

Customer Complaints

At Nomura Bank (Luxembourg) S.A. (hereafter NBL) we consider that conducting our business in line with the highest level of professional integrity and honesty is crucial. While NBL makes all the possible efforts to conduct its business in a manner that avoids Customer complaints, these may occur. Basic professional ethics require that all complaints received by NBL are treated systematically, objectively, fairly and within an appropriate timeframe.

A Customer complaint is defined as a written document expressing either dissatisfaction with NBL's general level of service and/or recurring service issue. The complaint must be filed with the NBL in writing, by post, fax or e-mail. The complaint shall be addressed to the Compliance Department (or alternatively to the Client's usual NBL business contacts) at:

Nomura Bank (Luxembourg) S.A.
Att.: Compliance Department
Building A - 33, rue de Gasperich
L-5826 Hesperange - Luxembourg
Fax: +(352) 463 333
Email: Dept_CustomerComplaints@lu.nomura.com

NBL commits to acknowledge the receipt of the Customer complaint towards the complainant in writing within ten business days. NBL will also ensure that each complainant is informed of the name and contact details of the person in charge of his/her file. The resolution of the Customer complaint shall not exceed one month from the date of receipt of the complaint unless the plaintiff would be informed in the meantime and in writing of the causes of the delay and the date at which the examination is likely to be achieved.

Contacting the Commission de Surveillance du Secteur Financier ("CSSF")

Prior to submitting a complaint to the CSSF, the Customer is requested to contact NBL first which will deal with the complaint as described above. In case the complainant has not received an answer or a satisfactory answer from NBL within one month, he/she can contact the CSSF which will request the response received from NBL to assess the appropriateness of its eventual further involvement.

Where the CSSF is in possession of what it considers to be a complete and admissible file, it will set out a reasoned opinion. The CSSF addresses a conclusion letter to both parties, including the statement of reasons for the position taken. Given that the reasoned conclusions of the CSSF are not binding, the parties are free to accept or refuse to follow them. If one of the parties to a Customer complaint has referred the case to a competent Court, the CSSF will cease its involvement.

Conflicts of Interest

Every aspect of Nomura Bank (Luxembourg) S.A. (hereafter NBL) business has to be conducted in a fair, lawful and ethical manner. Assuming that conflicts of interest may nevertheless arise/remain during the course of NBL's activities, NBL has adopted a policy defining how to identify, report, manage and, if relevant, disclose conflicts of interest pursuant to the regulatory provisions on Client protection.

In principle, the following situations can generate conflicts of interest:

- NBL is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- NBL has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome;
- NBL has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the Client;
- NBL carries on the same business as the Client;
- NBL receives from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

In order to minimise the potential of conflicts of interest, NBL has:

- defined a clear and consistent organisational and operational structure including decision-making powers, reporting and functional links and segregation of duties which are clearly defined, transparent, consistent, complete and free from conflicts of interest;
- adopted a remuneration policy which ensures that there is no direct link between, on the one hand, the remuneration of relevant persons principally engaged in one activity and, on the other hand, the remuneration of or revenues generated by different relevant persons principally engaged in another activity, where the activities in question may give rise to a conflict of interest;
- set up a set of administrative procedures (and physical barriers where necessary) which separates the activities of different areas within NBL and which controls the flow of inside information between persons engaged in activities involving a risk of a conflict of interest;
- set up measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest;
- set up the separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of NBL;
- set up measures to prevent or restrict any person from exercising inappropriate influence over the way in which a relevant person provides investment or ancillary services or carries out investment activities;
- set up measures to ensure full segregation between Bank's operations and controls;
- set up measures to ensure separation between own account transactions and those for its clients.

NBL has defined an escalation channel which has to be followed to inform the relevant persons of any actual or potential conflicts of interest. The person exposed to the conflict shall not participate in any decision or action causing the conflict of interest.

Where the organisational and administrative provisions that have been taken are not sufficient to ensure that the interests of the clients are not damaged, NBL will, before acting on behalf of the Client, disclose to the latter the nature, and, where applicable, the source of the remaining conflict of interest.

Data Protection

Nomura Bank (Luxembourg) S.A. (hereafter NBL) is committed to protect the confidentiality, integrity and availability of information. A dedicated policy has been adopted to ensure that personal data is processed only for specific purpose and in compliance with the applicable laws. Access to personal data is granted solely on a need-to-know-basis to those persons whose function and responsibility requires access to such personal data.

Personal data is processed provided that:

- The process is legitimate and permitted by the applicable Law or the data owner has given his former consent; and
- The goal of the processing is clear, strictly limited in scope and determined in advance; and
- Loyalty and transparency towards the data subject regarding the registration, use and transmission of their personal data is ensured; and
- Prior declaration of the processes is made towards the Luxembourg Data Protection Authority if applicable; and
- Security and confidentiality measures are taken to protect the personal data processed.

Subject to the applicable law, the following reasons typically trigger the processing of personal data:

- Processing is necessary for the execution of a contract which the data subject is party to or for taking the necessary steps prior to entering into a contract at the request of the data subject; or
- Processing is necessary for compliance with legal obligations which NBL is subject to; or
- Processing is necessary in order to protect the vital interests of the data subject; or
- Processing is necessary for the purpose of the legitimate interests pursued by NBL or by the third party to whom the data are disclosed (under strict conditions), except where such interests are overridden by the interests for fundamental rights and freedoms of the data subject recognized by applicable law.

Appropriate technical and organisational security measures have been implemented to ensure that personal data remains confidential and protected against accidental, unauthorized or unlawful destruction, loss, alteration, disclosure or access, in compliance with the security requirements of applicable laws.

Voice recording

In accordance with Luxembourg Data Protection Law of 2 August 2002 as amended, some outgoing and incoming phone calls placed/received from/by NBL are recorded. This measure aims at:

- Further enhancing the quality of our service;
- Recording scrupulously any incoming request;
- Evidencing certain transactions related instructions/confirmations.

NBL ensures that the phone conversation records are held on its systems which are secure to guard against any unauthorized or unlawful processing or accidental loss, destruction or damage. The processing of the data has been subject to a prior disclosure and authorisation by the Luxembourg Data Protection Authority.

Governance and Remuneration

This Disclosure is made in line with the EU Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("CRD IV Directive").

Governance arrangements

The Board of Directors of Nomura Bank (Luxembourg) S.A. (hereafter NBL) has established a Governance Policy in accordance with the Articles of Incorporation of the Bank and in line with the legal and regulatory requirements applicable to the Bank. The Governance Policy provides clarification of responsibilities between the different Governing bodies in the Bank, it enhances decision making process and it emphasizes the accountability of different decision makers. It also establishes rules to (re-)assess the suitability of key function holders.

The Board of Directors is responsible for the overall supervision of the Bank's activities and it is constituted as NBL's ultimate decision-making and management body. It ensures the execution of activities and preserves business continuity by way of sound central administration and internal governance arrangements. Each member of the Board has appropriate professional skills (knowledge, understanding and experience), personal qualities and good professional standing to enable him/her to properly perform the mandate. The Board of Directors as a whole has appropriate skills with regard to the nature, scale and complexity of the activities and the organization of the Bank, fully understands all activities, economic and regulatory environment and the organizational structure of the Bank. The governing principles are the commitment, availability, objectivity, critical thinking and independence.

Authorised Managers are jointly liable for the management of NBL. Together they form the Executive Committee which serves as a forum for the Authorised Managers to meet and ensure the effective, sound and prudent day-to-day business (and inherent risks) management. The role of the Executive Committee is to effectively determine the business direction in line with the strategies and guidelines laid down by the Board and in compliance with existing regulations.

Remuneration

The Board of Directors of NBL has defined the Remuneration Policy which promotes sound and effective risk management and does not induce excessive risk-taking. The aforementioned Policy strives to support NBL's business, risk, and Human Resources strategies. NBL's objectives are related to quality aspects reflecting its mission to deliver the best possible administrative services to its Clients.

NBL has a conservative approach about risk taking and does not positively consider individual risk taking in link with performance (and resulting potential rewards) while preferring encouraging proper risk management as defined in individual job description and/or departments' roles and mission.

Compensation decisions at NBL are based on merit (set of technical, behavioural and social skills which enable the staff member to perform work) reflecting the individuals' performance during the past year. At NBL no individual has any financial target figures set in his/her objectives as the basis for the annual performance appraisal.

Formal Compensation Committees at both European and Global level are in place. These Committees approve Group Compensation policies. They review any variable remuneration decisions on business division, regional and individual basis. At NBL, the local Compensation Committee is responsible for the proper supervision of all compensation decisions for all local staff, based on the annual review of individual's performance, the available market reference data on compensation and any further Human Resources related information.