

**Resolved:** Shareholders request that the Board of Directors provide a report to shareholders, at reasonable cost and omitting proprietary and confidential information, outlining how effective Citigroup’s policies, practices, and performance indicators are in respecting internationally recognized human rights standards for Indigenous Peoples’ rights in its existing and proposed general corporate and project financing.

**Whereas:** Internationally-recognized standards for Indigenous Peoples’ rights are the UN Declaration on the Rights of Indigenous Peoples and International Labour Organization Convention 169 concerning Indigenous and Tribal Peoples in Independent Countries.<sup>1</sup> Violation of the rights of Indigenous Peoples presents risks for Citigroup that can adversely affect shareholder value, including reputational damage, project delays and disruptions, litigation, and criminal charges.<sup>2</sup> As a cofounder of the Equator Principles (EPs) in 2003, Citigroup was a leader in committing to only finance projects by borrowers who exhibit social and environmental responsibility.<sup>3</sup> The company faces reputational risk if it finances projects that conflict with its own commitments. Despite contributing to EP enhancements in 2019 after its failure to respect Indigenous Rights as a lead financier of the Dakota Access pipeline (DAPL), Citigroup is providing over \$5 billion in financing for the Enbridge Line 3 tar sands pipeline expansion “Line 3”.<sup>4</sup>

Similar to DAPL, Line 3 poses significant risks to the land, water, and cultural rights of several Anishinaabe tribes. The expansion violates numerous rights of Indigenous Peoples as protected by international law, including the rights to free, prior, and informed consent (FPIC); health; culture; religion; security; and assembly.<sup>5</sup> In particular, Line 3 threatens access to and health of *manoomin*, or wild rice, which is central to the survival of Anishinaabe culture.<sup>6</sup> The pipeline, with estimated emissions equivalent to 50 coal plants, significantly contributes to climate change, disparately affecting Tribes.<sup>7</sup> Enbridge and its partners have consistently failed to meet the international standard of FPIC as well as domestic standards of consultation with the Anishinaabe.<sup>8</sup>

In response to protests against DAPL at Citigroup’s 2017 annual meeting, the former board chairman wished Citigroup “could have a do-over on this.”<sup>9</sup> Line 3 presents similar material risks as DAPL, which was estimated to incur over \$7.5 billion in costs due to material social risks.<sup>10</sup> Line 3 has a history of ruptures and spills, most recently spilling approximately 10,000 gallons of

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<sup>1</sup> <https://www.un.org/development/desa/indigenouspeoples/declaration-on-the-rights-of-indigenous-peoples.html> ;  
[https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100\\_INSTRUMENT\\_ID:312314](https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312314)

<sup>2</sup> [https://www.colorado.edu/program/fpw/sites/default/files/attached-files/social\\_cost\\_and\\_material\\_loss\\_0.pdf](https://www.colorado.edu/program/fpw/sites/default/files/attached-files/social_cost_and_material_loss_0.pdf)

<sup>3</sup> <https://www.citigroup.com/citi/sustainability/evolution.htm>

<sup>4</sup> [https://www.ran.org/wp-content/uploads/2020/12/RAN-Briefing\\_Line3\\_KXL.pdf](https://www.ran.org/wp-content/uploads/2020/12/RAN-Briefing_Line3_KXL.pdf)

<sup>5</sup> [https://www.colorado.edu/program/fpw/sites/default/files/attached-files/cerd\\_request\\_line\\_3\\_pipeline.pdf](https://www.colorado.edu/program/fpw/sites/default/files/attached-files/cerd_request_line_3_pipeline.pdf)

<sup>6</sup> <https://static1.squarespace.com/static/58a3c10abebafb5c4b3293ac/t/5bea2acc89858370442dec08/1542073038236/fa%20ctsheets+TREATY+RIGHTS.pdf>

<sup>7</sup> <https://mn350.org/giant-step-backward/>

<sup>8</sup> [https://tbinternet.ohchr.org/Treaties/CERD/Shared%20Documents/USA/INT\\_CERD\\_ALE\\_USA\\_9448\\_E.pdf](https://tbinternet.ohchr.org/Treaties/CERD/Shared%20Documents/USA/INT_CERD_ALE_USA_9448_E.pdf)

<sup>9</sup> <https://www.reuters.com/article/us-citigroup-shareholder-meeting/citi-meeting-protest-prompts-apology-on-pipeline-finance-steps-idUSKBN17R20Y>

<sup>10</sup> [https://www.colorado.edu/program/fpw/sites/default/files/attached-files/social\\_cost\\_and\\_material\\_loss\\_0.pdf](https://www.colorado.edu/program/fpw/sites/default/files/attached-files/social_cost_and_material_loss_0.pdf)

drilling fluid between July and August 2021.<sup>11</sup> The project has been the subject of numerous lawsuits, including challenges to the Clean Water Act permit and tribal court litigation on the natural rights of *manoomin*.<sup>12</sup>

Furthermore, militarized response to protests and alleged violation of constitutional rights exposes Citigroup to reputational and litigation risk.<sup>13</sup> Enbridge has reimbursed U.S. law enforcement over \$2 million for policing protests against the construction of Line 3.<sup>14</sup> There have been over 900 arrests, citations, and charges levied against Water Protectors, as well as harassment, surveillance,<sup>15</sup> instances of sex trafficking, and violence against women.<sup>16</sup>

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<sup>11</sup> <https://minnesotareformer.com/2021/08/16/enbridge-line-3-drilling-fluid-spills-what-we-know-so-far/>

<sup>12</sup> <https://www.hcn.org/articles/latest-justice-wild-rice-sues-to-stop-oil-pipeline#:~:text=It%20declared%20that%20within%20White,%2C%20recovery%2C%20and%20preservation.%E2%80%9D>

<sup>13</sup> <https://www.promisehumanrights.blog/blog/2021/10/oil-flows-as-lawsuits-continue-over-enbridges-line-3-pipeline>

<sup>14</sup> <https://www.theguardian.com/uk-news/2021/oct/05/line-3-pipeline-enbridge-paid-police-arrest-protesters>

<sup>15</sup> <https://theintercept.com/2021/08/07/minnesota-pipeline-line-3-public-records/>

<sup>16</sup> <https://minnesotareformer.com/2021/03/08/shelter-reports-assaults-harassment-linked-to-line-3-pipeline-workers/> ; <https://www.vice.com/en/article/g5gkpw/four-enbridge-pipeline-workers-linked-to-sex-trafficking-minnesota>