

2021 – 2025

Statement of Intent
Tauākī takune



This Statement of Intent (SOI) is a formal public accountability document required under section 149 of the Crown Entities Act 2004. It outlines the Earthquake Commission's (EQC's) strategy for the period 1 July 2021 - 30 June 2025 along with our strategic intentions and how we will know we've been successful in achieving the outcomes we seek.



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THE STORY OF RŪAUMOKO

In Māori mythology, Rūaumoko is the god of earthquakes, volcanoes and geothermal activity.

In the beginning, Ranginui (sky father) and Papatūānuku (earth mother) were joined in such a strong embrace it created darkness. When their sons separated them to create light, Ranginui grieved so much for Papatūānuku that his tears flooded the land. Their sons turned Papatūānuku over so their parents would not face each other and see each other's sorrow.

Rūaumoko is the youngest, unborn son of Ranginui and Papatūānuku. He was turned toward the earth in

his mother's womb. His brothers gave him fire so he could warm himself in the darkness.

Being so closely tied with his mother, Rūaumoko felt her pain at the separation. When he stirs, he expresses his anger through geothermal currents, earthquakes, and volcanic eruptions.

As we live alongside Rūaumoko's rumblings and Ranginui's tears, EQC's role is to help make our homes stronger, ensure new homes are built on better land, and provide support when damage occurs.



FOREWORD FROM THE BOARD CHAIR

Ki te kotahi te kākaho ka whati
Ki te kāpuia e kore e whati

When reeds stand alone, they are vulnerable
but bound together they are unbreakable

We are proud to present this *Statement of Intent* as the start of a new era for the Earthquake Commission (EQC).

The Canterbury earthquakes in 2010-11 were the most damaging natural disasters encountered in recent New Zealand history, generating almost half a million claims from 200,000 properties. EQC scaled up from a small agency of 26 people to a staff of 2,000 and was responsible for delivering both the insurance response and a housing recovery programme. Regrettably, for a range of reasons, the system was overwhelmed, and we continue to support homeowners with earthquake damage and reopened claims today.

After the Kaikōura / Hurunui earthquakes in 2016, EQC and private insurers took a different approach. We partnered to provide a single insurance pathway for customers, so claims were settled quickly, responsively and with clearer communications. This resulted in significantly improved customer experiences.

Going forward, the keys to achieving our strategy will be truly reciprocal partnerships and collaboration across all aspects of our work.

Drawing on the learnings from the significant events over the past decade and insights from the Public Inquiry into EQC, we have worked hard to formalise a public-private insurer partnership on a long-term basis. Customers can now make one claim to their private insurer and all aspects of their residential insurance are managed in a single, seamless process. This is a world first that brings the industry's resources together in a coordinated way and doubles EQC's capacity to respond to an event.

Over the next four years we will embed and mature this model with private insurers. This will be done so we can jointly deliver a fair, fast and responsive system for insurance claims and enduring claim settlements that balances the interests of all levy payers.

Our strategy is not only about resolving claims but also about looking for ways to prevent natural disaster damage from occurring in the first place. We are preparing New Zealanders for the 'next big one' by investing in science and research to find out more about natural hazard risks and how to reduce them.

We will continue to connect regularly with the science and research, insurance and reinsurance, and central and local government sectors to share insights on how we can make New Zealand communities more resilient.

We recognise that the Treaty of Waitangi is the founding document for the relationships between the Crown and Māori. Over the next four years, we want to transform how we engage with Māori customers and partners. This will start by addressing EQC's own cultural capability and familiarity with te ao Māori so that our services reflect our commitment.

We want our services to be accessible to the diverse communities we serve, either directly or through our partners. We are, therefore, embedding cultural diversity and inclusion into our capability and the way we perform our functions. We will also build connections with a range of communities through our National Reference Group. This provides a two-way flow of information where we receive updates on community experiences and seek community-led feedback on EQC's work. The National Reference Group will also be an important base from which we can link with any event-specific community groups established after an event.

We also draw insights from planning and modelling natural disaster scenarios. EQC will work with private insurers, researchers, and loss modelers to prepare for a wide range of natural disaster scenarios—from earthquakes to volcanic eruptions, floods, natural landslips, tsunamis, and geysers—and with other agencies in the emergency management sector to align our roles and responsibilities.

We continue to work hard to support the Government's objective of ensuring natural disaster insurance remains accessible and affordable to all New Zealanders. We do this by growing the Natural Disaster Fund from premiums and investment income and optimising our reinsurance portfolio on a global basis. The confidence the global reinsurance market has in New Zealand from EQC's research, loss modelling and other activities improves the reinsurance prospects for all private insurers in New Zealand. This contributes to New Zealand having very high levels of homeowner insurance by global standards.

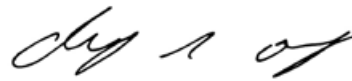
The wider environment for our operations is ever changing due to market dynamics, internal economic drivers and wider government reforms. Some aspects of New Zealand's natural hazard profile will become more challenging as they are compounded by the effects of climate change. Our governing legislation is being reviewed and we will be responsible for operationalising any legislative amendments made.

We need to remain flexible to respond to the broader impacts on the scheme. These challenges place an even greater spotlight on the need to promote resilience, which minimises the human and financial cost of natural hazards and enables us to respond quickly and effectively when natural disasters occur.

Data is a critical enabler for our success and flexibility; it allows us to influence strategy, system and policy development, and system readiness and resilience.

In conclusion, there is no doubt the past decade has seen a major transformation of EQC. I am proud of the progress we have made in setting up partnerships with private insurers, communities and Government and our focus on delivering the best possible claims experience for customers.

We look forward to delivering the ambitious yet practical plan outlined in this *Statement of Intent* over the next four years so we can support Government priorities and provide New Zealanders with a world-leading natural disaster insurance scheme.



Mary-Jane Daly
Board Chair

**Titiro whakamuri
Whakarite ināinei, hei hāngai whakama**

See the past
Prepare now to shape the future



EQC—WHAT WE DO AND WHY

History

Since 1945, the EQC scheme has been one of the New Zealand Government's key policy interventions to manage the financial impact of significant natural disaster events. The scheme has evolved to meet the changing needs of New Zealanders, Government priorities, advances in technology, and our understanding of the risks and perils that are covered by EQC.

At the heart of the scheme is the belief that New Zealanders should have access to affordable, readily available natural disaster insurance for the rare, but potentially devastating, natural disaster events that can impact us all in this geologically active country.

Functions

EQC's functions under Section 5 of the Earthquake Commission Act 1993 (EQC Act)¹ are summarised as:

- administering the insurance against natural disaster damage provided under the EQC Act
- collecting premiums for the insurance provided under the EQC Act
- administering the Natural Disaster Fund (NDF), including the investment of money held in the NDF
- obtaining reinsurance in respect of the whole or part of the insurance provided under the EQC Act
- facilitating research and education about matters relevant to natural disaster damage, methods of reducing or preventing natural disaster damage, and the insurance provided under the EQC Act
- such other functions as may be conferred on it by:
 - the EQC Act or any other Act or
 - the Minister, in accordance with Section 112 of the Crown Entities Act 2004, which gives the responsible Minister power to add to the functions of a Crown entity.

The Minister may direct the entity to perform any additional function that is so added and that is consistent with the entity's objectives.

In 2019 EQC was asked to perform two additional functions:

- to administer the support package established by the Crown for qualifying owners of on-sold properties
- act as an agent for Southern Response Earthquake Services Limited (SRES), for the purpose of administering open insurance claims against Southern Response in respect of damage arising from the Canterbury earthquake sequence in line with the agency agreement with Southern Response.

Our evolving environment

New Zealand's natural hazard risk profile is becoming more complex as the compounding effect of climate change becomes apparent. To respond to these challenges, EQC is enhancing the tools, knowledge, frameworks and relationships it uses to play an effective part in building community resilience to natural disasters.

At the same time, global financial and reinsurance markets are grappling with the insurability of such risks while experiencing change through digitisation, increasing customer expectations, and volatility caused by the COVID-19 pandemic.

Political, social and economic uncertainty will continue in most markets in 2021 and beyond. EQC regularly assesses these external impacts to ensure it has effective strategies, decision making and governance frameworks in place to respond.

¹This is a summary of EQC's functions. Please refer to the wording as set out in Section 5 of the EQC Act 1993.

The EQC scheme itself continues to evolve. The EQC Act is currently being reviewed, with a range of changes proposed. The changes will be focused on community recovery following a natural disaster, clarifying the role of EQC and the cover it provides, and supporting the future durability and flexibility of the EQC Act.

EQC is well underway in implementing recommendations from the Public Inquiry into EQC (concluded in 2020) and is working across agencies to progress this work more broadly.

The way EQC resources and manages its functions has also evolved, with the launch of the partnership with private insurers in 2020. This partnership leverages the insurance industry's capability and capacity to provide a simpler and improved experience for customers.

Purpose of this Statement of Intent

This *Statement of Intent* sets out EQC's strategy for the period 1 July 2021 to 30 June 2025 along with our strategic intentions and how we will know we have been successful in achieving the outcomes we seek.

This Statement of Intent should be read in conjunction with our annual *Statement of Performance Expectations* (SoPE). Performance against the measures in our SoPE is assessed and reported quarterly to the Treasury, as our monitoring agency, and yearly in our annual report. EQC publishes its SoPE, annual report, and monthly performance updates on the EQC website.



Inangahua earthquake 1968

OUR STRATEGIC OUTCOMES, INTENTIONS AND MEASURES

Our strategic outcomes describe, at a high level, the changes or benefits EQC wants to achieve to support a healthy and prosperous New Zealand, in accordance with our governing legislation. This forms the basis of our long-term strategy.

Our strategic intentions reflect the areas we will focus on the most in the medium term—the four years covered by this *Statement of Intent*. They demonstrate where we intend to concentrate our efforts to progress our long-term strategy and the enabling capabilities required to achieve the outcomes.

Our measures represent the activities we will monitor to ensure we stay on track in delivering our four-year focus.

WHAT WE WANT TO ACHIEVE TO SUPPORT NEW ZEALANDERS (OUTCOMES)	WHERE WE WILL FOCUS OVER THE NEXT FOUR YEARS (INTENTIONS)	HOW WE WILL KNOW WE ARE ON TRACK (MEASURES)	OUTPUT CLASSES IN STATEMENT OF PERFORMANCE EXPECTATIONS
We help New Zealanders to recover after a natural disaster.	Claims made to EQC's insurance scheme are managed fairly, transparently, responsively and in a timely manner.	<ul style="list-style-type: none"> Customer experience on Canterbury claims (EQC) Customer experience on new claims through our partnership with private insurers (from mid-2021) Assessment of claims processes to ensure they are fair, transparent, fast and responsive Assessment of claims outcomes to ensure they are enduring Costs of claims handled by private insurers are monitored 	Class one: Recovery
We collaborate and share information about natural hazards with New Zealanders and other agencies.	Be a leader in natural hazard risk reduction based on credible research, data, education and strong stakeholder relationships.	<ul style="list-style-type: none"> Usefulness and quality of the insights we share Quality and impact of the relationships we form Number of homeowners who are informed by our education initiatives Contributions to central and local government policy decisions Development of enhanced loss modelling tools Development of capability to allow stakeholders to access risk data specific to them 	Class two: Resilience
We manage the EQC scheme so financial resources are available to meet people's claims when they fall due.	Increase financial sustainability of the EQC scheme through balancing investment in reinsurance capacity, strategic initiatives and rebuilding the NDF.	<ul style="list-style-type: none"> Obtaining appropriate reinsurance cover Reviewing our risk financing strategy annually Collecting expected levies Rebuilding the Natural Disaster Fund 	Class three: Risk financing
EQC and its partners are ready to support impacted communities when a natural disaster strikes.	Establish, test and improve EQC's readiness for natural disasters.	<ul style="list-style-type: none"> Providing and demonstrating sufficient claims capacity Conducting assurance and oversight where claims are being managed by partners Developing and testing event response strategies across a range of scenarios and sharing learnings with partners 	Class four: Readiness

EQC strategic framework



Recovery—we help New Zealanders recover after a natural disaster

Why this matters

Knowing we live on ‘shaky isles’ does not make it any easier to deal with the stress and upheaval when a natural disaster occurs. The sooner a natural disaster insurance claim is settled, the sooner people can begin to repair, rebuild and recover from an event. The speed and ease of a recovery impacts the customer, their family, their community, and the nation.

The findings of the Public Inquiry into EQC reinforced the importance of the role we play in the recovery process. Fair, transparent, fast and responsive insurance claims—and enduring settlements—enhance effective recovery processes.



Kaikōura earthquake 2016

What will success look like?

The partnership model between EQC and private insurers, announced in 2020, is key to ensuring EQC and its partners are prepared for the next big event.

EQC has partnered with eight private insurance companies to combine systems and resources so that customers only need to make one claim to their private insurer. It builds on a partnership model that EQC and private insurers used after the Kaikōura earthquake in 2016, which homeowners found much faster and easier than the model used in the Canterbury response.

Success will mean customers access the cover they are entitled to in a timely manner through a fair process they understand. Claims decisions will be enduring, resulting in fewer claims being reopened, reconsidered or disputed. Canterbury claims will be resolved with finality, with a declining number of reopened claims coming to EQC.

How will we manage our functions and operations to achieve this?

Claims before June 2021

EQC will continue to directly manage claims arising before mid-2021, including claims from the 2010-2011 Canterbury earthquake sequence. EQC will be the first point of contact, whether that is through a reopened EQC claim, an on-sold properties claim or claims EQC is managing on behalf of SRES. Any ‘over-cap’ portions of a claim will be managed separately by private insurers, other than the on-sold or SRES claims EQC manages.

EQC will also manage any claims for other events that occurred prior to mid-2021.

EQC will continue to work collaboratively with the Greater Christchurch Claims Resolution Service and the Canterbury Earthquake Insurance Tribunal.

Claims after June 2021

All claims arising from events after mid-2021 will be managed through the insurer partnership model, which provides a single settlement pathway for all aspects of the insurance claim.

EQC and private insurers are delivering to agreed outcomes—to provide customers with the best possible claims experience and outcomes, while keeping the customer at the centre. This involves:

- fair, fast and efficient settlement of claims
- a simplified claim process
- certainty of process
- avoiding duplication of processes.

EQC will deliver its services in accordance with its Customer Code, which is based on the Fair Insurance Code that applies to claims managed by private insurers.

EQC will also seek feedback on customers' experiences through the National Reference Group, where community leaders represent the experiences of their communities.

How will we know we're on track?

We will assess our performance by surveying customers about their experience making a claim, either through EQC or our partners. We will measure:

- the time taken to settle a claim
- whether customers found the process fair and transparent
- whether communications were clear and responsive
- whether settlements were enduring.



Resilience—we collaborate and share information about natural hazards with New Zealanders and other agencies

Why this matters

Reducing or preventing damage caused by natural hazards lessens the social and financial impacts on people, communities and the Government. Increasing community resilience can also support more effective recovery when hazard events do occur. Resilience is already a priority for EQC; it will become even more so as our understanding regarding the implications of climate change grows and we learn more about how a warming climate will impact New Zealand's exposure and vulnerability to natural hazards.

The information EQC can provide international reinsurers helps inform their view of natural hazard perils in New Zealand and provides assurance that we are actively managing our risks. Financial support from reinsurance programmes means New Zealanders have access to affordable insurance for natural disasters.



Volcanic ballistic testing, DEVORA research programme

What will success look like?

Our aim is to be a leader in natural hazard risk reduction based on credible science-driven research, education and strong stakeholder relationships. To do that, we have developed and are delivering a 10-year *Resilience Strategy for Natural Hazard Risk Reduction*, focusing on the following five priorities:

Priority 1: Enhancing loss modelling and impact estimation products

Priority 2: A renewed focus on the strategic value of data and information

Priority 3: Coordinated and targeted science investment

Priority 4: Accelerating the synthesis and translation of research and outputs

Priority 5: Developing reciprocal partnerships

We will increase our understanding of natural hazard risk over the next four years by investing in data, analytics, loss modelling and information sharing with private insurers. Information will then be shared with stakeholders and policymakers in local and central government agencies. Our real success will be when stakeholders use this information to make informed decisions and take action that reduces natural hazard risk and builds resilience.

What does 'being a leader' mean to us?

'Leading' in natural hazard risk reduction does not mean EQC 'owns' or is 'lead agency' for any particular function. For us, it means leading by example; showing thought leadership and proactive action; being a supportive and valuable partner; and being constructive and solving problems. Above all, it means making progress on key issues and challenges that will make a difference to New Zealanders.

How will we manage our functions and operations to achieve this?

Over the next four years, EQC will continue to fund research to improve our understanding of natural hazard risks. We will clearly signal our areas of interest to the research community so we can influence the research landscape in a way that aligns with our *Resilience Strategy*.

We will make information accessible by investing in technology and promoting information tools for the public. We will monitor the extent to which they are used so we can assess the impact we are having on natural hazard risk reduction.

We will engage widely and build partnerships with planners, engineers, asset managers and homeowners to ensure the right knowledge in the right form reaches the right people at the right time.

As we build our knowledge, resources and credibility with stakeholders, we intend to actively influence policies, plans and other decisions that impact natural hazard risk.

We want to be part of key central and local government policy discussions that contribute to resilience, such as national climate change adaptation planning and resource management system reform. We will also look at options to more directly incentivise the public to take hazard reduction steps.

How will we know we're on track?

We will seek feedback from our stakeholders on our engagement and research programme to ensure it is high quality, relevant and useful. We will use expert reviews to ensure our investment in research is scientifically robust and to seek guidance on areas for improvement.

We will monitor the extent to which the public is engaging with our education messages and taking action to increase resilience.

We will increase the number of public policy submissions we make to influence key decisions.

We are investing in enhanced loss modelling tools and an information portal where the public and stakeholders can access natural hazard risk information. We are also considering options for how we might incentivise risk reduction activities.

Whāia te mātauranga hei oranga mō koutou
Seek the learning for the sake of your wellbeing

Risk financing—we manage the EQC scheme so financial resources are available to meet people’s claims when they fall due

Why this matters

The EQC scheme provides homeowners and the Government with an affordable, sustainable way to manage the financial impacts of the geological risks we face in New Zealand. To ensure the scheme remains financially sustainable, EQC maintains a Natural Disaster Fund from premiums and secures a comprehensive reinsurance programme each year.

What will success look like?

Our four-year goal is that EQC will have a robust risk financing framework in place that is supported by an affordable reinsurance programme and appropriate investments. We will have updated loss modelling tools in place to provide insights to EQC and reinsurers on a broad range of natural hazards. This will assist reinsurers with more accurate pricing for natural hazard risk.

This risk financing framework includes managing the Natural Disaster Fund so EQC can meet claims as they fall due. Our focus is on increasing financial sustainability by balancing the cost of premiums paid by homeowners, the level of reinsurance purchased, options to secure additional forms of financial risk transfer, and the value of premiums retained and invested through the Natural Disaster Fund. Effectively balancing these factors allows EQC to be well positioned to meet the cost of future claims without placing undue reliance on the Crown’s guarantee.

How will we manage our functions and operations to achieve this?

Over the next four years, EQC will continue to build its relationship with reinsurers to ensure they understand the natural hazard risk profile in New Zealand. By enhancing our capability in data, analytics and loss modelling and expanding our influence in resilience, EQC is demonstrating to reinsurers that New Zealand understands its natural hazard risk and actively manages the consequent financial and social impacts.

Excluding further major events, EQC expects to start to rebuild the Natural Disaster Fund and will maximise its value by managing expenditure and investing in ways that are aligned to the Government’s risk appetite.

How will we know we’re on track?

We will continue to review the terms of our reinsurance programme annually and maintain or improve the extent of the cover. We will monitor the market to make sure EQC’s investment in reinsurance is cost effective and in line with the Government’s risk appetite and alternative costs of funding.

We will continue to rebuild the Natural Disaster Fund and invest it in accordance with directions from the Minister Responsible for EQC.

Readiness—EQC and its partners are ready to support impacted communities when a natural disaster strikes

Why this matters

New Zealanders rely on EQC and its partners to have the right systems, people and processes in place to deliver the best possible claims experience when a natural disaster strikes.

Given the wide range of natural hazards that can occur in New Zealand, EQC must regularly review and test the system's ability to respond to our communities. We do this by modelling a wide range of natural disaster events, running scenario exercises, planning business continuity, and identifying areas for improvement.

What will success look like?

EQC and its partners will respond effectively when a natural disaster occurs because of regular scenario contingency planning and exercises. This type of readiness preparation is only possible if we have trusted relationships with the community, industry and the Government.

We will use the learnings from our resilience investments to inform scenario testing. The results and insights from our scenario testing can then be shared with our partners.

How will we manage our functions and operations to achieve this?

The partnership model between EQC and private insurers (launched in 2020) is key to ensuring EQC and its partners are prepared for the next big event and that we can cater to the needs of diverse communities. It doubles the capacity for the number of claims that can be managed in a recovery scenario. Previously, EQC could scale up to manage

approximately 50,000 claims per year. By partnering with private insurers, it has increased its capacity to manage closer to 100,000 claims per year.

Our strategic focus over the next two to three years is on embedding, enhancing and monitoring the new partnership model so we can maximise its capacity potential. We will do this through regular reviews, relationship engagement and assurance activities.

We are investing in greater data sharing between EQC and private insurers, which will address some of the incompatibilities and manual work arounds that previously delayed processes and undermined data quality. Under the partnership, private insurers will provide data to EQC about where insured homes are located so EQC can better model its exposure to natural hazards and enhance its event preparation.

In parallel, EQC will be putting in place partnerships with the community, iwi, local and central government agencies, and the emergency management sector. This will ensure our response strategies are aligned with the overall recovery ecosystem and that we are able to deliver the expectations of the wide range of communities we are helping to recover.

How will we know we're on track?

We will measure the number and quality of event response strategies and scenario testing exercises EQC develops.

Claims handling capacity will be measured to confirm that the necessary level is maintained through the partnership model. EQC will also monitor the efficacy of the new response model through assurance processes, with a focus on timely action to address issues identified by those processes.

Whaiwhia te kete mātauranga ka ora ai te iwi
Fill the basket of knowledge and the people will thrive



ORGANISATIONAL HEALTH AND CAPABILITY

To successfully deliver our outcomes and strategic intentions, EQC needs diverse, high-performing teams that are focused on putting the customer at the heart of what we do.

Putting customers first is easy to promise, but our teams have worked tirelessly over recent years to create a cultural shift so EQC can truly live up to that promise. We are pleased this is reflected in an improvement in our customer surveys, and we are committed to sustaining and building on this positive momentum as we increase our responsiveness to the needs of different communities.

As we become a more data-centric organisation, we also need modern, reliable and secure information technology.

Our organisational health and capability intentions for 2021 to 2025 are:

- building on our current expertise to ensure our people are engaged and developing the capabilities needed to support the partnership with private insurers, greater use of data and insights, and thought leadership in key focus areas
- developing a diverse and inclusive workforce that reflects the wide range of customers and stakeholders we work with
- ensuring we have resilient and flexible information systems to improve the way we use, protect and share information
- continuing to enhance our focus on staff wellbeing and resilience.

Our people and organisational development

We will be operating two response models over the next few years as we support customers, both directly and through our partners. We need our people to be adaptive and responsive in supporting all aspects of our work. Oversight, quality control and assurance will become important capabilities for EQC to continue to develop so we ensure a consistent, high-quality experience is being delivered through the partnership model.

All aspects of our strategy depend on effective stakeholder engagement and thought leadership. We will continue to grow these capabilities along with investment in loss modelling and analytics.

We will continue to focus on developing effective leaders and connected teams while fostering an organisational culture where high performance and engagement is the norm.

Engagement with Māori

Reflecting the significance of the Crown-Māori relationship, building our cultural competence and confidence across a range of areas is integral to progressing our strategy. EQC's commissioners are committed to incorporating te ao Māori in our values, beliefs and communications.

Māori and iwi organisations will be engaged in our readiness and recovery work because of their leadership within communities affected by natural hazards (either by population size or as landowners). Mātauranga Māori contributions to natural hazards risk research and mitigation are also critical to our role in growing community resilience.

EQC is moving toward a future where it will be standard for our staff to view our work through a Māori responsiveness lens. As this occurs, our Commissioners and staff need to have the confidence and capability to engage with Māori in an effective, enduring and valued way.

Diversity and inclusion

We will have successfully delivered on our strategic intentions when our staff, customers and stakeholders see that our people increasingly reflect the diversity of New Zealand communities. We will continue to make diversity and inclusion matters of priority and support our leaders in developing their teams to appreciate a range of perspectives. This is critical to ensuring EQC delivers services that are responsive to the wide range of cultures and communities in New Zealand.

As part of achieving our diversity goals we will focus on the five areas identified by Papa Pounamu—the public service-wide diversity and inclusion work programme:

- Cultural competence
- Addressing bias
- Inclusive leadership
- Building relationships
- Employee-led networks

Health, safety, security and wellbeing

Our people are our greatest asset, and we will continue to ensure they are safe, healthy and well through a sustained focus on personal wellbeing, resilience training, flexible working and health and safety.

We review our health and safety management systems regularly to ensure they meet best practice and continue to keep our people safe. As we embed and enhance our partnership model with private insurers, we will ensure the health and safety legal requirements EQC is responsible for are met through agreed assurance processes.

Data and Technology

EQC is investing in building its data and analytics capability as a critical enabler and accelerator of EQC's strategy. Data is at the heart of EQC being a leader on natural hazard risk reduction; supporting EQC's Risk Financing and Resilience strategies through loss modelling; and ensuring claims are managed fairly, transparently, responsively and in a timely manner, whether claims are managed internally or by a partner agency. The critical role data plays in advancing each of our strategic outcomes is outlined in the sections above.

This capability uplift consists of targeted shifts in:

- a. people—including culture, competencies and behaviours across the organisation so we optimise the use of data to inform decisions
- b. processes—including data and information governance, data quality and useability, and policies and processes that support safe and optimised use of data to inform decision making
- c. technology—including maintaining an information technology environment that enables the safe, secure, effective, and appropriate use and sharing of information and business processes with external partners; maintaining control of information security
- d. data and information—including increasing the secure use and sharing of quality, consistent and standardised data and information.

Managing risk

EQC is a Crown entity for the purposes of the Crown Entities Act 2004. It is governed by a Board of Commissioners who are accountable to the Minister Responsible for EQC and have the authority to exercise the powers and perform the functions of the entity.

The Board has an Audit and Risk Committee to assist the Board in delivering its responsibilities for audit, reporting and risk assurance. The amount and type of risk the Board and Executive is willing to take informs the development of appropriate risk-management responses across the organisation.

Our risk management framework involves actively understanding and managing risks to achieve our strategic outcomes and ensuring improved planning and decision making in programmes and projects. We have adopted the principles of risk management set out in the international standard for risk management, ISO 31000.

The roles and responsibilities for risk management follow the internationally accepted 'three lines of defence' model. This gives staff primary responsibility for identifying and managing risks within their teams and ensuring risk management is an integral part of all business activities.

Management regularly engages with our Board and the Audit and Risk Committee to identify a wide range of risks and appropriate controls and actions required to manage these. The internal Risk and Assurance team provide an independent view to the Audit and Risk Committee and management on EQC's current and emerging risk landscape, relative to the Board-approved risk appetite.

Finance and assets

We will continue to provide sound financial management and stewardship of EQC's finances, assets and the procurement of contractual agreements during the period covered by this *Statement of Intent*. Our robust performance monitoring and reporting systems are critical to ensuring we use our financial resources efficiently and that they are being directed to both short- and long-term activities that will contribute the most toward achieving our strategic objectives.



Toitū te marae a Tāne-Mahuta, Toitū te marae a Tangaroa, Toitū te tangata
If the land is well and the sea is well, the people will thrive

EQC BOARD



Mary-Jane Daly - Board Chair
BCom, MBA, GAIDC, CMinstD

Mary-Jane has a strong background in insurance, banking and finance in a variety of roles in New Zealand and the United Kingdom. Mary-Jane has been on the EQC Board since 14 March 2014 and was appointed Chair in 2020. She is an Independent Director of Kiwibank Limited, Kiwi Property Group Limited, Fonterra Shareholders Fund and Auckland Transport. Previous governance roles have included Cigna Life Insurance New Zealand, Onepath Life, Airways Corporation, and the New Zealand Green Building Council. Her last corporate executive role was leading State Insurance.

Term ends: 30 June 2022



Erica Seville
PhD, BE (hons), CMinstD, hon FBCI

Erica was appointed to the EQC Board on 1 July 2018 and is the Chair of the People and Culture sub-committee. She brings a strong focus on building EQC's broader resilience as well as preparing for our role during a natural disaster recovery. Erica is the co-founder of Resilient Organisations, Chair of Response and Recovery Aotearoa New Zealand (RRANZ), and a member of the Regenerative Recovery Advisory Group for Queenstown Lakes. Erica was a Principal Investigator with QuakeCoRE and has led several major research programmes in disaster management, economic and business recovery, and insurance efficacy. She was a member of the Resilience Expert Advisory Group, providing advice to the Australian Government on critical infrastructure resilience issues. Erica has PhD in risk management.

Terms ends: 30 June 2024



Alastair Hercus
BA (Hons), LLB, CMinstD

Alastair was appointed to the EQC Board on 1 March 2020 and is the Chair of the Audit and Risk committee. Alastair has been a partner at Buddle Findlay since 1995. He brings legal and government sector experience as well as five years of Deputy Chair experience in the insurance sector at the Medical Assurance Society. He is currently a member of the Risk and Advisory Committee at the Ministry of Business, Innovation and Employment, Chair of Co-operative Life Ltd and a Director of Invercargill Airport Ltd. Alastair brings a focus on EQC's policy, regulatory and commercial environment, including responding to the Public Inquiry, regulatory changes, and EQC's relationship with the private insurance industry.

Terms ends: 30 June 2022



Emma Dobson

Emma is a New Zealander who has returned after many years working at a senior level with Westpac in Australia. She was appointed to the EQC Board on 1 March 2020. Her career includes work on the Australian Federal Government's Digital Business Council and the Australian Tax Office's Digital Strategy Working Group. Emma brings a strong focus on strategic opportunities and risks and pursuing digital transformation to meet customer expectations. She has transferable skills and great experience in working at a high level with Government and industry.

Term ends: 28 February 2023



Fiona Wilson

MSc, BSc, Grad Dipl Appl Stats, CMInstD

Fiona, originally from Australia but now a New Zealand citizen, has held Chief Information Officer and Chief Executive Officer roles in Australia and New Zealand. Having been Chief Information Officer for major organisations in the Australian health sector, she brings experience leading technology-related changes across complex organisations to deliver benefit to diverse stakeholder groups. Fiona has also worked with a large consulting firm and led an analytics business in New Zealand. She offers a track record of bridging technology, data, and business needs and building business capability to deliver in both the public and private sectors. Fiona was appointed to the EQC Board on 1 March 2020.

Term ends: 28 February 2023



Scott Lewis

BBS, FIAA, FNZSA, CMInstD

Scott has had a career in insurance and actuarial work in New Zealand and overseas. He provided expertise to Lumley Insurance from 2012 to 2014 with its response to the Canterbury earthquakes before joining IAG as Head of Insurance Risk and Reinsurance. More recently, he spent two years at Oranga Tamariki—Ministry for Children working on a data-driven approach to better understand wellbeing for the Child and Youth Wellbeing Strategy. He is a Fellow of the Institute of Actuaries of Australia and the New Zealand Society of Actuaries. He is also the Vice President of the NZ Society of Actuaries. Scott was appointed to the EQC Board on 1 March 2020.

Term ends: 28 February 2023



Alister James

QSO, LLB

Alister is a Christchurch barrister with significant public sector governance experience. His active involvement in the community and voluntary sector was recognised by his appointment as a Companion of the Queen’s Service Order in 2004. Alister was a Christchurch City councillor for twenty years and a member and former Chair of the Canterbury District Health Board. Other previous roles include British Honorary Consul, Deputy Chair of the State Housing Appeal Authority, Director and Chair of Christchurch City Holdings Limited, Chair of the Nga Hau e Wha Christchurch National Marae, and until recently, independent Chair of the Greater Christchurch Public Transport Joint Committee. Alister is the Chair of Southern Response Earthquake Services and joined the EQC Board on 1 May 2021.

Term ends: April 2024



Ruth Dyson

Ruth Dyson has had a lengthy political career, serving as President of the New Zealand Labour Party from 1988 to 1992 and as a Member of Parliament from 1993 to 2020 representing the electorates of Lyttleton, Banks Peninsula and Port Hills. She was a Cabinet Minister between 1999 and 2008, serving as Minister for Social Development, ACC, Labour, Disability Issues and Senior Citizens, amongst other roles. She has a strong public policy background and a track record of working for her constituents following the Canterbury earthquakes. She was Opposition spokesperson for earthquake recovery, Chief Whip and Assistant Speaker prior to her retirement. Ruth joined the EQC Board on 1 May 2021.

Term ends: April 2023



New Zealand Government