POLICY ON TRANSACTIONS WITH AFFILIATED PARTIES

STAR RESIDENCE INVEST S.A.

1. Purpose of the policy

This policy establishes the principles and rules regarding the identification, management, monitoring and reporting of transactions with affiliated parties, in accordance with the provisions of Law no. 31/1990, Law no. 24/2017, Law no. 227/2015 on the Fiscal Code, and ASF Regulation no. 5/2018.

2. Definitions

Affiliated parties: A person is affiliated if their relationship with another person is defined by at least one of the following cases:

a) a natural person is affiliated with another natural person if they are spouses or relatives up to and including the third degree;

b) a natural person is affiliated with a legal entity if the natural person holds, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value/number of participation titles or voting rights of a legal entity, or if it effectively controls the legal entity;

c) a legal entity is affiliated with another legal entity if the former holds, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value/number of participation titles or voting rights in the other legal entity, or if it effectively controls that legal entity;

d) a legal entity is affiliated with another legal entity if a person holds, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value/number of participation titles or voting rights in the other legal entity, or if it effectively controls that legal entity.

Significant transaction with affiliated parties: Any transfer of resources, services or obligations, regardless of whether or not it involves the payment of a price, the individual or cumulative value of which represents more than 5% of the issuer's net assets, according to the issuer's latest published individual financial reports.

3. General principles

- Compliance with the **market value principle**, in accordance with Law no. 227/2015.
- **Transparent** management of transactions with affiliated parties and compliance with the legislation in force regarding their reporting.
- **Avoidance of conflicts of interest** in the process of approving and concluding transactions with affiliated parties.

4. Determining the market value of transactions

In accordance with Law no. 227/2015, the market price pursued by the Company in carrying out transactions with affiliated parties may be determined using the following methods:

- the comparable price method;
- the cost-plus method;
- the resale price method;

- the net margin method;
- the profit split method;
- any other method recognized in the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations issued by the Organisation for Economic Co-operation and Development, as subsequently amended and supplemented.

5. Identification of significant transactions with affiliated parties

The Company, through the employee designated by the sole Manager, is responsible for assessing, prior to the conclusion of the transaction, whether it is significant in accordance with the provisions of Law no. 24/2017, or whether, cumulatively, transactions with an affiliated party in any 12-month period or in the current financial year are expected to exceed the threshold provided by law of 5% of net assets, with the aim of identifying the legal procedure for approving the transaction and any reporting obligation.

6. Identification of significant transactions with affiliated parties exempted from reporting pursuant to Art. 108 para. (9) of Law no. 24/2017

The Company will assess, through the Finance Department, whether the significant transactions with affiliated parties carried out fall within the phrase "concluded in the ordinary course of business under normal market conditions".

Transactions concluded in the ordinary course of business are those closely related to the company's object of activity, carried out by it on a current basis. These are carried out under normal market conditions if they comply with the market value principle and are not carried out under special conditions that would have a significant impact on the price.

The sole Manager will annually assess compliance with these provisions during the evaluation of transactions, and the result of the assessment will be included in the annual report.

7. Approval of transactions with affiliated parties

In accordance with the provisions of Law no. 24/2017, significant transactions with affiliated parties are subject to approval by the Sole Manager.

Transactions with affiliated parties that do not exceed the threshold above which they may be considered significant are approved in accordance with the Company's internal decision-making process, under the monitoring of compliance with the market value principle by the Company's Finance Department.

8. Reporting of transactions with affiliated parties

Significant transactions with affiliated parties that do not fall within the reporting exemptions provided by Law no. 24/2017 will be reported on the Bucharest Stock Exchange platform following their approval by the Sole Manager, at the latest at the time of their conclusion.

Similarly, the Company will report cumulative transactions with an affiliated party exceeding 5% of net assets in any 12-month period or in the current financial year.

The Company will submit to the Financial Supervisory Authority and publish on the Bucharest Stock Exchange platform, within 24 hours of receipt, the financial auditor's report provided for in Art. 108 para. 5 of Law no. 24/2017.

9. Avoidance of conflicts of interest

Affiliated parties with an interest in the transaction under review will not participate in discussions, deliberations or the decision-making process regarding the transaction in question, other than by providing the information directly requested to facilitate the decision-making process.

10. Final provisions

The Policy on Transactions with Affiliated Parties is mandatory for all administrators, directors, and employees of the Company, as well as of entities affiliated with the Company.

The policy is reviewed periodically or whenever necessary to align with legislation and capital market best practices.

The policy is published on the company's website.