

# CONFLICT OF INTEREST POLICY

NEXTDC Limited and its subsidiaries (ACN 143 582 521)



N E X T D C

*NEXTDC relies on you to practice good judgment and decision-making and take timely actions to declare any conflict you may have (personal or professional) to ensure we preserve an ethical and unbiased workplace. This policy provides mandatory guidelines to require you to identify, declare and manage a conflict of interest between your role as a NEXTDC team member and any other interest that may conflict with this.*

## What is Conflict of Interest?

A conflict of interest occurs when a person's personal or professional interests' conflict with their responsibility to act in the best interests of NEXTDC. Personal interests include direct interests in businesses that may be providing goods or services to NEXTDC or the interest of family, friends, or other organisations a person may be involved with or has an interest in (for example, as a shareholder). A conflict of interest may be actual, potential or perceived and may be financial or non-financial. For this reason, it is also important that team members are always cautious and declare such interest early or if there is any doubt. In most cases such interest, once declared, can be easily dealt with. It is only when such interests are not declared or declared too late that issues will arise. These may be severe and can include disciplinary action up to and including dismissal.

### Examples of a conflict of interest:

- A NEXTDC team member is the director of a family company that has been engaged to provide services to NEXTDC or its subsidiaries.
- A NEXTDC team member may be assessing a tender from a company in which a relative or friend have an interest.
- A NEXTDC team member is on a selection panel and has a personal relationship with an applicant for the position.

## Who does this Policy applies to?

This policy applies to all employees (permanent or fixed term) of NEXTDC Limited, its subsidiaries and its Boards.

**What if I am a contractor?** A contractor's obligation on any conflict of interest is included in the Supplier Code of Conduct. Any contractor is required to disclose any conflict of interest at the beginning of your engagement with NEXTDC and continue to do so if not apparent from the scope of your services. Most frequently such conflicts may arise when a contractor is engaged in a project that involves the engagement of third parties in relation to which the contractor has a business or personal connection. Such conflicts are to be dealt with in the same way as if you were an employee. A failure of a contractor to be transparent about the relationship it/they have with third parties with whom their role puts them into contact will be regarded as a conflict of interest that must be declared under this policy.

## What MUST you do to comply with this Policy?

On appointment, contractors, employees and Directors must declare any conflicts interests and continue to do so throughout their employment with NEXTDC. In all cases such conflicts must be escalated to their managers in writing and copied to the Company Secretary. Any actions agreed to avoid any actual or perceived conflict will also be documented in writing (usually by email) and copied to the Company Secretary who will document such actions in the NEXTDC's conflict register. Such conflict declaration must be accurate and complete on key details relating to the nature and scope of the conflict and should be made and continue to be updated as soon as the team member becomes aware of such a conflict or change. A partial disclosure can be as problematic as having made no disclosure at all, so team members must be truthful and vigilant on the details.

In dealing with any actual or perceived conflict of interest team members, contractors, employees and Directors:

- must disclose these as soon as they arise;
- shall not allow their personal or professional interests, or that of an associated person, to conflict with their obligations towards the Company;
- shall use the powers of office for a proper purpose, and not take improper advantage of their position to seek personal gain;
- must not enter into any arrangement or participate in any activity that would be likely to negatively affect the NEXTDC's reputation;
- shall not make improper use of information acquired in the course of his or her duties with the Company;
- shall not accept any item for personal gain, improper payments, bribes or other gifts of significance;
- shall use services and facilities provided to them by the Company only for the purpose and in accordance with the terms on which those services and facilities have been provided; and
- must notify their manager and the Company Secretary of such conflict in writing

The Company Secretary will direct you on how such a conflict is to be managed and recorded in the Conflict Register (see below).

## Managing any actual, potential or perceived conflict.

When you advise your manager and the Company Secretary of your actual, potential or perceived conflict of interest in writing you will be required to make a full disclosure of the details relating to this. On the basis of that disclosure the Company Secretary will direct you on how to manage such a conflict. This may not require you to change anything about your conduct or may require you to remove yourself or otherwise manage how your interactions (on behalf of NEXTDC) with that third party is to be managed. This may include directions by the Company Secretary to remove yourself from certain meetings, interactions, communications and decisions involving NEXTDC. Your conflict and the details will also be recorded in a Conflicts Register which may need to be updated either with details on how the conflict is managed, resolved or how it has changed over time. It is your obligation to continue to advise your manager and the Company secretary when the conflict changes or is resolved.

The Conflict Register will be maintained by the Company Secretary and will include (at least) the following details:

Name of employee/ Board member	Date of Disclosure	Description of Interest - nature and extent of the conflict of interest	Material conflict?	Has the Board been notified?	Steps taken for dealing with the conflict

## Additional obligations by Directors of NEXTDC and subsidiaries

**Directors** shall obtain prior written consent from the Board before engaging in any outside employment or role that has the potential to create an actual, potential or perceived conflict of interest and disclose fully all relationships they have which may affect their duties, consistent with the concept of "independence" as adopted by the ASX Corporate Governance Council.

**The Board** can request a Director to take reasonable steps to remove the conflict of interest. If a Director cannot or is unwilling to remove a conflict of interest then the Director must absent himself or herself from the room when discussion and voting occur on matters to which the conflict relates. The entry and exit of the Director concerned will be minuted by the Company Secretary. Directors do not have to absent themselves when either:

- the conflict of interest relates to an interest common to all Company members/shareholders; or
- the Board passes a resolution that identifies the Director, the nature and extent of the Director's interest and clearly states that the other Directors are satisfied that the interest should not disqualify the Director concerned from discussion and/or voting on the matter.

## Compliance with this policy

Breaches of this policy may lead to disciplinary action, including dismissal, and may also breach insider trading or other laws, for which financial penalties and/or imprisonment may apply.

## Review of Policy

NEXTDC will review this Policy at least annually. The Company Secretary will communicate any amendments to Company employees and the Board. If you have any questions on the Policy or require further information, contact the *Company Secretary* on 03 86720608.