GREEN DEPOSIT IMPACT ASSESSMENT REPORT

MAY 2026

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1 Introduction

SBI introduced green deposits in January 2024. These deposits are governed under the framework prepared by SBI Green Financing Framework, which forms part of the "Policy on Climate Finance and Management of Climate Change Risks" of the SBI.

On 28 November 2025, the RBI issued Master Direction (MD) for providing guidelines as well as guidance related to Climate Finance and Management of Climate Change Risks vide notification no DOR.SFG.REC. No.91/ 30.01.021/2025-26 and has repealed the existing directions, instructions, guidelines relating to Framework for acceptance of Green Deposits, dated 11.04.2023. The revised guidelines are named as Reserve Bank of India (Commercial Banks-Climate Finance and Management of Climate Change Risks) Directions, 2025 dated 28.11.2025.

Based on the Reserve Bank of India's (RBI) Master Direction (MD) guidelines, SBI has revised its Green Financing Framework. The framework was approved at the SBI Central Board meeting held on 27 February 2026 as part of the Policy on Climate Finance and Management of Climate Change Risk. SBI has obtained a Second Party Opinion (SPO) on the updated framework, aligned with the RBI's Climate Finance and Management of Climate Change Risks guidelines vide notification no. DOR.SFG.REC. No.91/30.01.021/2025-26.

2 Scope of the engagement

SBI engaged with CARE Analytics and Advisory Private Limited (CAAPL) to prepare a Green Deposit Impact Analysis Report. The impact analysis report covers the period from 1 April 2025- 31 March 2026.

Key Aspects of the RBI framework for accepting green deposits.

The RBI introduced the framework for acceptance of green deposits, effective from June 1, 2023, encourages banks and NBFCS to mobilize funds for green activities by earmarking deposits for such purposes, requiring board-approved policies, and mandating third-party verification and impact assessments.

Table 1: RBI framework for accepting green deposits.

Key Features	Description
Purpose	To mobilize financial resources towards green activities and projects, including renewable energy, green transport, and green buildings.
Effective Date	June 1, 2023.
Applicability	Scheduled Commercial Banks, including SFBs, but excluding Regional Rural Banks (RRBs).
Green Deposits	Interest-bearing deposits are earmarked for allocation towards green finance.
Mandatory Policies	Banks and NBFCs must have board-approved policies for accepting and utilizing green deposits
Third-Party Verification	The use of green deposit funds must be verified by a third party.
Exclusions	Activities involving fossil fuels, nuclear power, tobacco, etc., are excluded.
Reporting and Disclosures	Banks must maintain transparent and comprehensive reporting on green deposit mobilization, fund utilization, and impact assessment.

3 SBI's Green Deposit Policy

The State Bank of India (SBI) has developed a Green Financing Framework which forms part of the "Policy on Climate Finance and Management of Climate Change Risks" of the State Bank of India. The key highlights of the policy are as follows:

1. **Purpose**: To draw a road map for the Issuance and allocation of green deposits, in accordance with the RBI green deposit framework dated 11.04.2023.

2. **Use of Proceeds**: Proceeds of green deposits shall be used only to finance/ invest in eligible green activities/ projects. Eligible green activities/ projects include Renewable Energy, Waste Management, Clean Transportation, Energy Efficiency, Afforestation/ Reforestation as per RBI green deposit framework.

3. **Temporary allocation of green deposit proceeds**: Bank shall arrange temporary allocation (which would only be in liquid instruments up to a maximum original tenure of one year, as specified under the Financing Framework) of green deposit proceeds, pending their allocation to the eligible activities/projects. The bank shall provide details of the investment made in liquid instruments at yearly interval.

4.**Project Evaluation**: The green deposit proceeds shall be used only to finance/ or to invest in the projects that fall under the eligible green activities/ projects prescribed by RBI.

5.**Sustainability Focus**: Funds are allocated to projects in renewable energy, energy efficiency, and other eco-friendly sectors.

6.**Transparency**: Includes third-party verification, impact assessments, and regular reporting to ensure accountability.

4 Green Deposit Impact Assessment

SBI has a board-approved **Policy on Climate Finance and Management of Climate Change Risks** aligned with the RBI's green deposit framework. According to records provided by SBI, all green deposits have been allocated to the Green Car Loan as of 31.03.2026, with no unutilized proceeds. According to the RBI Master Direction (MD) green car loan portfolio falls in the green eligible category, namely 'Clean Transportation.'

Table 2: SBI Green Deposit and Green Car Loan Portfolio as on 31.03.2026 (Month-wise)

Month	Principal Amount (Green Deposit). Rs Crore	Number of Car Loans	Amount Allocated -EV loans (Rs Crore).
Apr-25	13.85	128	13.85
May-25	14.65	119	14.65
Jun-25	20.22	214	20.22
Jul-25	14.82	125	14.82
Aug-25	12.23	66	12.23
Sep-25	12.56	79	12.56
Oct-25	12.79	68	12.79
Nov-25	13.99	86	13.99
Dec-25	13.10	112	13.10
Jan-26	18.13	104	18.13
Feb-26	21.65	157	21.65
Mar-26	21.09	162	21.09
Total	**189.08**	**1,420**	**189.08**

Source- State Bank of India

According to the International Council on Clean Transportation (ICCT), the life-cycle GHG emissions of average gasoline cars correspond to 213 g CO2 eq./ km for hatchback, 228 g CO2 eq./km for sedan, and 272 g CO2 eq./km for SUV segment cars The life cycle GHG emissions of Battery Electric Vehicles (BEV)s in India are at 131–162 g CO2 eq./km for the hatchback segment, 150–185 g CO2 eq./km for the sedan segment, and 140–169 g CO2 eq./km for the SUV segment.

Table 3: The life cycle GHG emissions of cars in India

Internal Combustion Engine Vehicle		Battery Electric Vehicles (BEVs)s	
Car Segment	**GHG emissions (g CO2 eq./km)**	**Car Segment**	**GHG emissions (g CO2 eq./km)**
Hatchback	213	Hatchback	131–162
Sedan	228	Sedan	150–185
SUV segment	272	SUV segment	140–169
Emissions selected for analysis	**213**		**162**

Source- ICCT Report: A GLOBAL COMPARISON OF THE LIFE-CYCLE GREENHOUSE EMISSIONS OF COMBUSTION ENGINE AND ELECTRIC PASSENGER CAR. A global comparison of the life-cycle greenhouse gas emissions of combustion engine and electric passenger cars

With reference to SBI's green car loan portfolio, the average vehicle loan amount is approximately Rs 14 lakh. However, on a conservative basis, a hatchback model has been considered for the calculation of GHG emissions. According to the data mentioned in Table 3, BEVs produce 51 g CO_2 eq./km fewer emissions than ICE vehicles, indicating the difference between GHG emissions by ICE vehicles and BEVs **213 g CO2 eq./km - 162** g CO2 eq./km) avoided. By raising and deploying green deposits, the State Bank of India financed 1,097 electric vehicles in FY25 and 1,420 in FY26, helping avoid 671.36 tonnes and 869.04 tonnes, emissions, respectively.

Table 4- Green Deposit Assessment: (Co2e) Emissions Avoided

Indicators	FY 26	FY 25
Emissions avoided per BEV car (g/km) * (272-169)	51	51
A car running per year (km) in India *	12,000	12,000
Emission avoided (g/km) per car (Yearly)	6,12,000	6,12,000
Emission avoided (Tonnes) per car (yearly)	0.612	0.612
Total BEV cars (Units) Financed by SBI	1,420	1,097
Emission avoided for all units (tonnes) Annually	**869.04**	**671.36**

Source- ICCT Report: A GLOBAL COMPARISON OF THE LIFE-CYCLE GREENHOUSE EMISSIONS OF COMBUSTIONENGINE AND ELECTRIC PASSENGER CAR *https://theicct.org/sites/default/files/publications/Global-LCA-passenger-cars-jul2021_0.pdf

To perform green deposit impact analysis, CAAPL sought detailed information materials to obtain all the evidence, information, and explanations that it considered necessary to arrive at a meaningful conclusion. The following is the list of information checklists we referred to

General requirements:

- Details on Use of proceeds
- List of nominated projects and activities
- Management and Reporting practices

Specific requirements on deployment of funds:

- Evidence on the amount allocated
- Evidence of tracking and reporting of proceeds

Specific requirements for Deposit:

- Amount Deployed

5 Portfolio information

Particulars	Current Financial Year (2025-26) (Amount in ₹ Crore)	Financial Year (2024-25) (Amount in ₹ Crore)	Financial Year (2023-24) (Amount in ₹ Crore	Cumulative* (Amount in ₹ Crore)
Total green deposits raised (A)	189.08	105.92	22.39	317.39
Use of green deposit funds**				
(1) Renewable Energy	-	-	-	-
(2) Energy Efficiency	-	-	-	-
(3) Clean Transportation (EV car finance)	189.08	105.92	22.39	317.39
(4) Climate Change Adaptation	-	-	-	-
(5) Sustainable Water and Waste	-	-	-	-
Management	-	-	-	-
(6) Pollution Prevention and Control	-	-	-	-
(7) Green Buildings	-	-	-	-
(8) Sustainable Management of Living Natural Resources and Land Use	-	-	-	-
9) Terrestrial and Aquatic Biodiversity Conservation	-	-	-	-
Total Green Deposit funds allocated (B = Sum of 1 to 9)	189.08	105.92	22.39	317.39
Amount of Green Deposit funds not allocated (C = A – B)	NIL	NIL	NIL	NIL
Details of the temporary allocation of the green deposit proceeds pending them allocation to the eligible green activities/projects	NIL	NIL	NIL	NIL

***This shall contain the cumulative amount since the RE started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for the period ending March 31, 2025, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2025. **Under each category, REs may provide sub-categories based on the funds allocated to each sub-sector. For example, REs may provide sub-categories like solar energy, wind energy, etc. under "Renewable Energy."**

Format Source: https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12487&Mode=0 Data provided by the State Bank of India

6 Unutilised Proceeds

There is no unused portion of the Green Deposit portfolio of the bank as on 31st March 2026.

7 Work undertaken

To reach our conclusion we:

•Referred RBI framework for accepting green deposits

•Reviewed the SBI's Green Financing Framework, which forms part of the "Policy on Climate Finance and Management of Climate Change Risks"

•Held conversations with management and key personnel involved in the Green Deposit deployment to assess the implementation of processes, systems, and controls outlined in the Green Deposit Policy and RBI framework for accepting green deposits.

•We have referred to a list of accounts provided by SBI to which green deposits proceeds have been allocated. The performance of the projects has been assessed in line with the criteria defined in the RBI framework for accepting green deposits.

•Checked an Interactive Tagging **Dashboard*** where allocation and criteria has been defined and maintained a live record of all green deposit transactions as per the RBI Green Deposit framework with a maker-checker process.

•Confirmed the amount of deposit proceeds allocated to nominated projects and assets through examination of SBI's internal system for tracking the same. The data has been provided by SBI.

8 Conclusion

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

CareEdge Advisory believes that the green deposits raised during April 2025- March 2026 is aligned with the SBI's Policy on Climate Finance and Management of Climate Change Risks and Reserve Bank of India (Commercial Banks – Climate Finance and Management of Climate Change Risks) Directions, 2025.

9 SBI's Management's responsibilities

The management of the SBI is responsible for ensuring the deployment of green deposits is align with the SBI's Policy on Climate Finance and Management of Climate Change Risks and Reserve Bank of India (Commercial Banks – Climate Finance and Management of Climate Change Risks) Directions, 2025.

*The **Interactive Dashboard** works on the four-eye concept process as below:

•Through an Interactive dashboard, the green advances data captured from the central bank system (CBS) based on 47 green activity codes through Business Intelligence Department (BID), and the data will be populated at an Interactive Dashboard and available for tagging/labelling.

•The ESG-CFU Maker tag the assets to corresponding green liabilities. This tagging will then be reviewed and validated by the ESG-CFU Checker.

•After the Maker-Checker reviews at both levels, the final green flag and associated amount details will be written back to the CBS.

•The operating functionaries at the branch level has no rights to amend or delete the Green Flag written back to CBS.

10 Specific limitation and exclusion

CAAPL green deposit impact analysis report is subject to the following limitations, as we have not been engaged to:

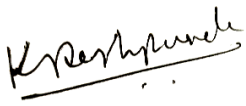
•SBI's financial statements and economic performance

•Verify the SBI's statements that describe the expression of opinion, belief, aspiration, expectation, aim or future intention or global socio-economic and environmental aspects provided by the SBI.

11 CAAPL's responsibilities

CAAPL's responsibility is limited to the extent of providing impact analysis for the Deposit allocation basis SBI's "Policy on Climate Finance and Management of Climate Change Risks" and RBI green deposit framework in relation to the procedures performed and the evidence obtained. We conducted our engagement with a multidisciplinary team which included professionals with suitable skills and experience in understanding environment, social and governance practices.

This green deposit impact analysis report is made solely to the SBI (State Bank of India) by the team of our engagement, which includes an agreed arrangement for disclosure. Any party other than the SBI who obtains access to our impact assessment report or a copy thereof and chooses to rely on our impact assessment report 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 the issuer for our work, for this Green Deposit Impact Assessment Report or for the conclusions we have reached.



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