

(BOLAGSSTYRNINGSRAPPORT 2013 Millicom International Cellular SA)

Corporate Governance Report 2013 Millicom International Cellular SA

1. Implementation and Reporting on Corporate Governance

Corporate Governance in Millicom International Cellular SA ("Millicom" or the "Company") is primarily based on Luxembourg and other EU legislation, the listing requirements of NASDAQ OMX Stockholm, the Swedish Code of Corporate Governance and good stock market practice. Within these frameworks, the Board of Directors has developed and continuously evaluates internal guidelines and routines as further described below, in order to ensure quality and transparency throughout the corporate governance within Millicom.

Millicom has applied the Swedish Code of Corporate Governance Code (the "Code") from 30 May 2011, when Millicom moved its primary listing to the NASDAQ OMX Stockholm and delisted from the NASDAQ Stock Market in the US. Before that date, Millicom applied the corporate governance rules of the NASDAQ Stock Market in the US. Millicom terminated the registration of its equity securities under Section 12(g) of the US Securities Exchange Act of 1934 and the corresponding duty to file reports required under Section 13(a) of the Exchange Act in October 2012.

The Board's work procedures also take into account the requirements of the US Sarbanes-Oxley Act of 2002 to the extent it applied to the Company in 2012. Following delisting of its ordinary shares from NASDAQ in the US, Millicom's control environment continues to follow the COSO control framework which formed the basis of its Sarbanes-Oxley Act compliance.

Millicom's shares are listed on NASDAQ OMX Stockholm through Swedish Depository Receipts.

Corporate Policy Manual.

The Board has adopted a Corporate Policy Manual, which is Millicom's central reference for all matters relating to its corporate governance policy and other policies in the areas of ethics, accounting, human resources, etc. Regional policies that are more stringent or detailed than those set out in the Millicom Corporate Policy Manual are adopted as necessary. The Code of Ethics is a part of the Millicom Corporate Policy Manual. The Company's directors, senior executives and Group employees receive the Code of Ethics upon joining Millicom and must acknowledge that they have read, understood and will comply with the Code of Ethics.

Compliance with the Swedish Corporate Governance Code

The Code has been applied by Millicom since 30 May 2011. Millicom is committed to complying with best-practice corporate governance on a global level wherever possible. Millicom applies home state rules or deviate in relation to the Code in the following areas: Shareholder meetings are held in Luxembourg in accordance with Luxembourg

law and the Company's Articles of Association. Shareholder meetings are held in the English language and meeting material is available in English only. Shareholder meeting minutes are signed by the meeting Chairman, Secretary and Scrutineer in accordance with Luxembourg law. Luxembourg law and the Company's Articles of Association do not specify the language used at shareholder's meetings. The Company's investor base is international and the Company considers English to be the best language in which to communicate with its shareholders.

With regard to share-related incentive programs, the Code (Article 9.8) states that the vesting period or the period from the commencement of an agreement to the date for acquisition of shares is to be no less than three years. The Company's program for variable remuneration related to the deferred restricted share plan vests with 16.5% after 1 year, 16.5% after 2 years, and 67% after 3 years. Most of the award vests at the end of year 3, but some also vest at the end of year 1 and 2. This plan applies to a wide range of employees, including younger executives and the Company believes that this vesting schedule ensures alignment between the interests of the Company's shareholders and its employees.

2. General Meetings

Annual General Meeting.

General meetings of shareholders are convened by convening notice published in the Luxembourg Official Gazette and in a Luxembourg newspaper. The convening notice is also issued in the form of a press release pursuant to the NASDAQ OMX Stockholm Rulebook for Issuers and a short notice regarding the convening notice is published in at least one Swedish newspaper. According to article 18 of the articles of incorporation of Millicom, the Board of Directors determines in the convening notice the formalities to be observed by each shareholder for admission to the AGM. For holders of Swedish Depository Receipts, details on the requirements to attend are also set out in the convening notice. An AGM must be convened every year on the date provided for in the articles of incorporation, which is the last Tuesday in May each year. The 2013 AGM will take place in Luxembourg on May 28 at 10:00 (Central European Time). The Chairman of the annual general meeting shall be elected by the shareholders attending the meeting. Matters considered at the AGM include e.g. dividends, approval of the 2012 financial statements, discharge from liability of the Board of Directors, the election of Board members, the procedure for the Nomination Committee and, where applicable, auditors, and the remuneration for the Board and auditors. Decisions at the AGM are normally taken by simple majority. However, on certain matters, the Luxembourg legal requirements or Millicom's articles of incorporation prescribe that proposals should be supported by a higher proportion of the shares represented or votes cast at the meeting.

Other General Meetings.

Extraordinary general meetings can be convened by the Board of Directors, and must be convened if shareholders representing at least ten percent (10%) of the Company's issued share capital so require. If required, an EGM will be held on May 28, 2013 in connection with the AGM. The EGM will validly deliberate on the resolutions on its agenda only if at least 50% of the issued share capital is present or represented (the

"Quorum") at the first meeting and will validly be adopted only if approved by at least 2/3 of the votes cast at the EGM. If the Quorum is not reached at the first meeting, the Board of Directors will convene a second EGM at which no quorum will be required. Each share is entitled to one vote

3. Nomination Committee

Nomination Committee. On May 29, 2012, the Shareholders decided on the procedure to appoint the members of the Nomination Committee, in substance as follows:

A Nomination Committee of major shareholders in Millicom was formed during October 2012 in consultation with the larger shareholders of the Company as per September 30, 2012 and in accordance with the resolution of the 2012 Annual General Meeting. The Nomination Committee should consist of at least three members, with a majority representing the larger shareholders of the Company. The Nomination Committee is comprised of Cristina Stenbeck, on behalf of Investment AB Kinnevik, Annika Andersson on behalf of Swedbank Robur funds and William C. Miller on behalf of J.M. Hartwell L.P. The Nomination Committee held its first meeting on Monday, November 26, 2012, and elected Cristina Stenbeck as Chairman.

The Nomination Committee is responsible for preparing proposals for the election of Directors of the Board, Chairman of the Board and auditor, in the case that an auditor should be elected, and their remuneration as well as a proposal on the Chairman of the Annual General Meeting.

4. Board of Directors: Composition and Independence

The Company is administered by a Board of Directors composed of at least 6 (six) members. Members of the board of directors need not be shareholders of the Company.

The Directors and the Chairman of the Board of Directors will be elected by the shareholders' meeting, which will determine their number, for a period not exceeding 6 (six) years and they will hold office until their successors are elected.

No contract or other transaction between the Company and any other person shall be affected or invalidated by the fact that any director, officer or employee of the Company has a personal interest in, or is a director, officer or employee of such other person, except that (x) such contract or transaction shall be negotiated on an arms' length basis on terms no less favorable to the Company than could have been obtained from an unrelated third party and, in the case of a director, the director shall abstain from voting on any matters that pertain to such contract or transaction at any meeting of the Board of Directors of the Company, and (y) any such personal interest shall be fully disclosed to the Company by the relevant director, officer or employee.

In the event that any director or officer of the Company may have any personal interest in any transaction of the Company, he shall make known to the Board such personal interest and shall not consider or vote on any such transaction, and such transaction and such director's or officer's interest therein shall be reported to the next general meeting of shareholders.

DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

Directors

Millicom's directors are as follows:

<u>Name</u>	<u>Position</u>	<u>Independent</u>	<u>Year first Elected</u>	<u>Date of Expiration of Term</u>
Mr. Allen Sangines-Krause(i) (ii)	Chairman	No	2008	May 2013
Mr. Hans Holger Albrecht(iii)	Member	Yes	2010	July 2012
Ms. Mia Brunell Livfors(ii)	Member	No	2007	May 2013
Ms. Donna Cordner.....	Member	Yes	2004	May 2013
Mr. Paul Donovan.....	Member	Yes	2009	May 2013
Mr. Omari Issa	Member	Yes	2010	May 2013
Mr. Kim Ignatius	Member	Yes	2011	May 2013
Mr. Dionisio Romero Paoletti	Member	Yes	2012	May 2013
Mr. Anders Kronborg(ii) (iv)	Member	No	2012	May 2013

(i) Appointed as Chairman on May 25, 2010.

(ii) Not independent from major shareholders (Kinnevik Investment AB)

(iii) Resignation on July 31, 2012 following appointment as Millicom President and CEO (with effect from October 31, 2012)

(iv) Appointed in December 2012

The Nominations Committee has resolved that:

The following Directors would qualify as independent of major shareholders as well as the Company and its management according to the Swedish Code of Corporate Governance:

Ms. Donna Cordner
Mr. Paul Donovan
Mr. Omari Issa
Mr. Kim Ignatius
Mr. Dionisio Romero Paoletti

The following Directors would not qualify as independent of major shareholders, but independent of the Company and its management according to the Swedish Code of Corporate Governance:

Ms. Mia Brunell Livfors
Mr. Anders Kronborg
Mr. Allen Sangines-Krause

Mr. Allen Sangines-Krause (born 1959)—Chairman, Non-executive Director, Chairman of the Compensation Committee and Member of the Nominations Committee.

Mr. Sangines-Krause was elected to the Board of Millicom in May 2008 and appointed as Chairman in May 2010. He worked for Goldman Sachs between 1993 and 2007, working in a variety of senior positions from Chief Operating Officer for Latin America based in Mexico City and New York and most recently as Managing Director out of London. Prior to joining Goldman Sachs, Mr. Sangines-Krause was with Casa de Bolsa Inverlat, in Mexico, and before that he was a Founding Partner of Fidem, S.C., a Mexican investment bank, which was acquired by Casa de Bolsa Inverlat in 1991. Mr. Sangines-Krause currently sits on the Board of Investment AB Kinnevik and is Chairman of Rasaland, a real estate investment fund. He is a member of the Council of the Graduate School of Arts and Sciences of Harvard University.

Ms. Mia Brunell Livfors (born 1965)—Non-executive Director and Member of the Compensation Committee and Chairman of the CSR Committee.

Ms. Brunell Livfors was elected to the Board of Millicom in May 2007. Since August 2006, Mia has been Chief Executive Officer of Investment AB Kinnevik ("Kinnevik"), a Swedish public company managing a portfolio of long-term investments in a number of public companies such as Millicom. Mia joined Kinnevik owned company Modern Times Group MTG AB in 1992, and was appointed CFO in 2001. As CFO, Mia played a central role in MTG's development. Currently, Mia is the Chairman of the Board of Metro International S.A. and a member of the Board of Tele2 AB, Modern Times Group MTG AB, BillerudKorsnäs AB, CDON Group and H & M Hennes & Mauritz AB. Between 2006 and 2008 Mia was a member of the Board of CTC Media, Inc. - a Russian associated company of MTG. She was also a member of the Board of Transcom Worldwide S.A. from 2006 until 2012.

Ms. Donna Cordner (born 1956)—Non-executive Director and Member of the Audit Committee and CSR Committee.

Ms. Cordner was formerly a Managing Director and Global Head of Telecommunications and Media Structured Finance group at Citigroup. She has also held senior management positions at Societe Generale and ABN Amro Bank N.V. in the U.S. and Europe, including as Director of ABN's Latin American Telecommunications Project Finance and Advisory Group. Ms. Cordner was the CEO of HOFKAM Limited, the largest rural microfinance company in Uganda until July 2005. From March 2007 until July 2009 she held senior positions at Tele2 AB including Executive Vice President of Corporate Finance and Treasury as well as CEO for Tele2 Russia. Ms. Cordner is currently a member of the Supervisory Board of Carlsberg Group.

Mr. Paul Donovan (born 1958)—Non-executive Director, Member of the Audit Committee.

Mr. Donovan was elected to the Board of Millicom in May 2009. He was director and Chief Executive Officer of Eircom, Ireland's leading telecommunications company, from July 2009 to September 2012. Previously he was Chief Executive, EMAPA Region for the Vodafone Group. Mr. Donovan's background includes a decade in the fast moving consumer goods industry, before he moved into the technology sector, with Apple computer BT, Cable and Wireless and Vodafone. His career with Vodafone began in 1999 and from 2004 he was a member of Vodafone's Executive Committee, with responsibility for the Group's operations in its subsidiaries in Eastern Europe, Middle

East and Asia Pacific, Africa, the US, India and China were added to his remit in 2006. Mr. Donovan holds a Bachelor of Arts in Scandinavian Studies from University College London and a Master's Degree in Business Administration from the University of Bradford.

Mr. Omari Issa (born 1947)—Non-executive Director and Member of the Audit Committee.

Mr. Issa was elected to the Board of Millicom in May 2010 and is the CEO of Investment Climate Facility for Africa and is a Board Member of Geita Gold Mining Company. He is a Tanzanian citizen who is responsible for managing the ICF's seven year program to improve Africa's investment climate and remove barriers to growth. Mr. Issa has extensive business experience in the public and private sectors, having worked in both Africa and abroad. He has firsthand experience of the realities of doing business in Africa, having previously worked as Executive Director and Chief Operating Officer of Celtel International, where he played an instrumental role in managing the company's growth and expansion across the continent. Prior to working at Celtel, Mr. Issa spent fourteen years with the IFC and six years with the World Bank. Mr. Issa was born in 1947. He has a Bachelor of Science (Honours) from The Polytechnic of Central London, and an MBA from Columbia University, New York.

Mr. Kim Ignatius (born 1956)—Non-executive Director and Chairman of the Audit Committee.

Mr. Ignatius was elected to the Board of Millicom in May 2011. He is the CFO of Sanoma Corporation, the European media group, which he joined in 2008. Previously, Mr. Ignatius was EVP and CFO of TeliaSonera AB between 2003 and 2008 and EVP and CFO of Sonera Oyj between 2000 and 2002. Before joining Sonera, Mr. Ignatius was Group CFO and a member of the Executive Board of Tamro Oyj, a leading pharmaceutical distributor listed on the Helsinki Stock Exchange between 1997 and 2000. From 1984 to 1996 he worked for Amer Group in a variety of finance and general management roles in both North America and Europe. He started his career with Oy Hanke-Palsbo Ab and Fruehauf Corporation in a series of finance roles. Mr. Ignatius graduated with a Bachelor's Degree in Science, Economics from the Aalto University School of Economics in Helsinki. He is currently on the Board of Fortum Corporation where he serves as Chairman of the Audit and Risk Committee.

Mr. Anders Kronborg (born 1964)—Non-executive Director and Member of the Audit Committee.

Mr. Kronborg, started his career with the Kinnevik group in 2007 when he was appointed Chief Financial Officer of Metro International SA, the international free newspaper group. On May 1, 2012, Mr. Kronborg was appointed Chief Operating Officer (COO) of Investment AB Kinnevik. As COO, his focus is on the operating and financial development of Kinnevik's portfolio of companies. Prior to joining Metro, Mr. Kronborg gained extensive experience from the financial operations of media businesses. He served as the CFO of Danish Broadcaster TV2 and held numerous executive positions with Danish newspaper Group, Berlingske Media A/S. Mr. Kronborg has a Master's Degree in Economics from Copenhagen University.

Mr. Dionisio Romero Paoletti (born 1965)—Non-executive Director and Member of the Audit Committee.

Dionisio Romero Paoletti was elected to the Board of Millicom in May 2012. He is an independent Director. Mr. Romero Paoletti, aged 46, is Chairman and President of the Romero Group, a Peruvian business group founded in the late 1800s and today comprising numerous companies across a wide range of sectors from consumer products to textiles, logistics, infrastructure, trading and services. The Group also has a controlling interest in Credicorp (BAP), the largest financial conglomerate in Peru which is listed on the New York and Lima Stock Exchanges. Mr. Romero Paoletti developed his executive career within several companies in the Romero Group and succeeded his father as Chairman of the Group in 2001. He has served as a Board Member of Credicorp and Banco De Credito del Peru since 2003 and as Chairman since 2009. He holds a Bachelor's Degree in Economics from Brown University and a Master's Degree in Business Administration from Stanford University.

5. The work of the Board of Directors

Board meetings

The Board of Directors is constituted in order to review and decide upon the Company's strategic development, as well as to provide support to, and control and supervision over the activities of the executive management of the Company. The Board has adopted work procedures to divide the work between the Board and the President and Chief Executive Officer ("the CEO"). The Chairman has discussions with each member of the Board regarding the work procedures and the evaluation of the Board work. The other members of the Board evaluate the performance of the Chairman each year. The Board also evaluates yearly the performance of the CEO. The main task of the Board committees (Audit, Compensation and CSR) is to work on behalf of the Board within their respective areas of responsibility. From time to time, the Board delegates authority to an "ad hoc" committee so that it may resolve a specific matter on its own without having to go before the full Board for approval.

Board Meetings - Executive Sessions

During the 2012 financial year, the Board convened 5 times at different locations in Europe. In addition, 9 telephone conference meetings were held. The average attendance rate at the meetings was 95%. The main topics handled by the Board were:

- Review and approval of financial reports.
- Review and follow-up of internal control and corporate governance.
- Appointment of the new CEO.
- Treasury matters, including significant credit facility agreements.
- Human resource matters, including talent management, succession planning and remuneration guidelines.
- Strategy review, including review of growth opportunities, product portfolio, business model challenges and marketing strategies.
- Several matters regarding acquisition and divestment opportunities and participation in license auctions or tenders.
- Review of 2013 budget.
- Self-evaluation of the Board and evaluation of the CEO.
- Auditors' report and corporate sustainability matters.

Board Committees

The work of the Board is divided between the Board and its principal committees:

- the Audit Committee,
- the Compensation Committee, and
- the Corporate Social Responsibility Committee.

Audit Committee. Millicom's Directors have established an Audit Committee that convenes at least four times a year, comprising five directors, Mr. Ignatius (Chairman and financial expert), Mr. Donovan, Mr. Issa, Ms. Cordner and Mr. Kronborg (since December 2012). This committee has responsibility for planning and reviewing the financial reporting process, the preparation of the annual and quarterly financial reports and accounts and the involvement of external auditors in that process.

The Audit Committee focuses particularly on compliance with legal requirements, accounting standards, independence of external auditors, audit fees, the internal audit function, the fraud risk assessment, risk management and ensuring that an effective system of internal financial controls is in place. The ultimate responsibility for reviewing and approving Millicom's annual report and accounts remains with the Board. The Audit Committee met 10 times during 2012 (including 5 by phone) and Millicom's external auditors participated in each meeting.

Compensation Committee. The Compensation Committee reviews and makes recommendations to the Board of Directors regarding the compensation of the CEO and the other senior managers as well as management succession planning. The Board of Directors, based on a proposal by the Compensation Committee, propose guidelines for remuneration to Senior Management to be approved by the shareholders at the Annual General Meeting. The objective of the guidelines is to ensure that Millicom can attract, motivate and retain executives, within the context of Millicom's international talent pool, which primarily consists of Telecom and FMCG companies. Millicom's Compensation Committee is chaired by Mr. Sangines-Krause. The two other members of the committee are Ms. Brunell Livfors and Mr. Issa. Mr. Issa became a member of the Committee after the Annual Meeting of Shareholders on May 29, 2012 replacing Mr. Albrecht who was appointed CEO and President of the Company effective October 31, 2012. Ms. Brunell Livfors is a non-independent director and Mr. Issa is an independent director. In 2012 the Compensation Committee met four times.

CSR Committee. Millicom's Directors have established a Corporate Social Responsibility Committee that convenes at least two times a year, comprising two directors, Ms. Brunell Livfors (Chairman) and Ms. Cordner. This committee has responsibility for overseeing and making recommendations to the Board regarding the management of CSR. The CSR Committee met three times in 2012.

6. Remuneration of the Board of Directors

The decision on annual remuneration of directors (“*tantièmes*”) is reserved by the articles of incorporation to the general meeting of shareholders. Directors are therefore prevented from voting on their own compensation. However, directors may vote on the number of shares they may be allotted under any share based compensation scheme.

The remuneration of the members of the Board of Directors of the Company (the “Board”) comprises an annual fee. Between May 2006 and May 2010 Directors’ remuneration also included share based compensation (restricted shares) and until May 2006 Directors were issued share options. Director remuneration is proposed by the Nominations Committee and approved by the shareholders at the Annual General Meeting of Shareholders.

Director Remuneration

	2012	2011	2010 ⁽¹⁾
	US\$ ‘000	US\$ ‘000	US\$ ‘000
Mr. Allen Sangines-Krause.....	210	203	159
Mr. Kim Ignatius.....	144	142	—
Mr. Hans Holger Albrecht (until July 2012).....	17	99	96
Ms. Mia Brunell Livfors	103	99	105
Ms. Donna Cordner.....	121	119	115
Mr. Paul Donovan.....	121	119	124
Mr. Omari Issa	125	119	115
Mr. Dionisio Romero Paoletti (since December 2012)	98	—	—
Mr. Anders Kronborg (since December 2012)	58	—	—
Mr. Daniel Johannesson (former director).....	—	—	105
Mr. Michel Massart (former director).....	—	—	134
Total	997	900	953

(1) Includes cash and share based compensation. Cash compensation converted from Euros to USD at average exchange rates for each year.

7. Remuneration of the Executive Management

The remuneration of the Officers of the Company (“Officers”) comprises an annual base salary, an annual bonus, share based compensation, social security contributions, pension contributions and other benefits. The bonus and share based compensation plans are based on actual performance (including individual and Group performance). Share based compensation is granted once a year by the Compensation Committee of the Board. The annual base salary and other benefits of the Chief Executive Officer (“CEO”) and the annual base salary and other benefits of the Chief Financial Officer (“CFO”) are proposed by the Compensation Committee and approved by the Board.

The remuneration charge for the Officers for the years ended December 31, 2012, and 2011 was as follows:

	Current Chief Executive Officer	Former Chief Executive Officer	Chief Financial Officer
	US\$ ‘000	US\$ ‘000	US\$ ‘000
2012			
Base salary	633	1,265	662
Bonus.....	—	1,554	719
Pension	134	379	108
Other benefits	44	187	59
Total.....	811	3,385	1,548
Share based compensation (i)	—	3,431	1,533

	Current Chief Executive Officer	Former Chief Executive Officer	Chief Financial Officer
	US\$ '000	US\$ '000	US\$ '000
2011			
Base salary	—	1,323	676
Bonus	—	1,915	798
Pension	—	406	105
Other benefits	—	158	71
Total	—	3,802	1,650
Share based compensation (i)	—	2,862	1,267

(i) Share awards of 33,209 and 13,964 were granted in 2012 under the 2012 LTIPs to the former CEO and CFO. Share awards of 34,937 and 14,814 were granted in 2011 under the 2011 LTIPs to the CEO and CFO. Share awards of 41,628 and 19,891 were granted in 2010 under the 2010 LTIPs to the CEO and CFO.

The number of shares and unvested share awards beneficially owned by the senior management as at December 31, 2012 and 2011 was as follows:

	Chief Executive Officer	Former Chief Executive Officer	Chief Financial Officer	Total
2012				
Shares.....	610	—	23,402	24,012
Share awards not vested.....	—	—	46,044	46,044
2011				
Shares.....	—	666,193	7,800	673,993
Share awards not vested.....	—	105,063	45,228	150,291

Severance Payments

If the employment of Millicom's senior executives is terminated, severance of up to 12 months salary is potentially payable.

ADDITIONAL INFORMATION

Articles of Association

Registration and Object

Millicom International Cellular S.A. is a public liability company (*société anonyme*) governed by the Luxembourg law of August 10, 1915 on Commercial Companies (as amended), incorporated on June 16, 1992, and registered with the Luxembourg Trade and Companies' Register (*Registre du Commerce et des Sociétés de Luxembourg*) under number B 40.630.

The articles of incorporation of Millicom define its purpose as follows: "... to engage in all transactions pertaining directly or indirectly to the acquisition and holding of participating interests, in any form whatsoever, in any Luxembourg or foreign business enterprise, including but not limited to, the administration, management, control and development of any such enterprise".

Directors

Restrictions on voting—If a director has a personal material interest in a proposal, arrangement or contract to be decided by Millicom, the articles of incorporation provide that the validity of the decision of Millicom is not affected by a conflict of interest existing with respect to a director. However, any such personal interest must be disclosed to the Board of Directors ahead of the vote and the relevant director may not vote on the relevant issue. Such conflict of interest must be reported to the next general meeting of shareholders.

Compensation and nomination—The decision on annual remuneration of directors (“*tantièmes*”) is reserved by the articles of incorporation to the general meeting of shareholders. Directors are therefore prevented from voting on their own compensation. However, directors may vote on the number of shares they may be allotted under any share based compensation scheme.

The Nomination Committee makes recommendations for the election of directors to the AGM. At the AGM, shareholders may vote for or against the directors proposed or may elect different directors. The Nominations Committee reviews and recommends the directors’ fees which are approved by the shareholders at the AGM.

Borrowing powers—The directors generally have unrestricted borrowing powers on behalf of and for the benefit of Millicom.

Age limit—There is no age limit for being a director of Millicom. Directors could be elected for a maximum period of six years, but Millicom decided to elect them annually.

Share ownership requirements—Directors need not be shareholders in Millicom.

8. Information and Communications

The Company communicates with financial markets based on principles of openness and equal treatment of shareholders. All information distributed to shareholders is published on the Company’s website.

The Company promptly submits all material press releases to the stock exchange(s) to which it has reporting obligations.

9. Risk Management and Internal Control

Millicom is regularly performing risk management assessments and reviews to identify its major risks and to take the necessary steps to mitigate such risks. A risk management committee has been set up by management for that purpose as well as a central risk officer and risk officers in all countries and global functions. Risks are identified, assessed, reviewed, and revised on an ongoing basis and reported to the audit committee periodically. Risk action plans have been developed and implemented within each operation and supported centrally by global support functions. Risks are dynamically mapped based on likelihood and magnitude (impact on the Group).

Management of Millicom International Cellular S.A. is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements.

Management has assessed the effectiveness of the Group's internal control over financial reporting as of December 31, 2012. In making its assessment, management has utilized the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control—Integrated Framework. Management concluded that based on its assessment, the Group's internal control over financial reporting was effective as of December 31, 2012.

10. Auditor

The supervision of the operations of the Company is entrusted to one or more auditors who need not be shareholders.

The auditors will be elected by the shareholders' meeting by a simple majority of the votes present or represented at such meeting, which will determine their number, for a period not exceeding (6) six years. They will hold office until their successors are elected. They are re-eligible, but they may be removed at any time, with or without cause, by a resolution adopted by a simple majority of the shareholders present or represented at a meeting of shareholders.