

FY25

Corporate Governance Statement



N E X T D C

1 July 2024 to 30 June 2025

NEXTDC Limited

ABN 35 143 582 521



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Governance at NEXTDC

Strong corporate governance is fundamental to how NEXTDC operates. Our comprehensive governance framework sets out clear roles and responsibilities across the Board, management, employees, and suppliers. It is built on the principles of transparency, accountability, effective risk management and ethical conduct, supporting the long-term resilience and success of our business.

This **Corporate Governance Statement** ("Statement") outlines the key elements of our governance framework and the practices we have in place to achieve effective oversight and responsible decision-making. It reflects our commitment to meeting the expectations of our shareholders, customers, suppliers, employees, and the broader community.

NEXTDC is committed to demonstrating leadership in corporate governance and aligning our practices with recognised standards of excellence. In preparing our Statement, we have benchmarked our governance framework against the Australian Securities Exchange ("ASX") **Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition)**.

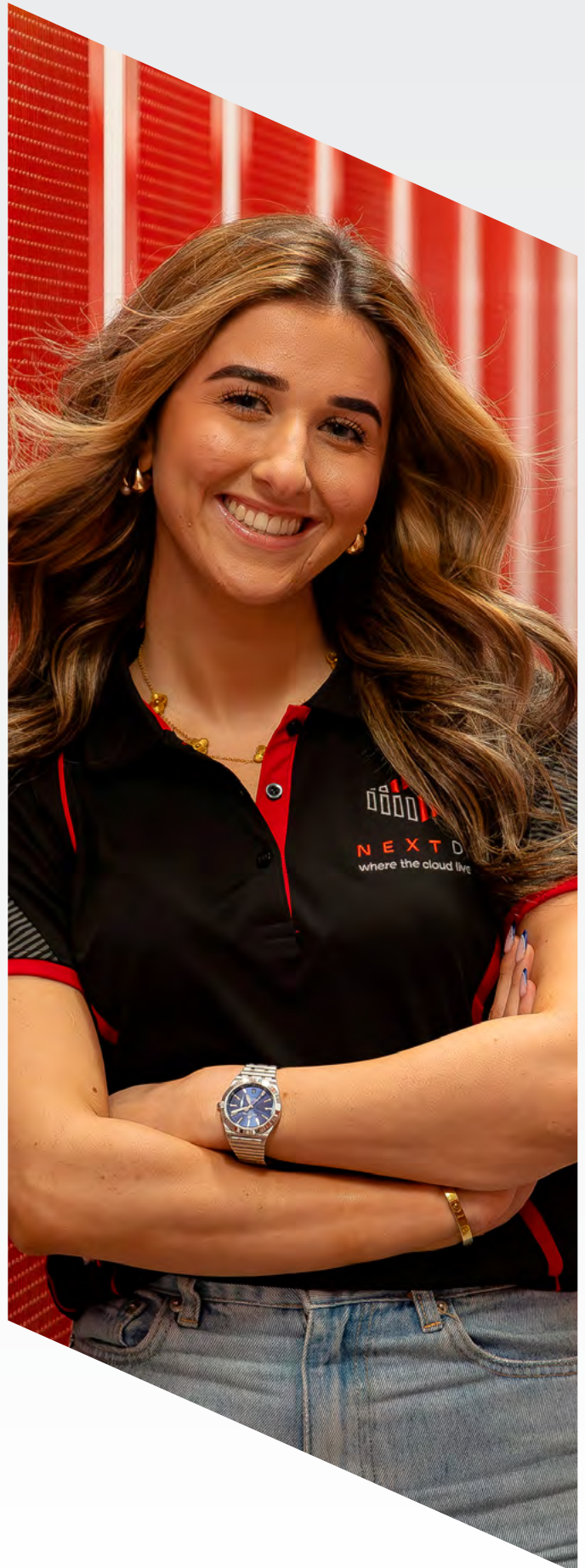
As an ASX-listed entity, we report against these principles on an "if not, why not" basis and seek to apply them in a way that is both practical and effective for our business. We also rely on internal governance standards and industry-leading practices that support our commitment to transparency, accountability, and long-term value creation.

To uphold these standards, the Board has established charters and policies that set out our expected behaviours and operational protocols. These documents are reviewed at least annually to ensure they remain current with evolving governance standards, business needs, and legal requirements.

While there is no single model for effective governance, our approach seeks to go beyond meeting legal and regulatory requirements. We focus on building trust with stakeholders through clear accountability, ethical conduct, and a strong risk management culture.

This Statement reflects NEXTDC's governance arrangements as at **30 June 2025** and has been reviewed and approved by the Board.

Copies of NEXTDC's Charters and related governance materials referred to in this Statement and our Appendix 4G can be found in the Corporate Governance section of our website (www.nextdc.com/investor-centre/corporate-governance).



Our Corporate Values

Our goal as a company is to have every one of our people living our six core values. We encourage our employees to share their stories and we empower staff to speak out when they see behaviours that are inconsistent with our values.



Customer First

We are obsessed with delivering the world's best customer experience.



One Team

We are an elite team working together with super stars playing in every position.



Bright Ideas

The best way to predict the future is to create it.



Pursuit of Excellence

We are relentless in our pursuit of excellence, not perfection.



Straight Talk

We don't talk bull, we have crucial conversations, we disagree and then we commit.



Frugal Not Cheap

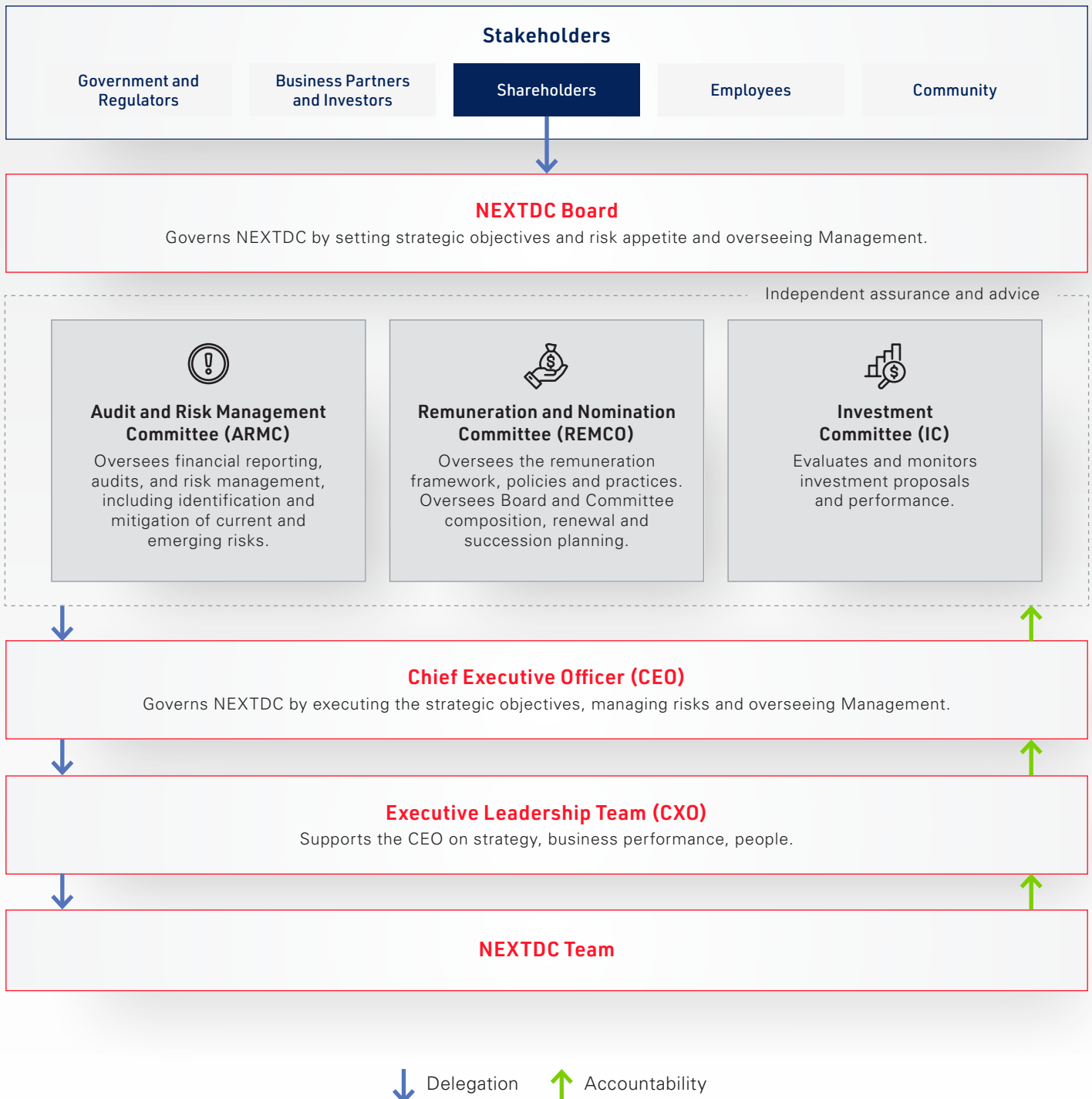
We spend our money where it matters the most.



Governance Framework

NEXTDC's corporate governance framework is designed to manage risks, cultivate trust, attract investors and safeguard our reputation and market value.

NEXTDC's governance framework establishes clear roles and responsibilities across the Board, its committees, management, employees, and suppliers, with a focus on accountability, risk management, and effective oversight. Powers are delegated from the Board to its Committees and to the CEO, who further delegates to CXOs under defined limits of authority. The CEO remains accountable to the Board for the exercise of these powers and overall executive performance. Independent assurance processes seek to support sound decision-making, while structured reporting lines promote alignment within a broader governance framework.



FY25 Corporate Governance Highlights and Key Focus for the Board

The Board actively championed continuous improvement in our corporate governance framework throughout FY25. Here are some key initiatives we implemented:



The Board and Management actively engaged with key stakeholders, including investors, employees, and customers, to gather feedback and ensure the Company's alignment with their needs.



Achieved a 75% employee engagement score through our bi-annual NXTPulse survey, a shorter pulse survey conducted in alternate years to our full employee engagement survey. Results reflected strong levels of pride, inclusion, and access to mental health support across the business.



Maintained strong oversight of its safety performance and implemented additional strategies to drive continuous improvement and strengthen workplace safety awareness. The Safety Leadership Interaction (SLI) program continued to be a focus, with executives actively engaging to promote a culture of safety across the business.



CXO Engagement: The CXO team held an offsite in Malaysia, spending dedicated time with the local team to strengthen connections and support our growing international presence.



The Board continued its focus on the teams and executive remuneration programs to drive performance, retention and alignment with financial performance.



The Board focused on strengthening NEXTDC's risk culture maturity and overseeing our approach to climate risk, including preparing for the adoption of the mandatory climate disclosure regime.



ESG Council, led by the Chief Risk Officer, continued to focus on integrating environmental, social, and governance (ESG) considerations into the broader operations of the business. Throughout the year, the Board received regular reports on the company's ESG initiatives and projects.



The Board continued to prioritise progress in DE&I initiatives, measured against set targets and focusing on policies that promote a fair and inclusive environment across all levels of the Company.



Published our fifth Modern Slavery Statement in December 2024, demonstrating our ongoing compliance with the requirements of the Modern Slavery Act 2018 and reaffirming our commitment to ethical and responsible business practices throughout our operations and supply chain.



Our Reflect Reconciliation Action Plan (RAP) is now on track for submission and imminent public launch, marking a significant step in our reconciliation journey.



Continued to strengthen the Company's cybersecurity resilience and information technology capabilities, including testing of the Cybersecurity Incident Management Plan with executives and external stakeholders.



Refined delegation framework to support global expansion and growth.











NEXTDC has won a LearnX Platinum Award for Best Learning and Talent Development in Compliance Training.



Principle 1: Management and Oversight

Our Board

NEXTDC prioritises strong corporate governance with a dedicated Board acting in the best interests of the Company and its stakeholders. The Board has seven independent Non-Executive Directors and our Managing Director and CEO. You can learn more about each Board member on the NEXTDC website at: www.nextdc.com/about-us/meet-our-board.

Douglas Flynn Non-Executive Chairman	Craig Scroggie Chief Executive Officer and Managing Director	Dr Gregory Clark AC Non-Executive Director	Jennifer Lambert Non-Executive Director
			
Dr Eileen Doyle Non-Executive Director	Stuart Davis Non-Executive Director	Stephen Smith Non-Executive Director	Maria Leftakis Non-Executive Director
			

Roles and responsibilities of the Board

Our Board of Directors plays a central role in guiding NEXTDC's strategy and ensuring the business is well-managed and positioned for sustainable growth. While ultimate responsibility for corporate governance rests with the Board, it goes beyond oversight and is actively involved in shaping the Company's risk monitoring and compliance with Australian and regional regulations.

Throughout FY25, our Board has remained focused on strengthening governance practices, particularly around improving the depth and quality of risk management and quality of reporting across the business. Working through its Committees, the Board continues to champion strong corporate governance as a foundation for sustainable long-term success.

You can find more detail about the Board's responsibilities and what matters are reserved to it in the Board Charter, available on NEXTDC's website at www.nextdc.com.

Role of the Chair

Our Board Chair is an independent director responsible for providing leadership and guidance to the Board, maintaining open dialogue with the CEO and facilitating communication amongst Directors and between the Board and Management. This includes working with the Company Secretary to support the Board in assessing the information it needs for effective decision-making. The Chair also leads the Annual General Meeting (AGM) and represents the Board and NEXTDC's views to stakeholders such as shareholders, regulators, and the broader community.

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As we extend our footprint into Malaysia and the wider Asian market, our commitment to robust corporate governance remains a top priority. Maintaining transparency, accountability, and ethical leadership is fundamental to earning the trust of our stakeholders and driving sustainable growth across diverse regions. We are devoted to cultivating a governance framework that not only aligns with global best practices but also adapts thoughtfully to the unique opportunities and challenges presented by the markets we serve.”

Douglas Flynn
Chairman



Role of the Chief Executive Officer

The Board delegates authority for the day-to-day management of NEXTDC to its CEO, who manages the business according to the strategy, budgets, policies, and delegations approved by the Board. The Board has also endorsed NEXTDC's Statement of Delegated Authority to specify matters expressly delegated to the CEO and management. While the CEO and Executive Leadership Team (CXO) remain accountable to the Board, they are empowered to make decisions they believe are appropriate, within the boundaries established by the Board. The Board actively oversees the CEO's decisions through regular Board and Committee meetings. This includes receiving briefings, reviewing reports on key operational issues and tracking progress towards established corporate objectives.

Role of the Company Secretary

The appointment and tenure of the Company Secretary are determined by the Board. Mr. Michael Helmer, NEXTDC's Company Secretary, provides the Board with direct advice and support on legal, regulatory, and governance matters, helping ensure the Board operates effectively and its decisions are implemented appropriately. All Directors have direct access to Mr. Helmer, who also reports to the Chair. In addition, the Company Secretary plays a vital role in overseeing NEXTDC's compliance with all relevant statutory and regulatory obligations.

Terms of appointment

All new Directors receive a letter of appointment outlining NEXTDC's expectations, their rights and responsibilities, and the terms of their engagement. They also receive a detailed briefing on the workings of the Board and its Committees, as well as key financial, strategic, operational, and risk management matters relevant to the business.

Each member of the Senior Executive team signs a formal services agreement on appointment. This agreement covers their duties, rights, responsibilities, and any entitlements upon termination. It also refers to a formal job description that is reviewed periodically and updated as needed in consultation with the executive.

Before appointing or nominating a new Director or Senior Executive, NEXTDC conducts appropriate checks on their character, experience, education, and confirms the absence of criminal or bankruptcy history. For Directors standing for election or re-election, all relevant information is included in the Notice of Meeting for the Annual General Meeting (AGM).

Evaluation of Board performance

In FY25, the Board reviewed its collective skills and expertise. This review is informing board succession planning by identifying complementary capabilities and experience to best support the business's future strategic priorities. In parallel, the Board reflected on governance practices, with a focus on maintaining structures and processes that remain effective and aligned with long-term strategic objectives.

Evaluation of Executive Team Performance

The CEO leads the CXO team, overseeing their performance through regular reviews, defined KPIs, and development plans. The Board, supported by the Remuneration and Nominations Committee (REMCO), manages executive succession planning and monitors their performance through ongoing assessments and end-of-year appraisals, which are conducted between September and November each year.



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As our business grows across regions and sectors, so does our risk profile. We're focused on building a mature, forward-looking risk culture, one that supports innovation while ensuring we remain resilient, compliant, and well-prepared for emerging challenges.”

Michael Helmer

Company Secretary and Chief Risk Officer



Diversity, Equity and Inclusion

NEXTDC is committed to fostering a balanced, inclusive, and respectful working environment, underpinned by well-considered policies and our Company Values. The Board has adopted a Diversity, Equity and Inclusion (DEI) Policy with measurable objectives that reflect our commitment to promoting diversity at all levels of the organisation.

As NEXTDC expands its operations into Asia, embracing and championing diversity and inclusion becomes even more critical. Our growing footprint in the region makes it essential that we value and leverage the unique perspectives, skills, and cultural backgrounds of our people. We are proud of the many individuals across the business who bring a wide range of experiences shaped by their gender, age, ethnicity, and cultural heritage.

We strive to foster an inclusive workplace where diversity is celebrated, and team members feel confident sharing their authentic selves. For more details on our ongoing efforts, achievements, and strategic priorities in diversity, equity and inclusion, please refer to the Company's FY25 ESG Report.

Gender Diversity

NEXTDC is committed to achieving a gender-balanced workforce by 2030, with a target of 40% men, 40% women, and 20% flexible across all levels of the business, from our employees to our leadership team and Board.

In FY25, women made up 31% of our workforce, consistent with last year. We will continue to focus on broadening our representation and believe we are moving in the right direction.

At the Board level, female representation remains strong at 38%, keeping us well aligned with our diversity goals. Together, these results reflect our ongoing commitment to building an inclusive, supportive, and truly representative workplace.

Beyond meeting our gender balance targets, NEXTDC is strongly committed to pay equity. As a relevant employer under the Workplace Gender Equality Act 2012, we actively monitor and seek to address any gender pay gaps. Our annual pay reviews focus on keeping compensation fair and equitable, making sure it reflects individual performance, contribution, skills, and what's happening in the market.

Further details on our diversity, equity and inclusion-related initiatives are captured in the FY25 Environmental Social and Governance (ESG) Report, with relevant policies available in the Corporate Governance section of the Company website here: www.nextdc.com/investor-centre/corporate-governance.



THE BOARD GENDER PROPORTIONS

38% female

62% male

GROUP WORKFORCE GENDER PROPORTIONS

31% female

68.5% male

0.5% non-binary



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For me, diversity, equity, and inclusion aren't just policies, they're the foundation of a stronger, more innovative company. I want everyone here to feel they belong and know their voice matters in taking this company forward.”

Craig Scroggie

Chief Executive Officer and Managing Director



Principle 2: Effective Board Structure

Board composition

As of 30 June 2025, the Board comprises eight Directors, of which seven are independent Non-Executive Directors. Details of the Directors, including the date of appointment, are set out below:

Director	Position	Term of Office	Independence
Mr Douglas Flynn	Non-Executive Chair	27 September 2013 to date	Independent
Mr Craig Scroggie	Chief Executive Officer/Managing Director	1 November 2010 to date	Not Independent
Mr Stuart Davis	Non-Executive	27 September 2013 to date	Independent
Dr Gregory J Clark AC	Non-Executive	30 April 2014 to date	Independent
Mr Stephen M Smith	Non-Executive	1 July 2019 to date	Independent
Ms Jennifer Lambert	Non-Executive	1 October 2019 to date	Independent
Dr Eileen Doyle	Non-Executive	26 August 2020 to date	Independent
Mrs Maria Leftakis	Non-Executive	24 August 2023 to date	Independent

Independent Non-Executive Director Mr Douglas Flynn has served as Chair of the Board since April 2014 and is serving out his term. The Board reviews its composition carefully to ensure it has the right mix of skills, experience, and perspectives. Mr Flynn's long tenure provides valuable continuity and deep knowledge of NEXTDC's business and industry, which is particularly important given the strong, effective working relationship he has built with senior leadership and the rest of the Board. The Board believes this partnership supports stability and effective governance. At the same time, our overall Board composition seeks to balance valuable institutional memory with fresh perspectives from newer members to foster well-rounded, forward-looking leadership.

Under the Company's Constitution, the Board of Directors shall comprise no less than three and no more than twelve Directors at any one point in time. The Board endeavours to have a majority of independent Directors and an independent Chair. Each Director is elected for a maximum three-year term. If no Director would otherwise be required to retire but the Listing Rules require that an election of Directors be held at an AGM, the Director to retire and/or seek re-election at that meeting is:

- The Director who has held office for the longest period of time since their last election or appointment to that office; or
- If two or more Directors have held office for the same period of time, the Director is determined by lot, unless those Directors agree otherwise.

The Board believes it has the right mix of executive and non-executive directors to look after shareholder interests and support strong governance. Board members work closely with senior executives, who are invited to attend Board and Committee meetings where relevant.

7.6 years

average NEXTDC
Non-Executive Board tenure
with 70% in the position for
at least five years.

TENURE AT 30 JUNE 2025



Board Committees

The Board, in accordance with the company's Corporate Governance Framework, has established the Audit and Risk Management Committee (ARMC), Remuneration and Nomination Committee (REMCO) and the Investment Committee (IC) to assist in the execution of its duties and to allow detailed consideration of complex issues. The committees comprise independent Non-Executive Directors, except the Investment Committee, which includes Mr Craig Scroggie, the Managing Director, as a member. Non-Committee members or members of Management attend these by invitation. Details of meeting attendance are set out in the Company's FY25 Annual Report. Details of each Committee's current membership and composition are set out below.

Committee	Members	Purpose
Audit and Risk Management Committee (ARMC)	Ms Jennifer Lambert (Chair) Mr Stuart Davis Dr Eileen Doyle Mrs Maria Leftakis	Assisting the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Company's financial reporting process, internal control structure, risk management systems (financial and non-financial) and the internal and external audit process. Further details can be found in the 'Principle 7: Risk Management' section below.
Remuneration and Nomination Committee (REMCO)	Mr Stuart Davis (Chair) Dr Gregory J Clark AC* (stepped down 1 Jan 2025) Mr Douglas Flynn Mrs Maria Leftakis	Overseeing remuneration practices and policies. Further details can be found in the 'Principle 8: Responsible Remuneration Policy' section below.
Investment Committee (IC)	Mr Stephen M Smith (Chair) Mr Douglas Flynn Dr Gregory J Clark AC Mr Craig Scroggie	Assisting Management in reviewing, evaluating, and making recommendations to the Board on NEXTDC's investment strategy, monitoring the effectiveness of its investments and financial governance framework, and assessing key advisors. For more information, please refer to the 'Principle 6: Investor and Security Holder Rights' section below.

At the start of FY25, the REMCO had four members. Mr Dr Gregory J Clark AC stepped down from the REMCO in January 2025 but continues to serve as a member of the Board and IC.

The number of times the Committee met throughout the period and the individual attendance of the members at those meetings are disclosed in the Company's Annual Report. The Committees' structure and memberships are reviewed on an annual basis. Each Committee has its own written Charter, which sets out its role and responsibilities, composition, structure, membership requirements, and how the Committee operates. These are reviewed annually and are available on the Corporate Governance section of the Company's website. All matters determined by Committees are submitted to the Board for their decision. Minutes of Committee meetings are tabled at the subsequent Board or Committee meeting. Additional requirements for specific reporting by the Committees to the Board are addressed in the Charter of the individual Committees.

Our Board members recognise the value of informal conversations with staff as a way to understand the Company's culture and sense of purpose in action. They make a point of attending staff events and regularly visiting NEXTDC facilities to connect with team members and gain insights into day-to-day operations.



Board skills matrix

A strong and effective Board is fundamental to good governance. Our directors bring a diverse mix of skills, experience, and perspectives that align with the needs of our business and its long-term strategy. We use a Board Skills Matrix methodology to seek to balance the mix of expertise across critical areas. This matrix is reviewed regularly to assess the development of our leadership and plan for the future.

Over time, the Board has developed real strength in the areas that matter most. Our directors have deep, hands-on experience in managing global businesses in the digital and technology sectors. They understand the demands of leading and scaling capital-intensive businesses, with long-term strategic investment and infrastructure. Collectively, they understand the relationships with regulators, investors, hyperscalers, and major enterprises required to be successful as well as the technical background in electronics, engineering and infrastructure underpinning the business. This breadth allows the Board to confidently weigh in on everything from energy policy to large-scale hyperscale rollouts.

That said, we remain focused on the future. We've identified four areas where we aim to build further depth:

1. Ethical oversight and governance of AI-first business models.
2. Understanding modular energy infrastructure and the global energy transition.
3. Keeping pace with evolving digital infrastructure and data centre technologies.
4. Tracking high-speed technology trends to stay ahead in a rapidly shifting sector.

These focus areas reflect broader governance best practices: strengthening digital literacy, embracing ESG strategy, governing emerging technologies and maintaining strategic oversight in fast-changing environments.

NEXTDC's Board Skills Matrix is reviewed at least annually, in tandem with succession planning. This aims to ensure that our Board remains future-ready and equipped to navigate the changing technology, regulatory, and ESG landscape. Continuous development and targeted recruitment help keep our governance capabilities evolving as fast as the environment we operate in.



The table below provides a snapshot of the collective skills and experience of the NEXTDC Board.

Skill Area	Details	Board
ASX Corporate Governance Principles	Understanding of ASX Corporate Governance Principles and Recommendations, including director duties, ethical leadership, and board effectiveness.	
Board and Committee Experience	Experience serving on boards and committees, including governance oversight, decision-making processes, and committee functions such as audit or risk.	
Remuneration	Understanding of executive and director remuneration frameworks, incentive structures, and alignment with company performance and shareholder interests.	
Financial Acumen	Ability to interpret financial statements (P&L, balance sheet, cash flow), evaluate capital-intensive investments, and understand financial risk.	
Strategy and Business Growth	Skills in strategic planning, business model innovation, market expansion, and driving sustainable growth.	
Risk Management and Compliance	Familiarity with risk frameworks (ISO standards, Uptime Institute tiers, CPS 230), operational, cyber, financial, and regulatory risks, especially cross-border.	
Regulatory and Market Awareness	Understanding of relevant industry regulations, infrastructure regulation, energy markets, data privacy, and compliance obligations.	
People, Culture and Organisational Change	Experience leading cultural transformation, talent management, and change initiatives to align workforce and leadership with strategic objectives.	
Work Health and Safety	Expertise in WHS policies and practices, covering both operational environments and construction site safety management.	
Strategic Understanding of AI Capabilities and Trends	Knowledge of AI technologies, applications, ethical considerations, and emerging trends that impact business operations and competitive advantage.	
Mission-critical Data Centre Infrastructure And Operations	Deep understanding of data centre design and operations including power systems, cooling technologies, redundancy strategies (N+1, 2N), and water usage.	
Technology, Digital Transformation and Digital Infrastructure Industry Knowledge	Insight into cloud ecosystems, network connectivity, edge computing, hyperscale and colocation customer needs, and tech-driven business models.	
Cybersecurity and Resilience	Expertise in cyber risk management, physical security, data sovereignty issues, and resilience planning for critical infrastructure.	
Environmental, Social, and Governance	Experience with environmental, social, and governance reporting, net zero commitments, energy efficiency (e.g., Power Usage Effectiveness), and sustainability initiatives.	
Customer Landscape	Knowledge of key customer segments such as hyperscalers, enterprises, and colocation providers, and their strategic priorities.	
Stakeholder Engagement	Ability to engage effectively with regulators, customers, investors, and other key stakeholders to build trust and alignment.	
Capital Projects and Asset Management	Expertise in managing large capital projects, asset lifecycle management, and ensuring delivery on time and budget.	
Mergers, Acquisitions and Strategic Partnerships	Experience evaluating, negotiating, and integrating M&A transactions and forming strategic partnerships to accelerate growth.	
Digital Infrastructure Market Trends	Awareness of evolving market trends such as edge computing, hyperscale growth, and technology convergence impacting the digital infrastructure sector.	
Operational Resilience and Connectivity	Understanding of operational continuity planning, network connectivity, disaster recovery, and business continuity best practices.	
International and Cross-Cultural Knowledge	Insight into global markets, cross-cultural business practices, regulatory environments, and challenges in international expansion and operations	



Board independence

Our Board prioritises director independence, ensuring each member can exercise objective judgment. Established criteria determine independence, including the following:

- i. Is not a substantial shareholder of the Company (i.e. is not a person who, in conjunction with an associate, holds a relevant interest in 5% or more of the shares of the Company) or an officer of, or otherwise associated directly with, a substantial shareholder of the Company
- ii. Within the last three years, has not been employed in an Executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment
- iii. Within the last three years, has not been a principal of a material professional adviser or a material consultant to the Company or another group member or an employee materially associated with the service provided. A material professional adviser is the Company's auditor (regardless of the fees paid to the auditor) and any other advisor to whom fees in excess of \$100,000 have been paid in any financial year in the relevant three-year period; or
- iv. Has no material contractual relationship with the Company or another Group member other than as a Director of the Company, including as a supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer.

From a Director's perspective, they are regarded as having a material contractual relationship if the fees paid by the Company to the Director or an entity associated with the Director, for goods and services (other than as a director) exceed 5% of the fees received by the Director or their firm or 10% of all fees supervised by the Director (or for which the Director is otherwise given credit in a performance review) within the entity associated with the Director in any financial year in the relevant three year period.

From the Company's perspective, a director has a material contractual relationship if:

- v. The goods or services supplied by the Director to the Company exceed 5% of the direct operating costs of the Company for any year in the relevant three-year period;
- vi. They have served on the Board for a period in excess of ten years; or

- vii. They are not free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the Director's ability to act in the Company's best interests.

Director independence is assessed annually. To facilitate this assessment, Directors are required to disclose any potential conflicts of interest and relevant information. The Board has considered the tenure of each of its members and the issue of independence and is of the view that the circumstances of their service are such that their period of tenure does not comprise a material contractual relationship and does not, as a result, impact on the members' ability to discharge their duties independently.

Board members

Details about NEXTDC's Board members, including their experience, expertise, qualifications, tenure, any relationships affecting their independence, and their independence status are provided in the Directors' Report under "Information on Directors." At the end of FY25, our Board comprised one Executive Director and seven Non-Executive Directors, all of whom are considered independent.

Non-Executive Directors

The Non-Executive Directors regularly meet during the year to discuss the operation of the Board and a range of other matters. Relevant matters arising from these meetings are shared with the full Board.

Chair and Chief Executive Officer (CEO)

The Chair leads the Board by ensuring directors are well-informed and that discussions remain focused and productive. On appointment, the Chair confirmed they could dedicate the necessary time and attention to the role. The CEO is responsible for executing the Company's strategies and policies. To ensure clear separation of responsibilities and maintain effective governance, the roles of Chair and CEO are held by different individuals.

Induction

New Directors and Senior Executives complete a tailored induction program to familiarise themselves with the Company's operations, strategy, culture, and risk framework. The program includes briefings from senior leaders and is aligned with each individual's background and experience.

Directors are encouraged to pursue ongoing education and receive regular updates on industry trends, regulatory changes, and key business matters. In FY25, the Board received briefings on climate change, cybersecurity, compliance, WHS, and other critical topics, along with periodic site visits to deepen their understanding of the business. Industry and subject matter experts and heads of functions also present to the Board to support their oversight and decision-making function, whilst also fostering open communications and knowledge sharing.

Commitment

The commitments of Non-Executive Directors are considered by the Remuneration and Nomination Committee prior to the Directors' appointment to the Board and are reviewed each year as part of its annual performance assessment. Details of Board meetings and attendance of Directors during FY25 are included in the Annual Report. Prior to appointment or being submitted for re-election, each Non-Executive Director is required to acknowledge that they have and will continue to have the time available to discharge their responsibilities to the Company. It is the Company's practice to allow its Executive Directors to accept appointments outside the Company with prior approval of the Board.

Independent professional advice

Directors and Board Committees can seek independent professional advice at the Company's expense concerning their duties and responsibilities. Prior written approval of the Chair is required, but this will not be unreasonably withheld.



Principle 3: Lawful, Ethical and Responsible Culture

NEXTDC is committed to ethical and honest business practices. Guided by our Values, we rely on the professionalism of our people to ensure we act with integrity in all circumstances. In FY25, we received the LearnX Platinum Award for Best Learning and Talent Development for Compliance Training award. This recognition highlights our commitment to compliance and the dedication of our entire team.

We actively promote our Values and expected behaviours through regular internal communication and targeted training programs. These policies are regularly reviewed and readily accessible on our website's Corporate Governance section (www.nextdc.com/investor-centre/corporate-governance).

Code of Conduct

NEXTDC has developed Codes of Conduct (Codes), fully supported by the Board, that apply to all Directors, employees, and contractors. These Codes set the standard for how we work, expect everyone at NEXTDC to act professionally, do the right thing, and follow the law.

We review and update the Codes regularly to make sure they reflect high standards of behaviour, foster trust, meet our legal obligations, and align with our stakeholders' expectations.

In short, the Codes ask that everyone at NEXTDC acts with integrity and follows both the letter and spirit of the law and our internal policies. The Board is kept informed of any serious breaches. Above all, the Codes reflect our commitment to being a good corporate citizen while delivering on our business goals and living by our values.

Conflict of Interest Policy

Directors are expected at all times to keep the Board informed of any actual or potential conflicts of interest, in line with the requirements of the Corporations Act. NEXTDC's Conflict of Interest Policy help guide this process and set clear expectations on how these situations should be managed. The policy also requires the maintenance of a Conflicts Register to record any conflicts, ensuring transparency and accountability. Further details are available in the Corporate Governance section on NEXTDC's website at www.nextdc.com/investor-centre/corporate-governance.

Whistleblower Policy

NEXTDC is committed to fostering a culture of compliance and ethical behaviour. We want to create an environment where employees and contractors feel safe to speak up about any genuine concerns they have, without fear of reprisal. Our Whistleblower Policy (Policy) explains how people can raise concerns, with clear policies and multiple reporting channels in place.

The Head of People and Culture acts as our Whistleblower Protection Officer, making sure anyone who reports misconduct is not disadvantaged by doing so. If it's not possible or appropriate to report concerns through this channel, the Chair of the Audit and Risk Management Committee (ARMC) serves as an additional independent escalation point.

The Board is kept informed of any significant matters reported under the Policy. NEXTDC will not tolerate anyone being discouraged from speaking up or being treated unfairly for doing the right thing and reporting misconduct.

Human Rights Policy

NEXTDC's Human Rights Policy explains how we protect and seek to embed respect for human rights in everything we do, aiming to meet all regulatory requirements wherever we operate. This is especially important as we expand into Asia and in the construction sector, where raw materials are sourced from a wide range of suppliers and regions.

We also produce an annual Modern Slavery Statement, as required under the Modern Slavery Act. This statement sets out the risks of modern slavery in our operations and supply chains, and the steps we're taking to address them. The Board is kept informed of any breaches and the actions taken to remedy them, underscoring our commitment to responsible and ethical business practices.

Securities Trading Policy

NEXTDC has a Securities Trading Policy to make sure we comply with insider trading laws, protect our reputation, and maintain confidence in how our securities are traded. It also sets clear rules about what kinds of transactions are prohibited. Directors and employees are required to follow this policy when buying or selling Company securities.

The policy is covered in detail during induction training for new employees with refresher training for existing employees. You can find more information about it in our Remuneration Report and on NEXTDC's website at www.nextdc.com/investorcentre/corporate-governance.



Workplace, Health and Safety Policy

NEXTDC is committed to providing a safe and healthy environment for our team members, customers, suppliers, contractors, visitors, and supply chain partners. This commitment is especially important given the nature of our business as a data centre operator that designs and constructs highly complex, critical infrastructure.

Our operations involve large-scale construction projects, extensive fit-outs, and the management of critical equipment, all of which present unique safety risks. Recognising this, our Work Health and Safety (WHS) Policy sets out clear systems and processes to identify, manage, and mitigate these risks and hazards. This includes rigorous contractor management, strict site safety protocols, regular training, and proactive risk assessments.

Our WHS Policy seeks to align our approach to NEXTDC's risk profile, whether that's construction activity on new sites, maintenance of existing data centre infrastructure, or managing day-to-day operational risks. By aiming to embed a strong safety culture and prioritising the well-being of everyone, we aim to ensure our facilities are safe places to work and visit.

Anti-Bribery and Corruption Policy

NEXTDC is committed to being a good corporate citizen and acting with integrity in dealing with customers, suppliers, competitors, and colleagues. Our Anti Bribery and Corruption Policy makes our position very clear: we have zero tolerance for fraud, bribery or corruption, whether direct or indirect.

We know that laws can be more prescriptive in some places we operate in, like Malaysia, so our policy is designed to meet the requirements of all our jurisdictions and set consistent, high standards for everyone at NEXTDC. The Policy is also supported by the guidance we provide in our Code of Conduct. Any significant breaches are reported to the Board, underscoring our commitment to doing the right thing everywhere we do business.

Corporate Social Responsibility Policy

NEXTDC is committed to ensuring it operates with social responsibility, ethical considerations, integrity and cultural sensitivity, while employing clear standards of corporate governance and complying with all relevant legislative requirements. The adoption of the Corporate Social Responsibility Policy complements our core values. Details of NEXTDC's material environmental and social risks, as well as details of how we manage these, are discussed in NEXTDC's FY25 Environmental, Social and Governance (ESG) Report.

Other Policies

NEXTDC has a number of other policies which outline the expected standards of behaviour of directors and team members, including but not limited to the Delegation of Authority Policy, our Diversity, Equity and Inclusion Policy, Environmental Sustainability and Energy Policy and Privacy Policy.

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NEXTDC is committed to providing a safe and healthy environment for our team members, customers, suppliers, contractors, visitors, and supply chain partners.



Principle 4: Integrity of Corporate Reports

Audit and Risk Management Committee (ARMC)

Information concerning the members of the ARMC is detailed in Principle 2 above. The role of the ARMC is to assist the Board in fulfilling its responsibilities in relation to risk management, financial reporting and internal controls.

Collectively, the Committee members have the necessary technical expertise to ensure the ARMC can carry out its responsibilities effectively. Details of these Directors' qualifications and attendance at ARMC meetings are set out in the Directors' Report.

All members of the ARMC have an appropriate understanding of the industry in which the Company operates and are financially literate. In particular, Ms Lambert, the current Chair of the Committee is a member of The Chartered Accountants Australia New Zealand and a Fellow of the Australian Institute of Company Directors. Ms Lambert also held the Group Chief Financial Officer position in a large property group for 13 years and was a Director at Pricewaterhouse Coopers (PwC) specialising in capital raisings, structuring and due diligence for acquisitions and disposals across various industries.

The Committee operates according to a Charter available on the Corporate Governance section of our website. The main responsibilities of the Committee, related to audit, are to:

- Review, assess and approve full and concise annual reports, half year financial statements and all other financial information published by the Company or released to the market
- Assist the Board in reviewing the effectiveness of the organisation's internal control environment covering the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations
- Recommend to the Board the appointment, removal, and remuneration of external auditors, and review the terms of their engagement, the scope and quality of the audit and assess their performance
- Consider the independence and competence of the external auditor on an ongoing basis
- Review and approve the level of non-audit services provided by the external auditors and confirm it does not adversely impact auditor independence
- Review and monitor related party transactions and assess their propriety; and

- Report to the Board on matters relevant to the Committee's role and responsibilities.

The Committee has the authority to request any information it needs from employees or external parties. For FY25, the CEO and CFO have confirmed that the Company's financial statements are complete and provide a true and fair view, in all material respects, of NEXTDC's financial position and operating results, in line with relevant accounting standards. This assurance is based on a robust system of risk management and internal compliance controls that implement Board-approved policies, and are designed to ensure they operate effectively, in all material respects, to manage financial risk.

External auditors

In line with the Corporations Act 2001, NEXTDC has appointed PricewaterhouseCoopers (PwC) as its external auditor since 2010. PwC is responsible for reviewing and auditing our half-year and full-year financial statements and reports, providing an independent opinion that these documents present a true and fair view and comply with all relevant accounting standards and regulations. PwC attends ARMC meetings by invitation and reports annually to the ARMC on its independence and the outcomes of the external audits. The ARMC reviews the scope of the annual audit plan and related audit fees.

Note 23 to the financial statements of the FY25 Annual Report provides an analysis of fees paid to external auditors, including a breakdown of fees for non-audit services.

PwC has provided NEXTDC with the required full-year independence declaration, which can be found on page 60 of the FY25 Annual Report. For this reporting period, Brett Entwistle of PwC serves as NEXTDC's Audit Engagement Partner. The performance of our external auditor is reviewed annually, and alternative audit service providers are considered and evaluated from time to time, taking into account the experience, performance, and value offered by the current auditor.

Independence declaration

The auditor's independence declaration, as required under section 307C of the Corporations Act 2001, has been received from PwC and is set out in the Financial Report section of the FY25 Annual Report.

Verification of periodic corporate reports

NEXTDC has an internal review process in place which includes verification of content and the review and sign-off by management before the Board formally approving the release of key periodic corporate and annual results materials. The process followed is specific to the nature of the relevant announcement or report and includes review by the relevant subject matter expert and review against source documentation. Non-externally audited components of the Annual Report, Environmental Social and Governance (ESG) Report, Modern Slavery Statement and this Corporate Governance Statement have been verified in accordance with this process.

Compliance management

The Board, with support from the ARMC is responsible for ensuring the implementation and effectiveness of NEXTDC's regulatory compliance management program.

NEXTDC's Compliance Framework provides a consistent approach for managing significant regulatory and other obligations across the business, and for addressing gaps that might arise. Its implementation and ongoing effectiveness are overseen by the Company's risk management function, with regular reports provided to the ARMC.

Other assurance

In addition to external and internal audits, there are a range of additional assurance activities associated with our financial and operational functions. In some cases, this assurance may be mandated by relevant government agencies and/or regulations and may be undertaken by internal or external parties, depending on the nature of the subject matter.

Examples include assurance activities relating to NEXTDC's health and safety standards, quality standards, environmental standards, security standards, independent reviews of reported emissions data, validation of publicly reported information and assurance over system implementations. Any material assurance reports or issues arising are provided to the ARMC for review and consideration.



Principle 5: Manage Timely and Balanced Disclosures

Continuous disclosure and shareholder communication

NEXTDC aims to keep shareholders and other interested parties up to date with timely, accurate information. This is done through the reporting of financial results, the provision of the Annual Report, as well as other announcements and briefings to the market throughout the year. The Company has written policies and procedures in place on information management that require continual disclosure of any information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities.

These policies and procedures include the arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings. Specifically, the Company has a Continuous Disclosure Policy which complies with Listing Rule 3.1. A summary of these policies and procedures is available on the Corporate Governance section of the Company's website at www.nextdc.com/investor-centre/corporate-governance.

The Company Secretary is NEXTDC's nominated contact for communications with the ASX. This role includes ensuring compliance with the continuous disclosure requirements of the ASX Listing Rules and overseeing and coordinating the release of information to the ASX, shareholders and the public. The CFO is responsible for managing and coordinating communications with analysts and brokers. NEXTDC is committed to giving all stakeholders equal and timely access to the information it releases externally.

All disclosures made to the ASX are also posted on NEXTDC's website in the Investor Centre as soon as they are released. When analysts are briefed on aspects of the Company's operations, any presentation materials that contain information not already disclosed to the market is also released to the ASX and made available on the website. NEXTDC has procedures in place to review whether any price-sensitive information has been inadvertently disclosed, and if so, that information is immediately released to the market.



Principle 6: Investor and Security Holder Rights

NEXTDC believes that shareholders, regulators, the investment community, and wider stakeholders should be informed of all material business events and risks that influence the Company in a factual, timely and widely available manner. To this end, the Company has developed policies and procedures to ensure that Directors and Management are aware of and fulfil their obligations in relation to the timely disclosure of material price-sensitive information.

The Company regularly updates the news and social media posts linked to its website (www.nextdc.com/resources-and-insights/news and www.nextdc.com/resources-and-insights/blog) which details the latest company activity and provides information on data centre development and the release of new products and services.

All shareholders receive a copy of the Company's Annual Report, specifically, in paper form, if requested. NEXTDC recognises the importance of providing its shareholders and the broader investment community with facilities to access up-to-date information and provide avenues for communication with the Company, the Board and shareholders. A copy of the Annual Report and other Corporate Governance material, Company announcements, details of Company meetings, media releases and financial statements are also available on the Company's website. Shareholders may contact the Company directly for queries or clarification. NEXTDC has an investor relations officer and program to facilitate effective two-way communication with investors and to provide a detailed understanding of NEXTDC's performance. NEXTDC engages with institutional investors, private investors, sell side analysts and buy side analysts throughout the year via scheduled and ad hoc interactions.

NEXTDC has a dedicated email address (investorrelations@nextdc.com) to make sure queries go straight to the CEO, CFO or the right person. This address is included in all ASX announcements and is available on our website at www.nextdc.com/investor-centre.

At shareholder meetings, all substantive resolutions are decided by a poll instead of a show of hands to promote fairness and transparency. Whenever possible, we also provide advanced notice of important group briefings, like results announcements and aim to make these accessible to everyone.

Electronic communications

NEXTDC promotes online voting for shareholder meetings and provides all shareholders with an opportunity to receive electronic communications via the share registry. This registry is managed by MUFG Investor Centre who can be contacted at au.investorcentre.mpms.mufg.com. Shareholders can contact NEXTDC electronically by sending an email to investorrelations@nextdc.com or visiting our website at www.nextdc.com/investor-centre.



Principle 7: Risk Management

NEXTDC acknowledges that risk is inherent in all aspects of its business operations and being able to effectively recognise and manage both strategic and operational risks and opportunities is critical for success and the growth of the Company. Strong and aligned corporate governance and accountability structures within NEXTDC are integral to our effective risk management. The aim is not to eliminate risk, but to manage the risks involved in all key business activities, to maximise opportunities, and minimise the potential for negative outcomes.

The Board is responsible, with the assistance of the ARMC, for overseeing the implementation and ensuring the adequacy and effectiveness of the risk management frameworks and internal controls. This includes ensuring that Management operates according to the Risk Appetite approved by the Board. Details on NEXTDC's ARMC, including members and key responsibilities are provided in the narrative of Principle 4 above. Details of Directors' qualifications and ARMC attendance are set out in the Directors' Report of the Company's Annual Report.

Risk Management Framework

NEXTDC's approach to risk management is based on a robust Risk Management Framework. The framework is reviewed on an annual basis by the Board to ensure that it continues to be sound and that the Company is operating in accordance with the risk appetite set by the Board. This framework details the principles and risk management controls embedded within NEXTDC's management processes, and reporting systems. The Company has a Risk Management Policy to ensure good corporate governance and that strategic and operational objectives and legislative, industry and client obligations are met. Complimenting the policy, NEXTDC's Risk Management Procedure is designed to:

- identify potential events and risks that may significantly affect the ability to achieve strategic goals or maintain business operation.
- assess and evaluate those risks against NEXTDC's level of risk tolerance; and
- design and implement controls for achieving organisational objectives.

The Chief Risk Officer, supported by the Risk and Compliance team, regularly reports to the ARMC on how the risk framework is operating, the status of key risks, any compliance incidents, and updates to the framework itself. During FY25, the ARMC carried out its annual review of the Risk Management Policy and Procedure as required by its Charter. The review confirmed that the policy and framework remain appropriate, and that NEXTDC continues to operate in line with the risk appetite set by the Board.

NEXTDC's growth over the last few years, especially our expansion into new territories, means we need to continually assess and refine our risk profile. In that regard, our Framework continues to evolve and mature across the business. Enhancements to systems and processes are feeding into initiatives designed to keep pace with the Company's growth. The Board also continues to conduct 'deep dive' reviews into specific areas to gain a thorough understanding of key risks.

Material Risk Exposure

Understanding and managing the risks impacting our objectives is essential to supporting critical business decisions. Material risks are grouped according to the following themes:

						
Business Management and Governance	Work, Health, Safety and Environment	Maintain 100% Uptime Guarantee	New Data Centres	Ensuring Financial Health of the Company	Security of Data and Information	Revenue Generation and Customer Growth

Identified material risks, as assessed by management and the Board, have the potential to significantly impact stakeholder value in the short, medium, and long term. These risks, individually or combined, may threaten our strategy, business model, performance, solvency and reputation. As our data centre portfolio grows and we expand internationally, these risks will inevitably evolve, requiring ongoing monitoring and changing mitigation strategies.



Risk Management Oversight and Responsibilities

NEXTDC's key risk management functions and responsibilities are set out below.

Key oversight	Purpose
The Board	Reviews the Company's Risk Management Framework to confirm it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.
Audit and Risk Management Committee (ARMC)	<p>The ARMC is responsible for ensuring adequate policies concerning risk management, compliance, and internal control systems are in place. It monitors the Company's risk management framework by overseeing management's actions in the evaluation, management, monitoring and reporting of material operational, financial, compliance and strategic risks. In providing this oversight, the Committee:</p> <ul style="list-style-type: none"> ▪ Reviews the framework and methodology for risk identification, the degree of risk the Company is willing to accept, the management of risk and the processes for auditing and evaluating the Company's risk management system ▪ Reviews and assesses the Company's processes which ensures the integrity of financial statements and reporting, and associated compliance with legal and regulatory requirements, including Accounting Standards ▪ Review company objectives in the context of the key enterprise risk categories (outlined above) ▪ Reviews and, where necessary, approves guidelines and policies governing the identification, assessment, and management of the Company's exposure to risk ▪ Reviews and recommends the delegations of financial authorities to the Board and address any need to update these authorities on an annual basis; and ▪ Reviews compliance with agreed treasury policy. <p>The Committee reviews the effectiveness of these risk management and internal control processes at least annually. The Committee will report any material risk issues to the Board and recommend actions it deems appropriate for the Board's consideration.</p>
CEO/CFO	Ensure and provide assurance to the Board that the Company's financial statements are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and are in accordance with relevant accounting standards.
Management	For their respective area of responsibility, Management is responsible for designing, implementing and maintaining risk management and internal control systems in line with the Company's Risk Management Framework. As owners of the respective enterprise risk(s) management, continually validate risk and ensure supporting controls and processes are implemented to mitigate these risks.
Business Framework Review Committee (BFRC)	<p>The BFRC comprises the Company's Executive team (CXO) and is chaired by the Senior Risk and Compliance Manager. The Committee meets at least monthly and:</p> <ul style="list-style-type: none"> ▪ Reviews and approves key policies and procedures with our customers (commercial), external compliance requirements, financial matters and/or the Company's enterprise risk ▪ Guides governance and control-related matters; and ▪ Oversees the operations and governance of NEXTDC in line with the requirements of its compliance program.
Risk and Compliance function	<ul style="list-style-type: none"> ▪ Manage and monitor the implementation and effectiveness of risk management systems across the Company ▪ Prepare a consolidated Risk Report for the ARMC setting out key enterprise risks and the controls and processes implemented to mitigate these risks, the status of Risk Treatment Plans and remediation of risk issues and early indicators and emerging risks ▪ Assist the Company in accomplishing its objectives by bringing a systematic, disciplined approach to evaluating and continually improving the effectiveness of the operational risk management framework, internal controls, and governance processes; and ▪ Provide guidance and support to the business based on industry best standards and practices to improve the effectiveness and efficiency of NEXTDC's corporate governance, processes and management of lower-level risks and controls (Facility, Engineering and Design, Project risks etc).



Internal Audit Function

The ARMC oversees the internal audit function through a compliance reporting program developed to encompass the operational areas identified as most sensitive to risk. The internal audit program is closely aligned with NEXTDC's Risk Management Framework and follows a rolling schedule of reviews and control testing. This approach helps confirm that material risks are properly identified and that key controls are both implemented and effective.

The Internal Audit function is responsible for assessing and reporting on the adequacy and effectiveness of Management's processes for identifying, managing, and responding to risks. It operates independently of the external audit function. Findings and recommendations from internal audits are reported to the ARMC and are addressed under the Committee's oversight.

The Chief Risk Officer reports functionally to the ARMC and the CEO and has direct access to the rest of the Leadership Team. The Head of Risk and Compliance, under the oversight of the Chief Risk Officer, is responsible for monitoring NEXTDC's internal control framework and reporting to the ARMC and Board on the effectiveness of risk management systems. This includes preparing internal audit reports and updates on the internal control environment, providing quarterly consolidated Risk Reports detailing key enterprise risks, controls, treatment plans, and emerging risks.

Environmental, Social and Governance risks

The Board recognises the importance of following strong Environmental, Social, and Governance (ESG) practices and making them core to NEXTDC's business. NEXTDC understands its responsibility to its stakeholders and the environment in which it operates. NEXTDC's ESG approach is shaped by the risks and opportunities in its business.

We report on our ESG risks and opportunities, including those related to climate and nature and outlining our climate change governance in our FY25 ESG Report and in the FY25 Climate and Nature Report, both available on NEXTDC's website.

Material Risk Exposure

Understanding the risks that can materially impact our strategic objectives is essential to support informed business decisions. NEXTDC has developed actionable risk mitigation strategies and metrics to monitor the implementation of risk mitigation plans and identify changes in or the emergence of new risks that may impact these activities. To support this, we use a suite of management tools that provide a structured approach to managing key areas of risk across the business:

- Environmental Management System to reduce our environmental impact and improve our environmental performance.

- Work Health and Safety Management System to actively manage WHS issues in the operational and data centre development areas to support our ZERO-INJURIES goal. NEXTDC's Construction Safety Management System further strengthens its safety leadership, benchmarking its safety performance and activities while constructing new data centre facilities.
- Quality Management System to ensure reliable, secure, and efficient operations by reducing downtime and errors, enhancing customer satisfaction, and improving overall operational efficiency.
- Information Security Management System to safeguard access to our facilities while ensuring availability, security, and control of critical systems

Insurance

Insurance is an important part of NEXTDC's Risk Management Framework, helping to transfer the financial impact of certain losses or potential liabilities to insurers. The ARMC oversees the overall insurance program and conducts an annual review of key policies. These include Directors and Officers insurance, Public and Product Liability, Professional Indemnity, Cyber insurance, and other coverage specific to our industry and business needs.

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The Board takes its ESG oversight very seriously, championing strategy from target-setting through to performance tracking, ensuring transparent disclosure, and embedding ESG into core risk management and strategic decision-making.



Principle 8: Responsible Remuneration Policy

Remuneration and Nomination Committee (REMCO)

Information concerning the members of the REMCO is detailed in Principle 2 above. The REMCO assists the Board in considering people and remuneration strategies, in addition to its 'nominations' responsibilities. Details of the Directors' attendance at REMCO meetings are set out in the Directors' Report. The Committee operates in accordance with its Charter, which is available in the Corporate Governance section of our website. The Committee advises the Board on policies and procedures for the selection and appointment of Directors, identifies Directors qualified to fill vacancies, and ensures effective induction and orientation programs.

The Committee's main responsibilities include reviewing succession plans for Senior Executives, recommending individuals for nomination to the Board and its Committees, and ensuring that the performance of both Senior Executives and Board members is reviewed at least annually. It also develops and implements plans to identify, assess, and enhance Director competencies as needed.

In addition, the Committee reviews the Company's diversity policy and monitors

this across the organisation, including among Senior Executives and the Board. It also keeps track of the Board's composition, assessing the necessary and desirable competencies of its members to ensure effective governance.

The Committee assumes responsibility for overseeing the management of succession planning, including the implementation of appropriate Executive development programs, and ensuring adequate arrangements are in place, so that appropriate candidates are recruited for later promotion to senior positions.

Engagement

During FY25, representatives of the Board and the Vice President of Investor Relations held direct discussions with proxy advisers and major investors to understand their views on Board matters, including Board composition, as well as other key topics like remuneration policies. The Board and the Remuneration and Nomination Committee see this as an important part of their work and have carefully considered the issues raised through this process.

Remuneration Report

Remuneration Report details of NEXTDC's policies and information relating to the remuneration of its Executives (including Non-Executive Directors) are disclosed in the Remuneration Report of the FY24 Annual Report available on NEXTDC's website.

The Committee operates in accordance with the broad principles set out in its Charter, which is available in the corporate governance information section on NEXTDC's website at www.nextdc.com/investor-centre/corporate-governance. The Charter also details the Committee's composition and responsibilities.



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Attracting and retaining the best talent is critical to our continued success, especially in a highly competitive industry like data centres. As a Committee, we're focused on ensuring our remuneration remains market-aligned and forward-looking. We also recognise the need to get creative, to offer reward structures that not only reflect performance, but also inspire innovation, commitment, and long-term growth.”

Stuart Davis

REMCO Chair



APPENDIX:

Summary of Corporate Governance Principles



Principle 1: Lay solid foundations for management and oversight

<p>1.1 A listed entity should have; and disclose a Board Charter setting out:</p> <ul style="list-style-type: none"> (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management. 	✓	<p>The Board Charter is available on NEXTDC's website at www.nextdc.com.</p> <p>NEXTDC has published the Code of Conduct – Directors and Senior Executives on the NEXTDC website.</p> <p>NEXTDC has established a formal Statement of Delegated Authority outlining the scope of any delegation of authority to management.</p>
<p>1.2 A listed entity should:</p> <ul style="list-style-type: none"> (a) undertake appropriate checks before appointing a person, or putting forward a candidate for election, as a Director; and (b) provide security holders with all material information in its possession relevant to a decision on whether to elect or re-elect a Director. 	✓ ✓	<p>NEXTDC's formal recruitment and assessment process includes engaging specialist recruiters for the appointment of its Non-Executive Directors.</p> <p>NEXTDC ensures that all material information in its possession relevant to a Director's election or re-election is provided to shareholders in its Notice of Annual General Meeting.</p>
<p>1.3 A listed entity should have a written agreement with each Director and Senior Executive setting out the terms of their appointment.</p>	✓	<p>NEXTDC enters into formal engagement agreements with each Director and Senior Executive for this purpose.</p>
<p>1.4 The Company Secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	✓	<p>The Company Secretary of NEXTDC, Mr Michael Helmer, is accountable directly to the Board through the Chair.</p>
<p>1.5 A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a diversity policy (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, Senior Executives, and workforce generally; and (c) disclose in relation to each reporting period: <ul style="list-style-type: none"> (1) the measurable objectives set for that period to achieve gender diversity (2) the entity's progress towards achieving those objectives; and either: <ul style="list-style-type: none"> (i) the respective proportions of men and women on the board, in Senior Executive positions and across the whole workforce (including how the entity has defined "Senior Executive" for these purposes); or (ii) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. <p>If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its Directors of each gender within a specified period.</p>	✓ ✓ ✓ ✓ ✓ ✓	<p>NEXTDC's Diversity Policy is available for viewing at the Company's website at www.nextdc.com.</p> <p>NEXTDC sets measurable objectives against its Diversity Policy, which is available for viewing at the Company's website at www.nextdc.com.</p> <p>Refer to the FY25 Corporate Governance Statement above for further details.</p> <p>Refer to the FY25 Corporate Governance Statement above for further details.</p> <p>Refer to the FY25 Corporate Governance Statement above for further details.</p> <p>NEXTDC's Gender Equality Report is published on its website at www.nextdc.com.</p>
<p>1.6 A listed entity should:</p> <ul style="list-style-type: none"> (a) have; and disclose a process for periodically evaluating the performance of the board, its committees, and individual Directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. 	✓ ✓	<p>The responsibilities of the Board to monitor its own performance and that of its committees and individual Directors are set out in its Charter and that of the Audit and Risk Management Committee. The Charters are available for viewing on NEXTDC's website at www.nextdc.com.</p> <p>Board evaluation was completed for the period reported.</p>
<p>1.7 A listed entity should:</p> <ul style="list-style-type: none"> (a) have; and disclose a process for periodically evaluating the performance of its Senior Executives at least once every reporting period; and (b) disclose, in relation to each reporting period, whether a performance Evaluation was undertaken in the reporting period in accordance with that process during; or in respect of that period. 	✓ ✓	<p>The responsibilities of the Board for monitoring the performance of its Senior Executives is set out in its Charter, which is available on NEXTDC's website at www.nextdc.com.</p> <p>The evaluation process is further commented on in the Remuneration Report.</p>



Principle 2: Structure the Board to be effective and add value

<p>2.1 The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent Directors; and (2) is chaired by an independent Director, and disclose (3) the charter of the committee (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) it does not have a nomination committee, disclose that fact and the processes it employs to address Board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>✓</p> <p>The Board has established a Remuneration and Nomination Committee (REMCO). At the start of FY25, the Committee had four members, all of whom were independent. Mr Dr Gregory J Clark AC stepped down from the REMCO in January 2025 but continues to serve as a member of the Board and IC.</p> <p>✓</p> <p>The REMCO Chair, Mr Stuart Davis, is an independent Director.</p> <p>✓</p> <p>The REMCO Charter is available on NEXTDC's website at www.nextdc.com.</p> <p>✓</p> <p>The Board and the REMCO meeting attendance are included in the Annual Report.</p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>✓</p> <p>NEXTDC discloses a Board skills matrix which is further explained within the FY25 Corporate Governance Statement above.</p>
<p>2.3 A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors</p> <p>(b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 but the Board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each Director.</p>	<p>✓</p> <p>Seven of the eight Directors who served in FY25 are independent. The eight member, Mr Craig Scroggie, holds the position of Chief Executive Officer (CEO) of NEXTDC.</p> <p>The section on Effective Board Structure within this report and the Annual Report provides this information.</p>
<p>2.4 A majority of the Board of a listed entity should be independent Directors.</p>	<p>✓</p> <p>Seven of the eight Directors who served in FY25 are independent.</p>
<p>2.5 The chair of the board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>✓</p> <p>The Board's Chairman during the year was Mr Douglas Flynn. Mr Craig Scroggie was the CEO for the entire period.</p>
<p>2.6 A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing Directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.</p>	<p>✓</p> <p>The Board continually reviews the professional skills and development opportunities of the Board and Committee members throughout the year and assesses the skills, development, and induction needs for new Directors joining the Board.</p>



Principle 3: Instil a culture of acting lawfully, ethically and responsibly

3.1 A listed entity should articulate and disclose its values.



NEXTDC's values are disclosed on its website at www.nextdc.com.

3.2 A listed entity should:

- (a) have and disclose a code of conduct for its Directors, Senior Executives, and employees; and
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code by a Director, or Senior Executive; and
- (c) any other material breaches of that code that call into question the culture of the organisation.



The Board has adopted Codes of Conduct for Directors and Employees.

These are available for review in the Corporate Governance section of NEXTDC's website at www.nextdc.com.

3.3 A listed entity should:

- (a) have and disclose a Whistleblower Policy; and
- (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.



NEXTDC's Whistleblowers Policy is available on the Company's website at www.nextdc.com.

The Board and ARMC Committee receive reports of any material incidents.

3.4 A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and
- (b) ensure that the board or committee of the board is informed of any material breaches of that policy.



The Company's Anti-bribery and Corruption Policy is available on the Company's website at www.nextdc.com.

The Company also discloses its policy regarding anti-bribery and corruption within the Company's Code of Conduct.

The Board and ARMC Committee receive reports of any material incidents.






Principle 4: Safeguard the integrity of corporate reports

<p>4.1 The Board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, all of whom are Non-Executive Directors and a majority of whom are independent Directors; and (2) is chaired by an independent Director, who is not the chair of the board, and disclose: (3) the charter of the committee (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>The Board has established an ARMC which meets the requirements of:</p> <ul style="list-style-type: none"> ▪ having at least three members at all times ▪ consists only of Non-Executive Directors ▪ consists of a majority of independent Directors. <p>The ARMC Committee is chaired by Ms Jennifer Lambert, an independent Director of the Company.</p> <p>The ARMC Charter is available on NEXTDC's website at www.nextdc.com.</p> <p>Refer to NEXTDC's FY25 Annual Report for the Directors' qualifications and experience.</p> <p>Refer to NEXTDC's FY25 Annual Report for the number of ARMC meetings and the attendance at these by Committee members.</p>
<p>4.2 The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>The Board has received a declaration from NEXTDC's CEO and the CFO in relation to the financial statements for the financial year ended 30 June 2025.</p>
<p>4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	<p>The Annual Report, Corporate Governance Statement, Appendix 4E/4D, Environmental Social and Governance (ESG) Report, Climate and Nature Report, ASX Results release and Investor Presentations undergo an internal verification process. The information in these documents is reviewed, verified and signed-off by relevant functional subject matter experts and relevant executives prior to approval for release to market.</p>



Principle 5: Make timely and balanced disclosure

5.1 A listed entity should have a written policy for complying with its continuous disclosure obligations under the Listing Rule 3.1.		NEXTDC's Continuous Disclosure Policy is available on the Company's website at www.nextdc.com .
5.2 A listed entity should ensure that its Board receives copies of all material market announcements promptly after they have been made.		Board members receive this information promptly.
5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.		All analyst presentations are disclosed in the ASX Market Announcements Platform as per NEXTDC's Continuous Disclosure Policy.



Principle 6: Respect the rights of security holders

<p>6.1 A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>NEXTDC regularly updates its website with ASX announcements and presentations, news and social media, and new information on products and services.</p> <p>✓</p> <p>NEXTDC's Continuous Disclosure Policy has been designed to promote effective communications with shareholders. A copy of this policy is available on the Company's website at www.nextdc.com.</p>
<p>6.2 A listed entity should have an investor relations program that facilitates effective two-way communication with investors.</p>	<p>NEXTDC has a Shareholder Communications Policy that outlines the processes followed by the Company to ensure communication with shareholders and the investment community is effective, consistent and adheres to the principles of continuous disclosure. A copy of this policy is available on the Company's website at www.nextdc.com.</p> <p>✓</p> <p>NEXTDC's Continuous Disclosure Policy also outlines policies and requirements for communications with analysts and investors to ensure that the communications are effective and comply with the Company's continuous disclosure obligations under the Corporations Act and the ASX Listing Rules. A copy of this policy is available on the Company's website at www.nextdc.com.</p> <p>NEXTDC has an Investment Committee that assists Management to review, evaluate and make recommendations to the Board in relation to NEXTDC's investment strategy and to monitor the effectiveness of its investment governance framework. NEXTDC's Investors Relation program allows investors and other financial market participants to gain a greater understanding of the Company's business, governance, financial performance, and prospects.</p>
<p>6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</p>	<p>✓</p> <p>NEXTDC's Shareholders Communication Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of shareholders. The Company permits shareholders to cast their proxies prior to an Annual General Meeting if they are unable to attend the meeting.</p>
<p>6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by show of hands.</p>	<p>✓</p> <p>All substantive resolutions at a meeting of shareholders of NEXTDC are decided by a poll rather than by a show of hands.</p>
<p>6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	<p>✓</p> <p>NEXTDC gives shareholders the option to communicate electronically with the Company and its security registry, as indicated in its Shareholder Communications Policy.</p>



Principle 7: Recognise and manage risk

7.1 The Board of a listed entity should:

- (a) have a committee or committees to oversee risk, each of which:
 - (1) has at least three members, a majority of whom are independent Directors; and
 - (2) is chaired by an independent Director, and disclose:
 - (3) the charter of the committee
 - (4) the members of the committee; and
 - (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
- (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.



The Board has established an Audit and Risk Management Committee (ARMC) which oversees risk, and currently the Committee has four members who are all independent and the ARMC Committee is chaired by Ms Jennifer Lambert. The ARMC Charter is available on NEXTDC's website at www.nextdc.com.

Refer to NEXTDC's FY25 Annual Report for the number of ARMC meetings and the attendance at these by Committee members.

7.2 The Board or a committee of the board should:

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound, and that the entity is operating with due regard to the risk appetite set by the board; and
- (b) disclose, in relation to each reporting period, whether such a review has taken place.



The ARMC has reviewed the Risk Management Framework and has determined that the content is relevant and appropriate, and it continues to be utilised throughout the organisation.

The Company's risk management framework is consistent with ISO 31000 to ensure a systematic approach to risk management. The framework assists in achieving operational and strategic objectives, as well as legislative and compliance obligations.

The risk appetite which is reviewed annually, is set by the Board and overseen by the ARMC.

7.3 A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or
- (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.



In FY25, the responsibility for administration of the internal assurance process relating to the risk management activities was held by the Chief Risk Officer (CRO) along with the Company's Head of Risk and Compliance. The ARMC provides oversight to the administration of the internal audit function, which also monitors and administers the current risk management framework.

From time to time, ARMC will also instruct the audit function to engage external providers to assess key operational risks and advice ARMC in relation to this. In addition, the internal financial audit is performed by outsourced service providers, who have a direct reporting line to the ARMC.

Refer also to the section on Risk Management above.

7.4 A listed entity should disclose whether it has any material exposure to economic, environmental, and social risks and, if it does, how it manages or intends to manage those risks.



Refer to the 'Recognise and manage risks' section within the report above.



Principle 8: Remunerate fairly and responsibly

<p>8.1 The Board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent Directors; and (2) is chaired by an independent Director, and disclose: (3) the charter of the committee (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and Senior Executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>✓ The Board has established a REMCO.</p> <p>At the start of FY25, the REMCO had four members, all of whom were independent. Mr Dr Gregory J Clark AC stepped down from the REMCO in January 2025 but continues to serve as a member of the Board and IC.</p> <p>✓ The Committee is chaired by Mr Stuart Davis who is an independent Director.</p> <p>✓ The REMCO Charter is available on the Company's website at www.nextdc.com.</p> <p>✓ Refer to NEXTDC's FY25 Annual Report for the number of REMCO meetings and the attendance at these by Committee members.</p>
<p>8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-Executive Directors and the remuneration of Executive Directors and other Senior Executives.</p>	<p>✓ NEXTDC has developed a Senior Executive Remuneration Policy and Procedure and a Non-Executive Director Remuneration Policy and Procedure. Both are available for review at www.nextdc.com.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>✓ NEXTDC prohibits the hedging of Incentive Rights and Restricted Shares by Participants.</p> <p>✓ The granting of equity-based remuneration under the LTI scheme is disclosed in the Remuneration Report.</p> <p>✓ NEXTDC has published the Remuneration and Nomination Committee Charter and Securities Trading Policy on its website at www.nextdc.com.</p>





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For any queries about NEXTDC's corporate governance, please use the following link to contact us.

nextdc.com/contact

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