



2017 ANNUAL GENERAL MEETING OF SHAREHOLDERS

Agenda and Explanatory Notes

Date: May 25, 2017 at 9:00 a.m. local time

Location: Conservatorium Hotel,
Paulus Potterstraat 50
1071 DB Amsterdam,
The Netherlands

Opening

Introductory Remarks

Approval of 2016 statutory accounts; addition of 2016 profits to retained earnings; discharge of Directors

1. To approve the annual statutory accounts of Yandex N.V. (the “**Company**”) for the 2016 financial year (prepared in accordance with IFRS in accordance with the Dutch Corporate Governance Code). **(Decision)**
2. To add the profits of the Company realized in the 2016 financial year to the retained earnings of the Company. **(Decision)**
3. To discharge the members of the Board of Directors from their liability towards the Company in respect of the management of the Company during the 2016 financial year. **(Decision)**

Re-appointment of directors

4. To re-appoint Herman Gref to serve as a non-executive member of the Board of Directors, for a three-year term. **(Decision)**
5. To re-appoint Arkady Volozh to serve as an executive member of the Board of Directors, for a three-year term. **(Decision)**

Cancellation of shares

6. To cancel 739,235 outstanding Class C shares, all held by the Company. **(Decision)**

Appointment of Auditor

7. To appoint JSC KPMG, an independent registered public accounting firm and the Russian affiliate of KPMG International, as auditors of the Company's consolidated financial statements for the 2017 financial year (to be prepared under U.S. GAAP), and KPMG Accountants N.V., its Dutch affiliate, as external auditors of the Company's statutory annual accounts for the 2017 financial year (to be prepared under IFRS). **(Decision)**

General designations and authorizations of the Board of Directors

8. To designate the Board of Directors as the competent body to issue from time to time ordinary shares and preference shares up to the respective authorized share capital of the Company for a period of five years from the date of the Annual General Meeting. **(Decision)**
9. To designate the Board of Directors as the competent body to exclude pre-emptive rights of the existing shareholders in respect of the issue of ordinary shares and preference shares for a period of five years from the date of the Annual General Meeting. **(Decision)**
10. To authorize the Board of Directors for a period of 18 months to repurchase shares in the capital of the Company up to a maximum of 20% of the issued share capital from time to time, in the case of Class A shares, against a purchase price equal to the market price on the Nasdaq Global Select Market of the Class A shares at the time of repurchase. **(Decision)**

Other business

Any other business.

Explanatory Notes to the Agenda

Opening

The Chief Executive Officer will look back on 2016, including the Group's financial performance, and will look ahead, explaining the strategy and plans of Yandex for 2017.

- 1-3. *Approval of 2016 Annual Statutory Accounts of Yandex N.V.; addition of 2016 profits of the Company to retained earnings; discharge of the members of the Board of Directors from their liability towards the Company for management during the 2016 financial year*

These agenda items include proposals to adopt the 2016 Statutory Accounts and to add the profits of the Company realized in the 2016 financial year to the retained earnings of the Company, as well as to discharge the members of the Board of Directors, in accordance with Dutch law, from liability towards the Company for the performance of their duties in 2016. Such discharge only covers matters that are known to the Company at the 2017 AGM when the resolution to discharge is adopted. Copies of the 2016 Statutory Accounts are available for inspection by shareholders at the registered office of the Company, and can also be obtained from Investor Relations, tel +7 495 739-7000 or by email: askir@yandex-team.ru.

4. *Re-appointment of Herman Gref as a non-executive member of the Board of Directors*

It is proposed to re-appoint Herman Gref as a non-executive member of the Board of Directors of the Company for a three-year term with effect from May 25, 2017 and running until the annual general meeting to be held in 2020.

Mr. Gref has been a non-executive director since May 2014. Mr. Gref has served since 2007 as the Chief Executive Officer and Chairman of the Executive Board of Sberbank of Russia, one of the largest commercial banks in Russia. From 2000 to 2007, Mr. Gref served as the Minister for Economic Development of the Russian Federation and has previously served in a number of government positions at the federal and regional levels in Russia. Mr. Gref holds a degree in law from Omsk State University, a Ph.D. in law from St Petersburg State University and a Ph.D. in economics from The Russian Presidential Academy of National Economy and Public Administration. Mr. Gref holds a Citation and Certificate of Honor from the President of the Russian Federation, the Order for Distinguished Service of Grade IV and the Stolypin Medal. The Board of Directors is pleased that Mr. Gref is available to continue to serve as a member of the Board of Directors.

5. *Re-appointment of Arkady Volozh as an executive member of the Board of Directors*

It is proposed to re-appoint Arkady Volozh as an executive member of the Board of Directors of the Company for a three-year term with effect from May 25, 2017 and running until the annual general meeting to be held in 2020.

Mr. Volozh is the principal founder of Yandex and has been our Chief Executive Officer and a director since 2000. A serial entrepreneur with a background in computer science, Mr. Volozh co-founded several successful IT enterprises, including InfiNet Wireless, a Russian provider

of wireless networking technology, and CompTek International, one of the largest distributors of network and telecom equipment in Russia. In 2000, Mr. Volozh left his position as CEO of CompTek International to become the CEO of Yandex. Mr. Volozh started working on search in 1989, which led to him establishing Arkadia Company in 1990, a company developing search software. His early achievements in this field include the development of electronic search for use in patents, Russian classical literature and the Bible. Mr. Volozh holds a degree in applied mathematics from the Gubkin Institute of Oil and Gas. The Board of Directors is pleased that Mr. Volozh is available to continue to serve as a member of the Board of Directors.

6. *Cancellation of outstanding Class C shares*

The Company has issued Class C shares from time to time solely for technical purposes, to facilitate the conversion of its Class B shares into Class A shares. The Company's Class C shares were held by a Conversion Foundation managed by members of the Board of Directors, have been transferred for no consideration to the Company for the purpose of cancellation, and will be cancelled following the AGM.

7. *Appointment of the external auditor of the Company*

In accordance with Dutch law, the external auditor of the Company is appointed at the AGM.

Following a review of the Company's engagement with its current auditor, ZAO Deloitte & Touche CIS ("Deloitte") and a competitive tender process, the Audit Committee has advised the Board of Directors to propose at the AGM the appointment of JSC KPMG, an independent registered public accounting firm and the Russian affiliate of KPMG International, as auditors of the Company's consolidated financial statements for the 2017 financial year (to be prepared under U.S. GAAP), and KPMG Accountants N.V., its Dutch affiliate, as external auditors of the Company's statutory annual accounts for the 2017 financial year (to be prepared under IFRS).

During the two fiscal years ended December 31, 2015 and 2016, and from January 1, 2017 through May 9, 2017, (1) there were no disagreements (as defined in Item 304(a)(1)(iv) of Regulation S-K) between the Company and Deloitte on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Deloitte, would have caused Deloitte to make reference thereto in its report on the Company's financial statements for such periods, and (2) there were no "reportable events" (as described in Item 304(a)(1)(v) of Regulation S-K).

8-10. *General authorization of the Board of Directors to (i) issue ordinary shares and preference shares; (ii) exclude pre-emptive rights; and (iii) acquire shares in the Company*

The proposals to authorize the Board of Directors (i) to issue ordinary shares and preference shares, in an amount up to the authorized share capital from time to time of the Company, and (ii) to exclude the pre-emptive rights of shareholders in respect of such issuances are intended to give the Board of Directors flexibility in financing the Company in the most efficient manner. In addition, enabling the Board of Directors to authorize the issue of a class of

preference shares in such a manner as to dilute the interest of any potential acquirer is intended to make a takeover of the Company more difficult or less attractive. Furthermore, such authorizations give the Board of Directors flexibility in the context of acquisitions and mergers.

The proposal to authorize the Board of Directors to repurchase shares in the capital of the Company, up to a maximum of 20% of the issued share capital from time to time, in the case of Class A shares, against a purchase price equal to the market price on the Nasdaq Global Select Market of the Class A shares at the time of repurchase, is intended to, among other things, enable the Company to flexibly manage its capital structure in light of market conditions and the Company's financial position.

Adoption of these proposals at the AGM replaces the current authorizations of the Board of Directors in respect of these matters, which were granted at the Annual General Meeting of Shareholders on May 27, 2016.
