

Letter to Unitholders of HDFC Multi-Asset Fund

Date: November 3, 2025

Dear Unitholder,

Sub: Change in fundamental attributes and certain other provisions of HDFC Multi-Asset Fund FA Change (“the Scheme”)

Unit holders are requested to note that HDFC Multi-Asset Fund (“the Scheme”) will be undergoing changes in the key features with effect from **December 10, 2025 (Effective Date)**. The changes, indicated as Fundamental Attribute Change (“**FAC**”) in the below table will be considered as change in the fundamental attributes in line with Regulation 18(15A) and Regulation 25(26) of the SEBI (Mutual Funds) Regulations, 1996 (“MF Regulations”) read with clause 1.14.1.4 and 17.10 of Master Circular for Mutual Funds dated June 27, 2024. Accordingly, the proposed changes shall be carried out by implementing the process for change in the fundamental attributes of a scheme.

1. **Name of the Scheme (Existing):** HDFC Multi-Asset Fund

2. **Rationale for the change/s:** Silver, given its dual role both as a precious metal and an industrial commodity, is experiencing increasing demand. It offers diversification benefits and may serve as a hedge against inflation and currency depreciation. Accordingly, the scheme may be enabled to take exposure in Silver, in addition to Gold. Hence, the management of HDFC Asset Management Company Limited proposes to change certain provisions and fundamental attributes of the Scheme.

3. **Comparison between the existing and proposed features of the Scheme is as follows:**

Particulars	Existing Provisions	Proposed Provisions
Name of the Scheme	HDFC Multi-Asset Fund	HDFC Multi-Asset Allocation Fund
Type of Scheme*	An open-ended scheme investing in Equity and Equity related instruments, Debt & Money Market Instruments and Gold related instruments	An open-ended scheme investing in Equity and Equity related instruments, Debt & Money Market Instruments, Gold/Silver/other permitted Commodities ETFs and Exchange Traded Commodity Derivatives.
Investment Objective*	The objective of the Scheme is to generate long term capital appreciation/income by investing in a diversified portfolio of equity & equity related instruments, debt & money market instruments and Gold related instruments. There is no assurance that the investment objective of the Scheme will be achieved.	The objective of the Scheme is to generate long term capital appreciation/income by investing in a diversified portfolio of equity & equity related instruments, debt & money market instruments, Commodities ETFs such as Gold/Silver/other Commodities ETFs as permitted and Exchange Traded Commodity Derivatives. There is no assurance that the investment objective of the Scheme will be achieved.

Particulars	Existing Provisions			Proposed Provisions			
Asset Allocation Pattern*	Instruments	Indicative allocations (% of Total Assets)		Instruments	Indicative allocations (% of Total Assets)		
		Minimum	Maximum		Minimum	Maximum	
	Equity and Equity related instruments	65	80	Equity and Equity related instruments	65	80	
	Debt Securities (including Securitized debt) and money market instruments	10	30	Debt Securities (including Securitized debt) and Money market instruments	10	30	
	Gold related instruments*	10	30	Commodities ETFs such as Gold/Silver/other Commodities as permitted, ETCDs	10	30	
	Units issued by REITs and InvITs	0	10				
	Non-convertible preference share	0	10				
	<p>*includes Gold ETFs and other Gold related instruments^ which may be permitted by Regulator from time to time.</p> <p>^The Scheme may invest in Gold Monetization Scheme of banks notified by RBI and clause 3.2.1.3 of Master Circular, which may be amended from time to time.</p> <p>As per clause 12.24.1 of Master Circular, the cumulative gross exposure through equity, debt, derivative positions (including fixed income derivatives), repo transactions and Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/ assets as may be permitted by SEBI from time to time shall not exceed 100% of the net assets of the Scheme.</p>			<p>As per clause 12.24.1 of Master Circular, the cumulative gross exposure through equity, debt, exchange traded derivative commodities, commodities ETFs as permitted, derivative positions (including fixed income derivatives), repo transactions and Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/ assets as may be permitted by SEBI from time to time shall not exceed 100% of the net assets of the Scheme.</p>			
	Investment Strategy*	<p>The Fund would invest across equity and equity related instruments, cash, debt, gold related instruments, hybrid securities and derivatives based on prevailing market conditions subject to permissible limits. The Fund Manager will increase exposure to Equity when market valuations are attractive (subject to maximum permissible limit under the Asset Allocation Pattern) and will prune down the equity exposure by increasing cash, debt, hybrid securities or exposure to gold related instruments and/or hedging when equity markets get</p>			<p>The Fund would invest across equity and equity related instruments, cash, debt, Commodities ETFs such as Gold/ Silver/ other Commodities ETFs as permitted, ETCDs, hybrid securities and derivatives based on prevailing market conditions subject to permissible limits. The Fund Manager will increase exposure to Equity when market valuations are attractive (subject to maximum permissible limit under the Asset Allocation Pattern) and will prune down the equity exposure by increasing cash, debt, hybrid securities or exposure to gold/silver/other</p>		

Particulars	Existing Provisions	Proposed Provisions
	<p>expensive or experience volatility or under any other conditions as found suitable by the Fund Manager.</p> <p>Additionally, the Fund may consider investments in such securities as permitted by SEBI from time to time.</p> <p>Equity Investments: The aim will be to invest in companies across market capitalization which have:</p> <ol style="list-style-type: none"> a) reasonable growth prospects b) sound financial strength c) sustainable business models d) acceptable valuation that offer potential for capital appreciation. <p>The Scheme aims to maintain a reasonably diversified portfolio at all times.</p> <p>Arbitrage Opportunities: The Scheme may seek to generate income through arbitrage opportunities such as Index/Stock Spot vs Index/Stock Futures or Index Futures vs Stock Futures or Future of same stock with different expiry months or ADR/GDR vs underlying shares etc. The Scheme may also use corporate action or event driven strategy where there is a potential opportunity for arbitrage in cash or derivate market such as dividend arbitrage or buy-back arbitrage or merger etc.</p> <p>Debt Investments: Investment in Debt securities (including securitised debt) and money market instruments will be as per the limits in the asset allocation table of the Scheme, subject to permissible limits laid under SEBI (MF) Regulations. Investment in debt securities will be guided by credit quality, liquidity, interest rates and their outlook.</p> <p>Gold related instruments: The Scheme may invest in Gold ETFs and other Gold related instruments (including derivatives, Sovereign Gold</p>	<p>Commodities ETFs as permitted and/or hedging when equity markets get expensive or experience volatility or under any other conditions as found suitable by the Fund Manager.</p> <p>Additionally, the Fund may consider investments in such securities as permitted by SEBI from time to time.</p> <p>Equity Investments: No Change</p> <p>Arbitrage Opportunities: No Change.</p> <p>Debt Investments: No Change</p> <p>Commodities ETFs such as Gold/Silver/other Commodity ETFs as permitted and ETCDs: The Scheme may invest in Gold/Silver ETFs /other Gold/Silver related instruments (including derivatives, Sovereign Gold Bonds etc as and when SEBI/RBI permits) / ETCDs / other Commodities ETFs as permitted with underlying commodity or any other permissible investment linked to commodity prices</p> <p>REITs & InvITs: No Change</p>

Particulars	Existing Provisions	Proposed Provisions
	<p>Bonds etc as and when SEBI/RBI permits).</p> <p>REITs & InvITs: The Scheme may also invest in the hybrid securities viz. units of REITs and InvITs for diversification and subject to necessary stipulations by SEBI from time to time.</p>	
Benchmark	<p>65% Nifty 50 TRI + 25% Nifty Composite Debt Index + 10% Domestic Price of Gold</p> <p>Benchmark Rationale: As required under clause 1.9 of Master Circular, this benchmark has been selected from amongst those notified by AMFI as the first-tier benchmark to be adopted by mutual funds and which is reflective of the category of the scheme. The Scheme intends to invest in a mix of equity and related instruments, debt securities and Gold ETF and Gold related instruments.</p> <p>The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any.</p>	<p>65% Nifty 50 TRI + 22.5% Nifty Composite Debt Index + 10% Domestic Price of Gold + 2.5% Domestic Price of Silver</p> <p>Benchmark Rationale: As required under clause 1.9 of Master Circular, the benchmark has been selected from amongst those notified by AMFI as the first-tier benchmark to be adopted by mutual funds and which are reflective of the category of the scheme. The Scheme intends to invest in a mix of equity and related instruments, debt securities and Commodities ETFs such as Gold/Silver/ other Commodities ETFs as permitted. The Scheme may invest in ETCDs.</p> <p>The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any.</p>
Product Label	<p>- To generate long-term capital appreciation/income</p> <p>- Investments in a diversified portfolio of equity & equity related instruments, debt & money market instruments and Gold related instruments</p>	<p>- To generate long-term capital appreciation/income</p> <p>- Investments in a diversified portfolio of equity & equity related instruments, debt & money market instruments and Commodities ETFs such as Gold/Silver/other Commodity ETFs as permitted and ETCD</p>
Risk Factors pertaining to Silver & related instrument and ETCD	-	<p>Risk factors associated with investing in Silver and related instrument:</p> <p>Price Volatility Risk Prices of Silver are highly volatile due to global economic sentiments, industrial demand and speculative activity.</p>

Particulars	Existing Provisions	Proposed Provisions
		<p>Liquidity Risk Low volumes can make it hard to buy/sell ETF units without affecting prices.</p> <p>Tracking Error The ETF may not perfectly replicate silver prices due to expenses, cash holdings or operational inefficiencies.</p> <p>Storage and Custody Risk Physical Silver (held by ETFs) can face risk of loss, theft or insurance inadequacy.</p> <p>Risk factors associated with investments in ETCD:</p> <p>Liquidity Risk Though ETCDs are listed on the exchanges, some contracts may have low trading volumes, making it hard to enter/exit trading positions. Also, intervention by government agencies to control the overall volatility in the underlying commodity may have an adverse impact on liquidity of ETCDs.</p> <p>Settlement Risk In case of Physical delivery, the scheme will require to make available warehousing, logistics and other documentations. There could be mismatches in the actual delivered commodity and that mentioned in the contract.</p> <p>Operational Risk Errors in order placement, delays in execution or system failures can cause losses to the scheme.</p> <p>Counterparty Risk As exchanges act as central counterparty through clearing corporations there is minimal counterparty risk.</p>
<p>Risk Mitigation measures pertaining to Silver & related</p>	<p>-</p>	<p>Risk Mitigation measures for investments in Silver and related instrument:</p> <ul style="list-style-type: none"> • The fund manager will hold investments for long terms and review the economic

Particulars	Existing Provisions	Proposed Provisions
instrument and ETCD		<p>and other demand factors before investing.</p> <ul style="list-style-type: none"> • The fund manager will consider the daily volumes before undertaking any investments. • The fund manager will consider the tracking error and the silver prices before undertaking any investments. • The fund manager will ensure to select reputable AMCs having custodial services for storage of physical Silver. <p>Risk Mitigation measures for investments in ETCD</p> <ul style="list-style-type: none"> • The fund manager will check the open interest and volume before trading and stick to high-volume contracts (eg. Gold, Crude Oil). • The fund manager will strive for cash-settled contracts and also understand warehouse and delivery centre rules in case any contract warrants physical delivery. Also, the fund manager will strive to dispose off the goods as per timelines mentioned by SEBI. • The fund manager will use reliable brokers having experience and robust trading platforms. • The fund manager will trade through registered exchanges to reduce counterparty risk

*** Considered as Fundamental Attribute Change**

All other provisions will stand updated in Scheme Information Document (SID) / Key Information Memorandum (KIM) as consequential changes on account of the above proposed changes. Further, relevant changes will stand updated in Statement of Additional Information (SAI).

All other features of the Scheme except those mentioned above will remain unchanged.

4. The Board of Directors of HDFC Asset Management Company Limited and the Board of Directors of HDFC Trustee Company Limited, have approved the above proposed changes. Further, SEBI, vide email dated October 28, 2025 noted the proposed changes.
5. In line with regulatory requirements, on account of the change in fundamental attributes is being proposed, we are offering an exit window ("**Exit Option**") of 30 days to existing Unit holders (as on November 04, 2025 upto 3 p.m.) from **November 10, 2025 to December 09, 2025** (both days inclusive) ("**Exit Option Period**"). These changes will be effective from **December 10, 2025** ("**Effective Date**"). During the Exit Option Period, unit holders not consenting to the change may either switch to any other scheme of HDFC Mutual Fund or redeem their units at applicable Net Asset Value without payment of exit load, if any, subject to provisions of applicable cut-off time as stated in the Scheme Information Document (SID) of the Scheme. All redemption/switch out

requests received on or after **December 09, 2025** post 3.00 pm will be subject to applicable exit load (if any), under the Scheme.

6. The above information is also available on the website of HDFC Mutual Fund viz., www.hdfcfund.com
7. Unit holders who have pledged / encumbered their units will not have the option to exit unless they submit a letter of release of their pledges / encumbrances prior to submitting their redemption / switch requests.
8. Investors who have registered for Systematic Investment Plan (SIP) in the Scheme and who do not wish to continue their future investments must apply for cancellation of their SIP registrations.
9. The redemption warrant/cheque will be mailed or the amount of redemption will be credited to the unit holders bank account (as registered in the records of the Registrar) within 3 (three) working days from the date of receipt of redemption request.
- 10. It may be noted that the offer to exit is purely optional and not compulsory. If the Unit holder has no objection to the aforesaid change, no action is required to be taken and it would be deemed that such Unit holder has consented to the aforesaid change.**
11. The option to redeem the Units without exit load during the Exit Option Period can be exercised in the following manner:
 - (a) Unit holders can submit redemption / switch out requests online or via duly completed physical application form / redemption form at any official points of acceptance/Investor Service Centres of the Fund or to the depository participant (DP) (in case of units held in Demat mode).
 - (b) The redemption/ switch requests shall be processed at applicable NAV as per time stamping provisions contained in the SID of the Scheme.
 - (c) Unit holders should ensure that any changes in address or pay-out bank details required by them, are updated in HDFC Mutual Fund's records at least 10 (Ten) working days before exercising the Exit Option. Unit holders holding Units in dematerialized form may approach their DP for such changes.
12. The expenses related to the proposed changes and other consequential changes as outlined above will not be charged to the unit holders of the Scheme of HDFC Mutual Fund.

13. Tax Consequences:

Redemption / switch-out of units from the Scheme may entail capital gain/loss in the hands of the unitholder. For unit holders who redeem their investments during the Exit Option Period, the tax consequences as set forth in the Statement of Additional Information of HDFC Mutual Fund and SID would be applicable. In case of NRI investors, TDS shall be deducted from the redemption proceeds in accordance with the prevailing income tax laws. In view of the individual nature of tax consequences, Unitholders are advised to consult their professional tax advisors for tax advice.

Unit holders who require any further information may contact:

HDFC Mutual Fund, Address: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020.

Telephone no.: 1800 3010 6767/ 1800 419 7676 Email id: hello@hdfcfund.com

Yours faithfully,

For HDFC Asset Management Company Limited
Investment Manager to HDFC Mutual Fund
CIN no. L65991MH1999PLC123027

Sd/-
Authorised Signatory

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME
RELATED DOCUMENTS CAREFULLY.**
