



2021

Millicom International  
Cellular S.A.

# Remuneration Report

We believe in better.  
We believe in **tigo**



**MILlicom**  
THE DIGITAL LIFESTYLE



# Introduction

This report (the “Remuneration Report”) provides a clear and comprehensive overview of the Director and Senior Management remuneration of Millicom International Cellular S.A. (the “Company” or “Millicom”) and describes how the guidelines for such remuneration, as adopted by the annual general meeting of shareholders on 4 May 2021 (“2021 AGM”), were implemented during the financial year ended 31 December 2021.

This Remuneration Report provides a clear and comprehensive overview of the remuneration to the Board of Directors, the CEO, the Executive Team<sup>1</sup>, and other members of the Global Senior Management Team<sup>2</sup>, as well as a summary of the Company’s share incentive plans. The Remuneration Report has been prepared in accordance with applicable laws and regulations in force and, in particular, article 7ter. (“Information to be provided in and right to vote on the remuneration report”) of the Luxembourg law of 24 May 2011 on the exercise of certain rights of shareholders at general meetings of listed companies, as amended.

Further information on senior management and Board or Directors remuneration can be found in the governance section of the Annual Report of on the website of the Company at <https://www.millicom.com/investors/reporting-center/>



## Compensation Committee Report

I am pleased to present Millicom’s 2021 Remuneration Report.

The key remuneration outcomes for the year are summarized below.

The Compensation Committee meets regularly to review executive compensation and other HR-related matters to ensure competitiveness across our markets. We have a ‘pay for performance’ compensation philosophy. This encompasses both short-term and long-term incentives. The plans maintain a strong link to Millicom’s performance and are fully aligned with Millicom’s culture.

Remuneration consists of a base salary and various benefits and pension arrangements. The policy also provides for a high variable element through an annual short-term incentive (STI) bonus plan paid in cash and deferred shares (DSP) and a long-term incentive plan (LTI). The variable elements of remuneration are subject to stretching performance measures (financial and operational). For the Chief Executive Officer (CEO) and Executive Vice Presidents (EVPs), the majority of total

compensation is variable, with a high proportion paid in shares.

The Compensation Committee believes the structure of our incentives reinforces the alignment of management and shareholder interests through performance linkage, payment in shares and extended time horizons for vesting.

Any annual bonus for the CEO and EVPs are paid at least 50% in shares that vest over three years. Awards under the Performance Share Plan are fully paid in shares and cliff vest after three years.

For the whole Millicom Group, 60% of the annual bonus is based on three financial measures: service revenue, EBITDA and operating cash flow after leases (OCFaL).

Of the remaining 40%, 10% is allocated to customer satisfaction—measured using Net Promoter Score (NPS)—and 30% is based on individual strategic objectives.

Incentives are subject to performance measures and are regularly reviewed to ensure they remain aligned with the Group’s strategy and are stretching appropriately.

In addition, the CEO and EVPs are required to comply with minimum shareholding requirements. The CEO is required to build and maintain a shareholding with a value of at least 400% of base salary, a level he maintained in 2021. This encourages our top leaders to take a longer-term

view on positive business performance in alignment with Company and shareholder interests.

The Group delivered a strong set of results in challenging and uncertain circumstances. The Group exceeded the performance target for each of the financial targets in 2021, reflecting a strong operational performance driven by exceptional customer additions and strong cost control. Millicom accomplished his while continuing to invest in further growth.

The Compensation Committee believes that in 2021, the CEO showed exceptional leadership of the business and our people, particularly during the extraordinary times that we have faced over the last 18 months. The CEO’s contribution exceeded the expectations of the Board and reflect a step change in our progress towards being the leading provider of digital highways in Latin America. Based on the overall performance against the financial measures and individual strategic objectives, the CEO received a cash bonus of \$2,164,230 for 2021 and shares of \$2,164,230 deferred over three years (DSP).

The Compensation Committee reviewed the outcomes in the context of underlying performance—notwithstanding that the financial targets were set at a time of significant uncertainty—and the Board is satisfied that the outcomes for Group financial performance and individual

<sup>1</sup> The Executive Team comprises the CEO and the Executive Vice Presidents (“EVPs”).

<sup>2</sup> The Global Senior Management Team comprises the CEO, the EVPs, Corporate Vice Presidents (“VPs”), and Country General Managers (“GMs”), plus Corporate Directors, and Country-based Directors reporting directly to Country General Managers (GM-1)

strategic objectives are warranted. As a result, the Compensation Committee determined that no exercise of discretion was required to adjust the targets or outcomes.

By contrast, awards under the FY 2019 Performance Share Plan, which are subject to a three-year performance period ending December 31, 2021, were disappointing. The Committee used adjusted service revenue growth, adjusted cash flow (OCFaL) growth and Relative TSR as its performance measures. The Group partially met the service revenue growth target only, resulting in an award of 7.6%. No discretion was exercised in this case either.

During the year, the Compensation Committee reviewed the base salaries and incentive opportunities for the

CEO, who received a 1.5% increase to \$1,185,140 as of April 1, 2021. There was no increase in 2020. We have reduced the LTI opportunity for 2022 and made a corresponding increase in the share component of the STI. The CEO's total combined incentive opportunity remains unchanged.

However, this year the Board introduced a one-time Market Stock Unit (MSU) award linked entirely to the share price performance. As a result, a material amount of the total reward is linked to share price performance—either relative to peers (TSR for the LTI) or absolute levels of stock price (MSU).

Under the MSU plan, the CEO's target award is \$8 million spread over two years, subject to a share price of \$43.09 for the 2022 Tranche and \$47.00 for the

2023 Tranche. The maximum award will only be made if the share price reaches \$52.77 in 2022 and \$57.57 in 2023. The cash award will not be made until 2023 and 2024 respectively. Based on the 2021 closing share price, the total award would be approximately \$2.72 million.

A summary of the elements of executive pay for 2021 is set out on page 5.

The Compensation Committee is committed to ongoing consultation with shareholders and their advisory groups.

On behalf of the Board, I hope you find the 2021 Remuneration Report informative.

**Ms. Pernille Erenbjerg**

*Chair of the Compensation Committee*

## 2. Compensation Governance

### 2.1 Role of the Compensation Committee

The Compensation Committee monitors and evaluates (i) programs for variable remuneration to senior management, including both ongoing programs and those that have ended during the year; (ii) the application of the guidelines for remuneration to the Board and senior management established at the shareholders' meeting; and (iii) the current remuneration structures and levels in the Company. The Compensation Committee makes recommendations to the Board regarding the compensation of the CEO and his direct reports; approves all equity plans and grants; and manages Executive Team succession planning. Final approval of the CEO remuneration requires Board approval.

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. In 2021, the Board concluded that the CEO provided exceptional leadership in helping the Company take advantage of the recovery market opportunity and exceeding all financial and operational targets for the year. In evaluating his performance, the Board took into account the manner in which he rapidly refocused the business from revenue growth to protecting customers, employees and cash flow. Together with meeting the financial targets discussed below, the CEO received \$2,164,230 in cash and \$2,164,230 granted in deferred shares that vest over three years for the Company's 2021 performance. The Chairman of the Board conveyed the results of the review and evaluation to the CEO. The senior management remuneration policy was approved by the shareholders at the AGM in May 2021, and will be presented for approval at the AGM to be held in May 2022.

### 2.2 Compensation Committee Charter

The Group's Compensation Committee Charter can be found on our website under the Board Committees section and covers overall purpose/objectives, committee membership, committee authority and responsibility, and the committee's performance evaluation.

### 2.3 Compensation Committee Membership and Attendance 2021

Committee	Position	First Appointment	Meeting Attendance	%
Ms. Pernille Erenbjerg	Chairman	January-19	5 of 5	100
Mr. Lars-Johan Jarnheimer	Member	May-21	3 of 3	100
Mr. James Thompson	Member	January-19	5 of 5	100
Attendance			13 of 13	100
Mr. Lars-Åke Norling	Former Member	May-19	2 of 2	100
Overall Attendance			15 of 15	100

In addition, the Chairman of the Board, Mr. José Antonio Rios Garcia, attended all of the meetings of the Compensation Committee.

### 2.4 Areas Covered in 2021

The Compensation Committee met five times in 2021 and was primarily focused on reward and management motivation and retention in the face of the unprecedented operating environment.

Topic	Commentary
<b>Bonus (STI) and performance reports</b>	<ul style="list-style-type: none"> <li>Reviewed and approved the Global Senior Management Team's 2020 performance reports and individual Executive Team payouts for STI/LTI (cash/equity)</li> <li>Reviewed and approved 2021 short-term variable compensation targets</li> </ul>
<b>Compensation review</b>	<ul style="list-style-type: none"> <li>Approved all payments for Executive Team members</li> <li>Reviewed executive remuneration and governance trends and developments</li> <li>Reviewed and approved the peer group for the Executive Team benchmarking</li> <li>Approved changes to CEO and Executive Team compensation elements based on market competitiveness</li> </ul>
<b>Share-based incentive plans</b>	<ul style="list-style-type: none"> <li>Approved the 2018 LTI (PSP) vesting</li> <li>Reviewed and approved all equity grants</li> <li>Reviewed and approved the 2021 share units plan (DSP and PSP) rules</li> <li>Reviewed and approved the 2021 long-term variable compensation targets</li> <li>Approved the one-off Market Stock Units (MSU) long-term incentive plan for a selected group of employees</li> <li>Reviewed the replenishment of the treasury share balance reserved for share-based incentive plans</li> <li>Reviewed share ownership guidelines and the compliance of each covered employee</li> <li>Reviewed performance and projections of outstanding LTI plans (2019, 2020 and 2021)</li> <li>Reviewed equity plans participant turnover</li> </ul>
<b>Global reward strategy and executive remuneration review</b>	<ul style="list-style-type: none"> <li>Reviewed remuneration/C&amp;B philosophy and strategy</li> </ul>
<b>Variable pay design</b>	<ul style="list-style-type: none"> <li>Discussed and approved STI and LTI design for 2022</li> <li>Reviewed and approved STI and LTI performance measures for 2022</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>Reviewed and approved exceptional items, new hire equity grants, etc.</li> <li>Reviewed Executive Team's severance payouts in a change of control</li> <li>Reviewed and discussed results of 2022 "Say on Pay"</li> <li>Reviewed changes to the Swedish Corporate Governance Code</li> </ul>
<b>Compensation Committee governance</b>	<ul style="list-style-type: none"> <li>Reviewed and approved the Compensation Committee annual meeting cycle and calendar</li> <li>Reviewed the Compensation Committee Charter</li> <li>Updated Executive Compensation dashboard</li> <li>Reviewed and approved the use of an external compensation consultant</li> </ul>

### 3. Our Compensation Philosophy and Core Principles

The philosophy, guidelines, objectives and policy applicable to remuneration of the Global Senior Management Team were approved by the shareholders (item 22) of the AGM held on 4 May 2021.

#### 3.1 Core Principles

The Compensation Committee worked using the following objectives for the Global Senior Management Team's compensation.

What we strive for	What it means
<b>Competitive and fair</b>	Levels of pay and benefits to attract and retain the right people
<b>Drive the right behaviors</b>	Reward policy and practices that drive behaviors supporting our Company strategy and business objectives
<b>Shareholder alignment</b>	Variable compensation plans that support a culture of entrepreneurship and performance, and incorporate both short-term and longer-term financial and operational metrics strongly correlated to the creation of shareholder wealth. Long-term incentives are designed to maintain sustained commitment and ensure the interests of our Global Senior Management Team are aligned with those of our shareholders.
<b>Pay for performance</b>	Total reward structured around pay in line with performance, providing the opportunity to reward strong corporate and individual performance. A significant proportion of top management's compensation is variable (at risk) and based on measures of personal and Company performance directly attributable to short-term and longer-term value creation.
<b>Transparency</b>	Millicom is committed to expanding external transparency, including disclosure around pay for performance, links to value creation, etc. We are also investing in HR information systems to facilitate measurement and internal communications related to incentive composition, including performance metrics, pay equity, goal setting and pay-for-performance relationships.
<b>Market competitive and representative remuneration</b>	Compensation is designed to be market competitive and representative of the seniority and importance of roles, responsibilities and geographical locations of individuals (with the majority of the Global Senior Management Team roles located in the U.S.)
<b>Retention of key talent</b>	Variable compensation plans include a significant portion of share-based compensation, the payout of which is conditional on future employment with the Company for three-year rolling periods, starting on the grant date
<b>Executive management to be "invested"</b>	The Global Senior Management Team, through Millicom's share ownership guidelines, is required to reach and maintain a significant level of personal ownership of Millicom shares

To drive the right behaviors and ensure expectations are aligned, we communicate clearly to our employees what we do and do not do when it comes to compensation. A summary is set out in the table below:

What we do	What we don't do
Align pay and performance	Create special executive prerequisites
Designate a substantial majority of executive pay as at risk, based on a mix of absolute and relative financial and share price performance metrics	Hedge Company stock by executives
Impose limits on maximum incentive payouts	Provide dividends or dividend equivalents on unearned PSUs or RSUs
Engage in a rigorous target-setting process for incentive metrics	Offer tax gross-ups related to change in control
Set our STI threshold to pay only at 95% and higher levels of performance	
Maintain robust share ownership guidelines for our top 50 executives	
Provide "double-trigger" change-in-control provisions in equity awards	
Maintain clawback policies that apply to our performance-based incentive plans	
Retain an independent compensation consultant	

### 3.2 Elements of Executive Pay

Compensation for the Global Senior Management Team in 2021 comprised a base salary, a short-term incentive (STI) plan and a long-term incentive (LTI) plan, together with pension contributions and other benefits (e.g., healthcare).

#### Salary

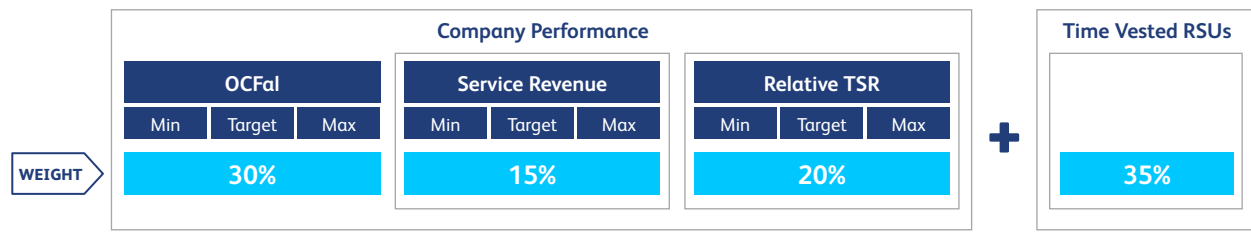
Pay element	Purpose	Maximum opportunity
Purpose and link to strategy	Designed to be market competitive to attract and retain talent	No absolute maximum has been set for Executive Team salaries. The committee considers increases on a case-by-case basis based on peer comparison. Pay increases usually reflect a combination of roles and responsibilities, local market conditions and individual performance.
Operational execution	<p>Paid monthly in cash in U.S. dollars or the home currency of the executive</p> <p>Reviewed by the Compensation Committee every March</p>	The Compensation Committee aims to set salaries for the Executive Team at the median of the peer group.

#### STI

Pay element	Purpose	Payout opportunity
	The STI links reward to key business targets (70%) and individual contribution (30%).	With less than 95% achievement of business targets, the award falls to 0%. The threshold achievement is 95% of the target, resulting in a payout of 80%. The opportunity is 200% for the achievement of 104% for service revenue, 106% for EBITDA and 107% for OFCFaL.
	The STI aligns with shareholders' interests through the provision of 50% of the payment delivered in share units deferred over three years (DSP) for the senior leadership team. The DSP is awarded upon achieving the performance targets, with 30% paid after one year, 30% after the second year and 40% after the third year of the grant date.	The target achievement for: CEO – 200% CFO – 150%
Purpose and link to strategy	These plans help incentivize and motivate leadership to execute strategic plans in operational decision-making and achieve short-term performance goals, impacting Company performance and enhancing its value.	Maximum achievement: CEO – 400% CFO – 300%
	The financial and operational targets are;	
	<ul style="list-style-type: none"> <li>Service revenue</li> </ul>	20%
	<ul style="list-style-type: none"> <li>EBITDA</li> </ul>	20%
	<ul style="list-style-type: none"> <li>Operating free cash flow after leases (OFCFaL)</li> </ul>	20%
	<ul style="list-style-type: none"> <li>Transactional Net Promoter Score (tNPS)</li> </ul> <p>2021 GATEWAY: All Operations to have implemented a robust and stable Relational NPS measurement platform by year end (in addition to the achievement of tNPS targets). At individual level (Operations), if gateway is not reached there will be no payout on the NPS component, regardless of tNPS achievement. For Corporate, if any one of the Operations fails to meet the gateway, there will be no payout on the NPS component</p>	10%
	<ul style="list-style-type: none"> <li>Personal performance</li> </ul>	30%
Benchmarking	Our STI is a key component of the Millicom Group culture. We benchmark to peer companies within the U.S. and Latin America.	Each year the Compensation Committee determines the annual STI opportunity for the Executive Team.

**LTI**

Pay element	Purpose	Payout opportunity
Purpose and link to strategy	The LTI links an important part of overall Global Senior Management Team compensation with the interests of our shareholders.	For financial metrics, achieving less than 80% of the target results in a payout of 0%. In the event the Company achieves between 80% and 120% of the target, the corresponding portion of the grant will be adjusted in linear pro rata of the achievement, starting at a payout of 0% at an achievement of 80% up to a maximum value of 200% if the target achievement is 120% or higher. For TSR, no award is granted for performance below the peer group median. If the Company achieves a TSR performance at the median or above of a pre-determined peer, the grant will be adjusted in linear pro rata of the achievement starting at a payout of 100% up to a maximum value of 200% for a target achievement of 120% or higher.
	This plan aligns the Global Senior Management Team's longer-term incentives with the longer-term interests of shareholders, encouraging long-term value creation and retention.	
	Millicom emphasizes the One Team mentality by maintaining unified goals and objectives in the long-term incentive program for the Global Senior Management Team, with the purpose of driving the successful achievement of three-year performance goals designed to enhance long-term value of the Company.	
	The LTI is a performance-based share units plan (PSP) whereby awarded share units fully vest at the end of a three-year period, subject to achievement against performance measures and fulfillment of conditions.	The target achievement (including the RSU element) for: CEO – 480% CFO – 175%
Operational execution	LTI payouts are typically in share units and based on company three-year cash flow and revenue targets approved by the Compensation Committee and the Board, in addition to shareholder return.	
	Performance share units plan (PSP) and RSU component	The maximum achievement (including the RSU element) for: CEO – 792% CFO – 288%
	The weights for the PSP component are:	
	<ul style="list-style-type: none"> <li>• Service revenue: 15%</li> <li>• OFCFaL (operating free cash flow): 30%*</li> <li>• Relative TSR: 20%</li> <li>• Time Vested RSUs: 35%</li> </ul>	
Benchmarking	The PSP and RSU component pays out/is settled in shares at the end of three years.	
	*Since the 2021 LTI, we use OCFaL (operating cash flow after leases) in lieu of OFCFaL (operating free cash flow after leases) and include a portion of the grant as RSUs following U.S. market practice. These will also vest at the end of the corresponding three-year period.	
	Market Stock Units (MSU) is a special one time stock-based performance plan to be settled in cash. The plan offers pro-rata vesting in two tranches (50% in June 2022 and 50% in June 2023), payable one year after vesting subject to continuous employment.	At the vesting date, the value of the MSU is determined by the 30-trading day average share price ending on June 30, 2022 for Tranche 2022, and the 30-trading day average share price ending on June 30, 2023, for Tranche 2023. For each tranche, the payment is made in cash 12 months after the respective dates, subject to continuous employment. For every participant, payment is capped at 150% of their Target MSU Award Value set up for each tranche.
	The number of MSUs is determined on the basis of a share price at inception of \$43.09 for Tranche 2022 (10%) and \$47.00 for Tranche 2023 (20%). The awards are payable only after an additional 12-month employment period post vesting.	Participants of the MSU plan were required to forfeit their awards under LTI 2019 and LTI 2020 in respect of the financial targets (service revenue growth and operating cash flow), provided that the TSR component continues to be active for these schemes.
	Our LTI is a key component of the Millicom Group culture. For executives, we benchmark to peer companies within the U.S.	Each year the Compensation Committee determines the annual LTI opportunity for the Executive Team.



In addition, the Board uses retention schemes to ensure continued retention of key individuals during periods of uncertainty.

**3.3 Other Employment Terms and Conditions**

**Notice of termination:** If the employment of a member of Millicom’s Executive Team is terminated, a notice period of up to 12 months potentially applies. The Board regularly reviews best practices in executive compensation and governance and revises policies and practices when appropriate. Millicom’s change-in-control agreements for eligible executives include "double-trigger" provisions, which require an involuntary termination (in addition to change in control) for accelerated vesting of awards.

**Deviations from the policy and guidelines:** In special circumstances, the Board may deviate from the above policy and guidelines; for example, providing additional variable remuneration in the case of exceptional performance.

**3.4 Other Executive Compensation Policies**

Millicom’s clawback policy requires its Board of Directors’ Compensation Committee to seek recovery of incentive compensation awarded or paid to those officers covered under the policy, in the event the committee finds the restatement of Millicom’s audited and published financial statements results in compensation in excess of what would have been paid based on the restated operating and financial performance.

In addition, the Company’s insider trading policy prohibits any hedging or speculative transactions in the Company’s shares, including the use of options and other derivatives. It also prohibits directors and employees from selling the Company’s stock short.

**4. Key Developments for 2021**

During 2021, we were attentive to the ongoing impact of the COVID-19 pandemic and continued focusing on protecting the health of employees, customers and partners. We worked on several health and safety initiatives, including providing vaccinations to our employees; structuring return-to-office schemes that prioritize health and safety (such as hybrid approaches); delaying office re-openings where vaccines were not widely available; and other cautionary measures.

As mentioned in the previous Annual Report, the committee did not change any of the performance measures or targets for any of the “in-flight” incentive plans, STI or LTI.

For the 2021 STI/LTI plans, we established targets from the beginning of the year—although forecasting due to the pandemic was still challenging—and did not make any adjustments during the year.

The committee geared the design of those plans to motivate our management teams in the hardest-hit countries to seize such opportunities and “kick back” into growth by incentivizing our employees to strive for excellence. This design has been quite successful, as it has helped substantially improve our financial KPIs.

Since the start of the COVID-19 pandemic, we have not implemented any restructuring programs, and we chose not to furlough or implement redundancies, helping us retain approximately 93% of key talent during this period.



#### 4.1 Key Elements of 2021 CEO and CFO Pay

In 2021, the key elements of the CEO and CFO compensation, in line with the remuneration policy, were as follows:

	Salary (USD) *	Short-Term Incentive	Long-Term Incentive	Pension	Benefits	MSU Plan	
Mauricio Ramos (CEO)	\$1,189,187	200% of Base Salary delivered:  Performance Measures:	50% in Cash Bonus 50% in Share Units over 3 years vesting 30%/30%/40% 60% Financial 10% Customer 30% Personal	PSP award of 480% of salary with 3-year cliff vesting (35% delivered in time vested shares and the remaining portion based on performance shares)	15% of salary	Private healthcare  Life insurance  Car Allowance	Each of the two tranches have a target payment opportunity of USD 4 Million
Tim Pennington (CFO)**	\$709,949	150% of Base Salary delivered:  Performance Measures:	50% in Cash Bonus 50% in Share Units over 3 years vesting 30%/30%/40% 60% Financial 10% Customer 30% Personal	PSP award of 175% of salary with 3-year cliff vesting (35% delivered in time vested shares and the remaining portion based on performance shares)	15% of salary	Private healthcare  Life insurance  Car Allowance	Each of the two tranches have a target payment opportunity of USD 800K

\*CEO / CFO Salary as of December 2021.

\*\*CFO Compensation paid in Pounds GBP and for purposes of this report converted to USD using December Closing Forex (0.7392 GBP/USD).

#### 4.2 Summary of Total CEO/CFO Compensation

The compensation for the CEO and CFO is summarized in the table below:

In USD	Mauricio Ramos (CEO)		Tim Pennington (CFO)*	
	2021	2020	2021	2020
Base Salary	1,185,140	1,173,000	707,532	669,757
Fringe Benefits**	87,551	82,225	46,362	37,600
Pension Expense	284,243	284,520	106,130	100,464
Total Fixed	1,556,934	1,539,745	860,024	807,821
Annual Bonus***	2,164,320	1,301,131	969,079	508,896
Deferred Share Units***	2,164,320	1,301,131	969,079	508,896
LTIP****	5,630,400	5,630,400	1,237,889	1,200,964
Total Annual Variable	9,959,040	8,232,662	3,176,047	2,218,756
Annual Compensation	11,515,974	9,772,407	4,036,071	3,026,577
MSU Plan*****	8,000,000	—	1,600,000	—
Total 2021 Compensation	19,515,974	9,772,407	5,636,071	3,026,577
% Annual Fixed	13.52%	15.76%	21.31%	26.69%
% Annual Variable	86.48%	84.24%	78.69%	73.31%

\*CFO compensation is paid in GBP and, for the purposes of this report, converted to USD using December Closing Forex for each period.

\*\*Fringe benefits include car allowance, life and disability insurance, and medical and dental insurance.

\*\*\*The sum of the annual bonus and deferred share units is the total for the short-term incentive award for the performance period. 2021 STI is to be paid and granted in Q1 2022.

\*\*\*\*LTIP is performance share units granted in 2021. Calculated based on the average Millicom closing share price on the Nasdaq in the US for the three-month period ending December 31, 2021.

\*\*\*\*\*MSU plan: Our stock-based MSU performance plan is settled in cash. Pro-rata vesting occurs in two tranches (50% in June 2022 and 50% in June 2023), payable one year after vesting subject to continuous employment. The number of MSUs is determined on the basis of a share price at inception of \$43.09 for Tranche 2022 (10%) and \$47.00 for Tranche 2023 (20%). The awards are payable only after an additional 12-month employment period post vesting.

Excluding the MSU, the CEO's reported pay increased from \$9.8 million to \$11.5 million, a 17.3% increase that reflected the significantly improved financial performance compared to the more-depressed 2020 outturn. The MSU was added as an additional incentive to improve the share prices over two years. At target, the scheme could pay the CEO \$8 million for achieving a share price of \$43.09 by July 2022 and \$47.00 by July 2023. The mark-to-market total value of the MSU for the CEO is approximately \$3 million based on 2021 closing share price. The MSU is settled in cash.

### Realized Pay Supplemental Table

In USD	Mauricio Ramos (CEO)	
	2021	2020
Base Salary	1,185,140	1,173,000
Car Allowance	15,000	15,000
Pension Expense	284,243	284,520
Total Fixed	1,484,383	1,472,520
Annual Bonus Paid*	1,301,131	1,427,497
Deferred Share Units Vested**	930,836	932,141
LTIP Vested***	1,457,988	1,553,984
Total Variable Paid	3,689,955	3,913,622
Total Realized Paid	5,174,339	5,386,143
% Fixed	28.69%	27.33%
% Variable	71.31%	72.66%

\*Annual bonus paid is the cash portion for the short-term incentive award for the performance period in that calendar year (i.e., the 2021 column displays the amount paid in Q1 2021 from 2020 performance).

\*\*Deferred share units vested are the shares vested from the pro-rata vesting of the three years prior (i.e., the 2021 column displays the amount vested in Q1 2021: 30% from 2020 grant, 30% from 2019 grant and 40% from 2018 grant).

\*\*\*LTIP vested are the shares vested from the cliff vesting of the LTI granted three years prior (i.e., the 2021 column displays the amount vested in Q1 2021 from 2018 grant).

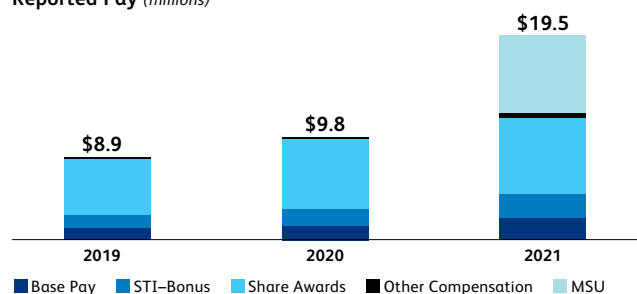
The total short-term award for the CEO, CFO and other senior leadership team is split 50% in cash and 50% in share units deferred over a three-year period (DSP). The compensation for the CEO and CFO is heavily weighted to variable compensation in the form of share units vesting over a three-year period. As a result, total compensation as shown in the previous table may differ significantly relative to the actual realized compensation in any given year. The table below compares CEO total compensation to his actual realized compensation in the last three years.

### 2021 CEO Compensation

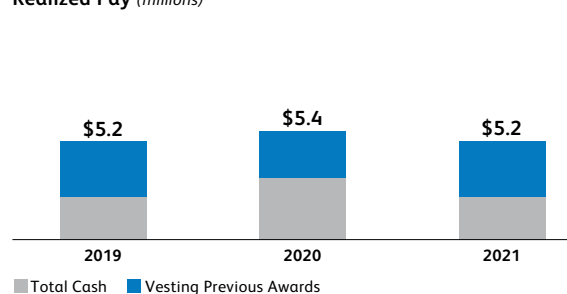
#### 4.3 Performance on STI 2021

As in previous years, the annual bonus is determined by a mixture of business performance and individual performance factors. The business performance factors included measures of service revenue, earnings before interest, tax, depreciation and amortization (EBITDA), operating free cash flow after leases (OFCFaL), and a customer satisfaction metric based on Net Promoter Score achievement. For this year's plan, we started to migrate from a transactional NPS to a relational NPS metric. Thus, we included a gateway decision to ensure that payment on the transactional NPS component only takes place if the preparedness for the relational NPS was reached before year's end. The use and relative weighting of financial performance target measures under the variable compensation rules are equal for all employees regardless of seniority or area of operation. This includes the CEO and the senior leadership team.

Reported Pay (millions)



Realized Pay (millions)



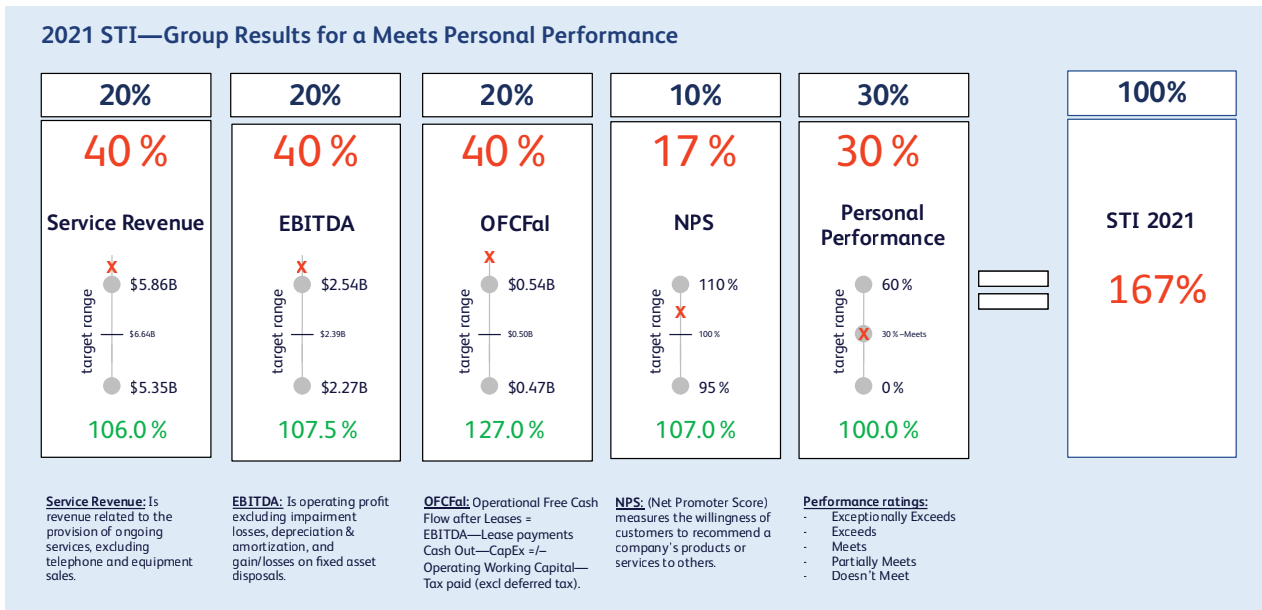
**Notes**

- In average approximately 73% of CEO compensation is delivered in form of share
- In average realized pay has been 47% of Reported Pay



For the CEO and senior leadership team, a portion of the STI is paid in the form of deferred share units with a three-year pro-rated vesting, strengthening our pay-for-performance and retention incentives.

For 2021, the achievement of performance targets is set out in the table below;



For the CEO and other eligible DSP participants, the issuance of share units under the DSP is subject to shareholder approval at Millicom's AGM of shareholders. For employees not participating in the DSP, or to the extent that the DSP is not approved by the AGM, the STI will be implemented as a cash-only bonus program.

Under the 2021 STI, 2022 DSP share units are granted in Q1 2022 and will vest (generally subject to the participant still being employed by the Millicom group) 30% in Q1 2023, 30% in Q1 2024 and 40% in Q1 2025. The vesting schedule is unchanged from the 2021 DSP.

#### 4.4 LTI (PSP)

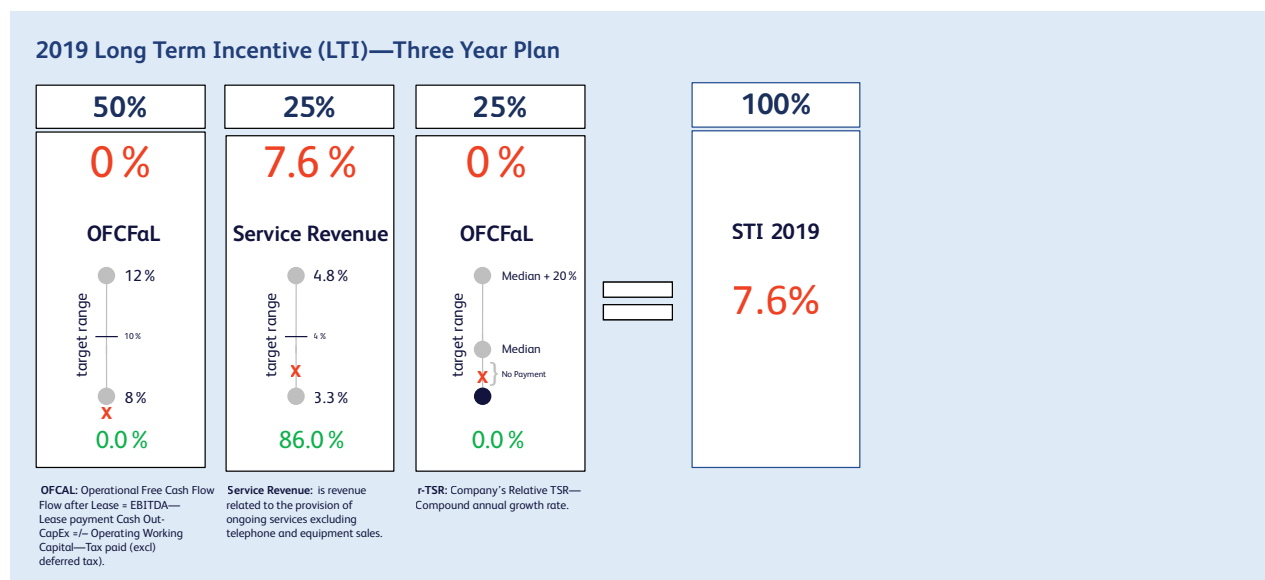
This section reviews the LTI 2019 performance, which vested in January 2022 and paid out in Q1 2022 to one non- executive participant. It also reviews the LTI 2021 plan granted in 2021 to 41 participants, including the CEO and CFO.



#### 4.4.1 LTI (PSP) 2019 Performance

The LTI 2019 plan vested in January 2022 with an award of 7.6%. The outturn of LTI 2019 has been audited by Ernst & Young in respect of the financial performance measures and by Towers Watson for the TSR.

For LTI 2019, the achievement of performance targets is set out in the table below:



Notes: Relative TSR considered the following peers: America Movil, Telefonica, TIM Brazil, TEF Brazil, Entel Chile, Lilac

The PSP 2019 did not meet the criteria for vesting for the CEO and CFO awards:

Name	Type of award	Basis of award	Face value of award	Number of share units granted	End of performance period	Achievement	Number of shares vested
Mauricio Ramos (CEO)	LTI19	400% of salary	\$4,600,000	77,111	Dec-21	—%	—
Tim Pennington(CFO)	LTI19	175% of salary	\$1,132,957	18,992	Dec-21	—%	—

Deviations from the guidelines: In special circumstances, the Board may deviate from the above guidelines, such as providing additional variable remuneration in the case of exceptional performance. In these instances, the Board will explain the reason for the deviation at the following AGM. For the LTI in this review—PSP 2019, PSP 2020 and PSP 2021—no discretion has been exercised and none of the performance or other conditions have been changed.

#### 4.4.2 Award LTI 2021

A new plan was issued in 2021 in accordance with the remuneration policy guidelines, designed to drive shareholder value through a focus on service revenue growth, cash flow generation and relative total shareholder return against a relevant peer group. The PSP 2021 plan was approved by shareholders at the 2021 AGM:

Metric	Weighting	Performance target	Performance measure
Service revenue	15%	Target growth	A specific 3-year Cumulative Growth target
OCF <sub>aL</sub>	30%	Target growth	A specific 3-year Cumulative Growth target
TSR	20%	The Company TSR relative to a peer group between 2021 and 2023	At median - target payout; below median - nil; 20% above median - max
Time Vested RSUs	35%		

The peer group for the PSP 2021 is: America Movil, TIM Brazil, TEF Brazil, Entel Chile, Lilac, Telecom Argentina, Grupo Televisa, Megacable.

For the CEO and CFO, the award of LTI 2021 is summarized below:

Name	Type of award	Basis of award	Face value of award	Number of share units granted	End of performance period
Mauricio Ramos (CEO)	PSU - 3 years Cliff Vesting	480% of salary (35% in time vested shares)	\$5,630,400	159,941	December 2023
Tim Pennington (CFO)	PSU - 3 years Cliff Vesting	175% of salary (35% in time vested shares)	\$1,237,889	35,164	December 2023

### 4.4.3 MSU Grant 2021

For the CEO and CFO, the 2021 MSU award is summarized below:

Name	Type of award	Basis of award	Face value of award (USD)	End of performance period	Payout date
Mauricio Ramos (CEO)	MSU – Tranche 1 payout June 2023	Target payout if share price reaches \$43.09 by July 2022	\$ 4,000,000	July 2022	July 2023
	MSU – Tranche 2 payout June 2024	Target payout if share price reaches \$47.00 by July 2023	\$ 4,000,000	July 2023	July 2024
Tim Pennington (CFO)	MSU – Tranche 1 payout June 2023	Target payout if share price reaches \$43.09 by July 2022	\$ 800,000	July 2022	July 2023
	MSU – Tranche 2 payout June 2024	Target payout if share price reaches \$47.00 by July 2023	\$ 800,000	July 2023	July 2024

As noted above, the Board believed it was necessary to introduce an additional one-off performance vested equity plan to incentivize senior management to improve the share price. The retention plan has been awarded to a selected group of executives, including the CEO and CFO. The plan is based on MSU and is a performance-based scheme where the outcome is dependent on the share price at the time of vesting. The MSU is settled in cash. We have retained 97% of all executives made eligible under this plan.

## 5. Sundry

### 5.1 Summary of Outstanding Awards

Name	Plan Type	Award Details - Plan Name	Performance Period	Award Grant Date	Vesting Date	Award Share Price in USD	Opening Balance	During the Year			Closing Balance
							Outstanding Balance as of Dec. 2020	Share Units Granted in 2021	Shares Vested in 2021	Forfeited in 2021	Outstanding Balance as of Dec. 2021
Mauricio Ramos (CEO)	Deferred Share Plan	2018 DSP	2017	1/1/2018	1/1/2021	\$66.11	7,161	—	7,161	—	—
		2019 DSP	2018	1/1/2019	1/1/2022	\$59.65	17,508	—	7,504	—	10,004
		2020 DSP	2019	1/1/2020	1/1/2023	\$45.86	31,126	—	9,338	—	21,788
		2021 DSP	2020	1/1/2021	1/1/2024	\$35.20	—	36,963	—	—	36,963
	Performance Share Plan	2018 PSP	2018-2021	3/1/2018	3/1/2021	\$66.11	69,576	—	38,942	30,634	—
		2019 PSP	2019-2022	3/1/2019	1/1/2022	\$59.65	77,111	—	—	57,833	19,278
		2020 PSP	2020-2023	3/1/2020	1/1/2023	\$45.86	122,768	—	—	92,076	30,692
		2021 PSP	2021-2024	1/1/2021	1/1/2024	\$35.20	—	159,941	—	—	159,941
<b>TOTAL Mauricio Ramos (CEO)</b>						<b>325,250</b>	<b>196,904</b>	<b>62,945</b>	<b>180,543</b>	<b>278,666</b>	
Tim Pennington (CFO)	Deferred Share Plan	2018 DSP	2017	1/1/2018	1/1/2021	\$66.11	4,711	—	4,711	—	—
		2019 DSP	2018	1/1/2019	1/1/2022	\$59.65	6,537	—	2,801	—	3,736
		2020 DSP	2019	1/1/2020	1/1/2023	\$45.86	13,657	—	4,097	—	9,560
		2021 DSP	2020	1/1/2021	1/1/2024	\$35.20	—	14,457	—	—	14,457
	Performance Share Plan	2018 PSP	2018-2021	3/1/2018	3/1/2021	\$66.11	17,890	—	10,013	7,877	—
		2019 PSP	2019-2022	3/1/2019	1/1/2022	\$59.65	18,992	—	—	14,244	4,748
		2020 PSP	2020-2023	3/1/2020	1/1/2023	\$45.86	26,186	—	—	19,640	6,546
2021 PSP	2021-2024	1/1/2021	1/1/2024	\$35.20	—	35,164	—	—	35,164		
<b>TOTAL Tim Pennington (CFO)</b>						<b>87,973</b>	<b>49,621</b>	<b>21,622</b>	<b>41,761</b>	<b>74,211</b>	

## 5.2 Summary of Shares Owned vs. Target

Millicom's share ownership policy sets out the Compensation Committee's requirements for the Global Senior Management Team to retain and hold a personal holding of common shares in the Company to align their interests with those of our shareholders. All share plan participants in the Global Senior Management Team are required to own Millicom shares to a value of a percentage of their respective base salary as of January 1 of each calendar year.

For that purpose, we continue to uphold our share ownership requirements for our top 50 roles:

Global Senior Management Level	% of Annual Base Pay
CEO	400
CFO	200
EVPs	100
General Managers and VPs	50

For the CEO and CFO:

	Awarded unvested subject to performance conditions	Awarded unvested not subject to performance conditions	Shares required to be held as % salary	Number of shares required to be held	Number of beneficially owned shares	Shareholding requirement met
Mauricio Ramos (CEO)	209,911	68,755	400%	133,285	232,562	Yes
Tim Pennington (CFO)	46,458	27,753	200%	40,188	70,095	Yes

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

## 5.3 Details of Share Purchase and Sale Activity

During 2021, neither the CEO nor the CFO purchased nor sold any Millicom shares.

## 5.4 Historic CEO and CFO Pay

	2020 vs. 2019	2021 vs. 2020	Information Regarding 2021 (USD)
CEO Remuneration*	9.2%	17.8%	USD\$M19.5
CFO Remuneration*	(4.2)%	33.4%	USD\$M4.0
Group EBITDA	(1.4)%	5.9%	USD\$B2.5
Average remuneration on FTE basis of employees of parent company**	0.5%	3.6%	USD\$25,280

\*Year-over-year remuneration comparison compares total compensation column in 4.2 summary of total CEO/CFO compensation of this report (excludes MSU).

\*\*Average remuneration on a full-time equivalent basis of employees of the Millicom Group other than the CEO, reported by each individual operation as of Dec 31, 2021.

## 5.5. Board Compensation

### Governance of Director Remuneration

Decisions on annual remuneration of Directors ("tantièmes") are reserved by the Articles of Association to the general meeting of shareholders. Directors are prevented from voting on their own compensation. Resolution 17 of the AGM on 4 May 2021, approved the Director remuneration from the date of the 2021 AGM to the date of the AGM in 2022.

### 2021 Director Remuneration

During early 2021, in proposing Director remuneration, the Nomination Committee received input from an external compensation advisor—including market and peer benchmarking—and considered the frequency of meetings and complexity of Millicom's business and governance structures. After considering these and other relevant aspects, the Nomination Committee proposed keeping the structure and amount of remuneration for each role for the Non-Executive Directors the same as the prior year.

#### a) Non-Executive Director Remuneration

Remuneration of the Non-Executive Directors comprises an annual fee and shares denominated in U.S. dollars. The remuneration is 100% fixed. Non-Executive Directors do not receive any fringe benefits, pensions or any form of variable remuneration. No remuneration was paid to any of the Non-Executive Directors in 2021 or 2020 from any other undertakings within the Millicom Group.

#### b) Executive Director Remuneration

Executive Directors do not receive any remuneration in their capacity as Directors.

## Approval of 2021 Director Remuneration

The Nomination Committee's proposal for Director remuneration was approved at the AGM on 4 May 2021.

Name of Director	Year (i)	Cash-based fee (\$000's)	Share-based fee (ii) (\$000's)	Total (\$000's)
Mr. José Antonio Rios García	2021	100	200	300
Chair of the Board	2020	100	200	300
Ms. Pernille Erenbjerg	2021	100	150	250
Deputy Chair of the Board				
Chair of the Compensation Committee	2020	122.5	150	272.5
Mr. Odilon Almeida	2021	75	100	175
Chair of the Compliance and Business Conduct	2020	75	100	175
Mr. Bruce Churchill A,	2021	72.5	100	172.5
Ms. Sonia Dulá A, CBE	2021	85	100	185
Ms. Mercedes Johnson A, CBE	2021	107.5	100	207.5
Chair of the Audit Committee	2020	85	100	185
Mr. Lars-Johan Jarnheimer C	2021	62.5	100	162.5
Mr. James Thompson A, C	2021	85	100	185
	2020	85	100	185
Former Directors				
Mr. Tomas Eliasson (until May 2021)	2020	95	100	195
Mr. Lars-Åke Norling C, CBE (until May 2021)	2020	75	100	175
<b>Total</b>	<b>2021 (iii)</b>	<b>687.5</b>	<b>950</b>	<b>1,637.50</b>
	<b>2020</b>	<b>637.5</b>	<b>850</b>	<b>1,487.00</b>

<sup>(i)</sup> Remuneration covers the period from 4 May 2021, to the date of the AGM in May 2022 as resolved at the shareholder meeting on 4 May 2021 (2020: for the period from June 25, 2020, to 4 May 2021).

<sup>(ii)</sup> Share-based compensation for the period from 4 May 2021, to May 2022 was based on the average closing price of Millicom shares for the three-month period ended April 30, 2021, and represented a total of 24,737 shares (2020: 32,358 shares).

<sup>(A)</sup> Member of Audit Committee

<sup>(C)</sup> Member of Compensation Committee

<sup>(CBE)</sup> Member of Compliance and Business Ethics Committee

<sup>(iii)</sup> Total remuneration for the period from 4 May 2021, to May 2022 after deduction of applicable withholding tax at source comprising 73% in shares and 27% in cash (2020: 71% in shares and 29% in cash).

### 5.6 2021 AGM Vote

	Votes For	%	Votes Against	%	Abstentions	%
Director Remuneration	47,398,168	97.05%	55,994	0.11%	1,384,841	2.84%
Senior Management Remuneration Guidelines and Policy	38,482,068	78.79%	8,894,385	18.21%	1,462,550	2.99%



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