

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 Recently, Citigroup provided over \$5 billion to Enbridge, enabling the widely opposed Enbridge Line 3 and Line 5 tar sands 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 Governor Whitmer canceled Enbridge’s certification in 2020, citing “Enbridge’s historic failures and current non-compliance” as jeopardizing the safety of Michigan residents and the environment.⁷ Michigan’s twelve federally recognized Tribal Nations requested President Biden to decommission Line 5 in 2021,⁸ and the pipeline faces ongoing litigation from numerous plaintiffs.⁹ The severity of Indigenous opposition is reflected by the Bay Mills Indian Community formally banishing the pipeline from its reservation, noting Enbridge’s deceptive tactics, poor environmental track record, and risk of “catastrophic damage” to Indigenous rights.¹⁰ Companies like Enbridge, financed by Citigroup, consistently fail to meet the international standard of free, prior, and informed consent (FPIC) with affected tribes.¹¹

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 ; <https://sightline-wpengine.netdna-ssl.com/wp-content/uploads/2018/09/Enbridge-Line-3-Financing-Sightline-09-2018.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.michigan.gov/whitmer/news/press-releases/2020/11/13/governor-whitmer-takes-action-to-shut-down-the-line-5-dual-pipelines-through-the-straits-of-mackina>

⁸ https://www.baymills.org/files/ugd/869f65_f8e5288d82084540a9f0e7d5d6c0921f.pdf

⁹ <https://indiancountrytoday.com/news/enbridge-takes-the-gloves-off-in-line-5-battle>

¹⁰ https://narf.org/nill/documents/20210510BayMills_banish_Enbridge.pdf?_ga=2.239143744.2105983367.1624287541-1503385769.1619537483

¹¹ https://tbinternet.ohchr.org/Treaties/CERD/Shared%20Documents/USA/INT_CERD_ALE_USA_9448_E.pdf

Citigroup simultaneously faces calls from Indigenous leaders to stop financing oil and gas operations in the Amazon that pose “an existential threat” to Indigenous Peoples.¹² A 2022 Investor Risk Alert reported that Citigroup has the largest financial involvement of all foreign banks, an estimated \$43.8 billion, in oil and gas operations in the Amazon basin.¹³

Citigroup faces reputational risk if its “climate forward” commitments are discredited by its own financing activities.¹⁴ 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.¹⁵ Effective policies that protect Indigenous rights are critical to managing material risk.

¹² <https://www.stand.earth/latest/forest-conservation/amazon-forest-protection/citigroup-%E2%80%9Cclimate-forward%E2%80%9D-reputation-remains>

¹³ <https://www.stand.earth/sites/stand/files/citiriskalert.pdf>

¹⁴ <https://www.stand.earth/latest/forest-conservation/amazon-forest-protection/citigroup-%E2%80%9Cclimate-forward%E2%80%9D-reputation-remains>

¹⁵ <https://www.colorado.edu/program/fpw/2019/11/19/first-peoples-response-ep4-critically-weak-equator-principles-puts-global-development>