



Friday, 30 August 2019

## NBN Co on track for network completion, sharpens focus on customer experience

### Summary of NBN Co Corporate Plan 2020-23:

- On track to complete network build by 30 June 2020<sup>1</sup> within \$51 billion peak funding envelope
- 11.5 million homes and businesses planned to be Ready to Connect (RTC) by 30 June 2020
- Total revenue target of \$3.7 billion in FY20 and \$5.9 billion in FY23
- NBN Co transitions from infrastructure builder to full-scale service delivery organisation
- Focus on improving customer experience and satisfaction with clearer accountabilities and better collaboration with Retail Service Providers (RSPs)
- Profitable revenue growth underpins network re-investment to build capabilities for the future
- Focus on connecting underserved Australian households

NBN Co, the company building and operating Australia's national broadband network, today released its Corporate Plan 2020-2023, confirming it is on schedule and on budget to complete construction of the **nbn**<sup>™</sup> access network by 30 June 2020<sup>1</sup>.

By the end of FY20, 11.5 million homes and business are on track to be able to order a service on the **nbn**<sup>™</sup> access network, fulfilling the commitment to complete the build in 2020<sup>1</sup>. At present, approximately 86 per cent of premises throughout Australia can now order an **nbn**<sup>™</sup> service.

The Company is planning to activate an additional 1.5 million premises in FY20, connecting a total of 7.0 million residential and business premises by the time the build is complete.

### Commenting on the Corporate Plan 2020-2023 NBN Co CEO Stephen Rue said:

"I'm immensely proud of the progress we've made on the build to date. Construction of the **nbn**<sup>™</sup> access network is a once-in-a-generation national infrastructure project. Very few, if any, infrastructure projects of this magnitude have ever been delivered in Australia and, after ten years of hard work and less than 10 months to go until our target completion date, I'm confident we'll complete the build on time and on budget.

"NBN Co's purpose is to lift the digital capability of Australia. This new purpose is about providing providing access to fast, reliable and affordable broadband services. It is giving Australians – no matter where they live or work the ability to use critical services such as healthcare and education.

"To date, NBN Co and its delivery partners have rolled out more than 280,000 kilometres of fibre-optic cable, repurposed and upgraded existing HFC and copper technologies, built a Fixed Wireless network comprising some 2,200 towers and approximately 13,000 cells, and launched two satellites.

“With completion of the network well in sight, now is the time to focus on how Australians in homes and businesses across the nation can get the most out of the **nbn**<sup>™</sup> access network.

“Improving customer experience and satisfaction will remain the key driver in coming years as we complete the transition to become a full-scale service delivery organisation – and we will put customers at the centre of everything we do.”

### **Focus on improving customer experience**

As the Company works to complete the network on time and on budget, it has sharpened its focus on improving customer experience.

NBN Co has identified in-home wiring and Wi-Fi modem upgrades as two potential areas for further collaboration and co-investment with RSPs to deliver significant improvements to the customer experience.

The Company’s Corporate Plan 2020-23 sets out NBN Co’s strategic and financial priority to continue to develop a product and pricing portfolio that addresses customers’ diverse needs. NBN Co is working to balance industry economics with creating a stable and sustainable business that will generate the future positive cashflow required to reinvest in the network.

A key target area for NBN Co in the future will be addressing and serving unconnected Australians. NBN Co continues to consult with industry on a new range of wholesale products and prices that will appeal to price-sensitive customers while other discounts and new data inclusions will be aimed at supporting residential and business customers interested in upgrading to higher speed broadband plans. The wholesale pricing consultation is ongoing and due to be completed in November 2019 when the final decisions and outcomes will be announced.

### **Near term outlook**

NBN Co expects to fulfill the commitment to complete the build in 2020, enabling 11.5 million homes and business to either be connected or able to order a service on the **nbn**<sup>™</sup> access network.

As stated at the Company’s FY19 Results announcement, its network completion commitment excludes approximately 100,000 premises defined as ‘complex installations’, which includes properties that are difficult to access and some culturally significant areas and heritage sites. NBN Co will undertake ongoing activity at these sites and at greenfield residential and business development sites beyond 30 June 2020.

NBN Co has amended its activations target within the Corporate Plan 2020-23, reducing the target from 7.5 million total activations to 7.0 million premises in FY20.

This is purely a timing issue around deployment and activations, with the Ready to Connect footprint coming later during FY20 than originally forecast in the previous year’s plan. There is no expected material change to the underlying performance of the business and revenue is forecast to recover to expected levels in subsequent years.

Stephen Rue said: “The next few years will be critical for NBN Co and we will be working harder than ever to help ensure all Australians who connect to services over the **nbn**<sup>™</sup> access network have a positive experience. As we work to lift the digital capability of this great nation, we hope to bring greater economic and social opportunities for all Australians.”

For further information, visit [www.nbnco.com.au](http://www.nbnco.com.au)

<sup>1</sup> NBN Co's build completion commitment is that all standard installation premises in Australia are able to connect to **nbn**<sup>™</sup> access network as at the build completion date. This excludes premises in future new developments which will be an ongoing activity of NBN Co beyond the build completion date. It also excludes a small proportion of premises defined as 'complex connections' - which includes properties that are difficult to access, culturally significant areas and heritage sites - where connection depends on factors outside of NBN Co's control such as permission from traditional owners, and where network construction to allow such premises to connect will be an ongoing activity of NBN Co beyond the build completion date.

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