

Yanndex

Annual report

2024





Contents

| | |
|-----------|--|
| 3 | About the Report |
| 4 | Statements from governing bodies |
| 6 | About Yandex |
| 11 | Strategic report |
| 12 | Business model |
| 13 | Business overview |
| 53 | Artificial intelligence |
| 58 | Information security and data protection |
| 61 | Financial performance |
| 68 | Sustainability |
| 71 | Corporate governance |
| 72 | Corporate governance system |
| 74 | General Meeting of Shareholders |
| 76 | Board of Directors |
| 80 | Executive management bodies |
| 80 | Corporate control system |
| 82 | Remuneration practices |
| 83 | For shareholders and investors |
| 87 | Appendices |
| 88 | Report on compliance with the principles and recommendations of the Corporate Governance Code |
| 107 | Transaction report |
| 107 | Financial statements |
| 107 | Glossary |
| 109 | Contacts |

About the Report

This Annual Report (“Report”) contains information on the performance of Yandex International Public Joint-Stock Company (“Company,” “Yandex”) for the period from January 1 to December 31, 2024. Yandex IPJSC is the parent company of Yandex Group, which serves as the umbrella for the Group's assets following restructuring.

The Report was preliminarily approved by decision of the Board of Directors of Yandex IPJSC on March 11, 2025 (Minutes No. 23 dated March 12, 2025) and approved by decision of the general meeting of shareholders of Yandex IPJSC on April 15, 2025 (Minutes No. 12 dated April 16, 2025).

This is a translation of the original Report, which was approved in Russian.

The Report has been prepared considering the requirements and recommendations contained in the following documents:

- › Federal Law No. 208-FZ dated December 26, 1995 “On Joint-Stock Companies”
- › Regulations of the Bank of Russia No. 714-P dated March 27, 2020 (as amended on September 30, 2022) “On Information Disclosure by Issuers of Issuable Securities”
- › The Corporate Governance Code recommended for application by joint-stock companies by Letter of the Bank of Russia No. 06-52/2463 dated April 10, 2014 (“Corporate Governance Code”)
- › Letter of the Bank of Russia “On the Disclosure in the Annual Report of a Public Joint-Stock Company of a Report on Compliance with the Principles and Recommendations of the Corporate Governance Code”

Financial performance data contained in the Report have been prepared in accordance with International Financial Reporting Standards (IFRS).

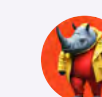
Certain totals presented in the Report's tables, graphs, and charts are rounded and may not add up to the sum of the individual indicators. There may also be differences in shares, percentages, and totals due to the use of different rounding methods when calculating figures.

Disclaimer


The Report may contain forward-looking statements that involve risks and uncertainties. These include statements regarding our future financial and business performance, and our business and strategy.

Actual results may differ materially from the results predicted or implied by such statements, and our reported results should not be considered an indication of future performance. The potential risks and uncertainties that could cause actual results to differ from those forecast or implied by such statements include macroeconomic and geopolitical developments affecting the Russian economy or our business, changes in the political, legal, and/or regulatory environment; competitive pressures, changes in business/market trends, changes in user preferences, technological developments, our need for capital to support growth, as well as those risks and uncertainties included in the “Information on the main risks associated with the Issuer” section in our Securities Prospectus of Yandex IPJSC dated February 29, 2024. This document is available online through the Interfax-CRKI information agency accredited by the Bank of Russia, and is also available on our investor relations website.

The Report does not constitute an offer to sell or any solicitation of any offer to subscribe for or purchase any securities.



Most of the images in this report were created using the Shedevrum service, which is available at shedevrum.ru, shedevrum.com, shedevrum.ai and in mobile applications that include its function



Statement from the Chairperson of the Board of Directors

Dear colleagues, shareholders, and partners,

Our main achievement in 2024 is that we successfully created a new group structure while preserving Yandex's core businesses, services, and assets.

Following the corporate restructuring, Yandex N.V. (registered in the Netherlands) withdrew as a shareholder, and Yandex IPJSC, a private and independent entity, became the new parent company. On July 24, 2024, Yandex shares began trading on the Moscow Exchange under the ticker YDEX.

Despite external challenges, Yandex increased revenues by more than a third in 2024, a testament to the high level of management and effectiveness of our team.

In the reporting year, we focused our efforts on building a new corporate governance system. A new nine-member Board of Directors was formed with five independent directors, including myself as Chairperson.

We established Board committees and adopted key corporate documents governing their activities and basic corporate governance principles. One of our main tasks was also to ensure the continuity of Yandex's culture and values, as well as preserve the corporate governance experience Yandex had gained as a public company.

The management team continues to have a key role in the company's leadership and strategic decision-making. As part of the restructuring, managers have been granted special rights that will allow them to maintain their usual management processes and contribute to further business growth.

We will continue to improve our corporate governance to support the sustainable development of our business and build the trust of our shareholders and investors.

In 2024, Yandex paid dividends for the first time by the decision of the company's managers, Board of Directors, and shareholders – about RUB 30 BN in H1 2024. In the near future, the company plans to pay a similar amount of dividends based on the company's performance in 2024, subject to the approval of the general meeting of shareholders.

Our strong results would not have been possible without a sustainable business model. Yandex remains one of the world's most diversified tech companies, developing an ecosystem that includes search and advertising services, mobility, e-commerce, foodtech, entertainment services, fintech, logistics, cloud technologies, and more.

The diversification of the company and the ability to develop promising new areas through mature businesses is one of the key factors that has helped Yandex maintain a high growth rate for so many years.

Finding new vectors of development and continued growth is what we are really good at. Yandex will continue to develop in 2025, relying on proprietary technologies and talented employees.

A special thanks to our team: with your support, Yandex has become a market leader, and I am inspired by your professionalism, dedication, and ability to find solutions in even the most challenging situations. We are grateful to our partners and customers for trusting and supporting us as we continue to move forward. We would also like to thank our shareholders for their trust in us and in our future together.

Svetlana Yachevskaya,
Chairperson of the Board of Directors,
Yandex IPJSC

Statement from the CEO

Dear colleagues, shareholders, and partners,

For more than 25 years, Yandex has been creating and developing world-class technologies and services for users and businesses.

Today, with revenues exceeding one trillion rubles, Yandex is the largest IT company in the country.

We continue to grow rapidly, with a 37% increase in revenue and a two p.p. improvement in profitability in 2024. EBITDA growth outpacing revenue growth is a real effect of using our operating leverage to manage our business with a flexible investment structure, extensive experience in launching new products, and loyal users and partners.

Yandex is a balanced B2B and B2C ecosystem of information, transaction, education, entertainment, and financial services. We operate in large and fast-growing markets, many of which we hold a leading position in. This gives us significant growth prospects for many years to come.

Being part of the Yandex ecosystem makes our services even more convenient. Yandex ID, Plus, fintech, cloud technologies, and B2B infrastructure allow us to efficiently scale our business and offer comprehensive solutions to our partners. Our sustainable position and the efficiency of our mature businesses enable us to successfully develop new products and technologies, such as generative AI, B2B solutions, robotics, and autonomous vehicles.

Moving forward, we will continue to attract the market's top talent. We don't just hire the best: we invest heavily in the development of IT education throughout the country.

The scale of our business allows us to reinvest hundreds of billions of rubles annually while increasing the volume of investments and improving financial performance trends. This creates the conditions for sustainable business growth in the future.

We're already getting tremendous value from the use of generative AI and machine learning technologies. Today, these technologies account for 40% of our search advertising revenue and two-thirds of Yandex Advertising Network revenue, significantly increasing conversion for our clients. SMBs are increasingly choosing AI-based solutions for advertising, which makes their work with our advertising platform much easier.

We leverage our AI expertise to improve process efficiency in our transactional services. Training generative neural networks within our widely used services allows us to provide more effective tools externally, and today tens of thousands of B2B customers use our products to solve their business problems.

In 2024, we formed a separate division, Yandex B2B Tech, which combines cloud and corporate solutions such as Yandex Cloud and Yandex 360. For corporate clients, we offer YDB DBMS, YandexGPT and SpeechKit technologies, and the DataLens BI tool. One of our top priorities is Yandex 360, an ecosystem of cloud services for business communication and networking with a special focus on security and administration tools.

Yandex's culture encourages the open discussion of problems and challenges, allowing us to quickly find solutions. We are a product company by nature, and our strength lies in building products for tens of millions of users.

We create solutions based on proprietary, world-class technologies, developing and scaling products for tens of millions of users around the world, and transform this into increased value for shareholders. These principles have always been and always will be an integral part of our DNA.

There is no doubt that Yandex will continue to open new horizons and strengthen its position in existing markets, creating significant shareholder value through increased capitalization and payment of dividends.

Artem Savinovsky,
CEO, Yandex IPJSC

About Yandex

- 7 Yandex history
- 8 Yandex today
- 10 Key business performance 2024

This year, Yandex is celebrating its **28th anniversary**. Throughout our history, we have developed services that enable people and businesses to solve a wide range of problems.

Today, Yandex is one of the world's most diversified IT companies. Our ecosystem brings together **more than 90 services** that are based on artificial intelligence and other world-class technologies.

Yandex history


















Our story began in the first half of the 1990s, when Arkadia, where Arkady Volozh and Ilya Segalovich worked, developed information search technology and released several search programs based on it.

Yandex's official birthday is September 23, 1997 – the day the Yandex-Web search engine was announced.

Yandex was founded in 2000. In just two years, the Company became self-sufficient and started to make a profit.

In 2011, Yandex held an initial public offering on NASDAQ.

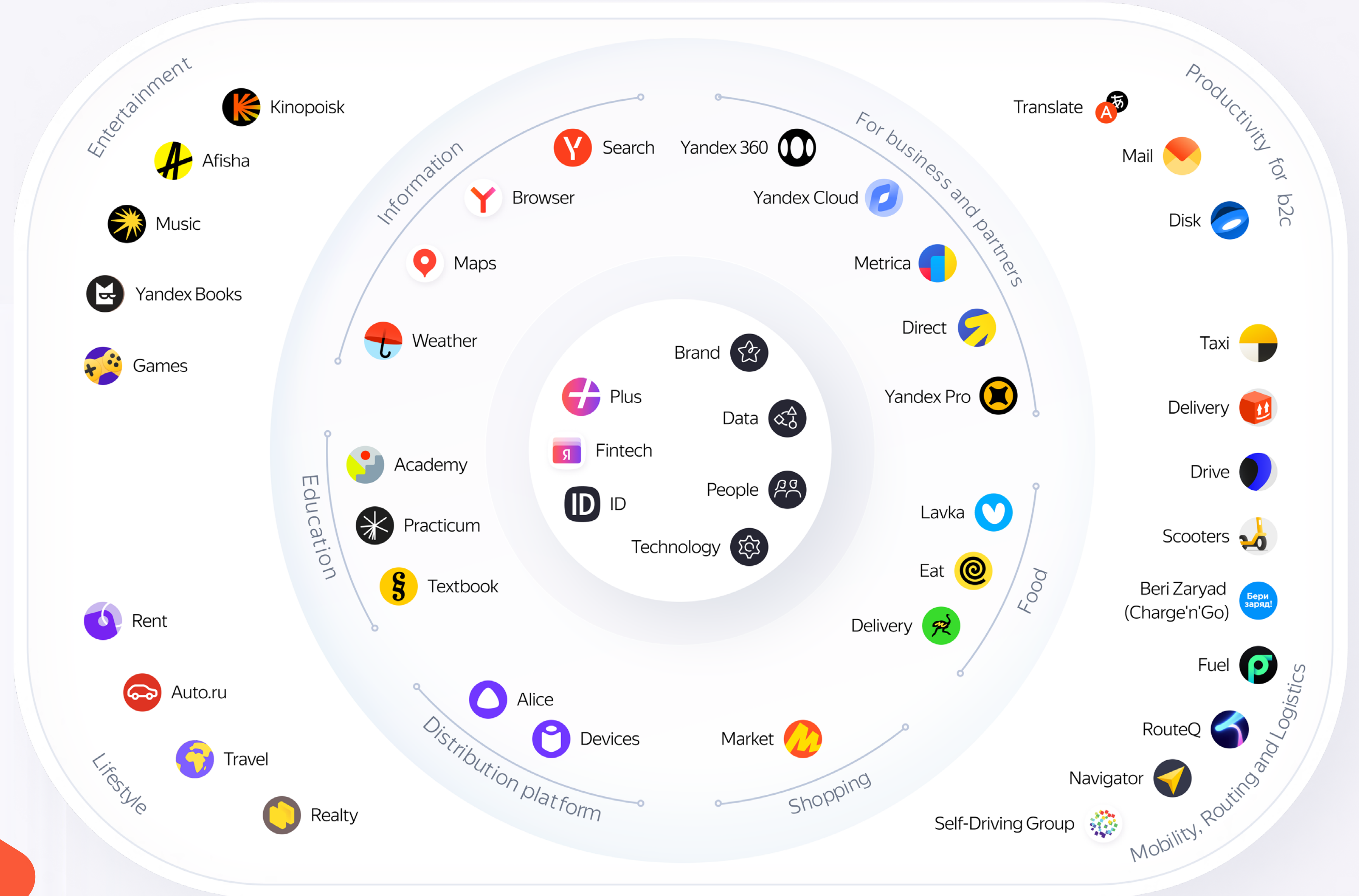
In July 2024, a restructuring deal was completed: IJSC YANDEX, registered in Russia, became the new parent company of Yandex Group. Its shares are traded on the Moscow Stock Exchange under the ticker YDEX.

| | | | | | |
|---|--|---|--|--|--|
| <p>1997 Announced Yandex-Web search engine</p>  | <p>2000 Launched Mail and Yandex Goods (the future Market)</p>  | <p>2001 Presented Direct contextual advertising system</p>  | <p>2002 Opened Pictures and Market</p>  | <p>2004 Launched Maps</p>  | <p>2005 Launched Yandex Advertising Network</p>  |
| <p>2007 Opened School of Data Analysis and launched Metrica</p>  | <p>2009 Presented MatrixNet machine learning method</p> | <p>2011 Launched Taxi and Translate</p>  | <p>2012 Presented Yandex Browser, Disk and Navigator</p>  | <p>2014 Opened Faculty of Computer Science at the Higher School of Economics</p> | <p>2015 Presented Meteum weather forecast technology</p>  |
| <p>2016 Opened Yandex Lyceum</p> | <p>2017 Tested self-driving vehicles and introduced Alice</p>  | <p>2018 Released the first Station, presented Drive and Eats</p>  | <p>2019 Opened Lavka and brought delivery robots to the streets</p>  | <p>2020 Launched Help is Near</p>  | <p>2021 Launched Pay, Split and voice-over translation technology</p>  |
| <p>2023 Presented generative neural networks YandexART and YandexGPT</p>  | <p>2024 Created Yandex B2B Tech, a B2B technology group</p>  | | | | |

Yandex today

Our services enable people and businesses to perform a wide range of tasks, from searching for information, shopping and getting around town, to managing workflows, advertising and building digital infrastructure.

Bringing together dozens of businesses, Yandex is one of the most diversified IT companies in the world.



>90 services

are included in the ecosystem of a modern company. Millions of people use them in Russia and abroad

Diversification of Yandex business

Our services are based on sophisticated technologies developed by a team of talented scientists and programmers.

With our AI solutions, we are able to create magic. We can do real-time video translation, generate text and image on demand, or ride in a driverless car.

| | Yandex | Google | Alibaba | Tencent | amazon | Meta |
|---------------------------|--------|--------|---------|---------|--------|------|
| Search | + | + | + | + | + | - |
| GPT | + | + | + | + | + | + |
| Advertising | + | + | + | + | + | + |
| Maps | + | + | + | + | + | + |
| Mobility | + | + | + | + | - | - |
| FoodTech | + | - | + | + | - | - |
| E-commerce | + | + | + | + | + | - |
| Cloud | + | + | + | + | + | + |
| Media services | + | + | + | + | + | + |
| FinTech | + | + | + | + | - | - |
| Self-driving technologies | + | + | + | + | + | - |

Key business performance 2024¹

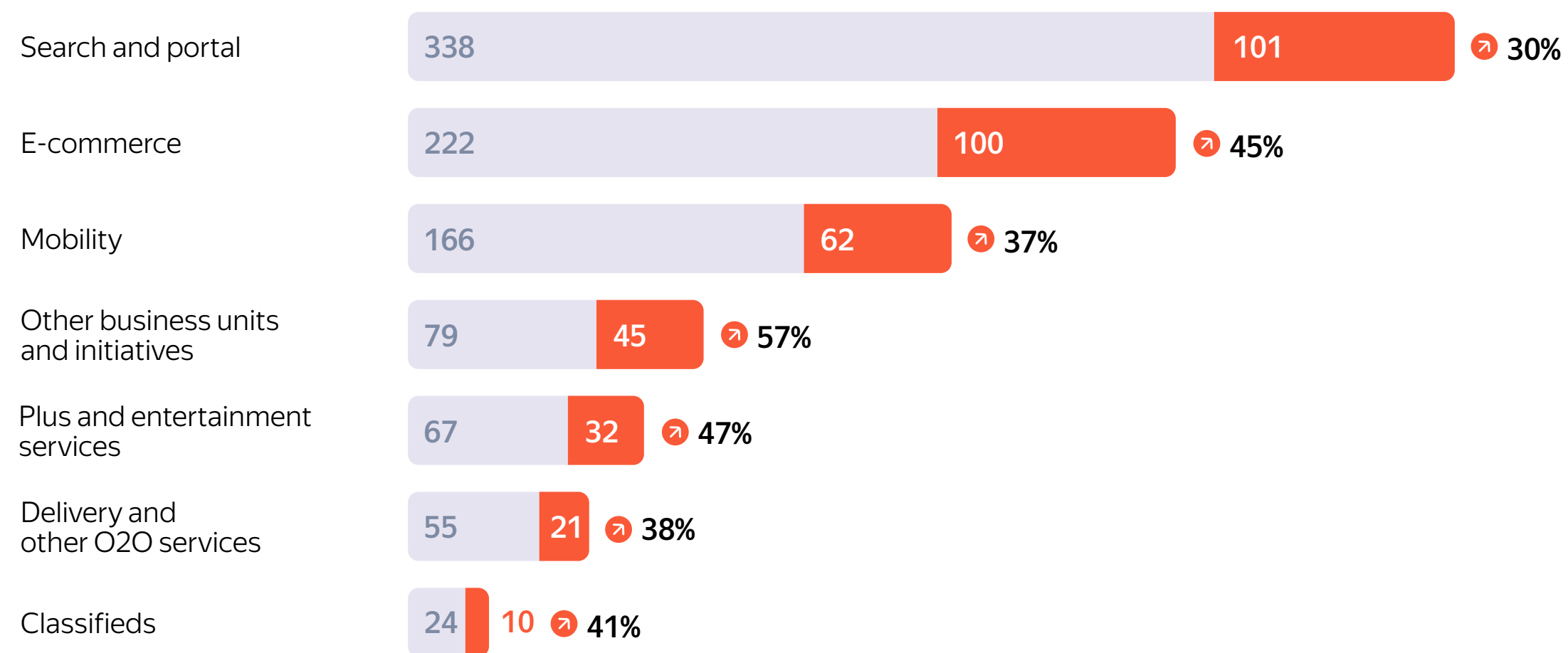
Financial results

RUB **1,095** BN ↗ 37%
Yandex group revenue

RUB **189** BN ↗ 56%
adjusted EBITDA

17.2% ↗ 2.2 p.p.
adjusted EBITDA margin

Revenue² and growth by group segment, RUB BN^{3, 4, 5}



Operational results

By **48%**
growth of GMV
of E-commerce services

By **33%**
growth of GMV
of Mobility services

5.8% ↗ 2.2 p.p.
share of advertising revenue
from GMV of Market

65.3% ↗ 1.9 p.p.
share of Search

62.3% ↗ 2.6 p.p.
share of Search on mobile
devices

RUB **1,287** BN
income of Taxi partners

Employees

96.6 K
total headcount

29 K
core personnel

Service users

110 MM
MAU of Search

2.0 MM
Alice Pro's subscribers

53.2 MM ↗ 12%
MAU of Yandex Go

39.2 MM ↗ 29%
Yandex Plus subscribers

¹ Changes in indicators are shown in comparison with 2023.

² Revenue data exclude an adjustment for intra-segment eliminations of RUB (227.5) billion, where (34.1) is intra-segment eliminations of E-Commerce, Mobility and Delivery.

³ E-commerce (E-com) includes Yandex Market, a multi-category e-commerce marketplace, Yandex Lavka, a hyperlocal convenience store delivery service, and Yandex Eats and Delivery, shop and restaurant delivery services.

⁴ Other Business Units and Initiatives include a self-driving vehicle business Yandex SDG, Yandex Cloud and Yandex 360, Yandex Practicum and other education initiatives, Devices and Alice, FinTech and other experiments as well as general business expenses not directly related to segments.

⁵ Delivery and other O2O services include Yandex Delivery, a last and middle-mile delivery service, Yandex Fuel, a payment service at gas stations, and several smaller O2O experiments.

Strategic report

- 12 Business model
- 13 Business overview
 - 14 Search and portal
 - 19 E-Commerce, Mobility, and Delivery
 - 29 Plus and entertainment services
 - 34 Classifieds
 - 40 Other business units and initiatives
- 53 Artificial intelligence
- 58 Information security and data protection

Business model

The Yandex ecosystem includes dozens of services. Their successful development and scaling is made possible thanks to advanced technologies, talented specialists, synergy with other company products, and Yandex’s unique experience and corporate culture.

Yandex's resources and assets

A team of skilled professionals

- 29,000 employees
- 38% of employees are developers
- 329 employees have or are waiting for patents
- 64 ICPC finalists among employees
- Employee incentive programs

Proprietary technologies and infrastructure

- Search technologies
- YandexGPT and YandexART generative neural networks
- Machine translation of texts, pictures, and videos
- Computer vision
- Speech technologies
- Autonomous vehicles
- Weather forecasting
- Routing and navigation
- Cloud technologies
- Five data centers

Focus on product quality

- We pay special attention to the quality and usability of our services
- We are constantly expanding the capabilities of our services, including through the newest technologies
- We consider the security of our users' and partners' data a top priority
- We invest in the stability and fault tolerance of our services
- We implement cross-service solutions to ensure a seamless user experience
- We offer mutually beneficial terms for partners

Unique corporate culture

- Horizontal links between employees
- Open and trusting environment
- Encouraging a spirit of entrepreneurship and experimentation
- Engineering culture
- Average age of employees: 31

Ecosystem of services

~110 MM

active Yandex Search users a month



Search and portal services

Search, advertising services, Yandex Browser and Maps, Alice virtual assistant, vertical services

382 K

SMB advertisers

53.2 MM

active Yandex Go users



Transactional and logistics services

Urban mobility, e-commerce, and delivery services

116 K

restaurants and offline stores partnering with Yandex Eats and Delivery

2.1 MM

partner drivers globally

39.2 MM

Yandex Plus subscribers



Media services and fintech

Entertainment services, Yandex Plus single subscription, Yandex Pay services and products

94 K

movies and show episodes on Kinopoisk

2 MM

podcasts and audiobooks in Yandex Music

>44 K

Yandex Cloud commercial customers



Yandex B2B Tech

Services and solutions for businesses of all sizes

>70

IaaS and PaaS services in Yandex Cloud

Business overview

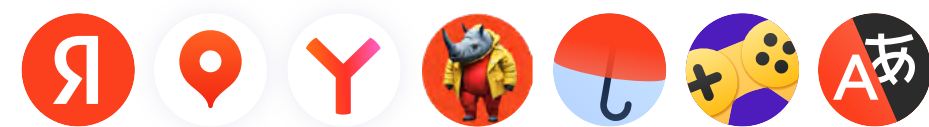
Yandex is an enormous technological ecosystem with every element working to benefit users and drive the company forward.

For the ecosystem to function effectively, we:

- › **Develop technologies and create solutions** that make life easier and more convenient
- › **Expand and diversify our business** to offer a wider range of high-quality services
- › **Integrate Yandex services together** to achieve synergy
- › **Invest in promising areas** and ensure sustainable development in each of them

Yandex combines its services into business units, each of which is focused on unique market segments, addresses specific challenges, and has its own development strategy.

Search and portal



Plus and entertainment services



Classifieds



E-commerce



Mobility



Delivery



Other business units and initiatives

Autonomous vehicles



Yandex Cloud



Yandex 360



Yandex Practicum



Devices and Alice



Fintech





In 2024, it generated **33%** of the company's total revenue.

Search and portal

Search and portal handles a wide range of world-class search and information services based on advanced proprietary developments. Search and portal is Yandex's largest segment and the backbone of the company's advertising business.

Yandex Search



Russia's leading search engine. Uses neural network technology to improve search quality and provide more relevant answers to user queries

Yandex Maps



Russia's leading geo-navigation application

Yandex Browser



Fast and secure. Russia's leading browser supporting translation, video summarization, and AI content creation

Other services



- **Shdevrum** generates pictures, videos, and clips using the YandexART neural network.
- **Yandex Weather** with Meteum technology that generates accurate hyperlocal forecasts for any location in the world, combining traditional meteorological methods with machine learning algorithms. It's the world's first technology that learns from both instrument data and user feedback.
- **Yandex Games** offers third-party and proprietary games.
- **Yandex Translate** translates text into more than 100 languages, using AI to improve translation quality.

Yandex Search is the foundation of the business segment. In 2024, Yandex improved its search engine by introducing tools powered by its own generative models. For example, in the fall, the company launched Search with Neuro, which can answer complex user questions by analyzing information from multiple sources. Other significant updates include the option to shop for financial products such as mortgages or deposits based on specific parameters, and the ability to search for doctors with detailed information on specialists. Search and portal's main source of revenue is ads placed in Yandex Search and on sites and applications in the Yandex Advertising Network (YAN). Yandex Advertising Network is Russia's largest platform for advertising on websites, mobile applications, Telegram channels, and blogs. Advertising allows for the monetization of traffic in Yandex Search and other services of the segment.

Market overview

Search engines

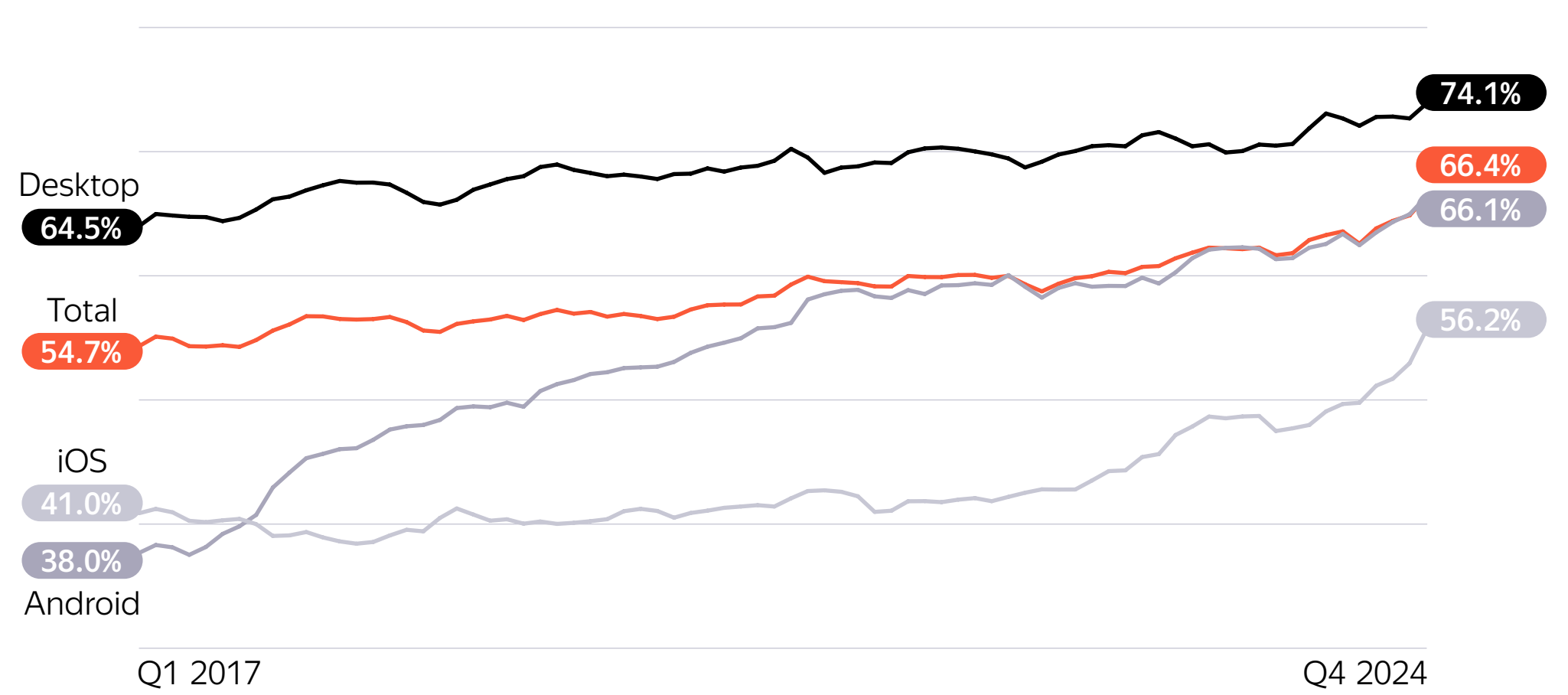
In recent years, the company has significantly increased its share of the Russian search engine market and continues to confidently hold the number one position. In September 2024, Yandex Browser and Yandex search applications overtook Google Chrome and Google search applications in terms of market share in Russia for the first time. In Q4 2024, Yandex's total share in the Russian market reached 66.4%. Audience growth is largely driven by the development and integration of our generative AI technologies, including Neuro in Search, as well as growth in Yandex Browser and search application distribution.

Advertising market

Yandex remains number one in the internet advertising market due to the country's largest advertising network and its leading position in the search market.

Key trends in the advertising market

Share of Yandex Search on various platforms



~110MM
active users per month
(average user data for 2024, Russia)

66.4% ↗ 2.6 p.p. YoY
Yandex's share in the search market in Russia
(Q4 2024)

Digital advertising growth

Reallocation of advertising budgets to online formats as online audiences grow

Demand for mobile advertising

Mobile devices are the main channel driving advertising

Development of programmatic advertising

Automation of advertising procurement and personalization of targeting with AI and algorithms

Performance advertising growth

Increased demand for formats with measurable results (applications, orders, application installations)

Introduction of generative services

Streamlining ad content creation using AI

Video advertising development

Growth in investments in video formats for social media and video hosting

Growth in SMB share in advertising

Adaptation of advertising tools to SMB needs

Consolidated positions of local players

Growing number of Russian advertising technologies and platforms

Development of advertising technologies in the marketplace segment

Increased retail media budgets with new formats and mechanics

Yandex's competitive advantages

Search leadership

- Russia's largest search engine
- Introduction of AI in search technologies



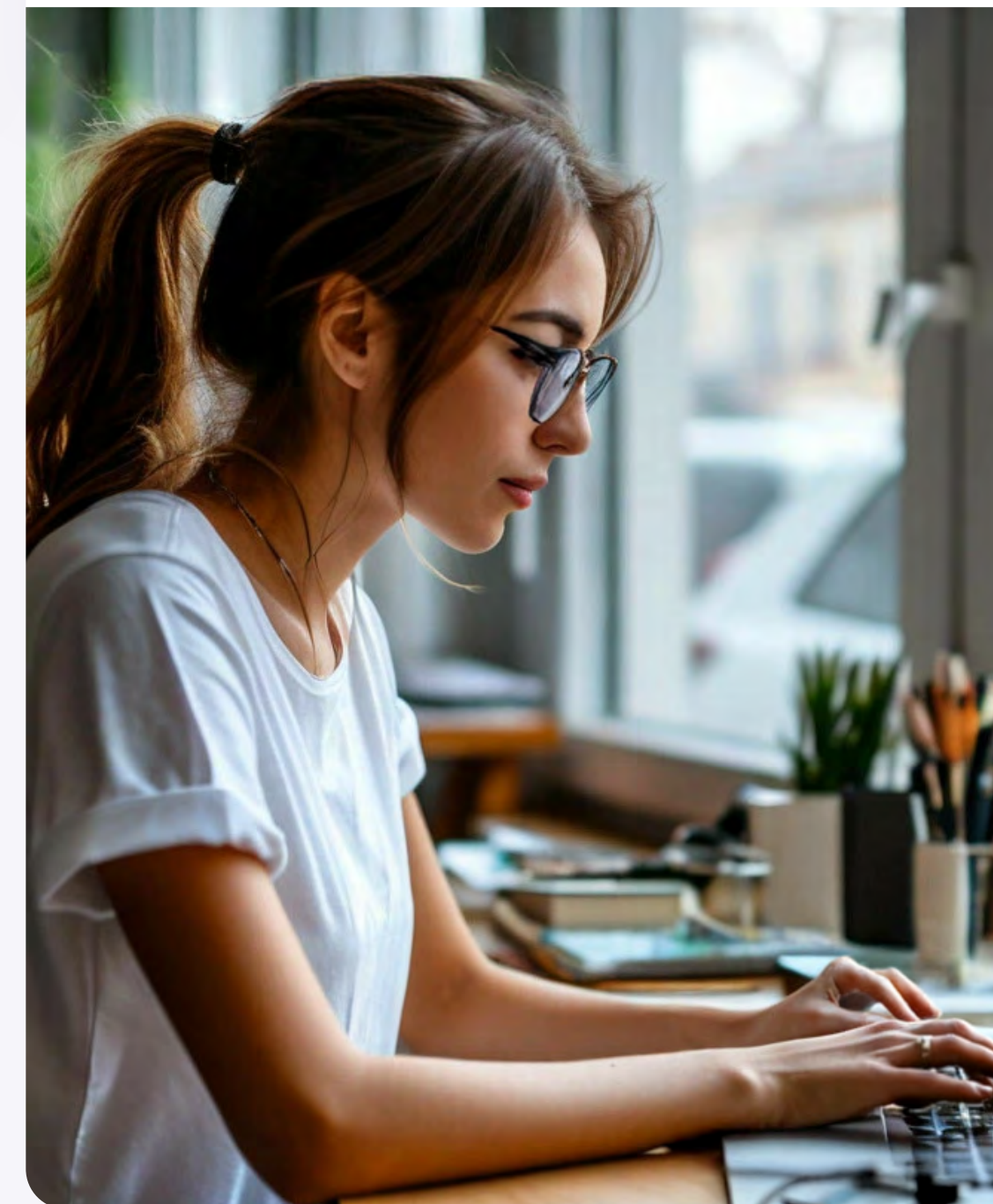
Ecosystem of services

- Cross-service usage of Yandex products ensures high level of user attraction and retention



Advertising effectiveness

- Increased advertising efficiency through improved targeting, enhanced ranking quality, and advertising campaign budget management
- Use of AI to generate advertising materials



New formats and technologies

- Expansion of retail media capabilities
- Advertising network for bloggers
- Introduction of real-time analytics technologies and targeting mechanics in digital outdoor advertising
- Advertising products on multiple marketplaces



Development strategy

Our strategic focus is to increase our share in the search market and advertising revenue

Key strategic areas of the Search and portal segment:

- › Integration of AI search technologies and increasing the share of Yandex Search responses involving generative models.
- › Development of tools for easy search and comparison of offers in key categories of interest to users.
- › Development of our advertising platform, launch of new marketing tools in Yandex Search and YAN, and improvement of search products for audience retention and growth.
- › Development of Yandex Maps: increasing advertising revenues and expanding product functionality beyond navigation.

For 2024 and the medium term

Yandex’s efforts are aimed at achieving the following results:

- › Maintaining its share in the advertising market.
- › Growth in advertising revenue thanks to improved efficiency of its advertising system and launch of new formats and services.
- › Focus on the SMB segment: launch of new advertising products, improved effectiveness, and favorable advertising conditions.

Operational results

Search and portal



RUB **439** BN
revenue

RUB **220.5** BN
adjusted EBITDA

110 MM
MAU of Search

17%
share of queries using
Neuro responses

YAN



70+ K sites
in YAN on different
platforms

400+ K
number of unique
advertisers

+39% YoY
Number of partners’
mobile apps connected
to YAN

+66% YoY
revenue from advertising
in partners’ mobile apps

Advertising solutions for SMB clients

600+ K
SMB advertisers

+31% YoY
SMB revenue growth

55%
SMB share in advertising
revenue

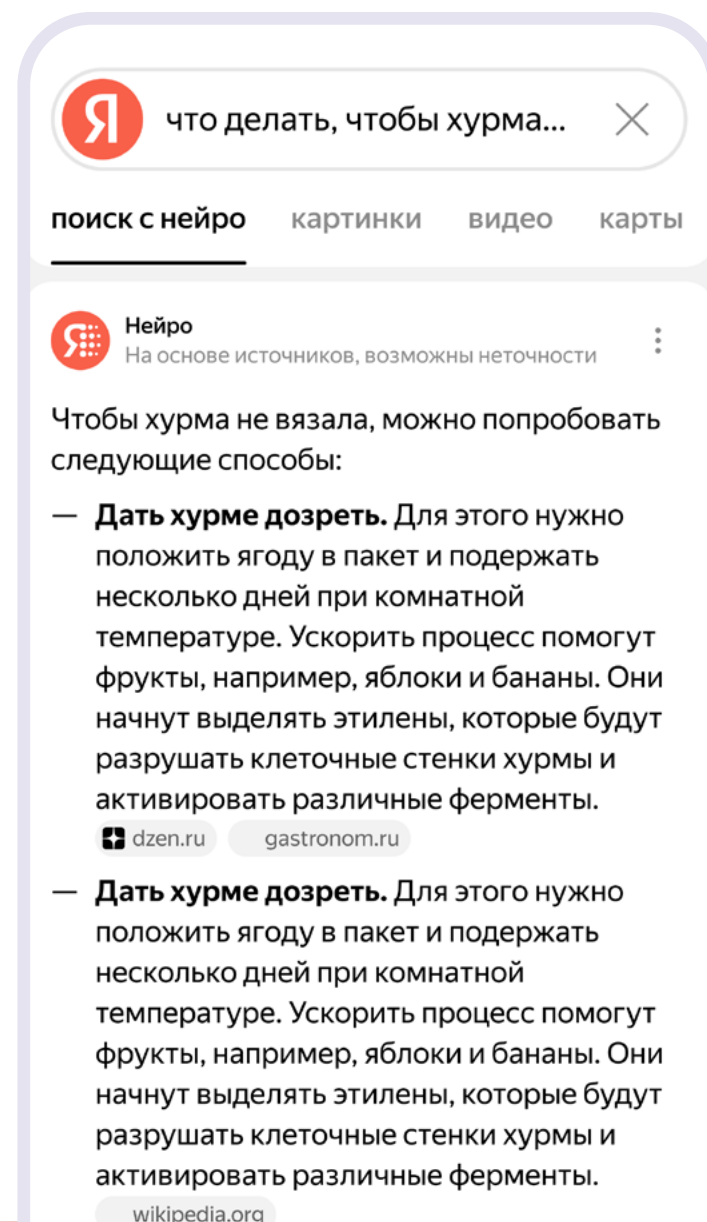
Key innovations

Yandex Search update and Neuro integration



The updated Yandex Search with Neuro helps:

- Get a single, confirmed answer to a question using the knowledge base of the entire internet
- Work with user queries as a dialog
- Make queries using images and text
- Figure out how to solve math problems
- Quickly search and compare a wide range of goods, banking products, and medical services

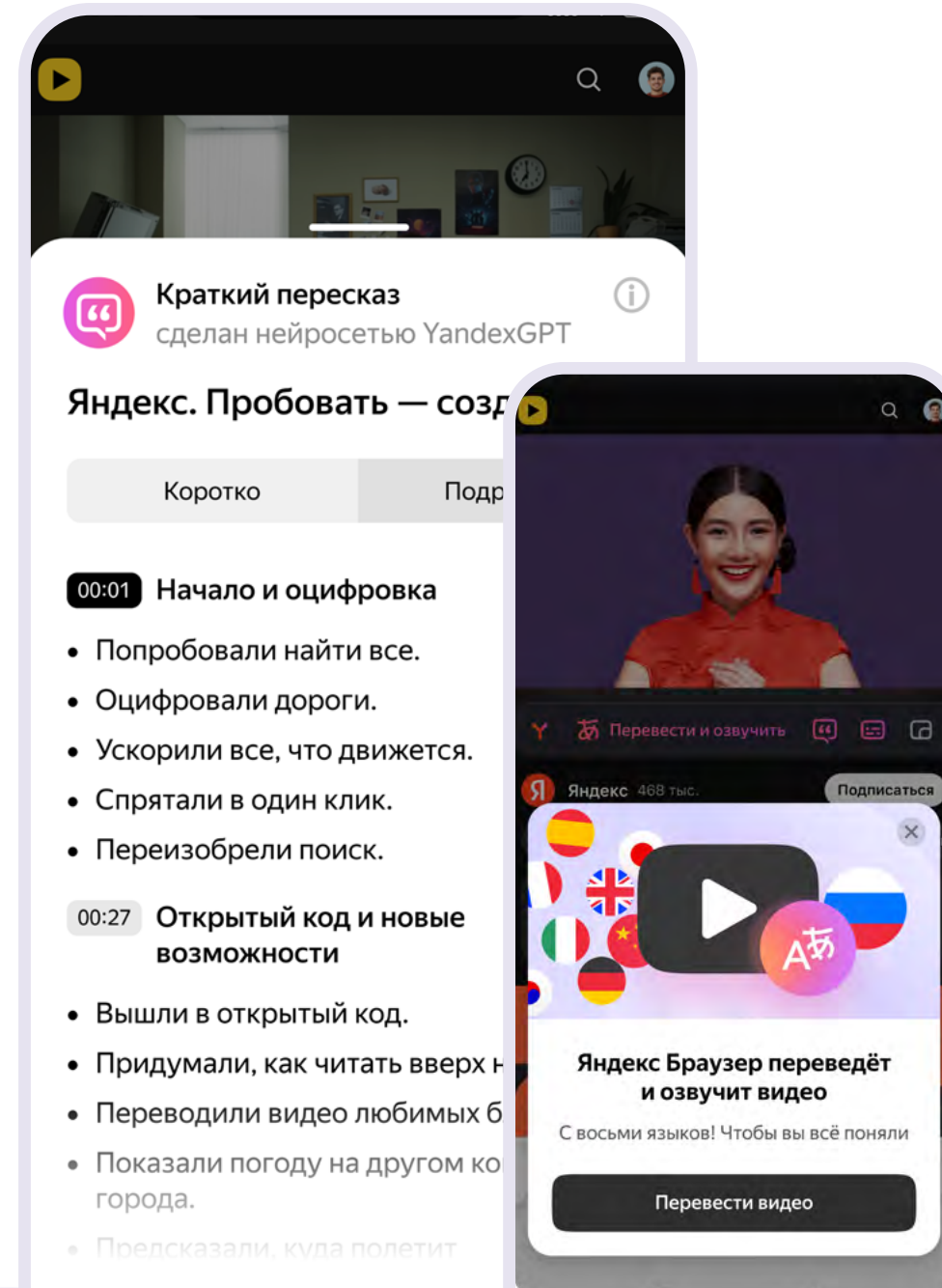


Neural network features in Yandex Browser



Nextgen built-in neural networks can:

- Summarize articles, documents, and text
- Write, improve, and shorten text
- Translate and dub video from eight languages
- Summarize videos and generate subtitles
- Protect against cyber threats



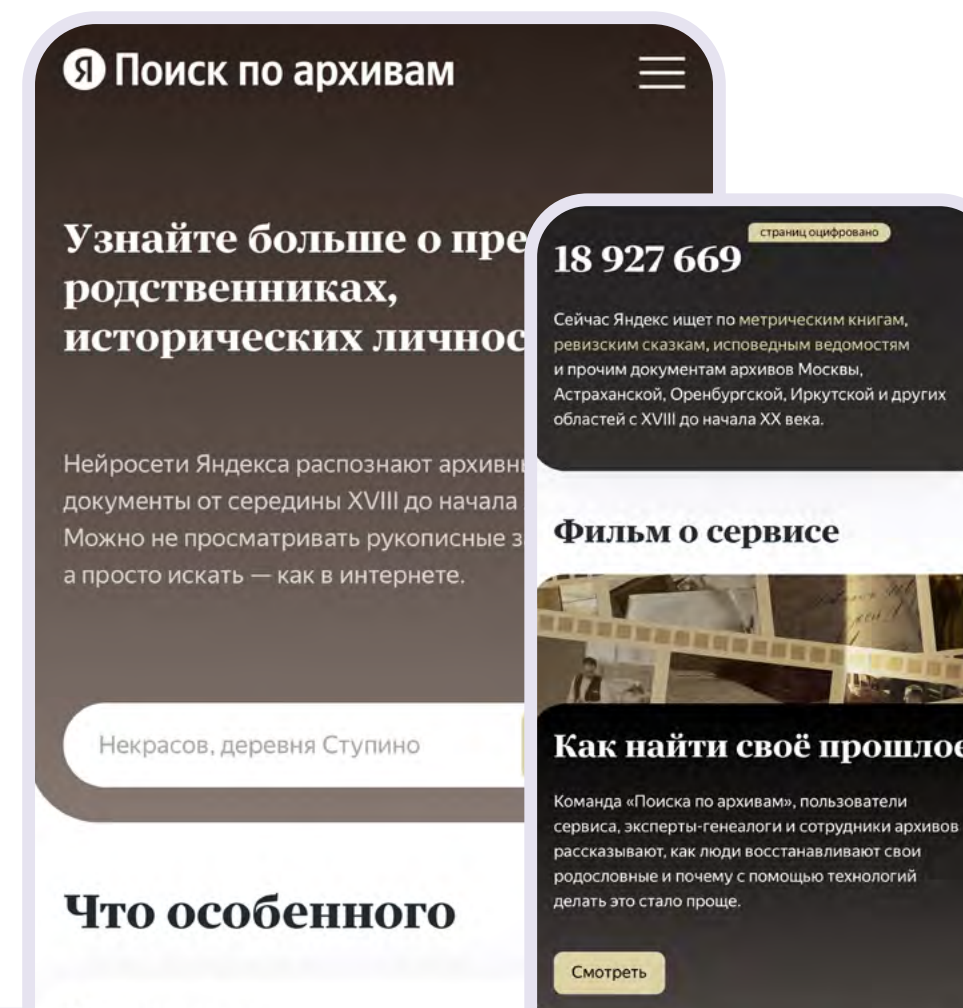
Archive Search



The service launched in 2023 and uses AI to increase the accessibility of information from archives, museums, and libraries. Archive Search helps users search for information about their ancestors.

We're interested not only in the recognition and indexing of information, but also in the digitization processes of regions participating in the project (currently 21 regions). The total audience of the service exceeds **8 million users**, with **over 17 million scans** of documents from archives in Russia and **more than 4 million scans** of periodicals uploaded.

Learn more about the service [here](#).

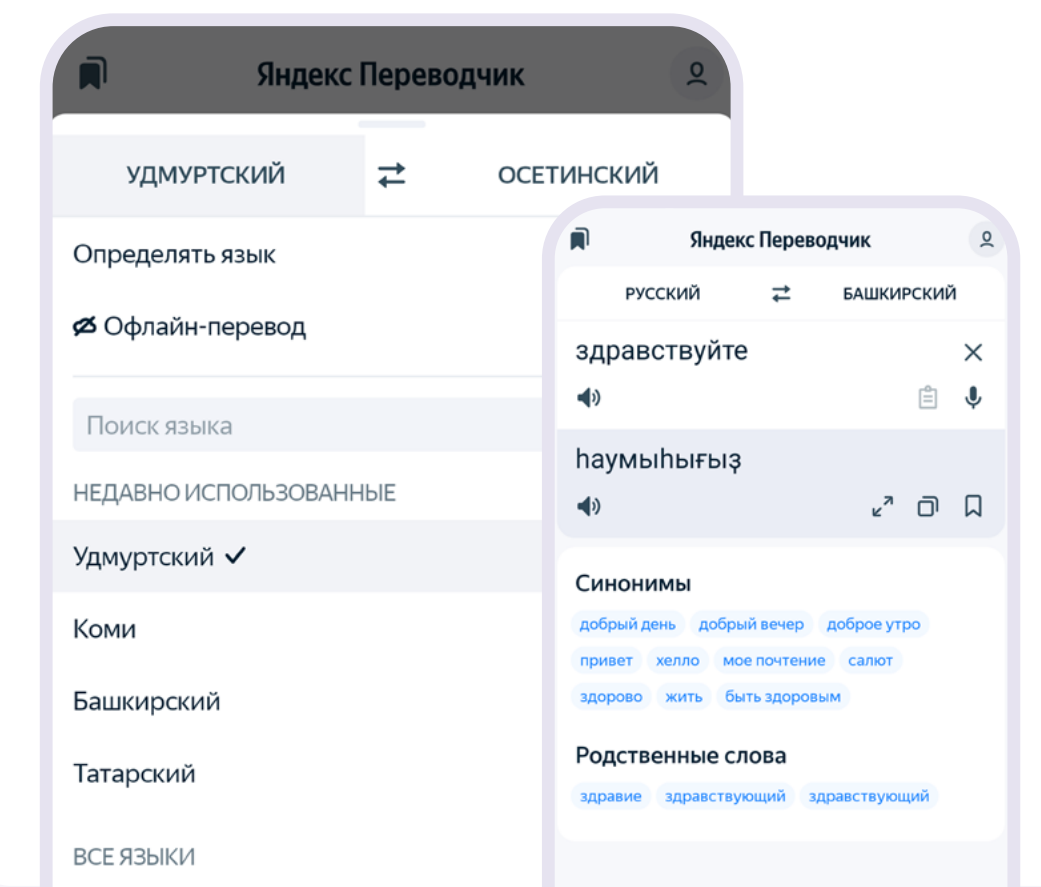


Languages of Russia



As part of the project launched in 2024, we're focused on comprehensive support of the languages used in Russia in Yandex services, including adding these languages in Yandex Translate and in speech recognition and synthesis technologies. Every day, about **50 thousand users** work with speech recognition and synthesis technologies in different languages of the peoples of Russia.

Currently, Yandex Translate supports **8 languages** of the peoples of Russia: Tatar, Bashkir, Chuvash, Yakut, Mari, Udmurt, Ossetian, and Komi. Speech recognition and synthesis is also available for certain languages, including Tatar, Bashkir, and Chuvash. In the next three years, we plan to add **more than 20 languages** spoken in Russia to Yandex Translate.





Revenues in transactional services are generated through fees for user transactions in the services, as well as additional services for users and partners.

E-Commerce, Mobility, and Delivery

The company's transactional services include E-Commerce, Mobility and Delivery business units.

Mobility



- Ride-hailing services in Russia and abroad
- Yandex Drive car-sharing service
- Scooter rental service
- Other promising services

E-Commerce



- Yandex Market, a multcategory e-commerce marketplace
- Yandex Lavka, a hyperlocal grocery delivery service
- Yandex Eats and Delivery, store and restaurant delivery services

Other O2O services¹



- Yandex Delivery, a last and middle-mile delivery service
- Yandex Fuel, a service for paying at fuel stations
- Several small experimental O2O services

Market overview

Mobility businesses operate in the urban mobility and intercity transport markets, where there's a gradual shift from car ownership to car sharing, including public transport, taxis, rental cars, and personal mobility devices. The market is represented by both state and private companies providing services in these sub-segments of city and intercity transport. In 2024, the market continued to experience a significant shortage of drivers and economy-class cars, which collectively affected the rising cost of taxi and car share rides.

E-Commerce, Delivery, and other O2O service businesses operate in the e-commerce, e-grocery, logistics, and other markets. The main growth driver is the e-commerce market, which according to experts, reached RUB 9 trillion in 2024 and grew by 41% compared to 2023², as well as its sub-segment, e-grocery, estimated at RUB 1.3 trillion³. The restaurant food delivery market is estimated at RUB 0.6 trillion, a 30% increase compared to 2023⁴. By the end of 2024, all market sub-segments demonstrated an increased penetration of online services in retail and restaurant delivery. In 2024, while the market continued to be pressured by various promotions and discounts offered by major players, the macroeconomic environment and shortfall in manpower, particularly in the courier sector, caused the market to streamline in H2.

¹ In online-to-offline services, the user interacts with the company online while receiving products/services physically.
² Source: [Online Retail Association \(AKIT\)](#).
³ Source: INFOline.
⁴ Source: RBC Market Research.

Mobility



Mobility businesses cover various urban mobility scenarios. Yandex has a ride-hailing service, Yandex Taxi, a car-sharing service (Yandex Drive), a scooter rental service, and other promising solutions.



Yandex Taxi is a leading provider of ride-hailing services based on proprietary technologies as a marketplace platform for users and businesses. Launched in 2011, the service became part of the city's transport infrastructure, and the number of active Yandex Go users exceeded 53 million people a month by the end of 2024.



The Yandex Taxi marketplace platform connects drivers and users, with the balance of supply and demand established by the achievement of a price equilibrium for rides. The platform is based on ride request distribution technology that uses Yandex Maps to find the optimal route for drivers. Dynamic pricing technology ensures that users can request rides even during peak hours by balancing supply and demand as demand fluctuates.



Yandex Drive and Yandex Scooter services are also available in the Yandex Go app and use the company's proprietary technologies, including Yandex Maps. At the end of the year, the Yandex Drive and Scooter fleet was

19.6 thousand cars and **77.6** thousand scooters, respectively.



RUB **1 464.9** BN ↗ 33%
GMV of Mobility in 2024



Key trends in the mobility market

Shortage of economy-class cars and drivers

For several years, the domestic market has been experiencing a shortage of drivers amid growing demand, as well as a deficit of economy-class vehicles, leading to an increase in Economy service class prices and a shift to ride requests in other service classes.

Dynamic pricing

Dynamic pricing technology guarantees pickup and keeps supply and demand in balance as demand fluctuates throughout the day.

Technologies to improve the efficiency of driver time online

Yandex Maps-based routing and Yandex Taxi technologies optimize driver time online by reducing mileage without a passenger. This increases driver earnings without changing the price of rides for users.

Reducing the price of rides for users

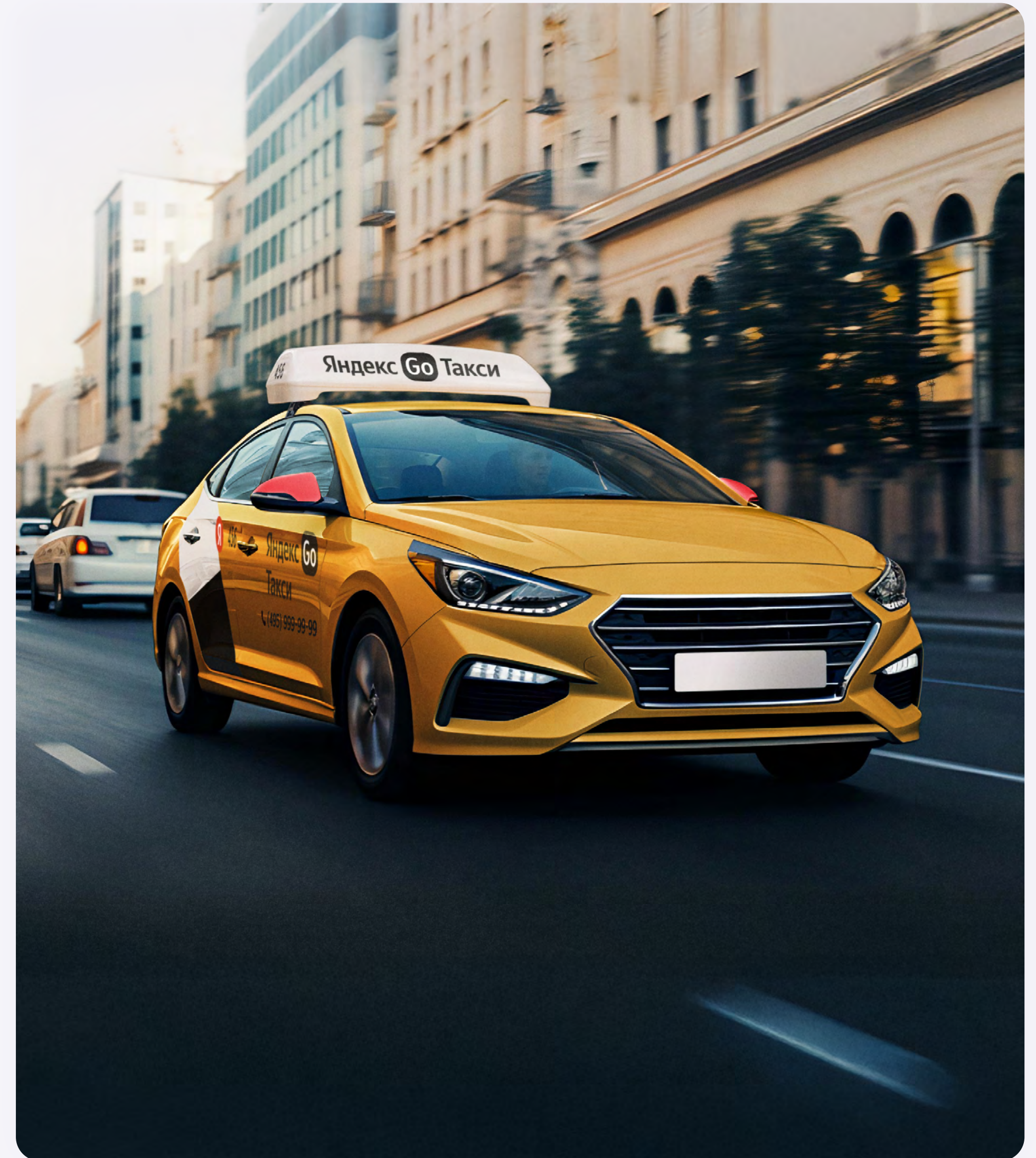
Creating a “perfect chain of trip requests” for drivers by adjusting pickup and drop-off points or pickup times, as well as shared rides (Carpool service class) helps reduce the price of rides for users without negatively affecting driver earnings.

Urbanization and shift away from vehicle ownership

The continued growth of the urban population and development of urban transportation infrastructure are discouraging the use of private vehicles and increasing the demand for ride-sharing services.

Last-mile vehicles

Personal mobility devices are becoming increasingly popular as a last-mile vehicle.



E-commerce



Yandex is one of the top three players in the e-commerce segment, top two in e-grocery, and number one in the restaurant delivery segment.



RUB **956** BN ↗ 48%
GMV of E-commerce services
in 2024

E-commerce businesses cover the main online shopping user scenarios and include the Yandex Market multcategory trading platform, Yandex Eats and Delivery store and restaurant delivery services, and Yandex Lavka, a hyperlocal convenience store delivery service.



Yandex Market is a platform for sellers and buyers, providing the latter with a wide range of goods at affordable prices. At the end of the year, the platform had

over **97** thousand active sellers
and **18.2** million active buyers.



The Yandex Eats and Delivery platforms allow users to order food from restaurants or goods from stores. The combined courier base increases courier delivery efficiency thanks to high order density in both user scenarios, as well as delivery routes with multiple orders handled by a single courier.

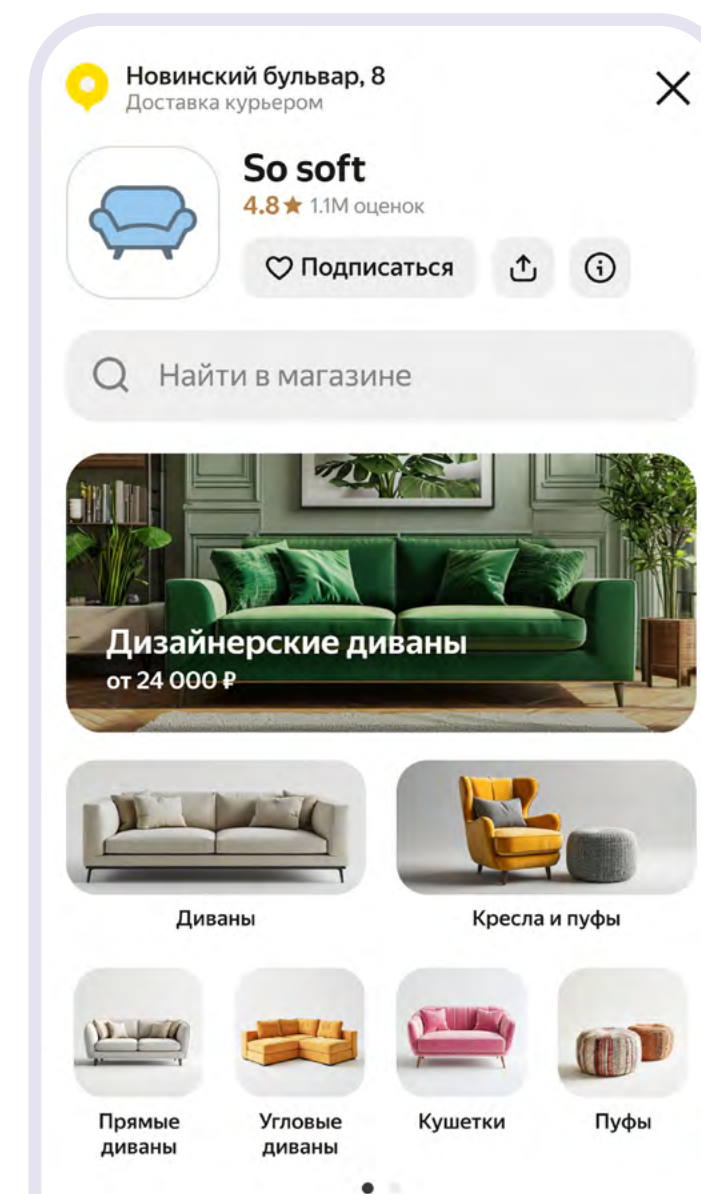
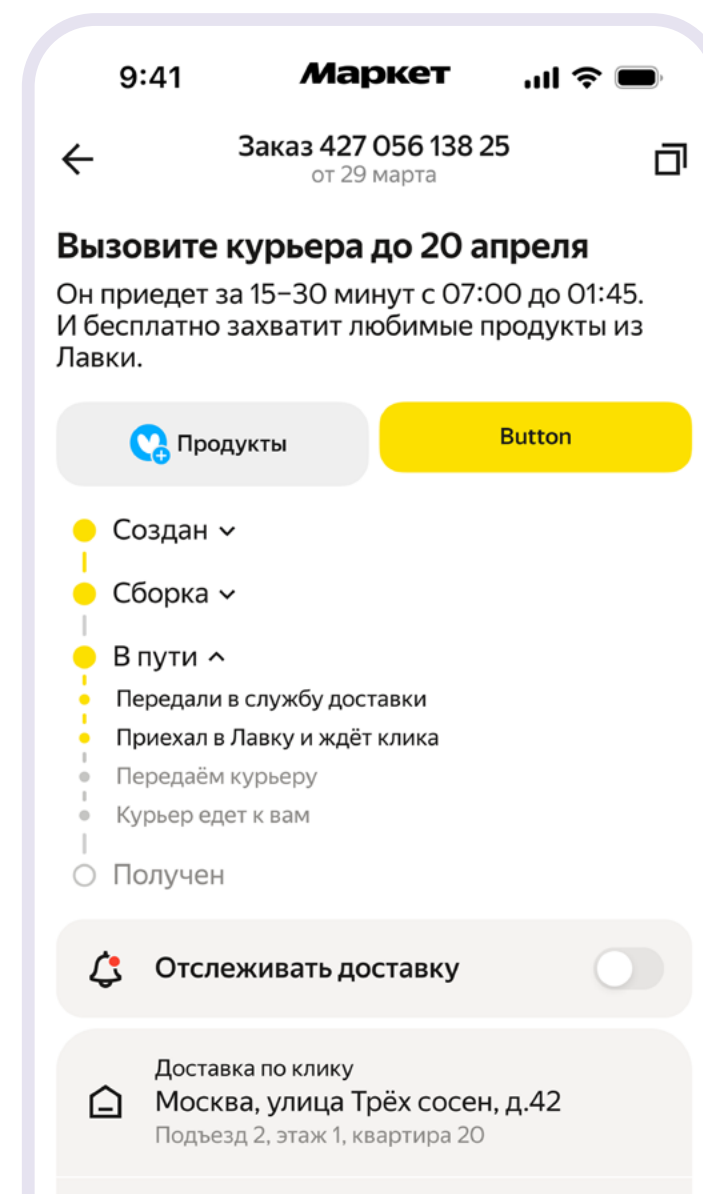


Yandex Lavka hyperlocal convenience stores offer ultrafast delivery. Another option is one-click delivery, where a Yandex Market order is delivered by a Yandex Lavka courier in 10–20 minutes.



E-commerce businesses benefit from a number of cross-service synergies, including one-click delivery. Users add goods from Lavka to every second purchase from Yandex Market.

The segment's businesses also share an advertising platform based on Yandex advertising technologies and individual services, allowing partners to effectively promote their products on all sites at the same time.



Key trends in e-commerce

Promo pressure and streamlining

Amid the rising cost of goods, users continue to focus on promotions and discounts, which negatively affects the rational development of the e-commerce market.

Warehouse robotics, delivery robots, and autonomous vehicles

With the shortage of couriers and warehouse personnel, warehouse automation and robotics services, as well as autonomous vehicle technologies, are quickly developing for both last-mile delivery and long-haul routes to warehouses.

Shortage of manpower

The shortage of couriers, warehouse workers, and people in similar positions leads to increased costs for market participants, as well as the spread of dynamic pricing for delivery in express delivery market subsegments.

Multicategorization

The share of marketplaces in the e-commerce market continues to grow.

Increased penetration of online services

Traditional players in the retail market are focusing on online sales. Ready-to-eat food and fresh fruits and vegetables have become one of the fastest growing categories in online retail.

Development of advertising platforms

Developing an advertising platform as an additional source of revenue is another additional way of improving e-commerce for market players.

Other O2O services



This segment includes the Yandex Delivery last and middle mile delivery service, the Yandex Fuel service for paying at fuel stations, and several smaller O2O experiments



As the e-commerce and food retail market continues to develop, logistics is becoming a key factor in determining the efficiency of delivery and timeliness of customer service. In response to market demands, Yandex develops its Delivery service for both Yandex services and products and for external customers in the C2C, B2C, and B2B segments. The service offers last¹ and middle² mile fast delivery, as well as hyperlocal delivery, sharing the market with SDEK, Russian Post, Boxberry, Dostavista, and other local companies.

To meet the growing demand, Yandex Delivery offers several types of delivery:

- › Express delivery
- › Next-day delivery
- › Freight shipping
- › New types (for example, Assistant for running errands mainly related to ultra-local delivery)



¹ Last mile is the final stage of delivery from sellers to buyers.
² Middle mile is the delivery from distribution centers and warehouses to final destinations.

Key trends in delivery

Digitalization and automation

Implementation of advanced technologies to optimize routes and improve business efficiency.

E-commerce growth

The development of the e-commerce market is increasing the demand for last mile delivery, middle mile logistics, and long haul transportation.

Hybrid and electric vehicles

Increased use of eco-friendly vehicles.

Yandex's competitive advantages

Proprietary geoservices

- Unique mapping data and algorithms
- Optimal routing of drivers and couriers
- Expected lead time
- Reduced order fulfillment costs increasing partner revenues

Unique product solutions

- For example, one-click delivery: an order from Yandex Market will be delivered in 15 minutes from the nearest Lavka store

Fintech services

- Integrating fintech services in Yandex businesses (Split in Yandex Market, Eats, and Delivery)

Ecosystem

- “Cross-pollination” of user service bases within the ecosystem
- A single platform to improve courier efficiency for express delivery from restaurants and retail stores

Yandex original technologies

- AI integration in products and services
- Extensive experience in advertising technologies and search and recommendation algorithms

Strategy

Yandex plans to further consolidate its position in the Russian market with a focus on improving the quality of products and services in all E-commerce, Mobility, and Delivery businesses, as well as continue to distribute technologies abroad.



Operational results¹



Mobility



RR **1,464.9** BN 33%
GMV

53.2 MM 12%
Yandex Go active users

2.1 MM
total number of drivers

Fleet:

19.6 K 18%
Yandex Drive cars

77.6 K 22%
scooters

Other O2O services



299.3 BN 59%
GMV

37%
growth in active users of Delivery over the year



E-commerce



RR **956** BN 48%
GMV

46%
growth of GMV of Market

51%
growth of GMV of Foodtech

18.2 MM
Market active users over the past year

572 dark stores
Yandex Lavka

60 K stores

56 K restaurants
on the Eats and Delivery platforms



¹ The quantitative data in this section (except GMV) is from December 2024, unless indicated otherwise.

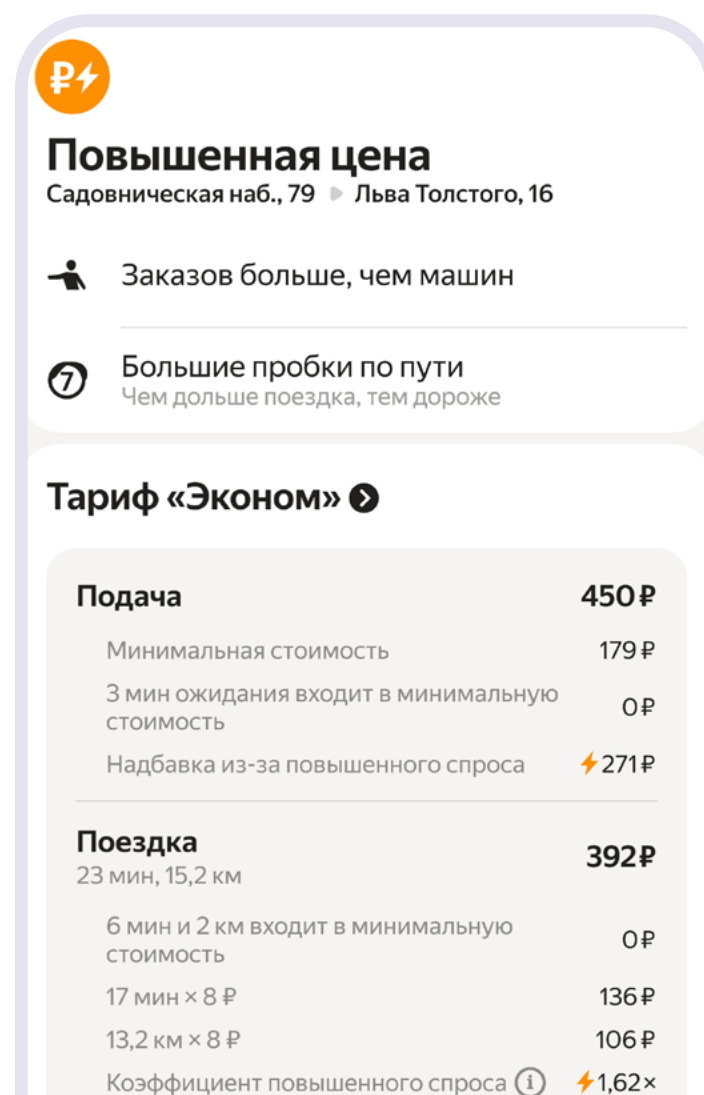
Key innovations

Mobility

Yandex Taxi



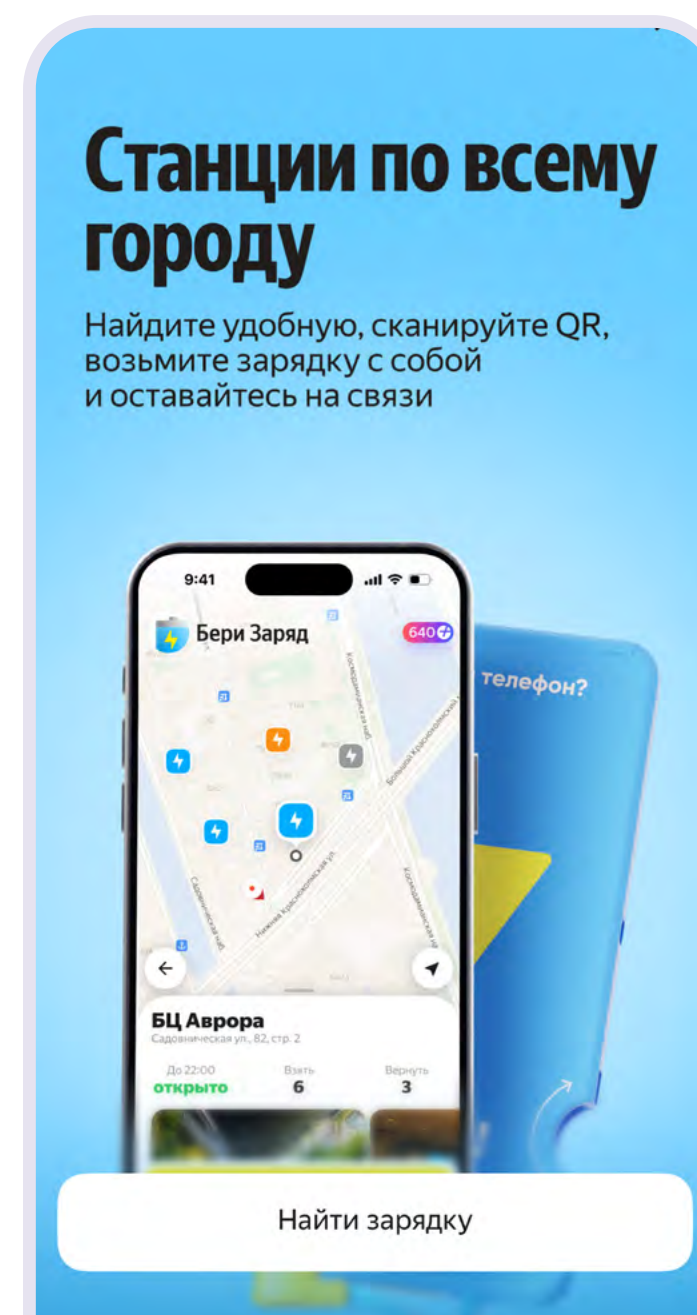
- The Yandex Go app shows detailed ride prices. Now users can see how the price was formed, including surge pricing during peak hours
- Yandex Go users can now give feedback on ride prices. In response, the support team provides an explanation of the price and tips on how to save on future rides
- Yandex has waived part of its fee for drivers during peak hours to increase the number of drivers online
- The Vezet low-cost taxi service was launched in all regions of Russia. During periods of high demand, Vezet rides cost on average 20% less than the Economy service class



New services



- Yandex purchased the Beri Zaryad (Charge'n'Go) service. Now users can rent power banks in the Yandex Go app

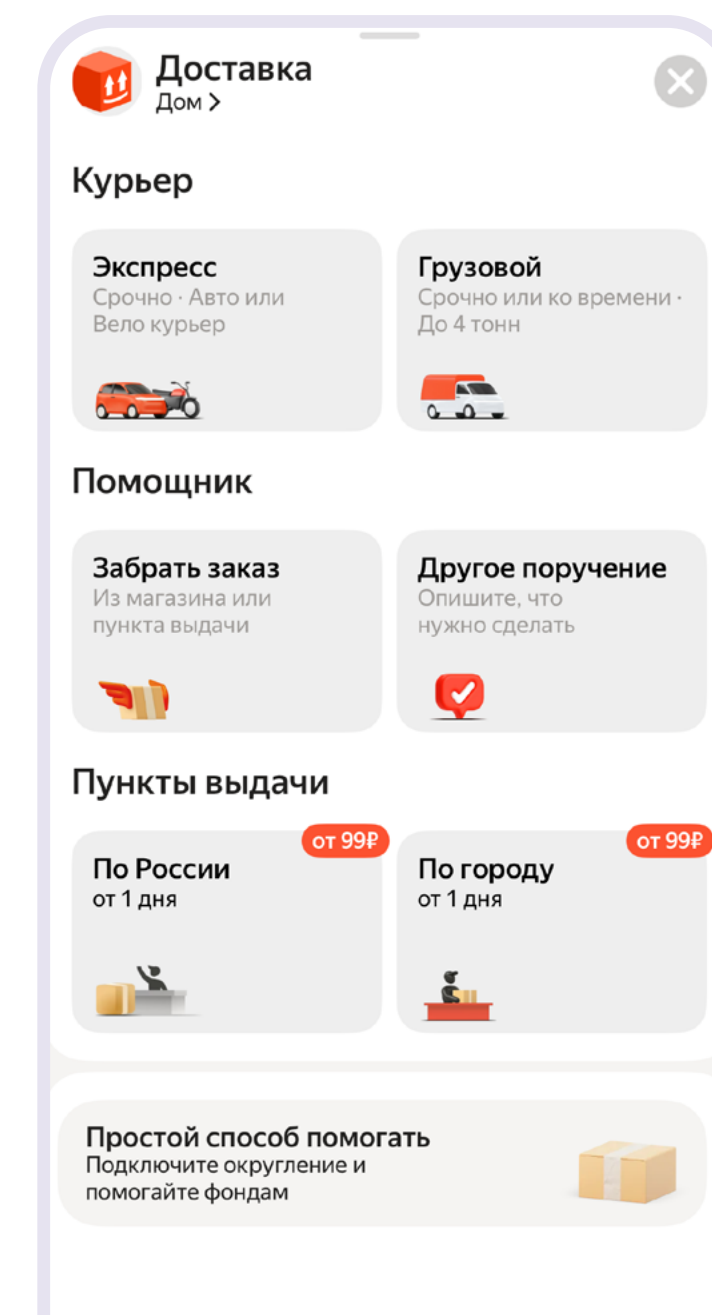


Other O2O services

Delivery



- Testing of the Assistant option for running basic errands was launched: delivery of purchases from pick-up points, dry cleaning, or purchases of inexpensive goods
- Yandex Delivery joined the Helping Hand project. Now users can round up their order totals to donate to charity



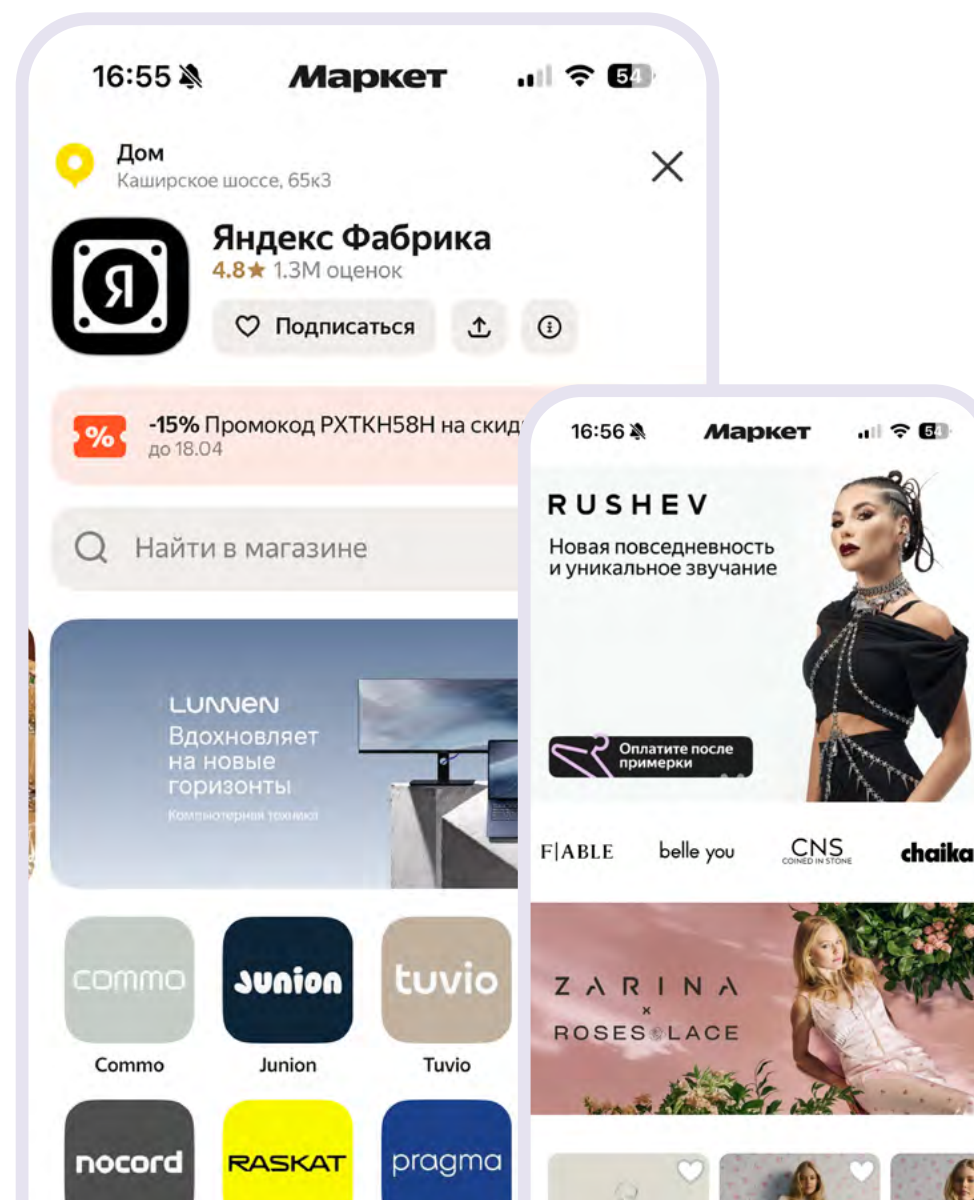
E-commerce

Yandex Market



B2C

- Yandex private labels are now part of a separate line of business: Yandex Factory
- A new business area was launched: Yandex Market Ultima, featuring a carefully curated assortment and premium service
- A separate Russian Designers section was created with goods from local manufacturers

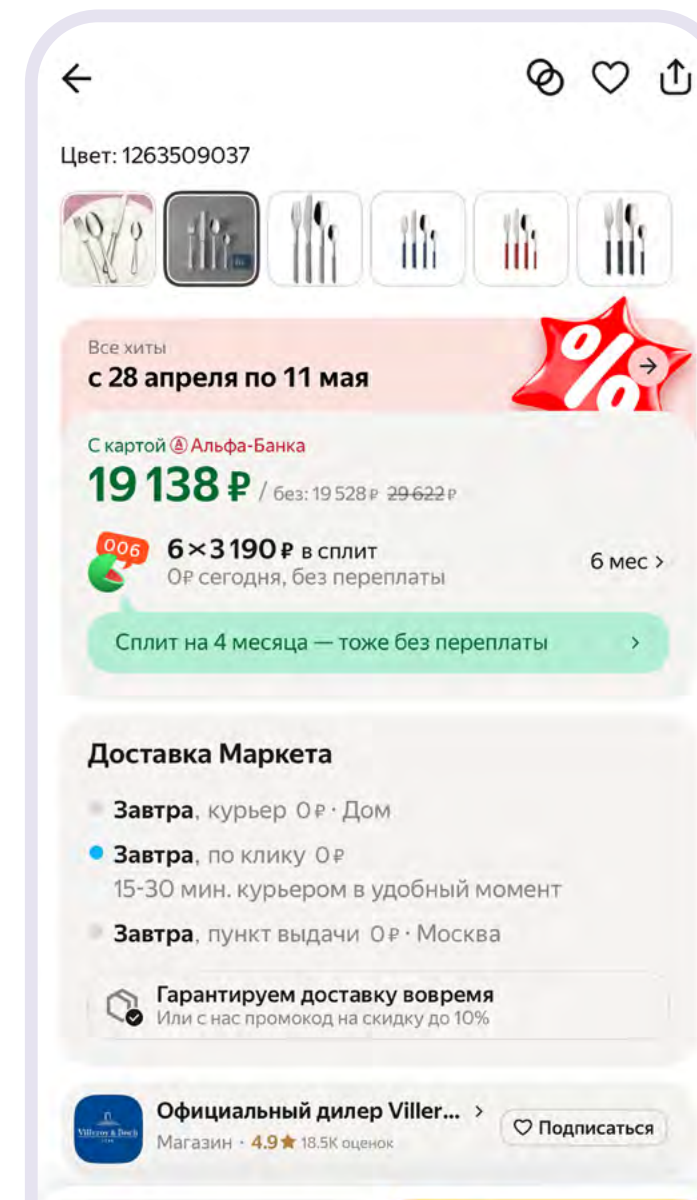


Yandex Market



B2B

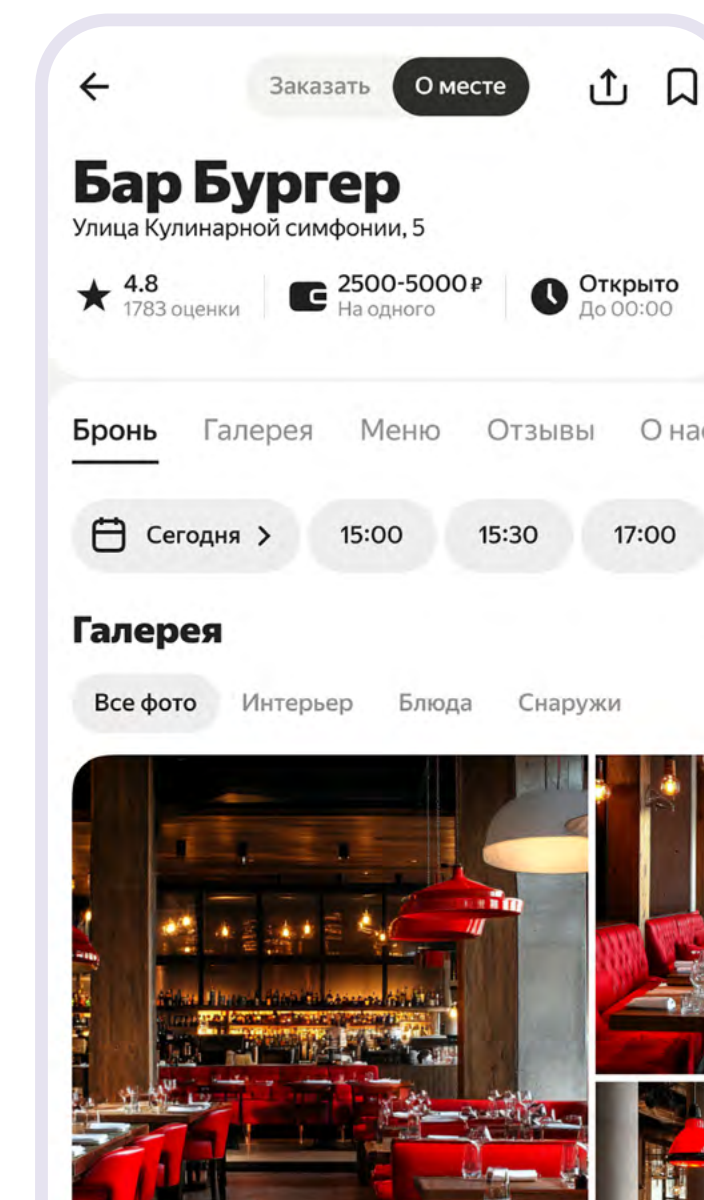
- Now sellers can create and develop their brand using online shop-in-shop windows
- A service for the simultaneous placement of ad banners in Yandex Market, Eats, Lavka, Delivery, and Go was launched, with all banners managed in the same account
- Unique product cards were launched for each seller



Yandex Eats



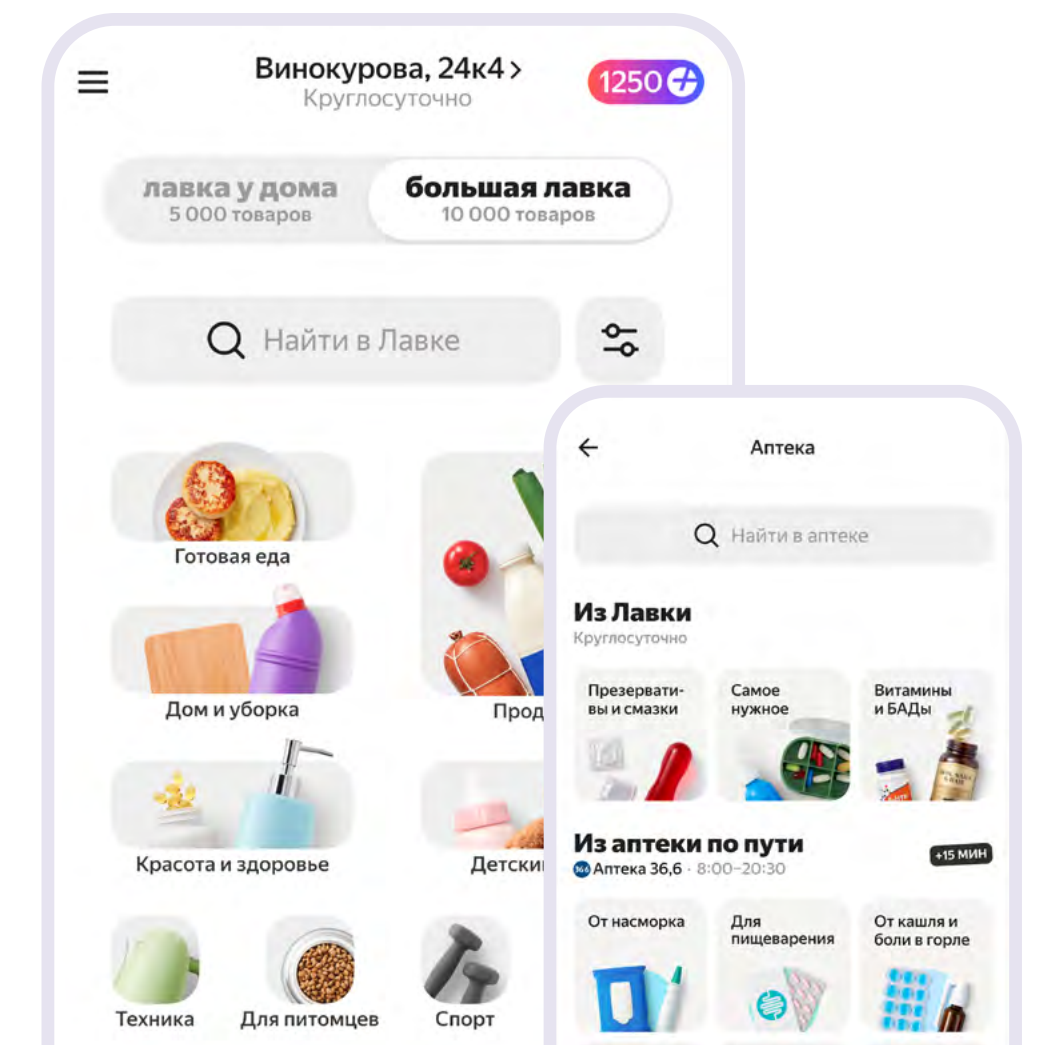
- Testing started of the new Vygodno (Great Value) delivery fee – 30% lower than standard delivery
- The Where to Go section was launched. Acquisition of the LeClick service by Yandex allows users to book tables at restaurants
- A multi-order service is now available. For the first time in the ready-made food delivery market, users can place two orders at the same time from different locations



Yandex Lavka



- Fast delivery (from 15 minutes) from pharmacies was launched
- A premium line of goods under the Lavka 100 private label was introduced
- Users can add items to an order that has already been placed
- Users in Moscow can now order a wide range of goods with delivery within an hour. Goods are delivered from a large dark store (approximately 1,000 m²)
- Game mechanics for users were introduced





The main revenue of the Plus business unit and entertainment services comes from the sale of Yandex Plus subscriptions and licenses, Yandex Afisha, and advertising revenue

Plus and entertainment services

This segment includes a single subscription to Yandex services: Yandex Plus, Yandex Music, Kinopoisk, Yandex Books (formerly known as Bookmate), as well as Yandex Afisha and the Plus Studio production center.

Yandex Plus



Yandex Plus is the leader¹ in terms of subscribers among combined subscriptions. The subscription includes Yandex Music, Kinopoisk, Yandex Books, and Yandex Afisha. Subscribers also get access to additional benefits in other Yandex services, as well as Plus cashback points, discounts, and other financial benefits of Yandex Pay

Kinopoisk



The leading movie entertainment platform in Russia and the CIS, combining the largest online streaming service¹, ticket buying service, most popular Russian movie media, and a global movie encyclopedia. The platform also broadcasts major sporting events

Yandex Music



Russia's largest subscription music service¹ with songs, podcasts, audiobooks, and a children's section with fairy tales, songs, and an audio show

Yandex Books



A subscription book service with more than 250 thousand electronic and audiobooks, from classics and science fiction to fantasy and comics. Users can read and listen to books in the mobile app and on devices with Alice

Yandex Afisha



Russia's largest entertainment ticket service¹. Yandex Afisha helps find out what's going on in the city and buy tickets for movies, concerts, plays, exhibitions, and other events. Yandex Afisha is also a co-organizer and producer of exhibitions, musicals, and concerts in Russia

Plus Studio



The Yandex Production Center generates content, invests in partner projects, and organizes exhibitions and other events. Plus Studio also develops franchises and communities related to its projects, enabling Yandex to build different models of ecosystem content distribution

¹ According to the GfK report for Q4 2024.

Market overview

In 2024, the Russian digital entertainment market demonstrated a positive trend, namely audience growth, development of subscription projects, and increased interest in local content.

Yandex entertainment services are leaders in the main categories: online streaming, music streaming services, and ticket aggregators.

Nº1 in its markets¹



Yandex Plus



Kinopoisk



Yandex Music



Yandex Afisha

Top music streaming services in Russia by number of subscribers in Q4 2024:

1. Yandex Music
2. VK Music
3. MTS Music
4. Zvuk

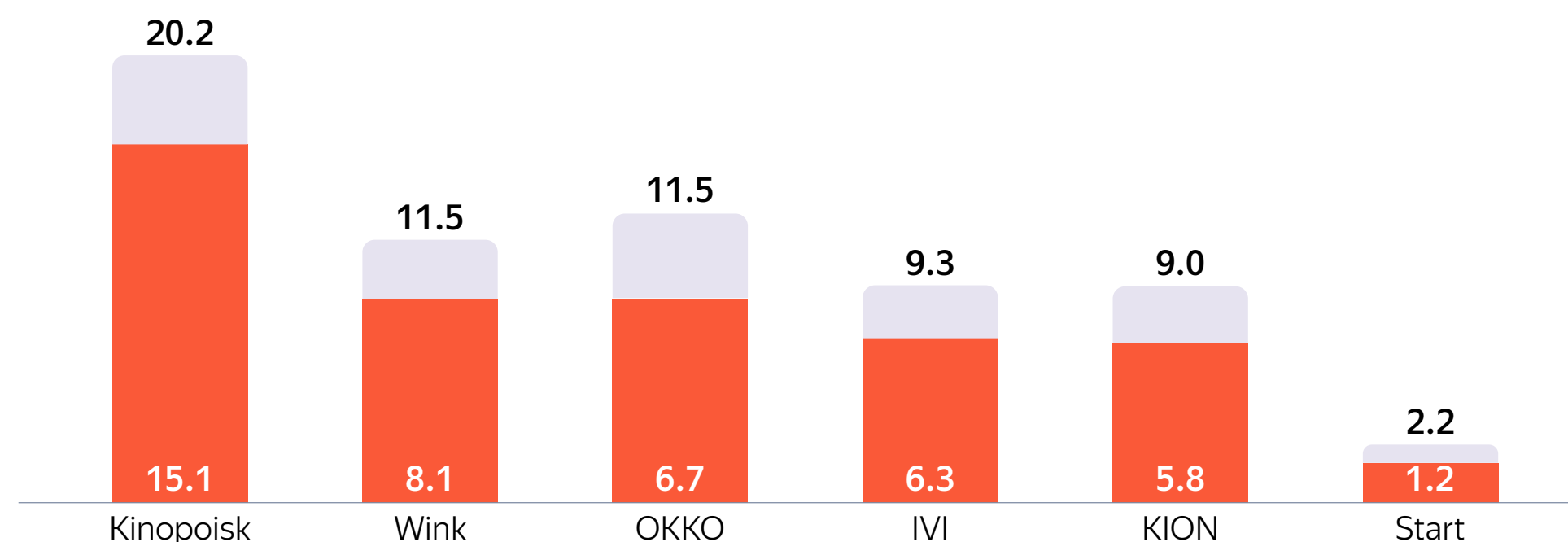
27%

share of Yandex Books in the book subscription market²

Russia's largest streaming services in Q4 2024

% of the Russian population with a subscription to streaming services

● Have a subscription (including a free subscription) ● Have a paid subscription



Entertainment services depend on the ability of market players to license and purchase content from international copyright holders. Recently, this option has been limited. This contributes to a pessimistic view of market trends. In fact, the market is growing significantly, albeit at a slower rate than in previous years, due to saturation and regardless of the availability of foreign content.

Yandex follows market trends, confirming its leadership in key areas of entertainment services. Yandex Plus subscriptions give users access to a variety of services and form a stable basis for further growth and strengthening of its market position. The company reinvests revenue from Yandex Plus subscriptions in content, namely in the purchase of rights to movies, shows, music, books, sports broadcasts, and in the production of its own shows, movies, books, and offline events. In 2024–2025, Yandex plans to reinvest more than RUB 100 billion from subscription revenue in movies, shows, music, and books.

In 2020, about 60% of Kinopoisk's audience watched Russian content at least once a year, while in 2024, this figure reached 87%. Domestic entertainment projects attract new and retain current subscribers, helping to consolidate Yandex's position in the market.

Key trends in the entertainment services market

Growing popularity of streaming services

With the growing availability of the internet and spread of digital technologies, online entertainment services (streaming platforms, video hosting, social media, etc.) are becoming more popular

Increased demand for local content

Russian content producers are releasing more movies, shows, and music projects focusing on the preferences of local audiences

Growth of subscription models

The compound annual growth rate (CAGR) of the number of subscribers to ecosystem subscriptions for five years through 2028 will be 10%²

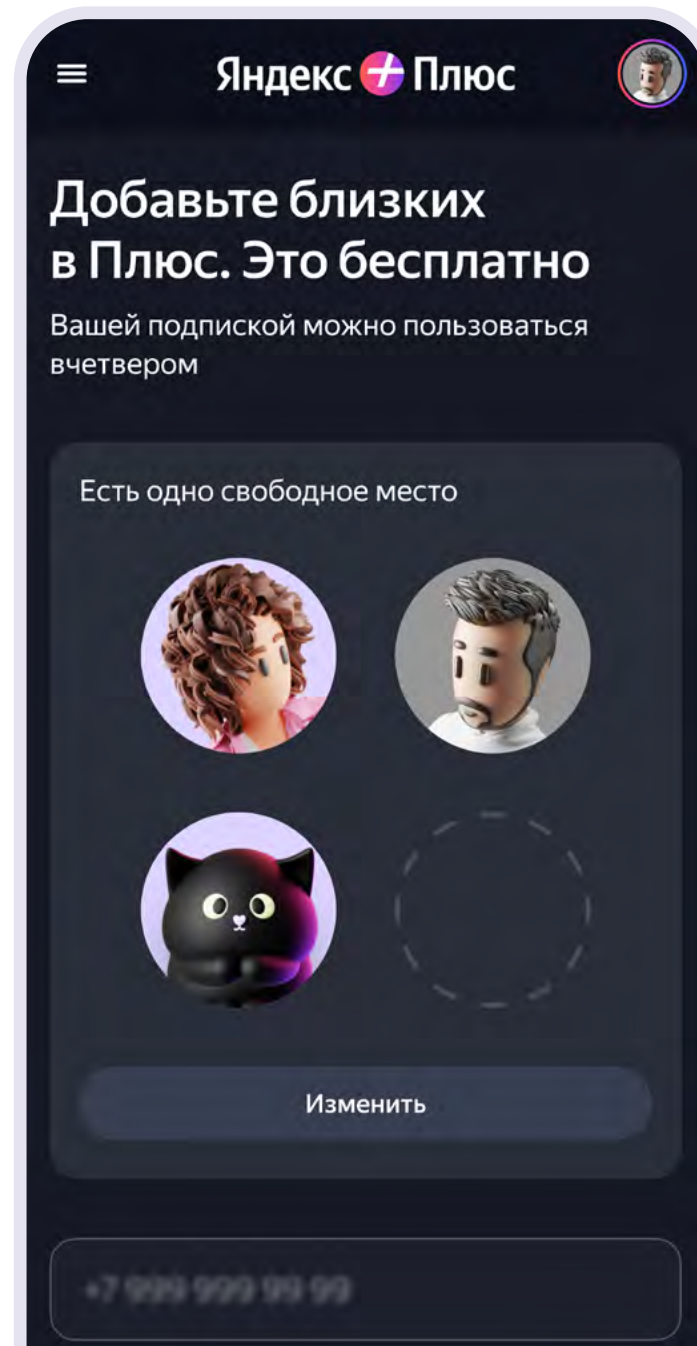
¹ According to the GfK report for Q4 2024.

² According to J'son & Partners Consulting.

Yandex's competitive advantages

Ecosystem effect

The Yandex Plus subscription is integrated with other Yandex services (Go, Delivery, Market, etc.), so users buy a subscription with access to the benefits of all services



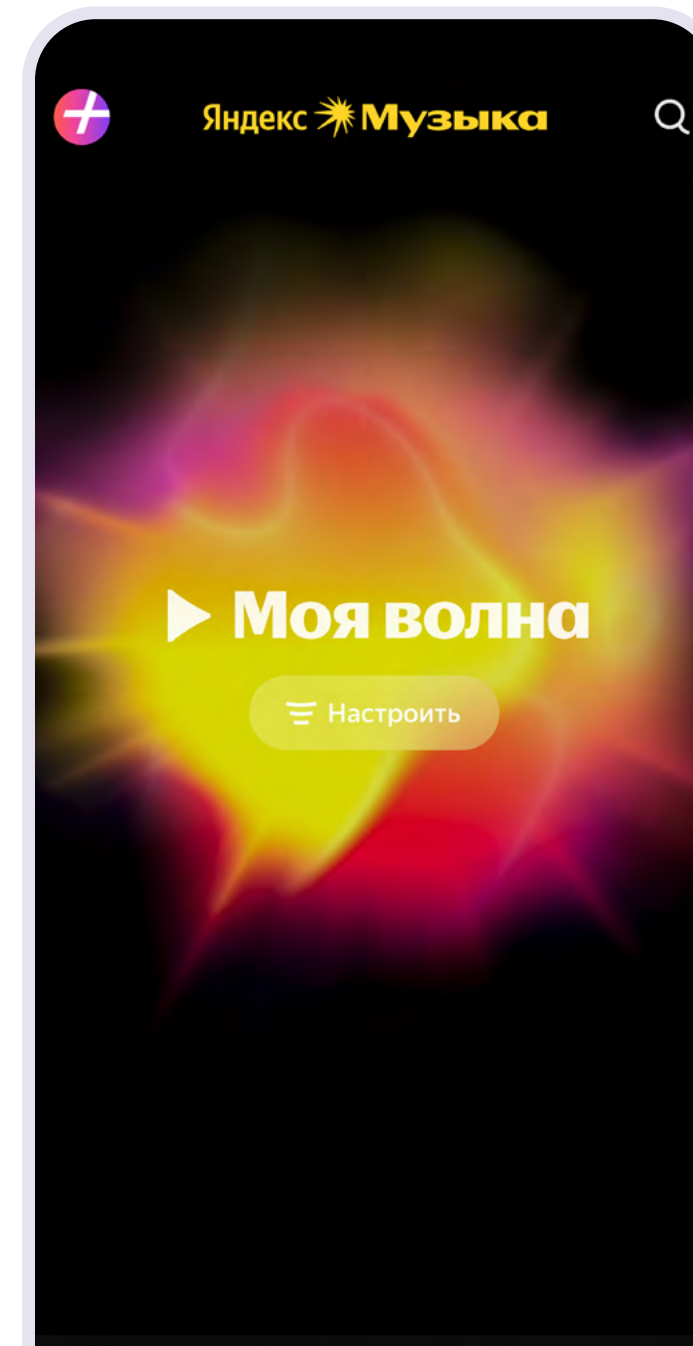
Development of original content

Plus Studio production center produces exclusive shows and movies



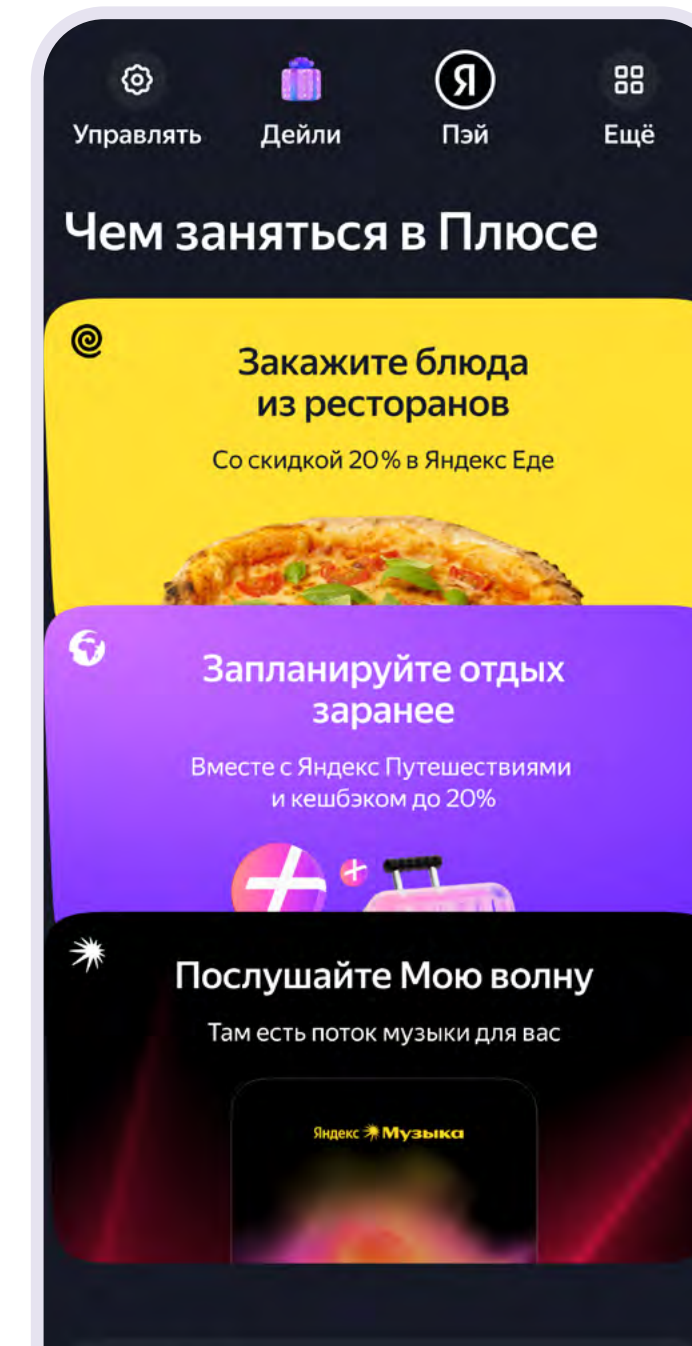
Accurate recommendations

AI improves content personalization in Yandex Music and Kinopoisk



Subscription flexibility

Different people can use the same subscription on multiple devices



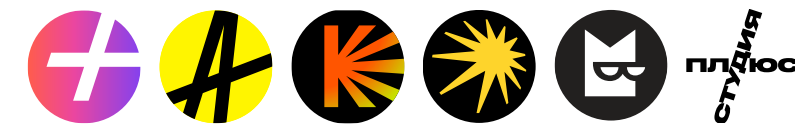
Development strategy

Yandex continues to expand the options and value of Yandex Plus subscriptions with a focus on two key areas:

- › AI for service personalization: we implement AI algorithms based to personalize recommendations in services available to Yandex Plus subscribers. This increases engagement and improves user experience
- › Investments in Plus Studio original projects, co-investments in partner projects, and systematic support for domestic movie releases helps ensure the varied content in the subscription

Operational results

Plus and entertainment services



39.2 MM

Yandex Plus subscribers

26 MM

MAU of Yandex Music

15 MM

MAU of Kinopoisk

RUB 28.7 BN ↑ 54%
direct ticket sales
on Yandex Afisha
in 2024

+30%

year-on-year growth
in paying Plus
subscribers in Q4 2024

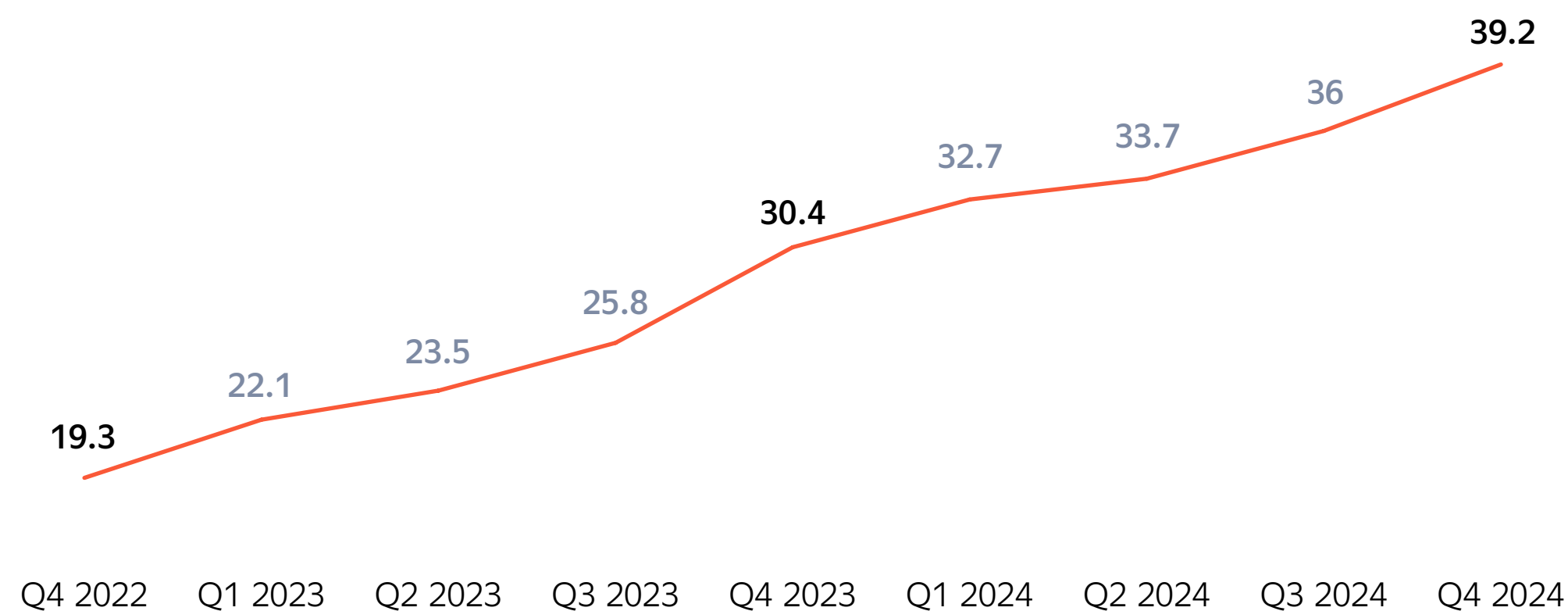
>250 K

electronic
and audiobooks, and
comics in Yandex Books

94 MM

movies and show
episodes in Kinopoisk

Number of Yandex Plus subscribers, MM

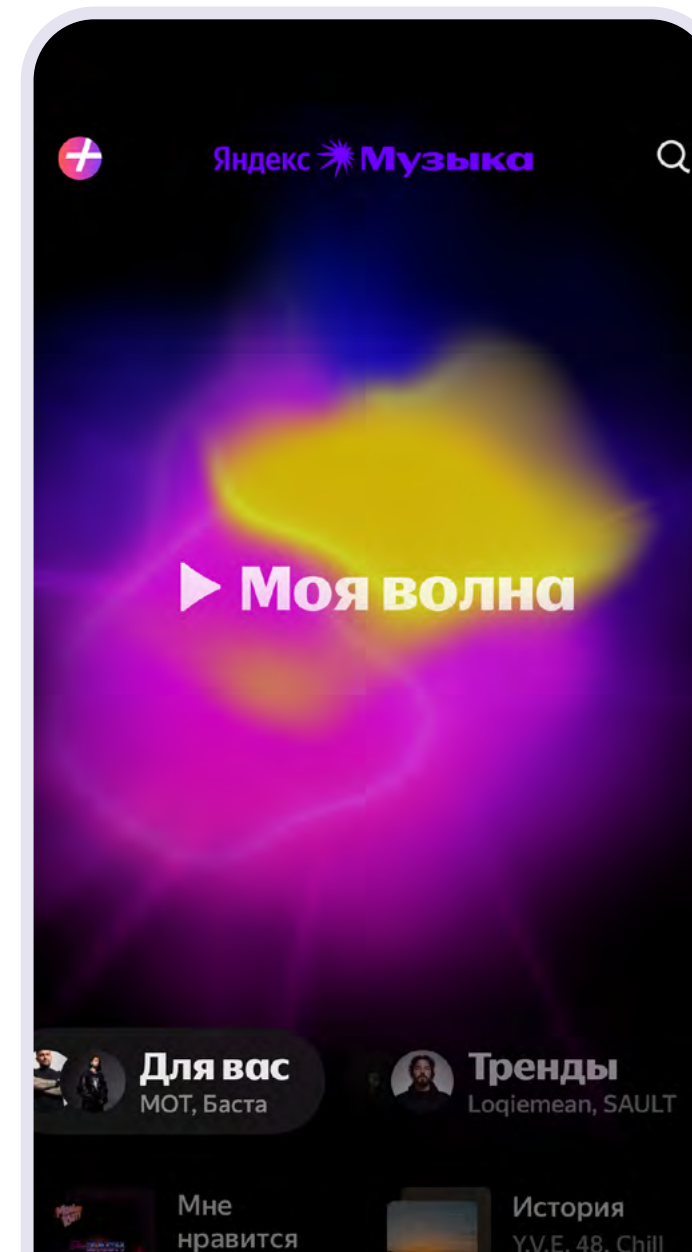


Key innovations

Neural networks in Music



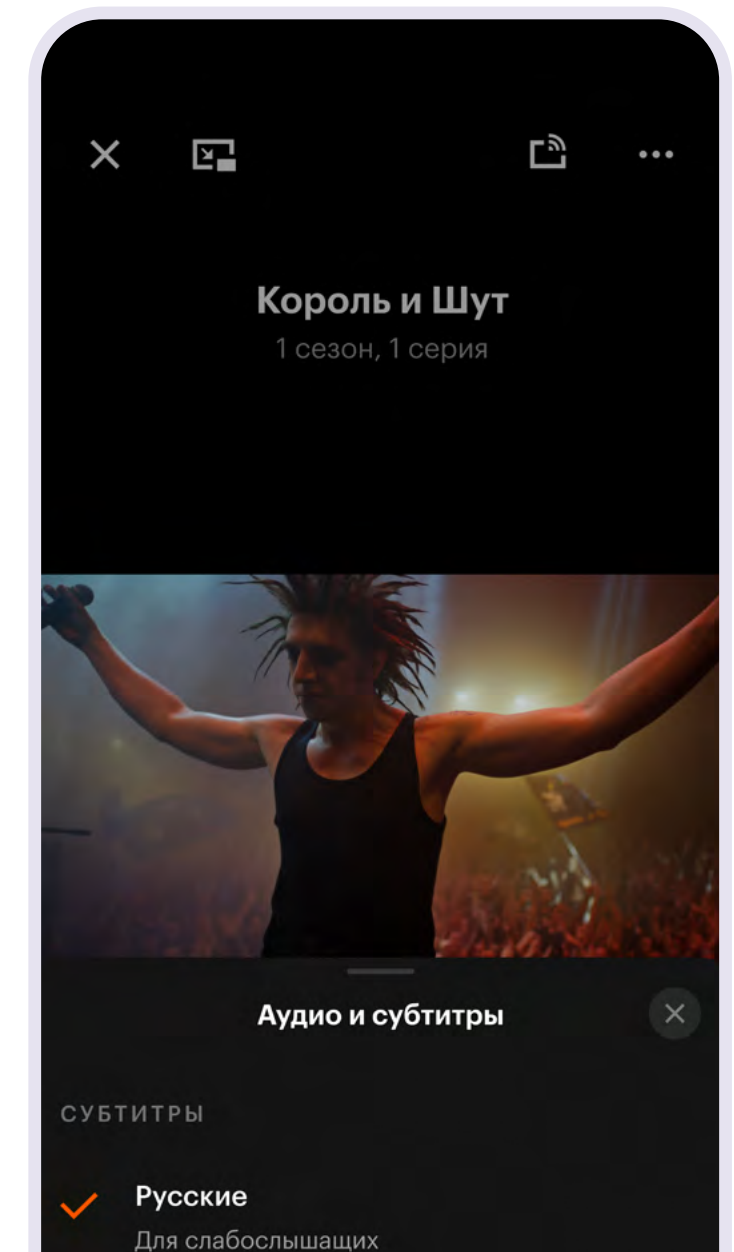
Yandex Music continues to improve its service personalization. In 2024, expert ML data labeling-based streaming was used to train the My Wave personal recommendation system to recognize and recommend hundreds of niche music genres. The service also launched personal recommendations for concerts with the option to buy tickets to performances of users' favorite artists



Audio descriptions¹ in Kinopoisk



Kinopoisk added audio descriptions to popular shows and movies and adapted the service for people with visual impairments. SDH subtitles or extended subtitles are also available to help people with hearing impairments to watch content. More than 130 movies and shows have these subtitles



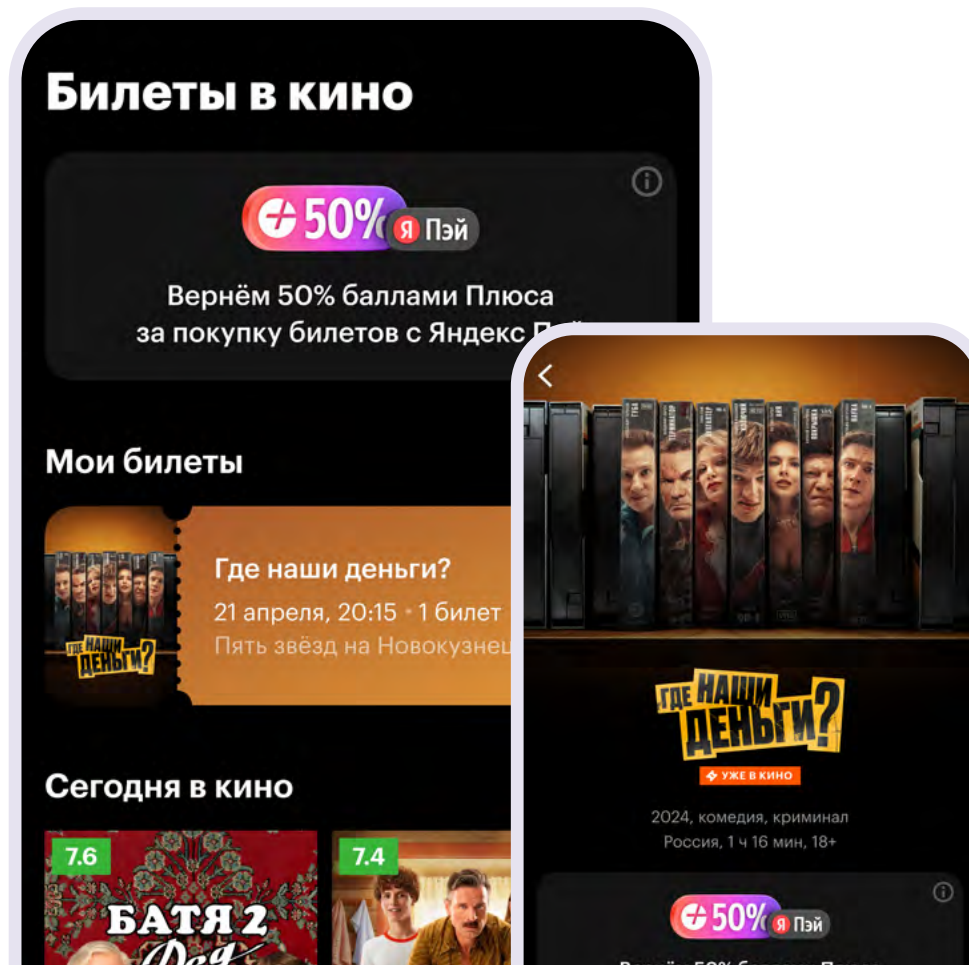
¹ Audio descriptions are concise descriptions of an object, place, or action that help the visually impaired get an idea of what's happening on screen.

Key innovations

A new scenario for buying movie tickets



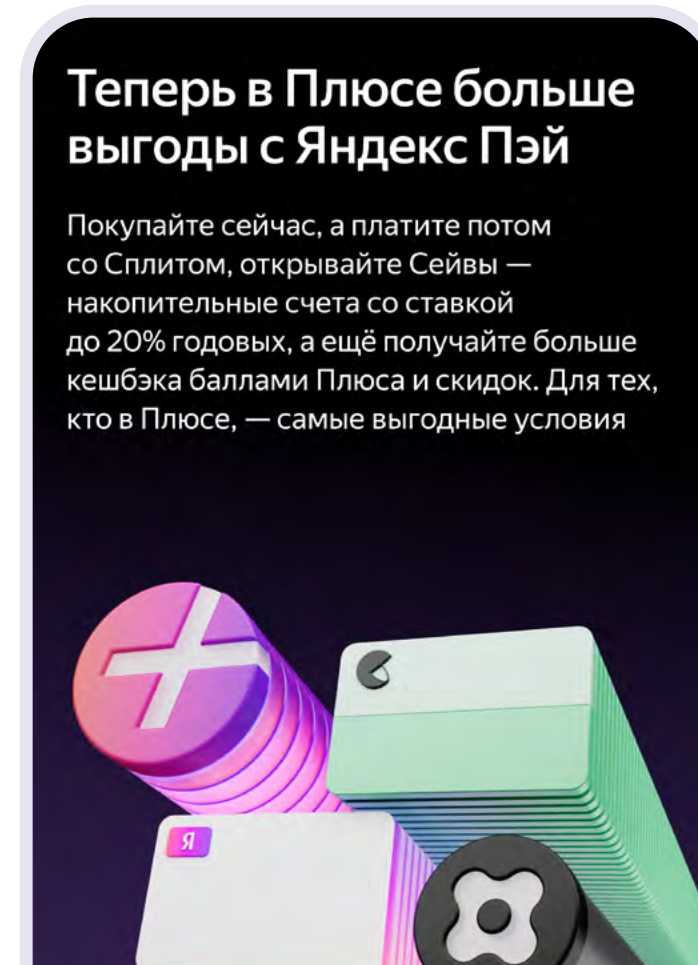
A section with movie tickets is now available on the website and in the Kinopoisk app. Tickets for premieres can be purchased directly on the main page, which promotes theatrical releases as well as online releases



Access to fintech services



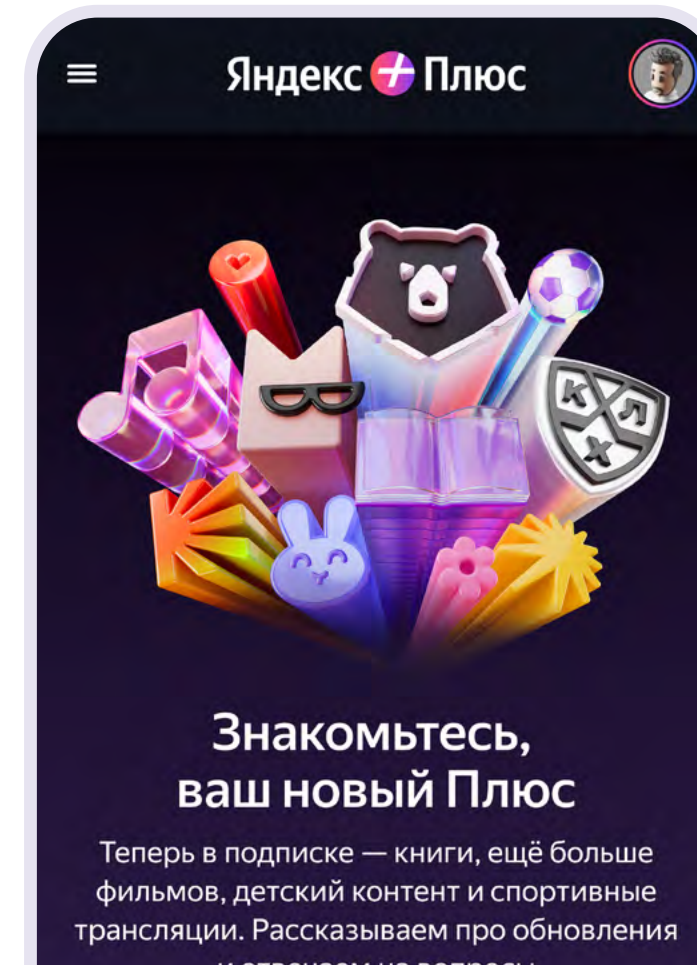
Yandex Plus subscriptions were expanded to include Yandex Pay options: for example, payment in installments without interest and savings accounts with an increased rate



Expansion of the main Yandex Plus subscription



The Yandex Plus main subscription now includes Yandex Books and More Movies options, which were previously provided separately. The subscription fee after expansion is RUB 399 a month



Virtual Narrator in Yandex Books



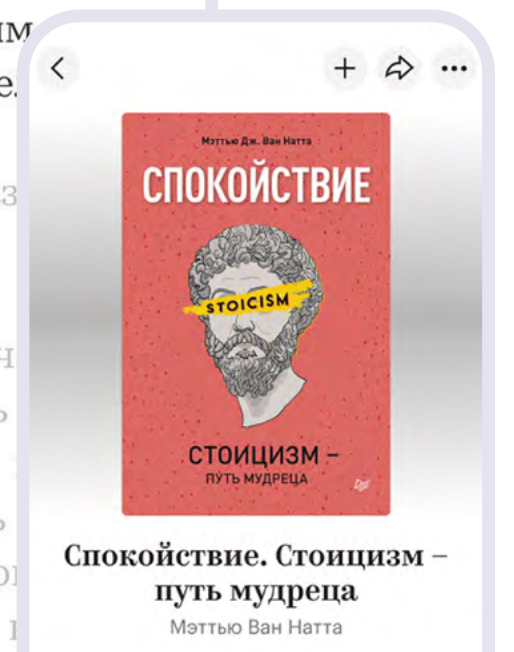
Yandex added the Virtual Narrator in Yandex Books, which uses AI to read books without pre-recorded audio

Глава 1. Практическая философия

Следует раз и навсегда положить конец дискуссиям, каким должен быть человек, просто стать им.

Марк Аврелий. Размышления. 10:16

Как преуспеть в жизни, поможет ответить на этот вопрос. Стоицизм уже продолжает помогать справляться с эмоциями, трудностями, дает



Plus Studio projects



Plus Studio, in collaboration with Game Art Pioneers and Acronix, plans to release two RPG games. Production of a screen version for a series based on the Atomic Heart game has already begun. Plans also include production of a screen version of Bubble comics and the release of shows based on Major Grom, Furia (Fury), Besoboi (Demon Killer) and Mirokhdotsy (Worldwalkers)

Music in lossless quality




Yandex Music has tens of millions of songs in lossless FLAC (Free Lossless Audio Codec)




Classifieds

The Yandex Classifieds business unit includes Auto.ru, Yandex Realty, Yandex Rent, and Yandex Travel.


The segment generates profit by monetizing user interactions with the classifieds. These services connect sellers — auto dealers, developers, hoteliers, apartment owners, and individuals — with potential buyers. Sellers get access to effective promotion and sales tools, enabling them to sell goods and services quickly and profitably. Classifieds are free for individuals.

Auto.ru 


Classifieds for the sale of used and new cars, motorcycles, and commercial vehicles

Yandex Rent 

A long-term apartment rental service to quickly find tenants and support owners and tenants at each stage of the rental process

Yandex Realty 

Classifieds for the purchase, sale, and rent of apartments, houses, and commercial real estate for individuals, developers, and real estate agents

Yandex Travel 

A travel planning service in Russia and around the world that helps book hotels and apartments and find train, bus, and airplane tickets

Market overview

Increased traffic is an overall trend of the classifieds market. Aggregators and classifieds help compare goods and services across a wide range of offers taking into account specific budgets, which is important for users with a savings behavior model.

General key trends in the classifieds market

Growing popularity of online platforms

With the availability of the internet and smartphones, more users are turning to classifieds

Expansion of categories

Classifieds add new categories to cover more and more areas, including goods, real estate, cars, work, and service offers, and more

AI application

Artificial intelligence helps improve search and recommendations and make services more personalized to increase their convenience for buyers and sellers

Improving security and trust

Anti-fraud measures are improved: user ratings, data verification, and secure payment methods

Mobile advertising growth

Smartphones are becoming the primary means of interacting with services, making mobile advertising a key promotional tool

Auto.ru



The trend of recent years towards an increase in sales of used cars through dealers continues. A rise in the key rate has also led to an increase in the cost of car loans and a decrease in purchasing power. In 2025, this may force dealers to optimize budgets in terms of marketing expenses, including investments in classifieds



Yandex Realty



In 2024, an increase in the key interest rate and the cancellation of certain preferential mortgage programs led to a decrease in the availability of borrowed funds for the purchase of housing and a reduction in the number of co-investment agreements entered into in Russia. Due to economic uncertainty, developers are cutting back on marketing spending, but continue to invest in lead generation on high-conversion advertising channels, including classifieds. This has a positive effect on the development of Yandex Realty



Yandex Rent



Growing demand for long-term rentals

Due to stricter macroeconomic conditions, a portion of potential buyers and sellers of real estate have shifted their attention to long-term rental or its extension for an indefinite period. This change in the market contributed to the development of the Yandex Rent service.

Development of online deals in the rental market

Online rentals are gradually developing. In Yandex Rent, the vast majority of apartments are rented out without ever viewing the apartment offline. In 2024, 92% of deals in Moscow and St. Petersburg and 90% in other regions were completed entirely online.



Yandex Travel

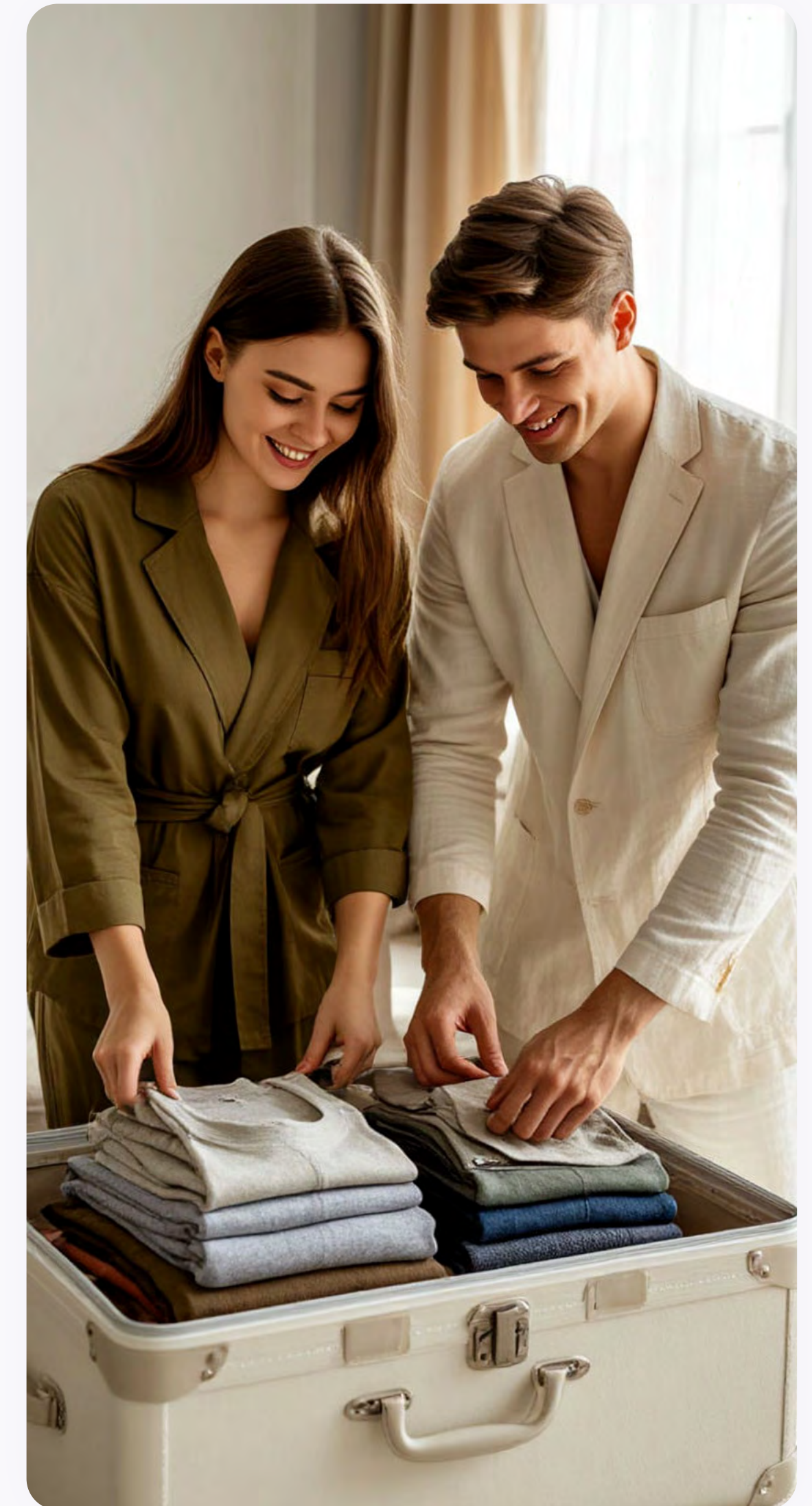


According to TravelLine, the share of online bookings through Russian online travel agencies in 2024 returned to the level of early 2022, reaching 58%, while the share of direct bookings was 42%.

In 2024, Yandex Travel for the first time took the leading position in terms of the number of hotel bookings during the calendar year, reaching a share of 29.2%. The number of bookings through Yandex Travel grew by 36% YoY, which is especially noteworthy given that in January 2022, the share of the service did not exceed 1%.

The development of hotel infrastructure and state support for SMB in this area ensure a positive market growth trend.

An increase in tourism activity and a shortage of hotel rooms led to higher demand for the short-term rental of apartments. In response to this trend, large classifieds and travel aggregators are making this area a separate business unit. Yandex Travel also expanded its presence by adding 50,000 accommodations in the first three months after this business unit was launched.



Development strategy and competitive advantages

Our strategic focus is to retain and expand the market share of all Yandex Classifieds

Auto.ru



Auto.ru is the largest service in the Classifieds business unit and is focused on maintaining operational efficiency. Thanks to the stable financial performance of Auto.ru, Yandex Classifieds can invest in the development of new initiatives and areas within Auto.ru and other business unit projects.

We continue to develop solutions that ensure the loyalty and retention of Auto.ru's audience, including Auto.ru Magazine, Russia's largest automotive portal, Bortzhurnal (On-board Magazine), the UGC platform for car owners, and the Yandex Garage classifieds service providing car owners with everything they need to maintenance and search for a replacement car.



Yandex Realty



To ensure efficient operations and increase the service's market share, we strive to develop technologies for the customized selection of apartments in new apartment buildings, and increase the efficiency of CRM marketing and its share in the total revenue of the service.

We also offer various IT solutions that help to independently create high-quality and reliable classifieds to buy and sell secondary real estate. For example, 3D-tour generation technology developed by Yandex Realty. This enables the implementation of a strategy for the expansion and retention of service audiences and the improvement of professional sales performance.



Yandex Rent



The development of Yandex Rent involves an increase in the number of apartments being rented out and the launch of additional services to maximize revenue from each transaction. In 2025, the apartment portfolio is expected to expand due to more extensive partnerships with real estate agents, the expansion of services into other regions, and increased brand awareness among real estate owners.

Yandex Rent regularly expands technological capabilities for owners, tenants, and real estate agents. The service adds new online tools that simplify the housing rental and search process, increasing user loyalty and changing the approach to long-term rentals in the market in general.



Yandex Travel



Yandex Travel strives to become a leader in the online accommodation booking and ticket purchase market in Russia by investing in the development of the platform and creating a product that fully meets the needs of travelers and partners.

The key areas of development in 2025 include expanding the range of accommodations, ensuring attractive prices for hotels and apartments, developing a loyalty program with Yandex Plus points, improving the B2B product for hoteliers, and improving the service's position in the business travel segment.



Operational results



Auto.ru



~20 MM
MAU

3 K
dealerships manage
processes in Auto.ru
Business¹

69%
of all used cars at dealerships
are covered by Auto.ru
Business



Yandex Realty



7.5 MM
MAU



Yandex Rent



20 K
real estate
properties

3 K
real estate agents
in the partner
program²



Yandex Travel



A leader
in online hotel booking services³

25 MM
MAU

66%
growth of GBV⁴
of hotels YoY in Q4 2024

3.5 x
growth in the number
of apartments and hotels
in Russia on the Yandex
Travel platform

¹ A platform offering products and services for the development of automotive businesses at all stages, from replenishing inventories to attracting customers and analyzing sales.

² Helps earn passive income by delegating the process of creating classifieds and searching for tenants.

³ According to TravelLine.

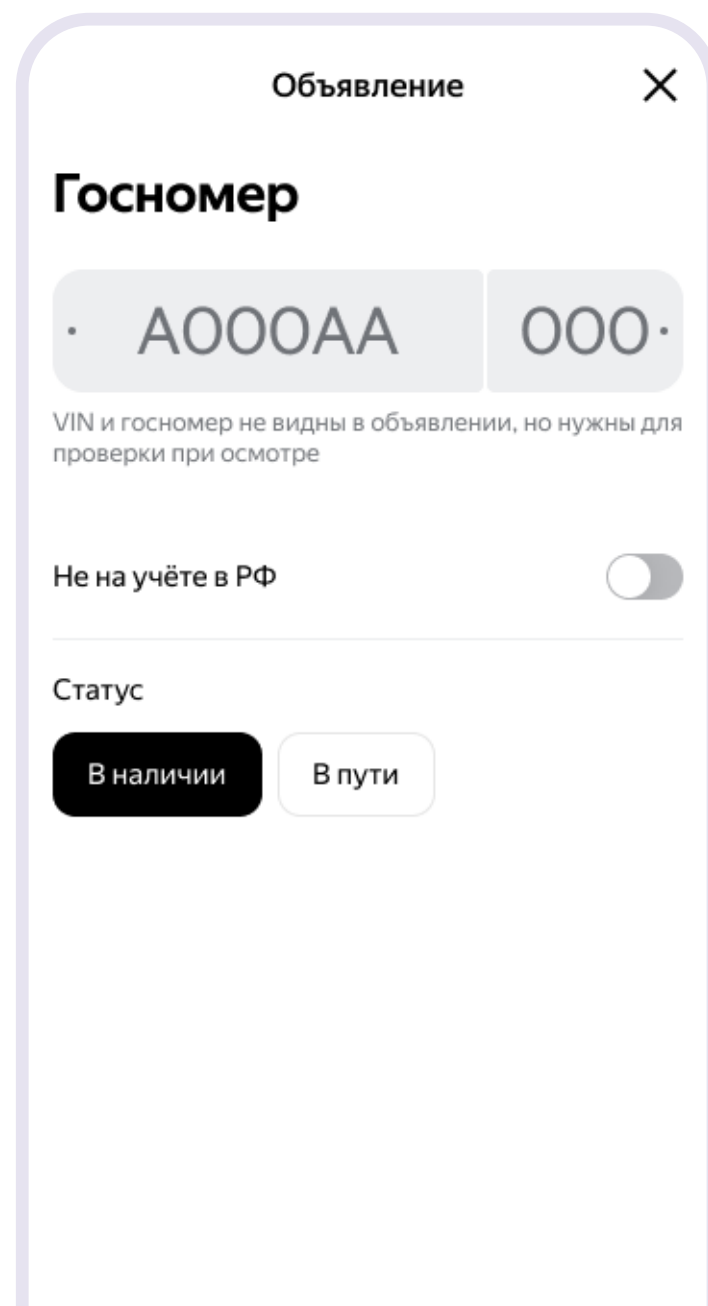
⁴ Gross booking value (total of all completed bookings).

Key innovations

Auto.ru



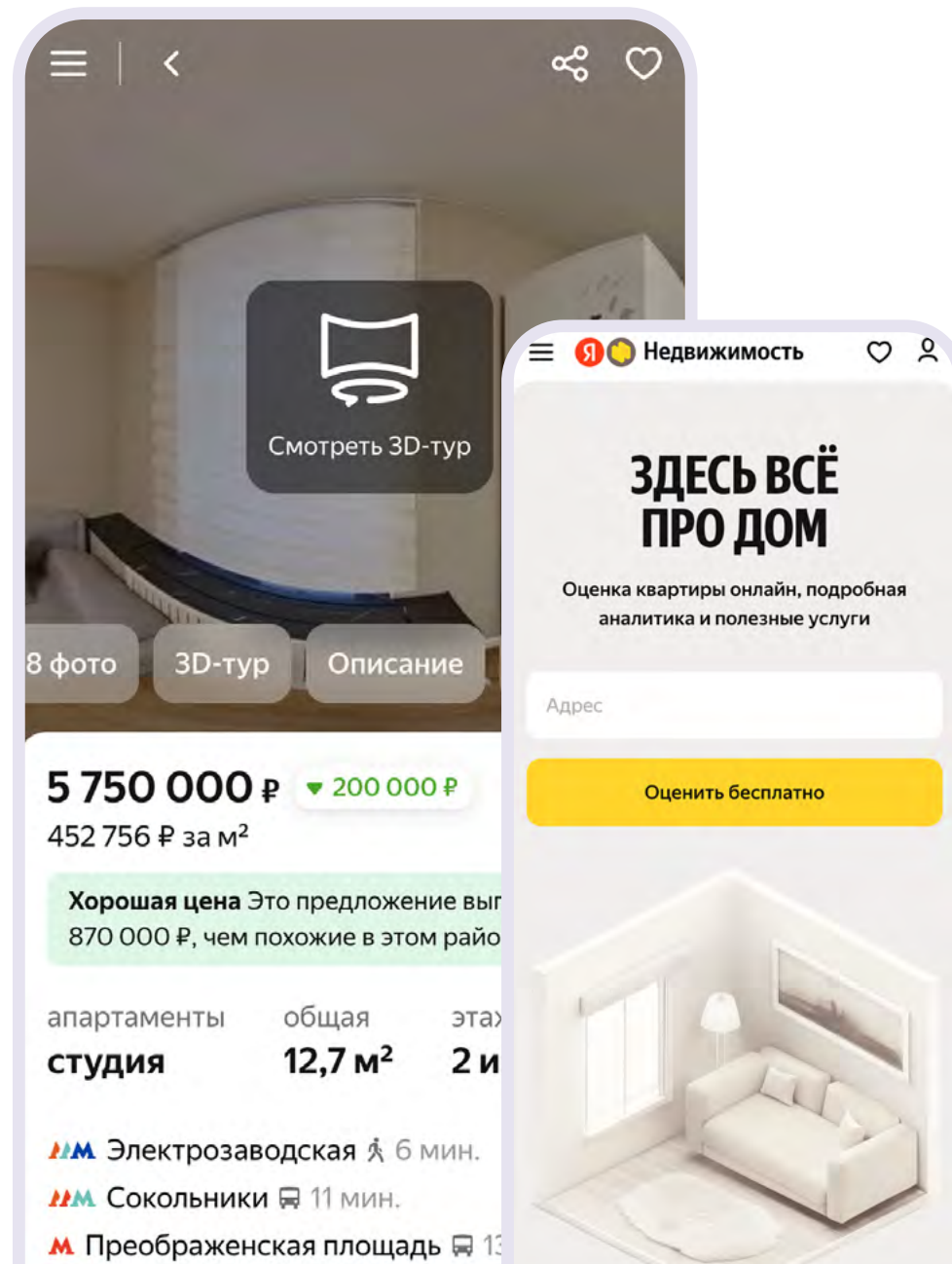
- Purchase of the eCredit online platform. The platform helps car dealers work with a large pool of banks to increase the likelihood of car loan approval
- Adding a new scenario for posting car classifieds by license plate number. The scenario accelerates the process of publishing classifieds by 25% and minimizes the number of errors



Yandex Realty



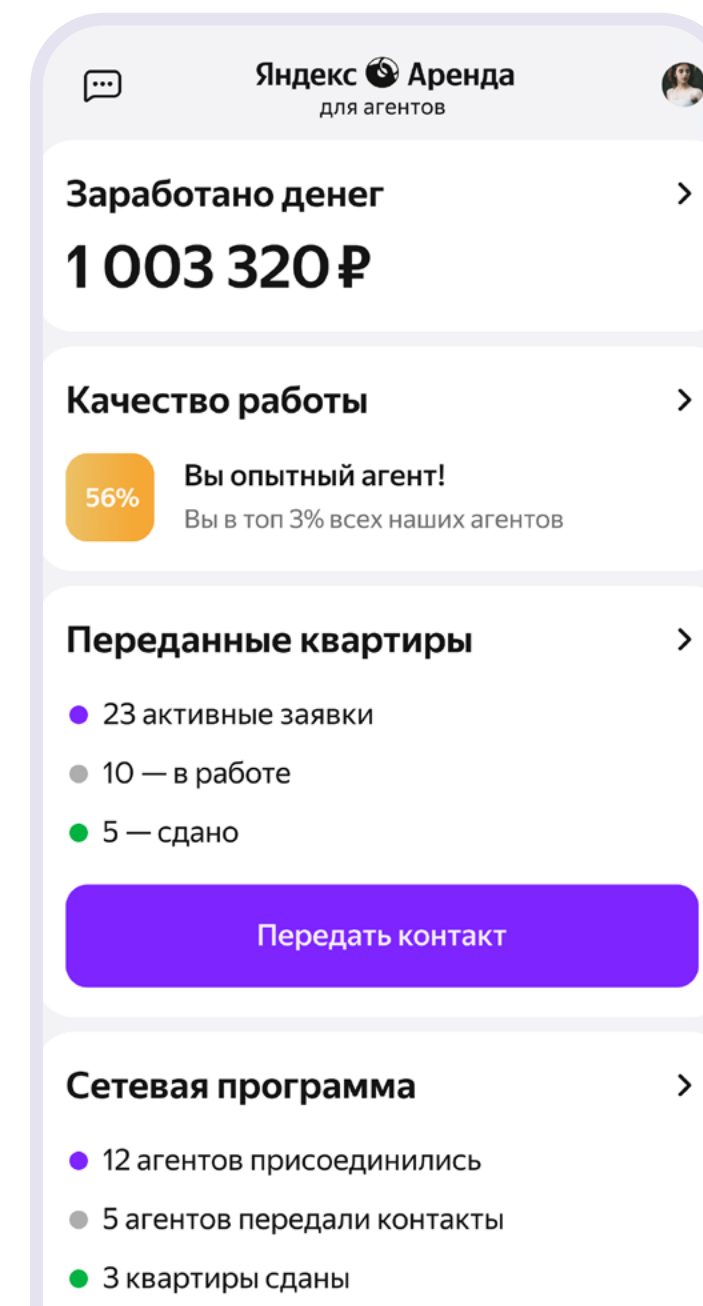
- Introduction of 3D tours for secondary real estate properties based on Yandex's proprietary technology. Tours increase classified views by 37%
- Updating the Yandex Realty brand platform and launching the About Home section with real-time information on any apartment in Russia



Yandex Rent



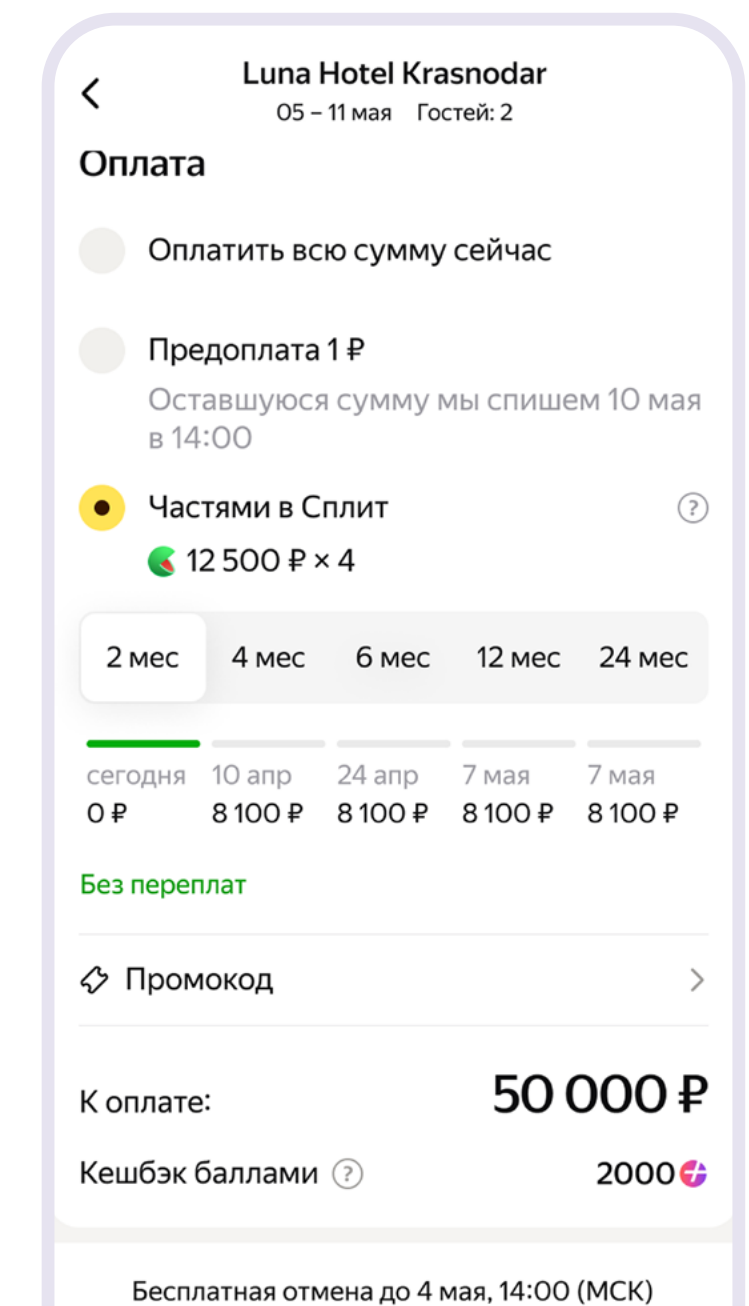
- Launch of the market's first partner program for real estate agents
- Launch in 14 regions of Russia. This expanded geography resulted in a 50% increase in apartment supply



Yandex Travel



- Launch of the apartment booking service. Now apartment owners can use the Yandex Travel platform to offer accommodations
- Option to pay in installments when booking accommodations





Other business units and initiatives

Yandex autonomous vehicles



Yandex is a global leader in autonomous vehicle technology. The company has been developing autonomous vehicles since 2017 based on proprietary technologies and original design solutions. Yandex autonomous vehicles include delivery robots, autonomous trucks, and robotaxis.



Delivery robots

Robots deliver goods from stores and restaurants



Autonomous trucks

Trucks transport goods for commercial purposes and are used by postal and courier services, marketplaces, and shipping and logistics companies



Robotaxis

Autonomous cars for passenger transportation



Autonomous vehicles are a promising area of development in the transport industry. Russia is one of the only countries with proprietary autonomous driving technologies (along with the U.S. and China). The market of cargo shipping, robotaxis, and local delivery by robots has potential in the trillions of Rubles and is a main company focus.

Yandex's key strategic areas in the autonomous vehicle segment are expanding its network of commercial partners for delivery robots, increasing the efficiency and reducing the cost of delivery by robots, scaling autonomous cargo shipping services, and improving autonomous vehicle technologies.

Delivery robots

Yandex is one of the few companies in the world and the only in Russia to have a robot delivery service. Delivery by robots gained momentum in 2024, driven by a shortage of couriers and rising labor costs.

During the year, we also continued to develop commercial partnerships, including Vkusno i Tochka, X5 Retail Group, and 500+ other companies.



Autonomous trucks

In 2024, a Yandex autonomous truck made the first delivery of Yandex Market cargo from Moscow to Tula on the M-4 Don highway. The number of commercial trips will increase gradually.

The demand for road freight transportation continues to grow. The use of autonomous technologies in the freight transport segment has significant potential and can greatly reduce logistics costs for Russian companies, solve driver shortage issues, increase efficiency, and improve road safety. Yandex, Sber, and KamAZ are major players in the Russian market who have already started testing similar technologies.



Robotaxi

Yandex is the only company in Russia with a public robotaxi service. It's currently being tested in Moscow, Sochi, and Innopolis (Tatarstan). Yandex self-driving cars have traveled more than 32 million km since the experimental legal regime was put into effect. Yandex robotaxis are the only ones to transition to VATS-2 testing (without driver participation).

In 2024, Yandex started using a transformer neural network to control autonomous vehicles. The system independently selects the optimal actions in different situations by learning from large volumes of data. This development will help autonomous vehicles respond as flexibly as possible to rapidly changing road conditions and make driving more human-like, similar to professional driving. The transition to transformer architecture is an important step in the development of self-driving vehicles.

The steady growth in demand for taxi services, accompanied by a shortage of drivers and an increase in labor costs, highlights the growing need to develop the autonomous taxi market.

Operational results

32.5 MM km of roads¹
traveled by autonomous vehicles

3 cities
with different weather conditions
are testing sites for self-driving cars:
Moscow, Sochi, and Innopolis

500+ k²
commercial orders completed by delivery
robots as of December 2024

1 MM km
traveled by Yandex delivery robots
since 2019

520
stores and restaurant chains use Yandex
delivery robots

Up to **20** kg
carrying capacity of third-generation
delivery robots

¹ Since 2017.

² Since the start of the delivery robots.

Yandex Cloud



Yandex Cloud is a cloud platform that provides B2B customers and individual developers with scalable infrastructure, manageable databases, machine learning technologies, and development tools to create and enhance advanced digital services and applications.



RUB **19.8** BN ↗ 1.5x
Yandex Cloud 2024 revenue

The cloud market includes several different segments. IaaS¹ is the largest, providing customers with computing resources and data storage. According to Yandex Cloud estimates and based on the forecasts of Russian and foreign analysts, the volume of the IaaS market by the end of 2024 was RUB 96 billion. We expect the market to continue to grow at approximately 19% annually through 2028. In the IaaS segment, there is demand for the expansion of the functional portfolio and an increase in customer requirements for information security systems and transparency of provider actions. Yandex Cloud is one of the leading IaaS providers on the Russian market.

The PaaS² segment covers platforms for developing and running applications. This includes database management solutions (DBMS), container orchestration (Kubernetes), development of ML/AI applications, and other services. According to Yandex Cloud estimates and based on the forecasts of Russian and foreign analysts, the volume of the PaaS market by the end of 2024 reached RUB 27 billion. We expect the market to continue to grow at an average annual rate of 21% through 2028, particularly in the Kubernetes segment. Yandex Cloud is in the top-2 PaaS providers by market share according to iKS-Consulting.

The main strategic focus of Yandex Cloud is to provide Russian companies with the opportunity to effectively use advanced technologies. We do this by developing an ecosystem of technology services and bringing innovative products to market.

Yandex Cloud revenues in 2024 increased by a factor of 1.5, reaching RUB 19.8 billion. The main growth drivers were an organic increase in service consumption by large enterprise customers, the acquisition of new customers, and the expansion of the on-premises solutions segment. The business maintained positive margins for the second year in a row, and the growth rate of our cloud platform is twice the rate of the overall Russian cloud services market. To ensure faster growth in the coming years, we will increase our investment in the recruitment of technical specialists, development of infrastructure, and marketing by more than 20% YoY. We will focus on ML, Security, DevTools, and full data cycle services, and continue to expand our offering of on-premises solutions.

¹ Infrastructure as a Service.
² Platform as a Service.

Key innovations

>44 K

Yandex Cloud commercial clients at the end of 2024

>70

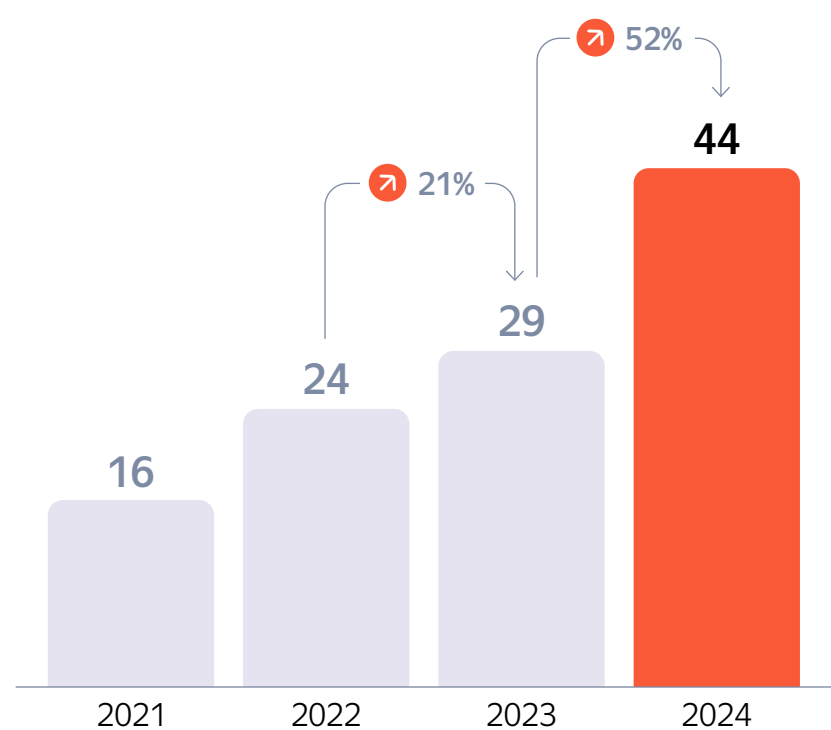
IaaS and PaaS services in Yandex Cloud

85%

the share of Yandex Cloud's revenue from SMB

For more information on Yandex Cloud information security services, see [Information Security](#).

Yandex Cloud commercial clients, K



Yandex Cloud in the new **Yandex B2B Tech** business unit

The group combines Yandex technologies and tools for corporate users, including Yandex Cloud and Yandex 360. By developing them together, Yandex B2B Tech can better offer companies of different sizes comprehensive solutions that cover a wide range of needs, allowing them to quickly implement advanced technologies and reduce infrastructure and software costs.



Launch of on-premises services

Users can access services through various channels: cloud solutions (XaaS or API) or their own servers (on-premises).

New on-premises solutions are popular with businesses that prefer to store and process all data in their internal infrastructure.

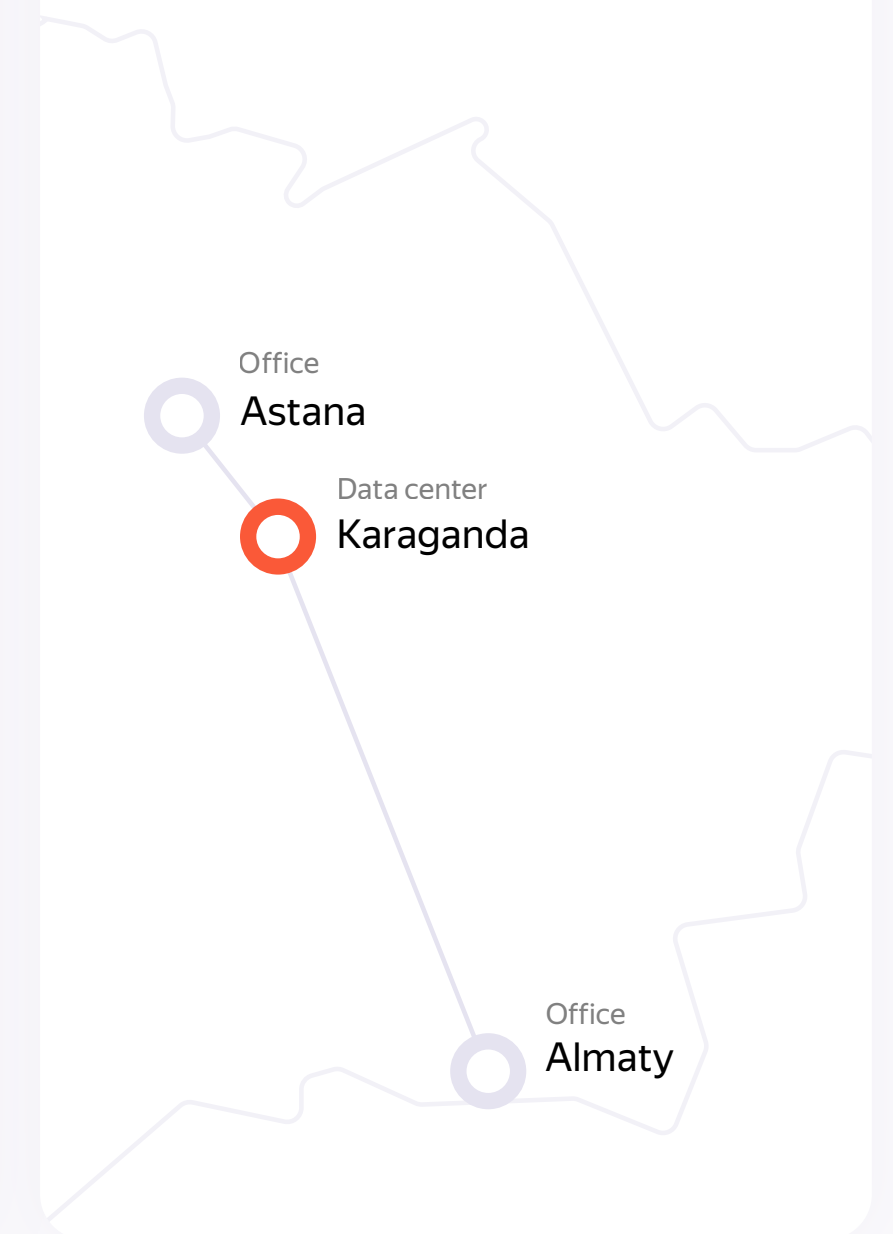
The first on-premises solutions were YDB DBMS, YandexGPT, and SpeechKit, as well as the DataLens BI tool. The number of these products will be on the rise in the future.

RUB 42 billion invested in platform development

Yandex Cloud will invest RUB 42 billion in portfolio development in 2025–2026. The platform is expanding its portfolio by offering solutions in new areas, such as infrastructure (BareMetal), DBMS (YDB), machine learning (AI Studio), and developer products (Yandex Code Assistant and SourceCraft).

Yandex Cloud new region: **Kazakhstan**

Yandex Cloud placed server infrastructure in a data center in Kazakhstan. Now companies from Kazakhstan, Russia, and Central Asia can use services and platform technologies to develop, test, and launch digital products.



Yandex 360



Yandex 360 is an ecosystem of cloud products and services (SaaS) for communication and networking



91 MM
MAU of Yandex 360

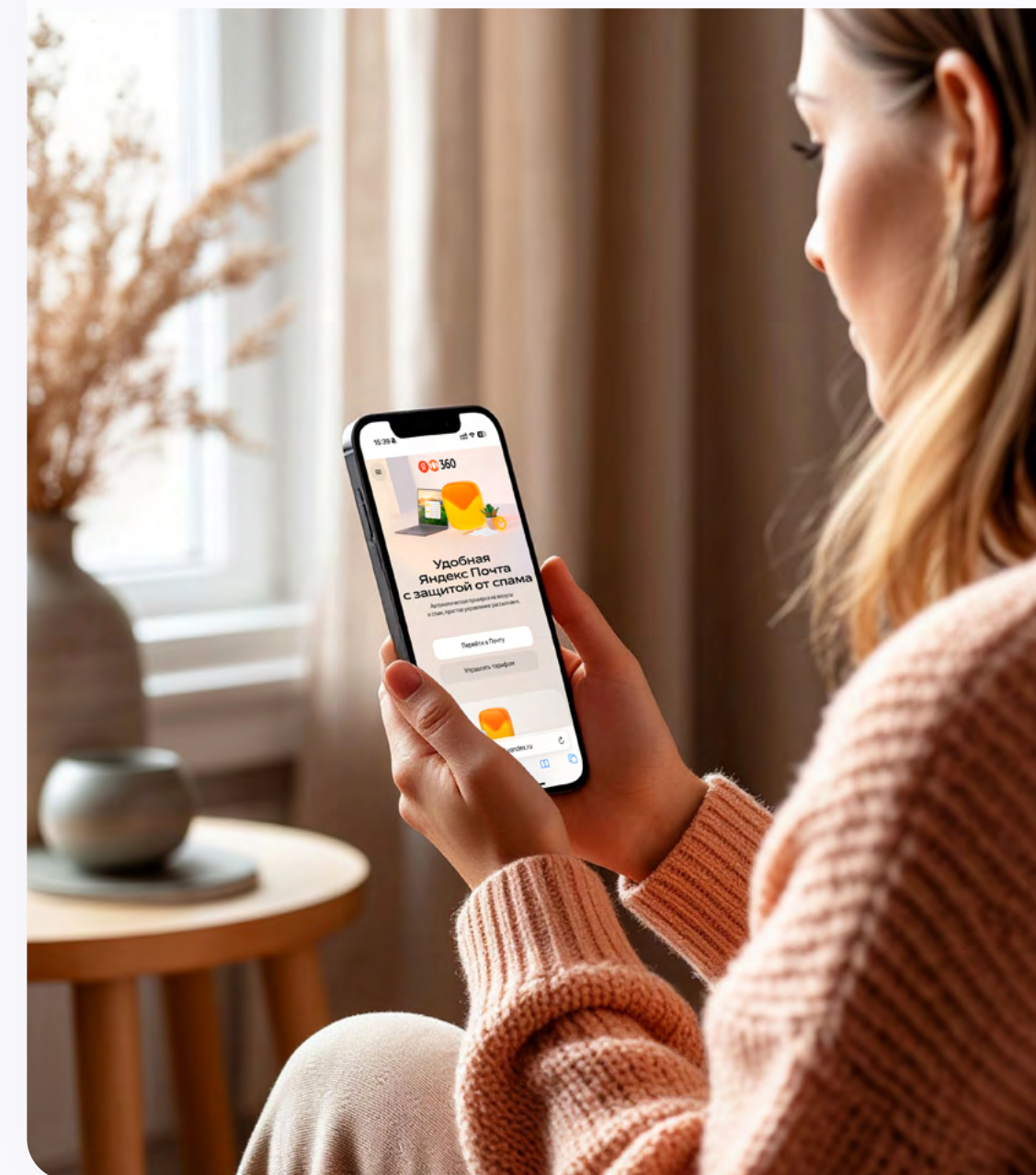
3 MM
paying
B2C clients

3.6 MM
paying
B2B clients

Yandex Mail, Yandex Calendar, and Yandex Disk cloud storage (the core of the product line) are now drivers of sales and customer retention.

The product portfolio is developed through new generation communication tools: the corporate Messenger, Telemost video conferencing, and Boards collaborative work solution.

The portfolio also includes the beta version of the Documents service released on its own technology platform, the Tracker project management solution, the Wiki knowledge base for employees, the Forms survey wizard, and more.



The development of an ecosystem of business services, subscriptions for retail customers, and advertising monetization makes up the core of Yandex 360. Since 2022, Yandex 360 has been investing more aggressively in product development and building a sales system for SMBs. The growth in the B2B market is due to a stable demand from companies using Yandex 360 services as a virtual office.

In the medium term, the company will continue to focus on:

- › The development of existing products for SMB needs, including on-premises Yandex 360 services
- › The expansion of its product portfolio, including in new segments





Key innovations

Yandex



Expansion into new markets

Since 2024, Yandex 360 is now available in Kazakhstan and Belarus

New services

Since 2024, Yandex 360 offers the following services: [Tracker](#), [Wiki](#), [Forms](#) and [Boards](#)

Access to the Yandex 360 online office as an on-premises solution

Companies can deploy an online service on their own infrastructure. This option will later be available for Yandex Documents and Yandex Disk

Documents



Yandex 360 introduced new online text and table editors based on our proprietary technology platform. The text editor also has built-in YandexGPT 4

Telemost restart



Enhanced video meeting and video conferencing capabilities: 4K screen sharing and support for up to a thousand participants in a meeting

Integration of YandexGPT into services



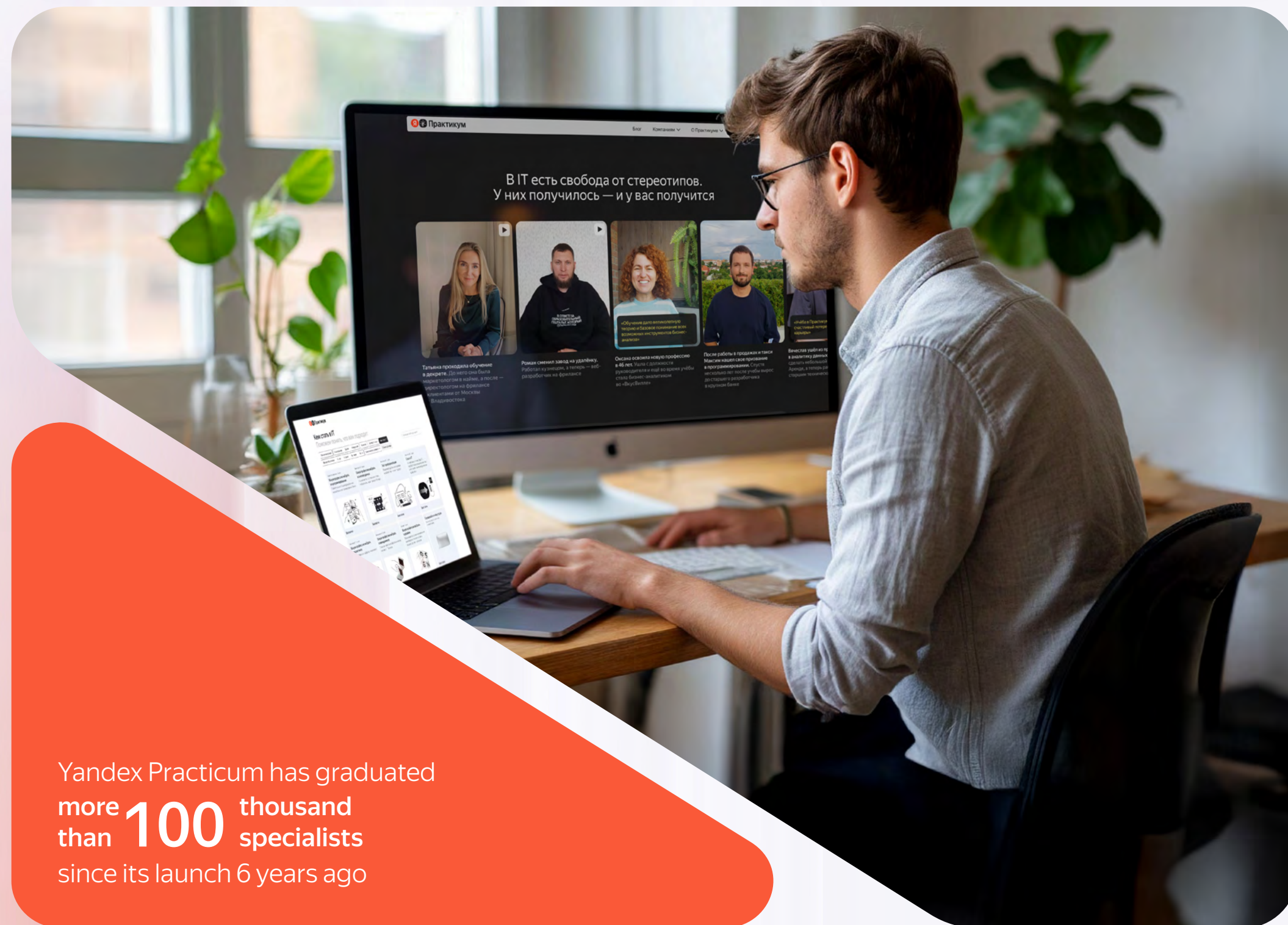
Yandex 360 introduced generative AI into Yandex Mail to streamline text and incoming mail processing



Yandex Practicum



Yandex Practicum is an online training platform where anyone can learn in-demand IT professions and develop professional skills. Training includes theory and practice, and users are supported by experienced industry mentors, supervisors, and employment experts



Yandex Practicum has graduated more than **100** thousand specialists since its launch 6 years ago

Practicum operates in three segments of the online education market:

- First career job:** online business Master's and Bachelor's degree programs in partnership with leading technical universities to prepare students to start their career
- Change of profession:** online courses to learn a new skill as part of a vocational training programs
- Professional development:** online skill development courses for specialists and the Grade platform for corporate team training

Yandex Practicum's largest business segment is reskill training. With a high average amount spent and a long purchase decision time, Yandex Practicum expands its base of potential students and increases their loyalty. The referral index (share of purchases on recommendation) is also important. In 2024, it exceeded 50%, meaning every second student uses Yandex Practicum on the recommendation of someone they know.

Yandex Practicum is also a leading provider of training services for future IT careers.

Thanks to effective reorganization and investment in new products in 2024, Practicum increased its share in core market segments with sustained and growing profitability. The revenue Yandex earns from online learning services depends on whether the student completes the course or graduates early. The quality of the product and support services offered by Yandex Practicum ensure a high level of completion, which has a positive impact on revenue.

In 2024, the online learning market in the additional vocational education segment demonstrated moderate growth, driven mainly by specialized schools and Yandex Practicum. Practicum was the only online school among market leaders with high growth dynamics. Its share in the additional vocational education market reached 14%, and 23% in the IT profession segment.

Yandex Practicum share

on the additional vocational education market has grown

up to **14%**

in IT careers segment has grown

up to **23%**

+15%

growth of the online additional vocational education market in 2024¹

19 higher education

institutions offer training for students in Yandex Practicum

100 K people

have mastered a new IT profession in Yandex Practicum since its launch

77%

NPS in the School of Mentors for IT specialists

53%

of new students joined Yandex Practicum on the recommendation of current or former students

Best Educational Experience award

awarded to Yandex Practicum's School of Mentors by the School of Education



In addition to additional vocational education, Yandex Practicum offers services in the higher education market. The Russian market of online higher education programs grew by 36% to RUB 4.5 billion, a 6.5x increase since 2021, according to the Association of Online Higher Education (SOVO). Yandex Practicum's share of students is 8% and 7.5% of revenue. Higher and secondary vocational education remain the key growth drivers in EdTech, where Skillfactory (VK) and Netology are the largest players alongside Yandex Practicum.

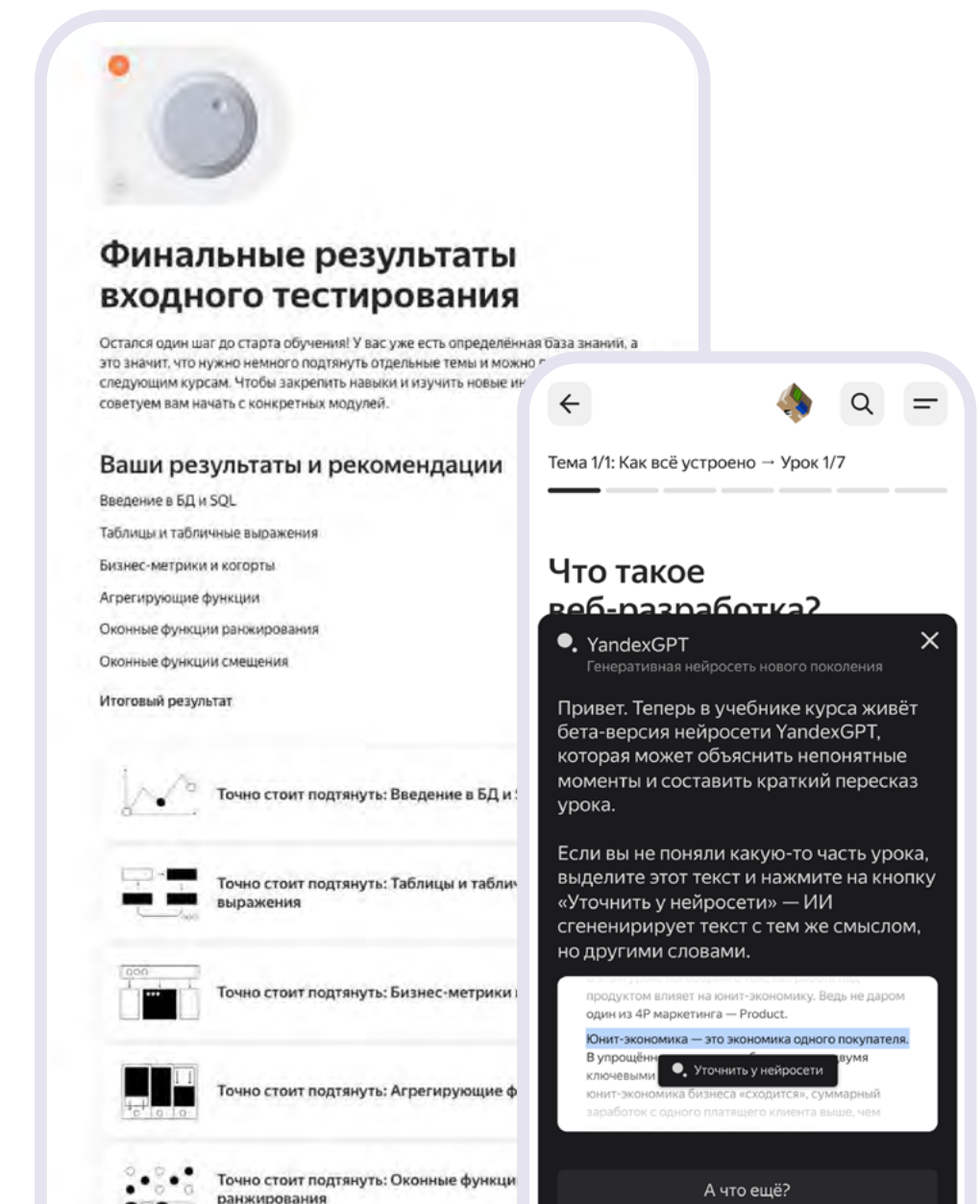
¹ According to Smart Ranking.

Key innovations

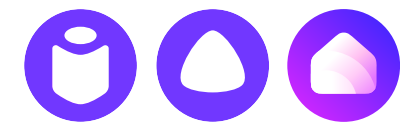
Yandex Practicum



- Introduction of a flexible employee assessment system on the Grade corporate training platform
- Development of new YandexGPT-based services for students and educational tools
- Launch of practice-based online Master's degree programs in partnership with leading technical universities
- Yandex Practicum entered the international market with a .com domain name. Now Russian-speaking users from other countries can purchase courses



Devices and Alice



Yandex devices



- Yandex smart speakers with virtual assistant Alice, who can turn on music, talk about the weather, call a taxi, order products, help manage a smart home and much more. The line includes a variety of models: from devices with powerful sound to speakers with a large rotating Full HD screen.
- Yandex TV Stations are Yandex smart TVs that combine TV and YandexGPT-assisted smart speakers with Alice technologies. TV Stations are represented by four models for different audience segments. Yandex also continues to develop proprietary operating systems YaOS and YaOS X.
- Yandex's smart home with Alice include multiple smart devices that work together to discreetly perform routine tasks, take care of comfort, microclimate, coziness and security.

Alice virtual assistant



Alice is the no.1 virtual assistant in Russia with more than 70 million users a month. Alice is available in Yandex Stations, TV Stations, Yandex services and applications, on the Yandex homepage, and in the alice.yandex.ru text and image chat. In February 2025, YandexGPT 5 Pro, Yandex's most advanced language model, was added to Alice Pro. Alice is now 11x better at academic tasks and 9x better at professional tasks.

Despite a slowdown in the home appliance and electronics market in 2024, the smart speaker segment remained one of the few growth areas, albeit at a slower rate than in 2023.

18%
growth of the smart speaker market in 2024 in terms of unit sold¹

27%
growth of the smart speaker market in 2024 in monetary terms

¹ According to the Retail Audit panel study by GfK-Rus in 2024 in Russian cities with a population over 20 thousand.

Yandex maintained leadership in the smart speaker market despite large-scale promotions by competitors, demonstrating high user loyalty to the Yandex and Alice brands.

86.2% ↗ 2.1 p.p.

Yandex's share in the smart speaker market in 2024 (units sold)¹

92.7% ↗ 1.9 p.p.

Yandex's share in the smart speaker market in 2024 (in monetary terms)¹

82%

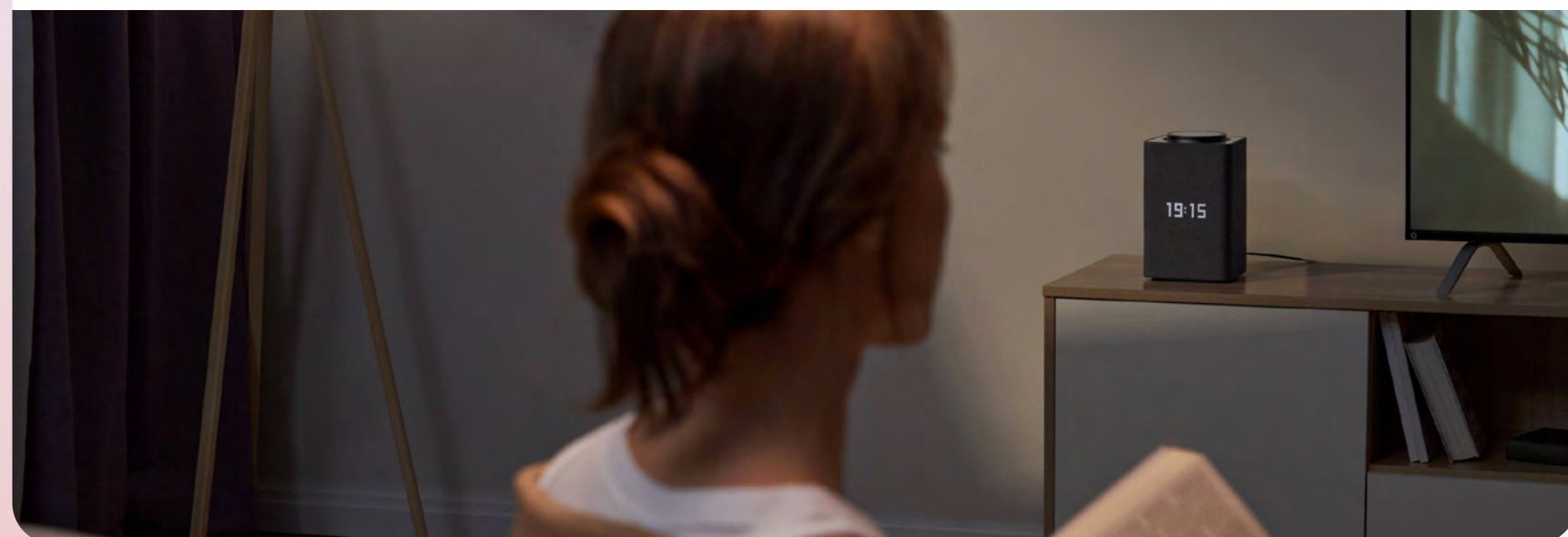
Yandex Station, spontaneous awareness²

Vs.
42% – VK Capsule
20% – SberBoom

65%

Yandex Station², first preference³

Vs.
9% – VK
2% – Sber



The main advantages of Yandex Stations include a wide range of models, quality features, acoustics, and design.

14.2 MM

Yandex Stations sold since the end of 2018

75%

Yandex Stations online sales⁴

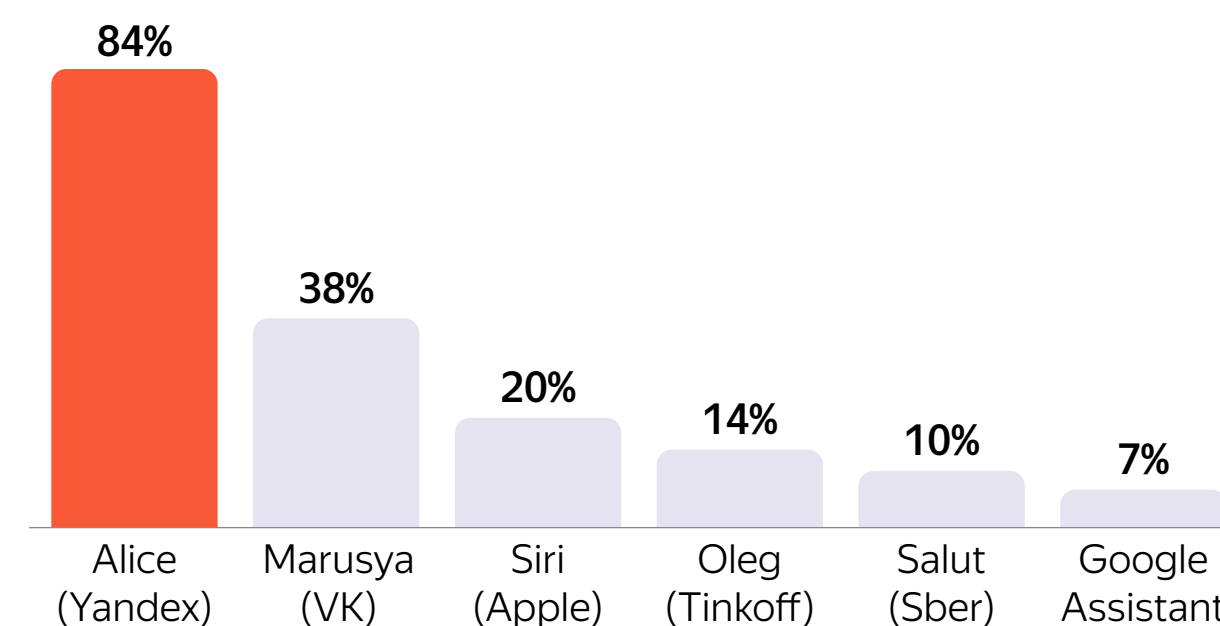
Over 7 BN

Alice queries asked every month

2 MM

subscribers to Alice Pro

The most popular virtual assistants in Russia, spontaneous awareness



Development strategy

Our mission is to provide everyone with a personal virtual assistant that can handle both household and professional tasks.

Alice is a universal assistant that supports everyday user scenarios and develops new capabilities through ever-improving artificial intelligence.

Alice devices essentially serve as the assistant's entry point into users' lives. We create and scale a range of smart devices (speakers, TVs, smart home solutions) to ensure the most convenient and natural interactions with Alice anywhere: at home, on the go, or at work. Smart devices serve as an extension of Alice, making the user's life easier and more convenient.

Key drivers of success:

- Technological leadership: regular investments in software and hardware innovations and their synergy make our offering unique.
- Flexible monetization: with our model, users get access to advanced services and new scenarios that create value and a willingness to pay for the convenience and functionality of the assistant on an ongoing basis, not just at the time of purchase.

We prioritize the development of our virtual assistant and its ecosystem. Each device is designed to improve the user experience with Alice and provide the best possible solutions for their everyday routine.

¹ According to the Retail Audit panel study by GfK-Rus in 2024 in Russian cities with a population over 20 thousand.

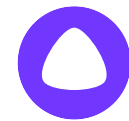
² According to Brand Health Tracker, Yandex's own study on the Yandex Vzglyad platform, from a representative sample of the Russian population ages 14–55 in cities with a population over 100 thousand.

³ A marketing metric that reflects which brand or product consumers would choose to purchase with all other factors equal (for example, price and availability).

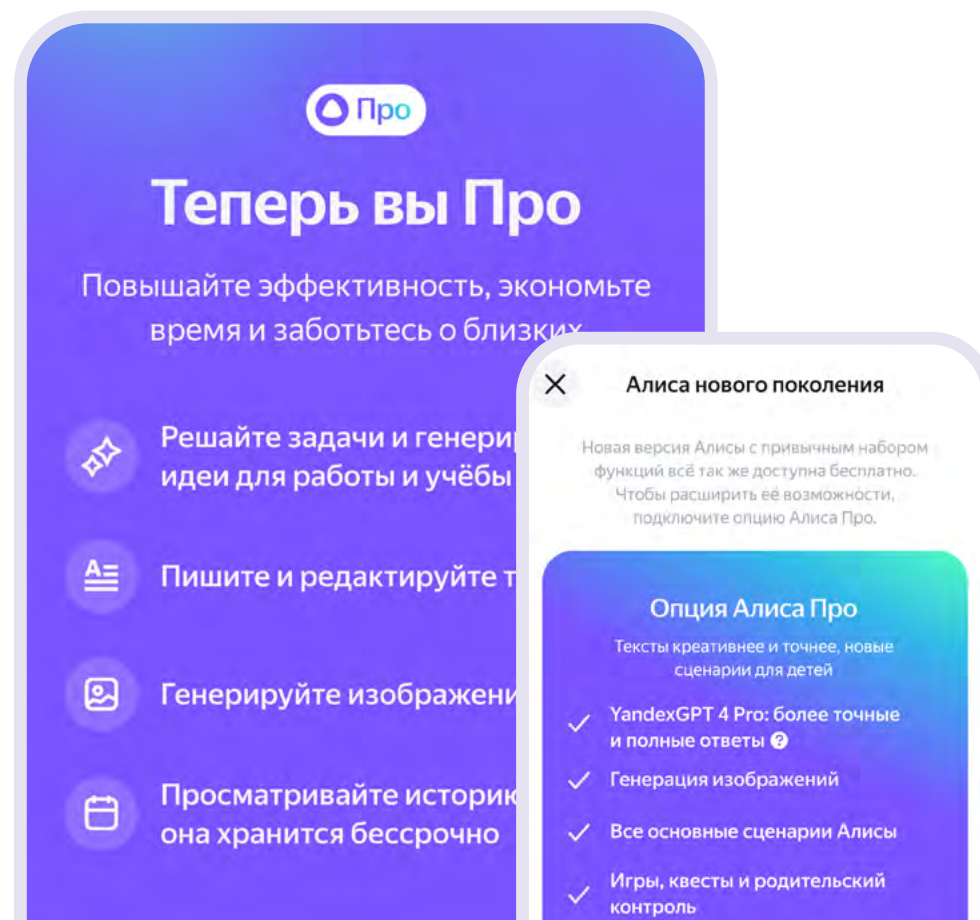
⁴ According to the Retail Audit panel study by GfK-Rus in 2024 in Russian cities with a population over 20 people.

Key innovations

Alice



- We launched a new generation of Alice powered by proprietary YandexGPT. The new Alice is available on all major devices and platforms and can explain complex concepts and phenomena, suggest ideas, and keep the conversation going. The new generation of Alice has improved capabilities and answers more user queries: the response rate has increased from 60% to 95%.
- We developed Alice Pro, an additional option running on Yandex's most powerful generative neural network capable of giving detailed answers to help users at work.
- We launched the Alice mobile app and web chat, offering more ways to interact with the virtual assistant.



TV stations



- We developed the Basic TV station, the most affordable TV in our portfolio. It features full voice control, YandexGPT-based Alice, personal recommendations, and easy search for any video content online.
- We updated the system of personal recommendations to make them more accurate and precise, added the ability to switch between profiles using voice control, and debuted a system of likes and dislikes. Smart functions for native voice interaction with our TVs were also added.



Smart speakers



- We expanded our most popular product line with new devices: Light 2 and Mini 3 stations. We also completed a large-scale upgrade of one of our flagship products, Max Station. It now runs on YaOS X and continues to support the Zigbee smart home protocol, allowing direct connection of multiple devices.



Smart home



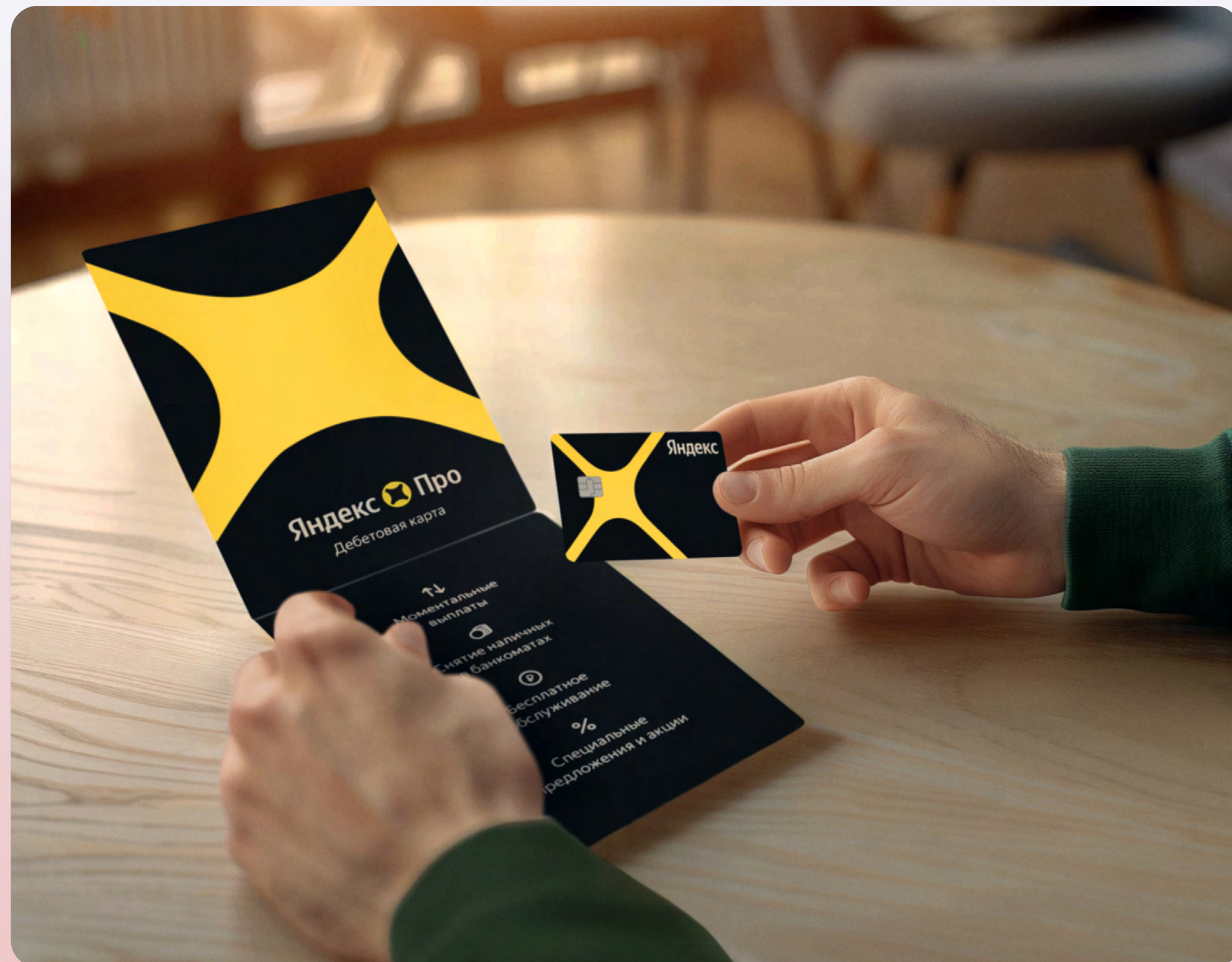
- We launched 13 new smart light devices and released Matter over Wi-Fi smart light bulbs and Zigbee switches and relays.
- We also launched two new smart home devices powered by the Matter over Wi-Fi protocol: a smart socket and LED strip.



Fintech



In 2021, Yandex obtained a banking license by acquiring Acropol Bank and launched its first financial services. Since then, we've been focusing heavily on the Fintech segment and developing new services for users



Yandex Fintech services

Yandex Pay



Yandex Pay provides cashback (Plus points) for purchases made using Yandex Pay cards or the Faster Payments System (FPS). Users can pay with Split and cards from other banks in Yandex services and online and offline stores around the country

Yandex Pro card



A free debit card for users in the Yandex ecosystem with the option to receive payments without any fee immediately after completing orders or trips

Yandex Split



Installment payment plans for users over two, four, or six months. Yandex Split is not a loan

Super Split



A loan product to make purchases in Yandex services and other stores and split payments for up to two years

Saves



Savings products with daily interest options and flexible money management

Securitization of consumer loans

In 2024, Yandex Fintech placed its first bond issue as part of a securitization of its consumer loan portfolio. The purpose of the issue is to allow customers to invest in a reliable, high-yield instrument and diversify their funding base. The issue volume amounted to RUB 7.7 billion with a monthly coupon of 25% per annum and scheduled maturity in March 2027. The issue received ACRA's highest reliability rating: AAA (ru.sf). The bonds are traded on the Moscow Exchange.

For more details on the bond issue, see [Information for shareholders and investors](#).

Operational results

3.4 x

growth in the number of Fintech users compared to 2023

3.6 x

growth of GMV of Fintech compared to 2023

90%

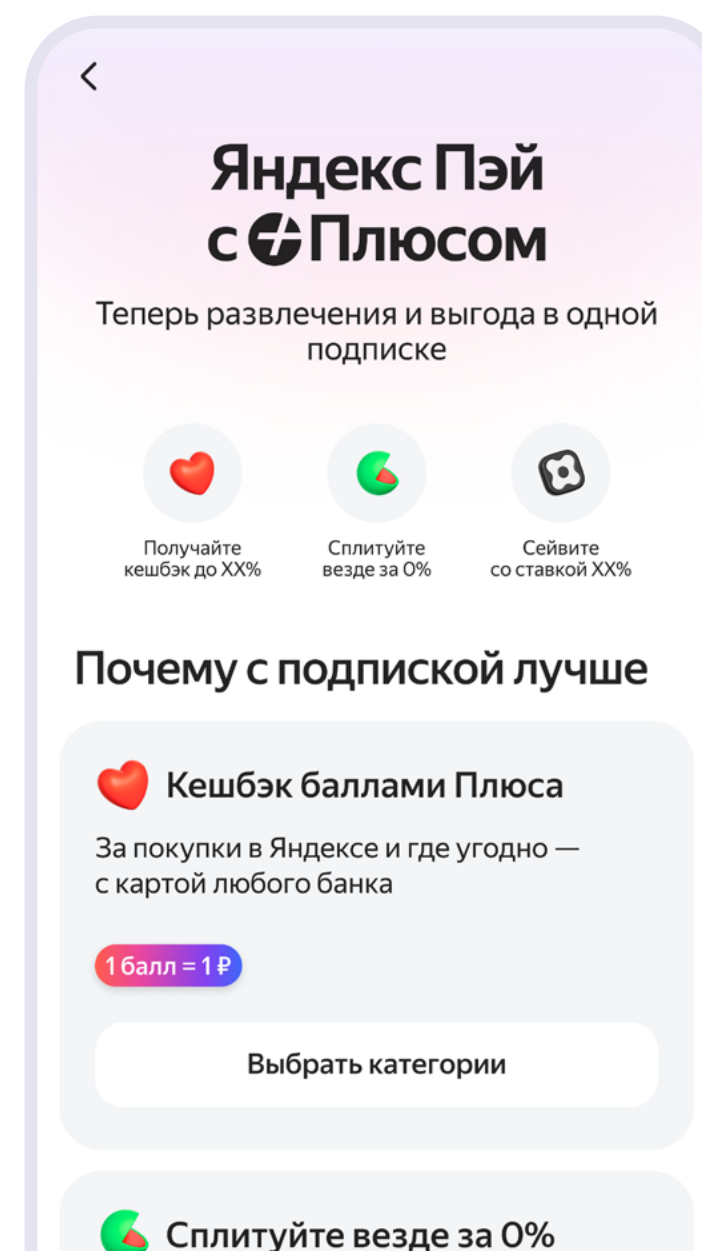
of Yandex Fintech customers are users of internal services with an active Yandex Plus subscription

Key innovations

Integration of Yandex Pay benefits in Yandex Plus subscriptions



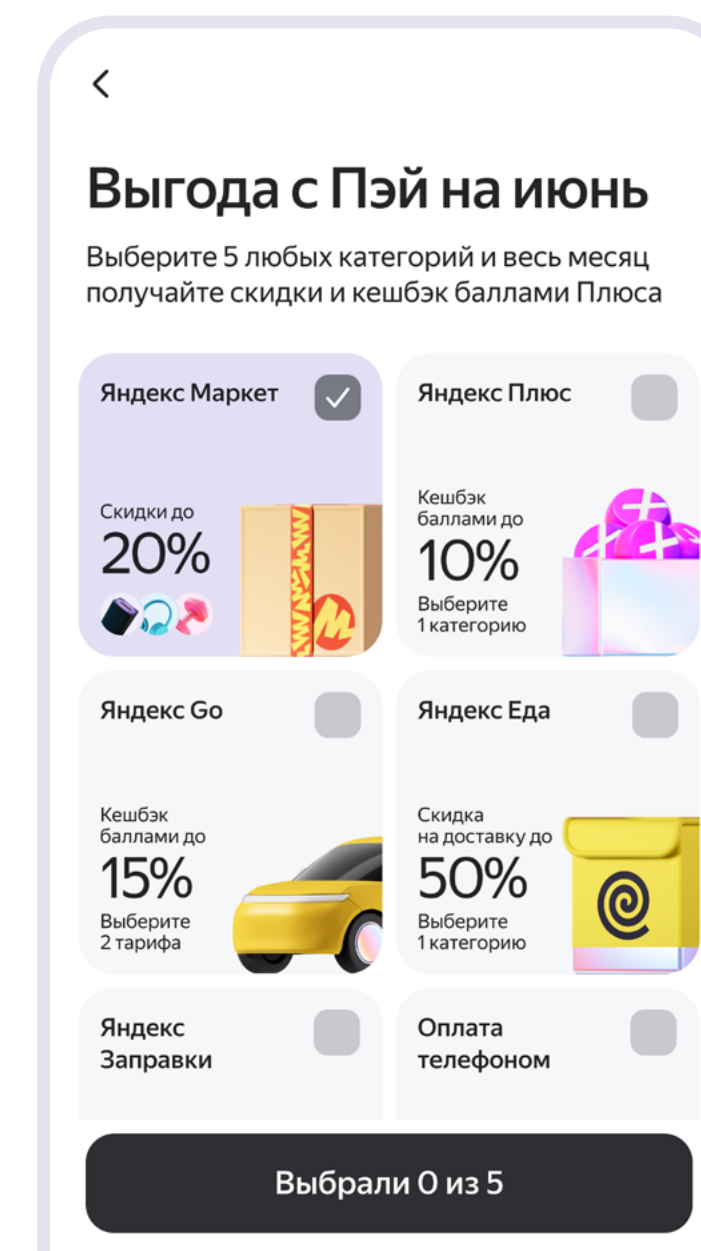
In 2024, Yandex Plus subscribers were given access to Yandex Pay options on favorable terms, including instalment payments without interest in any store, savings accounts with increased rates, and a large selection of increased cashback categories with Pay cards and cards of other banks



Launch of the Benefit with Pay loyalty product



Benefit with Pay offers cashback and discounts in Yandex and external services with Pay cards or cards of other Russian banks



Integration of payment instruments in Yandex transaction businesses



Yandex continues to introduce Fintech products into its ecosystem



Artificial intelligence

AI technologies are an integral part of the Yandex ecosystem and power most of the company's services.

100+ MM

users already have access to Yandex's AI-based services

CatBoost



CatBoost is an open machine learning software library created by Yandex engineers and specialists. It implements a unique proprietary algorithm for building machine learning models using an original gradient boosting scheme. The library is used by ML specialists around the world.

CatBoost advantages:

- High quality: CatBoost outperforms competitors in comparative tests on popular data sets
- Ease of use: the library supports Python, R, and the command line
- Scalability: CatBoost allows the addition of error functions

AI in Yandex

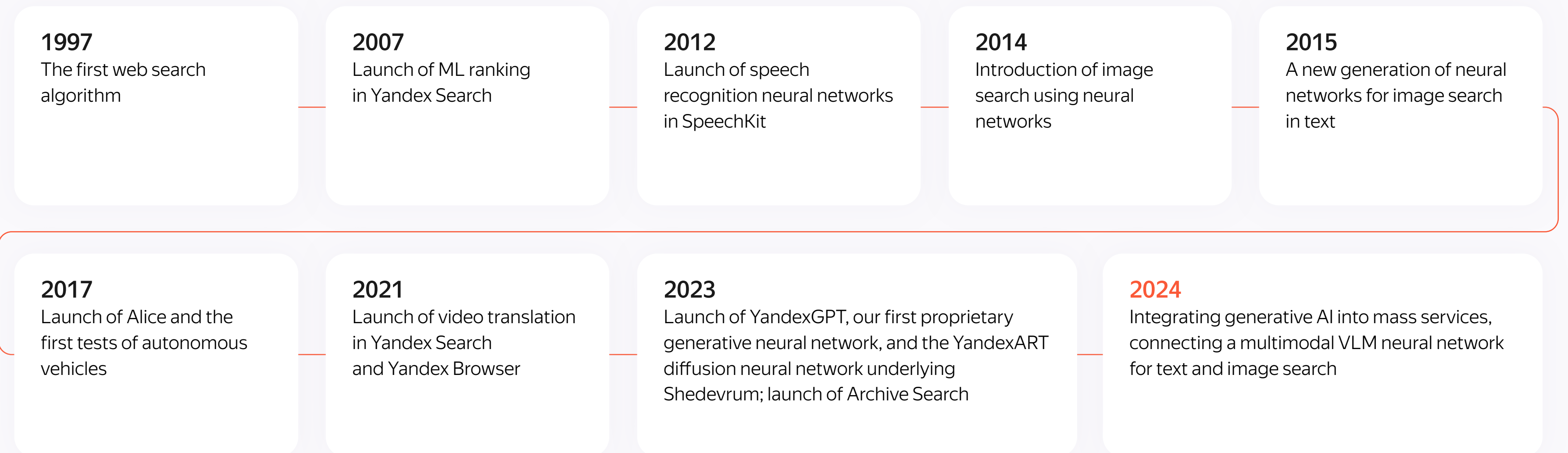
AI technologies underlie many Yandex services. We strive to integrate AI into existing and new products and services to make them more convenient for users and partners.

The last few years have seen a rapid rise in the popularity of AI. However, Yandex has been using AI as the basis for its key services for almost two decades. This includes Yandex Search, Alice, Yandex Translate, Smart Camera, and many other products. All the company's recommendation systems, including advertising platforms, media services, and marketplaces are also built on AI technologies.

Yandex's significant impact on the development of AI technologies is recognized at the international level. According to estimates from the Massachusetts Institute of Technology (MIT) and Epoch AI experts, in 2023, Yandex joined the world leaders in the development of artificial intelligence.

In addition to developing AI for its own services and customers, Yandex considers it important to share technologies and tools with developers around the world.

Yandex's long history of AI development and use spans many significant events, including the following milestones:



Ethical principles

Yandex uses many AI-based systems, but our main goal is to develop algorithms capable of making decisions the same way as humans. As AI systems learn from examples created by people, we pay special attention to training samples to ensure the accuracy and quality of performance.

Yandex strictly adheres to ethical principles in AI development. These principles apply to the entire company and individual services, emphasizing the need for a human-centered approach, data protection, and a clear delineation between AI and human interaction. Compliance with ethical principles is an important part of the social responsibility of all Yandex employees.



AI market overview

Artificial intelligence is taking an increasingly significant role globally and in the Russian economy specifically. The effect on revenue growth and cost reduction may reach RUB 4.2–6.9 trillion, which is equivalent to an effect on GDP of up to 4%. However, AI is not yet as widespread in the Russian market as it is in other countries. That's why Yandex sees tremendous prospects and will offer advanced solutions to its users and customers.

In late 2022, the artificial intelligence market entered a new stage of development with the launch of ChatGPT by OpenAI and the emergence of new language models such as LLaMA, Bard, and Ernie. Competition in the generative AI segment has increased significantly, resulting in new global trends in the industry. Yandex monitors these changes closely to remain competitive and develop unique products for its users.

RUB 22-36 TN

AI economic potential in Russia by 2028¹

¹ [Research study by Yakov and Partners, Yandex Artificial Intelligence in Russia – 2023: Trends and Prospects.](#)

Key global AI market trends:

Growing AI availability

The development of open-source models and pretrains greatly democratized the creation of end and targeted models

Development of AI assistants

AI assistants have grown smarter and more intuitive, integrating more deeply into users' daily lives

Growing importance of ethical aspects

As AI's influence grows, discussions about its ethical aspects, including copyrights, algorithm bias, transparency, and liability, have intensified, forcing companies to rethink how they handle AI development

Increased competition in generative AI

The development of large language models (LLM), such as GPT, LLaMA, and Bard, and their release in the public domain has accelerated the progress of AI. This forced large technology companies to invest more in research to develop more advanced models. Increased competition, in addition to a commitment to improve the quality of models, is also driven by the search for new ways to apply these technologies

Yandex AI development

Yandex remains a leader in the Russian AI market, setting industry trends with global AI players. We accomplish this by introducing generative neural networks into end products and services to make them more convenient for our users and partners, as well as by increasing revenues from our products and services through AI use and constantly reinvesting revenues in the development of advanced technologies. This allows us to create popular commercial products and services that users and customers need while ensuring the company's profitability.

Yandex sees AI monetization potential in various lines of business:

Advertising: efficiency growth and new platforms

+34%

growth¹ of advertising campaign efficiency powered by Yandex Neuro Ads 3.0

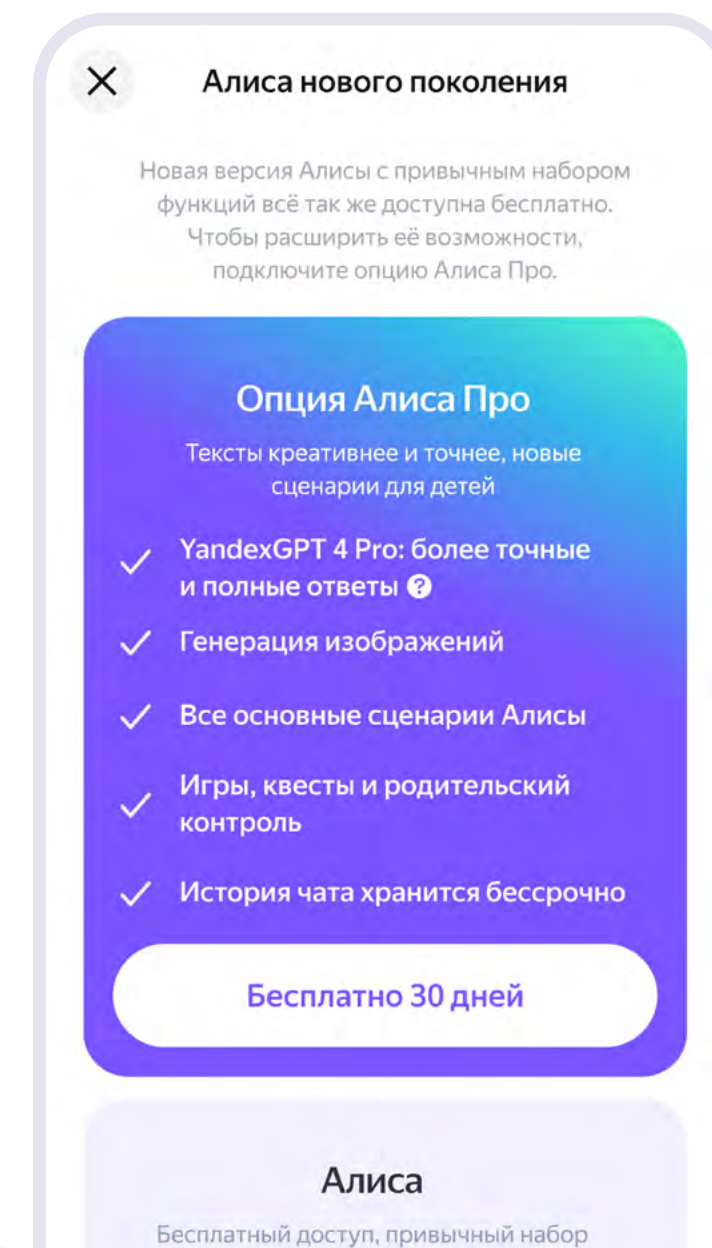
+25%

targeted actions delivered by the use of neuro videos² in ads

Alice Pro subscription

2 MM

subscribers to Alice Pro³



B2B segment

AI and ML-based services

available as a cloud solution and on-premises model (including YandexGPT, YandexART and SpeechKit, ans SpeechSense and Search API services via Yandex Cloud)

6.5 к

customers in Yandex Cloud used YandexART

+17 к

customers in Yandex Cloud using YandexGPT

>25%

of Russia's top 200 companies tested or use YandexGPT via API

Optimization of business processes

Optimization of support in Yandex Market and transactional services

15%

increase in support performance thanks to AI prompters with improved quality

Optimization of routine developer tasks with the code assistant

Machine learning in autonomous transport

¹ Compared to the previous version of advertising neural networks at the end of 2024.
² Created using a YandexART-based neural network, data presented as used.
³ Including a free subscription.

Key areas of AI development in Yandex

Yandex develops an ecosystem of services focused on external customers and internal business processes. AI integration allows Yandex to optimize business processes and build more efficient team communication, as well as create B2B and B2C user solutions that generate profit.

Main areas of AI development in Yandex services:

YandexGPT and YandexART generative neural networks

The company's proprietary AI developments have been implemented in more than 20 of our services and products, and are also used to improve internal processes

Next-generation recommendation systems

Neural network technologies are used to personalize recommendations in Yandex Music, Kinopoisk, Yandex Market, Lavka, and other Yandex services, ensuring an increase in the frequency of references

Advertising platforms (Yandex Search, YAN, Yandex Direct, etc.)

The use of AI algorithms in the advertising platform significantly increases the efficiency of advertising campaigns by optimizing key processes, such as targeting, rate management, and ad personalization

Other AI applications for Yandex customers

- Chatbots for customer support and sales
- Search in internal systems and databases
- Feedback analytics for marketplaces and other resources
- Data summarization and form completion solutions in CRM systems

Yandex SpeechKit

A speech recognition and synthesis system used both internally and by third-party developers providing accurate speech recognition and natural user interaction

Yandex Search with Neuro

AI in Yandex Search improves the user experience by analyzing and summarizing different sources to answer complex questions

Meteum

Proprietary weather forecasting technology using machine learning and neural networks in addition to traditional weather models to provide the most accurate forecasts, including precipitation forecasts up to two hours in advance. Meteum is the core of Yandex Weather, one of the company's most highly profitable solutions

Yandex creates unique technological solutions to support a diverse portfolio of services. We develop and implement state-of-the-art machine learning models, experiment with new data processing algorithms, and integrate neural networks into our services.

Technological infrastructure

Yandex employees have extensive experience in developing and improving server solutions, which allows us to create an advanced and effective infrastructure in line with global standards. To ensure the high performance of AI systems, Yandex develops server solutions based on proprietary architecture.

Development of AI competencies

Yandex has high requirements for specialists and conducts training through the following channels:

Joint educational programs with leading universities:

- joint programs developed from scratch with partner universities;
- combining fundamental training in popular IT areas and practice in industry cases.

Russia's first AI higher education program

In 2024, in collaboration with four Russian universities – ITMO University, Moscow Institute of Physics and Technology (MIPT), Higher School of Economics (HSE) and Innopolis University – Yandex launched the first Bachelor's degree program for future architects and AI researchers combining the best practices of technology companies and resources of the strongest universities to help create new talent for the IT market.

School of Data Analysis

- Free two-year professional retraining program
- Training of specialists in machine learning and data analysis
- 1,685 graduates in 17 years



Corporate seminars on scientific articles

Employee participation in international AI conferences

Internships for promising students



Information security and data protection

Millions of people use Yandex services and trust us with their data. We recognize that this is a great responsibility and do everything we can to ensure the safety and privacy of our users. We regularly report and share statistics on the steps we take to protect user and business data and the security of our services.

Focus on security

We have several principles that we strictly adhere to in order to ensure the reliability and security of our services:

Responsible data storage and protection

User data security is one of Yandex's key priorities. The company stores data in secure storage facilities and performs regular audits that provide independent confirmation that our services operate and process data in accordance with Russian and international security standards

Data management and user privacy

With Yandex ID, users can configure their level of account protection and view, download, or delete data shared with Yandex. Yandex Browser also allows users to hide search queries and website visits to protect their privacy online

Security should be easy

We invest in technologies and tools that make our services safer and more convenient. For example, Yandex ID supports login without a password: by QR code, picture using Yandex Key, and facial or fingerprint recognition. Users can log in without a password to Yandex services and access external websites that use Yandex ID

Security as a basic property of services

Even before we launch new services, we're focused on how to make them secure. That's why we involve security engineers in the development of new services from the earliest stages, making the security of user data as important as convenience and functionality

24/7 threat monitoring

The security of each service and the entire Yandex infrastructure is monitored 24/7 by an automatic information security center. If the system detects abnormal behavior, our security team responds immediately

Development of security in Yandex services in 2024

User protection

Setting the security level of Yandex ID

Yandex ID offers a tool to customize the security level of accounts. It can be used to check how secure an account is and set up additional levels of protection, such as adding a second email or enabling password and text message login

Caller ID

In 2024, automatic caller ID processed 1.5 billion calls, of which 800 million were unwanted, including fraudulent. Compared to 2023, the share of these calls grew by 16%

AI verification of websites in Yandex Browser

Neural networks in Yandex Browser support real-time website security checks. This protects users from scammers attempting to steal data through phishing and helps identify fraud even if the site has just been created and no one has ever visited it

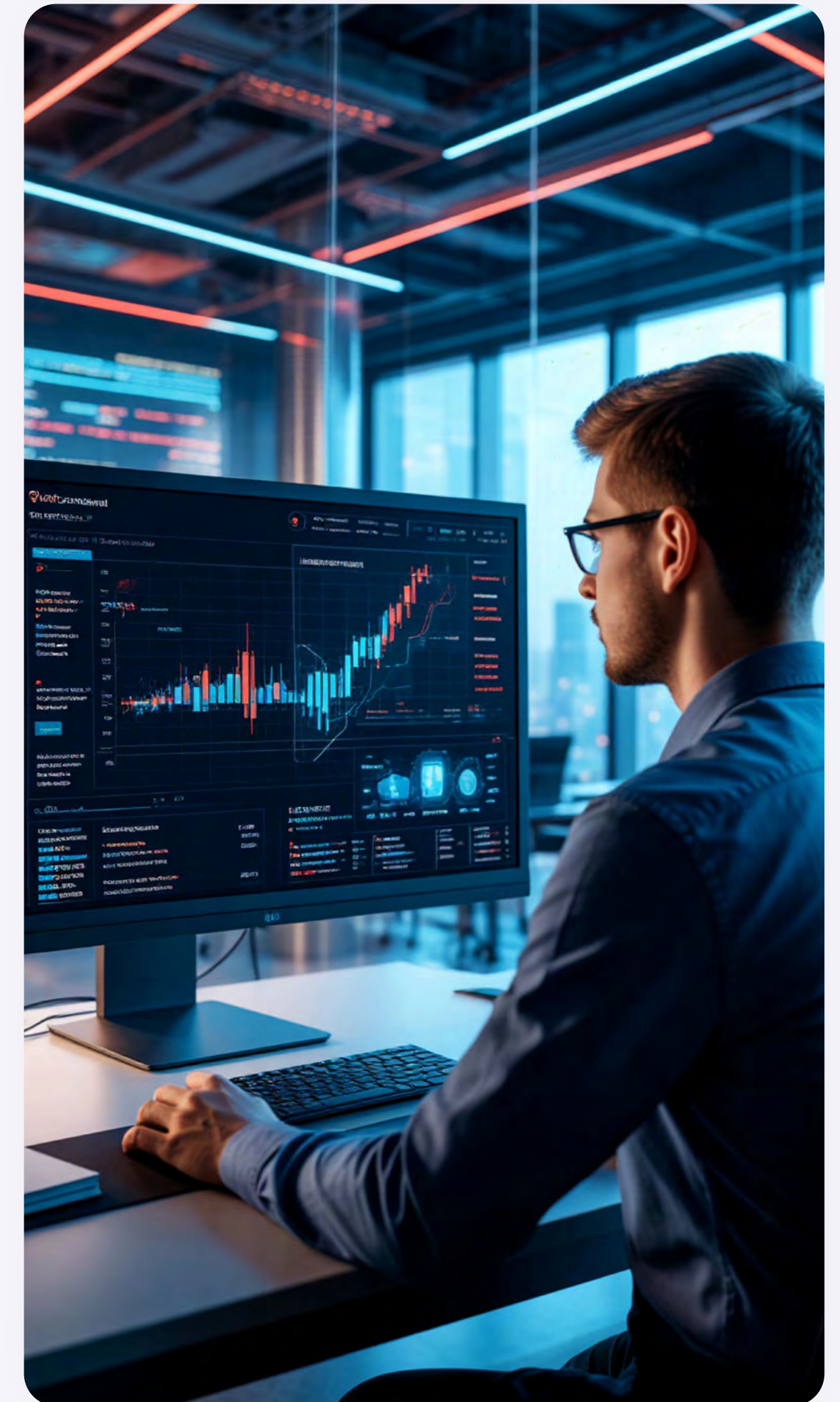
Business protection

New group policies in Yandex Browser for business

Administrators can now add digital watermarks to websites and manage the clipboard and drag-and-drop to ensure additional protection of confidential data

Launch of Security Deck

Yandex Cloud developed Security Deck, a service for the centralized management of cloud infrastructure security. It help companies identify cyber threats and control employee data access to reduce the risk of data leakage in cloud products



Compliance

Yandex undergoes regular audits and certifications to make sure our services meet international and Russian security standards. Yandex security management complies with ISO 27001, ISO 27701, and PCI DSS, which confirms the high level of protection of our services and user data.

In 2024, Yandex and other Russian IT companies signed the Industry Data Protection Standard developed by the Big Data Association. This is a roadmap that defines the standards for data storage and protection and allows companies to assess the effectiveness of their information security systems.

In fall 2024, Yandex ID confirmed its compliance with the Industry Data Protection Standard, receiving 27.5 points out of 29 with a minimum threshold of 18. This result further highlights the effectiveness of the Yandex ID information security system.

50

independent security audits held by Yandex in 2024

Bug Bounty program

Bug Bounty is a vulnerability identification program covering all Yandex services and infrastructure. Independent information security specialists look for bugs in our services and report them for a reward. This provides an independent assessment of our security and bolsters it for services and user data. The program has been in effect since 2012 and is the oldest of its kind in Russia.

As part of the program, Yandex regularly holds competitions to find vulnerabilities in specific services or detect certain types of bugs. Rewards can vary greatly depending on the vulnerability.

In 2024, four competitions were held: for mobile apps, Yandex Delivery, Dialogues in Alice, and Edadeal.

In 2024, Yandex Cloud and mobile apps were separated from the general list into special Bug Bounty areas with the types of errors, search areas, and reward amounts specified in advance. This prompted bug hunters to search for service-specific errors and receive remuneration, while Yandex benefited by increasing the level of protection of user data.

RUB 50.8 MM
received by program participants in 2024

749 analyses
searched for errors in Yandex services

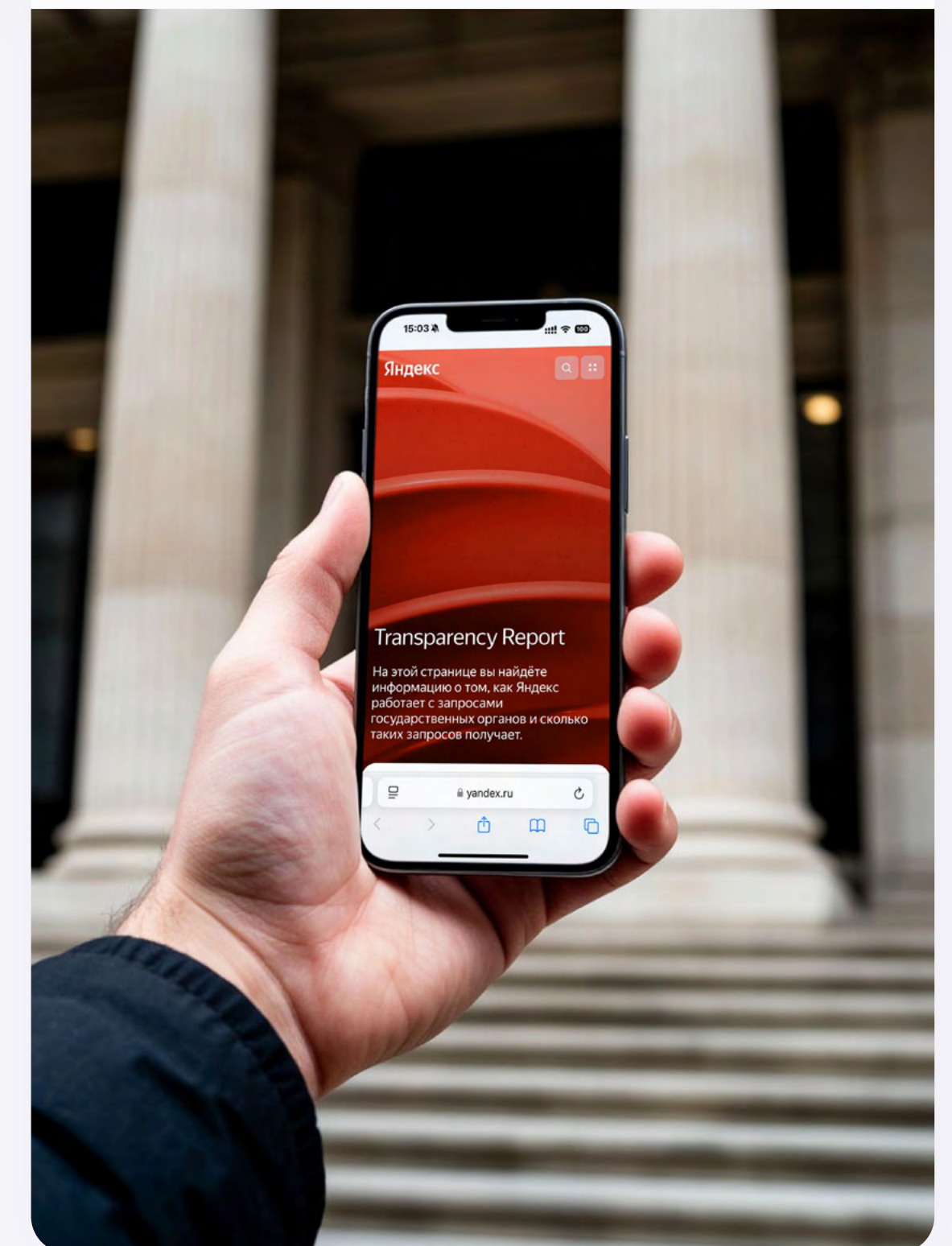
523 reports
resulted in a reward

Security certificates

- [Yandex ID](#) ISO/IEC 27001 и AICPA SOC 2
- Industry data protection standard
- [Yandex Mail](#) ISO/IEC 27001
- [AppMetrica and Yandex Metrica](#) ISO/IEC 27001
- Data centers ISO/IEC 27001
- [Yandex Cloud](#) ISO/IEC 27001, ISO/IEC 27017, ISO/IEC 27018, ISO/IEC 27701, PCI DSS, Cloud Security Alliance

Transparency Report

Yandex is committed to transparency. Once every six months, we publish our [Transparency report](#) with information about how the company responds to requests for information from state agencies, users, and partners.



Financial performance

- 62 Key financials
- 63 Financial performance overview of key business segments
 - 63 Search and portal
 - 64 E-Commerce
 - 65 Mobility
 - 65 Delivery and other O2O services
 - 66 Plus and entertainment services
 - 66 Classifieds
 - 67 Other business units and initiatives
- 67 Debt
- 67 Forecast for 2025

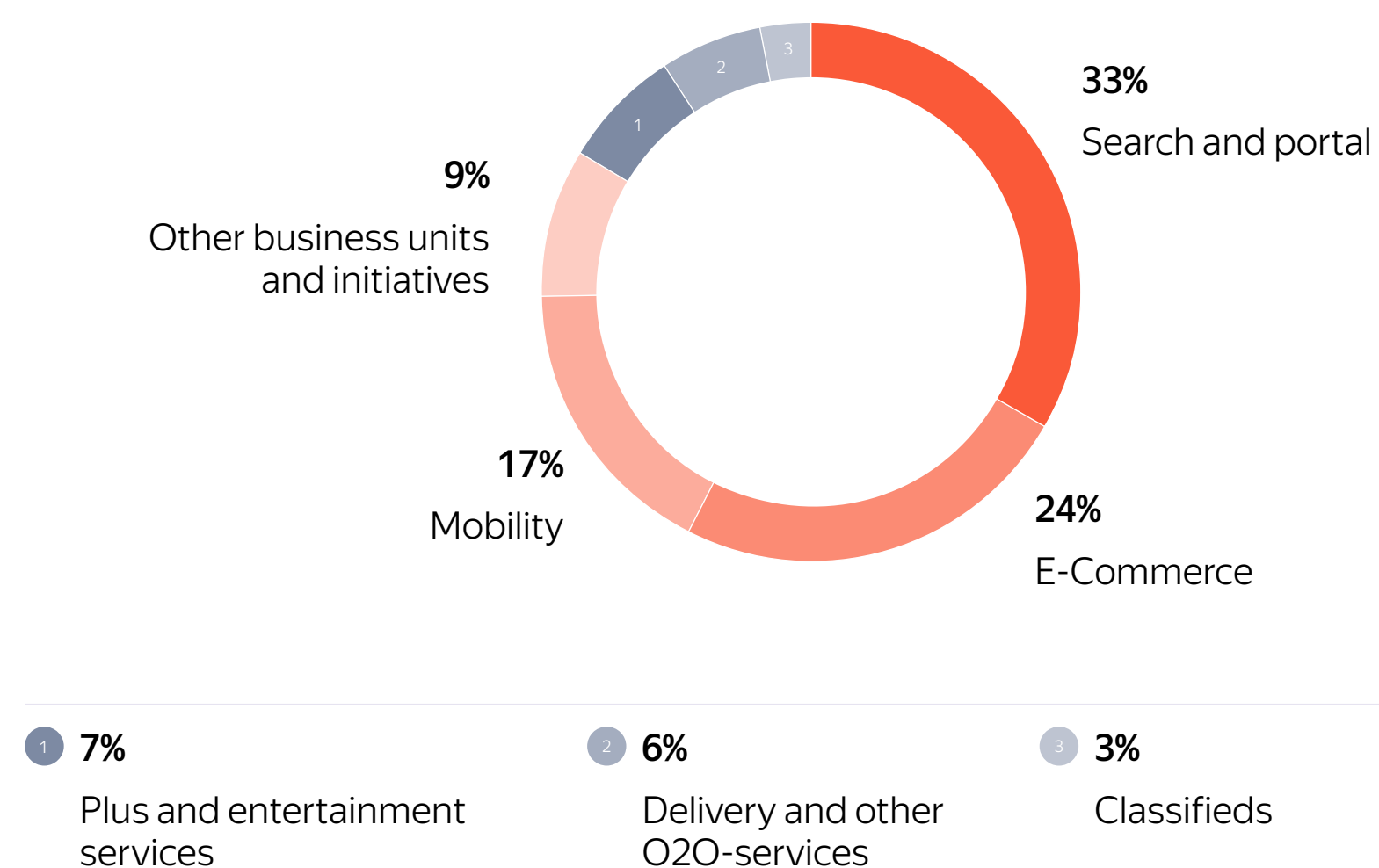
The following unaudited financial results for 2024 and 2023, including historical results from Yandex N.V., were prepared in accordance with **International Financial Reporting Standards (IFRS)**.

Yandex's financial performance continued to improve in 2024. Yandex's revenues grew significantly over the year, from RUB 798.1 billion to RUB 1,094.6 billion thanks to the company's scaling, which also led to increased operating expenses from RUB 734.2 billion in 2023 to RUB 1,043.0 billion in 2024 (42%). Expenses are growing faster than revenues due to significant investments in the development of promising businesses.

In 2024, we reached new heights when the company's revenue exceeded

RUB 1 trillion for the first time.

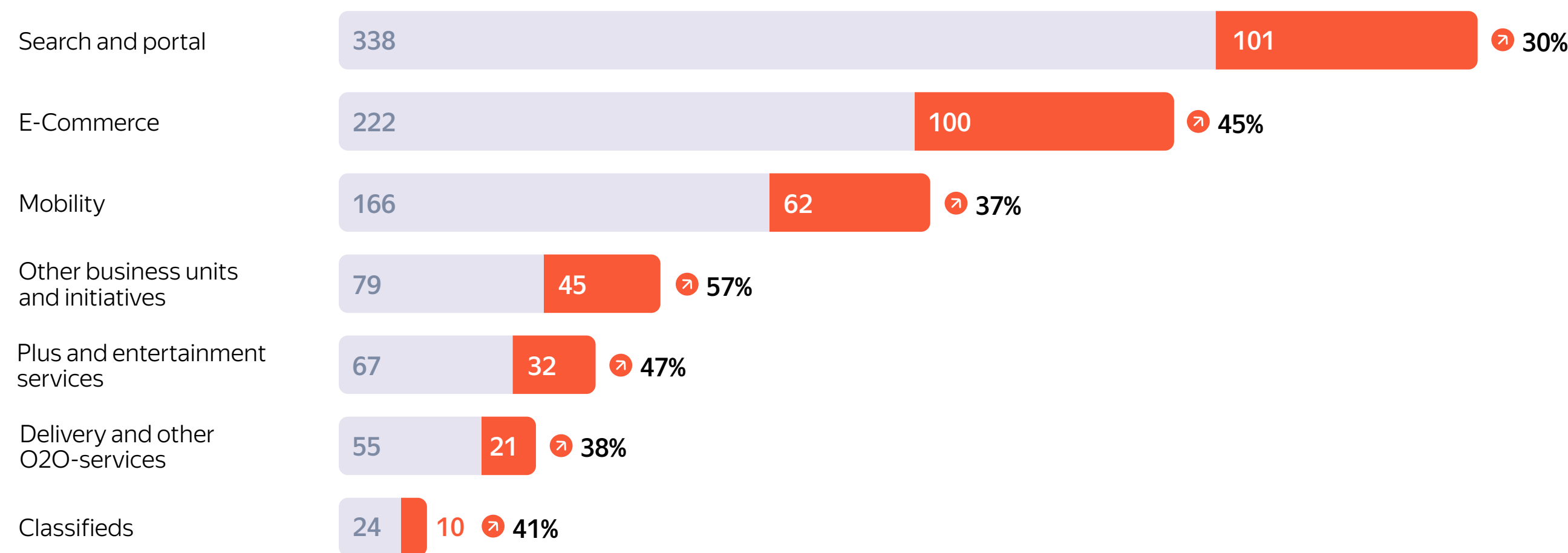
Distribution of revenue by business segment



Key financials

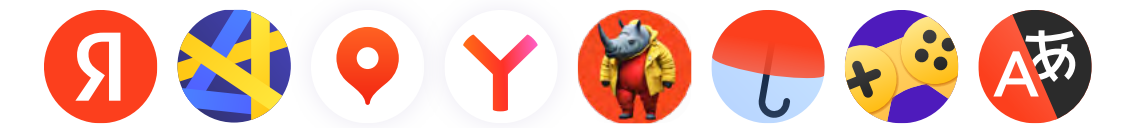
| | 2023 | 2024 | Change |
|---------------------------------------|-------|---------|------------------|
| Revenue, RUB BN | 798 | 1,095 | 37% |
| Operating expenses, RUB BN | (734) | (1,043) | 42% |
| Profit from operations, RUB BN | 64 | 52 | -19% |
| Adjusted EBITDA, RUB BN | 121 | 189 | 56% |
| Adjusted EBITDA margin, % | 15.1 | 17.2 | 2.1 p. p. |
| Net income, RUB BN | 56 | 12 | -79% |
| Adjusted net income, RUB BN | 52 | 101 | 94% |

Growth of revenue by business segment, RUB BN



Financial performance overview of key business segments

Search and portal



This segment includes Yandex Search, Geoservices, Browser, and other information services.

Yandex Search and portal remain Yandex's main revenue segment (33% of total revenue). Revenues in 2024 grew by 30% compared to the previous year and topped RUB 439 billion. Segment growth is driven by the continued increase in the search share, as well as the development of the Yandex Advertising Network (YAN), which focuses on the e-commerce and SMB segments. Yandex continues to expand its advertising inventory, including on mobile platforms, and creates new formats and platforms. This attracts new customers and increases the efficiency of advertising products thanks in large part to the implementation of YandexGPT and YandexART AI technologies.

Key figures

RUB 439 BN
revenues of Search and portal

RUB 220.5 BN
adjusted EBITDA
of Search and portal

50.2%
adjusted EBITDA margin



E-Commerce



E-commerce includes the Yandex Market multi-category e-commerce marketplace, Yandex Lavka hyperlocal convenience store delivery service, and Yandex Eats and Delivery store and restaurant delivery services.

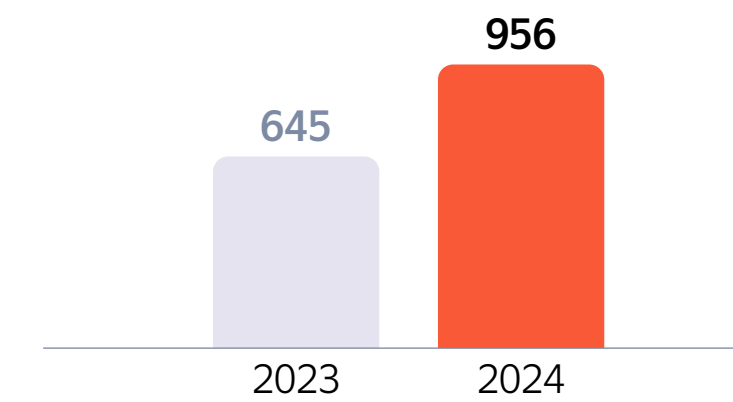
E-commerce was one of Yandex's fastest growing segments in terms of revenue in 2024. Service revenues increased by 45% to RUB 322 billion. Revenue growth was driven by the increase in gross merchandise volume (GMV) of the business and the development of the advertising platform. For example, at the end of 2024, advertising revenue increased by a factor of 2.3 YoY, and Yandex Market's advertising revenue as a percentage of GMV totalled 5.8%, an increase by 2.2 p.p. compared to the previous year.

The GMV of E-commerce for the year reached RUB 956 billion, up 48% YoY, driven by user base growth and improved user cohort metrics such as order frequency and user return rate.

The margin of adjusted EBITDA in E-commerce services as a percentage of GMV improved by 4.4 p.p. in the reporting period due to an increase in the efficiency of operations and business scale. The segment is in the investment stage and continues to grow faster than the total e-commerce market, which according to experts, reached RUB 9 trillion in 2024 (41% higher than in 2023)¹.



GMV, RUB BN

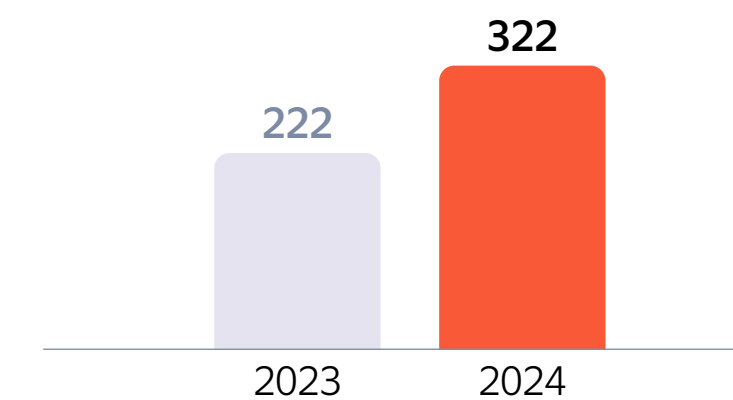


Key indicators

Growth in sales

46%
growth of GMV of Market

Revenue, RUB BN

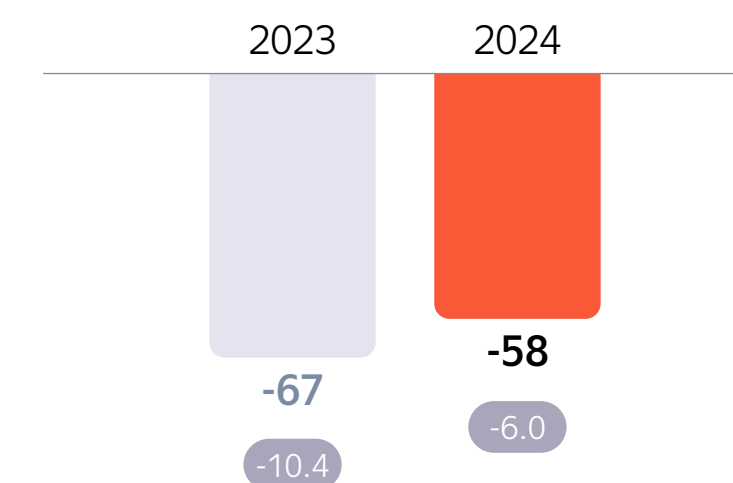


51%
growth of GMV of Foodtech

Advertising revenue

5.8% of GMV
share of Market advertising revenue

Adjusted EBITDA, RUB BN



2.7x
growth of advertising revenue of Yandex Eats

1.8x
growth of GMV of Lavka in Russian regions

Adjusted EBITDA margin, % GMV

¹ Source: AKIT.

Mobility



Mobility includes our online ride-hailing service and the provision of ride-hailing technologies abroad, the Yandex Drive car sharing service, scooter rental service, and other promising services.

The number of active users in the Yandex Go superapp by the end of 2024 reached 53 million, an increase of 12% YoY. Yandex Go integrates a variety of user scenarios: requesting rides, searching for short-term car rentals in Yandex Drive, renting scooters, ordering food from restaurants and groceries and goods from stores, delivering packages, viewing public transport routes and schedules, and more. Development of the superapp is a tool to attract and retain customers for existing and new transactional services, as well as a method of additional monetization.

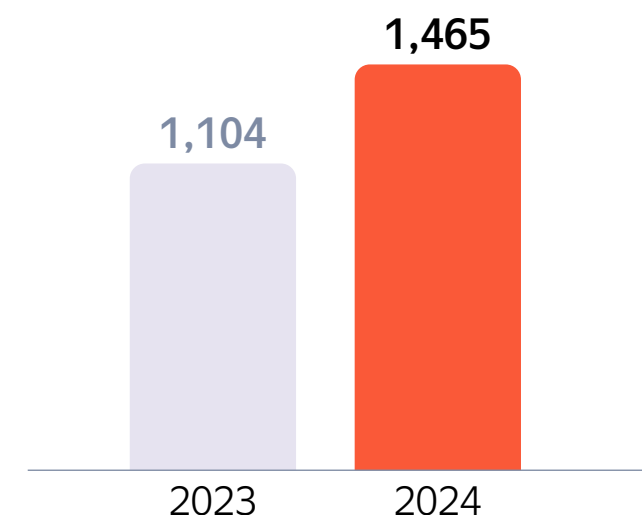
GMV of Mobility businesses increased by 33% in 2024 to RUB 1,465 billion, driven by a growing user base, high frequency of orders per user, and continued growth in the share of increased prices in the ride structure.

In 2024, the segment's revenue reached RUB 228 billion thanks to an increase in business turnover, the growth of higher rates in the ride structure, and the development of the advertising platform. Advertising revenue in Mobility grew nearly fivefold compared to 2023.

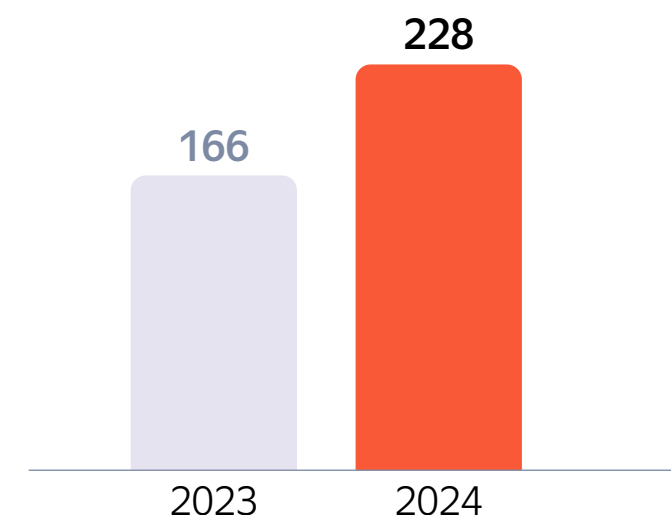
At year-end 2024, Mobility's adjusted EBITDA in Russia and abroad amounted to RUB 80.7 billion, and adjusted EBITDA margin as a percentage of GMV was 5.5%, an increase compared to the previous year.

Key indicators

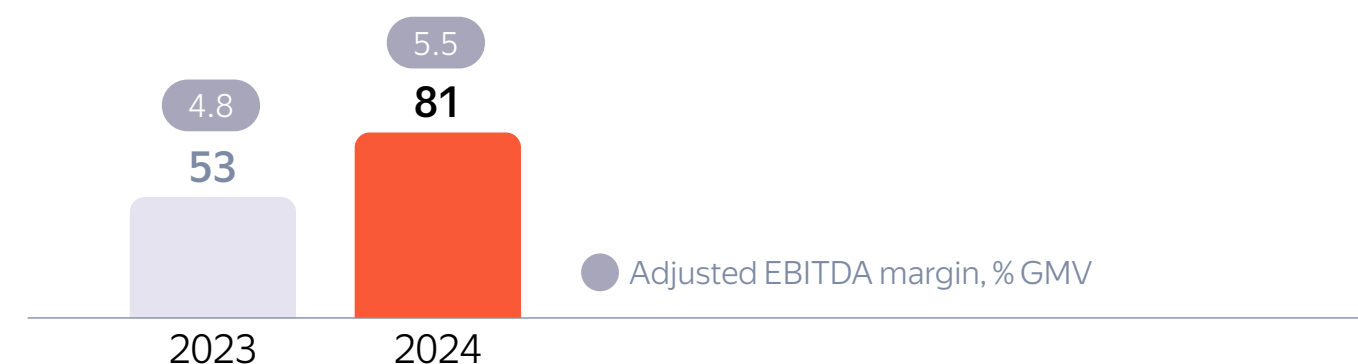
GMV, RUB BN



Revenue, RUB BN



Adjusted EBITDA, RUB BN



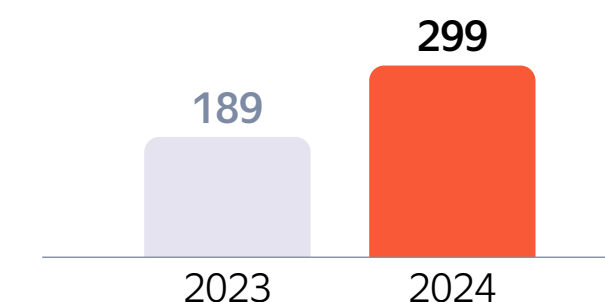
Delivery and other O2O services



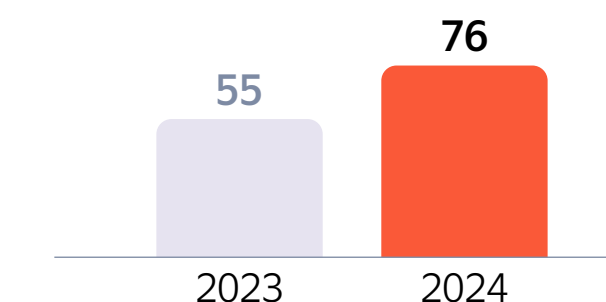
Delivery and other O2O services include the Yandex Delivery last and middle-mile delivery service, Yandex Fuel payment service at fuel stations, and several smaller O2O experiments.

Key indicators

GMV, RUB BN



Revenue, RUB BN



Adjusted EBITDA, RUB BN



Plus and entertainment services



This segment includes a single combined subscription to the following Yandex services: Yandex Plus, Yandex Music, Kinopoisk, and Yandex Books (formerly known as Bookmate), as well as Yandex Afisha and the Plus Studio production center.

Revenues from Plus and entertainment services grew by 47% YoY in 2024, driven by a 29% YoY increase in the number of Yandex Plus subscribers, an increase in average revenue per user (ARPU), and continued positive dynamics of other revenue categories, including license and advertising revenues.

Plus and entertainment services also include Yandex Afisha and the Plus Studio production center. The development of our own media projects is a way to attract new users and keep the subscriber base growing in the long term, and a focus on media services ensures the margins of the segment in the future.

Key indicators

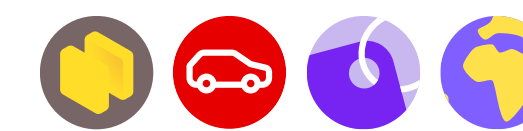
RUB **98.4** BN
revenues of Plus and
entertainment services

RUB **1.6** BN
adjusted EBITDA of Plus
and entertainment services

1.6%
adjusted EBITDA margin



Classifieds



This segment includes Auto.ru, Yandex Real Estate, Yandex Rent, and Yandex Travel.

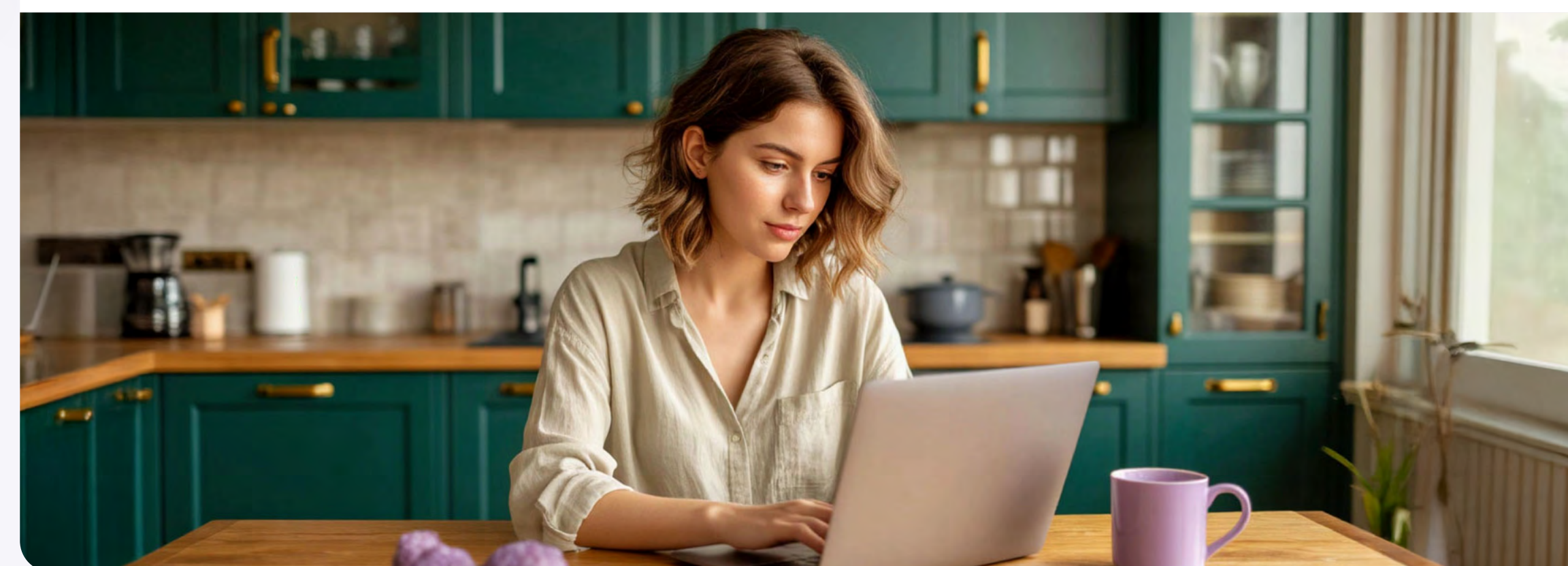
Revenues in the Classifieds segment grew by 41% compared to 2023, driven by Yandex Travel's stronger market position, Auto.ru's strong results, and Yandex Real Estate's growth in the new construction category. The adjusted EBITDA for the year is negative due to increased personnel and marketing expenses to support growth.

Key indicators

RUB **34.1** BN
revenues of Classifieds

RUB **-0.6** BN
adjusted EBITDA of Classifieds

-1.7%
adjusted EBITDA margin



Other business units and initiatives

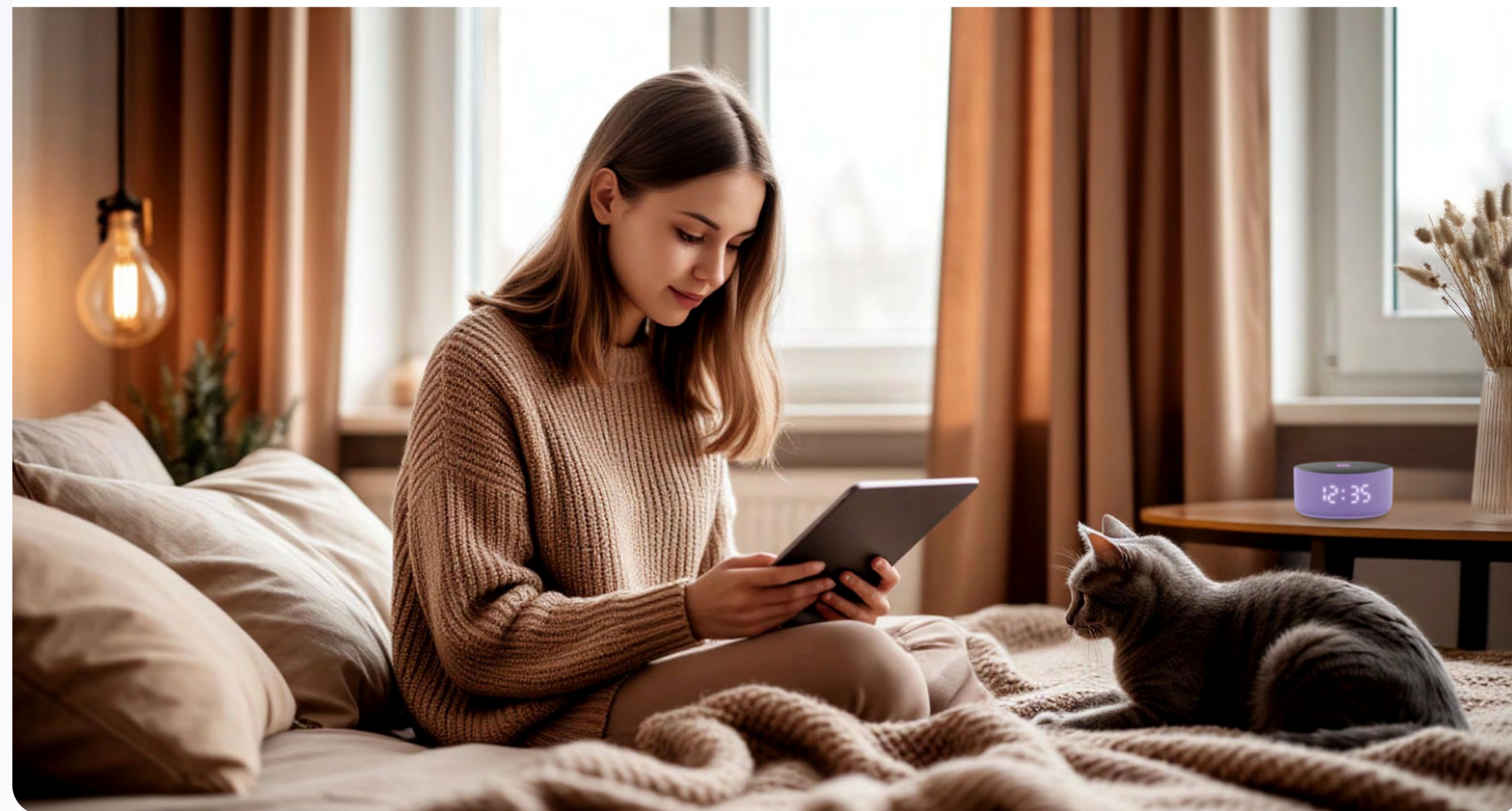
This category includes the Yandex SDG autonomous transport segment, Yandex Cloud and Yandex 360, Yandex Practicum and other educational initiatives, Devices and Alice, Fintech and other experimental products, as well as unallocated corporate expenses.

Key indicators

RUB **124** BN
revenues of Other business units and initiatives

RUB **-53.8** BN
adjusted EBITDA of Other business units and initiatives

-43.4%
adjusted EBITDA margin



Debt

At the end of 2024, the company's total debt obligations increased from RUB 140.9 billion in 2023 to RUB 260.1 billion. The company's net debt (debt liabilities less cash and cash equivalents and short-term deposits) decreased from RUB 54.8 billion in 2023 to RUB 47.6 billion.

The company maintains a comfortable level of liquidity and available reserve credit instruments to cover refinancing needs, and strives to diversify available funding sources and optimize their terms to strengthen financial stability and improve business sustainability.

Forecast for 2025

Yandex forecasts revenue growth of more than 30% YoY and adjusted EBITDA of at least RUB 250 billion in 2025. Given the growing scale of Yandex's businesses, capital expenditures as a percentage of consolidated revenues will decrease year-on-year. This outlook is based on current market trends and subject to change based on macroeconomic and market conditions.

Sustainability

- 69 Quality of life
- 69 HR development
- 70 Ethics and integrity
- 70 Environmental impact

We are a growing and rapidly changing company. We develop new products and experiment with bold ideas.

As we move forward, it's important that we continue to consistently **develop and implement sustainability best practices.**



Quality of life

Our sustainability agenda spans four areas combining 12 priorities. They serve as a reference point for the company's various services and help us focus on areas of life where we can contribute to society, the economy, and the environment. The agenda is based in part on the UN Sustainable Development Goals (SDGs).

You can learn more about our sustainability performance in [Yandex's non-financial report](#), published every June.

Convenience, quality, and safety of services



Goals

- Ensure the usefulness of Yandex services for everyday tasks, maintain their high quality, and prioritize safety of use

Metrics

- User and partner satisfaction metrics monitored by various Yandex services, and other metrics

Accessible and equal environment



- Ensure the availability of Yandex services for everyone, including people with disabilities
- Use Yandex technologies and technical expertise to develop systemic charity
- Number of beneficiaries of core programs in the Helping Hand foundation, and other metrics

HR development

Yandex's employees



Goals

- Hire highly skilled talent, ensure an environment of openness and mutual trust, sustaining the company's culture and values
- Create a comfortable working environment and equal opportunities for growth, development, and innovation

Metrics

- Undesirable staff turnover
- Share of positive responses in Yandex job satisfaction surveys, and other metrics

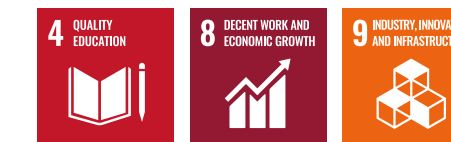
Yandex service partners



- Develop social initiatives to support partners working with Yandex city services (platform employment)

- Service partner satisfaction metrics tracked by various Yandex services, and other metrics

Education for all



- Provide access to quality math and IT education for all and train highly skilled IT specialists

- Number of people who use Yandex's free educational services
- Number of students aiming to learn a new profession and get a job in their chosen field, and other metrics

Ethics and integrity

Information security and data privacy



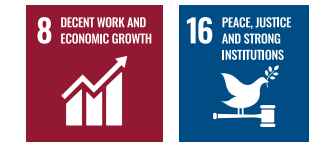
Goals

- Ensure a high level of personal data protection

Metrics

- Absence of cases where fines or other penalties are imposed for violations of personal data protection laws, and other metrics

Content quality and digital safety



- Monitor the quality, safety, and legality of content on Yandex’s online resources

- Number of advertisements rejected due to violations
- Response time to user complaints, and other metrics

Regulatory compliance



- Comply with all laws and regulations and adhere to the most stringent standards
- Continuously maintain a culture of zero tolerance for corruption

- Percentage of employees who have completed business ethics training
- Absence of legal decisions in which the company was found to be in violation of anti-corruption or antitrust laws, and other metrics

Responsible procurement



- Offer various vendors equal opportunities to work with Yandex and build long-term relationships
- Be a reliable partner and build awareness about the good business practices adopted by Yandex throughout the supply chain

- The number of small and medium businesses among Yandex suppliers, and other metrics

Environmental impact

Energy efficiency of Yandex’s infrastructure



Goals

- Implement energy-efficient solutions and integrate opportunities to reduce costs and environmental impact

Metrics

- Data center power usage effectiveness (PUE), and other metrics

Packaging and waste management



- Minimize the volume of waste entering landfills

- Amount of waste generated by disposal
- Percentage of delivery packaging and our own branded label packaging made from sustainable materials, and other metrics

Carbon footprint



- Monitor the carbon footprint of Yandex’s infrastructure and services, and seek solutions to minimize it
- Develop services that contribute to the efficient use of resources and reduce negative impacts on the environment

- GHG emission factor of Yandex infrastructure (Scope 1 + Scope 2) per 1 MWh of consumed energy
- GHG emissions of services (per 1 passenger km and per 1 delivered order)
- Amount of GHG avoided thanks to Yandex solutions, and other metrics

Corporate governance

- 72 Corporate governance system
- 74 General Meeting of Shareholders
- 76 Board of Directors
- 80 Executive management bodies
- 80 Corporate control system
- 82 Remuneration practices

The main objectives of Yandex's corporate governance system are **to create a basis** for the company's long-term sustainable development and balance the interests of all stakeholders.

Addressing these challenges helps ensure favorable conditions for long-term investment in the company, its operational and financial stability, and building relationships within Yandex and with external parties.

2024 highlights

In 2024, the company's corporate structure and management system underwent a number of important developments. Yandex's achievements include:

- › Completion of the restructuring process;
- › Forming a new Board of Directors;
- › Listing on the Moscow Exchange;
- › Development and implementation of the [main corporate documents](#), including the Regulations on the General Meeting of Shareholders, Board of Directors, and its committees, the Internal Audit Policy, etc.

Certain elements of Yandex's corporate governance are still in the early stage of development, as we have only been operating as a public joint-stock company since March 2024.

Corporate governance system

Yandex builds a corporate governance system in accordance with the applicable requirements of Russian legislation, internal [principles, rules of business and corporate ethic](#), and the best Russian corporate governance practices:

- The Law on International Companies¹ regulates the specifics of Yandex's corporate governance as an IPJSC.
- The Law on Joint-Stock Companies² applies to the company only in the cases expressly provided for in the Articles of Association.
- The Law on the Securities Market³ applies to the company as far as it concerns issuers.
- [Listing Rules of Public Joint-Stock Company "Moscow Exchange"](#) are mandatory for Yandex as a public company with shares traded on this exchange.
- Principles and recommendations of the [Corporate Governance Code](#) of the Bank of Russia.

How Yandex handles corporate governance issues, the structure of its management bodies, and practices and management procedures, are set forth in the Articles of Association.

Yandex's key corporate governance principles:

- › Maintaining a balance of stakeholder interests
- › Transparency of Yandex businesses
- › Accountability of governing bodies
- › Honesty, mutual trust, and respect

Development of corporate governance

Following the company's restructuring, Yandex developed and approved in 2024 the internal regulations for the operation of a public company's corporate governance system: regulations on management and control bodies, fundamental policies, and corporate and control documents. Yandex posts these documents on a [website](#) for the company's investors.

¹ Federal Law No. 290-FZ "On International Companies and International Funds" dated August 3, 2018.

² Federal Law No. 208-FZ "On Joint-Stock Companies" dated December 26, 1995.

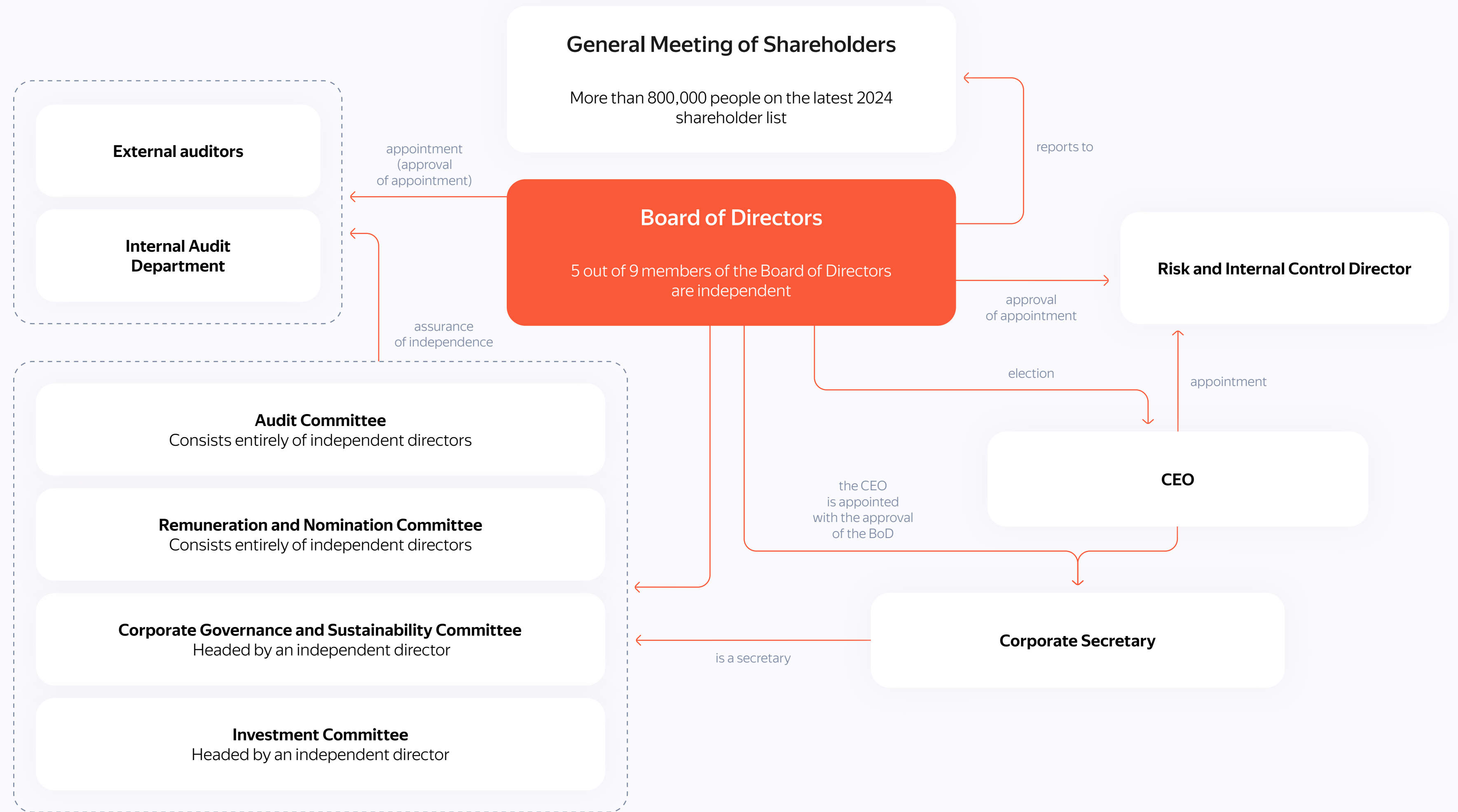
³ Federal Law No. 39-FZ "On the Securities Market" dated April 22, 1996.

Management bodies

The management bodies of Yandex are the General Meeting of Shareholders, the Board of Directors and its committees, and the CEO (single-person executive body). The control bodies include the Internal Audit Department and the Risk and Internal Control Director.

If necessary, Yandex may create additional internal structural entities (councils, committees, sub-committees, commissions, working groups) in any of its bodies.

Yandex’s corporate governance structure



General Meeting of Shareholders

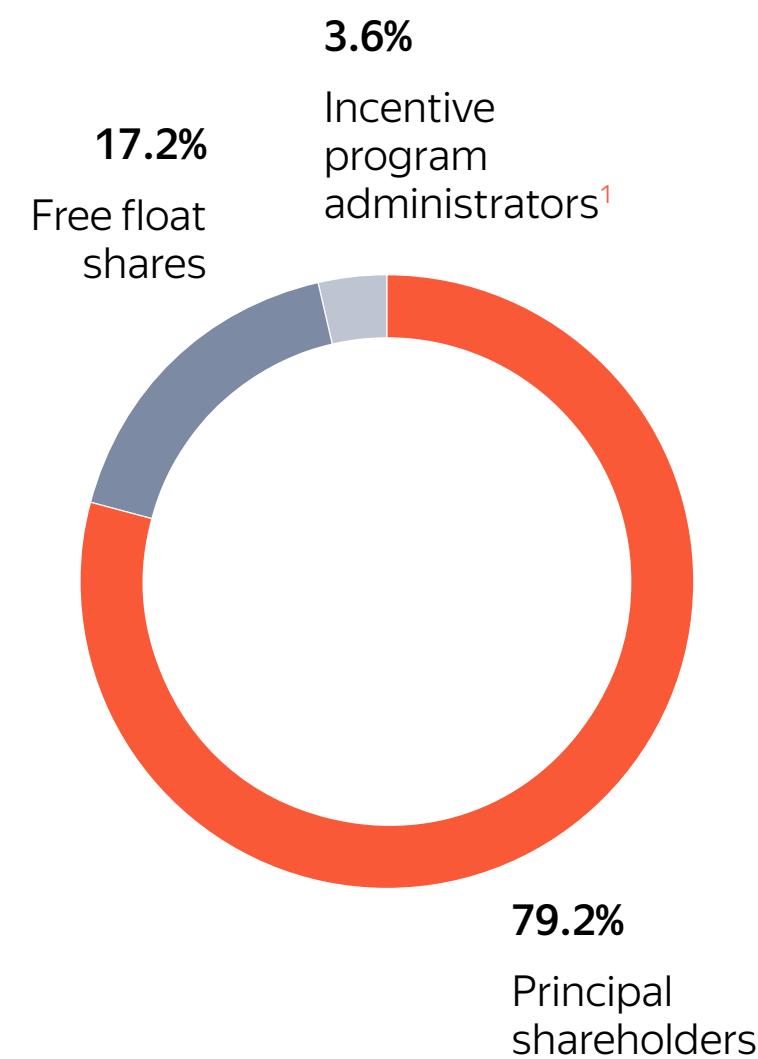
Restructuring and new ownership structure

As part of the company’s restructuring, Yandex N.V. (registered in the Netherlands) sold Yandex’s business to a consortium of private investors and withdrew from the shareholders of Yandex Group. Yandex retained the businesses, services, and assets of Yandex N.V. Group, with the exception of four foreign startups (Nebius, Toloka, Avride, and TripleTen) and a data center in Finland.

YANDEX IPJSC is the new parent company of the group, and its main owner is the Consortium. First closed-end investment fund.

The company’s Articles of Association stipulate ordinary shares and three types of preferred shares (A, B, G).

Structure of share capital as of January 31, 2025



The total number of outstanding shares

390,548,280

General rights:

- voting rights on all competencies of the General Meeting of Shareholders;
- receiving part of the company’s property or its value in the event of liquidation.

Including:

- **390,548,277 ordinary shares:**
 - one share — one vote
 - receipt of profits (dividends)
 - the right to elect six Directors B, of which 376,370,210 are voting ordinary shares¹
- **one type A preferred share (Public Interest Foundation):**
 - the right to appoint and dismiss two Directors A
 - the right to block the acquisition of >10% of ordinary shares
- **one type B preferred share (Management Foundation):**
 - the right to appoint and dismiss two Directors B
- **one type G preferred share (Management Foundation):**
 - the right to nominate candidates for the position of CEO
 - consent to the early termination of powers of the CEO

¹ The shares owned by the Administrators of the Incentive Program do not grant voting rights and the right to receive dividends.

The management team retained the right to make key decisions in Yandex, with the Management Foundation created for this purpose. The Management Foundation has special rights and the right of veto when making decisions on special issues at meetings of the Board of Directors and the General Meeting of Shareholders. In many ways, the Management Foundation ensures the continuity of Yandex's corporate governance culture, in which technology-oriented individuals who share the Group's values and understand the nature of its business have always played an important role. Maintaining this approach ensures the sustainability of the company's business and focus on product solutions.

The Public Interest Foundation (PIF), established in early 2020, was the owner of a special share in Yandex N.V. and a special share in Yandex LLC, the group's main operating business. The special share and special portion gave the PIF special rights in making certain decisions aimed at protecting the company's interests related to intellectual property, personal data, and the possibility of consolidating a share of more than 10% under the control of a single entity. Since 2024, the PIF has been the owner of type A preferred share in the authorized capital of Yandex IPJSC, and its authority with respect to public interest matters has not changed.

Competence of the General Meeting of Shareholders

The General Meeting of Shareholders is the supreme governing body of Yandex, and its decisions are binding on other management bodies and all officials of the company.

The General Meeting of Shareholders decides on the most important matters: amendment of the Articles of Association, reorganization, liquidation, determination of new types of shares, listing of shares, distribution of profits, and the payment of dividends. Its competencies and the procedure for convening and operation are defined in the [Articles of Association](#) и [Regulations on the General Meeting of Shareholders](#).

The company's first annual General Meeting of Shareholders will be held in 2025 following the results of the first full financial year of the company as an IPJSC. In 2024, Yandex held three extraordinary General Meetings of Shareholders. The detailed agenda of these meetings and the decisions made are available on the company's [website](#).

Extraordinary meetings of shareholders in 2024

| Date | Form | Quorum | Matters considered |
|--------------------|-----------------|--------|---|
| June 4, 2024 | Absentee voting | 67.8 % | <ul style="list-style-type: none"> • Election of Directors B: <ul style="list-style-type: none"> - Pavel Dengin - Alexander Ivlev - Anton Sychev - Alexander Chachava - Alexey Yakovitsky - Evgeny Yakushkin |
| July 29, 2024 | Absentee voting | 84.7 % | <ul style="list-style-type: none"> • Authorization of the Board of Directors to decide on the issuance of additional shares for the purpose of the Incentive Plan in a limited amount • Determination of a new type of shares – type G preferred shares – and the introduction of information about them into the Articles of Association |
| September 09, 2024 | Absentee voting | 69.9 % | <ul style="list-style-type: none"> • Payment of dividends for H1 2024 |

Board of Directors

Yandex’s Board of Directors is responsible for the overall supervision of the company’s business, excluding matters reserved by the Articles of Association for the General Meeting of shareholders.

Main goals and objectives of the Board of Directors

- › Ensure the rights and interests of shareholders and other stakeholders
- › Develop Yandex’s strategy and monitor its implementation
- › Increase the company’s competitiveness and value, maintaining a stable financial position
- › Develop and maintain effective internal control and internal audit processes
- › Control the effectiveness of company’s management
- › Monitor and assess the risk management process

Election of board members

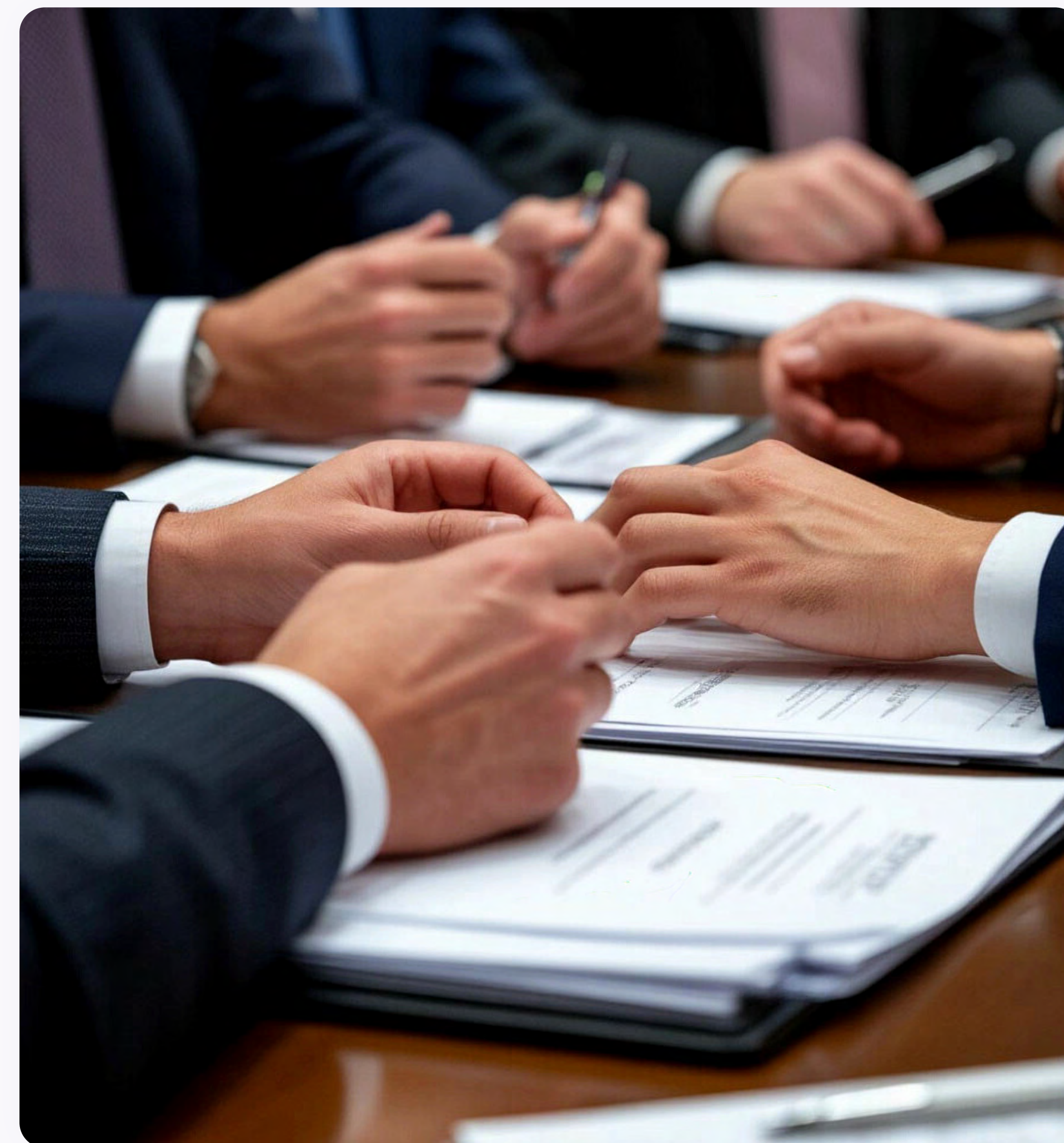
The procedure for electing (appointing) directors and the operation of the board are set forth in the [Articles of Association](#) and [Regulations on the Board of Directors](#).

Upon completion of the company’s restructuring (July 2024), the Board of Directors must consist of ten members, but will be authorized to make decisions with the support of at least seven members. The Board of Directors is formed in a special procedure:

- The owner of the type A preferred share shall appoint two Directors A
- The owner of the type B preferred share shall appoint two Directors B
- The General Meeting of shareholders shall elect six Directors B (only holders of ordinary shares are entitled to vote on this issue)

The Board of Directors currently consists of 9 members, as only one Director A has been appointed by the owner of the type A preferred share.

Yandex carefully selects candidates to serve on the Board of Directors. The company has a list of requirements with respect to nominees and conducts due diligence before accepting such persons as holders of preferred shares or voting at the General Meeting.



Members of the Board of Directors

In 2024, a new Board of Directors was formed. From June 04, 2024, members include:

- › Svetlana Yachevskaya
- › Andrey Betin
- › Alexander Ivlev
- › Alexey Yakovitsky
- › Evgeny Yakushkin
- › Pavel Dengin
- › Anton Sychev
- › Alexander Chachava
- › Artem Savinovsky

The current Board of Directors was appointed for a three-year term.

More information on board members is available on [the website](#).

Members of the Board of Directors as of December 31, 2024

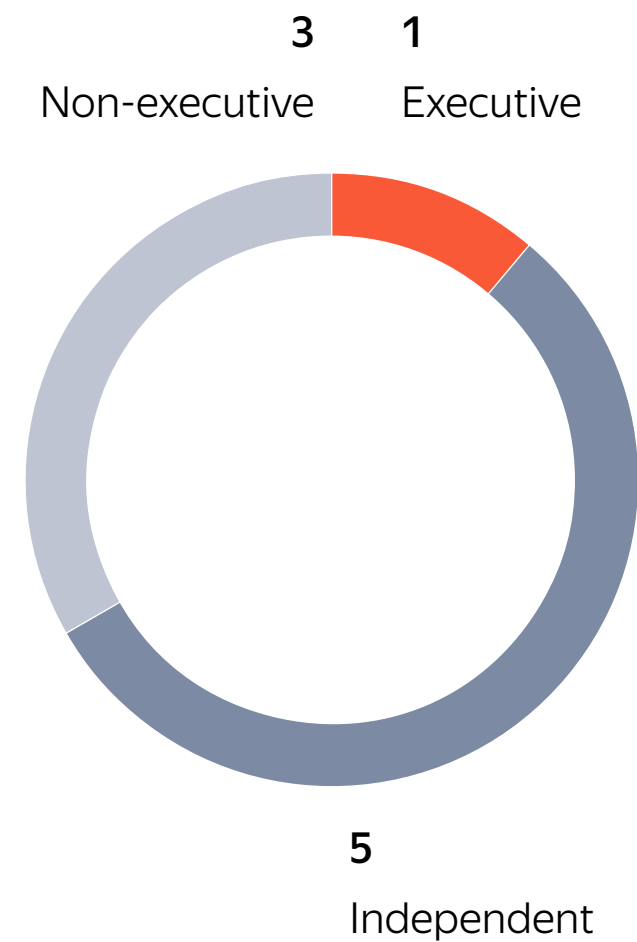
| Name | Director status | Participation in board committees |
|--|------------------------|---|
| Svetlana Yachevskaya Chairperson of the Board of Directors | Independent Director | <ul style="list-style-type: none"> • Audit Committee (Chairperson) • Remuneration and Nomination Committee • Corporate Governance and Sustainability Committee |
| Andrey Betin | Independent Director | <ul style="list-style-type: none"> • Remuneration and Nomination Committee |
| Alexander Ivlev | Independent Director | <ul style="list-style-type: none"> • Remuneration and Nomination Committee (Chairperson) • Corporate Governance and Sustainability Committee |
| Alexey Yakovitsky | Independent Director | <ul style="list-style-type: none"> • Investment Committee (Chairperson) • Audit Committee • Remuneration and Nomination Committee |
| Evgeny Yakushkin | Independent Director | <ul style="list-style-type: none"> • Corporate Governance and Sustainability Committee (Chairperson) • Audit Committee • Remuneration and Nomination Committee • Investment Committee |
| Pavel Dengin | Non-executive Director | <ul style="list-style-type: none"> • Investment Committee • Corporate Governance and Sustainability Committee |
| Anton Sychev | Non-executive Director | <ul style="list-style-type: none"> • Investment Committee |
| Alexander Chachava | Non-executive Director | <ul style="list-style-type: none"> • Investment Committee • Corporate Governance and Sustainability Committee |
| Artem Savinovsky | Executive Director | <ul style="list-style-type: none"> • Investment Committee |

Pursuant to the [Regulations on the Board of Directors](#), all Yandex directors must act in good faith and reasonably, making objective judgments independent of the influence of certain shareholder groups and other stakeholders. Furthermore, the opinions of independent directors increase the impartiality of Board of Director decisions and their credibility, help protect the interests of shareholders, and enhance the transparency of corporate governance, as they are unbiased and independent and not influenced by the views of other members of the Board of Directors and management.

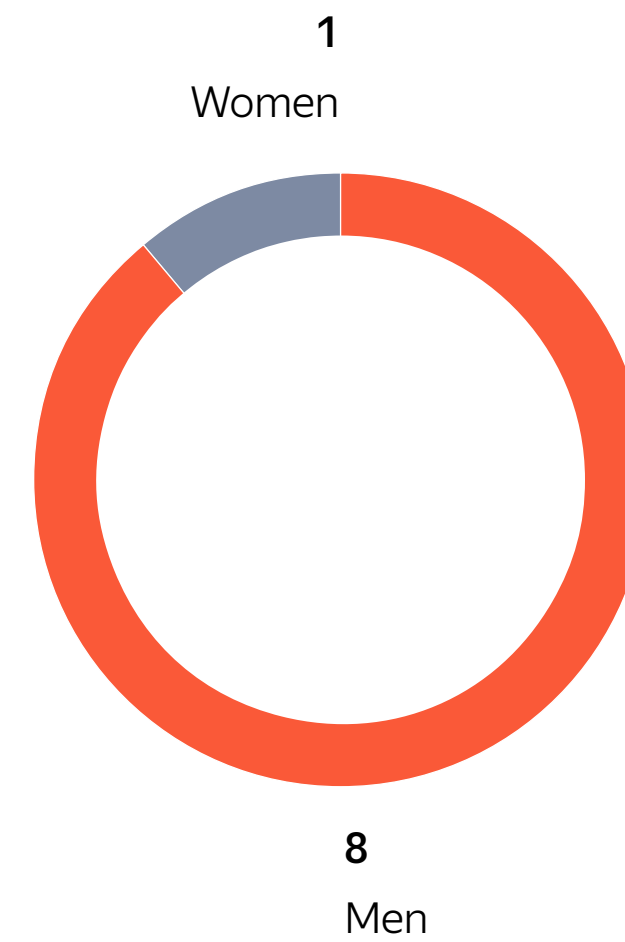
Independent directors are assessed for compliance with the independence criteria established by the listing rules of the Moscow Exchange and Corporate Governance Code of the Bank of Russia. A director who is not related to the company, its major shareholders, counterparties, competitors, or other stakeholders is recognized as independent.

The Chairperson of the Board of Directors is an independent director and does not combine their duties with those of the CEO.

Independence of directors



Share of women in the Board of Directors



Committees of the Board of Directors

Currently, the Board of Directors has four standing committees: Audit, Remuneration and Nomination, Investment, and Corporate Governance and Sustainability. All of the committees are accountable to the Board of Directors and regularly report on their performance at board meetings. The formation and functioning of board committees are governed by the company's [Articles of Association](#) and other regulations.

The Audit and Remuneration and Nomination Committees are composed entirely of independent directors, and two other committees are chaired by independent directors.

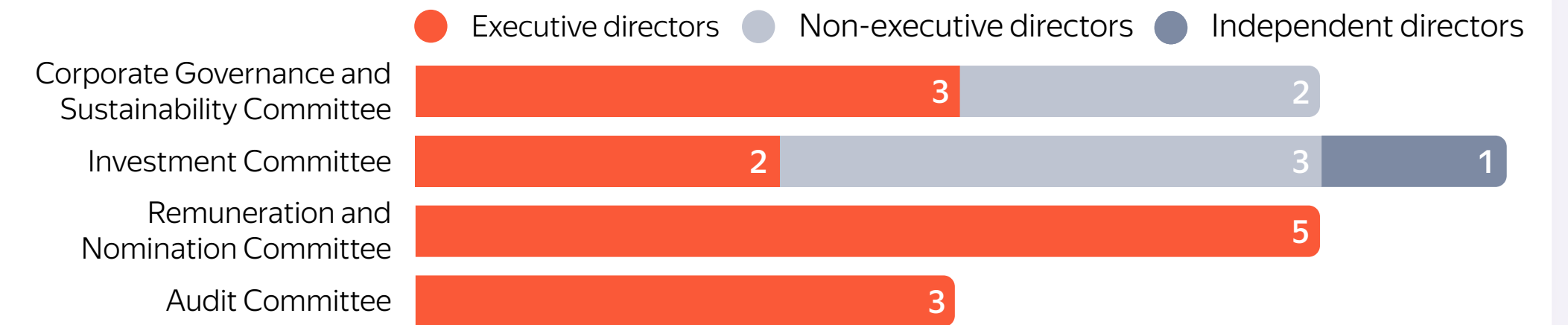
Svetlana Yachevskaya, an independent director and the Chairperson of the Audit Committee of the Board of Directors, has experience in the preparation, analysis, evaluation, and auditing of accounting (financial) statements necessary for the qualitative performance of the duties and functions of the committee.

Committees of the Board of Directors

Competencies of committees

| | | |
|--|--|--|
| Audit Committee | Regulations on the Audit Committee | <ul style="list-style-type: none"> Control of accounting policies and financial statements Monitoring the risk management and internal control system and the corporate governance system Control of compliance with legislative and other regulations Ensuring the independence and efficiency of internal and external audits |
| Remuneration and Nomination Committee | Regulations on the Remuneration and Nomination Committee | <ul style="list-style-type: none"> Issues of personnel planning and the nomination of candidates for the Board of Directors, CEO, and other management positions Development of remuneration practices for members of the Board of Directors, CEO, and Corporate Secretary |
| Investment Committee | Regulations on the Investment Committee | <ul style="list-style-type: none"> Reviewing potential investments and projects Preparing and updating budgets and business plans, including capital expenditure programs Development of internal documents related to the committee's competence Recommendations to the Board of Directors on the corporate organizational structure Recommendations on the distribution of the company's profits, including the amount of dividends |
| Corporate Governance and Sustainability Committee | Regulations on the Corporate Governance and Sustainability Committee | <ul style="list-style-type: none"> Corporate governance and sustainability issues Performance assessment of the Board of Directors Preliminary consideration of the company's internal documents on anti-corruption and anti-sanctions compliance, corporate and business ethics, donation policy, etc. |

Composition of board committees



Meetings of the Board of Directors and its committees¹

9 meetings of the Board of Directors

47 issues considered by the Board of Directors at meetings

In the reporting year, the Board of Directors dealt with the convening and holding of extraordinary General Meetings of shareholders, the increase of authorized capital, approval of internal regulatory documents, approval of transactions, and the reports of committees and the CEO.

Participation of Board of Directors members in meetings

All members of the Board of Directors attended all meetings held in 2024. Of the nine board committee meetings held in 2024, six were attended by all committee members and three were attended by a qualified majority of committee members.

Prevention of conflicts of interest in the Board of Directors

The absence of conflicts of interest is one of the criteria for selecting directors. Board members are required to disclose to the Chairperson any direct or indirect conflict of interest that may exist. In the event of a conflict of interest, they abstain from voting on such issues.

¹ From June 5 to December 31, 2024.

Executive management bodies

CEO

The CEO performs the functions of the company’s sole executive body and manages day-to-day operations, except matters under the authority of the General Meeting of shareholders and Board of Directors.

Since April 23, 2024, the CEO has been Artem Savinovsky, who is also a member of the Board of Directors of Yandex IPJSC. Artem Savinovsky has held various positions in Yandex Group since 2004, including management positions.

Corporate Secretary

The Corporate Secretary coordinates the work of Yandex's management bodies, organizes and ensures the holding of General Meetings of shareholders and meetings of the Board of Directors and its committees. The Corporate Secretary also ensures effective communication with shareholders and coordinates actions to protect their rights and interests.

The Corporate Secretary is appointed and dismissed by the CEO with the approval of the Board of Directors. The duties of the Corporate Secretary are regulated by [the Articles of Association](#) and [the Regulations on the Corporate Secretary](#).

Maria Klimashevskaya was the Corporate Secretary in the reporting year. Prior to the reporting year, she had held a similar position at Yandex N.V. since 2020.

The Corporate Secretary can be contacted by email: corpsecretary@yandex-team.ru.

Corporate control system

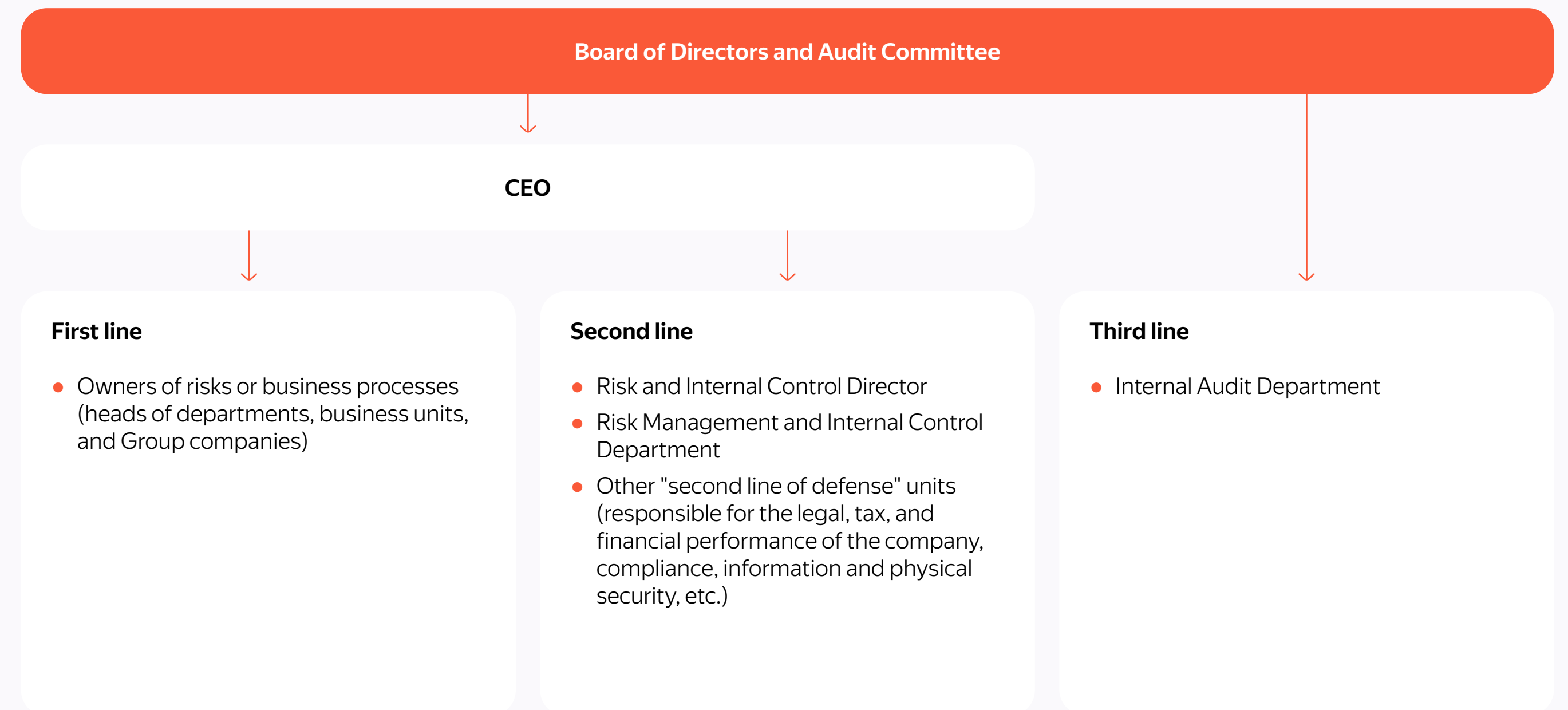
The key components of effective corporate governance are risk management, internal control and internal audit systems, and external independent audits.

The Board of Directors, including the Audit Committee, is responsible for organizing risk management, internal control, and internal audits, as well as coordinating relevant processes and procedures at Yandex.

Yandex has appointed a Risk and Internal Control Director and formed a Risk Management and Internal Control Department. Similar departments were also established in Group companies to create a system of risk management and internal control units.

The Risk Management and Internal Control Policy is the main document governing the risk management and internal control system (RM & ICS) and sets forth RM & ICS principles, goals, and objectives. The RM & ICS structure is based on the "three lines of defense" model.

RM & ICS structure



The main responsibilities and functions of the Risk and Internal Control Director:

- › Adoption of a company-wide Risk Management and Internal Control Policy
- › Coordinating the preparation of information on the company's key risks (high-level corporate risks)
- › Monitoring compliance with the provisions and requirements of the risk management and internal control policy and its updates
- › Preparation of an annual report on the organization and functioning of the risk management and internal control system

The main responsibilities and functions of risk management and internal control departments:

- › Organization and coordination of the identification, analysis, and assessment of risks, and the development of mitigation measures (together with risk owners and "second line of defense" units)
- › Regular monitoring of the level of key risks and progress of mitigation measures
- › Participation in self-assessment of the effectiveness of the risk management and internal control system, and development of a strategy and development plan
- › Participation in the development and implementation of measures to improve risk management and the internal control system, and the monitoring of their implementation

To assess the reliability and effectiveness of risk management and internal control, the Internal Audit Department headed by the Internal Audit Director was established. The department reports directly to the Board of Directors (Audit Committee). This ensures its independence from the company's executive management bodies. The Board of Directors approved the [Internal Audit Policy](#).

The main responsibilities of the Internal Audit Department:

- › Assistance in identifying risks and risk management measures
- › Audit of the company's information systems for compliance with established policies, procedures, and legislative requirements
- › Assessment of compliance with policies, procedures, and applicable legal requirements
- › Assessment of the efficiency of processes and achievement of goals and objectives of Yandex's activities
- › Assessment of resource utilization efficiency
- › Development of recommendations on improving existing processes, control procedures, and systems

External auditor

Yandex regularly issues [financial statements](#) in accordance with Russian and international standards. The external auditor verifies such statements in cases stipulated by Russian legislation.

Yandex's Board of Directors is responsible for appointing an external auditor and determining its remuneration. External audit issues, including assessment of the auditor's independence, impartiality, and lack of conflicts of interest, are delegated to the Audit Committee.

The external independent auditor of Yandex IPJSC is Technologies of Trust – Audit JSC. In the reporting year, the auditor was approved to conduct an independent audit of the company's accounting statements in accordance with Russian Accounting Standards (RAS) and financial statements in accordance with International Financial Reporting Standards (IFRS).

To ensure independence and avoid conflicts of interest, the external auditor follows internal procedures and rotates audit teams as necessary.

The remuneration paid by Yandex IPJSC to the auditor in the reporting year amounted to RUB 16,200 thousand, including VAT, for the audit of Yandex IPJSC financial statements for 2024 and the review of Yandex IPJSC semi-annual consolidated financial statements for 2024.

Remuneration practices

Yandex is committed to maintaining a fair and transparent remuneration system for employees, management, and Board members in accordance with international and Russian best practices. The remuneration system is designed to attract and retain the most competent and experienced professionals in all areas of the company's business.

Remuneration of Board members

The procedure for paying remuneration and compensation to Board members is established by the [Regulations on Remuneration and Compensation to Board Members](#). Only independent and non-executive directors are entitled to remuneration, while all members of the Board of Directors are entitled to compensation.

Remuneration of Board members includes:

- **Basic remuneration** for participation in the ongoing work of the Board of Directors: RUB 19 million a year
- **Additional remuneration** for additional duties:
 - RUB 1 million a year for work in a committee
 - RUB 2 million a year for chairing a committee
 - RUB 3 million a year for chairing the Board of Directors
- **Options** on the company's ordinary shares.

Basic and additional remuneration is paid on a monthly basis in equal installments in RUB.

In addition, the company reimburses directors for expenses, including travel to and from Board meetings, accommodation in connection with attending meetings, and expenses related to the company's business when incurred.

RUB 108.7 MM
total remuneration
of Board members
in 2024

In 2024, Yandex paid members of the Board of Directors a total of RUB 108.7 million, including RUB 93.7 million of basic remuneration and RUB 15.0 million of additional remuneration. In addition, the company reimbursed their expenses in connection with Board meetings (travel and accommodation expenses) in the amount of RUB 2.6 million. No shares under options were issued.

Management remuneration and long-term incentives

The remuneration of Yandex's key management personnel, like that of all its employees, consists of a fixed part (salary), variable part (bonuses, other incentive payments), and a package of benefits that include medical insurance and participation in the Long-Term Incentive Program based on the company's ordinary shares.

KPIs ensure that the interests of management, shareholders, and society are aligned. The variable part of the remuneration of key management personnel is based on the achievement of targets set by the Board of Directors.

The Board of Directors and Remuneration and Nomination Committee monitor the performance of key management personnel, including the CEO, and participate in the development of bonus policies.

To attract, retain and motivate employees who can make a significant contribution to Yandex, in 2024, the Board of Directors approved the Long-Term Incentive Program based on ordinary shares. The option pool (total maximum number of ordinary shares that may be placed for the Incentive Program) is 91,800,871 shares.

Based on grants made in 2024 as a result of options exercised by participants in the Incentive Plan (including Issuer options granted to Group employees in lieu of outstanding Yandex N.V. options), 11,086,668 ordinary shares were transferred to them¹.

¹ As of the date of preliminary approval of this Report.



For shareholders and investors

- 84 2024 highlights
- 85 YDEX in facts and figures
- 86 Dividends
- 86 Fintech bonds
- 86 More about Yandex

Yandex regularly discloses information about its operations beyond what's required by the rules for public companies.

We adhere to the principles of **integrity and openness** in our dealings with users, partners, shareholders, and investors.

2024 highlights

The following are the most important events in corporate news for Yandex as a company.

February 5

Announcement of a restructuring deal

March 7

Approval of restructuring from Yandex N.V. shareholders

April 1

Obtaining a listing on the Moscow Stock Exchange



April 26

Announcement of financial results for Q1 2024

May 17

Change of the parent company to Yandex IPJSC

June 4

Holding of a General Meeting of Shareholders

June 5

Board members announced

July 15

Restructuring completed

July 24

Our shares began trading on the Moscow Stock Exchange under the ticker YDEX



July 29

Holding of a General Meeting of Shareholders

July 30

Announcement of financial results for Q2 2024

September 9

Holding of a General Meeting of Shareholders

September 20

First dividends paid after restructuring

October 29

Announcement of financial results for Q3 2024

YDEX in facts and figures

YDEX is Yandex’s ticker on the Moscow Exchange. Trading under the ticker started on July 24, 2024. At year-end, the Moscow Exchange included our shares in 15 indices.

The inclusion of securities in an index signifies recognition by the stock exchange of their reliability and high liquidity.

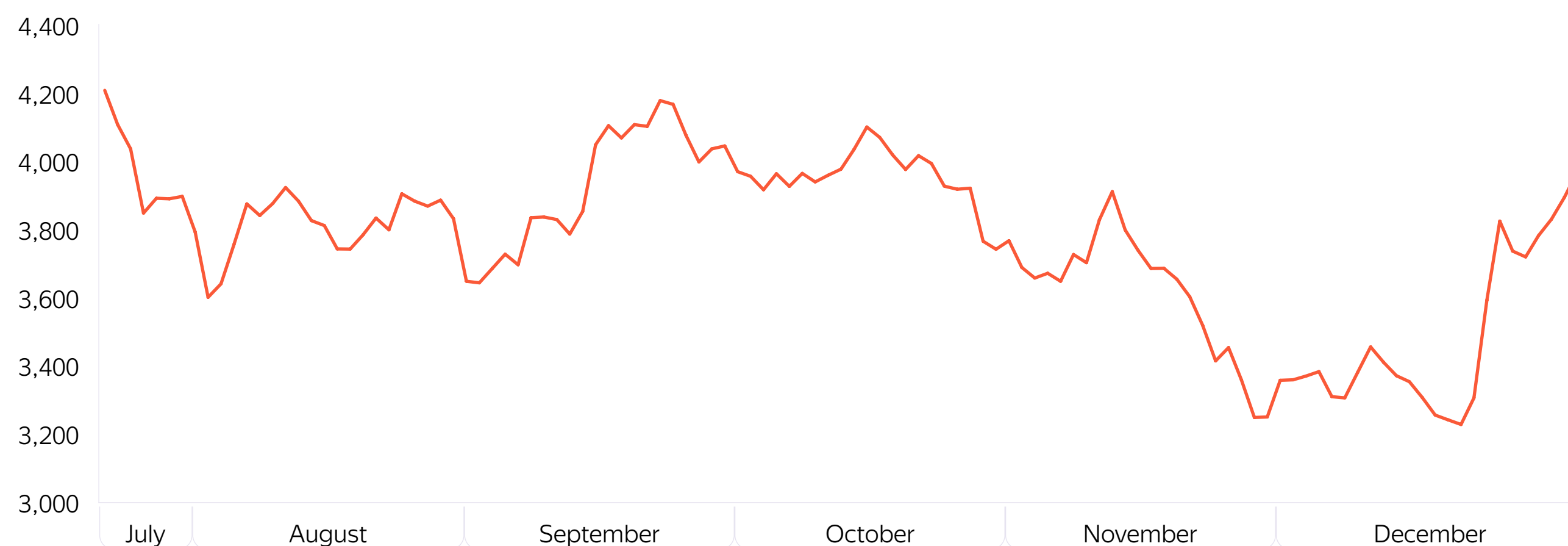
| | |
|-------------------------------|----------------|
| Ticker | YDEX |
| ISIN | RU000A107T19 |
| Nominal value | 0.4 |
| Denomination currency | Russian Ruble |
| Volume of issue | 390,548,277 |
| Free float¹ | 17.2% |
| Listing tier | 1 |
| Share type | Ordinary share |

>800,000 shareholders of Yandex as of December 27, 2024

RUB 5.1 BN the average daily turnover of Yandex shares on the stock exchange



Yandex share prices from July 24 to December 31, 2024, RUB



¹ As of December 31, 2025

Dividends

Following the results of H1 2024, Yandex paid its first dividends after restructuring.

The dividend yield based on the share price at the time of the dividend payment was 2.08%.

RUB 80
per ordinary share – dividends for H1

RUB 29.2 BN
dividends paid to Yandex shareholders for H1

Fintech bonds

Fintech is a segment that develops financial technologies and payment services (for example, Yandex Pay). Fintech has its own bonds that are secured by Yandex Split's consumer loan portfolio.

On December 12, 2024, Fintech completed the placement of the first bond issue on the Moscow Exchange.



RUB 7.7 BN
total volume of Fintech's bond issue



25% per annum
the monthly coupon rate on Fintech bonds

The Analytical Credit Rating Agency (ACRA) assigned an AAA rating (ru.sf) to Fintech's debut bond issue. This rating is used to identify securities with the highest level of reliability.



More about Yandex

[Website for investors](#)

Company details and financial performance

[Interfax](#)

Documentation, financial statements, and consolidated financial statements

[Calendar for investors](#)

Upcoming and past events

[Corporate website](#)

News on everything that's going on in the company

Social media

Summaries in



[Telegram](#)



[Smart Lab](#)



[Pulse](#)



[Profit](#)

[Feedback form](#)

You can also contact us at askIR@yandex-team.ru



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|---|--|--|--|---|
| 1.1 The company should ensure equal and fair treatment of all shareholders when they exercise their rights to participate in the management of the company | | | | |
| 1.1.1 | The company should create the most favorable conditions for its shareholders to participate in the General Meeting, develop informed positions on agenda items, coordinate their actions, and express their opinions on the items being discussed. | <p>1. The company provides an accessible way to communicate with the public, such as a hotline, email, or online forum, thus enabling shareholders to express their opinions and ask agenda-related questions when preparing for the General Meeting.</p> <p>These communication channels were arranged by the company and made available to shareholders in preparation of each General Meeting held during the reporting period.</p> | Partial compliance | <p>At the General Meetings of shareholders in 2024 (all held in absentia), no additional channels for communication with the company, such as a forum or hotline, were provided. However, the company's website specifies the contacts of the IR service that could be contacted by shareholders with any questions, and the contacts of the Corporate Secretary, which were used by some shareholders for communication with the company. In preparation of the General Meetings of shareholders in 2024, the IR service and Corporate Secretary responded to all requests promptly and in detail.</p> <p>In addition to mandatory information, the company published additional explanations on agenda items on its website at the time of preparation for General Meetings.</p> <p>The notice of the annual General Meeting of shareholders to discuss the results for 2024 specified the email address to send questions and opinions about the agenda. The company plans to organize a similar communication channel for its shareholders in the future.</p> |
| 1.1.2 | Procedures for notifying shareholders of the General Meeting and the provision of related materials should enable shareholders to prepare properly for the General Meeting. | <p>1. During the reporting period, the notice of a General Meeting of shareholders was published on the company's website not later than 30 days before the meeting date, unless a longer period is stipulated by law.</p> <p>2. The notice of a General Meeting listed the documents required for admission to the venue.</p> <p>3. Shareholders were granted access to information on the persons who proposed items to be included in the agenda and nominees for the company's Board of Directors and audit commission (when creation is stipulated by the company's Articles of Association).</p> | Partial compliance | <p>1. Notices of the extraordinary General Meetings of shareholders held on July 29, 2024 and September 09, 2024 were published on the company's website 28 days before each meeting, respectively.</p> <p>The notice of the General Meeting of shareholders convened on January 20, 2025 was published more than 30 days before the date of the meeting.</p> <p>2. During 2024, the company did not hold General Meetings of shareholders in the form of a physical meeting (joint attendance), so information on the documents necessary for admission to the venue was not required.</p> <p>The company intends to include information on the documents required for admission to the venue in the notice of General Meetings of shareholders to be held in the form of a physical meeting (joint attendance).</p> <p>3. In June 2024, the company's Board of Directors was formed in a special manner in accordance with the Law on International Companies and the Articles of Association. At the date of determining (recording) persons entitled to participate in the General Meeting of shareholders, the exchange of Yandex N.V. shares for the company's shares on the stock exchange had not been performed and the majority of voting shares in the company was owned by Yandex N.V. and JSC Solid Management, the trust manager of the Consortium. First closed-end investment fund.</p> <p>Other General Meetings of shareholders of the company held in 2024 mainly considered issues that, according to the Law on Joint-Stock Companies, may be proposed only by the Board of Directors (such as the establishment of the date of determining persons entitled to receive dividends and the approval of interested-party transactions).</p> <p>The company's Articles of Association do not stipulate the creation of an audit commission.</p> |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|-------|---|---|--|---|
| 1.1.3 | In preparing for and holding the General Meeting, shareholders should be able to freely and timely receive information about the meeting and related materials, address questions to members of the company's executive bodies and board of directors, and communicate with each other. | <ol style="list-style-type: none"> During the reporting period, shareholders had the opportunity to address questions to members of the company's executive bodies and members of the company's board of directors in preparing for and during the General Meeting of shareholders. The position of the Board of Directors (including dissenting opinions added to the minutes, if any) on each agenda item of the General Meetings held in the reporting period was specified in the General Meeting materials. The company granted access to eligible shareholders to the list of persons entitled to participate in the General Meeting of shareholders, starting from the date of the company's receipt of this list (the same applies to all such meetings held in the reporting period). | Partial compliance | <ol style="list-style-type: none"> In 2024, the company did not hold general meetings of shareholders in the form of a physical meeting (joint attendance), so there was no opportunity to ask questions during general meetings. In the future, the company intends to give shareholders the opportunity to address questions to members of the company's executive bodies and members of the company's Board of Directors in preparing for and during the General Meeting of shareholders. The materials for the General Meetings of shareholders convened in 2024 were unanimously approved by the Board of Directors, and there were no dissenting opinions. When preparing for the General Meetings of shareholders, draft decisions on the agenda items of the relevant meeting of shareholders approved by the Board of Directors, additional explanations about these items, and recommendations approved by the Board of Directors, were published on the company's website. The company granted access to the list of persons entitled to participate in the General Meeting of shareholders to eligible shareholders every time it was requested. |
| 1.1.4 | There should be no unjustified difficulties preventing shareholders from exercising their right to demand that a General Meeting be convened and to propose nominees to the company's governing bodies and items for the agenda. | <ol style="list-style-type: none"> The company's Articles of Association set forth a deadline for shareholders to submit proposals for the agenda of the annual General Meeting of shareholders at least 60 days after the end of the relevant calendar year. Over the reporting period, the company did not refuse to accept any proposed agenda items or nominees for the company's bodies due to misprints or other minor errors in a shareholder proposal. | Full compliance | |
| 1.1.5 | Each shareholder should be able to freely exercise their right to vote in a straightforward and convenient way. | 1. The company's Articles of Association provide for the option of filling in an e-ballot on the website (the URL is specified in the notice of a General Meeting of shareholders). | Partial compliance | <p>The company's Articles of Association provide for the right of the Board of Directors to establish the option of voting at the General Meeting of shareholders by filling in an e-ballot on the website.</p> <p>At the company's General Meetings of shareholders held on July 29, 2024 and September 09, 2024, as well as at the company's General Meeting of shareholders convened on January 20, 2025, shareholders had the option to fill in an e-ballot on the website. The information on available voting methods was disclosed as part of the notice of material fact and the notice of the General Meeting of shareholders.</p> <p>The company plans to consider the introduction of relevant amendments to the Articles of Association and, in the future, intends to provide shareholders with the option to participate in the General Meeting of shareholders by filling in an e-ballot on the website.</p> |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|---|--|--|--|--|
| 1.1.6 | The procedures for holding a General Meeting set by the company should provide equal opportunities to all persons present at the meeting to express their opinions and ask questions of interest. | <ol style="list-style-type: none"> When holding General Meetings of shareholders in the form of a physical meeting (joint attendance of shareholders) in the reporting period, sufficient time was provided for reports on agenda items and for discussions of such items, and shareholders were able to express their opinions and ask agenda-related questions of interest. The company invited nominees for the management and supervisory bodies of the company and took all necessary measures to ensure their participation in the General Meeting of shareholders where their nominations were put to vote. The nominees for the management and supervisory bodies of the company present at the General Meeting of shareholders were available to answer shareholders' questions. The sole executive body, accounting officer, chairman, or other members of the audit committee of the Board of Directors were available to answer questions asked by shareholders at the General Meetings of shareholders held during the reporting period. Over the reporting period, the company made use of remote telecommunication means to enable shareholders to participate in General Meetings, or the Board of Directors reasonably resolved that there was no need (possibility) to use such means in the reporting period. | Partial compliance | In the reporting period, the company did not hold meetings of shareholders in the form of their joint attendance. However, shareholders were given the opportunity to vote electronically at the meeting held in absentia. |
| 1.2 Shareholders should have equal and fair opportunities to participate in the profits of the company by means of receiving dividends | | | | |
| 1.2.1 | The company should develop and implement transparent and clear means for calculating and paying dividends. | <ol style="list-style-type: none"> The company's regulations on the dividend policy are approved by the Board of Directors and disclosed on the company's website. If the dividend policy of a company preparing consolidated financial statements makes use of metrics from the company's financial statements to calculate dividends, the relevant provisions of the dividend policy shall take the consolidated financial statements into account. The rationale behind the proposed net profit distribution, including the payment of dividends and for the company's own needs, and assessment of its compliance with the company's dividend policy, with explanations and economic feasibility of the need to apply a certain portion of net profit to meet its own needs in the reporting period, are included in the materials for the General Meeting of shareholders with an agenda covering an item on profit distribution (including the payment (declaration) of dividends). | Full compliance | |
| 1.2.2 | The company should not decide to pay dividends if such a decision, while not formally violating statutory limits, is unjustified from an economic point of view and might create a misleading impression about the company's activity. | 1. The company's regulations on the dividend policy, in addition to statutory restrictions, specify the financial/economic circumstances in which the company should decide to not pay dividends. | Full compliance | |
| 1.2.3 | The company should not allow the deterioration of dividend rights of its existing shareholders. | 1. In the reporting period, the company did not take any actions allowing the deterioration of dividend rights of its existing shareholders. | Full compliance | |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|------------|---|---|--|--|
| 1.2.4 | The company should strive to rule out any ways through which its shareholders may obtain any profit or gain at the company's expense other than dividends and liquidation value distribution. | 1. During the reporting period, there were no other ways for the persons controlling the company to obtain profit or gain at the company's expense other than dividends (for example, through transfer pricing, unjustified provision of services to the company by the controlling person at inflated prices, or through internal loans substituting dividends to the controlling person and/or its controlled persons). | Full compliance | |
| 1.3 | The corporate governance system and practices should ensure equal terms and conditions for all shareholders owning shares of the same class (category) in the company, including minority and foreign shareholders, as well as their equal treatment by the company | | | |
| 1.3.1 | The company should create conditions to enable its governing bodies and controlling persons to treat each shareholder fairly, including to rule out any potential abuse of minority shareholders by major shareholders. | 1. During the reporting period, the company's controlling persons did not abuse their rights in relation to the company's shareholders. There were no conflicts between the company's controlling persons and shareholders, and if there were, the Board of Directors addressed them properly. | Full compliance | |
| 1.3.2 | The company should not take any actions that will or might result in the artificial reallocation of corporate control. | 1. Quasi-treasury shares are not in existence or were not voted during the reporting period. | Full compliance | |
| 1.4 | Shareholders should be provided with reliable and efficient means of recording their rights in shares and the opportunity to freely dispose of such shares in a non-onerous manner | | | |
| 1.4 | Shareholders should be provided with reliable and efficient means of recording their rights in shares and the opportunity to freely dispose of such shares in a non-onerous manner. | 1. The company registrar's technologies and terms of services cater to the needs of the company and its shareholders and ensure that shareholder rights attached to shares are recorded and exercised in the most efficient manner. | Full compliance | |
| 2.1 | The Board of Directors shall be in charge of strategic management of the company, determine major principles and approaches to creating a risk management and internal control system within the company, monitor the proceedings of the company's executive bodies, and carry out other key functions | | | |
| 2.1.1 | The Board of Directors should be responsible for decisions to appoint and remove members of executive bodies, including as a result of their failure to properly perform their duties. The Board of Directors should also ensure that the company's executive bodies act in accordance with the company's approved development strategy and key business goals. | <p>1. The Board of Directors has the authority set forth by the Articles of Association to appoint and remove members of executive bodies, and to establish the terms and conditions of their contracts.</p> <p>2. In the reporting period, the nomination (appointments, human resources) committee considered whether the professional qualifications, skills, and experience of the members of the executive bodies comply with the company's current and expected needs as determined by the company's approved strategy.</p> <p>3. In the reporting period, the Board of Directors reviewed the report(s) of the sole executive body and the collective executive body (if any) on the implementation of the company's strategy.</p> | Partial compliance | <p>1. According to the company's Articles of Association, decisions on the election (appointment) and early removal from office of the CEO, determination of the amount of remuneration and compensation paid to the CEO, and approval of the terms of the contract with the CEO are made by the Board of Directors.</p> <p>2. The company's current CEO was appointed in April 2024, so the CEO's performance was not assessed in the reporting year. The company intends to carry out such assessment in 2025.</p> <p>3. During 2024, the Board of Directors regularly heard reports of the CEO on various lines of business of the company and Group. As of December 31, 2024, the Company's Strategy was not approved as a separate document.</p> <p>4. The company's Articles of Association do not provide for the formation of a collective executive body.</p> |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|-------|--|--|--|--|
| 2.1.2 | The Board of Directors should establish basic long-term targets of the company's activity and evaluate and approve its key performance indicators, key business goals, strategy, and business plans in respect of its principal areas of operations. | 1. In the reporting period, the Board of Directors addressed at its meetings issues on the progress of implementing and updating the company's strategy, approval of its financial and economic plan (budget), and review of the criteria and indicators (including interim metrics) associated with the implementation of the company's strategy and business plans. | Partial compliance | During 2024, the Board of Directors considered issues related to the implementation of business plans and approved the Group's budget for 2025. As of December 31, 2024, the Company's Strategy was not approved as a separate document. |
| 2.1.3 | The Board of Directors should determine the principles and methods of creating the risk management and internal control system in the company. | 1. The principles and methods of creating the risk management and internal control system in the company are determined by the Board of Directors and set out in the company's internal documents shaping the risk management and internal control policy. 2. Over the reporting period, the Board of Directors approved (revised) the company's acceptable amount of risk (risk appetite), or the audit committee and/or risk committee (if any) explored the relevance of bringing the issue of revising the company's risk appetite for consideration by the Board of Directors. | Partial compliance | 1. The company's Board of Directors has approved the Risk Management and Internal Control Policy. 2. Both the Board of Directors and the Audit Committee of the Board of Directors were formed in June 2024, and the risk appetite issue was not considered separately during the reporting year. |
| 2.1.4 | The Board of Directors should determine the company's policy on remuneration due to and/or compensation (reimbursement) of costs incurred by its board members, members of executive bodies, and other key managers. | 1. The company has developed, approved (by the Board of Directors), and implemented a policy (policies) on remuneration and compensation (reimbursement) of costs incurred by its board members, members of executive bodies, and other key managers. 2. In the reporting period, the Board of Directors addressed issues related to the above policy (policies). | Partial compliance | 1. The company's Board of Directors has approved the Regulations on Remuneration and Compensation Paid to Members of the Board of Directors. 2. During 2024, the company's Board of Directors revised and approved the new version of the Regulations on Remuneration and Compensation Paid to Members of the Board of Directors, and the document was published on the company's website. 3. The Board of Directors has not approved a similar document in respect of the company's executive bodies or other key managers. However, to date, the current Board of Directors has not considered it advisable to change the remuneration system for key personnel that is applied by the company and that has not changed compared to the system used by Yandex Group over many years. |
| 2.1.5 | The Board of Directors should play a key role in preventing, detecting, and resolving internal conflicts between the company's bodies, shareholders, and employees. | 1. The Board of Directors plays a key role in preventing, detecting, and resolving internal conflicts. 2. The company has set up a system for identifying transactions involving a conflict of interest and a system of measures for resolving such conflicts. | Full compliance | |
| 2.1.6 | The Board of Directors should play a key role in ensuring that the company is transparent, discloses information in full and in due time, and provides its shareholders with unhindered access to its documents. | 1. The company's internal documents define the persons responsible for implementing its information policy. | Non-compliance | The information policy was not approved in 2024. Information is disclosed on the basis of statutory requirements. The responsible person, in the absence of other instructions, is the CEO of the company. |
| 2.1.7 | The Board of Directors should monitor the company's corporate governance practices and play a key role in its material corporate events. | 1. During the reporting period, the Board of Directors reviewed the outcomes of self-assessment and/or external assessment of the company's corporate governance practices. | Non-compliance | The company was incorporated on December 26, 2023, and the first reporting year for which assessment may be undertaken is 2024. The company intends to carry out such assessment and arrange the consideration of its outcomes by the Board of Directors during 2025. |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|---|--|--|--|--|
| 2.2 The Board of Directors should be accountable to the company's shareholders | | | | |
| 2.2.1 | Information about the Board of Directors' proceedings should be disclosed and provided to shareholders. | <ol style="list-style-type: none"> The company's annual report for the reporting period covers information on the attendance at meetings of the Board of Directors and its committees by each board member. The annual report covers information on the main outcomes of the performance assessment (self-assessment) of the Board of Directors carried out in the reporting period. | Partial compliance | <ol style="list-style-type: none"> The Annual Report covers information on the attendance at meetings of the Board of Directors by all its members and provides summary information on attendance at meetings of Board committees. Given that the company's current Board of Directors was formed in June 2024, the performance of the Board of Directors was not assessed in 2024. In the future, the company intends to include information on assessments in the Annual Report. |
| 2.2.2 | The Chairman of the Board of Directors must be available to communicate with the company's shareholders. | <ol style="list-style-type: none"> The company has a transparent procedure in place to enable shareholders to address their submissions to and receive feedback from the Chairman of the Board of Directors (and the senior independent director). | Full compliance | |
| 2.3 The Board of Directors should be an efficient and professional governing body of the company able to make objective and independent judgments and pass resolutions in the best interests of the company and its shareholders | | | | |
| 2.3.1 | Only persons with an impeccable business and personal reputation should be elected to the Board of Directors. Such persons should also have the knowledge, skills, and experience necessary to make decisions on reserved matters of the Board of Directors and perform its functions efficiently. | <ol style="list-style-type: none"> During the reporting period, the Board of Directors (or its nomination committee) assessed nominees for the Board of Directors in terms of their experience, knowledge, business reputation, absence of a conflict of interest, etc. | Full compliance | |
| 2.3.2 | Board members should be elected pursuant to a transparent procedure enabling shareholders to obtain information about the nominees sufficient for them to gain an understanding of their personal and professional qualities. | <ol style="list-style-type: none"> In all cases when a General Meeting of shareholders involving the election of the Board of Directors was held in the reporting period, the company invariably provided its shareholders with biographical information on all of the nominees, the results of their assessment by the Board of Directors (or the nomination committee) for compliance of their professional qualifications, experience, and skills in relation to the company's current and expected needs, information on their conformance with the independence criteria set forth in recommendations 102 – 107 of the Code, and information on the written consent of the nominees to their election to the Board of Directors. | Partial compliance | When preparing for the General Meeting of shareholders involving the election of the Board of Directors, information on the nominees for the Board of Directors (brief information on their professional qualifications and information on the written consent of the nominees to their election) was included in the materials for the meeting. As of the date of preparing the list of persons entitled to participate in the company, apart from JSC Solid Management, shares in the company were owned by Yandex N.V., which planned a complete exit from the company's capital. |
| 2.3.3 | The composition of the Board of Directors should be balanced in terms of qualifications, expertise, and business skills of its members, and enjoy the confidence of shareholders. | <ol style="list-style-type: none"> During the reporting period, the Board of Directors reviewed its own needs in terms of qualifications, expertise, and business skills, and identified the competencies needed in the short and long term. | Full compliance | |
| 2.3.4 | Members of the company's Board of Directors should enable the board to arrange its proceedings in the most efficient way, including creating committees and giving substantial minority shareholders an opportunity to elect a candidate to the Board of Directors for whom they would vote. | <ol style="list-style-type: none"> During the reporting period, the Board of Directors considered whether the number of members of the Board of Directors caters to the company's needs and interests of shareholders. | Full compliance | |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|------------|--|---|--|---|
| 2.4 | The Board of Directors should include a sufficient number of independent directors | | | |
| 2.4.1 | An independent director should mean any person who has the required professional skills and expertise and is sufficiently able to have their own position and make objective and bona fide judgments, free from the influence of the company's executive bodies and any individual group of its shareholders or other stakeholders. It should be noted that under normal circumstances, a nominee (or an elected director) may not be deemed to be independent if they are associated with the company or any of its substantial shareholders, material trading partners or competitors, or the government. | 1. Over the reporting period, all independent board members met all independence criteria set out in recommendations 102– 107 of the Code or were recognized as independent by resolution of the Board of Directors. | Full compliance | |
| 2.4.2 | The company should evaluate compliance of nominees for the Board of Directors with independence criteria and review compliance of independent directors with independence criteria on a regular basis. When carrying out such evaluation, substance should take precedence over form. | 1. In the reporting period, the Board of Directors (or its nomination committee) formed an opinion on the independence of each nominee and provided shareholders with the relevant statement. 2. During the reporting period, the Board of Directors (or its nomination committee) reviewed the independence of current board members at least once (after their election). 3. The company has procedures in place to determine the required actions to be taken by a board member if they cease to be independent, including the obligation to notify the Board of Directors thereof in a timely manner. | Non-compliance | The company intends to formalize the procedure and deadlines for assessing the independence of nominees for the Board of Directors and to provide shareholders with information on the results of such assessment when the Board of Directors is elected. The company intends to ensure that the independence of current board members is reviewed by the Board of Directors or the Remuneration and Nomination Committee of the Board of Directors in 2025. |
| 2.4.3 | Independent directors should account for at least one third of all directors elected to the Board of Directors. | 1. Independent directors account for at least one-third of all directors on the Board of Directors. | Full compliance | |
| 2.4.4 | Independent directors should play a key role in the prevention of internal conflicts within the company and performance by the latter of material corporate actions. | 1. Within the reporting period, independent directors (who had no conflict of interest) performed a preliminary assessment of material corporate actions involving potential conflicts of interest and submitted the outcomes of such assessment to the Board of Directors. | Non-compliance | No material corporate actions involving potential conflicts of interest were taken during the reporting period. |
| 2.5 | The Chairman of the Board of Directors should help it carry out the functions imposed thereon in the most efficient manner | | | |
| 2.5.1 | An independent director should be elected as Chairman of the Board of Directors or a senior independent director from among the elected independent directors should be appointed to coordinate the proceedings of independent directors and liaise with the board Chairman. | 1. The Chairman of the Board of Directors is an independent director, or a senior independent director has been identified among independent directors. 2. The role, rights, and duties of the board Chairman (and the senior independent director) are properly defined in the company's internal documents. | Full compliance | |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|------------|--|--|--|---|
| 2.5.2 | The board Chairman should ensure that board meetings are held in a constructive atmosphere and that any agenda items are discussed freely. The Chairman should also monitor execution of resolutions passed by the Board of Directors. | 1. The performance of the board Chairman was reviewed under the procedure for assessment (self-assessment) of the board performance in the reporting period. | Non-compliance | The company's new Board of Directors was formed in June 2024, so the assessment (self-assessment) of its performance (including the assessment of the performance of the Chairman) was not carried out in the reporting year. The company intends to ensure that the performance assessment (self-assessment) of the Board of Directors (including the performance assessment of the Chairman) is carried out in 2025. |
| 2.5.3 | The Chairman of the Board of Directors should take any and all measures as may be required to provide board members in a timely manner with information required to decide on agenda items. | 1. The board Chairman's duty to take measures to provide board members with complete and accurate information on agenda items for the board meeting in a timely manner is confirmed in the company's internal documents. | Full compliance | |
| 2.6 | Board members should act reasonably and in good faith in the best interests of the company and its shareholders, being sufficiently informed, with due care and diligence | | | |
| 2.6.1 | Board members should make decisions considering all available information in the absence of conflicts of interest, treating company shareholders equally and assuming normal business risks. | 1. As per the company's internal documents, a board member shall notify the Board of Directors of any conflict of interest on any agenda item of the board or committee meeting prior to discussing such item. 2. The company's internal documents stipulate that a board member shall refrain from voting on any item in relation to which they have a conflict of interest. 3. The company has a procedure in place that enables the Board of Directors to obtain professional advice on their reserved matters at the company's cost and expense. | Partial compliance | 1. Pursuant to the company's Articles of Association, a member of the Board of Directors is obliged to refrain from actions that may create, including potentially, a conflict between the interests of the member of the Board of Directors and/or their affiliates (on the one part) and the interests of the company and/or the Group and/or their affiliates (on the other part). If such conflict of interest exists or may arise, such member of the Board of Directors shall notify the Chairman of the Board of Directors thereof in writing. 2. The company's Articles of Association stipulate the obligation of a member of the Board of Directors to immediately notify the Board of Directors of any conflict of interest. It is presumed that in the event of a conflict of interest a member of the Board of Directors shall refrain from voting on any item in relation to which they have a conflict of interest. 3. The procedure for obtaining professional advice by the Board of Directors is not formalized but is applied in practice. |
| 2.6.2 | The rights and duties of board members should be clearly stated and documented in the company's internal documents. | 1. The company has adopted and published an internal document that clearly determines the rights and duties of board members. | Full compliance | |
| 2.6.3 | Board members should have sufficient time to perform their duties. | 1. Individual attendance at meetings of the Board of Directors and its committees, as well as the sufficiency of time to sit on the Board of Directors, including its committees, has been analyzed under the procedure for assessment (self-assessment) of the Board of Directors' performance in the reporting period. 2. As per the company's internal documents, board members shall notify the Board of Directors of their intention to join the governing bodies of any other entities (apart from entities controlled by the company) and of such appointment. | Non-compliance | 1. The company's new Board of Directors was formed in June 2024, so the assessment (self-assessment) of its performance (including the assessment of individual attendance and sufficiency of time to sit on the Board of Directors) was not carried out in the reporting year. The company intends to ensure that the performance assessment (self-assessment) of the Board of Directors (including the assessment of individual attendance and sufficiency of time to sit on the Board of Directors) is carried out in 2025. 2. The obligation of board members to notify the Board of Directors of their intention to join the governing bodies of any other entities (apart from entities controlled by the company) and of such appointment is not established. The lack of this obligation is sufficiently offset by the obligation to regularly (quarterly under the requirements of the Moscow Exchange) notify the Board of Directors of positions held. |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|------------|---|--|--|--|
| 2.6.4 | All board members should have equal opportunities to access the company's documents and information. Newly elected board members should be provided with sufficient information about the company and proceedings of its Board of Directors as soon as practicable. | <ol style="list-style-type: none"> As per the company's internal documents, board members are entitled to obtain information and documents needed for performing their duties relating to the company and its controlled entities, while the company's executive bodies shall ensure that the relevant information and documents are made available. The company runs a documented induction program for newly elected board members. | Partial compliance | <ol style="list-style-type: none"> The company's Articles of Association and Regulations on the Board of Directors establish the right of board members to demand that the CEO provide information (materials) and explanations as to the company's operations when such information is necessary to make decisions on reserved matters of the Board of Directors. There is no induction program for newly elected members of the Board of Directors. In the future, the company intends to additionally consider the issue of introducing an induction program subject to the term of office of the current Board of Directors (the members of the company's Board of Directors are elected for three years). |
| 2.7 | Meetings of the Board of Directors, preparation for them, and participation of board members therein should ensure efficient work of the board | | | |
| 2.7.1 | Meetings of the Board of Directors should be held as needed, with due account of the company's scope of activities and its current goals. | <ol style="list-style-type: none"> The Board of Directors held at least six meetings over the reporting year. | Full compliance | |
| 2.7.2 | The company's internal documents should set out a procedure for preparing for and holding board meetings that enables members of the board to properly prepare for such meetings. | <ol style="list-style-type: none"> The company has approved an internal document that establishes the procedure for preparing for and holding board meetings and stipulates, among other things, that a notice of the meeting shall normally be sent at least five days before the date of such meeting. During the reporting period, board members who were absent from the meeting venue were given an opportunity to contribute to discussing its agenda items and vote remotely by teleconference and videoconference. | Full compliance | |
| 2.7.3 | The board meeting form should be determined with due account of importance of its agenda items. The most important issues should be resolved at meetings held in person. | <ol style="list-style-type: none"> The company's Articles of Association or an internal document stipulates that the most important issues (including those listed in recommendation 168 of the Code) must be considered at in-person meetings. | Non-compliance | <p>The company's internal documents stipulate that the form of a meeting of the Board of Directors shall be determined by the Chairman when they decide to convene the meeting of the Board of Directors.</p> <p>In practice, material issues are usually considered at in-person meetings, or before passing a resolution at a meeting held in absentia the relevant issue is discussed at in-person meetings of the relevant board committees or at board gatherings in other formats.</p> |
| 2.7.4 | Resolutions on the most important issues relating to the company's business should be passed at a board meeting by a qualified majority vote or the majority vote of all elected board members. | <ol style="list-style-type: none"> The company's Articles of Association stipulate that resolutions on the most important issues, including those listed in recommendation 170 of the Code, must be passed at a meeting of the Board of Directors by the qualified majority of at least three fourths of votes or by the majority of votes of all elected members of the Board of Directors. | Full compliance | |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|---|---|--|--|--|
| 2.8 The Board of Directors should set up committees for preliminary consideration of the most important issues related to the company's business | | | | |
| 2.8.1 | For the purpose of preliminary consideration of any issues related to exercising control over the company's financial and business operations, an audit committee composed of independent directors should be set up. | <ol style="list-style-type: none"> The Board of Directors has set up an audit committee consisting solely of independent directors. The company's internal documents determine the audit committee's duties, including those listed in recommendation 172 of the Code. At least one member of the audit committee who is an independent director possesses the experience and expertise in the preparation, analysis, assessment, and audit of accounting (financial) statements. Meetings of the audit committee were held at least once a quarter in the reporting period. | Partial compliance | <ol style="list-style-type: none"> The company's Board of Directors set up the Audit Committee consisting solely of independent directors. The Regulations on the Audit Committee determine the duties of the committee, including the majority of the duties stipulated in recommendation 172 of the Code (the remaining duties are part of higher-level issues governed by the Regulations and do not require a separate mention, in our opinion). The Chairman of the Audit Committee is an independent director and possesses experience and expertise in the preparation, analysis, assessment, and audit of accounting (financial) statements. During 2024, meetings of the Audit Committee were held more often than once a quarter. |
| 2.8.2 | For preliminary consideration of any issues related to developing efficient and transparent remuneration practices, a remuneration committee should be set up and composed of independent directors and chaired by an independent director who should not concurrently serve as the board Chairman. | <ol style="list-style-type: none"> The Board of Directors has set up a remuneration committee consisting solely of independent directors. The Chairman of the Remuneration Committee is an independent director who is not the Chairman of the Board of Directors. The company's internal documents determine the remuneration committee's duties, including those listed in recommendation 180 of the Code, as well as the conditions (events) when the remuneration committee considers the issue of revising the company's policy on remuneration of members of the Board of Directors, executive bodies, and other key managers. | Partial compliance | <ol style="list-style-type: none"> The company's Board of Directors has set up the Remuneration and Nomination Committee consisting solely of independent directors. The Remuneration and Nomination Committee is chaired by an independent director who is not the Chairman of the Board of Directors. The Regulations on the Remuneration and Nomination Committee determine the duties of the Committee, including the majority of the duties stipulated in recommendation 180 of the Code (the remaining duties are part of higher-level issues governed by the Regulations and do not require a separate mention, in our opinion). |
| 2.8.3 | For preliminary consideration of any issues relating to HR (succession) planning, professional composition and efficiency of the Board of Directors, a nomination (appointments, human resources) committee should be set up with a majority of its members being independent directors. | <ol style="list-style-type: none"> The Board of Directors has established a nomination committee consisting mostly of independent directors (or another committee performs its duties specified in recommendation 186 of the Code <6>). The company's internal documents determine the duties of the nomination committee (or another committee with shared functions), including those listed in recommendation 186 of the Code. In the reporting period, in order to create a Board of Directors that best meets the company's goals and objectives, the nomination committee arranged engagement with shareholders, not limited to major shareholders, as part of selecting nominees for the company's Board of Directors either on its own or jointly with other board committees or the company's authorized unit in charge of shareholder engagement. | Partial compliance | <ol style="list-style-type: none"> The company's Board of Directors set up the Remuneration and Nomination Committee consisting of independent directors only. The Regulations on the Remuneration and Nomination Committee determine the duties of the Committee, including the majority of the duties stipulated in recommendation 186 of the Code (the remaining duties are part of higher-level issues governed by the Regulations and do not require a separate mention, in our opinion). In June 2024, the company's Board of Directors was formed in a special manner in accordance with the Law on International Companies and the Articles of Association. Directors A and B were appointed by owners of the company's type A and type B preferred shares, respectively, and Directors C were elected by the General Meeting of shareholders. In respect of all nominees for appointment and election to the Board of Directors, engagement with relevant shareholders was arranged to ensure that they choose and assess such nominees. As of the date of determining (recording) persons entitled to participate in the General Meeting of shareholders, the exchange of Yandex N.V. shares for the company's shares on the stock exchange had not yet taken place and the majority of voting shares in the company was owned by Yandex N.V. and JSC Solid Management, trust manager of the Consortium.First closed-end investment fund. |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|------------|---|--|--|--|
| 2.8.4 | Taking into account the company's scale of business and level of risks, the company's Board of Directors should ensure that the composition of its committees fully meets the goals of the company's operations. Additional committees (strategy committee, corporate governance committee, ethics committee, risk management committee, budget committee; health, safety, and environment committee, etc.) should either be constituted or considered unnecessary. | 1. In the reporting period, the company's Board of Directors considered whether the Board of Directors' structure is appropriate for the scope, nature, business goals, needs, and risk profile of the company. Additional committees have either been constituted or are considered unnecessary. | Full compliance | |
| 2.8.5 | The composition of committees should be determined to allow a comprehensive discussion of items being considered on a preliminary basis with due account for differing opinions. | 1. The audit committee, remuneration committee, and nomination committee (or the relevant committee with shared functions) were chaired by independent directors in the reporting period. 2. The company's internal documents (policies) contain provisions whereby persons who are not members of the audit committee, nomination committee, or remuneration committee (or the relevant committee with shared functions) may only attend meetings of committees by invitation of the Chairman of the relevant committee | Full compliance | |
| 2.8.6 | The chairmen of committees should regularly notify the Board of Directors and its Chairman of the proceedings of their committees. | 1. In the reporting period, the chairmen of committees regularly reported the proceedings of their committees to the Board of Directors. | Full compliance | |
| 2.9 | The Board of Directors should ensure the review of its own performance and the performance of its committees and board members | | | |
| 2.9.1 | The review of the board of directors' performance should be aimed at determining how efficiently the board of directors, its committees and board members work and whether their proceedings meet the company's needs, at making their proceedings more intensive and identifying areas for improvement. | 1. The company's internal documents determine the procedures for assessing (self-assessing) the Board of Directors' performance. 2. The assessment (self-assessment) of the Board of Directors' performance carried out in the reporting period covered an assessment of proceedings of its committees, and an individual assessment of each board member and the Board of Directors as a whole. 3. The outcomes of the assessment (self-assessment) of the Board of Directors' performance carried out during the reporting period were reviewed at a board meeting held in person. | Non-compliance | 1. The company's internal documents do not determine the procedures for assessing (self-assessing) the Board of Directors' performance. 2, 3. The new Board of Directors was formed in June 2024, so the assessment (self-assessment) of its performance was not carried out in the reporting year. We plan to formalize the assessment procedure, conduct a self-assessment, and consider its outcomes at a meeting of the Board of Directors in 2025. |
| 2.9.2 | The performance of the Board of Directors and its committees and board members should be reviewed on a regular basis, at least once a year. To carry out an independent assessment of the Board of Directors' performance, a third-party entity (consultant) should be engaged at least once every three years. | 1. A third-party entity (consultant) was engaged to independently assess the Board of Directors' performance at least once over the last three reporting periods. | Non-compliance | The company was incorporated on December 26, 2023, and the new Board of Directors was formed in June 2024, so the assessment (self-assessment) of its performance was not carried out in the reporting year. In the future, the company intends to consider the option of engaging a third-party entity (consultant) to conduct an independent assessment of the Board of Directors' performance. |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|--|---|--|--|--|
| 3.1 The company’s corporate secretary should be responsible for efficient interaction with shareholders, coordination of the company’s actions to protect the rights and interests of its shareholders, and support of robust proceedings of its Board of Directors | | | | |
| 3.1.1 | The corporate secretary should have the knowledge, experience, and qualifications sufficient for the performance of their duties, as well as an impeccable reputation, and also enjoy the trust of shareholders. | 1. The company’s website and annual report contain biographical information about the corporate secretary (including information about their age, education, qualifications, and experience), and details of serving on the governing bodies in other legal entities for at least the last five years. | Partial compliance | The Annual Report contains brief information on the Corporate Secretary, including their professional experience for the last five years. The company plans to post information about the Corporate Secretary on the company’s website in 2025. |
| 3.1.2 | The corporate secretary should be sufficiently independent of the company’s executive bodies and vested with the powers and resources required to perform their tasks. | 1. The company has adopted and disclosed internal regulations on the corporate secretary. 2. The Board of Directors approves the nominee for the position of corporate secretary, terminates their powers, and considers the payment of extra remuneration to them. 3. The company’s internal documents set forth the corporate secretary’s right to request and receive company documents and information from the company’s governing bodies, units, and officers. | Partial compliance | 1. The company’s Board of Directors has approved the Regulations on the Corporate Secretary, and the document has been published on the company’s website. 2. The Corporate Secretary is appointed and removed from office by the CEO in consultation with the Board of Directors in order to comply with the requirements of Clause 2.18 of Appendix 2 to the Listing Rules of the Moscow Exchange for companies whose shares are included in the Level 1 Quotation List. The assessment of the Corporate Secretary’s performance, determination of the amount of their remuneration, the principles of paying bonuses to them, and the payment of extra remuneration to the Corporate Secretary fall within the remit of the Board of Directors. 3. The company’s Regulations on the Corporate Secretary set forth the Corporate Secretary’s right to request and receive information and documents necessary to perform their duties from the Company’s officers and employees. |
| 4.1 The level of remuneration paid by the company should be sufficient to enable it to attract, motivate, and retain persons having the required skills and qualifications. Remuneration due to the company’s board members, executive bodies, and other key managers should be paid in accordance with a remuneration policy approved by the company | | | | |
| 4.1.1 | The level of remuneration paid by the company to its board members, executive bodies, and other key managers should be sufficient to motivate them to work efficiently and enable the company to attract and retain knowledgeable, skilled, and duly qualified persons. The company should avoid setting the level of remuneration any higher than necessary, as well as creating an excessively large gap between the level of remuneration of any of the above persons and that of the company’s employees. | 1. Remuneration of the company’s board members, executive bodies, and other key managers is determined based on the comparative analysis of remuneration levels of the company’s peers. | Full compliance | |
| 4.1.2 | The company’s remuneration policy should be developed by its remuneration committee and approved by the Board of Directors. In collaboration with the remuneration committee, the Board of Directors should monitor implementation and compliance with the remuneration policy by the company and, when necessary, review and amend it. | 1. During the reporting period, the remuneration committee reviewed the remuneration policy (policies) and/or its (their) implementation practices, assessed their efficiency and transparency, and where necessary, submitted the relevant recommendations to the Board of Directors for the revision of said policy (policies). | Partial compliance | In 2024, the Remuneration and Nomination Committee considered the principles and policies of remuneration adopted in the company and Group’s entities. The company’s Board of Directors approved the new version of the Regulations on Remuneration and Compensation Paid to Members of the Board of Directors of the Company. |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|---|--|--|--|---|
| 4.1.3 | The company's remuneration policy should provide for transparent means to be used to determine the amount of remuneration due to the company's board members, executive bodies, and other key managers, and regulate any and all types of payments, benefits, and privileges granted to any of the above persons. | 1. The company's remuneration policy (policies) provides (provide) for transparent means to be used to determine the amount of remuneration due to the company's board members, executive bodies, and other key managers, and regulate any and all types of payments, benefits, and privileges granted to any of the above persons. | Partial compliance | The Regulations on Remuneration and Compensation Paid to Members of the Board of Directors of the Company approved by the company's General Meeting of shareholders regulate all types of remuneration and compensation provided to members of the Board of Directors and stipulate clear mechanisms for determining the amount of remuneration. The remuneration of the company's executive bodies and key managers, like that of all its employees, consists of a fixed portion (salary), variable portion (bonuses, other incentive payments), and a benefits package that may include, among other things, medical insurance and participation in the Long-Term Incentive Program based on the company's ordinary shares. |
| 4.1.4 | The company should develop a policy on the reimbursement of expenses containing a list of reimbursable expenses and specifying service levels available to the company's board members, executive bodies, and other key managers. Such policy may be part of the company's remuneration policy. | 1. The company's remuneration policy (policies) or other internal documents establish the procedures for reimbursing expenses incurred by the company's board members, executive bodies, and other key managers. | Full compliance | |
| 4.2 The system of remuneration due to board members should ensure the harmonization of financial interests of directors with the long-term financial interests of shareholders | | | | |
| 4.2.1 | The company should pay fixed annual remuneration to board members. The company should not pay remuneration for participation in individual meetings of the Board of Directors or its committees. The company should not use any form of short-term incentives or additional financial incentives in respect of the board members. | 1. In the reporting period, the company paid remuneration to the board members as per the remuneration policy adopted by the company. 2. In the reporting period, the company did not apply short-term incentives or additional financial incentives dependent on the company's results (performance indicators) to board members. No remuneration was paid for participation in individual meetings of the Board of Directors or its committees. | Full compliance | |
| 4.2.2 | Long-term ownership of the company's shares contributes most to aligning the financial interests of board members with long-term interests of the company's shareholders. However, the company should not make the right to dispose of shares dependent on the company's achievement of certain performance results, nor should board members take part in the company's option plans. | 1. If the internal document (documents), namely the company's remuneration policy (policies), provides (provide) for granting shares to board members, clear rules regarding the ownership of shares by the board members focused on encouraging long-term ownership of such shares should be introduced and disclosed. | Non-compliance | The Regulations on Remuneration and Compensation Paid to Members of the Board of Directors of the Company stipulate the provision of ordinary share options as a form of remuneration. There are no additional rules for members of the Board of Directors. |
| 4.2.3 | The company should not provide any additional allowance or compensation in the event of early dismissal of board members resulting from a change of control over the company or other circumstances. | 1. The company does not provide any additional allowance or compensation in the event of early dismissal of board members resulting from a change of control over the company or other circumstances. | Full compliance | |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|--|---|---|--|--|
| 4.3 The system of remuneration due to the company’s executive bodies and other key managers should provide that their remuneration is dependent on the company’s performance and their personal contribution to its achievement | | | | |
| 4.3.1 | Remuneration due to the company’s executive bodies and other key managers should be set to ensure a reasonable and justified ratio between its fixed portion and variable portion dependent on the company’s performance and their personal (individual) contribution to its achievement. | <ol style="list-style-type: none"> In the reporting period, annual performance metrics approved by the Board of Directors were used to determine the variable portions of remuneration for members of the company’s executive bodies and other key managers. During the most recent assessment of the remuneration system for members of the company’s executive bodies and other key managers, the Board of Directors (remuneration committee) ensured that the company uses the proper combination of fixed and variable portions of remuneration. When determining the amount of remuneration due to members of the company’s executive bodies and other key managers, consideration is given to the risks borne by the company to avoid creating incentives for making excessively risky management decisions. | Full compliance | |
| 4.3.2 | The company should have in place a long-term incentive program for the company’s executive bodies and other key managers involving the company’s shares (options or other derivative financial instruments where the company’s shares are the underlying assets). | <ol style="list-style-type: none"> If the company has introduced a long-term incentive program for members of the company’s executive bodies and other key managers involving the company’s shares (financial instruments based on the company’s shares), the program stipulates that the right to sell such shares and other financial instruments shall not arise earlier than three years after they have been granted. The right to sell them is also conditional upon the company’s achievement of certain performance targets. | Non-compliance | The company’s Board of Directors has approved the Incentive Program for members of executive bodies and other participants. However, this program imposes no restrictions on the sale of shares received under the Incentive Program within a certain period. We believe that certain restrictions may be introduced for individual participants in accordance with the terms of the Incentive Program if necessary. Currently, we do not believe that there is a need to impose restrictions on the sale of shares within a certain period for individual participants. |
| 4.3.3 | The amount of severance pay (“golden parachute”) payable by the company in the event of early dismissal of a member of an executive body or key manager at the initiative of the company, provided there have been no bad faith actions on the part of such person, should not exceed two times the fixed portion of their annual remuneration. | <ol style="list-style-type: none"> The amount of severance pay (“golden parachute”) payable by the company in the event of the early dismissal of a member of an executive body or key manager at the initiative of the company, provided there have been no bad faith actions on the part of such person, did not exceed two times the fixed portion of their annual remuneration in the reporting period. | Full compliance | |
| 5.1 The company should have in place an efficient risk management and internal control system designed to provide reasonable confidence that the company’s goals will be achieved | | | | |
| 5.1.1 | The Board of Directors should determine the principles and approaches to creating the risk management and internal control system in the company. | <ol style="list-style-type: none"> The functions of various governing bodies and units of the company within the risk management and internal control system are clearly defined in the company’s internal documents or the relevant policy approved by the Board of Directors. | Full compliance | |
| 5.1.2 | The company’s executive bodies should ensure the establishment and continuing operation of the efficient risk management and internal control system in the company. | <ol style="list-style-type: none"> The company’s executive bodies have ensured the allocation of risk management and internal control duties, powers, and responsibilities among the heads of divisions and units accountable to them. | Full compliance | |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|------------|--|---|--|---|
| 5.1.3 | The company's risk management and internal control system should provide an objective, fair, and clear view of the current condition and prospects of the company, integrity, and transparency of its accounts and reports, and the reasonableness and acceptability of risks being assumed by the company. | <ol style="list-style-type: none"> The company has approved an anti-corruption policy. The company has in place a convenient, safe, and confidential method (hotline) of notifying the Board of Directors or its audit committee of any violations of laws, internal procedures, or the code of ethics. | Partial compliance | <ol style="list-style-type: none"> The company has approved the Anti-Corruption Policy. The company has a hotline (anonymous and non-anonymous) for reporting violations of the code of ethics. <p>At each scheduled meeting of the Audit Committee, the committee members receive information on violations identified from the hotline and on the measures taken to resolve certain situations (if applicable) and prevent such violations in the future.</p> |
| 5.1.4 | The Board of Directors should take the required and sufficient measures to ensure that the company's existing risk management and internal control system is consistent with the principles and methods of its creation as set forth by the Board of Directors and that it operates efficiently. | <ol style="list-style-type: none"> During the reporting period, the Board of Directors (audit committee and/or risk committee, if any) arranged an assessment of the reliability and efficiency of the risk management and internal control system. Over the reporting period, the Board of Directors reviewed the outcomes of assessing the reliability and efficiency of the company's risk management and internal control system. Information on the results of such review is included in the company's annual report. | Non-compliance | <p>The company was incorporated on December 26, 2023, its system of risk management and internal control divisions was formed and its Risk Management and Internal Control Policy was approved in 2024, so the reliability and efficiency of the risk management and internal control system were not assessed in the reporting period.</p> <p>The company intends to organize the relevant assessment in 2025.</p> |
| 5.2 | To independently assess on a regular basis the reliability and efficiency of the risk management and internal control system and corporate governance practices, the company should arrange for internal audits | | | |
| 5.2.1 | The company should set up a separate business unit or engage an independent third-party entity to carry out internal audits. The internal audit department should have separate lines of functional and administrative reporting. Functionally, the internal audit department should report to the Board of Directors. | <ol style="list-style-type: none"> To conduct an internal audit, the company has set up a separate unit in charge of internal audits that is functionally accountable to the Board of Directors, or an independent third-party entity has been engaged under the same accountability principles. | Full compliance | |
| 5.2.2 | The internal audit department should assess the reliability and efficiency of the risk management and internal control system and corporate governance, and apply generally accepted standards of internal auditing. | <ol style="list-style-type: none"> During the reporting period, an internal audit was held to assess the reliability and efficiency of the risk management and internal control system. In the reporting period, an internal audit was held to assess corporate governance (individual corporate governance practices), including communication procedures (including on issues related to internal control and risk management) at all management levels of the company, and stakeholder engagement. | Non-compliance | <p>The company was incorporated on December 26, 2023, its system of risk management and internal control divisions was formed in 2024, and the relevant policies were also approved in 2024, so the reliability and efficiency of its risk management and internal control system or corporate governance (individual corporate governance practices) were not assessed in the reporting period.</p> <p>The company intends to organize the relevant procedures in 2025.</p> |
| 6.1 | The company and its activities should be transparent to shareholders, investors, and other stakeholders | | | |
| 6.1.1 | The company should develop and implement an information policy enabling it to efficiently share information with its shareholders, investors, and other stakeholders. | <ol style="list-style-type: none"> The company's Board of Directors has approved an information policy developed in accordance with the recommendations of the Code. During the reporting period, the Board of Directors (or one of its committees) considered the efficiency of communication between the company, shareholders, investors, and other stakeholders and the relevance (need) to revise the company's information policy. | Non-compliance | <p>The information policy was not approved in 2024.</p> <p>The company plans to consider the introduction of the Information Policy and efficiency of communication in 2025.</p> |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|--|--|---|--|--|
| 6.1.2 | The company should disclose information on its corporate governance system and practices, including detailed information on compliance with the principles and recommendations of the Code . | <ol style="list-style-type: none"> The company discloses information on its corporate governance system and general corporate governance principles adopted by the company, including disclosures on the company's website. The company discloses information on the composition of its executive bodies and the Board of Directors, independence of board members, and their membership on committees of the Board of Directors (as defined in the Code). Where there is a person that controls the company, the company publishes the controlling person's memorandum regarding their plans concerning corporate governance in the company. | Partial compliance | <p>The company discloses information on the structure of its executive bodies, including information on the general structure of shareholders and shareholders holding more than 5% of voting shares, the composition of the Board of Directors (including information on the independence of directors) and Committees of the Board of Directors, and the sole executive body.</p> <p>The chart showing corporate governance elements is included in the company's Annual Report for 2024.</p> <p>The company did not receive the controlling person's memorandum regarding their corporate governance plans.</p> |
| 6.2 The company should timely disclose complete, updated, and reliable information about itself to enable shareholders and investors to make informed decisions | | | | |
| 6.2.1 | The company should disclose information under the principles of regularity, consistency, timeliness, accessibility, reliability, completeness, and comparability of disclosed data. | <ol style="list-style-type: none"> The company has established a procedure to coordinate the operations of all company units and employees involved in disclosures or whose activities may result in the need for disclosures. If the company's securities are traded on foreign regulated markets. The disclosure of material information in the Russian Federation and on such markets takes place simultaneously and in an equivalent manner during the reporting year. If foreign shareholders own a considerable number of shares in the company, information is disclosed not only in Russian but also in one of prevailing foreign languages during the reporting year. | Non-compliance | <ol style="list-style-type: none"> Currently, the company has not approved its information policy. Information disclosure issues are coordinated by the Corporate Secretary's service that has information on all material corporate events. Thanks to the coordinated action of the company's various divisions, all necessary information is disclosed in a timely manner and no material comments regarding information disclosure were received from the regulator during the reporting period. In 2025, it is planned to develop and implement an internal document (the Information Policy) for improved coordination of all divisions that may be involved in the information disclosure process. 3. The company's securities are not traded on foreign regulated markets, and foreign shareholders do not own a considerable number of shares in the company. |
| 6.2.2 | The company should avoid strict adherence to a formal approach to disclosures and disclose material information regarding its activities even if such disclosure is not required by law. | <ol style="list-style-type: none"> The company's information policy defines the approaches to disclosing information about other events (actions) that have a material effect on the value or quotation of its securities not required to be disclosed by law. The company discloses information on the company's capital structure in its annual report and on the company's website in accordance with recommendation 290 of the Code. The company discloses information on its controlled entities that are material to the company, including on the key areas of their activities, methods for ensuring accountability of controlled entities, and the authority of the company's Board of Directors to determine the strategy and assess performance of controlled entities. The company discloses non-financial reports: an ESG report, environmental report, corporate social responsibility report or any other report containing non-financial information, including in respect to factors related to the environment (inter alia, environmental and climate change factors), society (social factors), and corporate governance, except for the report of an equity securities issuer and the annual report of a joint-stock company. | Partial compliance | <ol style="list-style-type: none"> The Information Policy was not approved in 2024. The company plans to ensure the approval of its Information Policy in 2025 to define its approaches to disclosing information about other events (actions) with a material effect on the value or quotation of its securities not required to be disclosed by law. The company discloses information on its capital structure in the Annual Report and on the company's website, including most of the information stipulated by recommendation 290 of the Corporate Governance Code. The company discloses information on its controlled entities that are material to the company, including on the key areas of their activities, in the Issuer's Report. According to Clause 5 of Appendix B to the company's Articles of Association (disclosed on the company's website), the issue of determining and/or materially changing the priority areas of the Group's operations falls within the remit of the Board of Directors. In 2024, the company disclosed a separate non-financial report containing non-financial information, including in respect of factors related to the environment (inter alia, environmental and climate change factors) and society (social factors). In 2025, it is planned to include corporate governance information in the corresponding report for 2024. |



| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|--|---|---|--|---|
| 6.2.3 | The company’s annual report, as one of the most important tools of communicating with shareholders and other stakeholders, should contain information enabling the evaluation of the company’s annual performance. | 1. The company’s annual report contains information on the outcomes of the audit committee’s assessment of the efficiency of the external and internal audit process. 2. The company’s annual report contains the details of the company’s environmental and social policy. | Partial compliance | 1. The company was incorporated on December 26, 2023, and its internal audit system was formed and Internal Audit Policy approved in 2024, so the efficiency of the external and internal audit process was not assessed in the reporting period. The company intends to organize the relevant procedures during 2025 and include their outcomes in the Annual Report for this period. 2. The Annual Report for 2024 contains information on the corporate governance system and a summary of environmental and social factors (this information will be disclosed in more detail in a specialized report). |
| 6.3 The company should provide information and documents requested by its shareholders under the principle of equal and unhindered accessibility | | | | |
| 6.3.1 | The exercise by shareholders of their right to access the company’s documents and information should not be unreasonably burdensome. | 1. The company’s information policy (internal documents setting forth the information policy) provides for a non-onerous procedure for granting access to the company’s information and documents as requested by shareholders. 2. The information policy (internal documents setting forth the information policy) contains provisions to the effect that if a shareholder requests information on entities controlled by the company, the company shall make every effort to obtain such information from the relevant entities controlled by the company. | Non-compliance | The information policy was not approved in 2024. The company plans to ensure the approval of the Information Policy in 2025. |
| 6.3.2 | When providing information to its shareholders, the company should maintain a reasonable balance between the interests of individual shareholders and its own interests of keeping sensitive business information confidential that might have a material impact on its competitiveness. | 1. In the reporting period, the company did not refuse any shareholder requests for information, and if it did, such refusals were well-reasoned. 2. In cases set forth in the company’s information policy, shareholders are notified of the confidential nature of information and undertake to maintain its confidentiality. | Full compliance | |
| 7.1 Any actions that will or may materially affect the company’s share capital structure and its financial standing and, accordingly, the standing of its shareholders (“material corporate actions”), should be taken on fair terms and conditions to make sure that the rights and interests of shareholders and other stakeholders are respected | | | | |
| 7.1.1 | Material corporate actions shall be deemed to include reorganization of the company, acquisition of 30% or more of its voting shares (takeover), entry by the company into any material transactions, an increase or decrease in its share capital, listing and delisting of its shares, and other actions which might result in material changes in the rights of its shareholders or violation of their interests. The company’s Articles of Association should include a list of (criteria for identifying) transactions or other actions classified as material corporate actions and provide therein that decisions on any such actions should fall within reserved matters of the company’s Board of Directors. | 1. The company’s Articles of Association set forth the list (criteria) of transactions or any other actions that constitute material corporate actions. Making decisions about material corporate actions is among the reserved matters of the Board of Directors according to the company’s Articles of Association. Where the law specifically attributes the taking of corporate actions to the authority of the General Meeting of shareholders, the Board of Directors provides shareholders with the relevant recommendations. | Full compliance | |

| No. | Corporate governance principle | Criteria for assessing compliance with the corporate governance principle | Status of compliance with the corporate governance principle | Explanation why the criteria for assessing compliance with the corporate governance principle are not met |
|------------|---|--|--|--|
| 7.1.2 | The Board of Directors should play a key role in passing resolutions or giving recommendations regarding material corporate actions relying on opinions of the company's independent directors. | 1. The company has a procedure in place, under which independent directors express their opinions on material corporate actions before such actions are approved. | Non-compliance | There is no special procedure in place in the company. However, we do not believe that the introduction of such procedure is advisable. Almost any material corporate action is taken in accordance with the relevant resolution of the Board of Directors. The company discloses information on resolutions passed in connection with such corporate actions. The Board of Directors acts as a single body, any member of the Board of Directors may vote differently than the other members or express their dissenting opinion. The voting results are also published, so we do not think it necessary to additionally regulate the opportunity for independent directors to declare their position, as this right is presumed. |
| 7.1.3 | When taking any material corporate actions that can affect the rights or legitimate interests of the company's shareholders, equal terms and conditions should be ensured for all shareholders. If statutory measures designed to protect shareholder rights prove to be insufficient for such purpose, additional measures should be taken with a view to protect the rights and legitimate interests of the company's shareholders. In such instances, the company should seek not only to comply with the formal requirements of the law, but should also be guided by the principles of corporate governance set out in the Code . | 1. The company's Articles of Association, taking into account the specific aspects of the company's operations, stipulate that reserved matters of the Board of Directors shall cover the approval of other transactions that are material to the company in addition to those provided for by law. 2. During the reporting period, all material corporate actions were approved prior to being taken. | Full compliance | |
| 7.2 | The company should have in place a procedure for taking any material corporate actions that would enable its shareholders to receive complete information about such actions in due time and influence them, and also guarantee that shareholder rights are observed and duly protected in the course of taking such actions | | | |
| 7.2.1 | Information about material corporate actions should be disclosed with explanations concerning the reasons for, conditions, and consequences of such actions. | 1. If the company took any material corporate actions during the reporting period, the company disclosed information regarding such actions for shareholders in a timely and detailed manner, including the reasons for, conditions of, and consequences of such actions. | Full compliance | |
| 7.2.2 | The rules and procedures in relation to material corporate actions taken by the company should be set out in its internal documents. | 1. The company's internal documents define the cases and procedure for engaging an appraiser to determine the value of property to be disposed of or acquired under a major transaction or related-party transaction. 2. The company's internal documents set forth the procedure for engaging an appraiser for evaluation of the company's shares to be acquired or redeemed. 3. If a board member, the sole executive body, member of the collective executive body of the company, person controlling the company, or person entitled to give binding instructions to the company has no formal interest in the company's transactions but has a conflict of interest or any other actual interest, the company's internal documents provide that such persons shall not participate in voting on the approval of such transaction. | Non-compliance | 1, 2. The company has not approved an internal document determining when and how an appraiser should be engaged to determine the value of property, including shares to be acquired or redeemed. According to Clause 1.1-1 of Article 4 of the Law on International Companies and Clause 1.2 of the Articles of Association, the provisions of chapter X of the Law on Joint-Stock Companies concerning major transactions do not apply to the company. The company has a single system of procurement procedures for work and services, and an appraiser is engaged in cases expressly provided for by law. We believe that the existing measures are sufficient to ensure proper and fair valuation. 3. The company has not approved an internal document determining that persons with no formal interest in transactions but having a conflict of interest when making relevant decisions do not participate in voting on the approval of such transactions. The company's Articles of Association stipulate the obligation of a member of the Board of Directors to immediately notify the Board of Directors of any conflict of interest. It is presumed that in the event of a conflict of interest, such member of the Board of Directors shall refrain from voting on any item in relation to which they have a conflict of interest. |



Transaction report

Information on major transactions carried out (completed) by the company in the reporting year, and transactions in which the Company has an interest.

According to part 1.1-1 of Article 4 of the Law on International Companies and Clause 1.2 of the Articles of Association, the provisions of chapter X of the Law on Joint-Stock Companies concerning major transactions do not apply to the company.

No transactions in which the company has an interest were carried out (completed) in 2024.

Financial statements

Yandex’s consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and accounting (financial) statements prepared in accordance with Russian Accounting Standards (RAS) are available on the [website](#) of Interfax-CRKI, an information agency accredited by the Bank of Russia.

Glossary

| | |
|-----------------------------------|---|
| ACRA | Analytical Credit Rating Agency |
| AI | Artificial intelligence |
| B2B (Business to Business) | A business model in which a company provides goods or services to other companies, not end users |
| B2C (Business to Client) | A business model in which a company sells goods and services to end users |
| BNPL (Buy Now, Pay Later) | Services that allow users to buy immediately while splitting the payment into several installments or deferring it to a future date |
| C2C (Client to Client) | A business model in which individuals, not legal entities, sell goods or services to each other |
| CAGR | Compound annual growth rate |
| CEIF | Closed-end investment fund |
| CNAPP | Cloud-native application protection platform |
| CPA | Cost per action |
| DBMS | Database management system |
| DisDis | Distance traveled to critical driver intervention |

| | |
|---------------------------------|--|
| EBITDA (adjusted EBITDA) | Net profit before accounting: <ul style="list-style-type: none"> • Depreciation and amortization of property, plant, and equipment and intangible assets and right-of-use assets under leases other than those related to office leases • Certain share-based remuneration expenses • Interest expenses, except for office leases • Income tax expenses • Non-recurring restructuring expenses • Impairment of goodwill and other intangible assets • Interest income • Other non-operating income/(expenses), net |
| E-com | Electronic commerce |
| ESG | Environmental, social and governance |
| FLAC | Free lossless audio codec |
| GMV | Gross merchandise volume (total sales of goods) |
| GPT | A type of neural language model, generative pre-trained transformer |
| GPU | Graphics processing unit |
| IaaS | Infrastructure as a service |
| IFRS | International Financial Reporting Standards |
| IPJSC | International Public Joint-Stock Company |
| ISO | International organization for standardization |
| IT | Information technologies |
| ITMO | Information Technologies, Mechanics and Optics University |
| MAU | Monthly active users |

Contacts

IR Team

askIR@yandex-team.ru

Sustainability

sustainability@yandex-team.com

Corporate Secretary

secretary@yandex-team.ru

Other matters

ya.ru — Find everything