

# Supporting history makers



**FARM**  **STRONG**

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# Note from Adam Heath



## *Kia ora koutou katoa,*

There is no question this financial year has been a challenging one for FMG and many of our clients due to the devastation caused by two unprecedented climate-related disasters in the Auckland Anniversary Weekend floods and Cyclone Gabrielle, with 15 lives tragically lost. Cyclone Gabrielle was the most significant weather event Aotearoa/New Zealand has experienced in over a century, causing major disruption to lives and livelihoods and becoming the largest claims event in FMG's 118-year history.

In addition to the Nelson floods (another significant event in itself), that's three events classed as 'Catastrophes' in insurance terms (i.e. greater than \$4.5m in claims and/or more than 800 claims per event) experienced over the course of the year. Thankfully this is when our robust and comprehensive reinsurance programme kicks in. Hence, why it's critically important we treat reinsurers' capital with the respect it deserves to ensure ongoing relationships over the long-term.

We also experienced Aotearoa/New Zealand's wettest winter on record and a significant increase in large losses, notably large domestic fire claims.

Combined, these events have resulted in a net loss of \$15.7m being posted for the FY23 financial year. You can read about our financial performance in our Annual Report on our website.

In response, we've undertaken work internally to cut costs and remain committed to providing affordable insurance to regional and rural New Zealand. While being fiscally prudent, we are still ambitious and committed to our growth strategy. We ended below our planned net client numbers for the year, but still added over 4,500 clients in a tough economic environment. We continue to grow our all-important rural market share which stands at 54.6%; up 3.1% points on last year and we've had a strong start to our current financial year.

Much like our farming and growing clients and Members, we expect years like this from time to time. The underlying business continues to be in good health. FMG is financially secure and extremely well placed to pay claims, with \$330 million in reserves and strong reinsurance support.

As Aotearoa/New Zealand's leading rural insurer, we know how important it is to get around the country to experience our clients' world; be it on your farm or orchard, supporting you at your local community initiatives, or attending national industry events like the National Field Days, Ahuwhenua Awards, the Primary Industries Summit and FMG Young Farmer of the Year. It was an honour and a privilege to be there at the Grand Final of season 55 in Timaru as Emma Poole became the first female winner in the competition's history in what was a very tight contest. Congratulations again to Emma on her historic win.

It's clear that the agricultural sector is facing significant headwinds with sustained high production costs, high interest rates, falling commodity prices, difficulty finding staff, regulatory pressures and severe weather impacts to name a few. Despite those significant headwinds, export revenue for the sector set a new record at \$56.2 billion, meaning that 82% of the country's exports now come from the food and fibre sector. In addition, our farmers manage over 2.8 million hectares of native vegetation and employ 1 in 7 of the workforce. So, while we acknowledge things may not be easy on our farms, orchards, and in our rural communities at present, your contribution to this country's wellbeing and prosperity is significant. We are proud of what you do, and will continue to stand alongside you and face the headwinds together.

Ultimately, the work we do is about looking after people. Our people-first culture has seen FMG ranked as one of the best places to work in the world in the Gallup Exceptional Workplace Awards for the second year running, so you can rest assured we've got the best people on the job.

On behalf of FMG, thank you to our clients and Members, for your ongoing support and for the trust you continue to place in us. A special mention also to our outgoing FMG Board Chair, Tony Cleland for his immeasurable contribution during his 16 years of service to FMG. Tony's extensive experience in the rural sector has played a vital role in FMG's growth and sustained success over that period, and while he will be sorely missed, we wish him every success for what lies ahead.

Kind regards / Ngā mihi,

**Adam Heath**  
Chief Executive, FMG

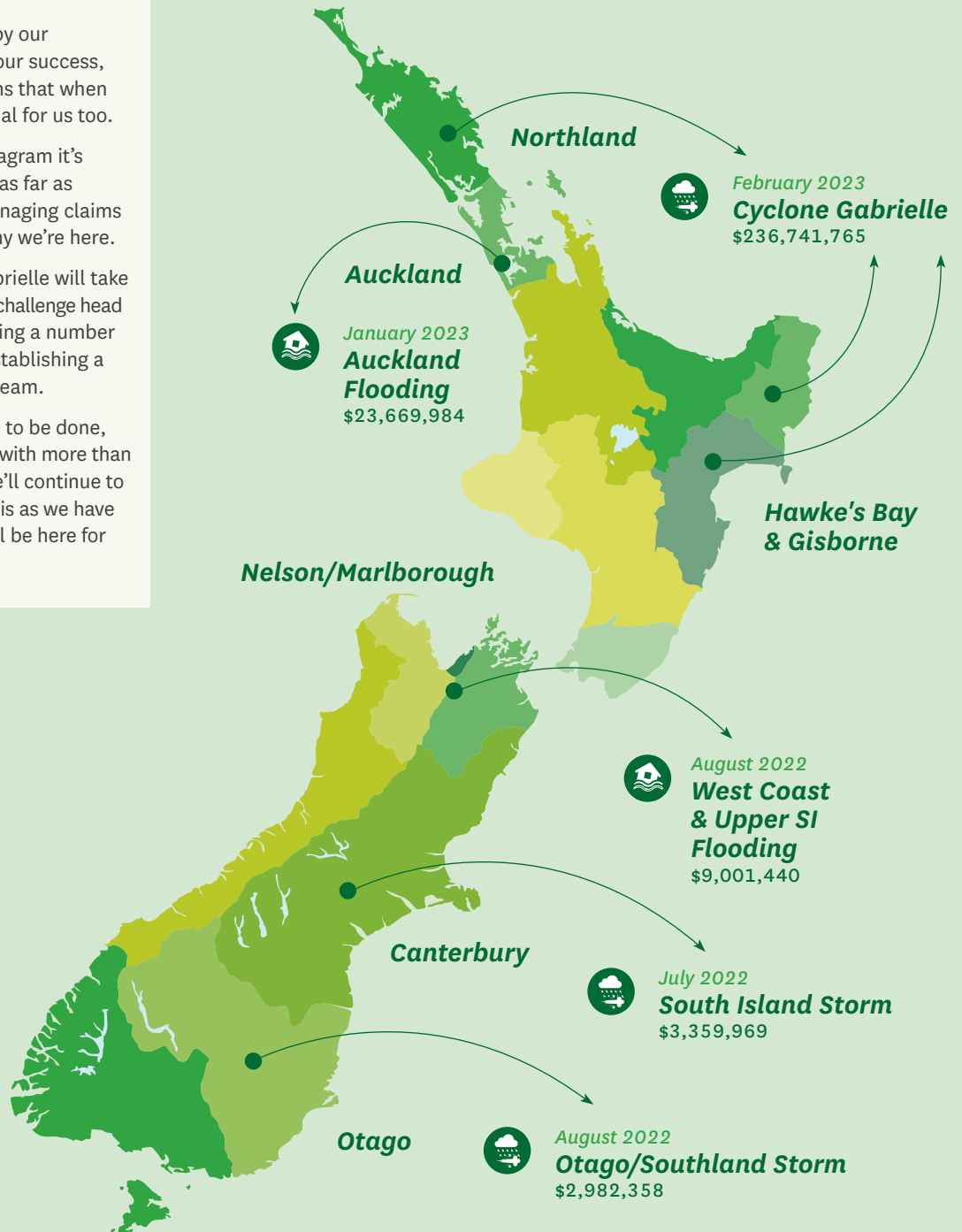
# Getting through it together



As a mutual, we're owned by our Members, so that means your success, is our success. It also means that when times are tough, it's personal for us too.

As you can see from this diagram it's been quite a financial year as far as weather events go, and managing claims when things go wrong is why we're here.

Responding to Cyclone Gabrielle will take time and we're meeting this challenge head on. This has included evolving a number of ways we work such as establishing a dedicated Cyclone claims team.



We appreciate there's more to be done, and we're making progress with more than 50% of claims resolved. We'll continue to be there in moments of crisis as we have been for 118 years, and we'll be here for the next 118 and beyond.



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**June 2022 North & South Island Storms**  
 \$2,833,078
- 
**July 2022 Nationwide Wild Weather**  
 \$2,132,698

All event costs are EMG insurable reserved estimate/ losses/costs, **not** total industry costs or the total cost of each event on each region.

## MAJOR CLAIMS EVENTS FY 22/23

Key:  Storm  Flooding

**Note:** These are not the only regions impacted by each event. This is a broad view of the regions most impacted in terms of volume of claims and cost.





Farmstrong ambassador Sam Whitelock: "Sometimes we need to step away for a breather and 'reset' physically and mentally."

*Extreme weather has left many farmers and growers with major clean-up and repair work ahead. Farmstrong ambassador Sam Whitelock discusses what it takes to get through a long haul.*

For free farmer-to-farmer tools and resources visit [www.farmstrong.co.nz](http://www.farmstrong.co.nz)

## Challenge and response

First up, Farmstrong's best wishes go out to everyone whose lives and livelihoods have been impacted by Cyclone Gabrielle and other flooding. We know the storms have brought massive stress and extra work for many of you. Here are some tips farmers and growers have shared with us about getting through major setbacks.

### Ask for help if you need it

"These are exceptional events, so it's hardly surprising if you start feeling 'under the pump' at some point. The main thing is - don't bottle it up. Getting things off your chest and having a natter with a family member, friend or someone from the Rural Support Trust will help relieve that stress and give you a boost. When you catch up like that, you soon realise everyone's experiencing the same emotions, you're not alone and your community is there to help you."

### Use others as a 'Roadmap'

"One thing farmers have emphasised is to listen to others who have been through similar experiences. There'll be a lot of knowledge in your community about how to get through events like this, so make sure you tap into that wisdom. These people can provide a helpful perspective and act as your roadmap ahead."

### Focus on what you can control

"Worrying about things you have no influence over only adds to your stress levels. Prioritise the things you can control. List out what needs to be done, make a plan about what to attack first and break down the work into achievable amounts so you're not overwhelmed. As one farmer told us, putting pen to paper like this takes the 'negative spin out of your head and makes you just deal in facts.' It also gives you a sense of purpose - that you're moving your life forwards, rather than just letting it happen to you."

### Be realistic about workload

"Don't expect too much out of any one day. Make a realistic list of tasks to achieve, so you finish the day feeling like you've accomplished something. That's the sort of daily motivation required during a lengthy recovery. As one farmer summed up, 'Don't try and eat the elephant all at once.'"

### Schedule recovery time

"One thing I've learnt during my sporting career is that no one can just go 'hammer-down' the whole time, particularly during intense periods. Sometimes we need to step away for a breather and 'reset' physically and mentally. One flood-hit farmer in Hawke's Bay mentioned how helpful a simple change of scene can be during the week. It could be as easy as getting off farm to pick up a few groceries or coach kids' sport."

### Don't neglect 'The Basics'

"I remember after the Christchurch earthquakes we all got by on adrenalin for the few first weeks, then people started falling flat. When you're facing a big task, it's tempting to just get stuck in and forget the basics like sleep, eating well, staying hydrated and regular exercise. But these are the things that are going to give you the energy to make it through. As one farmer put it, 'No one can run a marathon on adrenalin alone.'"

### Prioritise your wellbeing

"Remember, you are the biggest asset to your farm and family. If you're going well, everything else around you is going to go better too. That's why your own physical and mental fitness has to be an absolute priority even during challenging times."

Ask for help if you need it

Use others as a 'roadmap'

Focus on what you can control

Be realistic about workload

Schedule recovery time

Don't neglect 'the basics'

Prioritise your wellbeing

Farmstrong is a nationwide, rural wellbeing programme for farmers and growers. To find out what works for you and 'lock it in', visit [www.farmstrong.co.nz](http://www.farmstrong.co.nz)



# What is 'sum insured'?

## This is a very insurance sounding term that can sometimes lead to scratched heads, so what does it mean?

The sum insured represents the maximum FMG would pay in the event of a loss to the item insured. You set your own sum insured so it's important to make sure it is enough to replace the insured item in the event of a total loss. Insurance should not be set and forget. Sum insureds should be reviewed frequently, and we have some tools that can help.



### House sum insured

When calculating your house's sum insured amount, FMG has sought expert advice on the rebuild costs for different house construction types. While we've made every attempt to calculate an accurate rebuild cost, this amount is only an indication of what you may need to rebuild your house if something happens.

Advice to help you determine the correct sum insured for your house is available on our website, including a comprehensive guide with advice on how to measure your house to ensure the square metre area is accurate – this is a crucial element in determining an indicative rebuild estimate amount. There is also information on the different basis of house claim settlements.

Of course, we're always available to talk through your situation, so don't hesitate to contact us.

If you've any doubts, or your house has special or unique features, you may wish to get an independent valuation to establish a suitable sum insured. If your house sum insured is above \$2 million, we highly recommend it. This can be done by using a:

**registered valuer:** [nziv.org.nz](http://nziv.org.nz)  
**quantity surveyor:** [nziqs.co.nz](http://nziqs.co.nz)  
**licensed builder:** [lbp.govt.nz](http://lbp.govt.nz)

Your sum insured should reflect the cost to rebuild your home, including demolition and removal of debris costs, and professional fees. It should not include the land value and should not be based on the market value or rateable value and does not include your house contents which we cover next.



### Contents sum insured

You may be surprised by how much your household contents add up to. Our handy calculator which you can find on our website or at [homecontents.co.nz](http://homecontents.co.nz) will give you an estimate amount.

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*...it is important now more than ever to check that you have adequate cover.*

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### Vehicle sum insured

Due to the value of cars, vans and utes changing over time, we've partnered with an independent service to provide improved vehicle estimate ranges to help you select a market value sum insured for your vehicles.

In the event it is damaged beyond repair, FMG will pay the market value (Market value means what you would likely sell it for on the open market), or the sum insured value for your vehicle, whichever is less. Therefore, it is important to review your sum insured value to check that the sum insured reflects the vehicle's current market value. Ultimately, it is up to you to determine what your vehicle sum insured value should be.

If you need to adjust your sum insured value to account for unique features specific to your vehicle, such as condition, kilometres travelled and/or accessories/modifications you can do this online via FMG Connect or by calling us on 0800 366 466.

**Everything is getting more expensive to buy and replace, which is why it is important now more than ever to check that you have adequate cover. It may cost less than you think to increase your sum insured.**

## FMG Connect

### Add cover for a Quad bike/ATV and UTV and submit windscreen and glass claims for fleet vehicles

Clients can now add comprehensive insurance cover for private and farm use vehicles, Quad bikes/ATV and UTV via FMG Connect.

Once the item is added, you will be able to:

- create a Certificate of Cover, and
- edit basic elements of Quad bike/ATV and UTV insurance cover online

We'll be adding other vehicle types, with motorbikes next up, followed by tractors.

You can now use our fast and easy windscreen and glass claims process for your car, van, ute and truck fleet items via FMG Connect. This includes vehicles listed on the fleet schedule, as well as unlisted vehicles purchased within the existing policy period.



To register simply scan this QR code or head to our website at [fmg.co.nz](http://fmg.co.nz) and click the REGISTER link at the top of the homepage.





# Smashing the grass ceiling

## Emma Poole wins 2023 FMG Young Farmer of the Year in the 55th season

At 2023's FMG Young Farmer of the Year, a momentous occasion that will go down in history, Emma Poole, was awarded the title in front of a sell out crowd in Timaru on Saturday 8 July.

The first woman to don the Cloak of Knowledge and lift the trophy, 28-year-old Pirongia dairy farmer, Emma, said her win is testament to those courageous women that came before her.

"We finally knocked the grass ceiling off this roof. I say 'we' because a long chain of beautiful women have worked hard to get here, so thank-you to everyone who has put in a huge effort to display the important role we play in agriculture."

Representing the Waikato / Bay of Plenty region as a Te Kawa West Young Farmers member, Emma says this year, whatever the result, she hoped to be an inspiration for other people and other young women wanting to enter the industry. She has well and truly achieved that.

Farming talent runs in the family as Emma's brother, Tim Dangen, was the 2022 FMG Young Farmer of the Year Grand Final Winner.

### The Grand Final

This is a jam-packed three-day event involving head-to-head competition plus technical elements, including an HR challenge and innovation project. The contestants must also deliver a convincing speech and battle it out in the infamous quiz on awards night, where contestants are put to the test on their agricultural and general knowledge questions.

Aorangi representative Peter O'Connor was named runner up FMG Young Farmer of the Year, and Otago Southland's Hugh Jackson took home third place.

## East Coast wins the inaugural FMG Region-off

We changed things up this year in the lead up to Grand Final and introduced the FMG Region-off. It saw the seven NZ Young Farmers regions go head-to-head to win the top region for 2023.

AgriKidsNZ, FMG Juniors and FMG Young Farmers Grand Finalists teamed up for a regional rural showdown to try and win \$5000 for a local cause chosen by them.

Points were earned for each region through public voting and completing small, community focused challenges in the 'Be Farmstrong Challenge'. Regions also earned points by winning specific categories during Grand final.

East Coast were crowned the 2023 FMG Region-off winners, where \$5,000 will be given to their chosen local cause, East Coast Rural Support Trust.

The region's community spirit shone through in their 'Be Farmstrong' challenge entries. From making and delivering hundreds of meals to their local community, lending a hand to local farmers to help with cyclone clean ups, to helping their school groundskeeper with tasks.

As part of their win, the FMG Young Farmer will receive \$1000, \$1000 will be split between the FMG Junior finalists and \$1000 will be split between the AgriKidsNZ finalists.

### East Coast Grand Finalists representatives

East Coast FMG Young Farmer Grand Finalist – Patrick Crawshaw; FMG Juniors – Cameron Brans and Quinn Redpath (Napier Boys High School), George Giblin and Baxter Twist (Napier Boys High School); AgriKidsNZ – Team Agri-Tools (Ollie Mitchell, Payton Thomsen and Sam Beetham), Ongaonga Musterers (Katie Bibby, Oliver Merridew and Chloe Lawson), Opaki School (Charlotte Wyeth, Hillary Sims and Maia Lenihan).

## FMG Junior Young Farmer of the Year

After six years of competing in FMG's Junior Young Farmer of the Year, twins Zoe and Millar McElrea from Otago Southland, have finally taken out the title for 2023.

They were put to the test over 2 days through an exam, a speech, Practical Day challenges and a quiz. The dynamic duo showed consistency across all challenges and came out on top.

### AgriKids NZ

Congratulations to the legendary trio, 'Team Legendairy' from Mount Somers Springburn School for taking out the 2023 AgriKidsNZ title.

Georgia Heaven, Flynn Wallace and Charlie Clark were victorious after battling it out against 20 other teams from across the country at Grand Final.







# Up in flames

Even working for an insurer doesn't protect you from a house fire tragedy, as FMG team member Lisa Hendrie found out. Her experience of losing the home she had purchased from her late grandmother has left her appreciating people's kindness and humbled by the support she received.

As she approached the end of her street and spotted the cordon and half a dozen fire engines, Lisa knew it was serious. She had been up early on 16 December to drop off some friends at the airport when she received a call from a police officer. The agonising six-minute drive home felt like an eternity and she was greeted with an overwhelming sight.

She was sitting frozen in her car bawling her eyes out when one of the fire crew spotted her. She managed a nod when he asked if she was the homeowner and he grabbed her out of the car gave her a massive hug and told her it would be ok before walking with her towards the wreckage.

"I got to the gate and caught a glimpse of the blazing mess and I had to look away, it was too much to take in," Lisa says.

The rest of the morning was a blur, trying to talk to investigators and work out what she needed to do.

"There's so much you just don't expect, like needing to talk to the investigators straight away, I was in such a heightened emotional state it was hard to keep it together while trying to give them all the information they needed.

"I stayed with a friend that first night and crashed out with exhaustion, but she stayed up all night writing lists of all the things I needed to do, like cancelling my wheelie bin and internet and talking to the bank to let them know the asset they funded was gone."

It was hard for her to get her head around being homeless so abruptly and she didn't want to overstay her welcome with friends. So being able to stay in a motel for a few months thanks to her cover with FMG made a huge difference.

Once her bank approved her insurance payment to go to her, rather than repaying her mortgage, she settled on buying a prefabricated house. She has been grateful for the generosity and support shown her and within six months of the fire she has already moved into her new home.

Through this experience, she has learnt how important it is to take regular photos of every room in the house, as when it comes to making a claim it can be really hard to account for everything that has been accumulated.

FMG paid \$44 million in house fire claims between January 2019 and December 2021.

"There are some sobering house fire statistics," says FMG Advice Services Manager, Angela Taylor.

"Every year we support around 150 families affected by house fires and the emotional stress and loss of treasured possessions can be hard to deal with.

"Fortunately, house fires can be prevented if the right measures are taken."

Check out Fire and Emergency for more information on staying fire safe within the home or take a look at [www.fmg.co.nz/advice/at-home/house-fires](http://www.fmg.co.nz/advice/at-home/house-fires) for more on how you can prevent house fires.



Clockwise from top left: the fire-wrecked home; the internal devastation; the new prefabricated home ready to live in 6 months following the fire.



# 16 years of service with FMG

## Departing Chair Tony Cleland reflects on his time on FMG's Board.

It has been an absolute pleasure to be part of the FMG Board for the last 16 years and Chair for the last six, and a privilege to be part of the FMG family. As I look back, what I am most proud of during my time has been the growth in scale of the business and the development of a thriving culture within FMG. The business has grown from \$150m Gross Written Premium to \$600m and from 32% market share in rural to 55%. Our employee and client satisfaction has hit world best standards.

My time, however, has not been without its challenges – we've dealt with the Global Financial Crisis fallout, the Christchurch and Kaikoura earthquakes, a global pandemic as well as a number of weather catastrophes. Just this year Cyclone Gabrielle will be the largest event in FMG's

history with more claims than the two earthquakes combined. We are here as we always are for rural New Zealand in their hour of need.

This year has seen certainly the biggest response in our history. I am extremely proud of how our entire team stepped up to help deal with the massive devastation our clients suffered. Even though if you are an impacted client the response would never be quick enough or take away the stress caused. In terms of FMG's response we're ahead of the industry and ahead of the earthquake response rate. That is something we can all be proud of.

I am leaving feeling extremely comfortable with the Board and management teams in place as I depart. Adam has done an amazing job of guiding the team through a

very tough year and has plenty of ideas for future improvements.

As I am retiring from FMG at the conclusion of the 2023 AGM, the Board has been actively engaged in identifying my successor as Chair. The current Board is overwhelmingly in support of Sarah von Dadelszen succeeding me as the Chair; noting this will be subject to confirmation by the Board post the AGM. It is with some sadness I depart the Board but it is the right time for a change. I leave knowing in my heart that FMG is well set up for the next 118 years.

Ngā mihi

**Tony Cleland**  
FMG Member Director



## Doctors appointments – when you need them

The winter chill is in the air so if you or your family are unwell and need to see a doctor, the team at FMG want to help you prioritise your health by telling you about CareHQ – an online GP consultation service.

You are the most important piece in your family's and business' puzzle. So, if there's something you've been meaning to get checked, and for whatever reason are unable to see your GP (or don't have one) you can book an appointment with CareHQ and get a 10% discount on FMG.

It can be hard to get off-farm – especially if you're far from town, but now getting an appointment is easy. You can access CareHQ from your smart phone, computer or tablet.

If your condition is an emergency please call 111.

### What is CareHQ?

- **Highly qualified Doctors**  
The doctor your CareHQ appointment is with is a highly qualified expert, registered in New Zealand.
- **Keep your current GP**  
You don't need to register with CareHQ. Stay registered with your own GP and the CareHQ service will send all notes from your consultation to your GP if you wish.
- **Timely**  
Book your same-day appointment (or next-day), 7 days a week, 7am-9pm.
- **Trusted providers**  
Southern Cross Health Society and ProCare developed CareHQ to provide online consultations with real doctors. They are organisations trusted by over one million New Zealanders.

### Getting a virtual GP appointment is easy:

Book your appointment at [www.carehq.co.nz](http://www.carehq.co.nz) and register for this service. If you're a Southern Cross member, please book via your Southern Cross app. Use Coupon Code FMG-283E7B to get a 10% discount on FMG. You'll be sent a link when the doctor is ready to see you. Simply tap on the link to start your appointment on the device of your choice – smartphone, computer or tablet.

For more information visit Online GP appointments ([fmg.co.nz](http://fmg.co.nz))



Call us on **0800 366 466**

Visit our online service FMG Connect - [www.fmg.co.nz/connect](http://www.fmg.co.nz/connect)

Visit our website - [www.fmg.co.nz](http://www.fmg.co.nz)

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