

# 2022 Schedule of contributions

## The Pearson Pension Plan

This schedule has been prepared by the Trustee of the Pearson Pension Plan ("the Plan") to satisfy the requirements of Section 227 of the Pensions Act 2004 after obtaining the advice of the Plan Actuary. The Trustee has discussed and agreed this schedule with the Principal Company, Pearson Services Limited ("the Company"). The Company has agreed this Schedule on behalf of itself and the other participating employers.

This schedule specifies the rates and due dates of employer and employee contributions to the Plan for the period from 1 January 2023 to 31 December 2027. It is subject to review, and if necessary revision, from time to time as required by legislation and following actuarial valuations.

The contributions for the period from 1 January 2022 to 31 October 2022 were payable in accordance with the Schedule of Contributions certified on 20 January 2022. The contributions for the months of November and December 2022 were payable in accordance with the Schedule of Contributions certified on 10 November 2022.

This schedule reflects that the Trustee and the Company have agreed that the Company will not make certain contributions to the Plan in 2023. In 2023, the Company will continue to pay an amount equal to the amount of earnings which a Salary Exchange Member has effectively exchanged for pension contributions as a result of participating in their Employer's salary exchange for pension contributions arrangement.

## Members' contributions

The level of member contributions is dependent upon the Section of the Plan to which the member belongs, as follows:

Section	% of Pensionable Salary
Civil Service Classic (non-Salary Exchange Members)	1.5
Civil service Premium (non-Salary Exchange Members)	2.0
Final Pay (non-Salary Exchange Members)	5.0
TQ Classic (non-Salary Exchange Members)	1.5
TQ Classic Plus (non-Salary Exchange Members)	3.5
Money Purchase 2003 (non-Salary Exchange Members)	Various, between 3.0% and 8.0%
Auto Enrolment (non-Salary Exchange Members)	5.0% of Qualifying Earnings per annum
Salary Exchange Members	Nil

Members may pay additional voluntary contributions to the Plan.

## Due Dates

With the exception of the first month's contributions for members of the Auto Enrolment section, these contributions are payable to the Trustee within 19 days from the end of the month in which the deduction from members' earnings was made. The members' first deductions from the Auto Enrolment section are payable by the end of the second month after the month in which the auto enrolment date fell.

## Employer Contributions

The Company will pay contributions to the Plan in respect of future accrual for active members at the following rates:

### *Regular contributions (non-Salary Exchange Members)*

	1 January 2023 to 31 December 2023	1 January 2024 to 31 December 2027
<b>Final salary sections</b>	Nil	62.5% of Pensionable Salary per annum
<b>Money Purchase 2003</b>	Nil	The employer will pay twice the member's contribution rate as a percentage of Pensionable Salary.
<b>Auto Enrolment</b>	Nil	3.0% of Qualifying Earnings per annum. This rate will be increased if and when required to satisfy the minimum Auto Enrolment requirements.

### *Regular contributions (Salary Exchange Members)*

	1 January 2023 to 31 December 2023	1 January 2024 to 31 December 2027
<b>Money Purchase 2003</b>	The amount of the earnings which a Salary Exchange Member has exchanged for pension contributions	Three times the amount of the earnings which a Salary Exchange Member has exchanged for pension contributions
	Additional contributions may be due if the member elects to pay additional voluntary contributions through the Salary Exchange.	Additional contributions may be due if the member elects to pay additional voluntary contributions through the Salary Exchange.
<b>Auto Enrolment</b>	5.0% of Qualifying Earnings per annum. This rate will be increased if and when required to satisfy the minimum Auto Enrolment requirements.	8.0% of Qualifying Earnings per annum. This rate will be increased if and when required to satisfy the minimum Auto Enrolment requirements.
	Additional contributions may be due if the member elects to pay additional voluntary contributions through the Salary Exchange.	Additional contributions may be due if the member elects to pay additional voluntary contributions through the Salary Exchange.

Employer regular contributions are payable to the Trustee on the same Due Dates as the employee contributions.

## Other employer contributions

In addition to the contributions shown above, the participating employers shall pay the following:

- Additional contributions as may be required under the Rules in specific circumstances, for example to cover augmentation, arrears, AVC matching for specified individuals or as a result of the bulk transfers.
- Additional contributions to meet the cost of any Risk Based Levy payable to the Pension Protection Fund, within 28 days of the Plan receiving a levy invoice requiring payment of such levy.
- Where alternative agreements are not reached with the Trustee, additional contributions in respect of any statutory debt arising from the withdrawal of a participating employer.
- Such other contributions as are, from time to time, agreed by the Trustee and participating employers.

**Definitions of Pensionable Salary**

The definition of Pensionable Salary is set out in the Rules for each section. The definition of Qualifying Earnings, on which the contributions for the Auto Enrolment section are based, is set out in the Rules for the Auto Enrolment section.

**Agreed by Pearson Services Limited**

<b>Name</b>	<b>Date</b>
<b>Signature</b>	<b>Position</b> Director

**Agreed by Pearson Pension Trustee Limited**

<b>Name</b>	<b>Date</b>
<b>Signature of the Trustee</b>	<b>Position</b> Director and Chairman of the Trustee

## Actuary's certification of schedule of contributions

### The Pearson Pension Plan

#### Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 1 January 2021 to be met for the period for which the schedule is to be in force.

#### Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the 2021 Statement of Funding Principles.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Plan's liabilities by the purchase of annuities, if the Plan were to be wound up.

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**Signature**

**Date**

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**Name**

Steve Leake  
Plan Actuary

**Qualification**

Fellow of the Institute  
and Faculty of Actuaries

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**Address**

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**Employer**

XPS Pensions Consulting Limited