# Discovery Life Escalator - Discovery Balanced Fund

## Minimum Disclosure Document

30 September 2026

## Fund Detail

| | |
|---|---|
| Investment manager | Discovery Life Limited |
| Launch date | 27 September 2012 |
| Fund size | R2 114 338 859 |
| TRI price | 338.45c |
| Protection level (based on TRI) | 289.45c |
| Income declaration | Rolled up within unit price |
| Annual protector premium [1] | 0.60% |
| Performance fee | None |
| TER (including protector premium) | 2.40% |
| Transaction cost | 0.15% |
| Total investment charges (TIC) | 2.55% |
| ISIN | ZAE000169173 |

Notes
1. The premiums quoted above exclude the underlying investment manager charges.

## Fund Profile and Strategy

The Discovery Life Escalator Funds are investment portfolios underlying the investment linked insurance policies issued, or underwritten, by Discovery Life Limited, which have a unique structure that provides investors with protection against downward market movements as well as unlimited growth potential in rising markets. The protection level on each Escalator unit is at least 80% of the highest value the Escalator unit price has ever reached. The guarantee is provided by Deutsche bank, not Discovery Life. This means that the policyholder bears the risk if Deutsche Bank is unable to meet the guarantee for any reason whatsoever.

The Discovery Life Escalator - Discovery Balanced Fund is calculated with reference to an apportionment between the underlying Discovery Balanced Fund Class A (where Discovery Life Collective Investments (Pty) Ltd is the CIS manager), cash, and a put option (which Discovery Life has bought from Deutsche Bank). The ratio between the assets is dynamically adjusted on a daily basis. As the unit price of the Discovery Balanced Fund Class A increases the apportionment to this fund increases and vice versa. This rebalancing is done automatically based on a mathematically defined algorithm managed by Discovery Life and Deutsche Bank.

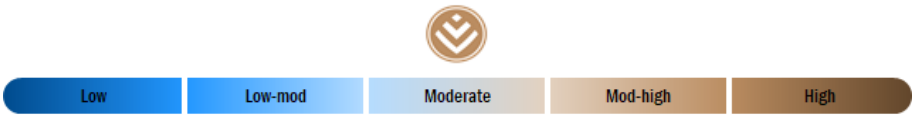
## Underlying Fund Investment Policy

In selecting securities for the portfolio, the manager shall ensure that the Discovery Balanced Fund will be a specialist portfolio, focusing on specific allocations into the classes of securities outlined below, as well as allocation within each security class. It will seek to secure an investment medium for investors which shall have as its primary objective to produce steady, but stable growth of income and capital across a range of security classes in a balanced manner, and reasonable level of current income. The portfolio will attempt to achieve a moderate risk profile by actively managing the exposure to the various asset classes.

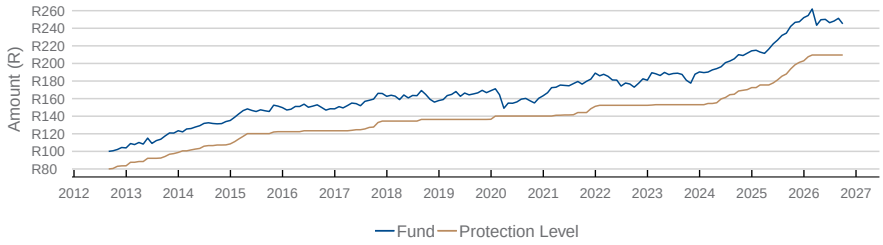
In order to achieve its objective, the manager will invest in JSE listed companies, listed gilts and interest bearing securities, money market instruments, listed property securities, listed derivative instruments, unlisted derivative instruments, participatory interests in collective investment schemes and foreign investments and unlisted securities as permitted from time to time by the Act.

The allocation of investments to be included in the portfolio will be appropriate for retirement funds.

## Risk Profile




## Illustrative Cumulative Performance for a R100 Lump Sum Investment Since Launch




## Historical Performance Table - Since Launch

| Period | Fund | Protection |
|---|---|---|
| 1 year (Ann.) | 1.21% | 8.19% |
| 3 year (Ann.) | 10.64% | 11.04% |
| 5 year (Ann.) | 6.79% | 7.77% |
| 10 year (Ann.) | 5.03% | 5.44% |
| Since Launch (Ann.) | 6.60% | 7.11% |
| Since Launch (Cum.) | 145.07% | 161.98% |

## Risk Statistics Table - Since Launch

| Statistic | Fund |
|---|---|
| Volatility (Last 3 Years Ann.) | 7.81% |
| Maximum Drawdown | -17.05% |
| Best Annual Return | 23.04% |
| Worst Annual Return | -9.58% |
| Sharpe Ratio (Rf = 0%) | 0.87 |
| Information Ratio | -0.07 |

Performance figures are calculated using the Total Returns Index (TRI) for a R100 lump sum investment made at launch The TRI is calculated by purchasing and reinvesting units on the declaration date at the Net Asset Value (NAV) price as at the reinvestment date. The TRI on any day is adjusted for NAV movements and dividend declarations. The performance is shown as net of asset management fee. Investment performance is for illustrative purposes only. Investment performance is calculated by taking the actual applicable initial fees, and all ongoing portfolio fees, into account, for the value shown. Income is reinvested on the reinvestment date.
Data source: Ninety One SA (Pty) Ltd

## Asset Class Market Returns - 1 year



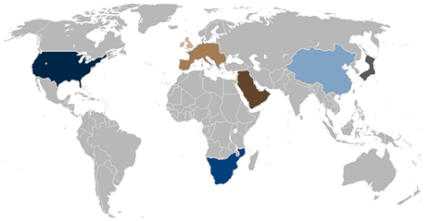

Data source: Profile

## Monthly Returns Table - Last 5 Years

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2026 | 1.0% | 2.9% | -7.1% | 2.6% | 0.2% | -1.5% | 0.8% | 1.3% | -2.5% | - | - | - |
| 2025 | 0.3% | -1.0% | -0.7% | 2.3% | 2.8% | 1.9% | 2.4% | 1.1% | 3.3% | 1.9% | 0.3% | 1.9% |
| 2024 | -0.4% | 0.3% | 1.3% | 0.7% | 1.1% | 2.4% | 0.9% | 1.3% | 2.3% | -0.5% | 1.3% | 1.3% |
| 2023 | 4.7% | -0.6% | -1.1% | 1.9% | -1.3% | 0.7% | 0.2% | -0.7% | -3.5% | -1.9% | 5.7% | 1.4% |
| 2022 | -1.6% | 0.9% | -1.3% | -2.2% | -0.1% | -3.7% | 2.0% | -0.6% | -2.0% | 2.6% | 2.8% | -0.9% |

Data source: Ninety One SA (Pty) Ltd

## Geographic Exposure



| Region | Allocation |
|---|---|
| Emerging Markets | 57.5% |
| Europe ex. UK | 6.5% |
| Far East Ex. Japan | 0.4% |
| Japan | 1.6% |
| North America | 26.0% |
| United Kingdom | 5.5% |
| Middle East | 0% |
| Other | 2.5% |

Data source: Ninety One SA (Pty) Ltd

# Discovery Life Escalator - Discovery Balanced Fund

## Minimum Disclosure Document

30 September 2026

Discovery Invest

## Top 10 Holdings

| Description | Weight |
|---|---|
| Naspers Ltd | 3.4% |
| Standard Bank Group Ltd | 2.8% |
| Nvidia Corp | 2.8% |
| Anglogold Ashanti Plc | 2.4% |
| Capitec Limited | 2.3% |
| Gold Fields Ltd | 2.3% |
| Mtn Group Ltd | 2.3% |
| Taiwan Semiconductor Manufacturing Co Ltd | 2.0% |
| Valterra Platinum Ltd | 1.6% |
| Microsoft Corp | 1.6% |

## Current Escalator Weights

| Description | Weight |
|---|---|
| Underlying Fund | 72.92% |
| Cash | 27.08% |

## Specific Underlying Fund Risks

Please note that following market falls, the Escalator Fund may have a high allocation to cash. This will result in a low exposure to movements in the underlying fund which means the Escalator will not fully participate in sharp market rises following such a market drop, should they occur.

*Currency exchange risk* - Changes in the relative values of different currencies may adversely affect the value of the Fund's investments and any related income.

*Default risk* - There is a risk that the issuers of fixed income investments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed.The worse the credit quality of the issuer, the greater the risk of default and therefore investment loss.

*Derivatives risk* - The use of derivatives may increase the overall risk in the Fund by multiplying the effect of both gains and losses. This may lead to large changes in the valueof the Fund and potentially large financial loss.

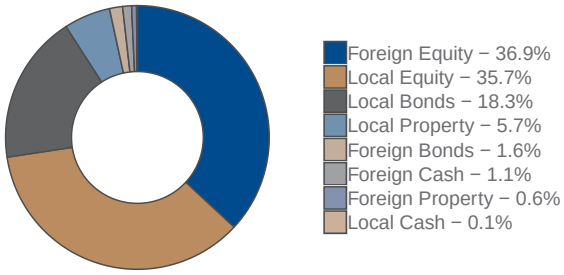
*Developing market risk* - Some of the countries in which the Fund invests may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.

*Interest rate risk* - The value of fixed income investments (e.g. bonds) tends to decrease when interest rates and/or inflation rises.

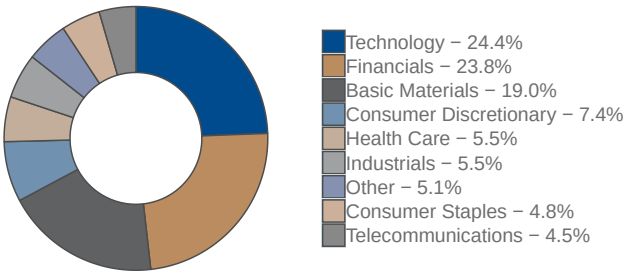
*Multi-asset investment risk* - The Fund is subject to possible financial losses in multiple markets and may underperform more focused funds.

*Third party operational risk* - The Fund's operations depend on third parties. Investors in the Fund may suffer disruption or financial loss in the event of third-party operational failure.

## Asset Allocation Chart of Underlying Fund

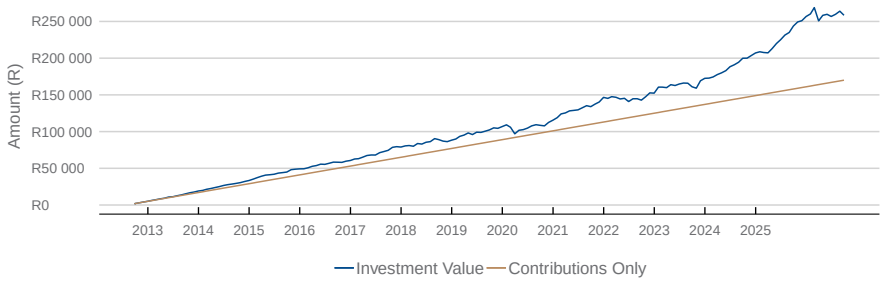



## Equity Sector Allocation Chart of Underlying Fund




All allocations include the exposure created by derivatives.
Data source: Ninety One SA (Pty) Ltd

## Illustrative Cumulative Performance for a R1000 Recurring Monthly Investment Since Launch




## Historical Recurring Investment Performance

| Period | Investment |
|---|---|
| 1 year (Ann.) | -3.19% |
| 3 year (Ann.) | 7.98% |
| 5 year (Ann.) | 7.63% |
| 10 year (Ann.) | 6.06% |
| Since Launch (Ann.) | 5.74% |

## Historical Recurring Investment Summary

| Statistic | Investment |
|---|---|
| Total Contributions - Full Period | R170 000 |
| Final Investment Value - Full Period | R258 424 |

Performance figures are calculated using the Total Returns Index (TRI) for a recurring R1000 monthly investment starting at launch. The TRI is calculated by purchasing and reinvesting units on the declaration date at the Net Asset Value (NAV) price as at the reinvestment date. The TRI on any day is adjusted for NAV movements and dividend declarations. The performance is shown as net of asset management fees. Investment performance is for illustrative purposes only. Investment performance is calculated by taking the actual applicable initial fees, and all ongoing fees, into account, for the value shown. Income is reinvested on the reinvestment date. Investment performance is for illustrative purposes only.
Data source: Profile

# Discovery Life Escalator - Discovery Balanced Fund

## Minimum Disclosure Document

30 September 2026

Discovery Invest

## Boosts, Benefits and Protectors

To see what benefits this investment portfolio qualifies for, click **here.**

## Contact Details

### Insurer

Discovery Life Limited

| | |
|---|---|
| **Registration number** | 1966/003901/06 |
| **FAIS licence number** | 18147 |
| **Insurer number** | I056 (LT) |
| **Pension fund number** | 24/374 |
| **National credit provider number** | NCRCP3555 |
| **Postal address** | PO Box 653574, Benmore, 2010 |
| **Physical address** | 1 Discovery Place, Sandton, 2196 |
| **Telephone number** | 0860 67 57 77 |
| **Website** | www.discovery.co.za |

Discovery Life Limited, registration number 1966/003901/06, is a licensed insurer, and an authorised financial services and registered credit provider, NCR Reg No. NCRCP3555. Discovery Life is licensed for Category I (advice and non-discretionary intermediary services). Discovery Life is the issuer of the insurance policy. The portfolio reflected in this document is an investment portfolio underlying the investment linked insurance policies issued by Discovery Life.

### CIS Manager of Underlying Fund

Discovery Life Collective Investments (Pty) Ltd

| | |
|---|---|
| **Registration number** | 2007/008998/07 |
| **Postal address** | PO Box 653574, Benmore, 2010 |
| **Physical address** | 1 Discovery Place, Sandton, 2196 |
| **Contact centre** | 0860 67 57 77 |
| **Fax number** | 011 539 5777 |
| **Website** | www.discovery.co.za |

Discovery Life Collective Investments (Pty) Ltd (Discovery Life Collective Investments) is registered as a manager of collective investment schemes, in terms of the Collective Investment Schemes Control Act. Discovery Life Collective Investments, through Discovery Holdings Limited, is a member of the Association for Savings and Investment South Africa (ASISA).

### Trustee of Underlying Fund

Standard Chartered Bank

| | |
|---|---|
| **Registration number** | 2003/020177/10 |
| **Postal address** | PO Box 782080, Sandton, 2146; |
| **Physical address** | 2nd Floor, 115 West Street, Sandton, 2196 |
| **Tel number** | 011 217 6600 |
| **Website** | www.standardchartered.com/za |

The trustee is registered as a trustee of collective investment schemes, in terms of the Collective Investment Schemes Control Act.

## FAIS and Insurance Disclosures

This information is not advice, as defined and contemplated in FAIS. The value of a portfolio can go down, as well as up, as a result of changes in the value of the underlying investments, or of currency movement. An investor may not recoup the full amount invested. The policy benefits of the linked policies are determined solely on the value of the assets, or categories of assets, to which the policies are linked. Past performance is not necessarily an indication of future performance. The performance figures of the investment portfolio are based on a lump sum investment, over the respective periods shown. The performance figures of the investment portfolio underlying the investment linked insurance policies will differ from the performance returns of the policies, due to Discovery Life's administration and policy fees (if applicable). The underlying funds may levy their own charges. The value and performance figures of the investment portfolio are based on valuation prices received from Deutsche Bank. Actual trade prices may differ marginally. Forecasts, illustrations, hypothetical data, and examples are for illustrative purposes only, and are not guaranteed to occur. Any projections contained in the information are estimates only, and are not guaranteed to occur. The projections are subject to market influences and contingent upon matters outside the control of the company, so may not be realised in the future. Please be advised that there may be supervised representatives. The complaints policy and conflict of interest management policy can be found on the website: www.discovery.co.za. The assets underlying the Discovery Life Escalator Funds are held on Discovery Life's balance sheet, except for the instrument that provides the 80 Total Investment Charge

Total expense ratio (TER) is the percentage of the value of the portfolio that was incurred as expenses relating to the administration (charges, levies and fees) of the portfolio. TER is calculated over rolling 3 years (or since inception, where applicable), and is annualised, to the most recent calendar quarter-end. A higher TER does not necessarily imply a good return. The current TER may not necessarily be an accurate indication of future TER's.

Transaction costs (TC) is the percentage of the value of the portfolio that was incurred as costs relating to the buying and selling of the assets underlying the portfolio. Transaction Costs are a necessary cost in administering the portfolio and impacts portfolio returns. It should not be considered in isolation, as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager, and the TER. calculations are based on actual data, where possible, and best estimates, where actual data is not available.

Total investment charges (TIC) is the percentage of the value of the portfolio that was incurred as costs relating to the investment of the portfolio. It is the sum of the TER and TC.

## CIS Disclosures of Underlying Fund

For details about the underlying fund, to assist you to make an informed investment decision, please refer to its latest minimum disclosure document, available on our website: https://www.discovery.co.za/investments/investment-funds.

## Performance Fees

Performance fees are not levied on the portfolios.

# Discovery Life Escalator - Discovery Balanced Fund

## Minimum Disclosure Document

30 September 2026

## Contact Details (continued)

### Investment Manager of Underlying Fund

Ninety One SA (Pty) Ltd

| | |
|---|---|
| **Registration number** | 1984/011235/07 |
| **FSP number** | 587 |
| **Physical address** | 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001 |
| **Telephone number** | 0860 110 161 |
| **Website** | www.ninetyone.com |

Ninety One SA is an authorised FSP, as a discretionary FSP, in terms of Section 8 of FAIS.

### Administrative FSP

Discovery Life Investment Services (Pty) Ltd

| | |
|---|---|
| **Registration number** | 2007/005969/07 |
| **FAIS licence number** | 30277 |
| **Pension fund number** | 24/457 |
| **Postal address** | PO Box 653574, Benmore, 2010 |
| **Physical address** | 1 Discovery Place, Sandton, 2196 |
| **Telephone number** | 0860 67 57 77 |
| **Website** | www.discovery.co.za |

Discovery Life Investment Services (Pty) Ltd (Discovery Invest) is an authorised FSP, licensed for Category I (advice and non-discretionary intermediary services), Category II (discretionary FSP), and Category III (administrative FSP). The investment portfolios underlying the investment linked insurance policies issued by Discovery Life may be administered on the Discovery Invest administrative platform.

## Performance Returns

Lump-sum performance returns are being quoted. Income distributions, prior to deduction of applicable taxes, are included in the performance calculations. NAV to NAV figures have been used for the performance calculations, as calculated by the manager at the valuation point defined in the deed, over all reporting periods. Investment performance calculations are available for verification upon request by any person. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. The performance is calculated for the fee class. The individual investor performance may differ, as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The rate of return is calculated on a total return basis, and the following elements may involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy. Annualised returns are period returns re-scaled to a period of one year. This allows investors to compare returns of different assets that they have owned for different lengths of time. All period returns greater than one year have been annualised. Returns for periods less than one year have not been annualised. A cumulative return is the aggregate amount an investment has gained or lost over time, independent of the period of time involved. Actual annual figures are available to the investor on request. Illustrative investment performance is for illustrative purposes only.

## Additional Information

For additional information on the portfolio, refer to the following documents, available on our website www.discovery.co.za, from your financial adviser, or on request from the manager, free of charge.

- Application forms
- Annual report
- Fee schedule
- Quarterly General Investor Report
- Minimum disclosure documents

## Complaints and Conflicts of Interest

The complaints policy and procedure, as well as the conflicts of interest management policy, are available on our website www.discovery.co.za. Associates of the manager may be invested within certain portfolios, and the details thereof are available from the manager.

## Closure of the Portfolio

The manager has the right to close certain portfolios to new investors, in order to manage them more efficiently, in accordance with their mandates.

This document was published on 14 October 2026.