



MILlicom
THE DIGITAL LIFESTYLE



2022
Millicom International
Cellular S.A.

EU Taxonomy Report

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

About this Report

Executive Summary

This report complements the ESG disclosures published in our [2022 Annual Report](#) by providing additional disclosures related to the EU Taxonomy regulation (EU) 2020/852.

The EU Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050 in line with EU climate goals, as the EU Taxonomy is a classification system for environmentally sustainable economic activities. The EU taxonomy regulation aims also to create a uniform and comparable view of activities for the different stakeholders.

As further explained in this report, our core business "Provision and operation of a network infrastructure for telecommunications" is not yet included in the taxonomy and hence we cannot describe it as taxonomy-eligible. Sustainability is part of our strategy and at Millicom we continued to take action on this front 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 are also committed to the long-term goal of net zero emissions by or before 2050.

General Considerations

The EU Taxonomy implements reporting obligations for the two first environmental objectives for large EU Public Interest Entities (PIE), i.e. companies listed on a EU regulated market with more than 500 employees. The large EU PIE shall report the proportion of the Turnover, Capex and Opex Key Performance Indicators ("KPI's") per economic activity on both eligibility and alignment. The two first environmental objectives are: "Climate change mitigation" and "Climate change adaptation."

Millicom International Cellular S.A. (the "Company" or "MIC S.A."), a Luxembourg Société Anonyme, and its subsidiaries, joint ventures and associates (the "Group" or "Millicom") is an international telecommunications and media group providing digital lifestyle services in emerging markets, through mobile and fixed telephony, cable, broadband, Pay-TV in Latin America (Latam). The Company's shares are traded as Swedish Depositary Receipts on the Stockholm stock exchange under the symbol TIGO_SDB (formerly MIC SDB) and, since January 9, 2019, on the Nasdaq Stock Market in the U.S. under the ticker symbol TIGO. The Company has its registered office at 2, Rue du Fort Bourbon, L-1249 Luxembourg, Grand Duchy of Luxembourg and is registered with the Luxembourg Register of Commerce under the number RCS B 40 630.

The EU Taxonomy specifically requires as a first step, the identification of the taxonomy-eligible economic activities (those covered by the EU Taxonomy and that could contribute significantly to achieving the environmental objectives). The second step is to review if such eligible activities are also taxonomy-aligned, that is, if they meet the technical screening criteria (listed in Annexes I and II of Delegated Regulation (EU) 2021/2139) to qualify as contributing substantially to at least one environmental objective, without causing significant harm to the other environmental objectives whenever applicable, and complying with the minimum safeguards (see more details in section "Assessment of Taxonomy Alignment").

Overview

Definitions

Taxonomy-eligible economic activity means an economic activity described in the delegated acts supplementing the Taxonomy Regulation (that is, the Climate Delegated Act as of now). An economic activity is Taxonomy-aligned where it complies with the technical screening criteria as defined in the Climate Delegated Act (that is contributing substantially to one or more environmental objectives while not doing significant harm to any of the other environmental objectives) and it is carried out in compliance with the minimum safeguards (regarding human and consumer rights, anti-corruption and bribery, taxation, and fair competition).

Taxonomy-non-eligible economic activity is any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

Draft commission notice on frequently asked questions (FAQs)

On December 19, 2022 the European Commission published a Draft Commission Notice (containing replies to FAQs). The purpose of this document aims to clarify the content of the delegated act, though it is not a binding regulation, but it is a 'clarification'. The publication of the final version of FAQs, or future possible additional clarifications by the regulator and the legislator could affect the considerations reflected in this report.

In accordance with the above-mentioned Draft Commission Notice, electronic communications networks (telecommunications) as such are not included as an activity under the current coverage of the Taxonomy delegated act. Section 8.2. targets specific digital solutions that are developed with the predominant (main) purpose to reduce emissions. An example of such a solution can be those for improving the energy efficiency of buildings or Artificial Intelligence based solutions that reduce energy consumption of 5G base stations. Unfortunately, the EU Taxonomy offers no way to show our contribution to climate change mitigation for our network infrastructure.

Our 2022 EU Taxonomy Report

In this 2022 EU Taxonomy Report, we disclose for the first time the eligibility of Millicom's taxonomic activities, together with the alignment.

Being Millicom part of the information and telecommunications industry, two of the economic activities currently listed by the EU taxonomy have been identified as relevant (taxonomy-eligible) for the environmental objectives in respect of its core business:

- 8.1. Data processing, hosting and related activities for "Climate change mitigation" and;
- 8.3. Programming and broadcasting activities for "Climate change adaptation".

Additionally, the EU taxonomy also address secondary economic activities that are relevant but that are not within our core business. Though our focus for this report has been on the taxonomy-eligible economic activities that are explicitly assigned to the IT and telecommunications industry, we have also identified the following as relevant (taxonomy-eligible):

- 4.1. Electricity generation using solar photovoltaic technology for "Climate change mitigation"

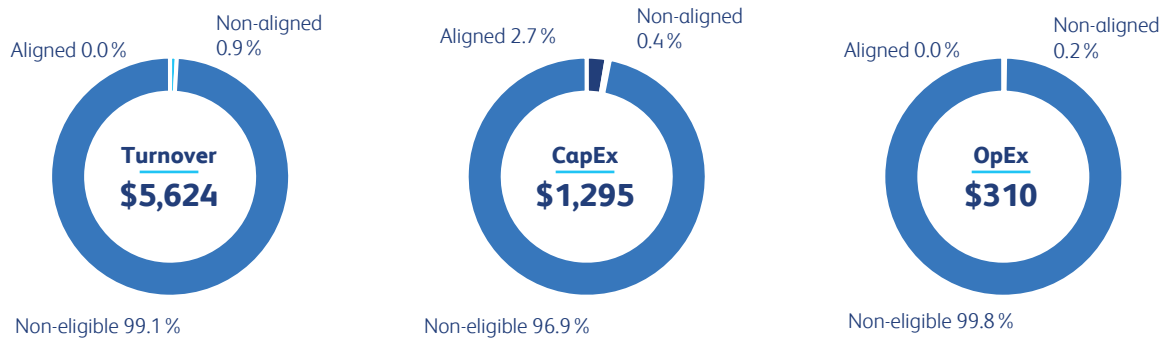
We will carry out a comprehensive collection of the data of secondary activities and review the necessary disclosures for the first time for the 2023 financial year. Starting in 2023, we will also be assessing the gaps and follow up with a plan to increase our alignment towards the EU Taxonomy, on a continual basis.

Draft Delegated Acts

On 5 April 2023, the European Commission published the draft Environmental Delegated Act introducing the activities and technical screening criteria for the four other environmental objectives (protection of water and marine resources; transition to a circular economy; protection of biodiversity and ecosystems and; prevention of pollution). We will perform an analysis to disclose the eligibility for financial year 2023, as required. At the same time, the European Commission published a draft Delegated Act to amend the Climate Delegated Act, including additional economic activities to the climate-related objectives. Millicom has reviewed the amended act and has not identified any additional eligibility activity in the scope.

Overview by economic activity

Millicom prepared an aggregate view of the proportion of the taxonomy eligibility and alignment for all its economic activities identified for the year ended December 31, 2022, as disclosed below (for Turnover, CapEx and OpEx definitions, please see “our KPI’s and Accounting Policies” section).



We will continue to carry out a comprehensive collection of the data of all eligible economic activities identified and review the necessary disclosures for the first time for the 2023 financial year taking into consideration any updates or modifications of the EU taxonomy regulation and related Delegated Acts. Starting in 2023, we will review the feasibility to implement a plan to increase our alignment towards the EU Taxonomy, on a continual basis. For further details, please see ‘ Assessment of Taxonomy-alignment’ section.

Eligibility and Alignment

Taxonomy-eligible and Taxonomy-aligned economic activities

When determining the taxonomy-eligibility of economic activities, we focused on our core business activities. We have thus examined the economic activities associated to the ICT sector carried out by the Millicom Group (excluding our Honduras Joint Venture) to see which of these are eligible and also aligned in accordance with Annexes I and II to the Disclosures Delegated Act (Commission Delegated Regulation (EU) 2021/2178), as further detailed in the table below. Section “our KPIs and Accounting Policies” provides information on the extent to which the economic activities are also aligned. We also provide detailed information related to our Honduras joint venture in section “our KPIs and Accounting Policies”.

We have identified the following eligible activities, currently listed in the EU Taxonomy, related to our core business:

| Economic Activity | Description | NACE Code | Environmental objective | Category |
|--|---|-----------|---------------------------|-----------------------|
| 8.1. Data Processing, hosting and related activities | Storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres, including edge computing. When evaluating the taxonomy eligibility of this activity, we primarily take into account when Millicom acts as a capacity and/or premise collocation provider for its customers. | 63.11 | Climate change mitigation | Transitional activity |
| 8.3. Programming and broadcasting activities | Creating content or acquiring the right to distribute content and subsequently broadcasting that content. The broadcasting can be performed using different technologies, over-the-air, via satellite, via a cable network or via Internet. This also includes the production of programs that are typically narrowcast in nature (limited format, such as news, sports, education, and youth-oriented programming) on a subscription or fee basis, to a third party, for subsequent broadcasting to the public. When evaluating the taxonomy eligibility of this activity, we primarily take into account our Tigo Sport standalone services. | 60 | Climate change adaptation | Enabling activity |

Though our focus for this report was related to ICT sector activities, we have also identified the following as secondary or cross-cutting eligible activity:

| Economic Activity | Description | NACE Codes | Environmental objective | Category |
|---|---|-----------------|---------------------------|-----------------------|
| 4.1. Electricity generation using solar photovoltaic technology | Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (“PV”) technology. When evaluating the taxonomy eligibility of this activity, we primarily take into account our 2022 rolled-out solar powered mobile sites in Colombia using energy as a service (“EaaS”) model. | D35.11 & F42.22 | Climate change mitigation | Transitional activity |

Taxonomy-non-eligible economic activities

As previously commented in this report, the EU Taxonomy does not currently include criteria for the economic activity “Provision and operation of a network infrastructure for telecommunications” and hence our core business cannot be described as taxonomy-eligible. Unfortunately, the EU Taxonomy offers no way to show our contribution to climate change mitigation for our network infrastructure. Please refer to the “Overview” section for details.

Assessment of Taxonomy-alignment

Overview

As set within the EU Taxonomy and further detailed within this section, Millicom went through the following steps for each eligible activity, whenever applicable:

1. Technical Screening Criteria (“TS”): Meaning that the activity makes a substantial contribution to an environmental objective.
2. Do Not Significant Harm Criteria (“DNSH”): That is that the activity does not DNSH the remaining environmental objectives.
3. Minimum Social Safeguards (“MS”): Meaning that procedures are in place, as described under the “Minimum Safeguards” section. Minimum safeguards assessment has been performed for all activities at once.

Alignment to the EU Taxonomy is gathered only if fulfilling the three steps mentioned above.

Substantial contribution

Our economic activity, 8.1. Data Processing, hosting and related activities, that could contribute both to climate change mitigation and adaptation aims at a substantial contribution to climate change mitigation for Millicom (that is, efforts to hold the increase in the global average temperature to well below 2 °C and pursuing efforts to limit it to 1.5 °C above pre-industrial levels, as laid down in the Paris Agreement i.e: by using new technologies and renewable energies, making older equipment more energy efficient, or changing management practices or consumer behavior). As such, this requires compliance with two main technical criteria:

- Implement all relevant practices listed in the most recent version of the [EU Code of Conduct for Energy Efficiency in Data Centers](#) and third-party assurance at least every three years.
- Use of refrigerants in the data center cooling system which global warming potential (GWP) do not exceed 675.

The technical screening criteria mentioned above are currently not fully met by our data centers since our data centers operate based on local regulations of the countries where we operate. Millicom is performing a complete data centers assessment to identify the gaps and take actions on them, to assess the feasibility of alignment for 2023 and onwards.

Our economic activity, 8.3. Programming and broadcasting activities, aims at a substantial contribution to climate change adaptation (that means, an adjusting process to actual and expected climate change and its impacts). The activity, being an adapted enabling activity has the following TS criteria: a) to be fully adapted to the physical risks and b) to increase the level of resilience of third parties to physical climate risks and/or to contribute to adaptation efforts of others. Due to the nature of the broadcasting content (Tigo Sports), the TS criteria were not met for the year ended December 31, 2022.

Our economic activity 4.1. Electricity generation using solar photovoltaic technology aims at a substantial contribution to climate change mitigation (as defined above). As such, this activity generates electricity using solar photovoltaic technology that is further used by Millicom's operations to serve our markets.

DNSH

The DNSH assessment is applicable for activity 8.1. for certain remaining environmental objectives: climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy.

The DNSH assessment is not applicable for activity 8.3, according to Annex II to Commission Delegated Regulation (EU) 2021/2139.

When it comes to activity 4.1., the DNSH assessment is applicable for the following environmental objectives: climate change adaptation; transition to a circular economy and; protection and restoration of biodiversity and ecosystems.

DNSH to climate change adaptation

For economic activity 8.1., we should further analyse the DNSH criteria, only if we are able to demonstrate a substantial contribution to climate change mitigation. A physical climate risk assessment is needed pursuant to Appendix A to Annex I to the Commission Delegated regulation 2021/2139.

For each of the data centers, a preliminary screening of the climate-related risks and hazards as mapped in Appendix A was conducted, and those risks were further analysed in a climate risk assessment (sensitivity to hazards, exposure, vulnerability and potential solutions). The climate risk assessment was conducted by the combination of a) the current climate screening which is linked to the lifespan of the assets and b) considering a pessimistic scenario defined by IPCC, compared to the current risk.

As a response to the identified material physical climate risks, an adaptation plan is being drawn up to mitigate these risks for our assets already in use over the next five years. These risks are also taking into account all newly built and newly installed physical assets to implement measures to be climate-resilient before the start of operations.

All our Data Centers are in alignment with international standard ISO 14001 and TIER Classification for Data Centers. Both define requirements to identify abnormal circumstances that could affect normal operation. Actually, we include acute physical risks in our risk assessment for each data center. We identify natural phenomenon as hurricanes and floods and we have defined specific responses to mitigate the effects in case of materialized.

For economic activity 4.1. only if we are able to demonstrate a substantial contribution to climate change mitigation, we further analyse the DNSH criteria. A physical climate risk assessment has been conducted pursuant to Appendix A to Annex I to the Commission Delegated regulation 2021/2139 and we concluded that the activity is fully adapted to climate change.

DNSH to sustainable use and protection of water and marine resources

For economic activity 8.1., water consumption of eligible Data Centers is through closed cooling system circuits. Hence, there are no discharges in freshwater streams or seawater that could cause harm to water quality, cause water stress or have a material adverse impact on water status and/ or good ecological potential.

DNSH to transition to a circular economy

For economic activity 8.1., we purchase Internet Data Center equipment that complies with international standards preventing the use of hazardous materials. As stated in our policies, we have a process to manage all e-waste including data center equipment changed for recycling process. As of the date of publication of this report, we are still conducting the analysis to assess if any remediation action are needed to meet this DNSH criteria.

For economic activity 4.1. the management of solar panels at its end of life cycle is specified in agreements when energy as a service is provided. This control helps us to assure their reuse or recycling.

DNSH to protection and restoration of biodiversity and ecosystems

For economic activity 4.1. nearly all of our solar panels are located outside biodiversity protected areas. Furthermore, our contract terms have biodiversity clauses (including those negligible located inside these protected areas).

Minimum safeguards

The final step to Taxonomy-alignment is compliance with the minimum safeguards ("MS"). The MS include all procedures implemented to ensure that economic activities are carried out in alignment with:

- the OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines);
- the UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work; and
- the International Bill of Human Rights. In the absence of further guidance from the European Commission, we based our MS assessment mainly taking into consideration the "Final Report on Minimum Safeguards" published by the Platform on Sustainable Finance (PSF) in October 2022.

The scope of the MS covers the following four topics:

- human rights (including labour and consumer rights);
- corruption and bribery;
- taxation; and
- fair competition.

We follow a two-dimensional assessment approach to assess compliance with MS. On the one hand, adequate processes have been implemented to prevent negative impacts (procedural dimension). On the other hand, outcomes are monitored to check whether our processes are effective (outcome dimension).

We understand that the behavior of all employees and other actors along our value chain plays a central role in complying with MS. We take our responsibility as a global actor in the telecommunication sector seriously by following the ethical business conduct principles manifested in the Group's Code of Conduct, which covers, among other items, three out of four topics of the MS (taxation is covered through our Global Tax Policy, which includes our Tax Code of Conduct). Moreover, Millicom is a signatory of the United Nations Global Compact since 2016 and we are committed to integrating its 10 principles into our business strategy and operations.

We have a public commitment to achieve at least a 95% completion of annual training on Ethics and Compliance for all employees. In 2022, 99% of our employees and 99% of our contractors completed the Code of Conduct training.

We also have high ethical business conduct for our business partners, third party intermediaries, and suppliers. MS topics, such as corruption and bribery, are an integral part of our business contracts and our Supplier's Code of Conduct. The Supplier's Code of Conduct is applicable to our Third Parties (including Third Party Intermediaries, Agents, and Vendors), and we expect all Third Parties to act ethically and in a manner consistent with our Code. The Supplier's Code of Conduct aims to promote and enforce practices relating to human rights, ethics, and the protection of the environment and safety. Our supplier selection and evaluation processes include human rights, anti-corruption and anti-bribery due diligence.

Our corporate Ethics and Compliance program is central to our business strategy and is effectively embedded in the business processes and procedures. Our program integrates preventive measures, key controls, reporting mechanisms and due diligence processes to prevent, detect and correct misconduct and wrongdoing. This latter process includes our vendor vetting procedure, called Third Party Due Diligence. This process helps us determine and categorize corruption and sanctions risks derived from our suppliers, Based on perceived risks, our suppliers are then categorized as either Low, Medium, or High.

Human rights (including labor and consumer rights)

Millicom has a longstanding commitment to human rights, as defined in the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the International Bill of Human Rights and Children's Rights and Business Principles. In keeping with this commitment, we operate with transparency, engage with stakeholders, and promote responsiveness and accountability. We comply with laws and regulations that relate to our business, while seeking to honor the principles of internationally recognized human rights. We seek to ensure that we are not complicit in human rights abuses. Millicom maintains high standards for human rights regarding the way we conduct business in the rapidly changing markets where we build digital highways. We will passionately innovate in order to empower people to advance and grow, while preserving high standards on human rights in our work, reflecting our values of integrity, trust and transparency. We will be ready to challenge the status quo when it may be at odds with our customers' well-being. All of the markets in which Millicom operates have ratified or signed UN human rights conventions, such as the International Covenant on Economic, Social and Cultural Rights (ICESCR) and the International Covenant on Civil and Political Rights (ICCPR), committing under international law to uphold rights such as freedom of expression and privacy. At Millicom, we believe it is necessary to ensure that these rights are protected equally online. Millicom is committed to ensuring a balance between respecting local laws and national security interests, and protecting customers and their access to information. We have performed a gap analysis to cross check the requirements as defined by EU Taxonomy regulation and have already launched a process to mitigate those gaps in 2023. See our Human Rights policy, [here](#).

In the financial year 2022, Millicom has not been convicted in court of violating labor law or human rights. In addition, Millicom has not been involved in a case dealt with by an OECD National Contact Point and was not questioned by the Business and Human Rights Resource Center (BHRR).

Corruption and bribery

To prevent and fight corrupt practices, Millicom has a compliance program in place. Our program integrates preventive measures, key controls, reporting mechanisms, and due diligence processes to prevent, detect, and correct misconduct and wrongdoing. Anti-corruption is an integral part of our Code of Conduct and our compliance management system. We have an anti-corruption policy in place which is communicated to our employees as well as suppliers and business partners. We have regular training for employees on the anti-corruption rules and on the application of those rules. In 2022, our average response time to allegations submitted through the Ethics Line was three business days. We provided corrective action recommendations for each Ethics Line case substantiated through the investigation process.

Our Code of Conduct and all Ethics and Compliance Policies can be boiled down to one line: obey the law, be honest and trustworthy in all you do, be transparent in your dealings, and be a positive force for good. We must abide by all local anti-corruption laws wherever we operate (including Sweden, Luxembourg, and all other jurisdictions applicable to Millicom), including, but not limited to, the U.S. Foreign Corrupt Practices Act ("FCPA") and the UK Bribery Act ("UKBA").

All levels of employees are committed to doing what is right and upholding Millicom's values and standards. General Managers and their direct reports have compliance objectives built into their remuneration packages. Learn more about our Compliance and Business Ethics, [here](#).

Taxation

Tax governance and tax compliance, covered through our internal use tax policy, are important elements of our oversight, and we are committed to complying with all relevant tax laws and regulations. Our risk-based tax governance framework is managed by a team of dedicated, qualified tax experts, who work closely with our Group management.

In 2022, Millicom has not been convicted in court for any major violation of tax laws.

Fair competition

Millicom ensures our business practices comply with anti-trust laws in order to encourage free competition and the proper operation of our countries' free market systems, as stated in its Code of Conduct and its Antitrust and Competition Law Handbook. This handbook provides our employees with assistance in preventing, detecting and remedying any competition violations. We raise awareness and conduct trainings that address competition law risks in our Code of Conduct annual training.

In 2022, Millicom has not been convicted in court of violating competition laws.

Our KPI's and Accounting Policies

The key performance indicators (“KPIs”) include turnover, CapEx and OpEx. For presenting the Taxonomy KPIs, we use the templates provided in Annex II of the Disclosures Delegated Act. Refer to section “Assessment of Taxonomy-alignment, for further reference on applicable DNSH criteria,

Turnover 2022

| Economic Activities | NACE Code | Turnover | | Substantial contribution criteria | | | DNSH criteria | | | Minimum Safeguards | Taxonomy aligned % | Category “enabling” activity (E / -) | Category “transitional” activity (T / -) | | |
|---|------------------------|-----------------|---------------|-----------------------------------|---------------------------|---------------------------|----------------|------------------|-----------------------------|--------------------|--------------------|--------------------------------------|--|---|--|
| | | (US\$ millions) | (%) | Climate change mitigation | Climate change adaptation | Climate change adaptation | Water | Circular economy | Biodiversity and ecosystems | | | | | | |
| A. Taxonomy eligible activities | | | | | | | | | | | | | | | |
| A.1 Taxonomy aligned | | | | | | | | | | | | | | | |
| 4.1. Electricity generation using solar photovoltaic technology | D35.1 1 & F42.22 | — | 0.0% | 100.0% | 0.0% | Yes | Not Applicable | Yes | Yes | Yes | 0.0% | — | T | | |
| Turnover of taxonomy aligned activities | | — | 0.0% | | | | | | | | | | 0.0% | | |
| A.2 Taxonomy eligible but not aligned | | | | | | | | | | | | | | | |
| 8.1. Data Processing, hosting and related activities | 63.11 | 33 | 0.6% | | | | | | | | | | — | T | |
| 8.3. Programming and broadcasting activities | 60.20 | 18 | 0.3% | | | | | | | | | | E | — | |
| Turnover of taxonomy eligible but not aligned activities | | 51 | 0.9% | | | | | | | | | | | | |
| B. Taxonomy non eligible activities | | | | | | | | | | | | | | | |
| Turnover of taxonomy non eligible activities | | 5,573 | 99.1% | | | | | | | | | | | | |
| Total | | 5,624 | 100.0% | | | | | | | | | | 0.0% | | |

CapEx 2022

| Economic Activities | NACE Code | CapEx | | Substantial contribution criteria | | | DNSH Criteria | | | Minimum Safeguards | Taxonomy aligned % | Category "enabling" activity (E/-) | Category "transitional" activity (T/-) | |
|---|-----------------|-----------------|---------------|-----------------------------------|---------------------------|---------------------------|----------------|------------------|-----------------------------|--------------------|--------------------|------------------------------------|--|--|
| | | (US\$ millions) | (%) | Climate change mitigation | Climate change adaptation | Climate change adaptation | Water | Circular economy | Biodiversity and ecosystems | | | | | |
| A. Taxonomy eligible activities | | | | | | | | | | | | | | |
| A.1 Taxonomy aligned | | | | | | | | | | | | | | |
| 4.1. Electricity generation using solar photovoltaic technology | D35.11 & F42.22 | 35 | 2.7% | 100.0% | 0.0% | Yes | Not Applicable | Yes | Yes | Yes | 2.7% | — | T | |
| CapEx of taxonomy aligned activities | | 35 | 2.7% | | | | | | | | | 2.7% | | |
| A.2 Taxonomy eligible but not aligned | | | | | | | | | | | | | | |
| 8.1. Data Processing, hosting and related activities | 63.11 | 6 | 0.4% | | | | | | | | | — | T | |
| 8.3. Programming and broadcasting activities | 60.20 | — | 0.0% | | | | | | | | | E | — | |
| CapEx of taxonomy eligible but not aligned activities | | 6 | 0.4% | | | | | | | | | | | |
| B. Taxonomy non eligible activities | | | | | | | | | | | | | | |
| Capex of taxonomy non eligible activities | | 1,254 | 96.9% | | | | | | | | | | | |
| Total | | 1,295 | 100.0% | | | | | | | | | 2.7% | | |

OPEX 2022

| Economic Activities | NACE Code | OpEx | | Substantial contribution criteria | | | DNSH criteria | | | Minimum Safeguards | Taxonomy aligned % | Category "enabling" activity (E / -) | Category "transitional" activity (T / -) | |
|---|-----------------|-----------------|---------------|-----------------------------------|---------------------------|---------------------------|----------------|------------------|-----------------------------|--------------------|--------------------|--------------------------------------|--|---|
| | | (US\$ millions) | (%) | Climate change mitigation | Climate change adaptation | Climate change adaptation | Water | Circular economy | Biodiversity and ecosystems | | | | | |
| A. Taxonomy eligible activities | | | | | | | | | | | | | | |
| A.1 Taxonomy aligned | | | | | | | | | | | | | | |
| 4.1. Electricity generation using solar photovoltaic technology | D35.11 & F42.22 | — | 0.0% | 100.0% | 0.0% | Yes | Not Applicable | Yes | Yes | Yes | Yes | — | T | |
| OpEx of taxonomy aligned activities | | — | 0.0% | | | | | | | | | | 0.0% | |
| A.2 Taxonomy eligible but not aligned | | | | | | | | | | | | | | |
| 8.1. Data Processing, hosting and related activities | 63.11 | — | 0.2% | | | | | | | | | | — | T |
| 8.3. Programming and broadcasting activities | 60.20 | — | 0.1% | | | | | | | | | | E | — |
| OpEx of taxonomy eligible but not aligned activities | | 1 | 0.2% | | | | | | | | | | | |
| B. Taxonomy non eligible activities | | | | | | | | | | | | | | |
| OpEx of taxonomy non eligible activities | | 309 | 99.8% | | | | | | | | | | | |
| Total | | 310 | 100.0% | | | | | | | | | | 0.0% | |

Accounting Policy

The specification of the KPIs is determined in accordance with Annex I to the Disclosures Delegated Act. We determine the Taxonomy-aligned KPIs in accordance with the legal requirements and describe our accounting policy in this regard as follows:

Turnover KPI

Definition

The proportion of Taxonomy-aligned economic activities in our total turnover has been calculated as the part of net turnover derived from products and services associated with Taxonomy-aligned economic activities (numerator) divided by the net turnover (denominator), for the financial year 2022.

The denominator of the turnover KPI is based on our consolidated revenue (see note B.1. to our [2022 consolidated financial statements](#) for further details). The numerator of the turnover KPI is defined as the net turnover derived from products and services associated with Taxonomy-aligned economic activities, that is, Activity 8.1 and Activity 8.3. as defined within the "Eligibility and Alignment" section.

Further explanations

Concerning the sales from data centers, we only assessed those sold to external customers as separate services, to avoid double counting the turnover allocated to the sale from our network.

Concerning the sales from Tigo Sports, we only assessed those done on a standalone basis, to avoid double counting the turnover allocated to the sale from our cable business, when sold as a part of a bundle.

Additional turnover KPI (Honduras joint ventures)

Our joint venture in Honduras, where we hold a 66.7% of ownership and voting interest, is accounted for under the equity method since we have joint control. This additional turnover KPI could be relevant to the users of our consolidated non-financial statement, because our Group Segment view includes Honduras joint venture as if it were fully consolidated, as management reviews and uses that internally reported information to make decisions. See note B.3. to our [2022 consolidated financial statements](#) for further details).

| Honduras JV | (US\$ millions) | Proportion of Taxonomy eligible economic activities (not aligned) | Proportion of Taxonomy non- eligible economic activities |
|-------------|-----------------|---|--|
| Revenue | 586 | 0.02% | 99.98% |

Eligible activities relate to activities 8.1. Data processing, hosting and related activities for “Climate change mitigation” and 8.3. Programming and broadcasting activities for “Climate change adaptation”.

CapEx KPI

Definition

The CapEx KPI is defined as Taxonomy-aligned CapEx (numerator) divided by our total CapEx (denominator).

The denominator of the CapEx KPI is based on the notes to the consolidated financial statements and is determined as the sum of additions for the financial year 2022 within the consolidated Group under tangible, intangible (excluding goodwill) and right-of-use assets (see notes E.1., E.2. and E.3. to our [2022 consolidated financial statements](#) for further details). This definition is different from our Non-IFRS CapEx one (balance sheet capital expenditure excluding spectrum and license costs and lease capitalizations). Please see our [2022 Annual Report](#) for further reference.

The numerator consists of the following categories of Taxonomy-eligible CapEx:

- For our core activities, CapEx relates to assets or processes that are associated with Taxonomy-aligned economic activities. We generally follow the generation of external revenues as a guiding principle to identify economic activities that are associated with CapEx under this category.
- For our secondary activities, CapEx related to our 2022 rolled-out solar powered mobile sites in Colombia using EaaS model, based on accounting records.

We have also analyzed CapEx that is part of a plan to upgrade a Taxonomy-eligible economic activity to become Taxonomy-aligned or to expand a Taxonomy-aligned economic activity but did not identify any material change to the current reported information. Additionally, we have analyzed CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling certain target activities to become low-carbon or to lead to GHG reductions (“category (c)”; however did not identify any material investments to be disclosed.

OpEx KPI

Definition

The OpEx KPI is defined as Taxonomy-aligned OpEx (numerator) divided by our total OpEx (denominator).

The denominator of the OpEx KPI is based on the notes to the consolidated financial statements and is associated to the line “site and network maintenance costs” for the financial year 2022 within the consolidated Group (see note B.2. to our [2022 consolidated financial statements](#) for further details). Hence it consists of direct non-capitalized costs that relate to building renovation measures and all forms of maintenance and repair.

With regard to the numerator, OpEx relates to assets or processes associated with Taxonomy-aligned activities. We generally follow the generation of external revenues as a guiding principle to identify economic activities that are associated with OpEx under this category.

Additional remarks

Natural gas and nuclear energy activities

Because we are not performing any of the activities related to natural gas and nuclear energy (activities 4.26-4.31), we are not using the dedicated templates introduced by the Complementary Delegated Act as regards activities in certain energy sectors.