



Translation from Russian into English

INFORMATION POLICY OF HMS GROUP

1. Purpose of the information policy.

The present Information Policy (hereinafter – the “IP”) establishes the procedure and the main principles of granting of information about HMS Hydraulic Machines & Systems Group Plc and its affiliated companies’ activity within the Russian Federation and abroad (hereinafter – the “HMS Group”) to the mass media and the Investment community, and also the rights and obligations of HMS Group employees within this procedure.

The appropriation of the present IP is regulation of contacts with the mass media and the Investment community, growth of efficiency of media representation of HMS Group activity, non-admissions of undesirable information leakages, strengthening of HMS Group positive reputation in mass media and among Investment community, non-admission of distribution of untrustworthy data and data, that discredit business reputation of Group.

The purpose of the present IP is observance of the UK Listing Rules provisions and other requirements of the UK law regarding to obligatory disclosing of the essential insider information with use of the procedures mentioned in the Annex to the present IP (Regulations of the press release issue of the HMS Group).

The list of the essential insider information, obligatory to disclosing for the HMS Group according to the requirements of the UK law and the commercial strategy of the HMS Group directed on the maximum openness and visibility for all partners and investors of the HMS Group, is contained in the Annex to the present IP and corresponds to the general determination of the essential insider information specified in the Policy of fulfillment of the HMS Group insider trades.

The present IP is obligatory for execution by all structural divisions, employees and officials of the HMS Group.

2. Speakers of HMS Group.

1. The HMS Group’s employees with the right to give information directly to the mass media and the Investment community, and also to represent directly themselves as Speakers of the Group within the frame of cooperation with the mass media and the Investment community, are:

- The Chairman of the Board of directors of HMS Hydraulic Machines & Systems Group Plc;
- The members of the Board of directors of HMS Hydraulic Machines & Systems Group Plc (in the frameworks established by the article 15 of the IP)
- The Chief Executive director of HMS Hydraulic Machines & Systems Group Plc;
- The General Director of HMS Group Management Ltd.;
- The Deputy General Director of HMS Group Management Ltd.;
- The Director of the Department of capital markets and investor relations of HMS Group Management Ltd.;
- The Head of the Press Service of HMS Group Management Ltd.

2. The HMS Group's employees, who have not been specified in the point 1, have no right to perform the direct and mediated contacts with the mass media and the Investment community, including provision with comments and/or any statements on behalf of the HMS Group or from himself personally as the employee of the Group without preliminary coordination with the Department of capital markets and investor relations (hereinafter – the "DCMIR") and the Press Service (hereinafter – the "PS") of HMS Group Management Ltd.

3. In case of address of representatives of mass media or Investment community to any employee of the HMS Group who have been not specified in the point 1, this employee without fail should immediately report about this fact the Heads of DCMIR and PS. All queries from mass media and Investment community, including queries for a meeting with HMS Group management, should be sent (or to be resent) to DCMIR and PS.

3. The order of information cooperation between the HMS Group, the mass media and the Investment communities.

1. After DCMIR and PS receive from mass media a request to give information about HMS Group activity, the following procedure is established:

- Heads of DCMIR and PS make a joint decision to reject or satisfy the mass media's request. If the appropriate head is absent, an acting head make the decision;
- If it is decided to reject the request, DCMIR or PS's employee – the request's recipient – sends a reply to mass media with a reasonable explanation why the request was rejected;
- If it is decided to satisfy the request, DCMIR or PS's employee prepares a reply. The reply should be agreed between Heads of DCMIR and PS. Time period, for which an answer should be send, depends on mass media (a daily newspaper, news agency – within 2 hours; a weekly journal, a monthly journal - within two working days);
- If the answer is necessary in a form of a comment of the Corporation Speaker, the Head of PS chooses a Speaker and approves comments prepared by an employee of DCMIR or PS with him. The approval for a definitive variant of the comment is performed by the Head of DCMIR. All citations/materials received from mass media for confirmation are agreed between DCMIR and PS and the corresponding Speakers and are sent to mass media by the employees of PS who control a publication in mass-media of confirmed citations/materials;
- In case of absence in DCMIR or PS of information necessary for an answer preparation, an employee of DCMIR or PS sends query about providing of necessary information to the corresponding structural division of HMS Group by phone or e-mail. On the basis of the acquired information an employee of DCMIR or PS prepares the answer for mass media, agrees it with the corresponding division of HMS Group and the Heads of DCMIR or PS and sends it in mass-media. In case if the necessary information is absent or cannot be provided (for example, because of its reference to a commercial secret), an employee of DCMIR or PS sends an answer to mass media with a reasonable explanation of a cause of a failure.

2. After receiving in DCMIR and PS of the Investment communities request to provide information about HMS Group activity, the following order of its handling is provided:

- Head of DCMIR makes the decision to refuse or satisfy the query (in case of absence of the corresponding head the decision is made by the employee fulfilling to its obligation);
- In case of a refusal an employee of DCMIR, which has accepted a query, sends a corresponding answer with a reasonable explanation of a refusal cause;

- In case of decision making about satisfaction of a query, an employee of DCMRI prepares the answer and agrees it with the Head of DCMRI and PS.
- In case of absence in DCMRI of information necessary for an answer preparation, an employee of DCMRI sends query about providing of necessary information to the corresponding structural division of HMS Group by phone or e-mail. In case if the necessary information is absent or cannot be provided (for example, because of its reference to a commercial secret), an employee of DCMRI sends an answer with a reasonable explanation of a cause of a failure.

3. After receiving in DCMRI and PS of mass media and/or the Investment communities about the organization of an interview with the Speaker of HMS Group, performance of the Speaker on events organized by mass media (the roundtable discussion, debatable club, etc.), performances of the Speaker at conference, a business forum or other event (hereinafter – Event), organized by other party and assuming presence of mass-media and/or representatives of the Investment communities, the following order of its handling is provided:

An employee of DCMRI or PS, who has received a query, inquires the Event organizers about subjects of an expected interview/performance or a provisional list of questions which is necessary to expand on during an interview/performance;

On the basis of this data the Heads of DCMRI and PS make a decision to refuse or satisfy the query;

- In case of a query refusal a corresponding answer with a reasonable explanation is sent to Event organizers within a day;
- In case of decision making about satisfaction of a query of the Event organizers, the Heads of DCMRI and PS choose a Speaker, discuss and agree with him an expediency of performances/reports on different questions, the content of these performances/ reports, and also the giving form (oral performance/ report/interview, presentation, video report, audio report, etc.);

Employees of DCMRI and PS in whose competence are subjects and a format of the Event, develop key thesis on questions offered by the Event organizers and consistent with interests, activity and positions of HMS Group, in the form agreed with the Speaker. The Heads of DCMRI and PS perform the complete coordination of performance/report of the Speaker, and also prohibit providing of confidential information of certain aspects of HMS Group activity.

4. The information prohibited for providing to mass media and Investment communities.

HMS Group does not give to mass media and Investment communities the following information:

- The insider information if it hasn't undergone the disclosing provided by the Annex to the present IP.
- Comments and projections of a political situation in the countries of HMS Group activity, and other countries, and also actions of separate politicians;
- Comments of activity of legislative, executive and judicial bodies of the countries in of HMS Group activity, and other countries, except in the cases which directly affect HMS Group activity;
- Exact quantitative projections of development of macroeconomic situations in the countries of HMS Group activity, and also separate economic spheres;

- Exact quantitative projections of operational and financial results of HMS Group activity, and also concrete plans of HMS Group actions in the market, except in the cases when their maintenance does not contradict the practice accepted in HMS Group;
- Comments about activity of HMS Group competitors and the foreign companies;
- Comments concerning activity of HMS Group shareholders;
- About M&A deals before their actual consummation, except the cases when disclosing of the given information is required according to the rules of the regulation authorities;
- Incomplete and untrustworthy data about HMS Group activity;
- Comments of unreasonable projections and assumptions (hearings and conjectures) concerning HMS Group activity regardless from authorship of these projections and assumptions;
- Affecting activity of shareholders and investors of HMS Group;
- About clients, partners and counterparts of HMS Group without their preliminary consent.
- About private life of HMS Group employees without their consent.

5. Exterior lines of communications of the Board of directors members of HMS PLC.

1. The members of the Board of directors of HMS PLC, including the Chairman of the Board of directors, communicate with representatives of mass media and/or Investment communities, following mentioned in the Provision concerning the Board of directors of HMS PLC rights and obligations, and within their competence.
2. Basic principles of actions of the members of the Board of directors during interaction with representatives of mass media and/or Investment communities is loyalty to HMS Group, and also realization of the given contacts reasonably, honesty, according to the purposes and aims of the Board of directors and HMS Group.
3. The members of the Board of directors of HMS PLC according to the internal documents confirmed in Group concerning counteraction on the information use which disclosing can make essential influence on market value of Group securities, are obliged not to open the insider information to the third parties, including representatives of mass media and/or Investment communities, before realization of the official disclosing procedure.
4. The members of the Board of directors also follow the 4 of the present IP in the part of restriction of transfer of any information to the third parties, including representatives of mass media and/or Investment communities.
5. The members of the Board of directors abstain from contacts with representatives of mass media and/or Investment communities if transfer of information or data required by the last, leads or can lead to conflict of interests of the members of the Board of directors and interests of HMS Group.
6. The members of the Board of directors whenever possible and in case if it does not contradict the purposes and aims of the Board of directors, let the General director of "MC" HMS Group" LLC and the Heads of DCMRI and PS to know their actions which can cause increasing of queries from representatives of mass media and/or Investment communities sent to DCMRI and PS, and also can constitute a ground for press release issue according to the Annex of the present IP.

6. Liability of infringement of the present IP.

1. All employees and structural divisions of HMS Group are responsible for non-observance of the established by the present IP order of the information providing for mass media and Investment communities.
2. An employee of HMS Group, who has breached the requirements of the present IP, bears the disciplinary and other responsibility provided by the current legislation of the Russian Federation, the internal documents of HMS Group and the labor contract.
3. In case of detection of any infringements of the present IP, employees of HMS Group are obliged to immediately inform the direct Chief and Heads of DCMRI and PS.
4. The Heads of DCMRI and PS control an appropriate use of the present IP by all structural divisions in Groups.