

## Environmental and Social Review Summary (ESRS) Tigo El Salvador Network Connectivity Financing – EL SALVADOR

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### 1. General Information of the Project and Scope of IDB Invest's Environmental and Social Review

The transaction in question (the "Project") consists in a long-term financing facility for Telemóvil El Salvador, S.A. de C.V. (the "Company" or "Tigo"). The facility, which is part of a strategic plan of capital investment for 2024-2027, seeks to support: i) the expansion of its FTTH (Fiber To The Home) and 4G LTE networks in areas that currently have no coverage or that are covered with legacy technologies (copper or coaxial cabling); and ii) the partial refinancing of maturing debt obligations.

Telemóvil El Salvador, S.A. de C.V., a subsidiary of Millicom International Cellular S.A. ("Millicom") based in Luxembourg, operates under the brand "Tigo" and provides telecommunication services for mobile users, homes and businesses, including fixed broadband, Internet, paid TV, mobile data, voice, SMS, datacenters, cloud services and mobile financial services (MFSs). Since 2024, Tigo has been the largest operator in the mobile market, with 3.1 million users, and the second largest in the fixed broadband market, with 290,000 residential clients.

The environmental and social due diligence (ESDD) process included the following aspects, among others: i) a visit to several project sites; ii) interviews and meetings with employees and managerial staff from the environmental and social (E&S) area in the Company; and iii) the review of the E&S, occupational health and safety (OHS) information produced by the Client, such as: (a) Millicom's third-party management policy; (b) the health, safety and environmental (HSE) policy for contractors (MIC-POL-HSE); (c) Millicom's ISO 14001: 2015<sup>1</sup> and ISO 45001:2018<sup>2</sup> certificates; (d) the permit as recycling material provider granted by the Ministry of Environment and Natural Resources (MARN, in Spanish); (e) the sponsorship and donations policy; (f) the procurement policy for El Salvador; (g) the gifts and hospitality policy; (h) the procedure to engage with government officials; (i) the 2024 sustainability annual report; and (j) the emergency plans, etc.

In order to make sure the Project is committed to respecting and safeguarding human rights, bears no tolerance to retaliatory actions and is determined to provide and guarantee a safe environment for the affected parties to express their concerns with no fear of retaliation, the ESDD also included a review of the following documents: i) the code of conduct; ii) the HSE policy for contractors; iii) the 2021 anti-corruption policy; iv) the policy on conflict of interest; v) the disciplinary policy; vi) the *¡Eleva Tu Voz!* (Raise your Voice) policy, among others.

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<sup>1</sup> International Organization for Standardization's (ISO) standard for environmental management systems.

<sup>2</sup> International Organization for Standardization's (ISO) standard for occupational health and safety management systems.

## **2. Environmental and Social Categorization, and Rationale**

According to IDB Invest's Environmental and Social Sustainability Policy, the Project has been classified in Category B as it may generate the following impacts and risks, among others: i) potential access or road conflict problems while the fiber is being laid out; ii) risk for the workers' health and safety, including works at heights; iii) generation of solid waste (hazardous and non-hazardous); and iv) potential conflicts with neighbors in the locations where the cable, the posts or the communication towers will be located; v) stress on the population caused by concerns about the impacts of electromagnetic fields generated near the telecommunication towers; vi) visual impacts; vii) potential impacts on the biodiversity; and viii) potential impacts on the cultural heritage. These impacts and risks are deemed to be of medium-low intensity.

The Performance Standards (PSs) triggered by the Project are: (i) PS 1: Assessment and Management of Environmental and Social Risks and Impacts; (ii) PS 2: Labor and Working Conditions; (iii) PS 3: Resource Efficiency and Pollution Prevention; and iv) PS 4: Community Health, Safety and Security.

## **3. Environmental and Social Context**

### **3.1 General Characteristics of the Project's Site**

The Project will be implemented in different cities across El Salvador, including rural areas where the service is not currently offered. El Salvador has a dynamic telecommunications market; although less advanced than in the rest of the region, it is characterized by the wide penetration of mobile telephone services and the evolution of the Internet and paid TV services.

The sites where the optic fiber will be laid out are mainly areas with electrical supply<sup>3</sup>; therefore, the existing posts will be initially used for aerial fiber installation. The cable will be eventually installed underground.

Before deploying the service in each community, the Company looks into the relevant legal requirements, such as: i) the construction and installation permit issued by the Mayor's office; ii) the construction permit issued by the corresponding planning office; iii) the MARN's permit, with the authorizations to cut down trees, where needed; iv) the permit from the Civil Aviation Authority; and v) evidence of having engaged in public consultation with the approval of the Community Development Association (ADESCOS, in Spanish) of each community.

### **3.2 Contextual Risks**

The contextual risk assessment carried out for the Project identifies indicators of high risk for the following elements: i) safety and conflict; ii) social cohesion, and iii) retaliation; and moderate for i) political risk; ii) economy; iii) natural resources; iv) gender, and v) labor rights.

The safety issues, which involve violent crimes, may represent a risk to the integrity of the Project's assets and workers, as well as the logistics chain they depend on in remote areas. Moreover, the cable and other equipment may be stolen or sabotaged. In terms of political risk, some weaknesses

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<sup>3</sup> Consequently, the Company will pay a utilization fee to the post's owners (electricity company or private owners).

have been identified nationwide in guaranteeing transparency and encouraging the engagement of civil society. These deficiencies may compromise communications with the neighboring communities where the work and activities will be performed or may lead to disputes with landowners or the communities over the use of the land. The education gaps may challenge the selection of qualified staff, especially for women.

Finally, the workplace risks are related to the potential failure to provide adequate work conditions, including aspects like formal employment and OHS, also applicable to contractors and sub-contractors.

#### **4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures**

##### **4.1 Assessment and Management of Environmental and Social Risks and Impacts**

###### **4.1.a Environmental and Social Management System**

The Company's environmental, social and governance (ESG) strategy aligns its efforts to help communities, reduce the environmental impact and govern with integrity. In this sense, in 2011 it published its ESG approach and in 2022 it started to implement concrete actions in line with its targets to reduce greenhouse gases (GHG); establish diversity, equity and inclusion (DEI) targets for 2030; as well as focus on priority areas<sup>4</sup>.

Until 2023, Tigo had ISO 14001 and ISO 45001 certificates, which were not renewed in the following years<sup>5</sup>; therefore, if it fails to renew its ISO 14001 certificate, it shall implement an E&S Management System (ESMS) specific for the Project.

###### **4.1.b Policy**

Tigo has several policies in place; some of them are: i) the anti-corruption policy, ii) the third-party management policy; iii) the policy on conflict of interest; iv) the disciplinary policy; v) the sponsorship and donations policy; vi) the gifts and hospitality policy; vii) the procurement policy; viii) the procedures to engage with government officials; ix) the HSE policy for contractors; x) the human resources policy; xii) the child labor and young workers policy; xii) the environmental policy; xiii) the policy on opportunities, anti-discrimination and harassment, health and safety, and environmental protection; and xiv) the human rights, and fair working conditions policy. Moreover, other mechanisms in force are the code of conduct; an enquiry, complaint and grievance mechanism for its workers called *¡Eleva Tu Voz!* (Raise your Voice); and an ESG strategy that includes its targets in terms of GHG emissions reduction, energy efficiency and circular economy.

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<sup>4</sup> Energy efficiency, circular economy, digital education, talent strategy, information security, suppliers' engagement, ethics, and compliance, working conditions, initiatives to contribute to society and identification of impacts, risks, and opportunities.

#### **4.1.c Identification of Risks and Impacts**

In 2018, Millicom presented a five-year plan with sustainability objectives and commitments, which includes a risk and impact materiality assessment to be made every two years. Thus, to achieve continuous improvement, each assessment is based on the results and lessons learned from the previous one. The latest materiality assessment was carried out in 2022, which was updated in 2023. The next one is planned for 2025. In this process certain impacts, risks and opportunities are identified in connection with climate change, energy consumption, waste management, circular economy, working conditions, supply chain and impact on the communities.

##### **4.1.c.i Direct and Indirect Impacts and Risks**

Some direct impacts include i) potential effects on the road and pedestrian access while the fiber is being installed; ii) risks for the workers' health and safety, including work at heights; iii) potential pollution caused by solid waste (hazardous and non-hazardous); iv) potential conflicts with neighbors at the sites where the cable will be installed; v) visual impacts; and vi) potential flora and fauna loss after clearing the places to put up the posts and underground the cables.

##### **4.1.c.ii Analysis of Alternatives**

The Company has conducted a preliminary analysis of alternatives, which is based on the need and opportunities for the service. This analysis is dynamic and will change as individual projects progress.

##### **4.1.c.iii Cumulative Impact Analysis**

Given the Project's characteristics, no cumulative impact analysis has been performed.

##### **4.1.c.iv Gender Risks**

Tigo's code of conduct contains instructions on how to manage gender risks within the Company. It is worth mentioning that, to date, over 30% of the workers are women and only one third of them hold managerial positions.

##### **4.1.c.v Gender Programs**

To manage gender risks, apart from rigorously applying its code of conduct, the Company will implement a protocol to prevent workplace harassment, sexual harassment, and gender violence in its gender initiatives.

##### **4.1.c.vi Climate Change Exposure**

Given its extension (across the whole Salvadorian territory), the Project is vulnerable to several climate threats. Even though the dry weather events do not represent an important threat nowadays, it can be expected that climate change will lead to a moderate to high variation in terms of drought and heat waves.

The country in general is facing threats of hurricane-force winds and intense rainfall, which undoubtedly are a problem for the activities to be conducted under the Project. Additionally, about 8% of its areas are prone to flooding, which may rise to 12% due to climate change<sup>6</sup>.

Rising temperatures, which will be exacerbated by climate stress, may affect the structural integrity of the tower materials and cause overheating of telecommunications networks and equipment, impacting on their operation. Exposure to high temperatures during the installation or maintenance of the networks is a risk for the workers, as it increases the probability of heat strokes and work-related accidents. The works and installations located directly on the coast are vulnerable to eventual tsunamis.

The Nationally Determined Contributions<sup>7</sup> (NDCs) to Reduce Greenhouse Gases Emissions for El Salvador consider response measures within the adaptation component, classified under the following sectors: agriculture, biodiversity, cities, hydropower generation, infrastructure, water resources, sanitation and solid waste, health, and transportation, without conflicting with the Project's objectives.

The Project is deemed aligned with the provisions of the Paris Agreement, based on an analysis performed in line with IDB Group's Paris Alignment Implementation Approach.

#### **4.1.d Management Programs**

As part of its climate resilience and mitigation strategy, Millicom has set targets of lower scope 1, 2 and 3 GHG emissions, as well as decarbonization and energy efficiency targets. In order to achieve them, it: i) has incorporated carbon-low technologies; ii) is implementing a program to recover customer premises equipment (CPE) or e-waste, which offers substantial environmental benefits, including the reduction not only of landfill waste but also of the CO<sub>2</sub> emissions derived from manufacturing new CPE; and iii) will start to implement a transition plan in the next few years to decrease the total GHG emissions and those of scope 1, 2, and 3.

#### **4.1.e Organizational Capacity and Competency**

The Company has defined roles and responsibilities for effective oversight of the sustainability aspects, both at administrative and supervisory levels. The Board of Directors owns the ESG strategy as it supervises the progress of the sustainability initiatives. The Audit and Compliance Committee monitors compliance with the legal and regulatory requirements, including those related with ESG aspects, with quarterly ESG updates from the Management.

Millicom's ESG strategy covers multidisciplinary activities y elements, involving areas like manufacturing, legal, corporate governance, compliance, external affairs, finance, procurement, IT,

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<sup>6</sup> Nationally Determined Contributions for El Salvador, 2021. <https://unfccc.int/sites/default/files/NDC/2022-06/El%20Salvador%20NDC-%20Updated%20Dic.2021.pdf>

<sup>7</sup> The Nationally Determined Contributions (NDCs) are national climate-related commitments entered by signatory countries of the Paris Agreement to achieving the global goal of limiting average temperature rise worldwide to 1.5° C, adapting to climate impact and guaranteeing enough funds to reach these targets.

and human resources. This corporate governance structure shows the depth and materiality of the ESG aspects, as well as the importance of monitoring its interrelated risks and opportunities.

The ESG structure is managed by the External Affairs manager, who, together with the Chief Executive Officer and the employee value proposal, provides updates about the ESG strategy to the Board of Directors and the rest of the group's leadership team. To address the ESG questions, Millicom has scheduled regular meetings with the officers in charge of finance, and legal and external affairs. The Company, however, will appoint a person with specific roles and responsibilities to follow up on the execution of the E&S Action Plan (ESAP).

#### **4.1.f Emergency Preparedness and Response**

The Company has specific emergency plans, which are evaluated with regular drills. However, to date it does not have a specific EPPRP. Therefore, it will update its emergency plan to include an EPPRP with: i) a threats and vulnerabilities assessment; ii) a risk assessment matrix; iii) instructions to make up brigades, orchestrate actions with external organizations, as well as to structure contingency plans and standard operating procedures for emergencies; and iii) a work plan to put in place the National Drill Plan, including a drill report.

#### **4.1.g Monitoring and Review**

The Company has an ESG and Communications manager, who monitors: i) the procedures, programs, instructions and forms for environmental monitoring; ii) the targets set in terms of GHG reduction, energy efficiency increase, and diminished water use and waste generation; and iii) legal environmental compliance. The Company periodically inspects and audits its suppliers in environmental and OHS aspects, among others.

#### **4.1.h Stakeholder Engagement**

Millicom partners or participates in the boards of directors of multiple stakeholders or NGOs, including: i) Alianza para Centroamérica (ACP, in Spanish); ii) the Broadband Commission for Sustainable Development under the ITU/UNESCO<sup>8</sup>; iii) International Center, IREX<sup>9</sup>; iv) and the United States Chamber of Commerce.

The Company has social initiatives that encourage the use of digital highways. The programs include a wide range of areas that focus on raising awareness and capabilities to increase connectivity. Some of them are: i) female empowerment, through "Conectadas," a women-only training program that seeks to reduce the gender gap in terms of the use of mobile phones, the Internet and digital wallets<sup>10</sup>; ii) children protection, through "Conéctate Seguro," a program aimed at helping to create a safe, positive digital learning space for children, teenagers, families, teachers and minders to know

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<sup>8</sup> The International Telecommunications Union (ITU) is a specialized agency of the United Nations in charge of regulating, standardizing, and developing telecommunications worldwide.

<sup>9</sup> IREX is non-profit organization that helps build a fairer, more prosperous, and more inclusive world by empowering youth, cultivating leaders, strengthening institutions, and increasing access to quality information and education.

<sup>10</sup> In Salvador, it has trained 1,686 Salvadorian women in over 92 municipalities, who are part of Tigo's value chain.

about the dangers and opportunities around the use of the Internet and digital technology<sup>11</sup>; iii) community connection, through “Tigo en tu Comunidad,” a program that seeks to strengthen the quality of education for children and young people, by providing digital services in learning centers, training in the use of information, technology, skills in programming, robotics, and online protection for students and teachers, as well as improving school infrastructure; and iv) Millicom’s supply chain sustainability, through a training program for the main suppliers in health and safety, anti-bribing and anti-corruption practices, fair work practices, human rights and eco-efficiency.

#### **4.1.h.i Disclosure of Information**

Millicom has produced annual sustainability reports since 2011. The latest consolidated report from 2024<sup>12</sup>, produced under the methodology of the Corporate Sustainability Reporting Directive (CSRD), follows the European Union Taxonomy Regulations, as well as the Global Reporting Initiative (GRI) and the standard of the Sustainability Accounting Standard Board (SASB). KPMG audits these reports.

#### **4.1.h.ii Informed Consultation and Participation**

The Company has identified the internal and external stakeholder groups, has mapped them according to their relevance in three categories (economic, social, and environmental), and keeps constant dialogue with them open.

#### **4.1.i External Communication and Grievance Mechanisms**

The Company has an “ethics hotline”<sup>13</sup> that is open for all internal and external individuals who would like to report any kind of irregularities involving the code of conduct in good faith. However, a mechanism will be developed to channel complaints and grievances so that it: i) is culturally appropriate; ii) is easily accessible for all community segments; iii) is available for every community; vi) can capture anonymous grievances; and v) has a track, response and continuous improvement procedure.

### **4.2 Labor and Working Conditions**

#### **4.2.a Working Conditions and Management of Worker Relationships**

The Company employs a total of 2,853 people<sup>14</sup>, both directly and indirectly (contracts signed per person and not per service): 75% of the staff is hired indirectly, whereas 25% is direct staff. Expatriate administrative personnel accounts for less than 5% of the total company staff.

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<sup>11</sup> In 2023, the program trained 1,025 children and teenagers, and 6,151 teachers.

<sup>12</sup> Including Millicom Group (HQ and countries where it operates, including Guatemala, Colombia, Panama, Honduras, Bolivia, Paraguay, El Salvador, Nicaragua, and Costa Rica).

<sup>13</sup> Via the local Salvadorian number 800-1785 or the following link: <http://www.millicom.ethicspoint.com/>

<sup>14</sup> All with valid work permits and documents.

Tigo has in place: i) a human resources policy; ii) a collective bargaining agreement; iii) a grievance mechanism for workers; iv) a disciplinary policy; v) a code of conduct; vi) a protocol for additional compensations; vii) a set of DEI standards; and viii) requirements for internal evaluations.

#### **4.2.a.i Human Resources Policies and Procedures**

The Company has implemented a code of conduct, which mentions the rules of engagement for employees, and internal and external clients, and includes: i) concern raising protocols; ii) defined responsibilities; iii) integrity requirements; iv) detailed anti-corruption practices; v) description of conflicts of interest; vi) provisions for guaranteeing equal opportunities; v) requirements to respect human rights; vi) principles of ethical conduct based on respect, confidentiality and privacy; and vii) protocols for information use.

Moreover, the Company has the following policies in place: i) Millicom's third-party management policy; ii) an ESG policy for contractors; iii) an anti-corruption policy; iv) a policy on conflict of interest; v) a disciplinary policy; vi) a sponsorship and hospitality policy; vi) a procurement policy for El Salvador; and vii) a gifts and hospitality policy. Also: i) a procedure to engage with government officials; ii) a risk matrix per work position; and iii) a possible impacts matrix (including thermal stress, noises, and others).

#### **4.2.a.ii Working Conditions and Terms of Employment**

The provisions in the code of ethics and conduct, and the other Company policies observe both the labor and OHS standards and legislation, as well as the best international practices. These provisions govern the way and the conditions under which staff should be selected and hired.

Every year, Tigo offers training at the content of the code of conduct, which includes special sections on health, safety, and environmental protection, as well as human rights and fair working conditions. Tigo's onboarding process includes sustainability aspects, about the programs the Company is executing.

#### **4.2.a.iii Workers' Organizations**

Upon committing to complying with the applicable local legislation applicable in El Salvador, the Company recognizes the workers' rights to form associations and to be part of them, and it observes and assumes all the responsibilities arising from the legislation, including those in international treaties and conventions executed by El Salvador with the International Labor Organization (ILO).

#### **4.2.a.iv Non-discrimination and Equal Opportunity**

The Company operates in El Salvador, a signatory country to several ILO international treaties and conventions regarding workers' rights, including Convention 100 on equal remuneration and Convention 111 on discrimination (employment and occupation).

In 2024, Millicom reviewed its diversity, equity, and inclusion objectives, taking the industry trends into account. The 2030 goal is to have between 40% and 50% women across organizational levels, including senior management worldwide.

To encourage an inclusive culture, it enhances the training initiatives with a broad catalog of DEI resources.

#### **4.2.a.v Grievance Mechanism**

The Company has an “ethics hotline” that is open for all internal and external individuals who would like to report any kind of violations to the code of conduct in good faith. Likewise, its *iEleva tu Voz!* policy invites all individuals to report any discovered irregularity in good faith, encouraging transparency, promoting integrity, and detecting improper behavior. Tigo is committed to observing the highest standards in terms of transparency, honesty, and responsibility.

#### **4.2.b Protecting the Workforce**

Tigo does not anticipate any retrenchment in the future. However, should this happen, the Company will respect the legal termination procedures that guarantee an orderly termination of the employment relationship in compliance with all applicable regulations.

##### **4.2.b.i Child Labor**

Millicom has implemented a child labor policy that goes in line with the local legislation and international standards on child protection and provides the minimum age of employment and the work allowed to be performed by young workers. The policy, which offers guidance on the processes for monitoring its compliance and for solving identified problems, is mainly aimed at supporting the work of the human resources teams, line managers and any other person involved in hiring workers externally to work exclusively with the companies in Millicom Group.

##### **4.2.c Occupational Health and Safety**

In compliance with the labor and OHS laws, and its HSE policy for contractors, the Company has defined what employees and contractors should do and how they should act, leading to: i) protecting the physical integrity of employees and contractors; ii) preventing injuries and damages to their health; iii) avoiding affecting process safety by implementing and executing industrial safety and occupational health procedures; and iv) identifying hazards, assessing risks and setting up prevention, corrective, control or transference measures. These conditions are enforced in clauses or sections about HSE standards in the work contracts entered with contractors and subcontractors.

##### **4.2.d Provisions for People with Disabilities**

The Company does not discriminate against its workers based on their disabilities and it meets the regulations on the inclusion of this group of people.

#### **4.2.e Workers Engaged by Third Parties**

The Company has in place specific labor policies for the services it outsources. Additionally, it supervises and audits the rendered services to guarantee they are aligned with its policies and targets.

#### **4.2.f Supply Chain**

The Company has a procurement policy in place. Nonetheless, it will review it to better suit its supply chain, mainly composed of outsourced services, and to: i) govern the acquisition of goods (consumer products, materials and equipment) and services; and ii) demand its suppliers to fulfill the applicable environmental, OHS and labor requirements (specifically the prohibition of child and forced labor, and the exclusion of any product or service resulting from its business activities); and iii) include selection, evaluation and re-evaluation procedures according to environmental, labor and OHS criteria established in the relevant legislation.

### **4.3 Resource Efficiency and Pollution Prevention**

As part of the Company's efforts to improve energy efficiency and savings, it has established targets to reduce the use of energy, modernize and consolidate datacenter equipment and infrastructure, and invest in the latest, most efficient technologies. The short-term priority across the board is to diminish the consumption of energy per unit of traffic while offering more, better services to its users. For example, in 2024, it implemented the use of artificial intelligence technology in mobile sites to increase energy-saving capacity, while increasing traffic volumes.

The Company has implemented a publicly available environmental policy that shows its commitment to reducing its environmental footprint. The policy is applicable to all Millicom's and its affiliates' operations, including business partners, contractors and suppliers; its overarching scope, which encompasses actions to reduce energy consumption (by replacing current technologies with greener ones, planning network updates and using renewable energies), the carbon footprint and emissions, as well as to manage waste and lower water consumption.

#### **4.3.a Resource Efficiency**

Electric power is sourced from the grid. However, in its quest for energy efficiency, Tigo implemented in 2024 an Energy as a Service (EaaS) model in its network locations, which is based on photovoltaic energy systems that generate and supply energy continuously, thus reducing the operation hours of generators and the use of the grid.

##### **4.3.a.i Greenhouse Gases**

During its implementation, the Project is expected to emit under 25,000 tons of CO<sub>2</sub> equivalent every year (tCO<sub>2</sub>eq/year) at work sites and materials storage warehouses (within an approximate radius of 2 km).

The Company has prepared a GHG inventory as per the corporate standard of the GHG protocol. It covers all the significant GHG emissions from relevant sources, subsidiaries, and the joint venture in Honduras. Moreover, Millicom has committed to developing and applying an end-to-end strategy for climate change mitigation and resilience in its operations in Latin America, which includes El Salvador and the value chain as a whole; while measuring the waste flows, including reuse and recycle of consumer devices.

Nonetheless, Millicom is committed to i) cutting its market-based absolute Scope 1 and 2 GHG emissions by 2030 by 50% from its baseline year (2020); and ii) reducing its Scope 3 emissions by 2035 by 20% as compared to its baseline year. Considering the targets under the Science-Based Targets initiative (SBTi)<sup>15</sup>, Millicom will reset the goals currently in place to reach net zero emissions by 2050.

#### **4.3.a.ii Water Consumption**

The water used for the Company's operations (namely offices and warehouses) is sourced by Administración Nacional de Acueductos y Alcantarillados (ANDA, in Spanish, National Administration of Water Distribution Systems and Sewerage). However, depending on the location, water may be provided by other local suppliers.

#### **4.3.b Pollution Prevention**

The Company has implemented policies and programs to prevent pollution, including circular economy and recycling of e-waste and cardboard, among other things.

##### **4.3.b.i Waste**

The activities conducted by the Company do not generate hazardous waste. Tigo, however, seeks to reuse and recycle electronic equipment and cables, while making sure general solid waste is properly disposed of, normally through the corresponding municipal services.

#### **4.4 Community Health, Safety and Security**

##### **4.4.a Community Health, Safety and Security**

Tigo runs its business following the best applicable environmental and OHS practices. The Project's new works will be designed and built by competent, well-known contractors with experience in these types of works, observing the Company's policies, the best international practices and applicable national construction and security guides, standards, and codes. However, specific clauses will be added to the services contracts to address any type of claim and respond in the event of damages caused on the property of the State, an individual or the community as a whole which may occur in the area of influence of the Project.

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<sup>15</sup> Science-Based Targets initiative (SBTi) is an organization that helps businesses and financial institutions to set targets of lower GHG emissions in line with climate science.

The Company will include a specific section in the EPPRP for the protection of the communities where, with a staff specialized in emergency command (firefighting, rescue and evacuation brigades), it will trigger protocols to coordinate actions with external authorities, to address all emergencies outside the response capabilities of the Company. Likewise, it will report to the communities on the EPPRPs, the potential risks for the workers while performing their duties, the response devices, the communication and alarm systems, the evacuation routes, and the internal and external drill schedule.

#### **4.4.a.i Emergency Preparedness and Response**

The Company has specific emergency plans, which are evaluated with regular drills. However, to date it does not have a specific EPPRP. Therefore, it shall update its emergency plan to include an EPPRP with: i) a threats and vulnerabilities assessment, and a risk assessment matrix; ii) the creation of brigades, orchestration of actions with external organizations, contingency plans and standard operating procedures for emergencies; and iii) a work plan to put in place the National Drill Plan, including a drill report.

#### **4.5 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

No significant impacts on biodiversity have been identified, as the planned activities will be performed on public roads or already modified locations.

Even though the Project (a) will be carried out in areas that have already been modified, in public roads or in places with modified vegetation, and (b) its interventions will be specific, limited and on existing structures (posts), the Company will produce a protocol when locations categorized as Protected Areas or Key Biodiversity Areas need to be modified.

#### **4.6 Indigenous Peoples**

The Project will not generate significant impact on the Lenca, Maya Chorti and Nahua populations, which are located within a 1km buffer zone around the areas where the works will take place.

#### **4.7 Cultural Heritage**

Although the Archeological Park Joya de Cerén (UNESCO World Heritage), and the archeological site Igualtepeque are in the 1km buffer zone around the proposed work sites, and as the Project (a) will be developed in locations that have been previously modified and will mostly use structures (posts) that have been put up by the electric utility and (b) will not carry out works that require significant excavations or earthworks, no impacts are expected to occur on the cultural heritage. Nonetheless, the Company will prepare a protocol to manage chance finds.

### **5. Local Access of Project Documentation**

The documentation related to the Project is available at: <https://www.millicom.com/results/ar-2024>