

# 1905 - 2005

La Mondiale celebrates 100 years



LA MONDIALE  
G R O U P E

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# 1905 - 2005

## La Mondiale celebrates 100 years

### *boldness*

Founded as a daring new venture in 1905, La Mondiale successfully developed during the 20<sup>th</sup> century by continually adapting to political, economic and governance changes.

### *creativity*

Through its creativity, expertise and openness, La Mondiale was able to fill in the gaps in social insurance coverage and contribute to the progress of social welfare protection by providing customized solutions.

### *expertise*

As a standard-setting player in the field of supplemental retirement plans, it put its experience to work to achieve pension reform.

### *openness*

As a leading retirement and investment savings specialist, La Mondiale is well on its way to spanning the 21<sup>st</sup> century with the same determination and dedication to social and economic progress.

### *custom solutions*

**La Mondiale:  
the retirement and  
investment savings  
specialist**

# History of the group

## 100 years of social welfare protection

• **1905:** on 17 March 1905, a new law is adopted regulating "the surveillance and control of life insurance companies and all other companies wherein human life expectancy plays a role."

• **1905:** La Mondiale is founded in Lille by seven shrewd industrialists – **Maurice Vanlaer**, the company's first chairman, Xavier Battet-Rogez, Jules Dansette, Léon Déprès, Pierre Faure, Georges Morael and Albert Van Monckhoven – with the three-fold objective of promoting humanist values, solidarity and life insurance. The company promotes savings, with the redistribution of all profits to its members.

• **1905:** the first clients are northern industrialists plus a handful of independent professionals and entrepreneurs.

• **1910:** provisions for retirement are introduced into the public sphere, thanks to the parliamentary background work conducted by deputy Paul Guieysse in favour of compulsory capital accumulation retirement plans. La Mondiale will benefit from this invaluable collaboration for eight years.



*This historical account was taken from a book on the history of La Mondiale, to be published in 2005 by Éditions Textuel.*

**D**uring the course of the last 100 years, La Mondiale has continued to reassess its basic assumptions, to evolve, to adapt, and to act in accord with the changes taking place in French society. As it vigorously evolved throughout the century, this small northern mutual company never betrayed its deeply-felt commitment to its original mutual principles or its long-term strategy. On the contrary, it consolidated and strengthened its commitments with the result that, 100 years later, La Mondiale was the only French mutual company dedicated to life insurance.

### **The retirement savings specialist**

La Mondiale was founded in 1905 as a result of the determination of seven northern industrialists to provide customized life insurance solutions. Their objective was to help their members put together innovative, customized solutions for their retirement while providing financial security for their descendants. At the time, even though the market was full of promise it was still completely

unexploited. Far from becoming discouraged, La Mondiale surmounted the ravages of two world wars without losing sight of its mission. The establishment of social security in 1945 and of supplemental pension plans two years later resulted in a broadening of its product range in an era that was far from favourable for life insurance.

Each successive reform led La Mondiale to further develop its range of solutions. In 1965, group plans were the order of the day. In 1994, special contracts were created for self-employed professional people and small businessmen in the wake of the Madelin Act; among the few companies to believe in Madelin contracts, La Mondiale acquired a significant lead over its competitors. Then in 2003, the Fillon Act consolidated the strategy that La Mondiale has endeavoured to promote over the last 100 years: an approach based on personalized audits and comprehensive counselling in the area of social welfare protection through expert, continually-updated knowledge of the regulatory situation and the ongoing refinement of existing plans.

• **1913:** after Lille and Paris, La Mondiale expands throughout France to encompass Nancy, Lyon and Toulouse.

• As early as 1908, La Mondiale took an interest in property investment. On the eve of WWI, real estate represented approximately 20% of its assets. This emphasis on property investment is one of the characteristics that distinguished French insurance companies from foreign companies.

• **1919:** as a well-established company, La Mondiale withstands the shock of the Great War. Lille had barely been liberated when the head office was reoccupied by the company and La Mondiale renewed its efforts to locate its clients, recover unpaid premiums and win new accounts.

• **1920:** La Mondiale launches the 250 Club for the network's top-performing sales associates. The company fosters loyalty among its most valuable sales associates by offering them a bonus, retirement benefits after 20 years of first-rate, loyal service, and compensation in the event of illness.

• **1933:** Lucien Crépy Saint-Léger succeeds Maurice Vanlaer to direct La Mondiale for three years.

• **1935:** after the celebration of its first billion of insured capital in 1929, La Mondiale celebrates its second billion in 1935.

• **1936:** Michel Scalbert assumes the chairmanship of La Mondiale. A member of the Board of Directors since 1923, he represents the world of finance in an organization that up to that point had been dominated by industrialists and textile merchants.



### **Priority is placed on high-end targets: professionals and entrepreneurs**

The decidedly high-end profile of the company's members has barely evolved over the years – ranging from independent shopkeepers and professionals in 1905 to the self-employed and business owners in 2005. The only major changes involved the modernization of the company's skills base, the expansion of its geographical coverage from the northern region to all of continental France and its overseas territories, and the adaptation and segmentation of its distribution network.

A network of 100% salaried sales associates was established in 1969. This network, a forerunner of La Mondiale Experts, supplemented the partnerships established with various accountants several years earlier. In 1965, La Mondiale decided to focus on delivering its expertise to companies through the launch of a range of group products and, 40 years later, it is still a major player in this sector via its subsidiary Arial assurance. Finally, its high-net-worth investment savings clientele, which has

continued to expand since this division was created within the company, has increased substantially as the result of partnerships concluded toward the end of the 1990s. The cornerstone of this strategy was the 1999 acquisition of the life insurance company La Hénin Vie, a move that positions La Mondiale squarely among the leading French companies in the investment life-insurance market with its new subsidiary, renamed La Mondiale Partenaire.

### **The search for excellence**

From the very beginning, emphasis was placed on providing advice and the creation of personalized services. This approach was further enshrined in 1965 when the latest chairman, Pierre Guillem, introduced an innovative, modern definition of the investment advisor: the mission of the new "Homo Mondialis" is to acquire specialized knowledge of the ins and outs of all existing measures in order to provide the very best advice.

# 100 years of social welfare protection

- **1940:** Europe is once again plunged into war. Employees at all levels of La Mondiale's organizational structure flee northern France in a massive exodus, continuing their mission in Tours, Paris and Toulouse. At that time, a strong feeling of belonging to the "Mondiale family" was forged, and employees developed a firm trust in the company, which, at the height of the turmoil, did not abandon them to their fate.

- **1958: Gabriel Vanlaer** becomes chairman during the "30 glorious years" from 1945 to 1975, a period during which social welfare protection became one of the foundations of French society.

- **1970: Marc Millon,** a renowned actuary, assumes the chairmanship of La Mondiale. An inventor of cutting-edge solutions, he succeeded in setting up group retirement plans as early as 1965 – two years before the competition.

- **1980: Pierre Guillem,** who exemplifies change and success, becomes chairman. Among the many major projects he conducts, he is particularly committed to the computerization of the company and the development of its communications network. La Mondiale optimizes its retirement expertise. Its network of 100% salaried sales associates proves unbeatable in the area of company benefit audits and successfully markets customized contracts.

- **1991:** the creation of the Companies division is announced at the Opio seminar, and the "mono-distribution" era nears an end. The first contract signed with Paribas reaches a premium of approximately FrF 10 million – on an entirely different scale from the usual network transactions.

- **1996:** **Patrick Peugeot** becomes chairman and proves, first and foremost, to be a staunch supporter of mutual principles. He gives La Mondiale a firm grounding in financial and international culture as well as in the professional insurance world.



The culmination of this quest for excellence was 1973's Lésigny seminar, which marked the expansion and systematic implementation of a sales and best practices approach called "the Tables of the Law". In 1998, the second company-wide project, Odysée 2002, facilitated the exchange of know-how between the sales network and administrators. And for the most recent project, sales advisors were systematically required to spend two weeks in an accounting firm in order to improve their understanding of the issues facing clients and members.

## **La Mondiale plays an active role in the public debate on social welfare protection**

The history of La Mondiale over the last 100 years is punctuated by legislative and regulatory developments involving retirement issues, and the company has always actively participated in the debate process. In the interests of its members, La Mondiale consistently seeks to bring its weight to bear on the drafting of legislative and regulatory texts, a degree of involvement it deems

an important part of its mission as a mutual company. A closer look at a few specific dates will illustrate its contribution.

La Mondiale was founded in 1905 under the auspices of the first prudential law on life insurance. Several of the seven founders – self-proclaimed Catholic progressives – already had wide experience as lobbyists in the field of retirement. One of them, Maurice Vanlaer, published an opinion column on insurance reform, the forerunner of today's *Cahiers de La Mondiale*. Another, Paul Guieysse, member of the French National Assembly who collaborated with La Mondiale for eight years, was an untiring advocate of compulsory capital-accumulation retirement plans and participated in drafting the laws of 1905 and 1910 pertaining to retirement plans for workers and farmers. This initial involvement in regulatory development has been repeated on several occasions – from the 1965 group pension act to the Fillon Act in 2003. But La Mondiale's commitment did not stop there. As the forerunner of today's Amphitéa, the AMP (Association Mondiale de Prévoyance) promoted

• **1999:** La Mondiale becomes a major player in the field of investment savings products with the merger of its Partnership division with La Hénin Vie to form a new subsidiary, known as La Mondiale Partenaire.

• **2001:** La Mondiale fights to make retirement more than a vague notion and for measures that will provide citizens with reliable, accurate financial data on their future. It publishes its first guidebook, "Duty to Contribute – Right to Know", which is widely distributed to political and economic decision-makers.

• **2002:** La Mondiale signs an alliance with AG2R. The combined strengths of La Mondiale Entreprise and AG2R give birth to Arial assurance, a specialist in group pension, disability and health plans for large companies.

• The same year, it signs an alliance with AEGON to build the first European network specializing in retirement and pension funds (the AEGON Pension Network) and becomes the European leader in group pension plans.

• **2003:** the Fillon Act on pension reform is passed. La Mondiale was heavily involved in establishing the groundwork for this legislation.

• **2005:** La Mondiale celebrates its 100<sup>th</sup> anniversary. It is clear that the founding fathers in 1905 would still recognize their company: for 100<sup>th</sup> years, La Mondiale has kept the same name, maintained its northern roots, and bolstered its dedication to the ideal of mutual principles and its interest in social issues. The founders would be proud of the transformation of their small regional company into one of France's leading retirement savings companies.



Arial assurance



mutual principles and the value of La Mondiale's involvement on behalf of its members. And at the instigation of Patrick Peugeot, La Mondiale's chairman, the concept of a public service – a Public Interest Group (PIG) – devoted to providing retirement information was established by the Fillon Act in 2003.

### **Loyalty to mutual principles**

In 1905, the life insurance sector in France was concentrated in the hands of a few French limited companies and other foreign corporations. In response to this highly competitive landscape, which was more concerned about profits than the protection of savers, La Mondiale was founded in 1905 in the form of a mutual company – the sole form of incorporation that can guarantee the pre-eminence of solidarity, trust and social values for both its members and its employees. The goal was to sell insurance at cost price with the full amount of all profits being redistributed to the members. As a result of this status, corporate policy promoted unity, career

development and respect for employees from the very beginning. For example, in 1940, when all generations of La Mondiale's employees left in a mass exodus for Toulouse, which was then in an unoccupied zone, packages were sent to employees who were taken prisoner and support was provided for their families. In 1947, La Mondiale covered all total and permanent disability of its employees free of charge. Today, this mission in support of mutual principles is carried on by the Foundation, created in late 2004 to support existing social organizations and public-spirited initiatives by the group's employees.

## Retirement

# A global challenge, a personalized solution

*One French person out of five is currently over 60 years of age, and this figure will increase to one in three in 2040 with a corresponding six-year increase in life expectancy. As a result of these demographic changes, the need for inter-generational solidarity measures is beginning to clash with the financing difficulties generated by the pay-as-you-go retirement system, which has been in existence since the post-war period.*

*Current regulatory developments inherent in demographic trends are weakening the role of the public sphere and placing individuals and businesses at the centre of retirement planning. The expertise acquired by La Mondiale in these areas over the last 100 years has become even more relevant in view of these long-term structural developments.*

### **Focusing on the human element**

For La Mondiale, which has always preferred personalized solutions to standardized products, the pledge to keep the individual at the centre of its approach is the result of the continuity of service that it has always offered and continues to offer to its members and those it insures today. It is also the crowning achievement of its marketing strategy, which for 100 years has been based on personal retirement audits and advice. Today more than ever, the complexity of inheritance, professional and tax issues has led La Mondiale to propose customized solutions based on a personalized appraisal of compulsory, complementary, collective and individual plans and the future outlook for each of these – but not at any price: the focus is, and has always been, on the individual and not products. This is just one more way that La Mondiale stays a step ahead of current demographic trends and regulations.

### **The Fillon Act strengthens La Mondiale's approach**

The Fillon Act of 21 August 2003 has made this rationale all the more pertinent today, in several ways. The first objective of this reform of the retirement system was to redefine the structure of the tax measures applicable to very long-term savings products. Each person saving for retirement must now evaluate the proportion of his or her available tax benefits currently in use before opening a savings plan. This means that the various plans must be considered comprehensively, and not individually according to product. The Fillon Act also added a number of new products to the existing range. Even though such new products often have a number of restrictions, they offer some useful alternatives to earlier plans from a tax and technical viewpoint.



One of these alternatives (the PERP) is individual in nature and complements life insurance plans, PEAs, and the Madelin plans for the self-employed – an area in which La Mondiale has a long history of experience. The other, the PERE, is a group plan that complements existing employee savings and group life insurance plans.

### ***The company: a strategic location for retirement planning***

With the support of the Fillon Act, another trend that we expect to see develop during the coming years is the positioning of the company at the centre of employee savings plans, next to the individual. This change, which has already resulted in the creation of an ad hoc subsidiary with AG2R, Arial assurance, has been the source of several initiatives within La Mondiale.

The method known as “worksite marketing” – which has already been initiated by our partner AEGON in the United States, the Netherlands and the United Kingdom – is aimed at providing support for retirement planning by employees at their workplace. Individual contracts are offered alongside their company group plans through an approach that includes individual audits of their situations and comprehensive advice. To take yet another example, several entities that were formed as the result of the consolidation of AEGON have set up the AEGON Pension Network, which is aimed at marketing integrated group pension solutions to all employees of multinationals, regardless of the country in which they work.

### ***Retirement: an evolving challenge***

**According to a recent study, those currently saving for retirement in France set aside one-third of their savings for that purpose. They estimate that they will need to save 22% of their income on average in order to ensure a satisfactory supplemental income for retirement. On the other hand, of the 64% of French people who are not yet saving for retirement, 61% still plan to take the plunge. The growing tendency among active workers to subscribe to long-term investment plans is just the start of a powerful, lasting trend.**

### ***La Mondiale: an indispensable partner for the next 100 years***

The direction for the decades to come is clear: little by little, not only retirement but also disability and health will be considered essential parts of a compensation package for employees, with compulsory plans representing an ever-decreasing proportion of their total coverage. For companies, this will be a way to build loyalty among employees when the shortage of qualified people begins to be felt after the retirement of the baby boomers, beginning in 2007. For employees, these solutions will supplement compulsory and individual solutions; for La Mondiale, this represents an opportunity to become even more indispensable in all segments of retirement planning during the next 100 years.

*THE RETIREMENT BENEFIT AUDIT IS AN INDISPENSABLE PREREQUISITE FOR AN EFFECTIVE RETIREMENT STRATEGY*

*This tool takes into account both the personal and professional criteria of members as well as their existing level of protection, and offers a set of personalized recommendations on the best options to be followed and ways in which to achieve optimal tax savings.*

## Solvency

# Steering a steady course for the next 100 years

*During its first 100 years, La Mondiale constantly adapted its organizational structure and its capital base to accomplish its perennial mission of guaranteeing a lasting income for its members while providing for its own growth. But the situation has changed. Competitive and regulatory considerations have taken on a new dimension, and financial markets no longer offer the elevated yields they once did. Now more than ever, La Mondiale must be financially sound to reinforce its positioning as a strong contender in the life insurance and retirement sectors. Two imperatives result from this objective: i) the need for a comfortable solvency margin, and ii) the deployment of a policy of profitable growth to self-finance the company's subsequent development.*

### **Boosting financial soundness**

Since La Mondiale's status as a mutual company restricts recourse to external capital markets, the company must have a sufficiently large capital base to ensure that it can pay out promised yields from its general assets, together with the ability to finance its development for the next 100 years. For members and those insured, a strong financial base also guarantees that La Mondiale, which has already served nearly four generations since its founding, will be able to continue to serve both present and future generations throughout their lives and honour its commitments over the long term.

La Mondiale has consequently established a solvency margin that accurately reflects regulatory requirements for shareholders' equity generated by the increase in volume of contracts under management. As of 31 December 2004, this margin represents 4.15 times the minimum regulatory requirement set by the Financial Security Act of 1 August 2003. It comprises shareholders' equity, unrealized capital gains from general assets, and three subordinated debt issues. The unrealized capital gains alone represent more than double the total margin required by law. And even when the various group entities are consolidated, the solvency margin still represents 2.14 times the minimum regulatory requirement. La Mondiale thus has more than enough financial means to confront the challenges of the new century and to meet its long-term pension commitments.

### ***Ensuring long-term security***

Several complementary approaches have been undertaken to consolidate the group's financial soundness and its capacity for secure growth during the coming decades.

#### ***Perpetual loans***

As a mutual company, La Mondiale cannot solicit financing from shareholders. To strengthen shareholders' equity and thus the solvency margin, two subordinated perpetual debt issues were floated in 2003 and 2004, for €200 million each. These loans are characterized by the fact that they are for an indefinite duration. Consequently, since reimbursement of capital is unnecessary, they provide a guarantee of long-term stability. Both issues were highly successful – a sign of investors' confidence in the fundamentals of La Mondiale.

#### ***Management of assets and liabilities***

In keeping with the build-up of the retirement component in La Mondiale's portfolio of contracts, financial management is constantly being adapted to the types of commitment to be found within the various La Mondiale entities. A management system known as asset liability management has been deployed in order to systematize this approach. Examples of this approach include the shift of the group's portfolio toward shares as the average maturity of the contracts sold by La Mondiale increases and the proliferation of crash tests to prepare for the most catastrophic scenarios.

### ***Controlling risk***

La Mondiale is not only confronted with financial risks. To ensure a strong future, operational, human and actuarial risks are also mapped, even before internal control methods at the group level are taken into account. This approach meets the requirements of the Financial Security Act of 1 August 2003.

### ***New accounting standards***

By virtue of the public offerings made in connection with the last two subordinated debt issues, La Mondiale must publish its consolidated financial statements according to the new IAS/IFRS international accounting standards in 2007. The preparation of its accounts in accordance with these standards will facilitate the comparison of La Mondiale with other national and international companies. These new standards represent yet another guarantee of the high degree of transparency and meticulousness that characterize the group's financial management.

*The Fitch and Standard & Poor's rating agencies have attributed a financial soundness rating of A+ to La Mondiale. "La Mondiale has a strong capital adequacy ratio and management is aware of the need for the group to have a healthy solvency margin in keeping with the long-term nature of a large proportion of its business portfolio," concluded the latest Fitch Ratings report.*

# Key corporate figures for 2004

## “Phare” project objectives for the close of 2005

### **Objective for consolidated revenues: €4 billion**

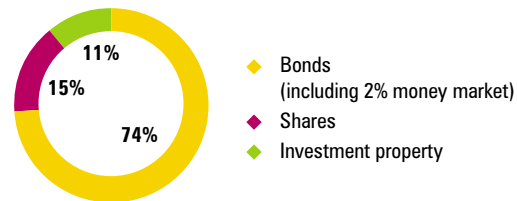
Consolidated revenues represent the total amount of contributions and premiums paid in by those insured. The growth in these revenues reflects the dynamic nature of the group’s marketing efforts.

### **Objective for assets under management: €30 billion**

Assets under management are a reflection of the capital entrusted to the group and represent its ability to generate revenues over the long term, win new clients and satisfy existing customers.

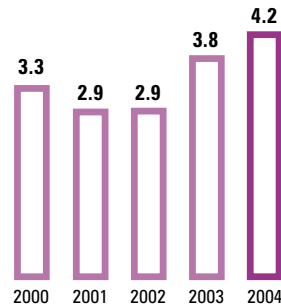
### **Customer satisfaction objective: 8/10**

La Mondiale is continuing its efforts to improve the satisfaction of its policyholders. It calculates a general indicator on an annual basis as well as three more specific indicators that concern policy subscriptions, retiring policyholders and the quality of management. The average rating of 7.5, on a ten-point scale, is satisfactory, but we have identified areas for improvement that will allow us to raise the quality of our service and our public accountability even higher.



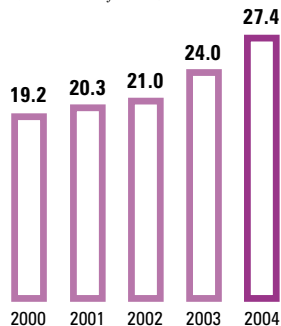
*Investment breakdown of La Mondiale’s general assets (%)*

*Consolidated revenues (in billions of euros)*



Revenues grew by 8.5%, moving up from €3.8 billion in 2003 to €4.2 billion in 2004, in line with the growth of the general market. The €4 billion objective of the “Phare” project for the close of 2005 was therefore exceeded, by a wide margin, as early as 2004.

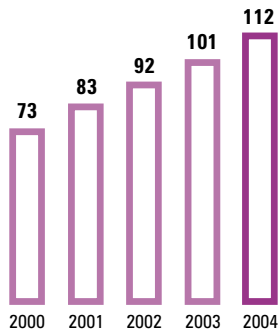
*Assets under management (in billions of euros)*



La Mondiale Group assets under management grew by 13.8% in spite of troubled financial markets. They increased from €24 billion in 2003 to €27.4 billion in 2004, moving closer to the “Phare” project objective of €30 billion by the end of 2005.

### Consolidated net profit

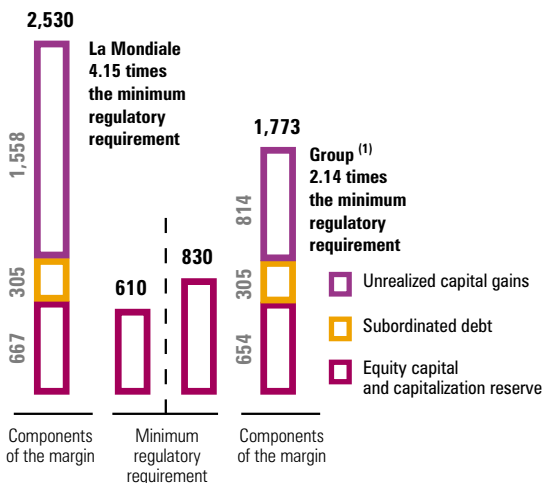
(group share in millions of euros)



Consolidated net profit grew over 10%, moving up from €101 million in 2003 to €112 million in 2004.

### 2004 solvency margin

(in millions of euros)



(1) Calculated according to the requirements of European standards.

## LA MONDIALE EXPERTS CUSTOMER SATISFACTION: 7.5 OUT OF 10

The overall satisfaction rating for 2004 was 7.5 on a 10-point scale, or an improvement of 0.2 of a point compared with 2003. This rise is related to the implementation of certain action plans, including the distribution of several informational documents (*The Life of Your Investment*, health newsletters, *A Guide to Disability Benefits*, and information newsletters on pension reform) and improvement in management systems (responsiveness, efficiency). The average rating of 7.5 is satisfactory, but several areas for improvement have been identified so that we might continue to boost service to members even further.

## Strategy

# Pooling resources and multiplying markets

*The company is organized around three main business units that are fully optimized to effectively deal with the profound transformations currently underway in the retirement savings market.*

### **Expertise**

Through the years, La Mondiale has built up a reputation for unparalleled expertise in the field of long-term savings in general and retirement savings in particular. The group is organized into three business units in order to disseminate this know-how among its various complementary client segments: independent professionals and managers of small companies (La Mondiale Experts), managers of large companies (Arial assurance) and high-net-worth individuals, clients of private and retail banks (La Mondiale Partenaire). These areas of specialization have led each business unit to develop its own expertise and product offerings. One of the group's main projects is the simultaneous pooling and sharing of these areas of expertise via joint platforms. Moreover, the Fillon Act has provided an opportunity to boost this know-how and put it to good use via a marketing approach that focuses on advice and comprehensive audits of individual situations.

### **Partnerships**

La Mondiale's sales forces are increasingly assisted by a network of expert-channel partners that is becoming denser year by year. Thus, the activity of La Mondiale Partenaire is fully mediated, originating from a network of the main private banks in the financial marketplace as well as retail banks and management companies. Step by step, La Mondiale Experts is expanding its intermediation through the addition of new partners: 30% of

volume already originates from a dozen or so accounting firms, two of which joined the network in 2004. A number of professional organizations have also become strategic partners, such as the National Organization of Independent Veterinarians (SNVEL), the Architects of France Mutual (MAF) and the National Employers' Association of Dental Technicians (UNPPD), brought to the group by AG2R through its alliance with La Mondiale. As for Arial assurance, its activity is mediated via brokers and consulting firms during the processing of requests for retirement, disability and health proposals for large companies.

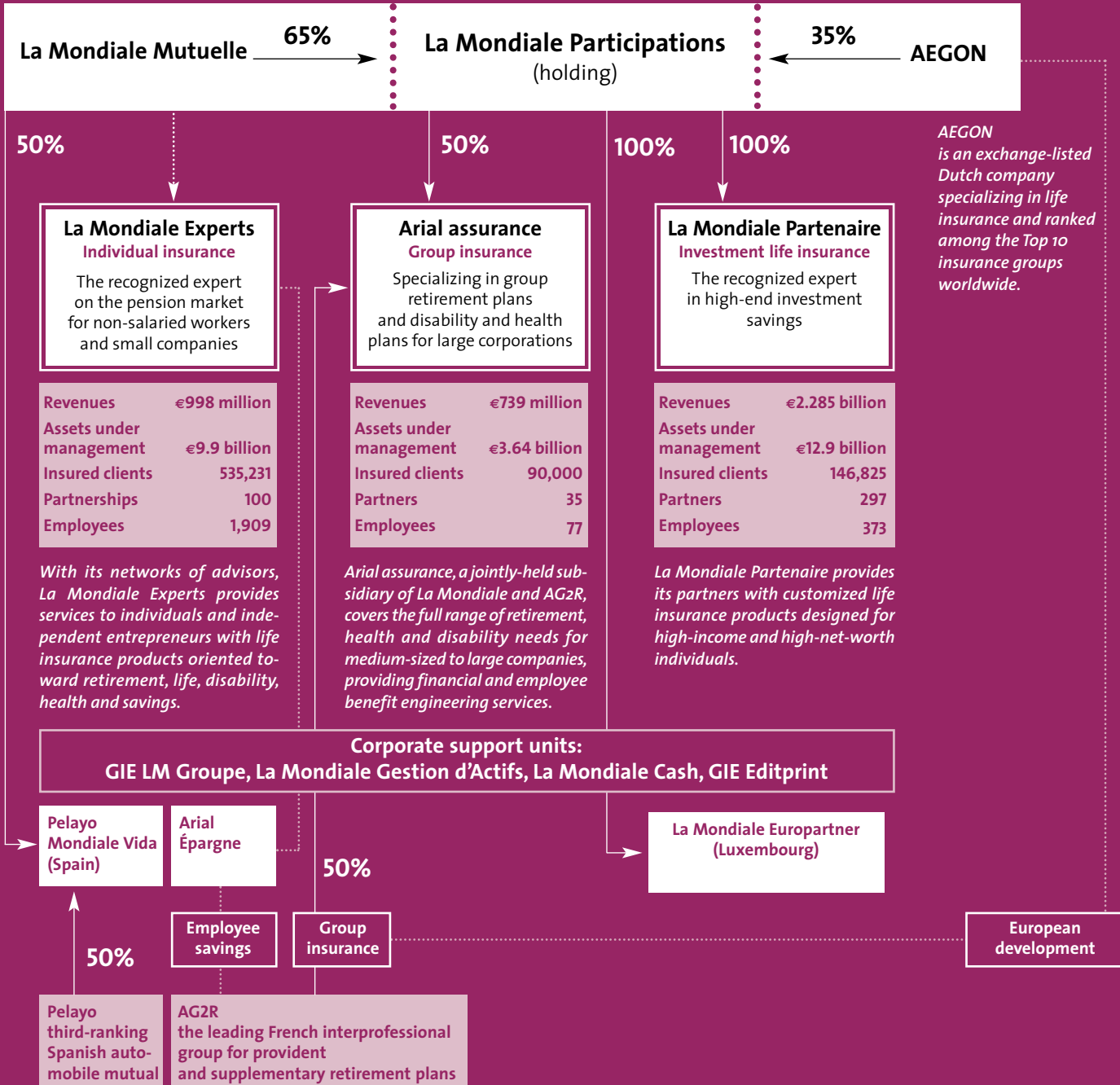
### **Alliances**

#### **AG2R**

The alliance with AG2R facilitated the implementation of a common product offering for the two companies through a jointly-held company: Arial assurance. The latter combines La Mondiale's expertise in group pension plans and AG2R's expertise in provident plans. Another objective of the alliance is to allow each partner to benefit from the distribution networks of the other.

#### **AEGON**

Holder of a 35% participating interest, the Dutch life insurance company AEGON selected La Mondiale to develop the first European network for group pension plans. The alliance is not limited to a capital investment; it now constitutes a preferred distribution channel for the products of Arial assurance to French multinationals and French subsidiaries of foreign multinationals through the AEGON Pension Network, as well as facilitating the introduction into France of tried and tested methods, including Worksite Marketing.



**La Mondiale Experts**  
Individual insurance

The recognized expert on the pension market for non-salaried workers and small companies

Revenues	€998 million
Assets under management	€9.9 billion
Insured clients	535,231
Partnerships	100
Employees	1,909

With its networks of advisors, La Mondiale Experts provides services to individuals and independent entrepreneurs with life insurance products oriented toward retirement, life, disability, health and savings.

**Arial assurance**  
Group insurance

Specializing in group retirement plans and disability and health plans for large corporations

Revenues	€739 million
Assets under management	€3.64 billion
Insured clients	90,000
Partners	35
Employees	77

Arial assurance, a jointly-held subsidiary of La Mondiale and AG2R, covers the full range of retirement, health and disability needs for medium-sized to large companies, providing financial and employee benefit engineering services.

**La Mondiale Partenaire**  
Investment life insurance

The recognized expert in high-end investment savings

Revenues	€2.285 billion
Assets under management	€12.9 billion
Insured clients	146,825
Partners	297
Employees	373

La Mondiale Partenaire provides its partners with customized life insurance products designed for high-income and high-net-worth individuals.

**Corporate support units:**  
GIE LM Groupe, La Mondiale Gestion d'Actifs, La Mondiale Cash, GIE Editprint

**Pelayo Mondiale Vida (Spain)**

**Arial Épargne**

**La Mondiale Europartner (Luxembourg)**

**Pelayo third-ranking Spanish auto-mobile mutual**

**AG2R**  
the leading French interprofessional group for provident and supplementary retirement plans

**European development**

## Corporate governance

# General management and operational organization



**Patrick Peugeot**  
 Chairman and Chief Executive  
 Officer of La Mondiale  
 Chairman and Chief Executive  
 Officer of La Mondiale  
 Partenaire



**Alain Gajan**  
 Managing Director  
 (Financial Operations)  
 Chairman of  
 La Mondiale Europartner



**Philippe Dabat**  
 DMD\* of La Mondiale  
 in charge of  
 La Mondiale Experts



**Patrice Bonin**  
 Chairman of the  
 Management Board  
 of Ariel assurance  
 DMD\* of La Mondiale  
 (International Operations)



**Jean-Marc Crestani**  
 Managing Director  
 of La Mondiale Partenaire  
 DMD\* of La Mondiale

*La Mondiale's general management functions are performed by the Chairman and Chief Executive Officer and the Managing Director, assisted by an Executive Committee that participates in the General Management Committees according to lines of business. The team meets on a weekly basis.*

### The Executive Committee

The Executive Committee contributes to the development of corporate strategy. It is responsible for steering and managing the group and makes strategic decisions, ensures that the various business units act consistently, measures progress made on company-wide projects, and enters into major alliances. The committee is composed of the group's officers and the managers in charge of operational units and support functions (finance, information technology, human resources, etc.) and meets once per month.

### Operational organization

#### **The General Management Committees**

The three General Management Committees – La Mondiale Partenaire GMC, Ariel assurance GMC and La Mondiale

\* DMD: Deputy General Manager





**Antoine Hennequin**  
DMD\* of La Mondiale  
Director of Investments  
Chairman of the Management  
Board of La Mondiale Gestion  
d'Actifs



**Pascal Maniez**  
DMD\* of La Mondiale  
La Mondiale Head Office  
Site Manager



**Didier Serrat**  
Corporate General Secretary  
Managing Director of  
La Mondiale Participations



**Carole Catry**  
IT Director and Manager  
of the Corporate "Phare"  
Project



**Daniel Bassan**  
Corporate Human  
Relations Director

Experts GMC – each supervise compliance with their respective objectives and development conditions, as well as a coordinated marketing policy. Appointed by the chairman of the group, their members represent the main functions of each of the business units. They meet on a monthly basis.

#### **The Alliance Committees**

The deployment of each of the strategic alliances is overseen by a joint committee combining the general management teams of the two alliances and the main associates concerned. They meet on a quarterly basis.

#### **Economic Interest Groups (EIGs)**

>**The Executive EIG**, comprising the members of the Executive Committee, has the mission of defining, implementing and overseeing the strategic decisions of the group.

>**The Corporate EIG**, established on 1 January 2003, is the operational expression of the pooled human and material resources of the group's three business units: all of the group's staff have adopted the same status. The resources assigned to them are distributed among the business units according to "keys" defined each year, in keeping with criteria approved by the Executive Committee. The EIG is one of the measures defined in the group "Phare" project to establish cohesiveness and ensure profitable growth. The LM-IT (La Mondiale Information Technology) EIG was merged with the Corporate EIG in 2005. This information technology EIG was established in 2001 to implement the group's commitment to pool the business units' information technology resources (including human, hardware and software resources) in an effort to reduce costs. It quite logically became part of the Corporate EIG in 2005.

# La Mondiale, a socially responsible company



*As a pledge of La Mondiale's commitment to socially responsible development, the group joined the United Nations Global Compact programme in 2003. The purpose of the compact is to raise the awareness of the business world concerning sustainable development issues through compliance with nine fundamental principles in the fields of human rights, labour legislation, environmental protection and the fight against corruption.*

## **The Corporate Foundation**

La Mondiale launched its own foundation at the end of 2004. Its purpose is to provide support for existing social organizations and projects and to generate new proposals in a variety of fields, for example by promoting social and economic autonomy for individuals and strengthening collective solidarity efforts. The foundation may participate in the financing of research laboratories, experimental projects and other large-scale projects conducted by non-profit groups. The foundation will have an annual budget of €400,000 and will proceed by issuing requests for projects in support of initiatives presented by members and employees.

## **The AME**

The AME (Association La Mondiale Entraide) is a mutual aid association created by the employees of La Mondiale in 2000 for the purpose of supporting and organizing their personal initiatives. It launched a number of public-spirited initiatives in 2004. The organization comprises 140 employees who contribute their expertise to special-

ized non-profit associations in a variety of fields, such as the fight against illiteracy, support for education, job search assistance, social integration initiatives and support for the elderly and the disabled.

## **Support for "Graines de Citoyens"**

"Graines de Citoyens" is an initiative created to encourage 15 to 25-year-olds to read the print press, with the objective of contributing to the advancement of personal freedom of speech and action. As a founding member, La Mondiale participated in the first Print Press and Youth conference held in Bordeaux on 13 March 2004. The programme brought together more than 1,000 young people, institutions, celebrities, newspapers and other publications for conferences and debates on this topic. La Mondiale also participated in the second annual conference held on 5 March 2005, in Lille, La Mondiale's birthplace.

## **Initiatives in and around Lille in 2004**

La Mondiale participated in the renovation of the Lille municipal library and civic hall, and contributed to the transformation of the Fort de Mons – a former military fortress – into a cultural centre through the creation of gardens and an open-air theatre.



**Lille2004Lille**  
CAPITALE EUROPÉENNE  
DE LA CULTURE

## **A socially responsible working environment**

In keeping with sustainable development objectives, a company transportation plan was set up in 2004 to promote alternative means of transportation. Moreover, as a result of the success of the non-smoking day organized in November 2004 in La Mondiale's offices, the entire Mons-en-Baroeul location will become a smoke-free zone in 2005.

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**A company governed by the French Insurance Code**  
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