



# **PUBLIC DISCLOSURE STATEMENT**

XERO LIMITED

ORGANISATION CERTIFICATION  
FY2020–21


Australian Government

# Climate Active Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Xero Limited
REPORTING PERIOD	1 April 2020 – 31 March 2021
DECLARATION	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p>  <p>Karen Davis EGM - Communications 01/02/2022</p>



**Australian Government**  
**Department of Industry, Science,  
Energy and Resources**

Public Disclosure Statement documents are prepared by the submitting organisation. The material in the Public Disclosure Statement documents represents the views of the organisation and do not necessarily reflect the views of the Commonwealth. The Commonwealth does not guarantee the accuracy of the contents of the Public Disclosure Statement document and disclaims liability for any loss arising from the use of the document for any purpose.

Version September 2021. To be used for FY20/21 reporting onwards.

# 1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	4,025 tCO <sub>2</sub> -e
OFFSETS BOUGHT	100% VCUs
RENEWABLE ELECTRICITY	N/A
TECHNICAL ASSESSMENT	Not required as this is second year of certification

Contents	
1.	Certification summary 3
2.	Carbon neutral information 4
3.	Emissions boundary 6
4.	Emissions reductions 8
5.	Emissions summary 9
6.	Carbon offsets 11
Appendix A: Additional Information	13
Appendix B: Electricity summary	17
Appendix C: Inside emissions boundary	19
Appendix D: Outside emissions boundary	19

## 2. CARBON NEUTRAL INFORMATION

### Description of certification

This certification relates to all of Xero's owned and operated business operations in Australia and internationally, including New Zealand, US, Canada, South Africa, the UK, and Asia. The emissions inventory in this public disclosure summary (PDS) comprises the period from 1 April 2020 to 31 March 2021 and has been developed in accordance with the Climate Active Carbon Neutral Standard for Organisations.

### Organisation description

The certification boundary applied for our greenhouse gas (GHG) emissions reporting under Climate Active was developed using the operational control approach and comprises all of the Xero Group's operations and activities including:

- Our business operations in Australia via Xero Australia Pty Ltd (ABN 89 124 215 247)
- All of our international activities that sit under the subsidiaries over which the Xero Group has operational control<sup>1</sup>.

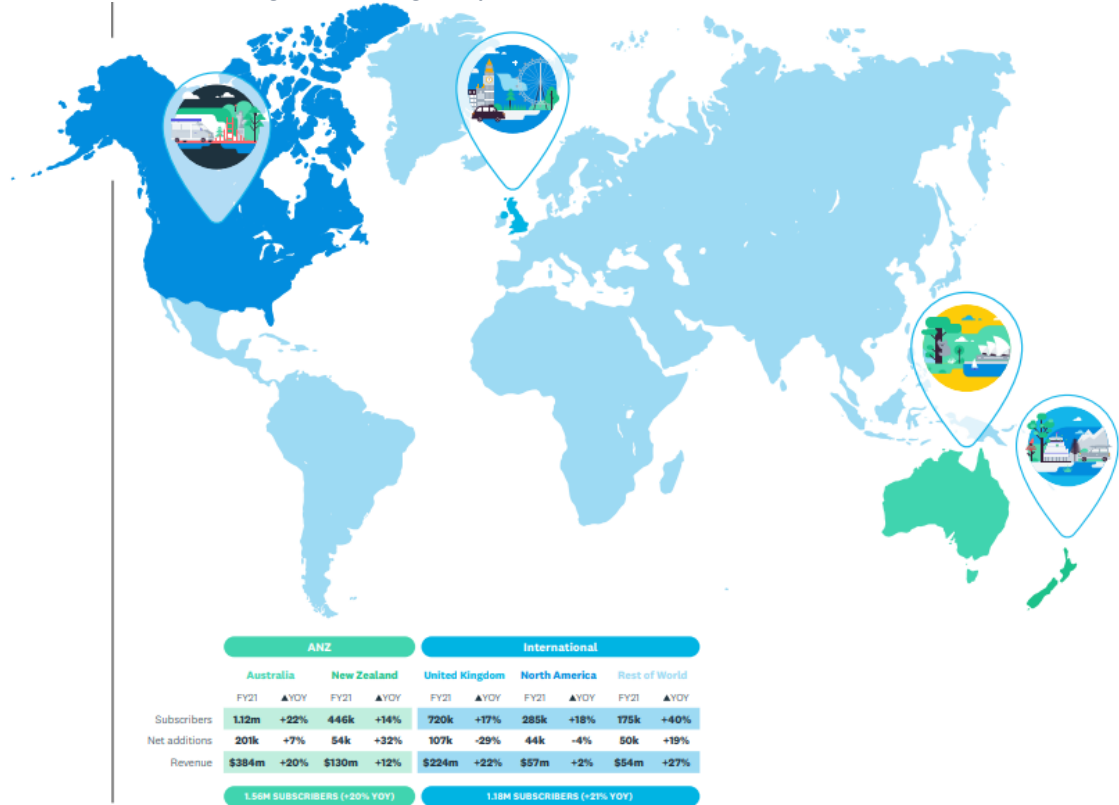
Xero is a cloud-based accounting software platform for small businesses with more than 2.7 million subscribers globally. Through Xero, small businesses and their advisors have access to real-time financial data any time, anywhere, and on any device. Founded in 2006, Xero is a global business, domiciled in New Zealand and listed on the Australian Securities Exchange (ASX). The team of more than 3,600 employees across the globe, is driven by a purpose to make life better for people in small business, their advisors and communities around the world. Figure 1 provides an overview of Xero's global presence and total subscribers.

Our boundary accounts for the GHG emissions from the offices and other business activities associated with these operations. In FY21 Xero operated out of 21 offices across multiple regions, including Australia, New Zealand, the UK, North America, and Asia. In addition, the boundary includes emissions related to the acquisition of Waddle in FY21. Waddle provides lending software to banks and lenders. In FY21 there were 30 FTE employed in this part of the business.

*Climate Active provides a best-practice framework for accounting for, reducing and offsetting our emissions. Carbon neutral certification demonstrates to our customers that we committed to minimising our impact on the environment now, and into the future.*

<sup>1</sup> These subsidiaries are summarised in Xero's 2021 Annual Report.

Figure 1. Xero's global presence and total subscribers in FY21<sup>2</sup>



<sup>2</sup><https://www.xero.com/content/dam/xero/pdf/about-us/xero-limited-annual-report-fy21.pdf>

## 3.EMISSIONS BOUNDARY

The reporting boundary for Xero's business operations has been developed in accordance with the Climate Active Organisation Standard. The following steps were undertaken to develop this reporting boundary and ensure it aligns with both the Standard and stakeholder expectations:

- We identified a long list of potential emissions sources to be considered based on a desktop assessment of:
  - Xero's FY21 Annual Report
  - Xero's FY21 asset list
  - Climate Active reporting by Xero's peers.
- We completed detailed relevance testing across each of the identified emissions sources in line with the requirements of the Climate Active Carbon Neutral Standard for Organisations.

### Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

**Quantified emissions** have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

**Non-quantified emissions** have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through uplift factors outlined on page 10<sup>3</sup>. Further detail is available at Appendix C.

### Outside the emissions boundary

**Excluded emissions** are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim.

Emission sources considered for relevance **must be included** within the certification boundary if they meet **two of the five** relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Importantly, Xero seeks to include all emissions assessed as relevant in its carbon footprint calculations and excludes only emissions that have been assessed as not relevant according to the relevance test in line with Climate Active requirements. Further detail is available at Appendix D.

---

<sup>3</sup> The uplift factors applied account for the platform hosting service suppliers' (AWS and MS Azure) unquantified Scope 3 emissions (as these companies provide Xero with the Scope 1 and 2 emissions related to their services but not Scope 3 emissions), and a minor uplift for a new office in Milton Keynes, UK (where no staff were assigned to the office for FY21, but it was leased for 6 months resulting in minor electricity consumption).

Inside emissions boundary		Outside emission boundary
<u>Quantified</u>	<u>Non-quantified</u>	<u>Excluded</u>
<i>Accommodation and facilities</i> <i>Air transport</i> <i>Electricity (Australia)</i> <i>Electricity (International)</i> <i>Stationary energy</i> <i>ICT services (platform hosting services)</i> <i>Food and catering (Xero's events and internal staff events)</i> <i>Office equipment and supplies</i> <i>Waste</i> <i>Water</i> <i>Taxi and uber</i> <i>Working from home</i> <i>Land and sea transport (km)</i> <i>Land and sea transport (fuel)</i>	<i>Not applicable</i>	<i>ICT services (not platform hosting) and equipment (including electronic equipment, telephone and internet, bandwidth and connectivity, computer and technical services)</i> <i>Food and catering purchased by Xero employees that is not controlled by management</i> <i>Xero merchandise (clothing) purchased</i> <i>Business services</i> <i>Owned and leased IT equipment</i> <i>Storage and shipping of Xero merchandise</i> <i>General postal services</i> <i>Investments made by Xero</i>

## Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

## 4.EMISSIONS REDUCTIONS

### Emissions reduction strategy

For Xero, building a fast growing but sustainable business means taking responsibility for our impact on the environment, including climate change. In 2019, we reported our carbon footprint for the first time, and offset 100% of our emissions for the year to 31 March 2019 (FY19). Following this we raised our ambition this year to achieve carbon neutrality for FY20 through our first year of Climate Active certification and we are continuing this commitment for FY21 for a second year.

As part of the development of this emissions reduction strategy over the coming years, we will investigate the following actions, and report on how their implementation is helping to reduce our emissions over time:

1. Reducing office-based electricity emissions.
2. Provide end of trip facilities for all employees to encourage increased uptake of active and public transport to and from our offices.
3. Undertake food waste audit post-events to understand how much food is actually being wasted and amending catering budgets accordingly.

### Emissions reduction actions

The current actions that we have in place via our Environmental Sustainability Policy that help to reduce emissions across the business are:

1. Purchasing certified carbon neutral electricity via Powershop for our Melbourne offices. In addition, a number of our international offices use renewable energy or energy from an electricity supplier that offsets the emissions related to the electricity it supplies. However, the latter is not considered certified carbon neutral for Climate Active reporting purposes.
2. Reducing electricity consumption via efficiency measures within Xero offices such as sensor and timer lighting, extensive use of LED lighting in all offices, working with air conditioning engineers and landlords to improve the efficiency of heating and cooling systems.
3. Reducing office waste production and increasing recycling rates including e-waste collection and compost bins in some offices.
4. Encouraging employees to use active or public transport rather than private vehicles.
5. Ensuring that access to video conference technology is straightforward for our people and its use is integrated into our normal ways of working. This helps to minimise carbon intensive travel options such as air travel.
6. Enhance our procurement processes to enable consideration of climate impacts in purchasing decisions.

The table in Appendix 1 provides a summary of all areas we consider and focus on to identify improvement opportunities across all of our offices.



## 5.EMISSIONS SUMMARY

### Emissions over time

Emissions since base year		
		Total tCO <sub>2</sub> -e
Base year:	2019–20	12,146
Year 2:	2020–21	4,025

Xero reported a 67% decrease in emissions in FY21 relative to its FY20 base year. This was primarily attributable to the global COVID-19 pandemic and associated public health restrictions on travel and office attendance.

### Significant changes in emissions

Emission source name	Current year (tCO <sub>2</sub> -e)	Previous year (tCO <sub>2</sub> -e)	Detailed reason for change
ICT services - cloud storage	939.0	272.0	To cater for its growing international client base, Xero substantially increased its ICT (cloud storage) related expenditure.
Work From Home - International	580.3	0.0	Due to COVID-19, many of Xero's employees were required to work from home.
Total net electricity emissions (Location based - Australia)	223.1	452.8	Work from Home requirements substantially decreased office electricity demand.
Medium Car: unknown fuel	348.7	1,665.4	Work from Home requirements and travel restrictions significantly reduced fleet fuel usage and commuting in private vehicles.
Working from Home - Calculator result A - VIC	685.0	0.0	Due to COVID-19, many of Xero's employees were required to work from home.

### Use of Climate Active carbon neutral products and services

Climate Active Carbon Neutral products used	Weight (kg)	Avoided emissions (tonnes CO <sub>2</sub> -e)
Emission source category		
Carbon neutral paper (Australian paper)	177	0.4

## Organisation emissions summary

The electricity summary (for Australia only) is available in the Appendix B. Electricity emissions were calculated using a location-based approach.

Emission category	Sum of total emissions (tCO <sub>2</sub> -e)
Accommodation and facilities	8.3
Air Transport (km)	60.4
Bespoke - Electricity	335.0
Bespoke - ICT services	939.0
Bespoke - Natural Gas	102.8
Bespoke – Powershop electricity (CA certified carbon neutral)	0
Bespoke - Travel claims (car hire)	4.2
Bespoke - Water	0.01
Bespoke – Work From Home – International	580.3
Carbon neutral products and services	0.0
Electricity	223.1
Food	160.2
Land and Sea Transport (fuel)	7.5
Land and Sea Transport (km)	426.6
Office equipment & supplies	1.6
Stationary Energy	130.6
Waste	50.5
Water	3.9
Working from home	776.8
<b>Total</b>	<b>3810.8</b>

## Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor	tCO <sub>2</sub> -e
Uplift applied to ICT services (platform hosting services) to account for Scope 3 emissions <sup>4</sup>	212

<sup>4</sup> 23% uplift factor derived from publicly available Climate Active PDS for NEXTDC's data centre infrastructure and their relevant proportion of Scope 1, 2 and 3 emissions. <https://www.climateactive.org.au/buy-climate-active/certified-members/nextdc>

Uplift applied for 100 Avebury Boulevard, new office in Milton Keynes. No staff assigned to the office for FY21 but it was leased for 6 months and had minor electricity use.	2
<i>Total footprint to offset (uplift factors + net emissions)</i>	4,025

## 6. CARBON OFFSETS

### Offsets strategy

Offset purchasing strategy: In arrears

1. Total offsets previously forward purchased and banked for this report	0
2. Total emissions liability to offset for this report	4,025
3. Net offset balance for this reporting period	4,025
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	4,025

### Co-benefits

The largest program of its kind, the Katingan Peatland Restoration and Conservation project generates an average 7.5 million triple gold certified carbon credits annually; equivalent to taking 2,000,000 cars off the road each year. In partnership with local communities, Katingan utilises carbon revenues to ensure natural forest restoration and protection, through activities aligned to the UN Sustainable Development Goals. The project protects vital peatland habitats in Central Kalimantan, Indonesia for five Critically Endangered, eight Endangered and 31 Vulnerable species. The protected area is home to between 5 - 10% of the global populations of the Bornean Orangutan, Proboscis Monkey and Southern Bornean Gibbon.

Link: <https://www.katinganproject.com/>

## Offsets summary

### Proof of cancellation of offset units

Offsets cancelled for Climate Active Carbon Neutral Certification										
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible quantity (tCO <sub>2</sub> -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Katingan Peatland Restoration and Conservation Project (Borneo, Indonesia)	VCUs	VCS Registry	4/10/2021	<a href="#">6359-307576640-307580662-VCU-016-APX-ID-14-1477-01012017-31122017-1</a>	2017	4023	0	0	4023	99.95%
Katingan Peatland Restoration and Conservation Project (Borneo, Indonesia)	VCUs	VCS Registry	24/10/2021	<a href="#">6359-304832590-304832591-VCU-016-APX-ID-14-1477-01012017-31122017-1</a>	2017	2	0	0	2	0.05%
Total offsets retired this report and used in this report									4025	
Total offsets retired this report and banked for future reports								0		
Type of offset units		Quantity (used for this reporting period claim)					Percentage of total			
Verified Carbon Units (VCUs)		4025					100%			

## 7.RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

### **Renewable Energy Certificate (REC) summary**

N/A

# 1. APPENDIX A: ADDITIONAL INFORMATION

In addition to the carbon benefits associated with the offset projects detailed in Section 6, Xero also purchased and cancelled (otherwise known as stapled) an additional 500 assigned amount units (AAUs) that support a Permanent Forest Sink Initiative (PFSI) in New Zealand (NZ).

The **Fishermans Bay PFSI Carbon and Conservation Project** is located in Fishermans Bay, NZ, approximately 25 minutes from Akaroa on the South Island. The project consists of 59 hectares of post-1989 regenerating native forest and outstanding conservation projects including protecting the breeding habitat of endangered Yellow Eyed Penguin, Giant Bush Weta and extremely rare plants. This project produces PFSI units in New Zealand which are then converted to AAUs that are registered and cancelled on the New Zealand Emissions Trading Registry. Each unit represents 1 tonne of carbon dioxide equivalent (tCO<sub>2</sub>e) sequestered by the permanent forest sink initiative in New Zealand. The income from sale of carbon offsets supports Permanent Forests NZ Limited activities such as:

- Yellow-Eyed Penguin sanctuary habitat management/ predator control
- Possum and predator pest control work
- Reserve boundary fencing improvements and repair
- Public access – safe access tracks for public and educational groups
- Fire control response capability
- Noxious weed control work
- Support of research and conservation work by Department of Conservation (DOC) and other agencies
- Monitoring and reporting

Further details of the AAU purchase and cancellation transaction include:

- Project name: Fishermans Bay PFSI Carbon & Conservation Project
- Account holder: Permanent Forests NZ Limited
- Account number: NZ-9774
- Location: Fishermans Bay, New Zealand
- Serial numbers: 213871496 to 213871995
- Unit: assigned amount unit (AAU)
- Transaction ID: KVC24789-10
- Date cancelled: 30 September 2021
- Registry: New Zealand Emissions Trading Register



## New Zealand Emissions Trading Register

For managing our units and climate change response activities

30-Sep-2021

### Voluntary Cancellation Certificate

This certificate verifies completion of the following voluntary cancellation transaction in the New Zealand Emissions Trading Register:

Transaction ID	KVC24789-10
Date of cancellation transaction	30-Sep-2021
Account Holder name	Permanent Forests NZ Limited
Account number	NZ-9774
Quantity of units cancelled	500
Cancellation purpose (if provided)	Retired on behalf of Xero Limited as part of its FY2021 carbon neutral commitments.

The voluntary cancellation transaction has been completed in accordance with the Climate Change Response Act (2002).

The serial block details for the cancelled units are as follows:

Unit Type	Serial block starting serial number	Serial block ending serial number	Project ID	LULUCF ID	Quantity of Units
AAU	213871496	213871995			500

The details of this voluntary cancellation are published within the ETS reports and information section of the ETS website<sup>5</sup>.

<sup>5</sup> <https://www.epa.govt.nz/industry-areas/emissions-trading-scheme/ets-reports/>



The table below summarises all the current areas of focus for improving our environmental performance and awareness across all of Xero's offices. The aim over time is to increase the number of offices that we are able to deliver the listed initiatives into.

<b>Environmental improvement activities at Xero</b>	<b>% of locations with these activities in place</b>
<b><u>Recycling</u></b>	
Paper & Card Recycling	100%
Glass Recycling	94%
Hard Plastic Recycling	94%
Soft Plastic Recycling	12%
Can Recycling	88%
Composting	41%
Printer Toner Cartridges	100%
Do we get audited for performance for our waste segregation	6%
Do we have direct control over waste disposal	18%
Battery Recycling	63%
Use of rechargeable batteries	76%
E-waste	94%
Information on recycling on Help centre	94%
<b><u>Engagement</u></b>	
Do you have a local Green/Environment group	59%
<b><u>Waste Avoidance</u></b>	
No paper/plastic coffee cups	100%
No bottled water	100%
Sparkling water dispensers	94%
<b><u>Support of Alt Transport</u></b>	
Showers	82%
Cycle storage	82%
Cycle repair equipment	29%
Charging points for EV's	17%
Charging points for E Bikes	27%
Motorbike parking	75%
Changing Facilities	93%
Xero Cycles	19%
Xero Scooters	19%
Information on the above on Helpcentre	76%
<b><u>Sustainable Purchasing</u></b>	
Printer paper from recycled or FSC virgin fibre	100%
Printer Paper - Carbon Neutral	25%
Toilet paper from recycled/FSC	100%

<b>Environmental improvement activities at Xero</b>	<b>% of locations with these activities in place</b>
Handtowel paper from recycled/FSC	100%
Cleaners use low environmental impact methods	100%
Ethical sanitary products	90%
<b><u>Water</u></b>	
Does the building have rain water harvesting	0%
Are the toilets low volume flush	63%
Are the taps water efficient	50%
Are the showers water efficient	62%
Do we have tenancy water meters	25%
<b><u>Electricity</u></b>	
Do we have light timers/sensors	71%
Where not, do we have 'Switch Off' signage	87%
Is the majority of our lighting LED	59%
Are our tenancies separately metered	63%
Do we record electricity consumption	88%
Do we have control over the purchase of our electricity	29%
If we control electricity purchase, do we have a Renewable Energy only contract?	43%
Does the electricity provider offset the carbon emission of the electricity it supplies?	71%
<b><u>Building</u></b>	
Is the building certified to Green Star, LEED, BREEAM, NABERS.	50%

## 2. APPENDIX B: ELECTRICITY SUMMARY

Total emissions from electricity presented in the emissions summary table in section 5 were calculated using a location-based approach as market-based methods are not yet able to be applied for Xero's international-based countries of operation. This is because residual mix factors are not currently available. However, a summary of Xero's Australian-based electricity emissions using both market-based and location-based carbon accounting methods is provided below for full disclosure and to ensure year-on-year comparisons can be made. We are not aware of any existing calculators to compare the market-based and location-based approach for Xero's international locations.

### *Location-based method*

The location-based method provides a picture of a business' electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

### *Market-based method*

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

### **Market-based approach summary**

Market Based Approach	Activity Data (kWh)	Emissions (kgCO <sub>2</sub> e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	0	0	0%
<b>Total non-grid electricity</b>	<b>0</b>	<b>0</b>	<b>0%</b>
LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	53,857	0	22%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	12,572	0	5%
Large Scale Renewable Energy Target (applied to grid electricity only)	34,335	0	14%
Residual Electricity	147,092	157,842	0%
<b>Total grid electricity</b>	<b>247,857</b>	<b>157,842</b>	<b>41%</b>
<b>Total Electricity Consumed (grid + non grid)</b>	<b>247,857</b>	<b>157,842</b>	<b>41%</b>
Electricity renewables	100,764	0	
Residual Electricity	147,092	157,842	
<b>Exported on-site generated electricity</b>	<b>0</b>	<b>0</b>	
Emission Footprint (kgCO <sub>2</sub> e)		157,842	



<b>Total renewables (grid and non-grid)</b>	<b>40.65%</b>
<b>Mandatory</b>	<b>40.65%</b>
<b>Voluntary</b>	<b>0.00%</b>
<b>Behind the meter</b>	<b>0.00%</b>
<b>Residual Electricity Emission Footprint (TCO2e)</b>	<b>158</b>
<i>Figures may not sum due to rounding. Renewable percentage can be above 100%</i>	
<i>Voluntary includes LGCs retired by the ACT (MWh)</i>	53

#### Location-based approach summary

Location Based Approach	Activity Data (kWh)	Emissions (kgCO2e)
ACT	66,429	59,786
NSW	108,282	97,454
SA	4,858	2,526
Vic	15,182	16,548
Qld	41,807	38,880
WA	11,298	7,909
<b>Grid electricity (scope 2 and 3)</b>	<b>247,857</b>	<b>223,104</b>
ACT	0	0
NSW	0	0
SA	0	0
Vic	0	0
Qld	0	0
WA	0	0
<b>Non-grid electricity (Behind the meter)</b>	<b>0</b>	<b>0</b>
<b>Total Electricity Consumed</b>	<b>247,857</b>	<b>223,104</b>
<b>Emission Footprint (TCO2e)</b>	<b>223</b>	

#### Climate Active Carbon Neutral Electricity summary

##### Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
Powershop <sup>6</sup>	241,237	0
<i>Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.</i>		

<sup>6</sup> Powershop's retail electricity product is Climate Active certified: <https://www.climateactive.org.au/buy-climate-active/certified-members/powershop>



## 3. APPENDIX C: INSIDE EMISSIONS BOUNDARY

### Non-quantified emission sources

No emissions sources have been assessed as relevant (non-quantified).

## 4. APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

### Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

5. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
6. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
7. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
8. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
9. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

The following sources have been excluded having been assessed as not relevant according to the relevance test (refer table below for additional justification):

- Purchased goods and services: ICT services not related to cloud storage, including telephone and internet, bandwidth and connectivity, and computer & technical services
- Purchased goods and services: Food and catering purchased by Xero employees where Xero management have no control over the purchase choice
- Purchased goods and services: Merchandise - Final goods purchased distributed to employees and at large events (e.g. Xerocon and Roadshows), including items such as t-shirts
- Purchased goods and services: Business services
- Capital goods: Owned and leased IT equipment
- Upstream transportation and distribution: Merchandise - storage and shipping

- Downstream transportation and distribution – freight, postage, and courier
- Investments.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
<i>ICT services (not platform hosting) and equipment (including electronic equipment, telephone and internet, bandwidth and connectivity, computer and technical services)</i>	Yes	No	No	No	No	No
Owned and leased IT equipment	Yes	No	No	No	No	No
Food and catering purchased by Xero employees that is not controlled by management	No	No	No	No	No	No
Xero merchandise (clothing) purchased	No	No	No	No	No	No
Storage and shipping of Xero merchandise	No	No	No	No	No	No
Business services	No	No	No	No	No	No
General postal services	No	No	No	No	No	No
Investments	Yes	No	No	No	No	No





An Australian Government Initiative

