

## 26. Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form. No provision for impairment has been made for amounts owed by related parties since collection is deemed to be reasonably certain.

Significant transactions with related parties follow:

*As at and for the year ended December 31, 2018:*

	Transactions	Outstanding balances	Terms and conditions
<b>Parent Company</b>			
Allianz SE			
Net increase in RSU, including fair value adjustments (Note 23)	15,492,390	49,965,659	- Noninterest-bearing - Unsecured and unguaranteed - Due and demandable, settled in cash at gross
Net increase in derivative asset in relation to RSU, including fair value adjustment (Note 23)	3,955,441	32,469,312	- Noninterest-bearing - Unsecured and unguaranteed - Due and demandable, settled in cash at gross
<b>Significant investor</b>			
PNB			
Savings and current accounts	341,254,182	341,254,182	- Interest-bearing - Unsecured and unguaranteed
Time deposits	300,000,000	300,000,000	- Interest-bearing - Unsecured and unguaranteed
Retirement fund	4,935,168	60,012,066	- Interest-bearing - Unsecured and unguaranteed
Referral fees	144,332,627	40,143,514	- 15-day; non-interest bearing - Unsecured and unguaranteed - Settled in cash at gross
Rent expense	22,385,448	-	- 30-day; non-interest bearing - Unsecured and unguaranteed - Settled in cash at gross
Premiums	2,669,813	461,693	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
Claims	16,978,786	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<b>Entities under common control</b>			
Allianz Investment Management Singapore (AIMS)			
Investment Management Fees	4,006,440	-	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
Allianz Technology (Thailand) Co. Ltd.			
EDP-Software costs	-	-	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
Software Maintenance costs	6,469,281	442,426	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross

	Transactions	Outstanding balances	Terms and conditions
Allianz Asia Pacific Consultancy Fee	39,257,989	1,428,148	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
Allianz Reinsurance Asia Pacific (ARAP) Reinsurance	4,549,178	1,152,197	- 90-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
<b>Category</b>			
<i>Other related parties</i>			
<b>PNB Savings</b>			
Savings and current accounts	5,045,842	5,045,842	- Interest-bearing - Unsecured and unguaranteed
Time deposits	-	-	- Interest-bearing - Unsecured and unguaranteed
Referral Fees	14,290,367	675,948	- 15-day; non-interest bearing - Unsecured and unguaranteed - Settled in cash at gross
Premiums	70,724,496	7,775,180	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
Claims	450,022	450,022	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
PNB Capital and Investment Corporation Premiums	10,730	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
Japan PNB Finance and Leasing Corporation Premiums	33,000	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
PNB General Insurers, Inc. Premiums	153,016	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
PNB Securities, Inc. Premiums	7,955	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<i>Key management compensation</i>			
Salaries and other short- term benefits	74,069,388	-	
RSUs	9,988,391	(1,035,671)	
Relocation benefits	-	-	
Retirement cost	4,221,405	-	
<b>Total</b>	<b>1,085,281,355</b>	<b>840,240,518</b>	

As at and for the year ended December 31, 2017:

	Transactions	Outstanding balances	Terms and conditions
<b>Parent Company</b>			
<b>Allianz SE</b>			
Net increase in RSU, including fair value adjustments (Note 23)	11,166,202	11,166,202	- Noninterest-bearing - Unsecured and unguaranteed - Due and demandable, settled in cash at gross
Net increase in derivative asset in relation to RSU, including fair value adjustment (Note 23)	2,956,313	28,513,871	- Noninterest-bearing - Unsecured and unguaranteed - Due and demandable, settled in cash at gross
<b>Significant investor</b>			
<b>PNB</b>			
Savings and current accounts	311,553,971	311,553,971	- Interest-bearing - Unsecured and unguaranteed
Time deposits	577,602,000	-	- Interest-bearing - Unsecured and unguaranteed
Retirement fund	13,726,608	46,686,554	- Interest-bearing - Unsecured and unguaranteed
Referral fees	124,742,991	38,759,484	- 15-day; non-interest bearing - Unsecured and unguaranteed - Settled in cash at gross
Rent expense	18,767,767	-	- 30-day; non-interest bearing - Unsecured and unguaranteed - Settled in cash at gross
Premiums	13,007,562	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
Claims	10,857,665	9,298,550	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<b>Entities under common control</b>			
<b>Allianz Investment Management Singapore (AIMS)</b>			
Investment Management	1,391,116	-	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
<b>Allianz Technology (Thailand) Co. Ltd.</b>			
EDP-Software costs	10,227,903	-	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
Software Maintenance costs	1,214,627	-	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
<b>Allianz Asia Pacific</b>			
Consultancy Fee	19,270,274	11,509,721	- 30-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross
<b>Allianz Reinsurance Asia Pacific (ARAP)</b>			
Reinsurance	7,805,965	7,805,965	- 90-day; non-interest-bearing - Unsecured and unguaranteed - Settled in cash at gross

	Transactions	Outstanding balances	Terms and conditions
<i>Other related parties</i>			
<b>PNB Savings</b>			
Savings and current accounts	7,131,087	7,131,087	- Interest-bearing - Unsecured and unguaranteed
Time deposits	125,000,000	125,000,000	- Interest-bearing - Unsecured and unguaranteed
Referral Fees	5,637,612	582,894	- 15-day, non-interest bearing - Unsecured and unguaranteed - Settled in cash at gross
Premiums	68,131,084	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
Claims	-	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<b>PNB Capital and Investment Corporation</b>			
Premiums	9,805	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<b>Japan PNB Finance and Leasing Corporation</b>			
Premiums	29,878	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<b>PNB General Insurers, Inc.</b>			
Premiums	164,492	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<b>PNB Securities, Inc.</b>			
Premiums	6,660	-	- Due and demandable, settled in cash at gross - Unsecured and unguaranteed
<i>Key management compensation</i>			
Salaries and other short-term benefits	86,579,938	-	
RSUs	2,306,383	-	
Relocation benefits	-	-	
Retirement cost	2,967,401	-	
<b>Total</b>	<b>1,422,255,304</b>	<b>598,008,299</b>	