



OLDMUTUAL

BIG DREAMS DESERVE A LITTLE HELP

5 steps to the education plan that can make it happen.

As parents, one of our most important roles is making sure our children have a solid education to secure their future - and it's not as overwhelming as it sounds. In 5 steps, it's possible to proactively plan and prepare for their future.



DO GREAT THINGS EVERY DAY

WHY IT PAYS TO GIVE YOUR CHILD A GOOD EDUCATION

South Africa's current unemployment rate* is 31.9%.

A BETTER QUALIFICATION increases your child's chances of finding employment.

63.5%



THE PERCENTAGE** OF MATRICULANTS WHO GET EMPLOYED.



87.5%



THE PERCENTAGE** OF GRADUATES WHO GET EMPLOYED.



88%



THE PERCENTAGE** OF MILLIONAIRES WITH A BACHELOR'S DEGREE.



*Labour Force Survey 2023, Statistics SA

**Stats SA (Business Day article), 2022

The higher your child's qualification, **THE BETTER THEIR SALARY***.

Those with a:

Certificate or diploma

Earn **17%** more

than those with just **matric**.

Bachelor's degree

Earn **45%** more

than those with just **matric**.

Master's degree

Earn **87%** more

than those with just **matric**.

PhD doctorate

Earn **130%** more

than those with just **matric**.

GOOD EDUCATION and **WELLBEING** go hand in hand.

A University of Massachusetts white paper indicates that those with a good education are likelier to live longer, experience less financial and work-related stress, and are less likely to experience common illnesses and mental health issues. They also eat better and maintain regular exercise habits.

*Average Salary in South Africa 2023 - The Complete Guide (salaryexplorer.com)

5 STEPS TO GREATNESS

We all strive to give our kids a bright future – and a solid education is the key that affords them better job opportunities, higher income potential, and a better quality of life. We all know that education is expensive these days, but investing in their future sooner rather than later will be a massive help towards you saving on the cost of education over the long term.

Securing your child's education is within your reach.

Scan the QR code to follow our 5 steps and access our online calculators.



The best time to start saving for your child's future is **today**.

Child's name:



CALCULATE THE COST OF EDUCATION

Use our [Cost of Education calculator](#) to work out the cost of your child's pre-primary, primary, secondary, and tertiary education. The calculator produces a comprehensive report that you can download to review, and share with your financial adviser.

The cost of my child's education will be **R**

The average cost* of education, now and in 10 years' time:

EDUCATION	2024	2034
Secondary school - public (5 years)	R205 925	R405 087
Secondary school - private (5 years)	R444 242	R873 892
University - South Africa (3 years)	R171 829	R338 014

7% CURRENT RATE OF EDUCATION INFLATION

The cost of education is rising more than other goods and services (at 5%).

Our Old Mutual savings solutions are designed to **protect you against the impact of education inflation**. You have the flexibility to increase your premiums, allowing you to stay on track to reach your savings goals.

*This is an average cost, with figures varying extensively between institutions.

2

HOW MUCH TO SAVE EVERY MONTH

Now that you understand the cost of education, use our [How Much to Save calculator](#) to work out the monthly amount you need to reach your savings goal.

I need to save R..... per month over years to reach my goal.

Additionally, our [Savings vs Loans calculator](#) shows you how much you can save by starting early and benefiting from compound growth. A loan will cost you much more, because you will be paying high interest rates. It really does pay to start saving as soon as possible!

I can save% by starting to save today, instead of taking out a loan in the future.

EXAMPLE: If today's estimated cost of tertiary education is R150 000, then by 2040:

SAVINGS	LOAN
Future cost of tertiary education in 16 years: R507 763 Monthly premium if you start saving today: R709	Cost of a loan in 2040: R716 759 Monthly premium in 16 years: R11 945 (R5 072 in today's value)
Total premium invested over the term: R239 442 Total premium growth over the term: R334 028	How much extra an education loan could cost you R477 317

You could save **R477 317** (Total loan amount of R716 759 minus your total savings of R239 442).

START INVESTING TODAY AND SAVE 199%!

Savings assumptions: Normal inflation is 5%, education inflation is 7%, growth is 10% and all figures are net of fees. Loan assumptions: Interest of 15.5% over 5 years.

3

FIND THE MONEY

Small adjustments to your monthly budget today can save you from making big sacrifices when it's time to pay for education. Our [Pay Yourself First calculator](#) helps you find the money in your budget that can go towards education savings.

I can save R..... per month towards my child's education.

An example from the Pay Yourself First calculator:

Swap a night out for a fun night in	SAVE R650
Cut one takeaway coffee out a week	SAVE R140
Driving less aggressively	SAVE R215
TOTAL MONTHLY SAVING	R1 005

R1 005 SAVED OVER 10 YEARS COULD ADD

R248 870*

TOWARDS YOUR CHILD'S EDUCATION

*Assumptions: Growth is 10%, inflation is 5%, figure is net of fees.



GET THE RIGHT ADVICE

Contact your adviser, or call **0860 66 66 59** to be connected to one.

By considering your affordability, tax, and investment risk profile, your adviser will guide you towards the most suitable solution. We'll also make sure that you have the appropriate **life and disability cover** to protect your child's education savings.

PROTECT THE EDUCATION DREAMS OF YOUR LOVED ONES

It's great having a savings plan in place to ensure your child has the education to achieve their full potential - but what if something happens to you? Our life and disability cover options ensure those goals can still be achieved.

Talk to your financial adviser about the most suitable options for you and your family.



GET REWARDED

OLD MUTUAL REWARDS
SMALL STEPS. GREAT REWARDS.

Old Mutual Rewards is a **free-to-join financial wellness programme** designed to partner with you on your journey towards financial freedom.

LEARN AND EARN: Earn points for learning how to take control of your finances using our online financial education content, online assessments, Rewards calculators and tools.

GET MORE: Your Rewards tier determines the rate at which you earn points and other discounted benefits. You can earn a percentage of your premiums on qualifying products in Rewards points monthly.

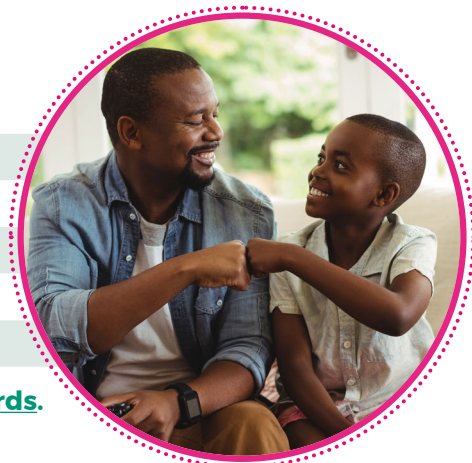
GET REWARDED: Redeem your points with our partners or save them for the future. Buy groceries and fuel, watch a movie, treat the family to a meal, save points in your Old Mutual Money Account, or even donate your points to a charity.

There are many more ways to earn points:

Speaking to an adviser	250 points
Referring a friend	200 points
Completing online financial courses	50 points
Using the financial and education calculators	20 points
Requesting a credit report	100 points
Completing a survey	50 points

It's free and anybody can join. Register today on oldmutual.co.za/rewards.

Old Mutual Rewards (Pty) Ltd. is a company in the Old Mutual Group. Terms, Conditions and Programme Rules apply.





**SPEAK TO YOUR FINANCIAL ADVISER.
START SAVING TODAY.**

Adviser's name:

Contact number:



Old Mutual Life Assurance Company (SA) Limited is a licensed FSP and Life Insurer.