

**CONFLICT OF INTEREST, ANTI BRIBERY  
&  
CORRUPTION POLICY**

## CONFLICT OF INTEREST, ANTI BRIBERY & CORRUPTION

**Effat University**

**EU Policy #: SDG 0002**

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### POLICY STATEMENT

Effat University is dedicated to conducting all its academic, administrative, and commercial operations in a law-abiding and ethical manner avoiding any conflict of interest and will not tolerate acts of bribery or corruption by administrative staff, academic staff, management, students, or its associates in any jurisdictions. All stakeholders must comply with the provisions of this policy.

Any violations to this policy will be treated seriously and will be investigated following the procedures set out in Effat University Code of Ethical Conduct. The University reserves the right to terminate its contractual arrangements with any third-party providing services for or on behalf of the University where there is reasonable evidence that they/their staff have committed an act that violates this policy.

#### **Purpose**

This policy sets out the requirements and standards of behavior required across the university, including but not limited to administrative staff, academic staff, management, students, or its associates in any jurisdictions.

This policy provides a framework, but cannot describe every situation, law or policy that may apply. Where the policy sets higher standards of behavior than local laws, rules, customs or norms, the higher standards are applied. Employees need to exercise good judgement, justify each action, and try to prevent any potential breach to this policy and applicable laws, rules, or standards.

This policy encourages all university administrative staff, academic staff, management, and students to be vigilant and to report any suspicion of conflict of interest, bribery, or corruption, providing them with suitable channels of communication. Effat University employees, faculty and associates are encouraged to observe compliance of this policy by their subordinates and report any forms of breach of this policy to the concerned ethical committee.

#### **Scope**

The purpose of this policy is:

- To set a framework under which the University may operate while avoiding situations which may constitute conflict of interest, nepotism, bribery, and corruption. This policy provides a framework, but cannot describe every situation, law or policy that may apply. Where the policy sets higher standards of behavior than local laws, rules, customs or norms, the higher standards are applied.
- To set the requirements and standards of behavior required across the university, including but not limited to administrative staff, academic staff, management, students, or its associates in any jurisdictions.
- To encourage all university administrative staff, academic staff, management, and students to be vigilant and to report any suspicion of bribery or corruption, providing them with suitable channels of communication.

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- To encourage Effat University employees, faculty and associates to observe compliance of this policy by their subordinates and report any forms of breach of this policy to the concerned ethical committee.

### Responsible Party

Office of President, Office of the Provost, Legal Affairs Office, Higher Ethical Committees.

### Additional Authority:

University Council, Board of Trustees, Ministry of Higher Education, King Faisal Foundation, or other government agencies.

## POLICY & PROCEDURES

### Introduction

In line with Effat University core values and pillars of seeking (أمانة Amanah) ethics and integrity for an effective non-profit management, ethical code of conduct and the principles supporting this policy, the University should put all measures to handle conflict of interest, corruption, and bribery cases. Beforehand, the University shall have the power to prevent all kinds of conflict of interest, corruption and bribery that may damage the reputation of the University.

### Definitions

In the present policy, the following expressions mean:

- **Conflict of Interest:** A conflict of interest occurs when an entity or individual becomes unreliable because of a clash between personal (or self-serving) interests and professional duties or responsibilities.
- **Bribery:** The act of corruptly authorizing, giving, agreeing to give, promising, offering, soliciting, receiving, or agreeing to receive any Gratification, in exchange for some form of benefit and/or detriment to another person.
- **Corruption:** An act of giving or receiving of any Gratification or reward in the form of cash or in kind of high value for performing task(s) in relation to his/her job description.
- **Immediate Family:** Spouse or son, daughter. However, the 'close personal relationship' giving rise to an interest could extend to the following: parent, brother, sister, grandparent, grandchild, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, the (unrelated) child of a married partner, as well as half and step members of family.
- **Personal Financial Benefits:** Anything of monetary value, including salary, commissions, fees, honoraria, equity interests, interests in real or personal property, dividends, royalty, rent, capital gains, intellectual property rights, and forgiveness of debt.
- **Nepotism:** Favoritism given to a relative in a transaction undertaken on behalf of the University.
- **Relative:** The spouse, as well as the father, mother, brother, sister, son, daughter, nephew, or niece, uncle, or aunt of a person covered by this policy, as well as those of his/her spouse.
- **Associate:** A business partner or other person who shares, either directly or indirectly, a business interest with a person covered by this policy.
- **Gift:** This comprises of cash money, free fares, shares, lottery tickets, travelling facilities, entertainment expenses, services, club membership, any form of commission, hampers, jewelry, decorative items and any item that can be considered of high value for the purpose of inducements

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or reward to or from any party for doing or forbearing to do any act in relation to the principal affairs of Effat University.

### A. Principles of the Policy

- Effat University employees shall not use their university position to threaten or request certain benefits or secure personal financial benefits for themselves or any member of their immediate family.
- No member of Effat University may, directly or indirectly, or through a relative or an associate, have any interest in any contract (including employment contracts) with the University, derive any advantage there from, accept any gift, remuneration, or promise in connection with his/her duties.
- No employee shall sign on behalf of the University a contract, which will benefit, directly or indirectly, either a relative or associate of that person. The president of the university shall sign all contracts.
- No bribes or facilitation payment shall be offered, given, promised, paid, requested, or accepted in any form by any member of the university.
- No gift or hospitality to a third party shall be offered, promised, paid in the expectation of getting any kind of advantage in return by any member of the university.

### A. CONFLICT OF INTEREST: Conflict of interest may be financial, non-financial or both.

1. **Financial conflict of interest** means anything that has monetary value, including but not limited to:

- Payments.
- Benefits in kind.
- Hospitality and/or gifts.
- Forgiveness of debt.
- Discounts, bonuses, or other favorable contract terms.
- Equity interests (e.g. stocks, stock options or other ownership interests).
- Intellectual property rights (e.g. patents, copyrights, and royalties from such rights).

2. **Non-financial conflict of interest** means anything that could be perceived to come into conflict with a member of staff or student's duties, obligations, or commitments to the University. Such non-financial interests may include, but not limited to:

- Any benefit or advantage, including, direct or indirect enhancement of an individual's career or education, or gain to immediate family (or a person with whom the person has a close personal relationship).
- To assist the assessment of situations at the stage of applying for a research grant, or negotiating a contract, the University requires researchers to clarify whether they have any personal interest (shareholding, consultancy, directorship, etc.) in relation to the proposed sponsor.
- Student receiving support from a company in which their supervisor has a financial interest, or where the outcomes of the research are related to the activities of such a company; the student and their supervisor must disclose the conflict to both the Chair

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of Department and the Dean of College for review and approval of a conflict-of-interest plan/approach.

### **B. BRIBERY AND CORRUPTION**

Bribery is defined as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so, to gain an advantage, whether personal or commercial. The following acts are classified as bribery and therefore illegal:

1. Offer, promise or give a bribe.
2. Request or agree to receive or accept a bribe.
3. Bribe a foreign public official to obtain or retain business, or a business advantage.
4. Small payments to officials to facilitate routine Government business, known as facilitation payments.
5. Fail to prevent bribery on behalf of an organization.

All Associated Persons within Effat University are strictly prohibited (whether directly or indirectly) from participating in or encouraging the participation in bribery, blackmail, extortion, inducements, distribution or channeling of secret commissions, money laundering and other similar forms of misconduct.

### **C. DONATIONS, SPONSORSHIPS, GIFTS AND HOSPITALITY**

1. Effat University as a non-Profit University allows charitable donations and sponsorships for legitimate reasons and as permitted by its Charter and in compliance with existing laws and regulations of the Kingdom of Saudi Arabia. However, it is strictly prohibited to give and receive donations and sponsorships to influence business decisions.
2. Effat University may give corporate gifts, bearing the university's logo/ identity and of nominal value for the purposes of promotions/ branding/ marketing, subject to approval according to the authority limits specified below:
  - a) They are limited, customary and clearly as an act of appreciation or common courtesy associated with festive seasons.
  - b) There shall be no expectation of any specific favor or improper advantages from the intended recipients.
  - c) There shall not be any corrupt/ criminal intent involved; and the giving out of the gift and hospitality shall be done in an open and transparent manner.

### **D. PROCEDURES FOR HANDLING POLICY VIOLATIONS.**

It is the duty of every member of staff or student to disclose any conflict of interest or any circumstances that might reasonably give rise to the perception of conflict of interest, bribery, or corruption.

#### **1. Reporting and Incident.**

- a) Incidents of violations of Effat University Code of Ethical Conduct are reported directly to the respective ethics committee, the University Ethics Higher Committee, the

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President, the Provost, Unit head or received through an anonymous email or a phone call.

- b) When the information reported discloses reasonable and probable grounds to believe that the member has committed an act of professional or ethical misconduct. The ethics committee may initiate an investigation.

### **2. Notification Process.**

- a) The Ethics Committee concerned orders the offender (i.e. faculty, researcher, staff, or student) through one of the accepted methods to attend a disciplinary interview/hearings:
- Telephone call witnessed by other members of the committee,
  - Email
  - SMS
  - Express Mail
  - Verbal Message witnessed by other members of the committee.
- b) The offender's presence is mandatory to the validity of the notification. However, in cases of no show despite a maximum of three notifications with at least 24 hours break between each, the committee's recommendation is considered final without further hearing.

### **3. Disciplinary Proceeding and Resolution**

The disciplinary proceeding recommended by the respective ethics committee is considered final once approved by the Higher Ethics Committee and endorsed by the University President. The disciplinary proceeding may result in one or more of the following actions (applicable to Effat University employees and students):

- Reprimand
- Warning to apply more severe penalty.
- Salary deduction.
- Deprivation for award or promotion for one academic year.
- Suspension for a period not exceeding three calendar months.
- Termination of service with payment of end of service bonus.
- Termination of service with deprivation of end of service bonus