PRICING SUPPLEMENT

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "Securities Act"), or any state securities laws in the United States or any other jurisdiction, and the Notes may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons unless an exemption from the registration requirements of the Securities Act is available and the offer or sale is made in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. The Notes are being offered and sold outside the United States to persons that are not U.S. persons in reliance on Regulation S ("Regulation S") under the Securities Act. See "Form of the Notes" for a description of the manner in which Notes will be issued. The Notes are subject to certain restrictions on transfer, see "Important Information" and "Subscription and Sale and Transfer and Selling Restrictions" in the offering circular (as defined below).

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) or a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); or (ii) a customer within the meaning of the provisions of the UK's Financial Services and Markets Act 2000, as amended (the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law in the UK by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (a) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (b) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (an "EU distributor") should take into consideration the manufacturer's target market assessment; however, an EU distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance/Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (a) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (b) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "UK distributor") should take into consideration the manufacturer's target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

None of the offering circular (as defined below) or any other disclosure document in relation to the Notes has been, and nor will any such document be, lodged with the Australian Securities and Investments Commission and no such document is, and nor does it purport to be, a document containing disclosure to investors for the purposes of Part 6D.2 or Part 7.9 of the Corporations Act 2001 of Australia (the "Corporations Act"). The offering circular is not intended to be used in connection with any offer for which such disclosure is required and such document does not contain all the information that would be required by those provisions if they applied. The offering circular is not to be provided to any 'retail client' as defined in section 761G of the Corporations Act and such document does not take into account the individual objectives, financial situation or needs of any prospective investor.

The Notes are not obligations of any government or governmental agency and in particular are not guaranteed by the Commonwealth of Australia.

10 August 2023

NBN CO LIMITED

(LEI 2549007CRZ2NT7S96A24)

Issue of EUR90,000,000 4.294 per cent. Notes due 14 August 2035
under the U.S.$50,000,000,000
Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the offering circular dated 30 September 2022 as supplemented by the supplement to the offering circular dated 17 February 2023 (together, the "offering circular"). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the offering circular. Copies of the offering circular may be obtained from the specified offices of the Issuer and the EU Principal Paying Agent as set out at the end of the offering circular.

Terms used herein, including in the Schedules to this Pricing Supplement, shall be deemed to be defined as such for the purposes of the Conditions of the Notes (the "Conditions") set forth in the offering circular dated 30 September 2022.

1.	Issuer:		NBN Co Limited (ACN 136 533 741)
2.	(a)	Series Number:	22
	(b)	Tranche Number:	1
	(c)	Date on which the Notes will be consolidated and form a single Series:	Not Applicable
3.	Specified Currency or Currencies:		Euro ("EUR")
4.	Aggregate Nominal Amount:		
	(a)	Series:	EUR90,000,000
	(b)	Tranche:	EUR90,000,000

5.	Issue Price:		100.00% of the Aggregate Nominal Amount
6.	(a)	Specified Denominations:	EUR100,000 and integral multiples of EUR1,000 in excess thereof up to and including EUR199,000. No Notes in definitive form will be issued with a denomination above EUR199,000
	(b)	Calculation Amount (in relation to calculation of interest in global form see Conditions):	EUR1,000
7.	(a)	Trade Date:	4 August 2023
	(b)	Issue Date:	14 August 2023
	(c)	Interest Commencement Date:	Issue Date
8.	Maturity Date:		14 August 2035
9.	Interest Basis:		4.294% per annum Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:		Redemption at par
11.	Change of Interest Basis or Redemption/Payment Basis:		Not Applicable
12.	Put/Call Options:		Change of Control Trigger Event Issuer Call (Further particulars specified below)
13.	(a)	Status of the Notes:	Senior, unsecured
	(b)	Board approval for issuance of Notes obtained:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Note Provisions		Applicable
	(a)	Rate(s) of Interest:	4.294% per annum payable in arrear on each Interest Payment Date
	(b)	Interest Payment Date(s):	14 August in each year up to and including the Maturity Date
	(c)	Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions):	EUR42.94 per Calculation Amount
	(d)	Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see Conditions):	Not Applicable
	(e)	Day Count Fraction:	Actual/Actual (ICMA)
	(f)	Determination Date(s):	14 August in each year

	(g)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
15.	Floating Rate Note Provisions		Not Applicable
16.	Zero Coupon Note Provisions		Not Applicable

PROVISIONS RELATING TO REDEMPTION

17.	Notice periods for Condition 7.2:		Minimum period: 30 days Maximum period: 60 days
18.	Issuer Call:		Applicable
	(a)	Optional Redemption Date(s):	The date fixed for redemption in the notice as referred to in Condition 7.3 which may be any Business Day after the Issue Date until (but excluding) the Maturity Date.
	(b)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	The Issuer may redeem all, or some, of the Notes then outstanding: (i) on or after 14 May 2035 at a redemption amount equal to 100 per cent. of the nominal amount of the Note; or (ii) any time before 14 May 2035 at a redemption amount equal to the Optional Redemption Amount (as defined below) in respect of the Note, together in each case with any accrued and unpaid interest in respect of the Notes to (but excluding) the Optional Redemption Date. "Optional Redemption Amount" means, in respect of any Note to be redeemed pursuant to this provision, an amount, determined by the Calculation Agent, equal to the greater of: (x) 100 per cent. of the outstanding nominal amount of such Notes; and (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Notes (excluding any interest accrued on the Notes to, but excluding the date set for redemption) discounted to the relevant redemption date on an annual basis at the Optional Redemption Rate plus the Optional Redemption Margin. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall be (in the absence of manifest error) final and binding upon all parties.

		For the purposes of this provision: "Calculation Agent" means any agent appointed by the Issuer to make the necessary calculations to determine the Optional Redemption Amount; "Optional Redemption Margin" means 0.25 per cent. per annum; "Optional Redemption Rate" means the average of the four quotations given by the Reference Dealers of the mid-market annual yield to maturity of the 0.00 per cent. *Bundesobligationen* of the *Bundesrepublik Deutschland* due 15 May 2035 (the "Bund"), on the fourth Business Day preceding the Optional Redemption Date; and "Reference Dealers" means each of the four banks selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues. If the Bund is no longer outstanding, a bund with a similar remaining term to maturity as the Notes will be chosen by the Calculation Agent at 11:00a.m. (Central European time) on the third Business Day preceding the Optional Redemption Date, quoted in writing by the Calculation Agent to the Issuer. The Optional Redemption Date will be published by the Issuer in accordance with Condition 14 (*Notices*).
	(c) If redeemable in part:	Applicable
	(i) Minimum Redemption Amount:	EUR100,000
	(ii) Maximum Redemption Amount:	EUR90,000,000
	(d) Notice periods:	Minimum period: 15 days Maximum period: 30 days
19.	Investor Put:	Not Applicable
20.	(a) Change of Control Trigger Event:	Applicable
	(b) Change of Control Redemption Amount:	EUR1,000 per Calculation Amount plus any accrued and unpaid interest to the date of redemption.
21.	Final Redemption Amount:	EUR1,000 per Calculation Amount, subject to paragraphs 18 and 20 above.
22.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required):	EUR1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23.	Form of Notes:	Registered Notes:

		Regulation S Global Note(s) (EUR90,000,000 aggregate nominal amount) registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg
24.	Additional Financial Centre(s):	Sydney and London
25.	Talons for future Coupons to be attached to definitive Notes:	No
26.	Details relating to Instalment Notes:	Not Applicable
27.	Other terms or special conditions:	Applicable See Schedule 1 (*Step-Up Rating Change Event*) for further details. See Schedule 2 (*Amendments to the Conditions of the Notes*) for further details. See Schedule 3 (*Additional Disclosure*) for further details.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

LISTING APPLICATION

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on The Singapore Exchange Securities Trading Limited (the "SGX-ST") of the Notes described herein pursuant to the U.S.$50,000,000,000 Global Medium Term Note Programme of NBN Co Limited.

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this Pricing Supplement. The approval in-principle from, and the admission of the Notes to the Official List of, the SGX-ST are not to be taken as an indication of the merits of the Issuer, its associated companies, the Programme or the merits of investing in such Notes.

EXECUTED for and on behalf of **NBN CO LIMITED (ACN 136 533 741)** by its attorneys under a power of attorney dated 21 September 2021 and an instrument of authorisation dated 27 April 2023 and the attorneys declare that the attorneys have not received any notice of the revocation of such power of attorney or instrument of authorisation)
)
)
)
)

Signature of attorney	Signature of attorney
Name of attorney	Name of attorney

PART B – OTHER INFORMATION

1.	**LISTING:**	Application has been made by the Issuer (or on its behalf) for the listing and quotation of the Notes on the Singapore Exchange Securities Trading Limited with effect from 15 August 2023.
2.	**RATINGS:**	The Notes to be issued are expected to be rated AA by Fitch Australia Pty Ltd and Aa3 by Moody's Investors Service Pty Limited. A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. *Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act; and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person is not entitled to receive the offering circular and anyone who receives the offering circular must not distribute it to any other person who is not entitled to receive it.*

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for the fees payable to the Dealer named below, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. OPERATIONAL INFORMATION

(i)	ISIN:	XS2665467770
(ii)	Common Code:	266546777
(iii)	CUSIP:	Not Applicable
(iv)	CINS:	Not Applicable
(v)	CFI:	DTFNFR, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
(vi)	FISN:	NBN CO LIMITED/4.294EMTN 20350814, as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
(vii)	Any clearing system(s) other than DTC, Euroclear and Clearstream,	Not Applicable

	Luxembourg and the relevant identification number(s):	
(viii)	Delivery:	Delivery against payment
(ix)	Principal Paying Agent	The Bank of New York Mellon, London Branch
(x)	Registrar	The Bank of New York SA/NV, Luxembourg Branch
(xi)	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

5. DISTRIBUTION

(i)	Method of distribution:	Non-syndicated
(ii)	If syndicated, names of Joint Lead Managers:	Not Applicable
(iii)	Stabilisation Manager(s) (if any):	Not Applicable
(iv)	If non-syndicated, name of relevant Dealer:	Deutsche Bank AG, London Branch
(v)	U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA not applicable
(vi)	Additional selling restrictions:	Not Applicable

SCHEDULE 1

Step-Up Rating Change Event

For the purposes of the Notes only, a new Condition 5.1A shall apply as follows:

Step-Up Rating Change Event

(a) The Rate of Interest payable on the Notes will be subject to adjustment if a Step-Up Rating Change Event (as defined below) occurs as follows.

(i) If in the Fixed Interest Period ending on the date immediately prior to an Interest Payment Date (the **Rating Determination Date**) a Step-Up Rating Change Event occurs, then the Rate of Interest shall be adjusted for the Fixed Interest Period commencing on the Interest Payment Date immediately following the Rating Determination Date and for each subsequent Fixed Interest Period thereafter, so that the Rate of Interest equals the Base Interest Rate (as defined below) plus an additional amount equal to the percentage per annum rate determined in accordance with the following table by reference to the credit rating assigned to the Notes by each Rating Agency as at the Rating Determination Date:

Rating (or equivalent)	**BBB+ or higher***	**BBB***	**BBB-***	**BB+ or lower***
Baa1 or higher**	Not applicable	0.20% per annum	0.40% per annum	0.80% per annum
Baa2**	0.20% per annum	0.40% per annum	0.60% per annum	1.00% per annum
Baa3**	0.40% per annum	0.60% per annum	0.80% per annum	1.20% per annum
Ba1 or lower**	0.80% per annum	1.00% per annum	1.20% per annum	1.20% per annum

* Fitch

** Moody’s

(ii) If on the Rating Determination Date a credit rating is:

(A) assigned to the Notes by only one Rating Agency, any adjustment to the Rate of Interest necessitated by a Step-Up Rating Change Event shall be calculated as if the Rating Agency that has ceased to assign a credit rating to the Notes had assigned a credit rating to the Notes equal to the lower of (x) the credit rating actually assigned to the Notes by that Rating Agency most recently and (y) the credit rating that corresponds to the credit rating issued by the Rating Agency that has assigned a credit rating to the Notes;

(B) not assigned to the Notes by either Rating Agency, the Rate of Interest applicable to the Notes in respect of the Interest Period commencing on such Interest Payment Date shall be the Base Interest Rate plus 1.20 per cent. per annum;

(C) assigned to the Notes by more than 2 Rating Agencies, any adjustment to the Rate of Interest necessitated by a Step-Up Rating Change Event shall be calculated by reference to the two lowest credit ratings actually assigned to the Notes by those Rating Agencies at that time; or

(D) assigned to the Notes by any Rating Agency in addition to, or instead of, Moody’s and/or Fitch, the ratings referred to in the table in paragraph (a)(i) above will be to the equivalent ratings from such other Rating Agency.

(b) Notwithstanding any other provision of this Condition 5.1A, there shall be no adjustment in the Rate of Interest applicable to the Notes on the basis of any rating assigned to the Notes by any Rating Agency other than on a basis solicited by or on behalf of the Issuer even if at the relevant time such rating is the only rating then assigned to the Notes.

(c) At no time during the term of the Notes will the Rate of Interest payable on the Notes be more than the Base Interest Rate plus 1.20 per cent. per annum.

(d) The Issuer will cause the occurrence of a Step-Up Rating Change Event giving rise to an adjustment in the Rate of Interest payable on the Notes pursuant to this Condition 5.1A to be notified to the Principal Paying Agent and the Calculation Agent and notice thereof to be given to Noteholders in accordance with Condition 14 as soon as possible after the occurrence of the relevant event but in no event later than the fourth Business Day thereafter.

(e) In this Condition 5.1A:

The terms **Change of Control**, **Fitch**, **Moody's**, **S&P** and **Rating Agency** will have the meaning given to them in Condition 7.5. Any other capitalised term used but not defined in this Condition 5.1A will have the meaning given to that term in the Conditions.

Base Interest Rate means the Rate of Interest payable on the Notes in respect of a Fixed Interest Period commencing on an Interest Payment Date as determined in accordance with Condition 5 without reference to this Condition 5.1A.

Step-Up Investment Grade Rating means in relation to the Notes:

(i) BBB by Fitch (or its equivalent under any successor rating category of Fitch);

(ii) BBB by S&P (or its equivalent under any successor rating category of S&P);

(iii) Baa2 by Moody's (or its equivalent under any successor rating category of Moody's); or

(iv) an equivalent rating to either BBB or Baa2 by any other Rating Agency.

A **Step-Up Rating Change Event** occurs if, on the first date of the period (the **Step-Up Trigger Period**) commencing upon, the earlier of:

(i) the occurrence of a Change of Control; and

(ii) the date of the first public announcement of any Change of Control (or pending Change of Control),

and ending 90 days following the occurrence of that Change of Control (as such Step-Up Trigger Period may be extended, as provided for below):

(A) the Notes carry a rating from any Rating Agency and any such rating is, within the Step-Up Trigger Period, either downgraded to a Step-Up Investment Grade Rating or below or withdrawn and is not, within the Step-Up Trigger Period, subsequently (in the case of a downgrade) upgraded to a rating which is higher than a Step-Up Investment Grade Rating by such Rating Agency or replaced by a rating which is higher than the Step-Up Investment Grade Rating of another Rating Agency; and

(B) in making any decision to withdraw or downgrade such rating pursuant to paragraph (A) above, the relevant Rating Agency has expressly stated that such decision was as a result of the occurrence of that Change of Control (or pending Change of Control).

Where any Rating Agency has publicly announced that it is considering a possible ratings change in respect of the Notes within the period ending 90 days following the occurrence of a Change of Control, the Step-Up Trigger Period will be extended for a period of not more than 60 days after the date of such public announcement.

Notwithstanding the foregoing, no Step-Up Rating Change Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually occurred.

SCHEDULE 2

Amendments to the Conditions of the Notes

In connection with the issue of the Notes described in this Pricing Supplement, the following amendments to the Conditions are deemed to be made:

1. All references to "TARGET2 System" are replaced with "T2".

   For the purposes of the Conditions, "T2" means "the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system".

2. Condition 12 of the Notes shall be deemed to be deleted in its entirety and replaced with the following:

12. AGENTS

The initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Pricing Supplement.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(a) there will at all times be a Principal Paying Agent and a Registrar;

(b) so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, if the Notes are issued in definitive form, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in Singapore; and

(c) there will at all times be a Paying Agent in a jurisdiction within Europe.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6.6. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholder, Receiptholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

SCHEDULE 3

Additional Disclosure

This additional disclosure updates and supplements and should be read in conjunction with the offering circular dated 30 September 2022.

Six months ended 31 December 2022

For the six months ended 31 December 2022, we recorded revenue of A$2,625 million, EBITDA of A$1,807 million and a loss for the period of A$444 million. At 31 December 2022, our network was available to 12.2 million premises and more than 8.5 million premises were connected to the NBN. Our residential ARPU for the six months ended 31 December 2022 was A$47. At 31 December 2022, 77% of users were connected to plans based on speed tiers offering wholesale download speeds of 50 Mbps and above and 21% of users were connected to plans based on speed tiers offering wholesale download speeds of 100 Mbps and above. Our interim financial statements for the six months ended 31 December 2022 are available on our GMTN investor webpage (www.nbnco.com.au/gmtn-debt-investor) and the website of the SGX-ST (www.sgx.com) and are incorporated by reference into this Pricing Supplement.

New Statement of Expectations

On 19 December 2022, our Shareholder Ministers issued a new Statement of Expectations reflecting the policy of the new government that was elected in May 2022. The Statement of Expectations provides guidance to align our strategic objectives with the Australian government's policy objectives for the NBN. The Statement of Expectations is available on the website of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

The new Statement of Expectations states that the enduring purpose of the NBN is to provide fast, reliable and affordable connectivity to enable Australia to seize the economic opportunities before it and service the best interests of consumers. We will enhance Australia's digital capability by delivering services to meet the current and future needs of households, communities and businesses, and promote digital inclusion and equitable access to affordable and reliable broadband services. We will operate on a commercial basis, drive a culture of efficiency and innovation that yields results, and meet the highest standards of transparency, governance and accountability.

The Statement of Expectations indicates that the Government will keep NBN Co in public hands for the foreseeable future to provide us with the certainty needed to continue delivering improvements to the network while keeping prices affordable.

In order to enhance Australia's digital capability and productivity, we are expected to, among other things:

- Continue to be a wholesale-only access network that is available to all access seekers;
- Offer products and pricing that promote the take up and utilisation of the NBN; and
- Upgrade and improve the network, including ensuring that 90% of premises in the fixed-line footprint have access to peak wholesale download speeds of up to 1 gigabit per second.

We are also expected to deliver greenhouse gas emissions reductions consistent with meeting or exceeding the Government's commitment to Net Zero emissions by 2050.

In order to promote equitable access, we are expected to, among other things:

- Through our own activities and working cooperatively with retail service providers, improve service quality of the NBN to meet the best interests of consumers;
- Support initiatives to improve digital inclusion, particularly for low income households and other vulnerable groups that face barriers to accessing high speed broadband; and

- Work collaboratively with First Nations Australians to improve digital inclusion.

In order to improve connectivity for regional and remote Australians, we are expected to, among other things:

- Ensure at least 660,000 premises in regional and remote Australia are included in the commitment to expand full-fibre access to a further 1.5 million premises;

- Efficiently implement upgrades to provide all premises in the fixed wireless network with access to wholesale download speeds of up to 100 Mbps and typical wholesale busy hour download speeds of at least 50 Mbps, and ensure that at least 80% of premises in regional and remote Australia have access to wholesale download speeds of at least 100 Mbps by 2025;

- Improving the Sky Muster satellite service, including increasing wholesale monthly data allowances to on average at least 90 gigabytes per month on completion of the fixed wireless upgrade; and

- Continue to improve access and affordability to business grade services for businesses in regional and remote areas, including through continuing to expand the footprint of Business Fibre Zones in non-metropolitan areas and provision of business grade satellite services.

We are also expected to work with the Government and other parties on optimising the delivery of baseline voice and broadband services, including in regional and remote areas, and with due regard for our obligations as the default Statutory Infrastructure Provider.

The Statement of Expectations states that we must operate efficiently within our capital constraints and proactively manage costs. We need to be commercially sustainable to support efficient investment in the network, servicing and repaying our debt obligations, achieving and maintaining a standalone credit rating and providing an appropriate return to the Commonwealth as shareholder. However, the Statement of Expectations also recognises that there will need to be trade-offs between our commercial objectives and our obligations and policy expectations. The Government recognises that we will not be able to generate a commercial return in delivering all of our obligations, particularly in regional and remote Australia and expects that we will take a flexible approach to supporting these activities, including through contributions from the Regional Broadband Scheme and, where necessary, returns in other parts of our business. However, where this occurs, we are expected to be transparent, demonstrate that our expenditure is efficient, and maintain the flexibility to adopt future innovations and advancements. We are expected to inform the Government on circumstances where we consider there is a material trade-off between fulfilling or supporting a policy objective and our commercial objectives and consult with the Government on our approach to managing the trade-off in these circumstances.

The Government expects our Board to meet the highest standards of transparency, governance and accountability for corporate and government-owned entities, including, among other things, adopting the prevailing version of the *ASX Corporate Governance Principles and Recommendations* to the extent it is consistent with our other governance and accountability obligations. We are expected to have a transparent remuneration structure with fit for purpose targets that incentivise high performance beyond business as usual outcomes but are restrained and justifiable to the Parliament and the Australian public. We are expected to be a model employer and seek to promote similar outcomes from our contractors.

Special Access Undertaking Variation

We submitted our revised Special Access Undertaking variation to the ACCC on 29 November 2022. The ACCC released its draft decision on 2 May 2023, proposing to reject the November SAU variation. In issuing its draft decision, the ACCC noted that it could only decide to accept or reject our November SAU variation. The ACCC noted that it had identified a number of aspects of the November SAU variation which represent significant improvements on the current SAU and earlier variation proposals, and that its draft decision outlined specific issues which we could address to accelerate the pathway to an acceptable SAU variation. This draft decision is subject to further consultation with industry stakeholders. We intend to consider all views expressed in the forthcoming consultation on the draft decision, with a view to formally withdrawing the November SAU variation proposal and lodging an amended SAU variation proposal with the ACCC in August 2023, which will be subject to further consultation with industry stakeholders.

If accepted by the ACCC as submitted, the November SAU variation would have, among other things:

- Introduced AVC-only pricing (that is, eliminated CVC charges) for wholesale speed tiers of 100 Mbps and above within three months of acceptance of the SAU variation, and reduce CVC charges on the 12, 25 and 50 Mbps wholesale speed tiers in increments (while rebalancing the AVC charges as the CVC charges decrease), with AVC-only pricing for these lower speed tiers commencing by FY26;

- Reduced the monthly wholesale charges for the higher (100 Mbps and above) speed tiers. The following table shows the current fixed charge in a bundle discount for certain of our key products and the AVC-only charge proposed in the SAU variation:

	Monthly charge (A$)	
	Current fixed charge in bundle discount	**SAU variation**
Home Fast (100/20)	$58.00	$55.00
100/40	$65.00	$58.00
Home SuperFast (250/25)	$68.00	$60.00
Home UltraFast (500- ~1000/50)	$80.00	$70.00

- Reduced the effective charges for the 12, 25 and 50 Mbps wholesale speed tiers through lower prices or increased data inclusions, as set out in the following table:

	Monthly charge (A$) (CVC included)	
	Current fixed charge in bundle discount	**SAU variation**
12/1 Voice Only	$22.50 (0.15 Mbps)	$12.00 (0 Mbps)
12/1 Broadband	$22.50 (0.15 Mbps)	$24.40 (0 Mbps)
25/5 and 25/10	$37.00 (1.6 Mbps)	$26.00 (0.2 Mbps)
50/20 and FW Plus	$45.00 (2.65 Mbps)	$50.00 (2.50 Mbps)

Note: under the SAU variation, any CVC overage would be charged on the basis of utilised CVC capacity rather than provisioned capacity.

- Replaced individual price controls on most NBN services with a weighted average price cap (WAPC) or "basket" price control in order to allow a transition to "cost-reflective" prices. Under this proposal, the weighted basket could have changed each year on a "use-it-or-lose-it" basis at:

    - CPI, during an initial glidepath period (i.e. before we are expected to achieve allowable annual building block model revenues); and

    - A percentage that allowed forecast revenue for each financial year to equal building block model revenues plus a proportion of the ICRA thereafter;

- Set a limit on the maximum amount of ICRA that we could have recovered within the remaining term of the SAU (i.e. to 30 June 2040) commencing with an opening ICRA balance of A$12.5 billion at the effective date of the SAU variation, to be indexed annually for inflation;

- Made changes to the framework for assessing our prudent and efficient costs in response to ACCC feedback;

- Embedded key service standards within the SAU in our SFAA that would have provided the industry with greater certainty regarding the benchmark service performance we will maintain on the NBN;

- Introduced review mechanisms for service standards that would have given the ACCC powers to set alternative service standards for subsequent regulatory cycles if our replacement module application is rejected;

- From 2032, provided the ACCC with wider powers, including the power to review and reset our revenue and pricing regulation framework under the SAU, subject to a number of high-level principles; and

- Provided that if a future government transfers control over us to private ownership, the SAU expiry date would be brought forward from 2040.

See "*Risk factors — We operate in a highly regulated environment that is subject to change*" in the offering circular for more discussion on the potential impact of a varied SAU and other regulatory risks that we face.

Competitive neutrality investigation

On 29 November 2022, the Australian Government Competitive Neutrality Complaints Office (AGCNCO) released the report of its investigation into a competitive neutrality complaint against us. While it concluded that most of the matters that the complainant raised did not breach Australian government competitive neutrality policies, the AGCNCO found that we received a benefit in the pricing of our private market debt as a result of our government ownership which represented a competitive advantage. The AGCNCO recommended that in order to comply with the government's competitive neutrality policies, we should be required to make payments equivalent to the benefit to consolidated revenue. It estimated that the benefit was more than A$300 million for FY2022, and that it was likely to grow in future years as we raise more debt.

The government has indicated that it is considering the report, and noted the unique circumstances of NBN Co as the default provider of wholesale broadband services across Australia. The government is not obliged to implement the recommendations of the AGCNCO.

Australian government investment

In October 2022, the Australian government announced that it would invest A$2.4 billion of equity over four years to help fund our delivery of the government's commitment to extend FTTP access to a further 1.5 million premises on our network.

Executive committee

Chief Customer Officer

In January 2023, we appointed Anna Perrin as our Chief Customer Officer, replacing Gavin Williams, who had served as interim Chief Customer Officer in addition to his ongoing role as Chief Development Officer Regional & Remote. Ms. Perrin was previously Managing Director, Oceania, at Nokia, where she led the Australia and New Zealand business. A career spanning over 20 years has seen Ms. Perrin develop extremely strong relationships across the sector; an in depth understanding of a fluid market including regulatory and competitive dynamics and a keen appreciation of future customer trends in our market. Ms. Perrin holds a Bachelor of Arts degree from The University of Sheffield.

Chief Information Officer

In February 2023, we appointed Rob Sewell as our Chief Information Officer, replacing Crispin Blackall, who had served as Acting Chief Information Officer since September 2022. Prior to joining us, Mr. Sewell spent over four years with Maxis Berhad in Malaysia, leading technology strategy and digital transformation. At an industry level, he played a significant role in developing the arrangements between the industry access seekers and Malaysia's 5G Single Wholesale Network provider. Mr. Sewell previously spent seven years as the Chief Information Officer and Head of Network Planning with Indian mobile network operator Aircel Ltd. and, in Australia, over 17 years at Telstra in a range of roles, including Director of Architecture.

He holds a Bachelor of Engineering (Hons.) and a Bachelor of Science from the University of Western Australia, and has also lectured at Masters level in Computer Science at RMIT University.