

INUIT CIRCUMPOLAR COUNCIL “Inuit- The Arctic We Want”

Wednesday, July 18 – 2:30 P.M. Rex Allen Rock Sr., ASRC President and CEO, AIO President

Paglagivsi, hello and taikuu. Thank you, Jimmy, for that introduction. (pause). It’s always good to be in Utqiagvik – speaking from our ‘home base’.

And, good afternoon to all of you – it’s a privilege to join the conversation and to welcome not only the first-timers in the room but also frequent travelers to this great state. The Arctic is certainly something I know a little about – considering it’s where I grew up, where I’ve raised my family and where I’ve hunted and fished all my life. In short – like others in this room and at this Assembly today, I’m proud to say the Arctic is my home. To all of you joining us, I extend a warm welcome. I hope you enjoy your stay.

Again, thank you for the invitation to speak at the 13th General Assembly of the Inuit Circumpolar Council, or I-C-C. This event certainly brings the international Arctic community together – and as our North Slope communities in Alaska have proven, we are much stronger and unified when we can work on common goals to bring us together, and to speak as one voice on many issues. As Jimmy mentioned, I currently serve as president and CEO of Arctic Slope Regional Corporation, or ASRC, the Alaska Native Corporation – or A-N-C - created at the direction of Congress under the terms of the Alaska Native Claims Settlement Act of 1971... commonly known as ANCSA.

As our name spells out, ASRC is the corporation representing the northern- most area of the Alaska. Our region encompasses eight villages spread out over 55-million acres and represents a

shareholder base which currently sits at approximately 13-thousand.

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I'll add I also enjoyed a long career as a basketball coach in my community and helped my boys, the Tikigaq Harpooners, take home 4 state championships. And, it must run in the family – because earlier this year my wife Ramona coached her Tikigaq girls to another state championship.

By way of background, at ASRC we have six main lines of business: Energy Support Services, Resource Development, Petroleum Refining and Marketing, Construction, Industrial Services and Government Contract Services. As you can see – it's pretty clear ASRC is committed to the future of Alaska's oil and gas industry, as well as the state economy. We also have several smaller subsidiary companies that have been part of the ASRC portfolio for decades. I'm sure many of you are staying at the Top of the World Hotel... an ASRC property... during your time here.

Thanks to the guidance of our founders and the leadership of our board of directors, we have been ranked 'number one' for the past 20-plus years as Alaska's largest locally-owned and operated business. Our revenues reached 2-point-7 billion dollars in 2017, and I am proud to state that ASRC has distributed over 1-billion dollars directly to our shareholders in the form of dividends since ASRC got its start. To put this in perspective, we have shared more revenues directly to our shareholders than the other 11 land-based ANC's combined!

We also help to provide for other ANCs and their shareholders, as we have distributed more than 1-billion dollars to Alaska Native corporations through the resource revenue-sharing mandate under Section 7(i) of ANCSA.

At ASRC, our focus is on continued growth and diversification. It has to be that way to keep up with our growing number of shareholders, their expectations of sustainable and meaningful dividends, and to continue to be a leader in Alaska's economy. That type of growth is a continual process.

In short, at ASRC – one of our core strengths is our diversity; diversity that brings sustainability and opportunity to our region – and our people.

For starters, The Arctic has come under the world's eye as it stands on the front lines of global climate change. You may not be able to tell this year, but recently the sea ice has been forming later in winter and thawing earlier in spring; the open water season has become measurably longer, and yes, it is getting warmer. Yet we are not victims of change; our culture is built around understanding the natural environment. Our environment has extreme variations within a single calendar year, and the seasonal change dominates and masks longer-term changes. Yet we owe it to ourselves and our children to monitor these changes and adapt as we always have. The change is visible on our land and in our ocean.

And I am a proud to have the heritage of one of the most adaptable people on the planet – the Iñupiat. We have always adapted to change - whether it was to our environment, survival in harsh conditions or even outside whalers coming into our communities. We also adapted when our children, who are now elders, were forced to leave their homes for education by the Bureau of Indian Affairs. Or, we were adaptable when oil was being discovered at Prudhoe Bay, as well as during the formation of corporations under ANSCA, or - the ever-changing business climate we are operating in. We ADAPT and THRIVE. We love challenges because we know we can always find opportunity in them.

It's no secret ASRC has been very open in its support of responsible exploration and development of both onshore and offshore resources in the Arctic. But I'm a whaling captain first – and as a whaling captain, the evolution from onshore oil exploration and production to offshore raised concerns with me and other North Slope captains. We understand we have to find a way to align oil and gas exploration and development for the sustainability of our communities, and to protect our subsistence practices, culture and rights.

We have to ensure that the very people who call the North Slope of Alaska home would have a seat at the table when important decisions are made.

We continue to push our way into halls of the state and federal agencies that are making decisions that affect our region. We have made partnering a foundational aspect of our relationship with industry.

You see, our region is dependent on the economy that oil and gas development brings – how our regional government, the North Slope Borough, has the ability to tax development on the North Slope. The borough's tax base has improved and sustained health clinics, improved roads, as well as provided a lower cost of energy and quality water and sewer in our communities.

The quality of life that is enjoyed today - healthy sustainable communities and a healthy opportunity to harvest the renewable resources of our environment - is a result of the leadership of our founders at ASRC and the North Slope Borough. This is an important education for our youth; we have to inform the generation of today about the vision and the sacrifices that have

been made for them through our constant efforts to improve our communities and provide opportunities for our residents. All of this provides the platform for the subsistence that nourishes our people and our culture.

Moreover, you are being hosted in a community that runs off of natural gas! We have been able to lower the cost of living in two of our communities - Utqiagvik and Nuiqsut through the discovery of natural gas. We have some of the highest costs of energy in the country. While we are energy-rich in our region, we are energy-poor in our villages. Oil and gas exploration sometimes provides us with an opportunity to directly lower the costs of living for our people. When this happens – it's a definite win-win!

It's the vision of our past leaders who have provided the blueprint of the North Slope today. And so it's the leadership of today that will provide the blueprint for future generations. We aren't just looking at tomorrow, but instead - 10, 20 and 30 years into the future.

And so, at ASRC, we continue to refine this legacy. We want an equity share in projects that are developed in our region. After all, the oil industry is thriving with new discoveries, new areas being opened to oil and gas leasing such as in the Arctic National Wildlife Refuge, and there are new technologies. These are exciting times.

You may ask - is there risk to us in partnering? YOU BET – but it gives us skin in the game. Does that change our viewpoint? YOU BET – we have to be diligent and work with developers, explorers and agencies on the best path forward. Will this be easy? NO WAY. There will be things that we don't go right – there is no perfect path – but we have to continue to try. Is it the right thing to do? ABSOLUTELY. By having a seat at the table during the decision process, we will have the opportunity to influence projects for protections of our rights as indigenous people.

Our pledge is this: ASRC will be involved in every aspect affecting our lives and the future development of our lands and oceans.

The Arctic has always provided sustenance to the Iñupiat. It always has, it still does and it always will. However, there are organizations out there that would take that away from us. The Arctic is ours, it is where we live, we will always be there. In fact, I can't envision a future scenario where there are not Iñupiaq people living in the Arctic.

There are SO MANY Arctic forums it seems they are popping up almost daily. It's hard to keep tabs of everything going on and who's doing what and where. We have tried to keep up - at great cost - and we will continue to do so. But then we had to ask ourselves – why are traveling around the world to talk about our home. Why aren't those conversations happening in our Arctic, near our homes? If there is Arctic policy being developed, then let it begin in the Arctic... preferably our part of the Arctic.

Increased open water in summer has brought more ship traffic to Arctic Ocean shipping lanes. It has brought more attention to resource development in the Arctic – bringing in more investment and it will continue to do so.

In conclusion – yes, we have challenges – but we love the challenges... those of today as well as those of tomorrow.

We believe in the Arctic because we are from the Arctic.

Thank you, and God bless. Taikuu.