



Shareholder Rights Directive II

The Shareholder Rights Directive II (“SRD II” or the “Directive”) aims to improve stewardship and corporate governance by firms, including full scope Alternative Investment Fund Managers that invest in shares on a regulated market in the EEA, as well as ‘comparable’ markets situated outside the EEA. Under the Financial Conduct Authority’s Code of Business Sourcebook (“COBS”) COBS 2.2.B.5R, Mudita Advisors LLP (“the Firm”) is required to:

- Develop and publicly disclose an engagement policy that meets the requirements of COBS 2.2B.6R; and
- Publicly disclose on an annual basis how our engagement policy has been implemented in a way that meets the requirements of COBS 2.2B.7R; or
- Publicly disclose why we have chosen not to comply.

The engagement policy must describe how we:

- Integrate shareholder engagement in our investment strategy.
- Monitor investee companies on relevant matters, including:
 - Strategy;
 - Financial and non-financial performance and risk;
 - Capital structure; and
 - Social and environmental impact and corporate governance.
- Conduct dialogues with investee companies.
- Exercise voting rights and other rights attached to shares.
- Cooperate with other shareholders.
- Communicate with relevant stakeholders of the investee companies.
- Manage actual and potential conflicts of interest in relation to our engagement.

On an annual basis the firm must disclose a general description of voting behaviour, an explanation of the most significant votes and reporting on the use of the services of proxy advisors. The disclosure must include details of how votes have been cast, unless they are insignificant to the subject matter of the vote or to the size of the holding in the company.

The Firm supports the aims of the SRD II, takes a long-term approach to equity ownership and exercises its voting rights accordingly. However, the Firm has decided that it will not comply with the Directive at this time because the Firm’s investment strategy is concentrated and public disclosure of its approach and the businesses in which it holds an equity interest would be detrimental to the Firm’s clients. The approach of the Firm in relation to engagement with issues and their management is determined globally. The Firm takes a consistent approach to engagement with issues and their management in all jurisdictions in which it invests.

For further information on the Firm’s approach, please email the Chief Compliance Officer at compliance@muditamanagement.com. Alternatively, please write to the address below.

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Mudita Advisors LLP is a limited liability partnership incorporated in England and Wales with company number OC428184. Registered office 4th floor, Reading Bridge House, George Street, Reading, RE1 8LS, United Kingdom.

Mudita Advisors LLP is authorized and regulated in the UK by the Financial Conduct Authority with firm reference number 939360. Mudita Advisors LLP is a Registered Investment Adviser with the Securities and Exchange Commission number 315593.