

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

Whereas: The UN Declaration on the Rights of Indigenous Peoples and International Labour Organization Convention 169 concerning Indigenous and Tribal Peoples in Independent Countries are internationally-recognized standards for Indigenous Peoples’ rights.¹ Violation of these rights presents risks for Citigroup that can adversely affect shareholder value, including reputational damage, project disruptions, and civil and criminal liability.² Citigroup has a history of financing projects and companies that violate Indigenous rights, most notably as a lead financier of the Dakota Access pipeline in 2016,³ and providing \$5 billion to Enbridge through 2021, enabling the widely opposed Enbridge Line 3 and Line 5 pipeline reroutes.⁴

Indigenous leaders from the Great Lakes tribes have called Enbridge’s Line 5 pipeline reroute “an act of cultural genocide.”⁵ A 2022 ruling found that Line 5 was operating illegally on Bad River Band territory since 2013.⁶ Michigan’s twelve federally recognized Tribal Nations requested President Biden to decommission Line 5 in 2021,⁷ noting Enbridge’s deceptive tactics, poor environmental track record, and risk of “catastrophic damage” to Indigenous rights.⁸ Companies like Enbridge, financed by Citigroup, consistently fail to meet the international standard of free, prior, and informed consent (FPIC) with affected tribes.⁹

Citigroup is additionally the subject of ongoing protests for its role as a top financier of oil and gas operations in the Amazon rainforest that pose “an existential threat” to Indigenous Peoples.¹⁰ For example, Citigroup finances Frontera Energy, which is connected to widespread violations of Indigenous Rights in Peru and Columbia.¹¹ Protests and blockades from Indigenous communities opposing poor management of oil spills, lack of consultation, and health hazards have halted operations on numerous occasions, even prompting Frontera to consider pulling its investments from Peru.¹²

¹ <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

² https://www.colorado.edu/program/fpw/sites/default/files/attached-files/social_cost_and_material_loss_0.pdf ; <https://amazonwatch.org/news/2022/0622-the-business-case-for-indigenous-rights>

³ <https://www.business-humanrights.org/en/latest-news/usa-citi-ceo-says-bank-approved-dakota-access-pipeline-loan-without-sufficient-regard-for-indigenous-peoples-concerns/>

⁴ https://www.ran.org/wp-content/uploads/2020/12/RAN-Briefing_Line3_KXL.pdf

⁵ <https://www.stopline3.org/news/women-leaders-line5>

⁶ <https://michiganadvance.com/wp-content/uploads/2022/09/20515906551-1.pdf>

⁷ https://www.baymills.org/files/ugd/869f65_f8e5288d82084540a9f0e7d5d6c0921f.pdf

⁸ https://narf.org/nill/documents/20210510BayMills_banish_Enbridge.pdf?_ga=2.239143744.2105983367.1624287541-1503385769.1619537483

⁹ <https://www.colorado.edu/program/fpw/2022/06/13/united-nations-responds-second-time-violations-anishinaabe-rights-signals-priorities> ; <https://narf.org/bay-mills-line5-pipeline/>

¹⁰ <https://www.desmog.com/2022/04/26/existential-threat-indigenous-leaders-urge-citigroup-to-stop-backing-amazon-oil/#:~:text=Between%202016%20and%202020%2C%20Citigroup,land%20rights%2C%20the%20report%20found.>

¹¹ <https://exitamazonoilandgas.org/> ; <https://www.counterpunch.org/2020/07/13/oil-comes-first-in-peru-not-coronavirus-danger-not-indigenous-rights/>

¹² <https://news.mongabay.com/2020/10/more-than-470-oil-spills-in-the-peruvian-amazon-since-2000-report/> ; <https://www.bnamericas.com/en/news/colombian-protesters-lift-oil-blockades> ; <https://www.reuters.com/article/peru-frontera-energy-oil-id1NL2N261114> ; <https://www.reuters.com/article/peru-frontera-energy/update-1-frontera-energy-rethinking-peru-due-to-pipeline-problems-idUSL1N2091IS>

Citigroup faces reputational risk if its “climate forward” commitments are discredited by its own financing activities.¹³ Citigroup’s human rights and risk management policies do not clearly define FPIC, nor include guidance on how Citigroup addresses companies with track records of violating Indigenous rights. Though Citigroup adheres to the Equator Principles to manage environmental and social risk, Indigenous experts have described them as “critically weak” and not aligned with international human rights standards.¹⁴ Effective policies that protect Indigenous rights are critical to managing material risk.

¹³ <https://www.stand.earth/latest/forest-conservation/amazon-forest-protection/citigroup-%E2%80%9Cclimate-forward%E2%80%9D-reputation-remains>

¹⁴ <https://www.colorado.edu/program/fpw/2019/11/19/first-peoples-response-ep4-critically-weak-equator-principles-puts-global-development>