MILLICOM
THE DIGITAL LIFESTYLE

Corporate Responsibility Report 2015

25 years
of focusing
on what matters

Welcome to our Reporting Suite 2015

We have designed our 2015 reports to provide a comprehensive overview of the business. More detailed information is available online at **www.millicom.com**

More information

Strategic Report
This report contains information about how we make money and how we run the business. It includes an overview of our markets, corporate strategy, business model, key performance indicators and areas of risk, as well as our progress during 2015.

A copy of the Annual Report can be downloaded from:

🖥 **Millicom Reporting Centre**

Governance and Financial Report
The Governance and Financial Report explains the way we operate, our approach to corporate governance, how we remunerate management and our financial performance for 2015.

A copy of the Governance and Financial Report can be downloaded from our website using the following link:

🖥 **Millicom Reporting Centre**

Website
Our website contains more information on what Millicom does and how we empower a Digital Lifestyle by offering communication, information and entertainment which connect people to their world.

More information about Millicom can be found at our website:

🖥 **www.millicom.com**

About this report

This is our fourth annual stand-alone Corporate Responsibility (CR) Report covering the calendar year 2015. In line with our mission to lead the adoption of a Digital Lifestyle in our markets, and our belief that our corporate reporting should reflect who we are, we are working to further integrate our financial and non-financial reporting. This is the first year our annual financial report goes 'digital first', and we will move towards this approach with our non-financial reporting in 2016.

This year the scope of our CR Report has been expanded to include data from our fixed line business in Colombia, following our merger with UNE in 2014[1]. The report covers our operations in 13 markets and our corporate offices in the US, Luxembourg and the UK. Our African markets covered are Chad, Democratic Republic of Congo, Ghana, Rwanda, Senegal and Tanzania[2] while in Latin America we cover our operations in Bolivia, Colombia, Costa Rica, El Salvador, Guatemala, Honduras and Paraguay. As in 2014, this report does not include data from our business in Nicaragua, as our business in that country is small and focuses solely to the corporate sector.

This year, for the first time, we are publishing a stand-alone Law Enforcement Disclosure report to help our stakeholders understand the context in which we operate telecommunications networks and interact with law enforcement agencies.

In 2014, we set a clear CR strategy and roadmap for the next five years. In this report, we demonstrate the strong progress we made in 2015 against our strategy in implementing key initiatives. We outline our focus, highlights from our work, and any challenges we faced in 2015 and our plans for continuous improvement of our performance.

The report also covers what we consider to be our eight most material sustainability impacts, which were confirmed through a comprehensive process of interviews and surveys with our key stakeholders during 2015. We devote a chapter to each of these issues, covering our approach and ambition in each area, our performance during the year, and our future priorities.

This report has been produced in accordance with the Global Reporting Initiative (GRI G4) Guidelines, core level. The report has also been externally assured in accordance with the AA 1000 Assurance Standard (2008).

[1] The scope of our report for our Colombia operations includes data from two legal entities: Colombia Movil (previously operating under the Tigo brand), and UNE; reflecting 70% of our employee base in Colombia. We are now working on aligning our non-financial reporting for Edatel, Emtelco, ETP and Orbitel and aim to report non-financial data from these entities in 2016.

[2] Excludes data from Zantel, as we acquired an 85% stake in October 2015. In 2016, we will work with Zantel on aligning our non-financial reporting.

Links within this document
In this report you will see a series of icons that demonstrate how we've integrated information about our business model with details of our strategy and risk. The easy to identify icons also tell you where to look for more information.

Report links

📖 **Read more**   ❯ **Go to page**

🖥 **Link to website**   ▶ **Watch video**

Where we have underlined text throughout this report, it signposts additional information that you can access via weblinks. If you are interested to find out more about the additional information, please download a digital copy of our report on http://www.millicom.com/our-responsibility/news-publications/

Millicom at a glance

Our people

Employees[1]

15,956

in Latin America

13,351

in Africa

2,245

of local nationality

97%

Senior managers recruited locally

85%

Women in senior management

25%
(approximately top 600 positions)

We are Millicom. We are the telecommunications and media company focused on emerging markets.

We operate across 14 frontier and emerging Latin American and African markets with high GDP growth, a young population and huge opportunities for the adoption of the Digital Lifestyle.

○ Corporate Offices
○ Countries

Mobile

Bolivia	Guatemala	Ghana
Colombia	Honduras	Senegal
Paraguay	Chad	Rwanda
El Salvador	DR Congo	Tanzania

Cable & Digital Media

Bolivia	Guatemala
Colombia	Honduras
Costa Rica	Nicaragua
El Salvador	Paraguay

[1] This total figure includes staff employed by Tigo Nicaragua, Zantel in Tanzania, and Edatel, Emtelco, ETP and Orbitel in Colombia. This report excludes any other data from these operations, as we work on aligning non-financial reporting.

We provide fixed and mobile telecommunications services, cable and satellite TV, mobile financial services (MFS) and content such as music and sport to more than 62 million customers via our main consumer brand Tigo. At Tigo Business, we provide digital products and services to governments, multinationals, large corporations and small and medium businesses.

In 2015 we celebrated our 25th year and we will continue this successful journey, growing our business profitably, responsibly and with real social purpose. Our mission is to lead the adoption of a Digital Lifestyle in our markets. And our vision is that, by doing this, we will empower all, customers and employees, to advance in life and find joy.

Revenue split by region

● LatAm	85%
● Africa	15%

Africa business unit revenue split

● Mobile	87%
● Cable	0%
● MFS	9%
● Other	4%

LatAm business unit revenue split

● Mobile	61%
● Cable	28%
● MFS	1%
● Other	10%

Employees by region

● LatAm	84%
● Africa	14%
● Other	2%

Read more
Read about our business strategy and performance in the Millicom Annual Report.

CEO statement

❝❞
Board director and senior management involvement and oversight are essential if we want to be the leaders in our markets in doing business the right way."

I am delighted to have taken the helm of the Company at such an exciting time.

In its first 25 years, Millicom has had an incredible journey connecting the unconnected, today bringing the Digital Lifestyle to over 60 million customers in 14 emerging markets across Latin America and Africa.

This year we have articulated a new vision to start the next quarter of a century: to enable people to advance in life and find joy.

This vision speaks a lot about our passion and what we believe to be our purpose. The products and services we provide touch many elements of daily life and can deliver positive social and environmental impacts. We provide critical and vital infrastructure ranging from access to basic fixed and mobile telephony to truly disruptive products, such as mobile financial services. As we grow, connect and innovate, we want our growth to be responsible.

Consequently, we take a holistic approach to ethical business and corporate responsibility. These are not add-on functions but at the heart of how we work. Board director and senior management involvement

and oversight are essential if we want to be the leaders in our markets in doing business the right way. During 2015 the Government Relations and Corporate Responsibility (GRCR) Committee of the Board that oversees the delivery of our CR strategy and monitoring of emerging risks increased its scope and meeting frequency to once a quarter. Progress in our five Corporate Responsibility focus areas is assessed in each Executive Committee meeting. We have established a Corporate Compliance Committee, including all Executive Committee members, that reviews progress relating to our anti-bribery and anti-corruption (ABAC) programme monthly, and other progress in our journey towards continuously improving business conduct practices.

Transparency is equally important to build trust in our ethical commitments and for us to be able to engage stakeholders to work together on challenges we cannot solve alone. This year, Millicom was among one of the two companies who 'walk the talk' in sustainability according to the study conducted by the Stockholm School of Economics. This is the way we want it to be.

In October, we voluntarily reported to the US and Swedish authorities potential improper payments made on behalf of our joint venture in Guatemala. During the year, we carried out extensive work to make our ABAC programme more robust and effective, including strengthening our policy framework and due diligence mechanisms, delivering training on our ABAC programme, and promoting Millicom Ethics Line. We also commissioned an external review of the programme to assess if we can improve it even further.

Over the last year we have delivered a number of industry leading CR initiatives that support the success of our core business strategy. We are on target with our five-year plan for CR and have completed much of the ground work relating to policies, risk and impact assessments, materiality analysis and process design. The year to come will focus on further ensuring CR is fully integrated into everyday business.

Our people are our top priority. In 2015, we suffered 17 fatalities, one in our direct business operations and 16 among contractors who work closely with us. This is 17 too many. It is essential that we invest in safer working conditions for everyone in our business and that everyone in the Company, regardless of their role, takes responsibility for ensuring each other's safety. I have personally signed a commitment to zero fatalities.

We have also been working towards a more inclusive workplace. Study after study shows that companies with better gender balance in management out-perform their competitors – because these are companies where everyone is able to thrive and give their best. We can be proud of the progress we have made in increasing the number of women at senior levels; particularly in Africa where in two years we have progressed from 7% to 26% women in senior management. Keeping this trend up is a cornerstone in our people strategy for the years to come.

2015 saw solid progress and some important milestones in our efforts to lead our industry in acting responsibly. Personally, I'm particularly proud of our work in child online protection. We want to ensure that both parents and children are empowered to take full benefit of the Digital Lifestyle with knowledge of how to stay safe. Over the last 12 months, our industry-leading child online protection conferences brought together policy makers, law enforcement agencies, civil society and our peers in four of our markets to improve child online safety. We will continue these efforts in the coming year.

We have taken important steps to better understand our suppliers' exposure to sustainability risks and to promote high levels of ethical conduct across our value chain. In 2015 the focus has been on increasing our understanding of where risks may lie. Integrating an approach of assessments, corrective action plans and audits has become even more important as we have outsourced some core functions, such as managed services in 2015.

Some of our markets have been particularly challenging in terms of security risks in 2015. Balancing our desire to support governments in tackling organised crime and terrorism with the need for a framework to protect the data and freedom of expression of our customers, is a topic we have and will continue to closely monitor at Board level.

Looking forward to 2016, our focus will remain on how we do things, as much as on what we do. Our priorities are to stay safe, develop diverse talent, be inclusive and act responsibly and ethically. I look forward to further embed these priorities in our way of doing business.

Mauricio Ramos
President and Chief Executive Officer

❝❞
Personally, I'm particularly proud of our work in child online protection. We want to ensure that both parents and children are empowered to take full benefit of the Digital Lifestyle with knowledge of how to stay safe."

Strategy and governance

Growing responsibly and with purpose is at the heart of our company's vision, and making digital inclusion a reality – especially for often difficult to reach audiences – is what drives us forward. Our goals of changing lives through championing the Digital Lifestyle and empowering people to advance in life and find joy are fully supported by our Corporate Responsibility (CR) strategy.

- Reducing our environmental footprint
- Responsible supply chain management
- Taking care of our people
- Privacy and freedom of expression
- Child protection
- Social investment
- Promoting diversity
- Acting responsibly: anti-corruption compliance

Our strategy

Two years on from the launch of our five-year CR strategy, we are making steady progress on our overall ambition to integrate responsible business practice into our everyday activities and leading our markets in doing business the right way. We outline our progress against the three key objectives supporting the implementation of our strategy below:

Five-year objectives	What we did in 2015	Find out more…
Measure the success and health of our company beyond financials.	– strengthened our CR reporting to make more informed business decisions – reviewed our KPIs to make data collection process and definitions more relevant to our operations – expanded the scope of our data collection in environmental management and diversity.	See Key Performance Indicators from page 48.
Promote, protect and strengthen our reputation.	– conducted a materiality re-assessment with our key stakeholders – extensive stakeholder engagement across our issue areas – results show our approach is well aligned with what stakeholders considered as most important for Millicom.	See our Materiality section on page 8. Our progress explained in this report.
Demonstrate thought leadership in areas that link to business success.	– delivered five industry-leading child online protection workshops with UNICEF, governments and other stakeholders – developed a global methodology for quantitative and qualitative data collection, analysis and reporting of social investment projects for Millicom.	See the Child protection section on page 18. See the Social investment section on page 44.

How we manage CR, compliance and health and safety

In 2015, the remit of the Corporate Responsibility Committee of the Board of Directors was expanded to cover Government Relations, in recognition of the close links between these two functions. Since September 2015 the Committee has met quarterly given the very dynamic nature of many of the issues handled. Our Executive Vice President (EVP) of External Affairs is directly accountable to the GRCR Committee for delivering our CR and social investment strategy.

The Executive Committee is informed monthly on progress in CR strategy implementation. For more information on the members of the Committee and key activities in 2015, see the Governance and Financial Report.

Spotlight

Millicom completes Zantel acquisition

In October 2015, we announced completing the acquisition of an 85% stake in Zanzibar Telecom (Zantel). Zantel is the leading mobile telecom operator on the island of Zanzibar with gross revenues in 2014 of $82 million. It operates 2G and 3G services over 545 network sites and has ownership rights to undersea fibre optic cable capacity. Zantel has an approximate 5% share of the Tanzanian mobile market.

Zantel has a strong social investment programme, with focus on education and digital inclusion. In 2016, we will work closely with our team in Zantel to align management of CR and non-financial reporting.

In 2015 we have clarified CR governance at Board, executive management and day-to-day execution levels.

How CR is governed

Our Corporate Compliance Committee meets at each Executive Committee meeting. Anti-corruption issues are reviewed at Board level by the Compliance and Business Conduct Committee of the Board.

The Executive Committee receives monthly reports on progress in all of these areas via the respective EVPs.

Our strategy

Overall, our stakeholders reaffirmed our material issues, and felt we demonstrate leadership in child protection, social innovation, and privacy and freedom of expression.

In 2014 we reported on our progress in the five focus areas overseen by our CR team – protecting children's rights, responsible supply chain management, gender diversity, reducing our environmental impact, and privacy and freedom of expression.

This year, we have structured our report according to what we consider are our eight most material CR issues – the five topics above, as well as acting responsibly (anti-corruption compliance), taking care of our people (health and safety), and social investment.

Re-assessing what's material
Our five-year CR strategy had its foundation in the materiality analysis we conducted with our stakeholders in 2013, which enabled us to identify clear focus areas and key milestones. This strategy was also rooted in our Digital Lifestyle strategy which was then launched. The CR strategy naturally is shaped by continuous dialogue with our responsible investors, partners, and other stakeholders.

During the first two years of the strategy, we identified our key impacts, risks and opportunities and developed clear action plans by area. During 2015, our main focus was on putting these plans into practice and starting the integration with our core business strategy with clear policies and process plans. By the end of 2015, we felt it was time to seek our stakeholders' input on whether we are still focusing on what is most material to our business and markets, and to identify any emerging issues.

At the end of 2015, we conducted interviews and online surveys with 25 of our key stakeholders. We consciously chose a smaller group of stakeholders – those who follow Millicom, who know our work and markets well and with whom we have longstanding relationships – to ensure high quality feedback. Stakeholders were asked to consider our eight most important issues – as reflected in this report – and give their comments on their relative importance and whether they identified any other emerging issues. Their responses are summarised in the relevant chapters, and we have considered the priorities they identified in setting our 2016 targets.

> This is a very good and comprehensive list. Millicom is on the right track in managing all the priority issues."

Investor respondent

Respondents by category:

●	Non-profit	52%
●	ESG investor/analyst	16%
●	Multi-lateral financial institution	12%
●	ESG research house or solution provider for investors	4%
●	Supplier of a product or service	12%
●	Government	4%

Overall, our stakeholders reaffirmed our material issues and felt that we are making good progress and demonstrating leadership on child protection, social innovation and privacy and freedom of expression, but that we should focus more on implementing a global, consistent responsible supply chain management programme and show results at global level. We are confident that we have demonstrated strong progress in this area in 2015 through our partnership with EcoVadis. For further information please see page 40.

In addition to confirming the material issues, a number of other topics were mentioned as priority areas for us to address in our future work and reporting:

- Disaster preparedness and response
- Land acquisition and management for our network: related community engagement, and anti-corruption measures
- Climate resilience
- Stability and reliability of our network
- Transparent and fair pricing and billing

Revised materiality matrix
The topics in the top right-hand quadrant are those that we consider to be of strategic importance to our business and that are also of high importance to our stakeholders. We outline our targets, progress to date, and future plans for the majority of these issues in this report, with two exceptions. Given that we are working towards integrating our financial and non-financial reporting, we felt that social innovation through our products and services was better placed in the Annual Report. We know pricing and billing is an important issue to our stakeholders and we will work on a global responsible marketing policy in 2016.

For the first time, we also decided to conduct a materiality survey with our stakeholders in each market, as our stakeholders and auditors had highlighted the importance of ensuring our global strategy remains relevant to our operational risks, opportunities, and the needs of our local stakeholders. We will report on the key findings in our country factsheets, which will be published later in 2016.

Ongoing stakeholder dialogue
As well as engagement to assess materiality, we maintain regular dialogue with stakeholders at both global and country level – including responsible investors, industry peers from initiatives such as the Telecommunications Industry Dialogue, NGOs and governments. This enables us to put our priorities and initiatives to the test on a regular basis. We have also established partnerships with a number of organisations including GSMA, UNICEF, Global Network Initiative (GNI), and Civil Rights Defenders. At country level, we have various platforms such as Voice of Customer committees, social media, and Brand Tracker surveys to engage with our customers, and we also engage with local governments and NGOs.

We outlined key stakeholder groups, how we engage with them, and key topics they raised in our 2014 CR report. The channels and engagement topics we outlined in our 2014 CR report are still relevant to our operation and stakeholders. Please refer to page 12 of the 2014 report for more information.

Materiality matrix

High importance for stakeholders →

Upper left quadrant:
Disaster preparedness and response
Land acquisition and management for our network: community engagement, fair pricing and anti-corruption measures
Tax transparency
Right to join trade unions and freedom of association
Living wage
Conflict minerals
Raising awareness on health impacts of electromagnetic frequency
Employee training

Upper right quadrant:
🔒 Privacy and freedom of expression
👥 Child protection
📋 Anti-corruption compliance
Social innovation through our products and services
🛡 Health and safety of employees
🔗 Responsible supply chain management
Clarity of pricing and billing

Lower left quadrant:
Talent attraction and development
Local recruitment and ethnic diversity
Responsible marketing
LGBT rights
Safe use of mobile phones while driving
Employment of disabled persons
Executive and Board remuneration
Digital inclusion of blind and deaf people

Lower right quadrant:
Reducing our environmental footprint
Promoting diversity
Social investment
Stability and reliability of the network

High importance for our business strategy →

Our strategy
continued

Our strategy focuses on eight issues material to our business and stakeholders.

Strategy summary

Issue	Why it's relevant	Approach/ambition	Key stakeholders
Privacy and freedom of expression	Balance customer rights with government efforts to protect public safety	Be as transparent as we can about our interactions with law enforcement	Customers Governments Investors Peers Non-profits
Child protection	• Young population in our markets • Inherent child labour risk • Child online safety	Industry leadership and collaboration to promote child rights and online safety	Customers Governments Peers Non-profits Suppliers
Acting responsibly: anti-corruption compliance	• Risk of corruption in markets we operate • Compliance and responsible business practice to build trust	Zero tolerance approach, with mechanisms in place to manage compliance risks	Customers Employees Governments Suppliers Investors Non-profits Peers
Reducing our environmental footprint	We consume energy and generate electronic waste in our network operations.	• Improve energy efficiency in data centres and network • Responsible e-waste recycling	Employees Governments Suppliers Investors Customers
Promoting diversity	Diverse thinking needed to meet diverse customer needs and deliver strong business performance	Increase women in senior management and reduce turnover of female staff under 30	Employees Customers Investors Governments Non-profits
Taking care of our people	• Countries of operation with varying safety standards and risk of violent crime • Investing in people	Focus on zero fatalities Nurture local talent, offer development plans and mentoring	Employees Investors Non-profits Peers
Responsible supply chain management	Reputation and sustainability risks in supply chain	Supplier monitoring and corrective action plans	Suppliers Investors Non-profits Peers
Social investment	Empowering communities through our core range of products	Focus on four key themes: digital inclusion; education; health; and entrepreneurship and financial inclusion	Customers Non-profits Governments Employees

Controlling the implementation of key policies

In 2015 we strengthened our internal controls across a wide range of financial and non-financial issues. All operations[3] self-assessed their management of business risks and opportunities against controls listed in the Millicom Internal Control Manual (ICM). These assessments included controls on compliance, H&S and CR topics.

Internal controls for our strategic areas

Issue		Internal control	Find out more about our progress
Privacy and freedom of expression		There are processes in place to manage law enforcement assistance requests.	See page 14 in this report and the full Law Enforcement Disclosure report. Our policy on law enforcement assistance is also available on our website.
Child protection		We have local guidelines regarding minimum age of hiring for our employees, dealers and freelancers.	Find out more about our minimum age policy on page 48. Our policy on child labour is also available on our website.
Acting responsibly: anti-corruption compliance		Channels to report unethical behaviour are in place, and reported problems are investigated in a timely manner, with disciplinary actions taken when necessary.	To find out more about the Millicom Ethics Line, the number of cases reported, investigations undertaken and outcomes, see page 25.
Reducing our environmental footprint		We have targets around energy reduction and consider opportunities for responsible e-waste management.	For our performance against targets, and progress in our e-waste programme, see page 27.
Taking care of our people		H&S: Our processes ensure security and access rules are defined and communicated, incidents are reported, risk assessments are undertaken and control measures applied. Career development: All employees receive annual performance and development reviews, which includes defining objectives.	Find out more about our H&S management on 'H&S: keeping our people safe' on page 36. Investing in our people is one of our strategic pillars. Read more on 'Developing our employees' on page 37.
Responsible supply chain management		Our main suppliers acknowledge our Supplier Code of Conduct ('Code').	For the number of suppliers who signed our Supplier Code, see page 54.

In 2016, we will add new control measures around physical security and business continuity to the ICM. We will develop internal control measures for diversity, volunteering and sponsorships and donations for the 2017 version of the ICM. In all operations, General Managers continue to have ultimate ownership of their country's internal control assessments to ensure processes are carried out efficiently and that the risks and control activities are managed adequately.

[3] All operations except for Colombia, as TigoUNE continued working on integration of processes, and conducting self-assessment against financial controls. CR control measures will be self-assessed by TigoUNE during 2016.

Our strategy
continued

Spotlight on: Stakeholder engagement – how do our partners benefit from working with Millicom?
We identified three areas as opportunities for strategic engagement: child protection, responsible supply chain management, and privacy and freedom of expression. We have a strategic partner in each of these areas, and outline below how we, and they benefit from our work together.

Our partnerships

Global partner	How Millicom benefits from the partnership	What our partner thinks of our partnerships
UNICEF ![unicef logo] Child protection	We have several child rights issues in our industry, from the risk of child labour to promoting safe use of technology amongst children. As UNICEF are the experts in promoting children's rights, we have partnered with UNICEF to maintain a leading position in promoting children's rights in the telecom sector.	"UNICEF promotes respect and support for children's rights in the workplace, marketplace and community, and works with companies across a number of priority sectors. Since 2012, UNICEF has collaborated with Millicom to identify children's rights issues that are material to Millicom and the telecommunication sector. Together with Millicom, UNICEF has developed and piloted tools to enable telecoms companies to assess the management of child rights impacts either at global or country level. We have gained insights into the practical application of the Children's Rights and Business Principles in the telecommunication sector through Millicom's experience of carrying out child rights assessments across its markets. Millicom's leadership on child rights has also helped to push this agenda within the industry. UNICEF welcomes Millicom's efforts to assess and address its impacts on children, and champion child rights across the industry. We encourage the Company to share the risks, as well as opportunities, it faces with regard to child rights as a result of the assessments being carried out across its key markets." **Eija Hietavuo, CSR Manager, UNICEF**
CIVIL RIGHTS DEFENDERS Privacy and freedom of expression	By partnering with Civil Rights Defenders, Millicom is seeking better understanding of key human rights issues in our operating markets and what we as a company ought to do about them. We believe that in Civil Rights Defenders we have a 'critical friend' who will not be shy to be direct, and who sees that there are insights and connections that we can offer.	"Civil Rights Defenders is an independent expert organisation based in Sweden, with the mission to defend people's civil and political rights, and empower human rights defenders at risk worldwide. For human rights defenders, digital communication and the internet provide unique opportunities for networking, sharing information and advancing human rights. The combination of a global footprint that matches ours, and their focus on the protection of customer information, freedom of expression and access to information, makes Millicom a valuable partner. By facilitating discussions with stakeholders in areas where Millicom operate, we can provide insights into the challenges facing civil society. This is key to an actor that is serious about privacy and freedom of expression." **Robert Hårdh, Executive Director, Civil Rights Defenders**

Country partnerships: a case study from El Salvador

Partner	How Millicom benefits from the partnership	What our partner thinks of our partnership
FUNDEMAS Responsible supply chain management	FUNDEMAS is one of the few expert organisations on corporate responsibility working in Central America. Their expertise and regional knowledge strengthens our approach when we aim to transform the lives of Salvadorians through access to technology in education, health, environment, and financial inclusion.	"FUNDEMAS aims to support the economic, social and environmental development of El Salvador. We are grateful for the support of several organisations that share our commitment to the sustainable development of the country, including Tigo El Salvador who has helped us promote various initiatives that reflect the positive impact of sustainability in business and in society. Our partnership has helped us make progress in boosting sustainable development in El Salvador in a number of ways, for example by integrating corporate responsibility (CR) in the value chain, as we designed and delivered CR training to Tigo's strategic suppliers. In addition, Tigo's support of our annual event – Corporate Social Responsibility (CSR) Week – has enabled us to share best practice around CSR management with nearly 2,000 attendees. We are pleased to have the support of Tigo as a leading national example of the impact business can achieve in society." **Doña Elena María de Alfaro, President of FUNDEMAS**

Awards and performance in 2015

Awards won by our operations this year

Country	Award	Outcomes
Colombia	TRANSPARENCIA POR COLOMBIA / Andesco / Life Cycle Initiative	Scored 98/100 points in Transparencia por Colombia's transparency index, becoming the most transparent telecommunication company of Colombia. Energy Efficiency Award – Ministry of Mining and Energy, Findeter and Andesco. Featured as one of the 12 best practice case studies on life cycle thinking in America – UNEP Life Cycle Initiative
El Salvador	ALDEAS INFANTILES SOS EL SALVADOR	'Empresa Amiga' – Aldeas Infantiles SOS (for our contribution to the education on children and young people through access to technology)
Ghana	AFRICA.com / CENTRE FOR CSR WEST AFRICA / GTA Ghana Telecom Awards 2015	Roshi Motman named CEO of the Year – Africacom awards. CSR Telecom Company of the Year – Ghana CSR Excellence Awards. CSR Company of the Year – Ghana Telecom Awards
Honduras	Cemefi	CEMEFI award for best CSR practice in a public-private sector alliance receive for Tigo Te Connecta project

Inclusion in Ethibel Excellence Investment register
Millicom International Cellular S.A. has been selected for inclusion in the Ethibel EXCELLENCE Investment Register since February 23, 2016. This selection by Forum ETHIBEL indicates that the Company performs better than average in its sector in terms of Corporate Social Responsibility (CSR).

Improving our score in Dow Jones Sustainability Index
We improved our score in the Dow Jones Sustainability Index by six points to 67/100 (2014: 61/100). Performance improved in all three areas: economic, environmental and social responsibility.

We ranked amongst the 10% best performing companies in our industry in Antitrust Policy, Brand Management and Human Capital Development.

CDP Climate Change survey
This is the sixth year we have reported our greenhouse gas emissions to the CDP Climate Change Survey. Our disclosure score went up to 92 in 2015 from 91 in 2014. Our performance band, which scores the positive actions we have taken to mitigate and adapt to climate impacts, has gone down from 'B' to 'C' (on a scale of 'A' (best) to 'E') – a decline that was in line with the industry as a whole.

EcoVadis assessment
We also benchmarked our performance with our suppliers by conducting an EcoVadis assessment, where we ranked in the top quartile for all four criteria (see page 42), with an overall score of 57.

Stockholm School of Economics – Walking the Talk
The Mistra Center for Sustainable Markets at the Stockholm School of Economics published their 'Walk the Talk' report in October 2015, exploring how Sweden's largest listed companies communicate their sustainability work. Amongst the 72 companies reviewed, their research found Millicom was one of the two companies walking the talk on sustainability: doing as much as saying.

Issue 1:
Privacy and freedom of expression

Why is this important to us?

The issue of privacy and freedom of expression has come under increasing scrutiny in the public domain in recent years, driven in part by some high profile cases where telecom companies have been accused of complicity with governments to restrict free expression or privacy rights of citizens.

This has led to an increased focus on, and reputational risk associated with, requests from law enforcement to communications companies for surveillance and customer data.
It has also led to greater interest on the part of ethical investors and other key stakeholders in the preparedness of telecom companies to manage such requests and related risks.

We need to respect local laws and support governments in protecting public safety and security. At the same time, it is important that our customers trust us to keep their information safe, and that we understand how our actions affect their rights.

For the first time this year, we also publish a separate Law Enforcement Disclosure report.

Top stakeholder concerns on this issue

The top three initiatives our stakeholders said we should prioritise were:

- Increase transparency on the number of government requests received.
  - ⟩ See 'law enforcement requests' and 'major events' on page 16.
- Increase transparency on engagement with authorities in major events.
  - ⟩ See 'Requests from law enforcement' on page 15.
- Publish policies on law enforcement assistance.
  - ⟩ See 'Governance' on this page.

All three of these concerns are summarised here and covered in detail in our Law Enforcement Disclosure report available on our website.

Approach and ambition
Our priority is to ensure we achieve the right balance between our obligation to respect local laws and our duty to protect our customers. To this end, in 2015 we focused on deepening our understanding of the legal frameworks and government powers in the countries we operate in, as well as on improving our processes for capturing information about the law enforcement requests we receive.

We are committed to being transparent about how we deal with government requests. In addition, we are eager to advance the understanding of the challenges and situations telecom companies face – and the contexts in which they have to make decisions – and to advocate for clearer laws in respect to requests for surveillance and customer data.

Governance
Our internal cross-functional Lawful Interception Policy (LIP) Committee and its members prepare and jointly approve policies and processes, review 'major events' and arising risks, and approve Millicom's reporting and engagement relating to privacy and freedom of expression. The committee met three times in 2015, approving a 'Major events' Guideline and the Millicom Group Guideline for Law Enforcement Assistance (LEA) Requests.

Our commitment to the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights are included in the updated Millicom Code of Conduct, which was approved in 2015. In addition, Millicom has signed up and made a commitment to implement the Principles on Freedom of Expression and Privacy for the telecommunications sector as defined by the Telecommunications Industry Dialogue (TID).

Our performance against targets

Key ○ Unchanged ◐ In progress ● Achieved

2015 Targets	Status	Progress	2016 Target
Action plans for operations that require further support in implementing law enforcement assistance (LEA) guidelines.	◐	We continue to conduct reviews, as per our Internal Control Manual, on to what extent we have processes in place to manage law enforcement assistance requests.	Continue to support specific operations to implement guidelines.
Template for operations to record requests in a unified manner.	●	Template created, and number of requests are published.	Publish Law Enforcement Disclosure report.
Major events related process and guideline approved for the Group.	●	Process and guideline approved by the Lawful Interception Committee in Q3 2015.	

Progress in 2015

Engagement
We are one of the founding members of Telecommunications Industry Dialogue on Freedom of Expression and Privacy (TID), an industry group jointly addressing issues of privacy and freedom of expression as they relate to the telecom sector. In 2015 TID met quarterly face to face and every week over the phone. We strongly advocated for the TID to combine with the Global Network Initiative, which will allow us to fully participate in what we consider to be a critical debate with more than 50 organisations, human rights experts, investors, academics and internet companies.

At the end of 2015 we signed a three-year donations agreement with international human rights organisation Civil Rights Defenders to increase bilateral sharing of information on situations on the ground in our markets and to create links with local human rights defenders.

Concurrently, we engage directly with in-country governments and other stakeholders on the topic as much as possible. Discussions are held with Ministers of Interior and Security, as well as ICT, and relevant Security Services. We also discuss these topics regularly with relevant diplomatic representatives.

Mapping legal frameworks and exposing challenges
In 2015 we completed a mapping exercise of legal frameworks and government powers for surveillance, content blocking and service shutdowns that exist in each of our countries of operation, identifying the exact laws and acts by which local operations must abide. This information is now centrally stored and can be accessed by Millicom's legal staff and members of the LIP Committee.

The mapping exercise revealed the extent of the challenges we and other telecom companies face when responding to requests for surveillance, customer data or service suspensions. In particular, it demonstrated that only a few of the countries in which we operate have clear laws and processes on who is allowed to make such requests, and in what circumstances.

In many countries the laws relating to emergency and national security powers of the authorities are broad and non-specific – meaning that in emergency situations (themselves not clearly defined) the authorities are within their powers to ask for extreme responses from us. When national security powers are cited as the reason, strong sanctions for non-compliance – including imprisonment – may apply, and decisions to challenge requests are complex.

We would welcome more technical assistance to developing countries from the international community in the area of cyber-investigations, as well as in designing transparent and clear laws around surveillance. Indeed, advocating and helping to define what makes clear surveillance law is an area on which we intend to focus more in the future.

Requests from law enforcement
There is at present no standardised way of classifying law enforcement requests for reporting purposes. At Millicom, we classify them into three categories: requests for interception, customer metadata, and mobile financial services data.

In 2015, in order to improve the quality of the data we report, we created a reporting template for those operations that due to lower number of requests did not have specific tools to record the details of each request.

As the table on the next page shows, the majority of the requests we receive are for customer 'metadata'. This is information such as call records, IP address or location information. Most of these requests, however, are requests to confirm the identity behind specific telephone numbers.

Occasionally, we reject a request. In countries that have systematically recorded the number of rejections, this amounts to 3-5% of all requests. The most common reason for rejecting requests is that the authorities are not following due process. Our capacity to make sound decisions about when we may do this has been enhanced by our improved understanding of the legal frameworks in each country, but also underscores the importance of specific and detailed due process by legislators to promote rule of law.

Issue 1: Privacy and freedom of expression
continued

Number of law enforcement requests by region and category

	Interception	Customer metadata	Mobile financial services
Latin America	184	33,100	262
Africa	5	5,513	354

Major events
Requests that fall outside of the three categories described previously are classified as 'major events' – although, as with law enforcement requests, there are no standardised definitions for these. They may include (but are not limited to) requests for:

- shutdown of specific base station sites, geographical areas or entire network;
- interception requests that are disproportionate or outside of due process;
- denial of access for specific individuals; and
- significant changes to local laws or operational procedures relating to government powers of surveillance or data retention.

Our company processes require our local operations to escalate all such events to global management and take steps in order to minimise the effect of such events on our services. In 2015, we classified a total of 20 events as 'major events', 14 of which were in Africa. A breakdown of these events by type can be found on the table below.

These figures represent a significant increase in 'major events' in our markets compared to 2014. This is partly because our more structured approach to handling these events means we are more aware of them, but it has also been a tumultuous year in many of our markets. In response to this, we have stepped up our engagement with governments and have also shared our experiences of shutdowns in several forums in 2015, with the aim of sharing industry best practice and increasing general understanding of these situations.

Overview of 'major events' by type

Type of event	Occurrences
Shutdown of services	8
Proposals for significant changes in local laws	3
Proposals for significant changes in technical or operational procedures	3
Interception or customer data requests outside of due process	2
Politically motivated messages	2
Other	2

Spotlight

Mapping legal frameworks

In 2015 we completed a mapping exercise of legal frameworks and government powers for surveillance, content blocking and service shutdowns that exist in each of our operations, identifying the exact laws and acts by which local operations must abide. This can be a surprisingly complex exercise as often such powers are not defined in single texts but found inside several separate pieces of legislation.

The information is, and will be, of significant support for speeding up legal reviews. Having this information available at global level also helps us support the local teams in specific situations.

Information about the legal frameworks from four of our operations (Colombia, DRC, Ghana and Tanzania) has been published as part of the joint legal frameworks research of the TID. We look forward to publishing the same information on more of our operations in 2016.

Information security
Millicom's Information Security Management System establishes security requirements, aiming to make our network more resilient to emerging threats, to ultimately support the corporate strategic objectives. The framework allows for a risk-driven approach to protect the confidentiality, integrity and availability of Millicom's information and technology assets. It is based on the international code of practice for Information Security management ISO/IEC 27001.

A risk assessment process is in place to identify new risks, and all relevant risks are then subjected to a formal risk mitigation plan. The Information Security Committee, formed of Executive Committee members and senior managers, meets quarterly to provide oversight of all Information Security risks.

In 2015, we conducted a gap analysis against the Millicom Information Security Standards, and put remediation plans into place, with actions mapped for 2016 to implement these remediation plans. We also continue delivering training for employees on different aspects of Information Security and data protection.

Next steps for 2016
Advocating for and helping to define what makes clear surveillance law is an area on which we will focus strongly in 2016. We will focus on leading work for this area for the Telecommunications Industry Dialogue in 2016, and are encouraged that the Freedom Online Coalition has also established a working group in this area.

At the beginning of 2016, along with six other telecom companies, we were accepted as observer members of the Global Network Initiative, with the aim of becoming full members in 2017. We look forward to engaging in the GNI's committee and policy work, sharing best practices on conducting human rights due diligence, and working together on GNI implementation guidelines.

Internally, we will continue to strengthen the implementation of our existing guidelines for law enforcement assistance requests and 'major events'. We are also in the process of building a wider framework on digital rights with a separate cross-functional team.

For more information please see our website for our full Law Enforcement Disclosure report.

Protecting customer data

Substantiated complaints about breaches of customer data privacy; both from regulatory bodies and others	1
Identified leaks, losses or thefts of customer data	15

Issue 2:
Child protection

Why is this important to us?

The populations in our markets are young, making it important for us to understand how our business affects child rights. Inherent risk of child labour at both ends of our value chain is high, but there are also many other ways in which our daily work may impact children's lives.

One such area is child online protection (COP). The internet can open huge opportunities for children. However, in many of our markets legal frameworks to protect children in the digital world are under-developed. This gives us a significant opportunity to ignite dialogue and collaboration with governments, our strategic partner UNICEF, and other key stakeholders. How services are delivered and internet is accessed also vary, meaning some lessons from good work in Europe and the US on COP do not fit the context of our markets. All this means that our work in COP is wide-ranging; from engagement with a number of stakeholders around national plans for COP to specific programmes to benefit directly our customers and their children.

Top stakeholder concerns on this issue

The top three initiatives our stakeholders said we should prioritise were:

- Putting in technical measures to prevent access to child sexual abuse sites.
  - ⊙ 2016 target. For country specific good practice in 2015, see spotlight on Colombia on page 21.
- Working with governments and other stakeholders on child online protection.
  - ⊙ See Igniting dialogue and collaboration on child online protection on page 20.
- Creating safe online environments for children (e.g. by implementing parental control measures, age verifications, etc.).
  - ⊙ 2016 targets on the next page.

Approach and ambition

We want to lead our industry to better understand and manage its impacts on the rights of children.

We partnered with UNICEF to design, test and utilise tools for understanding how our sector impacts children's lives and can promote a safe online environment to harness the benefits of the internet for their education, social interaction and self-expression. As we helped develop UNICEF's Child Risk Impact Assessment for our sector, our long-term target now is to conduct an assessment in all of our markets by the end of 2018.

Our performance against targets

2015 Targets	Status	Progress	2016 Target
Carry out first internal review of child labour and young workers policy compliance in 2015 across all our operations.	●	All operations[4] completed self-assessment against minimum age of hiring controls outlined in our Internal Control Manual. Seven of our operations indicated they have systematic controls of minimum age; and five have controls in place but not systematically applied.	All operations to have controls in place and systematically applied against the minimum age policy.\n\nPublish child online protection policy and accompanying guidelines for implementation for operations.
Conduct Mobile Operator Child Rights Impact Assessments (MO CRIA) and carry out pilots in Rwanda and Tanzania in Q1, and two other African operations by end of 2015.\n\n**Finalise the MO CRIA tool in collaboration with UNICEF following the pilots.**	◖	Pilots completed in Tanzania and Rwanda; no further assessments in any other operation as the tool was only finalised in December 2015.	Finalise MO CRIA tool and for consultation complete assessment in Colombia in Q1 2016.\n\nLaunch and promote final version of MO CRIA with UNICEF to the mobile operator community.\n\nConduct MO CRIA in three additional operations.
Organise child online protection (COP) workshops with stakeholders in three Latin American operations.	●	Delivered four workshops in Latin America and one in Africa.	Organise three multi-stakeholder COP workshops in Latin America and Africa.
			New target: Roll out tools across Latin America to protect children online:\n\n- COP portal integrated in Tigo websites in all Latin American operations.\n- Customer COP leaflet available in Tigo shops in all Latin American operations.

[4] Except for TigoUNE, which will be completed in 2016.

Progress in 2015

Defining material child rights issues for our sector

Since 2014, we have been working together with UNICEF to develop a Mobile Operator Child Rights Impact Self-Assessment (MO CRIA) tool specifically for mobile network operators (MNOs) to better understand how our operations impact and can promote children's rights. The tool covers all areas defined in Children's Rights and Business Principles, highlighting some very specific issues for MNOs, such as:

- using the internet safely;
- child labour risk in the distribution of prepaid scratch cards, supply chain (electronics manufacturing) or during recycling of electronic waste to extract valuable ores;

- security arrangements and providing guidance to security guards on never using force on children while guarding our assets; and
- safeguarding of potentially dangerous infrastructure from child access.

Millicom tested a draft version of the tool in Tanzania and Rwanda in 2015, and we shared our recommendations on how to improve the usability of the tool, as well as key findings from the assessments with UNICEF. Our findings were used to finalise the tool for consultation by the industry, for the final version to be launched in 2016 for the use of all MNOs. With our first assessment conduct in Colombia in February 2016, we will continue promoting the use of the tool in our industry.

Number of operations with child rights impact assessments conducted[5]

4 out of 13

[5] Including: DRC in 2012, Tanzania and Rwanda in 2015 to pilot the UNICEF MO CRIA tool, and Colombia in Q1 2016.

Issue 2: Child protection
continued

Number of child online protection workshops conducted[6]

5

Number of countries where we support a child helpline

4

Igniting dialogue and collaboration on child online protection

Building on the success of the Paraguay workshop in 2014, we hosted four industry-leading child online protection (COP) workshops in 2015 – again in partnership with UNICEF and GSMA – in Bolivia, Costa Rica, El Salvador and Rwanda. These events brought together a wide range of high-profile stakeholders from government agencies, law enforcement authorities, regulators, non-profit organisations and our peers. Our aim was to facilitate a multi-stakeholder discussion on what the role of each stakeholder is around each issue, and build collective awareness on the number of ways in which children need protection and support to be safe online. These workshops are now followed up by a number of work streams.

Enabling customers to use our services safely

Several of our operations host workshops in schools aimed at children, teachers and parents to raise awareness of the safe use of the internet, and to tackle cyber bullying. Our aim for 2016 is to roll out customer information leaflets and a COP portal, and include a COP module in our sales staff training, Tigo Sales School, curriculum in all of Latin America.

Parental controls are integrated into our Tigo Star and UNE cable and satellite TV services, allowing parents to restrict access to specific programmes, channels or restrict access within certain hours of the day. We tested different technical solutions to voluntary blocking of child sexual abuse content in

2015, with the aim of implementing Interpol's 'Worst Of' list across Latin America in the coming years. Moving forward, we will be promoting different parental control solutions for fixed and mobile internet to our customers.

Participants at COP workshop in Costa Rica, September 2015.

Highlights from the COP workshops we hosted this year

Country	Date	#Participants	Key stakeholders	Outcomes
Bolivia	April 2015	100	Vice Minister of Telecommunications, Minister of Justice, Vice Minister of National Security; District Attorney.	The workshop brought together key policy makers in the country to develop a national framework for protection of children online.
Rwanda	July 2015	70	Minister of ICT and Youth, Minister of Gender and Family.	Rwanda is creating a national COP plan with the direction of the ITU and participation of the private sector.
El Salvador	Sept 2015	270	25 children from a partner school Superintendent of telecommunications, Public Attorney.	All MNOs of El Salvador signed a joint pledge with UNICEF to work together on COP.
Costa Rica	Sept 2015	80	Vice President of Costa Rica, Vice-Minister of Telecommunications.	National Committee on COP revised their action plans based on workshop feedback and is now supplemented by an additional advisory with private sector participation.

Promoting online safety

Paraguay
In Paraguay, we jointly developed a leaflet on COP for parents with UNICEF, and distributed 30,000 copies through our customer service centres.

Bolivia
In Bolivia, we developed Convivencia sin Violencia (Living without Violence) with Vision Mundial – a website packed with information for children on recognising, preventing and taking action against cyberbullying.

Following the launch, 600 trained volunteers visited schools to raise awareness around cyberbullying.

Joining forces and sharing best practice

In 2015 our application to the GSMA Mobile Alliance Against Child Sexual Abuse Content was accepted and we also joined ITU Child Online Protection initiative. As part of our MOU with UNICEF to promote child rights in business, we spoke about our approach at five UNICEF Business Network meetings in UK, Sweden, Germany, Italy and Costa Rica, as well as at UNICEF's regional meetings in Panama and Kenya. Our approach to child protection was also presented as best practice at the Global Child Forum in South Africa in September. We were also invited to present our work on child protection at the ITU World Summit on Information Society in Geneva in May.

Promoting child helplines

As part of our commitment to support GSMA's partnership with Child Helpline International, we continued to provide free calls and promote helplines where children can call for support and to report abuse in a number of our operations, including Paraguay, DRC, Rwanda and Tanzania. In DRC, for example, we promoted the 117 helpline operated by War Child through a communications campaign, sending out over 1.3 million SMSs in French and Swahili to mark the International Day of the African child and raise awareness of the helpline. We continue to look for partnership opportunities in our markets, for example recently in Colombia, that raise awareness of helplines and allow free access to them.

Panelists at COP workshop in Costa Rica, including in the middle, Mr. Marcelo Jenkins, Minister of ICT of Costa Rica.

Child online protection in Colombia

In accordance with the Colombian law, we proactively block access to websites that host illegal child sexual abuse content. Anyone attempting to access such pages is redirected to a stop page to inform them about the illegal nature of the material and the law under which the website has been blocked.

We also deliver Internet Seguro ('Safe Internet') – a leading community outreach and awareness campaign that promotes safe and responsible internet use – in partnership with EPM Foundation[7] in Colombia. The programme aims to build awareness among our customers, children, young adults, teachers and parents about privacy protection, cyberbullying and using the internet safely.

By November 2015, the programme had reached more than 380 educational institutions, with more than 88,500 children, teenagers, parents and teachers during 2,250 workshops, the content of which was tailored specifically for each group.

[7] EPM Foundation is a non-profit organisation co-founded by Empresas Publicas de Medellin, our partner in Colombia, and UNE.

Issue 3:
Acting responsibly: anti-corruption compliance

Why is this important to us?

Acting responsibly and conducting our business to high ethical standards is part of who we are. It is important that our customers can trust us to provide quality products and services, and that governments and investors trust us to operate responsibly.

Building and maintaining trust demands that we set and adhere to high ethical standards, review our governance structures regularly and are diligent about ensuring compliance with laws, regulations and policies. It also means we have processes in place to identify and deal with possible problems promptly and communicate about them transparently.

According to Transparency International's Corruption Perceptions Index, the majority of the markets where we do business have a high corruption risk. It is therefore all the more essential that the Company compliance programme remains robust and is effectively designed to manage compliance-related risks.

Top stakeholder concerns on this issue

The top three initiatives our stakeholders said we should prioritise were:

- Ensuring employees feel comfortable to speak up, raise concerns and report any potential non-compliance incidents.
  - See Measures to detect and correct unethical behaviour on page 25.
- Publishing a business ethics scorecard to report on how the anti-corruption programme is working.
  - See KPIs disclosed in this section.
- Anti-corruption measures in land acquisition, licensing, and network roll-out.
  - 2016 targets on the next page.

Approach and ambition

Millicom has a zero-tolerance policy towards any and all forms of bribery, corruption, extortion and fraud. While our operating environments may be challenging, we are committed to doing business the right way and promoting a culture of transparency and ethical behaviour amongst our employees and when interacting with third parties.

To help us achieve this, our priorities in 2015 have been to establish more robust, group-wide compliance mechanisms to prevent, identify and correct any unethical behaviour. We have also promoted our independently-run whistleblowing channel – Millicom Ethics Line – to ensure our employees are aware of the channels and process of how to raise compliance issues. As our Mobile Financial Services business continues to grow, we continue to also strengthen our Anti-Money Laundering (AML) framework.

Our long-term goal is to create a culture where all employees feel able to speak up and report incidents of non-compliance.

Our performance against targets

Key ○ Unchanged ◑ In progress ● Achieved

2015 Targets	Status	Progress	2016 Targets
Launch the new Code of Conduct ('the Code').	●	Rebranded version launched internally, and available publicly in our three operational languages.	All employees have signed or acknowledged the new Code.
Design and launch training on the Code for all employees in collaboration with the Millicom University.	◑	Face to face training delivered to senior managers and high-risk functions in all countries, with 76% coverage. English version of the training for employees at all levels available on Millicom University.	85% employees have completed the Code e-learning. ABAC training completed by all senior staff and high-risk groups.
Continue to align management of cases reported to joint tools and guidelines.	◑	For number of cases reported, investigated, and outcomes, please see page 25.	Continue to align management of cases reported to joint tools and guidelines. Continue communication campaign on our Millicom Ethics Line and wider ABAC compliance programme, and encourage employees to raise potential concerns.
			New target: Strengthen AML requirements in our Internal Control Manual, and conduct AML audits.
			New target: Map our land rights management process with a pilot operation to understand environmental and social impacts (including corruption risk).

Progress in 2015

A global framework to prevent unethical behaviour

We established a consistent company-wide framework for managing compliance at Millicom, with clear roles and responsibilities, and started rolling out a global, standardised training programme to ensure all employees are aware of Millicom's expectations and feel comfortable in raising concerns.

Our Anti-Bribery and Anti-Corruption (ABAC) policy, Code of Conduct ('Code') and other related policies are publicly available on our website.

Strengthened our global policy framework

- We launched our global Anti-Bribery and Anti-Corruption (ABAC) policy, which was approved by our Executive Committee, and rolled out training alongside.
- We published the revised company-wide Code of Conduct, covering a wider range of issues relevant to our new strategy and identifying the guiding standards our company aligns with. All employees must read and acknowledge and complete training on the Code.
- We re-issued the Antitrust Manual as a refresher to all corporate and country senior management teams to strengthen their and their employees' understanding of antitrust laws and Millicom's policy. The Manual outlines obligations for all employees to fulfil the Company's commitment to comply with antitrust law, and where to report or raise concerns, including the independent, confidential whistleblowing channel Millicom Ethics Line.
- We rolled out the global AML policy effective April 1, 2015 to those markets where we offer Mobile Financial Services (MFS); supported by a communication campaign and training.
- We launched our Fraud Policy, Fraud Response Standard and Fraud Investigation Standard, setting a strong foundation for a consistent, global approach to fraud risk management.
- We provided further guidance to our employees and, where needed, to our suppliers, on our Gifts & Entertainment Policy. The policy sets rules and

Percentage of employees who have completed the conflict of interest form[1]

57%

Percentage of senior managers who have signed the Code of Conduct[1]

59%

Percentage of employees who have signed the Code of Conduct

52%

[1] For two countries where data was incomplete, estimates have been used.

Issue 3: Acting responsibly: anti-corruption compliance
continued

91%
of target group trained in anti-money laundering policy

76%
of target group who completed the ABAC training

The Anti-Bribery and Anti-Corruption in-depth training was primarily targeted at employees who, through the course of their daily work, are in contact with third parties such as public officials and other authority figures and major suppliers. The target group broadly falls into two categories: global and country leadership teams due to the nature of their level of authority to make decisions on behalf of the Company; and higher-risk roles identified by the level of third party interaction they are engaged in and exposed to, such as Government Relations, HR, and Procurement.

[1] For 2015 training, we invited higher risk roles in the procurement team, such as head of department in each country, and high-spend category buyers.

maximum value of gifts or entertainment that can be offered or received, as well as specifying what to do if limits are breached. In one case, this policy was communicated to a major supplier of Millicom by our senior management team to reinforce our approach.

Created a global training programme
- We identified business areas and processes where the risk of corruption or fraud may be higher. Business functions responsible for these processes were the priority target audience for our global ABAC training programme. These functions included procurement[1], corporate affairs, compliance, HR and commercial teams.
- We developed and delivered a standardised compliance training programme on our ABAC policy, and Millicom Ethics Line for senior managers and high-risk business functions, with 76% attendance. The programme was aimed at raising awareness of when, how and where corruption or bribery related risks manifest themselves, how to report suspected incidents, and related key policies on managing risk areas such as gifts and entertainment. Additionally, our procurement teams in Guatemala received FCPA-specific training by the American Chamber of Commerce.
- We delivered training to meet the requirements of our global AML policy to global, regional and local senior staff within our MFS unit, and specific AML in-depth training to designated Local AML Officers (LAMLOs); with a 91% attendance rate. We have also provided templates to assist in local training.
- We launched a mandatory Code of Conduct e-learning module in Q4 2015, first in English-speaking African countries, with rest of the operations and global offices to follow in Q1 2016.

Established governance structure and controls
- Our new Corporate Compliance Committee (CCC), comprised of all Executive Committee members and our Global Compliance Officer, meets monthly to allow timely and regular review of compliance risks and monitoring of the maturity of the overall Risk and Compliance Framework. The CCC provides a forum to ensure prompt decisions and actions on agreed risk and assurance topics.
- Our country operations also have established a Local Compliance Committee working in a similar capacity.
- We have already embedded AML-related requirements in our Internal Controls Manual and self-assessment campaigns, and we are in the process of incorporating specific AML reviews as part of our Internal Audit function.
- We are now a corporate member of the Association of Certified Fraud Examiners, with a representative member in each operation, and aim to have one certified fraud examiner in each operation by end of the second quarter of 2016.

Measures to detect and correct unethical behaviour
During 2015, we recorded 156 reports of alleged unethical behaviour on our new case management tool, which were reported either through our whistleblowing channel, Millicom Ethics Line, or traditional channels such as reporting to HR, line manager or compliance team.

Spotlight

The new Board committee

The Compliance and Business Conduct Committee of the Board was established in November 2015 as part of the Board's commitment to strengthen oversight over compliance-related activities. It oversees and makes recommendations to the Board regarding the Group's compliance programme and standards of business conduct. The Committee will meet on a quarterly basis. Read more on the governance section of our Annual Report.

Spotlight

Potential incident in Guatemala

Our commitment to conduct our business ethically and openly led to our decision to voluntarily report to the authorities potential improper payments made on behalf of our joint-venture operations in Guatemala in the third quarter of 2015.

We are co-operating fully with investigations and are dedicated to ensuring that we resolve the matter both swiftly and appropriately. We have reviewed and assessed our strategic options and commissioned an external review of our compliance programme, to strengthen our existing practices – though we are encouraged by the fact that the processes we had in place facilitated timely awareness of a potential issue.

Overview of cases reported to Millicom Ethics Line

Topic	Number of cases reported	Cases investigated	Cases ending in written warning	Cases resulting in termination
Bribery and corruption	33	33	5	2
Discrimination and harassment	36	36	4	1
Human rights and labour	11	11	0	1
Conflict of interest	19	19	0	1
Fraud	11	11	3	1
Other	46	46	4	0
Total	**156**	**156**	**16**	**6**

156
Total compliance cases reported to Millicom Ethics Line

Issue 4:
Reducing our environmental footprint

Why is this important to us?

As we deliver our Digital Lifestyle strategy, and continue to invest in technology to support our growth, we impact the environment in a number of ways, notably through electricity and fuel consumption to run our network and operations, and electronic waste (e-waste) we generate as we upgrade our network and promote next generation devices to our customers.

We also experience some geographical challenges in reducing our carbon footprint. In most of our African operations grid electricity availability is limited or unreliable. This means we have to often run our network using diesel, which significantly increases our carbon footprint. The total electricity and fuel cost to run our networks is around 25% of our overall site management and maintenance costs – so reducing our energy consumption also provides an opportunity to reduce our own costs.

Some of the countries where we operate are highly vulnerable to extreme climate events and natural hazards. We consider climate-related risks and opportunities as part of our business strategy, network expansion (e.g. placing new masts), and managing business continuity.

Top stakeholder concerns on this issue

The top three initiatives our stakeholders said we should prioritise were:

- Responsible management of e-waste.
  ❯ See Managing e-waste on the next page.

- Expanding carbon emissions reporting across our supply chain.
  ❯ See KPIs disclosed on Scope 3 emissions on page 29.

- Energy reduction in our network and offices.
  ❯ See Improving energy efficiency, and KPIs disclosed on pages 28-29.

Approach and ambition

We continue to focus our efforts primarily on those activities that have the highest environmental impact, in particular reducing our energy consumption and rolling out our global e-waste management programme.

Our key long-term goals are to reduce our energy consumption by 50% by 2020 compared to 2008 baseline, and to implement our global responsible e-waste recycling programme across all operations by 2018. In pursuit of these goals we will continue to focus on improving the collection and accuracy of environment-related data, particularly in these two areas, rolling out our data centre improvement programme and aligning with the industry codes on energy efficiency for data centres, and on improving our operational efficiency. Going forward, this will allow us to build better business cases for renewable energy solutions.

Spotlight

Tigo Paraguay reviews its environmental impact

In a first-of-its kind project across the Group, we engaged a range of departments including logistics, operations, maintenance and laboratories, with a view to understand environmental impact of each business area, and help them manage these impacts in a cost-efficient and more environmentally friendly manner.

We are in the process of conducting workshops to understand the challenges and opportunities in energy management, maintenance and responsible disposal of waste and equipment and management of chemicals. We are also supporting each department to measure how much waste they generate, supporting them in improving environmental reporting and impact measurement, and helping implement initiatives.

We will set environmental objectives based on the outcomes of the workshops, and help departments monitor progress.

Our performance against targets

Key ○ Unchanged ◐ In progress ● Achieved

2015 Targets	Status	Progress	2016 Targets
Complete e-waste process and sell waste through certified vendors at six operations.	◐	Seven operations continued or started the e-waste programme. We were able to complete the full process in five of our markets.	Identify high-risk operations where e-waste is not managed in line with Millicom's global policy; and set up programmes at these operations as priority. Update Millicom's environment and e-waste management policies.
Reduce carbon emissions by 50% by 2020 against 2008 baseline.	●	We have achieved our 2020 target this year, with 51% reduction per base station against 2008 baseline.	Establish a cross-functional steering committee and global energy reduction and green energy strategy. **New targets** – data centre energy management: Sign to Participate in the European Code of Conduct for Data Centres. Achieve best practice certification in two data centres, one for Tigo Tanzania and another for Tigo Paraguay.
Review environmental target setting process and approach to science-based targets for carbon reduction. **Set new long-term targets based on new indicators.**	◐	A lack of consistently high quality energy data for all operations made it difficult to review targets. We mapped site energy management practices in all operations to establish a baseline on energy management, and have rolled the target forward to 2016.	Review environmental target setting process and approach to science-based targets for carbon reduction. Set new long-term targets based on new indicators.

Progress in 2015

Managing e-waste

Responsible e-waste management is becoming an increasingly important issue as we generate waste through upgrading basic 2G networks to data enabled 3G and beyond, and promote new generation devices to our customers. A challenge for us is that there is little local recycling infrastructure in our markets.

Our global e-waste management programme supports our operations in managing and disposing of e-waste through responsible selected vendors. It gives us strong financial incentives through re-selling and freeing warehouse space, as well as opportunities to manage potentially high environmental and reputational risks. At the end of 2015, most operations systematically collect e-waste, separate it by equipment type and store it until they have enough to sell or recycle. We first look for opportunities for reuse – either within our network or by selling to peers. If this is not an option, we look for e-waste vendors for responsible recycling and disposal.

In 2015 we conducted a review of our e-waste management practices in Africa and some of our Latin America operations, with one operation in Africa and four operations in Latin America fully aligned with our global programme. We also faced some challenges in aligning our operations in Africa that are land-locked and where waste is difficult and expensive to export.

We also updated our e-waste vendor due diligence framework. This provides a basis for our operations to review the environmental, social and ethical business conduct of potential global or local vendors before using their services – in order to support them in identifying local and global responsible recycling solutions.

Over US$650,000 raised from sale of e-waste through responsible recycling programme.

Issue 4: Reducing our environmental footprint
continued

Total energy consumption (MWh)

	2013	2014	**2015**
Fuel	229,377	256,593	279,664
Electricity	351,416	470,596	524,531

- ○ Fuel
- ● Electricity

Sources of energy for our assets

	LatAm	Africa
Fuel	12%	84%
Electricity	88%	16%

- ○ Fuel
- ● Electricity

58%
of our sites have single RAN technology with lower energy consumption

E-waste recycled through our responsible waste management programme

Country	Quantity of e-waste recycled (t)
Colombia	60
Costa Rica	10
El Salvador	34
Paraguay	40
Tanzania	35

Energy use

Sources of energy by asset type

	Fuel (L '000)	Energy from fuel (MWh)	Electricity (MWh)
Base station sites	14,866	147,413	448,947
Offices, shops, and data centres[1]	3,718	37,116	74,448
Our fleet	9,876	95,135	N/A

Sources of energy for our assets, excluding fleet

	Total energy consumption (MWh)	Energy from diesel*	Energy from electricity*
Latin America	608,993	12%	88%
Africa	147,631	84%	16%

[1] As the majority of our data centres are co-located with our offices, they often don't have separate meters to enable us report on data centre consumption separately. With our data centre programme roll-out, we will be able to measure data centre energy consumption individually.

* As a percentage of total energy consumption.

Improving energy efficiency

To reduce our energy consumption we continued to modernise to more energy-efficient equipment, increase network sharing, and reduce the use of cooling solutions. We also invested in alternative energies, such as solar power and hybrid battery solutions, for powering sites in remote 'off-grid' areas.

As we continue to upgrade our network, we roll out single-RAN technology across our sites – this technology allows mobile operators to reduce energy consumption by an estimated 30% by hosting different nodes such as 2G and 3G in one box. However, we are still working on quantifying

and capturing the actual savings of these initiatives. In 2015 we piloted an energy efficiency plan in El Salvador, starting with conducting a full review of energy management across our technical sites, offices and buildings and reviewing energy consumption trends for one office building, data centre, and warehouse. Initial results identified saving opportunities and we also delivered a behaviour-changing campaign for employees. We are now analysing return on investment and payback periods for energy-saving initiatives, and identifying sites that would benefit from efficiency projects. We also began a full environmental impact assessment in Paraguay (see spotlight).

Focus on data centres

In many of our operations, especially in Africa, our data centres were located in building conversions, often not designed and built to host complex data centre and cooling operations. We have significantly improved safety and security, and power usage effectiveness of these data centres through our global improvement programme by either building world-class sites or modernising existing facilities. We prioritised the roll-out in Chad, Tanzania, Ghana and Paraguay, with over US$20m invested in the programme in these operations. Highlights of the programme in 2015 are:

- Tigo Chad invested over US$5m in building the country's first modern data, communications and co-location centre in N'Djamena, which went live in November 2015.
- A new world-class co-location data centre is also under construction in Paraguay, due to go live in April 2016. The new facility will enable Tigo to target Paraguay's growing demand from businesses under the Tigo Business brand, as well as delivering vital disaster recovery services in

line with the government's Critical Infrastructure Protection. The first data centre in the country to have UPTIME Design Tier 3 Certification will have a guaranteed up-time of 99.982%. We are working towards achieving a Silver certification for Certified Energy Efficient Datacenter Award (CEEDA) for Tigo Paraguay and Tigo Tanzania.

- In 2016, we will build a similar modern data centre in Senegal, and a Tier 3 compliant one in Colombia, with plans for improvement in place for other operations.

The new data centres will continue to improve the customer experience and ensure operational stability, as well as being more energy efficient and enabling real-time measurement of energy consumption. We anticipate these new facilities will help us reduce our energy consumption in data centres by around 30%. Moving forward, we will also become a participant of the European Code of Conduct for Data Centres, which will help us improve our understanding of cost-effective and efficient energy management solutions for our data centres, and implement initiatives in line with best practice.

US$20m
invested in new world-class or modernised data centres in Chad, Tanzania, Ghana and Paraguay

1,137 MWh
solar power generated and used at base station sites[1]

94
new solar-only sites built in Tanzania this year.

Our carbon footprint

Scope 1
Fuel consumption

74,680
tonnes of CO_2e emissions
Total scope 1 emissions in 2015

9%
change in scope 1 emissions, compared to 2014

In some of our markets, notably those in Africa, grid electricity availability can fluctuate. Therefore to provide a stable and reliable service, we have to rely on diesel generators, which have higher carbon emissions than using grid electricity.

Scope 2
Grid electricity

125,384
tonnes of CO_2e emissions
Total scope 2 emissions in 2015

9%
change in scope 2 emissions, compared to 2014

Scope 3
Supply chain

72,372
tonnes of CO_2e emissions
from our base station sites power managed by a supplier (accounting for 93% of total scope 3 emissions) and air travel[2] (7%).

14%
Total change in scope 3 emissions, compared to 2014

In line with the industry trend, we are increasingly relying on specialised suppliers to manage our sites. As we have outsourced power management of more sites to our suppliers, our scope 3 emissions have increased. We are looking for ways to collaborate with our suppliers in reducing carbon emissions from these sites.

Our carbon footprint (tonnes CO_2)

	2013	2014[3]	**2015[4]**
Scope 1	56,267	68,704	74,680
Scope 2	92,130	115,491	125,384
Scope 3	58,580	63,411	72,372

- ● Scope 1
- ● Scope 2
- ● Scope 3

[1] Estimated based on total number of solar panels in 2015 multiplied by an average estimated energy output per solar panel using 2014 data.

[2] We continue to work on improving breakdown of flight class types and subsequent allocation of emission factors.

[3] 2014 carbon emissions restated. Following a review we conducted in 2015 of our site power purchasing arrangements, some 2014 data was reclassified under scope 1 and 2. Scope 3 also restated due to a system error in calculating emissions from diesel.

[4] 2015 carbon emissions calculated using emission factors for diesel and gasoline in Defra's 2015 guideline; and emission factors for electricity consumption from International Energy Agency's 'CO_2 emissions from fuel combustion, 2013 edition'.

Issue 5:
Promoting diversity

Why is this important to us?

Diversity is above all a business issue. New business models and more fragmented customer segments call for a diverse expertise to stay relevant and innovative. Research has highlighted time and again how more women in senior management positively impacts EBITDA and share price. To add to these drivers, in our markets, female customers represent a big opportunity: there is a gender gap in adoption of the services we sell and women feel under-served by the tech sector, while women increasingly control household spending and key purchasing decisions, and are earning more every year.

While our workforce is ethnically diverse with 81 nationalities, gender balance at senior management level does not reflect the overall female workforce (34%).

Much for the above reasons, there is a strong demand both internally and from stakeholders for better gender balance in senior management.

Top stakeholder concerns on this issue

The top three initiatives our stakeholders said we should prioritise were:

- Equal pay.
  - ⟩ See 2016 target on conducting an equal pay audit on the next page.

- Eliminating discrimination and sexual harassment.
  - ⟩ See 'Promoting equal opportunities'; and also 'Measures to detect and correct unethical behaviour' on the number of cases reported to Millicom Ethics Line and their outcomes on page 25.

- Promoting a career in technology among young girls.
  - ⟩ Although we do not specifically focus on this topic, 'education' and 'digital inclusion' are two strategic themes for our social investment programme. See 'Issue 8: Social investment' for examples of our work in these areas on page 44.

Approach and ambition

The focus of our diversity programme from the start has been to try to affect the gender balance in senior management and address turnover of female staff under 30. While we have taken steps to address these, we have not been able to relaunch a full diversity programme mostly due to changes in leadership. We have work to be done to improve the Company's gender balance, particularly to reverse the trend on gender balance among senior management in Latin America. Management has included the gender diversity programme in the Company's business priorities for 2016, given its critical impact on business.

Our long-term goal is to build an inclusive company, where everyone feels they can contribute their best and where we promote and retain top talent. We believe that a more diverse workforce will help us meet the needs of our globally diverse customer base and to develop better ideas, products and services.

Our performance against targets

Key ○ Unchanged ◐ In progress ● Achieved

2015 Targets	Status	Progress	2016 Targets
Carry out global benchmark of family-related policies.	●	Completed for all operations.	Analyse aligning lengths of leaves for maternity and paternity leave across all operations. Promote shortened working week for breastfeeding mothers as well as establishing nursing rooms in 50% of operations.
Introduce number of measures and indicators to identify local challenges affecting female turnover and gender balance in senior management.	◐	Exceptional progress in improving gender balance in senior management in Africa, with the percentage of women in senior management roles up from 7% in 2013 to 26% in 2015. Reversed trend in Latin America from 2013 to 2014, and the percentage of senior women increased to 27%.	Relaunch gender diversity programme with Group and local senior management teams. Conduct equal pay audit. Based on the results of the Executive Committee workshop, set long-term goals and KPIs to promote an inclusive workplace.

Progress in 2015

The business case and identifying our key issues

Following the changes in our senior management, we worked with the direction of our CEO to define the objectives and priorities for our gender diversity programme.

To redefine the scope and priorities for our programme, we partnered with Pathbuilders, a consultancy specialising in gender diversity. We commissioned research on the business case for improved gender diversity for our sector, together with a full benchmark of best practices from our and other sectors with similar challenges.

Together with Pathbuilders we also conducted a survey of 50 women across our operations, roles and seniority levels to identify challenges and opportunities that are specific to Millicom.

Results of both the research and survey were presented and discussed at an Executive Committee and Latin American senior management workshop in February 2016 facilitated by Pathbuilders. The workshop established a company-wide diversity steering group comprising members of the Executive Committee and senior management group to determine priority actions in the short and longer term. Moving forward, the steering group will receive training on gender diversity, and work towards setting KPIs and long-term goals to achieve a more gender-balanced workforce.

Spotlight

Importance of female role models

Roshi Motman was the first woman to be appointed as the CEO of a telecom company in Ghana when she took the helm at Tigo Ghana in 2014. In the two years she has led Tigo Ghana, she has transformed both the Company's internal culture and business performance, where Tigo Ghana won a number of awards in 2015, including two CSR Telecom Company of the Year awards. Roshi's exceptional leadership has been recognised also outside the Company. She was ranked as number one on Sweden's Talent Index, a prestigious list of 100 exceptional business leaders across the world. She also received the CEO of the Year award at AfricaCom Awards, and the honorary title of Queen Mother of the development of the Tafo Akyem area in 2015.

Tigo Ghana CEO Roshi Motman at one of our 'Shelter for Education' schools.

❝❞

I believe collaboration is a powerful tool and that great teamwork achieves results. I always try to inspire my team to do more than they think they're capable of, by providing an environment of openness, inclusion, equal opportunity and the freedom to experiment and grow. I have a great team and my aim is to inspire them to give our customers a reliable connection to the things that are most important to them. That's how we win.

Our potential customer base is 50% female, however our employee ratio is 70/30 in favour of men. Until the day we are 50/50 in the Company, I will encourage my managers to choose the woman if there is a choice between two equally competent profiles with the right attitude."

Roshi Motman, Tigo Ghana CEO

Issue 5: Promoting diversity
continued

Percentage of women in senior management roles*

2013	2014	**2015**
19	22	25

* Approximately top 600 positions

Turnover rate for women employees under 30

2013	2014	**2015**
16	28	18

Promoting equal opportunities
We are proud of what we have achieved in 2015 to increase the number of women in senior management. In our Africa operations, the number of women in senior positions has risen from 7% in 2013 to 26% in 2015. In Latin America we have managed to turn a declining trend to an increase to 27% in 2015 (from 24% in 2014).

In 2015 the proportion of women in our workforce has stayed the same as 2014 at 34% overall, with the percentage of women in approximately top 600 management roles increasing from 22% to 25%. We are committed to continue this steady progress.

In 2015, we conducted the Great Place to Work© (GPtW) survey in all our Latin American markets. Diversity – specifically gender diversity – is one element of the survey where respondents are asked if people are treated fairly regardless of their gender. Although our diversity programme focuses on gender diversity, we measure if employees feel they're treated fairly based on other elements of diversity, such as race and sexual orientation. All our operations score highly on this, with an average score of 88%. Tigo Guatemala, who scored highest in the Trust Index of this survey, also ranks the highest across Tigo operations in the overall impartiality domain too.

With a third of our employees under the age of 30, we have a young employee base, making parental leave a key consideration in supporting equal opportunities for working mothers and fathers. During the year we carried out a full review of our family policies the against the legal requirements and best practices of leading companies in each country. The review looked at the length of maternity and paternity leaves and related compensation, breastfeeding protections and flexible working arrangements offered. The review concluded that all operations apply legal minimum requirements for such leaves, and in some countries we have an opportunity to further promote specific legal rights, such as a shortened working week for breastfeeding mothers.

We are now analysing the percentage of our male and female workforce who took their full leave entitlement, as well as return rates from parental leave.

Equal pay for men and women in comparable roles is another priority area, and following a full calibration of job grades and roles, the Board has approved a plan to carry out a company-wide equal pay audit in early 2016 to identify pay gaps by gender for similar roles. The audit will cover base salary, bonus target potential, standard allowances and other incentive pay.

Spotlight

Tigo DRC Women's mentoring network

Under the auspices of its Tigo Women platform, Tigo DRC launched a mentoring framework in 2015 as part of its commitment to promoting diversity and increasing the visibility and representation of women within the Company. With the opportunity to learn from the experience and expertise of women in senior management roles, the programme also aims to enable more women to achieve promotion to senior positions.

The launch event, led by Tigo DRC General Manager Uche Ofodile, was attended by Lucie Kipele, DRC's Minister of Women, Families and Children, who took the opportunity to share her experience and knowledge with participants.

Spotlight

Supporting breastfeeding employees

Average length of maternity leave in our operating companies is three months. At the same time women are strongly encouraged to exclusively breastfeed their babies by the local health authorities. This pressure and the logistics required can be a significant source of stress to our employees returning from leave or may lead to some employees to step out of the workforce. All of our operations offer a shortened working day for mothers who want to continue to breastfeed their babies, at least until the child is six months old. To facilitate combining breastfeeding and returning to work, three of our operations (Bolivia, Paraguay and El Salvador) have introduced breastfeeding rooms, with 13 rooms inaugurated in 2015. The rooms provide a safe and quiet place to nurse babies or express and store milk. We also have eight nurseries across our business in Bolivia.

Spotlight

Tigo diversity committees

Tigo Ghana and Tigo Costa Rica have set up cross-departmental diversity committees, aimed at addressing factors of difference in order to attract and retain top talent, increase productivity and strengthen customer focus. Through reducing the barriers that stand in the way of full participation, the committees aim to help the operations to fully utilise the potential contributions of all employees and to unleash the creativity that comes from different ideas and experiences.

Nationalities across Millicom in 2015

Hello   Hej
Bonjour   Haai   Привет!
Olá   Ciao   Hola

Albanian
Austrian
Belgian
British
Bulgarian
Croatian
Danish
Dutch
Estonian
Finnish
French
German

Greek
Hungarian
Irish
Italian
Luxembourgish
Polish
Portuguese
Romanian
Spanish
Swedish
Turkish
Ukrainian

Chinese
Filipino
Indian
Malaysian
Pakistani
Russian
Sri Lankan
Taiwanese
Uzbek

American
Canadian

Afghan
Algerian
Beninese
Burkinabès
Cameroonian
Chadian
Congolese
Egyptian
Ghanaian
Ivorian
Kenyan
Malagasy
Malian

Mauritian
Nigerian
Rwandan
Senegalese
South African
Syrian
Tanzanian
Togolese
Tunisian
Ugandan
Zambian

New Zealander

Argentinian
Belizean
Brazilian
Chilean
Colombian
Costa Rican
Cuban
Dominican
Ecuadorian
Guatemalan
Guianese

Honduran
Mexican
Nicaraguan
Panamanian
Paraguayan
Peruvian
Salvadoran
Uruguayan
Venezuelan

Issue 6:
Taking care of our people

Why is this important to us?

As we build a Digital Lifestyle for our 63 million customers, it is essential that we attract and retain top talent with the right skills set to continue, innovate and deliver an exceptional customer experience.

The health and safety of our people is of paramount importance, given some aspects of our work – such as driving and working at height – involves high risks. We work in some challenging markets where safety standards are often below what we would expect in more developed countries. Some of our markets also have an increasing rate of violent crime, extreme weather or threat of terrorism, where we need to be particularly vigilant to mitigate these risks.

We have
15,956
employees[8]

97%
of our employees are of local nationality of the country they're employed in

Top stakeholder concerns on this issue

The top three initiatives our stakeholders said we should prioritise were:

- Safety of our employees – aim zero fatality.
  - ⊗ See H&S: keeping our people safe on page 26.

- Right to join trade unions and freedom of association.
  - ⊗ See Respecting our employees' right to collective bargaining on page 38.

- Living wage.
  - ⊗ See Performance Management and Promoting equal opportunities for performance-based and other non-cash benefits we offer on page 37.

Approach and ambition

One of the four pillars of our business strategy is to invest in our people and build on our unique culture. As we celebrated our 25th anniversary in 2015, our CEO reinforced his commitment on strengthening talent and keeping our employees safe. We updated and relaunched our health & safety policy, personally championed by our CEO. Our incident reporting tool is now widely used by all operations. Over the longer term, our most important health and safety goal is to achieve zero fatalities.

We are also committed to nurturing local talent in our markets through mentoring programmes and individual development plans. We aim to be the employer of choice in our markets: an organisation that fosters inclusion and local talent, and one that our people feel proud to work for. The Millicom DNA will have our diversity, cultural change, and compliance programmes at its core, with the Great Place to Work© survey benchmarking our success across operations.

Our performance against targets

Key ○ Unchanged ◐ In progress ● Achieved

2015 Targets	Status	Progress	2016 Target
All operations in line with OHSAS 18001 by end of 2015.	●	Launched revised H&S policy, aligned with OHSAS 18001.	Conduct internal reviews of compliance with the new H&S policy and Millicom Safety Rules.
			Conduct risk assessments with each business area to identify significant risks and develop a mitigation plan for top five risks.
			Achieve OHSAS 18001 certification for our corporate offices.
Give all staff access to incident reporting tool.	●	All staff now have access to our incident reporting tool. For a detailed breakdown of incidents reported in 2015, see page 52.	Continue improving our incident reporting.
			New targets: Define the Millicom DNA and deliver diversity, culture change, and compliance programmes.
			Implement the new performance management system.

Progress in 2015
Our employee profile

We did extensive work in 2015 on building the most effective team structure to future-proof our business, which resulted in some significant changes to our business in line with industry trends (see Spotlight).

We have 15,956 employees[8], with 13,351 of whom work in Latin America and over 4,700 in Colombia. 97% of our employees are of local nationality of the country they're employed in. We are proud of our highly ethnically diverse workforce which comprises more than 81 nationalities. Our employee base is also young, with 31% of our employees under 30.

Our people by age and gender

	<30 Years	30-50 Years	>50 Years
Women	13%	20%	1%
Men	18%	44%	4%

● Women
● Men

New hires vs. turnover

	Turnover %		Number of leavers		Number of new hires	
	Female	Male	Female	Male	Female	Male
Latin America	17	15	711	1,157	677	1,044
Africa	15	30	85	409	72	237
Millicom Group	18	18	849	1,691	772	1,331

[8] This total figure includes staff employed by Tigo Nicaragua, Zantel in Tanzania, and Edatel, Emtelco, ETP and Orbitel in Colombia. This report excludes any other data from these operations, as we work on aligning non-financial reporting.

Issue 6: Taking care of our people
continued

Trend of total workforce

2013 11,321 / 5,032
2014 12,206 / 8,588
2015 14,133 / 27,088

● Employees
● Outsourced workforce

Significant changes to our business

In Africa we carried out and mostly completed the outsourcing of our network maintenance in 2014. The last operation moved to the outsourced provider in May 2015. This transition into managed services mirrors one that is taking place across our industry. The main driver for us was to increase the quality of service by leveraging the expertise of a global supplier.

In all countries, the managed services provider was contractually tied to take over all our staff with equal or better conditions and with a 12-month job guarantee.

In December 2015, we carried out a restructuring in our Rwanda business, which resulted in 26 redundancies. Tigo Rwanda's CEO, Tongai Maramba, said the move was intended to make the Company stronger at a time when the sector is experiencing new developments in customer needs and technology evolution, and companies need to be dynamic to stay relevant in a fast-evolving market.

H&S: keeping our people safe
Although we continued to strengthen our health and safety management framework, 2015 has been a challenging year. We regret to report one staff fatality and 16 contractor fatalities in 2015, the main causes of which were personal safety, travel safety, road safety, and work at heights. Five of the contractor fatalities were in El Salvador and were related to the increased violence there. In response we reviewed our overall personal safety and security status in the country, followed by personal safety awareness training and plans to implement stronger background checks. (See the 'Spotlight' on Addressing Personal Safety and Security Risks.)

Security
The security situation in some of the countries where we operate has the potential to disrupt our business operations. El Salvador and Chad were challenging markets in this respect during 2015, where we delivered a number of personal safety awareness sessions and other measures to mitigate the risk.

To establish a stronger tone at the top, our Group Health & Safety policy now includes a personal statement of intent from our CEO, and has been reviewed and signed off by the Executive Committee. The policy clarifies the roles and responsibilities of both senior management and all employees in ensuring a safe environment.

The policy also reinstates the requirement to report all incidents via our online incident management reporting tool. We are pleased to report a substantial improvement in reporting and record keeping of incidents as a result. From 2016, our global health and safety team will report directly to the Executive Committee on the implementation of the policy.

On country level, all operations were set key tasks and action plans to address significant areas of H&S risk including: the identification, revision and control of the top five risks per country, controlling contractors/managed service providers, management of road risk and working at height as well as fire safety management. We delivered an extensive IOSH 'managing safely' programme across our operations, with approximately 80 certificates awarded to H&S committee members, and 40 HSE Officers and other key staff in safety representative roles completing the NEBOSH International General Safety Management certificate.

We also worked closely with those suppliers whose EcoVadis assessment scores were not up to required standards, and by the end of 2015 we issued 21 corrective action plans to suppliers on H&S following EcoVadis assessments results. For more information on our supply chain engagement, please see page 43.

In addition to our safety programme, we also delivered occupational health campaigns and support for our colleagues. Our annual International Health & Safety Week, run for the fourth year in 2015 to celebrate ILO's Labour and Safety Day, proved to be bigger and better than the previous years. All operations including corporate offices took part in a series of events over the course of a week where we conducted a variety of support and awareness activities. These included wellbeing sessions, dental reviews, health checks, blood donations, sports and general awareness programmes including malaria across Africa, and dengue fever and Zika virus across Latin America.

Addressing personal safety and security risks

We have adopted a systematic approach to managing security and safety risks in markets with higher risk of violent crime.

In Chad we completed a full risk review – including an assessment of personal safety risks from cross-border terrorism threats. We then established a series of control measures based on international best practice and replicated the model we have used successfully in Tanzania where all support services work together to mitigate business, safety and security risks.

In El Salvador, we needed to review and upgrade our security protocols because, due to increased gang violence, the country now endures more homicides than any other country in the world.

Adopting a similar holistic risk-management approach in El Salvador as in our operation in Chad, the review has led to:

- Upgrading of our risk mapping of city and country areas and restricting movement to known violent areas
- Closer liaison and co-operation with the police and other industry organisations
- Stronger background checks
- Better information and training for all staff including awareness videos about security
- Daily risk summary briefings for sales and engineering teams
- The use of smart digital personal security tracking and alarms linked to the security control centre and response teams.

In both Chad and El Salvador, we will review the progress of the revised control measures during 2016 and make further improvements needed to protect our staff and contractors.

Developing our employees
As our company grows and we develop new products and services, it becomes even more important to understand the skill set we already have in place and map new skills we might need to build and monitise Digital Lifestyle.

Across our Latin America operations, we conducted a talent mapping process for around 1,200 managers and developed personal development and succession plans. We delivered digital leadership and Digital Lifestyle training to all senior management in collaboration with INCAE, the leading business school in Latin America, to help us have a common language and set of tools across the business. We also run a future leaders programme with INCAE, which is a two-week business management programme, targeted at our top talent in middle management.

In our African operations, we invited all staff to career counselling sessions where we assessed strengths and development needs and put together individual development plans. Around 150 individuals in each country participated, around half of whom were women. We also engaged with some of the top business schools to attract African talent into our organisation.

Performance management and reward
As part of our commitment to investing in our people and attracting and retaining talent, it is important to have a robust performance management system where our employees can contribute to the business success and feel rewarded for their hard work. All employees have annual objectives, which are reviewed together by employee and manager mid-year and at the end of the year.

Employees receive bonuses based on both their individual performance grading and company performance criteria. The bonus system is the same for all employees, regardless of seniority.

Listening to our people
Employee satisfaction and what they think of how the business is run and where we need to improve is valuable information we need to understand and act on.

In Latin America, we conducted the Great Place to Work© survey in all our operations – for the first time in three of them. The survey enables us to compare responses from our employees with those of other major companies in that country, and also across our operations. Six out of seven of our Latin American operations surveyed scored over 70 in the Great Place to Work© Trust Index©, with Tigo Guatemala leading at 84 points and a 7% increase from its 2014 score. Three out of four countries improved their score, with Tigo Bolivia ranked as the second best in Bolivia, and Tigo Paraguay ranked fourth in Paraguay on Great Place to Work© 'Empresas con mejor clima laboral' ('Best working environment'). Each operation has prepared a country and business area plan, linked to their culture change plans, to improve employee satisfaction scores.

We also conducted a cultural baseline survey to help us develop a culture change action plan in each

% of workforce represented in H&S committees

91%

Absentee rate

0.71%

Lost-time injury rate per 1,000 employees

1.26

Issue 6: Taking care of our people
continued

We conducted a Great Place to Work© survey in all our Latin America operations, for the first time in some, this year. Three out of six of our Africa operations conduct pulse surveys.

85%
of our senior managers are recruited locally

operation. This is aimed to understand who we are today as a business, and who we want to be in the future to successfully deliver our business strategy. Based on the results, we will work on improving co-operation, facilitating more opportunities for staff to develop and move to different areas or roles, and further emphasising performance management and leading by example.

In Africa, we started conducting pulse surveys in Ghana, Senegal and Chad to measure overall job satisfaction and career development prospects. We have already started implementing action plans following the survey results, focusing on three priority areas: becoming the best place to work, with improved working environment and facilities; improving internal communications to help employees understand and experience our innovations, so they can deliver an improved customer experience; and reinforcing employee engagement through quarterly activities.

Contributing to local employment
The competition for talent is fierce in our countries of operation. We want to be the employer of choice and an organisation that fosters and promotes inclusion and local talent to grow. We have been focusing on retaining and promoting the local talent to senior management roles, with 85% of senior managers recruited locally. We've also been proactively engaging with leading universities to attract top local talent in both regions, for example through our partnership with INCAE in Latin America.

We provide an eight-week sales and business training programme for our indirect sales force called Tigo Sales School in which we train the individuals in sales techniques, customer service, and entrepreunership, helping them grow their income and gain a profession for life. We now have a Tigo Sales School in all our markets, with schools in our Colombia, Honduras and Costa Rica operations opened in 2015. Through the programme, in Latin America in 2015, we trained just under 33,000 freelancers and point-of-sale distributors, with

almost one million hours of training delivered. Our freelancers completing this training often outperform in new customer acquisition.

Respecting our employees' right to collective bargaining
Collective bargaining agreements (CBA) are in place in our operations in DRC and Chad. We had reported in 2014 that we were in discussions with local counterparts to establish a CBA in Senegal but due to ongoing discussions and plans around outsourcing managed services staff, the government authorities in Senegal requested the negotiations were stopped until the managed services outsourcing was complete. Therefore we have been further delayed on establishing a CBA and to our regret we were unable to come to a final agreement by the end of 2015. We are actively engaged in the discussions and look forward to reaching an agreement in 2016. In Colombia, there are 12[9] unions established which all employees of TigoUne and its subsidiaries are free to join.

We also engage with trade unions in some of our countries, which are not covered under CBA, as they do not yet meet the legally required number of members to establish CBAs, such as in Tanzania.

Tax contributions
In addition to our investments to telecom infrastructure, another direct way we contribute to local economies is through taxes. Our biggest tax contribution is through corporate income tax, reported in the table below per region where the taxes are paid. In addition, there are other taxes we contribute, which are not based on earnings, including telecom tax, indirect tax, VAT and excise duties, withholding tax, payroll tax, asset tax and wealth tax. And of course, the people we employ also pay income tax on their earnings.

[9] Total figure for unions established for all our subsidiaries in Colombia, including EDATEL, EMTELCO and ETP.

Millicom CEO Mauricio Ramos speaking at a townhall meeting in El Salvador.

Corporate income tax paid by region

Year	Latin America	Africa	Unallocated items	Total continuing operations*
2015 ($m)	**(187)**	**(7)**	**(54)**	**(251)**
2014 ($m)	(192)	(25)	(60)	(380)
2013 ($m)	(241)	(21)	(60)	(322)

* Total tax paid by the Group in 2015.

Issue 7:
Responsible supply chain management

Why is this important to us?

We work with just under 10,000 suppliers around the world, ranging from small local vendors to large multinationals. How our suppliers behave reflects on us and our reputation.

Ensuring that our suppliers adhere to similar high standards of ethical behaviour as our business helps us mitigate risks to our own operations, supports our ambition to build sustainable long-term partnerships with our suppliers and protects our reputation. Monitoring of the ethical performance of suppliers is an issue that our investors and other stakeholders have consistently highlighted as a priority area for us.

Top stakeholder concerns on this issue

The top three initiatives our stakeholders said we should prioritise were:

- Build the capacity of our suppliers to address CR risks.
  - ⊗ 2016 target. See Training for examples of country-specific good practice on page 42.

- Promote health and safety, and good working conditions, among our suppliers.
  - ⊗ 50 out of 120 corrective action plans implemented with suppliers focus on labour rights. See 'EcoVadis assessments' on page 43.

- Include anti-bribery and anti-corruption measures in our supplier selection.
  - ⊗ See training delivered to buyers in 'training' section on page 42.

Approach and ambition

Having integrated controls for ethical supplier conduct into our procurement processes, and relaunched our Supplier Code of Conduct as a mandatory annex to all contracts in 2014, our focus in 2015 was to roll out supplier self-assessments on their sustainability performance. With over 100 self-assessments requested from high-risk suppliers in 2015, we now have a better view of what our biggest risks are and can collaborate with our suppliers to mitigate these risks through corrective action plans.

Our long-term vision is that our key suppliers share our view of the importance of ethical conduct to business success, and we can contribute to building more sustainable societies through our supplier selection and engagement.

Our performance against targets

Key ◯ Unchanged   ◖ In progress   ● Achieved

2015 Targets	Status	Progress	2016 Target
Define 'high risk' suppliers.	●	High-risk supplier categories defined, and commenced supplier risk materiality analysis with BSR.	Complete supplier risk materiality analysis and identify top risks per spend category.
Begin supplier self-assessments through Ecovadis supplier self-assessment tool, focusing on global top 20 suppliers by risk.	●	Supplier self-assessments sent to 62 suppliers of highest risk areas, with 74% completion rate. Second campaign targeted 50 more suppliers. We also completed the assessment for our own business practices, to benchmark ourselves against our suppliers.	Conduct at least two self-assessment campaigns, based on materiality assessment.
Provide training to all internal procurement teams, and to top buyers internally on Supplier Code and monitoring.	◖	Training provided by EcoVadis to internal procurement teams, top buyers, and CR managers, with 65% attendance rate.	Provide training to procurement staff on implementing and following corrective action plans. Begin supplier training programmes and capacity building.

Progress in 2015

Raising standards in our supply chain

To advance our understanding and management of sustainability risks in our supply chain, in 2015 we appointed EcoVadis – a collaborative platform that provides supplier sustainability ratings for global supply chains – to help us monitor our suppliers and implement corrective action plans where needed. Together we ran two supply chain self-assessment campaigns, starting with existing high-value suppliers who provide products or services in categories defined as posing a high level of corporate responsibility risk.

We had an excellent 74% response rate from the first 62 companies we invited to self-assess. The 46 suppliers who responded to this first campaign represent 53%[10] of our supplier spend. Their average score was 45/100, which is slightly above EcoVadis average of 42/100.

From the respondents, 17 fell below our threshold assessment score of 35/100. We contacted each supplier individually with our concerns and highlighted specific areas where we expect to see improvements within one year. Formal corrective action plans have been set for these suppliers using the EcoVadis platform. The plans are based on what is material to the sector and geography the supplier operates in, based on materiality guidance in the EcoVadis methodology. Breakdown of the corrective actions requested by type can be found on page 43. These 17 suppliers will be requested to re-do the self-assessment in one year's time. Those providing services with high health and safety risk, we are aiming to also conduct on-site audits already in 2016.

Based on our initial assessments and results of the EcoVadis surveys, the priority risk areas where we requested corrective actions related to health and safety in network and cable deployment and maintenance, labour conditions in manufacturing, and privacy and data protection related to customer service/IT solutions.

It is also clear from the assessments that suppliers with poorer performance in general lack a systematic approach to managing CR-related risks. To help us prioritise further assessments, audits, risks and opportunities, we commissioned a detailed supply chain risk materiality analysis with Business for Social Responsibility (BSR), to be completed by the end of the first quarter of 2016.

We invited a second batch of 50 suppliers to complete self-assessment by end of January 2016, and expect to carry out at least two further campaigns in 2016. These will be targeted to high spend suppliers who did not complete an assessment in the first two campaigns as well suppliers representing categories with most material CR-related risks (based on BSR assessment). We are likely to complement this with campaigns for specific countries. We will continue to use Ecovadis for some larger tenders, after successfully trialling it for a call centres tender in Africa in 2015.

We had an excellent 74% response rate from the first set of suppliers we invited to complete a self-assessment of their sustainability practices on EcoVadis.

Suppliers who responded represent 53%[10] of our supplier spend.

[10] Based on 2014 spend. Additionally, three suppliers assessed were part of a tender, so do not account for overall spend data.

Issue 7: Responsible supply chain management
continued

79%

Percentage of strategic suppliers who have signed our Supplier Code of Conduct

27%

Percentage of all suppliers who have signed our Supplier Code of Conduct

63%

Percentage of suppliers assessed with EcoVadis in 2015 with a formal code of business ethics in place

The four EcoVadis supplier self-assessment categories

Environment (env)	Labour practices and human rights (lab)	Fair business practices (fbp)	Sustainable procurement (sup)
Environmental issues including operational impacts such as energy consumption and chemical use.	Human resources issues such as health and safety, working conditions, career management and training and human rights issues such as child and forced labour and discrimination.	Corruption & bribery, anti-competitive practices and responsible marketing issues.	What the Company being assessed is doing to enable Sustainable Procurement within its own supply chain.

Training
In line with our five-year plan for responsible supply chain, we begun with training programmes for internal procurement staff on responsible supply chain management (see also specific anti-corruption training for procurement staff on page 24). All buyers were trained on the EcoVadis tool and assessment process in 2015, and 65% of global and local buyers participated in training on responsible supply chain management and how to communicate with suppliers on sustainability in 2015. In 2016, the same teams will receive further training on EcoVadis tool, specifically on how to analyse supplier scorecards and create and follow up corrective action plans.

Ahead of our five-year plan, we also began training of suppliers in CR in selected countries. In Paraguay we begun a trial of a supplier capacity building programme with eight key SME suppliers who will receive in-depth training on ethical business conduct, labour conditions, environmental management and customer management. In El Salvador we partnered with a local CR organisation, FUNDEMAS on supplier training (see spotlight on the right).

Spotlight

Workshop in El Salvador

In 2015 we conducted our first two-day workshop in El Salvador that focused specifically on social responsibility in partnership with Fundemas (Business Foundation for Social Action) and Tigo Development Centre. The event was offered free of charge for our ten major suppliers. During the workshop, we briefed our suppliers on our values, CR policies and how our suppliers can best align with our approach and expectations.

Policies supporting our responsible supply chain management programme
All our supplier contracts include a requirement to comply with our Supplier Code of Conduct, which is now included in all our agreements as a mandatory annex. It covers ethics and integrity, workers' rights and protection, prohibition of child labour and environmental protection.

Supplier self-assessment in EcoVadis

	As of 31 December 2015
Total number of suppliers invited to complete first round self-assessment	62
Total number of suppliers who completed the first round self-assessment	46
Total number of suppliers that do not fulfil our requirements	17 (27%)
Number of corrective actions requested from suppliers that do not fulfil our requirements	120

Number of corrective action plans requested by category

	Environmental	Labour rights	Fair business practices	Sustainable procurement
Number of corrective actions requested from suppliers by EcoVadis category	15	50	25	30

Issue 8:
Social investment

Why is this important to us?

There are many pressing needs in the markets where we operate, and it is important that as a company with a significant market presence we participate in solving them. Social investment, particularly where we can support through the use of our core products, is at the very heart of our business mission of empowering people to advance in life and find joy.

Top stakeholder concerns on this issue

Feedback from global stakeholders was that social investment is more material for country operations. We conducted a country-specific materiality survey in each country to identify which social investment topics were more important for our stakeholders, the results of which are expected in Q2 2016.

Approach and ambition

Our priority is to align our social investment strategy closely with our core business mission – by expanding the Digital Lifestyle to our communities, to create an emotional connection with our customers and stakeholders, and to support our brand story of a trusted and socially responsible brand. Digitalisation is a great lever for social advancement and at the core of our social investment approach. There are four themes around which we will target the majority of our social investment from 2016:

- Digital inclusion: making technology more accessible for 'unconnected' or 'underprivileged' groups;
- Education: providing access to education and supporting improvements in schools;
- Health: delivering health awareness programmes or improving access to affordable healthcare using our products and services;
- Entrepreneurship and financial inclusion: empowering entrepreneurs through technology and enabling access to financial products or services.

Our overall aim is to be a reliable and sustainable partner to our social investment stakeholders and to measure the social impact we are able to achieve with them.

Spotlight

Digital Changemakers Award

The Tigo Digital Changemakers Award supports social entrepreneurs who use digital tools to solve societal challenges. Winners receive professional coaching and mentoring to help them develop their initiatives, in addition to cash awards.

Run jointly with our non-profit partner Reach for Change across all operations in Africa, we attracted 1,333 applications in 2015. We also run a similar awards programme for four of our Latin American operations: Bolivia, Costa Rica, Honduras and Paraguay.

Our performance against targets

Key   ○ Unchanged   ◐ In progress   ● Achieved

2015 Targets[11]	Status	Progress	2016 Targets
Pilot social investment and impact measurement framework.	●	Conducted pilot of new social investment and impact measurement framework in GH, SV and HN. Working on roll out plan for other operations.	Roll out framework and train CR teams in social impact measuring. Report first results in 2016 CR report.
Continue identifying innovative and digitally driven ideas and solutions.	●	Digital Changemakers Award programme in six countries in Africa; and similar programmes in four countries in Latin America.	Continue identifying innovative and digitally driven ideas and solutions in our four themes.
Establish policies for consistent application across our operations – Volunteering – Sponsorships and donations.	●	Both policies approved by senior management and will be implemented in 2016.	Clarify responsibilities and guidelines and support local implementation. Document volunteering hours in line with policy from all countries. Launch regional or global volunteering campaign.

Progress in 2015

Supporting local solutions to local challenges

During 2015 we reviewed our social investment project portfolio to deliver a more targeted approach. A review of over 100 current local initiatives identified the four themes: digital inclusion, education, health, and entrepreneurship and financial inclusion.

These themes are the most relevant ones to our stakeholders, and each country has the flexibility to focus on the areas to meet the needs of their local stakeholders.

Towards the end of 2015, we further localised our social investment strategy for our African operations. In the refined strategy the local companies will run fewer, larger projects across these four themes.

This localised approach was also the key consideration for dissolving the Millicom Foundation as a global umbrella organisation for our social investments. Millicom took on the ongoing partnerships and commitments of the Foundation and the legal process for closing the foundation was completed in December 2015.

Measuring social impact

Systematic measurement and analysis of the social impact of the projects we run and support allows us to track our commitment, successes and challenges and ensures good allocation of our investments. We want to track the social impact created for people and communities and report on quantified goals and performance indicators. Basing this on individual projects while allowing us to aggregate numbers for specific KPIs and beneficiary groups further strengthens our transparency, the accountability of our organisation and that of our project partners. In addition we can compare the effectiveness of different approaches as well as identify developments over time.

Following the review of our project portfolio, we developed a framework aligned with the London Benchmarking Group model to help us quantify individual project inputs, outputs and social impact in a consistent way. Social impact measures could include increased connectivity, increased number of children and youth enrolled in basic education, and more young people gaining access to jobs through digital inclusion. We piloted this social impact measurement tool in El Salvador, Honduras and Ghana, and will make improvements based on the pilot feedback with a view to rolling it out in 2016.

Spotlight

Promoting volunteering

Our colleagues are keen to support their local communities hands-on. Many of our operations have run employee volunteering programmes for some time. To align policies in this space and improve our tracking and measuring of this engagement, we launched a global volunteering policy in 2015 setting a framework of good practice to help support and protect employees who volunteer.

This global policy sets a standard of two working days per employee and year for volunteering, and defines a framework to capture and report volunteering hours. In 2016 we intend to integrate volunteering opportunities further into our HR and talent management activities.

Total hours of volunteering in 2015

20,335

Social impact investments in 2015 (US$'000)

● Monetary value of employee volunteering	247
● Total cash contributions	5,814
● In-kind giving (at cost)	3,993
● Related management overhead costs	2,357

[11] 2015 targets were not published in the 2014 Corporate Responsibility Report, as at the time of publication social investments were handled within the Millicom Foundation.

Highlights in social investment in 2015

Ghana
Adequate school facilities are missing in many of our markets, where children study under trees, without desks or in run-down and often unsafe school buildings. During the year Tigo Ghana launched a 'Shelter for Education' campaign which focused on building or renovating schools in six deprived communities in the country. More than 10 million viewers watched the six documentary episodes featuring Tigo Ghana completely rebuilding schools with fully furnished, four-classroom blocks, a head teacher's office, a pantry and toilet facilities in six deprived communities. This benefited over 1,200 teachers and students. After completion of the project, Tigo staff are still actively engaged as volunteer teachers.

El Salvador
Tigo El Salvador has been one of our most active operations in employee engagement. In 2015 they registered 3,308 hours of corporate volunteering. 209 colleagues participated in six different events ranging from reforestation work to building digital classrooms.

Guatemala
Fundacion Tigo Guatemala has been supporting a campaign against paediatric cancer since 2004. Last year alone we sent over 40 million text messages raising awareness and donations towards the cause. Tigo employees are also frequent volunteers in the National Oncology Pediatric Hospital (UNOP). In addition we directly donated funds of over US$300,000. Since the start of the campaign in 2001, the survival rate for paediatric cancer has risen from 20% to 70%.

Tanzania
In 2013, we partnered with UNICEF and the Tanzanian government to launch a mobile birth registration programme to provide free birth certificates to children using our mobile technology. Our partnership has since seen over 800,000 children receive a birth certificate. Building on the success in the two regions we have been running this programme, we will expand our commitment to two additional regions per year until 2019. With UNICEF, we are also piloting a mobile testing scheme for children of HIV positive mothers, supporting their local innovation hub, and the child helpline.

Paraguay
While many regional hospitals have infrastructure to run echography and electrocardiography tests they are lacking expertise to analyse results and advise patients. In a pilot project, Tigo Paraguay connected 17 regional hospitals to allow them exchange results and receive feedback via the internet from doctors in the national hospital of the capital Asuncion. Following the success of the pilot, the Ministry of Health implemented the system in 200 hospitals on a commercial basis. In the first 14 months, over 90,000 people have directly benefited from the service, and Tigo now provides internet access at cost to these 200 hospitals, which serve over 65% of the Paraguayan population.

Colombia
A mix of professional teachers and TigoUne volunteers certified over 2,500 people after an introductory course in the use of computers. In the two 'telecentro' internet spaces in Bogota we are targeting groups particularly prone to be affected by the digital divide, e.g. elderly people or people with a learning disability and introduce them to the basics of the internet, how to stay safe online and useful tools like Google Hangout or Skype.

Honduras
Tigo Te Conecta in Honduras is one of the many programmes in our operations focusing on opening digital opportunities to young people. As part of this project, we installed 205 broadband connections in schools, enabling over 157,000 students to access the internet, and over 3,700 teachers to use technology in managing secondary education performance. In partnership with the Honduran telecom regulator CONATEL, we are planning to connect a further 300 schools with broadband internet over the next two years.

Rwanda
In 2015, Tigo Rwanda became our first operation to create a Digital Changemakers Hub for the social entrepreneurs we support at our Kigali headquarters, providing a space where Digital Changemakers can work on their projects without distraction, with a reliable internet connection and with access to experts from both Tigo and our partner Reach for Change.

El Salvador
We partnered with USAID and connected 116 schools to the internet, reaching over 40,000 students and more than 1,000 teachers. This innovative partnership also enables the students from being just recipients of technology to becoming makers by teaching topics like coding or robotics.

Costa Rica
Six students of the Technological Institute of Costa Rica (TEC) won the Tigo Digital Changemakers Award. Their social company CO_2 Tree developed a system for recycling through intelligent stations, which assign loyalty points for recycled waste, such as plastic or glass bottles and aluminum cans. They intend to launch 40 stations in 2016 starting with major universities.

Senegal
Our 2015 Digital Changemakers Award Winners in Senegal were Jean Luc Semedo and Evelyne Ines, who developed a web and mobile application platform to promote blood donation by registering blood donors and encouraging them to donate. They have now partnered with 19 blood banks in Senegal and plan to scale up using SMS as a platform to roll out their initiative across the country.

Chad
Our 2014 Digital Changemaker Award winner Didier Lalaye developed a mobile device to provide affordable and convenient testing and treatment for children in remote areas infected with bilharzia. During 2015, he tested 1,675 children, diagnosing 419 with bilharzia and delivering treatment to them. He has partnered with Tigo to provide three toll-free hotlines that the public can use to access information and request test collection at home. He is now scaling his impact with three mobile labs and ten mobile units.

Key Performance Indicators

Key Performance Indicators

Key ○ Unchanged ◑ In progress ● Achieved

🔒 Issue 1: Privacy and freedom of expression

Long-term objectives (by 2018):
Complete an external assessment of Millicom's policies and processes relating to privacy and freedom of expression.

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Policy implementation	Action plans for operations that require further support in implementing law enforcement assistance (LEA) guidelines.	◑	Page 15	Number of operations with processes in place aligned to Group Guideline to manage law enforcement requests.	New KPI for 2016			Continue to support specific operations to implement guidelines.
Law enforcement requests	Template for operations to record requests in a unified manner.	●	Page 16	Number of law enforcement requests (Group).	N/A	N/A	39,418[1]	Publish Law Enforcement Disclosure report.
	Major events related process and guideline approved for the Group.	●	Page 16	Number of major events.	–	2	20	

[1] We published our Millicom Group Guideline for Law Enforcement Assistance (LEA) Requests and Major Events Guideline, and created a global template for each operation to record requests in 2015. Therefore this is the first year we are able to report on the number of LEA requests and major events. The number includes requests for customer metadata, MFS information and interception in all operations.

👪 Issue 2: Child protection

Long-term objectives (by 2018):
• Conduct Child Rights Impact Assessments in all operations in Africa.
• Integrate the promotion of parental controls and distribution of safe internet into mobile, fixed and cable TV customer processes in Latin America.

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Child labour policy compliance	Carry out first internal control review of child labour and young workers policy compliance in 2015 across all our operations.	●	Pages 11, 19	Number of operations completing self-assessment against minimum age of hiring controls.	N/A[2]	N/A[2]	12[3]	All operations to have controls in place and systematically applied against the minimum age policy.
				Number of operations with systematic controls of minimum age.	–	–	7	Publish child online protection policy and accompanying guidelines for implementation for operations.
Child rights impact assessments	Conduct Mobile Operator Child Rights Impact Assessments (MO CRIA) in Rwanda and Tanzania in Q1, and two other operations by end of 2015.

Finalise the MO CRIA tool in collaboration with UNICEF following the pilots. | ◑ | Page 19 | Number of operations with child risk impact assessments conducted. | 1 | 0 | 2 | Finalise MO CRIA tool and complete assessment in Colombia in Q1 2016.

Launch and promote final version of MO CRIA with UNICEF to the mobile operator community.

Conduct MO CRIA in three additional operations. |

[2] Our minimum age policy was published in 2015, with internal controls embedded the same year. Therefore we are unable to report any data for 2013 or 2014.

[3] Except for TigoUne, which will be completed in 2016.

Key Performance Indicators continued

Key ○ Unchanged ◑ In progress ● Achieved

👪 Issue 2: Child protection continued

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Child protection workshops	Organise child online protection (COP) workshops with stakeholders in three Latin American operations.	●	Page 20	Number of workshops conducted.	–	1	4 (exceeded target)	Organise three workshops in Latin America and Africa.
Customer COP materials			Page 20	Number of operations with a child online protection portal	New KPI for 2016			Roll out customer materials across Latin America to help protect children online.
				Number of operations with customer leaflets on COP	New KPI for 2016			
				Number of operations blocking child sexual abuse content	N/A	N/A	1	

📋 Issue 3: Acting responsibly: anti-corruption compliance

Long-term objectives (by 2018):
• Implement all elements of the Millicom Anti-Bribery and Anti-Corruption (ABAC) compliance programme.
• ABAC programme embedded cross-functional risk management, and linked to Group-wide improvement measures to Compliance KPIs on awareness training.

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Code of Conduct	Launch the new Code of Conduct ('the Code').	●	Page 23	% of employees who signed or acknowledged the Code.	90%	70%	52%	All employees have signed or acknowledged the Code.
Training	Design and launch eLearning on the Code for all employees in collaboration with the Millicom University.	◑	Page 24	% of employees who have completed the Code eLearning.	New KPI for 2016[4]			85% employees to complete the Code e-learning.
				% of procurement staff trained on ABAC[5].	N/A	N/A	32%	ABAC training completed by all senior staff and high-risk groups.
				% of target group trained on ABAC[6].	N/A	N/A	76%	
								New target: Strengthen AML requirements in our Internal Control Manual, and conduct AML audits.
								New target: Map our land rights management process with a pilot operation to understand environmental and social impacts (including corruption risk).

[4] The Code eLearning was launched at the end of 2015 in English-speaking African markets only.
[5] New indicator for 2016. Number of procurement staff trained as a percentage of all supply chain roles, including procurement and logistics. For 2015 training, we invited higher risk roles in procurement team, such as head of department in each country, and high-spend category buyers.
[6] In previous years we have reported on the total number of employees trained on ABAC. As we identified potential high corruption risk roles this year and targeted these roles for ABAC training, we feel reporting on a revised indicator is a more accurate reflection of our progress.

Key Performance Indicators
continued

Key Performance Indicators continued

Key ○ Unchanged ◐ In progress ● Achieved

📋 Issue 3: Acting responsibly: anti-corruption compliance continued

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Conflict of interest declaration		◐	Page 23	% of employee who have signed the conflict of interest declaration form.	67%	67%	57%	All employees have filled the conflict of interest declaration form.
Whistleblowing	Continue to align management of cases reported to joint tools and guidelines.	◐	Page 25	Number of cases of unethical behaviour reported.	177	110	156	Continue to align management of cases reported to joint tools and guidelines. Continue communication campaign on our Millicom Ethics Line and wider ABAC compliance programme, and encourage employees to raise potential concerns.
				Number of reported cases investigated.	142	101	156	
				Investigations resulting in written warning.	43	8	16	
				Investigations resulting in termination of employee contract.	48	54	6	

💡 Issue 4: Reducing our environmental footprint

Long-term objectives (by 2018):
• Global e-waste process implemented in all operations to manage e-waste through responsible vendors.
• Extend environmental reporting to consider emissions relating to logistics and supply chain.

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
E-waste	Complete e-waste process and sell waste through certified vendors in six operations.	◐	Page 27	Number of operations set up on our global responsible e-waste recycling programme.	1	2	5	Identify high-risk operations where e-waste is not managed in line with Millicom's global policy, and set up programmes at these operations as priority. Update Millicom's environment and e-waste management policies.

Key Performance Indicators continued

Key ○ Unchanged ◐ In progress ● Achieved

💡 Issue 4: Reducing our environmental footprint continued

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Energy consumption and carbon emissions	Reduce CO_2 emissions per base station by 50% by 2020.	●	Pages 28-29	% reduction in normalised CO_2 emissions per base station compared to 2008 baseline.	52%	39%	51%	Sign up to participate in European Code of Conduct for Data Centres. Achieve best practice certification in two data centres, one for Tigo Tanzania and another for Tigo Paraguay. Establish a cross-functional steering committee and global energy reduction and green energy strategy.
				% of base stations on single RAN technology	N/A	N/A	58%	
				Number of base stations using green power.[7]	1,149	1,267	1,393	
				Electricity and fuel consumption by technical and administrative sites.	See 2013 CR report page 27.	See 2014 CR report page 43.	See page 28 for break-down.	
Target setting	Review environmental target setting process and approach to science-based targets for carbon reduction. Set new long-term targets based on new indicators.	◐	Page 27	We are in the process of reviewing our target setting process and will publish subsequent KPIs in 2016.	Reduce CO_2 emissions per base station by 50% by 2020.			Review environmental target setting process and approach to science-based targets for carbon reduction. Set new long-term targets based on new indicators.

[7] Includes solar panels, deep-cycle batteries or other hybrid, green solutions.

👥 Issue 5: Promoting diversity

Long-term objectives (by 2018):
• Increase the number of women among senior managers each year.

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Family-friendly policies	Carry out global benchmark of family-related policies.	●	Page 32	Number of operations benchmarked.	N/A	N/A	14	Analyse aligning lengths of leaves for maternity and paternity leave across all operations. Promote shortened working week for breastfeeding mothers as well as establish nursing rooms in 50% of operations.

Key Performance Indicators
continued

Key Performance Indicators continued

Key ○ Unchanged ◑ In progress ● Achieved

👥 Issue 5: Promoting diversity continued

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Female representation in the workforce	Introduce number of measures and indicators to identify local challenges affecting female turnover and gender balance in senior management.	◑	Pages 31-32	% of women in senior management positions.	19%	22%	25%	Relaunch gender diversity programme with group and local senior management teams. Conduct equal pay audit. Based on the results of the Executive Committee workshop, set long-term goals and KPIs to promote an inclusive workplace.
				Turnover rate for women under 30.	13%	28%	18%	

➕ Issue 6: Taking care of our people

Long-term objectives (by 2018):
• Continue our zero-fatality commitment; invest in our people and nurture local talent.

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Health and safety	All operations in line with OHSAS 18001 by end of 2015.	●	Page 36	Number of operations in line with OHSAS 18001.	N/A	2	14	Conduct internal audits to assess compliance with the new H&S policy and Millicom Safety Rules. Conduct risk assessments with each business area to identify significant risks and develop a mitigation plan for top five risks. Achieve OHSAS 18001 certification for our corporate offices.
				% of workforce represented in H&S committees.	62%	70%	91%	
	Give all staff access to incident reporting tool.		Page 36	Number of H&S incidents reported	N/A	N/A	305	Continue improving our incident reporting.
				Number of employee fatalities	–	1	1	
				Number of contractor fatalities	–	6	16[8]	
				Lost-time injury rate per 1,000 employees	N/A[9]	N/A	1.26	
				Absentee rate	0.54%	0.62%	0.71%	

[8] The increase is partially due to increased violence in El Salvador (five fatalities), and partially due to improved reporting of incidents and fatalities.

[9] With the roll out of our H&S incident reporting tool, we are able to report accident rate for the first time in 2015. The number is per 1,000 employees.

Key Performance Indicators continued

Key ○ Unchanged ◑ In progress ● Achieved

➕ Issue 6: Taking care of our people continued

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Invest in our people	Continue investing in training and development of our people.	◑	Page 37	Average number of hours of training[11] provided to female employees.	22	24	27	Implement the new performance management system.
				Average number of hours of training[11] provided to male employees.	22	23	23	
				Average number of hours of training[11] by employee category: senior managers	17	19	19	
				Average number of hours of training[11] by employee category: employees excluding senior managers.	55	32	24	
Monitor Group turnover				Turnover of staff (Group).	14%	20%	18%	
Local employment	Supporting local employment.	◑	Page 38	% of senior management with local employment contract.	82%	84%	85%	Continue fostering and promoting inclusion and local talent to grow.
				% of our employees that are of local nationality of their country of operation.	99%	99%[10]	97%	

[10] In 2013 and 2014, we reported the number of employees on a local contract. In 2015, we have started reporting on the percentage of local nationalities instead as it provides a more accurate measure for local employment.

[11] Training hours data excludes Tigo Chad and Tigo Senegal, as training wasn't tracked systematically during 2015.

Key Performance Indicators
continued

Key Performance Indicators continued

Key ○ Unchanged ◖ In progress ● Achieved

🔗 Issue 7: Responsible supply chain management

Long-term objectives (by 2018):
• Full supplier monitoring programme in place, including, self-assessments and on-site audits.
• Support capacity building of local suppliers to manage CR-related risks.

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Responsible supply chain management	Define 'high risk' suppliers.	●	Page 41	% of strategic[12] suppliers who have signed the Supplier Code of Conduct.	82%	61%	79%	Complete supplier risk materiality analysis and identify top risks per spend category.
				% of all suppliers who have signed the Supplier Code.	12%	9%	27%	Begin supplier training programmes and capacity building.
	Begin supplier self-assessments through EcoVadis supplier self-assessment tool, focusing on global Top 20 suppliers by risk.	●	Page 41	Number of suppliers invited to complete self-assessments to date[13].	N/A	N/A	113	Conduct at least two self-assessment campaigns, based on materiality assessment.
				Number of suppliers who have submitted self-assessment questionnaires to date[14].	N/A	N/A	60	
	Provide training to all internal procurement teams, and to top buyers internally on Supplier Code and monitoring.	◖	Page 42	% of procurement teams trained on responsible supply chain management.	N/A	N/A	65%	Provide training to procurement staff on implementing and following corrective action plans on EcoVadis.
				Turnover of procurement staff	N/A	N/A	14%	

[12] In 2016, we will work towards aligning our reporting definition of 'strategic suppliers' with the results of supplier risk materiality analysis, and report on percentage of high-risk suppliers who signed the Supplier Code.

[13] Number of suppliers who have been invited to complete self-assessments since beginning of 2015 until end of year 2015.

[14] Number of suppliers who have completed self-assessments since beginning of 2015 until end of year 2015.

Key Performance Indicators continued

Key ○ Unchanged ◖ In progress ● Achieved

🏠 Issue 8: Social investment

Topic	2015 target	Status (where relevant)	Read more about our progress at	KPIs	2013	2014	2015	2016 target
Investing for impact	Pilot social investment and impact measurement framework.	●	Page 45					Roll out framework and train CR teams in social impact measuring. Report first results in 2016 CR Report.
	Continue identifying innovative and digitally driven ideas and solutions.	●	Page 44	Number of social entrepreneurs supported in operations with Tigo Digital Changemakers Award or similar activities.	13	19	17	Continue identifying innovative and digitally driven ideas and solutions in our four themes.
Volunteering, sponsorships and donations	Establish policies for consistent application across our operations: – Volunteering. – Sponsorships and donations.	●	Page 45	Number of volunteering hours.	N/A	N/A	20,335[2]	Clarify responsibilities and guidelines and support local implementation.
				Monetary value of volunteering (US$'000)[15].	127	445	247	Document volunteering hours in line with policy from all countries.
				Total cash contributions (US$'000)[15].	7,368	7,582	5,814	Launch regional or global volunteering campaign.
				Total in-kind contributions (US$'000)[15].	3,733	4,160	3,993	
				Total management overhead contribution (US$'000)[15].	1,263	1,303	2,357	

[15] Note, these numbers do not take into account foreign currency fluctuations against the US dollar in our markets, which in particular in 2015 were significant in some operations.

[16] In previous years we have only reported on total cost of volunteering. To strengthen our social investment reporting, from 2015 onwards, we are including number of volunteering hours as a new KPI.

Independent assurance statement

Scope and approach
Millicom International Cellular S.A ("Millicom") commissioned DNV GL Business Assurance Services UK Limited ("DNV GL") to undertake independent assurance of the Corporate Responsibility Report 2015 (the "Report") for the year ended 31 December 2015.

The assurance process was conducted in accordance with AA1000AS (2008), using DNV GL's VeriSustain™ methodology. VeriSustain™ is based on our professional experience, international assurance best practice including AA1000 Assurance Standard, International Standard on Assurance Engagements 3000 (ISAE 3000), and the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines. We evaluated the report for adherence to the VeriSustain™ Principles (the "Principles") of stakeholder inclusiveness, materiality, responsiveness, completeness, neutrality and reliability.

We evaluated the performance data using the reliability principle together with Millicom's data protocols for how the data are measured, recorded and reported. The performance data in scope was 2015 data for: EN3 – Energy; EN15, EN16, EN17 – Emissions; LA1 – Employee numbers; LA5 – Health & Safety committees; LA6 – Injuries; LA9 – Training; LA12 – employee breakdown; PR8 – Complaints; SO4 – Anti-corruption; HR12 – Human Rights grievances.

We understand that the reported financial data and information are based on data from Millicom's Annual Report and Accounts 2015, which are subject to a separate independent audit process. The review of financial data taken from the Annual Report and Accounts is not within the scope of our work.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing Type 2, 'moderate level' assurance. A 'high level' of assurance would have required additional work at Group and site level to gain further evidence to support the basis of our assurance opinion.

Responsibilities of the Directors of Millicom and of the assurance providers
The Directors of Millicom have sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of Millicom; however our statement represents our independent opinion and is intended to inform all of Millicom's stakeholders. DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. We have no other contract with Millicom and this is the fourth year that we have provided assurance.

DNV GL's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Basis of our opinion
A multi-disciplinary team of sustainability and assurance specialists performed work at headquarters and site level. We undertook the following activities:

- Review of the current corporate responsibility issues that could affect Millicom and are of interest to stakeholders;
- Review of Millicom's approach to stakeholder engagement and recent outputs;
- Review of information provided to us by Millicom on its reporting and management processes relating to the Principles;
- Interviews with selected Directors and senior managers responsible for management of corporate responsibility issues and review of selected evidence to support issues discussed. We were free to choose interviewees, they included: the CEO; Chair of Government Relations and Corporate Responsibility Committee; Executives with overall responsibility for: Millicom's corporate responsibility strategy and programmes; for Millicom's operations in Africa and Latin America; and management responsible for specific functions, including supply chain, security and fraud;
- A site visit to the TigoUne business in Colombia to review process and systems for preparing site level corporate responsibility data and implementation of corporate responsibility strategy. We were free to choose the site location. Colombia was chosen as it is the biggest operation following the recent merger with UNE;
- Review of supporting evidence for key claims and data in the report. Our checking processes were prioritised according to materiality and we based our prioritisation on the materiality of issues at a consolidated corporate level; and
- Review of the processes for gathering and consolidating the specified performance data and, for a sample, checking the data consolidation.

Opinion
On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe Millicom's adherence to the Principles. In terms of reliability of the performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate.

Observations
Without affecting our assurance opinion we also provide the following observations.

Stakeholder inclusiveness
The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

Stakeholder engagement at corporate level remains strong. We note that Millicom has implemented our recommendation to increase engagement with local stakeholder and has conducted a materiality survey with stakeholders in each market. The planned country factsheets or next Corporate Responsibility report should disclose how material issues differ across operating countries and the impact on the global Corporate Responsibility strategy. Millicom should also explore if governance arrangements need to be strengthened at local level and disclose how external stakeholder input is considered by various governance bodies.

Materiality
The process for determining the issues that are most relevant to an organisation and its stakeholders.

This is the second year Millicom is implementing its five year Corporate Responsibility strategy. Significant efforts have been made to further formalise governance arrangements, polices and systems, and many have now been successfully integrated throughout the business. Millicom operates in a number of challenging environments and during the year it has faced a high number of contractor fatalities, the discovery potential improper payments in Guatemala and other security risks. Millicom is already strengthening its existing management approaches in these areas and future reports should include the outcomes of this work.

In 2015 Millicom undertook a review of its material issues with stakeholders. This confirmed that the issues currently in scope remain priorities and also identified some emerging issues for future focus such as land acquisition and management, and climate resilience. We have recommended reporting on responsible marketing in the past and note that Millicom has now made a commitment to work on a global responsible marketing policy in 2016.

This year Millicom has further strengthened senior management control and oversight of a range of material corporate responsibility issues with the Government Relations and Corporate

Responsibility Committee of the Board of Directors now meeting quarterly. The revised company-wide Code of Conduct was published and the internal self-assessments operations undertake include compliance, health and safety and corporate responsibility topics.

Following the implementation of the new health and safety reporting tool in 2014, safety incidents and accident rate have been reported this year. We expect completeness of this data to improve as the system becomes embedded.

Reporting on suppliers and supply chain has expanded significantly this year following the introduction of a supplier self-assessment programme. The next report should outline how the supply chain risk materiality analysis has enabled Millicom to focus its management efforts. Our Assurance Statements in previous years have recommended that Millicom consider enhancing reporting on other aspects of its value chain: distributors, freelancers and outsourced services, in order to better align with the GRI G4 requirement to report on the boundaries of each material issue, and the impact of the business outside of the organisation. This year case studies have covered some aspects and we recommend continuing to expand this, especially in relation to outsourcing, as the ongoing business restructure is resulting in increased outsourcing of services.

Responsiveness
The extent to which an organisation responds to stakeholder issues.

Millicom continues to provide a balanced account of the company's performance, and is transparent about the challenges faced throughout the year. This year the report chapters provide an overview of key stakeholder feedback and signpost how this is currently managed which is helpful.

Millicom continues to strengthen its management approach and disclosure relating to freedom of expression and privacy by further embedding the cross-functional Lawful Interception Policy Committee and with the introduction of a separate Law Enforcement Disclosure report this year.

Millicom reports its progress against the 2015 targets clearly, and targets which have not been met have been rolled forward and included in the 2016 targets. Longer term targets are also reported and provide context for the annual targets. We support the intention to report more specific environmental targets and KPIs in 2016.

The rollout of the e-waste initiative continues and other environmental initiatives are also underway. While qualification of their impact remains challenging due to data availability across the business we have noted the e-waste initiative has expanded to five operations and the quantity of e-waste recycled is now reported.

Independent assurance statement
continued

Reliability of performance information
The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

On the basis of evidence we evaluated, data review mechanisms at corporate level were found to be robust. Challenges around obtaining accurate country level performance information remain. However, we note that central oversight over data has been strengthened further and that efforts have been undertaken to improve country level data.

At a Group level this has included functional reviews of some indicators, increasing confidence over these data. This year the Corporate Responsibility data reporting tool has been used to collect evidence to support data entered, and for those countries providing this, it has improved the reliability of data. We recommend supporting evidence is provided for all data in future.

At country level, data accuracy is still at times affected by lack of clarity over data definitions and scope. For a small number of country data points, estimates have been used and we believe the basis to be reasonable. Where data is estimated, this is signposted in the report text.

As the maturity of the data collection processes at operational level continues to evolve, we recommend improving the formal review and sign-off processes within country operations.

Millicom has reviewed and updated KPI definitions this year and also translated them into local languages. This has improved consistency of data reporting. However, the process of definition review and update should continue as there is opportunity for further improvement and clarity.

During the Colombia site visit we identified a number of data accuracy issues that were resolved prior to final data consolidation. Work on aligning data reporting and definitions following the merger with UNE and should continue.

We support the intention to improve completeness in future reports by including data from Zantel (in Tanzania) and also from the Colombian subsidiaries currently excluded.

For and on behalf of DNV GL Business Assurance Services UK Limited
London, UK
23rd March 2016

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– Financial calendar
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– What we do
– Where we operate
– Our responsibility

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