



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

July 11, 2025

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.<sup>1</sup> *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 seven years.

The South Dakota Sudan Scrutinized Companies List is enclosed.<sup>2</sup> 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, appearing to read "Matthew L. Clark".

Matthew L. Clark  
State Investment Officer

Enclosures  
cc: South Dakota Investment Council

---

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

<sup>2</sup> The South Dakota Sudan Scrutinized Companies List derived from the June 10, 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 - 06/10/2025

(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 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

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

---

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 06/10/2025:

Oil India Ltd