

Ohio Public Employees Retirement System

2023 Annual Report on Iran/Sudan Divestiture

(Submitted to ORSC November 15, 2023)

Market value of holdings with companies with scrutinized activities, FY 2007¹-Present (in millions):²

FY 2007	FY 2022	Change in market value
\$659	\$42	-93.63%

Market value of holdings with companies with scrutinized activities, FY 2021-2022 (in millions):

FY 2021	FY 2022	Change in market value
\$60	\$42	-30.00%

Top five holdings (directly or through active funds):

Company	Market Value (in millions)	% of total scrutinized
Siemens Ag	\$39.0	93.30%
China Petroleum & Chemical Corp.	\$1.4	3.35%
PetroChina Company Limited	\$1.4	3.35%

Comments on remaining holdings:

- Siemens Ag
 - One of the largest electronics and engineering companies in the world with facilities around the world supporting a global customer base.
 - Well positioned due to higher growth businesses within automation, digitalization and energy efficient infrastructure.
 - Multi-regional conglomerate incorporated in Germany with a very small percentage of business in Iran or Sudan.
- China Petroleum & Chemical Corp.
 - One of the largest integrated energy and chemical companies in China.
 - No direct investment in Iran or Sudan but is a major subsidiary of China Petrochemical Corporation (Sinopec Group). Sinopec Group has projects in Iran and Sudan directly or through other subsidiaries. The total revenue from these projects comprises a very small percentage of total revenue.

¹ None of the retirement boards had an active Iran/Sudan divestment policy in 2007. 2007 serves as the baseline to measure changes.

² Holdings are as of 6/30 for the subsequent year reported.

- PetroChina Company Limited
 - Largest oil & gas producer and seller in the oil and gas industry in China.
 - Majority-owned subsidiary of the state-owned China National Petroleum Corporation (CNPC). CNPC has exposure to Iran and Sudan through other subsidiaries.

Appendix

Summary of correspondences regarding scrutinized companies:

Year of Correspondence	% of Scrutinized Companies Contacted	Summary
2008	100%	Contacted 81 of 81 scrutinized companies; 25 responses
2009	100%	Contacted 98 of 98 scrutinized companies; 21 responses
2010	100%	Contacted 90 of 90 scrutinized companies; 18 responses
2011	100%	Contacted 87 of 87 scrutinized companies; 9 responses
2012	100%	Contacted 77 of 77 scrutinized companies; 21 responses
2013	100%	Contacted 62 of 62 scrutinized companies; 7 responses
2014	100%	Contacted 69 of 69 scrutinized companies; 10 responses
2015	100%	Contacted 60 of 60 scrutinized companies; 12 responses
2016	100%	Contacted 65 of 65 scrutinized companies; 14 responses
2017	100%	Contacted 67 of 67 scrutinized companies; 15 responses
2018	100%	Contacted 79 of 79 scrutinized companies; 10 responses
2019	100%	Contacted 89 of 89 scrutinized companies; 16 responses
2020	100%	Contacted 86 of 86 scrutinized companies; 11 responses
2021	100%	Contacted 86 of 86 scrutinized companies; 9 responses
2022	97.5% ³	Contacted 78 of 80 scrutinized companies; 3 responses
2023	100%	Contacted 71 of 71 scrutinized companies; 2 responses

Summary of activity with active managers with holdings in scrutinized companies (current reporting year):

- All Active External Managers provide Exposure Rationale to OPERS twice a year.
- The Board continues to monitor the positions held by active managers in Iran and Sudan.

Market value of directly held public securities that are scrutinized companies (current reporting year):

Company	Market value (in millions)
Siemens Ag	\$39.0
China Petroleum & Chemical Corp.	\$1.4
PetroChina Company Limited	\$1.4

³ Publicly available contact information was not found for two of the scrutinized companies.

Summary of sold, redeemed, purchased, withdrawn securities of scrutinized companies (previous three years):

Summary of Activity	2020	2021	2022
	China Oilfield Services Ltd. (S)	China Petroleum & Chemical Corp. (P)	China Oilfield Services Ltd. (P, S)
	China Petroleum & Chemical Corp. (P, S)	PetroChina Company Limited (P)	China Petroleum & Chemical Corp. (P, S, corporate actions)
	Cnooc Ltd. (P,S)	Schneider Electric SE (P, S)	PetroChina Company Limited (corporate actions)
	Schneider Electric SE (P, S)	Siemens AG (P, S)	Schneider Electric SE (W)
	Siemens Gamesa Renewable Energy, SA (P, S)	Siemens Gamesa Renewable Energy, SA (S)	Siemens AG (P, S)
	Siemens AG (S)	Sinopec Group Overseas (S)	Sinopec Group Overseas (S)
	Sinopec Group Overseas (P, S)		

S - Sold

R - Redeemed

P - Purchased

W - Withdrawn

X – Previously owned security added to scrutinized list in current report period