

**MINNESOTA
STATE
BOARD OF
INVESTMENT**



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DATE: January 31, 2013

TO: Senator Tom Saxhaug, Chair, Senate Committee on
State Departments and Veterans Division
Senator Roger C. Chamberlain, Senate Committee on State
Departments and Veterans Division

Senator Richard Cohen, Chair, Senate Committee on Finance
Senator Michelle L. Fischbach, Senate Committee on Finance

Representative Michael V. Nelson, Chair, House Committee on
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Representative Joyce Peppin, House Committee on Government
Operations and Elections

Representative Lyndon Carlson, Sr., Chair, House Committee
on Ways and Means
Representative Mary Liz Holberg, House Committee on Ways
and Means

Representative Mary Murphy, Chair, House Committee on
State Government Finance and Veterans Affairs
Representative Bob Dettmer, House Committee on State
Government Finance and Veterans Affairs

FROM: Howard Bicker, Executive Director

SUBJECT: **Report on Sudan Required by *Minnesota Statutes*, Section 11A.243.**

Minnesota Statutes, Section 11A.243 requires the State Board of Investment (SBI) to submit a report to the chairs of the legislative committees and divisions with jurisdiction over the State Board of Investment concerning the SBI's identification of, communication with, and discontinuance of investment in certain companies with operations in Sudan.

Section 11A.243, subdivision 8, specifies that the SBI include in the report:

1. a summary of correspondence with companies;
2. a list of all investments divested;
3. a list of prohibited investments;
4. a description of any progress in having investment management firms create investment funds that exclude Sudan companies.

As provided for in Section 11A.243, subdivision 2, the SBI relies on publicly available information provided by the Conflict Risk Network (CRN) regarding companies with business operations in Sudan.

SBI held no shares in companies on the divestment list in 2012.

SBI sent a letter to one company, Caterpillar, in March of 2012 as required by the law. After a thorough analysis, Caterpillar was removed from the SBI restricted list. At the end of 2012, SBI managers held no shares of companies on the restricted list.

Attachment 1 displays the current list of restricted stocks sent to SBI equity managers. The managers are explicitly instructed to refrain from purchasing shares in the stocks of companies on this list.

Enclosures

ATTACHMENT 1

Restricted Sudan Stocks	
Company Name	Country of Origin
Statesman Resources Limited	Canada
Wuhan Boiler Company	China
AviChina Industry & Technology Limited	China
Hafei Aviation Industry Company	China
Harbin Dongan Auto Engine Company	China
China Gezhouba Group Company Limited	China
China Hydraulic and Hydroelectric Construction Group AKA Sinohydro Group	China
Daqing Huake Group Company Limited	China
Jinan Diesel Company Limited	China
PetroChina	China
China North Industries Group Corporation AKA CNGC/Norinco	China
Norinco International Cooperation Ltd	China
Liaoning Huajin Tongda Chemical Co. Ltd.	China
Sichuan Nitrocell Co. Ltd	China
North Navigation Control Technology Co. Ltd (formerly China North Optical-Electrical Technology Company Limited)	China
AKM Industrial Company Limited	China
China Petroleum and Chemical Corporation AKA Sinopec Corp.	China
Kingdream PLC	China
Sinopec Shanghai Petrochemicals Ltd	China
Sinopec Yizheng Chemical Fibre Co Ltd	China
Jiangxi Hongdu Aviation AKA Hongdu Aviation	China
Dongfeng Motor Group Company Limited	China
Egypt Kuwait Holding Company	Egypt
Alstom	France
Kunlun Energy Co. Ltd	Hong Kong
Sinopec Kanton Holdings Limited	Hong Kong
Alstom India Ltd	India
Areva T&D India	India
Indian Oil Corporation Ltd. AKA IOCL	India
Chennai Petroleum Corporation Ltd. AKA CPCL	India
Lanka IOC Limited	India
Mercator Ltd	India
Oil and Natural Gas Company AKA ONGC	India
Mangalore Refinery and Petrochemicals Limited	India
Oil India Limited	India
AREF Energy Holding Company	Kuwait
Managem	Morocco
Societe Metallurgique D'imiter	Morocco
Petroliam Nasional Berhad AKA Petronas	Malaysia
KLCC Property Holdings Bhd	Malaysia
Malaysia International Shipping Company AKA MISC Berhad	Malaysia
Petronas Gas Berhad	Malaysia
Petronas Dagangan Berhad	Malaysia

ATTACHMENT 1

Restricted Sudan Stocks	
Company Name	Country of Origin
Petronas Chemicals Group Berhad	Malaysia
Scomi Group Berhad	Malaysia
Scomi Engineering Berhad	Malaysia
Mercator Lines Singapore	Singapore
LS Industrial Systems	South Korea
Electricity Generating PCL AKA EGCO	Thailand

Note: List contains parent companies and subsidiaries publicly traded.
AKA means "Also Known As"

Source: Conflict Risk Network

SBI Effective Date: December 14, 2012