

2021 FMG Young Farmer of the Year

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Note from Chris Black



Despite the various challenges Covid-19 and multiple storms, floods and fires presented, the overall scorecard for last year was one for the record books. This was underpinned by improved levels of both employee and client engagement. On the back of this, the Mutual experienced very strong net client growth (up 6.8% year on year) as more and more people and businesses elected to put their trust in a 100% New Zealand owned Mutual.

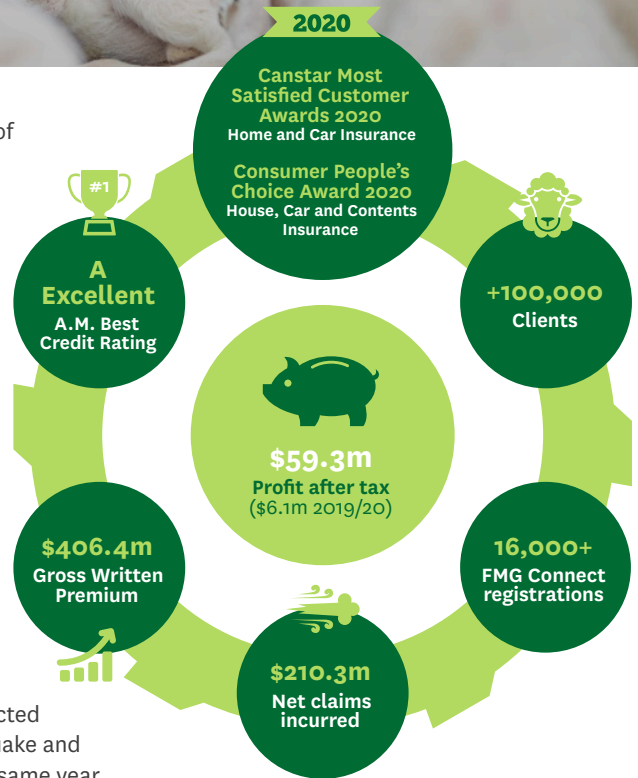
During the year the Mutual passed the significant milestone of 100,000 clients, something that we had been working towards since 2014.

Headline growth for the year at 11% well outpaced the insurance industry average of 2%. Importantly this was good quality growth in key target markets that was well underwritten, rather than growth for growth's sake.

Posting a net profit after tax of close to \$60m was pleasing and primarily due to a very good underwriting result, a relatively benign year in terms of storm and catastrophe events, and a bounce back in equity markets which benefited our investment returns. In a volatile industry like insurance, the Mutual needs a good financial result like this occasionally. If we look at the last five years, profits have ranged from an exceptional near \$60m this year to a loss of \$3m in 2017 when the business was impacted by both the Kaikoura Earthquake and multiple storm events in the same year. On average over this period the after-tax profit has been \$19m per annum, which is about the level we need to support a steadily growing business such as ours.

Another highlight this year was the increased awareness of our Life & Health business. This dimension of the Mutual is important in the context of our core purpose of giving rural New Zealand a better deal and this equally applies to life and health insurance alongside our general insurance offering.

This is my final FMG post as Chief Executive. In stepping down from FMG at the end of August after close to 13 years at the helm, I feel I am handing over the reins of a Mutual that is in good shape and great heart. There is no doubt in my mind this has been a collective team effort. Special thanks to my Executive and Senior Leadership team colleagues for their unwavering commitment throughout, as well as all my colleagues more broadly.



Thank you also to Tony Cleland, our FMG Chair, and the FMG Board for its support and giving me the opportunity to lead what is a fine organisation that plays a vital role as the farmers' and growers' insurance Mutual. My time with FMG has been a career highlight for me personally.

Finally, thank you to all our clients and members for your trust and loyalty over a long period. It is very much appreciated and highly valued. I wish you all the best for the future.

Chris Black
Chief Executive, FMG

We are delighted to provide the FMG Post to our clients three times a year. If you'd prefer to receive your copy via email or by post, please give us a call on 0800 366 466.

Starting out in the Rural Sector?

FMG understands that navigating insurance policies can be daunting when you're starting out. FMG's Head of Product & Planning, Zoe Morley answers some common questions from younger farmers and explains a few things to start thinking about.

When does my parents' insurance stop covering my belongings?

If you've bought some new equipment, machinery, tools or other items you need to do your job and you're living at home, cover under your parents' contents insurance may not be enough to cover your new business assets.

Talk to us about getting your own Material Damage policy.

I've just moved out of home—what do I need?

It's important that you have your own contents policy. Even if you don't think you own much stuff yet, and you'd just replace any items that are accidentally damaged yourself—contents policies also provide Liability cover. This means if you accidentally damage someone else's property—your rental property is a good example, you're covered.

If you're moving to a property that you own, a house replacement policy is essential.

What's the right vehicle and cover for me?

Your vehicle is likely to be one of your first major assets, and it's worth investing in one that also protects your greatest asset—you. Before buying a car, you can check the safety rating at www.rightcar.govt.nz. Safety ratings are the best way to know how well your vehicle will perform in a crash, the higher the rating—the safer you are on the road.



FMG's Comprehensive commercial vehicle policy provides cover for your car, ute or agricultural vehicles. Depending on your job, you may want to consider including an optional benefit, which provides up to \$20K to cover the cost of hiring a replacement vehicle or another contractor to complete work commitments if something happens to your vehicle.

Why should I consider taking out Life & Health cover when I'm young?

Life & Health cover tends to be cheaper when you're younger, so it's worth considering getting it in place.

Often people believe that because they are young and healthy, they don't need cover and put it off until they're older or start a family. But by that time you risk developing health conditions, or your

lifestyle may change, making it harder and more expensive to put cover in place. More often than not pre-existing health conditions will not be covered—so the sooner cover is in place, the more conditions will be covered as you age.

It's also important to remember that farming and growing are generally physically demanding industries to work in and often have higher incidence of accidents and injuries. While ACC does provide cover for accidents, it's not designed to cover everything.

What else should I be thinking about now?

As your assets grow, your career in the rural sector progresses and your personal life changes, make sure you continue to get advice on what insurance cover will protect you, before the unexpected happens.

If you'd like to talk to your local Life & Health Adviser to get their take on your current situation and future goals, give us a call on 0800 366 466.



Jake Jarman, the winner of FMG Young Farmer of the Year 2021

In October 2020, some 300 Young Farmers Members from across 22 districts began competing in the FMG Young Farmer of the Year Contest. By April, that number was whittled down to just seven of the best, who went on to compete in the Grand Final in Christchurch in July.

Jake Jarman wins 2021 FMG Young Farmer of the Year

First time competitor, Jake Jarman, 24, took the title in front of a sell-out crowd of almost 700 in Christchurch on Saturday, 3 July.

The ANZ Relationship Associate, representing the Taranaki Manawatu region, was a mix of overwhelmed, excited and a bit relieved that it was all over. "I'm just also so incredibly thankful to so many people".

Jarman said he was determined to give Grand Final his best shot after initially signing up to the contest to just give it a go. "I loved the practical day, particularly the challenge of having to multitask under time pressure and be a bit strategic".

Jake said he never dreamed he'd win the title of FMG Young Farmer of the Year but was immensely proud of the achievement and hoped it would inspire others.

Jake is a member of the Inglewood Young Farmers Club, and has been the fifth generation to work his family dairy farm.

He also worked as a farm systems research graduate with Dairy Trust Taranaki.

The 2021 Contest was met with excitement and some high calibre competition—with 7 of the strongest competitors vying for the title. Now into its 53rd year, The FMG Young Farmer of the Year Contest is the flagship event for NZ Young Farmers and tests every aspect of modern farming across the whole supply chain, while further showcasing our country's food and fibre story.

The Grand Final

This is a full-on three day event including head-to-head competition plus technical elements, such as an innovation project and interview challenge. The contestants must also deliver a convincing speech



on a topic given to them just a few days beforehand.

The last challenge is the infamous quiz, where contestants battle it out in six, buzzer beater rounds of agricultural and general knowledge questions.

Tikokino Young Farmer, Joseph Watts was named runner up FMG Young Farmer of the Year, and also won the Agri Skills Award. Whangarei Young Farmer Calvin Ball, 31, took out third place and also won the Community Footprint award.

FMG People's Choice Award

This year's FMG People's Choice Award hit record level votes—smashing previous numbers in just its first week alone. Congratulations to our winner Kieran McCahon from Hamilton City Club.

The award was introduced by FMG in 2016 to give the finalists experience in marketing themselves in the sector and to encourage local clubs and the public to get more involved with the Contest. Kieran did a stellar job, showcasing his skills across social media and strategic placement of his mobile billboards. Kieran's mullet is now world famous in NZ, after he cut it off to raise awareness for rural mental health. For winning he received a \$2,000 New Zealand experience and \$2,000 for his Waikato/Bay of Plenty club.





The 2021 FMG Young Farmer of the Year grand finalists (L-R) Jake Jarman, Kieran McCahon, Calvin Ball, Roshean Woods, Sam Hodsell, Joseph Watts, Dale McAlwee.



FMG Junior Young Farmer of the Year



The newly introduced FMG Junior Young Farmer of the Year (formally TeenAg) saw secondary school students from seven districts competing in teams of two, tackling similar modules to their older members.

Congratulations to Eddie Millichamp and Sophie Adkins from Mount Hutt College.



Seven Sharp

Originally a radio contest, Young Farmer of the Year was first televised in 1981 from a nightclub in Auckland. The last time any content was televised was back in 2016.

FMG worked with New Zealand Young Farmers and Seven Sharp to highlight the Contest in an attempt to spark interest for its return to our television screens in the future.

“FMG Young Farmer of the Year Contest is a special way to showcase the excellence and achievement of young farmers in this country. These are the seven best young farmers in the nation for 2021 and we're right alongside celebrating with them and their communities.” says Michelle Stevens, FMG National Sponsorships Manager and Farmstrong Industry Engagement Manager.

AgriKidsNZ



Congratulations Ben Hartshorne,12, Dustin Young, 12, and Henry Chittock,13—the talented trio from Blue Mountain College, West Otago for winning the 2021 AgriKidsNZ competition.

This is for our primary school-aged children and runs alongside the Contest.

FMG Connect

Connected with FMG Connect yet?

FMG Connect is your online service allowing you to access your insurance at any time and from any device. It'll help you to keep track of your policy information, update your details, make changes to some policies and make claims.

To further highlight FMG Connect's benefits, we ran a competition at National Fielddays at Mystery Creek. Any client who registered for FMG Connect or showed that they were already registered could enter the draw to win a \$1000 voucher to use at our supplier partner JB Hi-Fi. We received 346 entries to the

competition over the four days with the winner being Neil Farrer from Wanganui. Congratulations Neil!

If you didn't get a chance to visit Fielddays, don't worry, we plan to run further competitions to showcase our online service FMG Connect, so don't miss out and register today.



Exploring the farming life



After three and a half years working for Dairy NZ as a consulting officer for the Manawatu-Horowhenua region, Kate Stewart has stepped out to experience the day-to-day realities of life on a dairy farm.

At the beginning of the month, she began work as a farm assistant on a dairy farm in Linton, just out of Palmerston North. It's a big change from working with farmers around the region as a Dairy NZ rep.

"I wanted to increase my practical knowledge on farm. I'm loving it, I'm loving being outside and working alongside the farm owners. It's something I have always wanted to do."

Kate says her transition into full-on farm life is really exciting but it has challenges. Most important is staying connected with others. Her previous job was very social, talking with lots of farmers every day.

"Farm life involves a real change in lifestyle. Working hours vary—there are different work rosters and sometimes you are working the weekend. You have to adapt and make sure you don't isolate yourself. You have to keep doing the things that you really enjoy. This move is a big change for me, an exciting change, but it is very different from going into the office every morning."

Kate is giving plenty of thought to getting the balance right.

A former New Zealand Under-19 track cycling representative, she is keen to stay fit and has found ways to combine regular exercise and catching up with others.

"I play netball on a Saturday and I make sure I get to my social squash on a Thursday. Our Young Farmers Club has an indoor netball team on a Monday. Connecting with my netball girls and my Young Farmers Club and having a run around at the same time—that all works for me."

Kate believes strongly in a healthy diet but admits "this is the hardest thing for me because I really like baking and cooking! I make sure I have easy nutritious options on hand to fuel me. I noticed I was really hungry in my first week of dairy farming—I

did some fencing which is a lot more physical than driving around and talking to farmers."

Kate belongs to the Fitzherbert Young Farmers Club in Palmerston North which offers the opportunity for social connection with like-minded young people. It provides the chance to develop leadership skills and expand your farming knowledge through young farmer competitions.

"I also chair Taranaki Manawatu Young Farmers. Our role is to support the clubs and make sure they are operating well and providing members with the chance to get together and develop their skills through events like the FMG Young Farmer of the Year Contest.

"You learn a lot from contests like that. This year I competed in the regional final and I learned so much about things I don't come across in my everyday job. For example, I had to put together a beehive and then the frames which I had never done before."

Kate is currently involved in helping organise an exercise boot camp for young farmers in the area to get fit for calving. It's a six-week programme which involves well-known farming identities Tangaroa Walker (Farm 4 Life) and Kane Brisco (Farm Fit).

It's early days for this newcomer to farming but Kate is excited about what the future might bring. "I am in a real exploring phase. This is my year to really have a go and then I'll reassess."



Supporting you as banks remove cheques as a payment method

As banks phase out cheques this year we are now unable to accept a cheque as a payment method or reimburse you via cheque.

If you still use cheques, supporting you to move to a new payment method which works for you is important to us. As we don't have cash handling or ATM facilities at our FMG offices we are unable to accept cash or ATM transactions.



Direct debit



Credit card



Internet or phone banking



Farmlands or Ruralco account

Please call 0800 366 466 if you need to talk through your payment options, or visit your local FMG office if you'd prefer to have this discussion with one of our team face-to-face.

Raising rural awareness about melanoma

Why it's also a message for young farmers, growers, and rural workers.

With over 50% of rural New Zealand insured with FMG and a strong presence in these communities, FMG and Melanoma New Zealand have partnered to help prevent avoidable suffering and deaths from melanoma.

FMG's Chief Client Officer, Andrea Brunner says FMG often says the most important asset on your farm is you.

"The benefits of doing a regular skin check are undeniable given that if melanoma is caught early, it's almost always curable. Our farmers and growers are among the most at risk of melanoma in the world due to New Zealand's UV radiation intensity. Supporting you to remain well so that you can continue to grow and prosper is very important to us," says Ms. Brunner.

Melanoma New Zealand CEO, Andrea Newland says heightening the awareness in New Zealand's rural communities of how to protect your skin when outdoors, and the importance of having a regular skin check, will save lives.

"New Zealand has the highest incidence rate of melanoma in the world. More than 4,000 people are diagnosed with melanoma, and around 300 people will die from it each year in New Zealand; in fact more people die from skin cancer than on our roads.

But the good news is that it doesn't have to be that way, given melanoma can be preventable and is almost always curable if caught early enough," says Ms. Newland.

Ms Newland also says melanoma can sometimes be perceived as a concern for older people, but that's not the case.

Ms Newland says that although the chance of developing melanoma increases with age, young people are not immune.

"Melanoma can be found in younger age groups too—especially people aged 25-39" says Ms Newland.

“It's more common in males than females, but everyone is at risk. You'll increase your risk of melanoma if you don't protect your skin from sunlight and it's important to be aware that sunburn at any age increases your risk of melanoma later in life.”

The team at FMG are helping to share Melanoma New Zealand's key prevention and early detection messages, education, and advice through its connections into rural communities. This includes at events like regional field days, A&P shows and community events.

Melanoma at 24 years old

Jack Keays was diagnosed with melanoma in 2019 at just 24 years old. Thankfully, his melanoma was caught early, and after two surgeries, he was given the all clear by his specialist.

Jack was really shocked when he found out that the mole on his upper back was a melanoma. "The scary thing is, I nearly skipped my annual skin check because of my age. I was thinking about going the following year instead and I am really relieved that I didn't wait; my skin check has probably saved my life."

Jack's mum lives on a dairy farm just outside of his hometown, Paeroa, and he's recently moved back home part-time to help out. He juggles this with his role as an Agri-Food Research & Insights Analyst at KPMG in Auckland.

Melanoma at 20 years old

Diagnosed with melanoma at just 20 years old, Lauren's advice to people her own age is that melanoma is serious, and it can happen to you too.

Lauren's friends are busy studying, working and planning their futures. However, Lauren is battling Stage 3B melanoma, undergoing immunotherapy treatment to potentially save her life.

"Make sure you are aware of your skin and listen to your instincts. It's important, no matter what your age, to get doctors to take your concerns seriously and check your spots properly with the right equipment—like a dermascope."

Further facts about melanoma in New Zealand are available at www.melanoma.org.nz



FMG's AGM: Member voting changes to suit all preferences

If you're an FMG member, we're making it easier for you to have your say at this year's AGM, by introducing an online proxy voting option, in addition to the postal option.

We're seeing more of you choose to interact with us digitally and online proxy voting is another way we're catering to those of you who want to engage with us in that way.

Electionz.com will be managing this process on behalf of FMG. The company is well known across the rural sector and are independently audited and certified to conduct this process.

If you currently receive your renewal statement and FMG Post via email, this year you'll also receive your AGM voting material via email. This will include a unique, secure pin and a link through to a web page (unique to FMG) where you can cast your proxy vote. Also included in this web page is the Notice of AGM and Board member candidate profiles.

If you receive paper statements and FMG Post in the mail, then you'll receive your voting information in the mail. This too will include the Notice of AGM, Board member candidate profiles and a unique, secure pin. If you choose to, you can proxy vote online in the same way as detailed above. If you'd prefer to proxy vote on paper and send this via post or scan and email it, these options are also available. A return envelope will be included in each voting pack.

You can also vote in person at this year's AGM, which will be held at Trustpower Baypark Suites, 81 Truman Lane, Mount Maunganui on Friday, 20 August 2021. The AGM starts at 10.30am.

Natural Disaster Claim? Simply call FMG

If there's a natural disaster and your home and property is damaged, and you have home insurance, you can now, simply lodge a claim directly with FMG.

We'll assess, manage and settle the entire claim, including the Earthquake Commission Cover (EQC) portion of the claim on your behalf. This is known as the Natural Disaster Response Model (NDRM) which was implemented on 30, June 2021 in partnership with EQC.

Calendar

4-6 August

Horticulture Conference

Mystery Creek, Hamilton

20 August

FMG 116th Annual General Meeting

Mt Maunganui

22-23 September

Young Grower of the Year National Final

Wellington

10-12 November

NZ Agricultural Show

Christchurch

Note: Government guidelines will be followed in relation to any event changes.

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Advice & Insurance

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