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MEMORANDUM

TO:	South Dakota Investment Council
FROM:	Matthew L. Clark, CFA, State Investment Officer Samantha Rains, CPA, Chief Financial Officer
DATE:	November 2, 2026
RE:	South Dakota Iran Scrutinized Companies List

Background

In 2010, the South Dakota Legislature enacted SDCL 4-5-48 through 4-5-60, which provides for the divestiture of state investment funds in certain companies liable to sanctions under the Iran Sanctions Act of 1996. These statutes require the South Dakota Investment Council (SDIC) to identify and maintain a list of scrutinized companies engaged in scrutinized business operations and provide a process for divestiture when certain conditions are met.[1]

Quarterly Update Process

Per SDCL 4-5-51, the SDIC is required to "update the scrutinized companies list each quarter based on continuing information." To satisfy this requirement, the SDIC utilizes the public list provided by the State Board of Administration of Florida ("SBA") to determine South Dakota's list. The South Dakota Iran Scrutinized Companies List is set forth on page 2.[2]

The SBA's Iran Scrutinized Companies List was last updated on September 29, with new additions or deletions.

Staff Recommendation

SDIC staff recommends no changes to the South Dakota Iran Scrutinized Companies List at the November 17, 2026, Council meeting.

Ongoing Monitoring

The SDIC will continue to monitor changes to the Federal sanctions law or its application to determine the effect on the South Dakota Iran Scrutinized Companies List.

[1] SDCL 4-5-48(8) defines the term, scrutinized business operations, as "all active business operations that are subject or liable to sanctions under Public Law 104-172, as amended, the Iran Sanctions Act of 1996, and that involve the maintenance of a company's existing assets or investments in Iran, or the deployment of new investments to Iran that meet or exceed the twenty million dollar threshold referred to in Public Law 104-172, as amended, the Iran Sanctions Act of 1996. The term does not include the retail sale of gasoline and related products[.]"

[2] For disclosure purposes, SDCL 4-5-57 allows the SDRS to invest indirectly in companies on the list through pooled funds; however, as of this date, SDRS does not currently have any externally managed pooled funds that would be invested in any company on the list.

South Dakota Iran Scrutinized Companies List

Effective August 26, 2026

*(additions denoted by *)*

Bank of Kunlun Co Ltd
China BlueChemical Ltd
China National Petroleum Corporation (CNPC)
    CNPC Finance HK Ltd
    CNPC General Capital Ltd
    CNPC Global Capital Ltd
    CNPC HK Overseas Capital Ltd
China Oilfield Services Ltd (COSL)
    COSL Finance (BVI) Limited
    COSL Singapore Capital Ltd
China Petrochemical Corporation (Sinopec Group)
    Deep Development Ltd
    Sinopec Century Bright Capital Investment Ltd
    Sinopec Group Overseas Development 2013-2018
China Petroleum & Chemical Corp (CPCC) Sinopec
    Sinopec Capital 2013 Ltd
    Sinopec Kantons Holdings Ltd
    Sinopec Shanghai Petrochemical
China Petroleum Engineering Corp
China Railway Group Limited
CNOOC Ltd (China National Offshore Oil Corp Ltd)
    CNOOC Finance Limited (various years)
    CNOOC Finance ULC
CNOOC Energy Technology & Services Ltd
CNPC Capital Company Ltd
Engineers India Limited
Gazprom
    Gazprom Neft
    Gazprom Promgaz
    GPN Capital SA
    Moscow Integrated Power Co PJSC
    OGK-2 PJSC
    Territorial Generating Company No 1
Indian Oil Corp Ltd (IOCL)
    IndOil Global BV
Mosenergo
Norinco International Cooperation Ltd
Offshore Oil Engineering Co
Oil & Natural Gas Corp (ONGC)
    Hindustan Petroleum Corp Ltd
    Mangalore Refinery & Petrochemicals Ltd
    ONGC Videsh Limited (OVL)
PetroChina
    Kunlun Energy Company Ltd
Power Construction Corporation of China Ltd
    PowerChina Construction Group Ltd
* PowerChina Eco-Environmental Group Co Ltd
PowerChina Hebei Engineering Corp Ltd
* PowerChina Resources Ltd
PowerChina Sepco1 Electric Power Construction
* Sinohydro Foundation Engineering Co Ltd
* SOCOL Co Ltd
Sinopec Engineering Group Co Ltd
Sinopec Oilfield Equipment Corp
Sinopec Oilfield Service Corp
Sberbank Russia PJSC

Removed effective 08/26/2026:

none