



# Anti-Corruption Manual

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# 1 | INTRODUCTION

The purpose of this Anti-Corruption Manual is to ensure that team members of the Organising Committee for the Rio 2016 Olympic and Paralympic Games understand the concepts used in the Anti-Corruption Law, and to serve as a guidance tool to avoid violations of this law. All Rio 2016 Committee team members are obliged to read, accept and comply with the anti-corruption guidelines with the support of their managers, as this is a significant responsibility, given the complexity and high risks involved.

Violations of the Anti-Corruption Law may result in major penalties for the Rio 2016 Committee, with consequent liability for its team members and/or representatives.

If they have any questions, team members should ask their immediate manager or the Compliance Department for clarification.

This manual complements the Code of Ethics and Conduct.

## 2 | DEFINITIONS

To facilitate understanding of the Anti-Corruption Law, it is essential for team members to be familiarised with the following definitions:

**Foreign public administration:** state bodies and entities or diplomatic representations of a foreign country, at any level or sphere of government, as well as legal entities directly or indirectly controlled by the public authorities of a foreign country.

**Public administration:** composed of the direct and indirect administration of the federal, state, Federal District and municipal governments, encompassing private legal entities under the control of the public authorities and foundations established or maintained by them.

**Foreign public agent:** person who exercises, even temporarily or without remuneration, a public position, job or function in state bodies or entities, or in diplomatic representations of a foreign country, as well as in legal entities directly or indirectly controlled by the public authorities of a foreign country or in international public organisations.

**Public agent:** all people who exercise - even temporarily or without remuneration, whether through election, appointment, designation, hiring, a contest or any other form of relationship - a mandate, position, job or function in a municipal government, state government, federal government, public body or any government-owned or controlled company (foundations, agencies, public sector companies, etc.)

Examples of public agents:

- Directors and employees of any government entity at a national, state, regional, municipal or local level
- Any individual acting temporarily in an official capacity for or on behalf of any government entity (such as a consultant hired by a government agency)
- Directors and employees of companies in which a government owns a stake
- Candidates for political office at any level, political parties and their representatives

- Directors, employees or official representatives of any international public organisation, such as the World Bank, United Nations and International Monetary Fund

**Harmful acts:** acts performed by legal entities that violate national or foreign public property, the principles of public administration or international commitments assumed by Brazil.

**Public tender:** modality for procuring products and/or services, involving any interested party that proves it has the minimum requirements specified in the tender notice for the execution of its purpose.

**Active corruption:** offer or promise of an improper advantage to a political agent, to induce him/her to perform, omit or delay an official act.

**Passive corruption:** request or receive an improper advantage, for oneself or for others, directly or indirectly, even outside one's function or before assuming it, but because of it, or accept a promise of such an advantage.

**Integrity programme:** "Within the scope of a legal entity, this consists of the set of internal mechanisms and procedures for integrity, audit and encouragement of the reporting of irregularities and the effective application of codes of ethics and conduct, policies and guidelines aimed at detecting and rectifying deviations, fraud, irregularities and illegal acts performed against the national or foreign public administration.<sup>1</sup>"

**Bribery:** consists of the promise, offer, donation or receipt of something of value in exchange for favourable treatment by a company, official authority or public agent. It may be characterised through cash payments or any transfer of tangible or intangible value.

**Improper advantage:** offer/payment of something of value to an authority, politician, public agent or private sector professional, such as money, trips, presents and donations, in order for the person in question to not behave ethically in line with his/her professional duties, to obtain an advantage.

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<sup>1</sup> Definition provided in Decree 8,420 of 18 March 2015, which regulates Anti-Corruption Law 12,846 of 1 August 2013.

## 3 | COMMITMENT AND ENGAGEMENT

All team members who act on behalf of the Rio 2016 Committee are obliged to follow the rules and procedures designed to guarantee compliance with the anti-corruption procedures established in the Code of Ethics and Conduct, as well as in this Anti-Corruption Manual.

Team members' commitment is fundamental for the anti-corruption procedures to be effective. Everyone is responsible for following them in their everyday work.

All team members are responsible for reporting any violations or suspected violations of the anti-corruption commitments taken on by the Rio 2016 Committee, pursuant to item 6.8 of the Code of Ethics and Conduct. If team members know about or suspect any irregularity or violation, they should report it to the Reporting Channel by emailing [compliance@rio2016.com](mailto:compliance@rio2016.com). Whistle-blowers must always identify themselves, but their anonymity and confidentiality may be guaranteed by the Compliance Department.

Retaliations of any kind against team members who report violations in good faith will not be tolerated, under penalty of disciplinary action.

## 4 | SIGNS THAT MAY CHARACTERISE CORRUPTION

There are some examples of signs that may indicate to team members the occurrence of improper advantages or potential undertaking of harmful acts:

- A participant in a deal is widely suspected of being corrupt
- A request is made for an excessive commission payment, to be paid in cash or in an irregular form
- The company is controlled by a public agent or a relative, or has a very close relationship with government bodies
- The company is recommended by a public agent and/or refuses to include references to anti-corruption measures in contracts.

## 5 | VIOLATIONS AND APPLICABLE PENALTIES

The Rio 2016 Committee may be held liable, in the administrative and civil spheres, for harmful acts performed in its interest or on its benefit, exclusively or otherwise.

The Rio 2016 Committee's liability does not waive the individual liability of its leaders or administrators or of any individual who authors, co-authors or participates in an illegal act, although the Rio 2016 Committee will be held liable regardless of the individual accountability of such persons.

Violations of anti-corruption procedures may result in severe administrative, civil and criminal penalties, applied in isolation or cumulatively, as follows:

a) For team members:

- Informal warning (only for mild compliance violations)

- Formal warning
- Termination (with or without cause)

b) For the organisation:

- Application of a fine, ranging from 1% to 15% of gross revenue - in the case of the Rio 2016 Committee, calculated based on the total sum of resources received in the year when the harmful act occurred
- Widespread disclosure of the decision in communication media, including on the website of the punished company, posing a severe reputational risk for the Rio 2016 Committee

Note that the application of penalties does not waive, under any circumstances, the obligation to fully compensate for the damage caused.

It is important to clarify that the existence of an Integrity Programme in place at an institution is the largest factor reducing the applicable percentage fine, by up to four per cent.



## 6 | MEASURES TAKEN BY THE RIO 2016 COMMITTEE TO AVOID CONDUCT INTERPRETED AS CORRUPTION

- Distribution of this Anti-Corruption Manual among all its team members, as well as the Code of Ethics and Conduct, which are provided to promote knowledge and application of the values advocated and practised by the organisation
- Provision of a direct communication channel, maintaining secrecy and confidentiality, through the Compliance area, to answer queries and receive allegations and suggestions
- Establishment of internal policies, delineating permitted and prohibited conduct, such as the Gift and Hospitality Policy
- The internal audit area has the additional mission of monitoring and inspecting compliance with the Anti-Corruption Manual; these tasks must be incorporated into its routine work and, if necessary, this verification should be extended to third parties
- All contracts entered into between the Rio 2016 Committee and any other company, aimed at acquiring services, equipment or any other product, must include a clause to combat corruption and harmful acts against the national and foreign public administration
- The Rio 2016 Committee does not authorise spending or events involving the public administration or public agents beyond the spending that would be usual
- The Rio 2016 Committee uses ethical criteria in selecting its suppliers, such as public tenders with previously defined requirements, in order to guarantee equality in the process of selecting from among potential bidders

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Rio 2016 Organising Committee for the  
Olympic and Paralympic Games

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