

AFOGNAK NATIVE CORPORATION

CODE OF ETHICS AND INTEGRITY STRATEGY

The relationship between Afognak Native Corporation, its shareholders and descendants, is built on a solid foundation of integrity, respect and trust. We are committed to enhancing their quality of life and the quality of life for generations to come.

PREAMBLE:

A Code of Ethics and Integrity Strategy are not a recipe for decision-making, but an expression of ethical considerations to bear in mind. Afognak Native Corporation (ANC) views them as an ethical framework rather than as specific solutions to problems.

ANC has identified four reasons for adopting a Code of Ethics:

- 1) supporting the Code will help protect the professionals that work for us and those they care about from being injured by what others may do;
- 2) supporting the Code assures all employees a working environment where making the right decision and resisting pressure are easy to do and considered the norm;
- 3) supporting their Code helps professionals practice in their respective professions without feeling embarrassment, shame or guilt; and
- 4) a professional has an obligation of fairness to do his/her part in generating these benefits for all others.

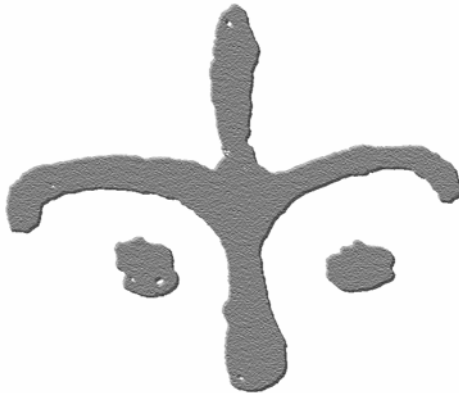
PURPOSE:

The purpose of ANC's Code of Ethics is multi-faceted:

- 1) it will serve as a collective recognition by the Board of Directors and Management of their responsibilities;
- 2) it will help create an environment in which ethical behavior is the norm;
- 3) it can serve as a guide or reminder in specific situations;
- 4) the process of developing and modifying a Code of Ethics is valued by our Board of Directors and Management;
- 5) the Code can serve as an educational tool, providing a focal point for discussion in professional meetings and other settings; and
- 6) our Code can and should indicate to others that ANC is seriously concerned with responsible, professional conduct.

AFOGNAK NATIVE CORPORATION
TRADITIONAL ALUTIIQ VALUES

Harmony
Appreciation and Respect
Efficient
Communication
Trust
Heritage and Culture



Harmony
The Spirit of Teamwork, Strength and Unity while supporting each other

The employees of Afognak Native Corporation and its subsidiaries are part of the Alutiiq extended family. We work together in this family to ensure that the direction and vision of our shareholders is obtained.

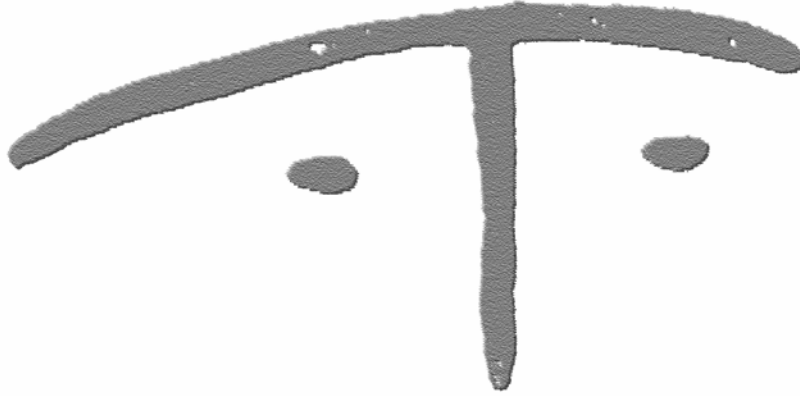
Fair Employment Practices: Our employees are one of our most important resources. We value dedication, professionalism, cooperation and superior team performance. We follow extensive and detailed Human Resource Policies to guide our employment relationships and implement fair employment practices. We proudly

follow a preference policy that empowers us to recruit, hire and train our Alutiiq shareholders at all employment levels in our Corporation; however, all employees, regardless of heritage, belong to our extended family. We welcome and honor the diversity of our extended family members and the community of which we are a part. In addition, we honor our value of teamwork, strength and unity by showing respect for one another, and those we do business with, regardless of heritage.

Native Preference Programs: Consistent with our values of promoting fair competition, we will aggressively avail ourselves of the advantages and preferences allowed for Indian, minority and other disadvantaged business enterprises, as defined by federal, state and local law. Our participation in such programs will, in every aspect, foster the purpose of such programs, i.e., to redress the historic social and economic disadvantages that have unfairly impacted Native people as we compete in the marketplace. We will not enter into any business relationships or contracts with any one that inappropriately utilizes such Native preference laws or programs.

Drug & Alcohol Free Workplace: Alutiiq culture highly values safe and socially responsible conduct toward others. Therefore, ANC is deeply committed to maintaining a drug and alcohol free workplace for everyone's safety and protection. In honor of this commitment, we have adopted and follow strict drug and alcohol prohibition policies, which include testing for drug and alcohol impairment under appropriate circumstances.

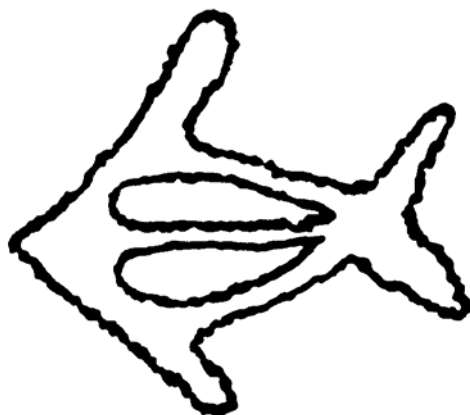
Positive Media Relations: Due to the nature of our business, ANC activities are often of interest to the news media. In order to ensure that our public image accurately reflects our Alutiiq values and business objectives, no one will communicate with the media about any matter connected with our corporation or its business activities, unless authorized or directed to do so by the ANC Board of Directors or the President/Chief Executive Officer ("CEO").



APPRECIATION AND RESPECT

Take only what we need and leave some for the next generation

Environmental & Subsistence Resource Protection: The Alutiiq culture of Afognak Native Corporation is strongly identified and tied to the land. Therefore, we will preserve and protect our land, its resources, and the environment to the greatest of our abilities, as it is of most importance to those who use and live the subsistence way of life. We will conduct all of our business operations in a way that avoids or minimizes any possible adverse impact on the environment or subsistence resources. We will comply with all environmental laws and regulations, including providing truthful and accurate information to government permitting authorities. We will proceed with our land use plans, whether for operational needs or for community or economic development, only after full study and consideration of the potential impact on the affected community and area.



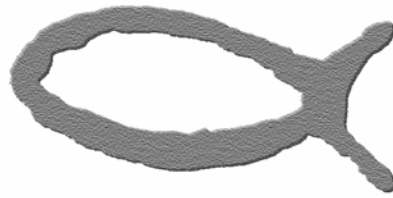
EFFICIENCY

Expend only what is needed to accomplish the task at hand

Safeguarding of Assets: We will conduct all our business operations in a way that avoids or minimizes any possible adverse impact on the environment or subsistence resources.

Accurate Books & Record Keeping: All of our corporate resources, financial or otherwise, are entrusted to us by our shareholders to be managed for their benefit. As good stewards of these resources, we hold ourselves to the highest standards of accountability in documenting and reporting all corporate business and financial transactions. ANC corporate books and records will accurately and completely reflect the true nature of each and every corporate transaction, without exception. No undisclosed funds or other transactions and no false or misleading statements or entries (financial or otherwise) will be made, at any time, for any purpose, by anyone, in our corporate books or records, or in any internal or external correspondence, memoranda or other communications.

Use of Company Property & Services: Consistent with our obligation to be good stewards of company resources and to put the best interest of Afognak first, we will use corporate property and services for the benefit of our corporation and not for personal benefit or for the benefit of outsiders.



COMMUNICATION

Truthful, honest, open and fair

Positive Shareholder Relations: Our shareholders and their descendents are the ultimate owners of our corporation; we as ANC employees are committed to enhancing the value of their corporation for their benefit. We actively and effectively communicate with our shareholders on matters that affect them. We administer positive shareholder relations by listening to our shareholders and giving prompt responses to their questions and concerns.

As excerpted from our Board governance policies:

Our Purpose: To optimize financial benefits, land use, and preserve our culture for the well being of our Shareholders.

Our Vision: To be the best Native organization in Alaska, for our Shareholders.

Description: The organization's identity is founded in our cultural heritage and tribal land base of Afognak and Kodiak Islands. The Organization's purpose, as envisioned by the Board of Directors, is to support the traditions and preserve the culture of its Shareholders through careful and progressive land stewardship, development and management of financial assets.

Avoiding Conflicts of Interest: The advancement of our business is every employee's goal. Therefore, as we work together, our decision making must be in Afognak's best interest and not to further any one person's individual interest. This is true whether the interest ANC is seeking to forward is financial, political, professional or otherwise; and especially, when our decision making can impact ourselves, our

colleagues or close family members. To the maximum extent possible, we will avoid situations where apparent or actual conflicts of interest can arise. Where these situations arise and are unavoidable, we disclose or communicate.

Promoting Fair Competition: The Alutiiq culture has a strong history of utilizing physical competition as a primary means of keeping our people strong and ready to meet the challenges of living a subsistence lifestyle. Now as a twenty-first century Native business corporation, ANC is equally committed to promoting fair competition in the marketplace. Therefore, we will avoid any activity that unfairly restrains trade or limits business competition, and we will comply with all applicable state and federal Antitrust laws.



TRUST

Earning trust by honoring commitments, honesty and full disclosure.

Honesty, Integrity and Excellence in All Business Dealings: Alutiiq culture strongly values honesty, integrity and leadership. Therefore, we hold ourselves to the highest standards of honesty and integrity in all of our business dealings. We will conduct ourselves and our business activities ethically, fairly and in a manner that complies with both the spirit and the letter of the law. We strive to be the leaders in every business or service that we provide. We practice the discipline of excellence in every activity that we undertake.

Our Business Partners: In accord with our commitment to honesty and integrity in all business dealings, we desire to do business with those who share similar values. We will seek to identify and utilize business partners who aspire to ethical standards compatible with our own, whether the business partner is an individual or multi-million

dollar company. We expect our business partners to be law abiding as individuals and to comply with the legal requirements that apply to the conduct of their business activities. We favor business partners who share our commitment to actively improving community conditions where ever we do business, and especially those affecting the Alutiiq people.

Protecting Confidential Information: As part of our obligation to steward our company resources, we all must safeguard and protect Afognak's confidential, proprietary and trade secret information. This is important, not only to foster our competitive position in the marketplace, but also to meet our legal, contractual and ethical obligations to others. ANC defines confidential, proprietary or trade secret information as that information which is not generally disclosed, information which is useful to our corporation or which could be useful to our competitors. We must always be alert to avoid the inadvertent disclosure of confidential, proprietary or trade secret information in social situations, or in our business relations. We will obtain information about markets or competitors only through sound and ethical business practices.

Honorable Use of Technology: Information and communication technology such as cell phones, computers, facsimile machines, e-mail, the Internet, software programs, etc., have revolutionized the world, and Alutiiq culture along with it. At ANC we aggressively invest in the most up-to-date communication and information technology to forward our business interests. We honor the proprietary nature of communication or information technology and abide by all vendor licensing and other software or hardware use agreements. When using such technology we will refrain from sending, down loading or encouraging the receipt of, any harmful, threatening or inappropriate messages, images or other materials that could cause discomfort to our customers or fellow employees. We will always access and use communication and information technology in a manner consistent with the high standards of integrity required by our Alutiiq values and in compliance with specific corporate policies that govern the creation, use and storage of electronic and physical data, information, communications and records.

Upholding Our Integrity Worldwide: As we have grown and extended our business operations not only throughout the nation, but also throughout the world, we are continually challenged – challenged to hold true to our Alutiiq cultural values while respecting the different practices of other cultures or geographic locations. Our Alutiiq sense of honesty, integrity and leadership does not allow us to participate in dishonest business practices even when they may be common place or accepted customs in certain industries or cultures elsewhere. Therefore, we will never offer or accept any bribe, kickback, or dishonest gift, of any kind or nature, to or from any local or foreign civil, religious, government or military official. In locations where standards of business differ from those in the United States, we will maintain compliance with the provisions of the federal Foreign Corrupt Practices Act. We will conduct all of our business operations in foreign places in a manner that respects cultural differences, but in doing so we will not compromise our Alutiiq values.

Political Activity: Federal and state laws strictly regulate corporate political activity. ANC's rapid growth, particularly with our subsidiaries, and our business involvement across the nation and throughout the world, make it necessary to closely scrutinize our corporate political activity, ensuring it is consistent with our Alutiiq values, our business objectives and the law. Therefore, our corporate position on political issues, including endorsing political candidates and the making of any legally permissible political contributions, will be determined only by the ANC Board of Directors or senior corporate officers.



HERITAGE and CULTURE

The Afognak Native Corporation holds a deep commitment to the heritage and culture of the Alutiiq people, and to the service and protection of our people and our way of life. This commitment is thoroughly expressed in the Ends Policies of the Board Governance Manual:

Pride in Heritage and Cultural Identity:

- A. The Alutiiq Community will have the information, cultural stimulation and strong institutions conducive to an atmosphere of trust, empathy and unity[.]
 - 1. The Alutiiq language and traditional knowledge will survive and be honored in the community.
 - 2. Shareholders are knowledgeable about historical Alutiiq facts and understanding.

Historical Practices:

Shareholders will integrate an appropriate amount of historical Alutiiq lifestyle into modern life:

- A. Shareholders will be encouraged to engage in culturally relevant hunting, fishing, gathering and traditional ceremonial lifestyles.