

Life in Indonesia

NOVEMBER 2026 EDITION

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We are pleased to present the November 2026 edition of Milliman's Indonesia Life Insurance Newsletter. This edition covers developments from 1 July 2026 to 30 September 2026.

We trust you find this edition informative. As always, we look forward to receiving your feedback, questions or comments.



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Market performance

INDUSTRY PERFORMANCE OVER H1 2026

According to the Indonesian Insurance Statistics published by the Financial Services Authority (OJK), the Indonesian life insurance industry experienced an increase in profit before tax and other comprehensive income (OCI) over H1 2026 (relative to H1 2025). The change over the period for conventional business is summarised below.

FIGURE 1: INDUSTRY PERFORMANCE OVER H1 2025 AND H1 2026

FINANCIALS (IN IDR TRILLION)	H1 2025	H1 2026	CHANGE
Net premium income	69.47	79.48	10.01
Investment and other income	25.50	13.13	(12.37)
Total income	**94.97**	**92.62**	**(2.35)**
Insurance expenses	75.66	66.42	(9.24)
Operating expenses	11.04	11.29	0.26
Total expenses	**86.70**	**77.71**	**(8.99)**
Profit/(loss) before tax and OCI	8.27	14.91	6.63
Tax	0.72	1.67	0.95
Net profit/(loss) before OCI	**7.55**	**13.24**	**5.68**
Total assets	**595.97**	**607.99**	**12.02**
Premium reserve	399.23	403.35	4.12
Unearned premium reserve	7.61	8.58	0.97
Claim reserve	9.43	10.35	0.91
Catastrophic reserve	0.09	0.11	0.03
Total technical reserve	**416.36**	**422.39**	**6.03**

Source: OJK's Indonesia Insurance Statistics: June 2025 and June 2026

Notes:

- OCI = other comprehensive income.
- Figures may not be additive due to rounding.
- Due to new OJK data format, acquisition costs and total claims are grouped under insurance expenses.

Over H1 2026, the profit before tax and OCI increased by Indonesian rupiah (IDR) 6.63 trillion compared to the equivalent period in 2025, mainly driven by a reduction of IDR 9.24 trillion in insurance expenses and an increase of IDR 10.01 trillion in net premium income, offset by a reduction of IDR 12.37 trillion in investment and other income.

The Indonesia Life Insurance Association (AAJI) reported that total unweighted premium income (including renewal premiums) over H1 2026 was IDR 94.75 trillion, which has increased from IDR 87.60 trillion compared to H1 2025. The total number of insured lives over H1 2026 increased by 24.8% to 153.58 million individuals during the same period.

The AAJI further reported that over H1 2026, the life insurance industry paid total claims and benefits amounting to IDR 75.57 trillion, marking a 4.3% increase from H1 2025. During the same period, total health claims paid increased by 11.3% to IDR 13.58 trillion.

Market news

NEW PRODUCTS

The following new life insurance products were reported to have been launched over Q3 2026:

Traditional products

- **PT AXA Financial Indonesia (AFI)** revamped **AXA Long Term Life Protector** that provides a premium waiver upon diagnosis of a critical illness or total and permanent disability (TPD), as well as death coverage. The revamped product extends the coverage period to age 100, up from the previous age 90, and introduces a maturity benefit equivalent to 100% of the sum assured at the end of the policy term.
- **PT MSIG Life Insurance Indonesia Tbk (MSIG Life)** and **PT Bank Sinarmas Tbk (Bank Sinarmas)** launched **Smile Critical Prime**, an endowment product offering critical illness benefits. The product provides benefits for 76 major critical illnesses, 14 intermediate critical illnesses, 59 minor critical illnesses and angioplasty, and also includes a death benefit and maturity benefit.
- **PT Asuransi Jiwa Sequis Life (Sequis Life)** launched **Sequis CareIn**, a health product that can be issued as a standalone policy or rider, provides hospitalisation reimbursement/cashless treatment, allows treatment at preferred and non-preferred hospitals, and offers annual limits of up to IDR 15 billion, depending on the selected plan.
- **PT PFI Mega Life Insurance (PFI Mega Life)** and **PT Bank Mega Tbk (Bank Mega)** launched **Mega Asuransi Kesejahteraan Andalan (MAKNA)**, an endowment product providing accidental death benefit. The product has a 20-year coverage term for the basic plan, with an extension available up to age 85.
- **PT Asuransi BRI Life (BRI Life)** introduced **Savara**, an endowment product that combines life protection with a planned future fund benefit (Dana Rencana Masa Depan). The product provides death, accidental death, critical illness, accidental TPD and premium waiver benefits, with policy terms of eight to 25 years and premium payment terms of five, 10 or 15 years. The Dana Rencana Masa Depan is the pre-agreed fund amount payable at the end of the policy term, either as a lump sum or over five annual installments. Critical illness cover is limited to cancer, stroke, kidney failure, heart attack and fulminant hepatitis, while the critical illness and accidental TPD benefits each pay 50% of the sum assured.

- **PT Asuransi Jiwa Manulife Indonesia (Manulife)** and **PT Bank Danamon Indonesia Tbk (Danamon)** launched **Proteksi Prima Fleksi Ekstra (PPFE)**, an endowment product with fixed policy terms and benefit access options. PPFE offers 15-year or 18-year coverage, with limited premium payment terms. The product provides benefits in the event of accidental death, early termination and policy maturity at the end of the policy term.
- **PT Asuransi Jiwa BCA (BCA Life)** and **PT Bank Central Asia Tbk (BCA)** launched **Value Income Assurance (VALUE+)**, an endowment product with death, maturity and optional annual cash benefits. VALUE+ has a 20-year policy term, premium payment terms of five or 10 years, and two plan options, Core and Boost, with the Boost plan including annual cash benefits.

Syariah products

- **PT AIA Financial (AIA)** launched **AIA Nura Care**, a Syariah health product that reimburses inpatient treatment costs due to illness or accident. The product provides hospital care reimbursement, can be renewed up to age 99, is available from an entry age of 15 days and offers annual protection of up to IDR 6 billion.

NEW DIGITAL FEATURES AND SERVICES

- **AIA** launched **AIA+**, a digital service platform aimed at accelerating claims and treatment processes. The platform was introduced to support faster claims handling, easier access to care-related services and a more integrated customer service process.

OTHER NEWS

- As part of the spin-off process, **AIA, MSIG Life, PT Sun Life Financial Indonesia (Sun Life), PT FWD Insurance Indonesia (FWD), PT AJ Central Asia Raya (CAR), PT Panin Dai-ichi Life (Panin Dai-ichi)** and **AFI** have obtained Syariah business licenses from the OJK for their spun-off entities, resulting in the establishment of **PT AIA Syariah Insurance, PT MSIG Sharia Life Insurance, PT Sun Life Financial Syariah Indonesia, PT FWD Insurance Indonesia Syariah, PT Asuransi Jiwa Central Asia Raya Syariah, PT Panin Daiichi Life Sharia Insurance** and **PT AXA Sharia Life Insurance**.
- **PT Bank OCBC NISP Tbk (OCBC NISP)** has received approval from the OJK to become the controlling shareholder of **PT Great Eastern Life Indonesia (GELI)**. Based on the disclosed transaction, OCBC NISP controls 20% of GELI's shares, including one Series A preference share that carries control rights, while the Great Eastern Life Assurance Company Limited retains 80% economic ownership. The value of the acquisition of the 20% stake in GELI was reported to be IDR 201.98 billion.
- The **OJK** stated that it is continuing to coordinate with **Daya Anagata Nusantara (Danantara)** and **PT Bahana Pembinaan Usaha Indonesia (Persero)/Indonesia Financial Group (IFG)** regarding the proposed consolidation of state-owned insurance companies. The statement indicates that the consolidation remains under regulatory review and inter-institutional discussion.
- **PT Asuransi Allianz Life Indonesia (Allianz)** and **PT Bank Maybank Indonesia Tbk (Maybank)** introduced **Smartwealth Dollar Equity Global Income Fund** as a new fund option within MyProtection Investa II and MyProtection Growth. The fund is a US dollar (USD)-denominated global equity income fund managed by **PT Allianz Global Investors Asset Management Indonesia (Allianz GI Indonesia)**.
- The **Indonesia Deposit Insurance Corporation (LPS)** stated that all insurance companies will be required to join the policy guarantee programme, targeted to begin in H2 2027. In the initial stage, insurers may be classified as full or conditional participants based on financial health, including a risk-based capital (RBC) of at least 120% and not being under supervision, with conditional participants given time to meet the requirements.
- The **OJK** stated that the **new RBC** framework for the insurance industry remains under development, implying that the revised capital regime has not yet been finalised.

Regulatory developments

NEW REGULATIONS IN Q3 2026

- In August 2026 the OJK released a Draft Financial Services Authority Regulation (RPOJK) on investment-linked products (ILP) amid continued regulatory reform following the Financial Sector Development and Strengthening Law amendments, heightened scrutiny of investment-linked insurance products and efforts to strengthen consumer protection and market discipline in the insurance sector. This draft serves as a further development and expansion of the framework under OJK Circular Letter No.5/SEOJK.05/2022 (SEOJK No. 5/2022) on ILP products. More information regarding the changes to the ILP regulations can be found here: Proposed changes to ILP regulations in Indonesia.
- In addition, the OJK released a new framework for annual actuarial reports through the Draft Regulation of the Members of the OJK Board of Commissioners (RPADK) on Annual Actuarial Reports of Insurance and Reinsurance Companies. Published for public consultation in September 2026, the draft is intended to replace the existing framework under OJK Circular Letter No. 29/SEOJK.05/2017 (SEOJK No.29/2017), which governs the contents, format and reporting requirements for annual actuarial reports submitted by insurance and reinsurance companies. As of October 2026, the RPADK remains a draft and should not be treated as an effective regulation.

The draft RPADK retains the principal reporting areas under the 2017 circular letter but introduces a more structured and data-driven framework. Appendix I establishes the general requirements and submission procedures, Appendix II sets out 15 standardised report section formats, and Appendix III introduces 21 distinct supporting-data templates specifically for life insurance companies. The draft also states that annual actuarial reports form part of the insurer's annual report and must be submitted by 30 April of the following year.

The draft requires insurers to provide more detailed information on pricing methodologies, assumptions, expenses, profitability trends and decisions to continue, modify or discontinue products. Liability reporting is expanded to include a movement analysis, the quantitative effects of changes in assumptions and methods, and disclosures relating to Indonesian Financial Reporting Standards 117 (PSAK 117) measurement approaches, including the General Measurement Model (GMM), the Premium Allocation Approach (PAA) and the Variable Fee Approach (VFA).

The draft also strengthens asset–liability management disclosures by requiring comparisons of asset and liability yields, duration, projected cash flows and maturity profiles, together with plans to address mismatching of assets and liabilities. Financial projections remain, covering five years under optimistic, normal and pessimistic scenarios, while risk-management reporting introduces more explicit disclosures on risk capacity, risk appetite, risk tolerance and major risks.

A significant addition is Appendix III, which standardises life insurers' supporting data on insurance contract liabilities, risk adjustments, discount rates, asset allocation, reinsurance exposures and liability sensitivity.

- The OJK also released another RPOJK on Good Corporate Governance for Insurance Companies, Surety Institutions and Pension Funds for industry consultation. The draft sets out a governance framework that strengthens board accountability, independent oversight, risk management, compliance, internal controls, investment governance, IT governance, disclosure and annual governance self-assessments. It also proposes requirements for directors, commissioners, Syariah supervisory boards, committees and control functions, together with specific reporting deadlines and administrative sanctions. This regulation will replace the existing POJK No. 73/POJK.05/2016 and relevant provisions of POJK No. 23 of 2023.

Distribution updates

AGENCY CHANNEL

No new agency channels were reported to have been launched over Q3 2026.

BANCASSURANCE CHANNEL

- **PT Asuransi Jiwa IFG (IFG Life)** has partnered with **PT Bank Pembangunan Daerah Papua (Bank Papua)** to provide mortgage life insurance for *kredit pemilikan rumah* (KPR) debtors. The cooperation provides loan protection so that the borrower's outstanding mortgage balance can be covered if the insured debtor dies during the loan period.
- **IFG Life** and **PT Bank KEB Hana Indonesia (Hana Bank)** have partnered to provide mortgage credit life insurance. The cooperation provides loan protection for KPR debtors and multi-loan borrowers, with insurance benefits used to cover the borrower's remaining loan balance if the insured risk occurs.

DIGITAL CHANNEL AND INSURTECH

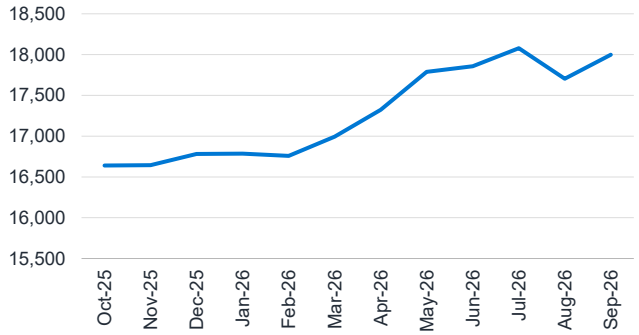
- **PT Bank CIMB Niaga Tbk (CIMB Niaga)** has partnered with **Sun Life** to expand insurance services within the OCTO application. The cooperation adds insurance access to CIMB Niaga's digital banking platform, allowing customers to view and purchase selected insurance products through the application.

Other recent developments

MACROECONOMICS

Figure 2 shows an upward trend in the USD-IDR exchange rate over the past 12 months, indicating depreciation of the Indonesian rupiah against the USD.

FIGURE 2: USD TO IDR EXCHANGE RATES

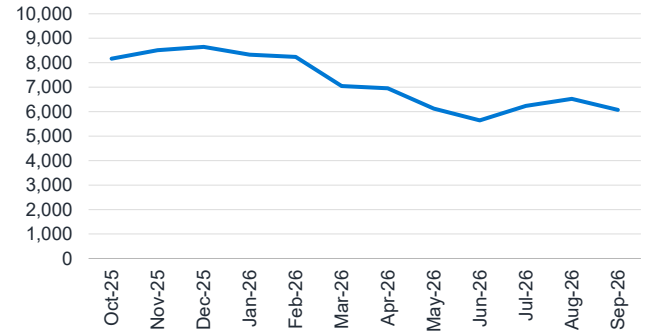


Source: Bank Indonesia Mid Rates

Figure 3 illustrates the downward trend in the Jakarta Composite Index (IHSG) over the past 12 months, reflecting a weakening performance in Indonesia's equity market. During this period, concerns over market transparency had already prompted Morgan Stanley Capital International (MSCI) to freeze certain index adjustments for Indonesian stocks in

January 2026. These concerns intensified in October 2026, when MSCI proposed reclassifying Indonesia from an emerging market to a standalone market, raising concerns about potential foreign capital outflows and further pressure on the domestic stock market.

FIGURE 3: IHSG



Source: Indonesia Stock Exchange

As per SEOJK No. 23/SEOJK.05/2024, the discount rate assumptions on a best-estimate basis used in calculating the premium reserves should be based on the yields on government-issued securities at the reporting period. Figure 4 shows the discount rates published by Indonesia Bond Pricing Agency (IBPA) as at 30 September 2026.

FIGURE 4: IBPA DISCOUNT RATES, 30 SEPTEMBER 2026

TENOR	IBPA RATE	TENOR	IBPA RATE
1	6.67	**16**	7.27
2	6.81	**17**	7.29
3	6.91	**18**	7.30
4	6.99	**19**	7.31
5	7.05	**20**	7.32
6	7.09	**21**	7.33
7	7.13	**22**	7.34
8	7.15	**23**	7.35
9	7.17	**24**	7.36
10	7.19	**25**	7.37
11	7.21	**26**	7.38
12	7.22	**27**	7.39
13	7.24	**28**	7.40
14	7.25	**29**	7.41
15	7.26	**30**	7.41

Source: IBPA

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