



**Reporter:** Caroline Halopé, EDHEC Business School  
**Conference 7A**

### *Corporate governance*

#### *Governance through equality and mutual benefit: is this responsible capitalism?*

**The AG2R La Mondiale supplemental insurance group** holds the title as France's leading provider of social protection. The group's unique economic model combining performance with societal commitment (following the merger of the AG2R and La Mondiale groups) distinguishes it from the other actors in this sector. The Group is "a company of people focusing on people", in the words of André Renaudin, AG2R La Mondiale's Managing Director, spoken during the World Forum 2012 at Lille's *Grand Palais* Convention Center.

In 2008, the groups AG2R (specialist in supplemental pension plans, health care and retirement savings plans) and La Mondiale (specialist in savings and supplemental pension schemes) signed a merger contract to become the supplemental insurer AG2R La Mondiale. This new entity specializes in the segment of insurance products complementary to social security benefits and is divided into four distinct branches, mirroring the social security programs: health care, retirement, workers' compensation for illness or accident, and family coverage. These products, as a whole, are intended to accompany and insure individuals throughout their lives, a perspective leading Mr. Renaudin to emphasize why AG2R La Mondiale is a company of people focusing on people.

This past year, the Group was responsible for deposits totaling €16 billion and each year it manages assets worth €69 billion. The conference moderator, Thierry Marneffe, with the firm *Des Enjeux et Des Hommes* specialized in sustainable development initiatives, asked how it is possible to manage such a large diverse group. In assuming a fatherly tone, André Renaudin responded that he ran his company like a family. Governance, he continued, has taken place through small steps, beginning in 1905 with the creation of La Mondiale and its extension to the overseas territories; then in 1966, a specific governance strategy was adopted.

For its part, AG2R was founded in 1951 as the country's first contributory pension scheme for non-executive employees. The subsequent creation of Agrr (generalized contributory pension association) was set up at the initiative of stationers, thus laying the groundwork for an equality-based governance, with representation split 50/50 between employees and employers.

The breakthrough consisted of merging these two forms of governance: a corporate architecture built on equality and shared benefits. With AG2R specialized in group savings and health plans and La Mondiale's emphasis on individual life insurance, the two joined in a "complementary marriage", according to Mr. Renaudin. This underlying complicity would give rise to the company's innovative economic model allowing the Group to integrate its policyholders, who in turn participate in AG2R La Mondiale's strategic choices and both manage and benefit from the Group's returns.

Even though the insurance business is not by definition a polluting activity, the company is still committed to complying with the most recent set of environmental standards, in particular by ensuring all its office buildings have received the HQE label and selecting suppliers on the basis of environmental criteria.

Taken together, these policies contribute to a healthy long-term development outlook!