



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

January 28, 2019

Shelley J. Dropkin
Citigroup Inc.
dropkins@citi.com

Re: Citigroup Inc.

Dear Ms. Dropkin:

This letter is in regard to your correspondence dated January 14, 2019 concerning the shareholder proposal (the "Proposal") submitted to Citigroup Inc. (the "Company") by Harrington Investments, Inc. et al. (the "Proponents") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponents have withdrawn the Proposal and that the Company therefore withdraws its December 14, 2018 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Courtney Haseley
Special Counsel

cc: Sanford Lewis
sanfordlewis@strategiccounsel.net

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

Shelley J. Dropkin
Managing Director
Deputy Corporate Secretary
and General Counsel,
Corporate Governance

Citigroup Inc
388 Greenwich Street
17th Floor
New York, NY 10013

T 212 793 7396
dropkins@citi.com



January 14, 2019

BY E-MAIL [shareholderproposals@sec.gov]

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, D.C. 20549

**Re: Stockholder Proposal to Citigroup Inc. from Harrington Investments, Inc. and
Mercy Investment Services, Inc.**

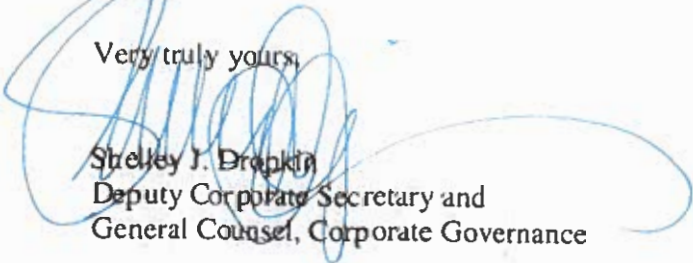
Ladies and Gentleman:

This letter relates to a proposal (the "Proposal") submitted to Citigroup Inc. (the "Company") by Harrington Investments, Inc. and Mercy Investment Services, Inc. (the "Proponents"). In a letter dated December 14, 2018, the Company requested that the Staff of the Division of Corporation Finance concur that the Company could exclude the Proposal from its proxy materials for its 2019 annual meeting of stockholders pursuant to Rule 14a-8 of the rules and regulations promulgated under the Securities Exchange Act of 1934.

Enclosed as Exhibit 1 are letters from the Proponents, dated January 11, 2019 and January 14, 2019, stating that they are withdrawing the Proposal. In reliance upon the letters, the Company hereby withdraws its December 14, 2018 no-action request relating to the Proposal.

If you have any comments or questions concerning this matter, please contact me at (212) 793-7396.

Very truly yours,



Shelley J. Dropkin
Deputy Corporate Secretary and
General Counsel, Corporate Governance

EXHIBIT 1
LETTERS FROM HARRINGTON INVESTMENTS, INC. AND MERCY INVESTMENT
SERVICES, INC.



January 11, 2019

Shelley J. Dropkin
Managing Director, Corporate Secretary & General Counsel
Corporate Governance
Citigroup, Inc.
388 Greenwich Street
22nd Floor
New York, NY 10013

RE: Shareholder Proposal

Dear Ms. Dropkin:

Thank you for our phone conversation on Thursday, January 10th, 2019. Per our discussion, I agree to withdraw the shareholder proposal submitted by myself, John C. Harrington of Harrington Investments, Inc., for inclusion in the 2019 Citigroup Annual Shareholder Meeting in exchange for the withdrawal of your No-Action Request and continued dialogue on the important issue of Human and Indigenous Peoples' Rights.

Sincerely,

John C. Harrington
President and C.E.O.
Harrington Investments, Inc.

CC: Sanford Lewis, Attorney
Sister Valerie Heinonen





January 14, 2019

Shelley J. Dropkin, Deputy Corporate Secretary; General Counsel, Corporate Governance; and
Managing Director Citigroup Inc.
388 Greenwich Street, 17th floor
New York, New York 10013

Dear Ms. Dropkin:

On behalf of Mercy Investment Services, Inc., I withdraw the resolution which asks Citigroup's Board of Directors to amend the Citigroup Nomination, Governance, and Public Affairs Committee Charter to explicitly require fiduciary oversight by the committee on matters affecting human rights.

We, representatives of Mercy, were pleased with the discussion and time taken with us. We also are pleased with the work Citigroup has done to set policy for doing business with Indigenous communities.

Thank you for your attention.

Yours truly,

A handwritten signature in cursive script that reads "Valerie Heinonen". Below the signature, the initials "o.s.u." are written in a smaller, simpler script.

Valerie Heinonen, o.s.u.
Director, Shareholder Advocacy
212 674 2542 - phone
vheinonen@mercyinvestments.org

Shelley J. Dropkin
Managing Director
Deputy Corporate Secretary
and General Counsel,
Corporate Governance

Citigroup Inc.
388 Greenwich Street
17th Floor
New York, NY 10013

T 212 793 7396
dropkins@citi.com



December 14, 2018

BY E-MAIL [shareholderproposals@sec.gov]

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, D.C. 20549

Re: Stockholder Proposal to Citigroup Inc. from Harrington Investments, Inc. and Mercy Investment Services, Inc.

Dear Sir or Madam:

Pursuant to Rule 14a-8(j) of the rules and regulations promulgated under the Securities Exchange Act of 1934, as amended (the "Act"), attached hereto for filing is a copy of the stockholder proposal and supporting statement (together, the "Proposal") submitted by Harrington Investments, Inc. and Mercy Investment Services, Inc. (together, the "Proponent") for inclusion in the proxy statement and form of proxy (together, the "2019 Proxy Materials") to be furnished to stockholders by Citigroup Inc. (the "Company") in connection with its 2019 annual meeting of stockholders. The Proponent's mailing addresses and telephone and fax numbers, as stated in the correspondence of the Proponent, are listed below.

Also attached for filing is a copy of a statement of explanation outlining the reasons the Company believes that it may exclude the Proposal from its 2019 Proxy Materials pursuant to Rules 14a-8(i)(2) and (i)(10).

By copy of this letter and the attached material, the Company is notifying the Proponent of its intention to exclude the Proposal from its 2019 Proxy Materials.

The Company is filing this letter with the U.S. Securities and Exchange Commission (the "Commission") not less than 80 calendar days before it intends to file its 2019 Proxy Materials. The Company intends to commence printing its Notice and Access materials on February 28, 2019 and file its 2019 Proxy Materials on or about March 6, 2019.

The Company respectfully requests that the Staff of the Division of Corporation Finance (the "Staff") of the Commission confirm that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its 2019 Proxy Materials.

If you have any comments or questions concerning this matter, please contact me at (212) 793-7396.

Very truly yours,



Shelley J. Dropkin
Deputy Corporate Secretary and
General Counsel, Corporate Governance

cc: Harrington Investments, Inc.
1001 2nd Street, Suite 325
Napa, California 94559
707-252-6166 (t)
707-257-7923 (f)

Mercy Investment Services, Inc.
2039 North Geyer Road
St. Louis, MO 63131
Attention: Valerie Heinonen, o.s.u.
314-909-4609 (t)
314-909-4694 (f)

ENCLOSURE 1

THE PROPOSAL AND RELATED CORRESPONDENCE (IF ANY)



October 12, 2018

Corporate Secretary
Citigroup, Inc.
388 Greenwich Street
New York, New York 10013

RE: Shareholder Proposal

Dear General Counsel and Secretary,

As a shareholder in Citigroup, Inc., I am filing the enclosed shareholder resolution pursuant to Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934 for inclusion in the Citigroup, Inc. Proxy Statement for the 2019 annual meeting of shareholders.

I am the beneficial owner of at least \$2,000 worth of Citigroup, Inc. stock. I have held the requisite number of shares for over one year, and plan to hold sufficient shares in Citigroup, Inc. through the date of the annual shareholders' meeting. In accordance with Rule 14a-8 of the Securities Exchange Act of 1934, verification of ownership is included. I or a representative will attend the stockholders' meeting to move the resolution as required by SEC rules.

If you have any questions, I can be contacted at (707) 252-6166.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "John C. Harrington". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John C. Harrington

President and C.E.O.
Harrington Investments, Inc.



Citigroup 2019

Whereas, our Company has been identified as one of the banks financially supporting companies engaged in development or construction of the Dakota Access Pipeline (DAPL) (Bakken Pipeline), a controversial project which received extensive media coverage and public condemnation for its environmental destruction, pollution and encroachment upon sacred Sioux Nation land;

Whereas, in accordance with the United Nations Declaration on the Rights of Indigenous Peoples, Article Eleven, asserts "the right to maintain, protect and develop the past, present and future manifestations of their cultures, such as archaeological and historical sites..."

Whereas, Article Twenty-Nine of the Declaration states "Indigenous Peoples have the right to the conservation and protection of the environment and the productive capacity of their lands or territories and resources";

Whereas, in 1948, the United Nations adopted the Universal Declaration of Human Rights and the United Nations Human Rights Council, and in 2011 adopted the United Nations Guiding Principles on Business and Human Rights;

Whereas, Citigroup's financial support of the Dakota Access Pipeline and corporations involved in the pipeline's construction has resulted in Human and Indigenous Peoples' Rights violations, threatened negative impacts on customer loyalty and shareholder value,¹ and harmed project companies with reputational damage,² delays, disruption and litigation;

Whereas, many financial institutions including Citigroup attempt to differentiate in their Human Rights oversight between project or transactional financing and direct corporate loans for general purposes, bringing much less Human Rights oversight to general corporate or commercial loans, even if Human Rights concerns are relevant;

Whereas, financial institutions face reputational damage or even liability for Human Rights abuses associated with general financing. For example, holocaust victims and other victims of Human Rights violations have successfully sought redress from banks that provided general financial services to Human Rights violators;

Whereas, we believe it is a fiduciary duty of the Board and Management to consider Human Rights when making all executive decisions (including loan agreements and related business affairs) where there is significant potential impact or consequence of our Company's involvement, along with significant risk to our Company;

Whereas, reputational damage, negative publicity and loss of customer business can result in negative consequences for Citigroup regardless of whether the underlying financing was conducted

¹ <https://www.thenation.com/article/these-cities-are-divesting-from-the-banks-that-support-the-dakota-access-pipeline/>

² <https://sandiegofreepress.org/2017/02/calpers-joins-investors-calling-on-banks-to-address-concerns-about-dakota-access-pipeline/>

as general or project-based financing;

Whereas, our Company's Environmental and Social Risk Management (ESRM), the Equator Principles and the Citi statement of Supplier Principles are not mandated by our Company's bylaws, committee charters or other appropriate governance documents and therefore fiduciary oversight and compliance is not mandated but voluntary, nor is there any appellate process available for non-compliance;

Therefore, be it resolved, that shareholders request the Board of Directors to amend the Citigroup Nomination, Governance, and Public Affairs Committee Charter to explicitly require fiduciary oversight by the committee on matters affecting human rights.

Supporting Statement

Citigroup has adopted numerous voluntary codes of conduct and so-called "policy" statements that are unaccompanied by adequate assurances of compliance. Our Company's ESRM Policy, the Equator Principles, the Citigroup "Statement on Human Rights", "Citi Statement of Supplier Principles" are essentially voluntary, and lack specific commitments of board fiduciary oversight.



October 12, 2018
Corporate Secretary
Citigroup, Inc.
388 Greenwich Street
New York, NY 10013

Account #: [REDACTED]
Reference #: AM-1943883
Questions: Please call Schwab
Alliance at 1-800-515-2157.

RE: Account [REDACTED] John C. Harrington TTEE Harrington Investments, Inc. 401k Plan John Harrington – FBO

Dear Corporate Secretary,

This letter is to confirm that Charles Schwab is the record holder for the beneficial owner of the John C. Harrington TTEE Harrington Investments, Inc. 401k Plan account and which holds in the account 150 shares of common stock in Citigroup, Inc. These shares have been held continuously for at least one year prior to and including October 12, 2018.

The shares are held at Depository Trust Company under the Participant Account Name of Charles Schwab & Co., Inc., number [REDACTED]

This letter serves as confirmation that the account holder listed above is the beneficial owner of the above referenced stock.

Should additional information be needed, please feel free to contact me directly at 877-393-1951 between the hours of 11:30am and 8:00pm EST.

Sincerely,
Michael Woolums
Advisor Services
2423 E Lincoln Dr
Phoenix, AZ 85016-1215

Independent investment advisors are not owned by, affiliated with, or supervised by Charles Schwab & Co., Inc. ("Schwab").

Schwab Advisor Services™ serves independent investment advisors, and includes the custody, trading, and support services of Schwab.

Paula F. Jones
Assistant Secretary
& Associate General Counsel,
Corporate Governance

Citigroup Inc.
388 Greenwich Street
17th Floor
New York, NY 10022

T 212 793 3863
jonesp@citi.com



VIA UPS and Email

October 16, 2018

John C. Harrington
President and CEO
Harrington Investments, Inc.
1001 2nd Street, Suite 325
Napa, CA 94559

Dear Mr. Harrington:

Citigroup Inc. acknowledges receipt of your stockholder proposal for submission to Citigroup stockholders at the Annual Meeting in April 2019.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Paula F. Jones". The signature is fluid and stylized, with a long horizontal stroke extending to the left.

Paula F. Jones
Assistant Secretary and
Associate General Counsel, Corporate Governance



November 9, 2018

Rohan Weerasinghe, Corporate Secretary
Citigroup, Inc.
388 Greenwich Street
New York, NY 10013

Dear Mr. Weerasinghe:

Mercy Investment Services, Inc. (Mercy), as the investment program of the Sisters of Mercy of the Americas, has long been concerned not only with the financial returns of its investments, but also with their social and ethical implications. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns in keeping with the UN Sustainable Development, fosters long-term business success. Mercy Investment Services, Inc., a long-term investor, is the beneficial owner of shares of Citigroup.

Mercy's resolution requests the Board of Directors to amend the Citigroup Nomination, Governance, and Public Affairs Committee Charter to explicitly require fiduciary oversight by the committee on matters affecting human rights.

Mercy Investment Services, Inc., is co-filing the enclosed shareholder proposal with Harrington Investments for inclusion in the 2019 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Mercy Investment Services, Inc. has been a shareholder continuously for more than one year holding at least \$2,000 in market value, and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. A representative of the filers will attend the Annual Meeting to move the resolution as required by SEC rules. The verification of ownership by our custodian, a DTC participant, is enclosed with this letter. Harrington Investments, Inc., represented by Brianna Harrington, may withdraw the proposal on our behalf. We respectfully request direct communications from Citigroup and to have our supporting statement and organization name included in the proxy statement.

We look forward to having productive conversations with the company. Please direct your responses to me via my contact information below.

Best regards,

Valerie Heinonen, o.s.u.
Director, Shareholder Advocacy
212 674 2542 - phone
vheinonen@mercyinvestments.org

Citigroup 2019

Whereas, our Company has been identified as one of the banks financially supporting companies engaged in development or construction of the Dakota Access Pipeline (DAPL) (Bakken Pipeline), a controversial project which received extensive media coverage and public condemnation for its environmental destruction, pollution and encroachment upon sacred Sioux Nation land;

Whereas, in accordance with the United Nations Declaration on the Rights of Indigenous Peoples, Article Eleven, asserts "the right to maintain, protect and develop the past, present and future manifestations of their cultures, such as archaeological and historical sites... "

Whereas, Article Twenty-Nine of the Declaration states "Indigenous Peoples have the right to the conservation and protection of the environment and the productive capacity of their lands or territories and resources";

Whereas, in 1948, the United Nations adopted the Universal Declaration of Human Rights and the United Nations Human Rights Council, and in 2011 adopted the United Nations Guiding Principles on Business and Human Rights;

Whereas, Citigroup's financial support of the Dakota Access Pipeline and corporations involved in the pipeline's construction has resulted in Human and Indigenous Peoples' Rights violations, threatened negative impacts on customer loyalty and shareholder value,¹ and harmed project companies with reputational damage,² delays, disruption and litigation;

Whereas, many financial institutions including Citigroup attempt to differentiate in their Human Rights oversight between project or transactional financing and direct corporate loans for general purposes, bringing much less Human Rights oversight to general corporate or commercial loans, even if Human Rights concerns are relevant;

Whereas, financial institutions face reputational damage or even liability for Human Rights abuses associated with general financing. For example, holocaust victims and other victims of Human Rights violations have successfully sought redress from banks that provided general financial services to Human Rights violators;

Whereas, we believe it is a fiduciary duty of the Board and Management to consider Human Rights when making all executive decisions (including loan agreements and related business affairs) where there is significant potential impact or consequence of our Company's involvement, along with significant risk to our Company;

Whereas, reputational damage, negative publicity and loss of customer business can result in negative consequences for Citigroup regardless of whether the underlying financing was conducted as general or project-based financing;

¹ <https://www.thenation.com/article/these-cities-are-divesting-from-the-banks-that-support-the-dakota-access-pipeline/>

² <https://sandiegofreepress.org/2017/02/calpers-joins-investors-calling-on-banks-to-address-concerns-about-dakota-access-pipeline/>

Whereas, our Company's Environmental and Social Risk Management (ESRM), the Equator Principles and the Citi statement of Supplier Principles are not mandated by our Company's bylaws, committee charters or other appropriate governance documents and therefore fiduciary oversight and compliance is not mandated but voluntary, nor is there any appellate process available for non-compliance;

Therefore, be it resolved, that shareholders request the Board of Directors to amend the Citigroup Nomination, Governance, and Public Affairs Committee Charter to explicitly require fiduciary oversight by the committee on matters affecting human rights.

Supporting Statement

Citigroup has adopted numerous voluntary codes of conduct and so-called "policy" statements that are unaccompanied by adequate assurances of compliance. Our Company's ESRM Policy, the Equator Principles, the Citigroup "Statement on Human Rights", "Citi Statement of Supplier Principles" are essentially voluntary, and lack specific commitments of board fiduciary oversight.



November 9, 2018

Rohan Weerasinghe, Corporate Secretary
Citigroup, Inc.
388 Greenwich Street
New York, NY 10013

Re: Mercy Investment Services Inc.

Dear Rohan,

This letter will certify that as of November 9, 2018, Northern Trust held for the beneficial interest of Mercy Investment Services Inc., 84 shares of Citigroup Inc. We confirm that Mercy Investment Services Inc. has beneficial ownership of at least \$2,000 in market value of the voting securities of Citigroup Inc, and that such beneficial ownership has existed continuously for at least one year including a one year period preceding and including November 9, 2018, in accordance with rule 14a-8 of the Securities Exchange Act of 1934. Further, it is Mercy Investment Services Inc., intent to hold at least \$2,000 in market value through the next annual meeting.

We also confirm that as of the filing date, November 9, 2018, Mercy Investment Services Inc., held 37,888.00 additional shares of Citigroup Inc with a market value of \$2,568,048.64.

Please be advised, Northern Trust is a DTC Participant, whose DTC number is [REDACTED].

If you have any questions please feel free to give me a call.

Sincerely,

Mazen Khader
Trust Officer
312 444 5032

Paula F. Jones
Assistant Secretary
& Associate General Counsel,
Corporate Governance

Citigroup Inc.
388 Greenwich Street
17th Floor
New York, NY 10013

T 212 793 3863
jonesp@citi.com



VIA UPS and Email

November 13, 2018

Mercy Investment Services, Inc.
2039 North Geyer Road
St. Louis, MO 63131
Attention: Valerie Heinonen, o.s.u.

Dear Sister Valerie:

Citigroup Inc. acknowledges receipt of your stockholder proposal for submission to Citigroup stockholders at the Annual Meeting in April 2019.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Paula F. Jones". The signature is fluid and cursive, with a large loop at the end.

Paula F. Jones
Assistant Secretary and
Associate General Counsel, Corporate Governance

ENCLOSURE 2

STATEMENT OF INTENT TO EXCLUDE STOCKHOLDER PROPOSAL

The Proposal urges the Company's Board of Directors (the "Board") to amend the charter of the Company's Nomination, Governance and Public Affairs Committee of the Board (the "Committee") to "explicitly require fiduciary oversight by the [C]ommittee on matters affecting human rights." In its supporting statement, the Proponent asserts that

Citigroup has adopted numerous voluntary codes of conduct and so-called "policy" statements that are unaccompanied by adequate assurances of compliance. Our Company's ESRM Policy, the Equator Principles, the Citigroup "Statement on Human Rights", "Citi Statement of Supplier Principles" are essentially voluntary, and lack specific commitments of board fiduciary oversight.

THE COMPANY HAS SUBSTANTIALLY IMPLEMENTED THE FIDUCIARY OVERSIGHT URGED BY THE PROPOSAL.

The Proposal may be excluded from the 2019 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal through the inclusion in the Committee's charter of oversight responsibilities over human rights programs and policies. Rule 14a-8(i)(10) permits an issuer to exclude a proposal if the company has already "substantially implemented the proposal." The purpose of Rule 14a-8(i)(10) is "to avoid the possibility of shareholders having to consider matters which have already been favorably acted upon by management."¹ However, Rule 14a-8(i)(10) does not require exact correspondence between the actions sought by a proponent and the issuer's actions in order to exclude a proposal.² Rather, the Staff has stated that "a determination that the [c]ompany has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably" with those requested under the proposal, and not on the exact means of implementation.³ In other words, the Rule requires only that a company's prior actions satisfactorily address the underlying concerns of the proposal and its essential objective.⁴

¹ See SEC Release No. 34-12598 (July 7, 1976).

² SEC Release No. 34-20091 (Aug. 16, 1983).

³ *Texaco, Inc.* (avail. Mar. 28, 1991).

⁴ See, e.g., *ConAgra Foods, Inc.* (avail. Jul. 3, 2006) (recognizing that the board of directors substantially implemented a request for a sustainability report because such a report was already published on the company's website); *Johnson & Johnson* (avail. Feb. 17, 2006) (concurring in the exclusion of a proposal to verify the "employment legitimacy of all current and future U.S. employees" in light of the company's substantial implementation through adherence to federal regulations).

The Proposal focuses on requiring fiduciary oversight of the effect of the Company's business activity on human rights, and specifically indigenous peoples.⁵ The Company already has a policy on human rights, which also sets out specific policies on indigenous peoples.⁶ The Proponent concedes that the Company's existing policies compare favorably with the Proposal. In his Supporting Statement, he notes that "Citigroup has adopted numerous voluntary codes of conduct" on human rights. The Proposal states that the only perceived shortcoming in the Company's policies is that these policies are "voluntary." According to the Proposal, the policies are only "voluntary" because they "are not mandated by our Company's bylaws, committee charters, or other appropriate governance documents and therefore fiduciary oversight and compliance is not mandated."

The Proponent has overlooked the Charter of the Board's Nomination, Governance and Public Affairs Committee. This Charter specifically delegates to the Committee "oversight of public affairs issues," and includes the responsibility of the Committee to "receive reports from and advise management on the Company's sustainability policies and programs, including . . . human rights."⁷ The Committee is also charged with "reviewing the Company's policies and programs that relate to public issues of significance to the Company and the public at large."⁸ Accordingly, the Company has in fact (to frame it in the words of the Proposal) "mandated" in a "committee charter" that the Committee oversee issues relating to human rights because the Committee's Charter specifically requires the Committee to receive reports and advise management on "policies and programs, including . . . human rights." Under Delaware law, the directors who serve on the Committee are expected to abide by the policies they adopt, and directors will be held accountable if they renege on a commitment to the Board.⁹ By

⁵ See Proposal ("Citigroup's financial support of the Dakota Access Pipeline and corporations involved in the pipeline's construction has resulted in Human and Indigenous Peoples' Rights violations [and w]e believe it is a fiduciary duty of the Board and Management to consider human rights when making all executive decisions (including loan agreements and related business affairs) where there is a significant potential impact or consequence of our Company's involvement, along with significant risk to our Company.").

⁶ See Citigroup Inc. Statement on Human Rights, available at https://www.citigroup.com/citi/citizen/data/citi_statement_on_human_rights.pdf ("Citi will treat transactions with extra caution and conduct enhanced due diligence (which may require Independent Review by a qualified social expert) when the company's assets may pose adverse effects to: an area used or traditionally claimed by an indigenous community; the community's self-preservation based on traditional ways of life; or their use or enjoyment of critical cultural heritage that is essential to their identity and/or the cultural, ceremonial or spiritual aspects of their lives. Building upon government efforts, we expect our clients to avoid infringing upon the rights and protections for Indigenous Peoples contained in relevant national law, including those laws implementing host country obligations under international law.").

⁷ See Citigroup Inc. Nomination, Governance and Public Affairs Committee Charter, at 4. A copy of the Committee's charter is attached hereto and incorporated by reference herein.

⁸ See *id.* at 1.

⁹ See *Disney v. Walt Disney Co.*, 2005 WL 1538336 (Del. Ch. June 20, 2005) ("In addition, as already noted, the board, including Mr. Disney, adopted a confidentiality policy relating to the communications in the disputed documents In the circumstances, there is no adequate reason to relieve Mr. Disney of his duties under that policy.").

agreeing to serve on the Committee, the members of the Committee have undertaken a responsibility, as fiduciaries to the Company and its stockholders, to perform the oversight set out in the Committee's Charter.¹⁰ There is no gap between what the Proposal seeks and the Committee's Charter: the Company's Board has already provided for fiduciary oversight on human rights issues through its pre-existing Charter.

The Staff has concurred in the exclusion under Rule 14a-8(i)(10) of proposals that duplicate a company's current practices.¹¹ Here, the Committee is already empowered, and in fact is required pursuant to its charter, to exercise oversight over the Company's sustainability policies and programs relating to human rights.

The Staff has also consistently concurred in the exclusion under Rule 14a-8(i)(10) of proposals requesting a board of directors form a new committee to address an issue already within the scope of responsibility of an existing committee.¹² This is analogous to requesting the

¹⁰ To the extent this letter relies on principles of Delaware law, please see the enclosed opinion of the law firm of Morris, Nichols, Arsht & Tunnell LLP. That firm concurs with the analysis and conclusions regarding Delaware corporate law set forth in this letter.

¹¹ In *Louisiana-Pacific Corp.* (avail. Mar. 18, 1994), the Staff concurred that the company could exclude a proposal recommending that the company's board of directors "empower the non-employee directors of the company to conduct an internal investigation" relating to certain environmental matters and produce a report documenting environmental violations and suggesting preventative measures. The company's non-employee directors, who constituted a majority of the board, were already empowered to take such actions, and the company had already formed an environmental committee to consider these matters. *See also Honeywell International Inc.* (avail. Feb. 29, 2000) (concurring in the exclusion of a proposal, pursuant to Rule 14a-8(i)(10), requesting the board to institute an investigation into whether management had used improper accounting practices to increase performance-based compensation where the company's accounting practices were continually monitored by senior management, the independent public accountant and the audit committee and the company had implemented accounting systems and internal controls to ensure accounting compliance); *The Limited, Inc.* (avail. March 15, 1996) (concurring in the exclusion of a proposal, pursuant to Rule 14a-8(i)(10), requesting the preparation of a report addressing the company's reaction to labor violations by suppliers where the company had a policy in place that required suppliers to agree to a code of conduct addressing the concerns of the proposal); *see also Dominion Resources Inc.* (avail. Feb. 5, 2013) (concurring in the exclusion of a proposal to prepare a report to address plans for alternative energy sources in light of the company's substantial implementation through adherence to state regulations requiring preparation and disclosure of a plan to, among other things, evaluate the benefits of alternative energy options).

¹² *See, e.g., Goldman Sachs Group, Inc.* (avail. Feb. 12, 2014) (concurring in the exclusion of a proposal, pursuant to Rule 14a-8(i)(10), requesting the board to form a public policy committee where an existing committee's charter empowered such committee to perform the actions requested in the proposal); *Siliconix Inc.* (avail. Mar. 1, 2004) (concurring in the exclusion of a proposal, pursuant to Rule 14a-8(i)(10), requesting the board to form a committee of independent directors to review related party transactions where the charter of the company's audit committee, comprised of independent directors, already required it to review and approve all related party transactions); *Columbia/HCA Healthcare Corp.* (avail. Feb. 18, 1998) (concurring in the exclusion of a proposal, pursuant to Rule 14a-8(i)(10), requesting the board to form a committee to oversee the company's anti-fraud compliance programs where the board had already formed an ethics committee charged with, among other things, reviewing matters related to compliance); *ITT Corp.* (avail. Mar. 24, 1992) (concurring in the exclusion of a proposal, pursuant to Rule 14a-8(i)(10), requesting the board to appoint an environmental affairs committee to establish environmental policies and

(Continued . . .)

amendment of a committee’s charter to address an issue that is already covered by the delegation of responsibility to such committee.

For the foregoing reasons, the Proposal may be excluded from the 2019 Proxy Materials pursuant to Rule 14a-8(i)(10).

ANY OTHER FORM OF FIDUCIARY OVERSIGHT THAT HAS NOT BEEN IMPLEMENTED WOULD VIOLATE DELAWARE LAW.

To the extent the Proponent is asking for some form of “fiduciary oversight” that has not been implemented, the Proposal would violate Delaware law. The Proposal asserts that “it is a fiduciary duty of the Board and Management to consider Human Rights when making all executive decisions (including loan agreements and related business affairs) where there is significant potential impact or consequence of our Company’s involvement” To the extent the Proposal is asserting that the Board should create a “fiduciary oversight” that involves creating fiduciary duties to persons other than the Company’s stockholders, it would violate Delaware law. As required by Delaware law, the directors of the Company owe fiduciary duties to advance the best interests of the Company and its stockholders.¹³ Extending the class of persons to whom the directors owe duties to include non-stockholder constituencies, or to place those constituencies ahead of the stockholders, would cause the directors to breach their fiduciary duties.¹⁴ The Company, of course, believes that the interests of the stockholders align with guarding against violations of human rights, and Delaware law gives directors the flexibility to consider other constituencies in determining what actions will enhance the Company’s

(. . . continued)

monitor the company’s compliance with federal and state laws and regulations where the board had already formed a legal affairs committee that performed the same function).

¹³ See, e.g., *Skeen v. Jo-Ann Stores, Inc.*, 750 A.2d 1170, 1172 (Del. 2000) (“Directors of Delaware corporations are fiduciaries who owe duties of due care, good faith and loyalty to the company and its stockholders.”).

¹⁴ See, e.g., *Allen v. El Paso Pipeline GP Co., L.L.C.*, 113 A.3d 167, 180 (Del. Ch. 2014) (“[S]tockholders’ best interest must always, within legal limits, be the end. Other constituencies may be considered only instrumentally to advance that end.”) (quoting Leo E. Strine, Jr., *Our Continuing Struggle with the Idea that For-Profit Corporations Seek Profit*, 47 Wake Forest L. Rev. 135, 147 (2012)); *Revlon, Inc. v. MacAndrews & Forbes Holdings, Inc.*, 506 A.2d 173, 182 (Del. 1986) (“The Revlon board argued that it acted in good faith in protecting the noteholders because *Unocal* permits consideration of other corporate constituencies. Although such considerations may be permissible, there are fundamental limitations upon that prerogative. A board may have regard for various constituencies in discharging its responsibilities, provided there are rationally related benefits accruing to the stockholders.”); cf. *Anadarko Petroleum Corp. v. Panhandle Eastern Corp.*, 545 A.2d 1171 (Del. 1988) (holding that directors of a parent corporation did not owe fiduciary duties to prospective stockholders of an entity planned to be spunoff); *Simons v. Cogan*, 549 A.2d 300 (Del. 1988) (concluding that directors of a Delaware corporation do not owe fiduciary duties to holders of the corporation’s convertible debentures).

The Delaware General Corporation Law was recently amended to authorize the formation of “public benefit” corporations, which allow directors to balance the interests of stockholders against other identified constituencies (see 8 Del. C. § 362), but these new provisions do not apply to the Company, which is a traditional for-profit corporation.

business and reputation.¹⁵ But, the Company cannot create an entirely new duty that is owed to persons who are not stockholders. To the extent the Proposal seeks that kind of novel fiduciary oversight, it would violate Delaware law if implemented, and exclusion is permitted by Rule 14a-8(i)(2).

CONCLUSION

For the foregoing reasons, the Company believes that the Proposal may be excluded from the 2019 Proxy Materials pursuant to Rules 14a-8(i)(10) and (i)(2).

12394777

¹⁵ *See Allen*, 113 A.3d at 180 (“[D]irectors may promote the interests of other . . . constituencies for the ultimate benefit of the entity’s [stockholders].”).

ENCLOSURE 3

**CITIGROUP INC. NOMINATION, GOVERNANCE AND
PUBLIC AFFAIRS COMMITTEE CHARTER**

CITIGROUP INC.
NOMINATION, GOVERNANCE AND PUBLIC AFFAIRS
COMMITTEE CHARTER

As of January 18, 2018

Mission

The Nomination, Governance and Public Affairs Committee (the “Committee”) of Citigroup Inc. (“Citi” or the “Company”) is responsible for (i) identifying individuals qualified to become Board members and recommending to the Board the director nominees for the next annual meeting of stockholders, (ii) leading the Board in its annual review of the Board’s performance, (iii) recommending to the Board directors for each committee for appointment by the Board, (iv) reviewing the Company’s policies and programs that relate to public issues of significance to the Company and the public at large and (v) reviewing the Company’s relationships with external constituencies and issues that impact the Company’s reputation, and advising management as to its approach to each.

Membership

The members of the Committee shall (a) meet the independence requirements of the New York Stock Exchange corporate governance rules and all other applicable laws, rules and regulations governing director independence, as determined by the Board; (b) qualify as “non-employee directors” as defined under Section 16 of the Securities Exchange Act; and (c) qualify as “outside directors” under Section 162(m) of the Internal Revenue Code. A majority of the members of the Committee shall constitute a quorum. Members of the Committee and the Committee Chair shall be appointed by and may be removed by the Board on the recommendation of the Committee.

Duties and Responsibilities

The Committee shall have the following duties and responsibilities:

Oversight of Governance Policies

- Review and assess the adequacy of the Company’s policies and practices on corporate governance including the Corporate Governance Guidelines of the Company and recommend any proposed changes to the Board for approval.
- Review transactions between directors, and/or their family members, and the Company for compliance with applicable policies and receive reports from the Transaction Review Committee on any transaction it reviews.

Oversight of Corporate Governance

- Review the appropriateness of the size of the Board relative to its various responsibilities. Review the overall composition of the Board, taking into consideration such factors as business experience and specific areas of expertise of each Board member, and make recommendations to the Board as necessary.
- Develop appropriate criteria and make recommendations to the Board regarding the independence of directors and nominees.
- Nominate annually one of the members of the Board to serve as Chairman of the Board.
- Recommend to the Board the number, identity and responsibilities of Board committees and the Chair and members of each committee. This shall include advising the Board on committee appointments and removal from committees or from the Board, rotation of committee members and Chairs and committee structure and operations.
- Review the adequacy of the charters adopted by each committee of the Board, and recommend changes as necessary.
- Assist the Board in developing criteria for identifying and selecting qualified individuals who may be nominated for election to the Board, which shall reflect at a minimum all applicable laws, rules, regulations and listing standards.
- Recommend to the Board the slate of nominees for election to the Board at the Company's annual meeting of stockholders.
- As the need arises to fill vacancies, actively seek individuals qualified to become Board members for recommendation to the Board.
- Consider nominations for Board membership recommended by security holders.
- In consultation with the Board and the CEO, either the Committee as a whole or a subcommittee thereof shall, as part of its executive succession planning process, evaluate and nominate potential successors to the CEO. The Committee will also provide an annual report to the Board on CEO succession.

- Periodically review and recommend to the Board the compensation structure for non-employee directors for Board and committee service.
- Periodically assess the effectiveness of the Board in meeting its responsibilities, representing the long-term interests of stockholders.
- Report annually to the Board with an assessment of the Board's performance.
- Periodically review, and make recommendations to the Board regarding amendments to, the Company's Major Expenditure Program – Limits of Authority.

Oversight of Public Affairs Issues

- Review Citi's relationships with major external constituencies, how those constituencies view the Company and the issues raised by them, as it deems appropriate.
- Receive reports from and advise management on the public policy and reputation issues facing Citi.
- Review and advise management on Citi's relationships with governments and government policies that impact Citi.
- Oversee and receive reports from management on, and review for consistency with applicable policies, political contributions made by the Company and charitable contributions made by the Company and the Citi Foundation.
- Oversee and receive reports from management on the Company's memberships in trade associations that engage in lobbying activities or make independent expenditures.
- Oversee and receive reports from management on the Company's lobbying strategy and expenditures.
- Review and make recommendations to the Board on management's proposed responses to shareholder proposals and consider other shareholder activism issues.
- Review and advise management on Citi's policies and practices regarding supplier diversity.

- Receive reports from and advise management on the Company's sustainability policies and programs, including the environment, climate change and human rights.
- Review and advise management on Citi's global business practices, particularly as they relate to the reputation of the Company, including the opportunities and challenges of operating in many diverse cultures around the world. The Company's internal Business Practices Committee shall provide reports to the Committee or to the Board at least annually.

Other Responsibilities

- Monitor the orientation and continuing education programs for directors.
- Conduct an annual review of the Committee's performance and report the results to the Board, periodically assess the adequacy of its charter and recommend changes to the Board as needed.
- Regularly report to the Board on the Committee's activities.
- Obtain advice and assistance, as needed, from internal or external legal counsel, accounting firms, search firms or other advisors, with the sole authority to retain, terminate and negotiate the terms and conditions of the assignment.
- Delegate responsibility to subcommittees of the Committee as it deems necessary or appropriate.
- Perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

ENCLOSURE 4

OPINION OF MORRIS, NICHOLS, ARSHT & TUNNELL LLP

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

1201 NORTH MARKET STREET
P.O. Box 1347
WILMINGTON, DELAWARE 19899-1347
302 658 9200
302 658 3989 FAX

December 14, 2018

Citigroup Inc.
388 Greenwich Street
New York, NY 10013

**Re: Stockholder Proposal Submitted by Harrington Investments, Inc. and
Mercy Investment Services, Inc.**

Ladies and Gentlemen:

We have reviewed the stockholder proposal and supporting statement (together, the "Proposal") submitted by Harrington Investments, Inc. and Mercy Investment Services, Inc., and the letter from Citigroup Inc. (the "Company") dated on or about the date of this letter requesting that the Staff of the Division of Corporation Finance of the U.S. Securities and Exchange Commission (the "Commission") confirm that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its proxy statement and form of proxy in connection with the Company's 2019 Annual Stockholder Meeting. We concur with the Delaware law analyses and conclusions in the Company's letter, and it is our opinion that, to the extent the Proposal requests that the Board of Directors of the Company extend the class of persons to whom the directors of the Company owe fiduciary duties to include non-stockholder constituencies, or to place those constituencies ahead of the stockholders, the Proposal would violate Delaware law if implemented.

Very truly yours,

Morris, Nichols, Arsht & Tunnell LLP