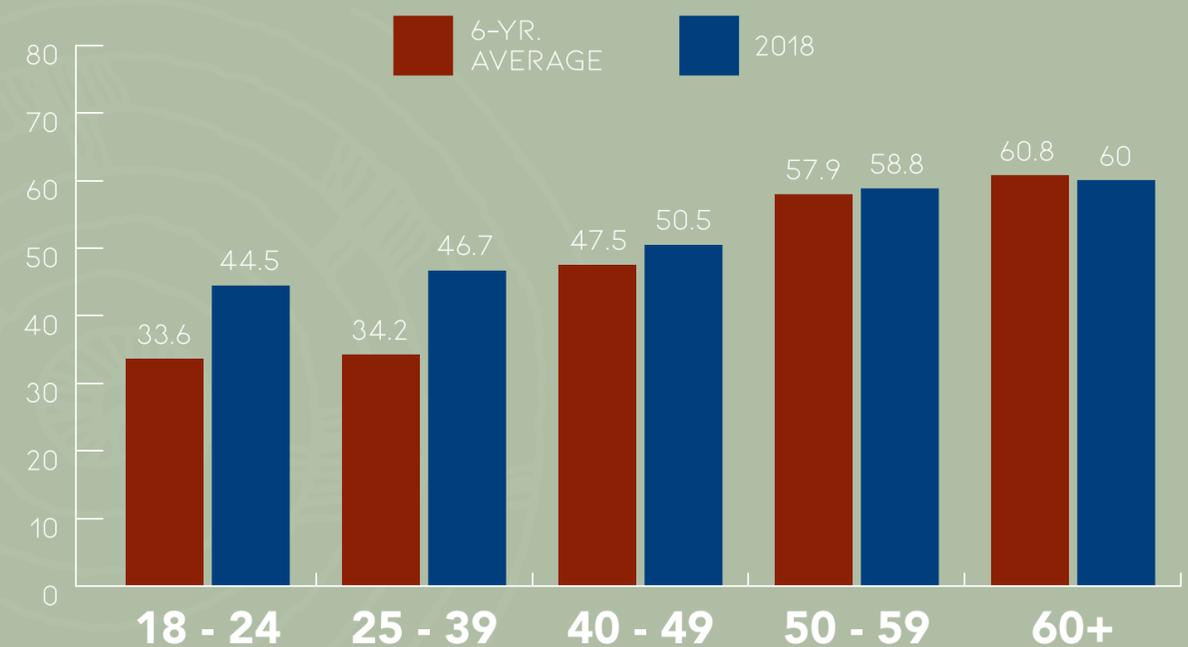
The 2018 election was the first Annual Meeting with expanded enrollment. A total of 56 percent of all outstanding shares voted. Over 60 percent of votes were cast online at calistavote.com. Shareholders between the ages of 18 and 39 years of age make up 39 percent of voting Shareholders. The remaining Shareholders are over 40 in age.

The Inspector of Elections, Sramek-Hightower, certified election results.

TOP 10 VOTING COMMUNITIES, BY %

ATMAUTLUAK	81.5
QUINHAGAK	79.9
CHEFORNAK	78.3
AKIAK	77.9
EEK	73.7
KWIGILLINGOK	72.7
PITKAS POINT	72.7
MEKORYUK	71.3
NAPAKIAK	69.8
AKIACHAK	69.2

AVERAGE AGE VOTING GROUP 6-YEAR AVERAGE VS. 2018



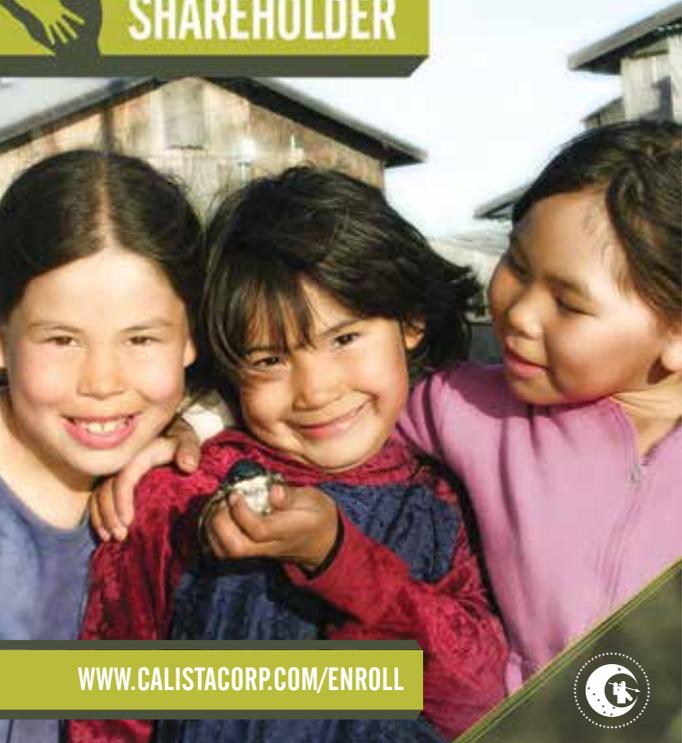
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BECOME A SHAREHOLDER



WWW.CALISTACORP.COM/ENROLL



2018 PROXY PRIZE WINNERS

ONLINE EARLY BIRD WINNERS

ALL VALID PROXIES RECEIVED BY MAY 31, 5PM

Michelle Thompson
St. Mary's

Carl J. Hoffman
Anchorage

Jacob N. Wassilie
Akiachak

Jeremiah A. Clemons
Anchorage

Frank Matthew Jr.
Quinhagak

Myron C. Evan
Chefnak

Richard W. Otto
Kongiganak

REGULAR EARLY BIRD WINNERS

ALL VALID PROXIES RECEIVED BY JUNE 18, 5PM

Brandon A. Bachman
Anchorage

David C. Tunutmoak Jr.
Scammon Bay

Agnes Andy
Newtok

Vanessa Bunyan
Hooper Bay

John Lawrence
Toksook Bay

Michael S. White
Toksook Bay

Willie Long
Saint Mary's

REGULAR PROXY PRIZE WINNERS

ALL VALID ONLINE PROXIES RECEIVED BY JULY 2, 5PM

Krystalynn J. Scott
Anchorage

Frank G. Miller
Eek

John N. Andrew
Kenai

Martha D. Guy
Nunapitchuk

Edward T. Bell
Chevak

Gail Michael
Kwethluk

Katherine Blacksmith
Anchorage

ONLINE PROXY PRIZE WINNERS

ALL VALID ONLINE PROXIES RECEIVED BY JUNE 12, 5PM

Sandra D. Greger
Sleetmute

Angela D. Oscar
Anchorage

Lilly S. Tall
Chevak

PERSONAL DATA FORM - AUGUST 2018

Shareholder Name _____

New Mailing Address _____

City _____ State _____ Zip _____

Phone _____ Last 4 SSN _____

Birth Year _____

Would you like Calista to send you new Will forms? Yes No

Calista Shares _____

Village Corporation Shares _____

Please change my address as I have indicated above. I understand that you cannot make address changes without my permission and signature, which I hereby give of my own free will and without constraint. I further authorize Calista and its subsidiaries to share this information internally and in accordance with law.

Shareholder Signature _____
(Two witnesses are required if Shareholder signs with an "X.")

Date _____

Signature of Witness 1 _____

Signature of Witness 2 _____

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