



**NEXTDC LIMITED**  
**ACN 143 582 521**

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**NOTICE OF ANNUAL GENERAL MEETING**

and

**EXPLANATORY MEMORANDUM**

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Date of Meeting: Tuesday 24<sup>th</sup> November 2015

Time of Meeting: 11.00 am (Sydney time)

Place of Meeting: PWC  
Darling Park Tower 2,  
201 Sussex Street  
Sydney, NSW, 2000  
Room: 'Sydney I'

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

# NEXTDC LIMITED

## ACN 143 582 521

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of **NEXTDC Limited** ACN 143 582 521 (**NEXTDC** or the **Company**) will be held at 11.00am, on 24 November 2015 in Room: 'Sydney I'; offices of PWC, Darling Park Tower 2, 201 Sussex Street, Sydney, NSW 2000. Registration will commence just prior to the meeting.

This Notice of Meeting incorporates, and should be read together with, the Explanatory Memorandum and the Proxy Form.

### AGENDA

#### ORDINARY BUSINESS

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##### Financial Statements and Reports

To receive and consider the Company's Annual Financial Report comprising the Directors' Report, Balance Sheet, Statements of Comprehensive Income, Changes in Equity, Cash Flows and Notes to the Financial Statements, Directors' Declaration and Auditor's Report for the financial year ended 30 June 2015.

**Note:** A resolution of shareholders is not required for this item of business.

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#### 1. Resolution 1 - Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution under section 250R (2) of the Corporations Act:

*"To adopt the Remuneration Report of the Company (as set out in the Directors' Report) for the financial year ended 30 June 2015."*

This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

**Note:** The vote on this resolution is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting when reviewing the Company's future remuneration policies.

If 25% or more of the votes cast, are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("a spill resolution") that another meeting should be held within 90 days at which time all of the Company's Directors (other than the Chief Executive Officer) must be put forward for re-election.

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## **2. Resolution 2 - Re-election of Mr Douglas Flynn as a Director**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That Mr Douglas Flynn, the Non-executive Independent Chairman who retires by rotation in accordance with the Listing Rules and Article 58.1 of the Company's Constitution and being eligible, offers himself for re-election, be and is hereby re-elected as a Director of the Company."*

**Note:** Information about Mr Flynn appears in Item 2 of the Explanatory Memorandum.

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## **3. Resolution 3 – Election of Ms Elizabeth Gaines as a Director**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That Elizabeth Anne Gaines, Non-executive Independent Director who was appointed by the Board as an additional Director and who retires in accordance with Article 57.2 of the Company's Constitution and being eligible, offers herself for election, be and is hereby elected as a Director of the Company."*

**Note:** Information about Ms Gaines appears in Item 3 of the Explanatory Memorandum.

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## **4. Resolution 4 - Approval of the grant of Performance Rights to Mr Craig Scroggie**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the issue of 387,931 Performance Rights to the Executive Director and Chief Executive Officer, Mr Craig Scroggie, under the NEXTDC Executive Incentive Rights Plan on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting."*

**Note:** Information about this resolution appears in Item 4 of the Explanatory Memorandum.

This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

## **OTHER**

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## **5. Other Information**

### **5.1 Explanatory Memorandum**

The accompanying Explanatory Memorandum and Proxy Form forms part of this Notice of Meeting and should be read in conjunction with it.

### **5.2 Proxies**

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a Shareholder of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body corporate may exercise as the Shareholder's proxy; and
- (e) a Shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides instructions on appointing proxies and lodging Proxy Forms.

### **5.3 Corporate representatives**

Any:

- (a) corporate Shareholder; or
- (b) corporate proxy appointed by a Shareholder,

which has appointed an individual to act as the Shareholder or proxy's corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative.

The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available by contacting the Company's share registry, Link Market Services Limited at:

Address: Level 12, 680 George Street, Sydney NSW 2000  
Phone: 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia)  
Fax: (02) 9287 0309

### **5.4 Voting entitlements**

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)*, the Board has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of members as at 7.00pm (Sydney time) on Sunday, 22 November 2015.

Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlements to attend and vote at the Meeting.

If you have any questions on how to cast your vote, please call the Company's share registry, Link Market Services Limited on 1300 554 474 (toll free) from within Australia or ++61 1300 554 474 from overseas during business hours.

## 5.5 Chairman

Mr Douglas Flynn, the Chairman of the Company, will chair the Meeting.

## 5.6 Voting exclusions

In accordance with the Corporations Act and the ASX Listing Rules, the Company will disregard any votes cast on:

- (a) Resolution 1, by:
- (i) any key management personnel of the Company, including the Chairman and other Directors; and
  - (ii) any closely related parties of key management personnel,

unless the vote is cast by a person described in (a) as a proxy for a person who is entitled to vote and the Proxy Form directs how the proxy is to vote on the Resolution. If the Chairman is your proxy and you give no direction on how to cast your vote, in accordance with section 250R (5) of the Corporations Act, the Chairman will be authorised to exercise the proxy IN FAVOUR of Resolution 1.

"Key management personnel" of the Company are the Directors of the Company (including the Chairman) and other employees having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year ended 30 June 2013. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

- (b) Resolution 4, by;
- (i) any Director who is entitled to participate in the NEXTDC Executive Incentive Rights Plan and any of their associates; and
  - (ii) any key management personnel and any of their closely related parties as proxy.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## 5.7 Directing your proxy vote

If you wish to direct your proxy to vote on any Resolution, you can mark the "For", "Against" or "Abstain" box in Step 2 on the Proxy Form accordingly.

## 5.8 How the Chairman will vote undirected proxies for Resolutions

If you appoint the Chairman of the Meeting as your proxy or the Chairman is appointed as your proxy by default, and you do not specify how the Chairman is to

vote on any Resolution, the Chairman as your proxy will vote IN FAVOUR of that Resolution on a poll.

Important Note

Please note that, if you appoint a person who is excluded from voting on any Resolution as your proxy and you do not direct him or her on how to vote in respect to any Resolution on which they cannot personally vote on, then a vote cast by them on that resolution will not be counted. If you appoint any such excluded person as your proxy, we strongly urge you to direct them how to vote on the Resolution they are excluded from voting on. Alternatively, we suggest that you appoint someone else (such as the Chairman) as your proxy. (**Note:** If the Chairman is your proxy and you give no direction on any Resolution in Step 2 of the Proxy Form, the Chairman will be authorised to exercise the proxy IN FAVOUR of the Resolutions.

**BY ORDER OF THE BOARD**

**Michael Helmer**  
Company Secretary  
Dated: 23 October 2015

# NEXTDC LIMITED

## ACN 143 582 521

### EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be considered at the Annual General Meeting of Shareholders to be held on 24 November 2015.

The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting and Proxy Form. For the assistance of Shareholders, a glossary of defined terms is included at the end of this Explanatory Memorandum.

Full details of the business to be considered at the Meeting are set out below.

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### Financial Statements and Reports

The Corporations Act requires that the report of the Directors, the report of the Auditor and the financial reports be presented to the Annual General Meeting. Apart from the matters involving remuneration which are required to be voted upon, the Corporations Act does not require a vote of Shareholders at the Annual General Meeting on such reports or statements, however Shareholders will be given ample opportunity to raise questions with respect to these reports and statements at the meeting.

The Annual Financial Report will be tabled and discussed at the Annual General Meeting and the Directors will be available to answer questions from Shareholders. In addition and as required under section 250RA of the Corporations Act, a representative of the Company's auditors, PricewaterhouseCoopers, will be present to answer any questions about the conduct of the audit or the preparation and content of the Auditor's Report.

The Company's Annual Financial Report for the period 1 July 2014 to 30 June 2015 has been sent to shareholders who requested a copy and is available on the Company's website at [www.nextdc.com](http://www.nextdc.com).

A shareholder resolution is not required in respect to the Annual Financial Report.

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### 1. Resolution 1 - Adoption of Remuneration Report

The Corporations Act requires that the section of the Annual Directors' Report dealing with the remuneration of key management personnel including the Directors' Remuneration Report be put to Shareholders for consideration and adoption by way of a non-binding ordinary resolution.

The Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive Directors and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director of the Company; and

- details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for Shareholders to ask questions about, or make comments on, the Remuneration Report at the Annual General Meeting. In addition, Shareholders will be asked to vote on the Remuneration Report.

The vote on this Resolution is advisory only and the outcome will not be binding on the Board or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

If 25% or more of the votes that are cast on Resolution 1 are cast against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("a spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Chief Executive Officer) must be put forward for re-election.

### **Recommendation**

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

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## **2. Resolution 2 - Re-election of Mr Douglas Flynn as a Director**

Listing Rule 14.4 and Article 58 of the Company's Constitution require at least two of the Directors to retire by rotation at each Annual General Meeting.

In accordance with this procedure for the re-election of Directors, Mr Douglas Flynn retires from office by rotation and submits himself for re-election.

Mr Flynn was appointed by the Board with effect from 27 September 2013. He carries a Bachelor Degree in Chemical Engineering from the University of Newcastle, New South Wales and MBA qualifications (with distinction) from Melbourne University.

Mr. Flynn has had a distinguished career across the publishing, project engineering, global market research and internet services sectors both within Australia and internationally. He most recently acted as a director of West Australian Newspapers Holdings Limited from 2008 through 2011. WAN acquired Seven Media Group from Seven Group Holdings and KKR and Seven West Media Limited was created. Mr Flynn left Seven West in September 2014.

Mr. Flynn is also Chairman of ASX-listed Konekt Limited, iSentia Group and APN Outdoor.

### **Recommendation**

The Board unanimously recommends that Shareholders vote in favour of the re-election of Mr Douglas Flynn as a Director of the Company.

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## **3. Resolution 3 – Election of Elizabeth Gaines**

Ms Elizabeth Anne Gaines was appointed by the Board as an additional Director of the Company pursuant to Article 57.1 of the Company's Constitution. A Director so appointed must, under Article 57.2, retire at the next Annual General Meeting but is

eligible for election. In accordance with this procedure, Ms Gaines retires from office and submits herself for election.

Ms Gaines was appointed by the Board as a Director with effect from 24 June 2015.

Ms Gaines holds a Bachelor of Commerce from Curtin University and a Masters in Applied Finance from Macquarie University. She is also a member of Chartered Accountants Australia and New Zealand, the Australian Institute of Company Directors and Chief Executive Women.

Ms Gaines commenced her career with Ernst & Young in Perth and from 1988 to 1993 she worked in London in the Treasury and Group Finance divisions of UK merchant bank, Kleinwort Benson.

Ms Gaines held senior finance roles with BankWest in Perth from 1994 to 1997 during the period of the sale of BankWest by the Western Australian State Government to Bank of Scotland and the subsequent listing on the Australian Stock Exchange. In 1997, Ms Gaines joined Heytesbury Pty Ltd, a large private company wholly owned by the Holmes a Court family. Ms Gaines was appointed Chief Executive Officer of Heytesbury in January 2000 and was a Non-Executive Director of Heytesbury and John Holland Group until 2005.

In 2002, Ms Gaines joined UK based listed media company, Entertainment Rights as Chief Finance & Operations Director and was instrumental in growing the market capitalisation of the company until its eventual acquisition by private equity interests.

In 2008, Ms Gaines was recruited by CVC private equity to the role of Global CFO for the Stella Group of businesses. The Stella Group comprised assets located in Australia, New Zealand, the UK, the USA, South East Asia and Southern Africa and operated in the tourism and hospitality sectors. The Stella group of businesses were recapitalised and demerged in July 2009 and Ms Gaines remained a Non-Executive Director of Mantra Group Holdings Limited (ASX: MTR) from 2009 through to its IPO on the ASX in June 2015.

Ms Gaines is currently the CEO of ASX listed travel distribution business, Helloworld Limited and will leave this role in December 2015. Elizabeth brings a wealth of strategic and finance experience which the Board feels will complement its existing skill sets.

She is also a Non-Executive Director of ASX-listed Fortescue Metals Group (FMG) and is a member of FMG's Audit & Risk Committee and Finance Committee.

### **Recommendation**

The Board unanimously recommends that Shareholders vote in favour of electing Ms Elizabeth Gaines as a Director of the Company.

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## **4. Resolution 4 - Approval of the grant of Performance Rights to Mr Craig Scroggie**

### **Purpose of resolution**

The Company proposes to grant to Mr Craig Scroggie 387,931 Performance Rights under and in accordance with the Executive Incentive Rights Plan (**EIRP**).

In his role as CEO, Mr Scroggie is a key executive of NEXTDC Limited and plays an important role in leading the execution of the Company's growth strategies and business objectives.

ASX Listing Rule 10.14 requires the approval of Shareholders to be sought where the Company intends to provide newly issued securities under an employee incentive scheme to a related party. For the purposes of ASX Listing Rules, Mr. Scroggie is regarded to be a related party.

The Executive Incentive Rights Plan (EIRP) has been designed to facilitate alignment between eligible senior executives and the long term interests of NEXTDC's shareholders. A key component to effective executive remuneration is the provision of incentive grants under a long term incentive scheme to support retention, drive shared performance objectives and link remuneration to company performance and shareholder wealth outcomes.

The key features of the 2016 EIRP grant to Mr. Scroggie are disclosed in Appendix A.

If approved, Performance Rights will be issued to Mr Scroggie within 12 months of the 2015 Annual General Meeting.

### Further information

The details of Mr Scroggie's remuneration for the financial year ending 30 June 2016 are as follows:

Base Package	STI	LTI
\$1,200,000	Mr Scroggie is eligible for an STI target award opportunity of 25% of Base Package and a stretch (maximum) of 50% of Base Package based on the achievement of Company KPI's and Individual Performance KPIs. Refer to pages 29 to 35 of the 2015 Annual Report for more detail.	The target LTI value will be 37.5% of the Base Package and a stretch (maximum) of double the target.

As at the date of this Notice of Meeting, Mr Scroggie had an interest in 865,714 fully paid ordinary shares and 1,768,093 shares via the NEXTDC Loan Funded Share Plan and 505,618 Incentive Rights. That represents 1.58% of the total Shares in the Company. If Shareholders approve this Resolutions 4 for the Performance Rights to be granted to Mr Scroggie, he will have the following interest in Shares, options and Incentive Rights:

Employee Share Plan Shares	Other Shares	Incentive Rights
1,768,093	865,714	893,549

- (a) If all of the options previously granted to Mr Scroggie were exercised and the Performance Rights proposed to be granted under this Resolution 4 vest and were paid in Shares, Mr Scroggie would acquire an additional 893,549. If these were newly issued Shares, Mr Scroggie would have an interest in 1.77% of the total issued Shares in the Company.
- (b) Details of any Performance Rights issued under this approval will be published in each annual report of the Company relating to a period in which Performance Rights were issued under this approval. Aside from Mr Scroggie, no other

Director or their associate will be permitted to participate in the EIRP unless approved by Shareholders under Listing Rule 10.14.

### **Valuation of Performance Rights**

The accounting value (fair value) of the Rights to be granted has been determined to be approximately \$450,085 (approximately \$1.16 per Right) by applying a Black-Scholes calculation, with a risk of forfeiture adjustment. It should be noted that the valuation applies a discount to the Black-Scholes value, to recognise risk of forfeiture (50%), as required under relevant accounting standards and due to the performance condition being a market-related vesting condition.

The assumptions applied to the fair value calculation include:

Schedule 1: a volatility factor, which was the three year NXT share price volatility of 33.87%;

Schedule 2: a dividend yield of 0% per annum;

Schedule 3: a risk free rate of 2.59% per annum; and

Schedule 4: NEXTDC's share price at the valuation date of \$2.32044 (based on 30 day VWAP).

The closing price of the Company's Shares over the 12 months to 30 June 2015 has ranged between a high of \$2.63 on 2 March 2015 and a low of \$1.48 on 22 July 2014.

### **Recommendation**

The Board (other than Mr Scroggie) unanimously recommends that Shareholders vote FOR Resolution 4. Given his interest in Resolution 4, Mr Scroggie makes no recommendation to Shareholders with respect to this resolution.

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## 6. Glossary of Terms

The following terms and abbreviations used in the Notice of Meeting, this Explanatory Memorandum and the Proxy Form have the following meanings:

**ASX** means ASX Limited ACN 008 624 691.

**Board** means the board of Directors of the Company.

**Company** means NEXTDC Limited ACN 143 582 521.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** means all of the directors of the Company as at the date of this Notice of Meeting.

**Explanatory Memorandum** means this explanatory memorandum.

**Listing Rules** means the official listing rules of ASX.

**Meeting** means the general meeting of Shareholders to be held 11.00am (Sydney time), 24 November 2015 at Room: 'Sydney I'; offices of PWC, Darling Park Tower 2, 201 Sussex Street, Sydney, NSW 2000.

**NEXTDC** means NEXTDC Limited ACN 143 582 521.

**Notice of Meeting** means the notice of the meeting which accompanies the Explanatory Memorandum.

**Resolution** means a resolution in the Notice of Meeting.

**Shareholder** means registered holders of Shares.

**Shares** means fully paid ordinary shares in the capital of the Company.

## Appendix A

The features of the proposed 2016 financial year offer of Incentive Rights to Mr Scroggie under the EIRP are summarised below. A copy of the provisions applicable to EIRP scheme is available on the Company's website: [www.nextdc.com](http://www.nextdc.com).

Aspect	Details																					
<b>Number of Performance Rights</b>	A total of 387,931 Performance Rights will be offered to the CEO in the 2015-16 financial year. The number of Performance Rights has been calculated by multiplying the Base Package of the executive by the target long term incentive percentage (LTI %) and then dividing that figure by the VWAP leading up to the date of calculation. This figure is then doubled to recognise that at maximum performance, the intended award is double that of the target (noting that the target LTI % was used in the calculation rather than maximum and that at target performance, only 50% of granted Rights will vest).																					
<b>Amount payable for Performance Rights</b>	No amount will be payable by the CEO for the Performance Rights as they are part of the intended total remuneration package for the 2015-16 financial year.																					
<b>Vesting of Performance Rights</b>	Upon the satisfaction of the Vesting Conditions, the value of Incentive Rights that vest will be evaluated and will be paid in Shares, cash or a combination of cash and Shares based on the then Share price. No exercise price is required to exercise vested Incentive Rights. It is intended that vested Rights would be satisfied mainly in the form of Shares.																					
<b>Measurement Period</b>	The Measurement Period will be the three financial years from 1 July 2015 to 30 June 2018. The life of the Performance Rights will be from the date of grant (immediately following the AGM at which the grant is approved) to the end of the third financial year following and including the year of grant, which is shorter than the Measurement Period because the Company is seeking Shareholder approval for the grant, and the AGM occurs after the beginning of the Measurement Period.																					
<b>Vesting Conditions</b>	<p>In order for Performance Rights to vest, Mr Scroggie must remain employed by the Company during the vesting period (except in such cases as death, disablement and other limited circumstances described in the EIRP) and the performance conditions must be satisfied. The performance condition in relation to this proposed grant of Performance Rights is market adjusted total shareholder return (TSR) which compares the TSR of the Company to the TSR of the All Ordinaries Accumulation Index (XAOAI) over the Measurement Period with the vesting percentages (of the grant) to be determined by the following scale:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="background-color: #4f81bd; color: white;">Performance Level</th> <th style="background-color: #4f81bd; color: white;">Company's TSR Relative to Market TSR (XAOAI)</th> <th style="background-color: #4f81bd; color: white;">% of Tranche to Vest</th> </tr> </thead> <tbody> <tr> <td>&lt;Threshold</td> <td>&lt;100%</td> <td>0%</td> </tr> <tr> <td>Threshold</td> <td>100%</td> <td>25%</td> </tr> <tr> <td>&gt;Threshold &amp; &lt;Target</td> <td>&gt;100% &amp; &lt;120%</td> <td>Pro rata</td> </tr> <tr> <td>Target</td> <td>120%</td> <td>50%</td> </tr> <tr> <td>&gt;Target &amp; &lt;Stretch</td> <td>&gt;120% &amp; &lt;150%</td> <td>Pro rata</td> </tr> <tr> <td>Stretch</td> <td>≥150%</td> <td>100%</td> </tr> </tbody> </table> <p>The scale requires that the Company deliver a TSR to Shareholders that at least as good as the overall market (as indicated by the TSR of the XAOAI over the Measurement Period) before any vesting may occur. Full vesting does not become available until the TSR of the Company reaches 150% of the TSR of the XAOAI over the Measurement Period. This would, in the view of the Board, represent an outstanding outcome for a Company of its type. The Target of 120% of the XAOAI TSR over the Measurement Period is considered by the Board to be highly challenging, but possible if plans are successfully delivered.</p> <p>It should be noted that a gate of TSR being positive also applies such that no Performance Rights</p>	Performance Level	Company's TSR Relative to Market TSR (XAOAI)	% of Tranche to Vest	<Threshold	<100%	0%	Threshold	100%	25%	>Threshold & <Target	>100% & <120%	Pro rata	Target	120%	50%	>Target & <Stretch	>120% & <150%	Pro rata	Stretch	≥150%	100%
Performance Level	Company's TSR Relative to Market TSR (XAOAI)	% of Tranche to Vest																				
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Target	120%	50%																				
>Target & <Stretch	>120% & <150%	Pro rata																				
Stretch	≥150%	100%																				

	<p>will vest if Shareholders have lost value over the period (i.e. TSR must be greater than zero) unless otherwise determined by the Board.</p> <p>The Board retains discretion to modify vesting in the case that the circumstances that prevailed over the Measurement Period materially differed from those expected at the time the vesting scale was determined, which is intended to be used when the application of the vesting scale would lead to an outcome that may be viewed as inappropriate. Such discretion would apply if the movement in the All Ordinaries Accumulation Index is positive but very low, such that when the scale is applied there is not a material difference between the performance of the market and the performance of the Company, in order to ensure vesting is appropriate under the circumstances.</p>
<b>Other information</b>	<p>At the 2014 Annual General Meeting, shareholders approved the granting to Mr Scroggie of performance Rights under the EIRP. Mr Scroggie was subsequently granted 505,618 Performance Rights which are subject to the terms of the EIRP. No price is or was payable for the acquisition of those Performance Rights. No other Performance Rights have been granted to the Directors under the EIRP since the 2014 Annual General Meeting.</p>



# NEXTDC LIMITED

ACN 143 582 521

N E X T D C

## LODGE YOUR VOTE

**ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

**BY MAIL**  
NEXTDC Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

**ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474

## PROXY FORM

I/We being a member(s) of NEXTDC Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (Sydney time) on Tuesday, 24 November 2015 at Sydney I Room, PWC, Darling Park Tower 2, 201 Sussex Street, Sydney, NSW, 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

**Important for Resolutions 1 and 4:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

#### Resolutions

	For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Douglas Flynn as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Ms Elizabeth Gaines as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of the grant of Performance Rights to Mr Craig Scroggie	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

NXT PRX501C



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Sydney time) on Sunday, 22 November 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

NEXTDC Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**