Xero Limited

People and Remuneration Committee Charter

1. ROLE

1.1 The role of the People and Remuneration Committee (**Committee**) is to assist the Board of Xero Limited (**Board**) to oversee the strategies and policies of Xero Limited and its subsidiaries (**Xero**) relating to:

(a) people and culture;

(b) remuneration and benefits;

(c) performance and development for members of Xero's executive leadership team (**XLT**);

(d) appointment of and, where necessary, termination of members of Xero's XLT other than the CEO;

(e) representation, inclusion and belonging; and

(f) other matters referred by the Board from time to time.

2. RESPONSIBILITIES

People and Culture

2.1 The Committee will monitor the development and implementation of strategies relating to Xero's culture, executive development, and talent management practices.

2.2 The Committee will periodically review and recommend to the Board the approval of changes to Xero's Code of Conduct and Whistleblower Policy.

2.3 The Committee will oversee material breaches or trends in breaches of Xero's code of conduct and incidents under Xero's Whistleblower Policy and actions taken by management regarding those breaches and incidents.

2.4 The Committee will ensure that appropriate policies and practices are in place to protect, promote and support the health, safety and wellbeing of employees and other relevant stakeholders (including against sexual harassment, discrimination, bullying and other harmful workplace behaviours), including monitoring indicators, incident reports and other key metrics, and overseeing actions taken by management in response.

2.5 The Committee will oversee employee engagement survey results and the progress and effectiveness of any management actions undertaken in response.

2.6 The Committee will oversee Xero's recruitment, retention, performance management, and termination policies and practices.

2.7 The Committee will oversee any significant employment law issues facing Xero.

2.8 The Committee will engage with the Audit and Risk Committee, as appropriate, about people and culture related matters to be taken into account in overseeing risk management and internal controls and compliance.

Remuneration and Benefits

2.9 The Committee will:

(a) review and recommend to the Board Xero's remuneration framework, policies and practice; and

(b) oversee that each of these aligns with:

(i) Xero's purpose, values, strategic objectives and risk appetite;
(ii) the creation of long-term sustainable value for shareholders;
(iii) the consideration of gender pay equity; and
(iv) good governance principles and practice.

2.10 The Committee will oversee shareholder and other stakeholder engagement in relation to Xero's remuneration policies and practices.

2.11 The Committee will oversee Xero's incentive plans including:

(a) reviewing and making recommendations to the Board regarding:

(i) the terms of the incentive plans;

(ii) the vesting of incentives for the CEO;

(iii) whether any incentive payments to the XLT should be clawed-back in accordance with Xero's incentive plans; and

(iv) remuneration arrangements on cessation of employment for the XLT.

(b) approving the vesting of incentives for the XLT other than the CEO; and

(c) exercising authority with respect to the administration of Xero's incentive plans and overseeing the exercise of any such delegated authority delegated to any director or management.

2.12 The Committee will review and make recommendations to the Board regarding benefits to be offered or provided to employees that may have a material cost or risk implication.

2.13 The Committee will review and approve the remuneration and material changes in remuneration of the XLT, other than key management personnel.

2.14 The Committee will consider and make recommendations to the Board regarding annual remuneration budgets for Xero employees excluding the XLT and CEO.

2.15 At least every two years, the Committee will review and make recommendations to the Board in relation to non-executive directors' remuneration.

2.16 The Committee will oversee Xero's financial and corporate governance processes and reporting as they relate to remuneration, including the preparation of the remuneration report, and will make recommendations for approval to the Board.

2.17 The Committee will consult with the Audit and Risk Committee, as appropriate, about matters relating to the management of key risks to be taken into account when making remuneration decisions or setting remuneration objectives.

Executive Performance and Development

2.18 The Committee will oversee the performance and development of members of the XLT other than the CEO.

2.19 The Committee will support the Chair of the Board to review and evaluate the CEO's performance against key performance objectives and development areas, and make recommendations to the Board to set the performance objectives for the CEO for the following year.

Executive Appointments

2.20 The Committee will review recommendations from the CEO and approve the appointment and, where necessary, termination of members of the XLT other than the CEO.

2.21 The Committee will ensure that appropriate character and background checks have been undertaken, and the results of those checks considered, before making an appointment to the XLT.

Representation, Inclusion and Belonging

2.22 The Committee will annually review and make recommendations to the Board about the measurable objectives and timeframes to be set by the Board for achieving representation in the composition of the Board, senior executives, and the workforce generally.

2.23 The Committee will assess the effectiveness of the Representation, Inclusion and Belonging Policy, the measurable objectives and timeframes set for achieving representation and inclusion and the progress toward achieving them and make recommendations to the Board in respect of such assessments.

2.24 The Committee will review and report to the Board on (amongst other indicators) the representation of gender, and of represented and underrepresented races and ethnicities, on the Board, in senior executive positions and across Xero's workforce generally.

Charter Review

2.25 The Committee will periodically review, and make recommendations to the Board in relation to the remit and charter of the Committee.

The *Board and Committee Common Principles and Procedures* supplement this Charter.

Effective Date: 20 October 2026