

CEO Call

Clive Selley

2 December 2020



Today's agenda

Clive Selley
CEO Openreach



Our big bold plan

Service update – Volume products

Service update – Ethernet products

Fibre First

All IP

PIA

Your questions

better service



Service performance remains solid despite the challenging conditions

- Our **Covid-19** processes enable us respond effectively to local and national lockdowns at very short notice
- We're dealing with unprecedented demand on our resource from repair and FTTP provision
- We've tackled extreme weather this autumn
- We're facing significant challenges delivering all of our QoS standards this year
- **Ethernet** performance is improving with mean time to provide down to 32 days and we're on track to deliver more than 55.6k orders this year

broader coverage



We're paving the way to a full fibre UK

- **SOGEA and SOGFast** launches are progressing our shift to All IP
- CPs are building propositions on SOGEA and FTTP
- Stop sell now started in our **first full fibre city** Salisbury
- More than **90 CPs** now consuming PIA to extend their networks using our ducts and poles

faster speeds



We're well on the way to build 20m FTTP by the mid to late 2020s

- We've upped our FTTP build ambition to **20m** by the mid to late 2020s
- We're building to **3.2m premises** in the UK's hardest to reach areas
- We're now passing **40k** premises with FTTP every week
- Demand for FTTP continues to grow with over **17k** orders per week

Better service

For our consumer and residential customers

Overall performance remains solid under challenging circumstances

- Our Covid-19 processes are well established enabling us to respond effectively to local and national lockdowns at very short notice
- We're continuing to face high repair demand
- FTTP provision demand remains very high and completions are increasing week on week with support from across all Openreach divisions
- Contact volumes have grown but desk performance remains in line with target. Collaboration is ongoing with Industry to embed self-service, improve quality and enhance system and processes

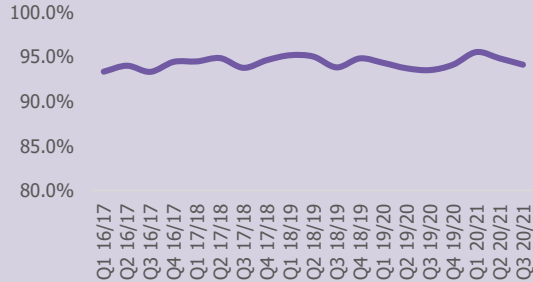
We're doing everything to deliver service to customers

- Despite the circumstances we've maintained a good level of service for customers
- However, it will be extremely challenging to deliver QoS targets in all regions
- Most areas on track but a number of repair hotspots exist, requiring significant focus for the rest of year
- Storm Alex had a major impact from which we made a swift recovery
- We've also delivered record numbers of repair completions, significantly up year on year since July

We're focused on improving the health of our network

- Bringing forward our Fault Volume Reduction plan has helped to contain the volume of network faults
- However non network faults have risen to much higher levels as more people continue working from home and rely on their broadband throughout the day
- Average weekly repair intake in Q3 so far is 7.6k higher than last year, and total repair intake since July-20 is 13% higher than same period last year.
- We want Industry to help us to focus on customers that critically need our services by removing unnecessary engineering visits.

Provision performance



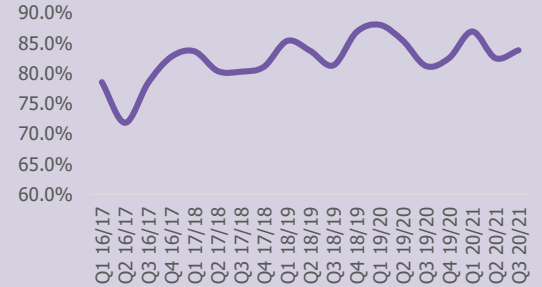
Q3 to date at 94.1%. YTD at 94.7%

Missed Appointments



Q3 to date at 2.9%. YTD at 2.7%

Repair performance



Q3 to date at 83.8%. YTD at 83.6%

Better service

For our Ethernet customers

Delivering for the UK and our customers

iCDD is up to 86%

MTTP
down to 32 days

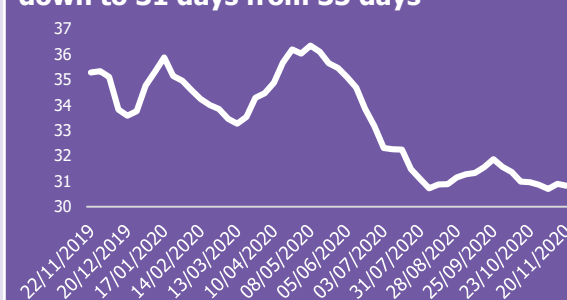
We're on track to deliver more than

55,600 orders this year

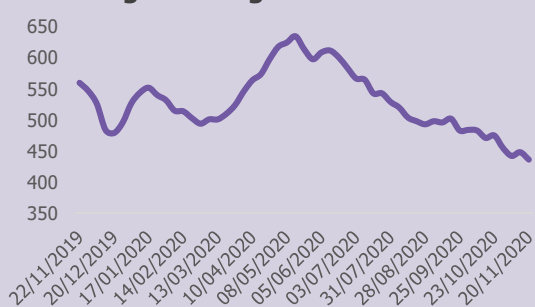
Demand is stabilising as economic activity resumes across the UK



Age of the work stack is improving – down to 31 days from 35 days



Focus on recovering from COVID impact to regulated aged order volumes



QoS Repair performance over 95% YTD



We have supported our customers through exceptionally challenging economic conditions

+62

Net Promoter Score for Ethernet 12 MRA



Fibre First Programme

Paving the way to a Full Fibre UK

Our build ambition

4.5m

At 3.8m premises, we're on track to reach **4.5m by end of March 2021**

40k

We're building at a rate of **40,000 premises per week** – and growing

20m

It's our ambition to reach **20m homes by the mid/late 2020s**



We've just achieved our first half a million quarter for FTTP build



Reaching the last third

We're delivering on our commitment of commercially building to 3.2m rural and other premises in the hardest to reach areas of the UK

We've announced over 500 fibre first locations



Spotlight on Salisbury

Our rollout of full fibre to Salisbury shows our ability to deliver a citywide fibre build. This build covered c.25.2k homes in just under a year



We're making a real difference

The UK is at nearly 18% FTTP coverage and rising. Northern Ireland now has over 57% coverage of FTTP - in the top 10 in the world for FTTP saturation



Growing demand

We're continuing to see really positive progress in terms of build and sales. In Q3 to date we've been receiving over 17k FTTP orders per week

All IP programme

It's our ambition to establish the UK as a top-tier country for digital infrastructure

We have announced

168
Exchanges
+ Salisbury

that will stop sell non
ultrafast products

Our trials continue

Salisbury
FTTP trial



25.2k premises
100% FTTP

Mildenhall
SOGEA trial



7.5k premises
100% All IP

All IP Products **launched**

SOGEA
+ Low Bandwidth tier
SOGFast

CPs are launching their
propositions on FTTP and
SOGEA

Growing CP engagement



Participation in industry
working groups has grown
significantly



New All IP industry steering
group, co-chaired with OTA2
to further help industry on
engagement and support

April 2020

SOGEA and
SOGFast
launched



June 2020

117 exchanges
notified for
stop sell



October 2020

51 exchanges
notified for
stop sell



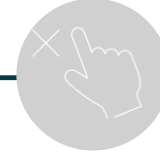
1 Dec 2020

Stop sell for
Salisbury



May 2021

Stop sell for
Mildenhall



June 2021

Stop sell on 117
exchanges



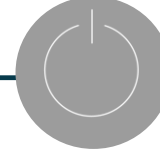
October 2021

Stop sell on 51
exchanges



Dec 2025

WLR Withdrawal



Physical Infrastructure Access (PIA)

Now we're at 18 months since the launch of our revised PIA product, a look at our progress and performance

Our performance



Volumes are increasing on PIA and we now have **over 90 CPs** established



We have over **20,000 open notices of intent** covering circa 14,000km of duct and circa 80,000 poles (end of Q2 20/21)



We've maintained **strong YTD operational performance** despite challenges from COVID19.

- **99.9%** Network order validation
- **92.6%** On-Time Delivery

Delivering for our customers

- We're **evolving our processes and engineering principles** as the product is consumed by more CPs and we identify areas for improvements, to support **scale build**
- We've focused on removing **IT pain points** with the portal order journey, and launched Application Programming Interface (API) and manual validation of network adjustments
- We are working with Industry & the OTA2 to design a clear process for where a **CP has their network damaged by another CP**

Collaboration is key



Thanks for your engagement so far. Please continue to support the ongoing collaboration sessions & **establish for the Application Programmable Interface (API)**

**Any questions or
feedback?**

