ANGOLA
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FIRM INFORMATION

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1. SOURCES AND OVERVIEW

1.1 Main substantive ESG-related laws in the Republic of Angola ("Angola")

1.1.1 Basic Law on the Environment - Law No. 5/98 of 19 June;

1.1.2 Basic Law on Forests and Wildlife - Law No. 6/17, of 24 January;

1.1.3 Regulation on Hunting and Sustainable Management of Wildlife - Presidential Decree No. 222/24, of 25 October;

1.1.4 Regulation on the Exercise of Activities for the Exploration of Mineral Resources, Oil and Gas in Conservation Areas - Presidential Decree No. 51/24, of 6 February;

1.1.5 Regulation on Environmental Conservation Areas - Presidential Decree No. 50/24, of 2 February;

1.1.6 National Strategy for the Sea of Angola «ENMA» 2030 - Presidential Decree No. 183/22, of 22 July;

1.1.7 National Strategy for Environmental Education 2022-2050 - Presidential Decree No. 149/22, of June 9th;

1.1.8 Regulation for the Licensing of Low and Medium Levels of Radioactivity Waste Deposits - Presidential Decree No. 106/22, of 10 May;

1.1.9 Regulation on the Import and Re-export of Endangered Species of Wild Fauna and Flora - Presidential Decree No. 311/18, of 19 December;

1.1.10 General Regulation on Environmental Impact Assessment and Environmental Licensing Procedure - Presidential Decree No. 117/20, 22 April;

1.1.11 Regulation on Liability for Environmental Damage - Presidential Decree No. 194/11, of 7 July;

1.1.12 Water Law - Law No. 6/02, of 21 June;

1.1.13 Fisheries Surveillance Regulation - Decree No. 43/05, of 20 June;

1.1.14 Amendment to the Law on Aquatic Biological Resources - Law No. 16/05, of 27 December; Amendment to the Law on Aquatic Biological Resources - Law No. 16/05, of 27 December;

1.1.15 National Strategy for Climate Change 2022-2035 – Presidential Decree No. 216/22 of 23 August;

1.1.16 Petroleum Activities Law – Angola (Law No. 10/04 of November 12, 2004); and

1.1.17 Mining Code – Law No. 31/11 of 23 September.

1.2 ESG disclosure requirements in Angola

There is no legislation in Angola that defines ESG disclosure requirements.

1.3 Compulsory versus discretionary ESG-related disclosures in Angola, and the frequency of such disclosures

Currently, in Angola, disclosures related to ESG criteria are optional, there is no formal legal obligation for companies to carry them out. However, pressure from investors, financiers, and business partners has encouraged many companies to adopt voluntary ESG disclosure practices. Studies indicate that about one third of the 100 largest Angolan companies already present information on sustainability in annual reports, addressing topics such as employee well-being and gender equality.

1.4 If ESG-related disclosures are discretionary, are compulsory ESG disclosures being considered by the regulators in Angola and is it envisaged that such disclosures will, at some stage, become compulsory?

Although there are currently no mandatory legal standards for ESG disclosure in Angola, on-going initiatives suggest that regulators are considering implementing such requirements in the future. Institutions should be aware of these developments and consider voluntarily adopting ESG practices to align themselves with global trends and market expectations.

1.5 Significant private sector initiatives relating to ESG-related laws and/ or disclosures in Angola

Indeed, there are several significant private sector initiatives in Angola that address issues related to ESG standards. Although current legislation does not impose mandatory ESG disclosure requirements, several companies have adopted voluntary practices aligned with ESG principles, reflecting a growing commitment to sustainability and corporate responsibility, with greater emphasis on the banking sector, as is the case of Banco Millennium Atlântico, which has developed a Sustainability Strategy aligned with the United Nations Sustainable Development Goals ("**SDGs**"). The strategy encompasses three dimensions: business, operations, and community engagement, with a focus on carbon footprint reduction, financial inclusion, and responsible governance. In addition, it has implemented an Environmental and Social Management System (EMS) to ensure that investments and financing are in line with environmental and social guidelines.

2. PRINCIPAL SOURCES OF ESG PRESSURE

2.1 Investor and Asset/ Investment Manager Perspectives on ESG Compliance and Influence Strategies

Investors and asset managers in Angola are increasingly attentive to compliance with ESG standards, so they influence their investment decisions, both internally and externally, and can be understood from several perspectives, namely -

2.1.1 Investors and Asset Managers Perspective

In Angola, there is a growing appreciation of ESG practices among investors and asset managers. For example, Angola Capital Partners adopts an investment approach that integrates strict ESG criteria, assessing risks and opportunities specific to each sector and company. They require all investee companies to comply with applicable local and international laws and follow ESG best practices.

In addition, the National Bank of Angola ("**BNA**") has recommended that financial institutions integrate ESG standards into their risk management policies, highlighting the importance of developing effective mechanisms to mitigate social, environmental, and governance risks.

2.1.2 Pressure for Domestic Investment

Investors who prioritize ESG practices may choose to divest or avoid investments in companies that do not meet these criteria. For example, DeltaGest manages two venture capital funds: Greenfield, focused on sustainable investments with positive social and environmental impact, and Brownfield, focused on investments with higher financial returns, regardless of ESG criteria.

In addition, the Sustainable Investment Facilitation Agreement (SIFA) between the European Union and Angola aims to boost foreign investments in line with environmental and climate commitments, promoting a diversified Angolan economy beyond fossil fuels.

2.1.3 Implementation of ESG Criteria

Internally, companies and financial institutions in Angola have been incorporating ESG standards into their strategies, as is the case of Standard Gestão de Activos, a non-banking financial institution, which seeks to boost the asset management market in Angola, offering investment products that meet different investor profiles, including those interested in ESG criteria.

In this sense, we can conclude that investors and asset managers in Angola are increasingly concerned about the implementation of ESG standards in their investment decisions. While some prioritize sustainable investments with positive social and environmental impact, others seek to balance financial return with corporate responsibility. This trend reflects a significant shift in the investment landscape in the country, in a quest for alignment with global sustainability and governance standards.

2.2 Stakeholder Influence on ESG Compliance

Angola, although no law on ESG has yet been approved, some companies where large investments are made, for example companies in the mining and oil sectors, already apply ESG. These, in addition to social responsibility, are also obliged to measure and monitor environmental damage, to comply with the principle of social responsibility.

Any foreign investor who wants to invest in Angola expects the return on their investment, so they will demand compliance with compliance rules as occurs at the international level, especially in the Environment sector with the need to comply with the Conventions on climate change, as is the case with investment in renewable energies. The purpose is none other than to better insert the country in the international context.

Angola is taking steps towards creating ESG awareness.

In this sense, the Portugal-Angola Chamber of Commerce and Industry (CCIPA) organized a conference "ESG in Angola: Challenges and Opportunities", which brought together public and private sector leaders, experts and investors to discuss the importance of its implementation ESG practices in the sustainable growth of the Angolan economy.

2.3 Principal regulators of ESG compliance in Angola and their focus areas

In Angolan legislation, the main regulatory body in terms of ESG is the Ministry of the Environment, "MINAMB", whose mission is to propose the formulation, conduction, execution and control of the Executive's policy on the Environment, Climate Action and Sustainable Development, within the scope of the protection, preservation and conservation of environmental quality, pollution control, conservation areas and enhancement of natural heritage, as well as the preservation and rational use of natural resources.

From the outset, the greatest urgency of the Ministry of the Environment is to introduce the circular economy in the waste management model, seeing any waste as a potential resource, investing in the reduction, reuse and recycling of waste, implementing new landfills and installing solid waste treatment and transformation plants into renewable energies, significantly increasing the number of hydrometric stations, as well as increasing the number of General Plans for the Development and Use of River Basin Water Resources, in particular to address the effects arising from extreme hydrological phenomena, as set out in the governance programme.

The Government's 2022-2027 program determines that the Ministry of the Environment must implement a sustainable management model for the water sector, minimizing the need for financial resources from the State and must strengthen the legal, institutional and regulatory capacity of the sector, as well as the technical capacity of its institutions, with a view to applying the Water Law and complementary diplomas.

2.4 Liability and Penalties for ESG Non-Compliance: Piercing the Corporate Veil

In general, there is no regulation on ESG in the Angolan jurisdiction, which is why it is not possible to identify penalties.

In this regard, we understand that the possible "penalty" may be the rejection of future financing, for example by foreign investing companies.

In particular, in the oil sector, some ESG rules are foreseen, for example in case of non-compliance with preventive measures regarding the safety and hygiene of personnel and facilities, the company is subject to the payment of a fine (g), paragraph 1, article 88, for the purposes of the provisions of article 23 of the Petroleum Activities Law – Law no. 10/04 of 12 November).

In the mining sector, the law generally refers to the application of fines or suspension of geological operations for up to 90 days, in the case of administrative transgressions, considering the nature of the infraction (Article 213 of the Mining Code).

If there are penalties to the companies, the managers/ directors respond.

2.5 Material ESG Enforcement Actions in Angola

We have no knowledge.

2.6 ESG Litigation Risks and Emerging Legal Exposure

We are not aware.

2.7 Key ESG Compliance Concerns in Angola

The main concern of ESG compliance advocates is mitigating the impact of climate change risks and strengthening corporate social responsibility and governance, as well as attracting investment and funding.

2.8 Shareholder Activism Triggered by ESG Non-Compliance

As already mentioned, there are no regulations on ESG in Angola, which is why discussions have been held and articles published in newspapers and magazines on the subject.

In 2022, a forum was held by the Financial System Supervisory Council (CSSF) on behalf of BNA, in which financial institutions were challenged to adopt ESG principles and criteria. A survey was scheduled for 2024 to measure the implementation of sustainable principles and criteria.

3. ENVIRONMENTAL METRICS AND GOALS

3.1 Carbon Footprint Disclosure Requirements: Scope 1, 2 and 3 Emissions

Currently, there is no legal requirement for companies in Angola to calculate and publicise their carbon emissions (Scopes 1, 2 and 3). However, the international context and good corporate governance practices have increasingly encouraged the voluntary adoption of these measures.
For organisations wishing to align themselves with international standards and demonstrate a commitment to sustainability, it is strongly recommended that they implement appropriate methodologies for measuring and managing their carbon footprint.

3.2 Emissions Reduction Targets and Enforcement in Angola

By Presidential Decree No. 216/22 of 23 August, the National Strategy for Climate Change 2022-2035 ("**ENAC**") was approved.

According to the diploma, in relation to the Priority Mitigation Initiatives, ENAC's set of priority mitigation actions and projects arise to respond to the goals that Angola has established in its Intended Nationally Determined Contribution, where it proposes to unconditionally reduce its GHG emissions by 35% by 2030, and through international funding, to reduce its GHG emissions by another 15% by 2030. The mitigation measures presented in this ENAC are divided by sectors (Energy, Agriculture, Forestry and other Land Uses, Industry and Waste), and classified according to their most relevant contribution to the 17 Sustainable Development Goals. Mitigation Initiatives for the Energy Sector according to the country's most recent GHG inventory, the Energy Sector was responsible for 59% of emissions in 2005.

The main mitigation measures for this sector are divided into seven Initiatives: (1) Low-carbon electricity production: (2) Access to low-carbon energy in rural areas: (3) Regulation of the Electricity Sector: (4) Low-carbon transport: (5) Energy efficiency: (6) Low-carbon street lighting: (7) Reduction of fugitive emissions resulting from the exploration and production of oil and natural gas, with several initiatives, namely: Low carbon electricity production, Access to low carbon energy in rural areas, Regulation of the electricity sector, Low carbon transport, Reduction of fugitive emissions resulting from the exploration and production of oil and natural gas, Mitigation Initiatives for the Agriculture, Forestry and Other Land Use Sectors. According to the most recent GHG inventory in the country, the Agriculture, Forestry and other Land Use Sector was responsible for 39% of emissions in 2005.

Laws are passed for each sector, and these laws define penalties in case of non-compliance.

In Angola, many projects are being developed in the field of renewable energy, and one of the projects was started in the province of Huíla in 2025.

3.3 Sector-Based Environmental Disclosure Requirements

Water sector (Law n. 6/2, of 21 June:
The Managing Entities must submit to the Regulatory Authority the data regarding the profile of the public water supply system, namely: Existing customers in the water supply service; Surface water abstractions; Groundwater abstraction; Water treatment plants ("**WTPs**"); Total length of ducts; Links; Pumping stations (pumping stations); Reservoirs; Water reserve capacity in adduction and distribution; Surface water abstraction with a counter; Groundwater abstraction with meter; WTPs with meter; Pumping stations (pumping stations) with meter; Flow micro-measurement index; Macro flow measurement index; Treated water reserve capacity.

The Managing Entities must submit to the Regulatory Authority of the Water and Wastewater Sanitation Subsector the data regarding the profile of the wastewater sanitation system, namely: Existing customers in the wastewater sanitation service; WTPs; Total length of manifolds and pumping stations.

Management Entities must submit to the Regulatory Authority of the Water and Sanitation Subsector of Wastewater Sanitation the economic and financial data regarding the following: Net assets; Current assets; Current liabilities; Body fixed assets; Equity; Total expenses; Amortization and depreciation; Financial expenses; Operating result; Net income.

The Managing Entities must submit to the Regulatory Authority of the Water and Wastewater Sanitation Subsector economic and financial data of the public water supply system, namely with regard to: Total income and earnings in the water supply service; Sales (collections) in the water supply service; Revenue from the provision of water supply services; Water billed in the water supply service; Expenses with personnel in the water supply service; Social charges in the water supply service; Operating expenses (OPEX) in the water supply service; Subsidies received in the operation of the water supply service; Operating result in the water supply service; Turnover in water supply service; Debts of customers in the water supply service (monetary value) and Debts of customers in the water supply service (volume).

The Managing Entities must submit to the Regulatory Authority of the Water and Wastewater Sanitation Subsector the information necessary for the follow-up and monitoring of their activity, namely: Inventory of assets, detailing the assets financed by the Managing Entity itself and other financiers, allocated to the concession services, certified by an independent auditor, who cannot certify more than two consecutive documents; Technical report on the functional capacity, safety and state of conservation of the main infrastructures and equipment necessary for the provision of the concession services, by the end of April of each year; Report on the progress of the works, when financed by the Managing Entities, during the entire construction phase of the infrastructures of the concession services, within three months from the end of each calendar semester and status of the investments made until 30 April of each year.

Oil Sector
The National Concessionaire and its associates shall take the necessary precautions for environmental protection, with a view to ensuring its preservation, particularly with regard to health, water, soil and subsoil, air, preservation of biodiversity, flora and fauna, ecosystems, landscape, atmosphere and cultural, archaeological and aesthetic values.

They must be licensed, the National Concessionaire and its associates must submit to the Ministry of Supervision within the legally established deadlines, the plans required by the legislation in force, specifying the practical measures that must be applied to prevent damage to the environment, including environmental impact assessment studies and audits, landscape recovery plans and contractual and permanent structures or mechanisms for environmental management and auditing.

The licensees, the National Concessionaire and their associates are obliged to repair the damage they cause to third parties in the exercise of oil operations, unless they prove that they acted without fault.

Mining Sector: (Law No. 31/11 - Mining Code)

The national and regional sectoral strategy and programmes on the environment and sustainable development, international instruments such as the Convention on Biological Diversity, the Cartagena Protocol, Agenda 21 and the International Convention on Waste apply to mining activity.

The mining sector is governed by a Mining Code that defines a set of principles and rules, among others. For example, for the development of mining projects, the environmental impact assessment must consider the assessment of the effects of the project on the environment; the social impact of the projects; the environmental management plan; the environmental monitoring program; environmental audits, as well as the related environmental reports; environmental rehabilitation programs; the abandonment plan; environmental financial burdens; financial guarantee of environmental burdens; water use plans; waste management plans and the control of hazardous substances.

Under the terms of the Mining Code, the rights of local communities are recognised, in the sense that mining policies must consider the communities in the areas where mining activity is carried out and contribute to their sustainable economic and social development, and the supervisory body, in coordination with local State bodies and the holders of mining rights, to create consultation mechanisms that allow local communities affected by mining projects to participate actively in decisions regarding the protection of their rights, within constitutional limits. The consultation mechanism referred to in the previous paragraph must include people of recognized suitability and reputation in the communities, chosen in accordance with local uses and customs, provided that they do not contravene the Constitution.

Consultation is mandatory in all cases where the implementation of mining projects may result in the destruction or damage of material, cultural or historical assets belonging to the local community as a whole.

Whenever local populations suffer housing damage that implies their displacement or the disturbance of their normal housing conditions due to mining activities, they have the right to be relocated by the holder of the respective concession, and the rehousing process must respect the customs, customs, traditions and other cultural aspects inherent to these communities, provided that they do not contravene the Constitution.

Companies that hold mining rights must ensure the employment and training of Angolan technicians and workers, preferably those who reside in the areas where the projects are implemented.

For the purposes of protecting the national market, under conditions of prices that do not exceed 10% and delivery times that do not exceed eight working days, the holders of mining rights must give preference to the use of national materials, services and products, whose quality is compatible with the economy, safety and efficiency of mining operations.

In Angola, the principle of local content is in force, which aims to promote and boost the supply chain of goods and services, in order to increase the participation of national companies in the sector, as well as the protection of Angolan jobs and staff.

Investment in social responsibility actions in the last seven years in Angola has covered areas such as health, education, sports and literature, mainly in mining areas.

According to the law, mining operators must adopt internal rules of conduct in environmental matters that are in accordance with the legislation in force, as well as create conditions for workers, at all levels, to recognize their responsibility in environmental management, as well as ensure that adequate resources, personnel and training are made available to implement environmental plans.

In collaboration with the competent State bodies, they must strengthen infrastructures, services and information systems, training and qualification of workers in environmental management in mining operations.

The results of the audits allow the supervisory body to determine the revision of the environmental management system implemented in the companies, with the aim of correcting measures that do not guarantee the effective implementation of the environmental legal rules and principles established in the Code, in the specific legislation, in the applicable international legislation and in the environmental policy of the Executive.

3.4 Statutory Obligations for Renewable Energy and Efficiency Reporting

The Ministry responsible for the Energy and Water Sector has approved an Internal Regulation of the National Directorate of Renewable Energy and Rural Electrification of the Ministry of Energy and Water (DNERER), which is responsible for the design, promotion, evaluation, implementation, monitoring, coordination and promotion of the policies of the Renewable Energy Sector and the Electrification Process of the Country. Although this instrument does not clearly define the requirements for measurement, monitoring and disclosure, we believe that there should be technical standards for this purpose, but we have no information on the existence of a law.

3.5 Biodiversity Disclosure Obligations in Operations and Supply Chains

We understand that companies should have biodiversity monitoring plans around their facilities.

As far as Angolan legislation is concerned, it provides for monitoring biodiversity and increasing the population's environmental awareness through the dissemination of environmental information, but the law is silent on the requirements. Presidential Decree no. 26/20 of 06 February - Approves the Biodiversity Action Plan for 2019-2025

4. CLIMATE RISK ASSESSMENT

4.1 What physical climate risks have been identified in your jurisdiction?

According to Angola's National Adaptation Action Plan ("**PANA**") and Presidential Decree 216/22 of 23 August - which approves the ENAC, the physical climate risks identified in our jurisdiction are: floods, droughts, soil erosion and rising sea levels.

4.2 Challenges of Transitioning to a Low-Carbon Economy

The transition risks for the state and the economy that have been identified in our jurisdiction is the desire to promote the transition to a low-carbon economy by adapting mitigation initiatives, such as: low-carbon electricity production, access to low-carbon energy in rural areas, low-carbon transport (air, sea, rail and road), low-carbon public lighting, reduction of fugitive emissions resulting from the exploration and production of oil and natural gas, low-carbon agriculture, management of forests and other land uses, energy efficiency in industry and waste management.

4.3 Statutory Integration of Climate Risks into Enterprise Governance

In Angola climate risks should not, but can be integrated into an organisation's business risk management/governance charters. For example, Banco de Fomento Angola ("**BFA**"), in its 2022 sustainability report, created an environmental and social responsibility committee. This action by BFA was in line with the challenge proposed by the BNA in January 2022 for financial institutions to adopt ESG principles and criteria.

4.4 Insurance Coverage for Climate Hazards and Anticipated Exclusions

In Angola insurers have not excluded meteorological phenomena from insurance policies, however, they are not part of the basic coverage of the policies - they are excluded by the General Conditions - but they can be contracted optionally, through Special Conditions that add this guarantee to the risk. In this way, any insurer in Angola can only be held liable for meteorological claims if the risk has been previously underwritten in the corresponding Special Condition of the policy.

4.5 Climate Adaptation Strategies by State, Business and Civil Society

The climate change adaptation strategies that have been implemented in our jurisdiction are stipulated in ENAC, namely: sustainable agriculture, sustainable food, sustainable fisheries, protection of coastal and riparian zones, protection of forests, ecosystems and biodiversity, river basin management, drought risk management, flood risk management, drinking water for all, prevention and monitoring of tropical diseases, sanitation and building resilient infrastructure

5. INTEGRATION OF ESG INTO STRATEGY, BUSINESS OPERATIONS AND PLANNING

5.1 ESG Oversight: Board and Management Responsibilities

In our jurisdiction, the responsibility for ensuring ESG compliance lies with the management of each company. The truth is that it is still a very embryonic idea, not all companies ensure the existence of ESG policies, however, we have seen that the financial sector, especially banks, have joined in, as they were encouraged by the BNA in 2022 to adopt ESG principles and criteria. Below are some of the banks that have signed up to implementing ESG standards:

- BFA - in 2022 it created the environmental and social responsibility committee;
- Standard Bank Angola (SBA) - in October 2024 launched its 2023-2027 Sustainability Strategy and structured a 'Pact with Impact' that integrates ESG indicators into its decision-making processes and annual reporting;
- Banco Millennium Atlântico - in 2023 it published a Sustainability Booklet in line with the 'Angolan Financial System Sustainability Principles', including a governance framework, risk metrics and carbon emission reduction targets;
- Caixa Angola - presented a formal policy, guidelines for reducing its environmental footprint and social initiatives.

5.2 Statutory Governance Mechanisms for ESG Oversight

As mentioned above, the financial sector is the one that has done the most to implement and comply with ESG standards, so the BNA should be responsible for ensuring that banks comply with its guidelines. However, it is important to note that we currently only have operational plans to promote the creation of ESG policies and sustainability principles in the Angolan financial system, there is no law as such that imposes the adoption of these measures.

For companies that have already signed up to implementing ESG standards, the board of directors will have the role of defining strategies, monitoring results and ensuring that sustainability standards are met.

5.3 ESG-Linked Remuneration and Incentive Structures

We are not aware of any compensation or remuneration normally used to align incentives regarding compliance with ESG standards.

5.4 Operational Integration of ESG Compliance Across Sectors

In Angola, although we do not have an institution that is solely responsible for implementing, monitoring and promoting ESG principles, some examples can be cited around this issue, such as the company Sonangol, which imposes ESG criteria in its procurement and supply chain processes, requiring:

- Anti-corruption policies;
- Proof of compliance with environmental legislation;
- Certifications such as ISO 14001 (environment) and 45001 (occupational safety);
- In the area of Diversity, Equity and Inclusion (DEI), Unitel launches an annual campaign for inclusion and diversity in the workplace, focusing on female leadership and equal opportunities.

5.5 Determining ESG Materiality for Disclosure and Reporting

The materialisation of ESG in Angola does not yet have specific standardised regulations, as exists in some more advanced jurisdictions. However, there are emerging guidelines and good practices promoted by institutions such as Institute for the Management of State Assets and Holdings ("**IGAPE**") and the BNA.

Angola does not currently have a specific statutory measure (required by law) that defines how to determine the materialisation of ESG, nor has it formally adopted a single normative framework (such as SASB, IFRS S1/S2 or CSRD) as a mandatory national reference. However, there are emerging normative indications and trends towards voluntary alignment with international frameworks, especially in the public sector and in companies with exposure to external financing (e.g. SASB - used in the financial sector and extractives - oil and mining; TCFD used in banks and insurance companies regulated by the BNA, in the context of climate risks). They are free to define their ESG materialisation criteria, although they must justify the approach chosen.

5.6 Board and Management Adaptation to ESG Oversight Requirements

The Boards of Directors and Executive Management in Angola have begun to adapt to the ESG context, especially in sectors that are regulated or exposed to international demands, such as the Boards of Directors of companies like Banco Millennium Atlântico Angola, Sonangol, ENDIAMA and some insurance companies that have set up internal sustainability or ESG committees; inclusion of the ESG agenda in regular meetings; and training for middle and senior management on ESG practices, with the support of consultancies and international partnerships.

5.7 Data Security and Privacy Requirements for Organisations in Angola

Indeed, in Angola, organisations are required by law to have systems and technical and organisational measures in place to guarantee data security and customer privacy. The main legal basis for this obligation is Law no. 22/11 of 17 June (Personal Data Protection Law).

Notwithstanding the fact that article 12(1) of the aforementioned law lays down the general requirements… "1- Unless otherwise provided by law, personal data may only be processed if the following circumstances are met:
- Unambiguous and express consent of the data subject;
- Notification to the Data Protection Agency.

The law also establishes specific requirements that vary according to the sensitivity of the data to be collected.

5.8 Cybersecurity Risk Management Requirements for Organisations

In fact, organisations in Angola are increasingly obliged by regulation or institutional pressure to manage and monitor cyber security risks, especially in critical sectors such as banking, telecommunications, energy, oil and insurance.

The obligation is not yet fully transversal to all sectors, but there is legislation in force and sector-specific rules that impose formal responsibilities in terms of cyber security, such as notice no. 8/20 of 2 April, which establishes the rules on cyber security policy and the terms and conditions for contracting data processing and storage and cloud computing services to be observed by Financial Institutions authorised to operate by the BNA (national bank of Angola).

5.9 Compliance with Global Data Protection Standards (e.g. GDPR)

In Angola, organisations are not legally obliged to comply directly with international regulations such as the European Union's General Data Protection Regulation (GDPR). However, they are obliged to ensure compliance with current national data protection legislation.

6. FINANCE

6.1 How Financiers Apply ESG Ratings in Angola

Despite the fact that there is no formal legal requirement for the use of ESG ratings, many lenders in Angola, especially international ones, already require or recommend internal or external ESG assessments as part of the investment decision or credit granting process, to the extent that many national companies have mainly resorted to internal models, with an increasing tendency to converge with international standards such as IFC, GRI, SASB and ISO.

6.2 Top ESG Rating Agencies in Angola

Currently, we are not aware of any ESG rating agencies with registered offices or operations in our jurisdiction.

6.3 Ensuring Consistency in ESG and Financial Reporting in Angola

In Angola, several companies, especially larger ones such as oil companies, banks and multinationals, are starting to incorporate ESG practices into their annual reports. However, most still rely on voluntary standards, such as the GRI (Global Reporting Initiative); there is no clear legal obligation imposing formal integration between financial and non-financial data and supervision and regulation are still limited, although the Capital Market Commission (CMC) and the BNA are beginning to address the issue.
Although the formal application of dual materiality is still limited in Angola, several companies are adopting ESG practices, recognising the importance of integrating financial and non-financial aspects in their reports. The trend is that, over time, more organisations will adopt integrated approaches, aligning themselves with international best practices and responding to the growing demand for transparency and corporate responsibility.

6.4 Role of Green and Social Bonds in Angola

In Angola, green and social bonds are emerging as important financial instruments, with the first green bonds expected to be issued in 2024. These initiatives are in line with the SDGs and aim to finance projects with a positive environmental and social impact. We believe that these instruments will gain momentum in the near future.

6.5 Role and Outlook of Sustainability-Linked Bonds in Angola

In recent years, ESG, sustainability and social responsibility have come to directly influence the way companies are evaluated by the market, investors and consumers.

In Angola, foreign investment companies have a duty to employ 70% of the national workforce and train staff.

In the mining sector, for example, if they evict people as a result of implementing their projects, they must relocate those people, and the relocation processes must respect the habits, customs, traditions and other cultural aspects inherent to those communities, as long as they do not contradict the Constitution.

All companies, especially those involved in construction and the execution of industrial projects, must submit waste treatment plans at the time of licensing.

6.6 Key Barriers to Sustainable Bond Adoption in Angola

In Angola, the green and social bond market is still in its infancy. The issuing of these instruments is sporadic and does not yet constitute a significant component of the national financial market.

However, there is a high potential for development underpinned by various structural factors, described below:

a) Commitment to sustainability: Angola has reaffirmed its alignment with international sustainable development agendas, namely the SDGs;
b) Institutional involvement: The executive, as well as regulatory bodies such as the Capital Market Commission (CMC) and the National Bank of Angola (BNA), have shown a growing interest in promoting sustainable financial instruments, recognising their role in mobilising capital for strategic sectors;
c) Ongoing regulatory development: The Capital Markets Commission is currently outlining a regulatory framework designed to promote the growth of a sustainable capital market. Among the measures envisaged is the possible implementation of specific guidelines for issuing thematic bonds, namely green, social and sustainable bonds.

This context creates favourable conditions for the emergence of a sustainable debt market in Angola, in line with international best practice and capable of attracting domestic and foreign investment.

6.7 Assurance and Regulation of Green Bond Verification in Angola

In Angola, the process of guaranteeing and verifying green bonds is being developed, based on Presidential Decree 106/23, published on 2 May 2023. This decree establishes an Operational Framework for Sustainable Financing (QOFS), aligned with the international principles of the International Capital Market Association (ICMA) and the Loan Market Association (LMA), with the aim of guaranteeing the transparency and compliance of sustainable debt issues in the country.

7. TRENDS

Material trends related to ESG Compliance and disclosure in Angola

We believe that the relevant trends related to ESG compliance and disclosure in our jurisdiction are as follows: Growing institutional interest, voluntary adoption of ESG reporting, external pressure, i.e. international lenders such as the African Development Bank and International Finance Corporation require ESG practices as a condition for investing or financing projects in Angola.