



INVESTMENT MANAGEMENT

MEMORANDUM

TO: Supplemental Retirement Board of Trustees

FROM: Loren de Mey, Assistant Investment Director

DATE: August 26, 2021

SUBJECT: Compliance Reporting – Second Quarter 2021

Divestment Policies and Prohibited Holdings

There were no prohibited holdings held in the Supplemental Retirement Plans Group Trust during the quarter.

Investment Guidelines

The Supplemental Retirement Plans staff continues to monitor investment manager guidelines on a daily basis. There were no material issues during the quarter.

Executive Order

On June 3, 2021, President Biden issued Executive Order 14032, Addressing the Threat from Securities Investments that Finance Certain Companies of the People's Republic of China. This order generally prohibits U.S. persons from purchasing or selling securities of issuers identified as Communist Chinese Military-Industrial Companies (CCMC's). The prior Presidential Executive Order 13959 has been revoked and replaced by Executive Order 14032 dated June 3, 2021. The list of prohibited holdings has been revised to include companies involved in Chinese surveillance technology. The new Executive Order went into effect as of August 2, 2021. U.S. persons have until June 3, 2022 to divest of securities identified as CCMC's in the new order.

BNY Mellon began the daily compliance testing for prohibited holdings related to the new Executive Order within the SRP accounts on August 3, 2021. Future additions to the annex will become effective 60 days following their identification, and U.S. investors will have 365 days from the date of identification to divest themselves of the securities of any such newly identified CCMCs.