

YANDEX N.V.

Compensation Committee Charter

(Effective as of May 23, 2011)

A. Purpose

The purpose of the Compensation Committee of the Board of Directors (the “Board”) of Yandex N.V. (the “Company”) is to assist the Board in the discharge of its responsibilities relating to compensation of the senior management of the Company and its subsidiaries (the “Group”). This Charter should be applied in a manner consistent with all applicable laws and stock market rules and the Company's articles of association, each as amended and in effect from time to time.

B. Structure and Membership

1. Number. The Compensation Committee shall consist of at least three members of the Board.
2. Independence. Except as otherwise permitted by the applicable NASDAQ rules, each member of the Compensation Committee shall be “independent” as defined by such rules. The Compensation Committee shall also consider whether any members of the Compensation Committee have relationships with the Company that may create the appearance of a lack of independence, even through such relationships do not technically disqualify the person from being “independent”.
3. Chair. Unless the Board elects a Chair of the Compensation Committee, the Compensation Committee shall elect a Chair by majority vote.
4. Compensation. The compensation of Compensation Committee members shall be as determined by the Board.
5. Selection and Removal. Members of the Compensation Committee shall be appointed by the Board, upon the recommendation of the Nominating and Corporate Governance Committee. The Board may remove members of the Compensation Committee from such committee, with or without cause.

C. Authority and Responsibilities

General

The Compensation Committee shall discharge its responsibilities, and shall assess the information provided by the Group's management, in accordance with its business judgment.

Compensation Matters

1. **Senior Management Compensation.** The Compensation Committee shall review and approve, or recommend for approval by the Board, the compensation of the Group's Chief Executive Officer (the "CEO"), Chief Technology Officer and Chief Financial Officer and such other of the Group's senior management as it deems appropriate, including salary, bonus and incentive compensation levels; deferred compensation; senior management perquisites; equity compensation (including awards to induce employment); severance arrangements; change-in-control benefits and other forms of senior management compensation, subject to the remuneration policy adopted by the meeting of shareholders. The Compensation Committee shall meet without the presence of senior management when approving or deliberating on CEO compensation but may, in its or their discretion, invite the CEO to be present during the approval of, or deliberations with respect to, other senior management compensation.
2. **Evaluation of Senior Management.** The Compensation Committee shall be responsible for overseeing the evaluation of the Group's senior management. In conjunction with the Audit Committee in the case of the evaluation of the senior financial management, the Compensation Committee shall determine the nature and frequency of the evaluation and the persons subject to the evaluation, supervise the conduct of the evaluation and prepare assessments of the performance of the Company's senior management, to be discussed periodically with the Board.
3. **Plan Recommendations and Approvals.** The Compensation Committee shall periodically review and make recommendations to the Board with respect to incentive-compensation and equity-based plans. In addition, in the case of any tax-qualified, non-discriminatory employee benefit plans (and any parallel nonqualified plans) for which shareholder approval is not sought and pursuant to which options or shares may be acquired by officers, directors, employees or consultants of the Group, the Compensation Committee shall approve such plans.
4. **Administration of Plans.** The Compensation Committee shall exercise all rights, authority and functions of the Board under all of the Group's share option, share incentive, employee share purchase and other equity-based plans, including without limitation, the authority to interpret the terms thereof, to grant options thereunder and to make share awards thereunder; provided, however, that, except as otherwise expressly authorized to do so by this charter or a plan or resolution of the Board, the Compensation Committee shall not be authorized to amend any such plan. To the extent permitted by applicable law and the provisions of a given equity-based plan, and consistent with the requirements of applicable law and such equity-based plan, the Compensation Committee may delegate to one or

more members of senior management of the Group the power to grant options or other share awards pursuant to such equity-based plan to employees who are not directors of the Company or members of senior management of the Group. The Compensation Committee, or a majority of the independent directors serving on the Board, shall approve any inducement awards granted in reliance on the exemption from shareholder approval contained in NASDAQ Rule 4350(i)(1)(A)(iv).

5. Director Compensation. Subject to the remuneration policy adopted by the meeting of shareholders, the Compensation Committee shall periodically review and make recommendations to the Board with respect to director compensation.
6. Additional Powers. The Compensation Committee shall have such other duties as may be delegated from time to time by the Board.

D. Procedures and Administration

1. Meetings. The Compensation Committee shall meet as often as it deems necessary in order to perform its responsibilities. The Compensation Committee may also act by unanimous written consent in lieu of a meeting. The Compensation Committee shall keep such records of its meetings as it shall deem appropriate.
2. Subcommittees. The Compensation Committee may form and delegate authority to one or more subcommittees as it deems appropriate from time to time under the circumstances.
3. Reports to Board. The Compensation Committee shall report regularly to the Board.
4. Charter. The Compensation Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
5. Consulting Arrangements. The Compensation Committee shall have the authority to retain and terminate any compensation consultant to be used to assist in the evaluation of senior management compensation and shall have authority to approve the consultant's fees and other retention terms. The Compensation Committee shall also have authority to commission compensation surveys or studies as the need arises. The Compensation Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of such consultants as established by the Compensation Committee.
6. Independent Advisors. The Compensation Committee is authorized, without further action by the Board, to engage such independent legal and other advisors as it deems necessary or appropriate to carry out its responsibilities. Such independent advisors may be the regular advisors to the Group. The

Compensation Committee is empowered, without further action by the Board, to cause a member of the Group to pay the compensation of such advisors as established by the Compensation Committee.

7. Investigations. The Compensation Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Group to meet with the Compensation Committee or any advisors engaged by the Compensation Committee.
8. Annual Self-Evaluation. At least annually, the Compensation Committee shall evaluate its own performance.