



Governance:

Governance and Business Ethics



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Doing the Right Things for the Right Reasons Chairman’s Report

Millicom’s Board of Directors (“the Board”) and its committees dealt with many significant strategic, operational and compliance matters during 2018. These included further enhancement of governance structures related to the Group’s joint ventures, ongoing development of compliance and control programs, oversight of the process of acquiring the Cable Onda (Panama) operation, and preparation for re-listing on the Nasdaq Stock Market in the U.S..

Role of the Board

The Board is responsible for approving Millicom’s strategy, financial objectives, and operating plans and for oversight of governance. The Board also plans for CEO succession and reviews plans for other senior management positions.

Board Changes

We welcomed Mr. Lars-Åke Norling to the Board in September 2018. Mr. Norling brings significant experience in leadership and digital transformation in the telecommunications business.

I would like to thank Alejandro Santo Domingo for his long-standing role as a Director of the Board and his contributions to both the Board and the Compliance and Business Conduct Committee during his tenure. Gratitude also goes to Simon Duffy for his role and valuable contributions to both the Audit Committee and Board over recent years. Both Mr. Santo Domingo and Mr. Duffy stepped down from the Board in May 2018.

In November 2018, Millicom also announced the proposed election of José Antonio Rios García as new Chairman of the Board, as well as Pernille Erenbjerg and James Thompson as new Directors of the Board, replacing myself and Anders Jensen. As the company passes the baton to these new leaders, we look forward to many years of continued success in delivering on our mission as a company.

Strength through Diversity, Teamwork and Sharing

Millicom’s diversity of people in our operating countries, offices, and headquarters is a key strength. We value different perspectives, encourage the sharing of alternate viewpoints, and promote equal opportunity. These remain core elements that contribute to Millicom’s corporate culture.

We are proud of our success in fostering strong work place environments and the accolades received in this respect.

Compliance

During 2018, we continued building and refining our compliance program, supported by the Executive Committee and our Ethics and Compliance team.

On behalf of the Board, I would like to reconfirm our commitment to a culture of compliance and strong internal control that leads to strength and success. We are proud to be a leader in our dedication to ethics and compliance in our markets. We look forward to engaging with you and thank you for being part of the Millicom journey.

Tom Boardman

Former Chairman of the Board of Directors

Corporate Governance Framework

Background

Millicom International Cellular S.A. (“Millicom” or the “Company”) is a public limited liability company (société anonyme) governed by the Luxembourg law of August 10, 1915 on Commercial Companies (as amended), incorporated

on June 16, 1992, and registered with the Luxembourg Trade and Companies’ Register (Registre du Commerce et des Sociétés de Luxembourg) under number B 40 630. The Millicom Group comprises Millicom and its subsidiaries, joint ventures and associates.

Millicom’s shares are listed on Nasdaq Stockholm in the form of Swedish Depository Receipts and on the Nasdaq Stock Market in the U.S. as from January 9, 2019.

Millicom’s Corporate Governance Framework is primarily based on the following legislation, principles and regulations:

Publication	Authority	Philosophy
Swedish Code of Corporate Governance	Guiding Principles	Comply or Explain
Luxembourg Law	Legislation	Comply
EU Directives and Regulations	Legislation	Comply
Nasdaq Stockholm Issuer Rule Book	Regulation	Comply
Nasdaq Stock Market Rules	Regulation	Comply
U.S. Securities Laws	Regulation	Comply
Good Stock Market Practice	Guiding Principles	Corporate Citizenship

Millicom governance deviated in 2018 in relation to the Swedish Code in the following areas:

Code requirement	Millicom practice	Explanation
1.5—A shareholder, or a proxy representative of a shareholder, who is neither a member of the board nor an employee of the company is to be appointed to verify and sign the minutes of the shareholders’ meeting.	Minutes are signed by the chairman of the shareholders’ meeting (who is not a member of the Board or an employee of the Company), the meeting Secretary and an appointed Scrutineer.	While this represents a deviation from the Swedish Code, Millicom follows Luxembourg Law in connection with procedures and rules for its shareholders’ meetings.
9.7—Vesting of share-related incentive programs to be no less than three years.	Deferred share incentive plans contain vesting of 16.5%–30% of granted shares after one year, 16.5%–30% after two years, and 40%–67% after three years.	The Company believes that this vesting schedule ensures alignment between the interests of the Company’s shareholders and its employees.

Within these frameworks, the Board has developed and continuously evaluates internal guidelines and procedures, as further described below, to ensure quality and transparency of corporate governance practices within Millicom.

Swedish Corporate Governance Code

The Swedish Corporate Governance Code (the “Swedish Code”) promotes positive development of corporate

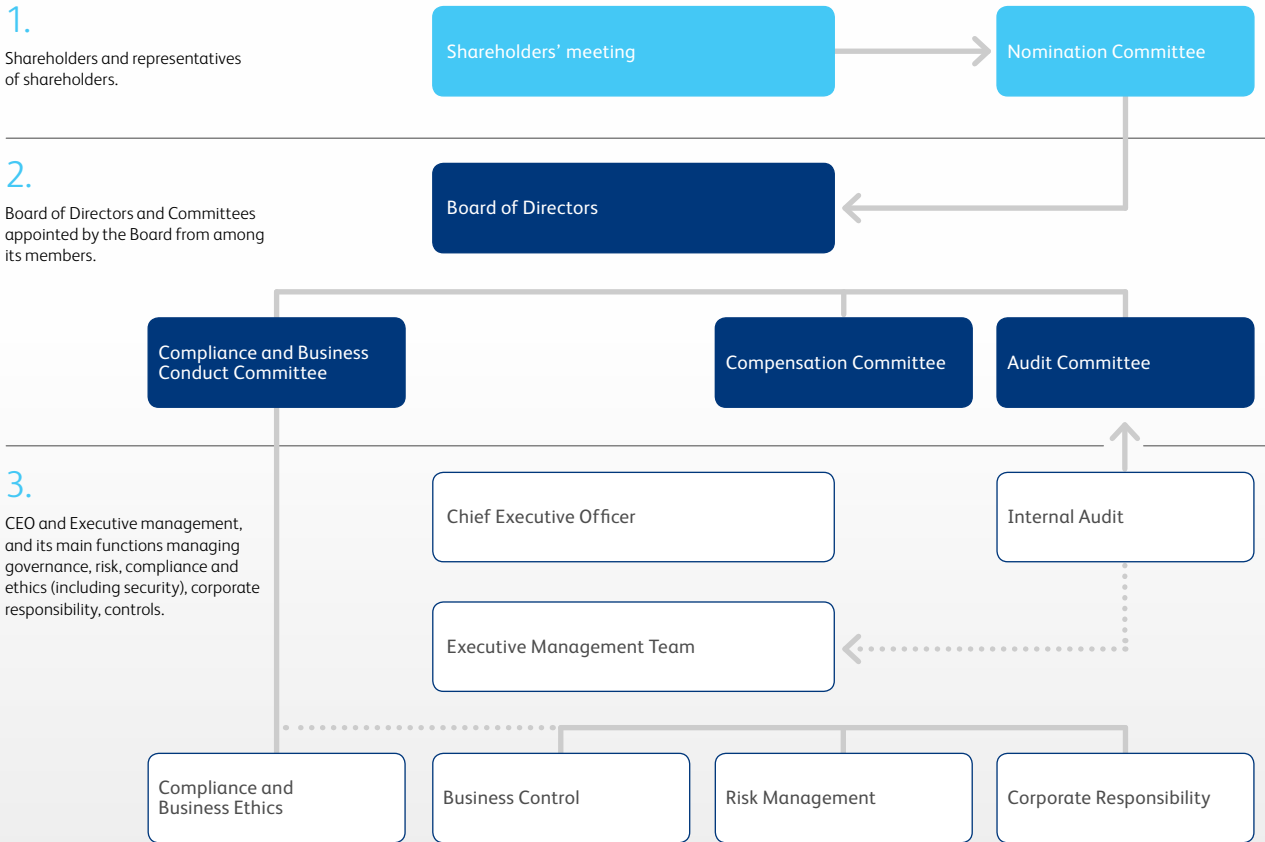
governance. The Code complements laws and regulations and sets its good practice level above regulatory requirements. The Swedish Corporate Governance Board states that self-regulation is often preferable to mandatory legislation and therefore allows companies to deviate from its rules, following a “comply or explain” philosophy.

Compliance with Applicable Stock Exchange Rules

There has been no infringement of applicable stock exchange rules and no breach of good practice on the securities market reported by Nasdaq Stockholm’s disciplinary committee or the Swedish Securities Council in 2018.

Corporate Governance Structure

Millicom’s Corporate Governance structure comprises the following three levels:



1. Shareholders and shareholders’ meeting

The shareholders’ meeting is the highest decision-making body of Millicom and a forum for shareholders to exercise influence. Each shareholder has the right to participate in the shareholders’ meeting and to vote according to the number of shares owned. Shareholders unable to attend in person may exercise their rights by proxy.

Millicom’s Articles of Association (as amended on May 4, 2018) set the Annual General Meeting of Shareholders (“AGM”) to be held within six months of the close of the financial year in Luxembourg.

Millicom’s Articles of Association are available in the “Governance” section of Millicom’s website. Unless otherwise required under Luxembourg law, an

extraordinary general meeting must be convened to amend any provisions of the Articles of Association.

At the 2018 AGM, which was held on May 4, 2018, the following key items were decided:

- Approval of the 2017 Consolidated Financial Statements and distribution of a dividend of US\$2.64 per share;
- Election and re-election of the Directors until the date of the 2019 AGM;
- Reappointment of Ernst & Young (“EY”) as the external auditor;
- Approval of remuneration to the Board and auditor and procedures for the Nomination Committee;
- Approval of guidelines for the remuneration of senior management; and

- Approval of a Share Repurchase Plan.

On the same date, an Extraordinary General Meeting (“EGM”) was held during which several amendments were made to the Articles of Association.

On January 7, 2019, an EGM was held at which the following key items were decided:

- Resignation and election of two Directors;
- Amendment to the Articles of Association of the Company regarding the procedure for nomination of directors.

Nomination Committee

Nomination Committee	On behalf of:	Position
Ms. Cristina Stenbeck	Kinnevik AB	Chairman
Mr. John Hernander	Nordea Investment Funds	Member
Mr. Scott Cobb	Southeastern Asset Management	Member

The Nomination Committee is appointed by the major shareholders of Millicom. It is not a committee of the Millicom Board. The Nomination Committee's role is to propose decisions to the shareholders' meeting in a manner which promotes the common interests of all shareholders. The Nomination Committee has a term of office typically commencing at the time of the announcement of the interim report for the period January to September each year and ending when a new Nomination Committee is formed.

At the January 7, 2019 Extraordinary General Meeting, it was resolved that the articles of association of the company be amended to stipulate that

the Nomination Committee rules and procedures of the Swedish Code of Corporate Governance shall be applied for the election of Directors to the Board of Directors of the Company, as long as such compliance does not conflict with applicable mandatory law or regulation or the mandatory rules of any stock exchange on which the Company's shares are listed. Nomination Committee proposals to the AGM include:

- Election and remuneration of Directors of the Board, and Chairman of the Board;
- Appointment and remuneration of the external auditor; and
- Proposal of the Chairman of the AGM.

Under the terms of the Nomination Committee charter, the Nomination Committee consists of at least three members, with a majority representing the larger shareholders of the Company. The current Nomination Committee was formed during July 2018, in consultation with larger shareholders of the Company at June 20, 2018 and in accordance with the resolution of the 2018 AGM.

The table below sets out beneficial ownership of Millicom common shares, par value US\$1.50 each, by each person who beneficially owns more than 5% of Millicom common stock at December 31, 2018.

Shareholder	Number of shares	% Shareholding
Kinnevik AB	37,835,438	37.2
Dodge & Cox	8,128,305	8.0
Southeastern Asset Management	5,852,130	5.8

Footnote: Except as otherwise indicated, the holders listed above ("holders") have sole voting and investment power with respect to all shares beneficially owned by them. The holders have the same voting rights as all other holders of Millicom common stock. For purposes of this table, a person or group of persons is deemed to have "beneficial ownership" of any shares as of a given date which such person or group of persons has the right to acquire within 60 days after such date. For purposes of computing the percentage of outstanding shares held by the holders on a given date, any security which such holder has the right to acquire within 60 days after such date (including shares which may be acquired upon exercise of vested portions of share options) is deemed to be outstanding, but is not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.

Promoting Board Diversity

Millicom's Nomination Committee recognizes the importance of diversity for promoting strong corporate governance, competitive advantage, and effective decision-making. The Nomination Committee is responsible for periodically determining the appropriate skills, perspectives, experiences, and characteristics required

of Board candidates, considering the Company's needs and current Board composition. This determination will include knowledge, experience, and skills in areas that are critical to understanding the Company and its business; richness of views brought by different personal attributes such as gender, race, age, and nationality; and other personal characteristics, such as integrity and

judgment; and candidates' commitment to the boards of other publicly-held companies.

In its work, the Nomination Committee applies rule 4.1 of the Swedish Corporate Governance Code as its diversity policy, and the ambition to further improve gender diversity is included in the Nomination Committee charter.

2. Board of Directors and Board committees

The Chairman convenes the Board and leads its work. The Chairman is accountable to the Board and acts as a direct liaison between the Board and the management of the Company, through the CEO. Together with the CEO, meeting agendas are set and the Chairman acts as the communicator for Board decisions where appropriate.

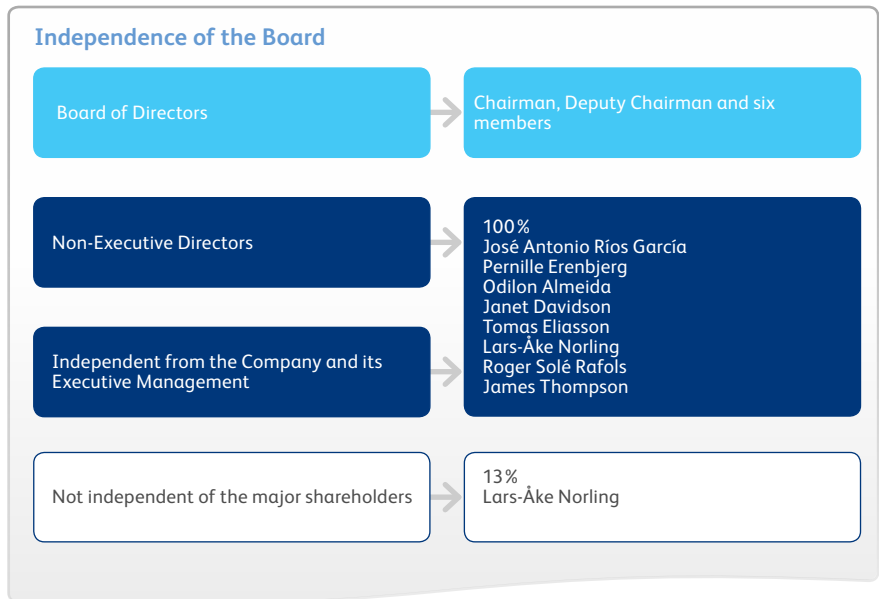
Role of the Board

Millicom’s Board of Directors (the “Board”) is responsible for approving Millicom’s strategy, financial objectives, and operating plans, and for oversight of governance. The Board also plans for management succession of the CEO and reviews plans for other senior management positions.

As set forth in the Company’s Articles of Association, the Board must comprise at least six members. The 2018 AGM set the number of Directors at eight, comprising a Chairman and seven members (all of whom are Non-Executive Directors).

The Board selects the CEO, who is charged with the daily management of the Company and its business. The CEO is responsible for recruiting, and the Chairman of the Board is responsible for approving, the senior management of the company. The Board reviews and approves plans for key senior management positions, and the Board supervises, supports and empowers the senior management team, and monitors their performance. In accordance with the Swedish Code, the division of work between the Board and the CEO is set out in “The Rules of Procedure, Instruction to the CEO, and Reporting Instruction”.

Further details on the roles and activities of the various committees, as well as their responsibilities and activities, are set out later in this section.



Powers and Limitations of the Board

Borrowing powers—The Board has unrestricted borrowing powers on behalf of, and for, the benefit of Millicom.

Time and age limit—No age limit exists for being a Director of Millicom. Directors can be elected for a maximum period of six years before either re-election or ending service. Directors are generally elected annually. There are no restrictions on the maximum continuous period that a Director can serve. Directors hold office until their successors are elected.

Restrictions on voting—No contract or other transaction between the Company and any other person shall be affected or invalidated by the fact that any Director, officer or employee of the Company has a personal interest in, or is a director, officer, or employee of such other person, except that:

- I. such contract or transaction shall be negotiated on an arm’s-length basis on terms no less favorable to the Company than could have been obtained from an unrelated third party and, in the case of a Director, the Director shall abstain from

deliberating and voting on any matters that pertain to such contract or transaction at any meeting of the Board of the Company; and

- II. any such personal interest shall be fully disclosed to the Company by the relevant Director, officer or employee.

If any Director or officer of the Company should have any personal interest in any transaction of the Company, the Director shall make known to the Board such personal interest and shall not consider or vote on any such transaction, and such transaction and such Director’s or officer’s interest therein shall be reported to the next general meeting of shareholders.

Share Ownership Requirements

The Directors are not required to be shareholders of the Company. Share ownership of Directors is included in the Director biographies set out on the following pages.

Chairman of the Board

The Chairman is elected by the AGM. If the Chairman relinquishes the position during the mandate period, the Board is to elect a Chairman from among its members to serve until the end of the next AGM.

Deputy Chairman of the Board

If elected, the Deputy Chairman of the Board acts as a sounding board and provides support for the Chairman. The Deputy Chairman convenes Board meetings in accordance with the Company's Articles of Association, and leads its work in the event the Chairman is unavailable or is excused from Board meetings. The Deputy Chairman may act as an intermediary for other Directors if there are conflicts among Board members or between the Chairman and the CEO, as and when necessary. The Deputy Chairman leads the annual processes for evaluation of the performance of the Board and of the Chairman. Additional roles and responsibilities of the Deputy Chairman can be determined by the Board.

Corporate Secretary

The Corporate Secretary is appointed by the Board. The role of the Corporate Secretary is to ensure that Board members have the proper advice and resources for performing their duties to shareholders under the relevant legal frameworks. The Corporate Secretary is also responsible for organization and coordination of Board and Committee meetings, and ensuring that the records, or minutes of those meetings, reflect the proper exercise of those duties.

The Corporate Secretary is also a confidante and resource to the Board and senior management, providing advice and counsel on Board responsibilities and logistics, and plays a leading role in the Company's corporate governance.

Chief Executive Officer

The CEO is responsible for leading the development and execution of the Company's strategy with a view to creating shareholder value, together with the management team. The CEO is responsible for day-to-day activities of the Company and management decisions, both operating and financial. The CEO acts as a direct liaison between the Board and management of the Company and communicates to the Board on behalf of management.

The CEO also leads communication on behalf of the Company to shareholders, employees, government authorities, other stakeholders, and the public.

Board Membership, Balance and Independence

The Nomination Committee and the Board periodically review the size and balance of the Board to determine whether any changes are appropriate.

At the AGM, held annually within six months of the end of the financial year, or at any other general meeting of shareholders, shareholders may vote for or against the Directors proposed by the Nomination Committee or may elect different Directors.

The Board has adopted the qualification guidelines of an "independent director" as defined by the Swedish Code, and with consideration of specific independence requirements of the Nasdaq Stock Market rules. A director's independence is determined by a general assessment of all factors that

may give cause to question the individual's independence of the Company or its Executive Management. Factors that are considered include whether the individual:

- is the CEO, or has been the CEO, of the Company or a closely-related company within the past five years;
- is employed, or has been employed, by the Company or a closely related company within the last three years;
- receives a not insignificant remuneration for advice or other services beyond the remit of the Board position from the Company, a closely-related company or a person in the executive management of the Company;
- has, or has within the last year, had a significant business relationship or other significant financial dealings with the Company or a closely-related company as a client, supplier or partner, either individually or as a member of the Executive Management, a member of the Board or a major shareholder in a company with such a business relationship with the Company;
- is or has within the last three years been a partner at, or has, as an employee, participated in an audit of the Company conducted by, the Company's or a closely-related company's current or then auditor;
- is a member of the executive management of another company if a member of the board of that company is a member of the executive management of the Company; or

- has a close family relationship with a person in the executive management or with another person named in the points above, if that person’s direct or indirect business with the Company is of such magnitude or significance as to justify the opinion that the Board member is not to be regarded as independent.

In accordance with the Swedish Code:

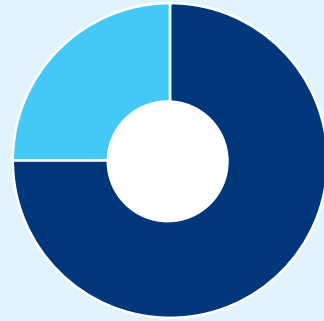
- The majority of Millicom’s Board must be independent from the Company and its Executive Management (all Millicom Directors meet this criteria); and
- at least two of those independent Directors must also be independent from the Company’s major shareholders (seven of Millicom’s Directors meet this criteria); and
- not more than one member of the Board may be part of the executive management team of the Company or any of its subsidiaries (no members of the Executive Team sit on the Board).

In addition, in accordance with Nasdaq Stock Market rules:

- The Audit Committee must have at least three members, all of whom meet the Nasdaq Stock Market and SEC’s relevant definitions of independence.

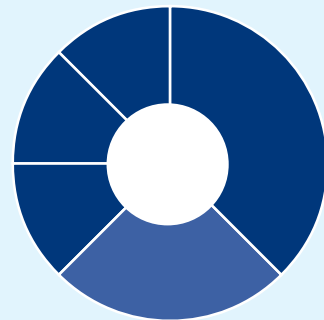
Gender of the Board

Male
75 %
Female
25 %



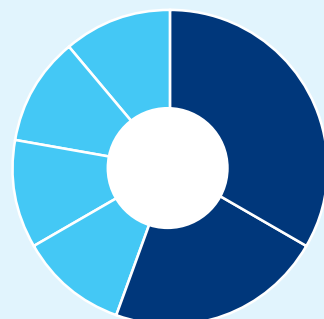
Tenure of Directors

1st year
3
2nd year
2
3rd year
1
4th year
1
5th year
1



Nationalities

American
3
Swedish
2
Spanish
1
Danish
1
Brazilian
1



Board Profile: Skills and Experience



Mr. José Antonio Ríos García
(Venezuelan and American)
Chairman, Non-Executive Director

(FIRST APPOINTED: MAY 2017)

Mr. José Antonio Ríos García was re-elected to the Board in May 2018 and was elected as the Chairman of the Board in January 2019. He is also a member of the Audit Committee and the Compensation Committee.

Mr. Ríos (1945) is a U.S. citizen and currently the Chairman and CEO of Celistics Holdings, a leading provider of distribution and intelligent logistics solutions for the consumer technology industry in Latin America. Prior to joining Celistics in 2012, he was the International President of Global Crossing, the telecommunications company later acquired by Level 3 Communications.

Between 1999 and 2001, Mr. Ríos served as member of the Global Management Committee of Telefónica and President and CEO of Telefónica Media, and prior to joining Telefónica he served as Vice President of Hughes Electronics Corporation, was the founding President and CEO of Galaxy Latin America (DirecTV Latin America), and served as Chief Operating Officer and Corporate Vice President at the Cisneros Group of Companies for 14 years.

Mr. Ríos brings to the Millicom Board his significant experience in leading a variety of consumer technology businesses in Latin America including the telecommunications and electronics industries.

INDEPENDENT from the Company, its Executive Management, and its major shareholders.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 1,623 shares.



Ms. Pernille Erenbjerg
(Danish)
Deputy Chairman, Non-Executive Director

(FIRST APPOINTED: JANUARY 2019)

Ms. Pernille Erenbjerg was elected as a new member of the Board of Millicom in January 2019. She is the Deputy Chairman and a member of the Audit Committee.

Pernille Erenbjerg (1967) is a Danish citizen and formerly (until December 2018) the President and Group Chief Executive Officer of TDC, the leading provider of integrated communications and entertainment solutions in Denmark and Norway. Before being appointed President and Group Chief Executive Officer, Pernille served as TDC's Chief Financial Officer and as Executive Vice President of Corporate Finance. Pernille currently serves on the Boards of Nordea, the largest financial services group in the Nordic region, and Genmab, the Danish international biotechnology company. Pernille holds an MSc in Business Economics and Auditing from Copenhagen Business School.

Ms. Erenbjerg brings years of experience from operating a converged provider of communication and entertainment services, as well as from driving transformational processes in complex organizations, both organically and through M&A.

INDEPENDENT from the Company, its Executive Management, and its major shareholders.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: Ms. Erenbjerg does not hold any Millicom shares.



Mr. Odilon Almeida
(Brazilian)
Non-Executive Director

(FIRST APPOINTED: MAY 2015)

Mr. Odilon Almeida was re-elected to the Board in May 2018. He is a member of the Compliance and Business Conduct Committee.

Mr. Almeida (1961) is the President for Western Union Global Money Transfer. He leads Western Union's global consumer omni-channel business across more than 200 countries and territories. With a 15-year tenure at Western Union, he most recently (2016) was the President of the Americas and European Union. His global business leadership and board experience at Western Union, Millicom, BankBoston (now Bank of America), The Coca-Cola Company and Colgate-Palmolive, has given him deep knowledge of corporate governance, general management, technology platforms, regulatory and compliance as well as consumer insights of developed and emerging nations.

Mr. Almeida holds a Bachelor of Civil Engineering degree from the Maua Engineering School in São Paulo, Brazil, a Bachelor of Business Administration Degree from the University of São Paulo, and an MBA with specialization in Marketing from the Getulio Vargas Foundation, São Paulo. He advanced his education at IMD Lausanne, The Wharton School, and Harvard Business School.

Mr. Almeida strengthens the Millicom Board with decades of experience from the financial services and Fintech sectors, and a leadership style anchored in growth acceleration and business turnarounds involving retail and digital transformation, organic growth and successful M&A.

INDEPENDENT from the Company, its Executive Management, and its major shareholders.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 3,176 shares.

Board Profile: Skills and Experience—*continued*



Ms. Janet Davidson
(American)
Non-Executive Director

(FIRST APPOINTED: MAY 2016)

Ms. Janet Davidson was re-elected to the Board in May 2018. She is the Chairman of the Compliance and Business Conduct Committee.

Ms. Davidson (1956) is a Supervisory Board member of STMicroelectronics. She held various managerial positions in Alcatel Lucent (1979 - 2011) including the role as Chief Strategy Officer, Chief Compliance Officer, and Executive Vice President, Quality & Customer Care.

She has been a Member of the Supervisory Board of STMicroelectronics since June, 2013 and serves on its Audit Committee and Strategy Committee. She has also been recognized by Working Woman Foundation with one of its first Women Enabling Science and Technology awards in 2001. In 1999, she was inducted into the Academy of Women Achievers of the YWCA of the City of New York, which honors women of high achievement.

She brings to Millicom's Board her long experience in the telecommunications and IT sectors. Ms. Davidson received a Bachelor of Science degree in physics from Lehigh University, a Master of Science degree in Electrical Engineering from Georgia Tech, and a Master of Science in Computer Science through Bell Laboratories.

INDEPENDENT from the Company, its Executive Management, and its major shareholders.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 2,518 shares.



Mr. Tomas Eliasson
(Swedish)
Non-Executive Director

(FIRST APPOINTED: MAY 2014)

Mr. Tomas Eliasson was re-elected to the Board in May 2018. He is the Chairman of the Audit Committee.

Mr. Eliasson (1962) is Executive Vice President, Chief Financial Officer of Sandvik.

Previously Mr. Eliasson was the Chief Financial Officer and Senior Vice-President of Electrolux, the Swedish appliances manufacturer.

Mr. Eliasson has also held various management positions in Sweden and abroad, including ABB Group, Seco Tools AB and Assa Abloy AB.

Mr. Eliasson holds a Bachelor of Science Degree in Business Administration and Economics from the University of Uppsala.

Mr. Eliasson brings to the Millicom Board his significant experience as a CFO for multinational and global Swedish companies, roles including governance and oversight over financial reporting, internal control and risk management processes and procedures within global finance functions.

INDEPENDENT from the Company, its Executive Management, and its major shareholders.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 3,763 shares.



Mr. Lars-Åke Norling
(Swedish)
Non-Executive Director

(FIRST APPOINTED: MAY 2018)

Mr. Lars-Åke Norling was elected to the Board in May 2018 and commenced in the role in September 2018. He is the Chairman of the Compensation Committee and a member of the Compliance and Business Conduct Committee.

Mr. Norling (1968) is an Investment Director and Sector Head of TMT at Kinnevik. Prior to that, he was the Chief Executive Officer of Total Access Communications (dtac) in Thailand where he executed a digital transformation and led a turnaround of the company's financial performance. He has also been EVP of Developed Asia for Telenor as well as Chief Executive Officer of DigiTelecommunications Malaysia and of Telenor Sweden.

Mr. Norling holds an MBA from Gothenburg School of Economics, an MSc in Engineering Physics from Uppsala University, and an MSc in Systems Engineering from Case Western Reserve University, USA.

He brings to Millicom's Board his extensive experience in leading telecommunications and media businesses and digital transformation in emerging markets.

INDEPENDENT from the Company and its Executive Management, but **NON-INDEPENDENT** from the major shareholders due to his significant affiliation to Kinnevik AB.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 507 shares.

Board Profile: Skills and Experience—*continued*



Mr. Roger Solé Rafols
(Spanish)
Non-Executive Director

(FIRST APPOINTED: MAY 2017)

Mr. Roger Solé Rafols was re-elected to the Board in May 2018.

Mr. Solé (1974) is the Chief Marketing Officer of Sprint Corporation, a leading American telecommunications company.

Prior to joining Sprint in 2015, he spent seven years at TIM Brasil (owned by Telecom Italia) as Chief Marketing Officer and previously as Marketing Director. Before TIM Brasil, he was the Marketing Director for Vivo in Brazil (owned by Telefonica and PT) and previously the Head of Innovation and VAS.

Mr. Solé holds a BA and MBA in Business Administration from ESADE Business & Law School in Barcelona.

Mr. Solé brings to the Millicom Board his in-depth knowledge of the telecommunications sector, marketing and convergence of traditional telecommunications products with innovative products and services.

INDEPENDENT from the Company, its Executive Management, and its major shareholders.

MILLICOM SHAREHOLDING AT JANUARY 31, 2019: 1,623 shares.



Mr. James Thompson
(American)
Non-Executive Director

(FIRST APPOINTED: JANUARY 2019)

Mr. James Thompson was elected as a new member of the Board of Millicom in January 2019. He is a member of the Audit Committee and the Compensation Committee.

James Thompson (1961) is a U.S. citizen and currently a Managing Principal at Kingfisher Family Office, where he manages a portfolio focused on value-oriented investment strategies. Previously, he was a Managing Principal at Southeastern Asset Management, where he was responsible for the operations of the firm and was a senior member of the investment team that was responsible for firm-wide investment decisions. Between 2001 and 2006, Mr. Thompson opened and managed Southeastern Asset Management’s London research office. He holds an MBA from Darden School at the University of Virginia, and a Bachelor’s degree in Business Administration from the University of North Carolina.

Mr. Thompson brings to the Millicom Board his extensive experience from investment management, and will contribute significantly to the Board’s discussions on Millicom’s long-term strategy and capital allocation.

INDEPENDENT from the Company, its Executive Management, and its major shareholders.

MILLICOM SHAREHOLDING AT JANUARY 31, 2019: 6,941 shares.

Board Program

The Board’s annual program includes:

<p>1 Company strategy and strategic direction;</p>	<p>2 Operating and financial performance review;</p>	<p>3 Governance and compliance matters;</p>
<p>4 External affairs;</p>	<p>5 Corporate culture;</p>	<p>6 External financial reporting;</p>
<p>7 Risk management;</p>	<p>8 Dividend policy;</p>	<p>9 Acquisitions and divestments;</p>
<p>10 Evaluation of CEO and self-evaluation; and</p>	<p>11 Human Resource matters, including compensation, health, safety, and well-being.</p>	

Summary of Board Activities in 2018

The Board of Directors has an annual program which consists of specific areas of focus on which the Board has a role to oversee and advise the Company.

Specific projects and topics arise in the normal course of business which are added to the program of the Board, certain of which are dealt with by specific Board committees.

Summary of Areas of Focus in 2018

Activity/issues covered	Board actions
Reports of committees	<ul style="list-style-type: none"> The Board regularly reviewed reports from its Audit, Compliance and Business Conduct, and Compensation Committees on recent activities. Discussion of Nomination Committee Director appointment proposals.
Operational review	<ul style="list-style-type: none"> Priorities and challenges for each of the Latin American and African businesses were regularly presented and discussed by the Board, including development of cable and mobile data businesses, efficiency measures, and capital expenditure allocation. The Board discussed and approved the 2019 budget.
Strategic review	<ul style="list-style-type: none"> The Board dedicates at least one Board meeting every year to discuss strategy. The Board discussed with the Executive Team industry and geographic trends and the operational and financial strategy for each region, including the portfolio strategy.
Organizational structure	<ul style="list-style-type: none"> The Board was involved in the process of review of performance of the Executive Team, and the management organizational and reporting structures.
Review and approval of capital structure and dividend	<ul style="list-style-type: none"> Issuance of the US\$500 million bond. Additional financing in several markets. Recommendation of a dividend of US\$2.64 per share to the 2018 AGM.
Review and approval of corporate governance	<ul style="list-style-type: none"> Revisions to the Corporate Policy Manual (including Board and Committee charters). Updates to the Authority matrix. Election of Committee members.
Mergers, acquisitions, disposals, and joint ventures	<ul style="list-style-type: none"> The Board discussed acquisition and disposal developments across the Group, including approval of transactions such as the acquisition of Cable Onda in Panama.
Review and approval of financial reports	<ul style="list-style-type: none"> 2018 Annual Report including the 2018 Consolidated Financial Statements of the Group, and interim consolidated financial statements. Standalone financial statements of Millicom International Cellular SA (the parent company).
Risk management	<ul style="list-style-type: none"> Review of the key risks facing the Group and approach to managing risks. Setting of risk appetite.
External affairs	<ul style="list-style-type: none"> Review of the external affairs strategic framework, and implementation activities. Periodical reviews of the political situation per market with a specific focus on election periods and advice on risk management required in relation thereto. Review of regulatory and engagement challenges with advice from the Board on best-practice engagement strategy. Review of the state of government relations in our markets and internationally.
Millicom's non-financial performance	<ul style="list-style-type: none"> Review of main non-financial performance and trends, including corporate responsibility. Recommendation for continued focus in line with existing non-financial focus areas.
Listing on the Nasdaq Stock Market in the U.S.	<ul style="list-style-type: none"> Review and approval to list Millicom's shares on the the Nasdaq Stock Market in the U.S., and related filings with the U.S. Securities and Exchange Commission (SEC).

Induction and Training

Millicom provides Incoming Board members with information on their roles and responsibilities, operating procedures and information on Millicom’s business and industry. Access to governance documents, policies, and procedures, as well as meeting materials and Company information, is provided through a secure online tool, in meetings set with the Executive Management team, and in ongoing dissemination of information.

Training programs covering key topics such as anti-bribery and corruption, ethics, independence, and insider trading are provided. The Board regularly receives detailed reports on specific

areas that support their understanding of Millicom’s business and operating environment.

Millicom Directors also participate in an annual visit to one of Millicom’s operations (Bolivia in 2018), to learn about the characteristics of the local market, conduct field trips to see aspects of the business in operation, and interact with local management.

Board Effectiveness

The Board conducts an annual performance review process, wherein each Board member’s personal performance is also reviewed. The review process involves an assessment of the Board’s and its committees’ actions and

activities during the year against the Board’s mandate as determined in the Board Charter (and those of its various committees).

The evaluation of the Board’s performance during 2018 was conducted internally through a questionnaire, prepared with the assistance of an external advisor, to assess the Board’s performance against its key duties, the Board’s composition, and processes, as well as the performance of individual Board members. The results of the evaluation were presented to the Nomination Committee.

Board Meetings/Attendance at regularly scheduled meetings of the Board in the 2018 Financial Year

Director	Meeting	Attendance %
Mr. Tom Boardman	7/7	100
Mr. Odilon Almeida	6/7	86
Ms. Janet Davidson	7/7	100
Mr. Tomas Eliasson	6/7	86
Mr. Anders Jensen	5/7	71
Mr. Lars-Åke Norling	3/3	100
Mr. José Antonio Rios Garcia	7/7	100
Mr. Roger Solé Rafols	6/7	86
Attendance	47/52	90
Former Directors (until May 2018):		
Mr. Simon Duffy	2/2	100
Mr. Alejandro Santo Domingo	2/2	100
Overall attendance	51/56	91

Board Committees

The Board and each of its Committees have written approved charters which set out the objectives, limits of authority, organization, and roles and responsibilities of the Board and its Committees. The charters can be found on our website www.millicom.com/our-company/governance. Details of the roles and responsibilities, activities in 2018, and Directors' emoluments are set out on the following pages.

I. Audit Committee

2018 was a very active year for the Audit Committee, with specific attention paid

to the preparedness of the Group for listing of the Company's shares on the Nasdaq Stock Market in the U.S.. We provided oversight over implementation projects of new accounting standards, regular reporting, internal control, risk management, and internal audit activities. The Committee convened eight scheduled meetings during the year and covered internal audit, and internal control activities during all meetings.

The Committee also reviewed and discussed actions and activities around the important regulatory updates and upcoming changes in financial reporting,

treasury, tax, risk management, revenue assurance, and compliance. Further work remains to be done as the Group continues to standardize and implement best practices both in controls and assurance.

I would like to thank my fellow Committee members for their dedication and commitment to the activities of the Audit Committee and look forward to continuing our mandate through to the 2019 AGM.

Mr. Tomas Eliasson
Chairman of the Audit Committee

Audit Committee Membership and Attendance at regulatory scheduled meetings in 2018

Audit Committee	Position	First appointment	Meetings/Attendance %
Mr. Tomas Eliasson	Chairman*	May 2014	8/8 100
Mr. Tom Boardman	Member	May 2016	8/8 100
Ms. Janet Davidson	Member	July 2018	3/4 75
Mr. Lars-Åke Norling	Member	May 2018	2/3 67
Mr. Simon Duffy	Member (until May 4, 2018)	May 2016	3/4 75
Overall attendance			24/27 89

*Designated as having specific accounting competence per EU Directive.

Appointment and Role of the Audit Committee

The Audit Committee is comprised solely of non-executive Directors, the majority of whom were independent Directors in 2018 (in 2019 all are independent). Members are appointed to ensure there is a mixture of relevant experience of both finance and broader commercial matters. The Board is confident that the collective experience of the members enables them to act as an effective Audit Committee. The Committee is also satisfied that it has the expertise and resource available to it to fulfill its responsibilities.

The Board has delegated to the Audit Committee the responsibilities for oversight of the robustness, integrity, and effectiveness of financial reporting, risk management, internal controls, internal audit and the external audit process, pre-approval of certain audit and non-audit services provided by the external auditor, establishment of procedures pertaining to accounting-

related, and certain other types of complaints or concerns, as well as compliance with related laws and regulations.

The Audit Committee focuses particularly on compliance with financial requirements, accounting standards and judgments, appointment, oversight and independence of the external auditors and appointment and oversight of certain other accounting firms that may be retained from time to time, transactions with related parties (including major shareholders), the effectiveness of the Internal Audit function, the Group's approach to risk management, and ensuring that an efficient and effective system of internal controls is in place.

Ultimate responsibility for reviewing and approving Millicom's Annual Report and Accounts remains with the Board.

The Chief Executive Officer, Chief Financial Officer, Group Financial Controller, Head of Internal Audit, Head of

Business Controls, Chief Risk Officer and representatives from Ernst & Young ("EY"), the Company's external auditor, are invited to attend Committee meetings.

The agenda for meetings is prepared by the Audit Committee Chairman in conjunction with the Chief Financial Officer. Each meeting includes a private session, attended only by Audit Committee members and the external auditor, to provide an opportunity for open dialogue without management presence.

At each regularly scheduled meeting, the Audit Committee receives reports from the Chief Financial Officer, the external auditor, the Head of Internal Audit, the Head of Business Controls, and the Chief Risk Officer, together with reports from other officers of the Company as required. More particularly, the Audit Committee has received from the external auditor the required information in accordance with Luxembourg regulations.

Summary of Areas of Focus and Actions in 2018

Governance	<ul style="list-style-type: none"> Reviewed and amended the Audit Committee Charter.
Financial reporting	<ul style="list-style-type: none"> Reviewed key accounting and reporting issues at each meeting. Reviewed and approved each quarter's earnings release, the 2017 annual earnings release and summary financial statements, and the 2018 half year earnings release and interim financial statements. Reviewed and discussed transition impact of IFRS 15 ("Revenue from Contracts with Customers") and IFRS 9 ("Financial Instruments") as well as activities around implementation of IFRS 16 ("Leases") and other changes in the financial reporting landscape and accounting policy changes/updates.
External auditor	<ul style="list-style-type: none"> Received reports from the external auditor at each meeting covering important financial reporting, accounting and audit issues. Received reports from the external auditor in compliance with EU regulations. Reviewed and approved all non-audit services rendered by the external auditors. Approved the 2018 external audit strategy and fees. Considered the results of control testing performed by the external auditor. Considered the performance of the external auditor and independence, including monitoring of the nature and value of non-audit services, as well as approving these fees. Received reports on the preparedness of the Group for the U.S. listing.
Internal audit activities	<ul style="list-style-type: none"> Approved the 2018 and 2019 internal audit plan. Reviewed internal audit findings arising from the delivery of the 2018 audit plan.
Financing, treasury and tax	<ul style="list-style-type: none"> Reviewed the Group's tax strategy and structure and approved the tax policy. Approved the updated Group treasury and related policies, including the policy on financial risk management.
Risk management	<ul style="list-style-type: none"> Provided guidance and oversight over risk management processes. Reviewed alignment of top risks with strategy. Reviewed regular risk reports and remediation plans.
Internal controls	<ul style="list-style-type: none"> Reviewed the remit and proposed activities of the Business Controls team. Reviewed the Group's Sarbanes-Oxley implementation plan related to the U.S. listing and received regular progress reports from the implementation team and external advisors. Received the summary findings of internal control self-assessments performed in the year against the 2018 internal targets.
Fraud management	<ul style="list-style-type: none"> Reviewed fraud policies and quarterly fraud reports, as well as proposed actions to remediate identified cases.
Revenue assurance	<ul style="list-style-type: none"> Received quarterly updates on revenue assurance activities. Reviewed trends and actions taken to minimize loss and revenue leakage.
Related party transactions	<ul style="list-style-type: none"> Reviewed related party transactions that were performed at each meeting.
Listing on the Nasdaq Stock Market in the U.S.	<ul style="list-style-type: none"> Oversight of re-listing Millicom's shares on the Nasdaq Stock Market in the U.S., and related filings with the U.S. Securities and Exchange Commission (SEC). Review internal and third party assessments to evaluate Group's readiness to re-list on the Nasdaq Stock Market in the U.S..

2018 Meetings

During 2018, the Audit Committee had eight regular meetings, mainly coinciding with key dates in Millicom's external reporting:

Financial reporting

The Audit Committee reviewed earnings releases for each quarter and financial statements, having received reports from management and the external auditor. In 2018, attention was mainly focused on:

- Significant accounting issues where judgment has been applied;
- The review of the effectiveness of internal financial control;
- The transition impacts of the new revenue recognition standard, IFRS 15, and of IFRS 9 for financial instruments.
- The review of the implementation project around the upcoming adoption of the new lease accounting standard, IFRS 16;
- The appropriateness of and application of the Group's accounting policies and practices;
- Compliance with financial reporting standards and other financial reporting requirements;
- The completeness and compliance of all structural disclosures made in the financial statements; and
- The financial reporting implications of the U.S. listing.

A summary of all related party transactions was presented quarterly.

The significant issues considered by the Audit Committee in relation to the financial statements for the year ended December 31, 2018 were:

- 1) Acquisition of Cable Onda—also refer to note A.1.2. of the consolidated financial statements

On October 7, 2018, the Company entered into an agreement to acquire a controlling 80% stake in Cable Onda, the largest cable and fixed telecommunications services provider in Panama. The selling shareholders retain a 20% equity stake in the company. The transaction completed on December 13, 2018 after receipt of regulatory approvals and consent from Cable Onda's bondholders. Millicom concluded that it controls Cable Onda since completion date and therefore fully consolidates it in its financial statements with a 20% non-controlling interest. The purchase accounting remains provisional as of December 31, 2018.

- 2) Africa divestment—also refer to note A.1.3. of the consolidated financial statements

During 2018, disposals of the operations in Senegal and Rwanda were completed, and our operations in those countries were deconsolidated.

- 3) Tower sale and leaseback—also refer to notes C.3.4. of the consolidated financial statements

During 2018 and 2017, Millicom entered into tower sale and leaseback transactions in Paraguay, Colombia and El Salvador whereby Millicom sells its passive infrastructure to tower companies and leases back a portion of the towers and ground, and receives related services. These transactions require management judgment in respect of the asset classification on the balance sheet and as to whether the leaseback qualifies as a finance or operating lease or as a service agreement.

The above accounting treatments and decisions were discussed with the Committee.

- 4) Impairment testing—also refer to note E.1.6. of the consolidated financial statements

Under accounting standards, the Group is required to test goodwill and indefinite life intangible assets annually and, where there are indicators of potential impairment, also test the carrying value of other non-current assets. Assessment of

the recoverable amount, be it under the “value in use” or the “fair value less cost of disposal” model, is subjective and requires significant judgment. In addition, the Group also tests its investments in joint ventures and associates in case of an impairment indicator. The Audit Committee received analysis from Management as to their assessment of the recoverable amounts of the Group's non-current assets, as well as the results of the sensitivity analysis. The Audit Committee also received analysis from the external auditor, including their view of significant assumptions such as discount rates.

Following consideration, the Audit Committee agreed with Management's proposal that impairment losses had to be recognized on our operation in Zantel.

Except for the above, the results of the annual impairment testing showed that sufficient headroom exists for the Group's other operations.

- 5) Tax provisions and contingencies—also refer to note G.3.2. of the consolidated financial statements

The Group operates in many countries where the tax and legal system is less mature and may be less predictable. There are a number of matters therefore relating to tax contingencies which require judgment as to the likely probability of cash outflow or the potential amount of any outflow. The Audit Committee therefore received regular reports from the Group Tax Director as to the status of each of these matters, the likely outcome, the provision required, if any, and proposed disclosure in the financial statements. Analysis of judgmental tax matters was also presented by the external auditor.

- 6) Revenue recognition—also refer to note B.1. of the consolidated financial statements

Judgment is required in assessing the application of revenue recognition principles. This includes the application of revenue between multiple deliverables, such as the sale of a handsets with service in a bundled package, or managed services contracts that have complex contractual agreements. The Group has adopted the new revenue recognition standard, IFRS 15, using the modified retrospective approach. Hence, the cumulative effect of initially applying the Standard has

been recognized as an adjustment to the opening balance of retained profits as at January 1, 2018 and comparative financial statements have not been restated in accordance with the transitional provisions in IFRS 15. The Group developed new accounting policies compliant with IFRS 15, tailored to the services and products sold.

- 7) Capitalization and assets useful lives—also refer to notes E.1.1. and E.2.1. of the consolidated financial statements

The assessment and timing of whether assets meet the capitalization criteria set out in the relevant accounting standards, the estimation of appropriate useful economic lives and the assessment of whether any impairment indicators are present, such as redundant assets, as well as the identification and the classification of leases, all require judgment. In addition, Management regularly review and benchmark its assets useful lives with peers. Once a year, Management presents its conclusions to the Audit Committee.

- 8) Investigation by the International Commission Against Impunity in Guatemala (CICIG) and Tanzania share ownership issue—also refer to note G.3.1. of the consolidated financial statements

On July 14, 2017, the CICIG disclosed an ongoing investigation into alleged illegal campaign financing that includes Comcel, our Guatemalan joint venture.

In June 2016, Millicom was served by a third party seeking monetary damages and seeking to exert rights as a shareholder of MIC Tanzania Public Limited Company.

On July 26, 2018, the Court of Appeal of Tanzania, the country's highest court, reaffirmed in a ruling that MIC Tanzania Public Limited Company remains owned and controlled by Millicom. Late 2018, the opposing party has filed for a review of the ruling by the same Court of Appeals, which already ruled in our favor. Millicom considers the success of this review as remote and therefore continues to control and fully consolidate MIC Tanzania Public Limited Company.

The Audit Committee has been updated at least quarterly on the progress of these cases.

Management Disclosure Committee

To assist with all matters relating to earnings releases and financial statement disclosures, the Group has a Disclosure Committee comprised of senior management from finance, legal, communications, investor relations and other functions as and when required. The Disclosure Committee identifies and considers disclosure matters in market releases which contain material financial and other price sensitive information.

Risk management

The Audit Committee received regular reports on the Group’s risk management framework and process, changes to significant risks at both operational and Group level and how these are managed. Further information is set out in the risk management section of this Annual Report.

In addition, the Audit Committee reviewed financial risk, tax risk and strategy, treasury policy and risks, and Group insurance cover.

Internal control

The Audit Committee reviewed the Company’s internal control framework. The Audit Committee remained focused on the need to promote the development of internal controls, both financial and non-financial.

In preparation for the U.S. listing, the Company commenced a program to comply with the internal control over financial reporting requirements of the U.S. Sarbanes-Oxley Act. The Group Head of Business Controls together with the Group’s external advisors made progress reports on the Sarbanes-Oxley program.

Regular updates were provided on the Group’s program of Internal Control Self Assessment and the status of ongoing control improvement projects.

Internal Audit

The execution of the 2018 Internal Audit Plan provided Executive Management and the Audit Committee an independent view on the effectiveness of Millicom’s internal control environment and governance processes. It was developed to ensure alignment with the strategic risks of the Millicom Group, along with consideration of the overall Group strategy, input from senior management across multiple geographies and functions,

external audit findings and Internal Audit’s knowledge of the business.

In December 2017, the Audit Committee ratified the Internal Audit Plan for 2018, which included reviews focusing on Mobile, Home and B2B revenue streams, information security, IT & network resilience, key financial processes, compliance and ethics activities and large business and technology change programs. Follow-up audits were also built into the Internal audit plan, to provide independent assurance that management actions from previous audits had been addressed effectively. The plan was primarily executed by the in-house Internal Audit team based in London, Luxembourg and Miami, with specialist support provided by one of the “Big 4” accounting firms. At each meeting, the Audit Committee received an update on Internal Audit activities, progress against the plan and results of the audits completed in the period, including associated recommendations and management action plans where findings had been identified.

Fraud risk and whistleblowing

The Audit Committee received and reviewed quarterly fraud reports in accordance with the Group’s Fraud policy. The Group provides an ethics helpline which is administered by an independent third party and is available to all employees, contractors and third parties.

External Audit effectiveness

The quality and effectiveness of the external audit is of great importance to the Audit Committee. A detailed audit plan is prepared and discussed with the Audit Committee at the start of each annual audit cycle, outlining the key risks and proposed geographic coverage.

Audit quality is assessed by reference to the standard of the reports received by the Audit Committee, the caliber of senior members of the audit team and the level of challenge provided to Management. Also, feedback is received by the Audit Committee from Management. In addition, on a regular basis the performance of the external auditors is reviewed by Management both centrally and in each of Millicom’s operating countries against a set of 17 criteria ranging from knowledge of the business, to timeliness of communication and quality of reporting.

This feedback allows the Committee to monitor and assess the performance of the external auditor in making a recommendation to the Board regarding external auditor appointment.

Auditor independence

The Audit Committee has established policies to maintain the independence of the external auditor and to govern the provision of audit and non-audit services. During 2018, and as a result of the Company’s re-listing on Nasdaq, the approval process of non-audit services and audit related services has been reviewed to comply with SEC independence rules and the latest EU and local regulations. Under these rules, the Audit Committee has pre-approved a list of services that can be rendered by the audit firm. If services to be rendered are pre-approved in nature, these can be approved by management when requested (following an established authority matrix) and then presented to the Audit Committee on a quarterly basis for formal approval. If services to be rendered are not pre-approved in nature, these should be pre-approved by the Chairman of the Audit Committee when requested and then submitted to the next full audit committee for formal approval. A schedule of all non-audit engagements with the external auditor is reviewed at each meeting.

For the year ended December 31, 2018, the Audit Committee approved fees for audit services of US\$6.7 million, together with fees for non-audit work of US\$0.9 million.

Under independence rules, the current audit partner will rotate off for the audit of the consolidated financial statements as of December 31, 2019.

Audit tendering

EY was first appointed auditor of the Company for the year ended December 31, 2012 following a competitive tender. Based on the EU audit regulations and applicable Luxembourg law, EY would have to rotate off by 2032 (20 years) at the latest, with mandatory tender in 2022 (after ten years).

II. Compliance and Business Conduct Committee

The Board of Millicom is committed to strengthening corporate governance and supporting the success that comes with a robust culture of compliance and strong internal controls. The Board believes that Millicom can lead the way in its dedication to ethics and compliance in all its markets. The Board oversees and regularly reviews Millicom’s Ethics & Compliance program to ensure it continuously focuses on three essential pillars. Company systems are reasonably designed and managed to prevent, detect, and respond to compliance misconduct and non-compliance with applicable laws. During 2018, Millicom continued building and enhancing the Ethics and Compliance program, supported by the Executive Committee and the Ethics and Compliance team.

On behalf of the Board, I would like to reconfirm our commitment to strong

corporate governance and supporting a strengthened control environment, a more concentrated approach to managing compliance risks across the organization and enhanced ability to comply with changes to the company’s regulatory expectations.

The Board’s objective is to reinforce a culture of compliance that is practiced wholeheartedly by every employee, across all ranks, with no exceptions. The Board will continue to exercise independent review over proposed corporate actions as we receive the outcomes of investigations of misconduct and non-compliance.

The Board reinforced the need to build a culture of recognition for the right actions and an appropriate balance with disciplinary steps to address instances of misconduct and non-compliance. To assist Millicom’s employees and all external parties with whom the Company interacts, Millicom educates

employees and third parties on standards of business conduct by operationalizing compliance as part of everyday business decision-making, and reinforcing the importance of doing business the right way, under the living theme “I Am Compliance”.

I want to thank the members of the Compliance and Business Conduct Committee, the Company’s management team and Millicom’s Board and Chairman for their unwavering commitment and dedication to the Ethics and Compliance program in 2018 and for the great progress we made this year. We will continue on this important journey in 2019.

Mr. Odilon Almeida
Chairman of the Compliance and Business Conduct Committee

Compliance and Business Conduct Committee Membership and Attendance 2018

Committee	Position	First appointment	Meetings/Attendance %
Mr. Odilon Almeida	Chairman	November 2015	6/6 100
Mr. Lars-Åke Norling	Member	May 2018	2/2 100
Ms. Janet Davidson	Member	May 2016	6/6 100
Mr. Tom Boardman	Member (until January 7, 2019)	May 2016	6/6 100
Mr. Alejandro Santo Domingo	Member (until May 4, 2018)	November 2015	1/3 33
Overall attendance			21/23 100

Appointment and Role of the Compliance and Business Conduct Committee

Millicom’s Compliance and Business Conduct Committee oversees and makes recommendations to the Board regarding the Group’s compliance programs and standards of business conduct. More specifically, the Compliance and Business Conduct Committee:

- monitors the Group’s Compliance program, including the activities performed by the Compliance Team and its interaction with the rest of the organization;
- monitors the investigations resulting from cases brought through the Group’s ethics line or otherwise;

- oversees allocation of resources and personnel to the Compliance area;
- assesses the Group’s performance in the Compliance area; and
- ensures that the Group maintains proper standards of business conduct.

Management representatives invited to attend the Compliance and Business Conduct Committee include the Group CEO, the Chief Compliance and Ethics Officer, General Counsel, Group CFO, the Chief External Affairs Officer, and Head of Internal Audit.

Summary of Committee Activities in 2018

The Committee convened, as planned, six times during the year. The Committee Chairman prepares the agenda in conjunction with the Chief Ethics and Compliance Officer and reports are provided on the status of the Ethics & Compliance Program and any compliance related issues including investigations resulting from cases brought through the Company’s ethics line or otherwise, anti-money laundering, and information security issues. The CEO and Executive Team have been demonstrably committed and continue to be actively involved in fostering a culture of ethics and compliance from the top, across all our lines of business.

Summary of Areas of Focus and Action Items in 2018

Program elements

- Third party management - Through a centralized due diligence program
- Anti-corruption Program - Compliance policies and procedures were reviewed and new ones developed to cover emerging areas of risk and to strengthen the company's Anti-corruption program.
- All compliance policies and procedures, revised and new, were communicated to the whole organization.
- Training on company compliance policies was provided to all employees with bonus award for select managers dependent on completion rates.
- Independent Assurance - Reviews of the Company's Compliance framework by group internal audit were conducted throughout the year and remediation actions were taken.
- Communication campaigns were launched throughout the year on various compliance subjects.
- Compliance Risk Assessment - Establish Pro-active Compliance risk management process. Regularly monitor, collect and analyze data to confirm results.
- Resources: hired two new compliance officers.
- All GMs were given a set of Compliance KPIs to meet during year to be eligible for year-end bonus award.

Reporting & Investigations

- "SpeakUp" Campaign - Encouraged employees to use the system to report issues of non-compliance with our policies and values.
- Strengthened investigation process by building an investigations team, developing investigations resources in the operations, and publishing a Global Investigations Policy.
- Incentives programs - Compliance factors were incorporated into executives' incentives program. Bonus awards are now dependent upon achievement of all compliance KPIs.

Global Anti-money laundering (AML) program

- Implemented a robust Know Your Customer (KYC) tool in certain countries with the plan to implement globally.
- Enhanced current monitoring and implemented a new system in certain countries.
- Training: provided AML training to several operations, including targeted groups such as upper management, MFS, and operation's teams.
- Deployed new review processes for dealers and agents in several operations in Latam and Africa that included adherence to local regulations, level of training, and AML program compliance.
- Added additional resources for AML department's functions in operations.
- External assessments with remediation actions were developed for all Latam operations

Information Security program

- Developed a strategic 36-month plan to mature the corporate and local Information Security programs, as well as address any technology-control related Sarbanes-Oxley requirements.
- Approval of requisitions for new hires for the Security program.
- Initiated deployment of the Global Security Operations Center (GSOC). An industry leading partner has been selected and the initial operational integrations have begun.
- The development of the enterprise-wide Identity and Access Management (IAM) program has begun. All critical Sarbanes-Oxley requirements have been identified, including account management, segregation of duties, and management attestation. Strategic roadmaps have been developed and the process of vendor selection has begun.

III. Compensation Committee

In 2018, the Compensation Committee continued to focus on the review of Millicom’s reward strategy to ensure that senior management compensation reflects company performance closely.

We have designed our employee and executive compensation programs to support three goals:

- 1) Attract and retain great talent;
- 2) Support our culture of entrepreneurship and performance, with an increased focus on pay based on geographical / line of business accountability; and
- 3) Align employee interests with shareholder interests.

We pay employees competitively compared to other opportunities they might have in the respective local market. We also offer competitive benefits to promote the health and happiness of our employees, and create a fun and invigorating work culture. We believe in pay for performance.

A portion of compensation is tied to performance for all top executives, including the senior teams at each of our operations. The proportion of overall pay tied to performance is higher for employees at more senior levels in the organization, reflecting their opportunity for higher impact on company performance. We use equity awards to align employee and shareholder interests. We require employees in our

top 50 roles and other senior executives to maintain significant holdings of Millicom shares. This incentivizes our top leaders to take a longer-term view on positive business performance in alignment with company and shareholder interests.

I would like to thank my fellow Compensation Committee members for their dedication and commitment to the activities of the Compensation Committee and look forward to continuing our mandate through to the 2019 AGM.

Mr. José Antonio Ríos García
Chairman of the Compensation Committee

Compensation Committee Membership and Attendance in 2018

Committee	Position	First appointment	Meetings/attendance %
Mr. José Antonio Rios Garcia	Chairman	May 2017	6/6 100
Mr. Tom Boardman	Member	May 2016	6/6 100
Mr. Anders Jensen	Member	May 2017	6/6 100
Overall attendance			18/18 100

Appointment and Role of the Compensation Committee

The Compensation Committee reviews and makes recommendations to the Board of Directors regarding the compensation of the CEO and the other senior managers as well as management succession planning.

The Board, based on guidelines by the Compensation Committee, proposes the remuneration of senior management. The objective of the guidelines is to ensure that Millicom can attract, motivate

and retain executives, within the context of Millicom's international talent pool, which primarily consists of telecom, media, and FMCG companies.

Remuneration of the CEO requires Board approval. Guidelines for remuneration of senior management, and share-based incentive plans for employees are approved by the shareholders at the AGM.

The evaluation of the CEO is conducted by the Compensation Committee. The evaluation criteria and the results of the evaluation are then discussed by the

Chairman with the entire Board. The Board considered that the CEO provided strong leadership for the Company during 2018. The results of the review and evaluation were communicated to the CEO by the Chairman.

The Compensation Committee comprises three members.

Main Activities of the Committee during 2018

The Compensation Committee met six times in 2018.

Summary of Areas of Focus and Action Items in 2018

Bonus and performance reports	<ul style="list-style-type: none"> Received and reviewed senior executive performance reports and Executive Committee individual payouts STI/LTI (cash /equity). Reviewed and approved the 2018 variable compensation target and performance results.
Compensation review	<ul style="list-style-type: none"> Reviewed and approved the peer group for executive benchmarking. Approved all payments for Executive Committee members, including base pay increases. Reviewed executive remuneration and governance trends and developments. Reviewed executive benchmarking for the CEO and all Executive Committee members. Approved changes to CEO and Executive Committee compensation elements based on market competitiveness.
Share-based incentive plans	<ul style="list-style-type: none"> Reviewed and approved the 2018 Share Plan Rules. Approved the 2015 LTI (PSP) vesting. Reviewed and approved all equity grants. Reviewed the treasury shares' balance reserved for share-based incentive plans and the period they cover. Reviewed shared ownership guidelines and the compliance of each covered executive. Reviewed performance and projections of outstanding LTI plans.
Global reward strategy and executive remuneration review	<ul style="list-style-type: none"> Reviewed Remuneration/C&B Philosophy & Strategy.
Variable pay design	<ul style="list-style-type: none"> Reviewed and approved the Variable Plans Redesign (STI/LTI) for 2019 including pay our vehicle for JVs. Discussed and approved STI/LTI redesign for 2019. Reviewed and approved STI and LTI performance measures for 2019.
Other	<ul style="list-style-type: none"> Reviewed and approved exceptional items, new hire equity grants, etc. Reviewed LTI retirement eligibility clause. Reviewed COC (Change of Control) / Reviewed GSMT severance plan payout. Reviewed final MICS budget for upcoming year.
Compensation Committee governance	<ul style="list-style-type: none"> Reviewed and updated Compensation Committee Remit and Obligations. Review and approved the Compensation Committee annual meeting cycle and calendar. Reviewed the Compensation Committee charter. Introduced an oversight dashboard. Reviewed of composition of the Compensation Committee. Reviewed and approved an external compensation consultant.

Remuneration Guidelines

The Board proposes to the AGM guidelines for remuneration and other employment terms for the senior management. The annual base salary and other benefits of the CEO is proposed by the Compensation Committee and approved by the Board.

Remuneration Policy

Remuneration packages for members of the Executive Team at Millicom comprise an annual base salary, an annual bonus, share-based compensation, social security contributions, pension contributions, and other benefits. Bonus and share-based compensation plans (see note B.4.1 to the consolidated financial statements) are based on actual performance. Share-based compensation is granted once a year by the Compensation Committee.

Base salary - The Executives' base salaries are competitive and based on each individual Executive's responsibilities and performance.

Variable STI (Short-Term Incentive) cash remuneration - The Executives may receive variable remuneration in addition to base salary. The maximum target variable remuneration in any Executive's contract is 100% of the base salary and, in case of exceptional

business and personal performance, up to two times that target. The variable amounts or percentages are considered to be competitive within market standards at total compensation levels. The variable remuneration shall be based on the performance of the Executives in relation to established goals and targets along with Millicom's financial performance (see table below).

Use and relative weighting of financial performance target measures under the variable compensation rules are equal to all employees regardless of seniority.

Variable STI share-based remuneration - Portion of the STI is paid in the form of deferred shares with a three-year pro-rated vesting, strengthening our pay for performance and retention incentives.

Long-term share-based incentive plans (LTIPs) - The aim of the LTIPs is to complement and support Millicom's long-term business view and strategy. The plans and the amounts need to be competitive in order to attract and retain key executives. These incentives are targeted for a selected group of employees only, approximately the top 50 roles and have a three-year cliff vesting.

Other benefits - Other benefits can include, for example, a car allowance, medical coverage, and in cases of ex-patriate assignments, housing allowance, school fees, home leave, and other travel expenses.

Pension - The Executives are eligible to participate in a global pension plan, in accordance with market standards. The global pension plan is secured through premiums paid to reputable insurance companies.

Deviations from the guidelines - In special circumstances, the Board may deviate from the above guidelines, such as additional variable remuneration in the case of exceptional performance. In these instances the Board of Directors will explain the reason for the deviation at the following AGM.

Payment for loss of office - If there is a company-initiated termination, other than for cause, of the Millicom Executives that are part of our Executive Committee (e.g. the CEO and his/her direct reports), a notice period of 6 - 12 months potentially applies.

Bonus measurements	Rationale	Weighting
Personal performance	The individual goals and objectives of Millicom management and employees are critical in achieving its financial objectives and in long-term value creation.	30%
Service Revenue	Recurring revenue is a key growth measure used by the Group as it seeks to monetize opportunities in all countries and all business units.	20%
EBITDA	EBITDA is used as a measurement of ongoing earning power/value creation in the Group and is used as a measure of how well management controls the operational cost of growing revenue.	20%
Operating Free Cash Flow	Operating Free Cash Flow is a measure aligned to return on invested capital and is used to measure how efficiently management are generating cash flow.	20%
Net Promoter Score	The Net Promoter Score is an index that measures the willingness of customers to recommend a company's products or services to others.	10%
Total		100%

Executive Team Remuneration

Compensation of the Executive Team 2018	CEO	CFO	Other Executives (9 members)
Cash Compensation (US\$ '000)*			
Base salary	1,112	673	3,930
Bonus (for 2018 performance)	1,492	557	2,445
Pension	247	101	962
Other benefits**	66	63	805
Termination benefits	—	—	301
Total salary and benefits	2,918	1,393	8,444
Equity Compensation (number of shares)***			
Performance share plan ⁽ⁱ⁾	34,154	17,716	41,710
Deferred share plan ⁽ⁱⁱ⁾ (for 2018 performance)	25,011	9,339	40,988
Total shares (number)	59,165	27,055	82,698
Value of shares⁽ⁱⁱⁱ⁾ (US\$ '000)	3,628	1,665	5,053

(i) Amounts relating to the 2016 performance share plan based on the actual performance over the three-year period. The value of shares is based on the closing market value of Millicom shares in US\$ on December 28, 2018 of US\$62.53. These shares will vest on March 1, 2019. Final performance metrics subject to approval by the Remuneration Committee on March 5, 2019.

(ii) Amounts relating to the 2019 deferred share plan (awarded in 2019 based on 2018 results). The value of shares is based on the average Q4 closing market value of Millicom shares of US\$59.65. These shares will vest over three years from the award date with a vesting schedule 30%/30%/40%, dependent on continued service of the employee.

(iii) The value is calculated on the basis described above which differs from the value calculated for the IFRS financial statements.

*Other Executives Cash Compensation includes Daniel Loria, former CHRO and Rodrigo Diehl, EVP Strategy. ** Other Benefits include relocation support when applicable with an average amount of US\$25K. *** Other Executives Equity Compensation includes Rodrigo Diehl, EVP Strategy during 2018.

Compensation of the Executive Team 2017	CEO	CFO	Other Executives (9 members)
Cash Compensation (US\$ '000)*			
Base salary	1,000	648	3,822
Bonus (for 2017 performance)	707	455	1,590
Pension	150	97	629
Other benefits	64	15	1,193
Termination benefits	—	—	—
Total salary and benefits	1,921	1,215	7,233
Equity Compensation (number of shares)*			
Performance share plan ⁽ⁱ⁾	11,865	6,230	10,044
Deferred share plan ⁽ⁱⁱ⁾ (for 2017 performance)	10,688	6,877	24,040
CEO Dividend Share Award	1,179		
Total shares (number)	23,732	13,107	34,084
Value of shares⁽ⁱⁱⁱ⁾ (US\$ '000)	1,588	877	2,280

(i) Amounts relating to the 2015 performance share plan based on the actual performance over the three-year period. The value of shares is based on the closing market value of Millicom shares in US\$ on December 29, 2017 of US\$66.91. These shares will vest on March 1, 2017. Final performance metrics will be approved by the Remuneration Committee on March 5, 2018.

(ii) Amounts relating to the 2017 deferred share plan (awarded in 2018). The value of shares is based on the closing market value of Millicom shares in US\$ on December 29, 2017 of US\$66.91. These shares will vest over three years from the award date, dependent on continued service of the employee.

(iii) The value is calculated on the basis described above which differs from the value calculated for the IFRS financial statements.

*Other Executives compensation includes Daniel Loria, former CHRO.

Share-based Incentive Plans

The share-based incentive plans currently consist of a Deferred Share Plan (DSP) and a Performance Share Plan (PSP).

The 2019 DSP (2018 results) corresponds to the portion of the STI paid with the DSP that will be granted in Q1 2019 based on 2018 performance. The 2018 PSP (LTIP) corresponds to the grant of PSP made in Q1 2018, that covers performance of 2018 – 2020 and vests in Q1 2021. Shares granted under the 2019 DSP are based on personal and

corporate performance of the previous year and the awards vest over three years, 30% after one year, 30% after two years and 40% after three years. Shares granted under the 2018 PSP vest at the end of a three-year period, whereby vesting is subject to certain company performance conditions. The CEO and CFO are participating in the Group's 2018 PSP, with target opportunities as per the table below. For the 2018 year, equity-based incentive plans were offered to Executives, other senior management, as well as to

high-potential employees and employees in key roles (by nomination exception) under the plans set out in the following table. In addition, the rules of the plans set out certain criteria and conditions in which new employees can be awarded sign-on awards. In countries where Millicom has a local partner, in certain cases, the same eligibility and rules apply for the incentive plans, except that instead of being granted awards denominated in Millicom shares, the executives receive deferred cash awards.

LTIP	Eligibility	Participants	Maximum shares awarded for 2018	Basis for calculating award	Comment
2019 Deferred Share Plan (DSP)	CEO, CFO, other Executives and other (global) senior management*	231	297,856	20–50% on base salary	
2018 Performance Share Plan (PSP)	CEO, CFO, other Executives and other (global) senior management	48	237,196	400% 175% 35%–160% on base salary, as per 01.01.18	CEO CFO Global senior management team

*A limited number of high-potential employees and employees in key roles can be nominated by exception.

Specific rules of each plan are set out below. Vesting under all plans is conditional on the participant remaining employed by the Group at each vesting date. Additional vesting criteria are noted under each plan.

LTIP	Additional vesting criteria (terms and conditions)	Vesting period		
		1 year	2 years	3 years
2019 Deferred Share Plan (DSP)	—	30.0%	30.0%	40%
2018 Performance Share Plan (PSP)	Achievement of Service Revenue CAGR, Operating Free Cash Flow CAGR and Relative Total Shareholder Return targets measured over the three-year vesting period.	—	—	100%

Measurements used for PSP performance measure	Weighting
Operating Free Cash Flow (OFCF) with a specific 3-year CAGR target	50%
Service Revenue with a specific 3-year CAGR target	25%
Relative Total Shareholder Return (RTSR) vis-vis a peer group of companies (no award is made for performance below peer group median. Achieving TSR performance at media of pre-determined peer triggers 25% of the relative TSR component)	25%

CEO Compensation

The 2018 components of the CEO remuneration package were:

- an annual base salary of US\$1.15 million;
- variable cash remuneration with a target of 100% of base salary;
- participation in Millicom’s share-based compensation plans and;
- other standard benefits, as described under the senior management remuneration principles earlier in this report.

CEO Earnings Opportunity from 2018 Award Levels

The tables below provide estimates of the potential future remuneration for the CEO based on the remuneration opportunity granted in the 2018 financial year. Potential outcomes are based on different performance scenarios.

Assumptions underlying each scenario are described below.

Fixed

- Fixed income consists of base salary, employment benefits and company pension contributions.
- Base salary is at December 31, 2018.
- Benefits and Pension are valued using the figures in the total remuneration for the 2018 financial year table detailed below.
- Pension contributions are made at 15% of base salary as at December of the preceding year.

	Base (US\$ '000)	Benefits (US\$ '000)	Pension (US\$ '000)	Total Fixed (US\$ '000)
Mauricio Ramos	1,150	66	247	1,463

Variables on target

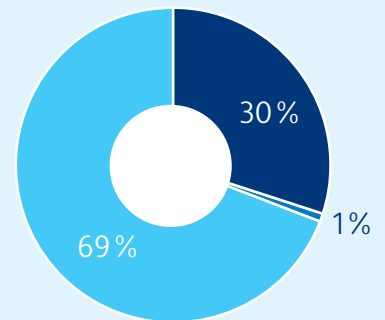
- Values are based on what the CEO would receive if performance was in line with Incentive Performance Targets.
- The target STI award opportunity is 200% of base salary, of which half is paid in cash, and the remaining half is paid via the Deferred Share Plan (DSP)
- The target award opportunity for the LTI, the Performance Share Plan (PSP), is 400% of base salary for the CEO, assuming relative total shareholder return (RTSR) performance being at peer group median and the CAGR for both Service Revenue and Operating Free Cash Flow (OFCF) to be at target.

Variables at maximum

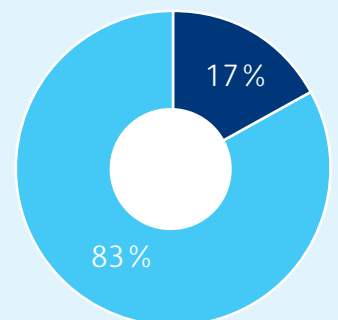
- The maximum STI award opportunity is 400% of base salary, of which half is paid in cash and the remaining half is paid via the Deferred Share Plan (DSP)
- The maximum award for performance under the PSP is 800% of base salary, where relative total shareholder return outperforms the peer group median by 20% and the CAGR for both Service Revenue and OFCF to be at 120% of target.

At target US\$000

● Cash	\$2,562
● Benefits	\$ 51
● Shares	\$5,750
TOTAL	\$8,363

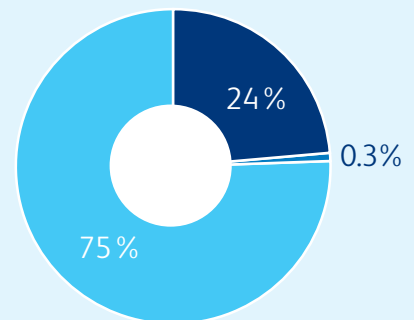


● Fixed	\$1,463
● Variable	\$6,900
TOTAL	\$8,363

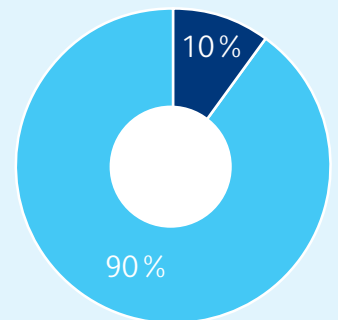


At maximum US\$000

● Cash	\$ 3,712
● Benefits	\$ 51
● Shares	\$11,500
TOTAL	\$15,263



● Fixed	\$ 1,463
● Variable	\$13,800
TOTAL	\$15,263



Details of Share Purchase and Sale Activity

During 2018, Millicom's CEO, Mauricio Ramos, acquired 15,400 Millicom shares.

Shareholding Requirements

Millicom's share ownership policy sets out the Compensation Committee's requirements on Global Senior Managers to retain and hold a personal holding of

common shares in the Company in order to align their interests with those of our shareholders. All Share Plan participants in the Global Senior Management Team (including all Executives) are required to own Millicom shares to a value of a percentage of their respective base salary as of January of the calendar year.

	2018
Global Senior Management Level	%
CEO	400
CFO	200
EVPs	100
General managers and VPs	50

Unless this requirement is met each year, no vested Millicom shares can be sold by the individual.

Share ownership and unvested share awards granted from company equity plans

(number of shares)	Other		
	CEO	Executives	Total
December 31, 2018			
Share ownership (vested from equity plans and otherwise acquired)	122,310	84,782	207,092
Share awards not vested	172,485	339,726	512,211
December 31, 2017			
Share ownership (vested from equity plans and otherwise acquired)	80,159	55,888	136,047
Share awards not vested	148,324	299,067	447,391

2018 Remuneration for the Chairman, Deputy Chairman and Non-Executive Directors

Decisions on annual remuneration of Directors ("tantièmes") are reserved by the Articles of Association to the general meeting of shareholders. Directors are therefore prevented from voting on their own compensation. The Nomination

Committee reviews and recommends the Directors' fees, which are approved by the shareholders at the AGM or EGM. Fees are set based on the role (Chairman, Deputy Chairman), and for participation in and roles of Chairman of the Audit Committee, the Compliance and Business Conduct Committee, and Compensation Committee.

The remuneration of Directors comprises an annual fee and shares denominated in Swedish Krona (SEK) or U.S. Dollars (USD). Director remuneration for the period is as follows:

	Remuneration 2018 SEK 000's	Remuneration 2017 SEK 000's
Board and committees		
Directors		
Mr. Tom Boardman (Chairman)	1,470 ⁽ⁱⁱⁱ⁾	2,150
Mr. José Antonio Rios Garcia	1,075	1,075
Mr. Odilon Almeida	1,050	1,050
Ms. Janet Davidson	1,050	—
Mr. Lars-Åke Norling	772 ⁽ⁱⁱⁱ⁾	—
Mr. Tomas Eliasson	1,250	1,250
Mr. Anders Jensen	650 ⁽ⁱⁱ⁾	950
Mr. Roger Solé Rafols	850	850
Former Directors (until May 2018):		
Mr. Simon Duffy	—	1,050
Mr. Alejandro Santo Domingo	—	950
Total in SEK 000's	SEK 8,201	SEK 10,275
Total (US\$ '000)⁽ⁱ⁾	US\$943	US\$1,122

(i) Cash compensation converted from SEK to USD at exchange rates on payments dates each year. Share based compensation based on the market value of Millicom shares on the 2018 AGM date (in total 6,591 shares). Net remuneration comprised 51% in shares and 49% in cash (2017: 52% in shares and 48% in cash).

(ii) From the period from the 2018 AGM to the date of the EGM in January 2019.

(iii) From the period from September 1, 2018 to the 2019 AGM on May 2, 2019.

Millicom CEO and Executive Team

CEO	Position	Role and responsibilities
Mr. Mauricio Ramos	CEO	<ul style="list-style-type: none"> • Leading the development and execution of the Company’s strategy. • Day-to-day activities and management decisions, both operating and financial. • Liaison between the Board and Management of the Company. • Leading the Executive Team.



Mr. Mauricio Ramos
Chief Executive Officer

Mauricio Ramos, born in 1968, joined Millicom in April 2015 as Chief Executive Officer (CEO). Before joining Millicom, he was President of Liberty Global’s Latin American division, a position he held from 2006 until February 2015.

During his career at Liberty Global, Mauricio held several leadership roles, including positions as Chairman and CEO of VTR in Chile, Chief Financial Officer of Liberty’s Latin American division and President of Liberty Puerto Rico.

Mauricio is also a Member of the Board of Directors of Charter Communications (U.S.). He is a dual Colombian and U.S. citizen who received a degree in Economics, a degree in Law, and a postgraduate degree in Financial Law from Universidad de Los Andes in Bogota.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 122,310 shares

Millicom’s Executive Team supports the CEO in the day-to-day operation and management of the Group, within their specific areas of expertise. Millicom’s Executive Team meets on at least a monthly basis and more frequently when required. Millicom’s Executive Team is as follows:

Executive Team	Role	Responsibilities
Mr. Tim Pennington	Chief Financial Officer	Finance and financial planning. Reporting financial performance, including external financial reporting. Budgeting and forecasting, monitoring expenditures and costs. Implementation and enhancement of related controls. Risk management.
Mr. Esteban Iriarte	Chief Operating Officer–Latam	Operations and development of the Latin American businesses.
Mr. Mohamed Dabbour	Head of Africa Division	Operations and development of the African businesses.
Mr. Xavier Rocoplan	Chief Technology and Information Officer	Networks, information technology and procurement within the Group.
Ms. Rachel Samrén	Chief External Affairs Officer	Government relations, regulatory affairs, corporate communications, and corporate responsibility.
Mr. Salvador Escalón	General Counsel	Legal and corporate governance matters including oversight, identification, and management of legal cases and issues of the Group, as well as legal aspects of mergers and acquisitions and other corporate transactions.
Ms. Susy Bobenrieth	Chief Human Resources Officer	Human Resource matters including talent acquisition and management, compensation, diversity, and inclusion.
Mr. HL Rogers	Chief Ethics and Compliance Officer	Compliance matters including ethics, anti-bribery, anti-corruption, anti-money laundering, and related compliance programs. Also, corporate security and information security.

The profiles of the CFO and Executive Team members are provided below:



Mr. Tim Pennington
Executive Vice President,
Chief Financial Officer

Tim Pennington joined Millicom in June 2014 as Senior Executive Vice President, Chief Financial Officer.

Previously, he was the Chief Financial Officer at Cable and Wireless Communications plc, Group Finance Director for Cable and Wireless plc and, prior to that, CFO of Hutchison Telecommunications International Ltd, based in Hong Kong. Tim was also Finance Director of Hutchison 3G (UK), Hutchison Whampoa's British mobile business.

He also has corporate finance experience, firstly as a Director at Samuel Montagu & Co. Limited, and then as Managing Director of HSBC Investment Bank within its Corporate Finance and Advisory Department.

He is a British national and has a BA (Honours) degree in Economics and Social Studies from the University of Manchester.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 15,933 shares



Mr. Esteban Iriarte
Executive Vice President,
Chief Operating Officer, Latin America

Esteban Iriarte was appointed as Executive Vice President, Chief Operating Officer (COO), Latin America in August 2016.

Previously, Esteban was General Manager of Millicom's Colombian businesses where, in 2014, he led the merger and integration of Tigo and the fixed-line company UNE.

Prior to leading Tigo Colombia, Esteban was head of Millicom's regional Home and B2B divisions.

From 2009 to 2011, he was CEO of Amnet, a leading service provider in Central America for broadband, cable TV, fixed line, and data services, acquired by Millicom in 2008.

In 2016, Esteban joined the Board of Directors of Sura Asset Management. Sura is one of Latin America's leading financial groups.

Esteban is from Argentina and received a degree in Business Administration from the Pontificia Universidad Catolica Argentina "Santa Maria de los Buenos Aires", and an MBA from the Universidad Austral in Buenos Aires.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 19,309 shares



Mr. Mohamed Dabbour
Executive Vice President,
Head of Africa Division

Mohamed Dabbour joined Millicom in 2008 and has held a broad variety of roles in the Africa region including Chief Financial Officer in Chad in 2009 and Chief Financial Officer in Ghana in 2011. Prior to being appointed as Head of the Africa division, he held the position of Chief Financial Officer, Africa since August 2015.

Prior to joining Millicom, Mohamed worked for BESIX, the largest Belgian construction company. He started his career at PricewaterhouseCoopers in Brussels as a Senior Accountant.

Mohamed holds an Executive MBA degree from London Business School.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 4,525 shares



Mr. Xavier Rocoplan
Executive Vice President, Chief Technology and Information Officer

Xavier Rocoplan started working with Millicom in 2000 and joined the Executive Committee as Chief Technology and Information Technology Officer in December 2012.

Xavier is currently heading all mobile and fixed network and IT activities across the Group as well as all Procurement & Supply Chain.

Xavier first joined Millicom in 2000 as CTO in Vietnam and subsequently for South East Asia. In 2004, he was appointed CEO of Millicom's subsidiary in Pakistan (Paktel), a role he held until mid-2007. During this time, he launched Paktel's GSM operation and led the process that concluded with the disposal of the business in 2007. Xavier was then appointed as head of Corporate Business Development, where he managed the disposal of various Millicom operations (e.g. Asia), the monetization of Millicom infrastructure assets (towers) as well as numerous spectrum acquisitions and license renewal processes in Africa and in Latin America.

Xavier is a French national and holds Masters degrees in engineering from Ecole Nationale Supérieure des Télécommunications de Paris and in economics from Université Paris IX Dauphine.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 26,935 shares



Ms. Rachel Samrén
Executive Vice President, Chief External Affairs Officer

Rachel Samrén joined Millicom in July 2014 and manages the Group's External Affairs function, which encompasses government relations, regulatory affairs, corporate communications, and corporate responsibility functions.

Her focus is on driving Millicom's global engagement with particular responsibility for special situation strategies.

Rachel's background is in the risk management consulting sector, most recently as Head of Business Intelligence at The Risk Advisory Group plc. Previously, she worked for Citigroup as well as non-governmental and governmental organizations.

Rachel currently serves as Chairman of the Board of Directors of Reach for Change and Zantel.

She is a Swedish national and holds a BSc in International Relations from the London School of Economics and a MLitt in International Security Studies from the University of St Andrews.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 2,627 shares



Mr. Salvador Escalón
Executive Vice President, General Counsel

Salvador Escalón was appointed as Millicom's General Counsel in March 2013 and became Executive Vice President in July 2015.

Salvador leads Millicom's legal team and advises the Board of Directors and senior management on legal and governance matters.

He joined Millicom as Associate General Counsel Latin America in April 2010. In this role, he successfully led legal negotiations for the merger of Millicom's Colombian operations with UNE-EPM Telecomunicaciones S.A., as well as the acquisition of Cablevision Paraguay.

From January 2006 to March 2010, Salvador was Senior Counsel at Chevron Corporation, with responsibility for legal matters relating to Chevron's downstream operations in Latin America.

Previously, he was in private practice at the law firms Skadden, Morgan Lewis, and Akerman Senterfitt.

Salvador is an American national and has a J.D. from Columbia Law School and a B.B.A. in Finance and International Business from Florida International University.

MILlicom SHAREHOLDING AT JANUARY 31, 2019: 14,712 shares



Ms. Susy Bobenrieth
Executive Vice President, Chief Human Resources Officer

Susy Bobenrieth, a global Human Resource professional, joins Millicom with over 25 years of experience in major multi-national companies that include Nike Inc., American President Lines, and IBM.

As an ex-Nike executive, she has extensive international knowledge and proven results in leading large-scale organizational transformations, driving talent management agenda, and leading teams. She is passionate about building great businesses and winning with high-performing teams.

Susy was raised in the USA by her Chilean immigrant parents and is one of eight children.

She has deep international experience having lived and worked in Mexico, USA, Brazil, the Netherlands, and Spain. She received a degree from the University of Maryland, University College in 1989.

MILLICOM SHAREHOLDING AT JANUARY 31, 2019: no shares



Mr. HL Rogers
Executive Vice President, Chief Ethics and Compliance Officer

HL Rogers joined Millicom in August 2016 as Chief Ethics and Compliance Officer. As the leader of Millicom's Compliance function, he is committed to maintaining a world-class compliance program.

Previously, he was partner in the Washington DC office of international law firm Sidney Austin LLP, where he represented individual, corporate, and government clients in compliance issues and complex litigation.

Throughout this period, HL Rogers developed a wealth of experience in setting up and managing compliance programs, strengthening compliance policies and procedures, as well as conducting training and development. He has also assisted many large corporations in negotiations with authorities in multiple jurisdictions.

HL clerked for Judge Thomas Griffith of the United States Court of Appeals for the District of Columbia Circuit in 2005. He received his Juris Doctorate from Harvard Law School in 2004 and has published several articles on compliance and ethics matters within the corporate setting.

In 2001, HL received his BA degree in English from Brigham Young University.

MILLICOM SHAREHOLDING AT JANUARY 31, 2019: 741 shares

Management Governance

The Group seeks to ensure that governance activities are embedded in the daily operations of all businesses and in the Group’s corporate functions. The role of the Group’s governance functions is to set policies and procedures in accordance with our obligations and international best practice. These functions then ensure policies and procedures are embedded in our businesses and monitor compliance.

Each function has clear reporting lines through to the Executive Management Team and the CEO. Reporting is also to the Board committees, as previously described, based on the responsibilities of each committee. For instance, the Chief Ethics and Compliance Officer reports directly to the relevant Board committee with a dotted line report to the CEO.

In addition, the Group has a dedicated Internal Audit function to provide independent assurance over all businesses and corporate functions through a program of risk-based internal audits. Internal Audit reports to the Audit Committee of the Board and to Executive Management. Improvements are identified, management actions are assigned and implementation progress is monitored.

Business Control

The Board has overall responsibility for the Group’s system of internal control, which is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss. The concept of reasonable assurance recognizes that the cost of control procedures should not exceed the expected benefits.

Responsibility for maintaining effective internal controls is delegated to the CEO and the Executive Team with oversight provided by the Audit Committee. Millicom continued to invest significantly during the year to further strengthen its internal control framework including preparatory work for the U.S. secondary listing. Within the Millicom control framework, operational and functional management teams perform controls. Key controls are documented in the Millicom internal control manual, which

covers both financial and non-financial controls across 15 core business processes. The control manual was updated at the start of the year. Each country has its own dedicated, local Business Control team responsible for monitoring and development of the local internal control environment.

Monitoring Systems

A process of internal control self-assessment is operated and requires self-certification of the operation of key controls. Self-certified responses are then subject to review and challenge by the Group Business Controls team and Global Process Owners. The results are also compared to findings from Internal and External Audit. Where controls are found not to be operating effectively, action plans are designed with responsibilities and timescales assigned for remediation.

Self-assessment results are reported to the Audit Committee and the Executive Team. The results enable an assessment of the relative maturity of our internal control environment by both business process and by country. In 2018, three self-assessment exercises were performed (2017:3).

Fraud Management and Reporting

Business Control has responsibility for fraud risk management. Education activities continued, including an awareness campaign aligned with International Fraud Awareness Week, in November.

A quarterly fraud report is prepared by each operation. A summary of this is presented to the Audit Committee along with the key actions taken. Quantitative and qualitative thresholds have been agreed to govern the reporting of individual fraud incidents to the Group CFO, CEO, and the Audit Committee.

Internal Control over Financial Reporting

The Management of Millicom is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in conformity with

International Financial Reporting Standards as adopted by the European Union. Due to its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements.

Cable Onda was acquired on December 13, 2018 and the first assessment of Internal Controls over Financial Reporting will take place in 2019.

Management has assessed the effectiveness of internal control over financial reporting as of December 31, 2018 and concluded that it was effective. The foregoing assessment does not constitute and is not meant to be an assessment of Millicom’s internal control over financial reporting for purposes of the U.S. Securities Exchange Act of 1934, as amended, requirement which is not yet applicable to Millicom.

Risk Management

The risk function is tasked with identifying, analyzing, measuring, and monitoring of Millicom’s risks. The Chief Risk Officer is responsible for providing risk owners at central functional and country level with methodology and tools to support the approach to balancing risk with return, and reporting to the Executive Team. The Audit Committee, on behalf of the Board, is responsible for oversight of risk management activities.

Our risk assessment processes and the principal risks managed by the Group are set out in the Risk Management section of this annual report.

Ethics and Compliance

The Millicom Ethics and Compliance function has overall responsibility for the group-wide Millicom Ethics and Compliance program with robust anti-bribery and anti-corruption, anti-money laundering (AML) and Information Security programs.

Millicom aims to be a Compliance Leader in all its markets. Our Ethics & Compliance Program is intended to prevent and detect misconduct and protect the interests of shareholders, employees and the public, and is executed by an efficient compliance function focused on the most important risks.

Management and Governance of Compliance Activities

The Millicom Management team is committed to the highest level of ethics and compliance. This requires that every employee is responsible for understanding the important legal and ethical issues that affect our business. Our commitment to compliance begins with each and every one of our employees and our third parties acting with Integrity. This means more than just complying with the law; it means acting in an ethical manner as described in the company’s Code of Conduct.

The performance of all our senior management is measured by Compliance KPIs, requiring continual improvement for compliance-related issues. In 2018, integrated compliance factors were incorporated into executives’ incentives program, including bonus awards tied to achievement of all these KPIs. We use performance ratings to drive concrete action and promote ethical business practices. It is our obligation to include appropriate incentives for taking reasonable steps to prevent or detect criminal conduct and appropriate disciplinary measures for failing to take such steps.

We continued reinforcing our Third Parties management space in 2018 through a centralized and elevated due diligence program. The use of technology allowed for a stronger automation of third-party screening with a goal of improved compliance outcomes. We published a procedure on interactions with government and other public officials in order to strengthen and clarify risks and controls around third party management.

All Compliance policies were reviewed and new ones developed to cover emerging areas of risk (Government Interaction Policy) to strengthen the company’s Anti-corruption program. Specific training modules were rolled out to all employees on the new and reviewed policies. Automation of compliance Declaration and Attestation was launched. In 2018 we continue advancing a culture of compliance by accountability “Do Business the Right Way” with the living theme “I am Compliance” & raising the key question #Howdoyoucomply. Special attention

was given to reinforcing everyone’s compliance duties and embracing the understanding of Compliance being in the Culture, not just a policy.

We launched group-wide e-learning on the Millicom Code of Conduct & Anti-Corruption policy. The purpose of the training was to heighten attention to key risk areas such as improper payments, gifts and hospitalities, donations, managing third parties, relationships with Government Officials, and approval and recording of expenses. This training was part of the Company’s Anti-Corruption Program, enhancing employees’ ability to identify warning signs of bribery, to understand and apply our anti-corruption policy, and to adhere to a solid decision-making strategy when making business decisions.

Speak Up Policy and Issue Management

A new Hotline campaign, “Speak Up-We Will Act On It”, was launched groupwide to promote our Millicom Ethics Line, encouraging employees to use this external, independent system to report issues of non-compliance with our policies and values. This initiative was part of our larger communication campaign “Integrity Starts With You” that we have been using to continue to raise awareness of compliance and ethics and to drive a corporate culture of integrity.

Key Governance Initiatives

Millicom strengthened the Compliance function, adding two additional senior Compliance Officers for the Africa operations and a replacement in Latin America.

Internal Audit worked with the business units to develop action plans to address the findings from the compliance audit, and we implemented those plans. Third parties found to be in violation of our policies were terminated or remediated.

Millicom has strengthened its Ethics and Compliance program monitoring and data analysis. In 2018, we expanded quarterly Compliance monitoring on key business and Compliance risks. We performed regular analysis of risk, control maturity, and training effectiveness and cross referenced our efforts with results of audits and internal

control self-assessments in quarterly Local Compliance Committees.

Corporate Responsibility

This is the third year that Millicom has integrated corporate responsibility-related performance data and information in our annual financial and operational report to demonstrate how managing responsible growth and key risks support the successful delivery of our business strategy.

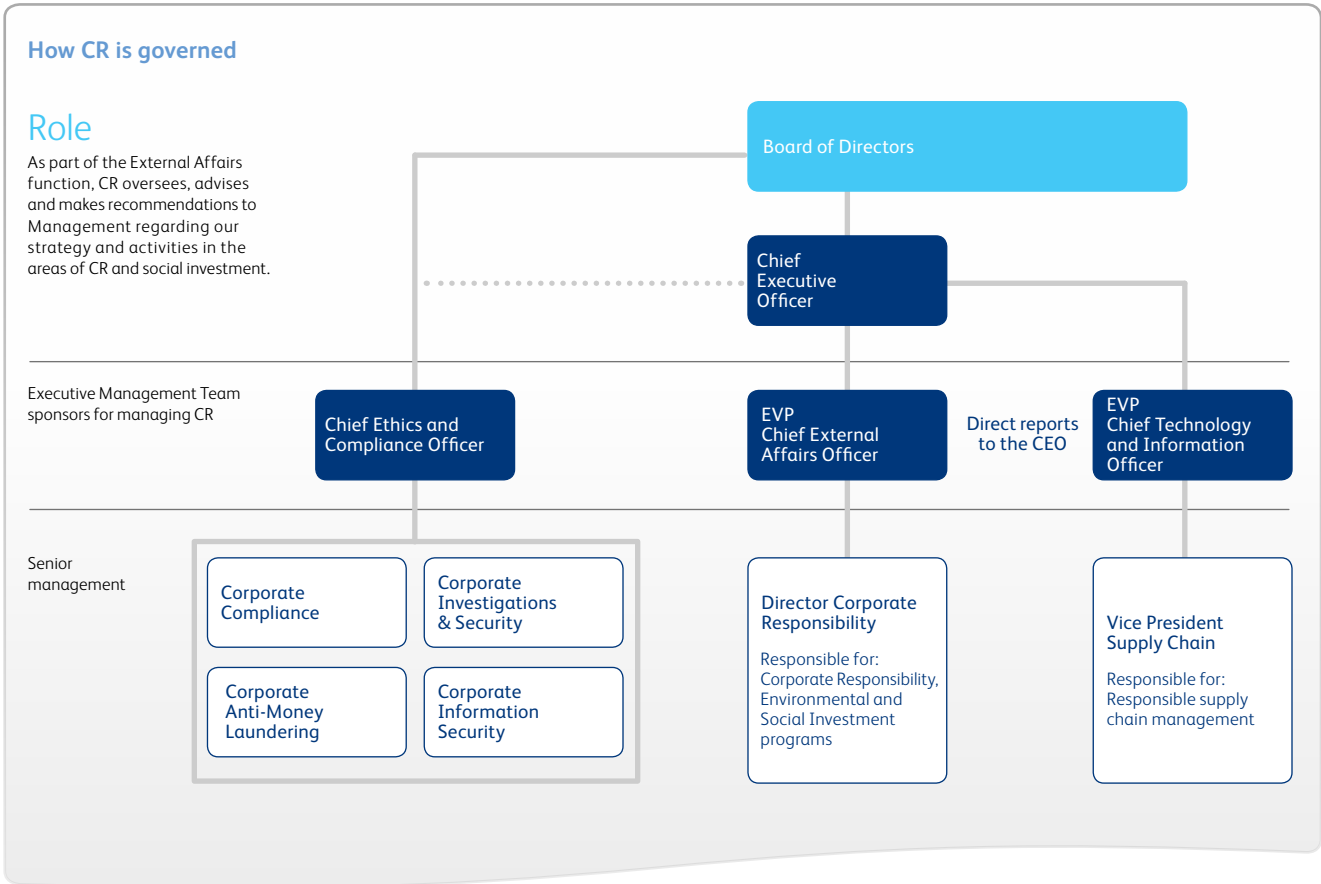
Millicom’s Corporate Responsibility team sets CR strategy, drives policies and processes for CR governance, guides and coordinates CR performance across business functions, and publishes CR-related performance information in the annual integrated report. Our integrated report will continue to be a key vehicle in promoting transparency towards investors and other key stakeholders on CR risks and opportunities.

The CR team constantly engages with internal and external stakeholders to ensure that Millicom understands and addresses CR issues that are important to our business and relevant to our stakeholders.

Stakeholder engagement is done through a biennial materiality analysis, and for the most part via ongoing interaction with our key stakeholders. In addition to anticipating and improving preparedness on risks, the CR function also adds value by seeking responsible leadership opportunities for the Group to assess where we can make the greatest positive impact to society, to the environment and, in turn, to our business.

Governance of CR

Millicom’s Board of Directors oversees the Government Relations (GR), Regulatory Affairs, Corporate Responsibility (CR), and Social Investment (SI) functions of the Group, which fall under the umbrella of External Affairs. This is due to the depth and materiality of these topics and the importance of monitoring interconnected risks and opportunities relating to them. The Executive Vice President (EVP), Chief External Affairs Officer, a direct report of the CEO, is accountable for delivering updates on



the CR and SI strategy to the Board. Progress on CR and SI strategy implementation and issues management is also reported to the Millicom Executive Committee on a monthly basis through the EVP, Chief External Affairs Officer, and in specific cases directly.

Security

Throughout 2017 - 2018 the Integrated Services team, evolved from Corporate Security in 2018, continued its ambitious drive to implement international risk management standards such as ISO 14001, 22301, and OHSAS 18001 and can report that all operating entities except Nicaragua are accredited to the ISO standards. Nicaragua was put on hold until mid 2019 due to the significant civil and political unrest that spanned the country.

The focus of the Integrated Services team, which covers both health and safety, security, and other areas of non-financial risk, is to protect life, assets, and Millicom’s reputation while promoting employee well-being, and to build resilience throughout the business to unexpected events or crises. In addition, Integrated Services oversees

the implementation of policy and Group standards in physical security, health, and safety by local operational teams. Our teams responded quickly and professionally to several major incidents and events during 2018, including volcanic eruptions, earthquakes, civil unrest, and several major fires. In each instance, we were able to prevent any employee fatalities and major losses to the Group.

The Integrated Services team is overseen by the Vice President of Global Investigations, reporting to the Executive Vice President, Chief Ethics & Compliance Officer.

Business Continuity and Crisis Management

We designed our global and operational business continuity and crisis management system to address any significant disruption that might affect our capabilities to perform critical day-to-day activities. This continues to mature and has already responded to events, such as extreme weather, civil unrest, and criminal and political activities in the countries where we operate.

Risk assessment is a continuous process. It starts with a business impact analysis that identifies all critical services and business processes which will require a disaster recovery and business continuity plan. After performing a risk assessment on all critical assets identified in the analysis, we address every relevant operational threat in a formal risk mitigation plan.

Millicom crisis management defines the proper response to, and management of, an intense, unexpected, and unstable situation that disrupts normal operations and has highly undesirable outcomes, which require extraordinary measures to restore normal operations. Crisis management aims to protect the safety of our staff and our reputation, together with continuous and reliable delivery of service to customers, while maintaining contractual, legal, and regulatory compliance.

In parallel, Millicom has in place physical security and loss prevention standards which set minimum acceptable levels of critical site protection, as defined by industry best practice. All activities are subject to a program of monitoring and compliance activities.

Information Security

In 2017, Millicom reorganized its information security effort to advance the global program. Reporting to the Executive Vice President, Chief Ethics & Compliance Officer, the program is managed by the Global Chief Information Security Officer (CISO), who assumes responsibility for the identification, management and mitigation of technology-centric risks throughout the company.

The CISO oversees the regional information security teams to ensure the confidentiality, integrity, and availability of all business-critical systems and assets. Other responsibilities include the identification of emerging threats and risks potentially detrimental to Millicom and the safeguarding of proprietary and personal customer information. Additionally, the regional teams work closely with business and technology leadership to ensure compliance to corporate policies and regional information security-related regulatory requirements within the various countries where Millicom conducts business.

The Global CISO meets regularly with the Compliance and Business Conduct Committee and Audit Committee to ensure appropriate risks have been elevated and are being addressed. As part of the move to centralize Information Security services, in 2018 the Information Security team began to reevaluate the existing technology risk management processes and consolidated all identification and mitigation efforts under the new global function.

The following key initiatives kicked off in 2018:

- Formalization of the Global Information Security Office: The Millicom Global Information Security Office (GISO) is charged with strategy, tactics, and oversight of all security efforts with the broader Millicom environment. The GISO is divided up into four critical pillars—Risk Management, Security Engineering, Vulnerability Management, and the Global Security Operations Center. Lead by the Millicom Global CISO, the GISO strategy, budget, and activities are overseen by the InfoSec Steering Committee, which is comprised of various Millicom executives, technical resources, and business personnel. The

InfoSec Steering Committee meets monthly to discuss projects, approaches, and engagement across the company.

- Development of a Global Security Operations Center: To better understand and manage risk across the entire enterprise, Millicom is moving forward with the consolidation and centralization of all local security operations management into a single, all-encompassing global security operations center. Millicom has partnered with an industry-leading service provider to provide 24x7 monitoring and analysis of all global events which could impact the company. Vendor selection has been completed and the migration project has begun. Initial locations will be migrated in Q1 2019, with full deployment targeted for completion by the end of year.
- Development of a Global Vulnerability Management program: Due to the differences in maturity levels around operational security, the Global program will identify, report, and track risks and vulnerabilities within all operations to provide a better insight into the technical security risks of the company. The initial phases of the program have been initiated and full roll out is expected to be completed by the end of Q3 2019.
- Development of a Global Identity and Access Management program: In order to effectively manage user access, especially with respect to the U.S. regulatory requirements, Millicom has decided to centralize all business and critical access provisioning to a central solution. Phase One of this effort will address all regulatory requirements by the end of Q3 2019, with the remaining deployment schedule running through mid-2020.

Health and Safety Management

All operating entities including corporate are in compliance with the current internal OHSAS 18001 standard, and all were externally accredited. Our teams at Group and within the operating entities are now preparing for the transition to the new ISO 45001 standard which will commence in Q1 2019 with Chad, Tigo Tanzania, and Honduras.

Our focus on “zero fatalities” has had a profound impact on our culture and the way we strive to work in a safer manner, resulting in zero employee fatalities. Unfortunately, there were two contractor fatalities in 2018, down from ten in 2017.

The events resulted from a recent electrocution in which an engineer was struck when working underneath overhead power cables and an earlier reported road traffic accident (RTA), which occurred in November 2017 but forms part of our reporting period. RTA’s while still figuring as the #1 reported event, have reduced significantly along with falls from height, violent crime associated with criminal gang activity, making central America, somewhat safer place to operate. However, there was significant support required to assist staff in Nicaragua during and throughout the ongoing civil unrest.

In comparison to 2017, our current reporting figures indicate the number of events reported has remained stable, our fatality rate is down 80%, and the number of lost time incidents has significantly decreased. The increase in reported numbers during 2017 compared to 2016 was expected and it was anticipated that during 2018 the figures would start to decrease as the safety culture becomes further embedded in the organization.

Supply Chain & Procurement has been instrumental in pushing the strict health, safety, and environmental requirements to ensure our due diligence process is completed. Additionally, our local staff and suppliers, have been bolstering training and awareness in auditing, health and safety vetting, and site inspections. There is a key focus now on the end user or sponsoring department to engage more with their outsourced or managed services areas to ensure they manage their activities sufficiently to maintain and improve the safety culture and awareness.

Directors' Financial and Operating Report

Group Performance

The Group returned to solid top line growth as the strategy continued yielding positive results.

In 2018, total revenue for the Group was US\$4,074 million, and gross profit was US\$2,928 million, a margin of 71.9 percent.

Operating expenses represented 41.1% of revenue, a slight increase compared to last year, mainly due to acquisition costs for Cable Onda in Panama. Beside this effect, the Group has continued delivering on operational efficiencies which underpinned our margins and cash flows, delivering a lower operating cost run rate and lower capex.

Our operating profit amounted to US\$645 million, a 16.8 percent margin impacted positively by the gain on tower deals in El Salvador, Colombia, and Paraguay as well as higher profit from the joint ventures in Guatemala and Honduras.

Net financial expenses were US\$350 million, lower than for the same period last year mainly because 2017 figures included one-off costs in respect of early redemptions of the 2020 and 2021 Senior Notes outstanding bonds.

Profit before taxes at US\$129 million included the effects of the increase in operating profit and decrease in interest expense described above, negatively affected by higher foreign exchange losses and higher losses from our joint venture in Ghana and associates.

The Group net tax charge in 2018 was US\$116 million, leaving a net gain for the year from continuing operations at US\$13 million. The loss of US\$39 million from discontinued operations mainly reflected the loss on disposal of our business in Rwanda.

As a result, the net loss for the year was US\$26 million. The share of losses of non-controlling interests was US\$16 million.

The net loss for the year attributable to Millicom owners was US\$10 million. Earnings per share was US\$0.10 cents.

Share Capital

At December 31, 2017, Millicom had 101.7 million issued and paid up common shares of par value US\$1.50 each, of which 913 thousand were held by the Company as treasury shares (2017: 1.2 million). During the year, the company acquired approximately 70,000 shares and issued around 343,000 shares to

management and employees under the LTIP remuneration plans and approximately 6,600 shares to Directors as part of their annual remuneration.

Distribution to Shareholders and Proposed Distributions

On May 4, 2018, at the Annual General Meeting of shareholders, a dividend distribution of US\$2.64 per share was approved, and subsequently paid to shareholders in equal portions in May and November.

This year's proposed dividend is consistent with distributions in 2017 and 2018.

Risks and Uncertainty Factors

The Group operates in an industry and in markets which are characterized by rapid change and subject to macro-economic, competitive and political uncertainty. This change creates both opportunities and at the same time a degree of risk. Many of the inherent underlying risks in these markets, including regulatory change (including tariff controls and taxation), currency fluctuations, and underlying macroeconomic conditions, impact on the level of disposable income and consumers' attitudes and demand for our products and services.

Further information on these and other key risks faced by the Group are set out in the Risk Management section on pages 22 - 25.

Financial Risk Management Objectives and Policies

Millicom's financial risk management policies and objectives, together with a description of the various risks and hedging activities undertaken by the Group, are set out in Section D, financial risk management, of the consolidated financial statements.

Internal controls and risk management on the preparation of the consolidated financial statements are covered in the Governance section from pages 57 - 91.

Non-Financial Information

Non-financial information, such as environmental, social, human rights, and the fight against corruption, are integrated throughout this report, and in the Appendix.

Management and Employees

Over recent years, the Group has developed many key functions and improved support to local operations, including in the areas of procurement, network development, marketing, IT, HR, compliance, and finance. Since 2017, the Executive Management Team is complete.

At December 31, 2018, the Group's headcount from continuing operations reached approximately 21,000, up from almost 19,000 at December 31, 2017, the increase being mainly related to the acquisition of Cable Onda.

Outlook for the Group

We anticipate another solid year in 2019 marked by the continued expansion of our high-speed data networks and customer growth. For our Latam segment, we expect organic service revenue growth to range between 3% and 5%, while EBITDA is expected to grow at a faster rate, ranging between 4% and 6%, on a like-for-like basis. As usual, these organic growth rates are expressed in constant currency terms to exclude the impact of changes in foreign exchange and accounting standards. Finally, Latam segment capex should be slightly above US\$1.0 billion, including about US\$85 million at Cable Onda, which we expect will generate EBITDA of approximately US\$184 million.

Subsequent Event

On February 20, 2019, the Group announced it has entered into agreements with Telefónica S.A. and certain of its affiliates (Telefónica), to acquire the entire share capital of Telefónica Móviles Panamá, S.A., Telefónica de Costa Rica TC, S.A. (and its wholly owned subsidiary, Telefónica Gestión de Infraestructura y Sistemas de Costa Rica, S.A.) and Telefonía Celular de Nicaragua, S.A. (together, Telefonía CAM) for a combined enterprise value of US\$1,650 million (the Transaction) payable in cash. The Transaction is subject to customary closing conditions, including regulatory approval in each market, and closings are expected during H2 2019. Millicom has secured bridge funding commitments to finance the acquisition, and the bridge will be refinanced predominantly with the issuance of new debt by Millicom and its operating subsidiaries.

José Antonio Ríos García

Chairman of the Board of Directors

Luxembourg, February 28, 2019

Management Responsibility Statement

We, Mauricio Ramos, Chief Executive Officer, and Tim Pennington, Chief Financial Officer, confirm, to the best of our knowledge, that these 2018 consolidated financial statements which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Millicom Group and the undertakings included in the consolidation taken as a whole, and that the Directors' report includes a fair review of the development and performance of the business and the position of the Millicom Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Luxembourg, February 28, 2019

Mauricio Ramos
Chief Executive Officer

Tim Pennington
Chief Financial Officer