B4Ukraine

Munetoshi Goto
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Dear Mr. Goto and the Makita Leadership Team,

We write to you as B4Ukraine, a coalition of Ukrainian and international civil society organizations committed to curbing the financial support that fuels Russia's brutal invasion of Ukraine.
We are writing due to serious concerns about Makita's adherence to internationally recognized frameworks on business and human rights in light of the company's continued operations in Russia.

We call on businesses to:

- Immediately cease operations and completely exit the Russian market.
- Refrain from any future business, trade, or investment in Russia until Russia ends its war against Ukraine, territorial integrity of Ukraine is restored, and accountability imposed for war crimes and the destruction of Ukrainian infrastructure and property.
- Ensure that any re-engagement with the Russian market occurs only after all of the following conditions are met:
    - Ukraine's sovereignty and complete territorial integrity are restored, as recognized by international law.
    - Reparations are paid in full for all damages caused by Russian aggression, covering infrastructure, economic losses, and human suffering.
    - Accountability is imposed for violations of international law, including the crime of aggression, war crimes, and crimes against humanity.

Following the full-scale invasion of Ukraine, Makita significantly reduced its deliveries to Russia. While the company did not officially withdraw from the Russian market, logistical challenges related to the war led to a sharp decline in imports, causing Makita's market share in the Russian Federation to fall from 20% to 1.5%. However, we are now concerned that Makita appears to be increasing its imports into the country once again.

We are raising serious concerns about Makita's renewed increase in imports to Russia, especially while the full-scale war against Ukraine is still ongoing. Resuming and expanding business in Russia at this time risks undermining international efforts to isolate the aggressor's war-economy and raises questions about Makita's stance on accountability, ethics, and human rights.

According to recent reports, Makita intends to resume direct imports to Russia by fall 2025, reintroducing parts of its previously withdrawn product lineup. Signs of this renewed presence include increased activity on Russian social media platforms and the launch of a dedicated product showcase on Ozon. Parallel imports began in mid-2024, and batches of Makita tools have already started appearing in retail chains such as Lemana Pro (formerly Leroy Merlin).

According to Makita's 2024 Report, the company explicitly commits to ethical conduct and respect for human rights. It states that Makita "observes laws and regulations, acts ethically and never allows intervention of the anti-social organizations." Furthermore, under its core sustainability priorities, Makita pledges to "ensure thorough consideration of human rights throughout the supply chain," and ensure employee safety and health. Such commitments stand in contrast to Makita's renewed engagement in the Russian market that may directly or indirectly contribute to supporting a regime engaged in large-scale human rights violations.

These actions suggest a potential expansion of operations in Russia, bringing into question Makita's commitment to its own public statements on ethical conduct and human rights. This renewed activity raises serious doubts about the company's alignment with its stated human rights policy, its supplier code of ethics, and its broader responsibilities under international business and human rights frameworks, including international humanitarian and human rights law.

We are therefore writing to ask:

- How does Makita reconcile its continued operations and renewed imports into Russia with its public commitment to uphold human rights, including the principles outlined in its Code of Ethics and supplier guidelines, particularly given the well-documented human rights violations associated with Russia's ongoing war against Ukraine?
- Considering Makita's revenue and tax payments in Russia, does the company acknowledge its potential role in materially and financially supporting the Kremlin's war economy?
- How does Makita assess and monitor the potential use of its tools and equipment imported into Russia to ensure they are not being (directly or indirectly) used in support of Russia's military activities or the broader war effort in Ukraine?
- Has Makita received directives to issue conscription notices to any of its Russian employees, and how is Makita ensuring its operations and associates in Russia are not complicit in forced military mobilization? How does Makita ensure that its Russian employees are not being pressured to participate in war-related activities or propaganda?
- What internal governance and human rights due diligence frameworks does Makita apply to assess the legality, reputational, and human rights impact of maintaining and expanding operations in Russia?
- Has Makita conducted a fresh human rights impact assessment in the last 12 months that reflects the evolving conflict and risk landscape in Russia and Ukraine? If so, will it publish a summary?
- Is Makita willing to publicly disclose the due diligence process it conducted prior to this decision, including its risk assessment, stakeholder engagement, and final conclusions?

On the point regarding re-entry and continuing risks of operating in Russia, we also refer Makita to the annex below, which outlines the legal, financial, reputational, and human rights risks associated with re-engaging in the Russian market.

We would be pleased to discuss these matters in greater detail and are therefore **inviting you to a meeting**. Should you wish to participate in a meeting with Ukrainian and international civil society representatives, please confirm your availability by **October 10, 2025,** to schedule. Kindly note that after this date, this letter and any responses will be published on the B4Ukraine website.

Sincerely,

The B4Ukraine Coalition

The Risks of Re-Engaging with the Russian Market

Recent speculation about the potential lifting of sanctions, particularly in the United States, has created uncertainty. However, it is clear that the broader sanctions regime remains intact. The United States has for now maintained its restrictions, while the European Union recently approved its seventeenth package of sanctions. Even if some policymakers consider relaxing their stance, the reality remains that the EU, UK, Japan, Canada, and numerous other countries and organisations have imposed sanctions on Russia, making it the most sanctioned country in the world, due to its crime of aggression against its sovereign neighbour.

Further, economic and regulatory conditions in Russia are no longer conducive to stable business operations. Companies re-entering the market would be navigating a landscape of restricted supply chains, financial barriers, and legal uncertainties.

Russia has demonstrated a pattern of malignant and systematic asset seizures, expropriations, and regulatory manipulation, using foreign businesses as leverage in political disputes. According to a study conducted by the London School of Economics, since 2022, over 500 Western firms have seen their assets expropriated under various pretexts, including companies in industries ranging from brewing and consumer goods (e.g., Danone, Carlsberg) to energy (e.g., Uniper, Fortum). The scope of legislation and Russian domestic case law showing the readiness for expropriation has skyrocketed since the start of the full-scale invasion. Businesses looking to re-enter must expect that their assets would meet a similar fate.

These patterns show a blatant disregard for property rights, investor and shareholder rights, and are a general indicator of an authoritarian government. Accordingly, any western business seeking re-entry faces the risk of Kremlin decrees that introduce new fees, taxes, and price controls; limit the repatriation of profits and dividends; restrict asset sales and management decisions; and expropriate private businesses.

The economic outlook in Russia further devalues the case for re-engagement. Interest rates have soared to 21 percent, labour shortages are worsening, and consumer purchasing power has significantly declined. The country's middle class is shrinking, and the infrastructure that once supported international trade and investment has deteriorated.

Russia's own leaders have stated that returning businesses should not expect to be treated on equal footing with local firms. Instead, as confirmed by Vladimir Putin himself, those seeking re-entry would be disadvantaged to ensure the competitiveness of domestic businesses. Many Western brands have already been replaced by domestic or Chinese alternatives, making it difficult, if not impossible, for companies to regain their former market position. Rebuilding operations in such a climate would require substantial financial investment with little certainty of return, naturally concerning investors. Russian policy is confirmed to be favourable towards domestic production and market share.

The Russian legislative framework continues to pose a high risk of business complicity in the war. Under Federal Law No. 31-FZ businesses, including international companies that are operating on a full or limited scale in Russia, are required to conduct military registration of the staff if at least one of the employees is eligible for military service. They must also assist with delivering the military summons to their employees, ensure the delivery of equipment to assembly points or military units, and provide information, buildings, communications, land plots, transport, and other material means of support to the war effort.

Beyond financial and legal risks, reputational risks remain high. Any company that chooses to return to Russia will be seen as disregarding the human cost of the war in Ukraine. Some Russian officials have even suggested that businesses seeking to re-enter should contribute financially to the Russian military or establish operations in occupied Ukrainian territories. These decisions would directly associate a company's name with a government engaged in an ongoing conflict, one that has been widely condemned for violations of international law. Moreover, they could render the company complicit in violations of international law.

It has been over three years since Russia invaded Ukraine, committing the crime of aggression and breaching the UN Charter. Russia is violating international humanitarian and human rights law, committing over 150,000 documented war crimes. In recognition of the severity of abuses, in March 2023 the International Criminal Court issued an arrest warrant for Vladimir Putin to answer charges of war crimes.

As affirmed by international frameworks, in conflict-affected and high-risk areas, businesses are not neutral actors. The company's continued presence in Russia is not passive, but part of the system that enables and sustains Russia's aggressive war against Ukraine.