

# Chief Executive Officer's Message

2022 was an exciting year for Millicom for many reasons, but perhaps the biggest is what this year's accomplishments mean for the future. If Millicom's journey were a fútbol match, I'd put it this way: We just finished the first half and we're in great shape. But hold onto your hats, because our coaching, strategies and player performance have set us up for an even better second half.



Consider what we accomplished in 2022. We completed our exit from Africa and are now 100% focused on Latin America. We finished the year with a strong, leading market position in all of our markets. Every single business line is now growing—and exciting new ones are emerging. And our modernized, state-of-the-art networks offer simple, cost-efficient and future-proof paths for expansion and evolution.

After years of focused hard work, the foundation we've built is so solid that we were able to set ambitious and realistic operational, financial, ESG and capital allocation targets for the next three years of our journey. Our portfolio today puts us in a great position to meet them.

None of this would have happened—and none of this will happen—without the Sangre Tigo culture that drives everything we do. There's no doubt that our team members rose to every occasion in 2022, uniting under our shared purpose to build the digital highways that connect people, improve lives and develop communities. I'm tremendously proud of them and extraordinarily thankful for their dedication.

## Growth from the core

Despite the challenging economic environment in the latter half of 2022, our business performed strongly throughout the year. We advanced our commitment to making Millicom the most modern and expansive telecom network in Latin America with expanded 4G coverage in many of our markets. This includes providing first-time mobile network access to 44,000 people in Panama's largest indigenous territory, introducing residents to the many social, educational and economic opportunities the internet provides. Our 4G network now covers roughly 80% of the population in our Latin American footprint.

While expanding 4G coverage to rural, uncovered areas remains our top mobile priority, we also rolled out new 5G coverage in Guatemala as we prepare to meet our markets' long-term needs.

Cable remained a strong engine of growth. Our networks passed 12.9 million homes by year's end, an increase of 6.8% compared with 2021.

Our B2B business, meanwhile, enjoyed its fastest organic growth rate in years. With 338,000 small and medium-sized enterprises (SME) customers by the end of 2022 and a double-digit increase in digital service revenue, we're well on our way to being the most trusted ally for Latin American businesses on their digital journey.

## Purpose + strategies = prosperity

One reason we're so excited about the future is that our purpose, business strategies and ESG ambitions line up beautifully in Latin America. For example, in 2021 U.S. Vice President Kamala Harris launched a Call to Action to support economic development in Guatemala, Honduras and El Salvador. We responded in June 2022 with a promised \$700 million investment to expand and maintain our fixed and mobile broadband networks in these markets over the next two years.

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This promised investment is in line with our longstanding commitment to a region in which we see great potential for growth and development. Expanding our network is the right move for our business, but digital infrastructure can also have an incredible impact on the future of the region and its cities. A recent study we commissioned revealed that a 10% increase in mobile broadband penetration in Latin America could create more than 6.5 million jobs.

With each new job, a family has an opportunity to build wealth and contribute to a stronger community. And by offering better connectivity and improved services, we can empower Latin American businesses to compete in the digital economy. Our markets have challenges, but also robust, untapped potential. We're proud to help them reach that potential in the years to come.

### **Building a more sustainable Tigo**

We took action on multiple social and environmental fronts in 2022, including announcing our first near-term science-based targets to reduce absolute greenhouse gas (GHG) emissions. Validated by the Science-Based Targets initiative (SBTi), our goals include reducing absolute Scope 1 and 2 emissions by 50% by 2030 and absolute Scope 3 emissions by 20% by 2035. We know it won't be easy, but we're excited by the challenge. We're currently building our transition plan and mobilizing across our business, using every tool at our disposal.

We took bold steps to advance gender equality at Tigo in 2022 with new diversity, equity and inclusion (DE&I) targets. These include aiming for 50% female representation across our workforce and upper management by 2030 and aspiring to train 100% of our employees in DE&I each year. Key to our Sangre Tigo culture is creating a rewarding work environment where everyone brings their authentic selves to work every day. We clearly found a sweet spot this year, as we ranked [5th in World's Best Workplaces 2022](#) and [2nd in Best Workplaces in Latin America 2022](#) among multinational companies, as assessed by Great Place to Work®.

And we continued pursuing our mission to teach people of all ages to harness the potential of the internet by launching web-based platforms for our Conectadas and Maestr@s Conectad@s programs. The former provides digital literacy and entrepreneurship training to women and adolescent girls, while the latter helps teachers and school administrators develop technology-based curricula. With these new platforms, Conectadas and Maestr@s Conectad@s now have a global reach, making our content available to anyone in the countries in which we operate who wants to acquire new digital skills.

### **Winning the second half**

In February 2022, we held an Investor Day event articulating our strategy for the next three years. Our ambitions include gaining scale in Colombia; unlocking the full value of our Tigo Money and tower infrastructure assets; cementing our environmental, social and governance (ESG) leadership in the region; and generating cumulative equity free cash flow<sup>1</sup> of between \$800 million and \$1 billion in the 2022–2024 period.

I'm thrilled to report that not only did we perform in 2022, but we're already making progress against each of these ambitions. As you'll see on the pages that follow, we are a purpose-driven company with a big market opportunity, a clear strategic focus, and a passionate team that makes things happen the right way.

Thank you to everyone—our employees, our customers, our Board, our community partners and our shareholders—for making Tigo what it is today.

### **Mauricio Ramos**

*Executive Director and Chief Executive Officer*

<sup>1</sup> Non-IFRS measure. Please refer to the non-IFRS disclosures in this annual report for a description and for a reconciliation of non-IFRS measures. Financial target as communicated on February 14, 2022.