

PRUDENTIAL

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PRUDENTIAL OFFERS EMPLOYEE BENEFITS PROPOSITION TO CORPORATES

A proposition developed with Vebnet and IBM

Prudential UK today launches a new and innovative employee benefits solution for the corporate market. .Pru@Work. will deliver core, flexible and voluntary benefits to employers looking to introduce new employee benefit packages or enhance their existing offer.

The components being offered through .Pru@Work. include:

- A core and flexible benefits package, from which employers will be able to select a range of products from a number of providers. The solution will also be able to generate Total Reward Statements
- A full range of worksite marketing communication tools including seminars, provider roadshows, and both online and paper-based communications
- Education and financial planning tools, including calculators and financial awareness information supporting the Government's Informed Choice agenda.

Dave Harris, Prudential UK's Business to Business Director, said: "The employee benefits market is ripe for innovation delivered through a strong brand. Prudential, working with employers and their advisers, has the ability and knowledge to make a radical impact in this market.

"Employers recognise that offering an attractive staff benefits package aids recruitment and retention. We can help through our approach to employee benefits, offering products from a range of providers, delivering economies of scale and easing the burden of administration for employers."

.Pru@Work. will be marketed through existing relationships with Employee Benefit Consultants and will include a range of products and providers for employers to choose from, including:

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private medical insurance; personal accident insurance; dental plan; protection products; travel insurance; life assurance; healthcare cash plan; childcare, leisure and retail vouchers; and personal computers as part of the Government's home computing initiative.

Prudential is working with Vebnet, IBM and Wipro to develop the platform. The system is being built by Vebnet, and seeks to enhance their FIX&FLEX® product¹. This will be integrated into a Prudential employee benefits portal, being developed by Prudential and Wipro, allowing direct access by employees. The system will be developed to allow Advisers and employers to use the system.

IBM will host the system at their e-business hosting² centre as part of a ten-year agreement.

Commenting on the announcement, Gerry O'Neill, CEO of Vebnet said: "We are delighted to be working with both Prudential and IBM and share their view that worksite marketing represents a significant growth opportunity. This opportunity is further enhanced by the strength and quality of the Prudential and IBM brands, combined with Vebnet's market leading technology. This partnership re-enforces our position as the provider of choice and delivers what must be regarded as a truly innovative and market leading proposition."

"We are excited by the prospect of supporting the Prudential through a very dynamic phase of their growth in the employee benefits market," said Richard Lawrence, IBM's director of e-business hosting. "IBM e-business hosting delivers the reliability, availability and expertise they need today, plus the on demand flexibility to change as they grow — all without a major capital infrastructure investment," he continued.

Dave Harris from Prudential concluded: "Learning lessons from our own staff benefits package, we have built the communication tools to allow employers to offer a comprehensive and flexible benefits package for their employees. Similarly, it will help employees make a more informed decision about selecting the right benefits for their individual circumstances.

"We have built a unique set of capabilities with this partnership. It will deliver a benefits package which brings together employee communications, a portal flex system and service into one packaged solution which can be completely tailored to the cultural and business needs of companies."

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Notes to editors

1. FIX&FLEX® is a web-based application which provides all the functionality required to set-up, configure and administer a flexible benefit scheme. FIX&FLEX® also contains functionality for online Total Remuneration Statements, an Absence and Holiday planner and employee self-service.
2. IBM e-business Hosting Centres offer highly standardised, resilient infrastructure at centralised, secure sites such as Warwick in the UK. These can automatically increase capacity on demand in response to changing workload requirements.
3. Pru@Work builds on the success of You Choose, the award winning Prudential UK flexible staff benefits package.
4. At launch, Pru@Work will offer core and flexible benefits. The first employee benefit elections for core and flexible benefits are expected in Q4 2005. Prudential will introduce a voluntary benefits module in 2006.
5. For further details, EBCs and employers should contact their usual Prudential business representative or email derek.mansfield@prudential.co.uk
6. Prudential UK is the corporate pension provider to 20% of the FTSE350 companies and manages more than 4,000 occupational pension schemes.

Vebnet Company Background

Vebnet was founded in 2000. Vebnet's core business is to develop and implement web based technology solutions for flexible benefit schemes and Total Remuneration Statements. The company distributes its technology both on a direct basis and through partnerships with the leading benefit consultants. Vebnet [VBT] is a listed company on the Alternative Investment Market.

About IBM Global Services

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