



FY2020 AND FY2021 IRAN/SUDAN REPORT SUMMARY

Executive Summary

The change in shares and market value continue to be through one Non-US quantitative manager. The main motivation for trades have been return enhancement (with no viable substitute). This manager provides us with daily/monthly notification and reporting per our Iran/Sudan policy.

Report Details

The reports cover the FY2020 year ending June 30, 2020 and FY2021 year ending June 30, 2021.

The benchmark list for the fiscal year beginning July 1, 2020 was comprised of nine scrutinized companies with a total market value of \$23.2 million.

During FY2020, correspondence was sent to a total of 44 scrutinized companies. Of the top five held companies, two responses were received.

The benchmark list for the fiscal year beginning July 1, 2021 was comprised of seven scrutinized companies with a total market value of \$34.4 million.

During FY2021, correspondence was sent to a total of 43 scrutinized companies. Of the top five held companies, one response was received.

Since FY2007 the market value of holding with companies with scrutinized activities has declined from a total market value of \$167.8 million to \$34.4 million.

SERS' Iran and Sudan Investment Policy honors both the legislative intent with regard to divestment, and the Board's fiduciary duties to its members. The policy provides a roadmap for staff and external investment managers regarding the engagement process with scrutinized companies on the list. The engagement process continues to play a prominent role in SERS' divestment activities, as staff engages each company on the updated scrutinized company list each year. SERS is encouraged by the success of its divestment efforts, and we plan to continue to engage scrutinized companies to promote this issue.