

London Organising Committee of the Olympic Games and Paralympic Games Limited (the "Company")

Code of Practice on Gifts and Gratuities (the "Code")

1. Introduction

Purpose

The purpose of the Code is to ensure that we are impartial, and are perceived to be impartial, in our decision making. The Code protects the reputation of the Company and of each individual acting for the Company. It implements requirements of the International Olympic Committee Code of Ethics, to which we are subject, and demonstrates the Company's commitment to maintaining the highest levels of integrity, one of our core values. The Code is administered by the Ethical Compliance Officer ("**ECO**"), but responsibility for maintaining the Company's reputation ultimately rests with each of us. You must comply with the Code in considering the giving or receiving of any gift or gratuity (see below) and if it should be declared.

Scope

For the purpose of this Code "**Gratuity**" means any payment, rebate, discount, commission, voucher, gift, entertainment, hospitality, service or other benefit of any nature.

The Code sets out the Company's standards and procedures relating to the receipt and giving of any Gratuity by an individual working for and representing the Company which includes all executive directors, employees, consultants, secondees, agents and volunteers, referred to in this document as "**Staff**" or "**Staff Members**".

By its nature the Company and its Staff will attract great interest from third parties involved with the staging of the 2012 Olympic and Paralympic Games (the "**Games**"). There are certain to be opportunities for these third parties to influence the decision making process of the Company or its Staff by their offer of Gratuities.

Equally, the same principles apply to the giving of Gratuities. The Company will be seeking to elicit responses from stakeholders and other interested parties including governmental bodies, sporting organisations, sponsors and suppliers and must use only proper means to achieve desired results.

2. The Gratuity Rules

Staff are not permitted to accept or to give a Gratuity which meets either of the following two tests without the advance consent of the ECO:

Rule 1 The Gratuity is inappropriately lavish and/or disproportionate.

You may give or accept only items of nominal value, in accordance with local customs. Before you give anything, and immediately after receiving anything, you must inform your manager, who will decide whether the Gratuity should be declared to the ECO. Although normal corporate hospitality and meals generally will not be considered lavish, and therefore generally will not require declaration to the ECO, anything valued at over £100 will be presumed to be lavish, including extravagant entertainment, free air travel and overnight accommodation, and should be declared to the ECO before giving or receiving.

Rule 2 The Gratuity is intended either overtly or otherwise to influence (i) the Staff Member's or (ii) the third party's decision making in respect of any Company business.

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In deciding whether or not a Gratuity meets this definition, you must consider whether its offer or receipt would be perceived as influential. Any Gratuity meeting this definition must be reported to your manager and also must be declared to the ECO.

When a Gratuity is declared to the ECO, she will determine, at her sole discretion, whether or not the Gratuity can be accepted (or retained) or given. If the ECO determines that a Gratuity cannot be retained by the Staff Member, she will also determine, how it should be handled, for example whether it should be returned to the sender, held by the Company, or donated to charity.

In the case of the ECO giving or receiving a Gratuity, she must declare any such Gratuity to the Chief Executive Officer of the Company who will determine how it is to be handled.

Staff must be aware that giving to governmental bodies or political parties is always an area of concern, and in all cases, regardless of the value of the Gratuity, must be reported to the manager and declared to and approved in advance by the ECO.

Failure to comply with the Code and to accurately report and if necessary declare a Gratuity will be treated very seriously by the Company and may constitute an actionable offence.

3. Guidelines and Examples

To assist Staff in determining what constitutes a Gratuity which must be declared to the ECO, we have set out below some examples of situations where the Gratuity should be declared as well as some examples where this will not be considered necessary.

In cases of doubt, a Gratuity should always be declared to the ECO.

Examples of Gratuities which must be declared:

- A Staff member is invited by Potential Sponsor Limited to an all expenses paid trip to Las Vegas to attend a gala dinner. **Must be declared as fails the appropriate and proportionality test.**
- A senior Staff Member of the Venues and Infrastructure department is invited by Manchester United Football Club to attend an all-inclusive trip to the club to meet the players. **Must be declared as this may influence a decision regarding venues.**
- A stationery supplier seeking to be appointed as the Company's supplier offers to provide a member of the Facilities Team with free wedding invitations for a Staff Member's pending wedding. **Must be declared as the Gratuity is for a member of the Facilities Team which is in charge of making the decision about this piece of business and may therefore be influenced.**
- A Staff Member working closely with a particular games venue which also hosts concerts knows that he can get free tickets to a Madonna concert by asking his venue contact for them. **Should he wish to take advantage of this, he must declare the intended request and seek approval from the ECO as it may influence (or be perceived to influence) the Staff Member's decisions relating to the venue.**
- The route for the torch relay could be simplified if it were allowed to cross a particular bridge in a borough. However this means the borough has to

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consider health and safety issues in respect of the bridge, which may delay approval of the route. In an attempt to expedite the approval the Staff Member responsible for determining the route offers the health and safety commission of the relevant borough the opportunity of free gifts from the Company's sponsors. **Must first declare the proposed Gratuity as it is intended to influence the borough's decision (or at least the timing of the decision).**

- Other examples of the offer of Gratuities to a third party by a Staff Member which should be declared in advance to the ECO include extending invitations to entertainment or meals to representatives of commercial organisations from which the Company is seeking price concessions, or to representatives of governmental bodies from which the Company is seeking an interpretation of laws or rules.

In all of these examples the Staff Member must inform his/her manager and declare the Gratuity to the ECO, and provide whatever additional information is relevant to determining whether the Gratuity can be accepted or given.

Examples of Gratuities which should be reported to your manager but generally do not need to be declared to the ECO:

- Meals, tickets to theatre, concerts, sporting events and customary corporate events involving day outings as a group;
- Items of nominal value such as flowers, chocolates or promotional merchandising from existing or potential suppliers. However, even items of nominal value from companies competing with the Company's actual or potential sponsors and TOP sponsors may be problematic and should be declared to the ECO; and
- Items of nominal value from sports federations or national governing bodies e.g. Amateur Rowing Association offering free jumpers to Company Staff.

How to Contact the ECO

The Company's ECO is Terry Miller. She is located on the 23rd floor and can be reached on extension 2145 or by email to terry.miller@london2012.com.