

Second-Party Opinion

Millicom Sustainability Bond

Evaluation Summary

Sustainalytics is of the opinion that the Sustainability Bond Framework for Millicom International Cellular S.A (Millicom Sustainability Bond Framework) is credible and impactful, and aligns with the Sustainability Bond Guidelines 2018. This assessment is based on the following:



USE OF PROCEEDS The three eligible categories (Energy Efficiency; Increased Access to Information; and Communication Technology and Social Programs Facilitating Socioeconomic Advancement and Empowerment) for the use of proceeds are aligned with those recognized by both the Green Bond Principles and Social Bond Principles. Sustainalytics considers the use of proceeds categories to have positive environmental or social impacts and to advance the UN Sustainable Development Goals, lowering the GHG emissions from the company’s operations, introducing internet to unconnected and underserved groups and promoting socioeconomic advancements and training to underserved populations.



PROJECT EVALUTION / SELECTION Millicom has set up an internal Sustainability Bond Committee, formed out of cross-departmental representatives, that is responsible for evaluating and selecting eligible assets and projects for Sustainability Bond funding in accordance with the Millicom Sustainability Bond Framework. The committee will also ensure that investments are in line with internal sustainability policies and guidelines and has a veto in the decision-making process. This system process is aligned with market practice.



MANAGEMENT OF PROCEEDS The use of proceeds from issued bonds will be earmarked for financing and refinancing of projects that meet the criteria set out in the Millicom Sustainability Bond Framework. The unallocated net proceeds from the Sustainability Bonds will be deposited in specific bank accounts and invested according to the liquidity management policy of Millicom. The company’s process for the management of proceeds is in accordance with market practice.



REPORTING In line with market practice, Millicom commits to providing an annual investor letter which will include an allocation report and an impact report. The allocation report will contain information regarding the eligible projects, the amount of allocated and unallocated proceeds, and examples of financed assets or projects. The impact report will include relevant KPIs for each use of proceeds category.

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Report Sections

Introduction.....	2
Sustainalytics’ Opinion	3
Appendices	12

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Introduction

Millicom International Cellular S.A. (Millicom or “the company”), headquartered in Luxemburg, is a telecommunications company and leading provider of cable and mobile services dedicated to emerging markets. Millicom provides a wide range consumer and business-to-business digital services in eight countries in Latin America and two countries in Africa through the Tigo and Tigo Business™ brands.

Millicom has developed the Millicom Sustainability Bond Framework (the “Framework”) under which Millicom International Cellular A.S is considering to issue multiple sustainability bonds and use the proceeds to finance and refinance, in whole or in part, existing and future projects that foster enhanced energy efficiency in Millicom’s operations and socio-economic advancement and empowerment for people at risk of digital exclusion in emerging markets. The Framework defines eligibility criteria in three areas:

1. Energy Efficiency
 - a. Data centers
 - b. Network modernization
 - c. General and operational efficiency
2. Increased Access to Information and Communication Technology
 - a. Mobile network rollout
 - b. Fixed network rollout and upgrade
 - c. Spectrum acquisition and license renewal
3. Flagship Social Programs Facilitating Socioeconomic Advancement and Empowerment
 - a. Empowering women
 - b. Protecting children
 - c. Connecting communities
 - d. Sustainability in Millicom’s supply chain

Millicom engaged Sustainalytics to review the Sustainability Bond Framework for Millicom International Cellular S.A. and its wholly-owned subsidiaries, dated February 2019, and provide a second-party opinion on the alignment of the sustainability bond proceeds with the Sustainability Bond Guidelines 2018 (the “SBG”),¹ as administered by the International Capital Market Association (the “ICMA”),² and the Framework’s environmental and social credentials. This Framework has been published in a separate document.³

As part of this engagement, Sustainalytics held conversations with the lead underwriter to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of Millicom’s sustainability bond. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Millicom Sustainability Bond Framework and should be read in conjunction with that Framework.

¹ Sustainability Bonds are aligned with the four core components of both the Green Bond Principles and Social Bond Principles, with the former being especially relevant to underlying Green Projects and the latter to underlying Social Projects.

² ICMA’s Sustainability Bond Guidelines 2018 <https://www.icmagroup.org/green-social-and-sustainability-bonds/sustainability-bond-guidelines-sbg/>

³ The Millicom Sustainability Bond Framework is available on Millicom’s website at: <https://www.millicom.com/investors/>

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Millicom Sustainability Bond Framework

Summary

Sustainalytics is of the opinion that the Millicom Sustainability Bond Framework is credible and impactful, and aligns with the four core components of the Green Bond Principles 2018 and the Social Bond Principles 2018. Sustainalytics highlights the following elements of Millicom's Sustainability Bond Framework:

Use of Proceeds:

- All three use of proceeds categories – Energy Efficiency, Access to information and Communication Technology, and Social Programs Facilitating Socioeconomic Advancement and Empowerment– align with those recognized as impactful by the Green or Social Bond Principles 2018.
- The Framework specifies that sustainability bond proceeds may be allocated to investments focused on energy efficiency in three areas: data centers, network modernization, and general energy efficiency measures related to building design and upgrades, network solutions, and enhanced monitoring. Overall, Sustainalytics views positively these investments.
 - As stated in its Framework, Millicom's investments are targeted at increasing energy efficiency and lowering overall organizational energy consumption by approximately 20% or more. While thresholds for energy performance improvements are not defined within the eligibility criteria, the Framework defines reporting metrics that facilitate transparency regarding the energy savings facilitated through the activities financed by sustainability bond proceeds.
 - As part of its network modernization programme, Millicom will introduce 4G LTE technology. The introduction of 4G LTE technology has the potential to reduce the energy intensity per unit of data traffic when compared to older technologies. However, Sustainalytics highlights that efficiency improvements per unit of data trafficked for 4G are dependent on several factors.⁴ Noting this point, the introduction of 4G technologies is likely to result in greater energy demand from Millicom's network due to increases in data traffic. General studies on the potential benefits of ICTs have indicated that the ratio of network carbon emissions to emissions abatement from ICTs is currently estimated at 1:5 in Europe and the USA.⁵ While these studies do not apply directly to Millicom's activities, they highlight the potential for such technology to facilitate positive impact. In this regard, Sustainalytics encourages Millicom to quantify and report on its ratio of operational carbon emissions to carbon abatement achieved through the use of its services in order to enhance transparency.
 - Millicom's investments in spectrum acquisition and license renewal are aimed at expanding the operator's coverage and improving service for areas already covered, while limiting the need for physical infrastructure deployments. In this regard, Millicom has confirmed positive impacts to Sustainalytics, specifically with regards to decommissioning mobile stations in some local contexts (see Section 3: Impact of Use of Proceeds).
- Sustainalytics believes that enhancing access to ICTs for unconnected or underserved populations facilitates socioeconomic empowerment through improved access to information, services and opportunities to engage in the digital economy. In this regard, the expansion of mobile networks and the expansion and upgrading of fixed networks are important pre-requisites that support new technologies such as 4G and the broader adoption of ICTs (see Section 3: Impact of Use of Proceeds).
 - Millicom identifies target populations as those that are currently unconnected⁶ or underserved.⁷ Millicom has confirmed to Sustainalytics that it is able to identify its target populations through an analysis of information from regulators via coverage obligations and an in-house coverage

⁴ The energy efficiency per unit of data traffic increases with the volume of data trafficked on the network. Therefore, an important factor in realizing energy efficiency gains per unit of data is the data load capacity utilization rate of the network.

Evaluating the Energy Consumption of Mobile Data Transfer-From Technology Development to Consumer Behaviour and Life Cycle Thinking; <https://pdfs.semanticscholar.org/be83/e9a9a7e10a7f29a846fc54d62f08ebe9e884.pdf>

⁵ GeSI Mobile Carbon Impact; <https://www.carbontrust.com/media/672238/mobile-carbon-impact-ctc856.pdf>

⁶ Unconnected people are defined as those "that do not have mobile or fixed network coverage or have network coverage but services are limited or unaffordable to them."

⁷ Underserved populations are defined as those "who have access to mobile and fixed networks of an inferior technology." Inferior technology is defined by Millicom as "2G/3G for mobile networks and copper for fixed networks. Millicom intends to migrate to 4G and Hybrid Fiber Coaxial (HFC) in its network to improve connectivity and enable access to a broader range of digital tools."

- assessment based on spacial maps, commercial analysis of existing infrastructure and financial analysis of coverage targets.
- Millicom confirmed that it will allocate a portion of the sustainability bond proceeds to the acquisition of spectrum and the renewal of existing spectrum licenses. In addition to the energy efficiency goals, Millicom's investments will be targeted at optimizing the company's spectrum bands so that it can expand its coverage to unconnected communities while also ensuring a high quality of coverage for underserved communities.
 - In addition to infrastructure investments to create the conditions for broader adoption of digital technologies with the potential to facilitate socioeconomic empowerment and advancement, Millicom will also use proceeds from sustainability bonds to make targeted investments in social programmes that upgrade target population's ICT skills.
 - Millicom's target populations include women in regions subject to a gender gap in mobile usage and economic conditions and children in areas where there is little or no ICT education available. In this regard, the company's focus on digital training for women and children are particularly meaningful. Sustainalytics views positively Millicom's efforts to address the digital and economic gender gap and equipping children with the skills and knowledge to engage safely and responsibly with ICTs.
 - The Framework includes programmes targeted to Tigo Money micro distributors in areas where there is overall low penetration into the digital economy. Sustainalytics notes that the aim of the programme is to provide business training and generate financial opportunity for entrepreneurial individuals in underserved and under connected regions. These micro-distributors further facilitate access to digitized financial services in areas with unconnected or underserved populations by offering online payment and transaction services, for example.
 - Millicom also intends to use proceeds from sustainability bond issuances to finance training and education on its Tigo Money platform for representatives of Community Development Associations (CDAs). Millicom has confirmed to Sustainalytics that the CDAs it works with provide a range of community services, including international remittance processing and payments services for utilities, such as water, electricity and telecommunications. The aim of the investments is to target the digitization of these activities for community members that are not part of the traditional banking system.
 - The proceeds of the sustainability bond may be directed to Millicom's supplier training programme in Latin America. This initiative supports the integration of sustainable practices into the company's supply chain by providing targeted training for suppliers achieving the lowest score in the company's sustainable procurement platform. Sustainalytics notes positively the reliance on third-party assessment tools to identify candidates with significant scope for improvement on sustainability issues.

Project Evaluation and Selection:

- In line with market practice, Millicom has set up an internal Sustainability Bond Committee that is responsible for evaluating and selecting eligible assets and projects for Sustainability Bond funding in accordance with the Millicom Sustainability Bond Framework. The Sustainability Bond Committee is comprised of members from the Treasury Department, Corporate Responsibility Department, Commercial Department, Technical Department and a local representative from the subsidiaries. The committee will also ensure that investments are in line with internal corporate responsibility policies and guidelines while the Corporate Responsibility Department has a veto in the decision-making process.

Management of Proceeds:

- The use of proceeds from issued bonds will be earmarked for financing and refinancing of projects that meet the criteria set out in the Millicom Sustainability Bond Framework. If an asset or project financed by Sustainability Bonds doesn't qualify anymore as eligible according to the Framework, it will be replaced by other projects or assets that meet the criteria. The unallocated net proceeds from the Sustainability Bonds will be deposited in specific bank accounts and invested according to the liquidity management policy of Millicom. The company's process for the management of proceeds is in accordance with market practice.

Reporting:

- In line with market practice, Millicom commits to providing an annual investor letter which will include an allocation report and an impact report. The allocation report will contain a list of eligible projects and assets financed by sustainability bonds, examples of financed assets and projects that have been financed, amounts invested in each use of proceeds categories, including new financing vs. re-financing, the amount of outstanding sustainability bonds and the unallocated proceeds. The impact report will include the following metrics: annual energy savings, annual reduction in energy demand, energy consumption/mobile points of presence, energy consumption per unit of data traffic (kWh), number of sites decommissioned due to spectrum acquisitions/reconfigurations, and energy consumption avoidance driven by spectrum acquisitions (kWh). Social impact metrics will include, amongst others, the number of people using Millicom's mobile financial services number/volume of transactions (as per the target populations), number of women trained in use of smartphone, number of women trained in basic online skills and safety, number of women added as Tigo Services Sales Women, number of children trained in responsible and productive use of the internet, number of SMEs included and participating in online transaction platform, and number of suppliers trained in corporate responsibility trainings. This reporting process is in line with market practice.

Alignment with Sustainability Bond Guidelines 2018

Sustainalytics has determined that Millicom's sustainability bond proceeds align to the four core components of the Green Bond Principles 2018 and Social Bond Principles 2018. For detailed information please refer to Appendix 1: Sustainability Bond/ Sustainability Bond Programme External Review Form.

Section 2: Sustainability Performance of Millicom

Contribution of Framework to Millicom's sustainability strategy and targets

Millicom states that corporate responsibility (CR) is a key part of the company's business strategy, with the aim of empowering people with its services and having positive social and economic impact in the development of its main markets, Latin America and Africa.⁸ The company's CR Framework emphasizes the interrelation of Millicom's core business activities and its focus on protecting children online, empowering women and connecting communities. In this regard, Millicom confirmed to Sustainalytics that the company's CR department works with other business units to set corporate sustainability KPIs, implement programmes and measure and report progress.

Millicom has set a range of qualitative and quantitative targets related to privacy and freedom of expression, child rights and online protection, anti-corruption, environmental footprint, diversity, occupational health and safety, supply chain sustainability and social investments. Progress is reported on these targets on an annual basis, and while Millicom does not reach all of its targets, the company demonstrates progress on a number of fronts.⁹ Sustainalytics notes that Millicom is working towards quantifying the emissions savings from its operations and, once completed, will set quantitative carbon emissions reductions targets.¹⁰

Given Millicom's sustainability strategy and commitments, as well as the establishment of annual targets related to programme implementation, progress reporting and the alignment of the Sustainability Bond Framework with overall corporate objectives, Sustainalytics considers that Millicom is well positioned to issue sustainability bonds.

Well positioned to address common environmental and social risks associated with the projects

Sustainalytics recognizes that the use of proceeds outlined in the Sustainability Bond Framework for Millicom International Cellular S.A. and its wholly owned subsidiaries entail social and environmental risks. These risks include: human rights issues in the supply chain for raw materials necessary to the telecommunications industry, health and safety risks associated with the construction of telecommunication infrastructure, biodiversity and waste management risks associated with the construction of new assets, community

⁸ Millicom Corporate Website; <https://www.millicom.com/our-responsibility/our-cr-framework/>

⁹ Millicom Annual Report 2017; accessed January 2019; https://www.millicom.com/media/3246/millicom_annual_report_2017.pdf

¹⁰ Millicom Annual Report 2017; accessed January 2019; https://www.millicom.com/media/3246/millicom_annual_report_2017.pdf

relations, and exposure to data privacy, security and censorship risks. Moreover, social projects face the risk of increasing inequality if not well-targeted at vulnerable populations.

Sustainalytics is of the opinion that Millicom has adequate policies and programmes in place to mitigate the main environmental and social risks associated with the eligible projects:

- A Supplier Code of Conduct¹¹ is in place to address relevant risks related to the Company's supply chain, including ethics and compliance issues, addressing conflict minerals sourcing, human rights, child labour, environmental protection, and workers' rights and slavery. As part of this policy Millicom mandates that all of its suppliers have policies in place to mitigate these risks and reserves the right to audit these records. Sustainalytics highlights conflict minerals as a key social risk for the sector in which Millicom operates, and notes that in a section of the Supplier Code of Conduct the Company mandates that any of its suppliers that "manufacture components" must have a "clear policy and procedure in place to reasonably ensure that purchased raw minerals [are] validated as conflict free". Sustainalytics believes, given the risk profile of these minerals, that this commitment could be strengthened through the adoption of a stand-alone policy providing details on the Company's stance towards verification, traceability, compliance, and reporting.
- The company was a founding member of Telecommunications Industry Dialogue on Freedom of Expression and Privacy,¹² which recently merged with the Global Network Initiative (GNI). Its commitment to the GNI Principles on Freedom of Expression and Privacy is exemplified, in part, in its Annual Law Enforcement Disclosure Report which details the policies, governance processes and practices it has put in place to protect human rights when faced with government requests to handover customer data, restrict communications or remove content. Millicom's Code of Conduct,¹³ addresses risks such as freedom of expression, personal data privacy and security and digital rights of children.¹⁴ Sustainalytics notes that the privacy and protection of children's' rights is a key issue for the digital economy. Millicom has, in cooperation with UNICEF, carried out a child rights assessment of its internal processes, the outcome of which was a tool which has been applied to refine strategies and prioritize children's rights actions plans in a variety of local markets.¹⁵
- Millicom addresses risks concerning health and safety through processes stipulated in its Health, Safety & Environmental Manual,¹⁶ highlighting guidance for working at height, dealing with hazardous substances, welfare, work equipment and work environment. Additionally, a Child Labour and Young Workers Group Policy¹⁷ is in place to ensure that all Millicom employees, except for participants of certain trainee programmes, are over the age of 18.
- Through its Health, Safety & Environmental Manual, Waste Management Guidelines¹⁸ and Environment Policy,¹⁹ the company addresses risks related to biodiversity loss, waste management and energy efficiency.
- Millicom also works on a number of social projects with local and international organisations such as the GSMA, UNICEF and Reach for Change.²⁰ For example, Millicom's partnership with UNICEF and Child Helpline International (CHI) involved risk assessments and follow-up actions on child rights.²¹ This cooperation with NGOs is indicative of Millicom's awareness of the importance of these issues.

Furthermore, Millicom has included in its Framework criteria that exclude the proceeds of the bonds from being invested in areas that are known to have higher environmental and/or social risks, namely to fossil energy generation, nuclear energy generation, research and/or development within weapons and defence, potentially environmentally negative resource extraction, gambling or tobacco. Millicom's Framework also identifies target populations for some of the programmes financed, and Millicom has disclosed to

¹¹ Millicom Supplier Code of Conduct; https://www.millicom.com/media/3034/millicom_supplier_code_of_conduct_v31_en.pdf

¹² Millicom Procurement; <https://www.millicom.com/compliance/policies-guiding-principles/>

¹³ Millicom Code of Conduct; <https://secure.ethicspoint.eu/domain/media/en/gui/100713/code.pdf>

¹⁴ Telecommunications Industry Dialogue on Freedom of Expression and Privacy; <https://www.millicom.com/media/1522/telecoms-industry-dialogue-principles-version-1-english.pdf>

¹⁵ Assessing The Impact of Mobile Network Operators On Children's Rights: The Millicom Experience; https://www.millicom.com/media/3037/millicom_report_260717.pdf

¹⁶ Millicom Health, Safety & Environmental Manual; <https://www.millicom.com/media/1519/millicom-health-safety-and-environmental-manual.pdf>

¹⁷ Millicom Child Labour and Young Workers; https://www.millicom.com/media/1520/pol_child-labor-and-young-workers-millicom-2014-public-version.pdf

¹⁸ Millicom Waste Management Guidelines; <https://www.millicom.com/media/1514/hse-wi-211-04-11-13-1b-waste-management.pdf>

¹⁹ Millicom Environment Policy; <https://www.millicom.com/media/1518/millicom-environment-policy-updated-november-2016.pdf>

²⁰ Millicom Annual Report 2017; accessed January 2019; https://www.millicom.com/media/3246/millicom_annual_report_2017.pdf

²¹ Millicom Annual Report 2017; accessed January 2019; https://www.millicom.com/media/3246/millicom_annual_report_2017.pdf

Sustainalytics its approach for identifying target populations, which Sustainalytics believes will reduce risks related to increasing social inequity.

Based on the policies and programmes in place, as well as the exclusionary criteria and participation in global initiatives, Sustainalytics is of the opinion that Millicom can adequately mitigate the main environmental and social risks associated with the eligible projects.

Section 3: Impact of Use of Proceeds

All three use of proceeds categories are recognized as impactful by the Green or Social Bond Principles. Sustainalytics has focused on four areas below where the impact is specifically relevant in the local context.

Relevance of Energy Efficiency in Mitigating GHG Emissions

As the global population continues to increase, so does energy consumption.²² In order to uphold the Paris Climate Agreement target of keeping global temperature increases below 2 degrees Celsius,²³ significant energy efficiency improvements will be necessary to reduce GHG emissions. In 2017, according to the International Energy Association (IEA), world electricity demand increased by 3.1% while, at the same time, innovations in energy efficiency significantly slowed down.²⁴ Moreover, the telecommunications sector accounts for around 4% of global electricity consumption.²⁵

While the potential ICTs have for facilitating significant carbon abatement has been well documented, with telecom networks facilitating carbon abatements five times larger than those they emit in Europe and the USA,²⁶ the 4G LTE upgrades to Millicom's network are also likely to result in significantly larger flows of data. The increase in data flows could ultimately result in overall increases in network energy demand, though the energy efficiency per unit of data transferred could potentially be reduced.²⁷ In this context, Millicom's other energy efficiency initiatives are viewed as particularly important.

Millicom has confirmed to Sustainalytics that the design of its new data centers can achieve power savings of 30% or more. Furthermore, the adoption of Single Ran technologies has also resulted in energy savings in Millicom's operations. In El Salvador, for example, 74 MWH hours of power consumption were estimated to have been saved over the course of 2011 to 2016 following the introduction of Single Ran. Similarly, Millicom confirmed to Sustainalytics that the optimization of its spectrum in El Salvador facilitated the decommissioning of dozens of mobile sites over the course of 2017 and 2018, each of which consumes an average of 1.24 MWH per month.

Taking into account the above, Sustainalytics views Millicom's investments in modernizing its data centres and networks in addition to financing energy efficient projects to support the company in lowering its environmental impact, while simultaneously supporting the fulfilment of the Paris Climate Agreement's goals in the company's host countries.

Internet Connectivity in the Global Context

The 'Digital in 2018' report revealed that Latin America and Africa are areas with relatively low levels of internet penetration.²⁸ While between 61-68% of people in Latin America have access to the internet, the internet penetration in Africa varies vastly from region to region, ranging from 12% in Middle Africa to 51% in Southern Africa.²⁹ Other studies have assessed the relation between internet connectivity at home and economic development, concluding that internet connectivity represents an essential function of economic growth.³⁰

²² Energy Efficiency In The Telecommunications Network; <https://www.rfglobalnet.com/doc/energy-efficiency-in-the-telecommunications-network-0001>

²³ The Paris Agreement; <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>

²⁴ Global Energy & CO2 Status Report 2017; accessed January 2019; <https://www.iea.org/publications/freepublications/publication/GECO2017.pdf>

²⁵ Energy Efficiency In The Telecommunications Network; <https://www.rfglobalnet.com/doc/energy-efficiency-in-the-telecommunications-network-0001>

²⁶ GeSI Mobile Carbon Impact; <https://www.carbontrust.com/media/672238/mobile-carbon-impact-ctc856.pdf>

²⁷ Evaluating the Energy Consumption of Mobile Data Transfer-From Technology Development to Consumer Behaviour and Life Cycle Thinking; <https://pdfs.semanticscholar.org/be83/e9a9a7e10a7f29a846fc54d62f08ebe9e884.pdf>

²⁸ Digital in 2018; accessed January 2019; available at <https://digitalreport.wearesocial.com/download>

²⁹ Digital in 2018; accessed January 2019; available at <https://digitalreport.wearesocial.com/download>

³⁰ Internet Connectivity and Economic Development; accessed January 2019; <https://www.theatlantic.com/technology/archive/2010/07/internet-connectivity-and-economic-development/60639/>

The Global e-Sustainability Initiative has highlighted that digital access can advance progress on more than 65% of UN Sustainable Development Goals.³¹ The development benefits associated with ICTs are particularly pronounced in areas where access to services, including health, education or financial, for example, are inadequate due to geography, quality and/or overall supply. Of particular importance in this regard is access to advanced ICT technologies, such as 4G, that will facilitate users' access to the next generation of digital services.³²

Given the context, Sustainalytics believes Millicom's projects in the area of Increased Access to ICTs will have a beneficial social impact by contributing not only towards the digital integration of communities that are currently excluded, but also to an improvement in the quality of service. As a result, communities will be able to engage with digital services and the digital economy in a more impactful way. Notable examples of work that has been completed in 2018 include the significant expansion of 4G mobile coverage in El Salvador and Paraguay, as well as an extension of broadband coverage to over 150,000 homes in those countries.

Promoting Socioeconomic Empowerment Amongst Women

While female labour force participation rates are currently higher compared to 1980 levels, there are still significantly fewer women working than men in Latin America and Africa.³³ Moreover, a large portion of women derive their livelihoods from small-scale farming, which is frequently informal and often unpaid.³⁴ In sub-Saharan Africa, 74% of women in non-agricultural jobs are in informal employment, and 54% in Latin America and the Caribbean.³⁵ Women experience poverty in disproportionate levels to men, often resulting from an uneven division of labour and lower rates of control over household economic resources.³⁶ The digitization of communications and the economy opens up a wide range of opportunities for female empowerment and for more female participation in labour, financial markets and entrepreneurship.³⁷ Of particular impact is the opportunity for enhanced digital financial inclusion, and how it can act as a springboard for poverty alleviation.³⁸ In this regard, Sustainalytics views the integration of women into digital communities as an important factor to support women's education, socioeconomic empowerment and their ability to fulfil their aspirations.

The GSMA, a trade organization representing mobile network operators, conducted a study of the mobile gender gap in 2018, finding that in Latin America & the Caribbean, Sub-Saharan Africa and the Middle East & North Africa the respective gender gaps in mobile phone ownership were 2%, 14% and 9%.³⁹ Regarding the gender gap in mobile internet usage, Latin America & the Caribbean were found to have a gap of 4% while Sub-Saharan Africa and the Middle East and North Africa had respective gaps of 34% and 21%.⁴⁰ The survey found that while the affordability of owning a mobile device was a key barrier to connecting women, it also noted a gender divide regarding awareness of mobile internet and its potential.⁴¹

Through its Tigo brand, Millicom has signed on to the GSMA's Connected Women Commitment Initiative, which aims to bridge the digital gender gap. In this regard, the brand's local operators in Chad, El Salvador, Ghana, Guatemala, Rwanda, Senegal, Tanzania have all stated commitments to increase the proportion of women in their customer bases, and aim to achieve these goals through various local strategies that include access to mobile devices, training on specific topics such as entrepreneurship, education and personal

³¹ Information retrieved from GeSi's Digital Access Index available at: <http://www.digitalaccessindex-sdg.gesi.org/>

³² The State of Broadband: Broadband catalyzing sustainable development; published September 2018; https://www.itu.int/dms_pub/itu-s/opb/pol/S-POL-BROADBAND.19-2018-PDF-E.pdf

³³ Working women: Key facts and trends in female labor force participation; accessed January 2019; <https://ourworldindata.org/female-labor-force-participation-key-facts>

³⁴ Facts and Figures: Economic Empowerment; accessed January 2019; <http://www.unwomen.org/en/what-we-do/economic-empowerment/facts-and-figures#notes>

³⁵ UN Women, Progress of the World's Women 2015-2016; accessed January 2019; <http://progress.unwomen.org/en/2015/chapter2/>

³⁶ Women's Economic Empowerment Through Financial Inclusion; <https://www.poverty-action.org/sites/default/files/publications/Womens-Economic-Empowerment-Through-Financial-Inclusion-Web.pdf>

³⁷ Empowering Women in the Digital Age; accessed January 2019; https://www.g20-insights.org/policy_briefs/empowering-women-digital-age/

³⁸ Women's Economic Empowerment Through Financial Inclusion; <https://www.poverty-action.org/sites/default/files/publications/Womens-Economic-Empowerment-Through-Financial-Inclusion-Web.pdf>

³⁹ GSMA The Mobile Gender Gap Report 2018; accessed January 2019; https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2018/04/GSMA_The_Mobile_Gender_Gap_Report_2018_32pp_WEBv7.pdf

⁴⁰ GSMA The Mobile Gender Gap Report 2018; accessed January 2019; https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2018/04/GSMA_The_Mobile_Gender_Gap_Report_2018_32pp_WEBv7.pdf

⁴¹ GSMA The Mobile Gender Gap Report 2018; accessed January 2019; https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2018/04/GSMA_The_Mobile_Gender_Gap_Report_2018_32pp_WEBv7.pdf

growth.⁴² Sustainalytics notes that in some cases these activities are executed in partnership with not-for-profit partners, such as the Sheva foundation in Guatemala and World Vision in El Salvador.

In addition to activities aimed at increasing the proportion of women in its customer base, Millicom is also seeking to advance socioeconomic empowerment and development amongst women in regions where it operates through investments aimed at opportunities for women in its value chain. One example is the Tigo Women Entrepreneurship Fund in Rwanda which provides women with training and start-up capital that will enable them to become Tigo cash agents, whom facilitate micro transactions for customers that are not part of the mainstream banking system.⁴³

Sustainalytics views Millicom's digital training programmes for women and the incorporation of women into its value chain as having a positive impact in addressing the digital gender gap, through facilitating both an enhanced ability to utilize ICTs and take advantage of the associated benefits, while also providing opportunities for employment within the company's value chain. Notably, Millicom's programmes have resulted in annual increases of income by up to USD 350 in some cases, as reported by the issuer's local implementation partner which tracks income levels of participants.

Importance of Digital Training for Children

As access to ICTs spread around the world and adoption rates by children continue to increase, it is increasingly important to ensure children are well equipped to take advantage of them while also having their specific needs addressed and rights protected.⁴⁴ UNICEF has highlighted that there continues to be a insufficient information from middle and low-income countries on the potential impact of ICTs on the wellbeing of children and the risks they may be exposed to online.⁴⁵ This gap is being filled through UNICEF's development of the Mobile Operator Child Rights Self-Impact Assessment Tool, which the UN organization has developed in conjunction with the participation of over 50 companies, including Millicom.

The Framework highlights Millicom's Crianza Digital Programme as eligible for financing with proceeds from sustainability bonds. The programme's aim is to provide parents with the means to support children in using the internet in a more secure manner. Crianza Digital has the objective of educating children on internet related issues, such as mobile devices, social networks, cybercrimes, cyberbullying and online predators. Through Crianza Digital and the associated programmes, Millicom is investing in child protection programmes across its Latin American operations, having provided training programmes to children, parents and teachers across the region.⁴⁶ Furthermore, Millicom confirmed to Sustainalytics that it conducts its own research on how children use ICTs in their day-to-day lives, including a 2018 assessment by TigoOne in Columbia, that included the participation of hundreds of children aged 9-16, a review of industry practices and scientific articles. This research is supporting a company programme in Columbia to advance the safe and productive use of ICTs by children, and is led by volunteers from Millicom's operations.

Finally, Millicom's Adopt a School activities aim to digitize the learning environment for schools in need. Sustainalytics highlights that Millicom works with local NGOs and the Ministry of Education in countries where it operates to identify schools that will benefit from this initiative. It is acknowledged that partnering with schools to enhance digital literacy while also improving the overall learning experience will support children's ability to leverage ICT's for their own personal development. The programme has already resulted in partnerships with 350 education centres in El Salvador. While Sustainalytics notes that these activities are of a charitable nature, it is relevant that digital literacy is an important element in ensuring the adoption of ICTs and the leveraging of the benefits they can provide for socioeconomic development and empowerment.

⁴² GSMA Tigo Chad; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/commitment/tigo-chad/>
 GSMA Tigo El Salvador; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/commitment/tigo-el-salvador-2/>
 GSMA Tigo Ghana; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/commitment/tigo-ghana/>
 GSMA Tigo Guatemala; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/commitment/tigo-guatemala-2/>
 GSMA Tigo Rwanda; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/commitment/tigo-rwanda/>
 GSMA Tigo Senegal; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/commitment/tigo-senegal/>
 GSMA Tigo Tanzania; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/commitment/tigo-tanzania/>

⁴³ GSMA Tigo Rwanda Empowering Women Agents; accessed January 2019; <https://www.gsma.com/mobilefordevelopment/programme/connected-women/tigo-rwanda-empowering-women-agents/>

⁴⁴ Child Rights in the Digital Age; accessed January 2019; <https://www.unicef-irc.org/research/child-rights-in-the-digital-age/>

⁴⁵ Child Rights in the Digital Age; accessed January 2019; <https://www.unicef-irc.org/research/child-rights-in-the-digital-age/>

⁴⁶ Assessing the Impact of Mobile Network Operators on Children's Rights: The Millicom Experience; accessed January 2019; https://www.millicom.com/media/3037/millicom_report_260717.pdf

Given the context, Sustainalytics is of the opinion that Millicom's programmes to provide children, parents and teachers with digital training aimed at ensuring children can productively, responsibly and safely use ICTs are impactful.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This sustainability bond advances the following SDG goals and targets:

Use of Proceeds Category	SDG	SDG target
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
Increased Access to Information and Communication Technology	9. Industry, Innovation and Infrastructure	<p>9.1. Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p> <p>9.C Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020</p>
Social Programs Facilitating Socioeconomic Advancement and Empowerment	<p>4. Quality Education</p> <p>5. Gender Equality</p> <p>8. Decent work and economic growth</p> <p>9. Industry, Innovation and Infrastructure</p> <p>10. Reduced Inequalities</p>	<p>4.3 By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes</p> <p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p> <p>5.B Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women</p> <p>8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training</p> <p>9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets</p> <p>9.C Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020</p> <p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p>

Conclusion

Millicom has developed the Sustainability Bond Framework for Millicom International Cellular S.A. and its wholly owned subsidiaries under which it intends to issue sustainability bonds. Proceeds from the bonds will be used to finance and refinance expenditures related to: Energy Efficiency, Increased Access to Information

and Communication Technology and Social Programs Facilitating Socioeconomic Advancement and Empowerment. Sustainalytics conducted an assessment of the Framework and believes that the use of proceeds categories align with those recognized by the Green Bond Principles 2018 and the Social Bond Principles 2018.

Sustainalytics has noted the potential increase in energy demand that may result from the incorporation of 4G LTE technology in Millicom's network, but highlights the potential of mobile technologies with regards to carbon abatement. To facilitate transparency with regards to overall impact, Millicom has committed to reporting on a broad range of impact metrics linked to its eligible projects in the energy efficiency pillar, and aims to achieve overall reductions in energy use of 20% or more through the eligible activities. Sustainalytics considers Millicom's process for project for evaluation and selection, management of proceeds and allocation reporting to be aligned with market practice.

Based on the above, Sustainalytics considers the Sustainability Bond Framework for Millicom International Cellular S.A. and its wholly owned subsidiaries to be robust, credible and transparent.

Appendices

Appendix 1: Sustainability Bond / Sustainability Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Millicom International Cellular S.A.
Sustainability Bond ISIN or Issuer Sustainability Bond Framework Name, if applicable: <i>[specify as appropriate]</i>	Sustainability Bond Framework for Millicom International Cellular S.A. and its wholly-owned subsidiaries
Review provider's name:	Sustainalytics
Completion date of this form:	11 February 2019
Publication date of review publication: <i>[where appropriate, specify if it is an update and add reference to earlier relevant review]</i>	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs and SBPs:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section *(if applicable)*:

All three use of proceeds categories – Energy Efficiency, Access to information and Communication Technology, and Social Programs Facilitating Socioeconomic Advancement and Empowerment– align with those recognized as impactful by the Green or Social Bond Principles 2018.

The Framework specifies that sustainability bond proceeds may be allocated to investments focused on energy efficiency in three areas: data centers, network modernization, and general energy efficiency measures related to building design and upgrades, network solutions, and enhanced monitoring. Overall, Sustainalytics views positively these investments.

As stated in its Framework, Millicom’s investments are targeted at increasing energy efficiency and lowering overall organizational energy consumption by approximately 20% or more. While thresholds for energy performance improvements are not defined within the eligibility criteria, the Framework defines reporting metrics that facilitate transparency regarding the energy savings facilitated through the activities financed by sustainability bond proceeds.

As part of its network modernization programme, Millicom will introduce 4G LTE technology. The introduction of 4G LTE technology has the potential to reduce the energy intensity per unit of data traffic when compared to older technologies. However, Sustainalytics highlights that efficiency improvements per unit of data trafficked for 4G are dependent on several factors. Noting this point, the introduction of 4G technologies is likely to result in greater energy demand from Millicom’s network due to increases in data traffic. General studies on the potential benefits of ICTs have indicated that the ratio of network carbon emissions to emissions abatement from ICTs is currently estimated at 1:5 in Europe and the USA. While these studies do not apply directly to Millicom’s activities, they highlight the potential for such technology to facilitate positive impact. In this regard, Sustainalytics encourages Millicom to quantify and report on its ratio of operational carbon emissions to carbon abatement achieved through the use of its services in order to enhance transparency.

Millicom’s investments in spectrum acquisition and license renewal are aimed at expanding the operator’s coverage and improving service for areas already covered, while limiting the need for physical infrastructure deployments. In this regard, Millicom has confirmed positive impacts to Sustainalytics, specifically with regards to decommissioning mobile stations in some local contexts (see Section 3: Impact of Use of Proceeds).

Sustainalytics believes that enhancing access to ICTs for unconnected or underserved populations facilitates socioeconomic empowerment through improved access to information, services and opportunities to engage in the digital economy. In this regard, the expansion of mobile networks and the expansion and upgrading of fixed networks are important pre-requisites that support new technologies such as 4G and the broader adoption of ICTs (see Section 3: Impact of Use of Proceeds).

Millicom identifies target populations as those that are currently unconnected or underserved. Millicom has confirmed to Sustainalytics that it is able to identify its target populations through an analysis of information from regulators via coverage obligations and an in-house coverage assessment based on spacial maps, commercial analysis of existing infrastructure and financial analysis of coverage targets.

Millicom confirmed that it will allocate a portion of the sustainability bond proceeds to the acquisition of spectrum and the renewal of existing spectrum licenses. In addition to the energy efficiency goals, Millicom's investments will be targeted at optimizing the company's spectrum bands so that it can expand its coverage to unconnected communities while also ensuring a high quality of coverage for underserved communities.

In addition to infrastructure investments to create the conditions for broader adoption of digital technologies with the potential to facilitate socioeconomic empowerment and advancement, Millicom will also use proceeds from sustainability bonds to make targeted investments in social programmes that upgrade target population's ICT skills.

Millicom's target populations include women in regions subject to a gender gap in mobile usage and economic conditions and children in areas where there is little or no ICT education available. In this regard, the company's focus on digital training for women and children are particularly meaningful. Sustainalytics views positively Millicom's efforts to address the digital and economic gender gap and equipping children with the skills and knowledge to engage safely and responsibly with ICTs.

The Framework includes programmes targeted to Tigo Money micro distributors in areas where there is overall low penetration into the digital economy. Sustainalytics notes that the aim of the programme is to provide business training and generate financial opportunity for entrepreneurial individuals in underserved and under connected regions. These micro-distributors further facilitate access to digitized financial services in areas with unconnected or underserved populations by offering online payment and transaction services, for example.

Millicom also intends to use proceeds from sustainability bond issuances to finance training and education on its Tigo Money platform for representatives of Community Development Associations (CDAs). Millicom has confirmed to Sustainalytics that the CDAs it works with provide a range of community services, including international remittance processing and payments services for utilities, such as water, electricity and telecommunications. The aim of the investments is to target the digitization of these activities for community members that are not part of the traditional banking system.

The proceeds of the sustainability bond may be directed to Millicom's supplier training programme in Latin America. This initiative supports the integration of sustainable

practices into the company's supply chain by providing targeted training for suppliers achieving the lowest score in the company's sustainable procurement platform. Sustainalytics notes positively the reliance on third-party assessment tools to identify candidates with significant scope for improvement on sustainability issues.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input type="checkbox"/> Other (<i>please specify</i>): |

If applicable please specify the environmental taxonomy, if other than GBPs:

Use of proceeds categories as per SBP:

- | | |
|--|---|
| <input type="checkbox"/> Affordable basic infrastructure | <input checked="" type="checkbox"/> Access to essential services |
| <input type="checkbox"/> Affordable housing | <input type="checkbox"/> Employment generation (through SME financing and microfinance) |
| <input type="checkbox"/> Food security | <input checked="" type="checkbox"/> Socioeconomic advancement and empowerment |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBPs | <input checked="" type="checkbox"/> Other (please specify): Supply chain sustainability initiatives through the company's supplier training program |

If applicable please specify the social taxonomy, if other than SBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

In line with market practice, Millicom has set up an internal Sustainability Bond Committee that is responsible for evaluating and selecting eligible assets and projects for Sustainability Bond funding in accordance with the Millicom Sustainability Bond

Framework. The Sustainability Bond Committee is comprised of members from the Treasury Department, Sustainability Department, Commercial Department, Technical Department and a local representative from the subsidiaries. The committee will also ensure that investments are in line with internal sustainability policies and guidelines and the Sustainability Department has a veto in the decision-making process.

Evaluation and selection

- | | |
|---|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's social and green objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Sustainability Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- | | |
|--|---|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

The use of proceeds from issued bonds will be earmarked for financing and refinancing of projects that meet the criteria set out in the Millicom Sustainability Bond Framework. If an asset or project financed by Sustainability Bonds doesn't qualify anymore as eligible according to the Framework, it will be replaced by other projects or assets that meet the criteria. The unallocated net proceeds from the Sustainability Bonds will be deposited in specific bank accounts and invested according to the liquidity management policy of Millicom. The company's process for the management of proceeds is in accordance with market practice.

Tracking of proceeds:

- Sustainability Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (*please specify*):

Additional disclosure:

- | | |
|---|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements |
| <input checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (<i>please specify</i>): |

4. REPORTING

Overall comment on section (if applicable):

In line with market practice, Millicom commits to providing an annual investor letter which will include an allocation report and an impact report. The allocation report will contain a list of eligible projects and assets financed by sustainability bonds, examples of financed assets and projects that have been financed, amounts invested in each use of proceeds categories, including new financing vs. re-financing, the amount of outstanding sustainability bonds and the unallocated proceeds. The impact report will include the following metrics: annual energy savings, annual reduction in energy demand, energy consumption/mobile points of presence, energy consumption per unit of data traffic (kWh), number of sites decommissioned due to spectrum acquisitions/reconfigurations, and energy consumption avoidance driven by spectrum acquisitions (kWh). Social impact metrics will include, amongst others, the number of people using Millicom's mobile financial services number/volume of transactions (as per the target populations), number of women trained in use of smartphone, number of women trained in basic online skills and safety, number of women added as Tigo Services Sales Women, number of children trained in responsible and productive use of the internet, number of SMEs included and participating in online transaction platform, and number of suppliers trained in corporate responsibility trainings. This reporting process is in line with market practice.

Use of proceeds reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input checked="" type="checkbox"/> Other (<i>please specify</i>): |

i. A list of eligible assets and projects financed by Sustainability Bonds. If there is a large number of assets and projects, this reporting may be done on a portfolio basis based on the

investment categories described under Use of Proceeds.

Information reported:

- | | |
|--|---|
| <input type="checkbox"/> Allocated amounts | <input type="checkbox"/> Sustainability Bond financed share of total investment |
| <input checked="" type="checkbox"/> Other (please specify): | |
| i. Examples of assets or projects that have been financed by Sustainability Bonds. | |
| ii. Amounts invested in each investment category described under Use of Proceeds and the amount of new financing versus refinancing. | |
| iii. The amount of outstanding Sustainability Bonds. | |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Impact reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (please specify): |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Information reported (expected or ex-post):

- | | |
|--|--|
| <input type="checkbox"/> GHG Emissions / Savings | <input checked="" type="checkbox"/> Energy Savings |
| <input type="checkbox"/> Decrease in water use | <input type="checkbox"/> Number of beneficiaries |
| <input type="checkbox"/> Target populations | <input type="checkbox"/> Other ESG indicators (please specify): |
| | <ul style="list-style-type: none"> • Energy consumption / Mobile Points of Presence (kWh/POP) • Energy consumption / unit of data traffic (kWh/GB) |

- Number of sites decommissioned driven by spectrum acquisitions / reconfigurations (Nr of sites)
- Energy consumption avoidance driven by spectrum acquisitions (kWh)
- Number of mobile data users and 4G net additions
- Number of homes passed and homes connected
- Number of people using Millicom's mobile financial services Number/volume of transactions
- Number of women trained in use of smartphone
- Number of women trained in basic online skills and safety
- Number of women added as Tigo Services Sales Women
- Number of parents/teachers/caretakers trained in responsible and productive use of the internet
- Number of children trained in responsible and productive use of the internet
- Number of women certified as Mobile Financial Services Promoters
- Number of SMEs included and participating in online transaction platform
- Number of suppliers trained in Corporate Responsibility Trainings

Means of Disclosure

- | | |
|---|---|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
| <input checked="" type="checkbox"/> Information published in ad hoc documents | <input type="checkbox"/> Other (please specify): |
| <input type="checkbox"/> Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review): | |

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

<https://www.millicom.com/>
<https://www.millicom.com/our-responsibility/our-cr-framework/>
https://www.millicom.com/media/3034/millicom_supplier_code_of_conduct_v31_en.pdf
[f](#)

<https://www.millicom.com/compliance/policies-guiding-principles/>
<https://secure.ethicspoint.eu/domain/media/en/gui/100713/code.pdf>
<https://www.millicom.com/media/1522/telecoms-industry-dialogue-principles-version-1-english.pdf>
https://www.millicom.com/media/3037/millicom_report_260717.pdf
<https://www.millicom.com/media/1519/millicom-health-safety-and-environmental-manual.pdf>
https://www.millicom.com/media/1520/pol_child-labor-and-young-workers-millicom-2014-public-version.pdf
<https://www.millicom.com/media/1514/hse-wi-211-04-11-13-1b-waste-management.pdf>
<https://www.millicom.com/media/1518/millicom-environment-policy-updated-november-2016.pdf>
https://www.millicom.com/media/3246/millicom_annual_report_2017.pdf

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

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- i. Consultant Review: An issuer can seek advice from consultants and/or institutions with recognized expertise in environmental and social sustainability or other aspects of the issuance of a Sustainability Bond, such as the establishment/review of an issuer's Sustainability Bond framework. "Second Party Opinions" may fall into this category.
- ii. Verification: An issuer can have its Sustainability Bond, associated Sustainability Bond framework, or underlying assets independently verified by qualified parties, such as auditors. In contrast to certification, verification may focus on alignment with internal standards or claims made by the issuer. Evaluation of the environmentally and socially sustainable features of underlying assets may be termed verification and may reference external criteria.
- iii. Certification: An issuer can have its Sustainability Bond or associated Sustainability Bond framework or Use of Proceeds certified against an external green and social assessment standard. An assessment standard defines criteria, and alignment with such criteria is tested by qualified third parties / certifiers.
- iv. Rating: An issuer can have its Sustainability Bond or associated Sustainability Bond framework rated by qualified third parties, such as specialised research providers or rating agencies. Sustainability Bond ratings are separate from an issuer's ESG rating as they typically apply to individual securities or Sustainability Bond frameworks / programmes.

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Sustainalytics

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For more information, visit www.sustainalytics.com

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