

Hyperoptic deal: factsheet

Deal information	
Deal announced	July 2024
Sector	Digital
Location	UK wide
Counterparty	Hyperoptic ⁱ
Total investment	£250m
UKIB finance	£150m
Product	Debt

Summary

The UK Infrastructure Bank is investing £150 million to support full fibre roll out to an additional 1m homes and businesses in the UK. The investment in Hyperoptic's rollout will improve connectivity in digitally underserved areas and create direct employment opportunities. Further, this project supports the Government's objective to improve access to gigabit broadband.

Sector context

The Government's objective is to ensure every UK home and business can access fast and reliable digital connectivity. Its target is for at least 85% of UK premises to have access to gigabit capable broadband by 2025, with the Levelling Up white paper increasing this target to 99% by 2030. The increase in demand for connectivity requires a transformation of the digital infrastructure on which the telecoms sector is built. As of April 2024, just under 82% and 65% of UK homes and businesses had access to Gigabit-capable services and Fibre-to-the-Premises ("FTTP")ⁱⁱ based broadband network, respectively.ⁱⁱⁱ The UKIB is supporting the Government's target by supporting full fibre rollout in BDUK 'white' areas (areas with premises with no gigabit network infrastructure and none is likely to be developed within 3 years).^{iv}

Impact and additionality

This project supports Hyperoptic's rollout of FTTP across the country and contributes to UKIB's strategic objectives because:

- The project supports the rollout of full fibre broadband to 1m additional premises with just under 50% in areas defined by BDUK as 'white'. UKIB investment in this project is tied to rollout in these BDUK white areas.
- Hyperoptic has a strong focus on connecting Local Authority premises and homes with social value commitment, ensuring that these premises are not digitally excluded.
- The project supports our regional and local economic growth (RLEG) objectives by supporting jobs and investment in rollout areas, boosting their competitiveness through better connectivity, productivity, and quality of life.
- This project also aligns with our net zero mandate through greater resilience to climate change and lower emissions than energy intensive copper.
- Without UKIB's involvement, the full fibre rollout would have had to be slowed down and scaled back. Further, UKIB's investment ensures the BDUK 'white' areas are getting FTTP connectivity.

ESRG considerations

The project aligns with our ESG framework. Hyperoptic has very strong ESG credentials with established policies. Furthermore, full fibre is resilient to climate change, and more efficient and future proof than copper.

Impact metrics	
8	# deals in the digital sector ^v
£1.17bn	Total investment in sector
£100m	Private finance mobilised ^{vi}
2,400 FTE	Jobs (created and safeguarded) ^{vii}
9,400 tCO2e	Emissions ^{viii}
1m	Homes passed ^{ix}

ⁱ Kings House, 174 Hammersmith Road, London, England, W6 7JP

ⁱⁱ FTTP is the most reliable and fastest way to delivering gigabit capable connectivity.

ⁱⁱⁱ [Browse Maps and Check Broadband Performance and Coverage Across the UK \(thinkbroadband.com\)](https://www.thinkbroadband.com)

^{iv} [Closure of the September 2023 National Rolling Open Market Review - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

^v Including our fund investment

^{vi} The amount of private finance that has been mobilised alongside the Bank's investment. The total investment of £250m is financing Hyperoptic's current rollout plan.

^{vii} Rounded, based on company information. 1,445 FTE associated with UKIB finance.

^{viii} Estimate includes scope 1 and 2. GHG emissions figures are self-reported ex-ante estimates provided by the underlying company/project sponsor. The scope boundaries vary in each case and UKIB cannot guarantee alignment with the GHG protocol. 5,600t CoO₂e associated with UKIB finance.

^{ix} Rounded. 600k HP associated with UKIB finance.