

IDB Invest supports the expansion of infrastructure to close the digital divide in Colombia

IDB Invest, a member of the IDB Group, participated in a guarantee line of up to COP625,000 million for the benefit of Tigo Colombia, a subsidiary of Millicom.

Through this operation, IDB Invest will issue one or more letters of standby credit (CCSB) to eligible local banks, such as Bancolombia, in order to cover Tigo's obligations to cover guarantees issued in favor of the Ministry of Information and Communication Technologies (MinTIC) and the Single Fund for Information and Communication Technologies (FonTIC).

The guarantee line will have an availability of ten and a half years and a tenor of up to two years for each letter of credit issued. This project seeks to increase access and connectivity to mobile broadband, in addition to increasing opportunities for the most vulnerable sectors of Colombia, helping to close the digital gap.

“At Millicom | TIGO we are committed to continuing our investment to build digital highways throughout Latin America, which is essential in order to grow our economies and connect our communities to the digital world,” said Mauricio Ramos, CEO of Millicom. “We celebrate the fact that IDB Invest shares this vision with us.”

“Quality broadband connectivity has a direct and indirect impact on activity and competitiveness, facilitates job creation, and improves productivity in urban and rural areas. This project demonstrates IDB Invest's determined commitment to reduce the digital divide in the region and achieve sustainable and inclusive growth,” said James P. Scriven, CEO of IDB Invest.

This guarantee line will support the deployment of telecommunications infrastructure that TIGO will carry out in 177 localities that did not have access to mobile services with broadband connection. The operation also seeks to upgrade the mobile service from 2G or basic 3G to 4G broadband for 340 municipalities in Colombian territory.

Compliance with the Environmental and Social Action Plan

As a consequence of IDB Invest's participation in the project, Tigo agreed to comply with the Environmental and Social Action Plan (PAAS). The company is taking appropriate measures to advance its efforts to adopt best practices in its operations, including the development of an external complaints system and improvements in third-party contracting procedures to ensure that contractors appropriately manage environmental risks as well as occupational health and safety risks.

IDB Invest, through its advisory services, is working with Tigo to maximize the impact of this transaction on rural populations. IDB Invest will help Tigo support the activation of digital agricultural productivity (such as climate monitoring and information services) for small rural businesses and the digital delivery of opportunities in basic services, such as telehealth or virtual education, for rural populations and those

connected for the first time. The project will be implemented in phases, beginning with a pilot in strategic rural areas and in alliances with key actors in the area that have the capacity to connect on site and carry out the necessary activities.

This operation is expected to contribute to four United Nations Sustainable Development Goals (SDGs): End of poverty (SDG 1), Decent work and economic growth (SDG 8), Industry, innovation and infrastructure (SDG 9), and Partnerships to achieve the goals (SDG 17).

About BID Invest

IDB Invest, a member of the IDB Group, is a multilateral development bank committed to promoting the economic development of its member countries in Latin America and the Caribbean through the private sector. IDB Invest finances sustainable companies and projects to achieve financial results and maximize economic, social and environmental development in the region. With a portfolio of US\$13.1 billion in assets under management and 385 clients in 25 countries, IDB Invest provides innovative financial solutions and advisory services that respond to the needs of its clients in a variety of sectors.

About Tigo

Tigo is a leading provider of Telecommunications services in Colombia with more than 10 million mobile subscribers, 1.7 million fixed residential customers, and more than 3,800 employees as of December 31 2020. Tigo is owned by subsidiaries of Millicom International Cellular, S.A. and Empresas Publicas de Medellin.