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29 April 2021

Natacha FOUCARD, Officer-in-Charge Special Procedures Branch Office of the United Nations High Commissioner for Human Rights

Via email: ecroset@ohchr.org

Dear Ms. Foucard et al,

Thank you for your outreach to Marriott International dated 30 March 2021, regarding the Aloft Kathmandu hotel in the Chhaya Center Complex in the tourism district of Thamel in Kathmandu, Nepal. We have been looking into the matter and appreciate the opportunity to respond.

As stated in our Human Rights Policy, Marriott International acknowledges and respects the principles contained in the United Nations Universal Declaration of Human Rights. We are committed to conducting our business in a manner consistent with these principles and the United Nations Guiding Principles on Business and Human Rights and to respecting human rights.

As you may know, Marriott International acquired Starwood Hotels and Resorts in September 2016. The franchise agreement between Starwood Hotels and Resorts and the owners of the Aloft Kathmandu hotel was signed in 2014, predating Marriott International's involvement with the property. Based on the records, it is our understanding that legal due diligence was conducted through outside counsel in Nepal prior to Starwood's commitment to the project. In the legal opinion from counsel in Nepal, the land rights conversion was deemed valid, and the government provided the appropriate permissions to move forward with the project.

Although the initial due diligence process took place prior to our involvement, Marriott is committed to respecting human rights and complying with all local laws in all jurisdictions where we do business. Marriott continues to collaborate with local counsel in Nepal and conduct additional research on this matter. We are aware that there are 12 civil lawsuits and 2 writ petitions involving the conversion of Guthi land into Guthi Raitani Numbari Land, which are currently awaiting a hearing before Nepal's Supreme Court. While do not know whether these lawsuits pertain to the land on which the hotel is built, Marriott will monitor and carefully assess the upcoming Supreme Court decision.

In addition to the above information on the Aloft Kathmandu hotel in the Chhaya Center Complex, we have also provided the additionally requested information in bullet points below.

Marriott implements an ongoing risk management process to identify, prevent, and
mitigate relevant human rights risks globally, including in Nepal. Our internal Human
Rights Council, comprised of global leaders representing multiple business
disciplines, works to proactively drive accountability for the company's human rights
strategy and programming regionally and within business operations. We also work
collaboratively with peers, human rights advocacy groups, and industry associations,
including the Sustainable Hospitality Alliance, to identify and assess relevant human

rights issues that affect the hospitality industry and work collectively to address those issues.

- As mentioned above, the franchise agreement between Starwood Hotels and Resorts and the owners of the Aloft Kathmandu hotel was signed in 2014, predating Marriott International's involvement with the property. Based on the records, it is our understanding that legal due diligence was conducted through outside counsel in Nepal prior to Starwood's commitment to the project and at the time, the legal opinion received by counsel stated that the land rights conversion with respect to this project was valid.
- Marriott has established publicly available <u>Sustainability and Social Impact Goals</u> to guide our future path to making a positive and sustainable impact, support meaningful progress towards the United Nations Sustainable Development Goals, and further our commitment to human rights. One of these goals is to work with our industry to address human rights risks in the construction phase by 2025. We are also in the process of conducting an assessment of our human rights policy and aim to update it within the next year.
- Marriott provides a variety of means, including anonymous channels, to report unethical, abusive, and harassing behavior and potential human rights violations. These channels include Marriott's 24-hour toll-free Business Integrity Line, which is accessible by phone, by email, or online. Marriott does not tolerate any retaliation against individuals who raise concerns in good faith and has policies in place to protect these individuals. As of April 2021, Marriott had not received any concerns related to the development of the Aloft Kathmandu hotel or the Chhaya Center Complex through the Busines Integrity Line.
- At this time, we are monitoring the litigation and the upcoming Supreme Court decision. It is our understanding that the latest date of appearance was scheduled on 18th April 2021, but the matter has been postponed to a further date. We are not aware of when the next date of appearance or hearing is scheduled or whether the litigation involves the land on which the hotel is built. Once a decision is reached, we will carefully assess any impact the decision may have on the Aloft Kathmandu hotel.

We appreciate you bringing this matter to our attention. We will continue to monitor these important issues and give them serious consideration as we await the Supreme Court decision.

Thank you again for your outreach and the opportunity to respond.

Sincerely

Rajee√ Menon President

Asia Pacific excluding Greater China