

HO CHI MINH STOCK EXCHANGE



**GROUND RULES FOR
VIETNAM DIAMOND INDEX**

Version 3.1

*(In accordance with Decision No 742/QĐ-SGDHCM on September 29, 2026
by the Chairman of Ho Chi Minh Stock Exchange)*

Ho Chi Minh city

September - 2026

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HISTORY OF AMENDMENTS

Version	Content
3.1	- Restructuring the Ground Rules for the management of the VNDIAMOND Index version 3.0. - Supplementing the case where the index basket will continue to be updated, excluding stocks before the Effective Date (placed under warning status due to information disclosure violations) to ensure consistency with the regulations in the Ground Rules for HOSE Indices.

1. INTRODUCTION

- 1.1.** The Ground Rules for Vietnam Diamond Index (acronym VNDIAMOND Index) are issued upon approval by the Vietnam Exchange (VNX), establishing the core principles governing the construction, maintenance, and daily administration of the VNDIAMOND Index by the Ho Chi Minh Stock Exchange (HOSE) under authority delegated by VNX.
- 1.2.** These Ground Rules may be supplemented, amended, or withdrawn in whole or in part at any time. Such amendments, supplements, or withdrawals of the rules may lead to changes in the construction and management of the index or directly affect the index.
- 1.3.** All intellectual property rights related to these Ground Rules and the Index, including the name, composition, and calculation methodology of the Index, are owned by VNX and HOSE. Except for cases where permission is not required and exceptions stipulated by the Law on Intellectual Property, any reproduction in whole or in part of these Ground Rules without the prior consent of VNX or HOSE shall be considered a copyright infringement and handled in accordance with the provisions of law.
- 1.4.** Unless otherwise specified in these Ground Rules, all related matters shall be governed by the provisions outlined in the Ground Rules for HOSE Equity Indices (the Ground Rules for HOSE Indices).

2. GENERAL INDEX OVERVIEW

- 2.1.** The VNDIAMOND Index is a tradable index, comprising at least 10 constituent stocks selected from HOSE listed companies that meet the index eligibility and selection criteria.
- 2.2.** The VNDIAMOND Price Index is calculated based on the free-float adjusted market capitalization and is subject to capitalization weight capping (for single stocks and groups of stocks in the same sector) and other stock weight limits.

The Price Index is calculated on real-time basis and distributed every 5 seconds during the trading days.
- 2.3.** The VNDIAMOND Total Return Index (VNDIAMOND TRI) shall be calculated based on VNDIAMOND Price Index, reflecting both price movements and the reinvestment of cash dividends from constituent stocks.

The Total Return Index shall be calculated and distributed one time at the end of each trading day.
- 2.4.** The base value of the index is 1000. The base date of the index is November 15th 2019.

2.5. The constituent list of the index is:

- Reviewed semi-annually in April and October.
- Updated for information (including free-float ratio, the volume of outstanding shares for index calculation, capitalization weight capping factor, and index constituents (if any)) quarterly in January, April, July and October.

Refer to detailed provisions regarding the **Data cut-off date**, **Announcement date**, and **Effective date** for periodic reviews and information updates as specified in the **Definitions** section of the Ground Rules for HOSE Indices.

3. DEFINITIONS

- The VNAllshare index basket refers to the list of constituent stocks of the VNAllshare Index, as determined at the most recent periodic review, in accordance with the Ground Rules for VNAllshare Index.
- Order-matching trading value (GTGD_KL), free-float adjusted market capitalization (GTVH_f), and the GICS® industry classification standard: refer to the **Definitions** section in the Ground Rules for HOSE Indices.
- Stocks are classified into the Banking sector and Non-Banking sector according to GICS® level 2 industry group.
- FOL_i is calculated as the average of the 12 most recent monthly FOL_{i_month} .
- FOL_{i_month} is the ratio between the holding ratio of foreign investors on the last trading day of each month and the adjusted maximum foreign ownership limit of stock i , determined by the following formula:

$$FOL_{i_month} = \text{Total_Foreign_Per_Shr_AM}_i / \text{Foreign_Limit_Adjust } (\%)_i$$

Where:

- $\text{Total_Foreign_Per_Shr_AM}_i$ is the ratio of shares currently held by foreign investors on the last trading day of the month for stock i . This value is the actual foreign ownership ratio published by VSDC on the last trading day of the month.
- $\text{Foreign_Limit_Adjust } (\%)_i$ is the adjusted maximum foreign ownership ratio on the last trading day of the month for stock i , determined by the following formula:
 - For stocks in the Banking sector:

$$\text{Foreign_Limit_Adjust } (\%)_i = \max(\text{Foreign_Limit } (\%)_i, 20\%)$$
 - For stocks not in the Banking sector:
 - When $\text{Foreign_Limit } (\%)_i$ is less than or equal 50%:

$$\text{Foreign_Limit_Adjust } (\%)_i = 50\%$$

- When $\text{Foreign_Limit}(\%)_i$ is greater than 50%:

$$\text{Foreign_Limit_Adjust}(\%)_i = 100\%$$

Where $\text{Foreign_Limit}(\%)_i$ is the maximum foreign ownership ratio published by VSDC on the last trading day of the month for stock i .

- Earnings per share (EPS) is the ratio of total earnings after tax of the 12 most recent quarters with published data compared to the daily average adjusted circulating volume of stocks listed on HOSE and annualized. For newly listed stocks or stocks transferred to HOSE, the number of quarters is calculated by the actual number of listed quarters on HOSE.
- The P/E ratio is the ratio of the closing price of a stock at the time of data review to the EPS.
- The average P/E ratio is the average P/E of stocks satisfying the conditions after Step 5 of Section 4.1 of these Ground Rules, excluding the P/E of stocks with negative values or greater than 100.

The average P/E ratio is calculated for two groups of stocks: the Banking group and the Non-Banking group.

4. PERIODIC SCREENING OF INDEX CONSTITUENTS

4.1. Periodic index constituent screening steps

Step 1: Collect the reviewed stocks including:

- VNAllshare index basket, *or*
- Stocks outside the VNAllshare index basket must simultaneously satisfy the following conditions:
 - ✓ Stocks that are not subject to **warning status, controlled, trading restriction, temporary trading suspensions** (except temporary trading suspensions due to corporate actions such as stock split/merger, spin-on/spin-off... fewer than 30 trading days), **be suspended from trading within 3 months** up to the Data cut-off Date.
 - ✓ At least 03 months of listing and trading on HOSE up to the Data cut-off date.
 - ✓ $\text{GTVH_f} \geq 5,000$ billion VND
 - ✓ $\text{GTGD_KL} \geq 15$ billion VND/day.

Step 2: From the list of stocks satisfying the conditions after Step 1, select stocks with $\text{GTVH_f} \geq 2,000$ billion VND.

In case there are fewer than 50 stocks satisfying the conditions after Step 2, additionally select stocks in descending order of GTVH_f from the list of stocks satisfying the conditions after Step 1 until there are 50 stocks.

Step 3: From the list of stocks satisfying the conditions after Step 2, select stocks satisfying one of the following two conditions

- Stocks not included in the index basket of the previous period: $GTGD_KL \geq 20$ billion VND/day; *or*
- Stocks included in the index basket of the previous period: $GTGD_KL \geq 10$ billion VND/day.

In case there are fewer than 30 stocks satisfying the conditions after Step 3, additionally select stocks in descending order of GTGD_KL from the list of stocks satisfying the conditions after Step 2 until there are 30 stocks.

Step 4: From the list of stocks satisfying the conditions after Step 3, select the 25 stocks with the highest FOL ratio (giving priority to higher GTGD_KL when FOL ratios are equal).

Step 5: Additionally select into the review set stocks belonging to the index basket of the previous period from the list of stocks satisfying the conditions after Step 3.

Step 6: From the list of stocks satisfying the conditions after Step 5, select stocks satisfying one of the following two conditions:

- Stocks not included in the index basket of the previous period: have $0 \leq P/E \leq 2$ times the average P/E of that group (Banking/Non-Banking); *or*
- Stocks included in the index basket of the previous period: have $0 \leq P/E \leq 3$ times the average P/E of that group (Banking/Non-Banking).

In case there are fewer than 10 stocks satisfying the conditions after Step 6, continue to additionally select stocks until there are 10 stocks in the following order of priority:

- Prioritize stocks with $P/E \geq 0$, select stocks in ascending P/E order, with stocks included in the index basket of the immediately preceding period considered first; if there are still not enough 10 stocks, additional stocks will be considered.
- If there are still not enough 10 stocks in the index basket, consider stocks with $P/E < 0$: select stocks in descending order of P/E.

Step 7: From the list of stocks satisfying the conditions after Step 6, select stocks satisfying one of the following two conditions:

- Stocks not included in the index basket of the previous period: FOL $\geq$ 95%; *or*
- Stocks included in the index basket of the previous period: FOL $\geq$ 65%.

In case there are fewer than 10 stocks satisfying the conditions after Step 7, additionally select stocks in descending order of FOL from the list of stocks satisfying the conditions after Step 6 until there are 10 stocks.

Step 8: From the list of stocks satisfying the conditions after Step 7, continue to review as follows:

** In case there is one industry group of stocks subject to the 40% market capitalization weight limit:*

If the number of stocks outside this industry is less than 08 stocks, additionally select the stock outside this industry with the highest FOL from the list of stocks satisfying the conditions after Step 6 until there are 08 stocks.

** In case there are two industry groups of stocks subject to the 40% market capitalization weight limit:*

If the number of stocks outside these two industries is less than 03 stocks, additionally select the stock outside these two industries with the highest FOL from the list of stocks satisfying the conditions after Step 6 until there are 03 stocks.

Step 9: Determine the official index basket according to the following steps:

- The provisional index basket for this period includes stocks satisfying the conditions after Step 7 and Step 8 (if any).
- The basket of stocks pending elimination includes stocks that simultaneously satisfy the following conditions:
 - ✓ Belong to the official index basket of the previous period
 - ✓ Not included in the basket of stocks pending elimination of the previous period
 - ✓ Not included in the provisional index basket for this period
- The basket of stocks entering the index for the first time includes:
 - Stocks present in the provisional index basket for this period but not in the official index basket of the previous period; *or*
 - Stocks present in the provisional index basket for this period and in the basket of stocks pending elimination of the previous period.

- The basket of stocks maintained for 2 consecutive periods (as maintained stocks) is stocks present in the provisional index basket for this period but not belonging to the basket of stocks pending elimination and the basket of stocks entering the index for the first time.
- The official index basket for this period includes the basket of stocks pending elimination, the basket of stocks entering the index for the first time, and the basket of stocks maintained.

4.2. Update of index basket before the Effective Date

The index basket shall continue to be updated, excluding stocks in accordance with the regulations on *Update of index basket before the Effective Date* outlined in the Ground Rules for HOSE Indices.

The replacement of excluded stocks shall be conducted similarly to the intra period adjustments stipulated in Section 5.2 of these Ground Rules.

5. INTRA PERIOD ADJUSTMENTS TO INDEX CONSTITUENTS

5.1. The index basket shall be adjusted intra period if it falls under the cases of *Intra Period Adjustments To Index Constituents* specified in the Ground Rules for HOSE Indices.

5.2. The replacement of removed stocks shall be conducted as follows:

5.2.1. If the official index basket remains with fewer than 10 stocks, replacement stocks shall be selected in descending order of FOL (giving priority to higher GTGD_KL when FOL ratios are equal) from the list of stocks satisfying the conditions after Step 4 of Section 4.1 of these Ground Rules at the most recent periodic review until there are 10 stocks in the official index basket.

In case a change in constituents results in the number of stocks outside the industry subject to the limit being less than the level prescribed in Step 8 of Section 4.1 of these Ground Rules, the addition of stocks shall be carried out in accordance with Step 8 of Section 4.1 of these Ground Rules for stocks in the list of the most recent periodic review.

5.2.2. If the official index basket remains with 10 or more stocks, no replacement stocks will be added for the removed stocks.

6. INDEX CALCULATION METHODOLOGY

6.1. The VNDIAMOND Price Index and the VNDIAMOND Total Return Index (VNDIAMOND TRI) are calculated in accordance with the *Price Index Calculation Methodology* and *Total Return Index Calculation Methodology* stipulated in the Ground Rules for HOSE Indices.

6.2. Capping factor of stock (c)

The capping factor of a constituent stock is calculated in accordance with the regulation on the ***Capping factor of stock (c)*** in the Ground Rules for HOSE Indices.

The capping applied to the index constituent stocks is as follows:

- 15% for a single stock.
- 40% for a group of stocks the same sector (belonging to the same GICS® Level 2 Industry Group).

6.3. Stock weight adjustment factor (g)

Stock weight adjustment factor of stock *i* (g_i) is the product of the weight limit wS_i , $wFOL_i$ and wL_i of stock *i*, determined as follows:

$$g_i = wS_i \times wFOL_i \times wL_i$$

Where:

- wS_i : weight limit for maintained stocks, stocks entering the index for the first time, or stocks pending elimination, determined as follows:
 - For maintained stocks: $wS_i = 100\%$
 - For stocks entering the index for the first time: $wS_i = 50\%$
 - For stocks pending elimination: $wS_i = 50\%$
- $wFOL_i$: weight limit according to the FOL of stock *i*, determined as follows:

FOL	Below 70%	From 70% to below 80%	From 80% to below 90%	90% or higher
$wFOL_i$	25%	50%	75%	100%

- wL_i : weight limit according to the liquidity of stock *i*, determined as follows:

GTGD_KL_i /GTVH_f_i	Below 0.10%	From 0.10% to below 0.15%	From 0.15% to below 0.20%	0.20% or higher
wL_i	25%	50%	75%	100%

7. CONTACT INFORMATION

For more information regarding index construction methodology, calculation, licensing and data services, please visit the official website or contact the Market Information Department of the Ho Chi Minh Stock Exchange (HOSE).



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