DECISION USEFUL DIAGNOSIS 019 — FY2026

NEXTDC Limited (ASX:NXT)

Improved to not decision-useful for three of five audiences, because the figures are now assured, while reported Scope 2 excludes about two thirds of facility electricity

REPORTING PERIOD	REVIEW DATE	PROTOCOL	SECTOR
FY2026	1 September 2026	Climate Disclosure Review Rules v15.23	Information Media and Telecommunications

7 / 15 overall score · sum of the five audience ratings, for ranking



8 of 19 load-bearing criteria not met. The score saturates, because a row reaches 1 on two failures and cannot go lower, so the criterion count is reported beside it. The two answer different questions: the score is how many audiences can use the disclosure, the count is how many things are wrong.

This review tests NEXTDC's publicly available climate disclosure against CRI's Climate Disclosure Review Rules, which use the CRI Net Zero Standard as the reference for a credible claim together with AASB S2 Climate-related Disclosures. It reflects the information available at the review date, states what the evidence supports, what it does not, and what would resolve each open point, and says "cannot verify", not "no issue", where evidence is missing. It is general information, not legal, financial or investment advice, and not an audit or an assurance engagement. It does not allege illegality, misconduct, greenwashing or dishonesty. Organisations may contact CRI at robc@noco2.com.au to identify an error, provide relevant public information or request review of updated disclosures. See Important information at the end of this report.

Decision-usefulness at a glance

Company	Carbon / supply-chain accounting	Institutional investors	Consumer / retail investors	Consumers & public	Regulators
NEXTDC Limited (ASX:NXT)	1	2	1	1	2

How to read this report

HOW TO READ THE RATINGS

Each audience gets its own rating.

The same disclosure can be reliable for one reader and misleading for another, so we rate decision-usefulness **separately for each audience** on the three-point scale below. There is no single pass/fail verdict — decision-usefulness is a judgement about each audience, not the report as a whole.

1 **Not decision-useful**
Cannot be relied on in its current form for this reader's decision.

2 **Mostly decision useful**
Usable, with one material limitation the reader must work around.

3 **Decision-useful**
Can be relied on. A deliberately high bar.

The bar below adds the five audience ratings into an **overall score out of 15**. It is used only to rank reports against one another — it carries **no band and no verdict label**. Its colour simply reflects the mix of the five ratings: the more red, the more audiences the disclosure falls short for.



7 / 15
overall score · for ranking only

This review assesses whether the company's climate disclosure is *decision-useful*: whether a reader can actually rely on it for the decision they are making. Because a disclosure that is sound for one reader can mislead another, we score decision-usefulness **separately for each of the main audiences** that rely on climate disclosure. The audiences, and what each needs from the disclosure, are the same across all our reviews:

AUDIENCE	WHAT THEY RELY ON THE DISCLOSURE FOR
Carbon / supply-chain emissions accounting	Lifting the company's emissions figures into their own inventory. They need complete category coverage (nothing material excluded), a single reconcilable footprint, and a disclosed, transparent method. Whether a figure is estimated or supplier-specific is a maturity question, not a fault: the fault is exclusion.
Institutional investors	Pricing climate risk (physical and transition) including target credibility and whether targets are being met with real reductions, the completeness of financed / portfolio exposure, and flow-through exposure inherited from investees or counterparties whose own emissions may be growing. They can usually reconstruct detail, so they are judged on whether the true position is derivable.
Consumer / retail investors	Understanding the company's climate position and target progress without expert reconstruction. They need the headline claims to match the evidence, the material sources to be targeted, and caveats to be easy to find.
Consumers & public	Knowing whether the company's public claims are true: that it is genuinely acting rather than greenwashing, and not fuelling climate change while presenting otherwise. Headline claims matter most to this audience, which is least able to read past a buried caveat.
Regulators	Whether the disclosure is compliant, consistent across sources and audiences (does the company say one thing to one audience and something else to another), and useful across the board.

The **overall score** is simply the sum of the five audience ratings (5-15), used only to rank reports; it has no band and no verdict of its own. §2.1 gives each audience's rating and the reason behind it; §1 covers scope and basis, §2.2–2.3 the evidence dashboard, §3 what the disclosure means for a reader (what's counted, financed-emissions detail, real-vs-accounting movement, trajectory), §4 the findings, §5 disclosure-risk, §6 how to fix it and §7 the conclusion; the working annexes show the rule-level derivation.

Two conventions apply throughout. A certification (including the Australian Government's Climate Active program) is treated as a claim to be tested, not as a strength in itself. Detailed disclosure and candour about a company's own gaps are the baseline expected of a credible discloser, not a credit.

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1. Scope & basis

1.1 What we reviewed

DOCUMENT	REVIEWED?	IF MISSING, EFFECT ON THIS REVIEW
FY26 Annual Report & Appendix 4E, including the FY26 Sustainability Report (pages 66 to 88)	Yes	Primary source. The Sustainability Report is the statutory climate statement prepared under AASB S2, carries the directors' declaration and the independent limited-assurance review report, and is the audited-suite document preferred where sources conflict
FY26 Environmental, Social and Governance Report	Yes	Carries the operational metrics the statutory report omits: electricity consumption, diesel volume, PUE, WUE, CUE, water, waste, on-site solar and the construction case studies. Retrieved from the company's own investor centre on 1 September 2026
FY25 Climate and Nature Report	Yes	Comparative
FY25 Environmental, Social and Governance Report	Yes	Comparative; the source of the prior period's whole-facility Scope 2 basis
FY25 Annual Report	Yes	Comparative
FY24 Climate and Nature Report, FY24 ESG Report, FY24 Annual Report	Yes	Comparatives

DOCUMENT	REVIEWED?	IF MISSING, EFFECT ON THIS REVIEW
FY24 Sustainability Data Pack (xlsx)	Yes	The last machine-readable data companion the company has published; supplied the FY22 to FY24 series
FY23 ESG Report, FY23 Annual Report, FY22 Annual Report	Yes	Supplied the FY20 to FY23 series and the earlier emissions split
Climate Active Public Disclosure Statements, Organisation: FY2020-21, FY2021-22, FY2022-23, FY2023-24	Yes	Four signed and declared Organisation statements defining the certified boundary, the certified footprint and the offset volumes, credit types, vintages, registries and retirement serials
Climate Active Public Disclosure Statements, Service (NEXTneutral): FY2020-21, FY2021-22, FY2022-23, FY2023-24	Yes	Four Service statements covering the customer offset program
Climate Active Public Disclosure Statements for FY2024-25 and FY2025-26	Not provided: register not retrievable on 1 September 2026	The Climate Active certified-member register did not respond to retrieval on 1 September 2026 (two attempts), and the Internet Archive holds no snapshot of the NEXTDC page later than 26 June 2024. The latest statement available to this review covers FY2023-24. Certification also runs a year in arrears, so FY26 cannot be certified at the date of the FY26 reports. Recorded as an evidence gap on the currency of the claim, not as non-certification
FY26 Sustainability Data Pack	Not published: FY26 reporting-suite panel and corporate-governance page checked 1 September 2026	The FY26 ESG Report's own "FY26 annual reporting suite" panel lists four documents: the ESG Report, the Annual Report, the Corporate Governance Statement and the Modern Slavery Statement. No data pack appears, and none is listed on the company's corporate-governance page (checked 1 September 2026). The FY24 pack remains the last published. No machine-readable companion exists for FY26
FY26 Climate and Nature Report	Not published: retired by the company, as the FY26 ESG Report states	The FY26 ESG Report states the standalone Climate and Nature Report has been retired, its climate content moving into the statutory Sustainability Report and its nature content under reassessment. No nature disclosure is published for FY26
GHG inventory basis of preparation	Yes: within the Sustainability Report	A genuine basis of preparation now exists: reporting entity, consolidation approach, the GHG Protocol Corporate Standard and Scope 2 Guidance, jurisdictional emission factors, activity-data sources, the customer-electricity judgement, measurement uncertainty and the transitional reliefs taken
Independent assurance statement	Yes	PricewaterhouseCoopers limited-assurance review under ASSA 5000, unmodified conclusion, signed 27 August 2026. The first external assurance over any NEXTDC emissions figure. Scope is set out in §2.3 and is narrower than the report
Climate Transition Plan	Not published: does not yet exist; the company states it is due during FY27	Commenced in FY26 with an external adviser and expected to be finalised during FY27. There is no plan to assess, no interim targets and no published decarbonisation trajectory
FY26 NGER register row	Not published: not yet; the published register runs to FY2024-25	The published register runs to FY2024-25. The FY26 statutory position cannot be compared to the disclosure until the FY26 register publishes

1.2 Standards the company is held to or references

STANDARD / FRAMEWORK	REFERENCED BY COMPANY?	HOW STRONGLY	SECTOR MODULE(S) APPLIED
Corporations Act / Ch 2M	Yes: a Sustainability Report is prepared under Part 2M.3, with a directors' declaration addressing section 296C (compliance with AASB S2) and section 296D (climate statement disclosures)	Binding: statutory and binding for the first time	Applicability gate
AASB S2	Yes: "This Report is in accordance with the Corporations Act 2001 and the Australian Sustainability Reporting Standards Climate-related Disclosures (AASB S2)"	In accordance with: strong and current. FY26 is the first mandatory period. Both first-year transitional reliefs are taken and disclosed: no comparative information for periods before FY26, and no Scope 3 emissions	Applicability gate
ASIC RG 280	No: not referenced	Not referenced: applies with the mandatory regime; no alignment claim is made against it	Not applicable

STANDARD / FRAMEWORK	REFERENCED BY COMPANY?	HOW STRONGLY	SECTOR MODULE(S) APPLIED
GHG Protocol (Corporate / Scope 2 / Scope 3)	Yes: and now load-bearing (Corporate Standard, Scope 2 Guidance); Scope 1 and Scope 2 are measured under the Corporate Standard, and the customer-electricity treatment rests on Appendix A of the Scope 2 Guidance	In accordance with: strong for Scope 1 and Scope 2. Scope 3 is not reported, so no category conformance can be tested	Inventory foundation
PCAF (financed emissions)	Not applicable: not a financial institution	Not applicable	Not applicable
SBTi	No: no target validated or claimed. The Sustainability Report states the net zero target "has not been independently validated and was not developed using a sectoral decarbonisation approach"	Not referenced: not a science-based-target claim, and the company says so	Targets
Climate Active / other carbon-neutral framework	Yes: the carbon-neutral claim rests on it. The Sustainability Report notes the Australian Government's July 2026 announcement that certification is proposed to cease on 30 June 2027, and that NEXTDC will review its participation	In accordance with: present-tense claim in the overview pages, more carefully worded in the statutory section, which directs readers to the register rather than stating a certified year	Offsets / net claims
Certificates (GreenPower / LGC / ACCU / REC)	Yes: as an explicit nil: "No contractual instruments were used to adjust or otherwise inform the reported Scope 2 emissions as at 30 June 2026 and, accordingly, no market-based adjustment has been applied"	Mentioned: a clear negative statement, which is what the reader needs. Renewable supply is on-site solar of 755,034 kWh, 0.118% of the 641,115 MWh consumed	Scope 2
ASSA 5000 / ASSA 5010 (sustainability assurance)	Yes: PwC review report reproduced in the Sustainability Report	Binding: statutory phase-in scope; limited assurance	Governance / assurance
NGER Act 2007	Yes: reported separately to the Clean Energy Regulator, with the Sustainability Report noting the reported figures "may therefore differ" from the NGER amounts	Binding: stated but not quantified	Disclosure risk
Other (company-referenced)	Yes: TCFD (retired, superseded by AASB S2), TNFD/LEAP (alignment under reassessment, no FY26 nature disclosure), NABERS (certifications for M1, S1 and P1 have lapsed), Uptime Institute, GRI (topic mapping only, no content index), ISO 9001/14001/27001/45001	With reference to: mixed, and narrower than in the prior period	Nature / physical risk

1.3 Review basis & limitations

Standard evidence-led review of the FY26 disclosure suite, read against the six prior years available in the corpus and against eight Climate Active public disclosure statements covering FY2020-21 to FY2023-24. The property and data-centre module applies. Conclusions are anchored on the statutory Sustainability Report within the Annual Report, which is the audited-suite document and the only assured source.

FY26 is NEXTDC's **first mandatory reporting period**, which the company states and which an independent practitioner has reviewed, so the disclosure is tested as a statutory climate statement rather than as a voluntary one. NEXTDC's reported emissions are well above the NGER publication threshold, which is the limb that brings it into the first cohort: on the FY26 size figures alone (revenue of $496.5 million, gross assets of $10,237 million and 448 employees) only one of the three size criteria is met. That reading is the review's, not a company statement.

Several limitations bound the conclusions. **Both first-year transitional reliefs are taken**, so the Sustainability Report contains no comparative information and no Scope 3 emissions. Both are available and both are disclosed, and neither is treated here as a compliance failure; their effect on what a reader can see is assessed as a decision-usefulness matter. **Assurance is limited, not reasonable, and narrower than the report**: it covers the governance disclosures, three subparagraphs of the strategy disclosures, and the Scope 1 and Scope 2 figures. The net zero target, the scenario analysis, the financial-effects assessment, the cross-industry metrics and every figure in the ESG Report other than Scope 1 and Scope 2 are unassured. That scope is the statutory phase-in rather than a company election, and it is not scored against the company. **The largest single question in this review, the size of the electricity emissions outside the reported Scope 2, is a derivation rather than a disclosure.** It is computed from two figures the company publishes, and the review states the arithmetic and its limits in §3.1; the precision is cannot-verify and only the order of magnitude is relied on. **No FY26 statutory register row exists yet**, so the FY26 disclosure cannot be reconciled to NGER; the FY2024-25 register is used as prior-period context only. **The Climate Active register could not be retrieved** on 1 September 2026, so the currently certified year could not be confirmed. The FY26 Sustainability Data Pack does not exist and the FY26 Climate and Nature Report has been retired by the company, so the operational and nature detail available in earlier periods is narrower this year.

2. Verdict

2.1 Decision-usefulness by audience

1

Carbon / supply-chain emissions accounting

0 met · 2 partial · 2 not met

The figures are now assured, and they cover a third of the electricity. NEXTDC's Scope 2 of 162,163 tCO_2e excludes the electricity delivered to customer IT equipment, on the basis that it is purchased for resale to end users, and that exclusion is roughly two thirds of what the facilities consume: dividing the disclosed 641,115 MWh by the disclosed PUE of 1.49 gives about 430,278 MWh delivered to customer equipment against about 210,837 MWh of facility overhead. The treatment is defensible under the GHG Protocol and is explained at length, and the disclosed power pass-through arrangements support it. What it does is move the electricity into Scope 3, which is not reported at all under the first-year relief, so those emissions appear in no figure anywhere. **Nor is the change from the prior year disclosed**: the reported figure is 55% below the prior period's on a boundary that is not described as having changed, with no bridge and no restatement, in a year when consumption rose 22%. Against that, a real basis of preparation now exists, jurisdictional factors are named, and PwC has given limited assurance over both scopes. The remaining granularity gaps are that Scope 1 is a single number with its diesel, fleet and refrigerant components unquantified, and Scope 2 is not split by jurisdiction.

`§3.1, §3.3, Annex B`

2

Institutional investors

2 met · 3 partial · 1 not met

There is a target now, and it cannot be priced. The Board approved a first net zero target during FY26, for Scope 1 and Scope 2 by 2050. It is a **net** target with **no base period stated and no interim targets**, it has not been validated and was not built on a sectoral decarbonisation approach, and it excludes Scope 3 and, expressly, the electricity delivered to customer equipment. So a reader cannot compute an implied annual reduction, and the target covers about a third of the electricity emissions of the facilities NEXTDC operates and none of the embodied carbon in a $3.4 billion build program. The transition plan that would supply the trajectory, the interim targets and the levers remained under development at 30 June 2026. Against that, the physical-risk work is the most developed part of the disclosure and now reaches the financial limb: three scenarios, site-level modelling across all 18 operating sites, named higher-exposure sites, and quantified current effects including $2.7 million of industrial special risks insurance expense and $3.2 billion of

development capital whose approvals incorporate resilience measures. The operational position is reconstructable, and the flow-through exposure is derivable from the published consumption and PUE.

§3.3, §3.4, §4, §5

1

Consumer / retail investors

0 met · 2 partial · 2 not met

The headline figures are bounded in words and never sized. The Scope 2 figure sits beside a statement that customer IT electricity is excluded, and the energy section says customer IT load "drives the majority of energy use", but nowhere in the suite is that majority given a number, so a reader cannot tell that the reported figure covers about a third of the facilities' electricity. The same electricity is excluded from the 2050 net zero target, and the target tile in the annual report says only "net zero Scope 1 and Scope 2 emissions by 2050". **No target covers the material sources**: Scope 3 is unreported, the embodied carbon of the build program is unquantified, and there is no interim target of any kind. The "100% carbon neutral" statistic carries its boundary ("For corporate functions") but no year, and the program certifying it is proposed to cease on 30 June 2027. Against that, several qualifications sit exactly where the reader meets them: the reliefs taken are stated in the basis of preparation, the PUE deterioration and the water and waste movements are each explained where reported, the incentive PUE condition is marked not achieved with nil vesting, and the report states plainly that 0% of executive pay is linked to emissions targets and that no internal carbon price is applied.

§3.1, §3.4, §4.2

1

Consumers & public

1 met · 0 partial · 2 not met

The public-facing picture points one way and the facilities point the other. A reader of the FY26 suite meets a first statutory climate report, a first net zero target, "100% carbon neutral", a 27% embodied-carbon reduction and an industry statistic that the data centre sector offsets "70% of its energy consumption with renewable energy". Underneath, **NEXTDC used no renewable-electricity contractual instruments at all**, its own renewable supply is on-site solar of 755,034 kWh, 0.118% of consumption and down on the prior year, and the 70% figure is a sector research finding attributed to Data Centres Australia, of which NEXTDC is a founding member. It is the only renewable-energy percentage printed in the annual report; NEXTDC's own share appears nowhere in it. Meanwhile every whole-facility performance metric moved the wrong way: carbon per unit of customer IT energy 1.04 to 1.10, power efficiency 1.44 to 1.49, water efficiency 2.25 to 2.40, landfill diversion flat at about 72% against 88.69% two years earlier. **The reported emissions figure fell 55% in the same year, on a boundary change.** Against that, the action is physical and measured: M3 Stages 2 and 4

tracking about 27% below the Stage 1 embodied-carbon baseline against a 20% goal, battery storage replacing diesel generators on tower cranes, 94.7% construction waste diversion at M3, and direct-to-chip liquid cooling.

§4.2, §5

2 **Regulators**
0 met · 1 partial · 1 not met

The statutory position is sound and the failing is consistency. The first climate statement is prepared in accordance with AASB S2, carries a directors' declaration under sections 296C and 296D, and has an unmodified limited-assurance conclusion; both transitional reliefs are available and disclosed; the GHG Protocol is applied with jurisdictional factors named; and NGER reporting is addressed. The one readiness gap inside the statement is the target itself, which has no base period and no interim targets, and which sits outside the assurance scope. What fails is consistency, and it is wide. **The regulator-facing and market-facing bases have separated**: on the FY2024-25 register NEXTDC's NGER Scope 1 and location-based Scope 2 matched its own disclosed whole-facility figures within 8 and 5 tonnes, and the FY26 disclosure is on a boundary excluding about two thirds of the facilities' electricity, with the company stating only that the two frameworks "may differ" and quantifying neither the difference nor its cause. Power efficiency is stated four ways across two documents on three different populations, and a fourth value of 1.48 is used to test executive pay. Capital deployed toward climate risks and opportunities is reported as "not separately tracked" while $3.2 billion of development capital is described in the strategy section as incorporating resilience measures. An "All* our operational facilities are certified" environmental-management claim lists 11 of 18 operating sites. And the financial report discloses a change of measurement basis, its retrospective application and a $272.4 million effect, while the climate disclosure changes its Scope 2 boundary and discloses neither.

§2.3, §5.3

What the company should fix first: publish the electricity delivered to customer IT equipment, in MWh and in tonnes, beside the reported Scope 2 figure, and state that the reported figure is on a narrower boundary than the prior period's together with the effect of the change.

2.2 Scorecard

Headline claim ↔ evidence match	●●○○○	Disclosure quality	7 / 15
Inventory completeness (Scope 1/2/3)	●○○○○	Financed-emissions completeness (if FI)	*N/A*

Target credibility

Offset / certificate / renewable integrity

Standards / compliance confidence

Reader accessibility

Real reduction vs accounting movement

Assurance coverage vs claim

Comparability (like-for-like only)

Evidence limitations *Moderate*

DIMENSION	RATING	JUSTIFICATION
Headline claim ↔ evidence match	2/5	The headline tiles now name their boundaries ("For corporate functions", "Scope 1 and Scope 2"), which is what makes them testable. They are still unsized: the excluded customer electricity is described as the majority of energy use and never quantified, the carbon-neutral claim carries no certified year, and the only renewable percentage in the annual report is a sector figure.
Disclosure quality	7 / 15 overall	A genuine basis of preparation, named jurisdictional factors, disclosed reliefs, disclosed measurement uncertainty, and plain statements of what the company does not do: nil contractual instruments, nil pay linkage to emissions targets, no internal carbon price, capital not tracked. Undercut by no comparatives anywhere, no bridge to the prior basis, no data pack, and one efficiency metric stated four ways.
Inventory completeness (Scope 1/2/3)	1/5	Scope 3 is not reported in any category. About two thirds of the electricity consumed at the facilities NEXTDC operates sits outside Scope 2 and inside that unreported Scope 3, with no bounding estimate published.
Financed-emissions completeness (if FI)	N/A	Not a financial institution.
Target credibility	2/5	A first Board-approved target exists, which is what lifts this above the floor. It is net, 2050 only, with no base period and no interim targets, unvalidated, not built on a sectoral decarbonisation approach, and excluding Scope 3 and the electricity delivered to customer equipment. The transition plan was not finalised at balance date.
Real reduction vs accounting movement	1/5	The 55% fall in reported Scope 2 is a boundary change, not abatement. The one metric that still spans the whole facility, carbon per unit of customer IT energy, worsened from 1.04 to 1.10, and power and water efficiency both worsened.
Offset / certificate / renewable integrity	2/5	The nil position on contractual instruments is stated plainly, which is the disclosure a reader needs. On-site solar is 0.118% of consumption and fell in absolute terms. The certification record in the prior statements is fully documented; the FY26 claim carries no year and the program is proposed to cease on 30 June 2027.
Assurance coverage vs claim	2/5	First external assurance over any NEXTDC emissions figure: limited assurance, unmodified, over Scope 1, Scope 2, the governance disclosures and three strategy subparagraphs. That scope is the statutory phase-in and is not held against the company. It leaves the target, the scenario analysis, the financial effects and every operational metric unassured.
Standards / compliance confidence	4/5	First mandatory period, prepared in accordance with AASB S2, directors' declaration under sections 296C and 296D, unmodified assurance conclusion, both reliefs available and disclosed, GHG Protocol applied with factors named. The target's missing base period and absent interim targets are the readiness gap.
Comparability (like-for-like only)	1/5	The suite carries no emissions comparative at all, and the one comparative it does carry is power efficiency. The Scope 2 boundary changed without the change being identified, quantified or restated, so the reported series is not like-for-like at the point it moves most.
Reader accessibility	3/5	Boundary language sits beside the figures it bounds, negative movements are explained where they are reported, and absences are stated in plain terms. Sizing the excluded electricity requires dividing a figure in one document by a figure in another.
Evidence limitations	Moderate	Assurance now exists over both reported scopes. Still missing: any Scope 3 figure or bound, a market-based position, the Scope 1 component split, the Scope 2 jurisdictional split, the FY26 statutory register row, the currently certified Climate Active year, and any machine-readable companion.

2.3 Standards & compliance snapshot

AREA	RATING	BASIS
Corporations Act / Ch 2M	Appears broadly compliant	A Sustainability Report is prepared under Part 2M.3 for the first mandatory period, with a directors' declaration addressing sections 296C and 296D signed 27 August 2026, and NGER reporting addressed in the directors' report.
AASB S2	Appears broadly compliant: minor limitations	Stated to be in accordance with AASB S2; an independent practitioner has concluded, on limited assurance, that nothing came to attention suggesting the specified disclosures do not comply with Division 1 of Part 2M.3. Both first-year reliefs are available and disclosed. The limitation is within the metrics and targets disclosure: the net zero target is published with no base period and no interim targets, and those disclosures sit outside the assurance scope.
ASIC RG 280	Not assessed: no alignment claim made	Applies with the mandatory regime; the company makes no statement against it, so there is no claim to test.
GHG Protocol / Scope 2 / Scope 3	Decision-usefulness concern	Scope 1 and Scope 2 are measured under the Corporate Standard and the Scope 2 Guidance, with factors named. Scope 2 is location-based only and no market-based figure is reported, which is consistent with the stated nil use of contractual instruments. The Appendix A treatment of customer electricity as supplied to end users is defensible and is explained, and it places the excluded electricity in Scope 3, which is not reported under the first-year relief, so it appears in no scope.
PCAF / financed emissions	Not applicable	Not a financial institution.
Carbon-neutral / net-zero framework	Decision-usefulness concern: claim-quality	The claim is bounded on its face to corporate functions and is attributed to the Australian Government's Climate Active program, which is the disclosure the claim needs. It carries no certified year in the overview pages; the statutory section directs readers to the register instead of stating one; the certified boundary's share of the reported footprint is stated nowhere; and the program is proposed to cease on 30 June 2027, with participation under review.
Certificates / credits	Not applicable: for the reported inventory	The Sustainability Report states that no contractual instruments were used and no market-based adjustment applied. Credits appear only in the earlier certification statements, outside the reported inventory.
Other company-referenced framework	Minor limitation	TCFD reporting is retired and superseded by AASB S2, which is the ordinary transition. TNFD and LEAP alignment is under reassessment and no nature disclosure is published for FY26. NABERS certifications for M1, S1 and P1 have lapsed, with recertification deferred pending stable operating conditions. The GRI reference is a topic mapping with no content index or data pack behind it.

3. What this means for a reader

3.1 What is counted / not counted

Basis: FY26 (1 July 2025 to 30 June 2026), operational control, **all jurisdictions** (Australia, New Zealand and Malaysia), GHG Protocol Corporate Standard and Scope 2 Guidance. Scope 2 is location-based; no market-based figure is reported and the company states that no contractual instruments were used. Reported Scope 1 plus Scope 2 = **168,007 tCO_2e**. Scope 3 is not reported in any category, so no total footprint can be stated.

The reported Scope 2 covers about a third of the electricity the facilities consume, and the arithmetic is the company's own. NEXTDC excludes electricity attributable to customer IT equipment from Scope 2, treating it as electricity supplied to end users under Appendix A of the GHG Protocol Scope 2 Guidance. That treatment is defensible under the standard, it is explained at length as a significant judgement, and the disclosed commercial arrangement supports it: the company recognised over $90 million of gross electricity costs in FY26 and states that the majority of customer-related electricity costs are recovered through contractual power pass-through mechanisms. The question is size. NEXTDC defines PUE as "the ratio of a facility's total power consumption to the usable power delivered to customer equipment", and publishes both terms for FY26: total electricity of **641,115 MWh** and a PUE of **1.49**. On those two figures, electricity delivered to customer equipment is about **430,278 MWh (67.1%)** and the facility overhead inside NEXTDC's Scope 2 boundary is about **210,837 MWh (32.9%)**. Applying the grid factor implied by the reported Scope 2 over that overhead (162,163 ÷ 210,837 ≈ 0.77 tCO_2e/MWh) gives roughly **331,000 tCO_2e** of electricity emissions outside the reported figure, and roughly 493,000 tCO_2e for the facilities as a whole. The company's own carbon-intensity metric corroborates the order of magnitude independently: CUE of 1.10 over about 430,278 MWh of customer IT energy implies roughly 473,000 tCO_2e. So the reported Scope 2 is about a third of the electricity emissions of the facilities NEXTDC operates, and the other two thirds falls into Scope 3, which is not reported.

This is a derivation and its precision is limited, so only the order of magnitude is relied on: the PUE population excludes sites commissioned during FY26 including KL1 while the consumption figure covers all operational sites, the emissions cover three jurisdictions whose grid factors differ and are not split, and the implied factor of about 0.77 tCO_2e/MWh sits above the 0.68 implied by the prior period's figures. The company publishes no attribution of emissions to customer IT equipment in either tonnes or MWh, and states that its transition plan will "consider opportunities to improve the disaggregation of cooling driven emissions and customer IT electricity".

Emissions composition

Values as reported (tCO_2e). Bars are independent magnitudes, not a stack.

Source: FY26 Annual Report, Sustainability Report, Metrics and Targets, folio 82 (Scope 1 and location-based Scope 2, all jurisdictions, GHG Protocol). Excludes electricity attributable to customer IT equipment; no market-based basis published and no Scope 3 reported for FY26



What is counted

Every scope and Scope 3 category, coloured by inclusion status. Values as reported.

Source: FY26 Annual Report, Sustainability Report, folios 66 and 82 (boundary, transitional reliefs and reported scopes); FY26 ESG Report, Energy Management and Climate Change and GHG Emissions sections (electricity consumption and PUE)



SCOPE / CATEGORY	STATUS	QUANTIFIED (tCO_2E)	MATERIAL?	NOTE
Scope 1: combustion / fugitive / fleet	Reported	5,844	Yes	Diesel for backup generation (1,665 kL), corporate fleet fuel and refrigerant losses. The three components are not separately quantified. Limited assurance obtained.
Scope 2: electricity (location-based)	Reported	162,163	Yes	Covers electricity for cooling, ventilation and shared facility infrastructure NEXTDC operates, about a third of the 641,115 MWh the facilities consumed. Limited assurance obtained.

SCOPE / CATEGORY	STATUS	QUANTIFIED (tCO_2E)	MATERIAL?	NOTE
Scope 2: electricity (market-based)	Not disclosed	Not disclosed	Yes	No market-based figure is reported for FY26. The company states that no contractual instruments were used and no market-based adjustment applied, so on its own account the two bases would be materially the same. The two bases are never additive and only the location-based figure enters the Scope 1 and 2 total.
Scope 3 C1 Purchased goods & services	Excluded	Not measured	Yes	Not reported under the first-year relief. NEXTDC's own value-chain map names specialist suppliers, contractors and capital equipment as upstream concentrations of climate risk.
Scope 3 C2 Capital goods	Excluded	Not measured	Yes	The build program is the growth engine: FY26 capital expenditure of $3,397.4 million, six data centres in development and five in planning. The company measures embodied carbon at project level (M3 Stages 2 and 4 tracking about 27% below the Stage 1 baseline) and publishes no tonnes.
Scope 3 C3 Fuel- & energy-related	Excluded	Not measured	Yes	This is where the electricity delivered to customer equipment sits once it is treated as supplied to end users: about 430,278 MWh, indicatively 331,000 tCO_2e on the derivation above. Also carries the upstream emissions of 641,115 MWh of electricity and 1,665 kL of diesel. Not reported under the first-year relief.
Scope 3 C4 Upstream transport & distribution	Excluded	Not measured	Cannot verify: likely	Construction logistics and critical spares are named in the company's value-chain map.
Scope 3 C5 Waste	Excluded	Not measured	No: minor	Landfill diversion of about 72% is reported; no tonnage or emissions figure is published for FY26.
Scope 3 C6 Business travel	Excluded	Not measured	No: minor	Quantified for the certified boundary in earlier certification statements; absent from the current suite.
Scope 3 C7 Employee commuting	Excluded	Not measured	No: minor	Quantified for the certified boundary in earlier certification statements; absent from the current suite.
Scope 3 C8 Upstream leased assets	Excluded	Not measured	Cannot verify	Leased data centre assets are disclosed in the financial statements; the emissions treatment is unstated.
Scope 3 C9 Downstream transport & distribution	Not relevant	Not applicable	No	No physical product distribution.
Scope 3 C10 Processing of sold products	Not relevant	Not applicable	No	Service business.
Scope 3 C11 Use of sold products	Excluded	Not measured	Yes	Newly material on the FY26 boundary. Customer IT electricity was inside Scope 2 in the prior period and is now outside it; whether it is characterised as C3 or C11, it is in Scope 3 and Scope 3 is not reported. The company's value-chain map places "Customer IT equipment: servers, storage and network equipment" downstream.
Scope 3 C12 End-of-life of sold products	Excluded	Not measured	No: minor	E-waste practices are described qualitatively.
Scope 3 C13 Downstream leased assets	Excluded	Not measured	Cannot verify	Colocation is close to a leasing model and the treatment is unstated. Not controlling the customer's equipment is the reason this sits in Scope 3 rather than a reason to omit it.
Scope 3 C14 Franchises	Not relevant	Not applicable	No	No franchises.
Scope 3 C15 Investments / financed & facilitated	Not relevant	Not applicable	No	Not a financial institution.

3.2 Financed-emissions detail (financial institutions)

N/A: not a financial institution.

3.3 Real reduction vs accounting movement

Reported Scope 2 movement, FY25 to FY26 (-55%)

Decomposition of the reported reduction into its drivers.

Source: Reported Scope 2 of 162,163 tCO_2e, FY26 Annual Report folio 82, against 358,348 tCO_2e for FY25, FY25 ESG Report; electricity consumption of 641,115 MWh against 525,291 MWh from the same two sources



Boundary change: customer IT electricity moved out of Scope 2 (55 pp)

REPORTED CHANGE	DRIVER	REAL-WORLD REDUCTION?
Reported Scope 2 fell from 358,348 to 162,163 tCO_2e (−54.7%)	**Boundary** or M&A: electricity attributable to customer IT equipment was inside Scope 2 in the prior period and is outside it in FY26. Over the same period electricity consumption rose 22.0%, from 525,291 to 641,115 MWh	**No**: an accounting boundary change. Neither the change nor its effect is disclosed anywhere in the FY26 suite
Whole-facility electricity emissions, indicatively about 470,000 to 495,000 tCO_2e against 358,348 tCO_2e a year earlier	Activity: real activity growth; consumption up 22.0% with the portfolio expanding to 18 operating sites across three jurisdictions; the jurisdictional grid-factor mix also changed and is not published	**No**: an increase of roughly a third on the derivation in §3.1, and of 22.0% on consumption alone, with the precision cannot-verify
Reported Scope 1 fell from 7,927 to 5,844 tCO_2e (−26.3%)	Activity: diesel fell 17.5%, from 2,018 to 1,665 kL, as generator commissioning for new capacity eased. The balance is not separable: the diesel, fleet and refrigerant components are not individually quantified, the boundary widened to all jurisdictions and the basis moved from NGER methodology to the GHG Protocol	**Partly**: less fuel was burned, driven by the level of commissioning activity rather than by abatement, and the movement cannot be decomposed further from the disclosure
Carbon per unit of customer IT energy worsened, 1.04 to 1.10	**Mixed**: the company's attribution: "changes in load and reporting boundary mix, partly offset by a cleaner grid mix in New South Wales and Victoria, where an increased share of renewables has contributed to lower state-based emissions factors"	**No**: the one published metric that still spans the whole facility moved against the company, and the offsetting movement in it is grid decarbonisation rather than a NEXTDC action
Power efficiency worsened, PUE 1.44 to 1.49	Activity: the company's attribution: data halls handed to customers with cooling running ahead of IT rack deployment, reduced IT load at legacy facilities, and construction, commissioning and testing activity	**No**: efficiency moved the wrong way for a third consecutive year, and the incentive condition of below 1.4 was marked not achieved with nil vesting
Water efficiency worsened, WUE 2.25 to 2.40, on 939.70 ML	Activity: portfolio growth plus operational, expansion and commissioning activity. The company also reports significant reconciliation work that identified isolated leaks and meter anomalies	**No**: an increase, with the data-quality work disclosed alongside it
On-site solar generation fell from 884,955 to 755,034 kWh	**Real** abatement: own generation, entirely consumed on site	**No**: immaterial and down; 0.118% of electricity used, against 0.169% a year earlier
Landfill diversion flat at about 72%, against 88.69% in FY24	**Method** or factor: the company's attribution, for the second consecutive year: improved waste classification, more granular supplier data and stricter downstream acceptance criteria, with materials previously recorded as recyclable now partly redirected to landfill	**No**: the explanation implies the FY24 basis was wrong, and no prior year has been restated, so the series is not like-for-like at the point it reverses

There is no emissions reduction in FY26 to decompose. The only reported figures that fell are Scope 1, on less commissioning diesel, and a Scope 2 figure that fell because its boundary narrowed.

3.4 Trajectory over time

Across the seven years available, NEXTDC's disclosure has moved from voluntary to statutory and its reported emissions have moved from rising to apparently falling, without the underlying position changing direction. Reported Scope 1 plus Scope 2 grew from 224,542 tCO_2e in FY20 to 366,275 tCO_2e in FY25, up 63%, and is reported as 168,007 tCO_2e for FY26. That last step is not a fall in emissions: it is the first year in which electricity delivered to customer equipment sits outside the reported boundary, and electricity consumption rose 22.0% in the same year. The reported series therefore breaks at FY26, and the chart below shows why: the whole-facility series runs cleanly for six years and then stops, because the basis it was measured on was discontinued and no bridge, restatement or comparative has been published for the year that follows. Reading the two bases as one line would show a 55% fall that did not happen. That un-trackability is itself a limitation on what a reader can do with the figures.

FY26 is also the year the disclosure changed character. A statutory Sustainability Report replaced the standalone Climate and Nature Report, and with it came the first external assurance over any NEXTDC emissions figure, a real basis of preparation, jurisdictional emission factors, site-level physical-risk modelling across all 18 operating sites, and the first quantified current financial effects. In the same year the Board approved the company's first net zero target, closing three consecutive years in which a target was described as being finalised, then explored, then confirmed. Two quantified goals that appeared on the public record in earlier periods and were dropped without any withdrawal being disclosed, a 100%-renewable-by-2030 goal published in the FY22 Annual Report and a 20%-by-2030 service intensity target carried in the FY2021-22 and FY2022-23 certification statements, are still absent, and the new 2050 target does not replace either of them in kind.

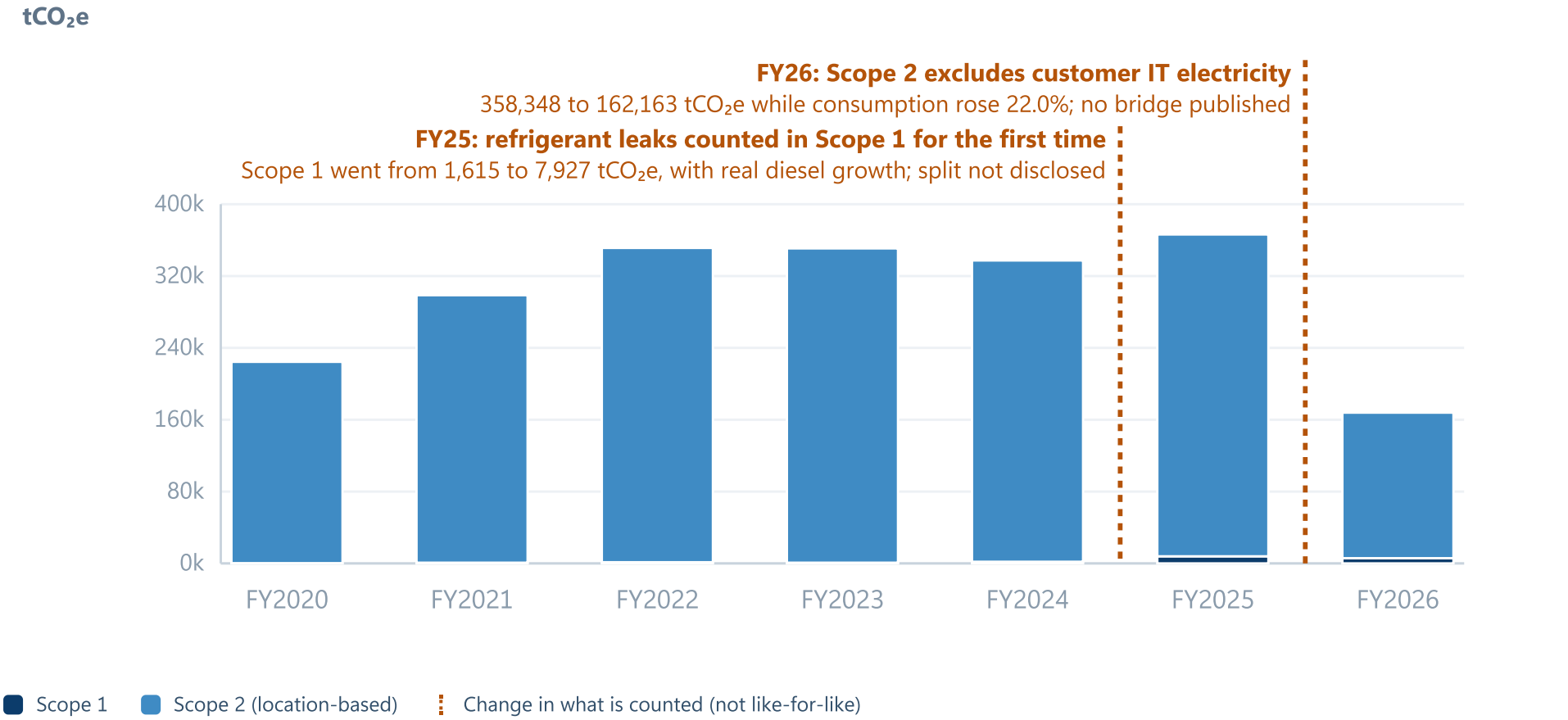
Set against that, the disclosure also narrowed in three places. The machine-readable data pack has not been published since FY24. Nature reporting has gone from a standalone report applying the TNFD LEAP approach across all sites to a statement that alignment is being reassessed, with biodiversity assessed as peripheral and no nature disclosure published for FY26. And the principal-risk register was restructured, with emissions, energy performance, water dependency and nature risk no longer reported separately. The certification record adds one further movement the reports do not: certification under the Australian Government's Climate Active program is proposed to cease on 30 June 2027, and NEXTDC states it is reviewing its participation.

Metrics over time

Trajectory over time

Reported operational emissions by scope, stacked, in tCO_2e per reporting year. Orange dotted line = a change in what is counted or how: the bars either side of it are not like-for-like. Where the later years count sources the earlier ones left out, the earlier years under-state the footprint.

Source: FY20 to FY23 from the FY23 ESG Report; FY24 from the FY24 Sustainability Data Pack; FY25 from the FY25 ESG Report and FY25 Climate and Nature Report; FY26 from the FY26 Annual Report, Sustainability Report folio 82. FY20 to FY25 are Australian facilities on the NGER methodology, with Scope 2 on the whole-facility basis. FY26 changes both: Scope 1 covers all jurisdictions on the GHG Protocol, and Scope 2 excludes the electricity delivered to customer IT equipment. NEXTDC publishes no bridge and no restated comparative, so the FY26 fall in Scope 2 is a boundary change, not a reduction: electricity consumed rose from 525,291 to 641,115 MWh. No market-based Scope 2 and no Scope 3 are published



METRIC	FY2020	FY2022	FY2023	FY2024	FY2025	FY2026	MOVEMENT	DRIVER	NOTE
Scope 1 (tCO_2e)	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	5,844	New: first reported on the FY2026 basis (all jurisdictions, GHG Protocol)	Not applicable	Partly real: diesel down 17.5%. Components not separately quantified. The prior Australia-only NGER-basis series is the added row below
Scope 2 location-based (tCO_2e)	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	162,163	New: first reported on the FY2026 basis, excluding customer IT electricity	Not applicable	**Accounting**: the boundary narrowed while consumption rose 22.0%. No bridge, no restatement, no comparative published. The prior whole-facility series is the added row below. Electricity consumed: 476,571 MWh (FY2024), 525,291 (FY2025), 641,115 (FY2026), up 22.0% in FY2026 on portfolio growth, the denominator behind every intensity metric (earlier years not in this review's corpus)
Scope 2 market-based (tCO_2e)	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed: never reported in the annual, ESG or climate reports	Not applicable	Reported in the certification statements for the certified boundary only. FY26 states nil use of contractual instruments
Scope 3 total (tCO_2e)	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed: no total in any period	Not applicable	Selected categories via certification in FY22 and FY23; not published FY24 and FY25; not published in FY26 with the first-year relief taken. The FY26 exclusion is a disclosed first-year transitional relief, unlike the FY24 and FY25 silence
Emissions intensity (CUE, carbon usage effectiveness)	Not disclosed	1.15	1.16	1.08	1.04	1.10	Mixed: improved to FY2025, then worsened	**Mixed**: company attribution, load and boundary mix, partly offset by a cleaner grid	The only published metric still spanning the whole facility
Renewable electricity (% of consumption)	Not disclosed	0.10	0.16	0.17	0.17	0.118	Mixed: rose to 0.17% by FY2024, down to 0.118% in FY2026	**Real** abatement: real but immaterial	On-site solar only; generation fell from 884,955 to 755,034 kWh. Nil contractual instruments in FY26
Certificates and offsets retired (tCO_2e)	Not disclosed	11,170	12,070	13,682	Not disclosed	Not disclosed	Up: 11,170 to 13,682 FY2022 to FY2024; not certified for FY2025 or FY2026	Activity: real retirements against a growing certified footprint	Certified boundary. FY2021 was 10,271; FY2020 not in this review's corpus. Australian unit share fell from 24% to about 6% between FY21 and FY24
Scope 1, Australia only, NGER basis (tCO_2e)	434	1,292	866	1,615	7,927	Not disclosed	Dropped: basis discontinued after FY2025	Not applicable	Sharply up to FY25 (FY2021 665): mixed, real diesel growth plus first-time fugitives
Scope 2 location-based, whole-facility basis (tCO_2e)	224,108	350,049	349,902	335,629	358,348	Not disclosed	Dropped: basis discontinued after FY2025	Not applicable	Up 60% FY20 to FY25 (FY2021 297,897); grid factor partly offsets volume growth. FY22 restated down 19% from 417,430
Power usage effectiveness (PUE, ratio)	1.30	1.38	1.39	1.42	1.44	1.49	Up: worsening, 5 of 6 steps worse	Activity: own asset performance	FY2021 was 1.40. Incentive condition of below 1.4 marked not achieved, nil vesting. Stated four ways across the FY26 suite. Water intensity (WUE) worsened across the periods extracted: 1.61 (FY2022), 2.25 (FY2025), 2.40 (FY2026, on 939.70 ML); FY23 and FY24 values were not extracted into this review's corpus
Customer program (NEXTneutral) offsets (tCO_2e)	Not disclosed	821	1,518	1,195	Not disclosed	Not disclosed	Mixed: tonnage peaked FY2023; none certified or published after FY2024	**Mixed**: real retirements	FY2021 was 127; FY2020 not in this review's corpus. FY26 reports the program continues and publishes no tonnage or participation figure

Targets and claims over time

TARGET OR CLAIM	AS FIRST STATED (PERIOD)	AS STATED FOR FY2026	CHANGE	EXPLAINED?	NOTE
Net zero Scope 1 and Scope 2 by 2050	**Net zero Scope 1 and Scope 2 by 2050** (FY2026), the first emissions target in seven years, after "finalising" (FY24) and "exploring" (FY25)	**Net zero Scope 1 and Scope 2 by 2050**	New	Not applicable	Net, no base period, no interim targets, unvalidated, no sectoral decarbonisation approach, excludes Scope 3 and customer IT electricity (F-7)
100% renewable energy by 2030	100% renewable energy by 2030 (FY22 Annual Report)	Absent	Withdrawn: dropped without any withdrawal being disclosed	No	Still absent; the 2050 target does not replace it in kind
20%-by-2030 service intensity target	Carried in the FY2021-22 and FY2022-23 certification statements	Absent	Withdrawn: dropped without any withdrawal being disclosed	No	Never published to the market
Carbon-neutral claim (Climate Active, the Australian Government's program)	Certified, continuously FY19 to FY24 (latest statement signed 31/01/2025)	"100% carbon neutral for our corporate function, certified under Climate Active", with no year; not certified for FY25 or FY26 (arrears); program ceasing 30/06/2027	Unchanged: the claim is carried, now with its boundary named	Not applicable	FY26 claim carries no certified year; participation under review; the register could not be retrieved for later years (F-11)

Transition plan and assurance over time. Transition plan: none FY20 to FY25; under development, due FY27 in FY26, the first plan commenced and not finalised or adopted at 30 June 2026. Assurance over reported emissions: none FY20 to FY25; limited assurance over Scope 1 and Scope 2 in FY26, the first assurance, on the statutory phase-in scope; the target and all other metrics remain unassured.

4. Findings

4.1 What stands up (genuine / qualified positives)

▲ F–1

A measured embodied-carbon outcome on the M3 Melbourne build. Stages 2 and 4 are tracking at approximately 27% lower embodied carbon than the Stage 1 baseline, against an internal project goal of 20%, delivered through defined low-carbon concrete mix designs for slabs and precast panels, reinforcing steel of lower carbon intensity, minimum recycled-content and material-substitution requirements for asphalt including trials of mixes containing recycled soft plastics, and procurement decisions supported by Environmental Product Declarations. The M2 Tullamarine project is pursuing concrete mixes targeting savings above 30% per cubic metre

WHY IT MATTERS

This is intervention on the company's largest unquantified emissions source, at the design and procurement stage where it can still be changed, and it is now a stated outcome against a stated baseline rather than an intention

QUALIFICATION (IF ANY)

Substantial. It covers stages of two projects, not a portfolio standard; the result is "tracking at", not final; and because Scope 3 is unreported neither the baseline nor the saving is published in tonnes, so the benefit cannot be sized against the footprint or tracked over time

▲ F–2

Physical displacement of construction diesel. Battery energy storage systems were used to support tower crane operations during M3 Stages 2 and 4 in place of relying solely on larger diesel generators, alongside prioritisation of electric plant where technically suitable and trials of portable battery systems, with the company reporting that not every technology trial proved suitable

WHY IT MATTERS

Fuel displacement on the build program is action on emissions that the reported inventory does not capture, and reporting which trials failed is what makes the rest of the account testable

QUALIFICATION (IF ANY)

No abatement is quantified in litres or tonnes, and the emissions the program displaces sit in a scope that is not reported, so the effect cannot be seen in any published figure

▲

F–3

Measured construction resource recovery. 94.7% waste diversion at M3 and 93% at M2 on a project-to-date basis, 82.72% of construction waste recycled at KL1 Kuala Lumpur, reuse of about 90,000 m³ of fill across the S4 to S7 sites, and about 13,000 tonnes of recycled crushed concrete at M3

WHY IT MATTERS

Project-level outcomes with named contractors and stated rates, on the part of the business that is growing fastest

QUALIFICATION (IF ANY)

Resource recovery rather than greenhouse gas: no emissions benefit is quantified. It also sits beside operational landfill diversion of about 72%, which is well below these construction rates and below the 88.69% the company reported for FY24

▲

F–4

Cooling interventions on the controllable overhead. Continued direct-to-chip liquid cooling deployment enabling high-density compute at lower energy overheads, closed-loop and direct-to-chip designs specified for the S4, S7 and M4 developments, and two efficiency technology trials commenced in FY26: an AI-assisted cooling-optimisation proof of concept with Phaidra at S2 and M3, and an AI-enabled data-driven maintenance platform at M1

WHY IT MATTERS

Cooling is the part of the electricity load NEXTDC controls and reports, so intervention here is intervention on its own inventory rather than on someone else's

QUALIFICATION (IF ANY)

Heavily qualified. Two of the three items are trials with no outcome, and portfolio power efficiency worsened from 1.44 to 1.49 in the year, so no benefit is visible in any published metric. Credited as action, not as result

4.2 What does not stand up (negatives)

▼ F–5

The reported Scope 2 of 162,163 tCO_2e covers about a third of the electricity the facilities consume, and the excluded two thirds is quantified nowhere. The exclusion of electricity delivered to customer IT equipment is stated in words wherever the figure appears, and the energy section says customer IT load "drives the majority of energy use". No figure is attached to that majority in tonnes or MWh anywhere in the suite. Dividing the disclosed 641,115 MWh by the disclosed PUE of 1.49 gives about 430,278 MWh delivered to customer equipment, indicatively about 331,000 tCO_2e

WHY IT MATTERS TO A READER

A reader who takes 162,163 tCO_2e as the electricity footprint of NEXTDC's data centres understates it by roughly a factor of three. The words "the majority" do not let anyone size that, and the arithmetic that does requires two figures from two different documents

WHAT WOULD FIX IT

Publish the electricity attributable to customer IT equipment in MWh and in tonnes, beside the reported Scope 2 figure, in the same table

▼ F–6

The Scope 2 boundary changed from the prior period and the change is not disclosed as a change. In the prior period all electricity within the facility boundary, including customer IT load and its associated cooling, was reported as NEXTDC's Scope 2. In FY26 customer IT electricity is treated as supplied to end users and excluded. The reported figure is 54.7% below the prior period's in a year when consumption rose 22.0%. There is no statement that the basis changed, no quantification of its effect, no restatement and, under the first-year relief, no comparative

WHY IT MATTERS TO A READER

This is the largest single movement in the reported figures and a reader is given no way to see what caused it. It is also the one place where the company's two reporting streams part company: the financial report discloses a change of measurement basis for investment property, its retrospective application and a $272.4 million effect, and the climate disclosure changes its emissions boundary and discloses neither

WHAT WOULD FIX IT

State, beside the FY26 figure, that the Scope 2 boundary differs from the prior period, and give the prior period restated onto the FY26 boundary

▼ F–7

The 2050 net zero target cannot be measured or priced on its own terms. It is a net target for Scope 1 and Scope 2 only, with no base period stated and no interim targets, it has not been independently validated and was not developed using a sectoral decarbonisation approach, and it expressly excludes Scope 3 and the electricity attributable to customer-controlled IT equipment. The transition plan that would supply the trajectory, the interim milestones, the decarbonisation levers, the associated capital and operating expenditure and the role of carbon credits remained under development at 30 June 2026 and is expected during FY27

WHY IT MATTERS TO A READER

Without a base period a reader cannot calculate what the target requires, and without an interim point cannot tell whether the company is on or off track for twenty-four years. On its stated boundary the target covers about a third of the electricity emissions of the facilities NEXTDC operates and none of the embodied carbon in a $3.4 billion build program

WHAT WOULD FIX IT

State the base period and base-year figure, publish interim targets, and state what share of the facilities' total emissions the target boundary covers

▼ F–8

The suite carries no emissions comparative and no machine-readable companion. Both first-year reliefs are taken and disclosed, so the statutory report has no comparatives; the ESG Report also publishes FY26 figures alone for electricity, diesel, water, waste, solar and every intensity metric. The only prior-year figure anywhere in the suite is power efficiency of 1.44. No Sustainability Data Pack has been published since FY24

WHY IT MATTERS TO A READER

A reader cannot see the direction of travel of anything except power efficiency without going back to the prior year's separate documents and normalising two different bases themselves

WHAT WOULD FIX IT

Publish a multi-year series for the headline metrics, on a stated basis, and restore the machine-readable data companion

▼ F-9

Every whole-facility performance metric moved the wrong way in the year the reported figure fell. Carbon per unit of customer IT energy worsened from 1.04 to 1.10, power efficiency from 1.44 to 1.49, water efficiency from 2.25 to 2.40, and landfill diversion stayed flat at about 72% against 88.69% two years earlier. The carbon-intensity movement is the significant one, because it is the only published metric still calculated across the whole facility, and the company attributes its offsetting component to a cleaner grid in New South Wales and Victoria rather than to its own action

WHY IT MATTERS TO A READER

These are the metrics that describe the facilities as they actually run, and they say the opposite of what the headline emissions figure says. Each movement is explained where it is reported, which is what allows the point to be made at all

WHAT WOULD FIX IT

Present the whole-facility position and the reported-boundary position side by side, so the two do not read as contradictory

▼ F-10

No renewable-electricity contractual instruments were used at all, and the only renewable percentage in the annual report is a sector figure of 70%. The Sustainability Report states plainly that no contractual instruments were used and no market-based adjustment applied. NEXTDC's own renewable supply is on-site solar of 755,034 kWh at four sites, 0.118% of the 641,115 MWh consumed, down from 884,955 kWh a year earlier. The annual report separately carries research attributed to Data Centres Australia, of which NEXTDC is a founding member, that the sector offsets "70% of its energy consumption with renewable energy"

WHY IT MATTERS TO A READER

A member of the public reading NEXTDC's annual report meets one renewable-energy percentage and it is 70%, about the sector. NEXTDC's own share of about 0.1% appears nowhere in that document

WHAT WOULD FIX IT

Print NEXTDC's own renewable electricity share wherever a sector renewable figure appears, and state the basis of each

▼ F–11

The "100% carbon neutral" statistic carries its boundary but no year, and the program behind it is closing. The at-a-glance page and the ESG highlights both print "100% carbon neutral for our corporate function, certified under Climate Active". The statutory section is more careful, saying the company "has participated" in the program and directing readers to the register for current certification status rather than stating a certified year. Certification runs a year in arrears, so FY26 cannot be certified at the date of these reports, and the Australian Government announced in July 2026 that certification is proposed to cease on 30 June 2027, with NEXTDC's participation under review

WHY IT MATTERS TO A READER

A reader takes a present-tense claim to describe the year they are reading about. Here the year is unstated, the latest statement available to this review covers FY2023-24, and the certified boundary's share of the reported footprint is stated nowhere in the suite

WHAT WOULD FIX IT

State the certified year and the certified boundary's share of total reported emissions wherever the claim appears, and state what will replace the claim after June 2027

▼ F–12

Capital deployed toward climate risks and opportunities is reported as not tracked, while the same report describes $3.2 billion of development capital as incorporating resilience measures. The cross-industry metrics table says "broader climate-related design elements are embedded within development expenditure and are not separately tracked", and that no internal carbon price is applied in investment or operational decision-making. The strategy section states that approximately $3.2 billion of capital expenditure was incurred across the development program in FY26 and that approved capital expenditure incorporates site-specific climate resilience considerations including site elevation and earthworks. The directors' report states FY26 capital expenditure of $3,397.4 million. The same table declares 18 of 18 operating sites (100%) aligned with the resource-efficiency and resilience opportunity

WHY IT MATTERS TO A READER

The one quantified figure a reader would use to test whether climate considerations are changing capital allocation is stated as untracked, while a 100% alignment declaration is made without it. A declaration that everything is aligned, with no capital attached, cannot be checked either way

WHAT WOULD FIX IT

Track and disclose the capital deployed against climate-related risks and opportunities, and state the basis on which sites are assessed as aligned

▼ F–13

Nature reporting has been withdrawn, not transferred. The standalone Climate and Nature Report has been retired. Its climate content has moved into the statutory Sustainability Report, which is a stronger home. Its nature content has not: the company states it is reassessing how TNFD and the LEAP approach integrate with its processes, notes that its double materiality assessment identified biodiversity as a peripheral topic, and publishes no nature disclosure for FY26. The prior period published site-level nature screening for all 18 operational sites with per-site counts of protected areas, Ramsar wetlands, key biodiversity areas and threatened species. In parallel the principal-risk register was restructured so that water dependency and nature risk, emissions and energy performance are no longer reported separately

WHY IT MATTERS TO A READER

For a business whose site selection turns on water availability and land use, and which reports 11 of 18 sites with medium or high modelled water-stress exposure, the per-site nature detail was the most granular thing a reader had. Nothing published for FY26 replaces it

WHAT WOULD FIX IT

Publish the site-level nature screening annually, on a stated basis, whether or not TNFD alignment is claimed

▼ F–14

The embodied carbon of a $3.4 billion build program is unquantified, and the 27% result has no tonnes behind it. NEXTDC identifies concrete, reinforcing steel and asphalt as significant contributors, measures embodied carbon at project level against a Stage 1 baseline, and publishes a percentage reduction with no absolute figure for either the baseline or the saving. Six data centres are in development and five in planning

WHY IT MATTERS TO A READER

A percentage against an unpublished baseline cannot be added up, compared across projects or tracked against a target. It is also the largest single source the company is not reporting other than customer electricity

WHAT WOULD FIX IT

Publish the M3 baseline and outturn in tCO_2e, and a portfolio embodied-carbon figure for the development program

F–15

Power efficiency is stated four ways across two documents. The directors' report gives a "blended Power Usage Effectiveness (PUE) of 1.49 across our operational portfolio"; the ESG Report gives "average PUE across operational Australian facilities was 1.49"; the footnote to the same figure describes it as portfolio PUE "including all infrastructure across our Data Centre fleet regardless of configuration" which "excludes all sites commissioned during FY26, including KL1"; and the remuneration report footnotes the incentive metric with "the actual PUE achieved was 1.48". Three different populations are attached to one value and a fourth value is used to test executive pay

WHY IT MATTERS TO A READER

Power efficiency is the metric the company puts forward as its core measure of energy performance and the one it pays against. A reader comparing it year to year, or checking the pay outcome, cannot tell which population any given figure describes

WHAT WOULD FIX IT

Define one PUE, state its population and exclusions once, and reconcile any variant used for remuneration to it

F–16

None of executive remuneration is linked to the emissions target the Board approved this year. The Sustainability Report states that in FY26 "0% executive remuneration was specifically linked to NEXTDC's net zero or greenhouse gas emissions reduction targets", and that operational measures such as power efficiency have a strong relationship with energy efficiency but are not designated as climate-related remuneration metrics

WHY IT MATTERS TO A READER

The statement itself is exactly what a reader needs. What it discloses is that in the first mandatory reporting period, and the year a 2050 net zero target was approved, no part of executive pay depends on progress toward it

WHAT WOULD FIX IT

Attach a defined weighting to a disclosed emissions metric, or state when that is intended and against which target

▼ F–17

The regulator-facing and market-facing emissions bases have separated, and the difference is not quantified. NEXTDC reports Scope 1 and location-based Scope 2 to the Clean Energy Regulator under the NGER Act on an operational-control basis over the facilities it operates. On the published FY2024-25 register those figures were 7,919 tCO_2e and 358,353 tCO_2e, matching the company's own disclosed whole-facility figures for that year within 8 and 5 tonnes. The FY26 investor-facing Scope 2 is on a boundary excluding about two thirds of the facilities' electricity. The Sustainability Report states only that the reported emissions "may therefore differ" from the NGER amounts "due to differences in reporting coverage, organisational boundaries, classification and measurement requirements", and quantifies neither the difference nor its components

WHY IT MATTERS TO A READER

Until FY25 a reader could check the company's disclosure against the statutory register and find it matched. From FY26 the two will differ by a large amount for a stated but unquantified reason, and the reader is left to establish the size of it

WHAT WOULD FIX IT

Publish a reconciliation between the NGER-reported figures and the AASB S2 figures, line by line, in the period the two first diverge

4.3 What cannot be verified

?

F–18

The size of the electricity emissions outside the reported Scope 2

WHY IT IS OPEN

Derived by the review from the disclosed 641,115 MWh, the disclosed PUE of 1.49 and the grid factor implied by the reported Scope 2, and corroborated by the disclosed CUE of 1.10. The PUE population excludes sites commissioned during FY26 including KL1 while the consumption figure covers all operational sites; the three jurisdictions' grid factors differ and are not split. Only the order of magnitude, roughly 300,000 to 340,000 tCO_2e, is relied on

WHAT WOULD RESOLVE IT

The company publishing the customer IT electricity attribution in MWh and tonnes

?

F–19

Whether the FY26 disclosure reconciles to the statutory register

WHY IT IS OPEN

The published NGER register runs to FY2024-25. The FY26 row is not yet published

WHAT WOULD RESOLVE IT

The FY26 register, expected in 2027, together with a company reconciliation

?

F–20

Which Climate Active reporting year is currently certified

WHY IT IS OPEN

The certified-member register did not respond to retrieval on 1 September 2026 across two attempts, and the Internet Archive holds no snapshot of the NEXTDC page later than 26 June 2024. The latest statement available to this review covers FY2023-24. The company's own report directs readers to the register rather than stating a year

WHAT WOULD RESOLVE IT

The register page, or the certified year stated in the report itself

?

F–21

The composition of Scope 1

WHY IT IS OPEN

Diesel for backup generation, corporate fleet fuel and refrigerant losses are named as the principal sources and are not separately quantified, so the 26.3% fall cannot be attributed beyond the disclosed 17.5% fall in diesel volume

WHAT WOULD RESOLVE IT

A component breakdown of Scope 1

?

F–22

The Scope 2 grid-factor mix

WHY IT IS OPEN

Emissions are reported as a single figure across Australia, New Zealand and Malaysia, with three different factor sources named and no jurisdictional split, so the reported figure cannot be recomputed or checked against consumption

WHAT WOULD RESOLVE IT

Scope 2 and electricity consumption split by jurisdiction

?

F–23

Whether any renewable-electricity contractual instrument exists

WHY IT IS OPEN

The company states that none was used and no market-based adjustment applied. No certificate register extract, retirement record or power purchase agreement evidence was provided, so the nil position rests on the statement alone. It is a negative statement against interest and is treated as reliable, but it is unassured and unevidenced

WHAT WOULD RESOLVE IT

A certificate and retirement register extract, or confirmation that none exists

?

F–24

The absolute embodied carbon of the development program

WHY IT IS OPEN

Reported as a percentage against an unpublished project baseline, with no portfolio figure

WHAT WOULD RESOLVE IT

The M3 baseline and outturn in tCO_2e

?

F–25

The operational metrics in the ESG Report

WHY IT IS OPEN

Electricity, diesel, water, waste, solar, PUE, WUE and CUE are outside the assurance scope, which covers Scope 1 and Scope 2 emissions, the governance disclosures and three strategy subparagraphs only. The review relies on them because they are the only figures published, and notes they are unassured

WHAT WOULD RESOLVE IT

Extension of the assurance scope, which the statutory phase-in is expected to do over time

?

F–26

The NEXTneutral customer program's FY26 tonnage and participation

WHY IT IS OPEN

The report states the program continued and publishes no volume, no participating capacity and no offset retirement detail. Earlier periods disclosed both, but only inside the certification statements

WHAT WOULD RESOLVE IT

The FY26 figures in the report, or an FY2025-26 certification statement

---

5. Disclosure risk exposure

5.1 Risk read

On the evidence, NEXTDC's exposure now sits almost entirely in one place: a reported emissions figure that fell by more than half in a year when the electricity its facilities consumed rose by more than a fifth, with no statement anywhere that the basis changed and no number attached to what left the boundary. The underlying accounting treatment is defensible, explained and commercially supported, and the surrounding disclosure is materially better than the company has previously published: a statutory report, an unmodified assurance conclusion, a real basis of preparation and a first target. That is what concentrates the risk rather than spreading it. A reader relying on the FY26 figures for a year-on-year comparison, a supply-chain inventory or a target-progress judgement will reach a conclusion the company's own metrics contradict, and the single change that would remove the exposure is the publication of one number.

5.2 Risk by lens

Risk exposure by lens

Relative exposure across disclosure-risk lenses; see the table for what drives each and what would reduce it.

Source: Review analysis of the FY26 disclosure suite

Legal (misleading-conduct / disclosure / director-duty) — Moderate — Medium confidence

Regulatory (ASIC / ACCC / Clean Energy Regulator / AASB S2) — Moderate — Medium confidence

Technology (dependence on unproven abatement) — Elevated — Medium confidence

Physical (physical-risk disclosure consistency) — Low — High confidence

Other: market / reputational — Moderate — Medium confidence

LENS	EXPOSURE	CONFIDENCE	WHAT DRIVES IT	WHAT WOULD REDUCE IT
Legal (misleading-conduct / disclosure / director-duty)	Moderate	Medium	A reported Scope 2 figure 54.7% below the prior period's, on an undisclosed boundary change, in a year consumption rose 22.0%, in a document carrying a directors' declaration. The exclusion is stated in words wherever the figure appears, which is what holds this below the higher band; the size of it is stated nowhere. A carbon-neutral statistic carrying no certified year sits on the same overview pages	Stating the boundary change and its effect beside the FY26 figure, and dating the carbon-neutral claim
Regulatory (ASIC / ACCC / Clean Energy Regulator / AASB S2)	Moderate	Medium	Two disclosures inside the statement rather than around it: a target published with no base period and no interim targets, and a required capital-deployment metric answered as not tracked while $3.2 billion of development capital is described as carrying resilience measures. Separately, the NGER-reported and AASB S2-reported bases diverge for the first time with the difference stated but unquantified	Publishing the target base period and interim targets, tracking climate-related capital, and reconciling the NGER and AASB S2 figures
Technology (dependence on unproven abatement)	Elevated	Medium	The target is a **net** target with no interim points, no published trajectory and the role of carbon credits still under consideration, over a load whose growth is driven by artificial intelligence workloads. Power efficiency has worsened for three consecutive years while the two named efficiency technologies, direct-to-chip liquid cooling and AI-assisted cooling optimisation, remain at deployment and trial stage. No contractual renewable instrument is in place	A finalised transition plan with interim targets, quantified levers and the credit role settled, and a renewable-electricity procurement position
Physical (physical-risk disclosure consistency)	Low	High	The exposure is low because the disclosure is specific and says what it does not cover. Three scenarios, site-level modelling across all 18 operating sites, named higher-exposure sites at Darwin, Newman and Port Hedland, screening metrics of 11 of 18 sites for water stress and 8 of 18 for river flooding, and quantified current effects including $2.7 million of industrial special risks insurance expense. The screening metrics are expressly framed as modelled geographic exposure rather than site-specific risk	Continued site-level publication, and progressive quantification of the anticipated effects the report currently describes qualitatively

LENS	EXPOSURE	CONFIDENCE	WHAT DRIVES IT	WHAT WOULD REDUCE IT
Other: market / reputational	Moderate	Medium	Water and waste both moved against the company on stated metrics, nature reporting has been withdrawn, and the annual report carries a sector renewable-energy figure of 70% with no company figure beside it, in a sector under active public scrutiny over energy and water use	Publishing NEXTDC's own renewable share beside any sector figure, and restoring the site-level nature screening

5.3 Consistency across audiences

CLAIM / METRIC	TO THE REGULATOR	TO INVESTORS / PUBLIC	CONSISTENT AFTER NORMALISING BOUNDARY?
Scope 1 and location-based Scope 2	NGER: operational control over the facilities NEXTDC operates. FY2024-25 register: 7,919 and 358,353 tCO_2e. FY26 not yet published	FY26 Sustainability Report: 5,844 and 162,163 tCO_2e, all jurisdictions, GHG Protocol, customer IT electricity excluded	No: not reconcilable. The two bases matched within 8 and 5 tonnes for FY25 and have now separated. The company states they "may differ" and quantifies neither the difference nor its components. Magnitude for FY26 is cannot-verify until the register publishes
Electricity attributable to customer IT equipment	Included in the NGER facility energy the company reports	Excluded from Scope 2 and not reported in Scope 3; described only as "the majority of energy use"	No: the same electricity is counted for one audience and unquantified for the other
Power usage effectiveness	Not an NGER metric	1.49 blended operational portfolio (annual report); 1.49 average across operational Australian facilities (ESG report); the same figure footnoted as excluding all sites commissioned in FY26 including KL1; 1.48 as "actual PUE achieved" against the executive incentive condition	No: not fully; one value carries three population descriptions and a fourth value tests pay, with no reconciliation
Capital deployed against climate risks and opportunities	Not a regulator-facing metric	"Not separately tracked" in the cross-industry metrics; approximately $3.2 billion of development capital described in the strategy section as incorporating site-specific resilience measures; $3,397.4 million total capital expenditure in the directors' report	No: not fully; the metric that would let a reader test capital allocation is untracked while adjacent figures describe it qualitatively
Change of measurement basis	Financial report: investment property measurement changed from cost to fair value, applied retrospectively, with a $272.4 million revaluation surplus net of tax and a prior-period presentation error disclosed and corrected	Climate disclosure: Scope 2 boundary narrowed with no statement that it changed, no effect quantified and no restatement	No: the same company discloses a change of basis in one reporting stream and not in the other
Carbon neutrality	Certification statements lodged with the Australian Government's program, disclosing the certified boundary, the certified footprint, offset volumes, credit types, vintages, registries and retirement serials	"100% carbon neutral for our corporate function, certified under Climate Active", with no year and no share of the footprint; the statutory section directs readers to the register	Partly. The boundary is now named in the claim, which is the material improvement. The certified year and the boundary's share of the footprint are on the public record and not in the reports
Environmental management certification	Not a regulator-facing claim	"All* our operational facilities are certified to ISO 9001, ISO 27001, ISO 14001 and ISO 45001", listing 11 sites plus head office against 18 operating data centres, with a footnote that facilities are added as they satisfy the audit program. The annual report bounds the same claim to the "metro data centre portfolio"	No: not fully; a completeness word is used for a set that excludes seven operating sites, with the qualification in a footnote and a bounded version of the same claim in the other document

6. How to fix it

6.1 NoCO2 Standard alignment

FINDING	REVIEW FINDING (WHY IT MATTERS)	NOCO2 MECHANISM	DOCUMENT / CLAUSE	REQUIRED EVIDENCE	LIKELY NOCO2 OUTCOME
Customer IT electricity outside every reported figure	About two thirds of the electricity the facilities consume sits outside Scope 2 and inside an unreported Scope 3, so the reported figure understates the fleet's electricity emissions roughly threefold	Inventory Types, which require every flow to be assigned to the Net Zero Inventory, the Non-Attributable Inventory or an Influence Based category rather than falling between them	NoCO2 Net Zero Standard cl. 4.5.2; category coverage cl. 4.5.3 (Table 3); boundary description cl. 5.1.7	Customer IT electricity in MWh and tCO_2e; the metering and pass-through basis; the allocation method between NEXTDC-operated infrastructure and customer equipment	**Critical non-conformance** until the flow is assigned and quantified. Resolvable: the company already meters customer energy monthly and reconciles it to billing data
No Scope 3 category reported or bounded	Completeness cannot be confirmed in any category, so a material exclusion cannot be ruled out	GHG Emission Categories with materiality thresholds, applied category by category	cl. 4.5.3 (Table 3); quantification hierarchy cl. 4.5.4; Scope 3 improvement plan cl. 5.1.14	Category-by-category screen with a bounding estimate for each material category, at any data-quality grade	**Critical non-conformance** on a nil Scope 3 position. An estimate at the lowest grade would clear it
Embodied carbon of the development pipeline unquantified	The largest source the company is actively managing has no absolute figure, so the 27% project result cannot be aggregated or tracked	Capital goods within category coverage, with supplier-specific factor assessment for concrete, steel and asphalt	cl. 4.5.3; cl. 4.6.4 (SSEF assessment); data-quality ranking cl. 4.6.1	M3 Stage 1 baseline and Stages 2 and 4 outturn in tCO_2e; EPDs already held; portfolio pipeline estimate	**Non-conformance**, readily resolved: the EPD evidence already exists
Undisclosed change of Scope 2 and Scope 1 basis	The largest movement in the reported figures is a boundary change presented without a statement of change, a quantification or a restatement	Emissions Tracking, which requires the historical series and restatement transparency	cl. 5.1.10 (Table 6/7); base-year consistency cl. 4.9.2; initial year and applicable version cl. 4.3.1	Prior period restated onto the current boundary; the effect of the change stated separately from real movement	**Non-conformance** on restatement transparency
Nil renewable-electricity contractual position	No instruments are held, so no market-based position exists and the renewable share is 0.118% on-site solar, falling	Methodology for market versus location-based electricity, with contractual-instrument disclosure in prescribed form	cl. 4.5.5; cl. 5.1.13	Certificate and retirement register extracts, or confirmation that none exists; any power purchase agreement terms	**Conformant on disclosure** once stated in the prescribed form. The reduction obligation then bites through cl. 4.7
Target with no base period, no interim targets and a net basis	The only target cannot be converted into a required reduction or tracked for 24 years, and the credit share is open	Accelerated Reduction Timeline, which sets a dated trajectory and confines credits to the residual gap; Metrics & Targets for base-year consistency and internal carbon price	cl. 4.7.4; cl. 4.9.2; progress disclosure cl. 5.1.11	Base year and base-year inventory; interim milestones; modelled trajectory; internal carbon price; intended credit share	**Critical non-conformance** as published; the transition plan work already commissioned covers most of the inputs
Credit role in the 2050 net zero position unsettled	A net target with the credit role under consideration leaves the reduction-versus-offset split entirely open	Abatement Principles requiring abatement before offsetting, with removal eligibility, permanence and reversal rules	cl. 4.8.1; cl. 4.8.2 (Table 4); cl. 4.8.3; cl. 4.8.4; retirement reporting cl. 5.1.12	Intended credit volume and type; abatement trajectory the credits sit behind	**Non-conformance** until abatement precedes offsetting in the plan
Backup diesel and cooling technology choices	Scope 1 is principally diesel for backup generation, and cooling is the whole of the reported Scope 2 boundary	Required Interventions Schedule with prescribed interventions and dates; Clean Alternative Assessment before any credit use; boundary growth treatment for new sites	cl. 4.7.1; cl. 4.7.2; cl. 4.7.3	Intervention schedule with dates; clean-alternative evaluation for backup power and cooling selection; commissioning schedule for new sites	**Conformant pathway available.** The existing setpoint, liquid-cooling and construction-electrification work would populate the schedule
"100% carbon neutral" with no certified year, on a program closing	A present-tense certification claim with no period, on a boundary whose share of the footprint is stated nowhere, resting on a program proposed to cease 30 June 2027	Use of Claims and Representations, and Use of Claims and Statements, which fix wording, accuracy, boundary and period at the point of claim	cl. 1.1.3; cl. 4.9.1, incl. 4.9.1.2 net zero claims, 4.9.1.3 use without a claim, 4.9.1.5 partial application	Certified year; certified boundary and its share of reported emissions; successor claim basis after June 2027	**Non-conformance** on period and share; resolvable by wording plus one figure
Nature disclosure withdrawn without replacement	Site-level nature screening published for all 18 sites in the prior period has no FY26 equivalent, for a business whose site selection turns on water and land	Influence Based Inventory Categories for impacts outside the attributable inventory, and the public reporting obligation	cl. 4.5.6; cl. 4.9.4; influence-based disclosure cl. 5.1.9	Site-level screening on a stated basis; water-stress exposure by site	**Disclosure gap rather than a conformance failure**, nature being outside the net zero inventory

FINDING	REVIEW FINDING (WHY IT MATTERS)	NOCO2 MECHANISM	DOCUMENT / CLAUSE	REQUIRED EVIDENCE	LIKELY NOCO2 OUTCOME
First assurance obtained, narrow scope	Assurance covers Scope 1, Scope 2, governance and three strategy subparagraphs; the target, scenario analysis, financial effects and all operational metrics are unassured	Assurance Requirements and Conformance Requirements, with non-conformance disclosure	cl. 6.1; cl. 6.2.1; cl. 6.2.2; cl. 5.1.15	Assurance over the full inventory, the target and the claims; disclosed non-conformances	**Partially conformant.** The existing engagement is the foundation; scope extension is the work

7. Conclusion & next steps

NEXTDC's FY26 disclosure is a substantially better document than the company has previously published, and its headline emissions figure is substantially harder to rely on. The first statutory climate report brings an assurance conclusion, a real basis of preparation, named emission factors, site-level physical-risk work that reaches the financial statements, and the first net zero target in the company's history. In the same year the reported Scope 2 figure fell by more than half, because the electricity delivered to customers' servers moved out of the boundary and into a scope that is not reported, while the electricity the facilities actually consumed rose by more than a fifth and every whole-facility efficiency metric moved the wrong way. Nothing in the suite tells a reader that the basis changed.

One number would close most of this: the electricity attributable to customer IT equipment, published in megawatt hours and in tonnes, beside the reported Scope 2 figure, together with the prior year restated onto the same boundary. That single disclosure would let a reader reconcile FY26 to FY25, reconcile the report to the statutory register, and size what the 2050 target does and does not cover. It is not a new measurement exercise: the company already meters customer energy monthly, reconciles it to billing data and divides by it to publish its power and carbon efficiency metrics.

Beyond that, three things are needed before the target can be assessed at all: a base period and base-year figure, interim targets, and the transition plan due in FY27 with its levers and costs quantified. And two claims need dating and bounding rather than rewording: a carbon-neutral statistic that carries no year on a program closing in June 2027, and a target whose stated scope excludes the largest emissions flow the business touches.

Important information

This diagnosis is general information, published to support transparency, accountability and public debate on corporate climate disclosure. It sets out CRI's assessment of the publicly available climate disclosures of the organisation named above, for the reporting period stated, based on third-party information available at the review date. The assessment is made against CRI's Climate Disclosure Review Rules (version stated above), which use the CRI Net Zero Standard as the reference for a credible claim together with AASB S2 Climate-related Disclosures, and it gives reasons for each finding.

It assesses the disclosure, not the organisation's underlying climate performance or intent, and it does not allege illegality, misconduct, greenwashing or dishonesty. It is not tailored advice, nor legal, financial or investment advice, and it is not an audit, an assurance engagement or a certification. CRI does not accept liability for any error or omission in this analysis, or for any loss arising from use of or reliance on it.

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--- ANNEXES (INTERNAL WORKING LAYER) ---

These annexes are the detailed working layer behind the findings in the body: the evidence base, rule application and traceability. Much of it is review working, retained for transparency and of interest to both the internal review team and external readers who want to see how each finding was reached.

Annex A: Documents reviewed & completeness (A-01A)

DOCUMENT	STATUS	CRITICALITY	NOTES
FY26 Annual Report & Appendix 4E (incl. FY26 Sustainability Report, folios 66–88)	Reviewed	Critical	Statutory climate statement under AASB S2; directors' declaration (ss 296C, 296D) folio 68; PwC review report folios 84–88. Primary and preferred source (A-01B)
FY26 Environmental, Social and Governance Report	Reviewed	Critical	Retrieved from nextdc.com investor centre, 1 September 2026. Sole source of FY26 electricity (641,115 MWh), diesel (1,665 kL), PUE (1.49), WUE (2.40), CUE (1.10), water (939.70 ML), solar (755,034 kWh), landfill diversion (~72%) and the construction case studies
FY25 Annual Report; FY25 ESG Report; FY25 Climate and Nature Report	Reviewed	Material	Prior-period comparatives. FY25 ESG Report supplies the whole-facility Scope 2 basis (358,348 tCO_2e on 525,291 MWh) and the FY25 69%/31% customer-IT-to-mechanical power split
FY24 Annual Report; FY24 ESG Report; FY24 Climate and Nature Report; FY24 Sustainability Data Pack (xlsx)	Reviewed	Material	FY22–FY24 series; last published data pack
FY23 ESG Report; FY23 Annual Report; FY22 Annual Report	Reviewed	Useful	FY20–FY23 series; the FY22 100%-renewable-by-2030 goal
Climate Active PDS, Organisation: FY2020-21, FY2021-22, FY2022-23, FY2023-24	Reviewed	Material	Certified boundary, certified footprint, credit detail. Context only: all are prior periods
Climate Active PDS, Service (NEXTneutral): FY2020-21, FY2021-22, FY2022-23, FY2023-24	Reviewed	Useful	Customer offset program; the FY22/FY23 20%-by-2030 intensity target
NGER published register, FY2024-25 (as at 27/02/2026)	Reviewed	Material	NEXTDC LIMITED, ABN 35 143 582 521: Scope 1 7,919 tCO_2e, Scope 2 358,353 tCO_2e, net energy 1,971,147 GJ. Prior-period anchor only
Climate Active PDS FY2024-25 / FY2025-26	**Not available**	Material	Register did not respond to retrieval 1 September 2026 (two attempts); Internet Archive CDX shows no NEXTDC page snapshot after 26 June 2024. Certification also runs in arrears. Recorded as an evidence gap on claim currency, not as non-certification
FY26 Sustainability Data Pack	**Not published**	Material	The FY26 ESG Report's own reporting-suite panel lists four documents and no data pack; none listed on the corporate-governance page (checked 1 September 2026). FY24 is the last published pack. This is non-publication, not non-provision
FY26 Climate and Nature Report	**Retired by the company**	Material	FY26 ESG Report states the standalone report is retired; climate content moved to the Sustainability Report, nature content under reassessment with no FY26 nature disclosure
FY26 NGER register row	**Not yet published**	Material	Register runs to FY2024-25. FY26 reconciliation is cannot-verify (F-19, Annex H K-2)
Deliberately excluded	—	—	No later-period document exists to exclude: FY26 is the latest period NEXTDC has reported. The corpus therefore runs from FY20 to FY26 with no forward reach

Annex B: Evidence table (AI-02)

EVIDENCE ID	SOURCE (DOC · PAGE/TABLE)	WHAT IT SHOWS	LINKED CLAIM / FINDING	RULE IDS	STATUS
E-01	FY26 AR, Sustainability Report, folio 82	Scope 1 FY26 = 5,844 tCO_2e; sources named as diesel backup generation, fleet fuel, refrigerant losses; components not separately quantified; boundary "operational data centres across all jurisdictions"	§3.1, F-21, Annex H K-4	G-06, S2-26	Confirmed
E-02	FY26 AR, Sustainability Report, folio 82	Scope 2 (location-based) FY26 = 162,163 tCO_2e; customer IT electricity "treated as electricity supplied to end users and is excluded"; factors: NGER Measurement Determination (AU), NZ MfE 2025, Malaysia GEF 2024; no jurisdictional split	§3.1, F-5, F-22, Annex H K-5	G-07, S2-28, E-01	Confirmed
E-03	FY26 AR, Sustainability Report, folio 82	"No contractual instruments were used to adjust or otherwise inform the reported Scope 2 emissions as at 30 June 2026 and, accordingly, no market-based adjustment has been applied"	§3.1, F-10, F-23, Annex H K-6	E-04, E-14, S2-28	Confirmed
E-04	FY26 AR, Sustainability Report, folio 66	"For the first annual reporting period, the Group has relied on the relief provided within AASB S2 to not include comparative information for periods prior to FY26, and to not include Scope 3 greenhouse gas emissions"	§1.2, F-8, G1	S2-06, S2-29, S2-46	Confirmed
E-05	FY26 AR, Sustainability Report, folio 67	Appendix A judgement in full: purchased electricity assessed as either consumed in NEXTDC-operated cooling/ventilation/shared infrastructure (in Scope 2) or supplied for consumption by customer-controlled IT equipment (excluded)	§3.1, F-5, F-6	G-20, G-04, S2-28, S3-25	Confirmed
E-06	FY26 ESG Report, Energy Management	FY26 total electricity consumed across operational sites = 641,115 MWh; PUE 1.49; PUE defined as "the ratio of a facility's total power consumption to the usable power delivered to customer equipment"	§3.1 derivation, F-5	G-07, A-19	Confirmed
E-07	FY26 ESG Report, Energy Management footnote	PUE is portfolio PUE under NABERS guidance, "including all infrastructure across our Data Centre fleet regardless of configuration"; "excludes all sites commissioned during FY26, including KL1"	F-18, Annex H K-1, F-15	DR-02, A-05	Confirmed
E-08	FY26 AR, directors' report, folio 20	"blended Power Usage Effectiveness (PUE) of 1.49 across our operational portfolio in FY26, against 1.44 in FY25"	§3.3, F-15	DR-02	Confirmed
E-09	FY26 AR, Remuneration Report, FY26 STI outcomes	PUE incentive condition "<1.4 for all facilities" marked **Not achieved**, 0% vesting; footnote: "This figure is our internal calculation for the performance of our critical infrastructure under ramped customer load … The actual PUE achieved was 1.48"	F-15, §3.3	GOV-09, DR-02	Confirmed
E-10	FY26 ESG Report, Climate Change and GHG Emissions	CUE FY26 = 1.10; "the volume of CO2 emissions per unit of IT energy consumption"; movement attributed to "changes in load and reporting boundary mix, partly offset by a cleaner grid mix in New South Wales and Victoria"	§3.1 cross-check, F-9	A-19, G-BAU	Confirmed
E-11	FY26 ESG Report, Energy Management	On-site solar at S1, P1, M1, SC1 = 755,034 kWh, "entirely consumed on site"; = 0.118% of 641,115 MWh	F-10	E-05, E-24	Confirmed
E-12	FY26 AR, Sustainability Report, folio 82	Net zero target: Scope 1 and Scope 2 by 2050; "a net greenhouse gas emissions target"; location-based for Scope 2; "does not include Scope 3 emissions or electricity attributable to customer-controlled IT equipment"; "has not been independently validated and was not developed using a sectoral decarbonisation approach"; no base period; no interim targets; CTP "remained under development and had not yet been finalised or adopted"	F-7, I2, R2	T-01, T-05, T-14, S2-38..42, T-BASE-02	Confirmed
E-13	FY26 AR, Sustainability Report, folios 84–88	PwC limited-assurance review under ASSA 5000/ASSA 5010; unmodified conclusion; scope = Governance (para 6, folios 69–70), Strategy 9(a)/10(a)/10(b) name, description, category and method (folio 72), Scope 1 and 2 (29(a)(i)(1)–(2), 29(a)(ii)–(v), folio 82); signed John O'Donoghue, Melbourne, 27 August 2026	§2.3, A4, F-25, Annex H K-8	GOV-12..16, A-11	Confirmed
E-14	FY26 AR, Sustainability Report, folio 68	Directors' declaration: reasonable steps taken to ensure substantive provisions are in accordance with s 296C (AASB S2 compliance) and s 296D (climate statement disclosures); signed 27 August 2026	§2.3, G1	L-01..05, S2-01	Confirmed
E-15	FY26 AR, Sustainability Report, folio 83	Cross-industry metrics: 18 of 18 sites (100%) in scope of CRR3 and CRR4; 11 of 18 (61%) medium/high modelled water-stress exposure; 8 of 18 (44%) river flooding; 18 of 18 (100%) aligned with CRO1; "Capital deployed towards climate-related risks and opportunities: Broader climate-related design elements are embedded within development expenditure and are not separately tracked"; "NEXTDC does not currently apply an internal carbon price"	F-12, I1, §5.2	S2-29..33, N-01..03	Confirmed

EVIDENCE ID	SOURCE (DOC · PAGE/TABLE)	WHAT IT SHOWS	LINKED CLAIM / FINDING	RULE IDS	STATUS
E-16	FY26 AR, Sustainability Report, Strategy	Quantified current effects: ~$3.2bn development capital expenditure with approvals incorporating site elevation and earthworks; ~$2.7m industrial special risks insurance expense; >$90m gross electricity costs with "the majority of customer-related electricity costs … recovered through contractual power pass-through mechanisms"	I1, F-5, F-12	S2-19..24	Confirmed
E-17	FY26 AR, Sustainability Report, folio 82	Climate Active: "has participated in the Australian Government's Climate Active program"; "Details of NEXTDC's current certification status are available on the … Climate Active website"; July 2026 announcement that certification is proposed to cease 30 June 2027; participation under review	F-11, F-20, Annex H K-3	E-25, A-18, OUT-TB-15/16	Confirmed
E-18	FY26 AR, folio 4 (at-a-glance) and FY26 ESG Report, highlights	"100% carbon neutral for our corporate function, certified under Climate Active"; ESG highlights tile "100% carbon neutral / For corporate functions"	F-11, P1, R1	OUT-TB-02/03/15, E-25	Confirmed
E-19	FY26 AR, folio 15	"NEXTDC also maintained carbon neutrality for corporate functions and, through NEXTneutral, continued to support customers in measuring and offsetting emissions"	F-11, F-26, Annex H K-9	E-25, A-18	Confirmed
E-20	FY26 AR, folio ~11 (market section)	Data Centres Australia research quoted: the sector "generates $12.6 billion in gross value added per terawatt hour of energy consumed … while offsetting 70% of its energy consumption with renewable energy"; NEXTDC named as a founding member	F-10, P1, P2	OUT-TB-02, OUT-TB-15	Confirmed
E-21	FY26 AR, Sustainability Report, folio 82; FY26 ESG Report, Emissions	NGER difference stated: emissions "measured for AASB S2 purposes using the GHG Protocol and may therefore differ from amounts reported under the NGER framework due to differences in reporting coverage, organisational boundaries, classification and measurement requirements"; no quantification	F-17, §5.3	A-01C, DR-02, DR-04	Confirmed
E-22	NGER published register FY2024-25 (as at 27/02/2026), via `tools/ngers-lookup.ps1`	NEXTDC LIMITED: Scope 1 7,919 tCO_2e, Scope 2 358,353 tCO_2e, net energy 1,971,147 GJ (= 547,541 MWh). Against FY25 disclosed 7,927 and 358,348: variance 8 t and 5 t	F-17, Annex J.2	A-01C, DR-02	Confirmed
E-23	FY26 ESG Report, About this Report	"we have retired our standalone Climate and Nature Report"; TNFD/LEAP alignment "reassessing"; double materiality assessment "identified biodiversity as a peripheral topic"; no FY26 nature disclosure	F-13	SEC-SF-11, YOY-05, N-01..03	Confirmed
E-24	FY26 AR, directors' report, Business risks	"The principal risks have been restructured for FY26 … Risks reported separately in FY25, including … water dependency and nature risk, emissions, energy performance … are now addressed within the thirteen principal risks"	F-13, Annex K.3	SEC-SF-11, YOY-05	Confirmed
E-25	FY26 AR, Sustainability Report, folio 3734 equivalent (Governance)	"In FY26, 0% executive remuneration was specifically linked to NEXTDC's net zero or greenhouse gas emissions reduction targets"; PUE measures "not currently designated as climate-related remuneration metrics"	F-16	GOV-07..09, S2-13	Confirmed
E-26	FY26 ESG Report, Waste and Circularity	Landfill diversion ~72%; change attributed to "improved waste classification, more granular supplier data and stricter downstream acceptance criteria"; no prior year restated; no quantified diversion ambition stated	F-9, Annex K.2	G-10, YOY-04	Confirmed
E-27	FY26 ESG Report, Water Stewardship	Water 939.70 ML; WUE 2.40; increase attributed to portfolio growth and commissioning activity, plus reconciliation work identifying leaks and meter anomalies	§3.3, F-9	N-01, A-19	Confirmed
E-28	FY26 ESG Report, embodied carbon case studies	M3 Stages 2 and 4 "tracking at an approximately 27% reduction in embodied carbon compared with the Stage 1 baseline, exceeding the 20% goal"; EPD-supported procurement; M2 mixes "target upfront embodied carbon savings in excess of 30% per cubic meter"; no tonnes published	F-1, F-14, F-24, Annex H K-7	S3-EST, S3-25, A-16	Confirmed
E-29	FY26 ESG Report, construction case studies	BESS supporting tower crane operations at M3 Stages 2 and 4; portable battery trials; "not every technology trial has proven suitable". Diversion 94.7% M3, 93% M2, 82.72% KL1; ~90,000 m^3 fill reuse across S4–S7; ~13,000 t recycled crushed concrete at M3	F-2, F-3	A-16	Confirmed
E-30	FY26 ESG Report, External Certifications	"All* our operational facilities are certified to ISO 9001 … ISO 14001 … ISO 45001", listing S1, S2, S3, B1, B2, M1, M2, M3, P1, P2, C1 and head office = 11 sites, against 18 operating data centres; footnote qualifies that facilities are added as they satisfy the audit program	F-15, Annex J.1	OUT-TB-02, OUT-TB-21, DR-02	Confirmed
E-31	FY26 AR, folio 3 (at-a-glance)	"NEXTDC's metro data centre portfolio is certified to ISO 9001 … ISO 14001 …"; newer facilities including KL1 and edge sites NE1 and PH1 "will be certified as they mature"	F-15	DR-02, OUT-TB-21	Confirmed
E-32	FY26 AR, financial report, notes	Accounting policy for investment property changed from cost to fair value in 2H FY26, applied retrospectively under AASB 108, revaluation surplus $272.4m net of tax; prior interim presentation error disclosed and corrected	F-6, §5.3	DR-02, A-01B	Confirmed

EVIDENCE ID	SOURCE (DOC · PAGE/TABLE)	WHAT IT SHOWS	LINKED CLAIM / FINDING	RULE IDS	STATUS
E-33	FY26 AR, directors' report, folio 20	FY26 capital expenditure $3,397.4m (FY25 $1,699m); revenue $496.5m; total assets ~$10,237m; 18 operational data centres, 6 in development, 5 in planning	§1.3, F-12, F-14	L-01..05	Confirmed
E-34	FY26 ESG Report, FY26 Sustainability Highlights	Workforce 448 employees	§1.3 (Group 1 limb reading)	L-06..09	Confirmed
E-35	FY26 AR, Sustainability Report, Governance	ARC received progress at all seven scheduled meetings; three ESG Update papers on CRROs, scenario analysis, management responses and disclosure judgements; Climate Reporting Working Group established; ESG Council met five times; Head of Sustainability, Head of Finance, Head of Energy roles; Board climate reporting readiness assessment and dedicated briefings	G1, §2.3	GOV-01..06, S2-07..09	Confirmed
E-36	FY26 AR, Sustainability Report, Strategy	CRROs: CRR1 acute climate hazards, CRR2 water stress and drought, CRR3 increasing input and supply costs, CRR4 evolving stakeholder and climate policy expectations, CRO1 market differentiation through resource-efficient and climate-resilient data centres. Value-chain map places "Customer IT equipment: servers, storage and network equipment" downstream	I1, §3.1 C11, §5.2	S2-10..12, S2-02	Confirmed
E-37	FY26 AR, Sustainability Report, Strategy	Physical scenarios IPCC SSP1-2.6 / SSP2-4.5 (expected path) / SSP5-8.5; transition scenarios NGFS Delayed Transition (expected path) / Net Zero 2050 / Current Policies; Darwin (D1) and Newman (NE1) higher inherent physical exposure; Port Hedland (PH1) higher water-stress exposure	I1, §5.2	S2-15..18, N-03	Confirmed
E-38	Climate Active PDS Organisation FY2023-24 (signed 31/01/2025)	Latest certified year available: certified footprint 13,682 tCO_2e; boundary excludes "the electricity consumed by customers in NEXTDC data centre facilities (e.g., customer-owned equipment, such as servers)"	F-11, F-20, Annex H K-3, Annex K.1	E-25, OUT-TB-15	Confirmed (prior period)
E-39	FY25 ESG Report	Prior period basis: "all electricity consumption within our facility boundary, including that driven by customer-owned IT and associated cooling load, is reported as NEXTDC's Scope 2 emissions"; Scope 2 358,348 tCO_2e on 525,291 MWh; 69%/31% customer-IT to mechanical power split	F-5, F-6, §3.4	G-10, T-BASE-01, YOY-04	Confirmed (prior period)
E-40	Review derivation from E-02, E-06, E-10	641,115 ÷ 1.49 = 430,278 MWh customer IT (67.1%); 210,837 MWh overhead (32.9%); implied factor 162,163 ÷ 210,837 = 0.769 tCO_2e/MWh; customer IT ≈ 331,000 tCO_2e; whole facility ≈ 493,000 tCO_2e. CUE cross-check: 1.10 × 430,278 ≈ 473,000 tCO_2e	§3.1, F-5, F-18, Annex H K-1	A-05, G-07, S3-25	Derived; order of magnitude only

Annex C: Claim register (AI-18 / OUT-TB-15)

CLAIM ID	WORDING / PARAPHRASE	CLAIM OBJECT	CLAIM SOURCE & BASIS (OUT-TB-15)	DOC & LOCATION	STRENGTH	AUDIENCE	EVIDENCE REQ/FOUND/MISSING	TRIGGERED SCANS	RULE IDS	STATUS
C-01	"100% carbon neutral for our corporate function, certified under Climate Active"	Certified carbon neutrality over a corporate-function boundary, not the data centre fleet	Third-party: Australian Government's Climate Active program (administered by DCCEEW)	FY26 AR folio 4; FY26 ESG highlights	Strong, present tense, boundary named, **year not stated**	Public, retail	Required: certified year, certified boundary, share of reported footprint. Found: boundary named; latest statement covers FY2023-24 (E-38). Missing: certified year in the claim; share of footprint; register confirmation (F-20, Annex H K-3)	Offsets/net claims; certification currency (E-25); reader burden	E-25, A-18, OUT-TB-02/03/15/16	**Claim-quality concern**: bounded as to scope, unbounded as to time
C-02	"maintained carbon neutrality for corporate functions"	Continuity of the certified position through FY26	Self-declared continuity of a third-party certification	FY26 AR folio 15	Moderate	Public, retail	Missing: FY26 cannot be certified at report date (arrears); latest available statement is FY2023-24	Certification chain continuity	E-25, A-18, YOY-08	**Cannot verify** (F-20, Annex H K-3)

CLAIM ID	WORDING / PARAPHRASE	CLAIM OBJECT	CLAIM SOURCE & BASIS (OUT-TB-15)	DOC & LOCATION	STRENGTH	AUDIENCE	EVIDENCE REQ/FOUND/MISSING	TRIGGERED SCANS	RULE IDS	STATUS
C-03	"target to achieve net zero Scope 1 and Scope 2 greenhouse gas emissions by 2050"	A net target over NEXTDC's Scope 1 and Scope 2 reporting boundary only	Self-declared; expressly not validated and not built on a sectoral decarbonisation approach	FY26 AR folios 15, 82; FY26 ESG	Strong, dated, boundary stated	All	Required: base period, base-year value, interim targets, trajectory, credit role. Found: boundary, exclusions, net basis, non-validation all stated. Missing: base period, interim targets, trajectory, credit architecture	Target boundary; transition plan; gross vs net; residual emissions	T-01, T-05, T-14, S2-38..42, T-BASE-02, T-DEP-04	**Decision-usefulness concern**: unmeasurable as published
C-04	Scope 2 (location-based) FY26 = 162,163 tCO_2e	Electricity emissions of NEXTDC-operated cooling, ventilation and shared facility infrastructure	Reported under the GHG Protocol; limited assurance obtained	FY26 AR folio 82	Strong, assured	Carbon accounting, all	Required: share of facility electricity; prior-period basis; effect of change. Found: exclusion stated in words; consumption and PUE published separately. Missing: customer IT attribution in MWh or tonnes; change disclosure; restatement	Boundary reach (G-20); comparability; real-vs-accounting	G-07, G-20, G-10, S2-28, S3-25, A-19	**Decision-usefulness concern** (F-5, F-6)
C-05	"No contractual instruments were used … no market-based adjustment has been applied"	Nil renewable-electricity contractual position	Self-declared negative statement	FY26 AR folio 82	Clear negative	All	Found: consistent with nil LGC/GreenPower in the FY2023-24 certification record. Missing: certificate/retirement register extract (F-23, Annex H K-6)	Certificate chain of custody	E-04, E-14, E-24, S2-28	**Accepted as stated**, unassured
C-06	Sector research quoted: the data centre sector "offsets 70% of its energy consumption with renewable energy"	Sector-level renewable offsetting, not NEXTDC's own position	Third-party: Data Centres Australia (NEXTDC a founding member), Mandala Partners research	FY26 AR, market section	Moderate; attributed	Public	Found: attribution present. Missing: NEXTDC's own renewable share anywhere in the AR (0.118%, E-11)	Reader impression; co-location	OUT-TB-02, OUT-TB-03, OUT-TB-15	**Decision-usefulness concern** (F-10)
C-07	"This Report is in accordance with the Corporations Act 2001 and the Australian Sustainability Reporting Standards Climate-related Disclosures (AASB S2)"	Statutory compliance of the FY26 climate statement	Self-declared, with directors' declaration and independent limited-assurance conclusion	FY26 AR folios 66, 68, 84–88	Strong	Regulators, all	Found: declaration (E-14) and unmodified PwC conclusion (E-13); both reliefs available and disclosed (E-04). Missing: target base period and interim targets within the metrics and targets disclosure, which sit outside the assurance scope	Applicability gate; assurance scope	S2-01..06, L-01..14, GOV-12..16	**Appears broadly compliant, minor limitations**
C-08	"18 of 18 operating data centre sites (100%) are considered aligned with CRO1"	Portfolio alignment with the resource-efficiency and resilience opportunity	Self-declared, self-defined criterion	FY26 AR folio 83	Strong, unfalsifiable as stated	Institutional	Missing: the basis on which a site is assessed as aligned; capital attached (stated as not tracked, E-15)	Coverage-percentage denominator test	T-COV-02, S2-29..33, OUT-TB-02	**Decision-usefulness concern** (F-12)
C-09	"All* our operational facilities are certified to ISO 9001, ISO 27001, ISO 14001 and ISO 45001"	Environmental and management-system certification coverage	Third-party certification, self-described coverage	FY26 ESG, External Certifications	Completeness word, footnoted	Public, retail	Found: 11 sites plus head office listed against 18 operating sites; footnote explains staged addition; AR carries a bounded version ("metro data centre portfolio")	Completeness-word test (OUT-TB-21)	OUT-TB-02, OUT-TB-21, DR-02	**Minor limitation** (F-15)
C-10	"approximately 27% lower embodied carbon than the Stage 1 baseline, exceeding … 20%"	Embodied-carbon reduction across two stages of one project	Self-declared, EPD-supported, internally measured	FY26 ESG; FY26 AR folio 15	Moderate, project-scoped	All	Found: mix designs, EPDs, material substitutions. Missing: baseline and outturn in tCO_2e (F-24, Annex H K-7); portfolio figure	Scope 3 capital goods; estimation	S3-EST, S3-25, A-16	**Qualified positive** (F-1)

CLAIM ID	WORDING / PARAPHRASE	CLAIM OBJECT	CLAIM SOURCE & BASIS (OUT-TB-15)	DOC & LOCATION	STRENGTH	AUDIENCE	EVIDENCE REQ/FOUND/MISSING	TRIGGERED SCANS	RULE IDS	STATUS
C-11	"In FY26, 0% executive remuneration was specifically linked to NEXTDC's net zero or greenhouse gas emissions reduction targets"	Remuneration linkage to climate targets	Self-declared negative statement	FY26 AR, Sustainability Report, Governance	Clear negative	Institutional, regulators	Found: PUE incentivised but not designated climate-related; incentive condition not achieved, nil vesting (E-09)	Climate-linked remuneration	GOV-07..09, S2-13	**Decision-usefulness concern** (F-16)
C-12	Emissions "may therefore differ from amounts reported under the NGER framework"	Relationship between statutory NGER reporting and the AASB S2 figures	Self-declared	FY26 AR folio 82; FY26 ESG	Qualitative only	Regulators	Found: FY25 register matched the FY25 disclosure within 8 and 5 t (E-22). Missing: quantification of the FY26 difference (F-19, Annex H K-2)	Cross-source consistency; NGER reconciliation	A-01C, DR-02, DR-04	**Cannot verify magnitude; divergence expected** (F-17)

Annex D: Detailed findings, two-track (A-03)

D.1 Applicability gate & AASB S2 readiness (Sections 04–05)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-101	**FY26 is the first mandatory period and the statement is prepared and declared as such.** E-14, E-04, E-13, C-07. Group 1 status rests on the NGER limb: NEXTDC is a registered NGER corporation with published Scope 1 plus 2 of 366,272 tCO_2e for FY2024-25 (E-22), far above the publication threshold, while on FY26 size figures (revenue $496.5m, gross assets $10,237m, 448 employees; E-33, E-34) only one of the three size criteria is met	**Met.** Statement prepared, declaration signed under ss 296C and 296D, independent review obtained	No concern on the gate itself. The review tests the voluntary and statutory claims at full strength from FY26	No apparent issue · High	The pre-mandatory framing that applied to earlier periods no longer applies; readiness gaps are now disclosure gaps	—
D-102	**Both first-year transitional reliefs taken and disclosed** (E-04): no comparatives for periods before FY26, and no Scope 3 emissions	**Met.** Both reliefs are available in the first annual reporting period and both are disclosed in the basis of preparation. **No non-compliance finding is made on either, and neither is scored against the company as a compliance matter**	**Decision-usefulness concern on effect, not on entitlement.** The comparatives relief coincides with an undisclosed change of Scope 2 boundary, so the one year in which a comparative would have shown a 55% step is the year no comparative is published (F-6, F-8). The Scope 3 relief removes the only place the excluded customer electricity could have appeared (F-5)	Decision-usefulness concern · High	A reader of the statutory report alone cannot see either the change or its cause	Voluntary disclosure of the prior period restated onto the FY26 boundary, and a bounding estimate for the excluded electricity, neither of which the reliefs prevent
D-103	**Target disclosure incomplete within the metrics and targets section.** E-12: no base period, no base-year value, no interim targets, no published trajectory. The target disclosures sit **outside** the assurance scope (E-13)	**Potential minor non-compliance.** AASB S2 requires, for each target, the base period from which progress is measured and any milestones or interim targets. The report states interim targets are being developed in the Climate Transition Plan	**Decision-usefulness concern.** Without a base period the target cannot be converted into a required reduction; without an interim point it cannot be tracked for 24 years	Potential compliance concern · Medium	The only target the company has cannot be measured against	State the base period and base-year figure; publish interim targets

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-104	**Capital-deployment metric answered as untracked** (E-15) while $3.2bn of development capital is described as incorporating resilience measures (E-16) and 18 of 18 sites declared aligned with CRO1 (C-08)	**Arguably met**: the metric is addressed and the reason given. Reasonable-and-supportable information limits apply	**Decision-usefulness concern.** The figure that would show whether climate considerations move capital is the one not tracked, alongside a 100% alignment declaration with no criterion published	Decision-usefulness concern · High	Capital allocation cannot be tested against the company's own risk and opportunity assessment	Track and disclose climate-related capital deployment; publish the alignment criterion

D.2 GHG inventory foundation & Scope 1 (Sections 06–07)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-201	**A basis of preparation now exists and is substantive.** E-05, E-02, E-01: reporting entity, operational control, GHG Protocol Corporate Standard and Scope 2 Guidance, jurisdictional factors named, activity-data sources described down to fuel-inventory reconciliation and fuel-card records, measurement uncertainty identified as fugitive refrigerants, reliefs disclosed	**Met**	Recorded, not credited: a disclosed method is the baseline expected of a credible discloser (A-16)	No apparent issue · High	The FY26 figures are testable in a way earlier periods' were not	—
D-202	**Scope 1 is a single figure with unquantified components.** E-01: diesel backup generation, fleet fuel and refrigerant losses named; no split. Diesel volume is published separately in the ESG report (1,665 kL, E-06 section) but is unassured and not reconciled to the tonnes	**Met**: no requirement to disaggregate by source	**Minor limitation.** The 26.3% fall cannot be attributed beyond the 17.5% fall in diesel volume; the refrigerant estimate, identified by the company as the principal measurement uncertainty, cannot be sized	Minor limitation · High	A third party lifting Scope 1 cannot separate combustion from fugitives	Publish the Scope 1 component split
D-203	**Basis change on Scope 1 not identified as such.** FY25 was Australia-only on NGER methodology (E-39, E-22); FY26 is all jurisdictions on the GHG Protocol (E-01). The reported figure fell 26.3% across a widened boundary and a changed method, with no bridge	**Met** in the first year, the comparatives relief applying	**Decision-usefulness concern.** Two changes acting in opposite directions across one step, neither quantified	Decision-usefulness concern · High	The Scope 1 series is not like-for-like and nothing says so	State the basis change and restate the prior period
D-204	**No machine-readable companion and no multi-year series.** Annex A: no FY26 data pack; the FY24 pack is the last published (E-23 suite panel)	**Met**: no requirement	**Decision-usefulness concern.** The only prior-year figure in the suite is PUE 1.44 (E-08)	Decision-usefulness concern · High	Every trend in this review had to be assembled from the company's earlier separate documents	Restore the data pack with a multi-year series

D.3 Scope 2 & renewable electricity (Section 08)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-301	**The reported Scope 2 boundary excludes roughly two thirds of the facilities' electricity, unquantified.** E-02, E-05, E-06, E-40. The which-scope test (G-20) is run and decided: the excluded electricity, if counted, would sit in **Scope 3** (fuel- and energy-related activities for electricity sold to end users, or use of sold products), not Scope 1 or 2. Because it is Scope 3, the consolidation approach is irrelevant to whether it should be reported and S3-25 applies in full; G-20 does not excuse it. It is not reported, under the first-year relief	**Met.** The Appendix A treatment is available and is explained; the disclosed power pass-through arrangements (E-16) support the resale characterisation; the Scope 3 relief covers the non-reporting	**Decision-usefulness concern, and the load-bearing finding of this review.** The exclusion is stated in words wherever the figure appears and described as "the majority of energy use", and is given a number nowhere. Indicatively ~331,000 tCO_2e against a reported 162,163 tCO_2e	Decision-usefulness concern · High (existence) / Cannot verify precision · Medium (magnitude, F-18, Annex H K-1)	A reader takes the reported figure for the electricity footprint of the fleet and understates it roughly threefold	Publish customer IT electricity in MWh and tCO_2e beside the reported Scope 2

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-302	**The Scope 2 boundary changed from the prior period and the change is not disclosed.** E-39 (prior basis expressly included customer IT load and its cooling) against E-02/E-05. Reported figure −54.7% while consumption +22.0% (E-06). No statement of change, no quantification, no restatement. Contrast E-32, where the same annual report discloses a change of measurement basis, retrospective application and a $272.4m effect in the financial statements	**Met** in the first mandatory year: no prior AASB S2 disclosure exists to restate, and the comparatives relief is taken	**Decision-usefulness concern, escalated.** This is the largest movement in the reported figures, it points the opposite way to the underlying activity, and the reader is given nothing to detect it with. Chains to the target (D-601), to the statutory register (D-1301) and to the composite public impression (D-901)	Decision-usefulness concern · High	Year-on-year comparison, supply-chain lift and target-progress judgement all fail silently	State the change and its effect; restate the prior period onto the FY26 boundary
D-303	**Nil contractual instruments, stated plainly; renewable supply is 0.118% and falling.** E-03, E-11. Solar generation fell from 884,955 to 755,034 kWh while consumption rose 22.0%	**Met.** A clear negative statement is the correct disclosure and removes any market-based overclaim from the reported inventory	**Decision-usefulness concern on presentation, not on the statement.** The only renewable-energy percentage in the annual report is the sector's 70% (E-20, C-06); NEXTDC's own share appears nowhere in that document. Dropping a prior period's "renewable-powered" framing is scored neutral (A-18), not as a credit	Decision-usefulness concern · High	A public reader of the annual report meets 70% and never meets 0.118%	Print NEXTDC's own renewable share wherever a sector figure appears
D-304	**No jurisdictional split of Scope 2 or consumption.** E-02: three factor sources named (NGER Measurement Determination, NZ MfE 2025, Malaysia GEF 2024), one figure reported	**Met**	**Minor limitation.** The reported figure cannot be recomputed from consumption, and the implied blended factor of 0.769 tCO_2e/MWh (E-40) cannot be checked against the jurisdiction mix	Minor limitation · High	Contributes to the precision limit on F-18, Annex H K-1	Split Scope 2 and electricity consumption by jurisdiction

D.4 Scope 3 & value chain (Section 09)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-401	**No Scope 3 category is reported and no bounding estimate is published.** E-04. The company's own value-chain map identifies upstream capital equipment, construction, water, fuel and logistics and specialist suppliers, and places customer IT equipment downstream (E-36)	**Met**: the first-year Scope 3 relief is available and disclosed, and is taken. **No compliance finding**	**Decision-usefulness concern, and fatal for the carbon-accounting audience.** Completeness cannot be confirmed at all: no category is itemised and none is bounded, so a carbon accountant cannot rule out a material exclusion. The two largest candidates are the excluded customer electricity (D-301) and the embodied carbon of a $3.4bn build program (D-402)	Decision-usefulness concern · High	The footprint cannot be lifted, and the target's coverage cannot be expressed as a share of anything	A bounding estimate by category, which the relief does not prevent
D-402	**Embodied carbon of the development program is unquantified; the 27% result carries no tonnes.** E-28, E-33, F-24, Annex H K-7. Concrete, reinforcing steel and asphalt identified by the company as significant contributors; six sites in development, five in planning	**Met** under the relief	**Decision-usefulness concern.** A percentage against an unpublished baseline cannot be aggregated, compared across projects or tracked. It is also the source on which the company's most advanced action sits (F-1), so the absence of tonnes limits the credit available	Decision-usefulness concern · High	The largest source the company is actively managing is the one it cannot show progress on in absolute terms	Publish the M3 baseline and outturn in tCO_2e and a portfolio embodied-carbon figure
D-403	**Estimation is not the fault; exclusion is.** No spend-based or industry-average estimate is published for any category, so there is nothing to assess for data quality. Recorded to make clear that the finding at D-401 is about omission, not about method maturity (S3-EST)	—	Recorded	—	—	A first estimate, at any data-quality grade, would move D-401

D.5 Offsets, credits & net claims (Section 10)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-501	**The carbon-neutral claim is bounded as to scope and unbounded as to time.** C-01, C-02, E-17, E-18, E-19, E-38. The claim names its boundary ("for our corporate function"), which is what makes it testable; it states no certified year; certification runs in arrears so FY26 cannot be certified at report date; the latest statement available covers FY2023-24; the register could not be retrieved (F-20, Annex H K-3)	**Met**: the claim is attributed to the program and the boundary is named at the point of claim	**Claim-quality concern.** A present-tense certification claim with no year, over a boundary whose share of the reported footprint is stated nowhere in the suite	Decision-usefulness concern · Medium	A reader takes the claim to describe the year they are reading about	State the certified year and the boundary's share of reported emissions wherever the claim appears
D-502	**The target is a net target with no credit architecture.** E-12: "a net greenhouse gas emissions target"; the transition plan is still considering "the potential role of carbon credits in addressing residual emissions"	**Met**: a net target is permitted and the net basis is disclosed	**Decision-usefulness concern.** A net 2050 target with the credit role unsettled and no abatement trajectory published leaves the split between reduction and offsetting entirely open	Decision-usefulness concern · High	The reader cannot tell how much of the 2050 position is intended to be real reduction	Publish the intended abatement trajectory and cap the credit share
D-503	**Climate Active program closure disclosed; participation under review.** E-17: July 2026 announcement, cessation proposed 30 June 2027. **Scored neutral.** Exiting or discontinuing a certification is not a positive (A-18), and neither is holding one (A-16); no replacement commitment has been made, so there is nothing to test	**Met**: the event is disclosed in the events-after-reporting-period note	Neutral. Any replacement claim will be assessed on its own evidence when made	No apparent issue · High	—	State what will replace the claim after June 2027
D-504	**The NEXTneutral customer program continues with no FY26 figures.** E-19, F-26, Annex H K-9. Earlier periods disclosed tonnage and opted-in capacity, but only inside the certification statements	**Met**: no requirement	**Minor limitation.** A customer-facing offset service is described and not sized	Minor limitation · Medium	Customers relying on the program cannot see its scale	Publish the program's tonnage and participating capacity

D.6 Targets & transition (Section 11)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-601	**The target excludes the largest emissions flow the business touches, and that exclusion is a choice, not a relief.** E-12: the target "does not include Scope 3 emissions or electricity attributable to customer-controlled IT equipment". The Scope 3 reporting relief is a first-year measure; a target boundary is a standing decision. On the derivation at E-40 the target covers about a third of the electricity emissions of the facilities NEXTDC operates, and none of the embodied carbon in a $3.4bn build program	**Met**: entities may choose their target boundary and NEXTDC states its own	**Decision-usefulness concern, load-bearing for institutional and retail readers.** The exclusion is stated in the statutory section and not in the headline tile; its size is stated nowhere	Decision-usefulness concern · High	A reader takes "net zero Scope 1 and Scope 2 by 2050" to describe the company's emissions	State the target's coverage as a share of the facilities' total emissions
D-602	**No base period, no base-year value, no interim targets, no trajectory.** E-12, D-103. The 2050 date is attributed to "the long-term temperature goals of the Paris Agreement", not to a modelled pathway; the target is expressly unvalidated and not built on a sectoral decarbonisation approach	**Potential minor non-compliance** on the base period (D-103)	**Decision-usefulness concern.** Headroom is not derivable: with no base year and no interim point, no implied annual reduction can be computed	Decision-usefulness concern · High	The only target the company has cannot be priced	Base period, base-year figure and interim targets

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-603	**The transition plan that would answer all of the above was not finalised at balance date.** E-12: commenced in FY26 with an external adviser, covering target and boundary review, business-as-usual and target trajectories, interim targets, priority levers with capital and operating expenditure, and the role of credits; expected during FY27	**Met**: no requirement to have a plan	**A-21 applied: a disclosed intention to improve is neither a fault nor a credit.** The intention is not evidence the present treatment is wrong, and it is not an above-baseline positive until delivered. It bears on severity and on the recommendation only, because the underlying gaps at D-601 and D-602 stand on independent grounds. Noted for the pattern test: FY24 described a roadmap as being finalised, FY25 as being explored, FY26 as approved with the plan under development. The target has now been delivered; the plan has not	Neutral · High	—	Finalise and publish the plan with levers and costs quantified
D-604	**Power efficiency, the company's operating proxy for a target, worsened for a third consecutive year and the incentive condition failed.** E-08 (1.44 → 1.49), E-09 (condition below 1.4, not achieved, nil vesting). Explanations disclosed: data halls handed over with cooling running ahead of IT deployment, reduced legacy IT load, commissioning activity	**Met**	**Decision-usefulness concern on the trend; the disclosure of the failure is baseline, not a credit** (A-16). Publishing vesting outcomes is a remuneration-report requirement	Decision-usefulness concern · High	The proxy metric moved against the company in the year the target was set	—

D.7 Governance, remuneration & assurance (Section 12)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-701	**Governance architecture is disclosed in detail and is assured.** E-35, E-13 (governance disclosures within the assurance scope)	**Met**	Recorded, not credited: governance machinery is the baseline expected of a credible discloser (A-16)	No apparent issue · High	—	—
D-702	**No executive remuneration is linked to the emissions target.** E-25, C-11. Power efficiency is incentivised and expressly "not currently designated as climate-related remuneration metrics"	**Met**: the disclosure required is the fact, and the fact is disclosed plainly	**Decision-usefulness concern.** In the first mandatory period, and the year a 2050 net zero target was Board-approved, no part of executive pay depends on progress toward it. The candour of the statement is baseline (A-16) and does not offset what it discloses	Decision-usefulness concern · High	The target carries no compensation consequence	A defined weighting on a disclosed emissions metric, or a stated date for one
D-703	**First external assurance over any NEXTDC emissions figure; scope is the statutory phase-in.** E-13. Limited assurance, unmodified, over governance, three strategy subparagraphs, and Scope 1 and Scope 2. Unassured: risk management, scenario analysis, financial effects, the target, the cross-industry metrics and every ESG-report metric	**Met.** The scope is set by the ASSA 5010 timeline rather than elected by the company, and **is not scored against it**	**Recorded limitation, not a fault.** It bounds what this review can rely on: the reported scopes are assured; the derivation at E-40 rests on unassured inputs	No apparent issue · High	Noted at F-25, Annex H K-8	Widening scope over time, as the phase-in provides

D.8 Sector module & new-module findings (Section 13)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-801	**SEC-PROP applied: the colocation boundary question is the sector's defining test and it is now answered the narrow way.** A data centre operator purchases, meters and passes through the electricity its customers' equipment draws. NEXTDC previously counted all of it in Scope 2 (E-39); from FY26 it counts only the overhead (E-02). Both treatments are defensible; only one is disclosed as a change (D-302)	**Met**	**Decision-usefulness concern.** The sector-characteristic exposure has moved from inside the inventory to outside every reported figure	Decision-usefulness concern · High	See D-301	See D-301

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-802	**Growth is the emissions story and the inventory does not carry it.** E-33: FY26 capital expenditure $3,397.4m, six sites in development, five in planning, expansion into New Zealand, Japan and further Asian markets. Electricity consumption rose 22.0% in FY26 (E-06)	**Met**	**Decision-usefulness concern.** Neither the embodied carbon of the pipeline (D-402) nor the electricity the new capacity will deliver to customers (D-301) is in any reported figure or any target	Decision-usefulness concern · High	The disclosed footprint is least informative exactly where the business is growing fastest	Bounding estimates for capital goods and for customer electricity
D-803	**Flow-through exposure is raised candidly and is derivable rather than disclosed.** E-06 ("customer IT load drives the majority of energy use"), E-36 (value-chain map places customer IT equipment downstream), E-12 (the plan will "consider opportunities to improve the disaggregation of cooling driven emissions and customer IT electricity"), E-40 (the derivation)	**Met**	**Decision-usefulness concern, workable for a sophisticated reader.** The exposure is named repeatedly and never sized; the two figures needed to size it are published in the same document	Decision-usefulness concern · High	Institutional readers can price it; retail and public readers cannot	Publish the disaggregation the plan contemplates

Financed-emissions target headroom & benchmark (SEC-FI-TGT-04): *N/A: not a financial institution.*

SECTOR TARGET	LATEST REPORTED	TARGET VALUE	% CHANGE PERMITTED	FLAT-LINE BENCHMARK	FOSSIL-FUEL OVERRIDE?	RULING
N/A	N/A	N/A	N/A	N/A	N/A	N/A: not a financial institution and no financed or facilitated portfolio is disclosed

D.9 Nature & physical risk (Section 14)

ID	FINDING & EVIDENCE CHAIN	MIN-COMPLIANCE	DECISION-USEFULNESS / CLAIM-QUALITY	SEVERITY · CONFIDENCE	CONSEQUENCE	WHAT WOULD FIX IT
D-901	**Physical-risk disclosure is the most developed area of the suite and now reaches the financial limb.** E-37 (three physical and three transition scenarios, expected path named, Darwin, Newman and Port Hedland identified), E-15 (11 of 18 sites water stress, 8 of 18 river flooding, framed expressly as modelled geographic exposure rather than site-specific risk), E-16 ($2.7m insurance expense, $3.2bn development capital carrying resilience measures, affected financial statement line items named)	**Met**	Assessed for **relevance to the business model and methodology transparency** only; the review does not judge the scientific quality of the modelling. On that test the disclosure covers the hazards a knowledgeable investor would expect for a water- and power-dependent asset portfolio, and discloses its own limits	No apparent issue · High	—	Progressive quantification of the anticipated effects currently described qualitatively
D-902	**Nature disclosure withdrawn.** E-23, E-24. The standalone Climate and Nature Report is retired; TNFD and LEAP alignment is under reassessment; biodiversity assessed as peripheral; no FY26 nature disclosure. The prior period published site-level nature screening for all 18 operational sites with per-site protected-area, Ramsar, key-biodiversity-area and threatened-species counts. Water dependency and nature risk are no longer reported as separate principal risks	**Met**: nature reporting is voluntary and AASB S2 is climate-only	**Decision-usefulness concern.** Retiring the report is not itself a fault, and moving its climate content into the statutory report is an improvement. What is withdrawn without replacement is the nature content, for a business whose site selection turns on water availability and land use and which reports 11 of 18 sites with elevated modelled water-stress exposure	Decision-usefulness concern · High	The most granular per-site environmental disclosure the company published has no FY26 equivalent	Publish the site-level nature screening annually, whether or not TNFD alignment is claimed
D-903	**Water and waste both moved against the company, each explained where reported.** E-27 (WUE 2.25 → 2.40 on 939.70 ML), E-26 (landfill diversion ~72%, second consecutive year attributing a decline from 88.69% to classification and data changes, with no prior year restated)	**Met**	**Decision-usefulness concern on the waste series.** If the fall is primarily reclassification then the FY24 88.69% was measured on a basis the company now says was wrong, and no restatement has been made, so the series is not like-for-like at the point it reverses. No quantified diversion ambition is stated for FY26	Decision-usefulness concern · Medium	The waste trend cannot be read as performance	Restate the prior years onto the current classification basis

Annex E: Cross-rule escalation chains (AI-06 / AI-23)

BASE ISSUE	CHAINS TO	RULE + EVIDENCE IDS	ESCALATED SEVERITY
Customer IT electricity excluded from Scope 2 (D-301)	Scope 3 completeness: the excluded electricity lands in Scope 3, which is not reported, so it appears in no scope. The link is the which-scope test: consolidation approach governs Scope 1 and 2 and never reaches Scope 3	G-20, S3-25, S2-29; E-02, E-05, E-40	Decision-usefulness concern, and the criterion-defeating gap for the carbon-accounting audience (A1)
Customer IT electricity excluded from Scope 2 (D-301)	Target coverage: the 2050 target expressly excludes the same electricity, so the exclusion is standing rather than a first-year relief matter. The link is the target-boundary text itself	T-01, T-05, G-20; E-12, E-40	Decision-usefulness concern escalated to a target-credibility defeat (I2, R2)
Undisclosed Scope 2 boundary change (D-302)	Comparability and the statutory register: the reported figure fell 54.7% while consumption rose 22.0%, and the NGER basis has not changed, so the regulator-facing and market-facing figures separate in the same step	G-10, T-BASE-01, A-01C, DR-02; E-02, E-22, E-39	Decision-usefulness concern escalated to a cross-source consistency defeat (G2)
Undisclosed Scope 2 boundary change (D-302)	Public composite impression: a 55% fall in the headline figure, in a year every whole-facility metric worsened, with no statement of cause. The link is that the same document publishes both the fall and the metrics that contradict it	OUT-TB-02, A-17, A-19; E-02, E-06, E-08, E-10	Decision-usefulness concern escalated to a composite-impression defeat (P2)
First-year comparatives relief taken (D-102)	The boundary change above: the relief is lawful and disclosed, and its effect is that the one year needing a comparative has none. The link is coincidence of timing, not fault in taking the relief	S2-06, S2-46, G-10; E-04, E-39	No compliance escalation. Decision-usefulness concern only
Carbon-neutral claim carries no year (D-501)	Program closure: certification is proposed to cease 30 June 2027 and participation is under review, so the claim's basis has a stated end date. The link is the company's own events-after-reporting-period note	E-25, A-18; E-17, E-18	Decision-usefulness concern, held at that level because the boundary is named at the point of claim
Sector renewable figure of 70% in the annual report (D-303)	Public claims: NEXTDC's own share of 0.118% appears nowhere in the same document, and nil contractual instruments are stated only in the statutory section. The link is proximity within one document	OUT-TB-02, OUT-TB-03, OUT-TB-15; E-03, E-11, E-20	Decision-usefulness concern contributing to the P1 defeat
Target has no base period (D-602)	Remuneration: no part of executive pay is linked to the target, so neither the target nor the pay framework supplies a measurable interim checkpoint. The link is that both are stated in the same governance disclosure	GOV-07..09, S2-13, T-05; E-12, E-25	Decision-usefulness concern; contributes to I2 rather than escalating beyond it
Embodied carbon unquantified (D-402)	The company's most advanced action: the 27% M3 result cannot be sized, so the credit available for F-1 is limited by the same gap that limits the finding against it	S3-25, A-16; E-28	No escalation. Recorded so the positive and the negative are not double-counted

Annex F: NoCO2 Net Zero Required Interventions, CAAM & Prohibited Activities screen (OUT-05)

SCREEN	OUTPUT	BASIS
Required Interventions Schedule	**Would apply, and would be substantially populated.** Prescribed interventions with dates would attach to: backup diesel generation (Scope 1's principal source, 1,665 kL in FY26); cooling and ventilation plant, which is the whole of the reported Scope 2 boundary; renewable-electricity procurement, currently nil on contractual instruments; construction plant electrification, on which trials are under way; and embodied carbon in the development pipeline, on which one project has a measured result. The existing setpoint, liquid-cooling and AI-optimisation work would be scheduled rather than described	E-01, E-03, E-11, E-28, E-29; NoCO2 clause 4.7.1; boundary growth from new sites under 4.7.3
Clean Alternative Assessment	**Would apply and is the live decision point.** Two choices would require assessment before any credit use: backup power (lower-emissions fuels, alternative backup solutions and storage, which the company states it will continue to assess) and cooling technology selection, where the report discloses an explicit energy-versus-water trade-off. The FY26 position uses no credits in the reported inventory, so the assessment would be prospective	E-01, E-03; FY26 ESG water and cooling trade-off; NoCO2 clause 4.7.2
Prohibited Activities Schedule	**No prohibited activity identified from reviewed materials.** The business is colocation data centre infrastructure. No fossil-fuel extraction, production or financing activity is disclosed. Diesel is held for backup and resilience, not for generation supply, with reserves stated as up to 48 hours without grid power	E-01, E-33; NoCO2 clause 1.1.2

Annex G: Rule-application table

RULE FAMILY	APPLIED?	RESULT
Applicability gate (L / S2-01..06)	Yes	First mandatory period confirmed on the company's own statement, the directors' declaration and an independent review conclusion. Group 1 status rests on the NGER limb, not the size test (D-101). Both first-year reliefs available, taken and disclosed; **no non-compliance finding on either** (D-102)
GHG inventory foundation (G / GHG-STD)	Yes	A substantive basis of preparation now exists (D-201). Boundary changes on both Scope 1 and Scope 2 are undisclosed as changes (D-203, D-302), engaging G-10 and T-BASE-01 on comparability; no compliance finding, the comparatives relief applying
Scope 1 (G-06 / S2-26)	Yes	Reported at 5,844 tCO_2e, assured, components unquantified (D-202). Fall of 26.3% attributable in part to a 17.5% diesel reduction; balance not separable
Scope 2 & renewables (E / S2-28)	Yes	Location-based only at 162,163 tCO_2e; nil contractual instruments stated, so no market-based figure and no certificate chain to test (D-303). No jurisdictional split (D-304). The boundary excludes about two thirds of facility electricity (D-301)
G-20 (boundary reach / which-scope test)	**Yes, decided**	The excluded customer IT electricity would sit in **Scope 3** if counted, not Scope 1 or 2. Operational control therefore does not answer the question, G-20 does not excuse the omission, and S3-25 applies in full (D-301). Recorded explicitly because this is the rule most easily misapplied in a colocation review
Scope 3 (S3 / S3A / G-15)	Yes	No category reported and none bounded, under the disclosed first-year relief (D-401). Two material candidates identified and one indicatively sized. Estimation maturity is expressly not scored (D-403, S3-EST)
Offsets / net claims (E-08..22 / G-11)	Yes	No credits in the reported FY26 inventory. The carbon-neutral claim is bounded as to scope, undated as to period (D-501). Programme closure disclosed and scored **neutral** under A-18 (D-503)
Targets & transition (T / S2-14/15/40)	Yes	First target, net basis, 2050 only, no base period, no interim targets, unvalidated, excluding Scope 3 and customer IT electricity (D-601, D-602). Transition plan not finalised; **A-21 applied to hold the stated intention neutral** (D-603). T-14 not engaged: the target is absolute in form, not intensity
Governance / remuneration / assurance (GOV / A-11)	Yes	Governance disclosed and partly assured, recorded as baseline (D-701). Nil remuneration linkage to emissions targets (D-702). First external assurance; scope is the statutory phase-in and **is not scored against the company** (D-703)
Sector (SEC-PROP)	Yes	The colocation boundary question is the sector's defining test and is answered the narrow way (D-801). Growth outruns the inventory (D-802). Flow-through exposure raised and derivable, not disclosed (D-803)
SEC-FI-TGT-04	N/A	Not a financial institution
SEC-FI-05A	N/A	Not a financial institution
SEC-SF / SEC-INV-LT	Partly	SEC-SF-11 applied to dropped disclosures: nature reporting, the data pack and separate principal risks (D-204, D-902). SEC-INV-LT not engaged: no material investment portfolio disclosed
Disclosure risk (DR-01..07 / A-01C)	Yes	NGER register looked up and reconciled for the prior period within 8 and 5 tonnes; FY26 divergence expected, magnitude cannot-verify (D-1301 at Annex J.2, F-17). Cross-source matrix built at Annex J.1
Year-over-year (YOY-01..08)	Yes	Seven periods and four report types available; series built to FY26 and broken at FY26 by the basis change, which is marked on the trajectory chart (§3.4, Annex K, D-015)
NOCO2-MAP-01/02	Yes	Clause-level mapping at §6.1, clauses drawn from the Standard clause map
Nature / physical risk (N)	Yes	Physical-risk disclosure passes on relevance and transparency (D-901). Nature disclosure withdrawn without replacement (D-902)
AMD-032 / AMD-034	Yes	All nineteen criteria enumerated before scoring at H.1; counts stated before scores at H.2. Two rows turn on a single defeat and both are named and reasoned (I2 and G2, both in the hold-at-2 class)
AI-25	Yes	This is a **new reviewed period**, written into a new period folder beside the earlier one. Nothing in the FY2025 folder is touched, renamed or re-rendered, and no cohort sweep is performed

Annex H: Evidence requests / cannot-verify items (AI-21 / A-05)

ID	ITEM	PACK	EVIDENCE REQUESTED	STATUS
K-1	Electricity attributable to customer IT equipment, in MWh and tCO_2e, for FY26	Scope 3 / Scope 2 boundary	The tenant-metering aggregate NEXTDC already reconciles to billing data, and the emissions computed from it on the same jurisdictional factors used for Scope 2	**Open.** Derived indicatively at about 331,000 tCO_2e (range roughly 300,000 to 340,000). Material evidence missing on precision; existence and order of magnitude are established from the company's own published figures
K-2	FY26 NGER-reported Scope 1, Scope 2 and net energy, and a reconciliation to the AASB S2 figures	Statutory register	The FY26 register row when published, and a company reconciliation of the two bases line by line	**Open.** Evidence not yet in existence: the published register runs to FY2024-25
K-3	The Climate Active reporting year currently certified, and the FY2024-25 statement if lodged	Offsets / certification	The certified-member register page, or the certified year stated in the report	**Open.** Register did not respond to retrieval on 1 September 2026 across two attempts; Internet Archive CDX shows no snapshot of the NEXTDC page after 26 June 2024. Latest statement available covers FY2023-24
K-4	Scope 1 split between diesel combustion, fleet fuel and refrigerant losses	Inventory	Component tonnages, and the refrigerant estimate the company identifies as its principal measurement uncertainty	**Open.** Evidence not provided
K-5	Scope 2 and electricity consumption split by jurisdiction (Australia, New Zealand, Malaysia)	Scope 2	Per-jurisdiction MWh and tCO_2e with the factor applied to each	**Open.** Evidence not provided. Contributes to the precision limit on K-1
K-6	Certificate and retirement register extract, or confirmation that none exists	Renewable electricity	Any LGC, GreenPower or power purchase agreement position, and retirement evidence	**Open, low materiality.** The company states nil use of contractual instruments, which is a negative statement against interest and is accepted as stated; it is unassured and unevidenced
K-7	M3 Stage 1 embodied-carbon baseline and Stages 2 and 4 outturn, in tCO_2e	Scope 3 capital goods	The project baseline and current measurement behind the 27% figure; the EPDs already held	**Open.** Percentage published, absolute figures not
K-8	Extension of assurance to the operational metrics and the target	Assurance	Assurance over electricity, diesel, water, waste, solar, PUE, WUE, CUE and the target disclosures	**Open by design.** The scope is the statutory phase-in and is not held against the company; recorded because the review relies on unassured figures for the derivation at K-1
K-9	NEXTneutral FY26 tonnage, participating capacity and offset retirement detail	Offsets	Program volume and participation for FY26	**Open.** Program stated to continue; no figures published in the FY26 suite
K-10	The criterion on which a site is assessed as "aligned with CRO1", and climate-related capital deployment	Governance / metrics	The alignment test, and capital deployed against climate risks and opportunities	**Open.** The company states the capital is not separately tracked

K-1 to K-9 are the evidence requests behind §4.3 F-18 to F-26 respectively (K-1 for F-18, K-2 for F-19, and so on); K-10 has no §4.3 counterpart. Pointers elsewhere in the annexes name both IDs.

Annex I: Evidence-chain & triggered-scan log (AI-10)

CHAIN ID	TRIGGER	FOLLOW-UP SCANS RUN	EVIDENCE IDS	FINAL LABEL
M-01	Carbon neutral claim ("100% carbon neutral for our corporate function")	Gross emissions, boundary, exclusions, offsets and retirement evidence, claim period, certification currency and fulfilment, self-defined boundary and flow-through, residual emissions, assurance	E-17, E-18, E-19, E-38; F-20, Annex H K-3	Decision-usefulness / claim-quality concern; currency cannot-verify

CHAIN ID	TRIGGER	FOLLOW-UP SCANS RUN	EVIDENCE IDS	FINAL LABEL
M-02	Net zero claim (Scope 1 and Scope 2 by 2050)	Target boundary, transition plan, Scope 1/2/3 coverage, gross versus net, residual emissions, offsets, removals, assurance scope, prior claims, reader-burden caveats	E-12; D-601, D-602, D-603	Decision-usefulness concern; criterion defeated at I2 and R2
M-03	Market-based Scope 2 and renewable-electricity claim	Location versus market basis, consumption, certificate and power purchase agreement evidence, ownership, retirement, timing, residual mix, sold certificates, wording	E-03, E-11, E-20; F-23, Annex H K-6	Nil position accepted as stated; presentation concern on the sector figure
M-04	Scope 3 disclosed / omitted / selected	Category coverage, business-model-obvious categories, exclusions, data quality, spend versus supplier-specific, target boundary, consistency	E-04, E-36; D-401, D-402	Decision-usefulness concern; A1 defeated on confirmable completeness
M-05	Selected-boundary caveat (customer IT electricity excluded)	Headline wording, caveat prominence, reader burden, target coverage, assurance scope, omitted emissions	E-02, E-05, E-06, E-40	Decision-usefulness concern; R1 defeated
M-06	Assurance statement present	Subject matter, level, assured metrics, exclusions, qualifications, Scope 3 completeness, whether nearby claims imply broader assurance	E-13	Scope recorded; not scored against the company
M-07	Climate-linked remuneration	Metric boundary, gross versus net, Scope 3 inclusion, offsets and certificates, target progress, assurance, controls	E-09, E-25	Decision-usefulness concern (nil linkage to emissions targets)
M-08	Methodology / boundary / factor / base-year / restatement change	Time-series comparability, baseline recalculation, target progress, real versus accounting movement, mergers and acquisitions, peer comparability	E-02, E-32, E-39; D-203, D-302	Decision-usefulness concern, escalated (Annex E)
M-09	Any Australian entity; metrics appearing in more than one place	NGER register lookup; cross-source consistency matrix; boundary and period normalisation before flagging	E-21, E-22, E-30, E-31; Annex J.1, O.2	Divergence confirmed on the prior period's match and the current basis change; FY26 magnitude cannot-verify
M-10	Combined or partial scope figures; any reduction claim	Scope 1 and Scope 2 decomposed; Scope 2 tested for both bases; business-as-usual counterfactual applied to every movement	E-01, E-02, E-06, E-08, E-10; §3.3	No real reduction identified; all movements attributed
M-11	More than one reporting period and report type	Multi-period series to FY26; restatement and rebasing detection; dropped and added disclosure log; target trajectory log; cross-report-type divergence over time; certification-chain continuity	Annex K.1 to P.5	Series built; broken at FY26; break marked on the chart (D-015)
M-12	Source described as contracted, operated or controlled by another party (customer IT equipment)	**G-20 which-scope test run before any exclusion or cannot-verify finding**	E-02, E-05, E-36; D-003, D-004	Scope 3, so consolidation approach irrelevant and S3-25 applies in full
M-13	Completeness word beside a set ("All* our operational facilities are certified")	OUT-TB-21 applied: the word is not beside a named quantity, so it is unbounded and goes to the reader-impression tests	E-30, E-31	Minor limitation; recorded at Annex J.1
M-14	Disclosed intention to review, extend or improve (transition plan; disaggregation of customer IT electricity; Climate Active participation; TNFD reassessment)	**A-21 applied**: intention neither fault nor credit; pattern test across periods	E-12, E-17, E-23; D-009	Neutral, with the pattern test recorded
M-15	Transition plan / low-carbon opportunity	Actions, capital, dependencies, milestones, Scope 3 coverage, scenario analysis, financial effects, delivery risk	E-12, E-15, E-16	Not finalised; assessed under A-21
M-16	Coverage percentage claim ("18 of 18 sites (100%) aligned with CRO1")	Numerator, denominator, excluded categories, criterion published	E-15; C-08	Decision-usefulness concern: criterion not published, no capital attached

Annex J: Cross-source consistency matrix & disclosure-risk register (DR-01..DR-07 / A-01C / OUT-TB-18)

O.1 Cross-source consistency matrix (DR-02)

CLAIM / METRIC	ANNUAL / FINANCIAL REPORT	SUSTAINABILITY / ESG	MARKETING / WEBSITE	CLIMATE ACTIVE PDS	CDP	INVESTOR PRESENTATIONS	NGER / CER / SAFEGUARD	BOUNDARY/PERIOD NORMALISATION	DIVERGENCE?
Scope 1 (tCO_2-e)	5,844 (Sustainability Report, folio 82; assured)	5,844 (ESG snapshot)	Not stated	FY2023-24: 12 t for the certified boundary only	Not reviewed	Not reviewed	FY2024-25 register: 7,919 (prior period)	FY26 is all jurisdictions on the GHG Protocol; NGER is Australia-only on NGER methodology; the certified boundary is a separate, much smaller inventory	**Internally consistent. FY26 versus NGER cannot be compared until the FY26 register publishes (F-19, Annex H K-2)**
Scope 2 location-based (tCO_2-e)	162,163 (folio 82; assured)	162,163 (ESG snapshot)	Not stated	FY2023-24: 11,520.83 location-based for the certified boundary only	Not reviewed	Not reviewed	FY2024-25 register: 358,353 (prior period), matching the prior period's disclosed 358,348 within 5 t	The FY26 disclosure excludes customer IT electricity; NGER covers facility energy under operational control; the prior period's disclosure did not exclude it	**Yes, and it is the central divergence. The two bases matched within 5 t for FY25 and have separated. The company states the frameworks "may differ" and quantifies nothing. FY26 magnitude cannot-verify**
Electricity attributable to customer IT equipment	Not stated	Described as "the majority of energy use"; derivable at about 430,278 MWh from the published 641,115 MWh and PUE of 1.49	Not stated	FY2023-24 statement expressly excludes "electricity consumed by customers in NEXTDC data centre facilities"	Not reviewed	Not reviewed	Within the facility energy reported to the regulator	Same electricity throughout	**Yes. Counted for one audience, described but never sized for another**

CLAIM / METRIC	ANNUAL / FINANCIAL REPORT	SUSTAINABILITY / ESG	MARKETING / WEBSITE	CLIMATE ACTIVE PDS	CDP	INVESTOR PRESENTATIONS	NGER / CER / SAFEGUARD	BOUNDARY/PERIOD NORMALISATION	DIVERGENCE?
Power usage effectiveness	"blended PUE of 1.49 across our operational portfolio in FY26, against 1.44 in FY25" (directors' report); 1.48 as "the actual PUE achieved" against the executive incentive condition (remuneration report)	"average PUE across operational Australian facilities was 1.49"; footnoted as portfolio PUE including all infrastructure regardless of configuration and excluding all sites commissioned during FY26 including KL1	Not stated	FY2023-24 statement states FY23 PUE as 1.40	Not reviewed	Not reviewed	Not an NGER metric	Three population descriptions attach to one value; the incentive population excludes newly live facilities and under-loaded hyperscale capacity	**Yes. One value with three populations and a fourth value used to test pay, with no reconciliation**
Renewable electricity position	Sector research quoted: the data centre sector "offsets 70% of its energy consumption with renewable energy". No NEXTDC figure. Sustainability Report states nil contractual instruments	On-site solar 755,034 kWh, "entirely consumed on site". No percentage stated	Not reviewed for FY26	FY2023-24 statement: 19.37% renewable of which 0.64% voluntary; LGCs surrendered "N/A"; LGC purchased and retired including power purchase agreements 0; GreenPower 0	Not reviewed	Not reviewed	Not an NGER metric	The sector figure is not about NEXTDC; the certified-boundary renewable share is mostly the mandatory renewable power percentage	**Yes on presentation. The only renewable percentage in the annual report is the sector's; NEXTDC's 0.118% appears in neither document as a percentage**
Capital deployed against climate risks and opportunities	Total capital expenditure $3,397.4m (directors' report); approximately $3.2bn development programme capital with approvals incorporating site-specific resilience measures (Sustainability Report, Strategy)	Not stated	Not stated	Not applicable	Not reviewed	Not reviewed	Not applicable	Total capital expenditure and development-programme capital are different measures and both are plausible	**Yes. The cross-industry metric reports the climate-related component as "not separately tracked" while adjacent figures describe it qualitatively**
Change of measurement basis	Financial report: investment property moved from cost to fair value, applied retrospectively under AASB 108, $272.4m revaluation surplus net of tax, prior interim presentation error disclosed and corrected	Climate disclosure: Scope 2 boundary narrowed, no statement of change, no quantification, no restatement	Not applicable	Not applicable	Not reviewed	Not reviewed	Not applicable	Both are changes of measurement basis in the same annual report	**Yes. Disclosed in one reporting stream and not in the other**

CLAIM / METRIC	ANNUAL / FINANCIAL REPORT	SUSTAINABILITY / ESG	MARKETING / WEBSITE	CLIMATE ACTIVE PDS	CDP	INVESTOR PRESENTATIONS	NGER / CER / SAFEGUARD	BOUNDARY/PERIOD NORMALISATION	DIVERGENCE?
Carbon neutrality	"100% carbon neutral for our corporate function, certified under Climate Active" (folio 4, no year); "maintained carbon neutrality for corporate functions" (folio 15); Sustainability Report says "has participated" and directs readers to the register	ESG highlights tile: "100% carbon neutral / For corporate functions". Text notes participation for the corporate footprint and NEXTneutral, and the programme's proposed cessation	Not reviewed for FY26	Four Organisation and four Service statements to FY2023-24, with certified footprint, credit types, vintages, registries and retirement serials	Not reviewed	Not reviewed	Not applicable	Certification runs a year in arrears	**Partly. The boundary is now named in the claim, which is the improvement. The certified year and the boundary's share of the footprint are on the public record and in neither report**
Environmental management certification	"NEXTDC's metro data centre portfolio is certified to ISO 9001 … ISO 14001 …", with newer and edge facilities to be certified as they mature	"All* our operational facilities are certified to ISO 9001, ISO 27001, ISO 14001 and ISO 45001", listing 11 sites plus head office	Not reviewed	Not applicable	Not reviewed	Not reviewed	Not applicable	18 operating data centres reported in both documents	**Yes. A completeness word for a set excluding seven operating sites, against a bounded version of the same claim in the other document**
Operating site count	18 operational data centres (at-a-glance); 18 sites assessed in the climate metrics, named individually	18 operational data centres	Not reviewed	Not applicable	Not reviewed	Not reviewed	Not applicable	Same population	**No divergence.** The site count is consistent across the FY26 suite

O.2 NGER statutory reconciliation (A-01C)

METRIC	DISCLOSED (REPORT)	NGER REGISTER (YEAR · AS-AT)	BOUNDARY DIFFERENCE (OP-CONTROL / AU-ONLY / METHOD / PERIOD)	RECONCILED?	LABEL
Scope 1	FY26: 5,844 tCO_2-e (all jurisdictions, GHG Protocol, assured)	FY2024-25: 7,919 tCO_2-e (as at 27/02/2026)	Different periods, different geographic scope and different methodology. The FY26 register row is not yet published	**Not comparable.** For the prior period the disclosed 7,927 t reconciled to the register within 8 t	**Cannot verify for FY26 (F-19, Annex H K-2). Prior period reconciled**

METRIC	DISCLOSED (REPORT)	NGER REGISTER (YEAR · AS-AT)	BOUNDARY DIFFERENCE (OP-CONTROL / AU-ONLY / METHOD / PERIOD)	RECONCILED?	LABEL
Scope 2 (location-based)	FY26: 162,163 tCO_2-e, excluding electricity attributable to customer IT equipment	FY2024-25: 358,353 tCO_2-e (as at 27/02/2026)	The decisive difference is the customer-electricity exclusion, which NGER's operational-control facility basis does not make. Also period, geography and methodology	**Not comparable, and expected to diverge materially.** For the prior period the disclosed 358,348 t reconciled to the register within 5 t	**Cannot verify magnitude for FY26 (F-19, Annex H K-2); divergence established in principle (F-17)**
Net energy (GJ)	Not disclosed in GJ. FY26 electricity 641,115 MWh (= 2,308,014 GJ) and diesel approximately 1,665 kL, both unassured and in the ESG Report only	FY2024-25: 1,971,147 GJ (= 547,541 MWh equivalent)	The register figure is Australian facilities for the prior period; the disclosed figure is all operational sites for FY26	**Not comparable**	**Cannot verify (F-19, Annex H K-2, F-22, Annex H K-5)**

Absence from, or divergence within, the register is not evidence of under-reporting. The registers reconciled to within 8 and 5 tonnes for the prior period, which is why the FY26 separation is a finding about disclosure rather than about measurement.

O.3 Disclosure-risk register (DR-01 / DR-03..DR-07)

#	LENS	EXPOSURE & CONFIDENCE	DRIVER (FINDING / EVIDENCE IDS)	CROSS-SOURCE LINK (DR-02)	WHAT WOULD REDUCE IT
O-01	Legal (misleading conduct / disclosure / director duty)	**Moderate · Medium**	A reported Scope 2 figure 54.7% below the prior period's, on an undisclosed boundary change, in a year consumption rose 22.0%, in a document carrying a directors' declaration (D-302, E-02, E-06, E-39). Held below the higher band because the exclusion is stated in words wherever the figure appears	Scope 2 row; change-of-basis row	State the change and its effect beside the FY26 figure; restate the prior period onto the FY26 boundary
O-02	Legal (misleading conduct)	**Moderate · Medium**	A "100% carbon neutral" statistic carrying no certified year, on a programme proposed to cease 30 June 2027, with the certified boundary's share of the footprint stated nowhere (D-501, E-17, E-18, E-19)	Carbon neutrality row	State the certified year and the boundary's share of reported emissions at the point of claim
O-03	Regulatory (AASB S2)	**Moderate · Medium**	A target published with no base period and no interim targets, sitting outside the assurance scope (D-103, D-602, E-12, E-13)	Not a cross-source divergence: internal to the statement	Publish the base period, base-year value and interim targets
O-04	Regulatory (AASB S2 cross-industry metrics)	**Low to moderate · Medium**	Climate-related capital deployment answered as "not separately tracked" alongside a 100% site-alignment declaration with no published criterion (D-104, C-08, E-15, E-16)	Capital-deployment row	Track and disclose climate-related capital; publish the alignment criterion
O-05	Regulatory (Clean Energy Regulator / cross-source)	**Moderate · Medium**	The regulator-facing and market-facing bases separate for the first time, with the difference stated but unquantified; the prior period matched within 8 and 5 tonnes (F-17, E-21, E-22)	Scope 1 and Scope 2 rows; Annex J.2	Publish a line-by-line reconciliation between the NGER and AASB S2 figures
O-06	Technology (dependence on unproven abatement)	**Elevated · Medium**	A net 2050 target with no interim points, no published trajectory and the credit role still under consideration, over a load growing with artificial-intelligence workloads; power efficiency worse for a third consecutive year; the two named efficiency technologies at deployment and trial stage; nil renewable contractual instruments (D-502, D-604, E-03, E-08, E-12)	Renewable-electricity row	A finalised transition plan with interim targets, quantified levers and a settled credit share; a renewable-procurement position
O-07	Physical (physical-risk disclosure consistency)	**Low · High**	Three physical and three transition scenarios, site-level modelling across all 18 sites, named higher-exposure sites, per-hazard site counts framed as modelled exposure, and quantified current effects (D-901, E-15, E-16, E-37)	Operating site count row, which is consistent	Progressive quantification of the anticipated effects currently qualitative
O-08	Other (market / reputational)	**Moderate · Medium**	Water and waste both moved against the company on stated metrics; nature disclosure withdrawn without replacement; the annual report's only renewable-energy percentage is the sector's 70% while NEXTDC's own is 0.118% (D-303, D-902, D-903, E-11, E-20, E-26, E-27)	Renewable-electricity row	Print NEXTDC's own renewable share beside any sector figure; restore the site-level nature screening

#	LENS	EXPOSURE & CONFIDENCE	DRIVER (FINDING / EVIDENCE IDS)	CROSS-SOURCE LINK (DR-02)	WHAT WOULD REDUCE IT
O-09	Other (metric integrity)	**Low to moderate · High**	Power efficiency stated at 1.49 with three population descriptions across two documents and a fourth value of 1.48 testing executive pay (F-15, E-07, E-08, E-09)	Power usage effectiveness row	Define one metric, state its population once, and reconcile any remuneration variant to it
O-10	Other (claim integrity)	**Low · High**	"All* our operational facilities are certified" listing 11 of 18 operating sites, against a bounded version of the same claim in the annual report (F-15, E-30, E-31)	Environmental management certification row	Bound the claim to the certified population, as the annual report already does

Annex K: Longitudinal series & cross-period tracking register (YOY-01..08 / OUT-TB-19)

P.1 Multi-period headline series (YOY-02)

Values as stated. Rows are split where the reported basis changed, because a single row across the break would assert a like-for-like series the company has not published.

METRIC / CLAIM	PERIOD →	FY20	FY21	FY22	FY23	FY24	FY25	FY26	SOURCE(S) PER CELL	BOUNDARY/METHOD NORMALISATION
Scope 1, AU only, NGER basis (tCO_2-e)		434	665	1,292	866	1,615	7,927	—	FY23 ESG (FY20–FY23); FY24 data pack; FY25 C&N p.23	Australian facilities, NGER methodology. Fugitive refrigerants counted from FY25
Scope 1, all jurisdictions, GHG Protocol (tCO_2-e)		—	—	—	—	—	—	5,844	FY26 AR folio 82 (E-01); assured	New basis and wider geography from FY26; not comparable to the row above and no bridge published
Scope 2 location-based, whole-facility (tCO_2-e)		224,108	297,897	350,049	349,902	335,629	358,348	—	FY23 ESG; FY24 data pack; FY25 ESG p.33 (E-39)	Includes customer IT load and its cooling, expressly, per the FY25 ESG Report. Basis discontinued after FY25
Scope 2 location-based, excluding customer IT electricity (tCO_2-e)		—	—	—	—	—	—	162,163	FY26 AR folio 82 (E-02); assured	New basis from FY26. On the derivation at E-40 the excluded portion is about 331,000 tCO_2e
Scope 2 market-based (tCO_2-e)		—	—	—	—	—	—	—	Not reported in any annual, ESG or climate report in any year	Reported only inside the certification statements for the certified boundary (FY2023-24: 10,714.14 t market against 11,520.83 t location). FY26 states nil contractual instruments
Scope 3 by category		—	—	Selected, via certification	Selected, via certification	Not published	Not published	**Not published, first-year relief taken**	FY2021-22 and FY2022-23 statements; FY25 ESG p.27 fn 1; FY26 AR folio 66 (E-04)	The FY26 position is a disclosed transitional relief, unlike the FY24 and FY25 silence
Total Scope 1 plus 2, whole-facility basis (tCO_2-e)		224,542	298,562	351,341	350,768	337,244	366,275	—	Sum of the rows above	Up 63% FY20 to FY25
Total Scope 1 plus 2, FY26 reported basis (tCO_2-e)		—	—	—	—	—	—	168,007	Sum of E-01 and E-02	Not comparable to the row above
Electricity consumed (MWh)		Not in corpus	Not in corpus	Not in corpus	Not in corpus	476,571	525,291	641,115	FY25 ESG p.33 (E-39); FY26 ESG (E-06)	Consistent basis across FY24 to FY26: total facility consumption. Up 22.0% in FY26

METRIC / CLAIM	PERIOD →	FY20	FY21	FY22	FY23	FY24	FY25	FY26	SOURCE(S) PER CELL	BOUNDARY/METHOD NORMALISATION
Intensity: PUE		1.30	1.40	1.38	1.39	1.42	1.44	1.49	FY23 ESG; FY24 data pack; FY25 C&N; FY26 AR folio 20 (E-08) and FY26 ESG (E-06, E-07)	FY26 population excludes sites commissioned during FY26 including KL1; the earlier years' populations are not stated in the same terms
Intensity: CUE		—	—	1.15	1.16	1.08	1.04	1.10	FY24 data pack; FY25 C&N; FY26 ESG (E-10)	Whole-facility metric throughout, including in FY26: computed on the reported FY26 emissions it would be 0.39, so the numerator is the whole facility
Intensity: WUE		—	—	1.61	Not extracted	Not extracted	2.25	2.40	FY25 ESG; FY26 ESG (E-27)	FY23 and FY24 not extracted into this corpus
Renewable electricity %		—	—	0.10%	0.16%	0.17%	0.17%	**0.118%**	FY24 data pack; FY25 ESG; FY26 ESG (E-11) computed as 755,034 kWh ÷ 641,115,000 kWh	On-site solar only in every year. Nil contractual instruments in FY26
On-site solar generated (kWh)		Not in corpus	Not in corpus	Not in corpus	Not in corpus	816,297	884,955	755,034	FY25 ESG; FY26 ESG (E-11)	Down 14.7% in FY26 while consumption rose 22.0%
Landfill diversion %		—	—	—	—	88.69%	72.06%	~72%	FY25 ESG; FY26 ESG (E-26)	FY24 measured on a classification basis the company has twice said has since changed, with no restatement
Offset / certificate volume, certified boundary (tCO_2-e)		Not in corpus	10,271	11,170	12,070	13,682	Not certified	Not certified	Four Organisation statements (E-38)	Organisation certification only. Australian unit share fell from 24% to about 6% between FY21 and FY24
NEXTneutral programme volume (tCO_2-e)		Not in corpus	127	821	1,518	1,195	Not certified	Not disclosed	Four Service statements	FY26 states the programme continues and publishes no volume (F-26, Annex H K-9)
NGER register: Scope 1 / Scope 2 (tCO_2-e)		Not extracted	Not extracted	Not extracted	Not extracted	Not extracted	7,919 / 358,353	Not yet published	NGER published register FY2024-25, as at 27/02/2026 (E-22)	Reconciled to the FY25 disclosure within 8 and 5 tonnes

P.2 Silent restatement & baseline-rebasing log (YOY-04)

#	FIGURE / BASELINE	AS STATED IN REPORT OF THE PERIOD	AS RESTATED IN A LATER REPORT	DISCLOSED & LIKE-FOR-LIKE?	EFFECT ON AN ON-TRACK / PAY / FINANCING CLAIM	LABEL (CONCERN / ACCEPTABLE / CANNOT-VERIFY)
P2-1	FY22 Scope 2 location-based	417,430 tCO_2-e	350,049 tCO_2-e, a 19% correction	**Disclosed**, with the company noting the correct figure had gone to the regulator at the time	None: no target existed	**Acceptable.** A disclosed correction, recorded for completeness of the series
P2-2	FY26 Scope 2 boundary	Prior period: all facility electricity including customer IT load and its cooling (358,348 t on 525,291 MWh)	FY26: customer IT electricity excluded (162,163 t)	**Not disclosed as a change.** No statement of change, no quantification, no restatement, and no comparative under the relief taken	The reported figure falls 54.7% while consumption rises 22.0%. No target progress claim is made against it, and no pay outcome depends on it	**Concern.** The largest movement in the reported figures, unexplained (D-302, F-6)
P2-3	FY26 Scope 1 boundary and method	Prior period: Australian facilities, NGER methodology	FY26: all jurisdictions, GHG Protocol Corporate Standard	**Not disclosed as a change.** Two changes acting in opposite directions across one step, neither quantified	None claimed	**Concern** (D-203)

#	FIGURE / BASELINE	AS STATED IN REPORT OF THE PERIOD	AS RESTATED IN A LATER REPORT	DISCLOSED & LIKE-FOR-LIKE?	EFFECT ON AN ON-TRACK / PAY / FINANCING CLAIM	LABEL (CONCERN / ACCEPTABLE / CANNOT-VERIFY)
P2-4	Landfill diversion basis	FY24: 88.69%	FY25: 72.06% and FY26: ~72%, the fall attributed in both years to classification, supplier-data granularity and downstream acceptance changes	**Explained, not restated.** If the fall is primarily reclassification, the FY24 figure was measured on a basis the company now says has changed, and no prior year has been restated	No target: the prior period's quantified diversion ambition is not repeated in FY26	**Concern.** Second consecutive year on the same explanation with the series still not like-for-like (D-903)
P2-5	Power usage effectiveness population	FY26: 1.49 described as blended operational portfolio, and as average across operational Australian facilities, and footnoted as excluding all sites commissioned during FY26; 1.48 as the actual figure against the incentive condition	Not restated	**Partly disclosed.** The footnote states the FY26 exclusions; the earlier years' populations are not stated in comparable terms	The incentive condition was marked not achieved at nil vesting, so the pay outcome is unaffected by which figure is used	**Concern on comparability** (F-15)

P.3 Dropped / added disclosure log (YOY-05)

#	ITEM (METRIC / CATEGORY / TARGET / CLAIM / LIMITATION)	PRESENT IN	ABSENT/ADDED IN	EXPLAINED?	LABEL
P3-1	**Added:** statutory climate statement under AASB S2, with directors' declaration and independent limited assurance	FY26	Absent FY20 to FY25	Yes: first mandatory period	**Added.** Recorded, not credited: mandatory compliance is baseline (A-16)
P3-2	**Added:** basis of preparation with consolidation approach, named jurisdictional factors, activity-data provenance and measurement uncertainty	FY26	Absent FY20 to FY25	Yes	**Added.** Baseline for a credible discloser, not a credit
P3-3	**Added:** first emissions-reduction target, net zero Scope 1 and Scope 2 by 2050	FY26	Absent FY20 to FY25	Yes: Board approved during FY26	**Added. Assessed on its own terms at D-601 and D-602, not credited as a positive (D-008)**
P3-4	**Added:** site-level physical-risk modelling across all 18 operating sites with per-hazard exposure counts, and quantified current financial effects	FY26	Partly present FY24 to FY25 as nature and climate screening	Yes	**Added and strengthened.** Moves I1 from a gap to a pass
P3-5	**Dropped:** standalone Climate and Nature Report and all nature disclosure	FY24, FY25	FY26	Yes: retirement explained; TNFD and LEAP alignment under reassessment; biodiversity assessed as peripheral	**Dropped.** Climate content transferred and improved; nature content withdrawn without replacement (D-902)
P3-6	**Dropped:** machine-readable Sustainability Data Pack	FY24	FY25 (listed but not obtained), FY26 (not published)	No explanation given	**Dropped.** Confirmed non-published for FY26 from the company's own reporting-suite panel (D-204, D-020)
P3-7	**Dropped:** emissions, energy performance, water dependency and nature risk as separately reported principal risks	FY25	FY26, folded into thirteen restructured principal risks	Yes: restructuring explained in the directors' report	**Dropped with explanation.** Recorded; contributes to D-902 rather than standing alone
P3-8	**Dropped:** quantified tonnage split between NEXTDC's own operations and its customers'	To FY23	FY24 onward, and not restored in FY26	Partly, in FY24 and FY25	**Still absent.** The line that would have sized the FY26 exclusion directly
P3-9	**Dropped:** all prior-year comparatives for emissions and every operational metric except power efficiency	FY25 and earlier	FY26	Yes for the statutory report (relief disclosed); no explanation for the ESG Report, which is not subject to the relief	**Dropped.** The relief covers the statutory report only (D-102, F-8)

#	ITEM (METRIC / CATEGORY / TARGET / CLAIM / LIMITATION)	PRESENT IN	ABSENT/ADDED IN	EXPLAINED?	LABEL
P3-10	**Dropped:** NABERS ratings for M1, S1 and P1	Earlier periods	Certification periods lapsed; recertification deferred	Yes: deferred pending stable operating conditions	**Dropped with explanation. Neutral: a lapsed voluntary rating is neither a fault nor a credit**
P3-11	**Dropped:** NEXTneutral programme tonnage and participating capacity	FY2021-22 to FY2023-24 certification statements	FY26 reports, and no FY24-25 or FY25-26 statement available	No	**Cannot verify (F-26, Annex H K-9)**
P3-12	**Added:** plain statements of absence: nil contractual instruments, 0% of executive pay linked to emissions targets, no internal carbon price, climate-related capital not separately tracked	FY26	Absent earlier	Yes	**Added.** Each is the correct disclosure and each is baseline candour, not a credit (A-16); what they disclose is assessed at D-303, D-702 and D-104

P.4 Target-trajectory log (YOY-06 / YOY-08)

#	TARGET / CLAIM	BASE YR	TARGET YR	COVERAGE / SCOPE	CHANGE ACROSS PERIODS (WEAKENED / EXTENDED / REBASED / RE-SCOPED / RETIRED / REPLACED)	ON-TRACK SURVIVES SERIES?	LABEL
P4-1	Net zero Scope 1 and Scope 2	**Not stated**	2050	Scope 1 and Scope 2 within NEXTDC's reporting boundary; excludes Scope 3 and electricity attributable to customer-controlled IT equipment; net basis; location-based for Scope 2	**New in FY26.** Follows three periods of stated intent: a roadmap being finalised in FY24, a target being explored in FY25, approved in FY26	**No progress claim made; none possible without a base period**	**Decision-usefulness concern. Unmeasurable as published (D-602)**
P4-2	100% renewable energy by 2030	—	2030	Not stated	**Published in the FY22 Annual Report and carried in the FY22 and FY23 certification statements; absent from the FY2023-24 statements and from every report since, with no withdrawal disclosed.** Still absent in FY26, and the FY26 target does not replace it in kind	Never quantified against an actual renewable share of 0.10% to 0.17%	**Concern, historical. Recorded because the goal has never been formally withdrawn**
P4-3	20% reduction in service emissions intensity per kW by 2030, from an FY2020-21 base	FY2020-21 (0.323)	2030	The customer offset service only; intensity per kW, which permits absolute growth	**Carried in the FY2021-22 and FY2022-23 certification statements only; dropped from the FY2023-24 statements with no withdrawal disclosed.** Never published to the market. Still absent in FY26	Delivered early on the statements' own series (0.323 to 0.197, 39% below base), on the company's attribution to a cleaner grid, first-time solar reporting and a 60% rise in contracted load	**Concern, historical. The only quantified emissions target the company has ever reported progress against, and it was never in an investor-facing document**
P4-4	Power usage effectiveness below 1.40	—	Annual	All facilities, excluding facilities becoming live during the measurement period and hyperscale capacity below 80% of delivered load	**Re-sited rather than dropped.** A target column carrying "<1.40" appeared in the indicator tables to FY24 and was dropped in FY25. In FY26 the condition exists inside the executive incentive framework, where it was **marked not achieved with nil vesting**. It appears in no metrics and targets section	Not met: 1.49 blended, 1.48 on the incentive population	**Recorded.** Publishing a failed incentive outcome is a remuneration-report requirement and is baseline, not a credit

#	TARGET / CLAIM	BASE YR	TARGET YR	COVERAGE / SCOPE	CHANGE ACROSS PERIODS (WEAKENED / EXTENDED / REBASED / RE-SCOPED / RETIRED / REPLACED)	ON-TRACK SURVIVES SERIES?	LABEL
P4-5	Landfill diversion above 90%	—	Not stated	Operational waste	**Not repeated in FY26.** A quantified ambition stated in the prior period is absent, with no withdrawal disclosed, while the metric sits flat at about 72%	Not met in any year since FY24	**Concern. A quantified ambition dropped in the year it remained unmet**
P4-6	Climate Active carbon neutrality, corporate boundary	FY2018-19 initial year	Annual	Corporate functions; expressly excludes electricity consumed by customers' equipment	**Continuous FY19 to FY2023-24. Programme cessation proposed for 30 June 2027 and participation under review.** The FY26 claim states no year	Cannot verify beyond FY2023-24 (F-20, Annex H K-3)	**Decision-usefulness concern on period and share; the closure itself scored neutral (D-010)**

P.5 Cross-report-type consistency over time (YOY-07 / DR-02)

#	CLAIM / METRIC	REPORT TYPES COMPARED	PER-PERIOD DIVERGENCE (AFTER NORMALISATION)	TREND IN DIVERGENCE	AUDITED-SOURCE PREFERENCE APPLIED (A-01B)	LABEL
P5-1	Scope 1 and location-based Scope 2	Statutory report versus regulator register	FY25: disclosed 7,927 and 358,348 against register 7,919 and 358,353, a variance of 8 and 5 tonnes. FY26: bases have separated, register not yet published	**Widening, from effectively nil to material**	Yes: the FY26 figures are taken from the assured statutory report	**Divergence established in principle; FY26 magnitude cannot-verify (F-17, O.2)**
P5-2	Emissions-reduction target	Certification statements versus investor-facing reports	FY22 and FY23: a dated quantified target existed in the Service statements and the reports said none existed. FY24 and FY25: no target in either. **FY26: a target exists in the investor-facing reports and no current certification statement is available**	**Resolved, and reversed.** The direction of the divergence has inverted: the market now has the target the certifier once held	Yes	**Resolved.** The historical divergence is recorded at P4-3 and is no longer current
P5-3	Scope 2 basis	Voluntary ESG report versus statutory report	FY26 is the first year both exist. Both state 162,163 tCO_2e on the same boundary, and the ESG report repeats the exclusion language. **The ESG report is not subject to the comparatives relief and publishes no comparative either**	**New pairing; internally consistent on the figure, both silent on the change**	Yes: the statutory report governs	**Consistent on the figure.** The finding is what both omit (F-6, F-8)
P5-4	Operational metrics (electricity, PUE, water, waste, solar)	ESG report versus statutory report	FY26: the statutory report publishes none of them; the ESG report publishes all of them, unassured. Power efficiency appears in the annual report's directors' report at 1.49 and in the remuneration report at 1.48	**New separation.** The operational figures have moved out of the assured document entirely	Yes for emissions; the operational figures have no audited counterpart	**Recorded.** The derivation at E-40 depends on unassured figures for this reason (F-25, Annex H K-8)
P5-5	Carbon-neutral claim strength	Annual report overview versus statutory section versus ESG report	FY26: the overview and highlights state "100% carbon neutral" with a named boundary and no year; the statutory section states participation and directs readers to the register; the ESG report matches the overview and adds the programme's proposed cessation	**Narrowing.** The prior period carried four different strengths across three concurrent documents, two of them inside the audited report; FY26 carries a consistent boundary with a graduated strength	Yes: the statutory section is the most carefully worded and is preferred	**Improved, concern remains on the absent year (D-501)**
P5-6	Nature and biodiversity	Standalone Climate and Nature Report versus statutory report versus ESG report	FY24 and FY25: a standalone report applying the LEAP approach with per-site screening across 18 sites. FY26: no nature disclosure in any document	**Divergence eliminated by withdrawal rather than by convergence**	Not applicable: nothing to prefer	**Concern (D-902)**

Prepared under the Climate Disclosure Review Rules v15.23 (controlled AI-assisted review). The body (§1–§7) states the verdict and may be issued on its own; the annexes are the working layer. General information only: not legal, financial or investment advice, an audit, an assurance opinion, or a NoCO2 certification or conformance determination. © Carbon Reduction Institute Pty Ltd, ABN 26 122 969 233.

Annex L: How each score was reached

Each audience score is built from a fixed set of load-bearing criteria, marked before the score is set. "Partial" means the criterion is satisfied only with reader effort that this audience can reasonably spend, not a soft failure. The count matters as well as the score: a score can reach its floor on two failed criteria, so two reports sharing a score may sit some distance apart on the detail below.

#	AUDIENCE	CRITERION	VERDICT	WHY
A1	Carbon accounting	No material category excluded	Not met	No Scope 3 category is reported and none is bounded, under the disclosed first-year relief. Completeness therefore cannot be *confirmed* at all, which is the load-bearing test: a carbon accountant cannot see which categories are in or out and cannot rule out a material exclusion. Two material candidates are identified, and one, the electricity delivered to customer IT equipment, is indicatively about 331,000 tCO_2e against a reported Scope 2 of 162,163 tCO_2e. **The relief is not held against the company as a compliance matter; the criterion is about what the accountant can confirm, and the answer is nothing**
A2	Carbon accounting	Single reconcilable footprint	**partial (workable)**	The FY26 emissions totals are single, assured and identical in all three places they appear: the Sustainability Report metrics section, the ESG Report snapshot and the assurance report's own scope table. No competing FY26 total is published. The tension is that the company's own CUE of 1.10 implies a whole-facility position of roughly 473,000 tCO_2e that is stated nowhere. **Workable:** the accountant lifts the assured 5,844 tCO_2e and 162,163 tCO_2e on the boundary stated on the same page, and treats the CUE-implied figure as a review derivation rather than a company total
A3	Carbon accounting	Method, boundary and version transparency	Not met	The current-period method is materially better than anything the company has previously published: consolidation approach, GHG Protocol Corporate Standard and Scope 2 Guidance, three named jurisdictional factor sources, activity-data provenance down to fuel-inventory reconciliation and tenant-metering reconciliation, and identified measurement uncertainty. The criterion falls on the limb it expressly includes, **restatements and changes disclosed**: the Scope 2 boundary narrowed and the Scope 1 boundary and method both changed, and none of the three is identified as a change, quantified or restated, in a suite where the prior period's figures are on the public record and 55% higher. **The criterion fails on the change, not on the current-period method**
A4	Carbon accounting	Granularity and assurance sufficient to lift	**partial (workable)**	First external assurance over any NEXTDC emissions figure: limited assurance, unmodified, over both reported scopes, with the scope table naming both figures. Granularity is limited: Scope 1 is one number with three unquantified sources, Scope 2 is one number across three jurisdictions, and no MWh appears in the assured section. **Workable:** the accountant takes the limited-assurance Scope 1 of 5,844 tCO_2e and Scope 2 (location-based) of 162,163 tCO_2e from the metrics section, with the boundary, exclusions and factor sources stated on the same page and the PwC conclusion naming both figures. Assurance *level* and *scope* are the statutory phase-in and are not scored
I1	Institutional investors	Physical risk relevant and transparent (N-04)	**pass**	Assessed for relevance to the business model and methodology transparency only; the review does not judge the modelling's scientific quality. Three physical scenarios with an expected path named, three transition scenarios, site-level modelling across all 18 operating sites, named higher-exposure sites at Darwin, Newman and Port Hedland, screening metrics of 11 of 18 for water stress and 8 of 18 for river flooding, each expressly framed as modelled geographic exposure rather than site-specific risk, and the financial limb reached: $2.7m of industrial special risks insurance expense, $3.2bn of development capital carrying resilience measures, and the affected financial statement line items named. The hazards a knowledgeable investor would expect for a water- and power-dependent portfolio are covered, and the disclosure states its own limits
I2	Institutional investors	Transition risk: derivable target headroom	Not met	A target now exists, and no headroom is derivable from it. It is **net**, 2050 only, with **no base period and no base-year value**, **no interim targets** and no published trajectory; it is expressly unvalidated and not built on a sectoral decarbonisation approach; and it excludes Scope 3 and the electricity delivered to customer equipment, so on the company's own figures it covers about a third of the electricity emissions of the facilities it operates and none of the embodied carbon of a $3.4bn build program. No implied annual reduction can be computed and no interim checkpoint exists for 24 years. The transition plan that would supply all of it was not finalised at balance date, and a stated intention to improve is neither a fault nor a credit
I3	Institutional investors	Target achievement: real reductions, honest progress	**partial (workable)**	No reduction is claimed and no progress claim is made: the target was set during the year, no comparative is published, and every metric that worsened is disclosed with its cause, including the incentive power-efficiency condition marked not achieved with nil vesting and the whole-facility carbon intensity movement attributed partly to a cleaner grid rather than to company action. What is unexplained is the largest movement in the figures, a 54.7% fall in reported Scope 2. **Workable for this audience:** the analyst takes the 641,115 MWh and PUE of 1.49 from the ESG Report and the CUE of 1.10, reconstructs the whole-facility position, and reads the prior period's 358,348 tCO_2e on 525,291 MWh from the prior ESG Report, which remains published
I4	Institutional investors	Portfolio / financed-emissions completeness	**pass**	Not a financial institution, and no material equity, debt or fund investment portfolio is disclosed, so there is no financed or portfolio layer capable of being excluded. The criterion is reached and passes on the facts rather than being waived

#	AUDIENCE	CRITERION	VERDICT	WHY
I5	Institutional investors	Flow-through / look-through exposure	**partial (workable)**	The characteristic flow-through exposure for a colocation operator is the electricity its customers' equipment draws. It is raised repeatedly and candidly: the energy section states customer IT load "drives the majority of energy use", the value-chain map places customer IT equipment downstream, and the transition plan is stated to be considering improved disaggregation of cooling-driven emissions and customer IT electricity. It is quantified nowhere in emissions terms. **Workable for this audience:** divide the disclosed 641,115 MWh by the disclosed PUE of 1.49, which NEXTDC defines as total facility power over power delivered to customer equipment, to obtain about 430,278 MWh, then apply the grid factor implied by the reported Scope 2 over the residual overhead. The band is wide, and an order-of-magnitude figure at this size is priceable
I6	Institutional investors	Reconstructability by a sophisticated reader	**partial (workable)**	The operational position can be rebuilt and this review rebuilt it. **Workable:** the analyst takes the assured Scope 1 and Scope 2 with their boundary and factor sources, the 641,115 MWh of electricity and 1,665 kL of diesel, the PUE of 1.49, the CUE of 1.10, the WUE of 2.40 and the 755,034 kWh of solar, and the 18 named operating sites with their per-hazard screening counts. What cannot be reconstructed from the FY26 suite alone is the year-on-year movement, which requires the prior period's separate documents and a normalisation the company does not publish, and the Scope 3 position, which has no bound of any kind
R1	Retail investors	Headline matches evidence without cross-document work	Not met	The FY26 headline tiles carry their boundaries, which is the material change: "100% carbon neutral / For corporate functions" and "net zero Scope 1 and Scope 2 emissions by 2050". They are bounded in words and unsized in every case that matters. The reported Scope 2 sits beside a statement that customer IT electricity is excluded and beside a statement that customer IT load drives the majority of energy use, and nowhere in the suite is that majority given a number: sizing it requires dividing a figure in the ESG Report by another figure in the ESG Report and applying a factor derived from the annual report. The net zero tile does not disclose that the target excludes the same electricity. The carbon-neutral tile carries no certified year. **The correction is co-located and legible in qualitative terms, which holds the finding at a decision-usefulness concern rather than a misleading-risk one, and it is not workable at this audience's bar**
R2	Retail investors	Targets cover material sources; achievement honest	Not met	On coverage. The only target covers Scope 1 and Scope 2 as NEXTDC defines them: about a third of the electricity emissions of the facilities it operates, no Scope 3 at all, and none of the embodied carbon in a $3.4 billion build program with six sites in development and five in planning. There is no interim target of any kind, and no operational efficiency target appears in the metrics and targets section, the power-efficiency condition existing only inside the executive incentive framework. On honesty, no achievement is claimed and none is overclaimed, which is why the criterion falls on coverage alone
R3	Retail investors	Material risks legible	**partial (workable)**	The risks are legible in plain language. **Workable:** the reader takes the five named risks and opportunities with their value-chain locations, the three physical scenarios, the named higher-exposure sites at Darwin, Newman and Port Hedland, the per-hazard site counts, and the plain explanations given for the power-efficiency, water and waste movements. Their financial size is largely not legible: the anticipated effects are qualitative with reasons stated, and the one cross-industry metric a reader would use to test capital allocation is answered as not tracked
R4	Retail investors	Caveats findable, understandable, fairly presented	**partial (workable)**	The caveats that exist are placed where the reader meets the thing they qualify and are fairly stated. **Workable:** the reader takes the transitional-reliefs paragraph in the basis of preparation, the Scope 2 boundary paragraph in the same section as the figure, the power-efficiency footnote stating its population and exclusions, the incentive outcome table showing the condition not achieved at nil vesting, and the plain statements that no executive pay is linked to emissions targets and no internal carbon price is applied. The caveat that is missing rather than buried, that the Scope 2 basis changed, is scored at A3
P1	Consumers & public	Claims literally true within their implied boundary	Not met	Two limbs. **(a)** "100% carbon neutral for our corporate function, certified under Climate Active" is bounded as to scope and unbounded as to time: it states no certified year, certification runs a year in arrears so FY26 cannot be certified at report date, the latest statement available covers FY2023-24, and the statutory section directs readers to the register rather than stating a year. The certified boundary's share of the reported footprint appears nowhere. **(b)** The annual report carries one renewable-energy percentage and it is the sector's, attributed to Data Centres Australia: the sector "offsets 70% of its energy consumption with renewable energy". NEXTDC used no renewable-electricity contractual instruments at all and its own renewable supply is 0.118% of consumption, down in absolute terms, and that figure appears nowhere in the annual report. The attribution and the sector framing are what hold this at a decision-usefulness concern rather than a misleading-risk one
P2	Consumers & public	No greenwashing or misleading composite impression	Not met	The composite a non-specialist assembles from the FY26 suite is a company that has put its climate reporting on a statutory, assured footing, set its first net zero target, cut embodied carbon 27% and reduced its reported emissions by more than half. On the company's own figures the facilities it operates consumed 22.0% more electricity, its whole-facility carbon intensity worsened from 1.04 to 1.10, its power efficiency worsened from 1.44 to 1.49, its water efficiency worsened from 2.25 to 2.40, its landfill diversion stayed flat at about 72% against 88.69% two years earlier, and the reported emissions fall is a boundary change with no statement of cause. **Every individual claim is bounded and every adverse metric is disclosed with its cause, so this is a finding about the composite impression, stated as risk, not about any untrue statement**
P3	Consumers & public	Genuine climate action evidenced	**pass**	The action is physical, executed and now measured against a stated baseline rather than intended: M3 Stages 2 and 4 tracking at approximately 27% below the Stage 1 embodied-carbon baseline against a 20% internal goal, delivered through defined low-carbon concrete mixes, EPD-supported procurement, lower-carbon reinforcing steel and recycled-content asphalt, with M2 pursuing mixes above 30% per cubic metre; battery energy storage supporting tower crane operations in place of larger diesel generators, with unsuccessful trials reported; 94.7% construction waste diversion at M3, 93% at M2 and 82.72% at KL1, about 90,000 m^3 of fill reused and about 13,000 tonnes of recycled crushed concrete; and continued direct-to-chip liquid cooling with closed-loop designs specified for the S4, S7 and M4 developments. The second limb of this criterion, whether the entity is fuelling climate change while presenting otherwise, is carried by P2 and is not double-counted here

#	AUDIENCE	CRITERION	VERDICT	WHY
G1	Regulators	Standards compliance / readiness	**partial (workable)**	A first mandatory-period climate statement stated to be in accordance with AASB S2 and the Corporations Act, with a directors' declaration addressing sections 296C and 296D, an unmodified independent limited-assurance conclusion that nothing came to attention suggesting non-compliance with Division 1 of Part 2M.3, both first-year reliefs available and disclosed, the GHG Protocol applied with three jurisdictional factor sources named, and NGER reporting addressed. **Workable:** the regulator reads the declaration, the assurance conclusion and the basis of preparation, each of which states its own scope. The concern the body records against this criterion is the target disclosure, published with no base period and no interim targets and sitting outside the assurance scope; **it does not defeat the criterion because it is a single first-year gap in an area the assurance phase-in does not yet reach, on a target approved during the period, with the missing elements expressly stated as under development**
G2	Regulators	Cross-source / audience consistency	Not met	Six limbs, all specific. **(i)** The regulator-facing and market-facing bases have separated: on the FY2024-25 register NEXTDC's NGER Scope 1 and location-based Scope 2 matched its own disclosed whole-facility figures within 8 and 5 tonnes, and the FY26 disclosure is on a boundary excluding about two thirds of the facilities' electricity, with the company stating only that the frameworks "may differ" and quantifying neither the difference nor its components. **(ii)** Power efficiency is stated at 1.49 with three different population descriptions across two documents, and a fourth value of 1.48 tests executive pay. **(iii)** Capital deployed against climate risks and opportunities is reported as not separately tracked, while $3.2bn of development capital is described as incorporating resilience measures and total capital expenditure of $3,397.4m is reported in the directors' report. **(iv)** "All* our operational facilities are certified" lists 11 of 18 operating sites, against a bounded "metro data centre portfolio" version of the same claim in the annual report. **(v)** The carbon-neutral claim appears without a certified year in the overview pages while the statutory section directs readers to the register. **(vi)** The financial report discloses a change of measurement basis, its retrospective application and a $272.4m effect; the climate disclosure changes its Scope 2 boundary and discloses neither