

Independence of Directors

It is the intention of the Board of Origin Energy that its composition should include a majority of Non-executive Directors and a majority of independent Directors. The Board has determined a definition of an independent Director based on the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, and the nature of Origin's operations and businesses.

An independent Director is a Director who is not a member of management (a Non-executive Director) and who is free of any business or other relationship that could materially interfere, or could reasonably be perceived to materially interfere, with the independent exercise of their judgment.

To be considered independent by the Board, the Director should meet the following criteria:

- is not a shareholder holding more than 10% of the Company's shares or an officer of, or otherwise associated directly or indirectly with, a shareholder holding more than 10% of the Company's shares;
- has not within the last three years been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- is not a principal or employee of a professional adviser of the Company and its entities whose billings exceed 5% of the adviser's total revenues. A Director who is a principal or employee of a professional adviser will not participate in any consideration of the possible appointment of the professional adviser and will not participate in the provision of any service to the Company by the professional adviser;
- is not a significant supplier or customer of the Company or its entities or an officer or otherwise associated directly or indirectly with a significant supplier or customer. A significant supplier is defined as one whose revenues from the Company exceed 5% of the supplier's total revenue. A significant customer is one whose amounts payable to the Company exceeds 5% of the customer's total operating costs. The Board may determine that a Director is independent if the arrangements are usually and customarily offered to customers by the Company, have been awarded as a result of a competitive tender or otherwise are on substantially similar terms as those prevailing at the time for comparable transactions with other customers under similar circumstances. The Director concerned will not participate in the determination of his/her own independence;
- has no other material contractual relationship with the Company or any of its associates other than as a Director of the Company;
- has no interest or relationship that could interfere with the Director's ability to act in the best interests of the Company and independently of management.

It is the policy of the Board that a majority of the members of the Audit Committee, the Remuneration Committee and the Nomination Committee be independent Directors and be chaired by an independent Director who is not the Chairman.

Directors will update the Board with any information in relation to interests or relationships relevant to their independence. Based on the information provided, the Board will regularly assess the independence of each Non-executive Director and disclose the independence status of Directors in the Annual Report. If a Director's independence status changes, this will be disclosed to the ASX in a timely manner.