



NEXTDC

NEXTne^otral

FAQs



CONFIDENTIALITY STATEMENT

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What is carbon offsetting?

Carbon offsetting allows individuals and businesses to reduce their environmental impact. By purchasing carbon offsets, customers support environmental projects that remove greenhouse gas emissions from the atmosphere (such as planting forests), or prevent future emissions from occurring (such as replacing a coal-fired power station with a wind farm).

When you opt in to NEXTneutral, each kW you offset represents 0.492 tonnes of greenhouse gas emissions that will be reduced or removed from the atmosphere.

Why do we only refer to carbon?

There are seven main greenhouse gases: carbon dioxide, methane, nitrous oxide, chlorofluorocarbon, hydrofluorocarbon, sulfur hexafluoride and nitrogen trifluoride.

Each greenhouse gas has a different impact on climate, called the global-warming potential (GWP). For instance, methane's GWP is 25 while for nitrous oxide it's 298. We convert the amount of each greenhouse gas into the equivalent amount of carbon dioxide with the same GWP. This is called the carbon dioxide equivalent (CO₂e) and makes it possible to measure the greenhouse gases and determine their individual and combined contributions to global warming. This is why carbon offsetting is typically transacted in 'carbon' or CO₂e.

How does my NEXTneutral offset help environmental sustainability?

Opting in to NEXTneutral means 100% of the carbon emissions that are generated from within your racks at NEXTDC are offset with carbon credits that are procured through our Climate Active-accredited partners.

We calculate how much carbon dioxide your racks and the supporting infrastructure creates and then use your contribution to pay an offset project to remove the same amount of carbon dioxide from the atmosphere, or prevent it being emitted by that project in the first place.

Once you have opted in, your racks will have a net neutral impact on greenhouse emissions!

Can I opt in and out of the program at any time?

Yes, you can opt in and out of the program at any time through ONEDC.

Can I opt in for only some of my racks located at NEXTDC?

No. Opting in to NEXTneutral is applicable to an entire tenancy within ONEDC. A tenancy is all the racks allocated to one account within ONEDC.

Does NEXTDC profit from this program?

No. NEXTDC doesn't profit from the sale of carbon offsets purchased under NEXTneutral. A small administration fee is included within your monthly charge to help manage the program with our partners for items such as program management, due diligence when sourcing and supplying carbon offsets including managing the offset retirement process and all carbon accounting. 100% of NEXTDC's revenue associated with the NEXTneutral service is passed straight through to our carbon offset partners to procure your carbon offsets.

How much does NEXTneutral cost each month?

Purchasing carbon offsets under NEXTneutral costs \$4.96 ex GST per kW per month.

How are NEXTneutral charges calculated?

NEXTneutral is based on the power allocation for your racks. For example, if you have four 3kW racks, your total power allocation is 12kW.

$12\text{kW} \times \$4.96 = \59.52 per month.

Full details on the calculation methods can be found in our [Climate Active Public Disclosure Statement](#).

Do I receive carbon credits with NEXTneutral?

No. NEXTneutral is not a mechanism for you to generate or purchase carbon credits. For more information on carbon credits see the [Clean Energy Regulator](#).

How do carbon offset projects work?

There are many types of offset projects reducing or preventing carbon emissions, some examples include:

Reforestation – re-introducing carbon absorbing plant life to areas stripped by development.

Renewable energy – replacing polluting energy sources with more efficient or carbon neutral ones.

Habitat conservation – supporting communities and farmers to keep natural habitats intact instead allowing deforestation to occur.

Fire abatement – using controlled burning techniques to reduce the chances of wildfires.

Which offset projects does my contribution support?

NEXTDC purchases carbon offsets from a carefully selected portfolio of projects that remove greenhouse gas emissions from the atmosphere, or prevent future emissions from occurring.

An example of some of the projects from within our portfolio that we have funded since NEXTDC, as an organisation, was certified carbon neutral includes:

- Reforestation projects that protect critical pristine habitats by replanting and protecting native forest along waterways, improving soil health and water retention, which helps to reduce soil erosion and run-off.
- Projects that support indigenous culture, including fire management projects that empower local rangers to conduct controlled burns to prevent devastating wildfires, protecting biodiversity, culture and ancient rock art.
- Land restoration projects in NSW and QLD that work with landholders to regenerate and protect native vegetation to improve soil health and secure vital habitat for native wildlife.
- Critical renewable energy projects that generate clean electricity, reduce air pollution and create new jobs.
- The protection of rainforests, which secure the carbon stored in the trees, provide an alternative income for landholders and protect vital habitat for endangered native wildlife.

Learn more about our projects [here](#).

Does NEXTDC offset its emissions?

Yes. NEXTDC are Australia's only data centre provider to be certified carbon neutral by offsetting the carbon created from within our own organisation. We leverage our Climate Active-accredited carbon offset partnerships to offset our own carbon emitted, with those offsets funding the critical ecological projects within our NEXTneutral portfolio.

What else is NEXTDC doing to reduce its environmental impact?

We have a strong focus on energy efficiency and sustainability through renewable energy sources and delivering world-class operational excellence. Sustainability is part of our DNA. Our in-house Engineering team is dedicated to building and maintaining the most operationally sustainable data centres in the market. We are continuously looking for ways to fine tune our national data centre network. Through the combination of renewable energy sources, and innovative technology that enables us to use power more efficiently, NEXTDC's data centres are run at the lowest Power Usage Effectiveness (PUE) ratings in the country. Additionally, NEXTDC's data centres are the only Australian colocation facilities to receive a NABERS 5-Star rating.

Are there any tangible terms to put NEXTneutral contributions into perspective?

To put it into context, for a 3kW rack, opting in to NEXTneutral is equivalent to taking 7.3 light passenger vehicles off the roads each year.

Does this mean I am now enrolled in a third-party carbon offset program?

No. Your relationship is with NEXTDC directly. Opting in to NEXTneutral means 100% of your NEXTDC data centre emissions are now carbon neutral. NEXTneutral extends the Climate Active-accredited partnerships that NEXTDC has in place to procure the offsets required to negate your data centre carbon footprint.

Can I reference NEXTneutral publicly?

Yes! If you have opted in to NEXTneutral we encourage you to leverage the NEXTneutral logo and additional marketing material that NEXTDC will share with you upon opting in to the program. We encourage you to use this information in your own marketing collateral, company website and financial reports.

If I am enrolled in NEXTneutral am I entitled to use Climate Active's marketing material?

No. Climate Active marketing logos and marketing material cannot be used under the NEXTneutral program. A separate, and direct relationship between your organisation and Climate Active is required to leverage the use of their marketing material.

How will I be invoiced for NEXTneutral?

You will continue to be invoiced monthly, as standard by NEXTDC. The NEXTneutral charge will show as a separate line item noting the amount of units of NEXTneutral.

The NEXTneutral line item will be shown on the same invoice as the corresponding racks to which it relates.



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