

YANDEX N.V.

Code of Business Conduct and Ethics

(Effective as of May 23, 2011)

This Code of Business Conduct and Ethics (the “Code”) sets forth legal and ethical standards of conduct for directors, members of senior management and employees of Yandex N.V. (the “Company”) and any of its direct and indirect subsidiaries (together with the Company, the “Group”). This Code is intended to deter wrongdoing and to promote the conduct of all Group business in accordance with high standards of integrity and in compliance with all applicable laws and regulations.

If you have any questions regarding this Code or its application to you in any situation, you should contact your supervisor or the Group’s Chief Financial Officer (“CFO”).

Compliance with Laws, Rules and Regulations

The Company requires that all employees, members of senior management and directors comply with all laws, rules and regulations applicable to the Group wherever it does business. You are expected to use good judgment and common sense in seeking to comply with all applicable laws, rules and regulations and to ask for advice when you are uncertain about them.

If you become aware of the violation of any law, rule or regulation by the Group, whether by its senior management, employees, directors, or any third party doing business on behalf of the Group, it is your responsibility to promptly report the matter to your supervisor or to the CFO. While it is the Group’s desire to address matters internally, nothing in this Code should discourage you from reporting any illegal activity to the appropriate regulatory authority. Employees, members of senior management and directors shall not discharge, demote, suspend, threaten, harass or in any other manner discriminate or retaliate against an employee because he or she reports any such violation, unless it is determined that the report was made with knowledge that it was false. This Code should not be construed to prohibit you from testifying, participating or otherwise assisting in any administrative, judicial or legislative proceeding or investigation.

Conflicts of Interest

Employees, officers and directors must act in the best interests of the Group. You should, where possible, refrain from engaging in any activity or having a personal interest that presents a “conflict of interest.” A conflict of interest occurs when your personal interest interferes, or appears to interfere, with the interests of the Group. A conflict of interest can arise whenever you, as an officer, director or employee, take action or have an interest that prevents you from performing your Group duties and responsibilities honestly, objectively and effectively. All employees must therefore comply with the detailed requirements set out in the Company’s Related Party Transactions Policy, a copy of which has been made available to all directors, officers and employees of the Group. It is your responsibility to disclose any transaction or relationship that reasonably could be expected to give rise to a conflict of interest to the CFO.

Insider Trading

Employees, members of senior management and directors who have material non-public information about the Company or other companies, including our business partners, customers and suppliers, as a result of their relationship with the Group are prohibited by law and Company policy from trading in securities of the Company or such other companies, as well as from communicating such information to others who might trade on the basis of that information. To help ensure that you do not engage in prohibited insider trading and avoid even the appearance of an improper transaction, the Company has adopted an Insider Trading Policy, which is available on the Company's intranet.

If you are uncertain about the constraints on your purchase or sale of any Company securities or the securities of any other company that you are familiar with by virtue of your relationship with the Company, you should consult with the CFO before making any such purchase or sale.

Confidentiality

Employees, members of senior management and directors must maintain the confidentiality of confidential information entrusted to them by the Group or other companies, including our business partners, customers and suppliers, except when disclosure is authorized by a supervisor or legally mandated. Unauthorized disclosure of any confidential information is prohibited. Additionally, employees should take appropriate precautions to ensure that confidential or sensitive business information, whether it is proprietary to the Group or another company, is not communicated within the Group except to employees who have a need to know such information to perform their responsibilities for the Group.

Third parties may ask you for information concerning the Group. Subject to the exceptions noted in the preceding paragraph, employees, members of senior management and directors (other than the Group's authorized spokespersons) must not discuss internal Group matters with, or disseminate internal Group information to, anyone outside the Group, except as required in the performance of their Group duties and, if appropriate, after a confidentiality agreement is in place. This prohibition applies particularly to inquiries concerning the Group from the media, market professionals (such as securities analysts, institutional investors, investment advisers, brokers and dealers) and security holders. All responses to inquiries on behalf of the Group must be made only by the Group's authorized spokespersons. If you receive any inquiries of this nature, you must decline to comment and refer the inquirer to your supervisor or one of the Group's authorized spokespersons. The Company's policies with respect to public disclosure of internal matters are described more fully in the Company's Disclosure Policy, which is available on the Company's intranet.

You also must abide by any lawful obligations that you have to your former employer. These obligations may include restrictions on the use and disclosure of confidential information, restrictions on the solicitation of former colleagues to work at the Group and any applicable non-competition or non-solicitation obligations.

Honest and Ethical Conduct and Fair Dealing

Employees, members of senior management and directors should endeavor to deal honestly, ethically and fairly with the Group's business partners, customers, suppliers, competitors and employees. Statements regarding the Group's products and services must not be untrue, misleading, deceptive or fraudulent. You must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Protection and Proper Use of Corporate Assets

Employees, members of senior management and directors should seek to protect the Group's assets. Theft, carelessness and waste have a direct impact on the Group's financial performance. Employees, members of senior management and directors must use the Group's assets and services solely for legitimate business purposes of the Group and not for any personal benefit or the personal benefit of anyone else.

Employees, members of senior management and directors must advance the Group's legitimate interests when the opportunity to do so arises. You must not take for yourself personal opportunities that are discovered through your position with the Group or the use of property or information of the Group.

Gifts and Gratuities

The use of Group funds or assets for gifts, gratuities or other favors to employees or government officials is prohibited, except to the extent such gifts are in compliance with applicable law, insignificant in amount and not given in consideration or expectation of any action by the recipient. In no circumstance shall any employee, officer or director use Group funds to give a cash gift.

Employees, officers and directors must not accept, or permit any member of his or her immediate family to accept, any gifts, gratuities or other favors from any person doing or seeking to do business with the Group, other than items of insignificant value. Any gifts that are not of insignificant value should be returned immediately and reported to your supervisor. If immediate return is not practical, they should be given to the Group for charitable disposition or such other disposition as the Group, in its sole discretion, believes appropriate.

Common sense and moderation should prevail in business entertainment engaged in on behalf of the Group. Employees, officers and directors should provide, or accept, business entertainment to or from anyone doing business with the Group only if the entertainment is infrequent, modest and intended to serve legitimate business goals.

Bribes and Kickbacks

Bribes and kickbacks are criminal acts, strictly prohibited by law. You must not offer, give, solicit or receive any form of bribe or kickback anywhere in the world.

The US Foreign Corrupt Practices Act (“FCPA”) makes it unlawful for US citizens and employees of companies that have issued securities that have been registered in the US (such as Yandex) to bribe foreign government officials, officials of non-US political parties, and candidates for non-US political offices in order to obtain or retain business.

The FCPA often presents challenges for companies that do business in places where bribery is commonplace. Therefore, it is essential to remember that your actions may be crimes under US law even if non-US persons or non-US companies or issuers engage in similar conduct without consequence.

Under the FCPA, it is illegal to offer, pay, promise to pay, or authorize the payment of money or any thing of value to any non-US official to obtain or retain business with, or direct business to, any person. This clearly includes influencing decisions that affect the ability to do business, such as tax decisions or whether discretionary or valuable permits or licenses are issued. This prohibition also applies to non-US political party officials and candidates for non-US political office, and it applies to all types of payments and gifts, including cash and securities. Meals and entertainment provided to such persons must be reasonable and not lavish, proportional to the business purpose and directly related to the promotion or explanation of the business.

It is also illegal to make any payment with “knowledge” that all or part of the payment will then be offered or given directly or indirectly to any non-US government official, party official, or political candidate. A person is deemed to have knowledge if available information suggests a high probability that the payment may be diverted. This means that you and the Company may be liable for payments to business partners of the Group which are then used as bribes.

Because you may be liable under the FCPA even without actual knowledge that a payment may be improperly used, it is important to watch out for “red flags” which suggest that a violation may be about to occur. Potential red flags include the following:

- reputation of the business partner who is to receive a payment;
- known relationships between the business partner and government officials;
- payments in cash, to offshore accounts, or through third parties;
- hiring a representative or agent with no expertise or experience in the area in which it will represent the Group;
- refusal to provide written assurances against improper payments;
- unusually high commissions; or
- any other facts that may appear suspicious.

You should always check with the CFO before making any payments or providing any type of gift or “perk” in a situation where you notice any “red flags.”

A payment or promise of a payment is illegal under the FCPA if it is intended to cause the recipient to misuse his or her official position, even if the payment or promise does not succeed in obtaining favorable treatment.

Violations of the FCPA may result in severe penalties, against both you and the Company, including civil and criminal sanctions, and possible imprisonment.

Accuracy of Books and Records and Public Reports

Employees, members of senior management and directors must honestly and accurately report all business transactions. You are responsible for the accuracy of your records and reports. Accurate information is essential to the Group's ability to meet its legal and regulatory obligations.

All Group books, records and accounts shall be maintained in accordance with all applicable regulations and standards and accurately reflect the true nature of the transactions they record. The financial statements of the Group shall conform to generally accepted accounting rules and the Group's accounting policies. No undisclosed or unrecorded account or fund shall be established for any purpose. No false or misleading entries shall be made in the Group's books or records for any reason, and no disbursement of corporate funds or other corporate property shall be made without adequate supporting documentation.

It is the policy of the Company to provide full, fair, accurate, timely and understandable disclosure in reports and documents filed with, or submitted to, the Securities and Exchange Commission and in other public communications.

Concerns Regarding Accounting or Auditing Matters

Employees with concerns regarding questionable accounting or auditing matters or complaints regarding accounting, internal accounting controls or auditing matters may confidentially, and anonymously if they wish, submit such concerns or complaints in writing to the CFO. See "Reporting and Compliance Procedures" below. All such concerns and complaints will be forwarded to the Audit Committee of the Board of Directors, unless they are determined to be without merit by the CFO. In any event, a record of all complaints and concerns received will be provided to the Audit Committee each fiscal quarter. Any such concerns or complaints may also be communicated, confidentially and, if you desire, anonymously, directly to any member of the Audit Committee of the Board of Directors.

The Audit Committee will evaluate the merits of any concerns or complaints received by it and authorize such follow-up actions, if any, as it deems necessary or appropriate to address the substance of the concern or complaint.

The Group will not discipline, discriminate against or retaliate against any employee who reports a complaint or concern, unless it is determined that the report was made with knowledge that it was false.

Dealings with Independent Auditors

No employee, member of senior management or director shall, directly or indirectly, make or cause to be made a materially false or misleading statement to an accountant in connection with (or omit to state, or cause another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading to, an accountant in connection with) any audit, review or examination of the Group's financial statements or the preparation or filing of any document or report with the SEC. No employee, member of senior management or director shall, directly or indirectly, take any action

to coerce, manipulate, mislead or fraudulently influence any independent public or certified public accountant engaged in the performance of an audit or review of the Company's financial statements.

Equal Opportunity Employer

The Group is an equal opportunity employer and has a positive commitment to the promotion of a policy of equal opportunity for all current and prospective employees. It is the Group's policy to ensure that no job applicant or employee is discriminated against on the grounds of sex (including being a transsexual), sexual orientation, age, marital status, race, color, nationality, ethnic or racial or mental or physical disability in recruitment, training, promotion or any other matter relating to employment. All employees involved in the employment and management of staff will be responsible for ensuring that the policy is fairly and consistently applied within their areas of responsibility.

Compliance with Policy Against Sexual and Racial Harassment

The Group is committed to and supports the rights of all employees to work and function in an environment free of all forms of discrimination, such as sexual or racial harassment, bullying and intimidation. Sexual and racial harassment in any form is unacceptable, quite apart from the fact that it may constitute a breach of law. It is also improper and inappropriate behavior which is disruptive, lowers morale and interferes with work effectiveness. The Group will not tolerate such conduct. All employees will be expected to comply with this policy and take appropriate measures to ensure that such conduct does not occur. Disciplinary action, which may include dismissal for proven serious offences, will be taken against any employee who contravenes this policy.

Waivers of this Code of Business Conduct and Ethics

While some of the policies contained in this Code must be strictly adhered to and no exceptions can be allowed, in other cases exceptions may be appropriate. Any employee or member of senior management who believes that a waiver of any of these policies is appropriate in his or her case should first contact his or her immediate supervisor. If the supervisor agrees that a waiver is appropriate, the approval of the CFO must be obtained. The CFO shall be responsible for maintaining a record of all requests by employees or members of senior management for waivers of any of these policies and the disposition of such requests.

Any member of senior management or director who seeks a waiver of any of these policies should contact the CFO. Any waiver of this Code for members of senior management or directors or any change to this Code that applies to members of senior management or directors may be made only by the Board of Directors of the Company and will be disclosed as required by law or the rules of the Nasdaq Stock Market.

Reporting and Compliance Procedures

Every employee, member of senior management and director has the responsibility to ask questions, seek guidance, report suspected violations and express concerns regarding compliance with this Code. Any employee, member of senior management or director who knows or believes

that any other employee or representative of the Group has engaged or is engaging in Group-related conduct that violates applicable law or this Code should report such information to his or her supervisor or to the CFO, as described below. You may report such conduct openly or anonymously without fear of retaliation. The Group will not discipline, discriminate against or retaliate against any employee who reports such conduct, unless it is determined that the report was made with knowledge that it was false, or who cooperates in any investigation or inquiry regarding such conduct. Any supervisor who receives a report of a violation of this Code must immediately inform the CFO.

You may report violations of this Code, on a confidential or anonymous basis, by contacting the CFO by fax or e-mail at: nilesh@yandex-team.ru +7 495 739 7070. While we prefer that you identify yourself when reporting violations so that we may follow up with you, as necessary, for additional information, you may remain anonymous if you wish.

If the CFO receives information regarding an alleged violation of this Code, he shall, as appropriate, (a) evaluate such information, (b) if the alleged violation involves a member of senior management or a director, inform the Chief Executive Officer and Board of Directors of the alleged violation, (c) determine whether it is necessary to conduct an informal inquiry or a formal investigation and, if so, initiate such inquiry or investigation and (d) report the results of any such inquiry or investigation, together with a recommendation as to disposition of the matter, to the CFO for action, or if the alleged violation involves a member of senior management or a director, report the results of any such inquiry or investigation to the Board of Directors or a committee thereof. Employees, members of senior management and directors are expected to cooperate fully with any inquiry or investigation by the Group regarding an alleged violation of this Code. Failure to cooperate with any such inquiry or investigation may result in disciplinary action, up to and including discharge.

The Company shall determine whether violations of this Code have occurred and, if so, shall determine the disciplinary measures to be taken against any employee who has violated this Code. In the event that the alleged violation involves a member of senior management or a director, the Chief Executive Officer and the Board of Directors, respectively, shall determine whether a violation of this Code has occurred and, if so, shall determine the disciplinary measures to be taken against such member of senior management or director.

Failure to comply with the standards outlined in this Code will result in disciplinary action including, but not limited to, reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, discharge and restitution. Certain violations of this Code may require the Group to refer the matter to the appropriate governmental or regulatory authorities for investigation or prosecution. Moreover, any supervisor who directs or approves of any conduct in violation of this Code, or who has knowledge of such conduct and does not immediately report it, also will be subject to disciplinary action, up to and including discharge.

Dissemination and Amendment

This Code shall be distributed to each new employee, member of senior management and director of the Company upon commencement of his or her employment or other relationship with the Company and shall also be distributed annually to each employee, member of senior

management and director of the Company, and each employee, member of senior management and director shall certify that he or she has received, read and understood the Code and has complied with its terms.

The Company reserves the right to amend, alter or terminate this Code at any time for any reason. The most current version of this Code can be found on the Company's intranet.

This document is not an employment contract between any member of the Group and any of its employees, members of senior management or directors.

Certification

I, _____ do hereby certify that:
(Print Name Above)

1. I have received and carefully read the Code of Business Conduct and Ethics of Yandex N.V.
2. I understand the Code of Business Conduct and Ethics.
3. I have complied and will continue to comply with the terms of the Code of Business Conduct and Ethics.

Date: _____

(Signature)