State of Alaska
ALASKA RETIREMENT MANAGEMENT BOARD
Relating to Investments in Companies Doing Significant Business in Iran

Resolution 2012-32

WHEREAS, the Alaska Retirement Management Board (Board) was established by law to serve as trustee to the assets of the State's retirement systems; and

WHEREAS, the Board's mandate for exercising its investment duties under AS 37.10.210(a) and AS 37.10.071 is to act in the sole financial best interest of the State's retirement funds; and

WHEREAS, in undertaking investments in the sole financial best interest of the funds, it is appropriate to evaluate all the risks associated with the investment, including political and economic factors which may cause financial failure; and

WHEREAS, other prudent investors including public institutional investors in over twenty states have recognized risks attendant to investing in the Islamic Republic of Iran ("Iran") and have passed legislation or enacted policies restricting investment in Iran; and

WHEREAS, the risks associated with investing in companies doing material business in or with Iran have steadily increased over the past several years due to the high level of economic sanctions and the risks of war, asset appropriation, and investment destabilization;

NOW THEREFORE, BE IT RESOLVED BY THE ALASKA RETIREMENT MANAGEMENT BOARD, that for the foregoing reasons, the Board directs investment staff of the Department of Revenue to:

1. Develop and maintain a list of publicly-traded companies doing material business in or with Iran through the Department's direct research and by using publicly available information; and
2. With respect to direct investments, disallow investment in publicly-traded companies on the list created under paragraph 1 above and to call for the orderly divestiture of holdings on behalf of the Board in such companies; and
3. With respect to collective or pooled investments where the selection of investments is managed by third party managers, encourage and direct where possible divestiture of holdings in publicly-traded companies on the list created under paragraph 1 above pursuant to an orderly and prudent divestiture process; and

4. Provide data to the Board for a re-evaluation of this policy by the Board at least annually.

DATED at Fairbanks, Alaska, this 20th day of September, 2012.

Chair

ATTEST

Secretary