Notice of 2026 Annual Meeting

27 August 2026

Xero Limited

DEAR SHAREHOLDER

On behalf of the Board, I am pleased to invite you to the 2026 Annual Meeting (**Meeting**) of Xero Limited (**Xero**) on Thursday 27 August 2026 at 11.00am NZT (9.00am AEST).

The Meeting will be held online at https://meetings.openbriefing.com/xero26.

Details on how to register, join the Meeting, vote and ask questions are set out in this Notice of Meeting and in the Virtual Meeting Online Guide on Xero's Investor Centre xero.com/investors. The Meeting will be recorded and the recording made available on Xero's website.

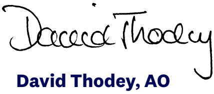
While you can vote during the Meeting, shareholders are strongly encouraged to vote ahead of the Meeting by lodging a directed Proxy Form. You may appoint a proxy by following the steps on the accompanying personalised Proxy Form and lodging it by 11.00am NZT (9.00am AEST) on Tuesday 25 August 2026.

The Meeting is an opportunity for the Board to hear directly from shareholders. If you wish to submit questions before the Meeting, you may do so at au.investorcentre.mpms.mufg.com by 11.00am NZT (9.00am AEST) on Tuesday 25 August 2026. Shareholders can also ask questions or make comments either online or by telephone during the Meeting.

Shareholders should monitor Xero's website and ASX announcements where updates will be provided if it becomes necessary or appropriate to make alternative arrangements for the Meeting.

I look forward to welcoming you at the Meeting and thank you for your ongoing support.

Sincerely



David Thodey, AO
Chair

XERO'S 2026 ANNUAL REPORT

Xero's Annual Reports for the financial year ended 31 March 2026, and prior years, are available on our website (xero.com/investors). Shareholders may request an electronic or printed copy of this and all future Annual Reports, free of charge, by emailing Xero's share registrar at support@cm.mpms.mufg.com or by updating your communication preferences at the MUFG Corporate Markets Investor Centre (au.investorcentre.mpms.mufg.com). Xero has not prepared a Concise Report for the year ended 31 March 2026.

NOTICE OF 2026 ANNUAL MEETING

Xero Limited (New Zealand company number 1830488) will hold its 2026 Meeting via an online platform provided by Xero's share registrar, MUFG Corporate Markets (AU) Limited, a division of MUFG Pension & Market Services **(MUFG Corporate Markets)**.

DATE	Thursday 27 August 2026
TIME	11.00am NZT (9.00am AEST)
VENUE	Online at https://meetings.openbriefing.com/xero26

Xero confirms that this document complies with the notice of meeting content requirements set out in the Listing Rules. On the basis of this confirmation, ASX has not objected to this document under Listing Rule 15.1.4.

Items of business

A. Chair's introduction and address

B. Presentation from Xero's Chief Executive Officer

C. Resolutions

D. Shareholder questions

Resolutions

Shareholders will be asked to consider and, if thought fit, to pass the following resolutions:

Resolution 1 - Auditor's fees and expenses
That the Board is authorised to fix the fees and expenses of Ernst & Young as auditor of Xero for the ensuing year.

Resolution 2 - Re-election of Mark Cross
That Mark Cross, retiring from office as a director of Xero at the close of the Meeting, and being eligible, be re-elected as a director of Xero.

Resolution 3 - Increase the non-executive directors' fee cap
That, approval be given for all purposes, including clause 25.1 of Xero's Constitution and ASX Listing Rule 10.17, for the maximum aggregate amount of remuneration that may be paid to non-executive directors of Xero from be increased by NZ$1,000,000, from NZ$3,300,000 to NZ$4,300,000 per annum.

Notes: Xero will not increase individual director fees during FY27. A voting exclusion applies to this resolution. See the Explanatory Notes for resolution 3

Resolution 4 - Re-approval of the US Incentive Scheme
That the Xero Limited USA Incentive Scheme, as amended and restated by the Board on 13 May 2026 be approved.

Resolution 5 - Adoption of Remuneration Report
That the Remuneration Report contained in the FY26 Annual Report be adopted.

Note: Xero is putting this resolution to shareholders voluntarily as a matter of good governance. This is an advisory resolution and the outcome of the vote will not bind the Board or Xero. A voting exclusion applies to this resolution. See the Explanatory Notes for resolution 5.

Further information about these resolutions is set out in the Explanatory Notes which form part of this Notice of Meeting.
By order of the Board.

Damien Coleman
Chief Legal Officer & Company Secretary
16 July 2026

EXPLANATORY NOTES

Resolution 1

Auditor's fees and expenses

Ernst & Young is the existing auditor of Xero and has indicated its willingness to continue as auditor. Under section 207T of the New Zealand Companies Act 1993 **(Companies Act)**, Ernst & Young will be automatically reappointed at the Meeting as auditor of Xero. Section 207S of the Companies Act provides that the auditor's fees and expenses must be fixed either by the company at this Meeting or in the manner that the company determines at this Meeting. Resolution 1, if passed by shareholders, would authorise the Board, consistent with commercial practice, to fix the fees and expenses of Ernst & Young as Xero's auditor for the ensuing year.

Board recommendation

The Board recommends that shareholders vote in favour of this resolution.

Resolution 2

Re-election of Mark Cross

Independent non-executive director

Appointed by the Board as a director on 1 April 2020

Last elected as a director by shareholders on 17 August 2023

Chair of the Audit and Risk Committee

Member of People and Remuneration Committee

Mark Cross retires as a director at this Meeting as required by ASX Listing Rule 14.4 and clause 21.1 of Xero's constitution and, being eligible, offers himself for re-election as a director.

Mark is an experienced professional director with more than 20 years of international experience in corporate finance and investment banking. He also currently chairs the boards of Chorus and Vocus, and is a director of Fisher & Paykel Healthcare. His recent previous directorships include Milford Asset Management (chair) and Z Energy.

Mark was at Deutsche Bank for 10 years, initially based in Sydney in mergers and acquisitions, then in London as a managing director and co-head of a European M&A industry group. Mark holds a Bachelor of Business Studies (Accounting & Finance) from Massey University New Zealand, is a member of Chartered Accountants Australia and New Zealand, a chartered fellow of the New Zealand Institute of Directors, and a member of the Australian Institute of Company Directors.

The Board considers Mark Cross to be an independent director.

Board recommendation

The Board reviewed the performance of Mark Cross and considers his skills, expertise and the contribution he makes to the Board and its Committees valuable. The Board (with Mark abstaining) unanimously recommends that shareholders vote in favour of Mark's re-election.

Resolution 3

Increase the non-executive directors' fee cap

Under clause 25.1 of Xero's constitution and ASX Listing Rule 10.17, the maximum aggregate annual fees that can be paid to all non-executive directors (Fee Cap) must be approved by shareholders by ordinary resolution.

The current Fee Cap of NZ$3,300,000 was approved by shareholders at Xero's Annual Meeting in August 2023.

Resolution 3 proposes to increase the Fee Cap by NZ$1,000,000 to NZ$4,300,000.

As Xero continues to grow and scale its global footprint, the experience requirements of Xero's Board continue to evolve. Accordingly, Xero is seeking to increase the Fee Cap to enable Xero to continue to attract and retain high calibre non-executive directors, including in overseas markets.

Xero has not requested an adjustment to the Fee Cap in the past three years. Xero's policy is to review non-executive director fees annually and the fee cap every two years to ensure that the Fee Cap is sufficient to continue to enable Xero to attract and retain high calibre directors and to enable effective succession planning.

In 2026, Xero conducted a review of non-executive director fees. Benchmarking was conducted against both primary and secondary peer groups. These peer groups reflect a range of factors, including the locations of where our current non-executive directors are domiciled and the global complexity, scale, and workload of our organisation. Companies in the comparator groups were identified based on industry, market capitalisation, total assets, net assets, revenue, EBITDA and operational scope.

The benchmarking process is set out in Xero's Remuneration Report contained in the FY26 Annual Report, which can be accessed at Xero's Investor Centre (www.xero.com/investors).

Following this meeting, and subject to shareholders voting in favour of resolution 2, Xero's Board will comprise six non-executive directors, with two based in New Zealand, one based in Australia, one based in the UK and two based in the US. The Board regularly reviews its composition to ensure that it continues to have the right skills and experience to best support Xero to execute on its strategic plans and priorities over the coming years.

The proposed increase in the Fee Cap will also provide appropriate capacity to accommodate the appointment of an additional director, future market-based adjustments to director fees and a globally diverse board. Xero will not be increasing director fees during FY27. Details of fees paid to non-executive directors for the year ended 31 March 2026 are included in Xero's Remuneration Report.

No securities have been issued to non-executive directors under ASX Listing Rules 10.11 and 10.14 with the approval of shareholders at any time in the last three years before the date of this Notice of Meeting.

The total amount of fees paid to all non-executive directors must not exceed the Fee Cap. If shareholder approval is not obtained for this resolution, any potential future fee increases or appointment of an additional director would only be possible up to the amount of the existing Fee Cap of NZ$3,300,000.

Board recommendation

Given each non-executive director has an interest in this resolution, the Board does not consider it appropriate to make a recommendation on this resolution.

Voting Exclusions

Xero will disregard any votes cast in favour of this resolution (Resolution 3) by or on behalf of a director of Xero or any of their associates (as defined in the ASX Listing Rules).

However, Xero need not disregard a vote if it is cast in favour of this resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way;
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair of the Meeting to vote on the resolution as the Chair of the Meeting decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4

Re-approval of the US Incentive Scheme

Background

Xero maintains the Xero Limited USA Incentive Scheme **(US Incentive Scheme)** which enables select United States **(US)** Participants (as defined in the US Incentive Scheme) to benefit financially from the grant of options to purchase ordinary shares of Xero and from the issuance of full value stock rights known as “restricted stock units” or “RSUs”. Xero operates separate equity schemes for employees resident in other countries which are not the subject of this resolution.

Xero’s US employee base has increased due to the growth in the US business and the acquisition of Melio. The US Incentive Scheme was last approved by Xero’s shareholders in 2023, primarily to address US and State of California shareholder re-approval requirements and to increase the number of securities that may be allocated under the plan as described below.

US and State of California re-approval requirements

Securities laws in the State of California and US tax laws require that shareholders re-approve the US Incentive Scheme every 10 years or whenever the number of shares allocated under the plan is increased. If approved, Xero may continue to grant share-based awards to Participants resident in the State of California, which is the preferred method of providing incentives to employees (rather than cash-settled awards) and to grant incentive stock options or “ISOs” to employees subject to US taxation who are employed by Xero or a “subsidiary corporation” for the purposes of the section of the US Internal Revenue Code governing ISOs. Subject to shareholder approval, Xero intends to continue to grant share awards to Participants resident in California and ISOs to employees subject to US taxation under the US Incentive Scheme.

For US tax law purposes (the ability to grant ISOs), the US Incentive Scheme must be approved by a majority of the votes cast at a meeting of shareholders at which a quorum representing a majority of all outstanding shares entitled to vote is either in person or by proxy present and voting on this resolution.

For California securities law purposes, the US Incentive Scheme must be approved by a majority of all outstanding shares entitled to vote.

Securities Allocation Limit and Term of Scheme

If this resolution is approved, the number of securities that may be allocated under the US Incentive Scheme will be increased. The current securities allocation limit is 8,800,000 equity securities (subject to adjustment for forfeitures and cancelled securities, and for certain variations in Xero's capital) as approved by shareholders in 2023. Of the 8,800,000 securities, approximately 1,700,000 securities remain unallocated as of the date of this Notice of Meeting. Xero is requesting that the securities allocation limit under the US Incentive Scheme be increased by an additional 4,400,000 securities.

If approved by shareholders, the new securities allocation limit for awards granted under the US Incentive Scheme will be 13,200,000 equity securities (subject to adjustment for forfeitures and cancelled securities, and for certain variations in Xero's capital). Of these securities, the maximum number of securities that may be issued pursuant to options that are intended to qualify as ISOs will be 13,200,000 equity securities (subject to adjustment for certain variations in Xero's capital).

The current term of the US Incentive Scheme is 10 years (unless terminated earlier by the Board), as measured from the date of the Board's adoption of the amendment in 2023. Subject to shareholder approval, the expiration of the US Incentive Scheme will be extended by 10 years from the date of the Board's adoption of the amended and restated US Incentive Scheme on 13 May 2026 to 13 May 2036.

Approval sought

By approving this resolution, shareholders will allow Xero to continue to grant:

A. ISOs with exercise prices at 100% of the fair market value of one ordinary share of Xero on the grant date to employees who are US taxpayers and employed by Xero or a subsidiary corporation for up to 10 years to 13 May 2036, within the 13,200,000 securities allocation limit (subject to certain variations in Xero's capital);

B. stock options with exercise prices at 100% of the fair market value of one ordinary share of Xero on the grant date and RSUs for up to 10 years to 13 May 2036 within the 13,200,000 securities allocation limit (subject to adjustment for forfeitures and cancelled securities, and for certain variations in Xero's capital) to employees (including officers and directors), consultants, and other service providers to Xero and its subsidiaries and other controlled entities who are resident in the State of California; and

C. stock options with exercise prices at 100% of the fair market value of one ordinary share of Xero on the grant date and RSUs for up to 10 years to 13 May 2036 to employees (including officers and directors), consultants, and other service providers to Xero and its subsidiaries and other controlled entities who are resident in or subject to taxation by the US, within the 13,200,000 securities allocation limit (subject to adjustment for forfeitures and cancelled securities, and for certain variations in Xero's capital).

In the event that this resolution is approved to a degree sufficient for US tax law purposes (the ability to grant ISOs) but not to the degree required for California securities law purposes, the US Incentive Scheme as amended and restated on 13 May 2026 will be effective with respect to ISOs, the increase in the securities allocation limit, the term of the scheme, and for other general purposes, but not with respect to the ability to grant share-based awards to Participants resident in California and such awards will be settled in cash in accordance with the terms of the US Incentive Scheme.

In the event that this resolution is not approved to a degree sufficient for US tax law purposes, US Participants may instead be paid relevant amounts in cash.

Board recommendation

The Board unanimously recommends that shareholders vote in favour of this resolution.

Resolution 5

Adoption of Remuneration Report

Xero is incorporated in New Zealand and subject to New Zealand law. Under Australian law, listed companies incorporated in Australia must prepare a Remuneration Report and put an advisory resolution to shareholders at the Annual Meeting that the Remuneration Report be adopted. This law does not apply to Xero but, as a matter of good governance, Xero voluntarily publishes a Remuneration Report each year and will again be voluntarily putting an advisory resolution to its shareholders.

The Board oversees Xero's governance arrangements and actively engages with a wide range of stakeholders on a variety of issues, including remuneration. Where possible, we actively seek the views of our shareholders and their advisors ahead of making important decisions that impact Xero's ability to attract and retain the global workforce required to successfully deliver on our FY25–27 strategy.

The Remuneration Report can be found on pages 92 to 121 of the FY26 Annual Report. The voting outcome and comments provided by proxy advisors and investors in respect of the adoption of the FY25 Remuneration Report at Xero's 2025 Annual Meeting were considered by the Board and responded to in Xero's 2026 Remuneration Report.

Guided by stakeholder feedback, disclosures in the Remuneration Report have been strengthened, including by publishing current-year long-term incentive (LTI) relative total shareholder return (rTSR) targets and payout ranges, and expanding commentary on how the Board assessed the CEO's individual short-term incentive (STI) performance multiplier. Please refer to Xero's 2026 Remuneration Report for further details.

The Remuneration Report is not intended to fully replicate the statutory disclosure requirements of an Australian company's remuneration report as these requirements do not apply to Xero. However, the information goes beyond New Zealand requirements to provide greater transparency and insight into our remuneration practices.

Resolution 5 will not bind Xero or the Board or have other legal consequences, but the voting outcome and comments will be considered by the Board when setting future remuneration strategies and in the following year's Remuneration Report. Xero remains committed to voluntarily publishing remuneration reports each year and voluntarily putting an advisory resolution to shareholders at each Annual Meeting. We also welcome engagement with shareholders throughout the year, including on our senior executive remuneration arrangements and the role they play in supporting Xero's strategy.

Board recommendation

Given each non-executive director has an interest in this resolution, the Board does not consider it appropriate to make a recommendation on this resolution.

Voting Exclusions

While Xero is not required to do so, Xero will voluntarily disregard any votes cast on this resolution (Resolution 5):

- by or on behalf of a director or the executives named in Xero's Remuneration Report for the year ended 31 March 2026 or their closely related parties, regardless of the capacity in which the vote is cast; and
- as a proxy by a director or the executives named in Xero's Remuneration Report for the year ended 31 March 2026, or their closely related parties, unless the vote is cast as proxy for a person entitled to vote on Resolution 5:
    - in accordance with a direction as to how to vote on the Proxy Form; or
    - by the Chair of the Meeting pursuant to an express authorisation to exercise the proxy even though Resolution 5 is connected with the remuneration of Xero's directors or the executives named in Xero's Remuneration Report.

IMPORTANT INFORMATION

Attendance

The Meeting will be held via an online platform at https://meetings.openbriefing.com/xero26, which will provide a reasonable opportunity for shareholders to participate. Shareholders will be able to hear the discussion, submit questions regarding each of the resolutions and vote via the online platform. Shareholders can also ask questions or make comments by telephone during the Meeting.

The Chair of the Meeting will also allow a reasonable opportunity for shareholders to ask questions about, or make comments on, each resolution at the Meeting.

We strongly recommend that shareholders who wish to participate log in to the online platform at least 15 minutes prior to the scheduled start time.

Technical difficulties may arise during the Meeting, so shareholders are encouraged to lodge a directed Proxy Form before the Meeting even if you plan to attend the Meeting online.

The Chair of the Meeting can decide whether and how the Meeting should proceed if a technical difficulty occurs. In making this decision, the Chair of the Meeting will consider the number of shareholders impacted and how the business of the Meeting is affected. If the Chair of the Meeting considers it appropriate, the Chair of the Meeting may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

More information on attending the Meeting online, including how to vote and ask questions, is available in the Virtual Meeting Online Guide on Xero's Investor Centre at xero.com/investors.

All resolutions will be by poll

Each resolution considered at the Meeting will be conducted by a poll, rather than on a show of hands.

Voting

Shareholders can vote at the Meeting:

- through the online platform; or
- by appointing a proxy (see below under the heading "Proxies").

The Board has approved the use of the online platform as a means of participating in and voting electronically at this Meeting under clause 15.16 of Xero's constitution and clause 14 of Schedule 1 of the Companies Act.

Voting entitlements

Voting entitlements for the Meeting will be determined as at 9.00pm NZT (7.00pm AEST) on Tuesday 25 August 2026. Shareholders registered at that time will be the only persons entitled to vote at the Meeting and only the shares registered in those shareholders' names at that time may be voted at the Meeting.

Proxies

If you are entitled to attend and vote at the Meeting, you may appoint a proxy to attend the Meeting and to act generally on your behalf, including by way of voting for you by completing and following the instructions on the accompanying Proxy Form. Shareholders can still attend the Meeting even if they have appointed a proxy (although they will not be able to vote at the Meeting if a proxy has been appointed).

To appoint a proxy online, you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode or country of residence. If you need to obtain these details, please contact MUFG Corporate Markets well in advance of the Meeting via the contact details in the Proxy Form.

The person you appoint as proxy is not required to be a Xero shareholder and can be an individual or a body corporate. If you are entitled to cast two or more votes at the Meeting, you may appoint two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If the appointment does not specify the proportion or number of votes, each proxy may exercise half of the votes (any fraction votes will be disregarded).

If you appoint a proxy, you may either:

- direct your proxy how to vote for you (directed proxy); or
- give your proxy discretion to vote as they see fit (undirected proxy).

If you wish to give your proxy discretion, then do not tick any box for a resolution.

If you appoint a proxy, you are encouraged to direct your proxy whether to vote for or against or to abstain from voting on each resolution subject to applicable voting exclusions.

If you tick more than one box for a resolution without specifying the portion of voting rights to be voted for or against or to abstain, your vote on that resolution will be invalid. If you click the "Abstain" box you are directing your proxy not to vote on your behalf and your votes will not be counted in computing the required majority.

If you have directed your proxy to vote and they fail to attend the Meeting or they do not vote in accordance with your instructions, then, on a poll, the Chair of the Meeting will become your proxy and vote your proxies as directed by you.

If you appoint the Chair of the Meeting as your proxy, or the Chair of the Meeting becomes your proxy by default, you expressly authorise them to vote any undirected proxies as they see fit, including voting on Resolutions 3 and 5 even though they are in connection with the remuneration of Xero's directors, CEO and CFO.

If you return a completed and signed Proxy Form, but do not nominate a proxy, the Chair of the Meeting will become your proxy.

The Chair of the Meeting and any director appointed as proxy for a person who is entitled to vote on a resolution (including where the Chair of the Meeting is appointed as proxy by default) intend to vote all available undirected proxies in favour of the relevant resolution.

Your completed Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 11.00am NZT (9.00am AEST) on Tuesday 25 August 2026. Any Proxy Form received after that time will not be valid for the Meeting.

Proxy Forms may be lodged:

Online: au.investorcentre.mpms.mufg.com

By mail: Xero Limited

C/- MUFG Corporate Markets
Locked Bag A14
Sydney South NSW 1235
Australia

By fax: +61 2 9287 0309

By hand: Delivering it to MUFG Corporate Markets*

Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

**During business hours (Monday to Friday, 9.00am-5.00pm)*

Powers of attorney

If you have appointed an attorney to attend and vote at the Meeting, or if your Proxy Form is signed by an attorney, you must provide the power of attorney (or a certified copy of the power of attorney) to MUFG Corporate Markets by 11.00am NZT (9.00am AEST) on Tuesday 25 August 2026, unless the document has previously been lodged with MUFG Corporate Markets.

Corporate representatives

A corporate shareholder may appoint a person to act as its representative. A Certificate of Appointment of Corporate Representative **(Certificate)** must be received by MUFG Corporate Markets by 11.00am NZT (9.00am AEST) on Tuesday 25 August 2026. Any Certificate received after that time will not be valid for the Meeting. MUFG Corporate Markets can provide you with a Certificate.

Requisite majority for resolutions to pass

All the proposed resolutions for the Meeting are ordinary resolutions requiring the approval of a simple majority (more than 50%) of the votes of those shareholders entitled to vote and voting, in order for the resolutions to be passed.

Resolution 5 is an advisory resolution and will not bind Xero or the Board or have other legal consequences, but the voting outcome and comments will be considered by the Board when setting future remuneration strategy and in the following year's Remuneration Report.

Submission of written questions

In addition to asking the company and Xero's auditor questions during the Meeting, any shareholder who is entitled to vote at the Meeting may submit written questions in advance at au.investorcentre.mpms.mufg.com.

All questions must be sent to and received by Xero by 11.00am NZT (9.00am AEST) on Tuesday 25 August 2026.

If a question is directed to Xero's auditor, it should be sent to and received by Xero by 11.00am NZT (9.00am AEST) on Thursday 20 August 2026.

The Chair of the Meeting will try to address as many of the more frequently raised relevant questions as possible during the course of the Meeting. However, there may not be sufficient time to address all questions raised. Please note that individual responses will not be sent to shareholders. The auditor is not obliged to provide written answers.

More information

If you have any questions about this Notice of Meeting, please contact Xero's Company Secretary, Damien Coleman, at companysecretary@xero.com xero