Undertaking to the Australian Competition and Consumer Commission

Given under section 87B of the *Competition and Consumer Act 2010* (Cth) by

Telstra Limited ACN 086 174 781

1. Person(s) Giving the Undertaking

1.1. This undertaking is given to the Australian Competition and Consumer Commission (**ACCC**) by Telstra Limited ACN 086 174 781 (**Telstra**), for the purposes of section 87B of the *Competition and Consumer Act 2010* (CCA) (**Undertaking**).

2. Background

2.1. Telstra is Australia's largest provider of retail broadband internet services. Telstra is also one of the three mobile network operators in Australia. It is a publicly listed company, incorporated in Australia. Belong is a business unit of Telstra, which markets itself as a provider of low-cost connectivity options including NBN internet access plans. This Undertaking concerns the conduct of the Belong business in relation to one of its retail plans, marketed to consumers as Belong's "premium" plan (**Belong Premium Plan**).

3. The Speed Tier Switch and Proceedings including Telstra's remediation to date

3.1. In October/November 2020, Telstra unilaterally reconfigured the bulk of its Belong Premium Plans so as to align with a new underlying NBN wholesale speed tier that had a maximum upload speed of 20mbps rather than the 40mbps maximum upload speed to which they had previously been aligned (**Speed Tier Switch**). Telstra did not notify affected Belong customers of the Speed Tier Switch at that time.

3.2. In around March/April 2021, Telstra notified 2,553 Cohort A customers (as defined below) of the Speed Tier Switch and proactively remediated them for each month that the customer had been on the lower upload speed until their notification.

3.3. In April 2021, Telstra self-reported to the ACCC that it had applied the Speed Tier Switch without notice to a cohort of customers that had acquired a Belong Premium Plan during the period in which Telstra had published materials relating to that plan which referred to upload speeds of "40" Mbps. The self-report related to 2,553 Belong customers. Telstra later identified a further 232 customers affected by this conduct. Telstra made some admissions in connection with these customers during the ACCC's subsequent investigation and proceedings.

3.4. The ACCC instituted proceedings in the Federal Court of Australia against Telstra on 6 December 2022 (the **Proceedings**). In the Proceedings, the ACCC alleged that Telstra engaged in misleading or deceptive conduct, and made false or misleading representations, in contravention of sections 18, 29(1)(b) and 29(1)(g) of the Australian Consumer Law (**ACL**), which is Schedule 2 to the CCA, relating to the upload speed of residential broadband internet services supplied to 8,897 of its Belong customers.

3.5. In or around October 2023, Telstra notified and proactively remediated a further 232 Cohort A customers in relation to the Speed Tier Switch.

3.6. On 21 February 2025, the Federal Court found that, by failing to inform 2,785 of the Belong customers, who had acquired the Belong Premium Plan between 1 May 2017 and 19 September 2018 (**Cohort A**), of the Speed Tier Switch in circumstances where Telstra had published materials which referred to upload speeds of "40" Mbps in connection with the Belong Premium Plan, such that each consumer had a reasonable expectation that detrimental changes would not be made to

the speed capabilities of their plan without prior disclosure, Telstra represented to those customers that their plan continued to have the same 40Mbps upload speed capabilities following the Speed Tier Switch, when this was not the case.

3.7. The Court also found that Telstra, by failing to inform a further 6,112 Belong customers who had acquired the Belong Premium Plan between 20 September 2018 and October 2020 (**Cohort B**), of the speed tier switch in circumstances where (a) Telstra published and provided materials to customers describing the plan as "Speed Boost Premium", "Premium Evening Speed Boost", "Unlimited NBN Premium" or "Premium" and (b) continued to invoice the customers for the plan as it previously had, such that those customers had a reasonable expectation that they would be told about the Speed Tier Switch, Telstra represented to those customers that their plan continued to be the same in material respects (including as to its upload speed capability) as it had always been when this was not the case.

4. Agreed Resolution

4.1. Telstra and the ACCC have agreed to seek a resolution of the Proceedings by which Telstra and ACCC will jointly seek relief orders from the Court, including declarations, penalties and costs.

4.2. As part of the resolution of the Proceedings, Telstra has also offered this Undertaking to the ACCC.

5. Commencement of this Undertaking

5.1. This Undertaking comes into effect when all of the following have occurred:

(a) this Undertaking is executed by Telstra;

(b) this Undertaking so executed is accepted by the ACCC; and

(c) the Court makes final orders in the Proceedings,

(the **Commencement Date**).

5.2. This Undertaking has effect until 15 June 2027 (the **Term**).

5.3. From the Commencement Date, Telstra undertakes to assume the obligations set out in paragraphs 6.1 and 6.2 of this Undertaking for the purposes of section 87B of the CCA.

6. Undertaking

6.1. Telstra undertakes that it has commenced, and will complete, remediating the 6,112 Cohort B customers on the following terms:

(a) for each Cohort B customer who was a current Telstra customer as at 16 June 2025 (**Active Customer**), by no later than 1 month after the Commencement Date, Telstra will:

i. send the Active Customer an email advising they are eligible to receive a credit or refund and the amount of the remediation. The date that this occurs is the '**Notification Date**'. If Telstra receives a notification that the email is undelivered, Telstra will also send the Active Customer an SMS advising that they are eligible to receive remediation and the amount of the remediation; and

ii. credit the Active Customer's Telstra account with or, at the Active Customer's election, provide a refund of an amount equal to $15 multiplied by the number of months between:

A. October 2020; and

B. the earlier of the date the Active Customer discontinued their Belong Premium Plan

and the date Telstra provides the credit or refund.

(b) for each Cohort B customer who was not a current Telstra customer as at 16 June 2025 (**Inactive Customer**), Telstra will:

i. by no later than 1 month after the Commencement Date, send an email to the Inactive Customer advising they are eligible to receive a refund, the amount of the refund and how they may accept that refund (**First Contact**). The date that this occurs is the '**Notification Date**'.

ii. if the Inactive Customer has not accepted the refund within 60 days of their Notification Date, by no later than 14 days of that date, send a further email to the Inactive Customer advising they are eligible to receive a refund, the amount of the refund and how they may accept that refund (**Second Contact**).

iii. if the Inactive Customer has not accepted the remediation by 1 February 2027, by no later than 15 February 2027, send a further email to the Inactive Customer advising they are eligible to receive a refund, the amount of the refund and how they may accept that refund (**Third Contact**).

iv. If Telstra receives an automated notification that any of the First, Second or Third Contact emails were undelivered, within 3 days of receiving that automated notification, send the Inactive Customer an SMS advising that they are eligible to receive a refund, the amount of the refund and how they may accept that refund.

v. if the Inactive Customer accepts the refund, within 10 business days of that acceptance, pay to the Inactive Customer's nominated account a refund equal to $15 multiplied by the number of months between:

A. October 2020; and

B. the date the Inactive Customer discontinued their Belong Premium Plan.

(c) Telstra acknowledges that, as at the relevant Notification Date, the remediation amount calculated in accordance with paragraphs 6.1(a)(ii) or 6.1(b)(v), as applicable, is legally payable to each Cohort B Customer for the purposes of the *Unclaimed Money Act 2008* (Vic).

(d) If Telstra has not paid the full amount of remediation to a Cohort B Customer within 12 months of that customer's Notification Date, Telstra will pay that amount to the Registrar of Unclaimed Moneys in accordance with the *Unclaimed Money Act 2008* (Vic) and, in any event, by no later than 31 May 2027. If the amount of remediation payable to a Cohort B customer is less than $20, Telstra will pay to the Registrar of Unclaimed Moneys the amount of $20 in respect of that customer.

6.2. Telstra undertakes that, by no later than 15 June 2027, it will provide confirmation in writing to the ACCC as to:

(a) the total amount of remediation paid to Cohort B Customers;

(b) the total amount of remediation payable to Cohort B Customers that remained unclaimed as at 1 March 2026; and

(c) the total amount of remediation amount paid to the Registrar of Unclaimed Moneys in accordance with paragraph 6.1(d).

7. Administration

7.1. The ACCC may authorise a member of the ACCC or an ACCC staff member to exercise a decision making function under this Undertaking on its behalf.

7.2. The ACCC may, from time to time, extend the date by which any of the obligations in this Undertaking

is to be satisfied. Such a request for an extension must be express and in writing.

7.3. Information and documents required under this Undertaking will be provided via the ACCC's Undertakings Portal whenever possible.

8. ACCC Enquiries

8.1. For the purpose of monitoring compliance with this Undertaking, the ACCC may make reasonable enquiries with Telstra, and Telstra will, at its own expense, respond to such enquiries within a reasonable time.

8.2. If reasonably requested by the ACCC during the Term of this Undertaking, Telstra will, at its own expense, cause to be produced and provide to the ACCC copies of such documents (excluding legally privileged documents) in its power, possession or control evidencing Telstra's compliance with the obligations set out in this Undertaking.

9. Acknowledgments

9.1. Telstra acknowledges that:

(a) the ACCC will make this Undertaking publicly available including by publishing it on the Section 87B Undertakings Register on the ACCC's website;

(b) the ACCC will, from time to time, make public reference to this Undertaking including in news media statements and in ACCC publications;

(c) the ACCC may, from time to time, publicly report on compliance with this Undertaking; and

(d) this Undertaking in no way derogates from the rights and remedies available to any other person arising from the alleged conduct.

9.2. Nothing in this Undertaking is intended to restrict the right of the ACCC to take action under the ACL and the CCA for penalties or other remedies in the event Telstra does not fully implement and/or perform its obligations under this Undertaking or in relation to any other event.

Executed as an Undertaking
Signed for Telstra Limited ACN 086 174 781 pursuant to section 126 of the Corporations Act 2001:

Brad Whitcomb
Brad Whitcomb (Sep 24, 2025 17:15:11 GMT+10)

Signature of authorised representative

Brad Whitcomb

Name of authorised representative (print)

Date 24/09/2025

By signing this document, the signatory states that they have received no notice of revocation of their authority to sign

Accepted by the Australian Competition and Consumer Commission pursuant to section 87B of the *Competition and Consumer Act 2010* (Cth) on:

25 September 2025

Date

and signed on behalf of the Commission:

by Cass. Gottlieb

Chair

25 September 2025

Date