

BOC celebrates Sri Lanka's largest Sustainability Bond Issue



Kavinda de Zoysa, Chairman, BOC rings the bell at the CSE to mark the listing of Sri Lanka's largest sustainability bond issuance.

The Bank of Ceylon (BOC) marked the listing of its inaugural Basel III-compliant Tier II Sustainability Bond with a ceremonial bell ringing at the Colombo Stock Exchange (CSE), celebrating the largest sustainability bond issuance in Sri Lanka's history and the first by a state-owned bank. The event was attended by BOC's Chairman, Board members, Acting General Manager/CEO, senior management, CSE officials, and key stakeholders, symbolizing a major milestone for Sri Lanka's sustainable finance landscape. The bond, which was over-subscribed and closed on its opening

day—December 22, 2025—reflects strong investor confidence amid climate vulnerability and liquidity pressures in the domestic market. Kavinda de Zoysa, Chairman, described the issuance as a historic achievement for both BOC and Sri Lanka’s sustainable finance journey, emphasizing its role in setting benchmarks for structure, transparency, and credibility. He noted that the oversubscription demonstrates trust in the bank’s financial strength, governance standards, and development-focused mandate. Issued in line with the international sustainability bond principles and Sri Lanka’s Green Finance Taxonomy, the proceeds will fund eligible green and social projects under BOC’s Sustainable Finance Framework. Target sectors include renewable energy, energy efficiency, sustainable water and waste management, agriculture, MSMEs, healthcare, education, and basic infrastructure. The framework is supported by reporting commitments and an independent external review. Y.A. Jayathilaka, Acting GM/CEO, BOC, highlighted the bank’s internal expertise in structuring complex domestic capital market transactions, noting that the bond will strengthen capital while supporting priority sector lending. The CSE facilitated the listing process, reinforcing its commitment to green, social, and sustainability (GSS+) instruments introduced in 2024. The Asian Development Bank provided technical assistance, KPMG acted as Independent External Reviewer, and People’s Bank served as Trustee. Rated ‘AA-’ (Stable) by Lanka Rating Agency Limited, the bond forms part of BOC’s broader capital-raising efforts, with the bank accounting for 26 percent of total CSE-listed debt issuances in 2025.