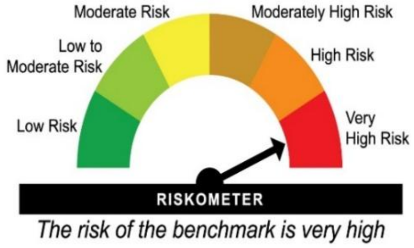
KEY INFORMATION MEMORANDUM

HDFC Silver ETF

An open ended Exchange Traded Fund replicating/tracking performance of Silver
BSE Scrip Code: 543592, NSE Symbol: HDFCSILVER

This product is suitable for investors who are seeking*:	Scheme Riskometer#	Benchmark Riskometer#
• Returns that are commensurate with the performance of Silver, subject to tracking errors, over long term. • Investment in Silver bullion of 0.999 fineness.		**Domestic Prices of physical Silver (derived as per regulatory norms)** 
*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them. #As on September 30, 2025. For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. www.hdfcfund.com		

Continuous Offer of Units in Creation Unit Size at Intra-day NAV based prices

The units of the Scheme are listed on the National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE). All investors including Market Makers and Large Investors can subscribe (buy)/redeem (sell) units on a continuous basis on the NSE/BSE on which the Units are listed during the trading hours on all the trading days. In addition, Market Makers and Large Investors can directly subscribe to/redeem units of the Scheme on all Business Days with the Fund in 'Creation Unit Size' at Intra-day NAV based prices on an ongoing basis.

Name of Mutual Fund (Fund): **HDFC Mutual Fund** Name of Asset Management Company (AMC): **HDFC Asset Management Company Limited** Name of Trustee Company: **HDFC Trustee Company Limited** Address of the entities:	
Asset Management Company (AMC): HDFC Asset Management Company Limited Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020.	**Trustee Company:** HDFC Trustee Company Limited Registered Office: HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020.

CIN No: L65991MH1999PLC123027	CIN No. U65991MH1999PLC123026
Website of the entities: www.hdfcfund.com	

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. **For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations etc. investors should, before investment, refer to the Scheme Information Document ("SID") and Statement of Additional Information ("SAI") available free of cost at any of the Investor Service Centres or distributors or from the website** www.hdfcfund.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996 ("SEBI (MF) Regulations"), as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

This Key Information Memorandum is dated November 21, 2025.

1. Name of Scheme
HDFC Silver ETF

2. Type of Scheme
An open ended scheme replicating/tracking Domestic Prices of physical Silver.

3. Category of Scheme
Exchange Traded Fund

4. SEBI Scheme Code
HDFC/O/O /OET/22/03/0092

5. Investment Objective
The investment objective of the Scheme is to generate returns that are in line with the performance of physical Silver in domestic prices, subject to tracking error.

There is no assurance that the investment objective of the Scheme will be achieved.

6. Asset Allocation Pattern of the Scheme

Instruments	Indicative allocations (% of total assets)	
	Minimum Allocation	Maximum Allocation
Silver#	95	100
Debt Securities & Money Market Instruments, units of Debt Schemes of Mutual Funds	0	5

#includes physical Silver and other Silver related instruments which may be permitted by SEBI from time to time and currently includes Exchange Traded Commodity Derivatives (ETCDs) having Silver as the underlying.

Exposure to ETCDs having Silver as the underlying shall not exceed 10% of net asset value of the Scheme. However, the above limit of 10% shall not be applicable to Silver ETFs where the intention is to take delivery of the physical Silver and not to roll over its position to next contract cycle.

The above limits shall not apply to Subscription and Redemption Cash Flow. Subscription cash flow is the subscription money received for deployment and redemption cash flow is the money kept aside for meeting redemptions.

The cumulative gross exposure through Silver, Silver related instruments including ETCDs having Silver as the underlying, debt and money market instruments and units of debt schemes of mutual funds shall not exceed 100% of the net assets of the Scheme except to the extent of deployment of Subscription cash flow.

Indicative Table (Actual instrument/percentages may vary subject to applicable SEBI circulars)

SR. No	Type of Instrument	Percentage of exposure	Circular references
1.	Repo/ Reverse Repo / Tri-Party repos (TREPS) on Government Securities and Treasury Bills (G-Secs and T-Bills)	To meet liquidity requirements or pending deployment as per regulatory limits	Clause 1 of Seventh Schedule of SEBI Mutual Fund Regulation
2.	Short Term deposits	As per regulatory limits	Clause 8 of Seventh Schedule of SEBI Mutual Fund Regulation and Clause 12.16 of Master Circular
3.	Mutual Fund Units (as per asset allocation pattern table above)	Upto 5% of the net assets of the Mutual Fund (i.e. across all the schemes of the Fund)	Clause 4 of Seventh Schedule of SEBI Mutual Fund Regulation

The Scheme will not make any investment in-

SR. No	Types of Instruments
1.	Debt Derivatives
2.	ADR/GDR/Foreign Securities
3.	Credit Default Swaps
4.	Short Selling / Stock Lending
5.	Repo in permitted corporate debt securities
6.	Bespoke or complex debt products such as Securitized Debt, Structured obligations (SO rating) and/or credit enhanced debt (CE rating), Securities with special features such as Debt instruments having special features viz. subordination to equity (absorbs losses before equity capital) and/or convertible to equity upon trigger of a pre-specified event for loss absorption
7.	Unlisted debt instrument

8.	Inter scheme transactions i.e. transfers
9.	Unrated debt and money market instruments (except G-Secs, T-Bills and other money market instruments)
10.	Units of Real Estate Investment Trusts (REITs) and/or Infrastructure Investment Trusts (InvITs)

Change in Asset Allocation Pattern / Portfolio Rebalancing

The Scheme, out of the funds allocated shall primarily invest in Silver (includes physical Silver and other Silver related instruments which may be permitted by Regulator from time to time) and shall invest in debt and money market securities, only to the extent necessary to meet the liquidity requirements for honouring repurchase/redemptions/expenses. In view of the nature of the Scheme, the asset allocation pattern as indicated above may not change, except in line with the changes made in SEBI (MF) Regulations, from time to time.

Expectation is that, over a period of time, the tracking error of the Scheme relative to the performance of the Underlying commodity will be relatively low. The AMC would monitor the tracking error of the Scheme on an ongoing basis and would seek to minimize tracking error to the maximum extent possible.

The tracking error i.e. the standard deviation of the difference in daily returns between the Scheme and the underlying commodity annualized over 1 year period based on past one year rolling data shall not exceed 2%. In case of unavoidable circumstances in the nature of force majeure, which are beyond the control of the AMCs, the tracking error may exceed 2% and the same shall be brought to the notice of Trustees with corrective actions taken by the AMC, if any.

In case the Scheme is in existence for a period of less than one year, the annualized standard deviation shall be calculated based on available data.

The Scheme shall disclose the tracking error based on past one year rolling data, on a daily basis, on the website of the AMC and AMFI.

Upon completion of 1 year of the Scheme, tracking difference i.e. the difference of returns between the Scheme and the commodity annualized over 1 year, 3 year, 5 year, 10 year and since the scheme inception period shall be disclosed on the website of the AMC and AMFI, on a monthly basis.

Subject to SEBI (MF) Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions may vary substantially depending upon the perception of the AMC, the intention being at all times to seek to protect the interests of the Unit holders. As per clause 1.14.1.2.b of Master Circular, such changes in the investment pattern will be for short term and only for defensive considerations.

Portfolio Rebalancing norms

In the event of the asset allocation falling outside the limits specified in the asset allocation table, the Fund Manager will rebalance the same within 7 days from the date of deviation or such other timeline as may be prescribed by SEBI from time to time. Further, in case the portfolio is not re-balanced, justification for the same shall be placed before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

7. Investment Strategy

The investment objective of the Scheme is to generate returns that are in line with the performance of physical Silver in domestic prices, subject to tracking error. The Scheme may invest in Silver and Silver related instruments and intends to track the domestic prices of physical Silver (derived as per regulatory norms). Investment in Debt securities 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.

The Scheme may also invest in the debt schemes of Mutual Funds.

Though every endeavour will be made to achieve the objective of the Scheme, the AMC/Sponsor/Trustee do not guarantee that the investment objective of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.

8. Risk Profile of the Scheme

Mutual Fund Units involve investment risks including the possible loss of principal. Please read the details on risk factors carefully before investment. Scheme specific Risk Factors are summarized below:

- **Scheme Specific Risk Factors**

  The Scheme is subject to the specific risks that may adversely affect the Scheme's NAV, return and / or ability to meet its investment objective.

  The specific risk factors related to the Scheme include, but are not limited to the following:

1. **Risk factors associated with investing in Silver and Silver related instruments:**
   - **Market Risk:** The value of the Units relates directly to the value of the Silver held by the Scheme and fluctuations in the price of Silver could adversely affect investment value of the Units. The factors that may effect the price of Silver, inter-alia, include economic and political developments, changes in interest rates and perceived trends in bullion prices, exchange rates, inflation trends, market movements, etc.

   - **Currency Risk:** The formula for determining NAV of the Units is based on the imported (landed) value of Silver. The landed value of Silver is computed by multiplying international market price by US dollar value. The value of Silver or NAV, therefore will depend upon the conversion value of US dollar into Indian rupee and attracts all the risks attached to such conversion.

   - **Counter party Risk:** There is no Exchange for physical Silver in India. The Scheme may have to buy or sell Silver from the open market, which may lead to counter party risks for the Scheme for trading and settlement.

   - **Asset Class Risk:** The returns from physical Silver in which the Scheme invests may underperform returns from other securities or asset classes.

- **Physical Silver:** There is a risk that part or all of the Scheme's Silver could be lost, damaged or stolen. Access to the Scheme's Silver could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the Scheme and consequently on investment/redemption in Units.

- **Liquidity Risk:** The Scheme may retain certain investments in cash or cash equivalents for its day-today liquidity requirements. The Scheme has to sell Silver only to bullion bankers/traders who are authorized to buy Silver. Though, there are adequate numbers of players (commercial or bullion bankers) to whom the Scheme can sell Silver, the Scheme may have to resort to distress sale of Silver if there is no or low demand for Silver to meet its cash needs of redemption or expenses.
  The Trustee, in general interest of the Unit holders of the Scheme offered under this Scheme Information Document and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units, which can be redeemed on any Business Day.

- **Regulatory Risk:** Any changes in trading regulations by the stock exchange(s) or SEBI may affect the ability of Market Makers to arbitrage resulting into wider premium/discount to NAV. Any changes in the regulations relating to import and export of Silver or Silver jewellery (including customs duty, sales tax and any such other statutory levies) may affect the ability of the Scheme to buy/sell Silver against the purchase and redemption requests received.

- **Passive Investments:** The Scheme is not actively managed. The performance of the Scheme may be affected by a general price decline in the Silver prices. The Scheme invests in the physical Silver regardless of their investment merit. The AMC does not attempt to take defensive positions in declining markets.

- **Indirect taxation:** For the valuation of Silver by the Scheme, indirect taxes like customs duty, VAT, etc. would also be considered. Hence, any change in the rates of indirect taxation/applicable taxes would affect the valuation of the Scheme.

- **Operational Risk:** Silver Exchange Traded Funds (SETFs) are relatively new products and their value could decrease if unanticipated operational or trading problems arise. HDFC Silver ETF, an open ended Exchange Traded Fund, is therefore subject to operational risks.
  In addition, investors should be aware that there is no assurance that Silver will maintain its long-term value in terms of purchasing power. In the event that the price of Silver declines, the value of investment in Units is expected to decline proportionately.

- **Redemption Risk:** Though this is an open-ended scheme, the Scheme would ordinarily repurchase Units in Creation Unit Size. Thus, Unit holding less than Creation Unit Size can only be sold through the secondary market on the Exchange. Further, the price received upon the redemption of Units of the Scheme may be less than the value of the underlying commodity represented by them.
  If on any day the requisite price as specified under the Regulations or the currency exchange rate is not available due to holiday(s) etc., then the immediately previous day's prices / rates shall be applied for the purpose of calculating the value of the underlying commodity.
  Hence the NAV so computed may vary from the price of the underlying commodity in the domestic market.

- HDFC Silver ETF (HSETF) is a passively managed fund that shall be investing substantial portion of its assets in physical Silver and tracking its performance to the price of Silver.

Therefore, irrespective of decline/rise in prices of physical Silver, HSETF shall remain invested in Silver and being a passively managed fund, no active calls based on outlook of Silver prices will be taken by the Fund.

- Investments by the Scheme are subject to availability of Silver. If favourable investment opportunities do not exist or opportunities have notably diminished, the scheme may suspend accepting fresh subscriptions.

- Performance of the Scheme may be affected by political, social and economic developments, which may include changes in government policies, diplomatic conditions, taxation and other policies.

- **NAV** of the Scheme is dependant on valuation of silver. Silver has to be valued based on the formula prescribed by SEBI. NAV so computed may vary from the price of silver in the domestic market.

- **Custody risk:** There is a risk that part or all of the physical silver belonging to the Scheme could be lost, damaged or stolen. In order to ensure safety, the said silver will be stored with custodian in its vaults. In order to mitigiate the risks associated with handling, storing and safekeeping of physical silver necessary insurance covers are taken by custodians.

- **Tracking Error/Tracking Difference Risk:** The tracking error i.e. the annualised standard deviation of the difference in daily returns between physical silver and the NAV of Silver ETF annualized over 1 year period. Tracking difference is the difference of returns between the Scheme and the index annualized over 1 year, 3 year, 5 year, 10 year and since the scheme inception period.

  In case of unavoidable circumstances in the nature of force majeure which are beyond the control of the AMCs, the tracking error may exceed 2%, and the same shall be brought to the notice of Trustees with corrective actions taken by the AMC, if any.

  Tracking Error/Tracking Difference could be the result of a variety of factors including but not limited to:
  ■ Delay in the purchase or sale of silver due to:
  – Illiquidity of silver,
  – Delay in realisation of sale proceeds,
  – Creating a lot size to buy the required amount of silver

- The Scheme may buy or sell the silver at different points of time during the trading session at the then prevailing prices which may not correspond to its closing prices.

- The potential for trades to fail, which may result in the Scheme not having acquired silver at a price necessary to track the benchmark price.

- The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses.

- Disinvestments to meet redemptions, recurring expenses etc.

- Execution of large buy/sell orders

- Transaction cost (including taxes and insurance premium) and recurring expenses

- Realisation of Unit holders' funds
  Tracking error due to movement in prices of physical silver will impact the performance of HSETF.
  However, the Scheme will endeavour to keep tracking error as low as possible by:
  - Use of silver related derivative instruments, as and when allowed by SEBI (MF) Regulations
  - Rebalancing of the portfolio.
  - Setting off of incremental subscriptions against redemptions

2. Risk Factors Associated with Investments in Exchange Traded Commodity Derivatives:

- **Commodity risks:** The Fund may invest in commodities markets and may therefore have investment exposure to the commodities markets and one or more sectors of the commodities markets, which may subject the Fund to greater volatility than investments in traditional securities, such as stocks and bonds. Volatility in the commodities markets may be caused by changes in overall market movements, domestic and foreign political and economic events and policies, war, acts of terrorism, changes in domestic or foreign interest rates and/or investor expectations concerning interest rates, domestic and foreign inflation rates, investment and trading activities of mutual funds, hedge funds and commodities funds, and factors such as drought, floods, weather, livestock disease, embargoes, tariffs and other regulatory developments, or supply and demand disruptions. Because the Fund's performance is linked to the performance of volatile commodities, investors should be willing to assume the risks of potentially significant fluctuations in the value of the Fund's shares.

  Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of investment strategies depends upon the ability of
  the fund manager(s) to identify such opportunities which may always not be available. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies. Systemic risks which may be witnessed while rating in Indian Commodities Market are Liquidity risk, Price risk in terms of volatility, Exchange Risk and counterparty risks.

- **Liquidity Risk:** While ETCDs that are to be listed on an exchange carry lower liquidity risk, the ability to sell these contracts is limited by the overall trading volume on the exchanges. The liquidity of the Schemes' investments is inherently restricted by trading volumes of the ETCD contracts in which it invests. Additionally, change in margin requirements or intervention by government agencies to reduce overall volatility in the underlying commodity could lead to adverse impact on the liquidity of the ETCD.

- **Price risk**: ETCDs are leveraged instruments hence, a small price movement in the underlying security could have a large impact on their value. Also, the market for ETCDs is nascent in India hence, arbitrages can occur between the price of the physical commodity and the ETCD, due to a variety of reasons such as technical issues and volatile movement in the price of the physical good.

This can result in mispricing and improper valuation of investment decisions as it can be difficult to ascertain the amount of the arbitrage.

- **Settlement risk:** ETCDs can be settled either through the exchange or physically. The inability to sell ETCDs held in the Schemes' portfolio in the exchanges due to the extraneous factors may impact liquidity and would result in losses, at times, in case of adverse price movement. Wherein the underlying commodity is physically delivered in order to settle the derivative contract, such settlement could get impacted due to various issues, such as logistics, Government policy for trading in such commodities.

  If the Commodities futures position passes its last square off date or the 'Intention' is missed to be provided before the Delivery Intention period, the buyer or the seller will be allocated delivery of the commodity. Thus, there emerges a risk of holding goods in physical form at the warehouses. Though the commodity is inclusive of insurance cost, there is a small deductible in each claim which is not payable by the Insurance company.

3. **Risk Factors Associated with Lending of physical Silver:**
   The physical Silver lending activity by Scheme will have the inherent probability of collateral value drastically falling in time of strong downward market trends resulting in inadequate value of collateral. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honor its commitments. This along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Also, the risk could be in the form of non-availability of ready physical Silver for sale, during the period physical Silver is lent. Physical Silver would be lent if permitted by the concerned regulatory authorities in India.

4. **Market Trading Risks:**

- Although Units of Scheme described in this Scheme Information Document are listed/to be listed on the Exchange, there can be no assurance that an active secondary market will be developed or be maintained.
- Trading in Units of the Scheme on the Exchange may be halted because of market conditions or for reasons that in view of the Exchange Authorities or SEBI, trading in Units of the Scheme is not advisable. In addition, trading in Units of the Scheme is subject to trading halts caused by extraordinary market volatility and pursuant to the Exchange and SEBI 'circuit filter' rules. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of Units of the Scheme will continue to be met or will remain unchanged.
- Any changes in trading regulations by the Stock Exchange(s) or SEBI may affect the ability of market
  maker to arbitrage resulting into wider premium/ discount to NAV.
- The Units of the Scheme may trade above or below their NAV. The NAV of the Scheme will fluctuate with changes in the market value of Scheme's holdings. The trading prices of Units of the Scheme will fluctuate in accordance with changes in their NAV as well as market supply and demand for the Units of the Scheme.
- The Units will be issued only in demat form through depositories. The records of the depository are final with respect to the number of Units available to the credit of Unit holder. Settlement of trades, repurchase of Units by the Mutual Fund during liquidity window depends upon the confirmations to be received from depository(ies) on which the Mutual Fund has no control.
- Governments, central banks and related institutions worldwide, own a significant portion of the aggregate world Silver holdings. If one or more of these institutions decides to sell in amounts large

enough to cause a decline in world Silver prices, the price of Units of the Scheme will be adversely affected.

- The Scheme provides for the creation and redemption of Units in Creation Unit Size directly with the Fund and therefore, it is expected that large discounts or premiums to the NAV of the Units of the Scheme will not sustain due to arbitrage opportunity available.
- Conversion of underlying physical Silver into the Units of the Scheme may attract capital gain tax depending on acquisition cost and holding period.

5. Risk factors associated with investing in Fixed Income Securities

The Scheme will invest not less than 95% of its corpus in physical Silver and other Silver related instruments as this Scheme endeavours to earn returns that correspond to Silver. The Scheme will have insignificant cash or debt/ money market investments. Therefore, the Scheme is not significantly susceptible to risks associated with debt/money markets.

- The Net Asset Value (NAV) of the Scheme, to the extent invested in Debt and Money Market instruments, will be affected by changes in the general level of interest rates. The NAV of the Scheme is expected to increase from a fall in interest rates while it would be adversely affected by an increase in the level of interest rates.
- Money market instruments, while fairly liquid, lack a well developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.
- Investments in money market instruments involve credit risk commensurate with short term rating of the issuers.
- Investment in Debt instruments are subject to varying degree of credit risk or default (i.e. the risk of an issuer's inability to meet interest or principal payments on its obligations) or any other issues, which may have their credit ratings downgraded. Changes in financial conditions of an issuer, changes in economic and political conditions in general, or changes in economic or and political conditions specific to an issuer, all of which are factors that may have an adverse impact on an issuer's credit quality and security values. This may increase the risk of the portfolio. The Investment Manager will endeavour to manage credit risk through in-house credit analysis.
- **Prepayment Risk:** Certain fixed income securities give an issuer the right to call back its securities before their maturity date, in periods of declining interest rates. The possibility of such prepayment may force the Scheme to reinvest the proceeds of such investments in securities offering lower yields, resulting in lower interest income for the Scheme.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Settlement risk:** Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are uninvested and no return is earned thereon. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio, due to the absence of a well developed and liquid secondary market for debt securities, may result at times in potential losses to the Scheme in the event of a subsequent decline in the value of securities held in the Scheme's portfolio.
- Government securities where a fixed return is offered run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates. The new level

of interest rate is determined by the rates at which government raises new money and/or the price levels at which the market is already dealing in existing securities. The price-risk is not unique to Government Securities. It exists for all fixed income securities. However, Government Securities are unique in the sense that their credit risk generally remains zero. Therefore, their prices are influenced only by movement in interest rates in the financial system.

- Different types of fixed income securities in which the Scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the Scheme risk may increase or decrease depending upon its investment pattern. e.g. corporate bonds carry a higher level of risk than Government securities. Further even among corporate bonds, AAA rated bonds are comparatively less risky than AA rated bonds.
- The AMC may, considering the overall level of risk of the portfolio, invest in lower rated securities offering higher yields as well as zero coupon securities that offer attractive yields. This may increase the absolute level of risk of the portfolio.
- As zero coupon securities do not provide periodic interest payments to the holder of the security, these securities are more sensitive to changes in interest rates and are subject to issuer default risk. Therefore, the interest rate risk of zero coupon securities is higher. The AMC may choose to invest in zero coupon securities that offer attractive yields. This may increase the risk of the portfolio. Zero coupon or deep discount bonds are debt obligations that do not entitle the holder to any periodic payment of interest prior to maturity or a specified date when the securities begin paying current interest and therefore, are generally issued and traded at a discount to their face values. The discount depends on the time remaining until maturity or the date when securities begin paying current interest. It also varies depending on the prevailing interest rates, liquidity of the security and the perceived credit risk of the Issuer. The market prices of zero coupon securities are generally more volatile than the market prices of securities that pay interest periodically.
- The Scheme's performance may differ from the benchmark index to the extent of the investments held
  in the debt segment, as per the investment pattern indicated under normal circumstances.
- The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments.

- **Risks associated with investment in unlisted securities:** Except for any security of an associate or group company, the scheme can invest in securities which are not listed on a stock exchange ("unlisted Securities") which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market.

- **Risk factors associated with investment in Tri-Party Repo**

  The mutual fund is a member of securities segment and Triparty Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL).

  As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus, the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund.

6. General Risk factors

- Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The NAV of the Units of the Scheme can go up or down because of various factors that affect the capital markets in general.
- As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances, as described under **section Right to Restrict Redemption and / or Suspend Redemption of the units in the SID.**
- At times, due to the forces and factors affecting the capital market, the Scheme may not be able to invest in securities falling within its investment objective resulting in holding the monies collected by it in cash or cash equivalent or invest the same in other permissible securities / investments amounting to substantial reduction in the earning capability of the Scheme. The Scheme may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.
- Investment strategy to be adopted by the Scheme may carry the risk of significant variance between the portfolio allocation of the Scheme and the Benchmark particularly over a short to medium term period.

  Performance of the Scheme may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.

  For details on risk mitigation measures, please refer SID.

9. Plans/ Options

Presently the Scheme does not offer any Plans/Options for investment.

However, Trustees may at their absolute discretion reserve the right to distribute income from time to time (which will be paid out to the Unit holders) in accordance with the IDCW Policy. The AMC and the Trustees reserve the right to introduce such other Plans/Options as they deem necessary or desirable from time to time, in accordance with the SEBI Regulations.

10. Applicable NAV (after the scheme opens for subscriptions and redemptions)

a) **In case of Purchase/Redemption directly with Mutual Fund (By Market Makers and Large Investors):**

The provisions for Cut-off timings for NAV applicability will not be applicable for direct transaction with the Fund.

b) **In case of Redemption directly with the Mutual Fund during Liquidity Window:**

The Cut-off time for receipt of valid application for Redemptions directly with the Fund during Liquidity Window is 3.00 p.m. Valid applications received by the fund upto the cut-off time will be processed on the basis of the closing NAV of the day of receipt of request and for valid applications received after cut-off time, the closing NAV of the next Business Day shall be applicable.

c) **Settlement of Purchase/Sale of Units of the Scheme on NSE/BSE**

Buying/Selling of Units of the Scheme on NSE/BSE is just like buying/selling any other normal listed security. If an investor has bought Units, an investor has to pay the purchase amount to the broker/sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the Stock Exchange(s). If an investor has sold Units, an investor has to deliver the Units to the broker/sub-broker before the securities pay-in day of the settlement cycle on the Stock Exchange(s). The Units (in the case of Units bought) and the funds (in the case of Units sold) are paid out to the broker on the pay-out day of the settlement cycle on the Stock Exchange(s). The Stock Exchange(s) regulations stipulate that the trading member should pay the money or Units to the investor within 24 hours of the pay-out.

If an investor has bought Units, he should give standing instructions for 'Delivery-In' to his/her/its DP for accepting Units in his/her/its beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her/its DP to his/her/its trading member. The trading member will transfer the Units directly to his/her/its beneficiary account on receipt of the same from NSE's/BSE's Clearing Corporation.

An investor who has sold Units should instruct his/her/its Depository Participant (DP) to give 'Delivery Out' instructions to transfer the Units from his/her/its beneficiary account to the Pool Account of his/her/its trading member through whom he/she/it have sold the Units. The details of the Pool A/C (CM-BP-ID) of his/her trading member to which the Units are to be transferred, Unit quantity etc. should be mentioned in the Delivery Out instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the Delivery Out instructions should be given at least 24 hours prior to the cut-off time for the prescribed securities pay-in to avoid any rejection of instructions due to data entry errors, network problems, etc.

d) **Rolling Settlement**

As per the SEBI's circular dated September 7, 2021, the rolling settlement on T+1 on optional basis shall come into force with effect from January 01, 2022. The same is applicable for all trades from January 27, 2023 onwards. The Pay-in and Pay-out of funds and the Units will take place within 1 working days after the trading date.

The pay-in and pay-out days for funds and securities are prescribed as per the Settlement Cycle. A typical Settlement Cycle of Rolling Settlement is given below:

Day Activity

T	The day on which the transaction is executed by a trading member
T + 1	Confirmation of all trades including custodial trades by 7.30 a.m.
T + 1	Processing and downloading of obligation files to brokers/custodians by 1.00 p.m.
T + 1	Pay-in of funds and securities by 10:50 am for Funds & 10:30 am for Securities
T + 1	Pay out of funds and securities by 3 pm / as and when received from exchange

While calculating the days from the Trading day (Day T), weekend days (i.e. Saturday and Sundays) and bank holidays are not taken into consideration.

e) Indicative NAV (iNAV):

Indicative NAV (iNAV) is the per unit NAV based on the current market value of its portfolio during the trading hours of the ETF. iNAVs shall be disclosed on Stock Exchange (s), where the units of the ETF are listed, on continuous basis during the trading hours and updated within a maximum time lag of 15 seconds from underlying market. Indicative NAV (iNAV) will not have any bearing on the creation or redemption of units directly with the Fund by the Market Makers /Large Investors.

The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme.

11. Minimum Application Amount / Number of Units (For Purchase / Additonal Purchase/ Redemption)

On an On-going Basis:

A. On the Stock Exchange: Investors (including Market Makers and Large Investors):

Units of HDFC Silver ETF can be subscribed (in lots of 1 Unit) during the trading hours on all trading days on the NSE and/or BSE on which the Units are listed. Each Creation Unit Size will consist of 30,000 units.

Note: Allotment of units will be done after deduction of applicable stamp duty, if any.

B. Directly with the Fund: Market Makers/Large Investors:

On an ongoing basis, Market Makers and Large Investors* may approach the Fund directly for subscription / redemption of units of the ETF at the Intra-Day NAV in multiples of Creation Unit size. Additionally, the transaction handling charges, if any, will have to be borne by the Market Maker/Large Investor.

*The minimum application amount for Large Investors shall be Rs. 25 Crores^ (apart from the requirement of the application being in multiples of Creation Unit Size).

^For Large investors viz.: a) Schemes managed by Employee Provident Fund Organisation, India and b) Recognised Provident Funds, approved gratuity funds and approved superannuation funds under Income tax Act, 1961, the minimum amount of Rs. 25 crores will not apply until February 28, 2026 or such other timeline as may be specified by SEBI.

Market Makers: Application for subscription of HSETF Units directly with the Fund in Creation Unit Size at Intra-day NAV based prices in exchange of (i) Cash and Cash Component or (ii) Portfolio Deposit and Cash Component.

Large Investors: Application for subscription of HSETF Units directly with the Fund in Creation Unit Size at Intra-day NAV based prices by payment of requisite Cash and Cash Component as determined by the AMC only by means of payment instruction of Real Time Gross Settlement (RTGS)/National Electronic Funds Transfer (NEFT) or Funds Transfer Letter/Transfer Cheque of a bank where the Scheme has a collection account.

Redemption directly with the Fund during Liquidity Window:

Investors can directly approach the AMC for redemption of units of ETFs, for transactions of upto Rs. 25 Crores without any exit load, in case of the following scenarios:

i. Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or

ii. No quotes for such ETFs are available on stock exchange(s) for 3 consecutive trading days, or

iii. Total bid size on the exchange is less than half of Creation Units Size daily, averaged over a period of 7 consecutive trading days.

Such instances shall be tracked by the AMC on an ongoing basis and in case any of the above mentioned scenario arises, the same shall be disclosed on the website of the Mutual Fund.

In the event of above, valid applications received by the fund upto the cut-off time will be processed on the basis of the closing NAV of the day of receipt of request and for valid applications received after cut-off time, the closing NAV of the next Business Day shall be applicable.

12. Despatch of Redemption Request

Within 3 working days of the receipt of valid redemption request at the Official Points of Acceptance of HDFC Mutual Fund for this Scheme or within such timelines as may be prescribed by SEBI / AMFI from time to time in case of exceptional circumstances or otherwise.

13. Benchmark Index

Domestic Prices of physical Silver (derived as per regulatory norms)

14. Dividend / IDCW Policy

It is proposed to declare IDCW subject to availability of distributable surplus, as computed in accordance with SEBI (Mutual Funds) Regulations, 1996.

IDCW, if declared, will be paid (subject of deduction of tax at source, if any) to those Unitholders / Beneficial Owners whose names appear in the Register of Unit holders maintained by the Mutual Fund/ statement of beneficial ownership maintained by the Depositories, as applicable, under the IDCW option as on the Record Date. The IDCW payment shall be transferred to the Unitholders within 7 working days of the record date of such declaration of IDCW or such other timeline as may be specified by SEBI from time to time. In the event of failure to transfer IDCW within the stipulated period, the AMC shall be liable to pay interest @ 15% per annum to the Unitholders for the delay in payment as computed from the Record Date or from such other date or for such period as may be advised by SEBI from time to time. The Trustee/ AMC reserves the right to change the record date from time to time. However, it must be distinctly understood that the actual declaration of IDCW and the frequency thereof will inter alia, depend on the availability of distributable surplus as computed in accordance with SEBI (Mutual Funds) Regulations, 1996. The decision of the Trustee in this regard shall be final.

There is no assurance or guarantee to unit holders as to the rate of IDCW distribution nor that IDCW will be paid regularly. On payment of IDCW, the NAV will stand reduced by the amount of IDCW and IDCW tax (if applicable) paid.

15. Name of the Fund Manager and tenure of managing the Scheme (As on September 30, 2025)

Bhagyesh Kagalkar	3 Years

16. Name of the Trustee Company

HDFC Trustee Company Limited

17. Performance of the Scheme (as at September 30, 2025)

HDFC Silver ETF

Period	Returns (%)^	Benchmark Returns (%)#
Last 1 Year	56.09	58.50
Last 3 Year	34.62	36.29
Since Inception*	36.39	38.66

^ Past performance may or may not be sustained in the future

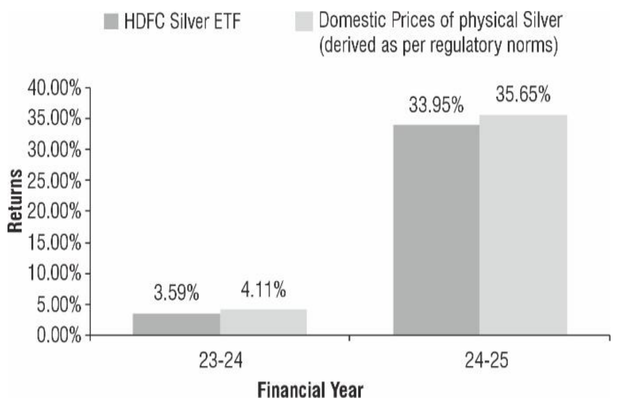
Returns greater than one year are compounded annualized (CAGR).

**Inception Date:2-9-22*

 # Domestic Prices of physical Silver (derived as per regulatory norms)

Since inception returns are calculated on Rs. 52.5180 (allotment price).

Absolute returns for each financial year for last 2 years^



For Riskometer of Scheme and Benchmark, kindly refer cover page.

18. Additional Scheme related Disclosures

- **Scheme's portfolio holdings** - https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio

- **Exposure to Top 7 issuers, stocks, groups and sectors -** In monthly Portfolio above or in Factsheet. To view scheme factsheets, Factsheet - HDFC Mutual Fund (hdfcfund.com)
- **Portfolio Turnover Ratio (September 30, 2025) - Not Applicable for this Scheme.**
- **Portfolio Disclosure –**

  Monthly - https://www.hdfcfund.com/statutory-disclosure/portfolio/monthly-portfolio

  Half yearly - https://www.hdfcfund.com/statutory-disclosure/scheme-financials

19. Expenses of the Scheme

1. Load Structure

Exit Load: Not Applicable

The Trustee reserves the right to change/modify the load structure from a prospective date.

The AMC/ Trustee if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund reserves the right to introduce/modify the Load Structure depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the SEBI (MF) Regulations.

2. **Recurring Expenses (% p.a. of daily Net Assets)**

Maximum Total Expense Ratio under Regulation 52 (6):

The AMC has estimated that upto 1.00% of the daily net assets of the scheme will be charged to the scheme as expenses.

Actual expenses (inclusive of GST on Management fees and additional TER) for the previous financial year ended September 30, 2025 (Audited): 0.40% p.a.

For the actual current expenses being charged, the investor should refer to the website of the mutual fund. Click here for Total Expense Ratio (TER) - https://www.hdfcfund.com/statutory-disclosure/total-expense-ratio-of-mutual-fund-schemes/reports

Click here for factsheet – https://www.hdfcfund.com/investor-services/factsheets

The maximum limit of recurring expenses that can be charged to the Scheme would be as per Regulation 52 of the SEBI (MF) Regulation, 1996. Investors are requested to read "**Section-Annual Scheme Recurring Expenses**" in the **SID.**

20. Tax Treatment for the Investors (Unit Holders)

Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to their tax advisor.

21. Daily Net Asset Value (NAV) Publication

The AMC shall update the NAVs by 11.00 p.m. on every Business day on the website(s) of AMC and AMFI.

22. For Investor Grievances, Please Contact

Investors may contact any of the Investor Service Centres (ISCs) of the AMC for any queries / clarifications at telephone number 1800 3010 6767/ 1800 419 7676 (toll free), e-mail: hello@hdfcfund.com.	**Registrar and Transfer Agent:** **Computer Age Management Services Ltd.,** Unit: HDFC Mutual Fund 5th Floor, Rayala Tower, 158, Anna Salai,

	Chennai - 600 002. Telephone No: 044-30212816 Fax No: 044-42032955 Email: enq_h@camsonline.com

23. Unit Holder's Information

Email ID for communication:

First / Sole Holders should register their own email address and mobile number in their folio for speed and ease of communication in a convenient and cost-effective manner, and to help prevent fraudulent transactions.

Account Statements:

1. The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).
2. A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds and holdings at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month on registered email address on or before 12th of the succeeding month and by 15th of the succeeding month for those who have opted for physical copy.
3. Half-yearly CAS shall be issued to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable, at the end of every six months (i.e. September/ March) on or before 18th day of succeeding month on registered email address and 21st day of succeeding month through physical copy for those who do not have registered email addresses.

For further details, refer SAI.

Periodic Disclosures:

Sr. No	Name of the Disclosure	Frequency	Timelines	Disclosed on	Link
1.	Half Yearly Results (Unaudited)	Half yearly	within one month from the close of each half year i.e. on 31st March and on 30th September.	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/scheme-financials https://www.amfiindia.com/research-information/other-data/accounts-data
2.	Annual Report	Annually	not later than four months from the date of closure of the relevant account's year (i.e. 31st March each year).	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/annual-reports https://www.amfiindia.com/research-information/other-data/accounts-data

3.	Daily Performance Disclosure (after scheme completes six months of existence)	Daily	-	AMFI website	amfiindia.com/research-information/other-data/mf-scheme-performance-details
4.	Portfolio Disclosure	Monthly/ Half yearly	within 10 days from the close of each month/half-year respectively.	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/portfolio https://www.hdfcfund.com/statutory-disclosure/scheme-financials https://www.amfiindia.com/online-center/portfolio-disclosure
5.	Monthly Average Asset under Management (Monthly AAUM) Disclosure	Monthly	within 7 working days from the end of the month.	AMC website	https://www.hdfcfund.com/statutory-disclosure/aum
6.	Scheme and Benchmark Riskometer	Monthly	within 10 days from the close of each month.	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/portfolio https://www.amfiindia.com/online-center/risk-o-meter
7	Tracking Error	Daily	Daily basis	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/tracking-error https://www.amfiindia.com/research-information/other-data/tracking_errordata
8	Tracking Difference (Upon completion of 1 year of the Scheme, tracking difference shall be disclosed on the website of the AMC and AMFI, on a monthly basis)	Monthly	within 10 days from the close of each month.	AMC website AMFI website	https://www.hdfcfund.com/statutory-disclosure/tracking-error https://www.amfiindia.com/research-information/other-data/tracking_errordata
9	Change in constituents of the index, if any	As and when it is changed	Immediately	AMC website	Refer respective product pages on our website i.e. www.hdfcfund.com

10	Scheme Summary Documents	Monthly	within 15 days from the close of each month or on changes in any of the specified fields, whichever is earlier.	AMC website AMFI website BSE website NSE website	https://www.hdfcfund.com/investor-services/fund-documents/scheme-summary https://www.amfiindia.com/research-information/other-data/scheme-details https://www.bseindia.com/Static/Markets/MutualFunds/listOfAmc.aspx https://www.nseindia.com/
11	Investor Charter	-	As and when updated	AMC website	Investor Charter

IMPORTANT

Before investing, investors should also ascertain about any further changes pertaining to scheme such as features, load structure, etc. made to the Scheme Information Document/ Key Information Memorandum by issue of addenda/ notice after the date of this Document from the AMC/ Mutual Fund/ Investor Service Centres (ISCs)/ Website/ Distributors or Brokers or Investment Advisers holding valid registrations.