

## YES BANK places INR 330 Crore (USD 50 million equivalent) of Green Infrastructure Bonds with FMO, Netherlands

### *FMO's 1<sup>st</sup> Investment in a Green Bond issued by a bank in India*

**Katwijk, The Netherlands, 27 September, 2016:** YES BANK, India's fifth largest Private Sector Bank, today announced that it will raise **INR 330 crore (approx. USD 50 million equivalent)** through an issue of a 7-year Green Infrastructure Bonds to **FMO, the Dutch Development Bank, on a private placement basis**. FMO will be investing in YES BANK's bonds through FMO's own sustainable bonds. The definitive agreement was signed today at the fourth edition of FMO's Future of Finance conference being held in Katwijk, The Netherlands.

### **This is FMO's 1<sup>st</sup> Investment in a Green Bond issued by a bank in India.**

The amount raised will be used by YES BANK to finance Green Infrastructure including solar and wind projects in the renewable energy space. This issuance would be externally assured by a reputed third party. An external annual review and monitoring would be undertaken on the use of proceeds in line with the Green Bond Principles 2016. This is the third such green bond issuance by YES BANK in the last 18 months, after the highly successful maiden issuance of INR 1000 crore (USD 160 million equivalent) in February 2015 followed by the INR 315 crore (USD 50 million equivalent) private placement to International Finance Corporation (IFC), Washington in August 2015.

**Mr. Rana Kapoor, Managing Director & CEO of YES BANK** said, "This first-ever investment by FMO, Netherlands in a Green Bond in our country following IFC, Washington's earlier investment in YES BANK's Green Bond validates the tremendous commitment that global institutions have in YES BANK's Responsible Banking ethos. This transaction further cements our bank's status as a pioneer and market leader in Green Energy financing in India. YES BANK has been assiduously working to evolve even more innovative and effective financing structures to for the acceleration of Sustainable Energy Financing in India."

**Linda Broekhuizen, CIO of FMO**, stresses the importance of sustainable development. "FMO is committed to making a positive impact on green financial development. Through the bonds, we aim to contribute towards a more sustainable future, creating opportunities for durable activities that follow the goals set during COP21 in Paris last year."

With Responsible Banking as one of the key pillars of YES BANK the Bank is a barometer of India's growth story. YES BANK on the occasion of COP21, had committed to target mobilizing USD 5 billion from 2015 to 2020 for climate action through lending, investing and raising capital towards mitigation, adaptation and resilience. This commitment was strengthened by indicating an action plan: target funding of 5,000 MW of clean energy gradually increasing the percentage of renewable energy in the power portfolio; contributing towards the carbon sink by planting 2 million trees; touching 100 million lives through its safe and clean drinking water program; and by offsetting carbon emissions of the bank's operations.

As a financial institution built on the fulcrum of Responsible Banking, YES BANK remains fully committed to helping the Government in establishing a platform for industry and other stakeholders for achieving the nation's targets. Notably, YES BANK's Green Bond issued in August 2015 has been awarded the '**most innovative bond structure**' by Environmental Finance in

May 2016, and YES BANK was recognised the 'Green Bond - Pioneer in India' by the Climate Bonds Initiative in February 2016.

India is currently actively tapping into its Renewable Energy Potential with the announced target of 175 GW of capacity installation by 2022, and favourable policy support. India is estimated to require over USD 150 billion (about 10 lakh crore equivalent) for achieving the renewable energy target by 2022.

Green Bonds have been emerging as one of the primary sources of financing for renewable energy across the world. Globally, the issues amounted to almost USD 46 billion in 2015, and India's Green Bond market also has seen an exponential growth, touching USD 2 billion, post YES BANK's first issue in February 2015. Such issuances will catalyze the market for Green Bonds in India and encourage responsible investors to facilitate funding towards Renewable and Clean Energy projects.

### **About FMO**

FMO is the Dutch development bank. FMO has invested in the private sector in developing countries and emerging markets for more than 46 years. Our mission is to empower entrepreneurs to build a better world. We invest in sectors where we believe our contribution can have the highest long-term impact: financial institutions, energy and agribusiness. Alongside partners, we invest in the infrastructure, manufacturing and services sectors. With an investment portfolio of EUR 8.9 billion spanning over 85 countries, FMO is one of the larger bilateral private sector development banks globally. [www.fmo.nl](http://www.fmo.nl)

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### **About YES BANK**

*YES BANK, India's fifth largest private sector Bank with a pan India presence across all 29 states and 7 Union Territories of India, headquartered in the Lower Parel Innovation District (LPID) of Mumbai, is the outcome of the professional & entrepreneurial commitment of its Founder Rana Kapoor and its Top Management team, to establish a high quality, customer centric, service driven, private Indian Bank catering to the future businesses of India.*

*YES BANK has adopted international best practices, the highest standards of service quality and operational excellence, and offers comprehensive banking and financial solutions to all its valued customers.*

*YES BANK has a knowledge driven approach to banking, and offers a superior customer experience for its retail, corporate and emerging corporate banking clients. YES BANK is steadily evolving as the Professionals' Bank of India with the long term mission of "Building the Finest Quality Bank of the World in India by 2020".*

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