

YBL/CS/2021-22/0074

October 22, 2021

BSE Limited
Corporate Relations Department
P.J. Towers, Dalal Street
Mumbai - 400 001
BSE Scrip Code: 532648

National Stock Exchange of India Limited
Exchange Plaza
Plot no. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051.
NSE Symbol: YESBANK

Dear Sirs,

Sub.: Disclosure made in pursuance of Circular No. CIR/IMD/DF/51/2017 dated May 30, 2017 pertaining to Green Infra Bonds issued by Securities Exchange Board of India ("SEBI Circular")

This is continuation to our submission of the Un-Audited Financial Results. In terms of para 2.3(a) of the aforesaid SEBI Circular, an issuer who has listed its Green Debt Securities shall provide disclosure pertaining to utilisation of the proceeds of the issue and the allocation of funds towards the project(s) from the proceeds of Green Debt Securities; and the details of unutilized proceeds.

In this regard, please find enclosed herewith the disclosure on Green Debt Securities for the half year ended September 30, 2021

You are requested to take note of the above.

Thanking you,

Yours faithfully,
For **YES BANK LIMITED**



Shivanand R Shettigar
Company Secretary

Encl: As above

DISCLOSURES UNDER GREEN INFRASTRUCTURE BONDS

Green bond issuances in India have steadily increased over the past few years since the first issuance by YES Bank in February 2015, making India among the top ten largest green bond markets globally, with extensive participation from many corporates and financial institutions. Post the successful first Green Bond of YES Bank which raised INR 1,000 Cr (equivalent to USD 160 million) in February 2015 and witnessed a strong demand from leading investors, YES Bank subsequently raised two other green bonds. In August 2015, the Bank raised INR 315 Cr (equivalent to USD 50 million) through the issue of Green Bonds to International Finance Corporation (IFC) on a private placement basis, the first investment by IFC in an Emerging Markets Green Bond issue in the world through the first offshore rupee dominated bond or “Green Masala Bond.” Moving ahead with its conviction towards Climate Finance, YES Bank has raised INR 330 Cr (equivalent to USD 50 million) in December 2016, through an issue of a 7-year Green Infrastructure Bonds to FMO, the Dutch Development Bank, on a private placement basis. This is FMO’s 1st investment in a Green Bond issued by a bank in India.

The amount raised through all these issuances, are used to finance Green Infrastructure Projects, in whole, or in part, as per ‘Eligible Projects’ outlined in the Bank’s internal guidelines for adherence to Green Bond Principles. The proceeds are managed through MIS-based asset tagging which tracks green bonds investments. The unutilized proceeds are invested in G-Secs. KPMG, India has provided limited assurance on conformity of the use of proceeds, process for evaluation and selection of projects, management of proceeds and reporting of these green bonds to GBP 2021.

List of projects against which green bonds proceeds have been allocated as on September 30, 2021 is provided below:

Sr. No	Project location	Description	Proceeds utilization against bond issuances	Total Fund based utilization, INR Crs (as on 30 th September, 2021)	Estimated* positive E&S impacts - CO2 Emission Reduction (tCO2 / yr)	Known significant negative E&S Impacts
1	Maharashtra	31.5 MW wind energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	95.14	37,307.78	None
2	Telangana	42 MW solar energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	117.40	65,934.27	None
3	Karnataka	40 MW solar energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	136.46	78,080.40	None
4	Telangana	48 MW solar energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	40.45	83,943.66	None
5	Delhi NCR	3.26 MW rooftop solar installation across 9 locations	Bond Issuance Size of INR 1,000 Cr (February 2015)	6.75	3,657.54	None

6	Maharashtra	15 MW wind energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	23.13	22,904.22	None
7	Maharashtra	10 MW wind energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	19.71	11,134.85	None
8	Gujarat	8.75 MW wind energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	42.32	5,888.78	None
9	Maharashtra	9 MW wind energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	11.34	14,155.18	None
10	Andhra Pradesh/ Rajasthan	105 & 50.4 MW wind energy projects in Andhra Pradesh and Rajasthan respectively	Bond Issuance Size of INR 1,000 Cr (February 2015)	217.44	228,536.21	None
11	Rajasthan	100 MW solar energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	122.24	158,835.34	None
12	Rajasthan	300 MW solar energy project	Bond Issuance Size of INR 1,000 Cr (February 2015)	167.62	484,120.29	None
			Bond Issuance Size of INR 330 Cr (December 2016)	276.87		
13	Gujarat	30 MW wind energy project	Bond Issuance Size of INR 330 Cr (December 2016)	34.60	52,857.78	None
14	Maharashtra	6.25 MW wind energy project	Bond Issuance Size of INR 330 Cr (December 2016)	9.20	5,787.46	None
15	Karnataka	9.6 MW wind energy project	Bond Issuance Size of INR 330 Cr (December 2016)	9.33	9,769.85	None

* The total CO2 emission reduction for individual projects have been calculated based on the methodology outlined in the document 'CO2 Baseline Database for the Indian Power Sector User Guide Version 16.0 dated March 2021' (published by the Central Electricity Authority of India) along with other relevant factors such as project PLF/CUF estimates, installed project capacity, resultant annual unit generation etc. The temporary unallocated proceeds (INR 315 Cr of INR 315 Cr bond issued in August 2015) are allocated in Government Securities and will be allocated back to eligible projects, when available.

The half yearly assurance statement for the H1 FY 21-22 is attached along with this disclosure.

For YES BANK Limited

Prashant



Prashant Kumar
Managing Director & CEO



KPMG Assurance and Consulting Services LLP
Building No. 10, 8th Floor, Tower- C
DLF Cyber City, Phase - II
Gurugram - 122 002 (India)

Telephone: +91 124 307 4000
Fax: +91 124 254 9101
Internet: www.kpmg.com/in
Email: indiawebsite@kpmg.com

Independent Assurance Statement

To the management of:

Yes Bank Limited, YES BANK House, Off Western Express Highway, Santacruz (East), Mumbai - 400055, Maharashtra, India.

Introduction

KPMG Assurance and Consulting Services LLP were engaged by Yes Bank Limited ('Issuer') to undertake an independent review of the following green bonds:

- Green bonds for INR 1,000 crores issued on 24 February 2015
- Green bonds for INR 315 crores issued on 05 August 2015
- Green bonds for INR 330 crores issued on 29 December 2016

Our responsibility was to provide "limited assurance" on conformance of the aforementioned green bonds and the accompanying report "Disclosures under Green Infrastructure Bonds H1 FY 2021-22" with the Green Bond Principles, 2021 for the period 01 April 2021- 30 September 2021.

Assurance Standards

We conducted our engagement in accordance with requirements of 'Limited Assurance' as per International Federation of Accountants' (IFAC) International Standard on Assurance Engagements [ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information].

Assurance scope and level of assurance

Our scope of assurance included information on material aspects of the green bond during 01 April 2021 - 30 September 2021 based on the requirements of the Green Bond Principles, 2021 as listed below:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting

Specific limitations and exclusions

Our assurance process was subject to the following limitations as we have not been engaged to:

- Determine which, if any, recommendations should be implemented
- Provide assurance on information outside the defined reporting boundary and period
- Verify the Issuer's financial statements and economic performance
- Verify the Issuer's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention and national or global socio-economic and environmental aspects provided by the Issuer

Work undertaken

We planned and performed our work to obtain all the evidence, information and explanations that we considered necessary to obtain a meaningful level of assurance in relation to the above scope. The procedures we performed, which are set out in detail below, were based on our professional judgment and included, as appropriate, inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies and agreement or reconciliation with underlying records. We believe that the procedures we have performed and the evidence we have obtained are sufficient and appropriate to provide a basis for our limited assurance conclusion.

To reach our conclusion we:

- Checked the Issuer's Green Bond Framework that includes processes, systems and controls in place for management of bond proceeds; investment areas for green bond proceeds and intended types of temporary investment instruments for the management of unallocated proceeds;
- Read sections of the bond disclosure documentation that also support the objects of the green bond issue, investment areas for proceeds and intended types of temporary investment instruments for the management of unallocated proceeds;
- Conducted interviews with management and key staff responsible for the green bond to understand how the processes, systems and controls defined in the Green Bond Framework have been implemented in the financial year;
- Checked the list of projects to which bond proceeds have been allocated in the financial year and their conformance with the criteria defined in the Green Bond Framework; and
- Recalculated estimated carbon dioxide emission reductions from projects using information collected by the Issuer.

Conclusions

The following conclusion is based on the work performed and evidence obtained, and the scope of our assurance engagement described above.

Nothing has come to our attention to suggest that the green bonds issued in February 2015, August 2015 and December 2016 by the Issuer and the accompanying report "Disclosures under Green Infrastructure Bonds H1 FY 2021-22" are not, in all material respects, conforming to the requirements of the Green Bond Principles, 2021, during the period 1 April 2021- 30 September 2021.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We have systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. We apply ISQC 1 and comply with the applicable independence and other ethical requirements of the IESBA code.

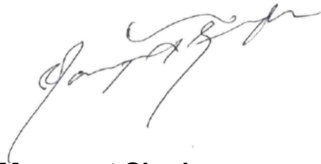
Management's responsibility

The Management of the Issuer is responsible for ensuring that the Issuer and their green bond complies with the requirements of the Green Bond Principles, 2021. This responsibility includes designing, implementing and maintaining systems and processes relevant for the management of green bond proceeds.

The Management of the Issuer is also responsible for preventing and detecting fraud and for identifying and ensuring that Issuer complies with laws and regulations applicable to its activities.

Our responsibility

Our responsibility is to report in the form of an independent limited assurance conclusion in relation to the above scope based on the procedures performed and the evidence obtained. This assurance report is made solely to Issuer in accordance with the terms of our engagement, which include agreed arrangements for disclosure. Our work has been undertaken so that we might state to Issuer those matters we have been engaged to state in this assurance report and for no other purpose. Our assurance report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Issuer for any purpose or in any context. Any party other than Issuer who obtains access to our assurance report or a copy thereof and chooses to rely on our assurance report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Issuer for our work, for this independent limited assurance report, or for the conclusions we have reached.



Manpreet Singh

Partner

KPMG Assurance and Consulting Services LLP

12 October 2021