

We're in it together

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Note from Adam Heath



Kia ora koutou katoa,

I hope you have all had a relaxing and enjoyable summer with your loved ones. As this is my first FMG Post as CEO I would just like to share a few thoughts with you on what it means to me to be leading FMG.

This is a unique organisation with a special legacy and a history stretching back some 117 years and the principles that FMG were founded on are alive and well and stronger than ever.

Chris Black deserves a huge amount of credit for creating a great culture and leading the organisation through a period of strong growth. I consider it a great privilege to be entrusted with that legacy and see it as my responsibility to honour Chris' contribution in addition to those who came before him. FMG's brand essence is 'Achievement', and I can see that drive and ambition is alive and well with our people.

FMG is an iconic New Zealand brand run by passionate people. The people who work here live and breathe its values. The culture benefits from being values based and purpose driven. These are more than just words on a piece of paper—they are

lived every day. Purpose and mission come through very strongly in FMG's commitment to creating a better deal for rural New Zealand as well as helping to build strong and prosperous rural communities.

So, what attracted me to the role? I have a deeply held belief in the social good provided by insurance. Very few things compare to the feeling you get when you deliver keys to a new home to someone who's suffered a total loss due to a fire—or when you are supporting someone through a traumatic health event. Money doesn't make these experiences whole, but it provides a critical lifeline and choices to our clients at critical moments in their lives.

During my time so far I've been focused on getting out and meeting our people, the leadership team, Board and external stakeholders. My goal is to visit every regional office and meet every senior leader in my first six months, Covid-19 permitting. I've got my first on-farm visit under my belt and look forward to many more.

On a personal note, I'm excited to be moving our family to a lifestyle block in the Manawatū. Funnily enough, several of my new neighbours work at FMG.

I'm also looking forward to attending events when we can and meeting as many of you as possible. Relationships are what the rural sector is all about and they're at the core of what we do at FMG—particularly those with our long-standing strategic partners, Federated Farmers and Farmlands.

I'm excited to learn more about the important role Farmstrong is now playing in the sector as I'm personally passionate about wellbeing issues and think it's a fantastic initiative. I will be doing all I can to continue its wonderful momentum and support its growth.

FMG's 117th AGM

In August FMG will hold its 117th AGM. FMG's Constitution and Director Member Election & Special Director Appointment Policy (the Policy) require that a third of all Member Directors retire by rotation at each year's AGM. This year Steve Allen and Sarah von Dadelszen are due to retire by rotation. While Steve will be stepping down from the Board after five years of service, Sarah will be seeking re-election. Consequently, there are two Director positions, with one being contested by a current Director.

The Policy sets out the criteria for the evaluation of Member Director candidates, including current Directors. The Board has not set any specific criteria per the Policy.

Any Member nominations must be made in accordance with the procedure set out in the FMG Constitution and are subject to the process outlined in the Policy, which can be found at [fmg.co.nz/governance-and-compliance](https://www.fmg.co.nz/governance-and-compliance) or can be obtained by calling FMG's General Counsel Lisa Murray on 021 684 824 or emailing her at lisa.murray@fmg.co.nz. Nominations are open until 27 April 2022.

At the 2022 AGM, we'll provide an update on how the Mutual is tracking. All Members are invited to attend and vote at the AGM on Friday, 26 August 2022. Members can attend either through a virtual platform or in person (subject to Covid-19 settings); this will be held at Napier Conference Centre (48 Marine Parade). Alternatively, Members can vote through the proxy form that will be sent with the Notice of Meeting which includes an on-line voting option.

I'm honoured to be the new CEO at FMG and am looking forward to leading the Mutual into the next phase of our story. We will continue to be a relationship-based and advice-led insurer that backs our farmers and growers. Our reason for being here is to help you prepare for the inevitable ups and downs of farming and growing, so you feel secure enough to be bold and take risks—confident knowing that we'll be there to support you when it matters.

Kind regards / Ngā mihi,

Adam Heath
Chief Executive, FMG

We're in it together

Rural – It's all about relationships

FMG has been around for 117 years, and we appreciate that relationships and strong partnerships are an integral part of our success, both on-farm or across the wider sector.

That's why our longstanding connections with Farmlands and Federated Farmers are so important. It makes sense for our mutual benefit and the benefit of our rural communities.

We've been working alongside Federated Farmers for well over 100 years and Farmlands for over 85 years.

Scott Kahle is Head of Alliances and Industry Partnerships at FMG and says the key to a successful on-going partnership is investing in people.

"There's no doubt we achieve more working together than working alone and we share a common purpose of a better deal for rural New Zealand," says Scott.

"But it's also our aligned goals and values—we're all New Zealand owned and operated businesses, owned by our farmers and growers."

FMG supports Federated Farmers and the work they do advocating for our sector for the benefit of all farmers.

Being part of the country's farming network means we have great awareness of what's happening rurally and the issues, pressures and opportunities farmers face.

FMG is also closely aligned with Farmlands as both organisations were started by farmers for farmers.

Our partnership helps Farmlands support rural New Zealand and Farmlands shareholders pay their premiums via their Farmlands account and receive benefits for doing so.

"These partnerships make sense for many reasons—delivering both a commercial return and direct benefits to our rural communities," says Scott.

As well as partnering with organisations such as Farmlands and Federated Farmers, FMG is also committed to giving back to the rural sector.

Keeping an eye on the future is important too and we're proud to be able to offer agricultural scholarships and support organisations like NZ Young Farmers.

"By working together we're stronger and add more value to the business of farming, by investing profits back into our communities," says Scott.

Although geographically spread, the rural community is still one of the most supportive, connected, loyal and unique networks in New Zealand.



Scott Kahle -
Head of Alliances
& Industry
Partnerships

Whether you or your family are involved with the local school, regional Young Farmer's branch, sports club, dog trials, industry discussion group or neighbourhood network, these connections, friendships and support all drive achievement across the rural sector.

"In the same way that you look towards the community to support your farming business we too look to forge partnerships with other organisations that understand rural and get what you're trying to achieve," says Scott.

"We want to add value to our clients, stakeholders and members and help to create strong and prosperous rural communities".



Farmstrong encourages farmers to 'stay connected'

When life gets busy or stressful on the farm, having a decent support network of friends and neighbours is an essential part of keeping well.

Maegan Legg and her partner Terry are share milkers in the Manawatū.



Kara Lynn is a north Canterbury sheep and beef farmer.

Todd Reeves is a dairy farmer from Pukekohe, South Auckland.



Staying connected is one of the Five Ways to Wellbeing Farmstrong promotes to farmers and growers to help them cope with the ups and downs of farming. Research shows that people with strong social connections are happier, healthier and live longer. Here are a few insights on the topic farmers and growers have recently shared with Farmstrong.

“People are social creatures, we’re meant to be in herds, just like our cows. So, if you’re moving to a community where you don’t know anyone at all, my advice would be to join what’s on offer and find local networks. For example, we have young children, so it’s about getting involved with the local play centre and schools. All the other farmers’ kids are there too.”

“The dairy industry also has amazing local networks. Dairy NZ discussion groups are great. They’re fun, they’re social and there’s no opinion that’s not valued. Everyone is welcome. You don’t need to be a talker or extrovert; you can just turn up and catch up with other people facing the same things as you. I’d also encourage people to explore what else is on offer in their local community.”

“After the earthquakes (2016) and the end of my relationship, I hardly left the farm, saw a friend or went out. I was stressed out, not sleeping or eating well, isolated from friends and suddenly running a major farming operation single-handedly, as well as raising three kids.”

“I made it through because I’ve had a lot of support. So, the first thing is to ask for help. Everyone has issues in life. Farm life is not always going to be this picture postcard, Country Calendar lifestyle. Stuff’s going to happen and to deal with that you need a network of supportive people. People who understand you and are in your corner.”

“I really like Farmstrong’s emphasis on self-care as part of your business. Let’s face it, if we’re not functioning, our farms aren’t going to be functioning, our animals won’t do well, nothing is going to go right. Nowadays, I make time to explore these ideas even when I’m busy, because I always pick up something that’s useful for my farming.”

“Farming can be an isolated occupation. I think if you spend too much time alone, it’s not healthy. It’s good to make time for other people and activities in your community. I’m heavily involved in our local rugby club, Patumahoe, coaching junior boys. I became a life member there last year. I coached my son all the way through and he’s now 17.”

“Looking back, it was a great way to just get off farm and talk to other people who weren’t in your industry. You soon realise everyone faces the same pressures—work, kids, owning a business—and that’s why we all need downtime. Rugby’s great for that. You must be at the game or training at certain times because people are relying on you. So, you haven’t got time to hang around and fix a gate.”

“The other thing is don’t be afraid to ask for help. I’ve been farming for 22 years so I realise when there’s too much rain or a drought that we’ve all been there before and got through. But if it’s your first time, it can feel stressful. That’s why it’s good to keep talking to other farmers. There’s no need to do it alone in farming. People are happy to share what they know and help.”

About Farmstrong

Farmstrong helps farmers, growers and their families live well to farm well by sharing things they can do to look after themselves and the people in their business. Last year more than 22,000 farmers engaged with the programme. For more information check out farmstrong.co.nz



A purpose driven business

Being a mutual, people are at the core of who we are, and what we do.

FMG is owned by the people we insure, rather than one which pays large dividends to offshore shareholders. That means we're able to put the profits back into the business, so we're well capitalised for future shocks and set up for sustainable growth.

Instead of chasing profit for profits sake we're values driven. As a responsible insurer, we're a member of **The Insurance Council of New Zealand (ICNZ)**. A representative body established in 1895 to represent fire and general insurance companies.

FMG supports ICNZ's mission to promote and shape a responsive and sustainable insurance industry to safeguard New Zealand, and to inform and educate consumers about key insurance issues and risks.

As a member of the ICNZ, FMG adheres to the Fair Insurance Code. The Code sets out industry best-practice standards for ICNZ members. It describes what level of service you should expect from your first contact with us as your insurer through to claim time.

It also provides information on complaints procedures and helps to hold ICNZ members to higher standards of service.

As a mutual FMG is always looking to evolve so it pays to have a global outlook. That's why we're a member of **The International Cooperative and Mutual Insurance Federation (ICMIF)** so we can learn from other values-led insurers from across the world.

The ICMIF comes together to strengthen mutual organisations within a non-competitive environment.

ICMIF is active at a number of key, global policy-making forums including helping to highlight the mutual sector's leadership in the United Nations' Sustainable Development Goals and associated areas such as inclusive insurance, responsible investing, and risk education and prevention.

While we think global, we act local. We're New Zealand owned and operated and always looking to support our local communities and networks.

Our rural repairer network is a great example of this. Over 77 pre-approved repairers that we've partnered with across the country extending our relationship model to the repairer and supplier network.

This improves the communication and claims' process and has real advantages for our clients—such as a dedicated relationship manager meaning certain repairs can go ahead as soon as the claim is lodged.

This reduces wait time and helps ensure repairers have the backing to do a quality job, while supporting local, family-run businesses to keep their doors open across provincial New Zealand.



Support when you need it

Leah and John Small know more than most about getting through tough times and say they're thankful they took out Life & Health cover with FMG when they did.



Nestled at the foot of Mt Oporae the couple operate a 650-hectare sheep and beef farm in beautiful, rugged country 30 minutes east of Dannevirke.

They took over the farm after John's parents sadly both passed away from cancer when he was 22 and Leah was 21.

“That tough experience brought home the importance of having Life & Health cover. Making sure we're covered and making sure John's getting checked at an early age. Prevention is the biggest focus for him because of his family history, ”

John and Leah decided to start a family and while she was pregnant, they sat down with their Life & Health Adviser who suggested they set up cover for their soon

to be born son. They took out cover soon after he was born.

“I had a pre-term labour and my first child came at 28 weeks so he was three months early. He has Mild Ataxic Cerebral Palsy and is deaf but has had cochlear implants. We were quite lucky we covered him when he was born so he had cover,” says Leah.

“We thought we were going to have a normal run and we didn't so it was great that we put that in place.”

Leah says life certainly throws you some curve balls and they are thankful they took out the cover they did.

“We've had some of the roughest years of our lives the last seven years but it's all looking up now and the cover has helped us get through the difficult times.”

“At the start of all this I guess we didn't really realise how young we were and what

we had to deal with at such a young age, but now looking back it is amazing we got through that and we're stronger for it.”

Leah says with the cover they have they feel more confident looking forward. “Our biggest focus is our children now and Life & Health cover means that if anything should happen, they're set up and looked after and there is always a plan in place if anything happens to any of us.”

Looking to the future with optimism, Leah says they are now making the most of everyday and enjoying life in their slice of paradise with their two children.

“We love it, we wouldn't be anywhere else. We love the rugged landscape and exploring our streams for freshwater crayfish. My husband's heart and soul is in this land. He can hardly bare to spend a night away from it.”

FMG and Melanoma New Zealand

Sign up for melanoma prevention education.

As the rural sponsor for Melanoma New Zealand, FMG wants to offer our clients their melanoma training programme for free, to help keep our rural communities safe while working outdoors.

We've learnt those working outdoors are exposed up to ten times the UV light as those who work indoors, so we think it's crucial to make sure our clients are fully informed and where possible, are reducing their risk of melanoma.

Visit www.fmg.co.nz/melanoma to register



House fires

When it's time to put the clocks back at the end of daylight savings on Sunday 3 April, it's also time to check your smoke alarms as well as other potential fire hazards around the home ahead of winter.

Check electrical wiring, switchboards and appliances

Significant fires can start behind appliances. It's a good idea to check the cords, plugs and sockets of large appliances like dishwashers, ovens and fridges. We also suggest checking smaller appliances like electric blankets, heaters, irons and toasters. Check that you've connected one appliance only to each socket: whether to a single power point or a multi-board and that you're not overloading power points with double adapters. If you're concerned about any electrical wiring or switchboard in your house, ask a qualified electrician to examine it and replace it if needed. You'll be at greater risk of fire in houses (such as those over 60 years old) not upgraded with new electrical wiring and switchboards.

Check your fireplace

Rural properties are twice as likely to use wood fires. What's more, the damage caused by rural house fires is often worse because of the extra time it takes for emergency services to arrive.

Do you have a fireguard? Often a fire starts because the fireplace has no fireguard.

The fire can spread to nearby items (such as rugs and carpets) that start to burn. A fireguard helps to prevent sparks, embers and logs rolling onto the floor when a door is opened. Inspect and clean your fireplace and chimney. If you're concerned, ask a certified expert to inspect your fireplace and chimney for deterioration. Regularly sweep your chimney, including the flue, to remove any debris and build-up of creosote, soot and ash.

Check your smoke alarms

Fire and Emergency New Zealand has found that one third (33%) of the residential fires attended last year did not have smoke alarms installed.

Clear your driveway

Make sure that emergency services can access your property should a fire occur—now's a good time to clear your driveway of low branches and any other obstructions.



To learn more about the causes of house fires and advice on how to reduce fire risks, check out our House Fires Advice Guide on our website fmg.co.nz or head to Fire and Emergency New Zealand's website fireandemergency.nz

Tractor safety

How to stay safe

FMG provides insurance cover for over 35,000 tractors around the country. Last year an average of 17 tractors a week were involved in damaging accidents, with rollovers being a leading cause of significant tractor damage.

With the increasing use of front-end loaders at this time of the year, here's a timely reminder of the risks we've seen.

Tips to avoid rollovers

- Drive with the front-end loader as low as safely possible to maintain a lower centre of gravity, especially if carrying a load.
- Avoid driving around corners with the front-end loader up, especially if carrying a load.
- Reduce ground speed before turning into a corner. Even a small reduction in speed has a significant reduction on the forces causing a tractor to roll.
- Be conscious of the centre of gravity and balance of towed trailers/wagons/spreaders etc., especially on hill country. The tractor may be stable, but an unstable trailer has the potential to pull the tractor down with it.

For more information on tractor safety, please view our Tractor Advice Guide under the Advice section on our website www.fmg.co.nz



1 in 10

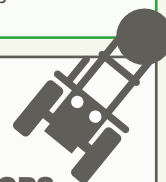
CLAIMS ARE FROM OBJECTS FALLING FROM A FRONT-END LOADER

The most frequent cause of tractor damage comes from objects falling from the front-end loader. This damage usually occurs to the bonnet area or cab and windscreen of the tractor. The most commonly dropped objects are branches, hay/baleage and buckets, forks or grabs that aren't properly attached.

1 in 10

CLAIMS ARE FROM TRACTORS ROLLING OR SLIDING INTO A DRAIN OR GULLY

Rollovers are a leading cause of significant damage. Using a front-end loader changes the centre of gravity and balance of a tractor making it more likely to roll or tip. This could put you and your tractor out of work leading to lost time, injury or worse.





With the 54th season's regional finals already in full swing, FMG couldn't be prouder to be supporting and developing the next generation of farmers alongside NZYF—together we're helping build strong and prosperous rural communities.

2022 FMG Young Farmer of the Year

In 2015, FMG became the principal sponsor of the Young Farmer of the Year Contest—the country's preeminent rural challenge that has contestants battling it out on all things agriculture.

The partnership has strengthened an age-old relationship dating back to the mid-1930s, where FMG played a significant role in the establishment of New Zealand Young Farmers (NZYF).

FMG has a long history of backing our young farmers and the contest is also a way to attract people from outside rural New Zealand to the sector.

Roshean Woods has competed in FMG's Young Farmer of the Year contest seven times and says she's proof that there's no need to come from a farming background to enter.

“Sure, there's challenges not coming from a rural background but I'm proud of who I am and where I've come from and hungry to learn as much as I can, ”

Once at university, Roshean joined the Christchurch City Young Farmers club and says she decided to start competing in Young Farmer of the Year contest with the view that it was a great learning opportunity.

“Entering each year is a bit like fear factor for me,” she says.

However, during the 2021 contest, fear was not a factor for the DairyNZ Farm Systems Scientist as she became the seventh ever woman to reach the Grand Final round. But she didn't let that distract her.

“We've all got the same chance of winning. I thought I'm just one of the seven and my goal is to go and do my best and enjoy it.”

Her advice to those from urban backgrounds who are looking to enter is to be open-minded and just give it a go.

“It's broadened my knowledge and my practical skills. I don't know where I would've had the chance otherwise to learn so many different things.”



FMG
Advice & Insurance

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