Notice of Annual General Meeting 2019

Notice is given that the 2019 Annual General Meeting of shareholders of Origin Energy Limited (Company) will be held at

City Recital Hall
2–12 Angel Place, Sydney
on Wednesday,
16 October 2019
at 10:00am AEDT.

A webcast of the meeting can be viewed on the Company's website at www.originenergy.com.au

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Business

1. Financial Report

To receive and consider the financial statements of the Company and the reports of the Directors and auditors for the year ended 30 June 2019.

2. Election of Mr Greg Lalicker

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Greg Lalicker, being a Director who retires under rule 9.1(c) of the Company's constitution and being eligible, is elected as a Director of the Company."

Details of the qualifications and experience of Mr Lalicker and the recommendation of the Board in relation to his election are set out in the attached Explanatory Notes.

3. Re-election of Mr Gordon Cairns

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Gordon Cairns, being a Director who retires by rotation under rule 9.2(a) of the Company's constitution and being eligible, is re-elected as a Director of the Company."

Details of the qualifications and experience of Mr Cairns and the recommendation of the Board in relation to his re-election are set out in the attached Explanatory Notes.

4. Re-election of Mr Bruce Morgan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Bruce Morgan, being a Director who retires by rotation under rule 9.2(a) of the Company's constitution and being eligible, is re-elected as a Director of the Company."

Details of the qualifications and experience of Mr Morgan and the recommendation of the Board in relation to his re-election are set out in the attached Explanatory Notes.

5. Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2019 be adopted."

This is a non-binding advisory vote.

Voting exclusion statement

The Company will disregard any votes cast on Resolution 5:

- by or on behalf of a member of the Company's key management personnel (KMP) named in the Company's Remuneration Report for the year ended 30 June 2019 or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the meeting 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 in the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation on the proxy form to vote as the proxy decides, even though the resolution is connected with the remuneration of the KMP.

6. Equity grants to Managing Director & Chief Executive Officer Mr Frank Calabria

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the grant of Restricted Shares and Performance Share Rights under the Company's Equity Incentive Plan to Managing Director and Chief Executive Officer, Mr Frank Calabria, in the manner set out in the Explanatory Notes to this Notice of Meeting be approved, and that this approval be for all purposes."

Voting exclusion statement

The Company will disregard any votes cast on Resolution 6:

- in favour of the resolution by or on behalf of Mr Frank Calabria or any of his associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the meeting or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Resolution 6:

- in accordance with a direction in the proxy form; or
- by the Chairman of the meeting pursuant to an express authorisation on the proxy form to vote as the proxy decides, even though the resolution is connected with the remuneration of a member of the KMP.

7. Renewal of proportional takeover provisions

To consider and, if thought fit, pass the following resolution as a special resolution:

"That the Company renew the proportional takeover provisions contained in rule 15 of the constitution, with effect from the date of the meeting for a period of three years."

8. Change of auditor

"That, for the purposes of section 327B of the *Corporations Act* and all other purposes, Ernst & Young, having consented in writing to act as auditor, be appointed as the auditor of the Company and its controlled entities effective from the conclusion of this AGM."

9. Resolutions requisitioned by a Group of Shareholders

The resolutions in Items 9(a) and 9(b) were proposed by a group of shareholders holding approximately 0.0180% of Origin Shares.

The resolutions in Items 9(c) to 9(f) were proposed by a group of shareholders holding approximately 0.0145% of Origin Shares.

The following resolutions are **NOT SUPPORTED** by the Board:

9(a) Amendment to the Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

"To amend the constitution to insert at the end of Clause 8.3 'Notice of general meetings' the following new sub-clause: "The company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the company partially or exclusively vested in the directors has been or should be exercised. However, such a resolution must relate to a material risk or an issue of material relevance to the company or the company's business as identified by the company and cannot either advocate action that would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the directors or the company."

9(b) Transition Planning Disclosure

Subject to and conditional on Resolution 9(a) being passed by the required majority, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

"Shareholders note the Global Investor Statement to Governments on Climate Change and its accompanying briefing paper, which calls for a reduction in greenhouse gas emissions to meet the goals of the Paris Agreement, necessitating the phase out of coal power generation by no later than 2030 in OECD countries, including Australia.

Shareholders therefore request that the company, in annual reporting from 2020, disclose plans to phase out coal power generation consistent with the climate goals of the Paris Agreement."

9(c) Informed Consent relating to our company's proposed fracking activities in the Beetaloo Sub-Basin

Subject to and conditional on Resolution 9(a) being passed by the required majority, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

"Our company intends to undertake hydraulic fracturing (fracking) activities for the purposes of hydrocarbon exploration on land subject to petroleum exploration permits (Permits) held by our company in the Beetaloo Sub-Basin, located in the Northern Territory. In view of the substantial length of time which has passed since the Permits were obtained by our company's predecessor(s), Sweetpea Pty Ltd and/or Falcon Oil & Gas Ltd, and the developments in scientific and community understandings of Fracking since that time:

Shareholders request that the Board commission a review of the process undertaken by its predecessor(s), in order to confirm that Informed Consent was given by Aboriginal native title holders on whose lands our company intends to undertake fracking (**Review**).

The Review should:

1. Be limited to the processes undertaken to obtain the affected native title holders' consent to the grant of the Permits;
2. Examine the activities, disclosed to native title holders, for which consent was given to the grant of the Permits;
3. Consider human rights standards applicable to our company including the principle of Informed Consent;
4. Examine any relevant due diligence undertaken by our company when acquiring its interest in the Permits; and
5. Analyse the risks to our company arising from a possible historical failure to obtain the Informed Consent of affected native title holders.

Shareholders request that the Review be summarised in a report to be made available on the company website by 30 June 2020 (**Report**). The Report should be prepared at reasonable cost and omit confidential information."

9(d) Public health risks of coal operations

Subject to and conditional on Resolution 9(a) being passed by the required majority, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

"Shareholders request that, by 30 June 2020, the Board prepare and disclose an assessment of the capital and operating expenditure required to install and maintain pollution controls at the Eraring coal-fired power station, sufficient to mitigate public health risks associated with non-carbon air pollution from that facility.

The assessment should be prepared at reasonable expense and omit proprietary information."

9(e) Paris Goals and Targets

Subject to and conditional on Resolution 9(a) being passed by the required majority, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

"Shareholders request the Board disclose, in annual reporting from 2020:

1. Details of how our company's capital expenditure, including each material investment in the acquisition or development of oil and gas reserves, is aligned with articles 2.1(a) and 4.1 of the Paris Agreement[1] (**Paris Goals**);
2. Short, medium and long-term targets for reductions in our company's Scope 1, 2 and 3 emissions (**Targets**) that are aligned with the Paris Goals; and
3. Details of how the company's remuneration policy will incentivise progress against the Targets."

1 Article 2.1 (a) of The Paris Agreement states the goal of "Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognising that this would significantly reduce the risks and impacts of climate change." Article 4.1 of The Paris Agreement: In order to achieve the long-term temperature goal set out in Article 2, Parties aim to reach global peaking of greenhouse gas emissions as soon as possible, recognising that peaking will take longer for developing country Parties, and to undertake rapid reductions thereafter in accordance with best available science, so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century, on the basis of equity, and in the context of sustainable development and efforts to eradicate poverty.

Business

9(f) Lobbying

Subject to and conditional on Resolution 9(a) being passed by the required majority, to consider and, if thought fit, pass the following resolution as an ordinary resolution:

1. "Shareholders request that our company prepare and disclose annually, beginning in 2020, an analysis (**Analysis**) of climate and energy policy lobbying, advertising and advocacy (**Activities**), undertaken over the reporting year by industry associations of which our company is a member (**Industry Associations**). The Analysis should identify Activities and evaluate whether or not they are "positively in line with the Paris Agreement"[2].
2. Shareholders recommend that our company suspend memberships of Industry Associations that undertake Activities to influence policy in Australia, where:
   a. dominant function of that Industry Association is to undertake Activities relating to climate, energy and/or emissions policy; and
   b. the Analysis does not demonstrate a record of "lobbying positively in line with the Paris Agreement."

The Board considered the requisitions and the reasons put forward by the requisitioning shareholders. The Board unanimously recommends that shareholders vote against Resolution 9(a) and, if necessary, Resolutions 9(b) to 9(f) for the reasons set out on pages 10–14 of the Explanatory Notes.

Please Note: Resolutions 9(b) to 9(f) are contingent advisory resolutions and will only be put before shareholders for proper consideration at the meeting if Resolution 9(a) is first passed by special resolution. If Resolution 9(a) is not passed, the five contingent advisory resolutions will not be put to the meeting. However, the Company intends to allow shareholders a reasonable opportunity to ask questions on the subject matter of these resolutions at the meeting, even if Resolution 9(a) is not passed.

The Chairman of the meeting intends to vote undirected proxies AGAINST Resolutions 9(a) to 9(f).

By order of the Board

Helen Hardy
Company Secretary

Sydney, 13 September 2019

2 "Lobbying positively in line with the Paris Agreement" is Principle 1 of the Investor Principles on Lobbying, set out in IIGCC's European Investor Expectations on Corporate Lobbying on Climate Change, October 2018.

https://www.iigcc.ora/download/investor-expectations-on-corporate-lobbying/?wpdmdl=1830&refresh=5d52233df01791565664061

Notes

Determination of entitlement to attend and vote

Pursuant to Regulation 7.11.37 of the *Corporations Regulations*, the Company has determined that, for the purpose of the meeting, shares will be taken to be held by the persons who are the registered holders at 7:00pm AEDT on Monday, 14 October 2019. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Proxies, attorneys and corporate representatives

A shareholder entitled to vote at a general meeting is entitled to appoint a proxy to attend and vote on the shareholder's behalf. A shareholder who is entitled to cast two or more votes may appoint up to two proxies and may specify the proportion or number of the shareholder's votes each proxy is entitled to exercise. If two proxies are appointed but no proportion or number is specified, each proxy may exercise half of the shareholder's votes.

The Chairman intends to put each resolution set out in this Notice of Meeting for decision by poll. On a poll, shareholders have one vote for every fully paid ordinary share held. On a show of hands, every person present and qualified to vote has one vote and if a proxy has been appointed, that proxy will have one vote on a show of hands. Under the *Corporations Act*, if a shareholder appoints two proxies, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.

A proxy has the same rights as a shareholder to speak at the meeting, to vote (but only to the extent permitted by law and allowed by the appointment) and to join in a demand for a poll. Shareholders who have appointed a proxy may still attend the meeting. The proxy is not revoked by the shareholder attending and taking part in the meeting, unless the shareholder actually votes at the meeting on a resolution for which the proxy is proposed to be used.

Where more than one joint holder votes, the vote of the holder whose name appears first in the register of shareholders shall be accepted to the exclusion of the others, regardless of whether the vote is given in person or by proxy or by representative or by attorney.

A proxy need not be a shareholder of the Company and may be an individual or a body corporate. If a shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the *Corporations Act*; and
- provides satisfactory evidence of the appointment of its corporate representative to the Company at least 48 hours prior to commencement of the meeting.

If such evidence is not received at least 48 hours prior to the commencement of the meeting, then the body corporate proxy (through its representative) will not be permitted to act as the shareholder's proxy.

Proxy forms (and if the appointment is signed by the appointer's attorney, the original authority under which the appointment was signed or a certified copy of the authority) must be received by the Company's share registry, Boardroom Pty Limited, by 10:00am AEDT on Monday, 14 October 2019. A proxy may be lodged with Boardroom Pty Limited:

- online, at www.votingonline.com.au/originagm2019 or as a registered user via InvestorServe or the Boardroom App;
- by mail, at Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001;
- by hand, at Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000; or
- by facsimile, on +61 2 9290 9655.

Undirected proxies

If the Chairman of the Meeting is your proxy, and you do not mark a box next to Resolution 5 or 6, then by completing and returning the proxy form, you will be expressly authorising the Chairman to vote as he sees fit in respect of Resolution 5 or 6 even though these Resolutions are connected with the remuneration of the Company's KMP.

The Chairman of the meeting intends to vote undirected proxies **IN FAVOUR** of Resolutions 2 to 8.

The Chairman of the meeting intends to vote undirected proxies **AGAINST** resolutions 9(a) to 9(f).

The Company encourages all shareholders who submit proxies to direct their proxy how to vote on each resolution.

Questions at the meeting

The meeting is intended to give shareholders the opportunity to hear from the Chairman and the Chief Executive Officer, to discuss the financial year ended 30 June 2019, to give some insight into the Company's prospects for the year ahead and provide an opportunity for shareholders to ask questions relevant to the Company. The Company welcomes shareholders' questions at the meeting. However, in the interests of those present, questions or comments should be confined to items of business before the meeting and should be relevant to shareholders as a whole.

Explanatory Notes

These Explanatory Notes form part of the Notice of Meeting and are intended to provide shareholders of the Company with information to assess the merits of the proposed resolutions.

The Directors recommend that shareholders read these Explanatory Notes in full, including the Directors' recommendations, before making any decision in relation to the resolutions.

1. Receive and consider reports for year ended 30 June 2019

The Company's Annual Report has been made available to shareholders and is published on the Company's website (www.originenergy.com.au). Shareholders are not required to vote on the financial statements and the reports of the Directors and auditor. As described on page 5 of the Notice of Meeting, at the meeting there will be an opportunity for shareholders to comment on and ask questions about the management of the Company.

2. Election of Mr Greg Lalicker, Independent Non-executive Director

Mr Greg Lalicker joined the Board in March 2019.

Greg is the Chief Executive Officer of Hilcorp Energy Company, based in Houston, USA. Hilcorp is the largest privately held independent oil and gas exploration and production company in the United States.

Greg joined Hilcorp's leadership team in 2006 as Executive Vice President where he was responsible for all exploration and production activities. He was appointed Chief Executive Officer in 2018. Prior to working for Hilcorp, Greg was with BHP Petroleum based in Midland, Houston, London and Melbourne as well as McKinsey & Company where he worked in its Houston, Abu Dhabi and London offices.

Greg graduated as a petroleum engineer from the University of Tulsa. He also has a Master of Business Administration and a law degree.

Prior to Greg's appointment, the Company undertook independent checks relevant to his character, experience, education, criminal record and bankruptcy history, and concluded that it was appropriate to appoint Greg to the Board.

The Board (with Greg absent) reviewed the performance of Greg since his appointment and concluded that his extensive industry and strategy experience, together with his global knowledge, will strengthen the Origin Board and complement the skills of the existing Directors. Greg is considered an independent Director by the Board.

Directors' Recommendation

The Board, with Mr Lalicker abstaining, recommends that shareholders vote **IN FAVOUR** *of his election.*

3. Re-election of Mr Gordon Cairns, Independent Non-executive Director

Mr Gordon Cairns joined the Board on 1 June 2007 and became Chairman in October 2013. He is Chairman of the Nomination Committee and a member of the Audit, Health, Safety and Environment, Remuneration and People and Risk committees.

Gordon has extensive Australian and international experience as a senior executive, as Chief Executive Officer of Lion Nathan Ltd, and has held senior management positions in marketing, operations and finance with PepsiCo, Cadbury Ltd and Nestlé.

Gordon is Chairman of Woolworths Group Limited (since September 2015), a Director of Macquarie Group Limited (since November 2014), Macquarie Bank Limited (since November 2014) and Non-executive Director of World Education Australia (since November 2007). He was previously Chairman of the Origin Foundation, David Jones Limited (March 2014 – August 2014), Rebel Group (2010 – 2012), Director of The Centre for Independent Studies (May 2006 – August 2011), Director of Quick Service Restaurant Group (October 2011 – May 2017) and Director of Westpac Banking Corporation (July 2004 – December 2013). He was also a senior advisor to McKinsey & Company.

Gordon holds a Master of Arts (Honours) from the University of Edinburgh.

The Board (with Gordon absent) reviewed the performance of Gordon. The review included consideration of his expertise, skill and experience, as well as his performance and contribution to the work of the Board over his term of office. The Board found that Gordon had been a high performing Director and continues to make valuable contributions to the Board. Gordon is considered an independent Director by the Board.

Directors' Recommendation

The Board, with Mr Cairns abstaining, recommends that shareholders vote **IN FAVOUR** *of his re-election.*

4. Re-election of Mr Bruce Morgan, Independent Non-executive Director

Mr Bruce Morgan joined the Board in November 2012. He is Chairman of the Audit Committee and a member of the Health, Safety and Environment, Nomination and Risk committees.

Bruce is Chairman of Sydney Water Corporation (since October 2013), a Director of Caltex Australia Ltd (since June 2013), a Director of Redkite, the University of NSW Foundation and the European Australian Business Council.

Bruce served as Chairman of the Board of PricewaterhouseCoopers (PwC) Australia between 2005 and 2012. In 2009, he was elected as a member of the PwC International Board, serving a four year term. He was previously Managing Partner of PwC's Sydney and Brisbane offices. An audit partner of the firm for over 25 years, he was focused on the financial services and energy and mining sectors leading some of the firm's most significant clients in Australia and internationally.

Bruce has a Bachelor of Commerce (Accounting and Finance) from the University of NSW and is an Adjunct Professor of the University. He is a Fellow of the Chartered Accountants Australia and New Zealand and of the Australian Institute of Company Directors.

The Board (with Bruce absent) reviewed the performance of Bruce. The review included consideration of his expertise, skill and experience, as well as his performance and contribution to the work of the Board over his term of office. The Board found that Bruce had been a high performing Director and continues to make valuable contributions to the Board. Bruce is considered an independent Director by the Board.

Directors' Recommendation

The Board, with Mr Morgan abstaining, recommends that shareholders vote **IN FAVOUR** *of his re-election.*

5. Adoption of Remuneration Report

In accordance with section 250R(2) of the *Corporations Act*, the Board is presenting the Company's Remuneration Report for the year ended 30 June 2019 to shareholders for consideration and adoption by a non-binding vote. The Remuneration Report was published on 22 August 2019 and is available on the Company's website (www.originenergy.com.au).

The Remuneration Report:

- explains the Board's policies in relation to the objectives and structure of Origin's remuneration system;
- discusses the relationship between the remuneration outcomes and the returns to shareholders;
- provides details of performance conditions, why they were chosen and how performance is measured against them;
- describes the governance framework of Origin's remuneration arrangements; and
- sets out the remuneration arrangements for each Director and each other member of the KMP of the Company.

Shareholders will have a reasonable opportunity to ask questions and comment on the Remuneration Report at the meeting.

The vote on this resolution is advisory only and does not bind the Directors or the Company. Nevertheless, the Board will take into account the outcome of the vote when considering the future remuneration arrangements of the Company.

The *Corporations Act* prohibits certain persons from voting on this item of business. The voting exclusion statement relating to this item of business is set out on page 2 of the Notice of Meeting.

Directors' Recommendation

The Board recommends that shareholders vote **IN FAVOUR** of adopting the Remuneration Report.

6. Equity Grants to Managing Director & Chief Executive Officer Mr Frank Calabria

Resolution 6 seeks shareholders' approval for the grant of equity incentives to Mr Calabria with respect to his short-term and long-term incentives for the financial year ended 30 June 2019:

Restricted Shares	Up to 143,242 Restricted Shares with a holding lock of two years (as detailed in section 6.2). This represents the Deferred Element (50%) of his Short Term Incentive (STI) award for FY2019, calculated on a face value basis as detailed in section 6.3. The balance of Mr Calabria's STI award (50%) has been paid in cash.
Performance Share Rights (PSRs)	Up to 452,742 PSRs vesting after three years subject to the achievement of performance hurdles as described below. Vested shares are subject to a further holding lock of one year (as detailed in section 6.2). The PSR award represents Mr Calabria's target Long Term Incentive (LTI) allocation for FY2019, calculated on a face value basis as detailed in section 6.3.

The Company's equity incentive arrangements represent key elements of its remuneration and retention strategies for executives, including Mr Calabria. The deferred component of the STI (Deferred STI) and LTI arrangements are important in aligning the interests of senior executives with those of shareholders.

Together, the Deferred STI and the LTI provide executives with a deferred equity interest in the Company. Whether the incentive provides value to the executive, and if so, how much, will depend on the Company's share price, and for the LTI, performance against the performance hurdles described below, as well as Mr Calabria's continued employment through to the relevant vesting dates. Because there is no certainty of any value being received by Mr Calabria, these incentives represent conditional or "at risk" remuneration.

Detailed information about the Company's incentive plans and policies, their objectives and structure and the performance hurdles that apply to them is set out in the Remuneration Report.

6.1 Why approval is being sought

Under Listing Rule 10.14, shareholder approval is required for the issue of securities to any Director under an employee incentive scheme.

The Company is seeking shareholder approval for the proposed grant of Restricted Shares and PSRs to Mr Calabria under the Equity Incentive Plan.

The Company intends to source the Restricted Shares component of Mr Calabria's remuneration and any shares required to satisfy PSRs that vest through on-market purchases for which approval is not required under Listing Rule 10.14. Nonetheless, the Board is seeking approval in the interests of transparency and good corporate governance, and also to preserve flexibility for the Company to issue shares in the event that it is not in the Company's best interests to purchase shares on market at the relevant time.

The Company's Non-executive Directors receive fixed fees and are not eligible to participate in any incentive scheme. As Managing Director & Chief Executive Officer, Mr Calabria is the only Director entitled to participate under the STI and LTI schemes.

If shareholder approval is given for this resolution under Listing Rule 10.14, separate approval is not required under Listing Rule 7.1.

6.2 Overview of equity incentive arrangements

Deferred STI

One half of Mr Calabria's STI award is deferred and subject to a condition of ongoing service[3]. That deferred element is delivered in the form of Restricted Shares. Restricted Shares are granted to Mr Calabria at no cost as they form part of his remuneration and represent part of his earned STI. The Restricted Shares will be subject to a holding lock of approximately two years, ending at the end of the Closed Period (as defined in the Company's Dealing in Securities Policy) two years from the end of the financial year to which the STI award relates: in this case, the second trading day after the release of the FY2021 full year results in August 2021.

LTI

LTI awards are delivered in the form of PSRs, each of which entitles Mr Calabria to receive a fully paid ordinary share in the Company on vesting at the end of the three year performance period. Vesting can only occur if specific performance conditions are met as set out below. Subject to meeting the performance conditions, the PSRs convert to shares which are restricted for a further period of approximately one year (to the second trading day after the release of the FY2023 full year results in August 2023). PSRs are granted to Mr Calabria at no cost as they represent part of his remuneration package.

3 Except in limited circumstances such as death, disability, or genuine retirement.

Performance hurdles and vesting scale

ROCE Hurdle

One half of the PSRs (up to 226,371 PSRs) will have a Return on Capital Employed (ROCE) Hurdle. This measure was chosen as ROCE is a profitability ratio that measures the efficiency of profit generation from capital employed. It predicts superior shareholder returns over the long term and reflects the importance of prudent capital allocation to generate sufficient returns, over time.

The ROCE tranche is split into two equal parts, one for the Energy Markets (EM) business and the other for the Integrated Gas (IG) business. Separate ROCE targets are set for each, recognising their differing capital characteristics, risk and growth profiles. The average ROCE over three years must equal or exceed the average of the three annual targets which are reflective of delivering WACC for each business.

The starting point for the ROCE calculation is statutory EBIT divided by average capital employed for the relevant business. Statutory EBIT is adjusted for fair value and foreign exchange movements in financial instruments which are highly volatile and outside the control of management. Other adjustments to the ROCE calculation may be made in limited circumstances where the Board considers it to be appropriate.

Testing and vesting is independent for the two parts. In each case for EM and IG, half of the relevant PSRs will vest if the target is met, and all of the relevant PSRs will vest if the target is exceeded by two percentage points or more. Straight line pro-rata vesting applies between these two points

Relative TSR Hurdle

The balance of the PSRs (up to 226,371 PSRs) will be subject to a Total Shareholder Return (TSR) Hurdle over the performance period relative to a reference group of companies (Relative TSR Hurdle). The Relative TSR Hurdle has been chosen because it directly reflects returns to shareholders and aligns executive reward to that return and does not reward general market uplifts. Vesting occurs only when Origin outperforms the market. TSR measures the growth in capital of a purchased share assuming reinvestment of dividends. Relative TSR measures a company's TSR performance relative to a reference group. It is an objective assessment of shareholder value.

The reference group is the S&P/ASX 50 (as constituted at the start of the performance period). This represents the most meaningful group with which Origin competes for shareholder investment and executive talent. There are an insufficient number of operationally similar competitors to provide a useful 'selected' comparator group. Share prices are determined from 3-month VWAPs ended on the start and end (respectively) of the performance period.

Vesting occurs only where Origin's TSR over the performance period ranks it higher than the 50th percentile of the reference group. Half of the PSRs vest if the 50th percentile is exceeded, and all of the PSRs in this tranche vest if the 75th percentile is reached or exceeded, with straight-line pro-rata vesting applying between these two points.

Performance period, exercise and lapse

The PSRs have a performance period of three financial years, followed by a holding lock of approximately 13½ months:

Grant date October 2019
Base date (Start of performance period) 1 July 2019
Test date (End of performance period) 30 June 2022
Lifting of Holding Lock The second trading day after the release of the FY2023 full year results in August 2023

The exercise price for PSRs is nil. PSRs are exercised automatically on vesting, and lapse immediately if they fail to vest on the test date.

In exceptional circumstances, the Board may determine to cash settle the PSRs.

Additional terms – Restricted Shares and PSRs

In addition to the performance conditions described above, Restricted Shares arising from Deferred STI and unvested LTI awards may be forfeited if the holder does not remain in ongoing employment with satisfactory service through to the end of the performance period. Satisfactory service includes adherence to Origin's values and behavioural standards.

All Restricted Shares, PSRs and shares vested from LTIs remaining under the holding lock are subject to malus and clawback in accordance with the Equity Incentive Plan Rules. Malus and clawback provisions allow the Board to reduce or cancel advised awards, lapse unvested equity awards, reduce vesting, impose additional restrictions or to demand the return of shares or the realised cash value of those shares where the Board determines that the benefit obtained was inappropriate, for example, as a result of fraud, dishonesty or breach of employment obligations by the recipient or any employee of the Group.

There is no retesting of the performance conditions. Any unvested PSRs that do not vest after testing at the end of the relevant performance period will lapse immediately.

Following the de-restriction of Restricted Shares and the release of the holding lock on shares vested from LTI awards, the shares will continue to be subject to restrictions in accordance with the Company's Dealing in Securities policy and the Company's minimum shareholding requirements for executives.

Restricted Shares arising from Deferred STI will normally be forfeited and PSRs will normally lapse on termination of employment, unless the Board determines otherwise (such as in cases of death, disability, redundancy, genuine retirement or other exceptional circumstance approved by the Board). In those limited circumstances, unless the Board determines otherwise, the restrictions on the Restricted Shares may be lifted and PSRs may be left on foot, subject to their original terms and conditions.

No loan from the Company is available on the issue of Restricted Shares or PSRs or any other aspect under the proposed equity grant.

If a change of control occurs prior to the end of the restriction period on Restricted Shares, which represent a portion of an earned bonus, the Board has discretion to lift the restriction on those Restricted Shares at the date of the change of control. If a change of control occurs prior to the vesting of PSRs, the Board has discretion to bring forward testing against the performance conditions as at the date of the change of control, and vesting will occur to the extent that the relevant performance conditions have been met.

If the Company makes a bonus issue or rights issue or undertakes a corporate action or capital reorganisation, the Board may adjust the number of unvested PSRs to which each participant is entitled to minimise or eliminate any material advantage or disadvantage to the participant.[4]

4 If new awards are granted, they will, unless the Board determines otherwise, be subject to the same terms and conditions as the original awards.

Dividends, trading and hedging

Dividends are not paid on PSRs. Dividends are only paid (and voting rights only attach) to shares issued on vesting of the PSRs. Restricted Shares carry dividend entitlements and voting rights.

The Restricted Shares and PSRs granted under the Company's incentive plans (and shares arising from LTI vesting, while under a holding lock) are not transferable without the consent of the Board. Holders are prohibited from entering into hedging arrangements in respect of the unvested PSRs.

6.3 Effect of Approval

Deferred STI – Restricted Shares

The number of Restricted Shares to be awarded to Mr Calabria was calculated by taking the dollar value of his FY2019 STI Deferred Element ($1,025,100) and dividing it by the face value of a share, determined as the 30-day VWAP to 30 June 2019 ($7.1564), rounded to the nearest whole number. Accordingly, the maximum number of Restricted Shares to be awarded is 143,242.

LTI – PSRs

The number of PSRs to be granted to Mr Calabria was calculated by taking the dollar value of his LTI award opportunity ($3,240,000, equivalent to 180% of Fixed Remuneration) and dividing it by the face value of a share, determined as the 30-day VWAP to 30 June 2019 ($7.1564), rounded to the nearest whole number.

Accordingly, the maximum number of PSRs to be granted is 452,742.

Under the Plan Rules, the Board has discretion to reduce the number of awards allocated.

Timing of issue

Subject to shareholder approval being obtained, it is intended that the Restricted Shares and PSRs will be allocated to Mr Calabria shortly after the 2019 AGM.[5]

6.4 Issues of securities since the last approval by shareholders

At the 2018 Annual General Meeting, shareholders approved the issue of the following securities to Mr Calabria for nil consideration with respect to the financial year ended 30 June 2018:

- 106,684 Restricted Shares; and
- 312,245 PSRs.

These securities were issued on 17 October 2018 to Mr Calabria and are subject to a number of performance and service conditions as explained in the 2018 Notice of Meeting. There have been no other securities issued to Directors or their associates since that date.

Directors' Recommendation

The Directors, with Mr Calabria abstaining, recommend shareholders vote **IN FAVOUR** *of Resolution 6.*

The Listing Rules and the *Corporations Act* prohibit certain persons from voting on Resolution 6. A voting exclusion statement with regard to Resolution 6 is set out on page 2 of the Notice of Meeting.

7. Renewal of proportional takeover provisions

The *Corporations Act* permits a Company's constitution to include a provision that enables it to refuse to register shares acquired under a proportional takeover bid, unless shareholders approve the bid.

Rule 15 of the constitution was approved by shareholders in 2016, but that approval (and therefore the rule) ceases to have effect on 19 October 2019. The Directors consider it in the interests of shareholders to continue to have a proportional takeover provision in the constitution and, accordingly, shareholders are being asked to renew the proportional takeover provisions contained in rule 15 of the constitution with effect from the date of this meeting for a further period of three years. A copy of the Company's constitution can be found on the Company's website (www.originenergy.com.au)

7.1 Proportional takeover bid

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares (i.e. less than 100 per cent). This means that control of the Company may pass without shareholders having the chance to sell all their shares to the bidder. It also means the bidder may take control of the Company without paying an adequate amount for gaining control.

In order to deal with this possibility, a company may provide in its constitution that:

- in the event of a proportional takeover bid being made for shares in the company, shareholders are required to vote by ordinary resolution and collectively decide whether to accept or reject the offer; and
- the majority decision of the company's shareholders will be binding on all individual shareholders.

The Directors consider that shareholders should be able to vote on whether a proportional takeover bid ought to proceed given such a bid might otherwise allow control of the Company to change without shareholders being given the opportunity to dispose of all their shares for a satisfactory control premium. The Directors also believe that the right to vote on a proportional takeover bid may avoid shareholders feeling pressure to accept the bid even if they do not want it to succeed.

7.2 Effect of a proportional takeover bid provision

If a proportional takeover bid is made, the Directors must ensure that a general meeting to approve the bid is held more than 14 days before the last day of the bid period, at which shareholders will consider a resolution to approve the takeover bid.

Each shareholder will have one vote for each fully paid share held, with the vote to be decided on a simple majority. The bidder and its associates are not allowed to vote.

If the resolution is not passed at that meeting, no transfer will be registered and the offer will be taken to have been withdrawn. If the resolution is not voted on, the bid will be taken to have been approved. If the bid is approved (or taken to have been approved), all valid transfers must be registered.

The proportional takeover approval provisions do not apply to full takeover bids and, if renewed, will only apply for three years after the date of the renewal. The provisions may be renewed for a further three-year period, but only by a special resolution passed by shareholders.

5 To satisfy Listing Rule 10.15, the Company confirms that the securities will be issued within 12 months of the date of the 2019 AGM or any adjournment of it.

7.3 Potential advantages and disadvantages

The potential advantages of the proportional takeover approval provisions for shareholders include:

- shareholders will be given the right to decide by majority vote whether to accept a proportional takeover bid;
- the provisions may help shareholders avoid being locked in as a minority and may prevent a bidder acquiring control of the Company without paying an adequate control premium (i.e. paying for all of their shares);
- the provisions may increase shareholders' bargaining power and may help ensure that any bid is adequately priced; and
- knowing the view of the majority of shareholders may help each individual shareholder to decide whether to accept or reject the proportional offer.

The potential disadvantages include:

- they may discourage proportional takeover bids being made for shares in the Company;
- shareholders may lose an opportunity to sell some of their shares at a premium; and
- the likelihood of a proportional takeover succeeding may be reduced. During the last three years that the existing proportional takeover provisions have been in effect, there were no takeover bids for the Company.

The Directors are not aware of any potential bid that was discouraged by rule 15 of the constitution.

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them, other than in their capacity as shareholders. They remain free to make a recommendation as to whether an offer under a proportional takeover bid should be accepted.

While rule 15 in the Constitution has been in effect, there have been no full or proportional takeover bids for the Company. Therefore, there has been no example against which to review the advantages or disadvantages of the provisions for the Directors and the shareholders, respectively, during this period.

The Directors consider that the potential advantages for shareholders of the proportional takeover provisions operating for the next three years outweigh the potential disadvantages.

As at the date of this Notice, no Director is aware of any proposal to acquire or to increase the extent of a substantial interest in the Company.

Directors' Recommendation

The Directors recommend shareholders vote **IN FAVOUR** *of Resolution 7.*

8. Change of auditor

KPMG has been the Company's auditor since 2000.

Following a competitive tender process, the Board has selected Ernst & Young to be appointed as the new auditor of the Company and its controlled entities and Ernst & Young has consented to the appointment.

KPMG will resign as auditor with effect from the close of AGM and will seek consent from the Australian Securities and Investments Commission for the resignation in accordance with section 329(5) of the *Corporations Act* prior to the AGM.

Section 328B(1) of the *Corporations Act* requires that written notice of nomination of a new auditor be received from a member of the Company. The Company has received such a nomination from Ms Jade McGillivray, who is a member of the Company, nominating the proposed new auditor. A copy of this nomination is Attachment 1 to this Notice of Meeting.

Under the *Corporations Act*, shareholder approval is required for the appointment of a new auditor. If the resolution in Item 8 is passed, the appointment of the new auditor will take effect at the close of this AGM.

Directors' Recommendation

The Directors recommend shareholders vote **IN FAVOUR** *of Resolution 8.*

9. Resolutions Requisitioned by a Group of Shareholders

A group of shareholders holding approximately 0.0180 per cent of the Company's ordinary shares has proposed Resolutions 9(a) to 9(b) under section 249N of the *Corporations Act* and also requested pursuant to section 249P of the *Corporations Act* that the statements set out in Attachment 2 to this notice be provided to shareholders.

A separate group of shareholders holding approximately 0.0145 per cent of the Company's ordinary shares has proposed Resolutions 9(c) to 9(f) under section 249N of the *Corporations Act* and also requested pursuant to section 249P of the *Corporations Act* that the statements set out in Attachment 2 to this notice be provided to shareholders.

Resolution 9(a) seeks an amendment to the Company's constitution. Resolutions 9(b)-(f) are contingent advisory resolutions that will only be put to the AGM if 75 per cent or more of the votes cast on Resolution 9(a) are in favour.

Consistent with the Company's approach to inviting shareholder debate and feedback, it is the Board's intention to allow a reasonable opportunity at the AGM to take questions from shareholders on each of Resolutions 9(a)-(f), even if Resolutions 9(b)-(f) are not ultimately put to the meeting.

9(a) Amendment to the constitution

The shareholders' statement in support of this resolution is set out in Attachment 2 of this Notice.

The Board's response

The Board respects the rights of shareholders to requisition a resolution which seeks to amend the Company's constitution. The Board does not, however, consider the requisitioned resolution to change the constitution to be in the best interests of the Company and recommends that shareholders vote against it for the reasons set out below.

This resolution proposes to insert a new provision in the Company's constitution which would enable shareholders, by ordinary resolution, to express an opinion, ask for information or make a request about the way in which the management of the business and affairs of the Company has been or should be exercised.

Shareholders already have a right under the *Corporations Act* to put effective resolutions to general meetings. In addition, there are a number of avenues available to them to express their opinions about the management of the Company. Most notably, shareholders can attend, engage in and ask questions at general meetings of the Company, or submit questions in advance of the meeting where they are unable to attend in person. Webcasts of annual general meetings are available on the Origin website, along with copies of other investor briefings and presentations by the Chief Executive Officer.

Origin has an investor relations program to facilitate effective two-way communication with investors. Origin regularly and constructively engages with its shareholders and wider stakeholder groups to understand how Origin's operations and activities impact them. Through this process, the Company receives feedback on its strategies, affairs and outlook. This feedback has provided, and will continue to provide, Origin with the flexibility and agility to adjust both its strategy and its external reporting of that strategy and operations to respond to the prevailing expectations of its shareholders and stakeholders. For example, the content of Origin's Sustainability Report in recent years has responded continually to stakeholder requests and interests. We have consistently improved the quality and nature of that report as stakeholders, not just shareholders, have sought more information, and we now publish it in time for shareholders to read it while considering AGM materials. These engagements with shareholders and the resetting of internal plans and communication efforts all occur without the need for any constitutional requirement.

The Directors do not believe that the amendment contemplated by this resolution will improve the ability for shareholders as a whole to be heard and to express their opinions about the management of the Company. Creating a constitutionally entrenched power to "express an opinion" or "make a request" on the exercise of powers vested in the directors would allow groups of shareholders to use the general meeting process for their philosophical or ideological purposes, which may cause confusion and may not advance the interests of shareholders as a whole. Interest and advocacy groups have other avenues to engage with the Company that are a more appropriate use of time and resources of all shareholders – and the Company welcomes and encourages that engagement.

The Directors are of the view that the proposed resolution could adversely impact on the governance of the Company. The power to manage the business of the Company is conferred upon the Board by the constitution. It is important that the Directors are able to make decisions using their business judgment about the business and affairs of the Company in the interests of shareholders as a whole. Shareholders have the ability to hold directors to account for their decisions and actions by voting on the appointment and removal of directors.

Having regard to these reasons, the Board considers the proposed amendment to the Company's constitution is not in the best interests of shareholders.

Directors' Recommendation

The Board recommends that shareholders vote **AGAINST** *this resolution.*

The Chairman intends to vote undirected proxies **AGAINST** *this resolution.*

9(b) Transition planning disclosure

Resolution 9(b) is an "advisory resolution" and will only be presented to the meeting for consideration if Resolution 9(a) is passed by special resolution. If Resolution 9(a) is not passed, this item will not be put to the meeting. However, as noted above, the Company intends to allow a reasonable opportunity at the AGM for shareholders to ask questions on the subject matter of this item.

The shareholders' statement in support of this resolution is set out in Attachment 2 of this Notice.

The Board's response

The Board does not endorse the resolution and recommends that shareholders vote against this resolution for the reasons set out below.

As a leading energy company, Origin recognises it has a responsibility to be clear and consistent in our disclosure on climate related risks to our business and portfolio. To achieve this, we use the comprehensive definition of climate related risks established by the Financial Stability Board's Taskforce on Climate-related Financial Disclosures (TCFD). Origin regularly and transparently reports progress against our decarbonisation strategy which guides our transition to a low-carbon economy. We include disclosures in line with TCFD recommendations in our public disclosures including in the Sustainability Report.

In 2017, Origin used scenario analysis to test our resilience to climate related risks and released our "Resilience of Origin's Generation Portfolio to a Low Carbon Economy" report. This scenario analysis demonstrated the resilience of our portfolio in line with the Paris Agreement. In October 2018, the Intergovernmental Panel on Climate Change released a new 1.5°C scenario analysis (IPCC SR15). We are in the process of updating our scenario analysis on the value of our generation portfolio for the impact of a trajectory which limits the rise in global average temperatures to less than 1.5°C. We will publish this report in the second half of 2019.

Origin has a clear five-pillar approach to decarbonisation, accompanied by independently endorsed science-based emissions target. One of the key pillars to Origin's decarbonisation plan is to exit coal generation by 2032. Origin was the first Australian company to receive the Science Based Targets Initiative (SBTi) approval and remains the only energy company in Australia with the accreditation. Our endorsed science-based emissions reduction target ensures Origin's decarbonisation trajectory is aligned with the Paris Agreement's goal of limiting the global average temperature rise this century to well below 2°C above pre-industrial levels.

When setting our Paris aligned climate goals, the methodology chosen by Origin was the Sectoral Decarbonisation Approach (SDA). The SDA is a scientifically informed method, differentiated from other existing methods by virtue of its subsector-level approach and global least cost mitigation perspective. The methodology is particularly relevant to Origin, as we operate across a number of different energy sectors. The SDA methodology is also relevant for Australia, as improving affordability whilst ensuring system reliability are key priorities that must be met within any decarbonisation strategy.

Origin does not consider it to be in the best interests of our stakeholders, including customers, investors, suppliers, our people and the community at large, to set our business strategy nor emissions targets based on a high-level non-peer reviewed paper, as referenced in the statement supporting the resolution. Not only is our current emissions target aligned with the Paris goals but the SDA methodology allows flexibility and credibility to adjust our targets if necessary to remain aligned with latest climate science.

Origin will continue to pursue a decarbonisation strategy consistent with the goals of the Paris Agreement. However, the Board is of the view that this resolution is not required given Origin's clear decarbonisation strategy, transparent reporting practices and existing commitments to an orderly decarbonisation of its generation portfolio.

Having regard to these reasons, the Board considers the proposed resolution is not in the best interests of shareholders.

Directors' Recommendation

The Board recommends that shareholders vote **AGAINST** *this resolution.*

The Chairman intends to vote undirected proxies **AGAINST** *this resolution.*

9(c) Informed Consent relating to our company's proposed fracking activities in the Beetaloo Sub-basin

Resolution 9(c) is an "advisory resolution" and will only be presented to the meeting for consideration if Resolution 9(a) is passed by special resolution. If Resolution 9(a) is not passed, this item will not be put to the meeting. However, as noted above, the Company intends to allow a reasonable opportunity at the AGM for shareholders to ask questions on the subject matter of this item.

The shareholders' statement in support of this resolution is set out in Attachment 2 of this Notice.

The Board's response

The Board does not endorse the resolution and recommends that shareholders vote against this resolution for the reasons set out below.

Since becoming Operator of its petroleum exploration permits in the Beetaloo sub-basin in 2014, Origin has worked constructively, transparently and in good faith with its directly impacted stakeholders who share access rights to the land. In particular, we have enjoyed meaningful engagement and participation in the project with our host Traditional Owners and host Pastoralists.

Origin holds Tripartite Agreements with the Native title holders of the land and the Northern Territory Government which are required for the grant of petroleum exploration permits in the Northern Territory. In addition, Origin holds Exploration Agreements with its host Traditional Owners. These comprehensive agreements have been negotiated under the sanction of the statutory representative body, the Northern Land Council, post the completion of anthropological studies. These agreements provide the framework and methodology for the permit holder to work with host Traditional Owners prior to undertaking petroleum exploration activities which vary in nature, location and process, including hydraulic fracture stimulation. These processes respect the principles of free and prior informed consent.

Continuous engagement with host Traditional Owners is undertaken through the Northern Land Council. Examples of these types of engagements include survey work in the field whereby Traditional Owners conduct sacred site clearances prior to any disturbance activity, which are required as part of the Regulator's assessment and approval process for each activity. At a minimum, Origin meets annually with host Traditional Owners to review consented works as well as discuss the planned work programme for the coming year. Where necessary, Origin also holds Aboriginal Areas Protection Authority Certificates.

Origin has consulted with the relevant host Traditional Owners in accordance with our obligations and has the necessary consents to undertake exploration activities. During the past 12 months, Origin has worked with the Northern Land Council and Native Title holders to complete Sacred Site Clearance and Avoidance surveys, secured Aboriginal Areas Protection Authority certification for nine potential exploration locations and participated in seven on-country meetings with Native Title holder families.

As well as complying with the relevant national and jurisdictional laws, Origin goes further and genuinely works towards contributing to regional economic development in the communities where we operate. Origin's priorities in the Northern Territory include:

- establishing and maintaining relationships based on consultation, communication, feedback and participation;
- promoting sustainable development which delivers benefits and opportunities for host Traditional Owners; and
- respecting and preserving the culture, knowledge, and practices of host Traditional Owners.

Accordingly, given Origin's current practices and existing arrangements, the Board considers the proposed resolution neither necessary, nor beneficial.

Having regard to these reasons, the Board considers the proposed resolution is not in the best interests of shareholders.

Directors' Recommendation

The Board recommends that shareholders vote **AGAINST** *this resolution.*

The Chairman intends to vote undirected proxies **AGAINST** *this resolution.*

9(d) Public health risks of coal operations

Resolution 9(d) is an "advisory resolution" and will only be presented to the meeting for consideration if Resolution 9(a) is passed by special resolution. If Resolution 9(a) is not passed, this item will not be put to the meeting. However, as noted above, the Company intends to allow a reasonable opportunity at the AGM for shareholders to ask questions on the subject matter of this item.

The shareholders' statement in support of this resolution is set out in Attachment 2 of this Notice.

The Board's response

The Board does not endorse the resolution and recommends that shareholders vote against this resolution for the reasons set out below.

Origin operates one of Australia's largest electricity generation portfolios, supplying approximately 12% of the electricity consumed across the National Electricity Market (**NEM**) annually. Origin is the largest owner of natural gas-fired power stations in Australia and also produces power from coal, wind, pump hydro, solar and cogeneration plants.

Eraring is Australia's largest electricity generator and Origin's only coal-fired generation asset. The emissions intensity of Origin's generation fleet of coal, gas and renewables has compared favourably to the NEM over several years. In FY2019 Origin operated at 0.78 tonnes of CO_2-e per MWh, compared to the NEM average of 0.77 tonnes of CO_2-e per MWh. This is the first year our portfolio has had a higher emissions intensity than the NEM, partly reflecting the continuing decarbonisation of the NEM and also the increase in generation output from Eraring required to meet the generation shortfall created from the closure of generation capacity in the NEM.

Eraring is the only NSW coal generator that has already installed low NOx burner technology, helping to reduce NOx emissions at the plant by 40% per MW/hr. In addition, fabric filter bags reduce particulate emissions by 99.99%.

While Origin has already confirmed Eraring's closure by 2032 or earlier as part of our commitment to halve direct emissions from our business from a 2017 base year, the asset is crucial to both the security and affordability of power supply to NSW.

The health and safety of the communities where we operate and of our people are of paramount importance to Origin and we constantly monitor the performance of our assets to ensure minimal community and environmental impacts.

The public health risks in the report cited by the members' statement was not subject to proper scientific peer review and subsequent assessments by qualified environmental scientists have found, among other things, that the report gave no consideration to the potential impacts of other sources of fine particles; contained modelling that took no account of the dispersion of material over large distances; and should not be relied upon in undertaking health assessments or considered when developing air quality policy.

Origin complies with the emissions limits set out in its Environmental Protection Licence and in state and federal legislation, and monitors and reports on air emissions in accordance with the requirements of Eraring's licences and approvals.

Particulates, oxides of nitrogen and oxides of sulphur are all monitored as part of Eraring Power Station's Environmental Protection Licence. Origin also reports in accordance with the National Pollutant Inventory (**NPI**) and National Greenhouse and Energy Reporting Scheme. The NPI is a publicly available database of emissions from Australian industrial facilities. Eraring Power Station emissions calculations are independently verified, and Environmental Protection Licence monitoring data is available via Origin's website.

The Board is of a view that the regulation of air quality needs to be underpinned by robust, peer reviewed scientific data and assessments to provide the community with the necessary assurance that potential health and environmental air quality risks are being managed effectively. In addition, to define an appropriate regulatory response, all sources of air emissions need to be considered holistically to determine the level of risk.

Therefore, Origin would advocate for air quality risk assessments and the consideration of controls to be led by the regulatory authorities, rather than individual organisations. This would give both the wider community and shareholders greater confidence that the interests of all relevant stakeholders have been considered to ensure the development of a balanced response which is proportionate to the level of risk.

Having regard to these reasons, the Board considers the proposed resolution is not in the best interests of shareholders.

Directors' Recommendation

The Board recommends that shareholders vote **AGAINST** *this resolution.*

The Chairman intends to vote undirected proxies **AGAINST** *this resolution.*

9(e) Paris Goals and targets

Resolution 9(e) is an "advisory resolution" and will only be presented to the meeting for consideration if Resolution 9(a) is passed by special resolution. If Resolution 9(a) is not passed, this item will not be put to the meeting. However, as noted above, the Company intends to allow a reasonable opportunity at the AGM for shareholders to ask questions on the subject matter of this item.

The shareholders' statement in support of this resolution is set out in Attachment 2 of this Notice.

The Board's response

As noted for Resolution 9(b), Origin recognises it has a responsibility to be clear and consistent in our disclosure on climate-related risks to our business and portfolio. We follow TCFD guidelines in our disclosures and regularly and transparently report progress against our decarbonisation strategy which guides our transition to a low-carbon economy.

Climate-related risks are identified and assessed in accordance with Origin's defined risk management requirements and are core considerations of Origin's strategy and our risk management process. Climate change scenario analysis plays a significant role in our assessment of the assets we should hold, invest in, dispose of and acquire. This analysis is conducted as part of the annual strategic planning process and through a formal review and approval process overseen by the Origin Investment Committee, for all major capital expenditure and investment decisions. We have a robust strategic planning process that tests the resilience of our portfolio and investment decisions against a range of possible future scenarios. The Origin Investment Committee assesses all capital projects against a range of climate-related scenarios, including the acquisition or development of oil and gas reserves. In addition to this, in FY18 Origin published a scenario analysis examining our generation portfolio's resilience to climate change risk.

Origin's remuneration framework is designed to support the achievement of Origin's strategy and reward our people for its successful execution. Details on Origin's remuneration strategy and policies are included in the Remuneration Report.

As noted in the Board's response to Resolution 9(b), Origin has a clear five-pillar approach to decarbonisation, accompanied by independently endorsed science-based emissions reduction targets. This endorsement ensures Origin's decarbonisation trajectory is aligned with the Paris Agreement's goal. Also noted previously, we are in the process of updating our scenario analysis on the value of our wholesale generation portfolio for the impact of a trajectory which limits the rise in global average temperatures to less than 1.5°C. We will publish this report in the second half of 2019.

Following the release of the IPCC SR15 analysis, the SBTi also updated their target assessment approach. To ensure consistency with the most recent climate science and best practices, targets must be reviewed, and if necessary, recalculated and revalidated, at a minimum every five years. Not only are our current targets aligned with the Paris Goals but we believe our target setting methodology will remain aligned with latest climate science. Our targets are:

- halve Scope 1 and Scope 2 emissions by 2032, from a 2017 base year; and
- reduce Scope 3[6] emissions by 25 per cent by 2032, from a 2017 base year.

Two of the key pillars to Origin's decarbonisation plan are to exit coal generation by 2032 and to significantly grow renewables. Origin's timeframe to exit coal by 2032 is well before our major competitors, but also allows sufficient time to:

- replace this capacity (Eraring is the biggest power station in the country) to ensure reliable energy supply; and
- respectfully transition the many people who rely on Eraring for employment.

The closure of Eraring is a significant step in Australia's decarbonisation goals. This power station is a pivotal asset, not only for Origin, but for the NEM. It has a capacity of 2,922 MW, making it the largest power station in the country. The withdrawal of this level of capacity requires careful and long-term planning, addressing continued reliability and affordability as key priorities.

Origin has also committed to significantly grow its renewable generation and storage capacity. Origin has already set a short-term target that renewable generation and storage will make up more than 25 per cent of our owned and contracted generation capacity by 2020. Origin will continue to review this target and our science-based emissions reduction targets, in particular aligning them to the latest climate science.

Origin's Sustainability Report discloses our climate change strategy, our science-based emissions reduction targets and historical emissions performance. Origin will continue to disclose its targets and associated progress in its annual Sustainability Report.

Accordingly, the Directors are of the view that the resolution is not necessary, given Origin's existing decarbonisation strategy, public commitments and reporting practices.

Having regard to these reasons, the Board considers the proposed resolution is not in the best interests of shareholders.

Directors' Recommendation

The Board recommends that shareholders vote **AGAINST** *this resolution.*

The Chairman intends to vote undirected proxies **AGAINST** *this resolution.*

6 Scope 3 encompasses indirect emissions, other than Scope 2, relating to our value chain that we do not own or control, including wholesale purchases of electricity from the NEM. LPG and Corporate Scope 3 emissions are excluded as their emissions are not material.

9(f) Lobbying

Resolution 9(f) is an "advisory resolution" and will only be presented to the meeting for consideration if Resolution 9(a) is passed by special resolution. If Resolution 9(a) is not passed, this item will not be put to the meeting. However, as noted above, the Company intends to allow a reasonable opportunity at the AGM for shareholders to ask questions on the subject matter of this item.

The shareholders' statement in support of this resolution is set out in Attachment 2 of this Notice.

The Board's response

The Board does not endorse the resolution and recommends that shareholders vote against this resolution for the reasons set out below.

Origin has a had a public position on climate change policy since 2005 and recognises the science of climate change. Origin unequivocally supports the Paris Agreement, and actions consistent with ensuring any rise in global temperatures is limited to a maximum of 2°C above pre-industrial levels. We understand the role of our Company in responding to that goal, which also guides our policy principles for climate advocacy.

Origin has continually improved its disclosures on climate related topics, including our policy positions on climate change. Origin has a public position statement to guide its actions on climate change and undertake responsible corporate engagement in climate policy. In addition, Origin has adopted the TCFD recommendations. Disclosures in Origin's FY2019 Sustainability Report are aligned to these recommendations.

Following the 2018 AGM, Origin developed and published on our website an industry associations policy. Origin undertook an internal review of its industry association memberships against those associations' formal climate change policies. We also disclosed our key association memberships and the aggregate spend on industry association memberships. These include the Australian Petroleum Production and Exploration Association for gas, the Business Council of Australia for large business, the Australian Energy Council for energy supply, the Clean Energy Council for renewables and the Queensland Resources Council for gas production in Queensland. We report on the industry associations that we belong to in our Sustainability Report. Each of these associations is different and represents different companies and industries, and is engaged on a wide variety of topics in addition to climate change and energy. Origin's involvement with each association is also different, depending on the core industry they represent.

Origin annually assesses the alignment of its own policy positions with those of the industry associations with whom it engages and will update our memberships each year on our website and in our Sustainability Report. Origin remains a member of industry associations so long as it is able to have constructive dialogue on policy positions, including climate change policy, and the association provides effective advocacy. To this end, we have also disclosed in our Sustainability Report the outcome of the annual review of climate change and other key policy positions of each association. Our review did not find any significant differences in formal positions on climate change policy between Origin and key industry associations. Where there are differences of view on specific matters, Origin informs the relevant associations of its position and continues to lobby for our position. For example, several industry associations have made comments regarding the possible use of prior period carry over credits towards meeting future climate change targets. Origin does not support using carry over credits for Australia to meet its current nationally determined contributions target and we have reinforced this position to the relevant industry associations.

We understand that the advocacy positions we take on climate change and energy policy, and our involvement in industry associations, are important to our shareholders and stakeholders. We actively engage with State and Federal Governments, the Opposition, regulatory bodies, industry experts and non-government organisations to help shape Australia's energy future. We make formal submissions in Australia on climate change and energy policy where appropriate, to influence sound policy outcomes and provide clarity on our specific policy positions.

Membership of industry associations is an important part of stakeholder engagement and provides an opportunity for Origin to better understand a diverse range of external views, share best practice, and contribute our perspectives and experiences. We actively influence the policy positions of peak industry associations for our core areas of business.

Accordingly, the Directors are of the view that the resolution is not required, given Origin's clear policy position, transparent reporting practices and its commitment to continually improving its disclosures.

Having regard to these reasons, the Board considers the proposed resolution is not in the best interests of shareholders.

Directors' Recommendation

The Board recommends that shareholders vote **AGAINST** *this resolution.*

The Chairman intends to vote undirected proxies **AGAINST** *this resolution.*

Consistent with the Company's approach to inviting shareholder debate and feedback, it is the Board's intention to allow a reasonable opportunity at the AGM to take questions from shareholders on each of Resolutions 9(a) and 9(f).

Attachment 1 – Nomination of Auditor

The Company Secretary
Origin Energy Limited
Level 32, Tower 1
100 Barangaroo Avenue
Barangaroo NSW 2000

29 August 2019

Dear Madam

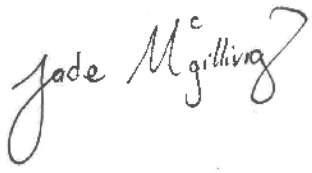
Origin Energy Limited ACN 000 051 696 ("Company") – notice of nomination of auditor

I am a member of the Company.

I nominate Ernst & Young as the auditor of the Company.

The notice of nomination has effect for the purpose of section 328B of the *Corporations Act* 2001 (Cth) and for all other purposes.

Yours faithfully



J McGillivray

Attachment 2 – Shareholder Statements

Supporting Statement to Resolution 9(a)

Shareholder resolutions are a healthy part of corporate democracy in many jurisdictions other than Australia. For example, in the UK shareholders can consider resolutions seeking to explicitly direct the conduct of the board. In the US, New Zealand and Canada shareholders can consider resolutions seeking to advise their board as to how it should act. As a matter of practice, typically, unless the board permits it, Australian shareholders cannot follow the example of their UK, US, New Zealand or Canadian cousins in this respect.

A board of Directors is a steward for shareholders and accountability for the discharge of that stewardship is essential to long-term corporate prosperity.

In rare situations the appropriate course of action for shareholders dissatisfied with the conduct of board members is to seek to remove them. But in many situations such a personality-focused approach is unproductive and unwarranted. In those situations a better course of action is to formally and publicly allow shareholders the opportunity at shareholder meetings such as the AGM to alert board members that the shareholders seek more information or favour a particular approach to corporate policy.

The Constitution of Origin is not conducive to the right of shareholders to place resolutions on the agenda of a shareholder meeting.

In our view, this is contrary to the long-term interests of Origin, the Origin board and all Origin shareholders.

Passage of this resolution – to amend the Origin constitution – will simply put the company in a similar position in regard to shareholder resolutions as any listed company in the UK, US, Canada or New Zealand.

We encourage shareholders to vote in favour of this resolution.

Supporting Statement to Resolution 9(b)

Origin has stated its "unequivocal support" for the Paris Agreement on climate change. However, our company's plan to continue producing power from coal until 2032 is inconsistent with the Paris Agreement's goals of "Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels."[1]

Origin owns and operates Australia's largest power station, the 2,880 MW black coal-fired Eraring Power Station. Eraring emitted 14,742kt CO2-e in FY2018, approximately 75% of Origin's total operational emissions for the year.[2] Origin plans to operate Eraring until 2032, the end of the station's 50 year technical lifetime.

However, emissions reductions needed to meet the Paris goals require the phase out of coal power in OECD countries, including Australia, by 2030.[3] Investors around the world have championed this deadline.

The Global Investor Statement to Governments on Climate Change (GISGCC) has been signed by 477 investors representing over US$34 trillion in assets.[4] Australian signatories include: AustralianSuper, BTFG, CareSuper, Catholic Super, Cbus, Christian Super, Colonial First State, First State Super, HESTA, IFM Investors, LUCRF, Local Government Super, Mercer, Statewide Super, VicSuper, and Vision Super. International signatories with significant Origin holdings include: CalPERS, Robeco, DWS, UBS, Manulife, Legal & General, HSBC, Amundi, Pictet, AXA, and ACTIAM.

The GISGCC calls on governments to "phase out thermal coal power worldwide by set deadlines." Its accompanying Briefing Paper sets out these deadlines, including the elimination of coal power in OECD countries by no later than 2030.[5] The GISGCC's asks were recently restated in an open letter to governments.[6] Climate Analytics recently confirmed: "The Paris Agreement's 1.5°C limit requires that coal fired electricity be phased out by around 2030 in developed countries including Australia."[7]

In December 2018, 89 investors with US$11.5 trillion under management asked power companies to plan for a net-zero carbon future:

> Specifically, we request companies to set out transition plans consistent with the goal of the Paris Agreement, including compatibility of capital expenditure plans. We expect explicit timelines and commitments for the rapid elimination of coal use by utilities in EU and OECD countries by no later than 2030.[8]

With this resolution, shareholders similarly request transition planning disclosure of Origin, and expect our fellow shareholders to do the same.

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[1] Paris Agreement, art 2(1)(a)
[2] Origin FY2018 Sustainability performance data
[3] Climate Analytics (2016)
[4] GISGCC (December 2018, signatories updated June 2019)
[5] GISGCC Briefing Paper (December 2018)
[6] Open letter to governments (June 2019)
[7] Climate Analytics, Australia's power supply: brown and polluting (May 2019)
[8] Power companies must accelerate decarbonisation (Financial Times, 20 December 2018)

Supporting Statement to Resolution 9(b)

Regulatory risk
Investors calling for transition plans recognise the financial risks of 'business as usual' in the face of significant regulatory shifts expected as the world moves to meet its Paris climate commitments.

According to Ndevr Environmental: "If Australia continues its current emissions trajectory, then by 2030, Australia would have cumulatively emitted over 970 Mt CO2- e more than the Paris ERT trajectory."[9]

Efforts to bring Australia's emissions trajectory into line with Paris are expected to focus on the energy sector, leaving Origin exposed to significant transition risk. Australia's energy sector is its greatest contributor to greenhouse gas emissions (34%), and coal accounts for 62% of energy generation in Australia.[10] The relative cost and availability of low carbon alternatives renders the energy sector best placed to deliver a significant proportion of the emissions reductions required under the Paris Agreement.

Given Origin's "unequivocal support" for the Paris Agreement, it is incongruous and risky for our company to not be planning for the significant regulatory changes required to achieve the agreement's aims.

Market risk
Wind and solar energy with battery storage will be cheaper than energy produced by existing coal power stations almost everywhere by 2030,[11] with this tipping point having already been reached in "many parts of Australia."[12] This changing energy mix is consistent with a 2°C warming pathway. A faster transition is required to achieve the Paris climate goals, suggesting regulatory and market changes could further impact the cost competitiveness of coal power.

Commissioned in 1982, Eraring's age poses further financial risks to our company. From December 2017 to June 2019, Eraring experienced 9 breakdowns.[13] Origin must plan for a Paris-aligned transition out of coal power to ensure capital expenditure on Eraring's upkeep is not left stranded by the rapidly changing economics of energy generation in Australia.

[9] Tracking 2 Degrees Quarterly Report (Q3/FY2019)
[10] Climate Analytics (2019)
[11] Bloomberg New Energy Outlook (June 2019)
[12] Renew Economy, Age of cheap coal power is over for Australia, says BNEF (8 May 2019)
[13] The Australia Institute, Breaking Brown (June 2019)

Supporting Statement to Resolution 9(b)

Recent policy shifts from major financial institutions will reduce Orign's access to finance and insurance for coal power, potentially increasing the costs of each. In May 2019, Australia's biggest underwriter QBE announced: "By 1 January 2030, QBE will have phased out all direct insurance services for thermal coal customers, except for statutory or compulsory insurance."[14] Fellow insurer Suncorp announced in July that it will phase out thermal coal exposure by 2025.[15] Many other insurers headquartered outside of Australia have made similar shifts away from coal power.[16] In August 2019, Commonwealth Bank, Australia's largest bank and a current lender to AGL, committed to "reduce our exposures to thermal coal mining and coal fired power generation, with the view to exiting the sector by 2030."[17]

Shareholder support for this resolution is required to ensure our company is prepared for the rapid transition to a low carbon economy to meet Paris climate goals.

We encourage shareholders to vote in favour of this resolution, and expect many institutional investors already outspoken on this issue to offer their support.

[14] QBE Group Energy Policy (May 2019)
[15] Australia's Suncorp to phase out exposure to thermal coal by 2025 (July 2019)
[16] Insuring Coal No More, 2018 Scorecard on Insurance, Coal and Climate Change (December 2018)
[17] CBA Environmental and Social Framework (August 2019)

Supporting Statement to Resolution 9(c)

Background

We commend our company's statement that "[its] activities will be guided by" the United Nations' Guiding Principles on Business and Human Rights (UNGPs) as well as the UN Declaration on the Rights of Indigenous Peoples (UNDRIP)[1]. Our company has also committed to "more thoughtfully and meaningfully work with Aboriginal and Torres Strait Islander peoples"[2] through its Reconciliation Action Plan. We are concerned however that these commitments are not borne out in relation to our company's proposed hydraulic fracturing (**Fracking**) activities on Aboriginal land in the Northern Territory, exposing our company to risk.

Shareholders witnessed affected native title holders expressing their concerns directly to our Chairman at last year's AGM. Since that time, Aboriginal communities in the Beetaloo Basin region have declared their country to be "Fracking Free"[3]. That is to say, the concerns expressed have not been substantively addressed since last year's AGM.

This resolution is intended to assist our company by establishing a clear process, and to constrain parameters for inquiry, so that limited disclosures, pertinent to the examination of risk, can be made to be made to shareholders.

Consent for Fracking in the Beetaloo Sub-Basin

A recent review of publicly available information about consent processes in place in the Northern Territory[4], including the findings of the Hawke[5] and Pepper[6] inquiries, raises the concerning prospect that some if not all petroleum exploration permits in the NT that enable Fracking have been issued in the absence of free, prior and informed consent (**FPIC**). FPIC is central to the UNDRIP and is recognised in international law. Non-establishment of FPIC or any of its elements poses significant risks to our company, and warrants a cautious and diligent approach.

Our company did not itself negotiate consent agreements with affected native title claimants/holders for the grant of the Permits that it now holds in the Beetaloo Sub-Basin (**Agreements**). Rather, our company acquired its interest in the Permits, most likely negotiated in the early 2000s, and granted around 2005, from either or both of Sweetpea Pty Ltd and Falcon Oil & Gas Ltd.

The circumstances in which Sweetpea/Falcon obtained the Agreements carry risks that should have been the subject of careful due diligence before our company acquired its interest in the Permits (granted pursuant to the Agreements). In particular, confirmation of the existence under the Agreements of informed consent for the Fracking activities now proposed by our company should have been, and should now be, a matter of the highest importance to our company. This is because the validity of our company's interest may depend on whether affected native title claimants/holders gave their informed consent to the grant of Permits in which our

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[1] https://www.originenergy.com.au/content/dam/origin/about/investors-media/human-rights-policy.pdf.
[2] https://www.originenergy.com.au/content/dam/origin/about/community/docs/reconciliation-action-plan.pdf.
[3] https://www.sbs.com.au/nitv/article/2019/06/21/remote-community-declares-their-country-frack-free-zone.
[4] Jumbunna Institute for Indigenous Education and Research, *Hydraulic Fracturing and Free, Prior and Informed Consent (FPIC) in the Northern Territory: A Literature Review* (2018).
[5] Report of the Independent Inquiry into Hydraulic Fracturing in the Northern Territory, 2014 see https://frackinginquiry.nt.gov.au/__data/assets/pdf_file/0008/387764/report-inquiry-into-hydraulic-fracturing-nt.pdf.
[6] Scientific Inquiry into Hydraulic Fracturing of Onshore Unconventional Reservoirs in the Northern Territory, 2018, see https://frackinginquiry.nt.gov.au/.

Supporting Statement to Resolution 9(c)

company has acquired an interest. If any of the Agreements are void for want of informed consent, they may be void from the outset, along with any Permit granted pursuant to them.

A number of observations may be made about the environment and time period in which the Agreements were likely negotiated:

1. Fracking was a practice relatively unknown to most Australians in the early 2000s.
2. It was also relatively unknown in the early 2000s that Fracking could be permitted under a petroleum exploration permit.
3. It is far from clear that an adequate degree of information, consultation and advice was afforded to affected native title holders about Fracking before they were asked to sign Agreements that purport to provide their consent to the grant of petroleum exploration permits to Sweetpea/Falcon at that time.
4. Even assuming that the best and most informative of consultation and advice processes was afforded to affected native title claimants/holders at that time (which remains in doubt), the state of available scientific knowledge in the early 2000s about the impacts and risks of Fracking could not have enabled affected native title claimants/holders to understand adequately the risks involved in the Fracking activities to which they purported to give their consent.
5. Many of the senior native title holders of the Beetaloo Basin have little formal education, and speak English as a second language. In these circumstances the burden of ensuring informed consent is far greater.

Recent Evidence of Concern and Objection Among Affected Native Title Holders and Claimants

Our company's assertion in its 2019 exploration program Environmental Management Plan (2019 EMP) to the effect that it has received no objections from native title holders affected by its 2019 Fracking plans[7] is not supported by the available evidence.

Submissions on behalf of affected native title holders to the Northern Territory Government in response to the 2019 EMP include:

- Detailed and plausible complaints[8] that our company has failed to comply with its duty under Northern Territory law to consult many native title holders with interests in the relevant area as determined by the Federal Court of Australia;
- A summary of concerns that would have been conveyed to our company if it had consulted the affected native title holders, including about:
    - Potential risks to the vital subterranean waters;
    - the inadequacy of current environmental studies; and
    - Our company's alleged failure to abide by the recommendations of the Pepper Review, particularly in relation to the proposed storage of waste Fracking water in open pits (as opposed to closed containers, as required by the Pepper review recommendations) in channel country where risks of flooding and danger to wildlife are high.[9]

[7] 2019 EMP, Section 5-Stakeholder Engagement.
[8] Original Power, Submission to NTG in response to 2019 EMP, 29 May 2019.
[9] ibid.

Supporting Statement to Resolution 9(d)

Conclusion
ACCR urges shareholders to vote in favour of this proposal, in order to protect our company's economic interests, given the significant capital expenditure planned on Fracking activities in the Beetaloo Sub-Basin.

Our company owns and operates the Eraring coal-fired power station in NSW. The burning of coal to generate electricity is a major contributor to climate change, and it produces air pollution and coal ash, both of which are harmful to public health.

Public health impacts from air pollution include heart disease, stroke, asthma attacks, low birth weight of babies, lung cancer and type 2 diabetes[10]. Air pollution from NSW's five coal-fired power stations is estimated to lead to 279 early deaths every year for people aged 30 to 99[11]. It is estimated that operating Eraring until its planned closure dates in 2032 will cause an additional 1,219 deaths, 1,058 babies to have low birth weight, and 1,579 additional cases of new onset diabetes in NSW[12]. These estimates are based only on $PM_{2.5}$ pollution, so there are likely to be broader health impacts from other emissions.

Unlike other OECD countries, Australia does not impose limits on stack emissions (the amount of pollution that is allowed to leave the power station stack) at a national level. Emissions limits vary for each state and each power station. Typically, each state-based Environmental Protection Authority (EPA) sets emissions limits on each power station within the terms of their licences.

While our company may comply with the emissions limits in its licences, on almost all measures, the licence limits imposed on Eraring are far less stringent than limits applied in China, the European Union and the United States[13]:

Power station / Jurisdiction	Sulfur dioxide (SO2)	Oxides of nitrogen (NOx)	Mercury	Particles
Eraring (NSW)	1716 mg/m^3	1100 mg/m^3	200 $\mu g/m^3$	50 mg/m^3
United States	1517 mg/m^3	875 mg/m^3	1.5 $\mu g/m^3$ (black coal) 14 $\mu g/m^3$ (brown coal)	125 mg/m^3
European Union	400 mg/m^3	200 mg/m^3	30 $\mu g/m^3$ (Germany only)	50 mg/m^3 (black coal) 100 mg/m^3 (brown coal)
China	200mg/m^3	200 mg/m^3 (400 mg/m^3 for provinces with high sulfur coal)	30 $\mu g/m^3$	30 mg/m^3

Note: mg = milligrams, µg = micrograms

[10] Ewald, B., The health burden of fine particle pollution from electricity generation in NSW, November 2018.
[11] ibid.
[12] ibid.
[13] Environmental Justice Australia, Toxic and Terminal, August 2017.

Supporting Statement to Resolution 9(d)

In other jurisdictions, power station operators must install modern pollution controls in order to comply with the stricter licence limits. These include:

- Flue Gas Desulfurisation (FGD), which reduces SO2 emissions by as much as 99%;
- Selective Catalytic Reduction (SCR) which reduces NOx emissions by 95%; and
- activated carbon injection to reduce emissions of mercury by about 90%.

While our company reports annual aggregate air pollution statistics, it has not disclosed any assessment of the risk of public health impacts, nor has it disclosed a financial assessment of the capital and operating expenditure required to retrofit and maintain Eraring with modern pollution controls.

It is imperative that our company take measures to reduce the impacts on public health from Eraring, which is scheduled to close in 2032. Our company's failure to address air pollution between now and the announced closure date exposes our company to as yet undetermined but potentially serious legal, regulatory and reputational risks.

Legal and regulatory risk
In Europe, various legal actions have been taken against national governments for failing to address air pollution, including Italy, Poland and the United Kingdom[14]. In China, civil society organisations have filed a number of lawsuits against companies responsible for air pollution[15]. Our company faces the credible threat of litigation if it fails to adequately address air pollution.

As the public health impacts of air pollution are more widely understood and demonstrated in research, it is likely that state-based EPAs will come under increasing pressure to strengthen air pollution standards on existing licences for coal-fired power stations. Our company is therefore vulnerable to abrupt regulatory change requiring unplanned expenditure, rather than via planned, orderly upgrades and scheduled maintenance.

Reputational risk
Our company has more than 1.1 million individual customers, and it has identified that one of its four key stakeholders are "communities"[16]. Two of our company's five values are to "care about our impact" and "being accountable"[17]. Those communities most affected by air pollution from coal-fired power stations expect our company to minimise harm. It is in the interests of shareholders that our company take appropriate steps to protect its social licence.

It is likely that the capital and operating expenditure required to retrofit and maintain adequate pollution controls at Eraring will have a material impact on our company's financial position. In order to better assess our company's short to medium term profitability, shareholders must be informed about the costs required to protect public health and protect our company's social licence to operate.

ACCR urges shareholders to vote for this proposal.

[14] https://www.clientearth.org/air-pollution/.
[15] https://www.newsecuritybeat.org/2018/08/people-vs-pollution-empowering-ngos-combat-pollution-environmental-law/.
[16] https://www.originenergy.com.au/about/who-we-are/our-purpose.html.
[17] ibid.

Supporting Statement to Resolution 9(e)

As a shareholder, the Australasian Centre for Corporate Responsibility (ACCR) encourages companies to accelerate their transition to a low carbon economy in line with the Paris Agreement, in order to protect shareholders and society from the worst impacts of climate change.

Our company "unequivocally supports the Paris Climate Accord and other measures to reduce carbon emissions, including Australia's emissions reduction target of a 26-28 per cent decrease on 2005 levels by 2030 as a minimum"[18]. Our company also advocates for net zero emissions within the electricity sector by 2050[19]. We commend these statements, however, we are concerned that our company's growth strategy and emissions performance are not aligned with a pathway consistent with the Paris Agreement. This proposal sets out three practical ways in which our company should demonstrate progress to shareholders: reporting on capital expenditure alignment, targets and executive remuneration.

Capital expenditure and growth
The IPCC's Special Report on Global Warming of 1.5°C projects that in the absence of, or with only a limited use of fossil fuels with carbon capture and storage (CCS), the share of primary energy provided by gas must decline by 20-25% by 2030, and by 53-74% by 2050 (relative to 2010)[20]. Contrary to those projections, our company is planning to explore and develop a 6.6 trillion cubic feet (TCF) reserve in the Beetaloo Basin before 2030, which will require material capital expenditure. There is a clear gulf between our company's plans and the recommendations of the IPCC, given the absence of commercially viable carbon capture and storage.

It is incumbent upon our company to demonstrate to shareholders how our company's capital expenditure, including each material investment in the acquisition or development of oil and gas reserves, is aligned with the Paris Climate Agreement's goal.

Targets and performance
In 2017, our company committed to the following targets:

- Scope 1 and Scope 2: halve emissions by 2032, from a 2017 base year (17,309kt CO_2-e);
- Scope 3: reduce emissions by 25% by 2032 (26,201kt CO_2-e)[21], excluding emissions from the Australia Pacific LNG (APLNG) joint venture.

Despite these targets, our company's Scope 1+2 emissions increased by 4% in FY2018, due to higher output at Eraring and increased production at APLNG[22]. In all likelihood, our company's Scope 1+2 emissions in FY2019 will be well above the FY2017 baseline once again. The cumulative impact of our company producing emissions ~5% higher than the FY2017 baseline every year until 2032 would equate to operating Eraring for an entire year. Continuously producing emissions higher than the baseline calls into doubt our company's Science Based Target.

Our company currently has no intention of reducing its emissions by 2030, the key milestone upon which Nationally Determined Commitments (NDCs) within the Paris Agreement depend. There is also an expectation that Australia's existing commitment will be ratcheted up before 2030. Despite our company's explicit support for Australia's current target of a 26-28% reduction by 2030 (on 2005 levels), our company will make little, if any, contribution to the achievement of that target.

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[18] Origin Energy Ltd, 2017 Sustainability Report.
[19] ibid.
[20] https://www.ipcc.ch/sr15/.
[21] Origin Energy Ltd, 2018 Sustainability Report.
[22] ibid.

Supporting Statement to Resolution 9(e)

Our company's Scope 3 target explicitly excludes exported emissions from the APLNG joint venture. Our company claims that APLNG "makes an important contribution to lowering the carbon intensity of energy consumption in Asia,"[23] although this kind of emissions accounting is not recognised by the Intergovernmental Panel on Climate Change (IPCC). This is a fundamental misreading of the Paris Agreement, which depends on public policy and corporate action at national level to reduce emissions in each country. Furthermore, the CSIRO could not conclude that Australian LNG exports are actually reducing emissions in Asia, as it did not have data sufficient to "know the proportion of [energy produced by] gas used to displace what [energy] would have been produced from coal"[24].

It is imperative that our company takes responsibility for the entirety of its Scope 3 emissions, instead of making speculative or uncertain assessments about 'avoided' or 'displaced' emissions. Recently:

- Royal Dutch Shell Plc committed to set emissions reduction targets inclusive of its value chain (Scope 3)[25];
- the board of BP Plc has supported a resolution very similar to this resolution[26], and BP has set separate targets regarding its methane intensity[27], which our company has not done;
- BHP Group announced that it would "set public goals to address scope 3 emissions"[28];
- All three companies have committed to incentivise emissions reduction in executive remuneration.

Our company risks becoming a laggard on emissions reduction both in its home market and compared to its international peers if it fails to match these companies' ambition.

Remuneration
Twenty per cent (20%) of the CEO scorecard for FY2018, used to determine short-term incentives (STI), is made up of "People, culture and HSE measures"[29]. These measures are mixed, and include "engagement and culture metrics, total recordable injury frequency rate, significant incidents, process safety and environmental reportable incidents"[30]. Emissions reduction targets are not explicitly included in the executive remuneration structure. Shareholder interests would be served by clearer incentivisation of emissions reduction in our company's remuneration structure.

The IPCC 1.5°C report recommends that in order to reach net zero carbon emissions by 2050, gas must play a diminishing role in primary energy supply[31]. Failing to limit global warming to 1.5°C will seriously impact the functioning of our financial systems and society at large. Companies which do not put in place appropriate plans will likely face rapid and terminal loss of social license and value. We urge our company to set and publish short, medium and long-term targets aligned with the Paris Agreement.

ACCR urges shareholders to vote for this proposal.

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[23] ibid.
[24] Schandl et al, Final Report for Final Report for GISERA Project G2 - Whole of Life Greenhouse Gas Emissions Assessment of a Coal Seam Gas to Liquefied Natural Gas Project in the Surat Basin, Queensland, Australia, 2019.
[25] https://www.shell.com/media/news-and-media-releases/2018/joint-statement-between-institutional-investors-on-behalf-of-climate-action-and-shell.html.
[26] https://www.bp.com/en/global/corporate/news-and-insights/press-releases/bp-to-support-investor-groups-call-for-greater-reporting-around-paris-goals.html.
[27] https://www.bp.com/en/global/corporate/sustainability/climate-change/tackling-methane.html.
[28] https://www.bhp.com/media-and-insights/reports-and-presentations/2019/07/evolving-our-approach-to-climate-change.
[29] Origin Energy Ltd, Annual Report 2018.
[30] ibid.
[31] https://www.ipcc.ch/sr15/.

Supporting Statement to Resolution 9(f)

Lobbying by industry associations against public policy designed to meet the goals of the Paris Agreement is of increasing interest and concern to institutional investors in Australia and worldwide.

At our company's 2018 annual general meeting (AGM), 46.32% of shareholders supported a resolution that requested our company conduct a review of the advocacy undertaken by its industry associations in respect to climate change and energy policy, and make that review available to shareholders within six months of the AGM. To date, our company has not satisfied key elements of that request.

This resolution is intended to assist our company by identifying those elements, establishing a clear process, and constraining the parameters for inquiry, so that limited disclosures, pertinent to the examination of risk, can be made to be made to shareholders.

The Institutional Investor Group on Climate Change (IIGCC) *Investor Principles on Lobbying* call on companies to ensure that their industry associations "lobby positively in line with the Paris Agreement"[32]. This call is reinforced in the wording of the resolution.

Background
In April this year, our company published a list of its industry associations on its website, noting how much it spends on those memberships ($1.4 million in FY2019), and its policy on industry association memberships[33]. While this information is useful, our company has failed to address the heart of the issue — that several of its industry associations continue to advocate for climate and energy policies that are not in our company's best interests.

In recent years, a growing number of Australian companies have either reviewed or committed to review the advocacy by their industry associations on climate and energy policy, including BHP Group, BlueScope Steel, Rio Tinto, Telstra and Westpac. Several foreign companies have also done the same, including Anglo American, Glencore and Royal Dutch Shell.

In 2015, our company joined the 'We Mean Business' coalition, committing to "undertake responsible corporate engagement in climate policy"[34]. Despite this commitment, several of our company's industry associations continue to conduct advocacy counter to the Paris Agreement's goals.

Lobbying counter to our company's interests
We support our company's commitment to net zero emissions within the electricity sector by 2050. However, the activities of industry associations which our company is a member of stand directly in conflict with the prospect of this goal being achieved, and with our company's long term financial and strategic interests.

[32] IIGCC, European Investor Expectations on Corporate Lobbying on Climate Change, October 2018. https://www.iigcc.org/download/investor-expectations-on-corporate-lobbying/?wpdmdl=1830&refresh=5d52233df01791565664061
[33] https://www.originenergy.com.au/about/investors-media/governance/industry_association_memberships.html.
[34] ibid.

Supporting Statement to Resolution 9(f)

Two issues of particular concern are:

- support for the use Kyoto carryover credits, which would reduce Australia's 2030 emissions target (pursuant to Australia's Nationally Determined Commitment (NDC)) from 26-28% to 15-16%[35], and
- support for investment in new or existing coal-fired power stations, and the promotion of Australia's continued or even expanded reliance on coal for energy.

Since our company's 2018 AGM, several of its industry associations have advocated for positions which are clearly inconsistent with our company's positions on climate change and energy policy. For example:

1. Australian Petroleum Production and Exploration Association (APPEA), on whose board our company retains a position, has:

- claimed that not using Kyoto carryover credits would increase the cost of meeting emissions targets, "possibly significantly"[36];
- criticised state-based policies to reduce emissions[37];
- repeatedly called for the removal of bans on onshore gas development in NSW and Victoria[38];
- called for LNG plants to be exempt from public disclosure of their emissions[39];
- opposed a WA Environment Protection Authority (EPA) recommendation that would require new emissions intensive projects to offset their emissions[40];
- said that there is no "need in any way, shape or form" for governments to regulate emissions from LNG exports[41].

2. Business Council of Australia, on whose Energy and Climate Change committee our company retains a position, has:

- claimed that banning the use of Kyoto carryover credits would be a "huge additional impost on the economy"[42];
- repeatedly overstated the cost of action on climate change throughout the 2019 Federal Election[43];
- called for investment in existing coal-fired power stations[44];
- advocated for the scrapping of "green schemes"[45], i.e. renewable energy targets;
- supported the removal of bans on onshore gas development in NSW and Victoria[46].

[35] https://www.afr.com/policy/energy-and-climate/explained-why-kyoto-carryover-credits-are-so-important-20190402-p519ws.
[36] https://www.afr.com/politics/federal/lng-steel-cement-to-be-hit-by-labor-s-carbon-plan-20190401-p519kr.
[37] https://www.afr.com/business/energy/we-are-blessed-with-gas-wealth-but-we-play-politics-with-it-20190703-p523pd.
[38] https://www.appea.com.au/media_release/increased-gas-supply-the-real-solution-to-meet-demand/.
[39] APPEA, Submission to the Review of the National Greenhouse and Energy Reporting Legislation, September 2018.
[40] https://www.appea.com.au/media_release/wa-epa-guidelines-put-investment-at-risk/.
[41] https://www.theaustralian.com.au/business/mining-energy/rivals-baulk-at-bhp-carbon-plan/news-story/83afe8670070a450b1a4732ebc6703ab.
[42] https://www.smh.com.au/business/the-economy/let-s-be-sensible-minerals-council-warns-against-labor-s-12-8b-kyoto-ban-20190409-p51ci9.html.
[43] ibid.
[44] https://www.bca.com.au/business_council_releases_a_plan_for_a_stronger_australia.
[45] ibid.
[46] ibid.

Supporting Statement to Resolution 9(f)

3. Queensland Resources Council, on whose board APLNG retains a position, has:
- called for a new high efficiency, low emissions (HELE) coal-fired power station to be built on the east coast[47];
- campaigned for the development of new thermal coal mines in Queensland's Galilee Basin[48];
- demanded that candidates running in the 2019 Federal election make an equivocal commitment to the future of the coal industry[49];
- organised "Start Adani" protests in the lead up to the 2019 Federal Election[50].

Our company is also a member of the Australian Energy Council, which supports the removal of bans on onshore gas development[51], and Gas Energy Australia, which has called for gas to displace electricity in households[52].

Much of the advocacy by our company's industry associations has led to adverse outcomes that are not in our company's long-term interests. These include an absence of policies to adequately reduce emissions across the economy[53], policy uncertainty in the electricity sector[54], and the government's "big stick" legislation[55], which would force divestment of coal-fired power stations in order to prolong their operation.

Few, if any, of our company's industry associations can fairly claim that they "lobby positively in line with the Paris Agreement". As demonstrated above, several have effectively delayed the transition to a low carbon economy. This constitutes risk for our company.

ACCR urges shareholders to vote for this proposal.

[47] https://www.theaustralian.com.au/business/mining-energy/coalfired-power-plants-energy-bosses-refute-shortens-view/news-story/c480fc66c3ef922132e03b828d71204d.
[48] https://www.couriermail.com.au/news/regional/explained-future-of-nine-major-new-mines/news-story/b85314d9523a9ca1d2ef8d1b66904dc3.
[49] https://www.qrc.org.au/media-releases/resource-sector-commitment-key-to-who-gets-in-seats-like-flynn-qrc/.
[50] https://www.abc.net.au/news/2019-05-21/adani-mine-should-go-ahead-election-shows-rockhampton-mayor-says/11133948.
[51] https://www.theaustralian.com.au/business/mining-energy/australian-energy-council-attacks-basis-for-gas-reservation/news-story/93de30e1d8957cd4d83b803816181775.
[52] http://www.cleanercheaperfuels.com/2019-federal-election-statement/.
[53] https://www.climatecouncil.org.au/resources/f-for-fail-australias-climate-report-card/.
[54] https://www.abc.net.au/radionational/programs/backgroundbriefing/energy-policy-inaction-sparks-business-uncertainty/10766582.
[55] https://www.afr.com/politics/the-morrison-governments-big-stick-energy-bill-explained-20181206-h18sz1.

Questions

If you are entitled to vote at the AGM, you may submit written questions in advance relevant to the business of the meeting. Questions may also be submitted for the external auditor about the auditor's report or the conduct of the audit.

Questions may be lodged as part of the online proxy process. Alternatively, you may send written questions to Origin's share registry at the address as set out on the proxy form or write your questions here and return to the registry.

Please submit your written questions by no later than 5:00pm AEDT on Wednesday, 9 October 2019.

Directory

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Secretary

Helen Hardy

Share registry

Shareholders wishing to receive their communications electronically, including annual reports, notices of meeting, dividend statements and other company related information should contact the share registry.

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Auditor

KPMG

Further information about Origin's performance can be found on our website:

originenergy.com.au

FSC
www.fsc.org
RECYCLED
Paper made from recycled material
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Sources: Water and energy savings are based on a comparison between a recycled paper manufactured at Arjowiggins Graphic mills versus an equivalent virgin fibre paper according to the latest European BREF data available (virgin fibre paper manufactured in a non-integrated paper mill). CO_2 emission savings is the difference between the emissions produced at an Arjowiggins Graphic mill for a specific recycled paper compared to the manufacture of an equivalent virgin fibre paper. Carbon footprint data evaluated by Labelia Conseil in accordance with the Bilan Carbone® methodology. Results are obtained according to technical information and subject to modification.