Solvency II 2.10.0 DPM and Taxonomy

Event: Post public consultation event with stakeholders

Date: 3rd February 2026, Videoconference

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European Insurance and
Occupational Pensions Authority

DISCLAIMER

Please note that the information presented in this presentation is still under discussion and subject to final approval by EIOPA's relevant working group responsible for the taxonomy releases.
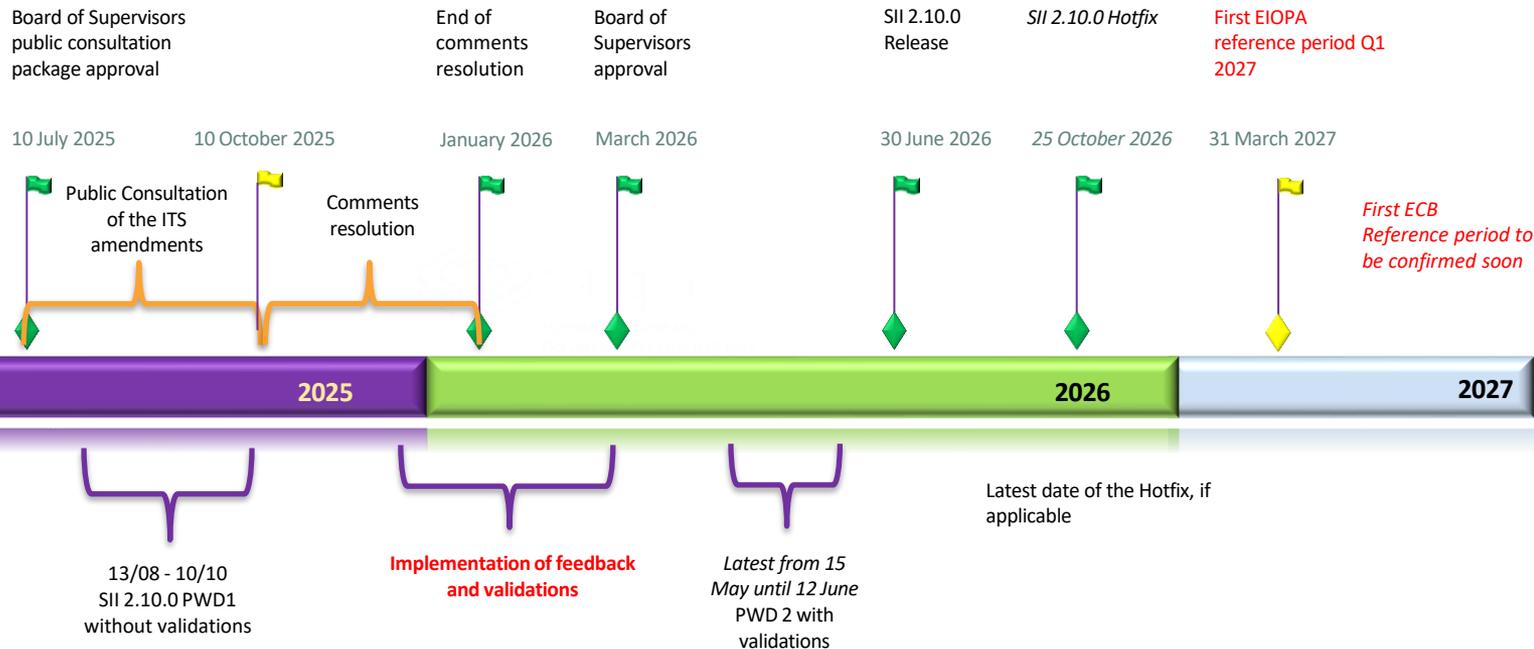
The information presented is based on the major comments received during public consultation of the ITS amendments on Reporting and Disclosure conducted between 10.07.25 and 10.10.25.

SII TAXONOMY – APPLICATION DATE

- According to stakeholders' preferences shared in 2024 "**the first submission with new taxonomy should remain for Q4/Annual reporting reference periods** […] due to its practical advantages and long-established practice. **However:**

  ➢ **The ITS amendments based on the SII Review will be applicable as of 30 January 2027**

  ➢ *ECB add-ons' application date still to be confirmed*

  ➢ The issue was included in the Public Consultation on the ITS, and stakeholders feedbacks show a **clear preference for a Q1 2027 starting date** so that the application of the new taxonomy is aligned with the application date of the legal acts.

- This would imply that the:

  ➢ Q4/2026 and Annual/2026 reporting would be still done based on the 2.8.2 taxonomy, (to be submitted in 2027), while

  ➢ Q1/2027 reporting will be done based on the new SII taxonomy 2.10.0.

SII 2.10.0 TAXONOMY – ITS AMENDMENT PRELIMINARY PLANNING (STATUS UPDATE)

Board of Supervisors
public consultation
package approval

End of
comments
resolution

Board of
Supervisors
approval

SII 2.10.0
Release

SII 2.10.0 Hotfix

First EIOPA
reference period Q1
2027

10 July 2025   10 October 2025   January 2026   March 2026   30 June 2026   *25 October 2026*   31 March 2027

Public Consultation
of the ITS
amendments

Comments
resolution

*First ECB
Reference period to
be confirmed soon*

2025   **2026**   **2027**

13/08 - 10/10
SII 2.10.0 PWD1
without validations

**Implementation of feedback
and validations**

*Latest from 15
May until 12 June
PWD 2 with
validations*

Latest date of the Hotfix, if
applicable

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TAXONOMY ROADMAP – BUSINESS CHANGES

➢ **Solvency II framework**

▪ **NACE 2.1**: EIOPA plans a hard switch from Solvency II 2.10.0 release and use only the latest NACE code, i.e. only NACE 2.1. Therefore, the 2-column approach is obsolete from the PWD1.

SII TAXONOMY – VALIDATION TOLERANCE

- EIOPA received comments in the public consultation asking the **adjustment of the validation tolerances**.

- EIOPA is investigating the possibility of using an alternative approach, such as introducing the relative error (e.g. between 0.1% and 1%) or absolute error, as a supplement to the current approach (interval arithmetic).

- A small set of validations is being considered for this change, with the possibility of introducing further validations in the future, based on an individual assessment of each case (also with regard to the exact threshold).

CURRENT APPROACH

- Validation may require exact matching of the reported values or allow for minor differences due to inaccuracies in the input data

- Tolerance is calculated using arithmetic interval function indicated by letter ‚i' added before the operators in the equation

- The result is a comparison of ranges, not exact values on either side of the equation. If the ranges overlap to any degree, the validation passes.
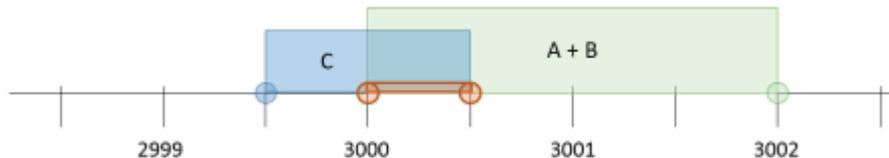
INTERVAL ARITHMETIC VS. RELATIVE ERROR

Business rule: BV1053-1 `below 10 evaluations`

	Validation formula	Properties	Related modules	References	Logs	Comments

	Name		Application	Context	Is sequence?	Fallback	Has filter?	+ Add
■	$v1	Table Variable	TC: S.25.05.01.05 F: solvency FV: solvency2	Row(s): R0640 Column(s): C0130 Sheet(s): Z0001	False	0	False	🗑 ⊞
■	$v2	Table Variable	TC: S.25.05.01.05 F: solvency FV: solvency2	Row(s): R0650 R0660 R0670 R0680 Column(s): C0130 Sheet(s): Z0001	True	emptySequence()	False	🗑 ⊞

Expression

$v1 i= isum($v2)

| Interval arithmetic | **iaf**:numeric-equal($v1,iaf:sum($v2))

xmlns:iaf="http://www.eurofiling.info/xbrl/func/interval-arithmetics"

Business rule: BV1053-1_cmf `below 10 evaluations`

	Validation formula	Properties	Related modules	References	Logs	Comments

	Name		Application	Context	Is sequence?	Fallback	Has filter?	+ Add
■	$v1	Table Variable	TC: S.25.05.01.05 F: solvency FV: solvency2	Row(s): R0640 Column(s): C0130 Sheet(s): Z0001	False	0	False	🗑 ⊞
■	$v2	Table Variable	TC: S.25.05.01.05 F: solvency FV: solvency2	Row(s): R0650 R0660 R0670 R0680 Column(s): C0130 Sheet(s): Z0001	True	emptySequence()	False	🗑 ⊞

Expression

CustomMarginEqual($v1, sum($v2), 0.01*sum($v2))

| Relative error | **cmf**:numeric-equal($v1, sum($v2), 0.01 * sum($v2))

xmlns:cmf="http://www.eurofiling.info/xbrl/func/custom-margin"

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BV1053-1 EXAMPLE

Approach	Result	Calculation
No tolerance	**Warning**	10,003,000 ≠ (2,500,000 + 2,500,000 + 2,500,000 + 2,500,000)
Interval arithmetic	**Warning**	[10,002,500, 10,003,500] ∩ [9,998,000, 10,002,000] = ∅
Relative error (1%)	**Pass**	(abs((10,003,000/(2,500,000 + 2,500,000 + 2,500,000 + 2,500,000)) - 1) <= 0.01) → 0.03%

Solvency Capital Requirement - for undertakings using an internal model (partial or full)

| S.25.05.01.01 | S.25.05.01.02 | S.25.05.01.03 | S.25.05.01.04 | S.25.05.01.05 |

Sheets	Z Axis:		

		LAC DT (C0130)
		C0130
Amount/estimate of LAC DT	r1c1	10,003,000
Amount/estimate of LAC DT justified by reversion of deferred tax liabilities	r2c1	2,500,000
Amount/estimate of LAC DT justified by reference to probable future taxable economic profit	r3c1	2,500,000
Amount/estimate of LAC DT justified by carry back, current year	r4c1	2,500,000
Amount/estimate of LAC DT justified by carry back, future years	r5c1	2,500,000
Amount/estimate of Maximum LAC DT	r6c1	

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SUMMARY OF APPROACHES – INTERVAL ARITHMETIC

- Interval arithmetic approach considers the expression and precision of each number and the operation performed

- It is well established approach (also in EBA frameworks)

- Reflects the reporting precision of input data

- Complex and thus not clear for many undertakings

- Precision is aligned with the nominal number, which do not reflect the rate of different currencies

- Results are very sensitive to rounding, especially when involving facts from templates requiring high precision, which may result in resubmissions that do not significantly increase the quality of the reported data (as errors may not be material in financial terms)

- Information about precision is not stored in classic DBs and DWH

- The precision can be the same for values of different sizes. This results in a completely different tolerance depending on whether they are in the lower or upper part of the threshold (e.g. +/- 500 units for values between 1M and 100M)

SUMMARY OF APPROACHES – RELATIVE ERROR

- Easy to explain and understand

- Easy to apply

- Focusing on the check, not the facts reported, as rules may vary in importance and accepted tolerance

- Allows to focus on substantial differences, instead of analysing less significant list of warnings
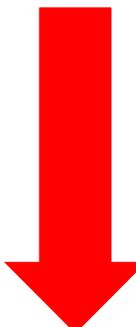
- Does not care about particular operations, applies the error based on the scale of a number

- Different mathematical operations may result in different tolerance levels (e.g. A = B − C vs B = A + C)

- Applied margin is subjective and applied on case-by-case basis

- Divergence from the EBA approach (which utilises interval arithmetic)

- Does not take into consideration the undertaking information about data precision (@decimal)

Questions?

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