

JUL 12 2018



SOUTH DAKOTA INVESTMENT COUNCIL

4009 West 49th Street, Suite 300
Sioux Falls, SD 57106-3784 USA
Phone: (605) 362-2820

July 10, 2018

Executive Board
c/o Jason Hancock, Director
Legislative Research Council
500 E. Capitol Ave.
Pierre, SD 57501

SDCL 3-12-117 requires the Investment Council to report semi-annually the actions related to the shareholder activism policy adopted per Legislature resolution. The law states that, "The report shall include an analysis of the success of the policy in accomplishing the goal of promoting compliance with the federal enactments and its impact on all sales of affected companies." The attached policy was adopted by the Council on April 10, 2010 and was reviewed at the January 29, 2018 meeting.

The Investment Council had utilized a list of Sudan scrutinized companies developed by the State of Colorado with supplementary reference to a list developed by the State of Florida. Colorado's Sudan legislation was sunset in October of 2017 and no longer provides a list of companies with respect to Sudan. The Investment Council undertook a comparative analysis of other state's Sudan lists. It was determined that utilizing the Florida list, with the addition of the scrutinized companies' subsidiaries, would be the primary source for the South Dakota Sudan scrutinized companies list. Florida provided a new list dated 6/13/18.

The current South Dakota Sudan scrutinized companies list compared to direct investments held by the South Dakota Retirement System is enclosed. There are no holdings of companies that appear on the list therefore no engagement actions were undertaken. The Council will continue to monitor Federal government changes regarding Sudan.

Sincerely,

Matthew L. Clark
State Investment Officer

MLC/tvo

Enclosures
Cc: South Dakota Investment Council

Compliance with 2010 Legislative Session SB 134 - Sudan Divestiture
(List of Companies from Florida Report dated 06/13/2018)

Holdings Date: 06/30/2018

Company	Date Added to SDIC List	SDIC Holdings				Comments
		Fund	Portfolio	Ticker Sedol	Shares	
<u>Scrutinized Companies with Activities in Sudan</u>						
China National Petroleum Corp (CNPC)	07/01/2010		No holdings			
Bank of Kunlun Co (sub of CNPC)	06/25/2018		No holdings			
China Natural Gas Corp Ltd (sub of CNPC)	12/31/2016		No holdings			
China Petroleum Engineering Corp (sub of CNPC)	06/25/2018		No holdings			
CNPC Capital Co Ltd (sub of CNPC)	06/25/2018		No holdings			
CNPC General Capital Ltd (sub of CNPC)	09/21/2012		No holdings			
CNPC HK Overseas Capital Ltd (sub of CNPC)	12/31/2011		No holdings			
Daqing Huake Group Co Ltd (sub of CNPC)	07/01/2010		No holdings			
Kunlun Financial Leasing Co Ltd (sub of CNPC)	07/01/2010		No holdings			
PetroChina Co Ltd (sub of CNPC)	07/01/2010		No holdings			
China Petroleum & Chemical Corp (CPCO Sinopec)	07/01/2010		No holdings			
China Petrochemical Corp (sub of CPCO Sinopec)	07/01/2010	* SDRS	DFA (Indirect)	6206084	184,980	
Sinopec Capital 2013 Ltd (sub of CPCO Sinopec)	09/20/2013		No holdings			
Sinopec Engineering Group Co Ltd (sub of CPCO Sinopec)	03/31/2014	* SDRS	DFA (Indirect)	B92NYC9	65,771	
Sinopec Kantons Holdings Ltd (sub of CPCO Sinopec)	07/01/2010	* SDRS	DFA (Indirect)	6162692	63,191	
Sinopec Oilfield Equipment (sub of CPCO Sinopec)	07/01/2010		No holdings			
Sinopec Oilfield Service Corp (sub of CPCO Sinopec)	07/01/2010		No holdings			
Sinopec Overseas Development 2012-2016 (sub of CPCO Sinopec)	09/21/2012		No holdings			
Sinopec Shanghai Petrochemical (sub of CPCO Sinopec)	07/01/2010		No holdings			
Egypt Kuwait Holding Co SAE	07/01/2010		No holdings			
Energy House Holding Co	06/25/2018		No holdings			
Harbin Electric Co Ltd	03/31/2014	* SDRS	DFA (Indirect)	6422761	48,072	
Indian Oil Corp Ltd (IOCL)	07/01/2010		No holdings			
Chennai Petroleum Corp Ltd (sub of IOCL)	07/01/2010	* SDRS	DFA (Indirect)	6121563	3,106	
Lanka IOC Ltd (sub of IOCL)	07/01/2010		No holdings			
Jiangxi Hongdu Aviation	07/01/2010		No holdings			
Kuwait & Gulf Link Transport Co.	06/25/2018		No holdings			
Kuwait Finance House	06/25/2018		No holdings			
Managem SA	09/30/2010		No holdings			
Societe Metallurgique D'imiter (sub of Managem SA)	09/30/2010		No holdings			
Societe Nationale d'Investissement (sub of Managem SA)	03/11/2016		No holdings			
Oil & Natural Gas Corp Ltd (ONGC)						
Hindustan Petroleum Corp Ltd (sub of ONGC)	06/25/2018		No holdings			
Mangalore Refinery & Petrochemicals (sub of ONGC)	07/01/2010	* SDRS	DFA (Indirect)	6121530	1,566	
ONGC Mangalore Petrochemicals Ltd (sub of ONGC)	06/25/2018		No holdings			
ONGC Videsh Ltd (sub of ONGC)	07/01/2010		No holdings			
ONGC Videsh Vankorneft (sub of ONGC)	12/31/2016		No holdings			
Oil India Ltd	05/31/2011		No holdings			
Orca Gold Inc	09/20/2013		No holdings			
Petroliam Nasional Bhd (Petronas)	07/01/2010		No holdings			
Engen Botswana (sub of Petronas)	03/31/2014		No holdings			
Gas District Cooling Putrajaya Sdn Bhd (sub of Petronas)	07/01/2010		No holdings			
KLCC Property Holdings Bhd (sub of Petronas)	06/25/2018		No holdings			
KLCCP Stapled Group (sub of Petronas)	03/20/2015		No holdings			
Malaysia International Shipping Co (sub of Petronas)	03/20/2015		No holdings			
Malaysia Marine & Heavy Engineering Holdings Bhd (sub of Petronas)	03/31/2014	* SDRS	DFA (Indirect)	B3W5NN7	14,806	
MISC Berhad (sub of Petronas)	06/25/2018		No holdings			
Petronas Capital Ltd (sub of Petronas)	07/01/2010		No holdings			
Petronas Chemicals Group Bhd (sub of Petronas)	05/31/2011		No holdings			
Petronas Dagangan Bhd (sub of Petronas)	07/01/2010		No holdings			
Petronas Gas Berhad (sub of Petronas)	07/01/2010		No holdings			
Petronas Global Sukuk (sub of Petronas)	12/31/2016		No holdings			
Putrajaya Holdings Snd Bhd (sub of Petronas)	12/31/2011		No holdings			

* **DFA Note:** Holdings are an estimate based on total fair value as of 05/31/18; we are holders of the company indirectly

None Internal
None Brandes
None Sanders