Code of Conduct

1. Why

At Xero we act honestly, fairly, with integrity, and in line with the law. This Code of Conduct (Code) sets out expectations for all Xeros (our people) in terms of how we do business and how our people should behave.

Our values underpin everything we do:

While our values drive how we work we also have policies that ensure consistency in how we do business and, importantly, that we act lawfully. This Code provides a bridge between our values and our policies.

Please take the time to read and understand our global policies and any additional local policies that apply to your region. You’ll find them on our internal Help Centre.
2. When it applies and who it applies to

This Code is for everyone who works at Xero (including directors, officers, employees, contractors, workers and consultants). It applies:

- at work and during work activities, including when working flexibly or outside normal working hours
- at work-related events, including external meetings, conferences and social functions
- away from work if there’s a connection to work, including when interacting with colleagues in person or online.

This Code cannot anticipate every situation that may present a legal, ethical or moral issue so it should not be read as a complete set of rules. Instead, it’s intended to help you understand Xero’s approach to business conduct and guide your actions, decisions and behaviour. At the end of this Code, there are some questions to ask yourself in situations that are not specifically covered in the Code or where you might be unsure how to act.

It’s important that you understand the details of this Code and that any breach could result in disciplinary action, including dismissal. If you have any questions about the Code, reach out to your Manager or PX team in region.

3. How we work

Safety and wellbeing

Safety and security is very important to us at Xero. We are committed to providing our employees with a safe and secure work environment as well as protecting our product and reputation. To help us achieve this, you should read your region’s safety policies and report safety hazards and work-related accidents, incidents and injuries. You have a responsibility to take reasonable steps to ensure your own safety and that of others.

We have an Alcohol Policy that sets out expectations around drinking alcohol at work and at work-related events. We don’t tolerate the taking of illegal drugs or the use of any substances that may impair the ability to function effectively and safely at work or could put at risk the health and safety of those around us.

The wellbeing of our people is also really important to us at Xero and we have a global program that covers physical, mental, social, financial and environmental wellbeing.
Respect and consideration
We want to create an environment at Xero where our people treat each other with dignity, respect and consideration every day. In particular we have zero tolerance for:

- any form of bullying, intimidation, harassment or sexual harassment (whether physical, verbal or online)
- any form of discrimination or other inappropriate or demeaning behaviour toward a person or group of people

We want our people to feel comfortable to raise an issue or concern with their manager and confidently know that it will be properly addressed.

We have an unwavering focus on diversity and inclusion, which is about celebrating all the ways that we are different - both visible and non-visible. This includes differences that relate to gender, age, culture, ethnicity, race, disability, family status, language, religion, sexual orientation and gender identity, as well as differences in background, skills, work styles, perspectives and experience.

Please make sure you’re familiar with and comply with all of Xero’s policies relating to respect and consideration in the workplace, including our Respect and Responsibility Policy and Diversity and Inclusion Policy.

4. How we do business

Complying with laws
At Xero we respect and comply with applicable laws and our internal policies. It’s important you follow the local laws and requirements of the country in which you are working. Make sure you familiarize yourself with the policies and laws that govern the work you do for Xero. If you don’t understand your responsibilities and Xero’s obligations, please chat to your manager or your PX team in region.

It’s important to remember that Xero will not engage in any conduct which breaches laws regarding corruption, bribery and money laundering. In dealing with customers, suppliers or competitors, we comply with trade practices laws and competition laws, and if an employee or third party breaches (or suggests a breach) of these laws, it must be immediately reported to Xero’s Legal team.

Xero is committed to being a responsible corporate citizen. We are committed to protecting the environment in which we operate and minimising the impact of our activities on the environment.
**Working without conflicts**

It is important that you avoid any situation which involves a conflict between your personal interests and the interests of Xero. This includes any situation in which your financial or other personal considerations or interests:

- significantly affect
- appear to significantly affect, or
- have the potential to significantly affect

your ability to act objectively and independently in Xero’s best interests. Remember that your personal interests include the interests of related parties, such as your family and friends.

A conflict of interest could occur in a range of situations, including where:

- you (and any organisation which you or your family have a material interest in) compete with, or have business dealings with Xero, without prior written permission
- you work for or consult to, or have any key role in, an outside business organisation which has dealings with Xero or is a competitor of Xero, without prior written permission
- you use your position at Xero, or information obtained because of your position at Xero, to gain an advantage for you (or anyone else, including family or friends) or to harm Xero in any way

To be clear, this does not stop:

- you or your family members from having shareholdings in publicly listed companies
- you or your family members from using Xero as a customer
- your family members from being an employee of a competitor (though you would need to respect your obligations of protecting confidential and sensitive information and intellectual property when interacting with these family members)

If you think you may have a conflict of interest (actual, perceived or potential), then you should immediately take the following steps so we can work through the situation with you:

- disclose the situation to your manager
- record the details on our Employee Interest Register (or our directors’ interests registers for directors of any Xero group companies)

If a conflict of interest is identified, our Legal and PX teams will consider the issue before discussing your options with you.
In addition, Xero does not permit undisclosed intimate or romantic relationships between our people, or between our people and Xero partners or customers, because this may lead to an actual or perceived conflict of interest. Read our Respect and Responsibility Policy for more information.

**Gifts, benefits and entertainment**

At Xero we comply with all anti-corruption laws that apply to our business. We do not give or take bribes, kickbacks, gratuities, payments or anything of value in exchange for favourable treatment (eg. to gain a commercial, contractual, regulatory or personal advantage).

You should never give or accept gifts or benefits that will compromise, or appear to compromise, the integrity and objectivity in carrying out your work for Xero or cause, or appear to cause, a conflict of interest. If you offer or accept a gift, benefit or entertainment, it must serve a legitimate business purpose for Xero and only be for a reasonable (not excessive) value. It’s not appropriate to receive gifts, benefits or entertainment that mean you owe a person or company something in return, particularly when it comes to providing services or products to Xero.

You must report giving or receiving any gift, benefit or entertainment with an estimated value greater than NZ$100 per person (or the equivalent in your local currency). You must also get approval from your manager and the Head of Procurement for any gift, benefit or entertainment with an estimated value of more than NZ$200 (or the equivalent in your local currency). Use the Gift, Benefit and Entertainment Register for gift, benefit or entertainment reporting and approval.

**Business agreements**

Xero acts fairly and ethically when it pursues new business opportunities. If you are involved in vendor selection, you must comply with our Procurement Policy. When negotiating contracts with other organisations, you should make sure that:

- all statements and communications you make to that organisation are accurate and truthful and are not misleading
- you obtain the appropriate internal approval before the contract is signed

**Insider trading**

Insider trading is illegal and can lead to criminal prosecution and civil penalties. You must not buy or sell shares in Xero or any other companies at any time when you are aware of market sensitive information about Xero or the other company which has not been disclosed to the market.
Xero has a Securities Trading Policy that was prepared in light of relevant insider trading laws to assist our people to comply with those laws.

5. Xero resources

Use of Xero property
Remember that Xero systems and information belong to Xero and that we may monitor activity on them. If you use our IT systems for personal use, make sure it would be considered reasonable use, that it doesn’t interfere with your role or work or use significant IT resources. The use of Xero systems to view or share content that is sexually explicit, defamatory or racist, or otherwise inappropriate material, is completely prohibited.

Make sure Xero systems, assets and property are treated respectfully and maintained in good working order, and they are not exposed to situations where theft, fraud or damage could occur. If you become aware of any suspected incidents of theft, fraud or damage in relation to Xero’s systems, assets or property please let your manager know immediately.

Privacy and confidentiality
We earn the trust of our customers and others by keeping personal information safe and complying with privacy and data protection laws. We treat personal information carefully and have strict controls in place to ensure privacy is maintained.

You must not reveal to any person or company, documents, trade secrets, proprietary information or confidential information concerning Xero, its finances, business or affairs, or those of our customers. You must keep all confidential information entrusted to Xero, including customer information, with complete secrecy, and you must not use it or attempt to use it in a manner that may cause loss or damage, either directly or indirectly, to Xero or its customers.

Media, social media and publicity
All statements, public comments and media activity for Xero or our customers is managed by our Communications team. Only an authorised spokesperson may speak publicly on behalf of Xero. Please don’t respond to media enquiries - ensure you pass these on to the Communications team to look after. Make sure you read our Social Media Policy which outlines some important things to remember when you’re online.
**Intellectual property**
At Xero we respect third party intellectual property rights, and we actively protect Xero’s intellectual property rights. All intellectual property that you create in relation to Xero and its activities is the property of Xero. You can help protect Xero’s intellectual property by using it only for legitimate business purposes. Please contact the Legal team before adopting new names for products or other offerings or launching any significant new or modified products or processes, or for the interpretation of any patent documents.

**6. Questions to ask yourself**
If you’re ever unsure about how to act in a particular situation, here are some questions to ask yourself:

- Does it fit with Xero’s values? Does it feel like the right thing to do?
- Is it legal?
- Are there relevant Xero policies I need to read?
- Am I acting with integrity and being fair and honest?
- Would my manager or other Xeros consider this behaviour appropriate? Should I discuss this with my manager or another trusted Xero?
- What impact might this have on Xero, our customers and our shareholders?
- Would I feel comfortable if this action or conduct was reported in the media?

Please reach out to your manager or a member of your local PX team at any time if you’d like some guidance on what to do in a particular situation.

**7. Speak Up**
If you’re involved with, witness or become aware of a breach or possible breach of the law, this Code or any Xero policies, you must report this to your manager and Xero’s Chief Legal Officer. This includes reporting breaches that were contemplated, even if they weren’t followed through. Alternatively and depending on the circumstances, it may be appropriate to report the incident using Xero’s whistleblowing procedure.

We encourage you to speak up as soon as possible so issues can be dealt with promptly. Be assured that there will be no form of retaliation against you for speaking up in good faith about the behaviour of other Xeros.
8. Review

This Code of Conduct will be reviewed every two years (or earlier if necessary).

Approved by the Board: March 2019