



Stewardship Code Disclosure

Under Rule 2.2.3R of the Financial Conduct Authority's Conduct of Business Sourcebook, Mudita Advisors LLP (the "Firm") is required to publish, on a website, a disclosure about the nature of its commitment to the UK Financial Reporting Council's Stewardship Code (the "Code") or, where it does not commit to the Code, its alternative investment strategy.

The Code was first published by the FRC in July 2010, then updated in September 2012, and then subsequently the FRC published a new UK Stewardship Code 2020 which took effect from the 1 January 2021. The code is a voluntary code and sets out a number of principles aiming to enhance engagement between institutional investors (including both fund managers and asset owners) and companies. Investors that commit to the Code can either comply with it in full or choose not to comply with aspects of the Code, in which case they are required to explain their non-compliance and state in general terms their alternative investment strategy.

The FRC defines 'stewardship' as 'the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.'

The twelve principles of the 2020 Code for asset managers are:

Purpose and governance

1. Signatories' purpose, investment beliefs, strategy, and culture enable stewardship that creates long term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.
2. Signatories' governance, resources and incentives support stewardship
3. Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.
4. Signatories identify and respond to market-wide and systemic risks to promote a well- functioning financial system.
5. Signatories review their policies, assure their processes and assess the effectiveness of their activities

Investment approach

6. Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.
7. Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities.
8. Signatories monitor and hold to account managers and/or service providers.

Engagement

9. Signatories engage with issuers to maintain or enhance the value of assets.
10. Signatories, where necessary, participate in collaborative engagement to influence issuers.
11. Signatories, where necessary, escalate stewardship activities to influence issuers.

Exercising rights and responsibilities

12. Signatories actively exercise their rights and responsibilities.

The Firm provides investment management services to Mudita Original Partnership LP (the "Fund"), a Cayman Islands-based Alternative Investment Fund, as well as certain managed accounts. The Fund's investment strategy involves a research-led approach to investing where the Firm direct the Fund to hold securities it believes have the potential for significant capital appreciation over the long term.

Mudita Advisors LLP is a limited liability partnership incorporated in England and Wales with company number OC428184. Registered office 4th floor, Phoenix House, Station Hill, Reading, RG1 1NB, United Kingdom

Mudita Advisors LLP is authorized and regulated in the UK by the Financial Conduct Authority with firm reference number 939360.

The Fund has the flexibility to invest in a wide range of instruments including but not limited to equities, foreign exchange, equity options, equity swaps, contracts of difference, preferred shares, convertible bonds, corporate bonds, interest rate hedges and cash settled commodity swaps or options.

The Code applies on a 'comply or explain' basis and is voluntary. As such, while the Firm generally supports the objectives that underlie the Code, and adhering to the highest standards of corporate governance and due diligence in respect of its investments, having considered the Code, in terms of assets it invests in and investment approach, the Firm has chosen not to commit to the Code at this time because the Firm's direct investments in UK single name equities represents only a small part of its operations. The Firm states a consistent approach to engagement with issuers and their management in all jurisdictions in which it invests and, consequently, does not consider it appropriate or practical to commit to any particular voluntary code of practice to any individual jurisdiction.

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

Mudita Advisors LLP
1st floor
28 Mount Steet
London
W1K 2RU

Mudita Advisors LLP is a limited liability partnership incorporated in England and Wales with company number OC428184. Registered office 4th floor, Phoenix House, Station Hill, Reading, RG1 1NB, United Kingdom

Mudita Advisors LLP is authorized and regulated in the UK by the Financial Conduct Authority with firm reference number 939360.