

Hitachi Group's response to the report "Facts on the Ground: Heavy Engineering Machinery and the Israeli Occupation"

Business & Human Rights Resource Centre invited Hitachi to respond to the following item:

<http://www.whoprofits.org/company/hitachi>

and pp.62-62 of "Facts on the Ground: Heavy Engineering Machinery and the Israeli Occupation"

http://whoprofits.org/sites/default/files/facts_on_the_ground_-_heavy_engineering_machinery_and_the_israeli_occupation.pdf

11 Sep 2014

The Hitachi Group (Hitachi) appreciates the concerns raised in the report "Facts on the Ground: Heavy Engineering Machinery and the Israeli Occupation" (the report).

Hitachi supports societies through the development of superior, original technology and products, and delivering innovations that answer society's challenges. Hitachi strives to meet its responsibility to respect human rights by not infringing on human rights and addressing negative human rights impacts with which the company may be involved through its operations and business relationships. We are committed to meeting the responsibility to respect human rights through implementing the UN Guiding Principles on Business and Human Rights in our Hitachi Group Human Rights Policy. The vast majority of Hitachi products in operation around the world are used to improve global economic development and standards of living.

In response to the concerns related to the use of Hitachi equipment in OPT that are raised in the report, Hitachi would like to confirm that Hitachi's official distributor in Israel has not sold equipment to the Israeli military nor military-related entities. Nor have we sold the model ZX250LC-5 mentioned in the report in the country.

Furthermore, Hitachi's distributorship agreement in Israel contains a clause prohibiting distributor to sell equipment to entities that may disturb peace. Our conclusion is therefore that the piece of Hitachi equipment referred to in the report has not been sold directly by Hitachi but instead was likely imported as used equipment from a different country.

Nevertheless, we are troubled that our products were found to be in use in OPT, without our authorization or intent. While Hitachi and other companies in the industry have limited control over the use of second hand equipment, we

will continue to use our best efforts-for example through contract language with distributors-to reduce the likelihood of similar events from happening in the future.

Hitachi Group would like to express our deep compassion for all persons affected by the political strife in the Middle East and support a peaceful resolution to the Israeli-Palestinian conflict.