Yandex

Company Presentation

July 2021

Forward Looking Statement Disclaimer

This presentation contains forward-looking statements that involve risks and uncertainties. These include statements regarding our future financial and business performance, our business and strategy and the impact of the COVID-19 pandemic on our industry, business and financial results.

Actual results may differ materially from the results predicted or implied by such statements, and our reported results should not be considered as an indication of future performance. The potential risks and uncertainties that could cause actual results to differ from the results predicted or implied by such statements include, among others, the impact of the ongoing COVID-19 pandemic and regulatory and business responses to that crisis, macroeconomic and geopolitical developments affecting the Russian economy or our business, changes in the political, legal and/or regulatory environment, competitive pressures, changes in advertising patterns, changes in user preferences, technological developments, and our need to expend capital to accommodate the growth of the business, as well as those risks and uncertainties included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 20-F dated April 1, 2021, which is on file with the Securities and Exchange Commission and is available on our investor relations website.

All information provided in this presentation is as of July 28, 2021, and Yandex expressly disclaims any duty to update this information unless required by law.

Yandex Ecosystem

Our Key Businesses

Yandex is a technology company that builds intelligent products and services powered by machine learning

Our goal is to help consumers and businesses better navigate the online and offline world

For more details see https://ir.yandex/key-businesses

Search & Portal

Browser, Maps, Navigator, Search, Alice, Toloka, Mail 360, Q

Taxi

Go, Uber, Delivery, Drive, Eats, Lavka

Yandex.Market

Market

Media Services

Plus, KinoPoisk, Afisha, Music

Classifieds

Auto.ru, Realty, Classifides, Jobs

Other Business Units and Initiatives

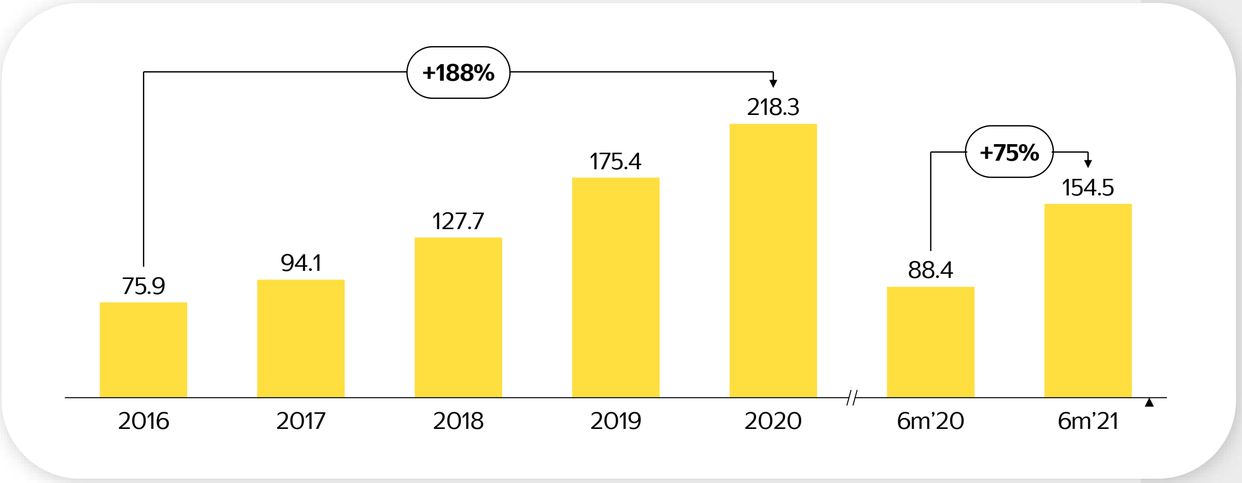
Self-Driving, Zen, Cloud, Practicum, Uslugi, Station (Devices)

Key Operational and Financial Highlights

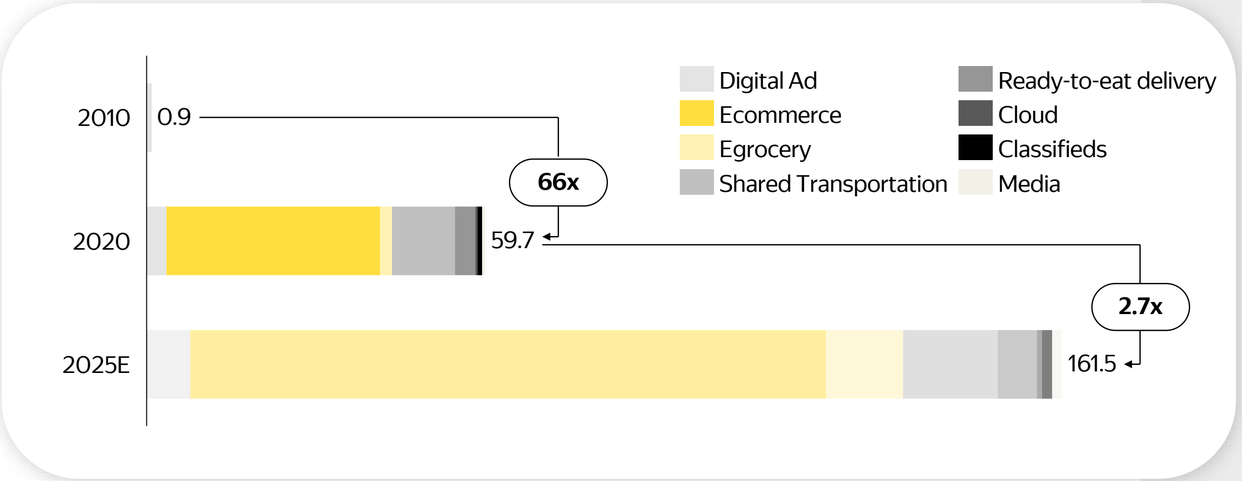
Business Growth Dynamics

Revenue,
RUB BN

+30% CAGR



TAM,
USD BN

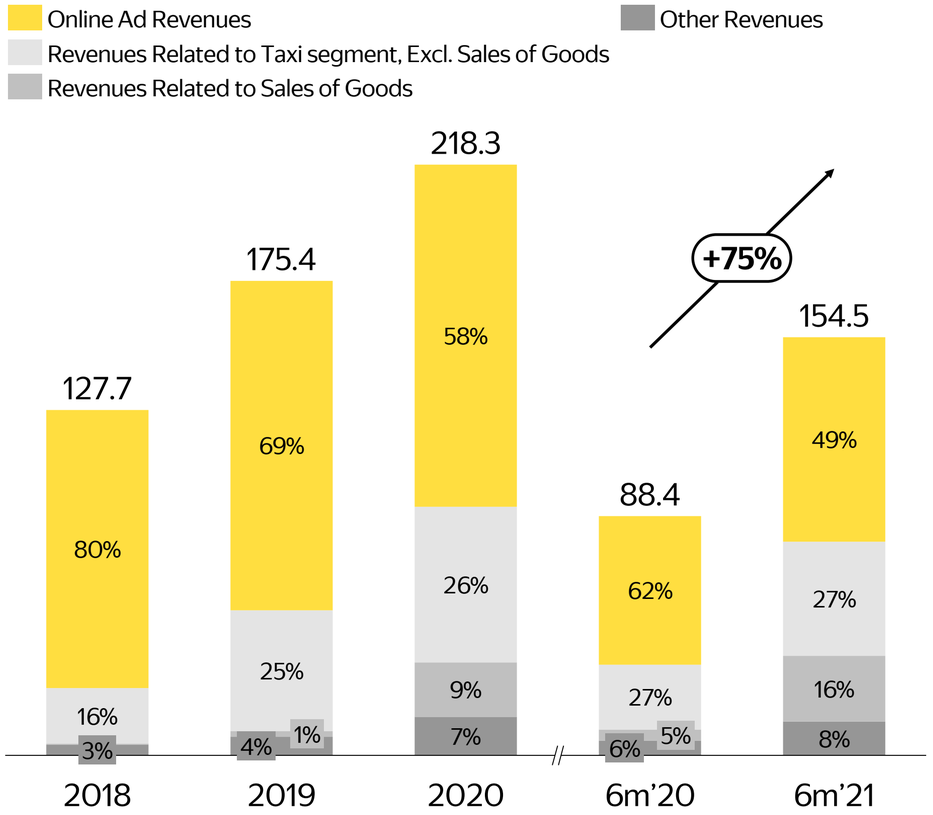


- Yandex transforming from an advertising business into a comprehensive digital platform for consumers and businesses
- Diversified business model with over 50% revenues coming from fast growing non-advertising segments
- Highly marginal advertising and ride-hailing businesses allowing to re-invest into new attractive growth opportunities and expansion of total addressable market
- Large total addressable Market in current geographies ($60BN in 2020 vs. $0.9BN in 2010) with significant growth potential presenting a catalyst for many years to come

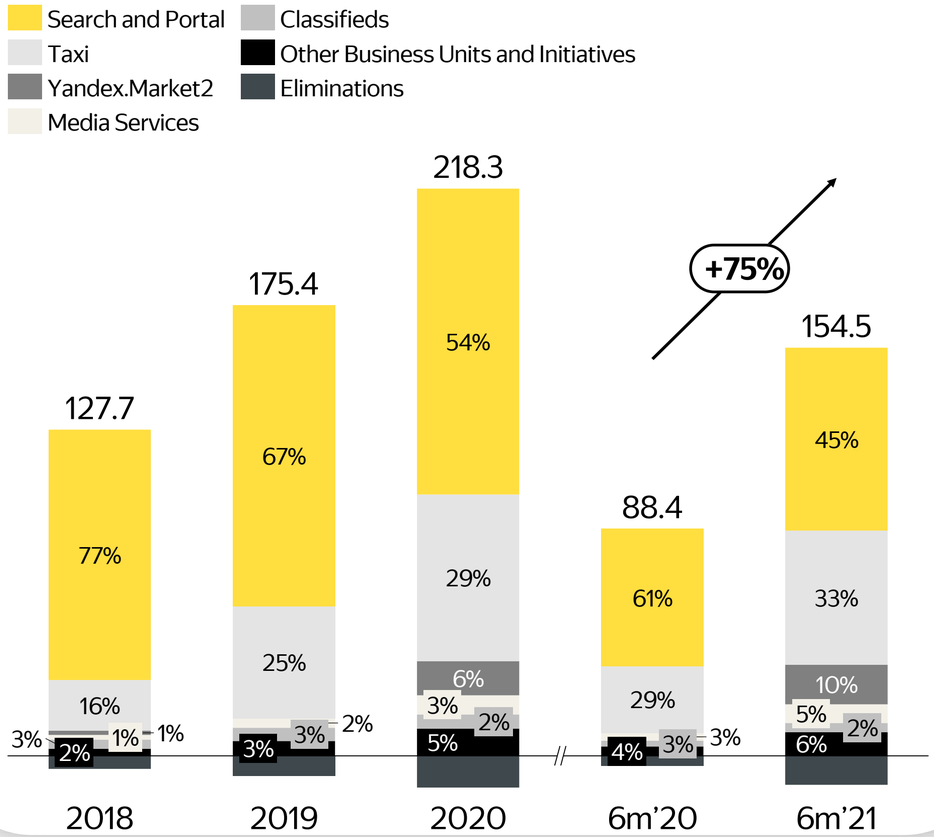
Source: Goldman Sachs estimates, AKAR, Euromonitor, AKIT, IDC, Analysts' consensus estimates. PWC, J'son&Partners Consulting, RBC, Company's internal estimates, TMT Consulting

Yandex Revenue Sources are Diversified

Consolidated Revenue[1] Breakdown, RUB BN, %



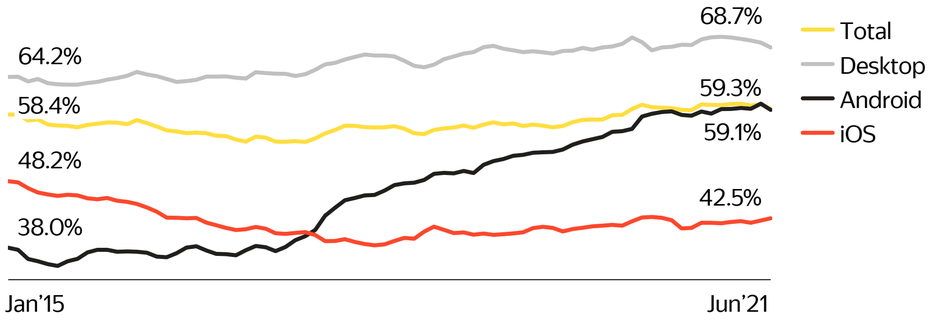
Revenue Breakdown by Segments, RUB BN, %



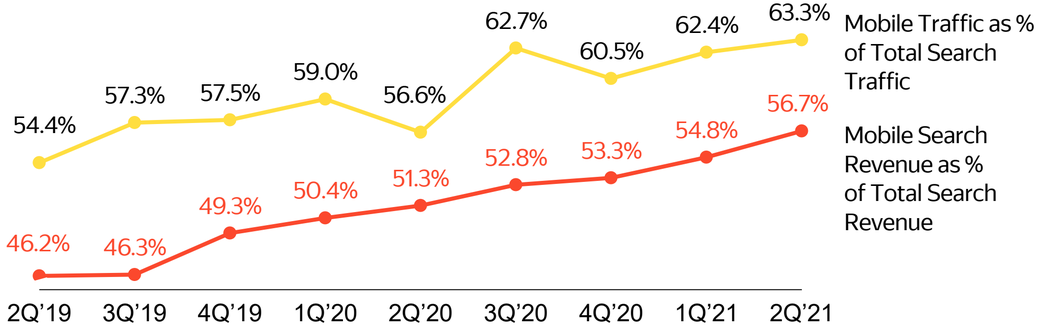
[1] Revenues are recognized net of VAT, discounts and commissions, but gross of TAC.
[2] On April 27, 2018 Yandex and Sberbank announced the completion of the formation of the JV based on the Yandex.Market platform. The parties owned equal stakes in the JV. We deconsolidated Yandex.Market starting April 27, 2018 from our consolidated financial results. On July 23, 2020 Yandex and Sberbank closed the transactions to reorganize their two JV's – Yandex.Market and Yandex.Money. As a result, Yandex has become the controlling shareholder in Yandex.Market and its result consolidated back to Yandex financial results.

Search and Portal

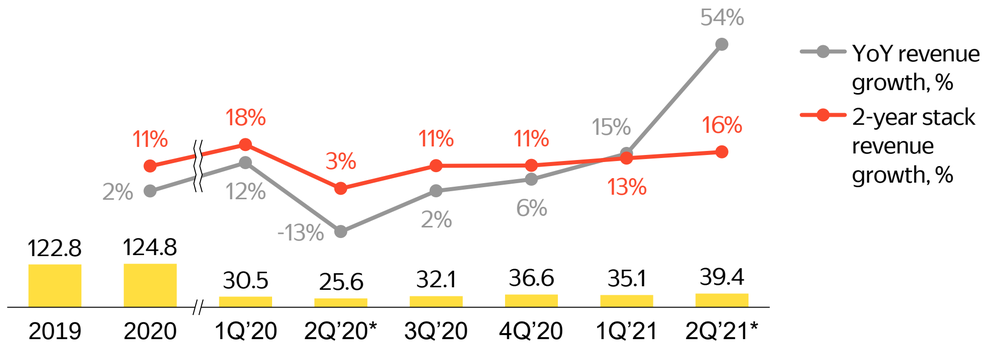
Yandex's Search Share across Platforms, %



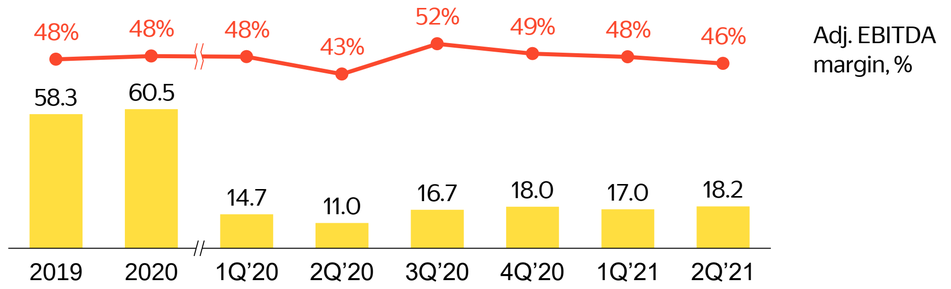
Evolution of Yandex's Mobile Search Traffic & Revenue



Revenue, RUB BN



Adj. EBITDA, RUB BN

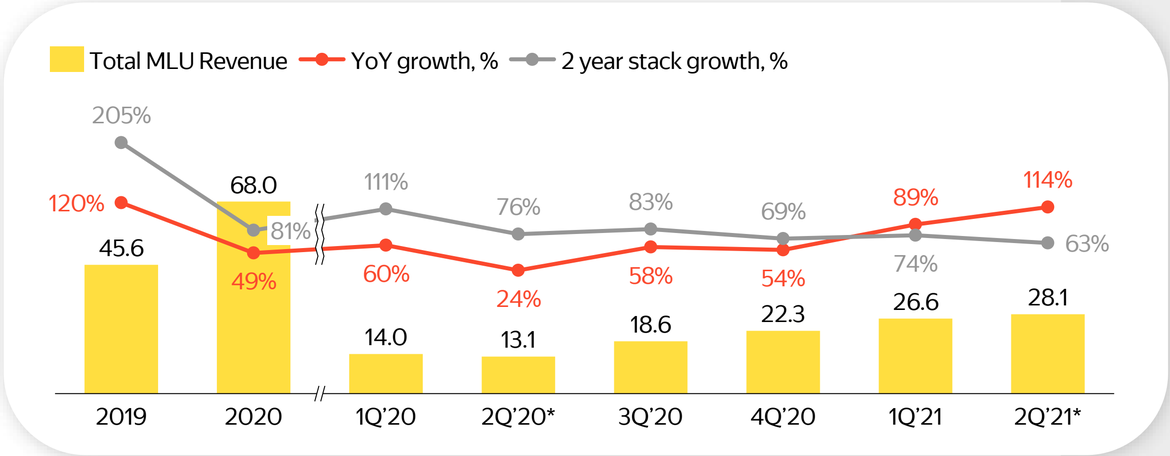


Source: Yandex.Radar

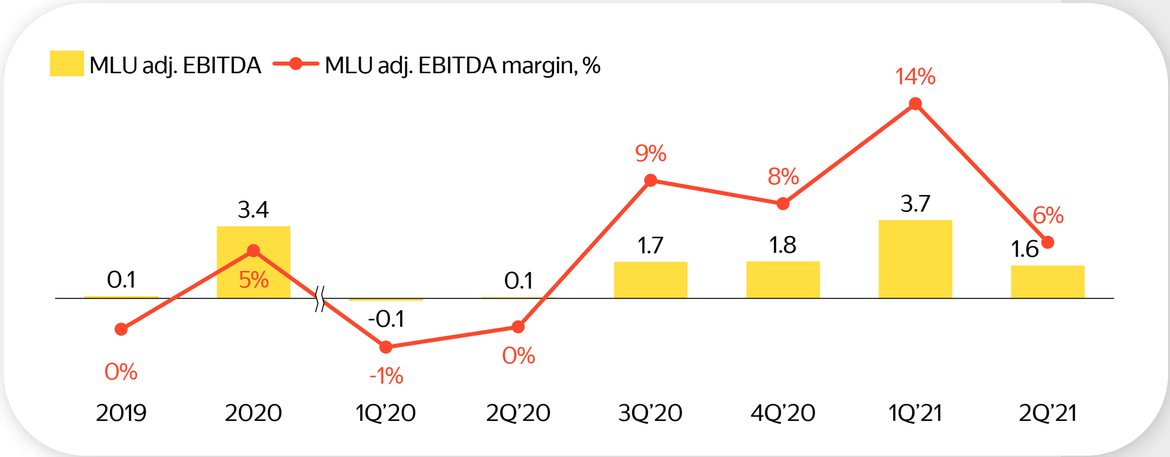
*The COVID-19 pandemic and the resulting strict lockdown measures had a material impact on our financial results and operations in Q2 2020, particularly on our advertising and mobility businesses, as well as classifieds services. The growth dynamic in Q2 2021 is therefore impacted by the base effect: low base effect for Search & Portal, Ride-Hailing, Classifieds businesses, while high base effect for E-commerce, FoodTech and Media Services.

Taxi Group (MLU[1])

Revenue[2],
RUB BN



Adj. EBITDA,
RUB BN



The Taxi segment includes

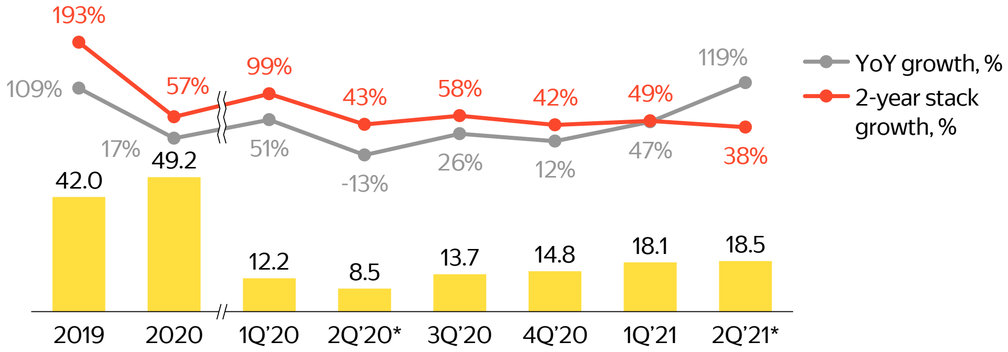
- Ride-hailing business, which consists of Yandex.Taxi in Russia and 16 other countries across CIS and EMEA, and Uber in Russia and CIS for both B2C and B2B
- Yandex.Delivery - logistics service for both B2C and B2B
- FoodTech businesses, which includes Yandex.Eats, our ready-to-eat and grocery delivery service, and Yandex.Lavka, our hyperlocal convenience store delivery service
- Yandex.Drive, our car-sharing business

[1] MLU B.V. is a JV with Uber which was founded in February 2018, by combining Yandex Taxi Holding B.V. with several Uber legal entities. [2] Revenues are presented in accordance with Revenue, whereby in cities where we have implemented commissions, minimum fare guarantees, and discounts are netted against revenues. Following the revision of our organizational structure and financial disclosure

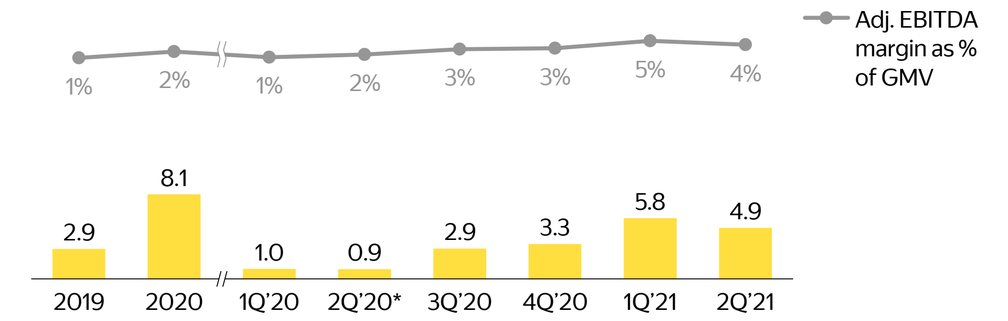
*The COVID-19 pandemic and the resulting strict lockdown measures had a material impact on our financial results and operations in Q2 2020, particularly on our advertising and mobility businesses, as well as classifieds services. The growth dynamic in Q2 2021 is therefore impacted by the base effect: low base effect for Search & Portal, Ride-Hailing, Classifieds businesses, while high base effect for E-commerce, FoodTech and Media Services. The adverse impact was partially offset by the acceleration in FoodTech businesses (both Yandex.Eats and Lavka) and Media Services. As a result the year-on-year dynamic of FoodTech business in Q2 2021 was primarily driven by the high base effect, while the dynamic in mobility business has been supported by the low base effect of the challenging Q2 2020.

Mobility[1]

Revenue, RUB BN

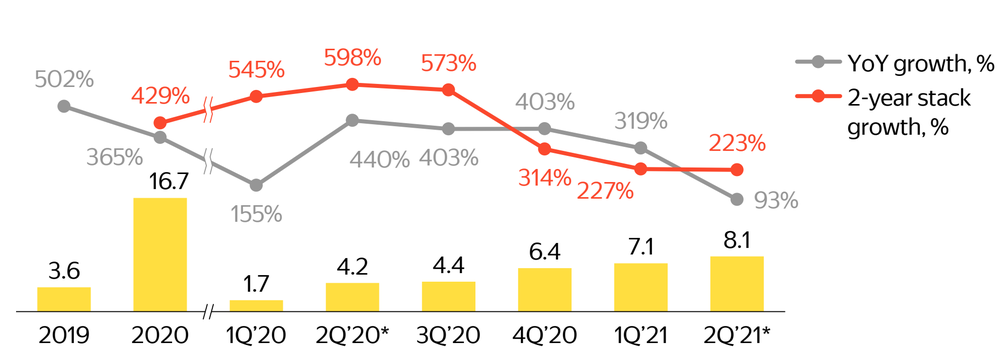


Adj. EBITDA, RUB BN

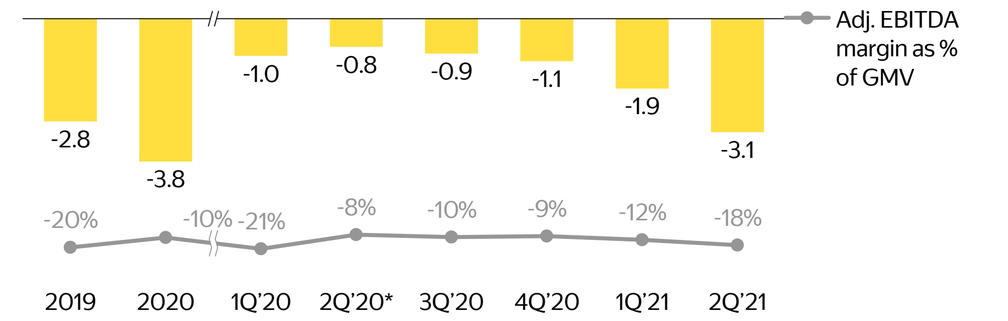


FoodTech[2]

Revenue, RUB BN



Adj. EBITDA, RUB BN



[1] Our mobility businesses includes Ride-hailing business (which consists of Yandex.Taxi in Russia and 16 other countries across CIS and EMEA, and Uber in Russia and CIS) for both B2C and B2B, Yandex.Drive, our car-sharing business, and excludes Logistics; [2] Our FoodTech businesses includes Yandex.Eats, our ready-to-eat and grocery delivery service, and Yandex.Lavka, our hyperlocal convenience store delivery service.
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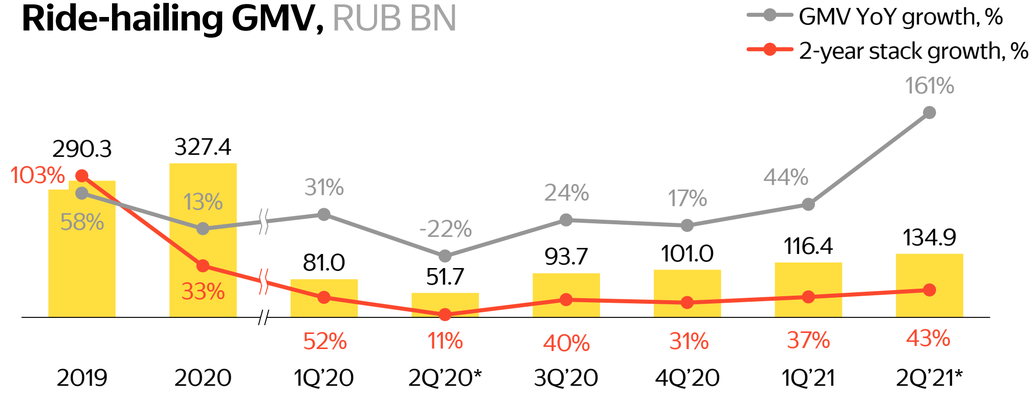
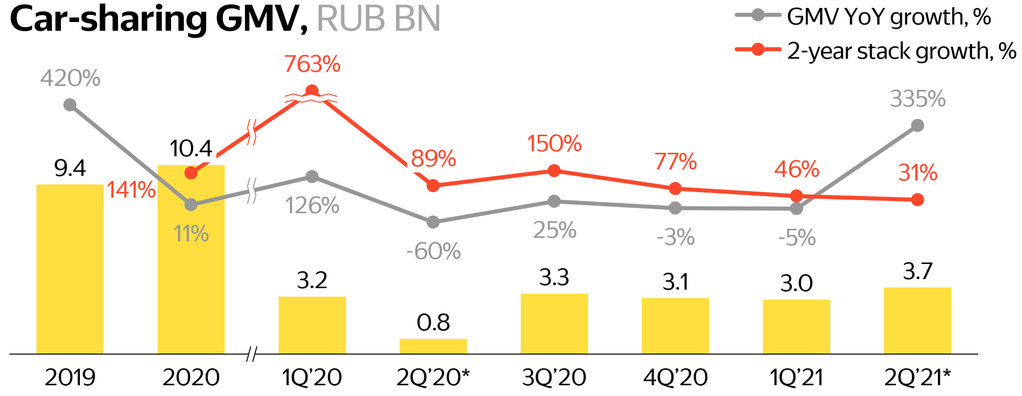
Mobility: Ride-hailing, Car-sharing

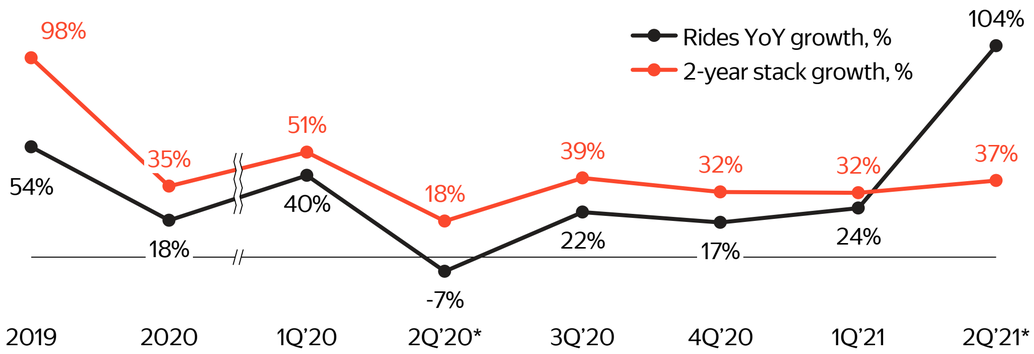
Ride-hailing GMV, RUB BN



Car-sharing GMV, RUB BN



Ride-Hailing rides growth, %



Car-sharing

- Yandex.Drive launched in 2018
- Moscow, St-Pete, Kazan, Sochi
- ~16 K cars
- Profitable on the Adj. EBITDA level 4 quarters in a row (Q3'20, Q4'20, Q1'21 and Q2'21)
- In-house developed telematics package with 100+ sensors

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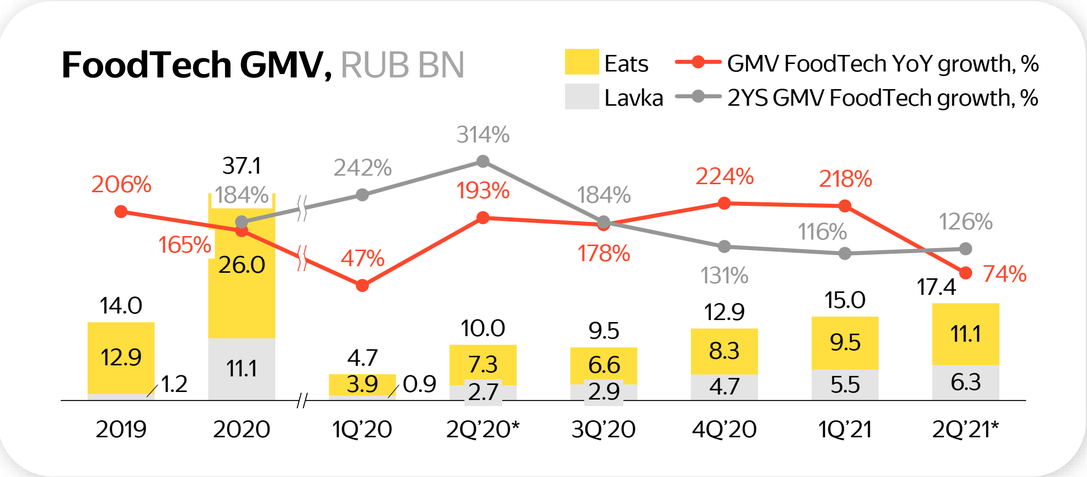
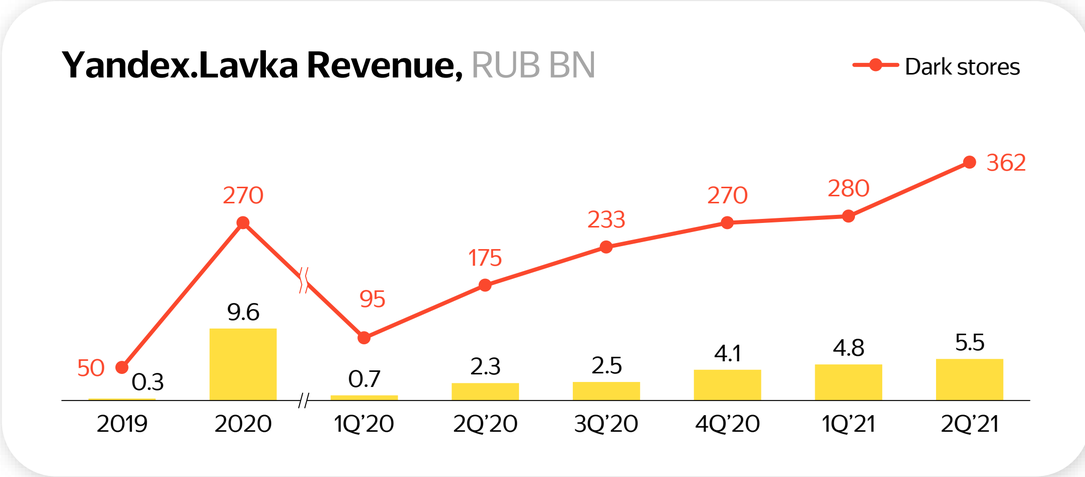
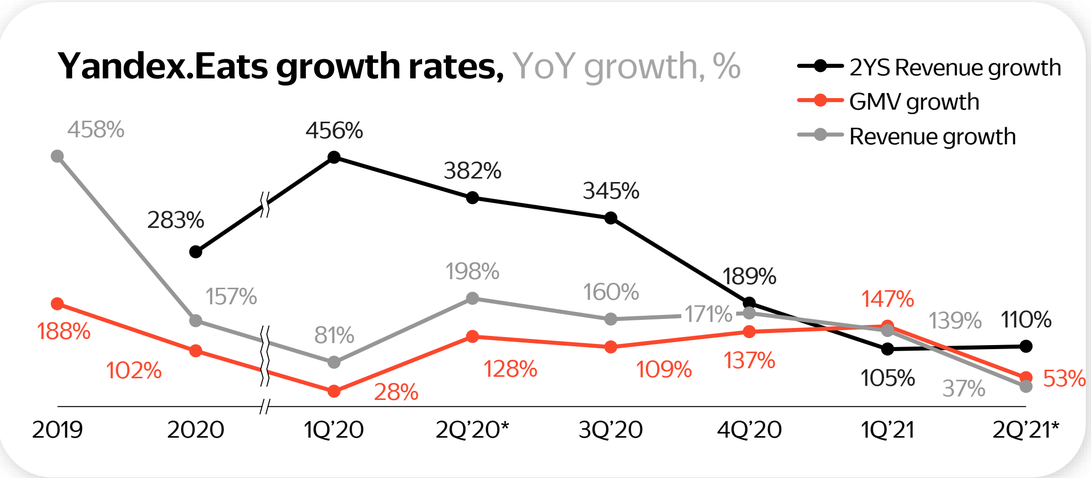
FoodTech: Food Delivery and E-grocery







Yandex.Eats

- Q2'21 share of grocery in GMV – 19%
- Q2'21 own delivery – 85% (GMV)
- Delivery from 27 grocery retail chains as of June'21
- 35 K restaurants and retail partners as of June'21

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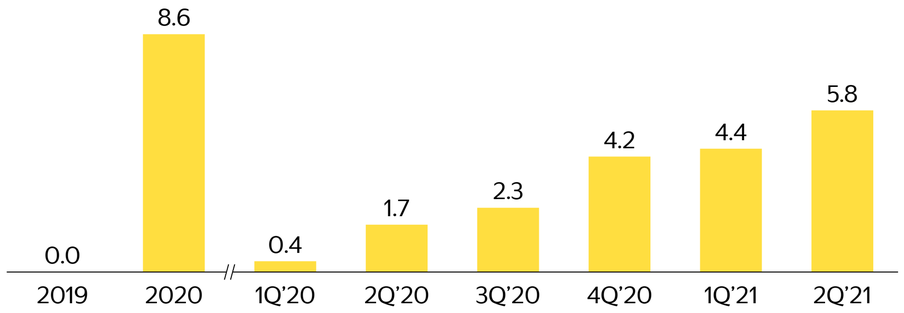
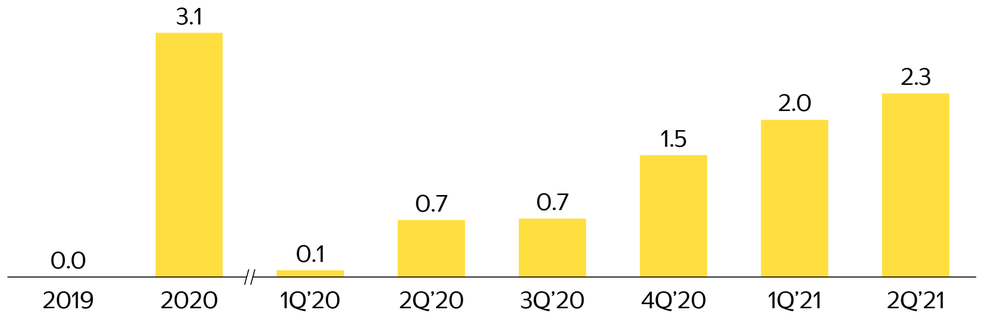
Yandex.Delivery (Logistics)

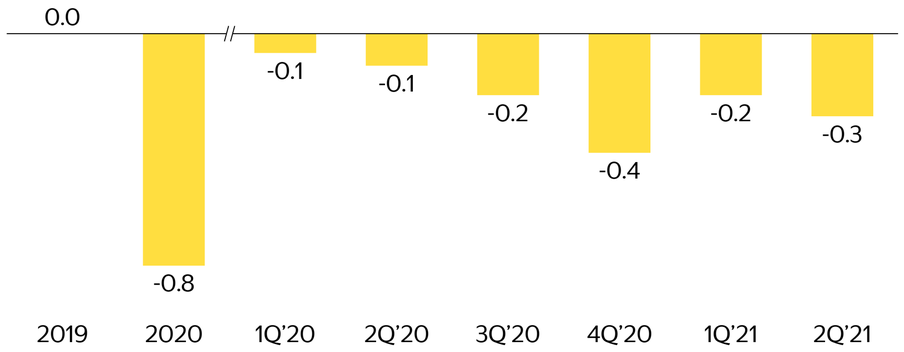
Yandex.Delivery GMV*, RUB BN



Yandex.Delivery Revenue, RUB BN



Yandex.Delivery Adj. EBITDA, RUB BN



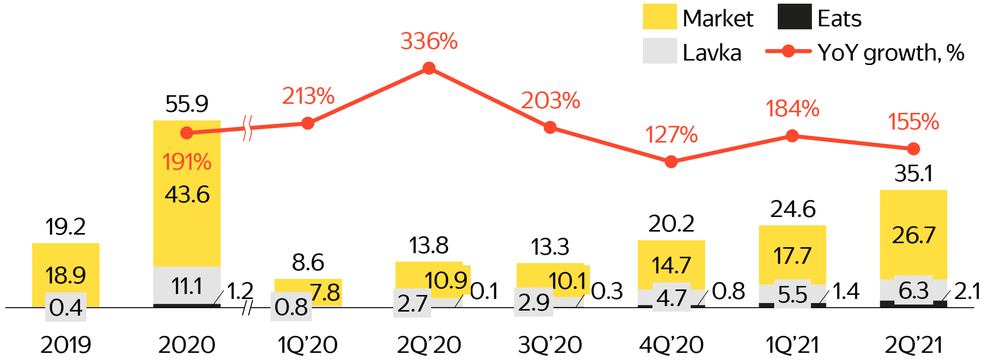
Yandex.Delivery

- Highly fragmentated market with a big potential of customer experience improvement
- A direct complementarity to other Yandex businesses
- Three on demand intracity tariffs: Courier, Delivery and Cargo
- >19.5 K active corporate partners in Jun'21
- c.17 MM deliveries in Q2'21

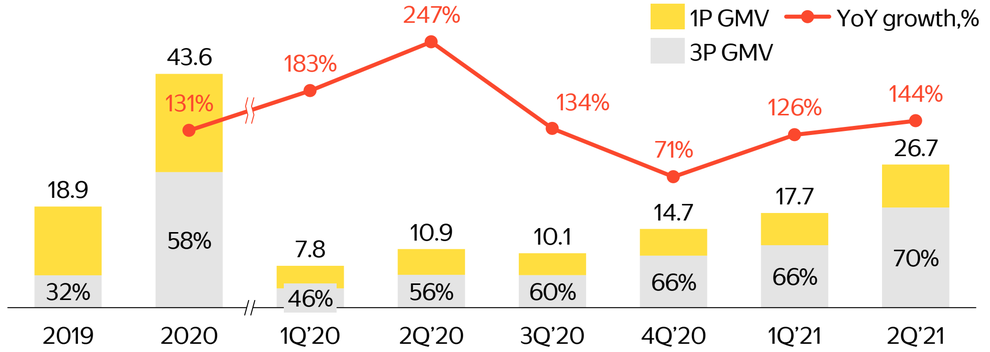
*Delivery (Logistics) GMV is defined as total transaction amounts, paid by individual users and B2B clients for a last-mile delivery service, including VAT and excluding any adjustment for consumer discounts and refunds, Partner (Driver / Courier) earnings and Partner incentives.

E-commerce

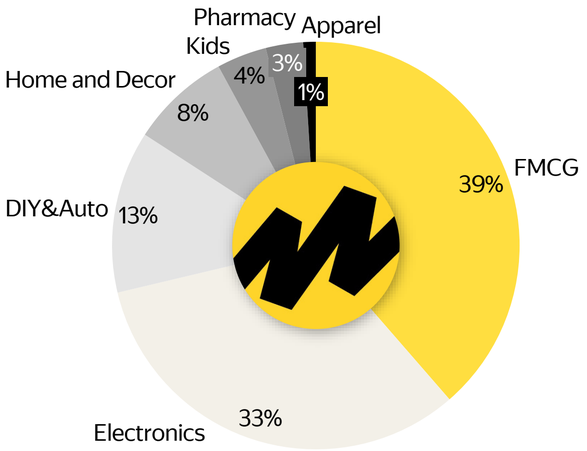
Total E-commerce GMV, RUB BN



Yandex.Market GMV, RUB BN



Total E-commerce GMV structure by category, LTM



1.8x YoY growth
in active buyers to 7.1 MM in Q2 2021

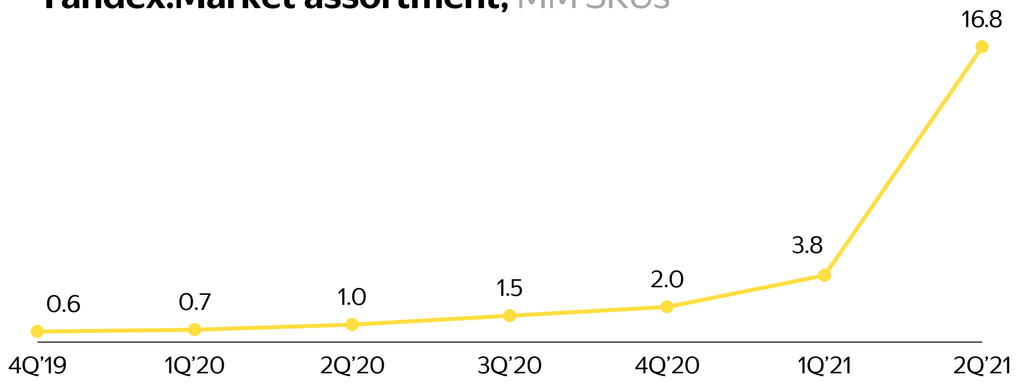
2.5x YoY growth
in active sellers to c.13K in Q2 2021

7x growth
in share of own delivery in orders to 70% in Q2 2021 from 10% in Q2 2020

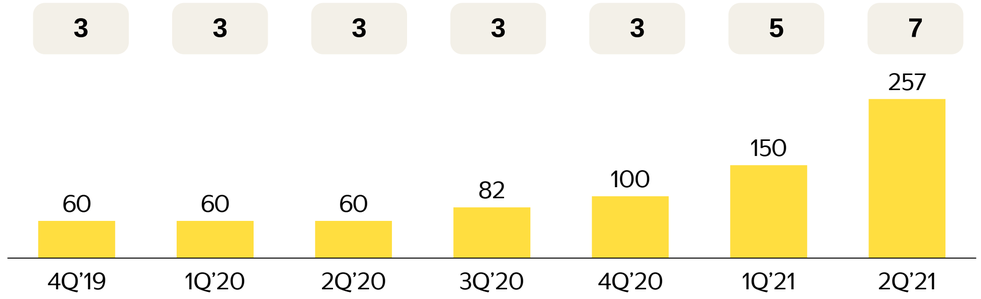
2.4x YoY growth
in orders to 6.9 MM in Q2 2021

E-commerce (Yandex.Market)

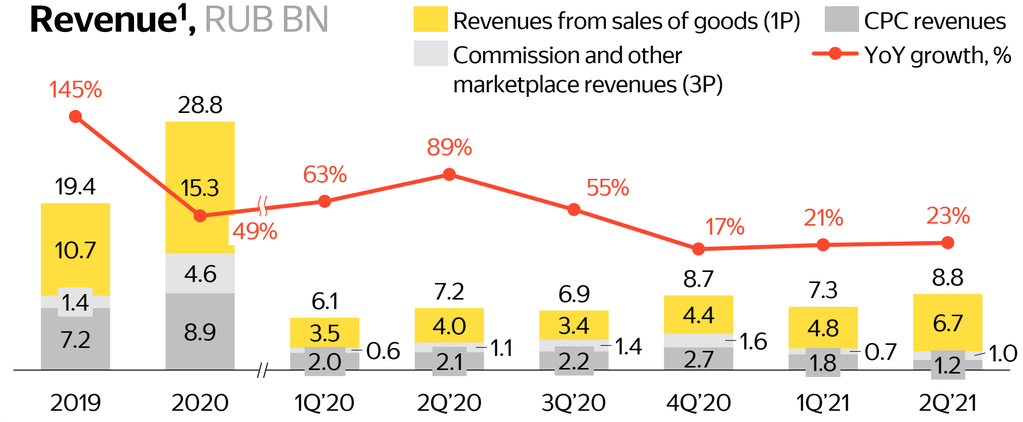
Yandex.Market assortment, MM SKUs



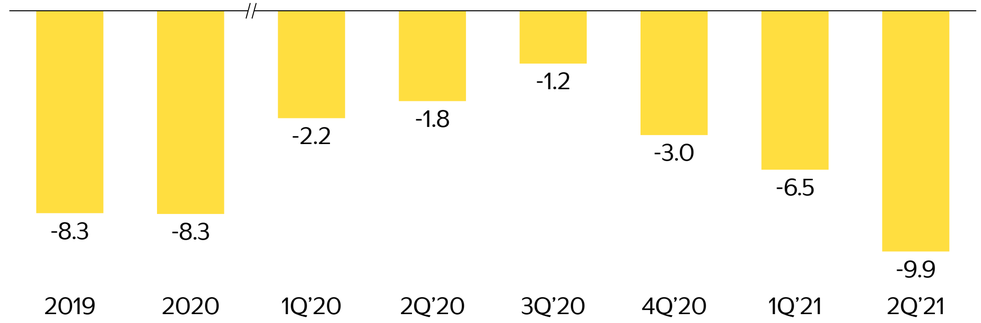
Number of warehouses and total warehouse capacity, K SQM



Revenue[1], RUB BN



Adj. EBITDA, RUB BN



Yandex.Market Revenue and Adjusted EBITDA are presented on a standalone basis. Financial results of Yandex.Market have been consolidated in Yandex's consolidated financial results since July 23, 2020. Prior to that, we recorded our share of Yandex.Market's financial results within the income/(loss) from equity method investments line in the consolidated statements of income (from April 27, 2018, when Yandex and Sberbank formed a joint venture based on the Yandex.Market platform)

[1] Revenue growth is slower than GMV growth because of growing share of 3P marketplace (which accounts not on a gross, but on a commission basis), active transition of merchants from price comparison to a marketplace as well as Yandex decision to lower base merchant commission from mid-Jan 2021

Media Services

9.5 MM
Yandex Plus subscribers in July 2021

>4 MM
KinoPoisk monthly viewing subscribers

>70 K
movies and video episodes

>65 MM
music tracks

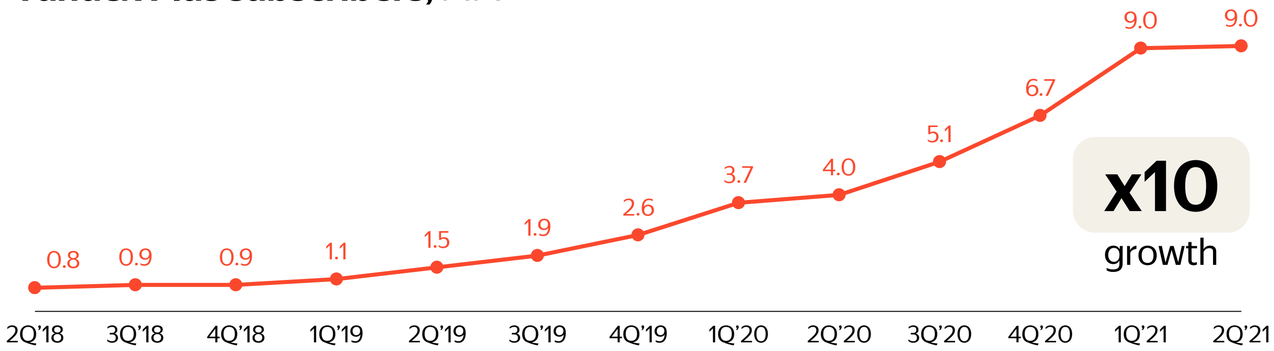
>250 K
podcast episodes

11
countries

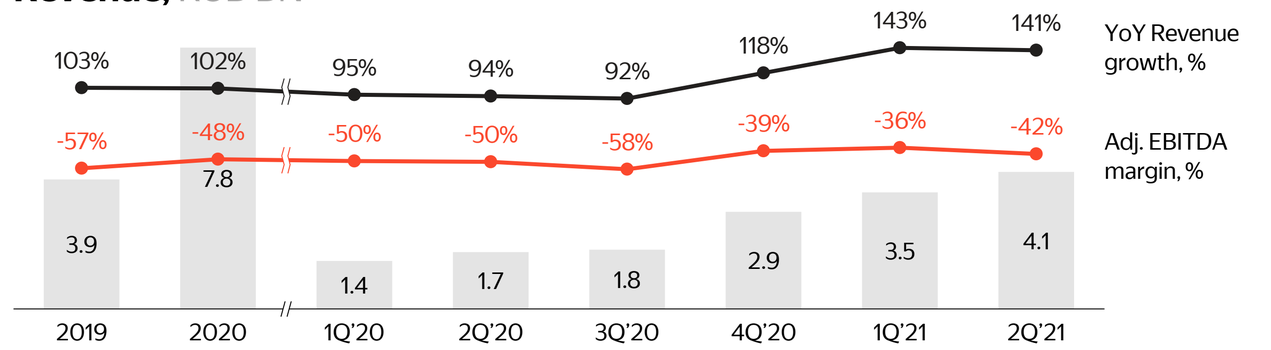
RUB 199
($2.69) for Plus

RUB 299
($4.05) for Plus Multi

Yandex Plus subscribers, MM

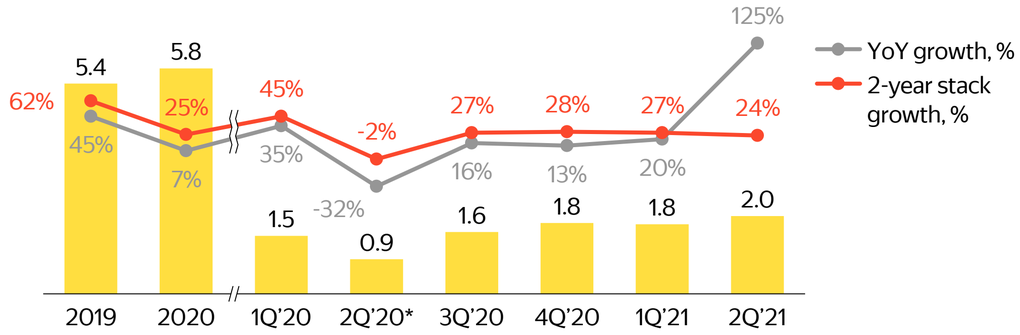


Revenue, RUB BN

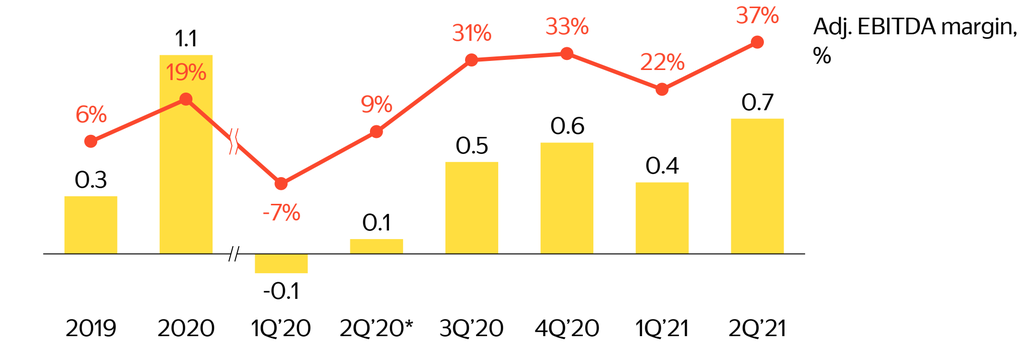


Classifieds

Revenue, RUB BN

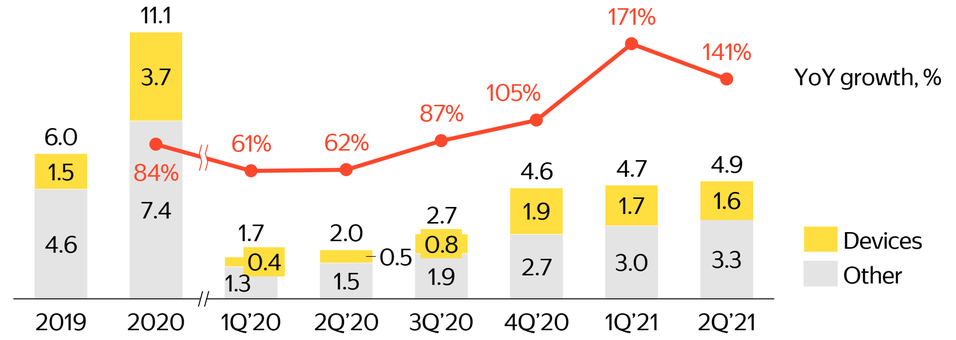


Adj. EBITDA, RUB BN

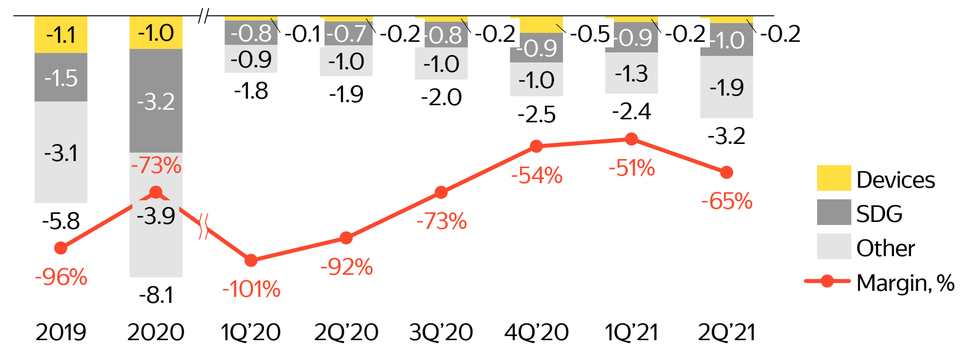


Other BUs and Initiatives

Revenue, RUB BN



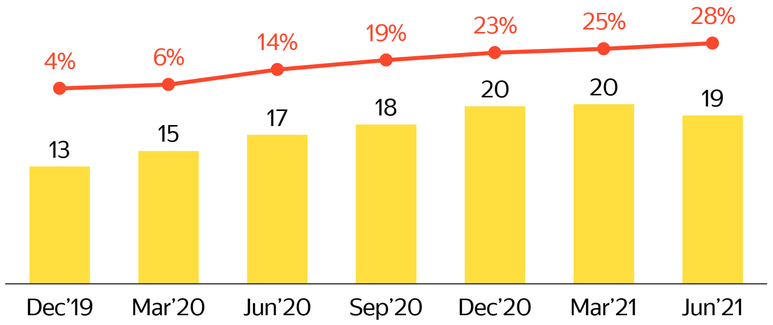
Adj. EBITDA, RUB BN



*The COVID-19 pandemic and the resulting strict lockdown measures had a material impact on our financial results and operations in Q2 2020, particularly on our advertising and mobility businesses, as well as classifieds services. The growth dynamic in Q2 2021 is therefore impacted by the base effect: low base effect for Search & Portal, Ride-Hailing, Classifieds businesses, while high base effect for E-commerce, FoodTech and Media Services.

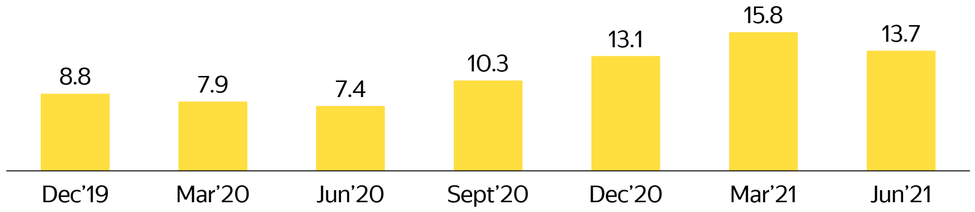
Other Business Units and Initiatives

Zen DAU, MM

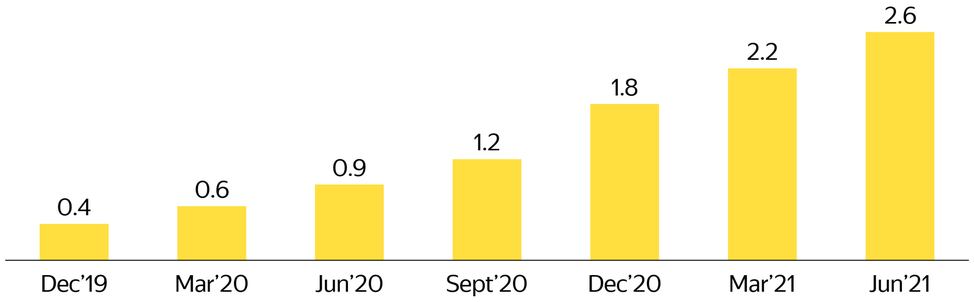


Share of video time spent, %

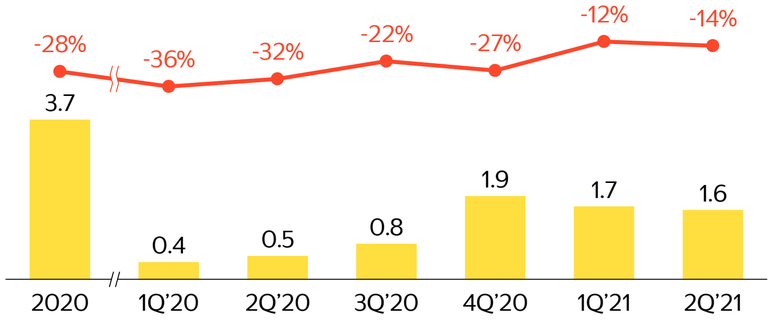
Zen run rate revenue, RUB BN



Cloud run rate revenue, RUB BN



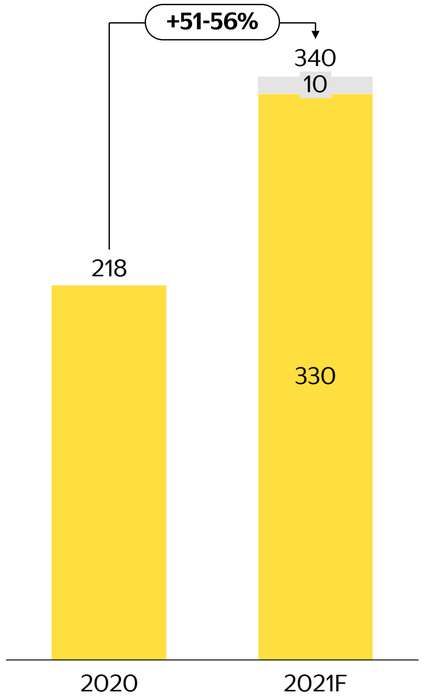
Devices Revenue, RUB BN



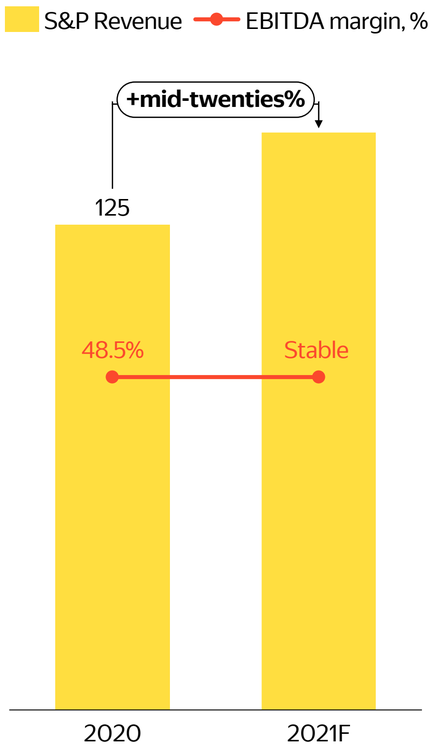
Adj. EBITDA margin, %

Guidance 2021 (upgraded)

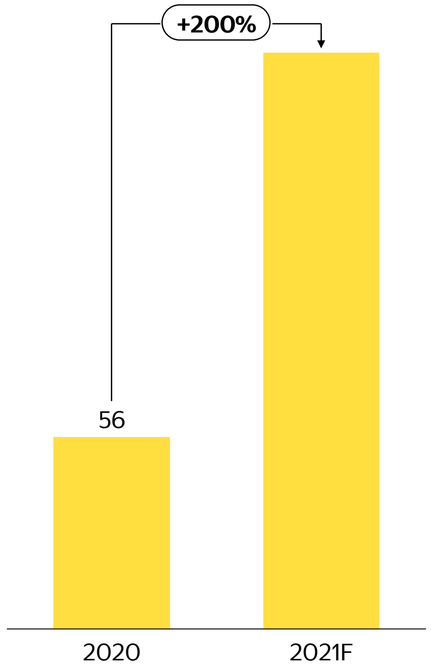
Total Group Revenue, RUB BN



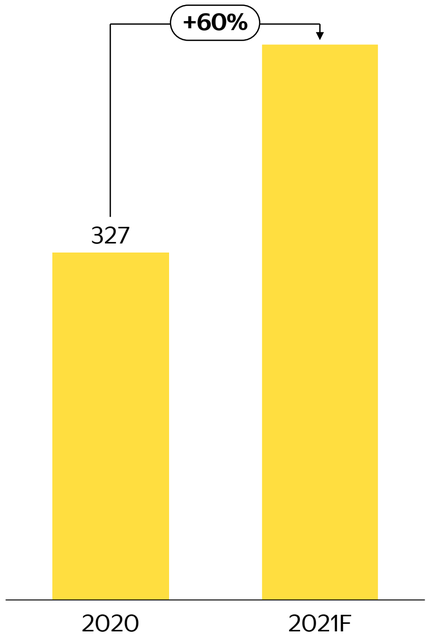
Search & Portal Revenue, RUB BN



Ecommerce* GMV, RUB BN



Ride-Hailing GMV, RUB BN



*E-Commerce GMV is defined as the value of all merchandise sold through our Yandex.Market marketplace and Yandex.Lavka as well as the value of grocery products sold through Yandex.Eats (delivered and paid for) to customers including VAT

Growth opportunities

Yandex Technologies

Yandex is a leading technology company with diversified digital ecosystem including services based on proprietary technologies that are built in-house, which is intensely competitive in relation to other players

- Information Retrieval
- Computer Vision
- Nature Language Processing
- Autonomous Drive
- Cloud computing
- Speech Processing
- Crowdsourcing platform
- Routing and navigation

Research areas

- Machine Learning
- NLP and Machine Translation
- Computational Economics
- Web Mining and Search
- Computer Vision

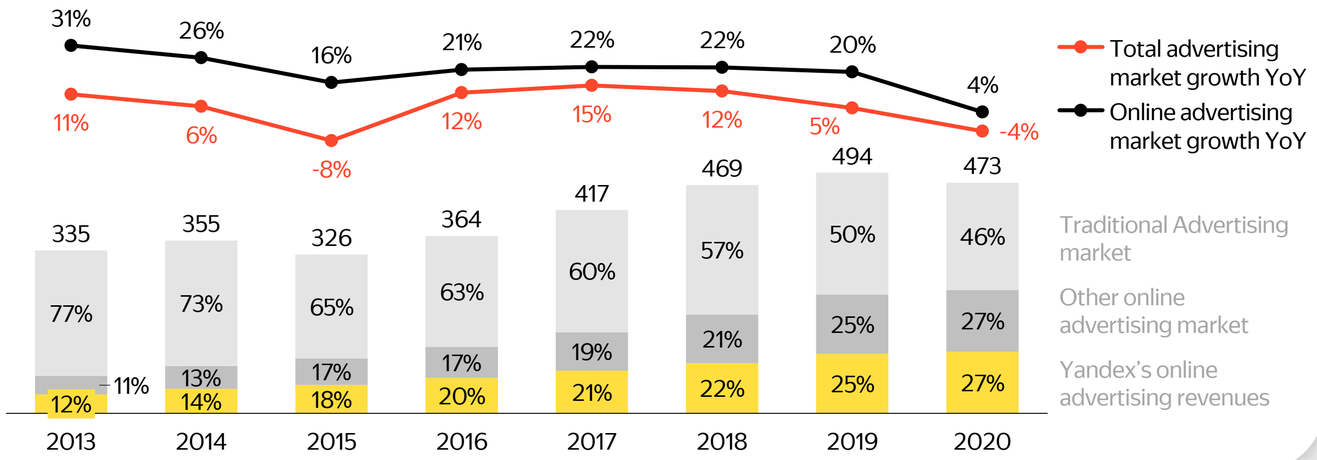
OpenSource

Clickhouse
An open-source column-oriented database management system that manages extremely large volumes of data in a stable and sustainable manner and allows generating custom data reports in real time

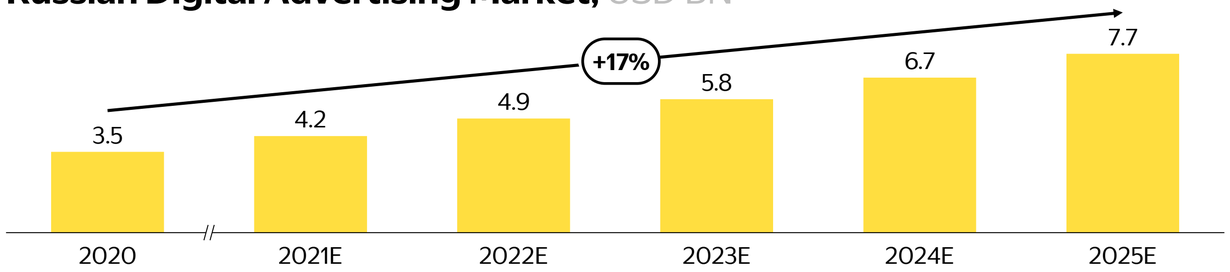
CatBoost
A universal state-of-the-art open-source gradient boosting on decision trees library, widely used within the company for ranking tasks, forecasting and making recommendations

Digital Advertising

Russian Advertising Market 2020, RUB BN, YoY Growth, %



Russian Digital Advertising Market, USD BN



Advertising

- Underpenetrated ad market (0.4% of GDP vs 0.7% globally)
- Potential for digital ad share growth of total ad market vs global peers (c.53% vs 60-70% globally)
- Yandex strategic priorities for outperformance of digital ad market:
  - Investments in advertising technologies
  - Development of simplified products for SMEs
  - Growth of search share on iOS devices

Zen

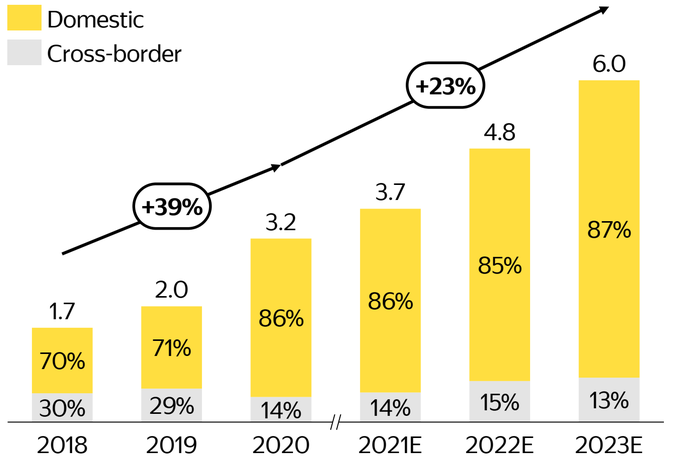
- Top-5 infotainment platform in Russia by DAU (after YouTube, VK, TikTok and Instagram) with a potential to improve to top 3
- Significant potential for video ads monetization and social commerce

Source: AKAR estimates of the Russian advertising market http://www.akarussia.ru/knowledge/market_size, IAB RUSSIA, Company estimates

E-commerce

- One of the largest retail markets in Europe
- Significant potential to increase e-commerce penetration
- Highly fragmented and fast-growing market with a material consolidation potential
- Yandex ambition – to become one of the leading e-commerce players in Russia
- Yandex E-commerce platform includes Yandex.Market marketplace, Yandex.Lavka hyperlocal e-grocery service and grocery delivery via Yandex.Eats
- 2021 guidance: up to 3x growth of total E-commerce GMV

E-Commerce in Russia, RUB TRLN



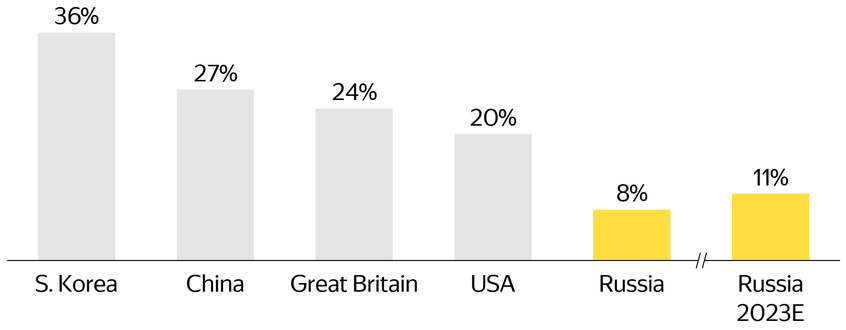
CAGR 2020-2023

+23% Domestic

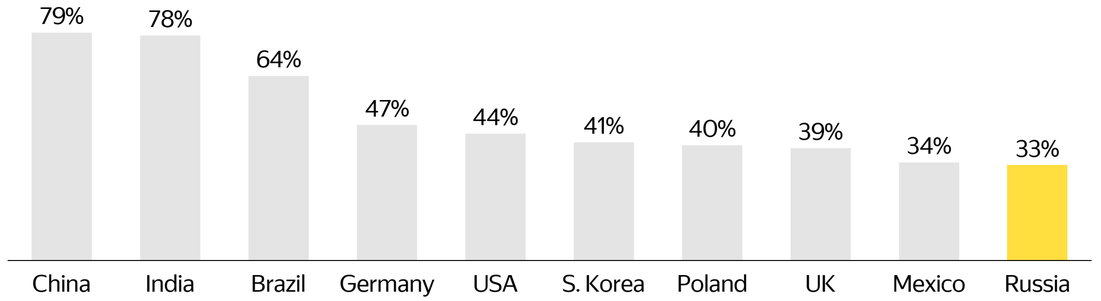
+21% Cross-border

+23% Total

E-Commerce penetration by country, 2020



Market share of top-3 players, 2020

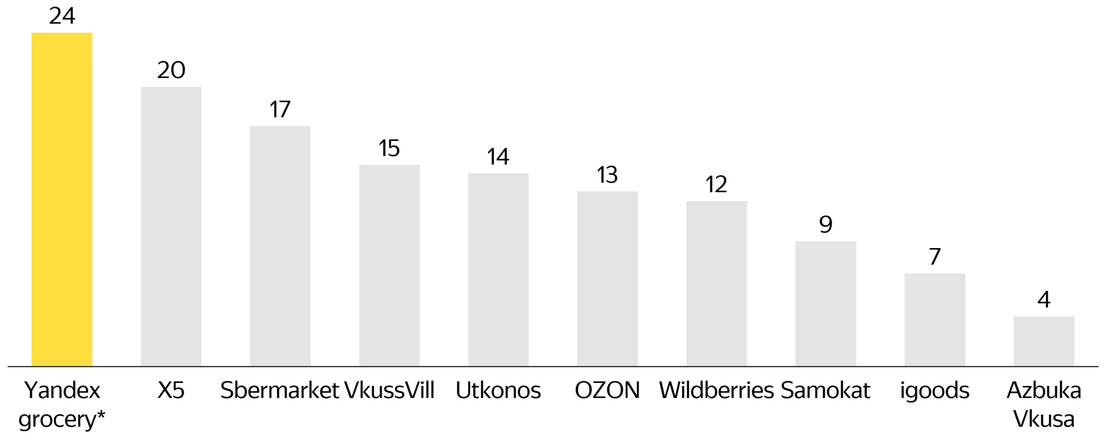


Source: eMarketer, ONS, Digital Commerce 360, AKIT, Rosstat, Company estimates, Euromonitor

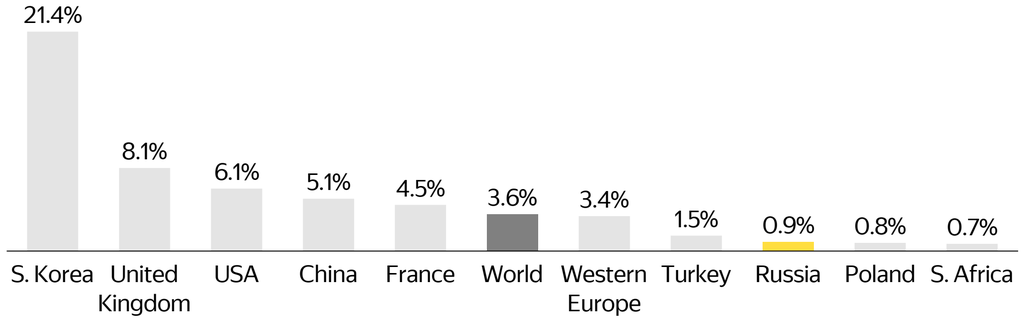
E-grocery

- Grocery / FMCG market has low online penetration (<2% in 2021), which implies significant upside potential
- FMCG is expected to make 2nd largest contribution to the E-commerce market growth (after fashion)
- Yandex E-Grocery portfolio consists of FMCG goods sold on Yandex.Market, hyperlocal e-grocery darkstores of Yandex.Lavka, marketplace grocery delivery of Yandex.Eats
- Yandex has #1 position in e-grocery market based on combined FMCG GMV of Market, Lavka and e-grocery in Eats

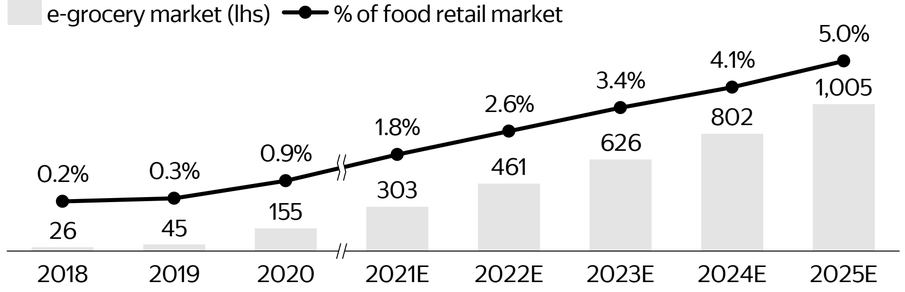
Grocery GMV by market players 2020, RUB BN



Food & Drink eCommerce as % Food Retail



eGrocery market and penetration, RUB BN, %



*FMCG part of Yandex.Market, grocery part of Yandex.Eats and Yandex.Lavka
Source: Euromonitor, Goldman Sachs Global Investment Research

Source: Infoline, Goldman Sachs Global Investment Research

Ride-Hailing

30 MM
MAU in June 2021
across all geographies

>0.5 TN
RUB (~$7 BN[1]) GMV
(+60% YoY in FY 2021)

17
countries

22%
of total economically active population in Russia
uses Yandex.Taxi at least once per month

Shared Transportation Market

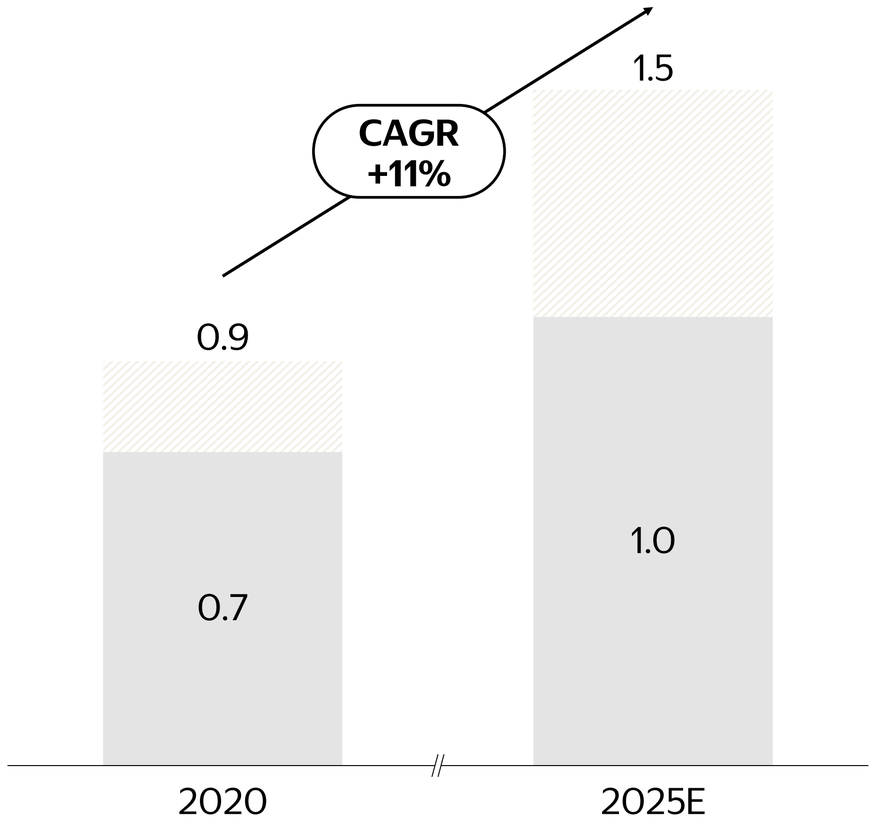
- Has become a habitual mobility service for millions of users
- Expected to grow to 1.5 TN RUB (>$200 BN) in 2025

Yandex Ride-Hailing

- Well positioned to facilitate the market growth
- Profitable since at the end of 2018, including overheads costs
- In 1H'21 Adj. EBITDA was up 174% YoY, while Adj. EBITDA margin reached 4.2% of GMV, making us the most efficient ride-sharing company globally

Shared Transportation Market in Russia to be 1-1.5 RUB TN in 2025

Shared Transportation Market in Russia, RUB TN



Source: Analysts' consensus estimates

1 Translated using an exchange rate of RUB 72.3723 to $1.00 as of June 30, 2021

Food Delivery

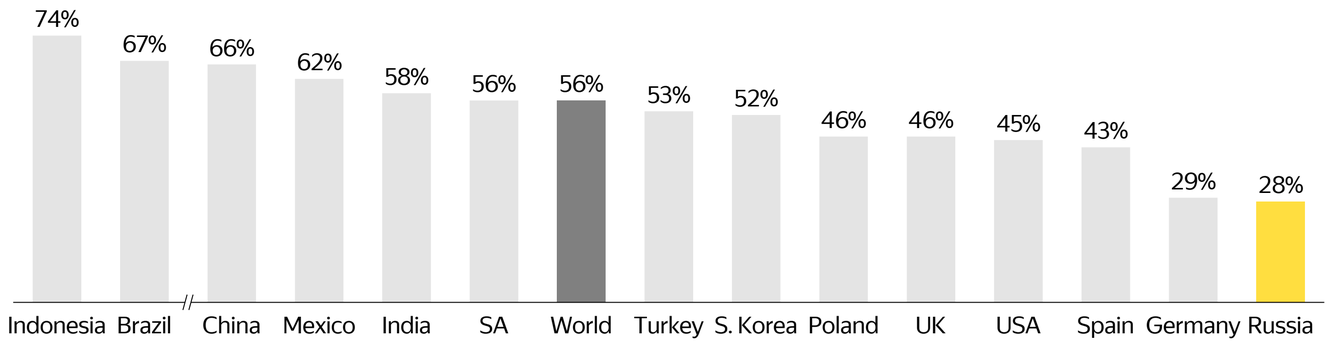
RUB 258 BN ($3.5 BN)
online TAM in Russia in 2020

RUB 500 BN ($6.8 BN)
online TAM in Russia by 2025E

14%
Online TAM CAGR 2020-2025E

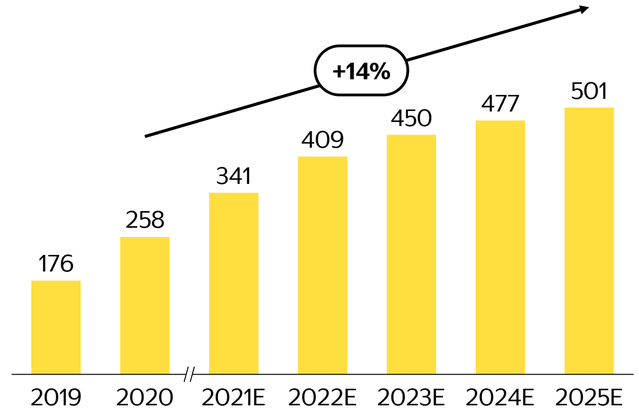
Potential for penetration increase:
28% in Russia vs 56% globally

% of internet users who have used an online service to order food for delivery in the past month (Jan-21)[3], aged 16-24



Source: RBC, Company data, Goldman Sachs Global Investment Research

Food delivery market, RUB BN



Source: RBC, Company data, Goldman Sachs Global Investment Research

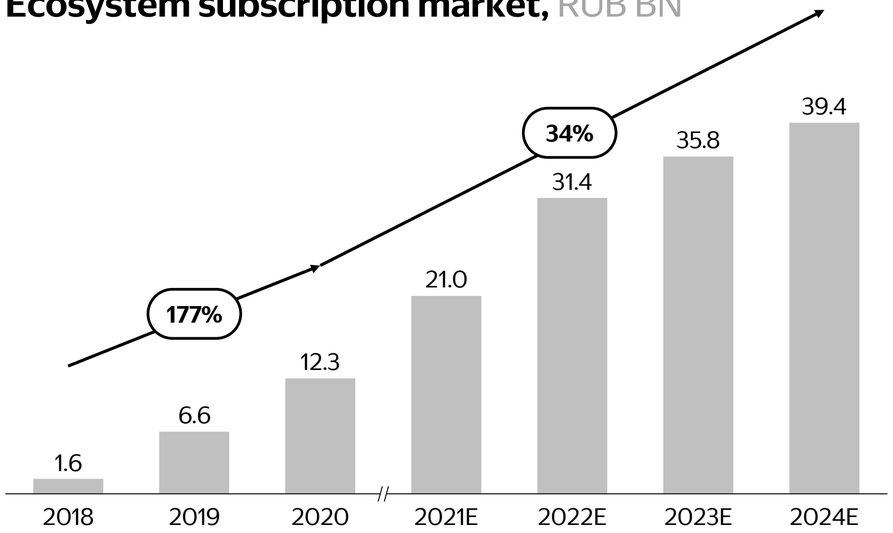
Yandex Plus subscription

Yandex Plus

- Attractive value proposition: bundled subscription on leading music and video streaming services at a competitive price
- The largest subscriber base in Russia with a significant growth potential
- An effective mechanism to improve customer retention, cross-service usage and customer acquisition costs within Yandex ecosystem
- Yandex Plus subscribers spend more and transact more often in our services vs. non-Plus subscribers

For more details see https://ir.yandex/faq

Ecosystem subscription market, RUB BN



Source: J'son & Partners Consulting

VS

9.5 MM
Yandex.Plus subscribers in July 2021

30 MM
MAU in Yandex's key transacting services

>50% of GMV
in E-commerce (Market, Lavka, Eats) is generated by Plus subscribers

Yandex.Plus subscribers generate
30-70% higher
GMV in Yandex's key transactional services vs non-Plus customers

Media Services: KinoPoisk and Yandex Music

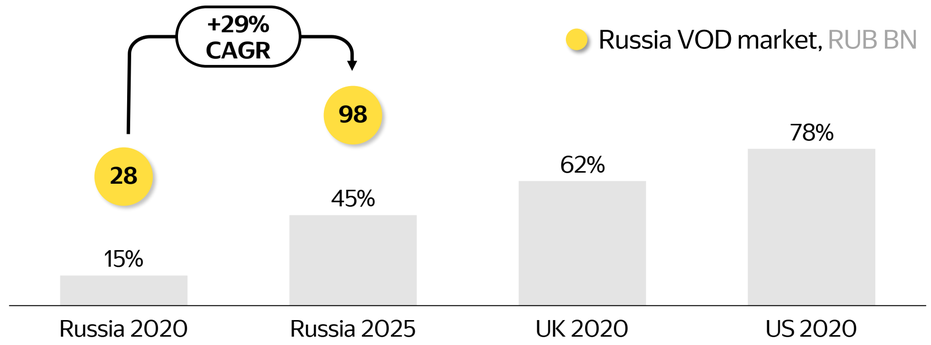
KinoPoisk

- Underpenetrated and fragmented Video-on-demand (VOD) market with material growth potential in Russia
- Yandex is well positioned with KinoPoisk as the leader with over 4mn monthly viewing subscribers
- Investments in original and exclusive content create differentiated offering / competitive advantage vs. peers

Yandex.Music

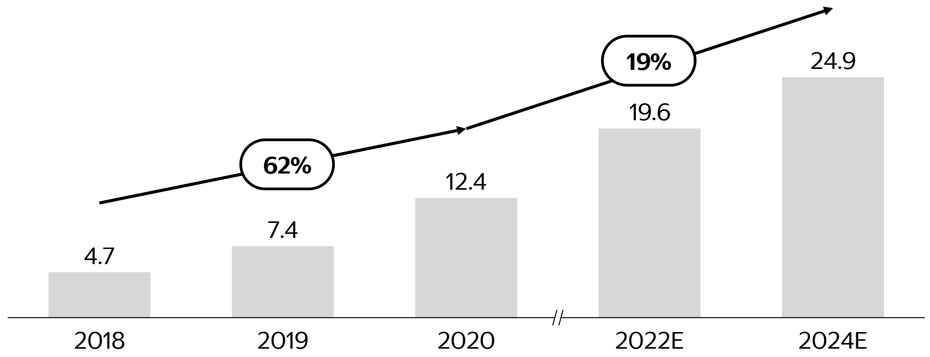
- Leading music streaming service on the underpenetrated market in Russia
- More than 3x growth YoY in listening on Yandex.Station
- Key differentiating points: efficient personal recommendation algorithms, focus on podcasts (including exclusive), development of children's content in a partnership with Disney as well as inclusion into a bundled Yandex.Plus subscription

VOD household penetration by country



Source: TMT Consulting, Goldman Sachs Global Investment Research, LRG, Broadcasters Audience Research Board, Euromonitor

Music streaming market in Russia, RUB BN



Source: J'son & Partners Consulting, PWC

Cloud

- Underpenetrated Russian market: 0.06% of GDP which is 2x lower than China, 2.5x lower than Brazil, 3x lower than UK and 5.4x lower than US
- Key enablers of future growth: accelerating digitalization across industrial companies and a large technical talent pool
- Yandex.Cloud is the only cloud provider in Russia with a full-fledged scalable in-house infrastructure (combining data centers, hardware and software capabilities) and is also the most certified cloud platform in Russia (in early 2021 received the highest level of compliance with the legislation of personal data)
- Yandex.Cloud enjoys >3x revenue growth driven by increasing number of customers as well as higher average check per each customer

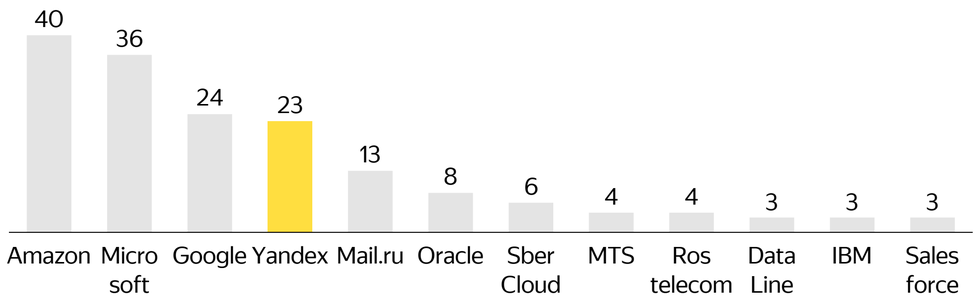
+227%

YoY growth of revenues in Q2'21

>12 K

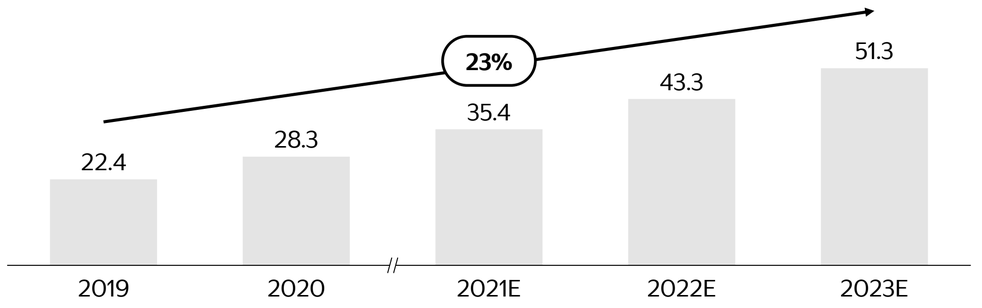
monthly paid users
(+60% YoY growth in Q2'21)

Awareness of cloud providers based on a survey,
number of respondents



Source: PWC

IaaS and PaaS market in Russia, RUB BN



Source: IDC

Yandex.SDG: Among Global Leaders in Autonomous Vehicle technology

13 MM km driven in autonomous mode[1]

Operating in **all weather** conditions with testing in Russia, Israel and US

Launched 1st European robo-taxi in August 2018

Over 18 K passenger rides[3] with no one behind the wheel (a safety engineer on the passenger seat) in Innopolis

Over 18 K commercial deliveries conducted with Rovers since launch[2]

Fleet of **170+ vehicles** **400+** engineers

Signed **partnership** with **Grubhub** to automate last-mile delivery in the US campuses

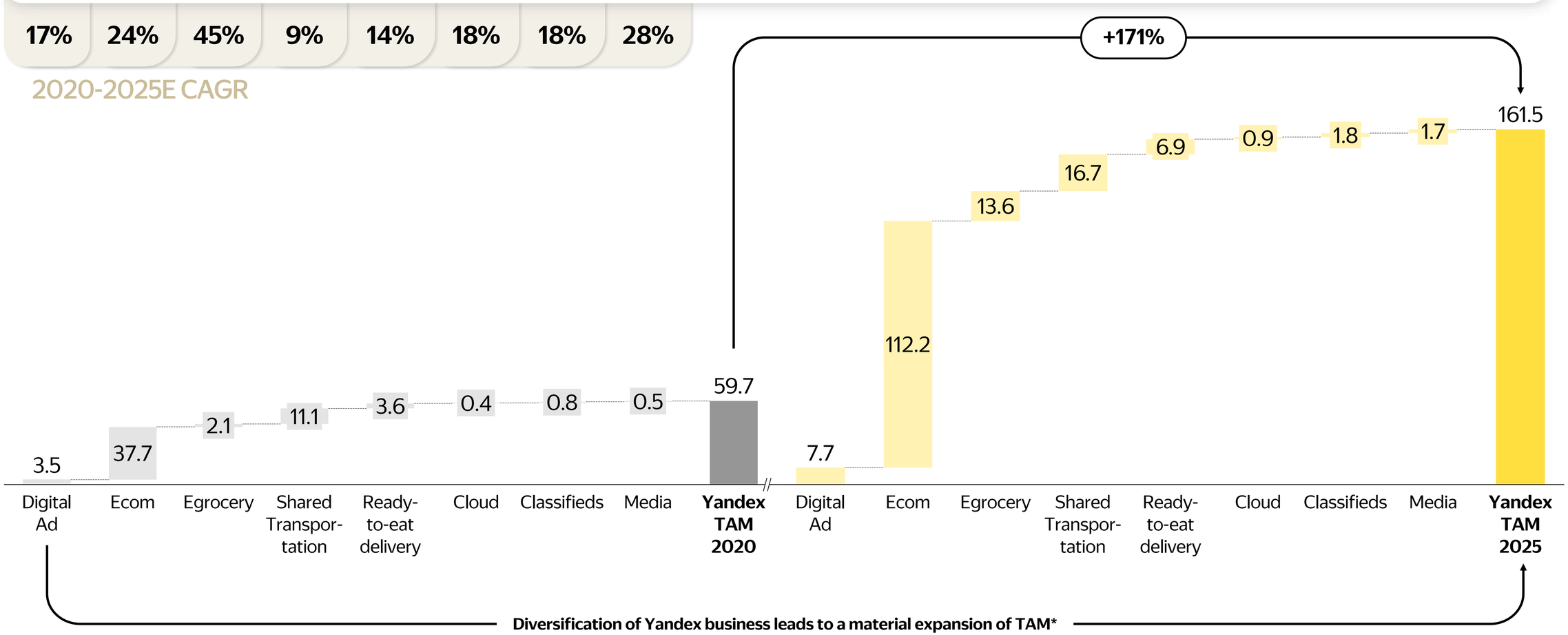
Huge benefits from **Yandex leading IT infrastructure** and unmatched consumer reach

Source: Company data
[1] Since launch in January 2017 and till Jul'21; [2] Started with Yandex.Eats and Yandex.Lavka in Nov'20; [3] Non-commercial rides in Innopolis, according to the Company

Yandex Total Addressable Market

Yandex exposed to large TAM and major fast-growing segments

TAM 2020 – TAM 2025E, USD BN

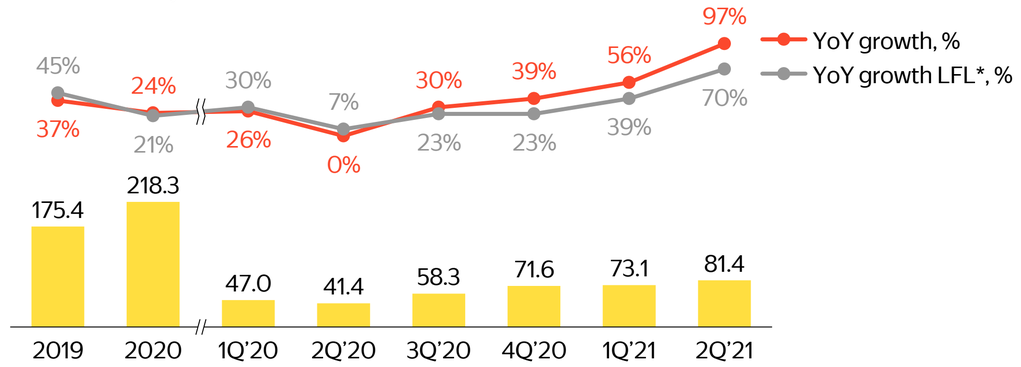


Source: Goldman Sachs estimates, AKAR, Euromonitor, AKIT, IDC, Analysts' consensus estimates. PWC, J'son&Partners Consulting, RBC, Company's internal estimates, TMT Consulting
*The presented analysis of Yandex's TAM does not include Autonomous Vehicles, FinTech and other emerging initiatives and experiments. Cloud market includes IaaS and PaaS. Media Services market includes Video-on-demand and Music streaming markets.

Appendix

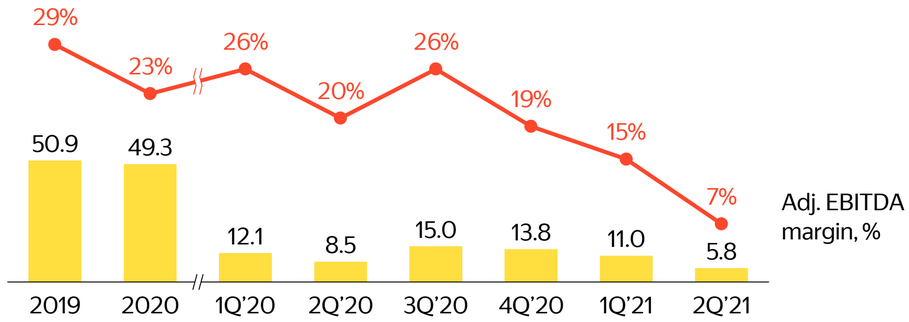
Financial Summary

Revenues, RUB BN

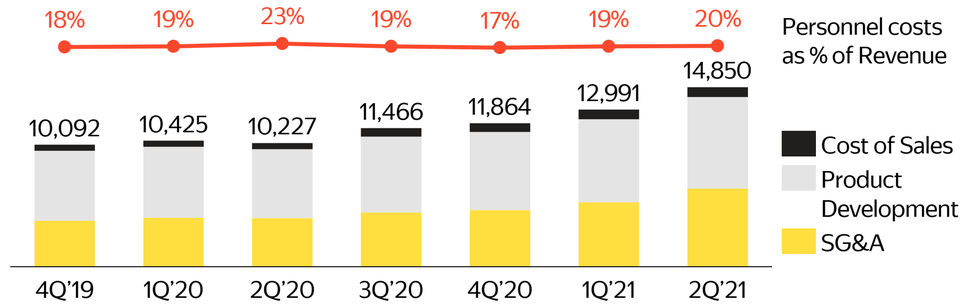


*Like-for-like basis including Yandex.Market from Q3 2020

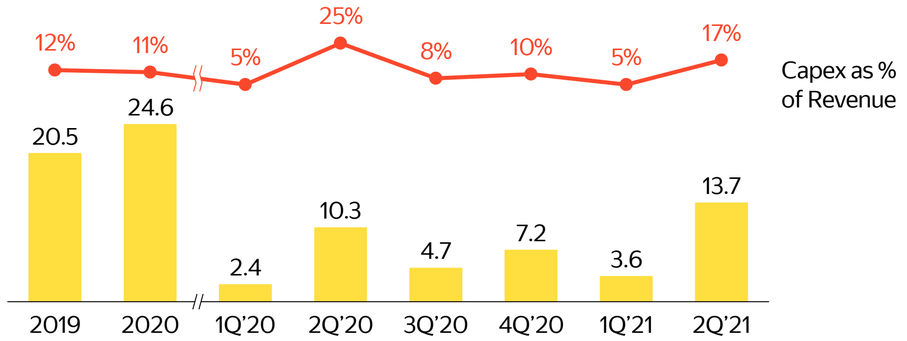
Adj. EBITDA, RUB BN



Headcount[1] by GAAP Cost Category[2]



Capex, RUB BN



Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. 1 As of the end of the period; 2 Items may not total 100% due to rounding
Note: Capex primarily relates to servers and data center equipment. Capex is not evenly spread across the quarters and depends on the delivery date of equipment.

Quarterly Financial Summary by Segment

Revenues, RUB MM

% Revenue growth, YoY

	Q2'20		Q3'20		Q4'20		FY'20		Q1'21		Q2'21	
Search & Portal	25,554	-13%	32,072	2%	36,648	6%	124,810	2%	35,145	15%	39,419	54%
Taxi Group (MLU)	13,131	24%	18,552	58%	22,251	54%	67,955	49%	26,563	89%	28,120	114%
Mobility	8,475	-13%	13,697	26%	14,828	12%	49,243	17%	18,054	47%	18,526	119%
Ride-hailing	7,789	-3%	10,985	25%	12,304	15%	40,719	18%	15,581	62%	15,445	98%
Drive	686	-61%	2,712	28%	2,524	-1%	8,525	13%	2,473	-5%	3,081	349%
Yandex.Delivery (Logistics)	720	n/m	739	n/m	1,539	n/m	3,083	n/m	1,985	n/m	2,318	222%
FoodTech	4,203	440%	4,396	403%	6,371	403%	16,663	365%	7,086	319%	8,105	93%
Eliminations	(267)	n/m	(280)	n/m	(487)	n/m	(1,034)	n/m	(562)	n/m	(829)	210%
Yandex.Market	-	-	5,208	n/m	8,659	n/m	13,867	n/m	7,344	n/m	8,828	n/m
Media Services	1,700	94%	1,774	92%	2,901	118%	7,808	102%	3,486	143%	4,094	141%
Classifieds	886	-32%	1,586	16%	1,818	13%	5,778	7%	1,783	20%	1,995	125%
Other Business Units and Initiatives	2,037	62%	2,703	87%	4,620	105%	11,105	84%	4,730	171%	4,898	140%
Eliminations	(1,901)	-1%	(3,560)	74%	(5,298)	102%	(12,979)	56%	(5,915)	166%	(5,952)	213%
Total Revenues	**41,407**	**0%**	**58,335**	**30%**	**71,599**	**39%**	**218,344**	**24%**	**73,136**	**56%**	**81,402**	**97%**

Our segments structure includes

- The Search and Portal segment includes Search, Geo, Mail 360, Weather, News, Travel, Alice voice assistant and a number of other services offered in Russia, Belarus and Kazakhstan
- The Taxi segment includes our mobility businesses, which consists of Ride-hailing business (including Yandex.Taxi in Russia and 16 other countries across CIS and EMEA, and Uber in Russia and CIS) for both B2C and B2B, and Yandex.Drive, our car-sharing business; Yandex.Delivery (Logistics), our shipping and logistics service provider, and FoodTech businesses (including Yandex.Eats, our ready-to-eat and grocery delivery service, and Yandex.Lavka, our hyperlocal convenience store delivery service)
- The Yandex.Market segment includes our price comparison service, marketplace and several small experiments
- The Media Services segment includes our subscription service Yandex Plus, Yandex.Music, KinoPoisk, Yandex.Afisha and our production center Yandex.Studio
- The Classifieds segment includes Auto.ru, Yandex.Realty, Yandex.Jobs, and Yandex Classifieds
- The Other Business Units and Initiatives segment includes our self-driving vehicles business ("Yandex SDG"), Zen, Yandex.Cloud, Yandex.Education, Devices, and Yandex.Uslugi ("Services"), as well as several other experiments
- Eliminations related to our revenues represent the elimination of transactions between the reportable segments, including advertising revenues, intercompany revenues related to brand royalties, virtual servers, logistics service, devices intercompany sales and others

Quarterly Financial Summary by Segment (continued)

Adj. EBITDA, RUB MM

% Adj. EBITDA Margin

	Q2'20		Q3'20		Q4'20		FY'20		Q1'21		Q2'21	
Search & Portal	10,991	43%	16,745	52%	18,044	49%	60,522	48%	16,959	48%	18,226	46%
Taxi Group	51	0%	1,740	9%	1,767	8%	3,437	5%	3,741	14%	1,568	6%
Mobility	925	11%	2,901	21%	3,339	23%	8,115	16%	5,840	32%	4,901	26%
Ride-hailing	1,872	24%	2,830	26%	3,247	26%	9,892	24%	5,732	37%	4,706	30%
Drive	(947)	-138%	71	3%	92	4%	(1,777)	-21%	108	4%	195	6%
Yandex.Delivery (Logistics)	(116)	-16%	(222)	-30%	(429)	-28%	(837)	-27%	(222)	-11%	(279)	-12%
FoodTech	(758)	-18%	(939)	-21%	(1,143)	-18%	(3,842)	-23%	(1,877)	-26%	(3,054)	-38%
Yandex.Market	-	-	(1,077)	-21%	(3,036)	-35%	(4,113)	-30%	(6,488)	-88%	(9,918)	-112%
Media Services	(857)	-50%	(1,028)	-58%	(1,141)	-39%	(3,736)	-48%	(1,257)	-36%	(1,732)	-42%
Classifieds	80	9%	495	31%	599	33%	1,070	19%	385	22%	728	37%
Other Business Units and Initiatives	(1,870)	-92%	(1,972)	-73%	(2,494)	-54%	(8,100)	-73%	(2,410)	-51%	(3,169)	-65%
Eliminations	76	-4%	81	-2%	29	-1%	268	-2%	91	-2%	77	-1%
Total Adj. EBITDA	**8,471**	**20%**	**14,984**	**26%**	**13,768**	**19%**	**49,348**	**23%**	**11,021**	**15%**	**5,780**	**7%**

Our segments structure includes

- The Search and Portal segment includes Search, Geo, Mail 360, Weather, News, Travel, Alice voice assistant and a number of other services offered in Russia, Belarus and Kazakhstan
- The Taxi segment includes our mobility businesses, which consists of Ride-hailing business (including Yandex.Taxi in Russia and 16 other countries across CIS and EMEA, and Uber in Russia and CIS) for both B2C and B2B, and Yandex.Drive, our car-sharing business; Yandex.Delivery (Logistics), our shipping and logistics service provider, and FoodTech businesses (including Yandex.Eats, our ready-to-eat and grocery delivery service, and Yandex.Lavka, our hyperlocal convenience store delivery service)
- The Yandex.Market segment includes our price comparison service, marketplace and several small experiments
- The Media Services segment includes our subscription service Yandex Plus, Yandex.Music, KinoPoisk, Yandex.Afisha and our production center Yandex.Studio
- The Classifieds segment includes Auto.ru, Yandex.Realty, Yandex.Jobs, and Yandex Classifieds
- The Other Business Units and Initiatives segment includes our self-driving vehicles business ("Yandex SDG"), Zen, Yandex.Cloud, Yandex.Education, Devices, and Yandex.Uslugi ("Services"), as well as several other experiments

Costs, RUB MM

Costs, RUB MM

		Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21
Cost of Sales (COS)	TAC	5,359	4,155	4,516	5,916	19,946	5,401	6,231
	COS ex-SBC, ex-TAC	10,800	11,619	17,514	25,406	65,339	28,517	35,417
	SBC related to COS	76	138	111	124	449	124	126
	Total Cost of Sales	**16,235**	**15,912**	**22,141**	**31,446**	**85,734**	**34,042**	**41,774**
	Total COS as % of Revenue	35%	38%	38%	44%	39%	47%	51%
Product Development (PD)	PD ex-SBC	6,246	6,372	7,077	7,428	27,123	7,567	8,642
	SBC related to PD	1,682	2,598	2,337	2,599	9,216	3,442	2,592
	Total PD	**7,928**	**8,970**	**9,414**	**10,027**	**36,339**	**11,009**	**11,234**
	PD as % of Revenue	17%	22%	16%	14%	17%	15%	14%
SG&A	SG&A expense ex-SBC	12,648	10,884	14,237	19,081	56,850	20,857	25,332
	SBC related to SG&A	993	1,473	1,505	2,092	6,063	2,238	2,144
	Total SG&A	**13,641**	**12,357**	**15,742**	**21,173**	**62,913**	**23,095**	**27,476**
	SG&A as % of Revenue	29%	30%	27%	30%	29%	32%	34%
	Depreciation & Amortization (D&A)	**4,010**	**4,052**	**4,780**	**4,845**	**17,687**	**5,257**	**5,641**
	D&A as % of Revenue	9%	10%	8%	7%	8%	7%	7%
	Goodwill Impairment	-	-	-	-	-	-	-
	Total Costs	**41,814**	**41,291**	**52,077**	**67,491**	**202,673**	**73,403**	**86,125**
	Total Costs as % of Revenue	89%	100%	89%	94%	93%	100%	106%

* Items may not total 100% due to rounding

Sustainability

Yandex Sustainability Agenda

Using tech & innovation to bring value to users and local markets

Quality of Life

- (F) Convenience, Quality and Safety of Services
- (N) Accessible Environment

Ethics and Integrity

- (F) Information Security and Data Privacy
- (F) Responsible Procurement
- (F) Content Quality
- (F) Anti-Corruption and Antitrust Practices

Environmental Impact

- (F) Energy Efficiency of Yandex Infrastructure
- (N) Waste Management
- (N) Carbon Footprint

Investing in People

- (F) Yandex Employees
- (N) Education for All
- (N) Yandex Service Partners

(F) The foundations (N) Relatively new streams

Sustainable development streams

- Business foundations that ensure stable business growth and are long-lasting priorities (8 streams)
- Relatively new priorities reflecting high-potential areas to make an impact and/or improve performance (5 streams)

Each of the streams...

- Is aligned with business priorities
- Is supported by clear goals and performance indicators to track progress
- Addresses stakeholder expectations derived via surveying and feedback sessions

More detailed information about our sustainability agenda is available in 2020 Sustainability Report

2020 Sustainability Highlights

Environmental Responsibility

Lower by 21%
the average PUE of Yandex data centers compared to the average global PUE[1]

Only 10%
of each watt of energy consumed by Yandex's newest data centers is used for non-computing related tasks (e.g. powering equipment)

This is 6 times
more efficient the global average

92% and 15%
of all packaging used by Yandex.Market and Yandex.Lavka, respectively, was made from recycled or secondary raw

67%
of waste generated by Yandex.Market in 2019-2020 was recycled or reused

Employees

>1/3
women in our workforce

1/3
women among managers

4.5%
undesirable turnover

>50%
of Yandex employees participated in the Equity Incentive Plan

3-5%
is the gender pay gap among developers based on the most common job levels (the imbalance favors women for some job levels)

Yandex Service Partners

RUB 300 BN
were earned by drivers from completing rides as Yandex.Taxi partners

Education for All

>2 MM people
have studied through Yandex's free education programs

Helping Hand

>400,000
the rides offered to

12,000
doctors and medical workers during the pandemic

70 charitable foundations
granted free access to Yandex services for business[2]

1 PUE (Power Utilization Efficiency) is the ratio of the total power consumption of a data center to the energy delivered to computing equipment. The average PUE (power usage effectiveness) of Yandex data centers in 2020 was 1.25. According to the Uptime Institute's 2020 Data Center Industry Survey Results , the average PUE of data centers in Russia is 1.6, in the world — 1.59, and in Europe — 1.46.
2 As of March 2021

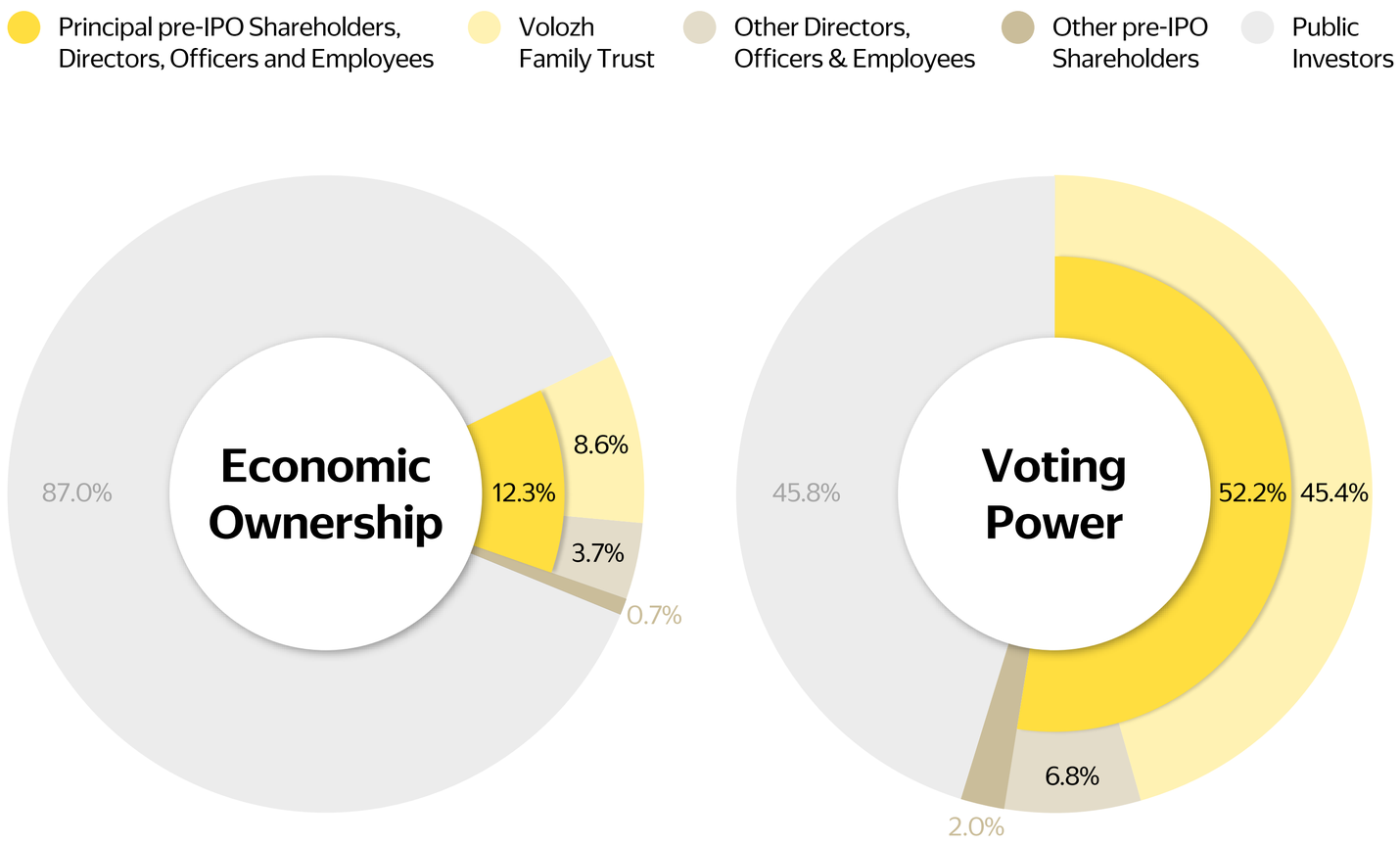
Corporate Governance

Ownership Structure as of June 30, 2021

Total shares issued, including

- **321,681,669** Class A shares
- **35,698,674** Class B shares
- One Priority share
- Excluding **1,058,810** Class A shares held in treasury as a result of Yandex's share repurchase program

Shareholder Structure



Composition of the Board of Directors

	Director or Executive Officer Since	End of Current Term of Office	Committee Membership: Audit Committee	Compensation Committee	Nominating Committee	Investment Committee	Corporate Governance Committee	Public Interest Committee
I NE John Boynton Chairman since 2016	2000	2025					■	
E Arkady Volozh	2000	2024						■
E Tigran Khudaverdyan	2019	2022						
I NE Charles Ryan	2011	2022				■		
I NE Alexander Voloshin	2010	2022						
I NE Rogier Rijnja	2013	2022		■				
I NE Esther Dyson	2006	2025			■			
I NE Ilya Strebulaev	2018	2025	■					
D I NE Alexey Komissarov	2019	2023						
D I NE Alexey Yakovitsky	2019	2023						
I NE Alexander Moldovan	2021	2025						

NE Non-executive E Executive I Independent D Designated ■ Chairperson Member

Yandex

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