

Human Resources Policy

4XHub Ltd

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VERSION CONTROL

Version Number	Date Updated	Notes
1	August 2021	Original document prepared and finalised in consultation with Sophie Grace Pty Ltd.
2	November 2021	Modified 4XHUB Ltd. (Labuan)
3	November 2022	Revised by Marcus Tan & Co. for Labuan

SECTION A – INTRODUCTION

1. INTRODUCTION

- 1.1 As part of 4XHub Pty Ltd's ("**4XHub**") process to ensure that it continues to maintain the highest levels of professional integrity and ethical conduct, 4XHub has adopted this Human Resources Policy ("**Policy**").
- 1.2 4XHub has one (1) Responsible Manager ("**RM**"), Tee How Yee. The RM is responsible for making significant decisions on a day-to-day basis in respect of the provision of financial services to clients of 4XHub.
- 1.3 In line with business practices, the RM may delegate some functions to appropriately trained staff. This delegation does not absolve the RM from their responsibilities. Where functions are delegated, there must be a direct reporting line to the RM. The RM must have enough time available on a day-to-day basis to have direct responsibility for making decisions regarding 4XHub's provision of financial services.
- 1.4 Should the size, nature or direction of the financial services business of 4XHub change, it is understood additional RMs may need to be appointed.
- 1.5 It is the responsibility of Senior Management to ensure that this Policy is communicated to and implemented by all RMs and Employees of 4XHub.

2. WHEN DOES THIS POLICY APPLY?

- 2.1 This Policy applies to all RMs, directors, officers and Employees of 4XHub at all times, and the requirements remain in force on an ongoing basis.

3. DEFINITIONS

- 3.1 **4XHub** means 4XHub Ltd and any related bodies corporate that might exist from time to time.
- 3.2 **Employee** means any 4XHub employees, representatives, officers or directors.
- 3.3 **Representative** means any 4XHub Employee who:
 - (a) provides advice or deals in the financial products authorised under 4XHub's LFSA;
- 3.4 **Responsible Manager** means any individual nominated on 4XHub's LFSA as being responsible for significant day-to-day decisions about 4XHub's financial services business.

SECTION B – HR MANAGEMENT

4. RECRUITMENT

- 4.1 4XHub's recruitment activities are based on the current and future needs of the business when considering the nature, scope and complexity of its operations.
- 4.2 To ensure appropriate candidate selection, the Board of Directors must prepare a detailed job description, noting any specifications for candidature and whether any internal candidates are appropriate. The Board of Directors sets the remuneration level and decides on the appropriate

selection method, that is, whether the recruitment process is to be handled directly or through a recruitment agency. The Board of Directors also sets a timeline allocating deadlines for the completion of relevant recruitment activities.

- 4.3 4XHub considers multiple appropriate candidates, both internally and externally, to ensure the most appropriate fit for the role. Candidate selection is transparent and fair to all parties. All vacant positions are listed on the 4XHub website and candidate details are kept securely on file should a suitable opportunity arise.
- 4.4 This screening process for new Employees involves a series of background checks which includes the following:
 - (a) Assessing educational qualifications relevant to the services provided by 4XHub;
 - (b) Assessing work history relevant to the services being provided by 4XHub;
 - (c) Signing of a personal good fame and character and conflicts of interest declaration;
 - (d) Police Check;
 - (e) Credit/Bankruptcy Check; and
 - (f) Independent Reference Check.

5. INDUCTION

- 5.1 The Board of Directors ensures that *all* new Employees undertake thorough induction training. All new Employees receive a copy of this Policy and 4XHub's compliance procedures.
- 5.2 Induction training covers Employee responsibilities and obligations to 4XHub, including:
 - (a) general rules;
 - (b) expected standards of conduct; and
 - (c) 4XHub's procedures.
- 5.3 Any operational issues, including 4XHub's reporting lines and compliance obligations are also outlined in the induction training. Reference is made to 4XHub's internal operation policies and procedures.

6. SUCCESSION AND KEY PERSON CONTINGENCY PLAN

- 6.1 4XHub has a succession and key person contingency plan that ensures it has access to appropriately skilled human resources at all times. This plan is supplemented by:
 - (a) Conducting reviews and assessments of key person risks, and conducting scenario analysis to test and manage responses to high-risk events;
 - (b) Mapping process and organisational responsibilities to staff, reviewing gaps and analysing risks, training and up-skilling staff to mitigate identified gaps and risks;

- (c) Identifying the organisation's future leaders and putting in place suitable development plans for these staff;
- (d) Having training plans in place for all Employees who provide advice and dealing services to broaden their knowledge and understanding of the key business operations and risks;
- (e) 4XHub's executive team operates as a tight knit, inclusive team that works collaboratively on all strategic and business critical matters such that organisational knowledge and know-how is evenly distributed across the team and concentrations of knowledge are minimised; and
- (f) Having the financial resources or key person insurance arrangements in place to ensure that contingency funding available for the recruitment or contracting of senior executives at short notice (as required).

7. REDUNDANCY

7.1 4XHub has systems and processes in place for staff retrenchment and redundancy. 4XHub, in conjunction with its external legal advisors, manages all labour relations in a way that is consistent with the law in Malaysia and Labuan.

8. PERFORMANCE MANAGEMENT

8.1 Performance management is an important tool to assess the quantity and quality of work undertaken by all Employees. Formal performance reviews are undertaken by the Board of Directors and RM on an annual basis for all Employees and form the basis for their training plan in the year ahead. The review also forms the basis for recognition awards and bonuses that are paid in addition to salary.

8.2 4XHub uses performance reviews to assess daily performance and compliance relative to an Employee's job description. Elements covered in the review are:

- (a) skills and knowledge;
- (b) personal attributes;
- (c) degree of application, desire to perform;
- (d) performance against set objectives and results, including the Employee's training plan;
- (e) required level of supervision;
- (f) job structure and career development;
- (g) required resources and training;
- (h) satisfaction with working environment; and
- (i) behaviour on the job and behaviour with colleagues.

8.3 Comments are formally recorded on the Employee's file and provide constructive criticism and feedback on performance and on the progress of Employee training. Feedback is also sought

from Employees on their perspective of their performance and 4XHub's ability to meet expectations as an Employee.

- 8.4 In the event that disciplinary action is required due to unsatisfactory performance or non-compliance, 4XHub takes immediate steps to address the issue. This stops further non-compliant behaviour occurring and act as a deterrent to other Employees.

9. MONITORING AND REVIEW OF HUMAN RESOURCES

- 9.1 The Board of Directors must endeavour to ensure 4XHub has an adequate number of trained Representatives and Employees to operate its financial services business.

- 9.2 To monitor the adequacy of its human resources, 4XHub uses the following indicators:

- (a) customer complaints about the quality of customer service or financial product advice;
- (b) customer churn rates;
- (c) the ratio of compliance staff to Representatives;
- (d) monitoring of an absent Employee's client accounts and interests; and
- (e) the number of inexperienced Employees or vacant positions.

- 9.3 4XHub aims to maintain a low level of Employee turnover by conducting detailed exit interviews to review the role and assess the reasons for departure. The workload of all Employees is regularly assessed and performance management, recruitment and succession plans, training plans and retrenchment and redundant processes measures are in place to ensure that 4XHub can meet any anticipated future operational needs.

- 9.4 Where possible, 4XHub ensures that there is more than one person with the appropriate skills and training to carry out the functions and duties of key personnel in the event key personnel are unexpectedly unavailable.

- 9.5 4XHub has adopted a Risk Management Policy which outlines the operational risks and management strategies in place to monitor the adequacy of its human resources.

10. REVIEW PROCESS

- 10.1 This Policy is reviewed regularly by the Compliance Officer, in conjunction with an external compliance consultant, having regard to the changing circumstances of 4XHub, any relevant regulatory changes and to ensure that 4XHub continues to maintain adequate human resources.

- 10.2 Any changes to this Policy are advised to all Employees at the time. Where necessary, any gap training that needs to be undertaken to reflect the change in circumstances is provided shortly afterwards.

SECTION C – CONCLUSION

11. POLICY BREACHES

- 11.1 Breaches of this Policy may lead to disciplinary action being taken against the relevant party, including dismissal in serious cases.
- 11.2 Employees receive internal training on compliance and their regulatory obligations. Employees are also encouraged to respond appropriately to and report all breaches of the law and other incidents of non-compliance, including 4XHub's policies in accordance with 4XHub's Breaches and Incidents Reporting Policy.

12. RETENTION OF FORMS

- 12.1 The Compliance Officer retains the completed forms for seven (7) years in accordance with 4XHub's Document Retention Policy. The completed forms are retained for future reference and review.
- 12.2 As part of their training, all Employees are made aware of the need to practice thorough and up to date record keeping, not only as a way of meeting 4XHub's compliance obligations, but as a way of minimising risk.
- 12.3 All Employees must notify the Compliance Officer when their personal details change to ensure an accurate and current record of Employee details.

Issued by 4XHub Ltd

November 2022