



4009 West 49th Street, Suite 300
Sioux Falls, SD 57106-3784 USA
605-362-2820 – <https://sdic.sd.gov>

January 9, 2026

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

Dear Members of the Executive Board,

In 2010, the Legislature directed the South Dakota Investment Council (SDIC) to activate its Social Activism Policy in relation to Sudan. *See* 2010 House Concurrent Resolution 1012. On April 20, 2010, the SDIC adopted its Shareholder Activism Policy related to Federal Divestiture Enactments.¹ *See* enclosed.

SDCL 3-12C-223 requires the SDIC to report semi-annually on council actions related to its Shareholder Activism Policy and “include an analysis of the success of the policy in accomplishing the goal of promoting compliance with federal enactments and its impact on all sales of affected companies.” There have been no activities to analyze in relation to this policy for more than eight years.

The South Dakota Sudan Scrutinized Companies List is enclosed.² As of this date, the South Dakota Retirement System does not directly hold securities of any foreign company on the list. Therefore, no policy engagement action is required. The SDIC will continue to monitor federal government enactments relating to Sudan.

Sincerely,

A handwritten signature in blue ink that reads "Matthew L. Clark".

Matthew L. Clark
State Investment Officer

Enclosures
cc: South Dakota Investment Council

¹ The Shareholder Activism Policy is periodically reviewed by the SDIC, with its most recent review occurring on April 10, 2025.

² The South Dakota Sudan Scrutinized Companies List derived from the December 17, 2025 Florida State Board of Administration Scrutinized Companies List, which is a compilation of companies that have prohibited business operations in Sudan.

South Dakota Investment Council

Shareholder Activism Policy for Federal Divestiture Enactments

SDCL 3-12C-223 requires the South Dakota Investment Council (SDIC) to “establish a shareholder activism policy to engage and promote compliance with federal divestiture enactments by the United States Congress and to recognize the risks associated with companies doing business in the countries identified.”

This Shareholder Activism Policy applies to foreign companies whose securities are held by South Dakota public funds and may be subject to permissive divestiture enactments by the U.S. Government.

The SDIC will make reasonable efforts, using publicly available information, to determine whether foreign companies whose securities are held by South Dakota public funds are on recognized lists in relation to the Sudan Accountability and Divestiture Act of 2007 or other federal divestiture enactments.

The SDIC will make efforts to formally engage identified companies to urge constructive change in company activities in identified countries. The shareholder activism engagement shall include:

1. **Annual written communication.** The annual written communication shall be repeated until the company is removed from recognized lists or the SDIC no longer invests in the company.
2. **Shareholder resolutions and proxies.** The SDIC shall consider the objectives of this policy when voting on shareholder resolutions and proxies.
3. **Risk Analysis.** The SDIC shall recognize, as part of the company valuation process, the risk inherent in business activities in the identified countries, which could lead to sale through the normal investment process.

The State Investment Officer shall maintain a record of written communications and report to the SDIC annually concerning communications and company responses.

Adopted: 4/20/10

Amended: 4/10/25

Most recent review: 4/10/25

South Dakota Sudan Scrutinized Companies List

Florida State Board of Administration - 12/17/2025

(additions denoted by *)

AviChina Industry & Technology
Aviation Industry Corporation of China (AVIC)
AVIC International Holdings Ltd
AVIC International Finance
FACC AG
Soar Wind Ltd

* China Energy Engineering Corp (CEEC)
* China Gezhouba Group Co Ltd
* China Power Engineering Consulting Group Corp
China National Petroleum Corp (CNPC)
Bank of Kunlun Co
China Petroleum Engineering Corp
CNPC Capital Co Ltd
CNPC Finance HK Ltd
CNPC General Capital Ltd
CNPC Global Capital Ltd
CNPC HK Overseas Capital Ltd
Daqing Huake Group Co Ltd
Kunlun Energy Co Ltd
PetroChina Co Ltd
China Petrochemical Corporation (Sinopec Group)
China Petroleum & Chemical Corp (CPCC) Sinopec

* Deep Development 2025 Ltd
Sinopec Capital 2013 Ltd
Sinopec Century Bright Capital Investment Ltd
Sinopec Engineering Group Co Ltd
Sinopec Group Overseas Development 2013-2018
Sinopec Kantons Holdings Ltd
Sinopec Oilfield Equipment Corp
Sinopec Oilfield Service Corp
Sinopec Shanghai Petrochemical
Chennai Petroleum Corp Ltd
Cirrus Aircraft Ltd
Egypt Kuwait Holding Co SAE
Harbin Electric Co Ltd
Indian Oil Corp Ltd (IOCL)
IndOil Global BV
Lanka IOC Ltd
Jiangxi Hongdu Aviation
Managem SA
Societe Metallurgique D'imiter
Oil & Natural Gas Corp Ltd (ONGC)
Hindustan Petroleum Corp Ltd
Mangalore Refinery & Petrochemicals
ONGC Videsh Ltd
Oil India Ltd
Perseus Mining Ltd
Petroliam Nasional (Petronas)
Kimanis Power Sdn Bhd
Petronas Capital Ltd
Petronas Chemicals Derivatives Sdn Bhd
Petronas Chemicals Glycols Sdn Bhd
Petronas Chemicals Group Bhd
Petronas Chemicals Olefins Sdn Bhd
Petronas Dagangan Bhd
Petronas Global Sukuk
Putrajaya Management Sdn Bhd
Engen Botswana
KLCC Property Holdings Bhd
MISC Berhad
Malaysia Marine & Heavy Engineering Holdings Bhd
Petronas Gas Berhad
Pengerang LNG Two Sdn Bhd

Removed effective 12/17/2025:

none