



Michael L. Fitzgerald  
Treasurer of State

Capitol Building  
1007 E Grand Ave.  
Des Moines, IA 50319

September 28, 2021

Honorable W. Charles Smithson,  
Secretary of the Senate  
Honorable Meghan Nelson,  
Chief Clerk of the House  
General Assembly of the State of Iowa  
State Capitol Building  
Des Moines, IA 50319

Dear Mr. Smithson and Ms. Nelson:

I respectfully submit to you the annual reports from the Treasurer of State regarding fiscal year 2021 investment activity related to Iowa Code 12H – Restrictions on Iran-Related Investments. Attached are reports for the State Operating Fund, the Iowa Judicial Retirement System, and the Iowa Peace Officers' Retirement, Accident and Disability System.

Respectfully Yours,

A handwritten signature in black ink that reads "Michael L. Fitzgerald". The signature is written in a cursive, flowing style.

Michael L. Fitzgerald  
Treasurer of State

Enclosures

**Iowa State Operating Fund  
Annual Report  
On Iran Divestment  
For The Fiscal Year Ended June 30, 2021**

**Purpose**

This is the tenth annual report required by Iowa Code Chapter 12H regarding restrictions on Iran-related investments by the Iowa State Operating Fund (SOF). In response to the support that Iran has provided for acts of international terrorism, the General Assembly passed HF484, which places restrictions on investments in certain companies that have active business operations in Iran. Effective beginning March 1, 2012, this law intends for state funds not to be invested in companies that provide power production-related services, mineral extraction activities, oil-related activities, or military equipment to the government of Iran.

Chapter 12H applies to SOF in the following ways:

The system must identify and make available to the public a quarterly updated list of scrutinized companies, which have active or inactive business operations in Iran. SOF uses the research services of IW Financial, Inc. to assist in developing the list of scrutinized companies to comply with this requirement.

SOF is prohibited from directly investing in scrutinized companies with active business operations listed on the most current quarterly list. The fund was required to divest from any company with active business operations that were directly held by the fund as of March 1, 2012, after sending written notification to the company.

Any company owned indirectly through a fund is not subject to divestment, but still requires that SOF send written notification. Further, SOF is required to send written correspondence to the investment managers of funds with scrutinized company holdings urging the managers to divest of the scrutinized companies or start a separate fund free of Iran-related holdings.

**Scrutinized Companies List**

SOF's FY 2021 quarterly scrutinized company list is attached. As of June 30, 2021, SOF did not hold, either directly or indirectly, any companies on the list of scrutinized companies.

**Written Notices**

During the fiscal year, no companies on the scrutinized company list were held either directly or indirectly by SOF.

**Divestment**

As SOF did not have any direct or indirect holdings of scrutinized companies, no divestment was required.

**Report Availability**

This report, along with any other quarterly scrutinized company list can be obtained by contacting the Treasurer's office at 515-281-5644 or [patrick.mccormick@tos.iowa.gov](mailto:patrick.mccormick@tos.iowa.gov).

**Iowa Judicial Retirement System**  
**Annual Report**  
**On Iran Divestment**  
For The Fiscal Year Ended June 30, 2021

**Purpose**

This is the tenth annual report required by Iowa Code Chapter 12H regarding restrictions on Iran-related investments by the Iowa Judicial Retirement System (JRS). In response to the support that Iran has provided for acts of international terrorism, the General Assembly passed HF484, which places restrictions on investments in certain companies that have active business operations in Iran. Effective beginning March 1, 2012, this law intends for state funds not to be invested in companies that provide power production-related services, mineral extraction activities, oil-related activities, or military equipment to the government of Iran.

Chapter 12H applies to JRS in the following ways:

The system must identify and make available to the public a quarterly updated list of scrutinized companies, which have active or inactive business operations in Iran. JRS uses the research services of IW Financial, Inc. to assist in developing the list of scrutinized companies to comply with this requirement.

JRS is prohibited from directly investing in scrutinized companies with active business operations listed on the most current quarterly list. The fund was required to divest from any company with active business operations that were directly held by the fund as of March 1, 2012, after sending written notification to the company.

Any company owned indirectly through a fund is not subject to divestment, but still requires that JRS send written notification. Further, JRS is required to send written correspondence to the investment managers of funds with scrutinized company holdings urging the managers to divest of the scrutinized companies or start a separate fund free of Iran-related holdings.

**Scrutinized Companies List**

JRS' FY 2021 quarterly scrutinized company list is attached. As of June 30, 2021, JRS did not hold, either directly or indirectly, any companies on the list of scrutinized companies.

**Written Notices**

During the fiscal year, no companies on the scrutinized company list were held either directly or indirectly by JRS.

**Divestment**

As JRS did not have any direct or indirect holdings of scrutinized companies, no divestment was required.

**Report Availability**

This report, along with any other quarterly scrutinized company list can be obtained by contacting the Treasurer's office at 515-281-5644 or [patrick.mccormick@tos.iowa.gov](mailto:patrick.mccormick@tos.iowa.gov).

**Iowa Peace Officers' Retirement, Accident and Disability System**  
**Annual Report**  
**On Iran Divestment**  
For The Fiscal Year Ended June 30, 2021

**Purpose**

This is the tenth annual report required by Iowa Code Chapter 12H regarding restrictions on Iran-related investments by the Iowa Peace Officers' Retirement, Accident and Disability System (PORS). In response to the support that Iran has provided for acts of international terrorism, the General Assembly passed HF484, which places restrictions on investments in certain companies that have active business operations in Iran. Effective beginning March 1, 2012, this law intends for state funds not to be invested in companies that provide power production-related services, mineral extraction activities, oil-related activities, or military equipment to the government of Iran.

Chapter 12H applies to PORS in the following ways:

The system must identify and make available to the public a quarterly updated list of scrutinized companies, which have active or inactive business operations in Iran. PORS uses the research services of IW Financial, Inc. to assist in developing the list of scrutinized companies to comply with this requirement.

PORS is prohibited from directly investing in scrutinized companies with active business operations listed on the most current quarterly list. The fund was required to divest from any company with active business operations that were directly held by the fund as of March 1, 2012, after sending written notification to the company.

Any company owned indirectly through a fund is not subject to divestment, but still requires that PORS send written notification. Further, PORS is required to send written correspondence to the investment managers of funds with scrutinized company holdings urging the managers to divest of the scrutinized companies or start a separate fund free of Iran-related holdings.

**Scrutinized Companies List**

PORS' FY 2021 quarterly scrutinized company list is attached. As of June 30, 2021, PORS did not hold, either directly or indirectly, any companies on the list of scrutinized companies.

**Written Notices**

During the fiscal year, no companies on the scrutinized company list were held either directly or indirectly by PORS.

**Divestment**

As PORS did not have any direct or indirect holdings of scrutinized companies, no divestment was required.

**Report Availability**

This report, along with any other quarterly scrutinized company list can be obtained by contacting the Treasurer's office at 515-281-5644 or [patrick.mccormick@tos.iowa.gov](mailto:patrick.mccormick@tos.iowa.gov).

## **Iran Company List**

Aban Offshore Limited  
ABO Wind AG  
AFRY AB  
Capital Product Partners LP  
China Nonferrous Metal Industry's Foreign Eng. & Constr.  
China Oilfield Services Limited  
FLSmidth & Co. A/S  
Gas To Liquid PJSC  
Gazprom PJSC  
HYUNDAI Corp.  
Kangwon Co., Ltd.  
MAN SE  
Mercator Limited  
Motor Sich JSC  
Norinco International Cooperation Ltd.  
Oil & Natural Gas Corp. Ltd.  
Porsche Automobil Holding SE  
POSCO  
POSCO INTERNATIONAL Corp.  
Power Construction Corporation of China, Ltd.  
Siemens AG  
SINOPEC Engineering (Group) Co., Ltd.  
Tatneft PJSC  
The Shipping Corp. of India Ltd.  
Volkswagen AG