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NOTICE OF ANNUAL GENERAL MEETING 2013

Notice is given that the 2013 Annual General Meeting of shareholders of Origin Energy Limited (Company) will be held at City Recital Hall, Angel Place, Sydney on Wednesday 23 October 2013 at 10.30am.

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

ORDINARY 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 2013.

2. Election of Mr Bruce W D Morgan

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

"That Mr Bruce W D Morgan, 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 Morgan 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 M Cairns

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

"That Mr Gordon M 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. 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 2013 be adopted."

The Remuneration Report is contained in the 2013 Annual Report and is attached to this Notice of Meeting.

This is a non-binding advisory vote.

Voting exclusion statement

The Corporations Act prohibits any votes being cast on Resolution 4 by or on behalf of a person who is disclosed in the Remuneration Report as a member of the key management personnel (KMP) of the Company (including the Directors and the Chairman) or a closely related party of that KMP. However, such a person may cast a vote on Resolution 4 as a proxy for a person who is permitted to vote if:

- *the appointment of the proxy specifies the way in which the proxy is to vote on the resolution; or*
- *such a person is the Chairman of the meeting, and the appointment of the proxy expressly authorises the Chairman of the meeting to exercise the undirected proxies even if the resolution is connected with the remuneration of a member of the KMP.*

SPECIAL BUSINESS

5. 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".

By order of the Board

Andrew Clarke

Company Secretary
Sydney, 18 September 2013

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 (Sydney time) on 21 October 2013. 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 who is entitled to attend and vote may appoint not more than two proxies and may specify the proportion or number of the shareholder's votes each proxy is entitled to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.

The Chairman intends to put each resolution forward 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 one proxy has been appointed, that proxy will have one vote on a show of hands. Under the *Corporations Act*, if a shareholder appoints more than one proxy, 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 allowed by the appointment) and to join in a demand for a poll. Shareholders who have appointed a proxy may still attend the meeting. However, that proxy's rights to speak and vote are suspended while the shareholder is present.

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, 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 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 10.30am on 21 October 2013. A proxy may be lodged with Boardroom Pty Limited:

- by mail, at GPO Box 3993, Sydney NSW 2001; or
- by hand, at Boardroom Pty Ltd, Level 7, 207 Kent Street, Sydney NSW 2000; or
- by facsimile, on +61 2 9279 0664.

UNDIRECTED PROXIES

The Chairman of the meeting intends to vote undirected proxies in favour of Resolutions 2, 3 and 5.

The Chairman of the meeting also intends to vote undirected proxies in favour of Resolution 4, however, the Chairman will only be able to vote those proxies if the proxy expressly authorises the Chairman of the meeting to do so.

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 the Chairman and the Managing Director discuss the financial year ended 30 June 2013 and to give some insight into the Company's prospects for the year ahead. The Company welcomes shareholders' questions at the meeting. However, in the interests of those present, questions or comments should be confined to the subsequent matter of the resolutions 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 before making any decision in relation to the resolutions.

1. RECEIVE AND CONSIDER REPORTS FOR YEAR ENDED 30 JUNE 2013

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 auditors. During this item of business there will be an opportunity for shareholders to comment on and ask questions about the management of the Company in the past year and the prospects for the year ahead.

2. ELECTION OF MR BRUCE W D MORGAN, INDEPENDENT NON-EXECUTIVE DIRECTOR

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

Mr Morgan retired as Chairman of the Board of the leading audit firm PwC Australia on 31 October 2012, following more than 25 years as partner. During this time, Mr Morgan focused on the energy and mining sectors and was lead auditor to the Brambles Group. He is a Director of Sydney Water Corporation, the University of New South Wales Foundation, the European Australian Business Council, Redkite Charity and Caltex Australia Ltd. He is a Fellow of the Australian Institute of Company Directors and the Institute of Chartered Accountants in Australia. Mr Morgan has a Bachelor of Commerce (Accounting and Finance) from the University of New South Wales.

The Board (with Mr Morgan absent) has reviewed the performance of Mr Morgan in the 10 months since his appointment and concluded that Mr Morgan brings a wealth of financial and risk management experience to the Board, together with a deep knowledge of global business and economic and financial trends. The Board found that Mr Morgan will provide a significant contribution to the Board and the Company's business.

The Board (with Mr Morgan absent) concluded that Mr Morgan should be proposed for election and accordingly recommends that shareholders vote in favour of his election.

3. RE-ELECTION OF MR GORDON M CAIRNS, INDEPENDENT NON-EXECUTIVE DIRECTOR

Gordon Cairns joined the Board of the Company in June 2007 and is Chairman of the Origin Foundation and a member of the Health, Safety and Environment, Remuneration, Nomination and Risk committees. He has extensive Australian and international experience as a senior executive, including as Chief Executive Officer of Lion Nathan Ltd, and has held senior management positions in marketing and finance with PepsiCo, Cadbury Schweppes and Nestlé.

Mr Cairns is currently Chairman of Quick Service Restaurant Group and a director of Westpac Banking Corporation (since July 2004) and World Education Australia. He is also a senior advisor to McKinsey and Company and Greenhill. He was previously Chairman of Rebel Group (2010-2012) and a director of The Centre for Independent Studies. Mr Cairns holds a Masters of Arts (Honours) from the University of Edinburgh.

The Board (with Mr Cairns absent) has reviewed the performance of Mr Cairns. The review included consideration of the expertise, skill and experience of Mr Cairns and his performance and contribution to the work of the Board over his term of office. The Board found that Mr Cairns has been a high performing Director and continues to make valuable contributions to the Board.

The Board (with Mr Cairns absent) concluded that Mr Cairns should be proposed for re-election and accordingly recommends that shareholders vote in favour of his re-election.

4. ADOPTION OF REMUNERATION REPORT

In accordance with section 250R(2) of the *Corporations Act*, the Board is presenting the Company's Remuneration Report to shareholders for consideration and adoption by a non-binding vote. The Remuneration Report is attached at the back of this Notice and is also 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 remuneration;
- discusses the relationship between the policies and the Company's performance;
- provides details of performance conditions, why they were chosen and how performance is measured against them; and
- sets out the remuneration arrangements for each Director and for each of the KMP of the Company.

Shareholders will have an 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.

Shareholders should also note that, if 25 per cent or more of the votes cast are against the Remuneration Report, the first element in the Board spill provisions contained in the *Corporations Act* (i.e. the 'two strikes rule') will be triggered. While this will not impact on the current year's Annual General Meeting, it will affect next year's Annual General Meeting.

The Board recommends that shareholders vote in favour of adopting the Remuneration Report.

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 1 of this notice.

5. 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 2010, but that approval (and therefore the rule) ceases to have effect on 29 October 2013. The Directors consider it in the interests of shareholders to continue to have a proportional takeover provision in the constitution and, accordingly, shareholders are requested 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) 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).

b) 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.

c) Potential advantages and disadvantages

The Directors consider that the proportional takeover approval provisions have no potential advantages for the Directors, but do have some for shareholders including:

- 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 of the proportional takeover provisions in rule 15 for shareholders 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 three years that the existing proportional takeover provisions have been in effect, there had been 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 potential advantages for shareholders of the proportional takeover provisions operating for the next three years outweigh the potential disadvantages.

d) Knowledge of takeover bids

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.

The Board unanimously recommends the renewal of the proportional takeover provisions.

REMUNERATION REPORT
FOR THE YEAR ENDED 30 JUNE 2013

This Remuneration Report is extracted from and forms part of the Directors' Report, a full copy of which can be found on Origin's website at www.originenergy.com.au

1. INTRODUCTION

Origin's remuneration structure has served it well over a long period with only incremental changes.

However, in line with good corporate governance, the Non-executive Directors (NEDs) each year undertake a review of Origin's remuneration practices to ensure that the current approach remains appropriate. In so doing the NEDs:

- consider feedback from shareholders;
- examine emerging market practice; and
- test remuneration outcomes against company performance.

As a result of this year's review, the NEDs have reached the conclusion that:

Origin's existing remuneration system has served the Company well, although even stronger alignment with shareholder interests can be achieved by introducing deferred Short Term Incentive (STI) and extending the performance period for all Long Term Incentive (LTI) awards to four years.

Directors support this view for the following reasons:

- Origin's existing remuneration system is focused on delivering sustainable growth in long-term shareholder value (Section 2);
- remuneration outcomes reflect returns to shareholders (Section 3);
- refinements to the current remuneration approach will drive even stronger alignment with shareholder interests (Section 4);
- appropriate governance has been exercised to ensure a focus on shareholder interests (Section 5); and
- Non-executive Directors are remunerated in a way that supports an independent shareholder focus (Section 6).

The balance of this report is organised around each of these five points.

The report focuses on executives who are Key Management Personnel (KMP). However, it also provides a perspective on all employees of the Company whose remuneration includes awards under the LTI arrangements. At June 2013, this covered approximately 600 staff.

2. ORIGIN'S EXISTING REMUNERATION SYSTEM IS FOCUSED ON DELIVERING SUSTAINABLE GROWTH IN LONG-TERM SHAREHOLDER VALUE

The overriding objective of Origin's remuneration system is to drive sustainable growth in shareholder value by attracting and retaining valuable staff while aligning the interests of staff and shareholders. Origin strives to do this by:

- attracting and retaining high calibre executives from diverse backgrounds through a fair and competitive remuneration structure that appropriately incentivises superior performance; and
- aligning the interests of executives and shareholders by aligning rewards with shareholder value creation.

Origin Board policy is that the remuneration of senior managers, including Executive KMP, consists of three components, namely fixed remuneration, STI and LTI. The key features of each element and the way they align with the creation of shareholder value and attracting and retaining staff is described in 2.1, 2.2 and 2.3 as well as in Table 4.

2.1 Fixed remuneration is benchmarked to the midpoint of the external market to attract quality people who can deliver value for shareholders.

Fixed remuneration takes into account the size and complexity of a recipient's role, and the skills required to succeed in such a position. It includes cash salary, employer contributions to superannuation and salary sacrifice benefits. As the Company employs staff across a broad spectrum of roles and disciplines, the Hay All Organisations benchmark of over 400 organisations is used as the major benchmark reference for most roles (1). More specific benchmark analysis is undertaken for Executive KMP roles (2).

2.2 Short Term Incentive awards are based on superior achievement for shareholders in relation to key operational measures.

As the Company has evolved, it has increasingly owned and operated large operational businesses in Exploration & Production and in the Australian and New Zealand energy markets. It is also responsible for delivering the upstream component of the Australia Pacific LNG project. With that shift, effective management of day-to-day operations is increasingly a key driver of shareholder value.

STI plays a key role in aligning superior financial and operational outcomes for shareholders with the remuneration outcomes for management. The amount of STI awarded reflects financial and operational outcomes over the course of the financial year. The relevant outcomes vary according to the Business Unit served by the recipient and according to their role.

The Managing Director's STI is determined by reference to the Company's performance in terms of earnings per share and the OCAT Ratio; the Company's safety record for the year; and a number of individual operational measures. The degree of exposure to the Company's earnings per share and OCAT ratio outcomes is higher for Executive Directors and for corporate roles than it is for operational roles that are, in addition, exposed to outcomes for their particular business. Examples of Business Unit measures include safety outcomes; progress against project milestones (especially in the LNG Business Unit); production (especially in the Exploration & Production business); and customer numbers and profitability (in the Australian Energy Markets business).

The Maximum STI award is set above the mid-point for comparable external roles and is capped. To achieve the Maximum award, the recipients' relevant operational targets must be significantly exceeded. Delivering targeted operational outcomes results in an award of only 60 per cent of maximum STI. If targeted outcomes are not achieved, the award of STI is reduced proportionally below 60 per cent.

As can be seen in Table 1, the STI at risk increases with seniority, given that those managers have a greater ability to influence the overall performance of the business.

Table 1: STI as a per cent of fixed remuneration: 2013 financial year

Position	Target STI as % of Fixed	Maximum STI as % of Fixed
Managing Director	72%	120%
Executive Director, Finance & Strategy	60%	100%
Other Key Management Personnel	60%	100%
Other Executive Management Team	42%	70%
Other Executives	15-36%	25-60%

Under the existing system, STI is paid in cash shortly after the end of the financial year.

(1) For job families in skill shortage areas (such as geosciences and some professional specialists) the relevant market has been determined by reference to smaller peer groups such as those sourced from commissioned surveys and industry forums such as National Rewards Group.

(2) See Table 16.

2.3 Long Term Incentive awards are designed to align executive remuneration with financial outcomes for shareholders over the longer term.

LTI arrangements provide executives with a deferred equity interest in Origin. The vesting of that interest depends on Total Shareholder Return (TSR) over the vesting period, and the value of that vesting depends on the Company's share price.

The Maximum Potential LTI award for any executive is determined by the seniority of their role, as illustrated in Table 2.

Table 2: LTI as a percentage of fixed remuneration: 2013 financial year

Position	Target LTI as % of Fixed	Maximum LTI as % of Fixed
Managing Director	90%	150%
Executive Director, Finance & Strategy	72%	120%
Other Executive KMP	60%	100%
Other Executive Management Team	42%	70%
Other Executives	9-33%	15-55%

The maximum potential LTI award depends on an annual assessment of the executive's performance and future development potential [1]. Allocations are generally between 30 per cent and 100 per cent of maximum potential LTI, and have averaged 79 per cent for all LTI recipients over the previous three years. The Board can exercise discretion either up or down where it considers it appropriate to do so.

Maximum potential LTI allocations are set at a level such that, in combination with a grant of maximum STI, a high performing executive's total remuneration would reach the 75th percentile of the external market for comparable roles.

Under the current system, the LTI allocations are made half in the form of Performance Share Rights and half as Options [2].

Once granted, the LTI award only vests if Origin's Total Shareholder Return (TSR) exceeds the 50th percentile of ASX 100 companies. 50 per cent of the award vests above the 50th percentile, and 100 per cent of the award vests at the 75th percentile, and proportionately on a straight-line basis between the 50th and 75th percentiles.

The assessment of relative performance versus the market is made at the end of the performance period, which currently is three years in the case of Performance Share Rights and four years in the case of Options. For awards since the 2012 financial year, the TSR hurdle is not retested if the LTI does not vest at the end of the performance period, in which case it lapses immediately. Other than in the case of death, disability, retirement or redundancy, the executive forfeits the LTI allocation if they are not employed by Origin Energy at the time of that assessment.

Table 3 provides further detail on the LTI.

(1) This assessment uses the Company's performance management and talent management systems. The Managing Director's performance is assessed by the NEDs. The performance of other EMT members including the Executive Director, Finance & Strategy is assessed by the Managing Director, recommended by the Remuneration Committee and approved by the NEDs.

(2) In the 2014 financial year, LTI allocations will no longer be made half in the form of Performance Share Rights and half as Options for all recipients. See discussion in section 4.

Table 3: LTI profile

LTI parameter	FY2013 details
LTI instruments	Allocation of LTI is made in the form of: (a) Performance Share Rights (PSRs) which are the right to a fully paid share in the Company at no cost; and/or (b) Options, which are the right to a fully paid share in the Company upon payment of an exercise price [1]. The most senior managers (including all Executive KMP and EMT) are allocated 50 per cent of their LTI in the form of PSRs and 50 per cent Options (by fair value). Other participants are allocated LTI wholly in the form of PSRs [2]. (This mix will change in 2014: see Section 4.5).
Valuation	The number of Options and/or PSRs for each executive is calculated by dividing the allocated value of the LTI award for that executive by the independently-determined fair market value of the Option and/or PSR at the date of grant. The fair value is calculated using a Black-Scholes methodology with a Monte Carlo simulation model that takes into account market conditions and performance hurdles. Because the Options and the PSRs have different values, an Executive receiving a 50/50 mix by value will receive a different number of Options and PSRs. For the Managing Director and the Executive Director, Finance & Strategy, the maximum value of the potential LTI award, as recommended by the Board, is submitted for approval by shareholders at the AGM held in the prior year to which the award relates. The actual number of Options and/or PSRs is calculated at the time of the decision to make the award, shortly after the release of the financial results of that performance year, based upon the independently-determined fair values at that time. This process will be changed for the 2014 financial year, as discussed in section 4.7 of this report.
Relative TSR hurdle and Vesting Scale	After allocation, the PSRs and Options are subject to a further performance condition in order to vest, namely TSR relative to the ASX 100 group of companies as comprised at the date of grant. Relative TSR is measured at the end of the performance period. Since the 2012 financial year the performance period is four years for Options and three years for PSRs. (This approach will change in 2014 as outlined in Section 4.4). Vesting occurs only when TSR exceeds the 50th percentile of ASX 100 companies. 50 per cent of the award vests above the 50th percentile, and 100 per cent of the award vests at the 75th percentile, and proportionately on a straight-line basis between the 50th and 75th percentiles. Prior to vesting and allocation of shares, unvested and unexercised Options and/or PSRs carry no voting rights or entitlements to dividends. Options that vest must be exercised together with payment of the exercise price, upon which shares are then allotted. PSRs have a zero exercise price and (since 1 July 2011) shares are allocated automatically on vesting. On capital reorganisation, the number of unvested awards to which each participant is entitled, or the exercise price (if any) or both, will be adjusted in a manner determined by the Board in order to minimise or eliminate any material advantage or disadvantage to the participant [3].
Re-testing	For awards since the 2012 financial year there is no re-testing. Any unvested LTI after the test at the end of the performance period lapses immediately.
Early vesting	In very limited circumstances, testing against the performance condition may be brought forward earlier than the original scheduled test date. Provided that the performance condition is then met, vesting may occur. The limited circumstances are: • on a person/entity acquiring 20 per cent or more of the relevant interest in the Company pursuant to a takeover bid that has become unconditional, or on a person/entity otherwise acquiring 20 per cent or more of the relevant interest in the issued capital of the Company; • on termination of employment due to death or permanent disability; or • in other exceptional circumstances where the Board determines it to be appropriate. Such discretion has not been exercised by the Board to date.
Exercise period, expiry and forfeiture	Options may be exercised only where the performance condition has been met, to the extent set out in the Vesting Scale above. Options that vest must be exercised by the employee together with payment of the exercise price. PSRs are exercised automatically upon vesting. The LTI Plan Rules provide that unvested or unexercised Options and PSRs lapse on cessation of employment other than in exceptional circumstances (for example death, disability, redundancy or retirement, as defined in the Equity Plan Rules). In those circumstances, the unvested Options or PSRs may be held "on foot" subject to the specified performance hurdles and other Plan conditions being met. The Plan Rules provide that unvested or unexercised Options and PSRs lapse up to a maximum of seven years after grant.
Anti Hedging policy	The Company's policy requires that employees cannot trade instruments or other financial products which limit the economic risk of any securities held under any equity-based incentive schemes so long as those holdings are subject to performance hurdles or are otherwise unvested. Non-compliance may result in summary dismissal.

(1) For the 2012 financial year allocation, the exercise price was determined as the volume weighted average market price for the Company's shares traded on the ASX in the ten trading days immediately prior to 18 September 2012 inclusive.

(2) Particular arrangements apply to Mr Barnes who participated in Contact Energy's LTI arrangements. While under secondment to Contact Energy, Mr Barnes participated in Contact Energy's LTI arrangements (refer to Contact Energy's website – contactenergy.co.nz). The maximum opportunity in his case refers to the combined LTI from Origin Energy and Contact Energy in any given year.

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

2.4 Summary

In summary, fixed remuneration, STI and LTI work together to generate alignment with shareholders. The way this occurs can be seen in Table 4.

Table 4: Summary of the 2013 financial year executive remuneration system

	Remuneration component	Delivery vehicle	Performance measure	At-risk weight [1]	Strategic objective/ performance link
Not at risk	Fixed remuneration	Cash, super, benefits	Position description		Secure staff to execute business plans
AT-RISK REMUNERATION The proportion at risk increases with seniority	STI	Cash [2] paid annually after release of corporate results	**Group Measure 1** Underlying EPS [3]	**STI AT RISK (as a % of Fixed)** MD 120% Other KMP 100%	Drive real annual earnings growth
			Group Measure 2 OCAT Ratio [3]		Measure of cash flow required to exceed risk-adjusted cost of capital, reflecting the long-term nature of the business
			Divisional Measure (e.g. financial measures such as EBITDA, capital and opex management)		Reward achievement of specific divisional goals
			Individual measure (e.g. safety, project delivery, culture and engagement)		Reward achievement of specific individual performance goals
	LTI	Deferred and share-based (Options and Performance Share Rights)	**Allocation measure** Personal performance and development potential **Vesting measure** Relative TSR	**LTI AT RISK (% of Fixed Reward)** MD 150% Other KMP 100-120%	Reward creation of shareholder wealth (measured by outperformance of TSR relative to the comparator group, tested after 3 or 4 years)

(1) Maximum STI and LTI components expressed as a percentage of Fixed Remuneration. In this diagram, "Other KMP" refers to the average of executive KMPs (excluding the Managing Director, but including the Executive Director, Finance & Strategy).

(2) Inclusive of any Superannuation Guarantee obligations.

(3) The key performance indicators of Underlying EPS and OCAT Ratio together form the Group STI Financial Performance Metric which applies to all STI participants, in addition to Divisional and individual performance measures.

2.5 Senior executives receive a greater percentage of their total remuneration in the form of STI and LTI

With seniority, a higher proportion of an executive's remuneration is dependent on performance and a larger proportion is deferred, as shown in Table 5.

Table 5: Remuneration mix: 2013 financial year

Position	Maximum STI as % of Fixed	Maximum LTI as % of Fixed	Ratio LTI/STI	Ratio at risk/ Fixed	At risk as % of Total(1)	Proportion deferred (LTI/Total)(1)
Managing Director	120%	150%	1.25	2.70	73%	41%
Executive Director, Finance & Strategy	100%	120%	1.20	2.20	69%	38%
Other Executive KMP	100%	100%	1.00	2.00	67%	33%
Other EMT	70%	70%	1.00	1.40	58%	29%
Other Executives	25-60%	15-55%	0.6-0.9	0.4-1.15	29-53%	11-26%

(1) Total is the Aggregate Reward (Fixed remuneration+STI+LTI) at maximum incentive outcomes.

For the Managing Director, the proportion of total remuneration that is deferred exceeds the average level of deferral for CEOs in the ASX 50, as shown in Table 6.

Table 6: ASX 50 average MD target current and deferred pay mix, calendar year 2012 data

Sector	Current pay	Deferred Pay
Non-Financials	62%	38%
Financials	60%	40%
Energy	55%	45%
ASX 50 (All)	61%	39%
Origin MD	53%	47%

Source: Guerdon Associates analysis of remuneration for full-year CEOs from ASX 50 companies, disclosures to 31 December 2012. The percentage that is deferred includes deferred STI, the disclosed amortised fair value of LTI grants and any unhurdled equity grants; the percentage that is not deferred includes base salary, fringe benefits, superannuation and cash STI.

2.6 To assist with preserving shareholder value, retention plans are selectively used to retain key staff

The Board Remuneration Committee regularly assesses the Company's vulnerability to losing key staff in areas of intense market activity. Typically, they are critical technical operational staff or senior executives who manage core activities or have skills that are being actively solicited in the market.

In such circumstances, the Board Remuneration Committee may consider putting in place deferred payment arrangements to reduce the risk of losing such staff. More specifically, such staff may be offered Deferred Share Rights (DSRs) (1) or deferred cash payments if they remain in employment at a nominated date (2) and achieve personal performance targets.

The DSR Plan was approved by the Board in early 2010 to provide an equity grant as an alternative to cash, with deferral periods ranging from two to four years. The first DSRs were issued during the 2012 financial year. At 30 June 2013, 143,109 DSRs were on issue held by 16 recipients, whereas on 30 June 2012, 161,448 DSRs were held by 16 recipients.

No new deferred cash arrangements under the Plan were implemented for Executive KMP during the 2013 financial year, and no such arrangements are outstanding for Executive KMP at 30 June 2013.

2.7 The Employee Share Plan focuses all staff on safety

It is well known that operational excellence and safety performance are tightly linked. For this reason, the Board has determined that all staff have an incentive to focus on safety.

The Board has the ability to make an annual award of up to $1,000 worth of shares to all permanent employees in Australia and New Zealand (other than Executive Directors) with more than one year of service. Such an award is valued by staff, and for this reason the Board has determined that its allocation should be made subject to Company-wide targets relating to safety being met during the year.

Shares awarded under the Employee Share Plan must be held for at least three years following the award or until cessation of employment, whichever occurs first.

For 2013 financial year, a target was set for the recording of 30,000 safety observations, with the additional requirement that each be acted upon and 'closed out' in the Company's HSE Management System by the relevant manager or safety adviser. This target was fully met in 2013. As a result, the Company will award $1,000 worth of shares to approximately 4,300 eligible employees(3).

The Company will acquire the requisite shares on market for transfer to employees during September 2013, subject to compliance with applicable regulations.

(1) DSRs are the right to own a share in the Company, subject to ongoing employment at the time of vesting.
(2) Generally two to four years in the future.
(3) A pro-rata amount is paid to eligible part-time employees.

2.8 Shareholder interests are served by focusing on gender pay equity which aims to make the most of the talents of all staff

Origin's policy is to deliver equal pay for equal work, with a view to attracting and retaining quality staff regardless of gender. Research has shown that organisations that make the most of the talents of women are superior performers over time[1].

Once a year, a central review of proposed pay arrangements for the coming 12 months is conducted for all divisions of the Company at all levels. If proposed pay arrangements diverge by plus or minus two per cent between males and females within a job grade at the Business Unit or Company level, managers are required to revise recommendations until the variation is within two per cent. A fuller description is provided in the Company's Corporate Governance Statement.

While equal work is rewarded with equal pay, females are over represented in lower-graded jobs and under-represented in higher-graded jobs. The Corporate Governance Statement describes the Company's initiatives aimed at delivering against Origin's publicly stated goals to reduce the turnover of women in senior roles and increase the percentage of women appointed to such roles.

3. REMUNERATION OUTCOMES REFLECT RETURNS TO SHAREHOLDERS

While Origin has produced very solid outcomes for shareholders over the past decade, the 2013 financial year was a challenging year financially relative to past performance.

In these circumstances, the remuneration system has performed in a way that demonstrates its responsiveness and alignment with shareholders' interests. However, in striking an appropriate balance between the short term financial interests of shareholders and staff, Directors also recognise that attracting and retaining key staff is in shareholders' longer term interests.

More specifically, against the background of Origin's financial performance over the past decade and in the 2013 financial year, this section of the Remuneration Report will demonstrate:

- STI outcomes for most Executive KMP are significantly lower than the prior year, appropriately reflecting the current year's financial and operational outcomes;
- the amount of past pay crystallised in the current year is zero, appropriately reflecting the lower returns to shareholders relative to prior years;
- conditional future pay awarded for the current year (LTI) for most Executive KMP is significantly down on the prior year;
- the 2014 financial year fixed remuneration will not increase for most Executive KMP; and
- staff retention has been strong, although Directors recognise that low deferred pay crystallisation levels potentially reduce the retention impact of the LTI arrangements.

Each of these points will be discussed in turn, in the context of the Company's overall performance.

3.1 While the Company has produced solid outcomes for shareholders over the past decade, last year's financial results have come under pressure

Origin's financial performance over the past decade has been solid. Underlying profit has increased by a compound annual growth rate (CAGR) of 15.7 per cent from $205 million to $760 million on an annual revenue growth rate of 17.1 per cent. Over the same period, Underlying Earnings Per Share (EPS) has increased by 10.1 per cent per annum compound.

However, Origin's near term performance has come under pressure. Statutory Net Profit after Tax attributable to members of the parent entity for the 2013 financial year was $378 million, down from $980 million in the prior year. This reflected a 14.9 per cent decrease in Underlying Profit from $893 million to $760 million, compounded by a significant increase in items excluded from Underlying Profit. For more detail refer to section 3 of the Operating and Financial Review.

Financial and TSR performance over the last 10 years are outlined in Table 7.

(1) Catalyst (2011) Why Diversity Matters; McKinsey (2012) Is There a Pay-Off For Top-Team Diversity?; McKinsey, Carter and Wager (2011) The Bottom Line: Corporate Performance and Women's Representation on Boards 2004-2008.

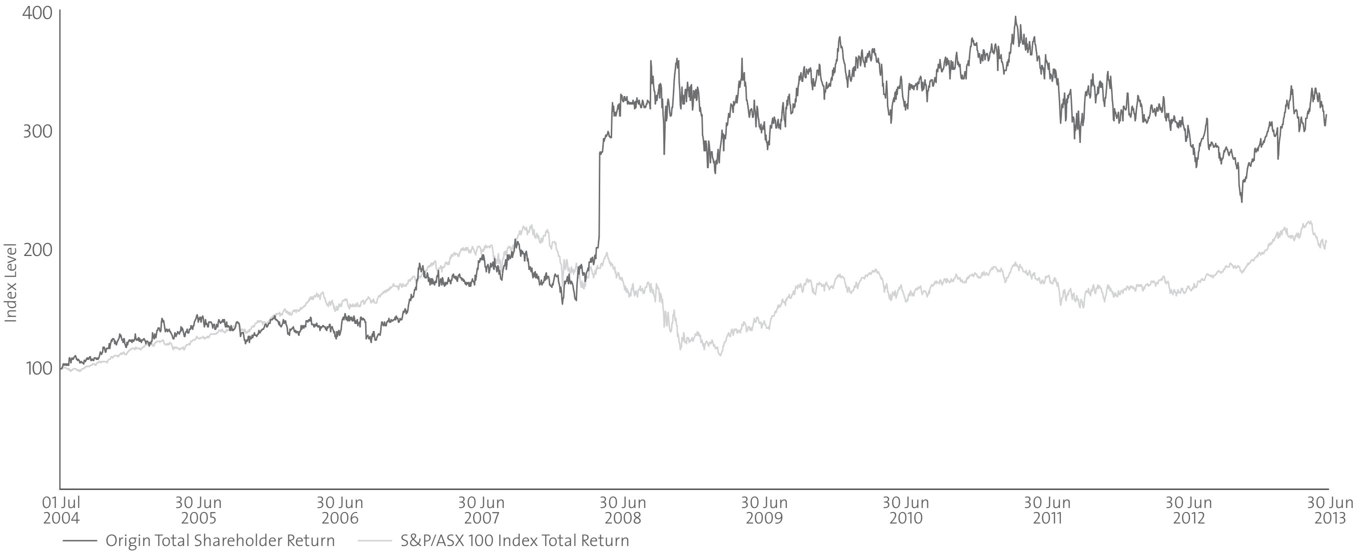
Table 7: Ten Year Performance History

	2004[1]	2005[1]	2006	2007	2008	2009	2010	2011	2012	2013	CAGR[2]
Earnings											
Revenue $million	3,522	4,870	5,880	6,436	8,275	8,042	8,534	10,344	12,935	14,619	17.1%
Statutory Profit $million	205	301	332	457	517	6,941	612	186	980	378	
Statutory EPS – basic [3] cents per share	29.2	38.4	40.7	53.1	57.4	768.8	67.7	19.6	90.6	34.6	
Underlying EPS – basic [3] cents per share	29.2	38.4	41.5	43.0	49.2	58.7	64.8	71.0	82.6	69.5	10.1%
Underlying Profit $million	205	301	338	370	443	530	585	673	893	760	15.7%
Total Shareholder Return (TSR)											
Dividends (cents)	13.0	15.0	18.0	21.0	50.0[4]	50.0	50.0	50.0	50.0	50.0	16.1%
Share Price 30 June [3] $	5.24	7.28	7.04	9.51	15.43	14.23	14.52	15.79	12.20	12.57	10.2%
TSR Index (Table 8)	100	142.0	140.6	194.6	323.4	306.3	322.6	362.1	290.0	311.6	
Annual TSR %	42.5	42.0	(1.0)	38.4	66.2	(5.3)	5.3	12.2	(19.9)	7.4	
10 Year TSR % [5]										343.5	
3-Year Rolling TSR %pa [6]	26.0	35.4	26.1	24.9	31.6	29.6	18.3	3.8	(1.8)	(1.1)	

(1) The 2004 and 2005 financial years are reported under previous AGAAP and have not been re-stated under A-IFRS.
(2) Compound annual growth rate (%pa) between 30 June 2004 to 30 June 2013.
(3) EPS and Share Price have been restated for the bonus element of the Rights Issues completed in April 2005 and April 2011.
(4) Includes additional dividend paid in November 2008.
(5) The 10-Year TSR% includes the full period of the 2004 financial report and represents the period from 30 June 2003 to 30 June 2013.
(6) Compound annual growth rate (%pa) for the three years ended 30 June. Three years corresponds to the average LTI vesting period through to the 2012 financial year (3.5 years in the 2013 financial year).

Table 7 shows that TSR increased 7.4 per cent between the 2012 and 2013 financial years and 343.5 per cent over the last 10 years. Origin has also outperformed the ASX 100 as shown in Table 8.

Table 8: Total Shareholder Return vs ASX 100 (indexed to 100 from 1/07/04 to 30/06/13)



Source: Mercer

3.2 STI outcomes for most KMP are significantly lower than the prior year.

The STI awarded reflects financial and operational outcomes over the course of a financial year. The financial outcomes for the current and prior years are shown in Table 9.

Table 9: STI Performance Conditions

	2012	2013	Annual Change
Underlying EPS – basic cents per share	82.6	69.5	(15.9%)
Group OCAT Ratio %	11.5	6.4	(44.3%)
Corporate STI Financial Performance Metric Outcome (%) (1)	92.4	0.0	(100%)

(1) For the 2012 and 2013 financial years the two performance indicators Underlying EPS and OCAT Ratio combined in equal weights to form the Group STI Financial Performance Metric (see Table 4).

The relevant outcomes for Executive KMP vary according to their Business Unit. Table 10 shows that apart from one person, over the past year, all Executive KMP saw a significant decline in STI, both in terms of their STI outcome as a percent of Maximum STI allocation and in terms of the dollar value of their actual STI payment.

While underlying profit declined by 14.9 percent, between the 2012 and 2013 financial years, overall actual Executive KMP STI allocations decreased by 47.7 per cent. As can be seen in Table 10, the extent of the decline varied by KMP, largely but not exclusively, reflecting the extent to which an individual KMP were exposed to the corporate STI financial metric of earnings per share and the OCAT ratio. As can be seen from Table 9, the corporate STI financial metric was zero in the 2013 financial year. The only executive whose STI increased was Mr Barnes. As CEO of the publicly listed New Zealand company, Contact Energy, Mr Barnes's STI was exposed to Contact's corporate STI financial metric rather than Origin's metric.

Table 10: Remuneration outcomes: Present Pay

Pay earned and delivered in respect of the period.

Name		Fixed remuneration (1)	Max STI as % of fixed remuneration	Actual STI as % of maximum STI (2)	Actual STI payment (3)	% Change	Present pay (4)	% Change
Executive Directors								
G A King	2013	2,500,000	120	20	600,000	(74.5%)	**3,100,000**	(36.1%)
	2012	2,500,000	120	78	2,350,000		**4,850,000**	
K A Moses	2013	1,325,000	100	50	662,500	(42.2%)	**1,987,500**	(17.7%)
	2012	1,270,000	100	90	1,145,540		**2,415,540**	
Other Executive KMP								
D A Baldwin	2013	920,000	100	76	699,200	(9.7%)	**1,619,200**	(2.1%)
	2012	880,000	100	88	774,400		**1,654,400**	
D Barnes (5)	2013	700,000	100	72	504,000	29.2%	**1,204,000**	15.8%
	2012	650,000	100	60	390,000		**1,040,000**	
F G Calabria	2013	1,050,000	100	28	294,000	(58.6%)	**1,344,000**	(21.4%)
	2012	1,000,000	100	71	710,000		**1,710,000**	
P A Zealand	2013	740,000	100	38	281,200	(36.1%)	**1,021,200**	(11.2%)
	2012	710,000	100	62	440,200		**1,150,200**	
Total	2013	7,235,000			3,040,900	(47.7%)	**10,275,900**	(19.8%)
	2012	7,010,000			5,810,140		**12,820,140**	

(1) Fixed remuneration represents base salary (cash) and superannuation, plus any benefits that have been salary sacrificed. It is the amount to which other pay elements such as STI and LTI are referenced. Fixed remuneration for the 2012 financial year has been re-stated for consistency with this definition. The amount reported in the 2012 financial year was calculated inclusive of all non-monetary benefits such as insurance and incidentals, and did not represent the actual contractual salary nor the base on which pay elements such as STI and LTI were referenced.

(2) The minimum total value of the STI is nil if no performance conditions are met. Where the actual STI payment is less than maximum potential, the difference is foregone. The proportion of potential STI forgone is the difference between 100 per cent and the Actual STI as a percentage of maximum. Note that in exceptional circumstances there is board discretion to award above maximum STI, in which case the notional foregone would then be zero.

(3) 2013 STI constitutes a non-deferred cash bonus granted for performance during the year ended 30 June 2013, determined following the close of 2013 results and paid in September 2013. 2012 STI constitutes a cash bonus granted for performance during the year ended 30 June 2012, determined following the close of 2012 results and paid in September 2012.

(4) Present pay is the total of fixed remuneration and actual STI payment and represents the actual pay delivered in and for the period.

(5) Fixed remuneration set by Contact Energy board in NZD. The Australian denominated fixed pay is converted to Australian dollars at the time of notification of pay change (2013 financial year set in September 2012, $1.2825; 2012 financial year set in September 2011, $1.2615).

3.3 The amount of past pay crystallised in the current year is zero, reflecting alignment with shareholders

The strong alignment of remuneration outcomes with shareholders' interests is also demonstrated in the way conditional deferred pay from prior years has not crystallised.

Reflecting the historic timeframe for LTI hurdles, in the 2013 financial year only PSR and Option grants from 2008 and 2009 were tested. This occurred in September and November 2012. The TSR hurdle was not met in either case. As a consequence, neither grant vested. One test remains for the 2008 grant in September 2013, while two tests remain for the 2009 options, one of which will occur later in 2013.

Moreover, at Origin's current share price, the strike price for the options issued in 2008 is unlikely to be met. The strike price for the 2008 Options grant was $15.84, while Origin's share price on 30 June 2013 was $12.57. In the case of the 2009 Options grants, the two tranches have strike prices of $14.58 and $15.47 respectively.

Table 11 shows that no past pay crystallised in the 2013 financial year for any KMP.

Table 11: Crystallisation of past pay

Financial Year	Uncrystallised past pay (1)					Past pay crystallised during FY2013 (2)					Indicative value of past pay that may crystallise in the future (3)				
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012
G A King	2,093,700	2,532,065	3,071,520	4,094,511	3,538,116	0	0	–	–	–	0	0	0	0	0
K A Moses	471,058	982,544	1,201,439	1,525,903	1,437,890	0	0	–	–	–	0	0	0	0	0
D A Baldwin (4)	333,354	858,437	640,698	2,259,602	830,280	0	0	–	–	–	0	0	0	0	0
D Barnes (5)	–	–	–	612,087	645,721	–	–	–	–	–	–	–	–	0	0
F G Calabria	259,704	818,863	861,907	1,128,155	943,499	0	0	–	–	–	0	0	0	0	0
P A Zealand	111,160	332,921	302,825	451,833	569,404	0	0	–	–	–	0	0	0	0	0

(1) Uncrystallised past pay represents the grant date fair value of LTI awarded for prior periods that has not vested by the end of the current period. For Contact Energy securities, the Australian dollar value has been calculated using the exchange rate applicable at the time of the corresponding disclosure (in respect of awards referencing the 2008 financial year – $1.2291, 2009 financial year – $1.2362, 2010 financial year – $1.2947, 2011 financial year – $1.2825, 2012 financial year – $1.249).

(2) Past pay crystallised represents the value of LTI awarded for prior periods that has vested during the current period. The value of equity is calculated at the date of vesting (irrespective of exercise). This is the number of Options or Rights vested multiplied by the market closing price of the Company's shares on the day of vesting, less any applicable exercise price. Where the exercise price exceeds the market price, the value is zero. In the 2013 financial year, testing of unvested deferred pay earned in respect of the 2008 financial year and 2009 financial year took place but did not result in any vesting. No testing of past pay in respect of the 2010 financial year, 2011 financial year or 2012 financial year occurred during the 2013 financial year.

(3) Indicative value of past pay that may crystallise in the future represents the value of LTI awarded for prior periods that had not vested by the end of the current period but that may vest (partially or fully) or lapse in a future period. The indicative value is calculated from the TSR ranking and implied vesting measured at the end of the period based on the Company's closing share price on that date (30 June 2013 – $12.57) less any applicable exercise price. Where the exercise price exceeds the share price at 30 June 2013, the indicative value is zero. Awards in this column were granted between 30 September 2008 and October 2012 referable to performance years 2008 financial year through to 2012 financial year. As at 30 June 2013, all uncrystallised pay past pay had zero indicative value. The indicative value may change in future periods based on actual TSR performance over longer lengths of time.

(4) Includes Contact Energy securities.

(5) For the period as an Executive KMP, including Contact Energy securities.

3.4 LTI awards for most Executive KMP are significantly lower than the prior year

Aggregate awarded LTI grants for the 2013 financial year are down 57.4 percent against a decrease in underlying profit of 14.9 per cent.

This reflects in part the exercise of Directors' discretion rather than the use of the matrix of individual performance and potential that is usually the basis for making such grants [1]. Discretion has been exercised downwards by using the same or a lower percent of Maximum potential ratio for LTI as for STI for all except two [2] of the executive KMP. In exercising this discretion, Directors reserve the right to exercise LTI awards upwards in future.

The outcomes for specific KMPs are outlined in Table 12.

(1) See section 2.3.

(2) Except for D A Baldwin and D Barnes.

Table 12: Remuneration outcomes: Future Conditional Pay

Name		Maximum LTI as a % of Fixed remuneration	Actual LTI as % of Maximum LTI	LTI pay awarded for the period that may crystallise in the future (1)	% Change
Executive Directors					
G A King	2013	150	20	750,000 (2)	(80.0%)
	2012	150	100	3,750,000 (3)	
K A Moses	2013	120	40	636,000 (2)	(58.3%)
	2012	120	100	1,524,000 (3)	
Other Executive KMP					
D A Baldwin	2013	100	100	920,000	4.5%
	2012	100	100	880,000	
D Barnes	2013	100	100	700,000	7.7%
	2012	100	100	650,000	
F G Calabria	2013	100	28	294,000	(70.6%)
	2012	100	100	1,000,000	
P A Zealand	2013	100	38	281,200	(53.4%)
	2012	100	85	603,500	
Total	2013			3,581,200	(57.4%)
	2012			8,407,500	

(1) Intended fair value of deferred pay (LTI) awards determined with respect to performance in the period that may vest (partially or fully) or lapse in a future period.

(2) Pursuant to shareholder approval obtained at the 2012 AGM.

(3) Pursuant to shareholder approval obtained at the 2011 AGM.

3.5 2014 financial year fixed remuneration will not increase for most KMP

Fixed remuneration for most KMP including Executive Directors will be held at the same level as for the 2013 financial year. The exception is Mr Baldwin, CEO of Origin's LNG business, whose base pay will increase to reflect his change in role over the past year.

3.6 Staff retention has been strong, although Directors recognise that low deferred pay crystallisation levels potentially reduce the retention impact of the LTI arrangements.

Attracting and retaining high calibre executives from diverse backgrounds is an essential overriding objective of Origin's remuneration system.

Despite the financial pressures of the past year and the impact on remuneration outcomes, retention has been strong.

The Executive Management Team (EMT) is drawn from a range of industry backgrounds. The average tenure of the direct reports to the Managing Director is 6.8 years[1]. Voluntary turnover amongst the executive group has risen slightly in recent years, but remains low (5.6 per cent pa 2013 financial year). All new senior executives have been attracted to the Company within the existing remuneration structure.

Despite this outcome, the NEDs recognise the implications for retention of LTI not vesting as described in Section 3.3. They view equity as an important retention tool that needs to be allocated in a way that is consistent with shareholder interests over both the short and long term.

In summary, in a challenging year, Origin's remuneration system has operated in a way that demonstrates strong alignment with shareholder interests.

4. REFINEMENTS TO THE CURRENT REMUNERATION APPROACH WILL DRIVE EVEN STRONGER ALIGNMENT WITH SHAREHOLDER INTERESTS

In line with good corporate governance, NEDs undertake an annual review of Origin's remuneration practices to ensure they remain appropriate. Such deliberations include consideration of feedback from shareholders in the previous remuneration cycle; Origin's evolving circumstances; and input from advisors on evolving market practice.

This year, based on that review, the Remuneration Committee recommended and the NEDs of the Board approved two changes which will be implemented in the 2014 financial year. Specifically, the Company will introduce a deferred STI equity scheme for management including KMP and the EMT, and the performance period for PSRs will be extended to four years so that Options and PSRs have the same vesting period. The process for obtaining shareholder approval for LTI recommendations for Executive Directors will also change.

These changes reflect the Company's changing circumstances and the desire to ensure the ongoing alignment of staff and shareholder interests. They also reflect evolving market practice for ASX 100 companies.

In recent years, excellence in operational performance has become increasingly important for the Company. This has occurred because Origin is now Australia's largest generator and retailer of electricity; it operates significant mature conventional gas facilities; and has responsibility for the construction and operation of Australia Pacific LNG's upstream facilities. Ensuring staff are focused on operational excellence is an imperative.

The remuneration changes support that change and are in the interests of shareholders for the following reasons:

4.1 Greater emphasis is placed on critical near-term performance by changing the STI/LTI mix and by recognising that delivery against objectives is essential to shareholders in the near term

As described in section 2.2, the criteria for awarding STI to executives relates to performance over the year against specific operational measures. Group-level measures include underlying earnings per share and the OCAT ratio. Others are set at the Business Unit or personal level and measure operational performance such as profit; safety outcomes; progress against project milestones (especially in the LNG Business Unit); production (in the Exploration & Production business); and customer numbers and profitability (in the Energy Markets business).

In the 2014 financial year, the mix of STI and LTI will change to decrease the proportion potentially allocated to LTI, while proportionally increasing the STI potential. The result will be to increase the proportion of at risk remuneration directly linked to operational outcomes. This change does not increase the overall maximum level of executive remuneration.

The shift can be seen in Table 13.

Table 13: Change in weightings of LTI and STI (expressed as a % of Fixed Remuneration)

	FY2013			FY2014		
	Maximum STI	Maximum LTI	Total	Maximum STI	Maximum LTI	Total
Managing Director	120%	150%	270%	150%	120%	270%
Executive Director, Finance & Strategy	100%	120%	220%	135%	85%	220%
Other KMP	100%	100%	200%	130%	70%	200%
Other EMT	70%	70%	140%	100%	40%	140%
Other Executives	25-60%	15-55%	40-115%	40-85%	0-30%	40-115%

4.2 A third of STI will be awarded in the form of deferred share rights reinforcing alignment with shareholders

STI is currently awarded and paid in cash. In light of the increased future weighting of remuneration toward STI, and to increase alignment with long-term value creation for shareholders, a third of the awarded STI will in future be in the form of Deferred Share Rights (DSRs). The remaining two thirds will be paid in cash. The basis on which STI awards are made will remain the same, except that discretion in relation to STI awards in future can be exercised both up and down.

DSRs are the right to own a share in the Company, subject to ongoing employment at the time of vesting. No dividends will be paid on DSRs that have not vested.

Award of a portion of STI in this form aligns executive and shareholder interests by providing an equity interest, linked to performance against operational objectives, whose value will increase or decrease directly in line with Origin's share price.

(1) These figures do not include the Managing Director. Including the time spent by the Managing Director in the Managing Director role, average tenure of the EMT in EMT roles is 8.2 years.

4.3 DSRs will vest over one, two and three years, thereby lengthening the payout period

For all KMP and other EMT, DSRs will vest by number in three tranches. One third of the DSRs will vest at the end of one year from the date of award, one third at the end of two years and the remaining one third at the end of three years. Three-year tranching will also apply to a small number of senior staff below this level. For less senior executives, DSRs will be deferred for two years. Rather than allocating the award over three years as for more senior executives, this approach recognises the smaller DSR parcels allocated to executives at lower levels.

DSRs will align executives' and shareholders' interests in two ways:

- deferral will mean that the value of the executive's share rights depends on the medium-term impact on shareholder returns of operational decisions made in the year of award; and
- deferral, subject to ongoing employment, will also provide a clear and effective incentive for the executive to remain with the Company, while having an equity interest in the Company's performance.

4.4 The LTI deferral period will be extended so that Options and PSRs both vest at four years

LTI is currently awarded in the form of Options and PSRs as described in Table 3 in Section 2.3. The existing vesting period for Options is four years and three years for PSRs. From the 2014 financial year the vesting period for PSRs will be changed to four years.

This extension of the deferral period for PSRs reflects the NEDs' view that LTI awards should consistently reflect the longer term impact of management's decisions.

4.5 The mix of Options and PSRs granted as LTI will change from 50 per cent each to 75 per cent/25 per cent, thereby increasing senior executives' LTI exposure to share price performance

The appropriate mix of PSRs and Options going forward has been considered in light of the introduction of DSRs for STI, whose risk/reward characteristics are somewhat more akin to PSRs.

In contrast, the risk/reward profile of PSRs and Options differ.

While both PSRs and Options will be subject to the existing TSR hurdle, value from Options is only created for a recipient if Origin's share price increases above the issue price of the Option. In contrast, with PSRs, provided the hurdle is met, some value attaches to the PSR regardless of the movement in the share price.

Currently, senior executives, including all KMP and EMT, receive half their LTI in the form of PSRs and half as Options.

Going forward, and in light of the introduction of DSRs as part of STI, the NEDs have approved LTIs being made with 75 per cent awarded to Options and 25 per cent to PSRs.

In this way, executives – like shareholders – will be more exposed to the risk of share price movement.

4.6 LTI will be allocated only to the most senior employees who have the greatest potential to influence returns to shareholders

The NEDs take the view that long-term strategic decisions that are company transformational and involve critical resource allocation decisions are more likely to be made by the most senior executives. It is also these decisions that should be aligned with shareholders' interests through an LTI award.

For this reason, it is proposed that the number of executives eligible to receive LTI be reduced from the current level of around 600 to approximately 100. Instead, the sole focus for more junior staff will be on operational excellence, which should be rewarded through STI, including DSRs.

4.7 The number and value of Options PSRs and DSRs awarded to Executive Directors will be submitted for shareholder approval retrospectively, not prospectively.

For a number of years, shareholder approval for an LTI award has been sought in advance of the actual allocation. Shareholders have subsequently been informed of the specific LTI grant made by the NEDs, whose vesting remains subject to meeting a TSR hurdle.

More specifically, at the November 2012 Annual General Meeting shareholders approved the NED's having discretion to award up to the Maximum Potential LTI award for the 2013 financial year. In the case of the Managing Director, the amount approved was $3.75 million; while it was $1.59 million for the Executive Director, Finance & Strategy. The actual LTI grants made for 2013 are $750,000 for the Managing Director and $636,000 for the Executive Director, Finance & Strategy.

In future years, starting in the 2014 financial year, the specific allocation of Options, PSRs and DSRs to be granted to Executive Directors will be submitted for approval by shareholders at the AGM held after the close of the financial year to which the grants relate. Specifically, grants relating to the 2014 financial year will be put to shareholders at the AGM to be held in October 2014.

This modified process will allow shareholders to consider the Board's equity recommendations for Executive Directors with the full knowledge of the Company's financial performance for the year to which the award relates.

5. APPROPRIATE GOVERNANCE HAS BEEN EXERCISED TO ENSURE A FOCUS ON SHAREHOLDERS' INTERESTS

Effective governance is central to Origin's approach. It is achieved through a clear definition of responsibilities; appropriate composition of the Board Remuneration Committee; and adherence to processes that ensure independent decision-making.

5.1 Governance responsibilities are clearly defined

The full Board has oversight of Origin's remuneration arrangements. It is accountable for Executive and NED's remuneration and the policies and process governing both.

The Board Remuneration Committee, through its Chairman, reports to the full Board and advises on these matters. The Committee is comprised of a minimum of three members who must be NEDs. The majority of the Committee, and its Chairman, are independent. There is a standing invitation to all Board members to attend the Committee's meetings.

The main responsibilities of the Board and Remuneration Committee are described in Table 14.

Table 14: Responsibilities of the Board and Remuneration Committee

	Approved by the Board (on recommendation of the Remuneration Committee)	Approved by the Remuneration Committee
Executive Remuneration Structure	• The remuneration strategy, policy and structure and compliance with legal and regulatory requirements • Levels of delegated responsibility to the Remuneration Committee and management for remuneration-related decisions • Individual remuneration for KMP and other members of the Executive Management Team • Allocations made under all equity based remuneration plans	• Identification of the employee population that receives deferred at-risk remuneration • Remuneration recommendations in relation to non-KMP and non-EMT employees • Specific remuneration related matters as delegated by the Board
Non-executive Director Remuneration	• The Remuneration structure for Non-executive Directors • Remuneration for Non-executive Director fees (subject to the maximum aggregate amount being approved by shareholders)	

5.2 The Remuneration Committee is composed of NEDs with an appropriate level of independence and expertise

For part of the 2013 financial year, the Board Remuneration Committee was comprised of five NEDs, although with Mr Bourne's resignation in November the size of the Committee reduced to four. As shown in Table 15, all members have significant experience of the Company's operations.

Table 15: Remuneration Committee 2013 financial year

Role	Status	Other Origin Committees
Trevor Bourne (Chairman until November 2012)	Independent, Non-executive Director until November 2012	• Audit; Health, Safety & Environment; Risk; Nominations
Kevin McCann (Acting Chairman from November 2012 – February 2013)	Independent, Non-executive Chairman	• Audit, Health, Safety & Environment, Risk, Nominations
Helen Nugent (Chairman since February 2013)	Independent, Non-executive Director	• Audit (Chairman until February 2013 and subsequently a member); Risk; Nominations
Bruce Beeren	Non-executive Director	• Risk; Nominations
Gordon Cairns	Independent, Non-executive Director	• Health, Safety & Environment; Risk; Nominations; Origin Foundation (Chairman)

Dr Nugent, Mr Cairns and Mr McCann have experience with remuneration governance as members of board remuneration committees at other ASX 100 Australian companies.

The Committee met five times in the 2013 financial year.

5.3 Board and Remuneration Committee processes ensure independence

The Remuneration Committee operates under a Charter published on the Company's website at originenergy.com.au. In particular, the Charter identifies the processes for dealing with conflicts of interest. The Charter and all associated processes are followed assiduously by the Board and Remuneration Committee.

The Committee has established protocols for engaging and dealing with external advisors, including those defined as Remuneration Consultants for the purpose of the *Corporations Act 2001* (Cth). The protocols require engagement by the Committee; instruction by the Chairman of the Committee; delivery of reports direct to the Committee through its Chairman; and a prohibition on communication with Company management except as authorised by the Chairman and limited to the provision or validation of factual and policy data. The advisor must furnish a statement confirming the absence of any undue influence from management.

These protocols were followed in the 2013 financial year. While Guerdon Associates did not act as a Remuneration Consultant for the purposes of the *Corporations Act 2001* (Cth), it provided benchmarking information and data to inform the Board's changes to STI and LTI described in section 4 and to inform the Board's decisions about KMP and Other EMT remuneration. Guerdon Associates has provided a statement confirming the absence of any influence from management.

Table 16 summarises the sources of remuneration data used in the 2013 financial year.

Table 16: Sources of remuneration data, 2013 financial year

Advisor/Consultant FY2013	KMP Benchmarking and data used by Committee to formulate its own recommendations to Board	Remuneration Consultant for the purposes of the *Corporations Act*	Comments
Guerdon Associates	Yes	No	Benchmarking and market analysis, advisor to Remuneration Committee
The Hay Group	Yes	No	Hay PayNet® database access to remuneration survey data
Ernst & Young	No	No	General benchmarking and survey reports
Mercer Consulting	No	No	Fair valuation of LTI instruments, actuarial assessment of superannuation

6. NON-EXECUTIVE DIRECTORS ARE REMUNERATED IN A WAY THAT SUPPORTS AN INDEPENDENT SHAREHOLDER FOCUS

6.1 The overall objective of Origin's remuneration approach for Non-executive Directors is to ensure that they are remunerated appropriately in ways that are consistent with their independent focus

Appropriate remuneration for NEDs is achieved by:

- setting Board and Committee fees taking into account market rates for relevant Australian organisations for the time commitment and responsibilities involved; and
- delivering those fees in a form that is not contingent on Origin's performance.

As a result, remuneration arrangements for NEDs are quite different from those in place for Executives. Non-executive Director remuneration is not performance-based or dependent on the Company's results. Fees are fixed to allow for independent and objective assessment of executive and Company performance.

No Executive KMP is remunerated for acting as a Director of Origin Energy. The Managing Director, the Executive Director Finance & Strategy and the CEO LNG are, however, remunerated for serving as Directors of Contact Energy.

6.2 Non-executive Director fees are appropriate in light of market rates, and remain within the aggregate cap approved by shareholders

Board and Committee fees are reviewed annually having regard to the level of fees paid to Non-executive Directors at Australian companies of comparable size and complexity. They reflect the responsibilities and time commitment necessary for the role. Per diem fees may also be paid on occasions where approved special work is undertaken outside of the expected commitments.

Following a review, no change of fee is proposed for any role as a Non-executive Director for 2014.

The Chairman receives a single fee that is inclusive of Committee activities, while other Non-executive Directors receive a base Board fee and separate fees for appointment to specific Committees. All fees are inclusive of superannuation contributions. Each year Directors may elect to salary sacrifice up to $5,000 of their fees to acquire Origin shares (See Section 6.3).

The aggregate cap for Non-executive Directors' remuneration ($2,700,000) was last approved by shareholders at the 2010 Annual General Meeting. The Board does not propose a change to this cap for the 2014 financial year.

Table 17 shows the structure and level of Non-executive Director fees for the current year, which will also apply for the 2014 financial year:

Table 17: Fee structure ($)

Fees	FY2013	FY2014
Board fees		
Chairman (inclusive of all Committee work)	677,000	677,000
Non-executive Director base fee	196,000	196,000
Committee fees (except for Chairman)		
Audit		
Chairman	57,000	57,000
Member	29,000	29,000
Remuneration		
Chairman	47,000	47,000
Member	21,000	21,000
Health, Safety & Environment		
Chairman	42,000	42,000
Member	21,000	21,000
Risk		
Chairman & members	–	–
Nomination		
Chairman & members	–	–

No per diem fees were paid in the 2013 financial year for approved special work undertaken outside of the expected commitments.

6.3 Non-executive Directors are required to acquire and hold shares in the Company

To more closely align the interests of the Board and shareholders, NEDs are required to hold a minimum of 10,000 shares in the Company within three years of appointment. All Directors meet this minimum shareholding requirement.

From August 2013, the minimum requirement for NEDs will be 20,000 shares. New NEDs will have up to three years to acquire this shareholding once they join the Board.

In the 2013 financial year and in previous years, the Non-executive Director Share Plan (NEDSP) allowed a salary sacrifice of up to $5,000 in annual fees toward the acquisition of shares. Shares could be acquired on-market by the Trustee of the Plan to be held for participating NEDs. The Trustee of the Plan could transfer to a NED a share acquired under the Plan after five years or upon retirement from office or in the case of death.

No acquisitions were made under the NEDSP in the 2013 financial year. The NEDSP was closed to new participants and to new acquisitions by existing participants by decision of the Board in August 2013.

No directors acquired additional shares during the year other than Mr Morgan, who was appointed to the Board in November 2012 and purchased shares to meet the minimum holding requirement at that time of 10,000 shares.

APPENDICES: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

Appendix 1: KMP

KMP include Executive Directors and Executives with authority and responsibility for planning, directing and controlling the activities of Origin Energy and its controlled entities (together making Executive KMP) and Non-executive Directors. Origin's Non-executive Directors are required by the *Corporations Act 2001* (Cth) to be included as KMP for the purposes of the disclosures in the Remuneration Report. However, the Non-executive Directors do not consider themselves part of 'management'.

Table 18: Key Management Personnel, 2013 financial year

Non-executive Directors		Notes
H K McCann	Independent Chairman	
J H Akehurst	Independent	
B G Beeren	Non-executive	Executive Director from March 2000 to January 2005
T Bourne	Independent	Retired from the Board November 2012
G M Cairns	Independent	
B W D Morgan	Independent	Joined the Board November 2012
R J Norris	Independent	
H M Nugent	Independent	
Executive Directors		
G A King	Managing Director	
K A Moses	Executive Director, Finance & Strategy	
Executives		
D A Baldwin	Chief Executive Officer, LNG	Chief Development Officer until December 2012, also a KMP role
D Barnes	Chief Executive Officer, Contact Energy	
F G Calabria	Chief Executive Officer, Energy Markets	
P A Zealand	Chief Executive Officer, Upstream	

Except where otherwise noted, the remuneration and other related party disclosures included in the Remuneration Report have been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) and in compliance with AASB 124 Related Party Disclosures. For the purpose of these disclosures, all the individuals listed above have been determined to be KMP, as defined by AASB 124 Related Party Disclosures.

Appendix 2: Contractual arrangements for Executive KMP

The table below sets out the main terms and conditions of the employment contracts of the Managing Director and executive KMP (excluding Non-executive Directors) as at 30 June, 2013.

As noted in section 2, the contractual terms were determined with reference to the size and complexity of the job roles, were benchmarked against the external market, and reflect the principles of reward for performance and alignment with the interests of shareholders.

Table 19: Contractual Details for Executive KMP (1)

Role	Contract Expiry	Notice Period	Termination Payments (subject to termination benefits legislation)
Managing Director	To 30 June 2014	• 12 months either party • Immediate for misconduct, breach of contract or bankruptcy • 6 months for extended illness	• Statutory entitlements only for termination with cause • Payment in lieu of notice at Company discretion • For Company termination "without cause", pro rata STI is payable
Executive Director, Finance & Strategy and other Executive KMP	Ongoing (no fixed term)	• Up to 3 months by either party • Immediate for misconduct, breach of contract or bankruptcy	• Statutory entitlements only for termination with cause • Payment in lieu of notice at Company discretion • For Company termination "without cause" pro rata earned STI is payable • For Company termination "without cause" payment equivalent to 3 weeks' fixed remuneration per year of service capped at 74 weeks; a minimum may also apply (generally 18-22 weeks)

(1) The table includes arrangements agreed prior to the amendments to the *Corporations Act 2001* (Cth) regarding termination payments which came into effect on 24 November 2009. Entitlements under pre-existing contracts are generally not subject to the new limits on termination payments. The new legislative provisions apply to KMP contract variations after 24 November 2009 and to agreements with KMPs appointed after 24 November 2009.

Details regarding the Managing Director's remuneration arrangements are provided in earlier sections of this Report but are included in the summary below for completeness:

Table 20: Managing Director remuneration

Element	Details
Fixed remuneration	The Managing Director's fixed remuneration for the 2013 financial year was $2,500,000. The Board commissioned an external report by Guerdon Associates on chief executive remuneration providing detailed benchmarks across a range of domestic and international peer groups. The Board concluded from the analysis that it was appropriate not to increase the Managing Director's fixed remuneration for the 2014 financial year.
STI	The Managing Director's maximum STI opportunity level is 120% of fixed remuneration (72% at target). 60% of the Managing Director's STI is determined by the Group Performance Metrics and 40% on individual measures. Company performance for the 2013 financial year was determined against two equally weighted measures, OCAT Ratio and growth in Underlying EPS (see section 2).
LTI	The Managing Director's maximum LTI opportunity level for the 2013 financial year was 150% of fixed remuneration. The Managing Director maintains a significant shareholding in the Company, as reflected in Table 29 of this Report (and equivalent tables in prior Reports).

Appendix 3: Supplementary remuneration disclosures

Three additional disclosures are presented below, incorporating information from Tables 10, 11 and 12 and prepared in line with the Corporations and Market Advisory Committee's (CAMAC) indicative guidelines and subject to an Exposure Draft amendment to the *Corporations Act 2001* (Cth) proposed by Treasury on 12 December 2012. **These tables are not additive.**

1 **Past pay** represents the value of LTI awarded for prior periods that has crystallised (vested) during the current period. The value of equity is calculated at the date of vesting (irrespective of exercise). This is the number of Options or Rights vested multiplied by the market closing price of the Company's shares on the day of vesting, less any applicable exercise price. Where the exercise price exceeds the market price, the value is zero. In the 2013 financial year, testing of unvested deferred pay earned in respect of the 2008 financial year and 2009 financial year took place but did not result in any vesting. In the 2012 financial year, vesting comprised LTI awards granted in September 2008 referable to the 2008 performance financial year.

Table 21: Past Pay

Name		Past Pay ($)	% change
Executive Directors			
G A King	2013	0	(100%)
	2012	1,677,216	
K A Moses	2013	0	(100%)
	2012	402,538	
Other Executive KMP			
D A Baldwin	2013	0	0
	2012	0	
D Barnes (1)	2013	0	(100%)
	2012	67,090	
F G Calabria	2013	0	(100%)
	2012	223,628	
P A Zealand	2013	0	(100%)
	2012	95,042	
Total	**2013**	**0**	**(100%)**
	2012	**2,465,514**	

(1) 2012 past pay based on New Zealand dollar/Australian dollar annual average exchange rate of $1.2825 (1 July 2011 – 30 June 2012) applied to the New Zealand dollar denomination elements of pay.

2 **Present pay** represents remuneration earned in respect of the period and paid during or shortly after the end of the period. For the 2012 and 2013 financial years this includes fixed remuneration plus STI. For these periods the STI constitutes a non-deferred cash bonus granted for performance during the period, determined following the close of final results for the period, and paid during September of the following period.

Table 22: Present Pay

Name		Fixed remuneration (1)	Actual STI payment (2)	% change	Present pay	% change
Executive Directors						
G A King	2013	2,500,000	600,000	(74.5%)	3,100,000	(36.1%)
	2012	2,500,000	2,350,000		4,850,000	
K A Moses	2013	1,325,000	662,500	(42.2%)	1,987,500	(17.7%)
	2012	1,270,000	1,145,540		2,415,540	
Other Executive KMP						
D A Baldwin	2013	920,000	699,200	(9.7%)	1,619,200	(2.1%)
	2012	880,000	774,400		1,654,400	
D Barnes (3)	2013	700,000	504,000	29.2%	1,204,000	15.8%
	2012	650,000	390,000		1,040,000	
F G Calabria	2013	1,050,000	294,000	(58.6%)	1,344,000	(21.4%)
	2012	1,000,000	710,000		1,710,000	
P A Zealand	2013	740,000	281,200	(36.1%)	1,021,200	(11.2%)
	2012	710,000	440,200		1,150,200	
Total	**2013**	**7,235,000**	**3,040,900**	**(47.7%)**	**10,275,900**	**(19.8%)**
	2012	**7,010,000**	**5,810,140**		**12,820,140**	

(1) Fixed remuneration represents base salary (cash) and superannuation, plus any benefits that have been salary sacrificed. It is the amount to which other pay elements such as STI and LTI are referenced. Fixed remuneration for the 2012 financial year has been re-stated for consistency with this definition. The amount reported in the 2012 financial year was calculated inclusive of all non-monetary benefits such as insurance and incidentals, and did not represent the actual contractual salary nor the base on which pay elements such as STI and LTI were referenced.

(2) 2013 STI constitutes a non-deferred cash bonus granted for performance during the year ended 30 June 2013, determined following the close of 2013 results and paid in September 2013. 2012 STI constitutes a cash bonus granted for performance during the year ended 30 June 2012, determined following the close of 2012 results and paid in September 2012.

(3) Fixed remuneration set by Contact Energy board in New Zealand dollars. The Australian denominated fixed pay is converted to Australian dollars at the time of notification of pay change (2013 financial year set in September 2012 , $1.2825; 2012 financial year set in September 2011, $1.2615).

3 **Future pay** represents deferred pay awarded for the period but to be paid in a future period. For equity awards the value represents the intended fair value at the time of determination of the award. For the 2012 and 2013 financial years the amounts are comprised of conditional LTI awards that may vest (partially or fully), or may lapse without value, in a future period.

Table 23: Future Pay

Name		Future Pay(1)	% Change
Executive Directors			
G A King	2013	750,000(2)	(80.0%)
	2012	3,750,000(3)	
K A Moses	2013	636,000(2)	(58.3%)
	2012	1,524,000(3)	
Other Executive KMP			
D A Baldwin	2013	920,000	4.5%
	2012	880,000	
D Barnes	2013	700,000	7.7%
	2012	650,000	
F G Calabria	2013	294,000	(70.6%)
	2012	1,000,000	
P A Zealand	2013	281,200	(53.4%)
	2012	603,500	
Total	**2013**	**3,581,200**	**(57.4%)**
	2012	**8,407,500**	

(1) Intended fair value of deferred pay (LTI) awards determined with respect to performance in the period that may vest (partially or fully) or lapse in a future period.
(2) Pursuant to shareholder approval obtained at the 2012 AGM.
(3) Pursuant to shareholder approval obtained at the 2011 AGM.

Appendix 4: Statutory remuneration disclosures

Table 24: Remuneration Table for the 2012 and 2013 financial years

		Short-term benefits			
		Base salary/fees	Contact Energy Fees(1)	Variable remuneration(2)	Non-monetary benefits and Other(3)
Executive Directors					
G A King	2013	2,481,000	174,139	600,000	105,734
	2012	2,456,248	163,743	2,350,000	30,963
K A Moses	2013	1,305,846	104,484	662,500	74,197
	2012	1,251,542	100,292	1,145,540	22,715
Other Executive KMP					
D A Baldwin (5)	2013	891,312	112,890	699,200	19,091
	2012	852,008	102,339	774,400	314,463
D Barnes (6)	2013	749,834	–	504,000	10,350
	2012	618,362	–	390,000	5,589
F G Calabria	2013	1,005,922	–	294,000	32,629
	2012	963,669	–	710,000	24,088
P A Zealand	2013	706,941	–	281,200	36,895
	2012	660,899	–	440,200	27,021
Non-executive Directors (current)					
H K McCann	2013	659,179	–	–	1,537
	2012	633,245	–	–	738
J H Akehurst	2013	221,511	–	–	204
	2012	205,208	–	–	204
B G Beeren	2013	202,512	128,102	–	1,537
	2012	218,489	120,468	–	1,515
G M Cairns	2013	221,511	–	–	204
	2012	208,112	–	–	204
B W D Morgan (7)	2013	151,569	–	–	204
	2012	–	–	–	–
R J Norris (8)	2013	209,956	–	–	204
	2012	35,092	–	–	51
H M Nugent	2013	256,803	–	–	204
	2012	278,112	–	–	204
Non-executive Directors (former)					
T Bourne (9)	2013	101,160	–	–	204
	2012	266,112	–	–	256
Totals (10)	**2013**	**9,165,056**	**519,615**	**3,040,900**	**283,194**
	2012	**8,647,098**	**486,842**	**5,810,140**	**428,011**

(1) G A King, D A Baldwin, B G Beeren and K A Moses are the Company's nominees on the board of Contact Energy. Remuneration is converted to Australian dollars using an annual (1 July 2012 – 30 June 2013) average exchange rate of $1.249 (2012 – $1.2825).

(2) Variable remuneration includes the STI in respect of the relevant reporting period based on achieving personal goals and satisfying specified performance criteria during that period plus any discretionary amounts awarded for exceptional contributions. 2013 financial year STI constitutes a cash bonus granted for the year ended 30 June 2013, determined following the close of the 2013 financial year results and to be paid in September 2013. The 2012 financial year STI constitutes a cash bonus granted for the year ended 30 June 2012, determined following the close of 2012 results and paid in September 2012.

(3) Non-monetary benefits include insurance premiums and fringe benefits such as car parking. For the 2012 financial year, benefits for D A Baldwin include costs associated with his relocation from New Zealand to Australia and is recorded as Other Benefits.

(4) The fair value of the Options and PSRs awarded is calculated at the date of grant using a Black-Scholes methodology with a Monte Carlo simulation model that takes into account hurdles. The fair value is allocated to each reporting period evenly over the period from date of grant to the first test date. The value disclosed is the portion of the fair value of the Options and PSRs allocated to the relevant reporting period. In valuing the Options and PSRs, market conditions have been taken into account.

(5) Amortisation includes equity issued by Contact Energy in relation to D A Baldwin's employment by Contact Energy prior to April 2011.

(6) During employment with Contact Energy, D Barnes was paid in New Zealand currency. Remuneration is converted to Australian dollars using an annual average exchange rate of $1.249 (1 July 2012 to 30 June 2013) (2012 – $1.2825). For Contact Energy, base salary may include holiday pay rate adjustments. Fixed remuneration and all or part of Contact Energy variable remuneration for the period of employment with Contact Energy is reimbursed by Contact Energy. Amortisation includes equity issued by Contact Energy in relation to D Barnes employment by Contact after 1 April 2011.

(7) B W D Morgan was appointed as a Non-executive Director on 16 November 2012.

(8) R J Norris was appointed as a Non-executive Director on 18 April 2012.

(9) T Bourne retired as a Non-executive Director on 12 November 2012.

(10) All named executive KMP and Executive Directors are employed and remunerated by the Company and its controlled entities. All Non-executive Directors are remunerated by the Company.

Post-employment benefits	Long-term benefits			Totals		
Superannuation	Accounting Value of Options & Rights[4]	Movement in Accrued LSL	Termination Benefits	Total Remuneration	% of Total Remuneration "At Risk"	% of Remuneration in Options and PSRs
19,000	3,496,148	62,485	–	6,938,506	59%	50%
43,752	3,162,818	140,468	–	8,347,992	66%	38%
16,488	1,352,448	55,456	–	3,571,419	56%	38%
15,792	1,169,436	58,515	–	3,763,832	62%	31%
16,488	1,365,503	14,573	–	3,119,057	66%	44%
15,792	1,206,338	65,226	–	3,330,566	59%	36%
21,000	333,510	32,807	–	1,651,501	51%	20%
21,000	325,414	62,371	–	1,422,736	50%	23%
24,312	933,231	39,371	–	2,329,465	53%	40%
23,616	873,784	158,539	–	2,753,696	58%	32%
24,993	399,489	11,765	–	1,461,283	47%	27%
42,812	338,092	11,267	–	1,520,291	51%	22%
16,488	–	–	–	677,204	–	–
15,792	–	–	–	649,775	–	–
16,488	–	–	–	238,203	–	–
23,792	–	–	–	229,204	–	–
16,488	–	–	–	348,639	–	–
15,792	–	–	–	356,264	–	–
16,488	–	–	–	238,203	–	–
15,792	–	–	–	224,108	–	–
10,305	–	–	–	162,078	–	–
–	–	–	–	–	–	–
16,488	–	–	–	226,648	–	–
3,158	–	–	–	38,301	–	–
16,488	–	–	–	273,495	–	–
15,792	–	–	–	294,108	–	–
5,996	–	–	–	107,360	–	–
15,792	–	–	–	282,160	–	–
237,510	**7,880,329**	**216,457**	**–**	**21,343,061**	**–**	**–**
268,674	**7,075,882**	**496,386**	**–**	**23,213,033**	**–**	**–**

Table 25: Details of equity grants

The table below lists the position of all current grants of equity-based incentive grants made to Directors and Executives. No terms of equity-settled share-based transactions (including Options, PSRs and DSRs granted as compensation to a KMP) have been altered or modified by the issuing entity during the reporting period or the prior period except as footnoted below.

Granted	Type	Number Outstanding	Exercise Price	First Test Date	Expiry Date	Vested	Number Exercisable [(1)]	Percentage Exercisable [(2)]
28-09-2007	Options	–	$9.86	28-09-2010 [(3)]	28-09-2012	Yes	–	–
28-09-2007	PSRs	–	Nil	28-09-2010 [(3)]	28-12-2012	Yes	–	–
28-09-2007	Options	–	$9.86	28-09-2010 [(3)]	28-12-2012	Yes	–	–
30-09-2008	PSRs	201,305	Nil	30-09-2011	30-12-2013	Partial	139,107	82.56
30-09-2008	Options	1,127,000	$15.84	30-09-2011	30-12-2013	Partial	930,451	82.56
28-09-2009	PSRs	405,993	Nil	28-09-2012	28-12-2014	No	0	0
28-09-2009	Options	1,011,000	$14.58	28-09-2012	28-12-2014	No	0	0
06-11-2009	PSRs	154,370	Nil	6-11-2012	6-02-2015	No	0	0
06-11-2009	Options	412,000	$15.47	6-11-2012	6-02-2015	No	0	0
10-05-2010	PSRs	4,322	Nil	10-05-2013	10-08-2015	No	0	0
10-05-2010	Options	11,600	$14.89	10-05-2013	10-08-2015	No	0	0
28-10-2010	PSRs	725,773	Nil	1-10-2013	31-12-2015	No	0	0
28-10-2010	Options	1,982,274	$14.91	1-10-2013	31-12-2015	No	0	0
15-10-2011	DSRs	–	Nil	1-04-2013	1-04-2013	Yes	–	–
		11,292	Nil	1-04-2014	1-04-2014	No	–	–
		11,292	Nil	1-04-2015	1-04-2015	No	–	–
15-10-2011	PSRs	42,886	Nil	1-04-2014	1-04-2016	No	0	0
15-10-2011	Options	174,316	$13.01	1-04-2014	30-06-2016	No	0	0
15-10-2011	DSRs	26,678	Nil	15-10-2013	15-10-2013	No	–	–
		26,678	Nil	15-10-2014	15-10-2014	No	–	–
		26,678	Nil	15-10-2015	15-10-2015	No	–	–
15-10-2011	PSRs	1,800,627	Nil	15-10-2014	15-10-2016	No	0	0
15-10-2011	Options	4,081,986	$13.01	15-10-2014	15-01-2017	No	0	0
11-04-2012	DSRs	7,195	Nil	1-02-2014	1-02-2014	No	–	–
		7,195	Nil	1-02-2015	1-02-2015	No	–	–
		7,195	Nil	1-02-2016	1-02-2016	No	–	–
11-04-2012	PSRs	98,409	Nil	11-04-2015	11-04-2017	No	0	0
11-04-2012	Options	362,570	$12.91	11-04-2015	11-07-2017	No	0	0
15-10-2012	DSRs	6,302	Nil	15-10-2014	15-10-2014	No	–	–
		6,302	Nil	15-10-2015	15-10-2015	No	–	–
		6,302	Nil	15-10-2016	15-10-2016	No	–	–
15-10-2012	PSRs	3,689,524	Nil	15-10-2015	15-10-2015	No	0	0
15-10-2012	Options	7,309,306	$11.78	15-10-2016	15-10-2019	No	0	0
24-12-2012	PSRs	11,342	Nil	15-10-2015	15-10-2015	No	0	0
24-12-2012	Options	41,381	$11.78	15-10-2016	15-10-2019	No	0	0

(1) The performance conditions are described in section 2.3.

(2) Where not vested the percentage exercisable is indicative and for Options and PSRs only. The percentage has been calculated by comparing the Company's TSR to the relevant performance group and applying the performance conditions noted in section 2.3 as at 30 June 2013. The number of Options and PSRs that become exercisable will be determined at the test date and may be different from that indicated here. An indicative number is not provided for Deferred Share Rights as these are subject to tenure and personal performance hurdles rather than a market hurdle.

(3) Under the previous LTI Plan Rules that applied to these awards early testing occurred as a result of the announcement on 30 April 2008 by the BG Group that it proposed to acquire more than 20 per cent of the Company's shares. On testing, the performance hurdles were met and the awards vested.

Table 26: Analysis of movements in Options and PSRs

A summary of the movement in the 2013 financial year, by value, of Options over ordinary shares and PSRs in the Company (and Options, PSRs and Restricted Shares in Contact Energy in the case of D A Baldwin and D Barnes) held by KMP is provided in the table below. Note that no Non-executive Directors hold Options or PSRs.

		Value of Options and PSRs ($)		
	Type	Granted [1]	Exercised [2]	Lapsed
Executive Directors				
G A King	Options	1,719,828	438,000	–
	PSRs	1,818,287	1,507,710	–
K A Moses	Options	698,939	275,800	–
	PSRs	738,951	603,330	–
Other Executive KMP				
D A Baldwin [3,4]	Options	403,587	–	–
	PSRs	426,693	–	–
	Contact Options	–	–	130,104
	Contact PSRs	–	–	80,461
	Contact Restricted Shares	–	–	–
D Barnes [3,4]	Options	74,527	–	–
	PSRs	78,797	61,176	–
	Contact Options	246,199	–	–
	Contact PSRs	246,199	–	–
F G Calabria	Options	458,621	136,960	–
	PSRs	484,877	203,746	–
P A Zealand	Options	276,778	–	–
	PSRs	292,625	–	–

(1) The allocated value of Options and PSRs granted in the year is the fair value calculated at grant date using a Black-Scholes algorithm with Monte Carlo simulation to account for hurdles has been independently calculated by Mercer. The value disclosed is the total value of the Options and PSRs. This amount is allocated to remuneration (Table 24) over the vesting period .

(2) The value of Options and PSRs exercised during the year is calculated as the market price of the Company's shares on the ASX as at the close of trading on the date the Options and PSRs were exercised, after deducting the price paid to exercise the Option or PSR. The exercise price paid for each Option that was exercised was $9.86.

(3) Based on an exchange rate of 1.249.

(4) D Barnes and D A Baldwin's Contact securities were issued under the Contact Energy Employee Long Term Incentive Scheme as Chief Executive Officer or Managing Director (respectively) of Contact Energy. Contact Energy relies on NZSX Listing Rule 7.3.9 to allow participation of the CEO/Managing Director in the Long Term Incentive Scheme.
D A Baldwin receives cash director's fees from Contact Energy in his capacity as a director post 1 April 2011 following the end of his secondment to Contact Energy, but will not be granted any further securities in Contact Energy under its Long Term Incentive Scheme. However he retains existing securities subject to their corresponding exercise hurdles and vesting requirements. Refer to refer to Contact Energy's website – www.contactenergy.co.nz.

Table 27: Numbers of Options and PSRs granted, vested and lapsed in the 2013 financial year and associated fair value

Options over ordinary shares and PSRs of the Company (and Options and PSRs in Contact Energy in the case of D Barnes) granted or vested to KMP are listed below. Note that no Non-executive Directors hold Options or PSRs and no KMPs hold DSRs.

KMP	Type	No Granted during FY2013	Grant Date	Fair Value(1)	Exercise Price	Vesting Date	Expiry Date	% vested FY2013	% forfeited FY2013(2)	No of options & PSRs vested FY2013
Executive Directors										
G A King	Options	1,293,104	15/10/12	$1.33	$11.78	15/10/16	15/10/19	–	–	–
	PSRs	354,442	15/10/12	$5.13	Nil	15/10/15	15/10/15	–	–	–
K A Moses	Options	525,518	15/10/12	$1.33	$11.78	15/10/16	15/10/19	–	–	–
	PSRs	144,045	15/10/12	$5.13	Nil	15/10/15	15/10/15	–	–	–
Other Executive KMP										
D A Baldwin	Options	303,449	15/10/12	$1.33	$11.78	15/10/16	15/10/19	–	–	–
	PSRs	83,176	15/10/12	$5.13	Nil	15/10/15	15/10/15	–	–	–
D Barnes	Options	56,035	15/10/12	$1.33	$11.78	15/10/16	15/10/19	–	–	–
	PSRs	15,360	15/10/12	$5.13	Nil	15/10/15	15/10/15	–	–	–
	Contact Options (3)	715,117	01/10/12	$0.34	$4.18	01/10/15	30/11/17	–	–	–
	Contact PSRs (3)	97,620	01/10/12	$2.52	Nil	01/10/15	30/11/17	–	–	–
F G Calabria	Options	344,828	15/10/12	$1.33	$11.78	15/10/16	15/10/19	–	–	–
	PSRs	94,518	15/10/12	$5.13	Nil	15/10/15	15/10/15	–	–	–
P A Zealand	Options	208,104	15/10/12	$1.33	$11.78	15/10/16	15/10/19	–	–	–
	PSRs	57,042	15/10/12	$5.13	Nil	15/10/15	15/10/15	–	–	–

(1) Fair values are at the date of grant.

(2) The percentage forfeited in the 2013 financial year represents the reduction from the maximum number of Options available to vest due to the highest level performance criteria not being achieved.

(3) Converted to Australian dollars using an average exchange rate of $1.249 (1 July 2012 to 30 June 2013). For terms refer to refer to Contact Energy's website – www.contactenergy.co.nz.

No Options or PSRs have been granted since the end of the reporting period. Options or PSRs were provided at no cost to the recipients. Unvested Options and PSRs expire on the earlier of their expiry date or on cessation of employment. The Options and PSRs are generally exercisable no earlier than three years after grant date. In addition to a continuing employment service condition, the ability to exercise Options and PSRs is conditional on the consolidated entity achieving certain performance hurdles. Details of the performance criteria are included in the LTI information in section 2.3 (and, for Contact Energy, refer to Contact Energy's website – www.contactenergy.co.nz).

Table 28: Options and PSRs holdings and transactions

Movement during the reporting period in the number of Options and PSRs over ordinary shares in the Company (and, for D A Baldwin and D Barnes, Options and PSRs over ordinary shares in Contact Energy) held directly, indirectly or beneficially by the KMP including their related parties are listed below. Note that Non-executive Directors do not hold Options or PSRs.

	Year	Type	Held at Year Start	Granted during the year	Vested and Exercised	Lapsed	Held at Year End	Vested During Year	Vested & Exercisable at Year End
Executive Directors									
G A King	2013	Options	2,096,718	1,293,104	300,000	–	3,089,822	–	330,240
		PSRs	582,083	354,442	127,448	–	809,077	–	–
	2012	Options	1,368,212	728,506	–	–	2,096,718	330,240	630,240
		PSRs	399,750	182,333	–	–	582,083	127,448	127,448
K A Moses	2013	Options	760,695	525,518	140,000	–	1,146,213	–	73,478
		PSRs	251,729	144,045	51,000	–	344,774	–	30,588
	2012	Options	700,202	271,493	211,000	–	760,695	73,478	213,478
		PSRs	183,779	67,950	–	–	251,729	30,588	81,588
Other Executive KMP									
D A Baldwin	2013	Options	368,415	303,449	–	–	671,864	–	–
		PSRs	113,787	83,176	–	–	196,963	–	–
		Contact Options	1,043,692	–	–	98,485	945,207	–	–
		Contact PSRs	200,408	–	–	17,508	182,900	–	–
		Contact Restricted Shares	–	–	–	–	–	–	–
	2012	Options	178,369	190,046	–	–	368,415	–	–
		PSRs	66,221	47,566	–	–	113,787	–	–
		Contact Options	1,250,102	–	–	206,410	1,043,692	–	–
		Contact PSRs	104,655	96,308(1)	–	555	200,408	–	–
		Contact Restricted Shares	133,070	–	–	133,070	–	–	–
D Barnes	2013	Options	56,990	56,035	–	–	113,025	–	12,384
		PSRs	21,540	15,360	5,098	–	31,802	–	–
		Contact Options	596,707	715,117	–	–	1,311,824	–	–
		Contact PSRs	129,983	97,620	–	–	227,603	–	–
	2012	Options	56,990	–	–	–	56,990	12,384	12,384
		PSRs	21,540	–	–	–	21,540	5,098	5,098
		Contact Options	106,082	490,625	–	–	596,707	–	–
		Contact PSRs	23,574	106,409	–	–	129,983	–	–
F G Calabria	2013	Options	509,890	344,828	64,000	–	790,718	–	40,454
		PSRs	144,509	94,518	16,993	–	222,034	–	–
	2012	Options	309,166	200,724	–	–	509,890	40,454	104,454
		PSRs	94,271	50,238	–	–	144,509	16,993	16,993
P A Zealand	2013	Options	175,989	208,104	–	–	384,093	–	17,338
		PSRs	56,511	57,042	–	–	113,553	–	7,222
	2012	Options	95,599	80,390	–	–	175,989	17,338	17,338
		PSRs	36,390	20,121	–	–	56,511	7,222	7,222

(1) Contact PSRs issued in 2012 financial year to adjust for dilution on previously granted securities as a result of the Contact Energy Entitlement Offer and to replace existing Restricted Shares due to the closure of the Contact Energy Restricted Share Plan. Refer to refer to Contact Energy's website – www.contactenergy.co.nz.

Table 29: Equity holdings and transactions

Movements during the reporting periods in the number of ordinary shares of the Company (and, in the case of D A Baldwin and D Barnes, Contact Energy) held directly, or indirectly or beneficially by KMP, including their related parties:

	Year	Held at Year Start	Purchases	Received on exercise of options	Received on Exercise of PSRs[6]	Sales	Held at Year End
Non-executive Directors [1]							
H K McCann	2013	349,012	–	–	–	–	349,012
	2012	349,012	–	–	–	–	349,012
J H Akehurst	2013	71,200	–	–	–	–	71,200
	2012	71,200	–	–	–	–	71,200
B G Beeren	2013	1,381,680	–	–	–	–	1,381,680
	2012	1,360,015	21,665	–	–	–	1,381,680
G M Cairns	2013	83,360	–	–	–	4,080	79,280
	2012	83,360	–	–	–	–	83,360
B W D Morgan [2]	2013	–	10,000	–	–	–	10,000
	2012	–	–	–	–	–	–
R J Norris	2013	20,000	–	–	–	–	20,000
	2012	–	20,000	–	–	–	20,000
H M Nugent	2013	38,834	–	–	–	–	38,834
	2012	38,204	630	–	–	–	38,834
Non-executive Director (former)							
T Bourne [3]	2013	55,606	–	–	–	16,844	38,762
	2012	53,504	2,102	–	–	–	55,606
Executive Directors							
G A King	2013	1,006,611	–	300,000[4]	127,448	325,000	1,109,059
	2012	1,106,611	–	–	–	100,000	1,006,611
K A Moses	2013	237,374	–	140,000[4]	51,000	150,587	277,787
	2012	221,927	–	211,000[5]	–	195,553	237,374
Other Executive KMP							
D A Baldwin	2013	10,393	513	–	–	–	10,906
	2012	10,000	393	–	–	–	10,393
D Barnes	2013	59,668	20,942	–	5,098	50,462	35,246
	2012	59,668	–	–	–	–	59,668
F G Calabria	2013	234,469	81,077	64,000[4]	16,993	209,912	186,627
	2012	234,469	–	–	–	–	234,469
P A Zealand	2013	183,540	1,419	–	–	–	184,959
	2012	182,928	612	–	–	–	183,540

(1) Non-executive Directors purchased shares on-market and were not issued shares under any incentive or equity plans.
(2) B W D Morgan was appointed to the Board on 16 November 2012.
(3) T Bourne retired from the Board on 12 November 2012.
(4) Exercise price per share of $9.86. There are no amounts remaining unpaid.
(5) Exercise price per share of $6.04. There are no amounts remaining unpaid.
(6) No amount was paid for the shares acquired on exercise of vested PSRs.

Signed in accordance with a resolution of Directors:

H Kevin McCann,
Chairman
Sydney, 21 August 2013

ORIGIN ENERGY LIMITED
ABN 30 000 051 696

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Online: www.boardroomlimited.com.au

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YOUR VOTE IS IMPORTANT

The Annual General Meeting of the Company will be held at the City Recital Hall, Angel Place, Sydney NSW 2000 on Wednesday, 23 October 2013 at 10:30am AEDT.

For your proxy appointment and vote to be effective it must be recorded **before 10:30am AEDT on Monday, 21 October 2013**. You may appoint your proxy and vote either by going online or completing this form.

TO APPOINT YOUR PROXY AND VOTE ONLINE

STEP 1: VISIT www.boardroomlimited.com.au/vote/originagm2013

STEP 2: Enter your holding/investment type:

STEP 3: Enter your Reference Number:

STEP 4: Enter your Voting Access Code:

PLEASE NOTE: For security reasons it is important you keep the above information confidential.

TO APPOINT YOUR PROXY AND VOTE BY COMPLETING THIS FORM

STEP 1 APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1 on the next page. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the Company. A proxy may be an individual or a body corporate. Do not write the name of the Company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional proxy form may be obtained by contacting the Company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two proxy forms. On each proxy form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If your proxy chooses to vote then he/she must vote in accordance with your direction. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities, your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the Company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:30am AEDT on Monday, 21 October 2013.** Any proxy form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope, or:

Online www.boardroomlimited.com.au/vote/originagm2013

By Fax + 61 2 9290 9655

By Mail Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

In Person Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

Origin Energy Limited

ABN 300 000 051 696

☐ **Your Address**
This is your address as it appears on the Company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Origin Energy Limited** and entitled to attend and vote hereby appoint:

☐ the **Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below:

OR failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **City Recital Hall, Angel Place, Sydney NSW 2000 on Wednesday, 23 October 2013 at 10:30am AEDT** and at any adjournment or postponement of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

STEP 2 VOTING DIRECTIONS & EXCLUSIONS

If I/we have appointed the Chairman of the Meeting as my/our proxy or the Chairman of the Meeting becomes my/our proxy by default, and I/we have not directed my/our proxy how to vote in respect of Resolution 4, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy in respect of Resolution 4 even though it is connected with the remuneration of a member of key management personnel for Origin Energy Limited.

The Chairman of the Meeting will vote all undirected proxies in favour of all Resolutions (including Resolution 4).

If you wish to appoint the Chairman of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 3 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority on a poll.

Resolution		For	Against	Abstain*
2	Election of Mr Bruce W D Morgan	☐	☐	☐
3	Re-election of Mr Gordon M Cairns	☐	☐	☐
4	Adoption of Remuneration Report *(Non-binding advisory vote)*	☐	☐	☐
5	Renewal of Proportional Takeover Provisions	☐	☐	☐

STEP 4 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name…………………………………………….... Contact Daytime Telephone……………………............................. Date / / 2013