

October 1, 2018

Iowa General Assembly  
State Capitol  
Des Moines, IA 50309

Re: Sudan Divestment (Iowa Code Chapter 12F)

Dear Iowa General Assembly:

The referenced statute was enacted in 2007 pertaining to the investment of public fund assets in companies doing business in or with the Country of Sudan. Specifically, the statutory section provides that the retirement system actively engage with and ultimately may be required to divest its positions from companies which may be complicit in aiding and abetting the ongoing genocide in Sudan.

The System is hereby complying with the requirements of the statute, 12F.5:

- 2. Annual Report. On October 1, 2008, and each October 1 thereafter, each public fund shall make available to the public, and file with the general assembly, an annual report covering the prior fiscal year that includes the following:*
- a. The scrutinized companies list as of the end of the fiscal year.*
  - b. A summary of all written notices sent as required by section 12F.3 during the fiscal year.*
  - c. All investments sold, redeemed, divested, or withdrawn as provided with section 12F.4 during the fiscal year.*

The Board of Trustees respectfully submits the attached annual report.

Sincerely,



Terry Slattery  
Executive Director

Attachment – October 1, 2018 Report

***MFPRSI***

**Sudan Divestment Report**

**A. Total Universe of Companies Per Sudan Divestment Task Force**

**B. Summary of all written notices sent**

**C. Total Positions Divested**

**As of:        June 30, 2018**

## A. Total Universe of Companies Per ISS Ethix

	COMPANY	Highest Offenders/ Ongoing Engagement
1	Arabian Pipes Co	Highest Offender
2	Asec Company for Mining	Highest Offender
3	Bharat Heavy Electricals Ltd.	Highest Offender
4	China Petroleum & Chemical Corp	Highest Offender
5	Dongfeng Motor Group Co	Highest Offender
6	Dubai Investments	Highest Offender
7	El Sewedy Electric Company	Highest Offender
8	Energy House Holding Company K.S.C.C.	Highest Offender
9	Gtl Otkrytoe Aktsionernoe Obshchest	Highest Offender
10	Harbin Electric Company Limited	Highest Offender
11	Indian Oil Corporation Ltd.	Highest Offender
12	Kuwait Finance House	Highest Offender
13	Managem	Highest Offender
14	Muhibbah Engineering (Malaysia) Bhd	Highest Offender
15	Oil & Natural Gas Corporation Ltd.	Highest Offender
16	Oil India Ltd	Highest Offender
17	Orca Gold Inc	Highest Offender
18	PetroChina Co. Ltd.	Highest Offender
19	Qalaa Holdings	Highest Offender
20	Regency Mines	Highest Offender
21	Siemens AG	Highest Offender
22	Stamper Oil & Gas Corp	Highest Offender

## B. Summary of all written notices

### B. Summary of all written notices

July 26th, 2017

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:  
Mondrian  
SSgA

July 26th, 2017

MFPRSI mailed letters to the following companies that were either held directly or indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:  
Siemens AG

August 10th, 2017

MFPRSI mailed out letters to the following firms with the quarterly "scrutinized companies" list from the ISS Ethix with response date of August 31, 2017.

Firms:  
State Street  
DFA  
Baillie Gifford  
Mondrian  
Aberdeen  
JP Morgan  
GMO  
Intech  
Schroders  
Dodge & Cox

October 17th, 2017

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

## B. Summary of all written notices

October 26th, 2017

MFPRSI mailed letters to the following companies that were held indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:

Andritz AG - Indirectly held  
 Bharat Heavy Electricals - Indirectly held  
 Dongfeng Motor Corporation - Indirectly held  
 Glencore International AG - Indirectly held  
 Kunlun Energy Co LTD - Indirectly held  
 LS Industrial Systems Co., LTD - Indirectly held  
 MAN SE - Indirectly held  
 Malaysia International Shipping Company aka MISC BHD (Malaysia)/Petroleum Nasional Berhad aka Petronas - Indirectly held  
 Oil and Natural Gas Company Limited - Indirectly held  
 Pertamina - Indirectly held  
 PetroChina Company Limited - Indirectly held  
 Petronal Dagangan - Indirectly held  
 Petronal Gas - Indirectly held  
 Poly Property Group Co Ltd - Indirectly held  
 Shanghai Electric Group Co. Ltd.- Indirectly held  
 Siemens AG  
 SINOPEC - Indirectly held  
 Volkswagen AG - indirectly held

October 31st, 2017

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:

Schroders  
 SSgA

October 31st, 2017

MFPRSI mailed letters to the following companies that were either held directly or indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:

Engineers India Ltd.  
 Indian Oil Corporation Ltd  
 Muhibbah Engineering Bhd  
 Sapura Energy Berhad

November 20th, 2017

MFPRSI mailed out letters to the following firms with the quarterly "scrutinized companies" list from the ISS Ethix with response date of November 30, 2017.

Firms:

State Street  
 DFA  
 Baillie Gifford  
 Mondrian  
 Aberdeen  
 JP Morgan  
 GMO  
 Intech  
 Dodge & Cox  
 Schroders

## B. Summary of all written notices

**December 13th, 2017**

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

**January 26th, 2018**

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:  
Schroders

**January 26th, 2018**

MFPRSI mailed letters to the following companies that were either held directly or indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:  
EI Sewedy Electric Company

**February 15th, 2018**

MFPRSI mailed out letters to all firms above with the quarterly "scrutinized companies" list from the ISS Ethix with response date of February 28, 2018.

Firms:  
State Street  
DFA  
Baillie Gifford  
Mondrian  
Aberdeen  
JP Morgan  
GMO  
Intech  
Dodge and Cox  
Schroders

**March 3rd, 2018**

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

**April 20th, 2018**

MFPRSI mailed out letters to following firms who hold Indirect securities informing them to consider divestment from the companies held.

Firms:  
GMO  
Schroders  
SSgA

**April 20th, 2018**

MFPRSI mailed letters to the following companies that were either held directly or indirectly in the portfolio informing them of possible divestment from the company and to respond within 90 days of the date of letter with any other information they were able to provide.

Following up annually with companies that remain on the list

Companies:  
Dubai Investments

## B. Summary of all written notices

**May 16th, 2018**

MFPRSI mailed out letters to all firms above with the quarterly "scrutinized companies" list from the ISS Ethix with response date of May 31, 2018.

Firms:

State Street  
DFA  
Baillie Gifford  
Mondrian  
JP Morgan  
GMO  
Intech  
Dodge & Cox  
Schroders

**June 14th, 2018**

All firms responded to letter with any holdings of securities on "scrutinized companies" list.

**C. Total Positions Divested**

**FY 2018**

<b>Company</b>	<b>Security</b>	<b>Manager</b>	<b>Category</b>	<b>Active/Inactive</b>	<b>Shares</b>	<b>Prior Qtr Value</b>	<b>Sales Proceeds</b>	<b>Gain/Loss</b>
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No positions were divested in FY 2018