

Notice to company pursuant to ss 249N & P of the Corporations Act 2001 (CA)

I/we
[name of 'shareholder']

of
[address]

.....
identified by the Holder Identification Number (HIN) or Shareholder Reference Number (SRN) [HIN or SRN]

in respect of any holding of the shareholder's Origin Energy Ltd ('ORG' or 'the company') ordinary fully paid shares;

hereby give notice (in accord with sections 249N & P of the CA) to the company of: the following resolutions (1: Amendment to the Constitution, 2: Transition Planning Disclosure) the shareholder proposes to move at a general meeting of the company; and request (in accordance with section 249P) that the company give to all members each of the Supporting Statements following the resolutions.

SIGNED

..... (Signature of individual Shareholder† /company director) (Signature of second shareholder in a joint holding/for a company second director or company secretary)
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† Or sole company director and sole company secretary. JOINT HOLDING: For a holding in more than one name all shareholders must sign)

Resolution 1 – Amendment to the Constitution

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

(Note that an accompanying ordinary resolution seeking transition planning disclosure should also be included on Origin Energy Ltd's Notice of 2019 Annual General Meeting. Shareholders who vote by proxy should be able to lodge a vote on both resolutions.)

Resolution 2 – Transition Planning Disclosure

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

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

Supporting statement 1

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

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

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

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

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

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

We encourage shareholders to vote in favour of this resolution.

Supporting statement 2

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

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

However, emissions reductions needed to meet the Paris goals require the phase out of coal power in OECD countries, including Australia, by 2030.³ Investors around the world have championed this deadline.

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

The GISGCC calls on governments to “phase out thermal coal power worldwide by set deadlines.” Its accompanying Briefing Paper sets out these deadlines, including the elimination of coal power in OECD countries by no later than 2030.⁵ The GISGCC’s asks were recently restated in an open letter to governments.⁶ Climate Analytics recently confirmed: “The Paris Agreement’s 1.5°C limit requires that coal fired electricity be phased out by around 2030 in developed countries including Australia.”⁷

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

Specifically, we request companies to set out transition plans consistent with the goal of the Paris Agreement, including compatibility of capital expenditure plans. We expect explicit timelines and commitments for the rapid elimination of coal use by utilities in EU and OECD countries by no later than 2030.⁸

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

Regulatory risk

¹ [Paris Agreement](#), art 2(1)(a)

² [Origin FY2018 Sustainability performance data](#)

³ [Climate Analytics](#) (2016)

⁴ [GISGCC](#) (December 2018, signatories updated June 2019)

⁵ [GISGCC Briefing Paper](#) (December 2018)

⁶ [Open letter to governments](#) (June 2019)

⁷ Climate Analytics, [Australia’s power supply: brown and polluting](#) (May 2019)

⁸ [Power companies must accelerate decarbonisation](#) (Financial Times, 20 December 2018)

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

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

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

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

Market risk

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

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

Recent policy shifts from major financial institutions will reduce Origin's access to finance and insurance for coal power, potentially increasing the costs of each. In May 2019, Australia's biggest underwriter QBE announced: "By 1 January 2030, QBE will have phased out all direct insurance services for thermal coal customers, except for statutory or compulsory insurance."¹⁴ Fellow insurer Suncorp announced in July that it will phase out thermal coal exposure by 2025.¹⁵ Many other insurers headquartered outside of Australia have made similar shifts away from coal power.¹⁶ In August 2019, Commonwealth Bank, Australia's

⁹ [Tracking 2 Degrees Quarterly Report](#) (Q3/FY2019)

¹⁰ [Climate Analytics](#) (2019)

¹¹ [Bloomberg New Energy Outlook](#) (June 2019)

¹² Renew Economy, [Age of cheap coal power is over for Australia, says BNEF](#) (8 May 2019)

¹³ The Australia Institute, [Breaking Brown](#) (June 2019)

¹⁴ [QBE Group Energy Policy](#) (May 2019)

¹⁵ [Australia's Suncorp to phase out exposure to thermal coal by 2025](#) (July 2019)

¹⁶ Insuring Coal No More, [2018 Scorecard on Insurance, Coal and Climate Change](#) (December 2018)

largest bank and a current lender to AGL, committed to “reduce our exposures to thermal coal mining and coal fired power generation, with the view to exiting the sector by 2030.”¹⁷

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

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

¹⁷ [CBA Environmental and Social Framework](#) (August 2019)