

# **FM Seguros S.A.**

Sustainability Report for the period ending 31st December 2025

Prepared in accordance with SUSEP Circular No. 666/2022

30th April 2026

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## **1. Introduction**

FM Seguros S.A. (“FMS” or “the Company”) is a Brazilian insurance company licensed and supervised by the Superintendência de Seguros Privados (“SUSEP”). FMS was authorized as an insurance company on May 20<sup>th</sup>, 2025 through Ordinance DIORE/SUSEP No. 60/2025 and classified as Segment S3.

FMS is a wholly owned subsidiary of Factory Mutual Insurance Company (“FMIC”), a U.S. domiciled mutual insurance company. It forms part of the global FM Group (“FM”), which provides industrial and commercial property insurance and supporting loss prevention and risk management solutions worldwide.

## **2. Basis of preparation**

This Sustainability Report is published by FMS in accordance with the requirements of SUSEP Circular No. 666 of June 27<sup>th</sup>, 2022 (“Circular 666”) which establishes sustainability requirements for supervised insurers.

The report covers the period from the date of authorization through December 31<sup>st</sup>, 2025. During the reporting period, FMS was in a pre-operational stage and did not conduct underwriting or other insurance activities or operations.

## **3. Materiality study**

As FMS was not operational during the reporting period, a sustainability materiality assessment has not yet been conducted because there are no active operations, products, clients, underwriting exposures, investment portfolio or service arrangements through which sustainability risks could reasonably be assessed. Consequently, no material sustainability risks have been identified at the FMS entity level.

## **4. Sustainability policy**

FMS has adopted a Sustainability Policy that sets out how environmental, social and governance matters will be managed in the operational business, in alignment with the Sustainability Approach of FM. The Policy applies to the Board of Managers, the Executive Committee, employees and third parties acting on behalf of FMS once operations commence.

Sustainability oversight is embedded within FM’s governance model and enterprise risk management framework. The FMIC Board of Directors holds ultimate responsibility for oversight of sustainability-related impacts, risks and opportunities. At the FMS level, oversight and maintenance of the Policy rest with the Executive Committee, which includes the Chief Risk and Internal Controls Officer.

The Sustainability Policy aligns FMS with FM’s sustainability vision—Resilience Is for Everyone—and is structured around four focus areas: strengthening communities; countering climate change; empowering employees to thrive; and accelerating the renewables ecosystem. Sustainability goals are established at FM level and provide direction for FMS as its business and operations develop.

Sustainability risks and impacts are identified, assessed and managed through FM’s established risk management framework, including the risk inventory maintained by FM’s Business Risk Executive Committee (“BREC”). A sustainability risk statement provides the BREC with a comprehensive view of sustainability risk factors and informs the FMS Chief Risk and Internal Controls Officer, enabling them to incorporate relevant factors and manage them in accordance with existing risk management procedures. Oversight is provided by FM’s three lines of defense model.

Implementation of the Sustainability Policy is the responsibility of the FMS Executive Committee, supported by the FM Chief Sustainability Officer and senior management of relevant functions. This includes embedding sustainability considerations into strategy, operations, underwriting practices and risk classification.

The Sustainability Policy is reviewed annually and evaluated every three years to ensure its continued relevance and effectiveness.

## **5. Actions related to the sustainability policy**

During the reporting period, no measures were implemented to promote the effectiveness of the Sustainability Policy, as FMS was not operational.

## **6. Sustainability risk management**

Given the absence of operations, FMS considers sustainability risks to be immaterial for the totality of its activities and operations. No material sustainability risks were identified during the reporting period due to the Company’s non-operational status. On that basis, the risk management disclosures contemplated by Article 15(II) are presented as not applicable.

## **7. Underwriting and pricing criteria**

No underwriting or pricing activities were undertaken during the reporting period because insurance operations had not yet commenced.

## **8. Investment selection criteria**

As of December 31<sup>st</sup>, 2025, FMS did not have an investment portfolio and therefore no sustainability-related investment selection criteria were applied.

## **9. Methodologies used to assess information**

As no material sustainability risks were identified during the reporting period and no actions were undertaken in relation to the Sustainability Policy, due to the absence of insurance operations, no sustainability information was assessed.

## **10. Approvals and publication**

This Sustainability Report has been approved by the FMS Executive Committee. It is published on [www.fm.com](http://www.fm.com) and will remain there for a period of five years from publication.

## 11. Annex

### **GVR Table – Governance of sustainability risks**

The governance of sustainability risks at FMS is proportionate to its size, complexity and stage of development. Following its authorization in May 2025 and during its pre-operational phase, the Company focused on establishing governance structures, policies and clear lines of responsibility to support the future management and supervision of sustainability risks.

When FMS operations commence the Executive Committee will have ultimate responsibility for oversight of sustainability related risks and ensure these are considered within the Company's overall governance and risk framework. The Chief Risk and Internal Controls Officer, as the officer responsible for internal controls, will support the Executive Committee by coordinating the identification, assessment and monitoring of sustainability risks, maintaining the prospective risk framework and risk register and reporting on relevant and emerging sustainability related matters.

### **EST Table – Strategies associated with sustainability risks**

As FMS was not operational during the reporting period, no material sustainability risks were identified and no actual and potential impacts on FMS's business, strategies and risk management were assessed during the period.

### **GER Table – Sustainability risk management processes**

Sustainability risks will be identified, evaluated, classified and measured through a structured materiality assessment process. As FMS was not operational during the reporting period, this has not yet been undertaken. Consequently, there were no material sustainability risks to manage during the reporting period.