Our network

Australia's digital backbone

Access to fast and reliable broadband plays a vital role in the daily lives of people across Australia and is critical to our national economy.

The Company's priority is to provide homes, businesses, communities, suburbs, towns, cities and regions with access to the digital tools and services that will help enable our nation to be productive, socially connected and prosperous.

As at 30 June 2022, the Company has made over 12.1 million premises Ready to Connect to the **nbn**® network, following the construction of network infrastructure for in excess of 100,000 newly developed premises.

As households increasingly work and study from home and enjoy online entertainment, demand for data and NBN Co's higher wholesale speed tiers continues to grow.

Small, medium and large businesses alike are adopting digital applications to drive growth and enhance productivity.

These changes are placing increasing capacity demands on the **nbn**® network, which requires ongoing investment.

In FY22, we are pleased to report that no homes or businesses within the Fixed Line network experienced any breach of the network utilisation thresholds in the **nbn**® network.

As Australia's digital backbone, we are constantly evolving the network to meet Australia's growing digital needs.

Our network investment plan is taking fibre deeper into communities, upgrading our Fixed Wireless and Satellite networks and extending Business Fibre Zones to ensure we continue to meet the growing demands of Australia's homes and businesses, wherever they are located.

Throughout FY22, 97 per cent of homes and businesses were connected within target timeframes agreed with phone and internet providers.

The volume and location of premises around Australia is also changing. We work directly with property developers with the aim to be the first choice provider of broadband networks, services and solutions to new residential and commercial property developments around Australia.

By growing our network footprint and capacity, we are helping support the economic stimulus needed to realise the social and economic benefits that access to high-speed broadband can unlock.

FY2022 highlights

12.1m
Premises Ready to Connect (RTC)

FY21: 12.0m

5.1m
Premises able to access nbn® Home Ultrafast speed tier as at 30 June 2022

FY21: 3.9m

99.95%
Average network availability[1]

FY21: 99.96%

1. Network availability is defined as the percentage of time the **nbn**® network is available and operating. For this measure, the network is considered 'unavailable' during the time NBN Co is restoring services following the raising of a fault. It does not include periods where the network is unavailable due to operational outages for matters such as network upgrades and improvements or events beyond NBN Co's control. This metric has been rounded to the nearest two decimal places.

Network investments - Fixed Line

Following the new Government's announcement to roll-out additional fibre to 1.5 million premises currently served by Fibre to the Node (FTTN) technology, our goal is to enable more than 9.7 million premises on our Fixed Line network to access plans based on the **nbn**® Home Ultrafast wholesale speed tier, offering peak download speeds from 500 Mbps to close to 1 Gbps by the end of 2025.

In March 2022, the Company made it possible for the first 50,000 customers in premises served by Fibre to the Node (FTTN) to upgrade to Fibre to the Premises (FTTP). By 30 June 2022, approximately 230,000 premises served by FTTN became eligible to upgrade to FTTP and enjoy access to the three highest residential speed tiers, **nbn**® Home Fast, **nbn**® Home Superfast or **nbn**® Home Ultrafast.

The Company intends to extend the FTTN to FTTP network upgrade program to approximately 600,000 eligible premises by 31 December 2022 and up to 3.5 million premises by the end of 2025.

In June 2022, NBN Co made it possible for customers in around 160,000 premises currently served by Fibre to the Curb (FTTC) in New South Wales, Victoria and South Australia to upgrade to Fibre to the Premises (FTTP).

The Company will extend eligibility to approximately 115,000 additional premises per month in New South Wales, the Australian Capital Territory, Victoria, South Australia, Queensland and Western Australia, to make almost one million premises currently served by FTTC able to upgrade to FTTP and access **nbn**® Home Ultrafast by the end of 2022.

By the end of 2023, approximately 1.5 million premises that currently access the **nbn**® network via FTTC will be able to upgrade to FTTP and enjoy access to the highest residential speeds available on the network.

As a result of these upgrades, by the end of 2025, approximately 60 per cent of premises served by the network will be either on FTTP, or capable of ordering an FTTP service.

There are currently approximately 2.5 million premises that are Ready to Connect to the Hybrid Fibre Coaxial (HFC) network. This makes up about 21 per cent of the **nbn**® network. As at 30 June 2022, there are just under 2 million active HFC services. NBN Co has undertaken enablement work over the past twelve months on the HFC network and as a result, 100 per cent of the HFC footprint can now access the Home Ultrafast® speed tier.

Following the strong progress made towards delivering our network investment plans during FY22, more than 5.1 million premises across Australia were able to access the **nbn**® Home Ultrafast speed tier as at 30 June 2022.

5.1 million

Premises able to access nbn® Home Ultrafast speed tier as at 30 June 2022

9.7 million

Premises able to access nbn® Home Ultrafast speed tier by end of 2025

Network investments – regional Australia

Population demographic trends and higher data usage are changing the profile of network demand and usage, particularly in regional Australia. NBN Co predicts a 300 per cent rise in customer demand for data on the **nbn**® Fixed Wireless network over the next ten years.

NBN Co already invests approximately $200 million each year maintaining and upgrading the **nbn**® Fixed Wireless network to meet current capacity commitments and optimise the performance and resilience of the Fixed Wireless network.

In March 2022, the Commonwealth Government and the Company announced a combined investment of $750 million in the **nbn**® Fixed Wireless network.

This regional investment is aimed at delivering an expansion of the **nbn**® Fixed Wireless footprint coverage by up to 50 per cent. This will be delivered using the latest 5G technology to extend the range, speed and capacity of the existing Fixed Wireless network.

This enhanced coverage and range will enable approximately 120,000 formerly satellite-only eligible premises to access enhanced **nbn**® Fixed Wireless services.

Subject to industry consultation, homes and businesses within the expanded **nbn**® Fixed Wireless footprint will be able to order retail services from their service provider with a potential maximum wholesale speed tier with peak download of up to 100Mbps. Up to 85 per cent of the expanded footprint will be able to order services of up to 250 Mbps, which is up to three times faster than the highest wholesale speeds available today.

We are also committed to increasing the typical wholesale busy hour peak download speeds delivered over the **nbn**® Fixed Wireless network to reach at least 50 Mbps.

For the homes and businesses that remain on **nbn**® Satellite, NBN Co has removed data usage[1] caps for all **nbn**® Sky Muster® Plus customers for the majority of the day with the off-peak period increasing to 16 hours (12am - 4pm) per day, from the previous six-hour window (1am – 7am). This has been available since mid-2022.

In addition, in mid-2022 average monthly data allowances for regular Sky Muster® products were increased to 55 gigabytes, increasing to 90 gigabytes once the **nbn**® Fixed Wireless upgrade is complete in around two years' time.

CASE STUDY

Enriching people's lives

The Partridge family from Bomaderry on the NSW South Coast are powering their busy lifestyle with the help of fast broadband, connecting to services over the **nbn**® network, for work, fun and everything in between.

See more online

at **nbn.tm/Partridge**

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1. Video streaming and VPN traffic are metered, only between 4pm and 12 midnight. Wholesale speeds may be impacted if metered data allowance is exceeded. NBN Co may, at its discretion, shape traffic (in particular, gaming / software updates and cloud uploads in the evening) to slow wholesale speeds. Experiences, including speeds over the **nbn**® network, may vary by factors such as time of use, your plan, equipment, software or signal reception). You may also experience latency. Visit nbn.com.au/skymusterplus for more information. Fair use conditions apply – contact your internet service provider for more information.

Network co-investment

NBN Co has created a number of effective partnerships with Federal and State governments to co-invest in **nbn**® network upgrades and improved services in regional and remote Australia.

A recent example of this is the Company's landmark agreement with the Victorian Government in August 2021, dedicated to delivering more fibre and faster broadband services to key metropolitan and regional areas across the state.

The Victorian Government has committed $110 million to the Victorian NBN State Program Fund. NBN Co uses this funding to execute agreed co-investment upgrades.

The first projects that NBN Co and the Victorian Government co-invested in as part of the agreement was the creation of 11 new **nbn**® Business Fibre Zones across outer metropolitan and regional areas. This is helping to make business-grade fibre connections more affordable for 10,000 additional Victorian businesses.

In March 2022, NBN Co and the Victorian Government announced a second stage, which in addition to adding a further five new **nbn**® Business Fibre Zones, will enable around 40,000 premises in 50 suburbs and towns across Victoria to benefit from on demand fibre upgrades from FTTN to FTTP.

A total of sixteen new nbn® Business Fibre Zones will be created in Victoria to help businesses grow, create jobs and enhance productivity.

Under the agreement, the Victorian Government will contribute to the cost of extending fibre-optic cable further into local communities. NBN Co will cover the cost of the fibre lead-in to the eligible home or business, which will be constructed when the customer orders a plan based on **nbn**® Home Fast or higher.

In some of these areas, customers will be able to order a service from June 2023.

NBN Co's $300 million Regional Co-investment Fund (RCIF), that was announced in September 2020, is helping deliver access to higher speed wholesale broadband services over the **nbn**® network to households and businesses in regional and remote areas of Australia.

This is aimed at supporting improvements in regional digital inclusion and capability which lead to better outcomes for health, educational, business, disaster recovery and First Peoples stakeholders.

NBN Co invites co-investment opportunities from Federal, State and Territory or Local governments.

NBN Co has also been successful in securing a number of government grants via open government tender processes to support **nbn**® network upgrades including through the Regional Connectivity Program (RCP) and the Strengthening Telecommunications Against Natural Disasters Program (STAND).

These were part of the Australian Government response to the 2018 Regional Telecommunications Review, and demonstrate our commitment to regional, rural and remote Australia.

In addition to the more than $76 million in Commonwealth Regional Connectivity Program (RCP) funding and almost $20 million in funding support from State and Local governments, NBN Co will contribute more than $39 million to deliver these projects.

By co-investing with all levels of Government, we continue our commitment to improve access to high-speed broadband services for Australia's rural and regional communities, enhance digital capability and boost job prospects to help our regions thrive.

During FY22, NBN Co also received its first payment under the Regional Broadband Scheme (RBS), which was established by the Commonwealth in January 2021 to ensure transparent and sustainable funding arrangements are in place to support essential broadband services to regional, rural and remote Australians. Under the RBS, telecommunications providers that own or are responsible for fixed-line networks capable of providing comparable services to the **nbn**® network are required to pay a contribution to help fund the cost of providing high-speed broadband to regional communities. As NBN Co is the largest fixed-line network operator in Australia, the Company continues to pay the vast majority of the costs to build and operate the Fixed Wireless and Satellite networks.

Lifting the digital capability of Australian businesses

Throughout FY22, NBN Co has worked in partnership with Retail Service Providers (RSPs) nationally, to provide Australian businesses, regardless of location, with reliable, scalable and secure broadband.

A key component is NBN Co's investment to make on-request upgrades to business-grade fibre services available to more premises than ever before. This includes increasing the number of **nbn**® Business Fibre Zones across Australia, including in regional areas.

Business Fibre Zones are locations with a high percentage of business premises, where customers can order high speed, reliable, scalable and symmetrical bandwidth from 10 Mbps to currently close to 1 Gbps - and since 30 June 2022, close to 10 Gbps symmetrical speeds. These customers benefit from wholesale pricing discounts to receive the same pricing as equivalent CBD customers. If RSPs sign up for a three-year Enterprise Ethernet plan in a Business Fibre Zone, there is a $0 upfront connection cost[1].

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1.   NBN Co is a wholesaler and does not control costs charged by RSPs. Customers should contact their preferred RSP to ask about availability, and any fees and charges that may be applicable. These pricing offers are not available for most premises in the **nbn**® Fixed Wireless or Satellite footprints, or for most premises which have complex connections – further costs are likely to apply to these premises.

During FY22, through direct investment, and in collaboration with State and Local Governments, NBN Co added 64 new **nbn**® Business Fibre Zones (19 were joint-funded), taking the total to 304 Business Fibre Zones nationally.

More than 864,000 premises across Australia are located in an **nbn**® Business Fibre Zone, enabling 1.5 million businesses access to Enterprise Ethernet. Of the 304 **nbn**® Business Fibre Zones, 127 are located in regional Australia enabling approximately 315,000 businesses to access Enterprise Ethernet in non-metropolitan areas.

The Company has seen a rise in businesses applying for **nbn**® business grade products across several sectors such as healthcare, construction, finance and government.

Many locations across Australia had never connected an **nbn**® Enterprise Ethernet service until an **nbn**® Business Fibre Zone was established in their area.

NBN Co has almost 14,000 active Enterprise Ethernet services as at 30 June 2022, and the average order volume is now 168 per week.

The Enterprise Ethernet wholesale product is supported by a dedicated service team, called the Business **nbn** Operations Centre, which delivers 24/7 support to service providers to resolve any assurance issues over the **nbn**® Enterprise Ethernet network.

To support business and government customers outside the Company's fixed fibre and other fixed technology network, NBN Co launched the Business **nbn**® Satellite Service (BSS) in September 2019 to provide business-grade services, connectivity and operational support to businesses located in rural, regional, and remote areas.

The Company expanded coverage of this service nationally in August 2021. The BSS now provides 100 per cent beam coverage[1] of Australia and its territories, enabling our RSPs to support remote and regional businesses across the nation including very remote areas such as the Gibson Desert, Cocos Islands, Bass Straight and Far North Queensland.

RSPs have responded positively to the BSS product, which plays an important role in enabling RSPs to extend their reach to all of Australia, no matter the location or application.

The agility of BSS to be deployed rapidly and with speeds up to 50/13 Mbps makes this product a game changer. As at June 2022, NBN Co has 528 BSS services.

1. An end customer's serviceability may be affected by a range of factors including whether there is a clear line-of-sight to the satellite, no interference, for example from other end customers, retail service provider or third party equipment, and having a suitable location to install equipment. Plans over the business **nbn**® Satellite Service may not be offered by all providers.

CASE STUDY

A reliable, fast and secure network

Stronger connectivity through business **nbn**® Enterprise Ethernet is helping BIG4 Easts Beach Holiday Park stay ahead of its guests' Wi-Fi needs.

See more online

at **nbn.tm/Big4**

Keeping communities connected in time of need

NBN Co is working to make our network more resilient because we know that communication is never more important than when disaster strikes – whether that be floods, storms, bushfires, or a global pandemic

The Australian Government's Strengthening Telecommunications Against Natural Disasters (STAND) program is assisting NBN Co in making its networks more resistant to extreme weather events.

Five **nbn**® Muster Vehicles and 12 **nbn**® Fly Away Kits were delivered with STAND program funding and are deployed in emergency situations such as the recent South East Queensland and Northern New South Wales floods.

The Company is helping enable connectivity for Evacuation and Fire Control Centres to support community members and first responders in the event of an emergency. More than 570 services have been deployed to date.

The Company has deployed 40 Hybrid Power Cubes (HPCs), which combine solar, battery and compact diesel generator technologies to keep fixed wireless facilities operational when the power grid goes down.

These provide a more resilient, environmentally friendly and cost-effective power source during widespread power outages caused by extreme weather events.

Multi Technology Trailers (MTT) help customers to stay connected to services over the **nbn**® network during times of disaster. NBN Co recently built 12 MTTs as part of its suite of mobile Temporary Network Infrastructure (TNI).

The Company also delivered two Wireless Mast Trailers (WMTs), two Network on Wheels (NOWs) and is building a further two NOWs. These temporary facilities will be positioned at locations based on geographical need to help improve response times to affected areas when required.

Security and privacy

Protecting the **nbn**® network has never been more important than today as we face a complex and dynamic threat landscape. NBN Co is proud that even during these times of adversity, Australians have remained securely connected.

NBN Co's security and privacy approach adopts a converged (all-hazards) model, where physical, personnel, cyber, supply chain and privacy capabilities interconnect and work together. This approach treats all security and privacy risks under a common framework of risk assessment, control and mitigation across the organisation and brings together the best of existing disciplines into a coordinated effort providing single accountability under our Chief Security Officer. Our ongoing commitment to this approach is fundamental to keeping the **nbn**® network secure and is reflected in our security strategy, key policies, frameworks and operations.

We recognise that the global environment will continue to change and our network will evolve to meet the ever-changing needs of our community. The threat landscape will continue to change and risks may alter NBN Co's robust security and privacy capability. Therefore, we will remain agile and focused, with our team of experts ready to respond - ultimately enabling the **nbn** of tomorrow.

FUTURE FOCUS

- **Deliver higher speed capability to more Australian homes and businesses**
- **Continue to operate a reliable, resilient and secure network**
- **Minimise technological complexity and reduce cost to build**