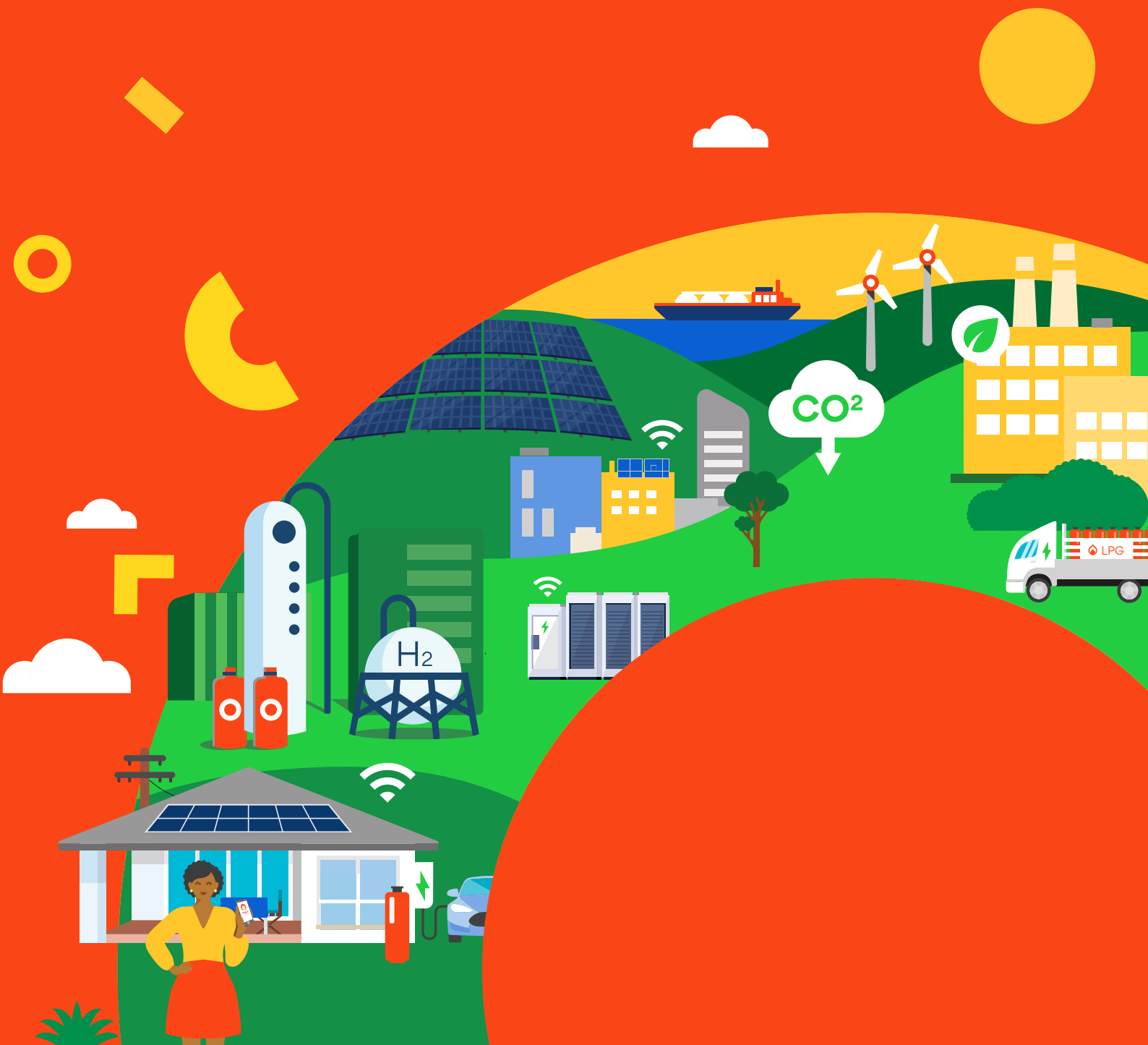


Where all **good** **change** starts



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A message from Scott and Frank



“At a time of incredible change for our sector, we have taken steps to put Origin in a stronger position to navigate the energy transition and create value for shareholders.”

Welcome to the 2022 Annual Report

It has been another extraordinary year in energy. The energy transition continued to accelerate and collided with macroeconomic and geopolitical events, resulting in major volatility in energy prices. A number of domestic factors added to the challenging conditions, with significant coal power plant outages in the market and wet weather affecting both renewables output and coal supply. This, in turn, caused an acute tightening of electricity and gas supply, leading to escalated wholesale prices.

Despite the challenges faced by the industry, the excellent operating performance of Origin’s generation fleet played a vital role in keeping the lights on for customers. We are very aware that some customers have been concerned about rising energy prices at a time of broader cost of living pressures, and we have continued to prioritise support for those in a vulnerable financial position.

Overall, we are pleased with how the business has performed this year, navigating myriad challenges and delivering higher underlying profit and strong cash flow. We have taken important steps to put Origin in a stronger position for the future, including announcing a refreshed strategy and ambition to lead the energy transition through cleaner energy and customer solutions.

We will shortly release new, more ambitious targets to accelerate emissions reduction across our business as part of Origin’s first Climate Transition Action Plan. This plan will be subject to a non-binding, advisory vote at our 2022 Annual General Meeting on 19 October.

Financial performance

Origin’s FY2022 financial performance reflected the strength of our integrated business, with strong commodity prices driving higher earnings from our Integrated Gas business, helping offset lower earnings from Energy Markets.

Underlying profit rose 30 per cent to \$407 million, and Underlying EBITDA rose to \$2,114 million, compared to \$2,036 million in the prior year. On a statutory basis, Origin announced a loss of \$1,429 million, reflecting a \$2,196 million non-cash impairment.

A \$4,354 million uplift of in-the-money Energy Markets derivative assets associated with the hedging of very high wholesale electricity and gas prices resulted in the requirement to recognise the non-cash impairment of goodwill. This does not reflect the performance of the business, future cash flows, or any impact to future value.

Origin benefitted from a record cash distribution from Australia Pacific LNG of \$1,595 million, due to higher realised oil and spot LNG prices. This distribution contributed to a strong free cash flow position of \$1,062 million.

Adjusted net debt reduced by \$1,801 million to \$2,838 million, as strong cash flow and proceeds from the sale of a 10 per cent interest in Australia Pacific LNG enabled Origin to pay down debt, invest in growth and deliver returns to shareholders, including a \$250 million share buyback.

The board has determined a partly franked final dividend of 16.5 cents per share. Shareholders received total dividends of 29 cents per share in FY2022.

Operational performance

In Integrated Gas, Australia Pacific LNG's performance was strong. Reserves increased significantly due to higher estimated recoveries from producing fields, and revenue rose sharply on the strength of higher global commodity prices. Australia Pacific LNG continued to be a major provider of gas to the domestic market. Integrated Gas Underlying EBITDA was \$1,837 million, up 62 per cent on the previous year.

In Energy Markets, earnings were impacted by high commodity prices and domestic supply interruptions, combined with volatile wholesale electricity prices, higher fuel costs and wet weather. Underlying EBITDA for Energy Markets of \$365 million was 63 per cent lower than the prior year.

Despite the challenging conditions, there were several highlights in Energy Markets. Our customer base grew to 4.5 million, as 193,000 new accounts were added through the acquisition of WINconnect and a doubling in Broadband customers. Our domestic gas business also performed strongly.

Our new retail operating model and migration of customers to Kraken is progressing well, with more than half of Origin's electricity and gas customer accounts now on the platform. We are on target for completion by December 2022 and have achieved \$170 million of a targeted total of \$200 - \$250 million in cash cost savings by FY2024, from an FY2018 baseline.

Origin's investment in Octopus Energy continues to exceed expectations, as it successfully navigated very challenging market conditions, emerging as the UK's fifth largest retailer and better positioned to deliver on its ambitious growth strategy.

Outlook

There remains uncertainty around the range of potential earnings outcomes for FY2023. Underlying earnings are expected to be higher, driven by growth in earnings from the gas business, while electricity gross profit is expected to remain suppressed. Risk of coal under-delivery remains, including due to rail and mine performance. We will continue to assess the outlook for the business with a view to providing an update when there is less uncertainty.

In FY2024, we anticipate further growth in underlying earnings. The magnitude of this growth is dependent on fuel and energy prices and the extent to which these are reflected in customer tariffs, the outcome of a price review on ~50 petajoules of gas supply, and delivery of targeted retail savings.

Australia Pacific LNG production for FY2023 is expected to be 680 - 710 petajoules, reflecting ongoing strong field performance and allowing for the impact of recent wet weather events.

Board and people

While there were fewer serious injuries recorded in FY2022, disappointingly, safety performance declined, with our total recordable injury frequency rate increasing to 4.0, from 2.7 in FY2021. We have further intensified our focus on safety programs to help address this decline and continue to target a zero-harm workplace.

We continued to engage widely with our stakeholders and contribute meaningfully to the communities in which we operate, increasing regional procurement, indigenous employment, workforce diversity and announcing our support for the Uluru Statement from the Heart.

We were pleased to welcome Dr Nora Scheinkestel to the Board as an Independent Non-executive Director. Dr Scheinkestel has deep financial expertise and extensive experience as a director of leading ASX listed companies.

In conclusion, at a time of incredible change for our sector, we have taken steps to put Origin in a stronger position to navigate the energy transition and create value for shareholders. We recognise the energy transition is not without its challenges for society, and we must continue to work to get the balance right between emissions reduction, and energy security, reliability and affordability. Our fundamental belief is that the transition will be good for our business, customers and the planet.

We hope you share our optimism for the future and look forward to welcoming you to this year's Annual General Meeting.

Thank you for your continued support.



Scott Perkins
Chairman



Frank Calabria
Chief Executive Officer

About Origin



ASX TOP
100

Leading integrated energy company

Listed on the Australian Securities Exchange in 2000



4.5 million customer accounts

Electricity, gas, LPG and Broadband customers across Australia and the Pacific



5,000 employees

Inclusivity in the workplace; leading parental support



Climate transition embedded in our strategy

Australia's first approved science-based emissions targets



Powering Australia

7,300 MW generation portfolio, including 1,245 MW owned and contracted renewables and storage



27.5% interest in Australia Pacific LNG

Continue to be a significant contributor to the east coast gas market



Supporting Australian communities

The Origin Energy Foundation has contributed more than \$35 million over 12 years



Driving future energy innovation

20% interest¹ in Octopus Energy, investing in new technology, start-ups and future fuels



Exploration and appraisal

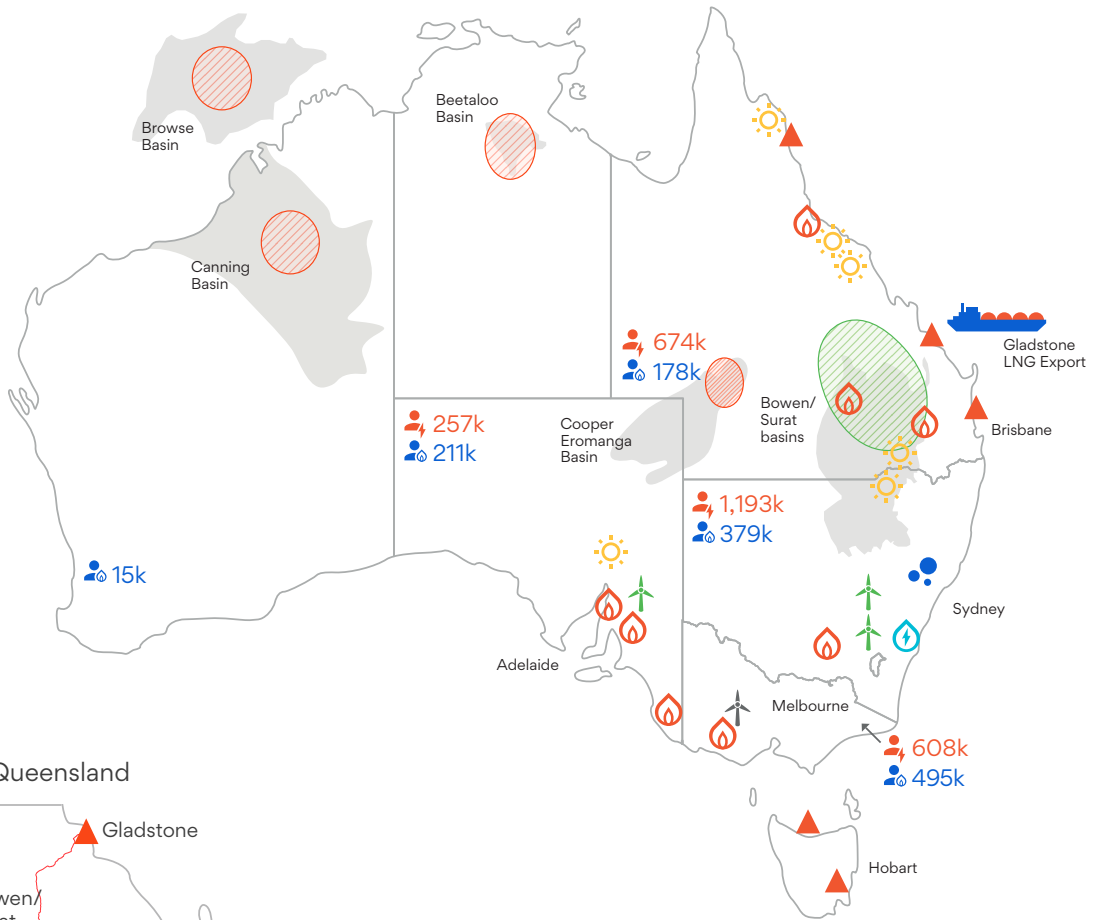
Positions in three large prospective onshore basins: the Beetaloo, Canning and Cooper-Eromanga

Where all good change starts

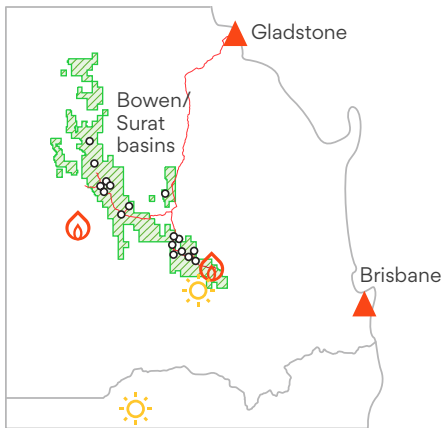


¹ Following CPPIB' investment in Octopus Energy during December 2021, Origin accounted for its interest in Octopus Energy at 18.7 per cent from 1 December 2021 (previously 20 per cent). An additional \$163 million (£94 million) was invested to restore its 20 per cent interest in August 2022.

Where We Operate



South East Queensland



Exploration & production acreage

- Origin/JV upstream acreage
- APLNG upstream acreage
- Production facility
- APLNG pipeline

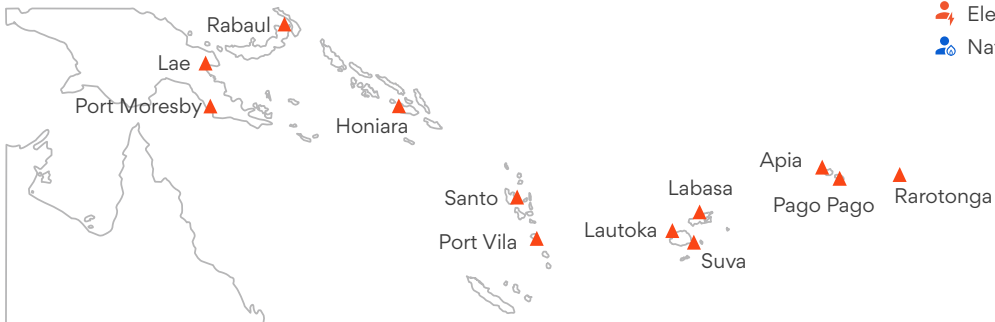
Generation

- Gas
- Pumped hydro
- Solar (contracted)
- Wind (contracted)
- Coal
- Wind (contracted, not complete)

LPG seaboard terminal

- Electricity customer accounts
- Natural gas customer accounts

Pacific countries LPG



Board of Directors



Scott Perkins

**Independent
Non-executive Chairman**

**Tenure 6 years 11 months
including 1 year 10 months
as Chairman**

Scott Perkins joined the Board in September 2015 and was appointed Chairman in October 2020. He is Chairman of the Nomination Committee and a member of the Audit, Remuneration, People and Culture, Risk and Safety and Sustainability committees.

Scott has extensive Australian and international experience as a leading corporate adviser. He was formerly Head of Corporate Finance for Deutsche Bank Australia and New Zealand and a member of the Executive Committee with overall responsibility for the Bank's activities in this region. Prior to that he was Chief Executive Officer of Deutsche Bank New Zealand and Deputy CEO of Bankers Trust New Zealand.

Scott is a Non-executive Director of Woolworths Group Limited (since September 2014) and Brambles Limited (since May 2015). He is Chairman of Sweet Louise (since 2005) and the New Zealand Initiative (since 2012). Scott was previously a Director of the Museum of Contemporary Art in Sydney (2011 - 2020) and a Non-executive Director of Meridian Energy (1999 - 2002).

Scott has a longstanding commitment to breast cancer causes, the visual arts and public policy development.

Scott holds a Bachelor of Commerce and a Bachelor of Laws (Hons) from Auckland University.



Ilana Atlas

**Independent
Non-executive Director**

Tenure 1 year 6 months

Ilana Atlas joined the Board in February 2021. She is a member of the Remuneration, People and Culture and Risk committees.

Ilana is a Non-executive Director of ANZ Banking Group Limited (since 2014) and Scentre Group Limited (since May 2021). She is the Chair of Jawun, on the Board of the Paul Ramsay Foundation and a member of the Council of the National Gallery of Australia.

Ilana was previously Chairman of Coca-Cola Amatil Limited (2017 - 2021). Her last executive role was Group Executive, People, at Westpac, where she was responsible for human resources, corporate affairs and sustainability. Prior to that role, she was Group Secretary and General Counsel. Before her 10-year career at Westpac, Ilana was a partner in law firm Mallesons Stephen Jaques (now known as King & Wood Mallesons). In addition to her practice in corporate law, she held a number of management roles in the firm including Executive Partner, People and Information, and Managing Partner.

Ilana holds a Bachelor of Jurisprudence (Honours) and Bachelor of Laws (Honours) from the University of Western Australia and Masters of Laws from the University of Sydney.



Maxine Brenner

**Independent
Non-executive Director**

Tenure 8 years 9 months

Maxine Brenner joined the Board in November 2013. She is Chair of the Safety and Sustainability Committee and a member of the Audit, Nomination and Risk committees.

Maxine was previously a Managing Director of Investment Banking at Investec Bank (Australia) Ltd. Prior to Investec, Maxine was a Lecturer in Law at the University of NSW and a lawyer at Freehills, specialising in corporate law.

Maxine is a Non-executive Director and Chairman of the Remuneration Committee of Orica Ltd (since April 2013), Non-executive Director of Qantas Airways Ltd (since August 2013) and Non-executive Director and Chair of the Risk Committee of Woolworths Group Limited (since 1 December 2020). She is also a member of the University of NSW Council.

Maxine's former directorships include Growthpoint Properties Australia, Treasury Corporation of NSW, Bulmer Australia Ltd, Neverfail Springwater Ltd and Federal Airports Corporation, where she was Deputy Chair. In addition, Maxine has served as a Council Member of the State Library of NSW and as a member of the Takeovers Panel.

Maxine holds a Bachelor of Arts and a Bachelor of Laws.



Frank Calabria

**Managing Director &
Chief Executive Officer**

Tenure 5 years 10 months

Frank Calabria was appointed Managing Director & Chief Executive Officer in October 2016. Frank is a member of the Safety and Sustainability Committee and a Director of the Origin Energy Foundation.

Frank first joined Origin as Chief Financial Officer in November 2001 and was appointed Chief Executive Officer, Energy Markets in March 2009. In that latter role, Frank was responsible for the integrated business within Australia including retailing and trading of natural gas, electricity and LPG, power generation and solar and energy services.

Frank is a Director of the Australian Energy Council and the Australian Petroleum Production & Exploration Association. He is a former Chairman of the Australian Energy Council and former Director of the Australian Energy Market Operator.

Frank has a Bachelor of Economics from Macquarie University and a Master of Business Administration (Executive) from the Australian Graduate School of Management. Frank is a Fellow of the Chartered Accountants Australia and New Zealand and a Fellow of the Financial Services Institute of Australasia.



Greg Lalicker

**Independent
Non-executive Director**

Tenure 3 years 5 months

Greg Lalicker joined the Board in March 2019. He is a member of the Safety and Sustainability Committee.

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

Greg joined Hilcorp's leadership team in 2006 as Executive Vice President where he was responsible for all exploration and production activities. He was appointed President in 2011 and Chief Executive Officer in 2018. Prior to working for Hilcorp, Greg was with BHP Petroleum based in Midland, Houston, London and Melbourne as well as McKinsey & Company where he worked in its Houston, Abu Dhabi and London offices.

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



Mick McCormack

**Independent
Non-executive Director**

Tenure 1 year 8 months

Mick McCormack joined the Board in December 2020. He is a member of the Audit, Remuneration, People and Culture and Safety and Sustainability committees.

Mick is Chairman of Central Petroleum Limited and Non-executive Director of Austal Limited. He is also Chairman of the Australian Brandenburg Orchestra Foundation and a director of the Clontarf Foundation.

Mick was previously Managing Director and CEO of APA Group (2004 - 2019) and has more than 37 years of experience in the energy and infrastructure sectors, including gas-fired and renewable energy power generation, gas processing, LNG and underground storage. Prior to joining APA in 2000, Mick held various senior management roles with AGL Energy.

Mick holds a Masters of Business Administration from the University of Queensland, a Graduate Diploma of Engineering from Monash University, and a Bachelor of Applied Science from the University of Queensland.



Bruce Morgan

**Independent
Non-executive Director**

Tenure 9 years 9 months

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

Bruce is Chairman of Transport Asset Holding Entity of New South Wales (since July 2020), a Director of the University of NSW Foundation and Deputy Chair of the European Australian Business Council.

Bruce was Chairman of Sydney Water Corporation (2013 - 2021), a Director of Caltex Australia Ltd (2013 - 2020), Chairman (2015 - 2018) and Director (2013 - 2022) of Redkite, and served as Chairman of the Board of PricewaterhouseCoopers (PwC) Australia (2005 - 2012). In 2009, he was elected as a member of the PwC International Board, serving a four-year term. He was previously Managing Partner of PwC's Sydney and Brisbane offices. An audit partner of the firm for over 25 years, he was focused on the financial services and energy and mining sectors leading some of the firm's most significant clients in Australia and internationally.

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



Steven Sargent

**Independent
Non-executive Director**

Tenure 7 years 3 months

Steven Sargent joined the Board in May 2015. He is Chairman of the Origin Energy Foundation, Chairman of the Remuneration, People and Culture Committee and a member of the Nomination, Risk, and Safety and Sustainability committees.

Steven's executive career included 22 years at General Electric, where he gained extensive multi-industry, international experience leading businesses in industries including energy, healthcare and financial services across the USA, Europe and Asia Pacific.

Steven is currently a Non-executive Director of Ramsay Healthcare Limited and Chairman of infection prevention company Nanosonics Limited. Steve's unlisted board activities include Non-Executive Director of The Great Barrier Reef Foundation.

Steven was previously Chairman of OFX Group Limited (2016 - 2022), and Non-executive Director of Veda Group Limited. Steven holds a Bachelor of Business from Charles Sturt University and is a Fellow with the Australian Institute of Company Directors.



Nora Scheinkestel

**Independent
Non-executive Director**

Tenure 5 months

Nora Scheinkestel joined the Board in March 2022. She is a member of the Audit, Nomination and Risk committees.

Nora is an experienced company director with almost 30 years experience as a non-executive chairman and director of companies in a wide range of industries including public, government and private sectors. She has a long track record in highly regulated sectors such as infrastructure and financial services and has served as chairman and director of numerous regulated utilities in the electricity, gas and water sectors.

Nora is currently a Non-executive Director of Telstra Corporation Limited (since 2010), Brambles Limited (since 2020) and Westpac Banking Corporation (since 2021). Previous directorships of publicly listed companies include the Atlas Arteria group, which she chaired, Ausnet Services Ltd and Orica Limited.

Nora holds a Bachelor of Laws (Honours) First Class and a Doctor of Philosophy from the University of Melbourne.



Joan Withers

**Independent
Non-executive Director**

Tenure 1 year 10 months

Joan Withers joined the Board in October 2020. She is Chair of the Risk Committee and a member of the Audit and Nomination committees.

Joan has spent over 25 years working in the media industry holding CEO positions at both Fairfax NZ Ltd and The Radio Network and she also has significant corporate governance experience.

She is currently Chair of The Warehouse Group Ltd (since 2016), director of ANZ Bank NZ Ltd (since July 2013) and Sky Network TV Ltd (since 2019). She has previously held Chair positions at Auckland International Airport (1997 - 2013), Mercury NZ Ltd (2009 - 2019) and TVNZ (2015 - 2017). She has also held directorships on the boards of some of New Zealand's largest companies including Meridian Energy Ltd and Tourism Holdings Ltd. Prior to her appointment as CEO of Fairfax NZ Ltd, Joan was a director on the Australian board of John Fairfax Holdings Ltd.

Joan holds a Masters Degree in Business Administration from The University of Auckland.

Executive Leadership Team



Jon Briskin

Executive General Manager, Retail

Jon Briskin joined Origin in 2010 and was appointed Executive General Manager, Retail in December 2016.

Jon leads the teams responsible for energy sales, marketing, product development and service experience for Origin's residential and SME customers.

Jon has held various roles at Origin, leading customer operations, service transformation and customer experience and prior to Origin worked as a management consultant.



Greg Jarvis

Executive General Manager, Energy Supply and Operations

Greg Jarvis joined Origin in 2002 as Electricity Trading Manager and was appointed General Manager, Wholesale, Trading and Business Sales in February 2011.

Greg is responsible for Wholesale, Trading, Generation, HSE and LPG. Greg has over 20 years' experience in the financial and energy markets.



Kate Jordan

General Counsel and Executive General Manager, Company Secretariat, Risk and Governance

Kate Jordan joined Origin in March 2020 as General Counsel and Executive General Manager, Company Secretariat, Risk and Governance.

Kate leads the legal, company secretariat, risk, internal audit and energy markets compliance teams.

Prior to joining Origin, Kate was Deputy Chief Executive Partner at Clayton Utz, with responsibility for people and development. Kate has over 20 years' legal experience across a range of corporate transactions.



Tony Lucas

Executive General Manager, Future Energy and Technology

Tony Lucas joined Origin as Risk Analysis Manager in 2002 and was appointed as General Manager, Energy Risk Management in February 2011.

Tony leads the team responsible for Future Energy, Strategy and Technology, ensuring that Origin is well positioned to lead the transition into a low-carbon, technology-enabled world.

Tony began his career in the banking industry before moving into the energy sector.



James Magill

Executive General Manager, Origin Zero

James Magill joined Origin in March 2022 and is responsible for the newly formed business unit, Origin Zero. Origin Zero partners with large businesses to achieve their sustainable energy goals through a range of energy and energy management services.

Prior to joining Origin, James held leadership roles at Centrica, AGL and Genesis Energy in retail, technology, M&A and strategy.



Sharon Ridgway

Executive General Manager, People and Culture

Sharon Ridgway joined Origin in 2009 and has been responsible for People and Culture since December 2016.

Sharon's team provide strategic support to the business in key areas such as engagement, diversity, talent management and culture change.

Prior to Origin, Sharon developed a wide range of experience across operational and human resources roles whilst working in Dixons, a large European electrical retailer.



Samantha Stevens

Executive General Manager, Corporate Affairs

Samantha Stevens joined Origin in March 2018 as Executive General Manager, Corporate Affairs. Samantha is responsible for Origin's external affairs, government and public policy and employee communication functions and the Origin Energy Foundation.

Samantha has more than 25 years' experience in corporate affairs, mainly in the resources, industrials and financial services sectors.

Prior to joining Origin, Samantha headed up Corporate Affairs for the global mining services company, Orica, and previously led the global media function and all Corporate Affairs M&A activity at global mining house, BHP, along with senior external affairs positions at two of Australia's largest banks.



Andrew Thornton

Executive General Manager, Integrated Gas

Andrew joined Origin in 2012 and was appointed as Executive General Manager - Integrated Gas in November 2021.

Andrew is responsible for Australia Pacific LNG's upstream operations and gas marketing, Origin's upstream assets in the Beetaloo, Cooper and Canning Basins, and business development and investment activity in renewable fuels and carbon.

Prior to joining Origin, Andrew held private equity and investment banking roles including as an Executive Director in the Principal Investment Area of Goldman Sachs, JB Were and a member of the Mergers, Acquisitions, Restructuring and Divestitures group of Morgan Stanley.



Lawrie Tremaine

Chief Financial Officer

Lawrie Tremaine joined Origin in June 2017 and holds the position of Chief Financial Officer.

Lawrie leads the teams responsible for all finance activities, corporate strategy and development, procurement, investor relations and insurance.

Lawrie has over 30 years' experience in financial and commercial leadership, predominantly in the resource, oil and gas and minerals processing industries having previously worked at Woodside Petroleum.



ERARING
POWER STATION

Operating and Financial Review

For the full year ended 30 June 2022

This report forms part of the Directors' Report.



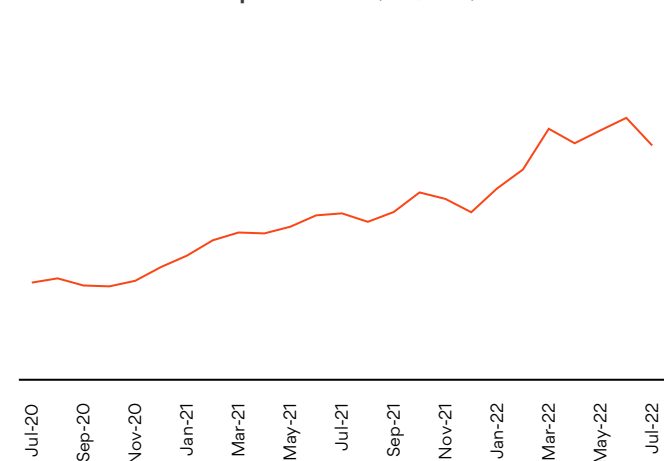
1 Market Context and Outlook

FY2022 was a year of unprecedented volatility and challenging operating conditions in global and domestic energy markets. As the global economy emerged from the pandemic, demand for oil, coal and natural gas rebounded and this caused the price of these commodities to rise. This was exacerbated by Russia's invasion of Ukraine, which impacted the global supply of these commodities, and saw prices rapidly escalate to extremely high levels. These high prices have persisted.

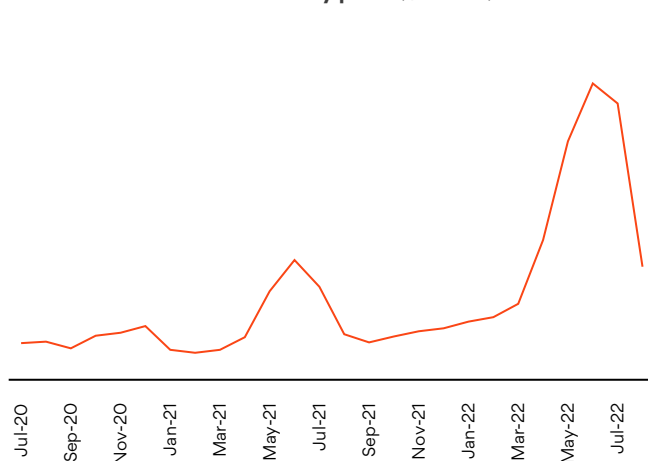
In addition to global factors, Australia's gas and electricity markets were impacted by a number of domestic/local factors. There was a shortage of power in the National Electricity Market, due to very high levels of planned and unplanned coal power plant outages, coal supply interruptions, and the La Niña weather pattern dampening renewables output, which also coincided with an early cold snap to start winter. This saw the NEM wholesale price of electricity average \$276/MWh in the June 2022 quarter, approximately three times the price over the same period in the prior year. Gas prices also soared more than three fold over the same period, as substantially more gas was needed for gas fired power generation, to cover the supply constraints in the electricity market.

The unprecedented supply challenges and price volatility had a significant impact on the energy market. Five smaller retailers were unable to continue supplying electricity to their customers at higher prices and failed, with Origin acting as a Retailer of Last Resort in certain geographic areas for some of these retailers, alongside other large retailers.

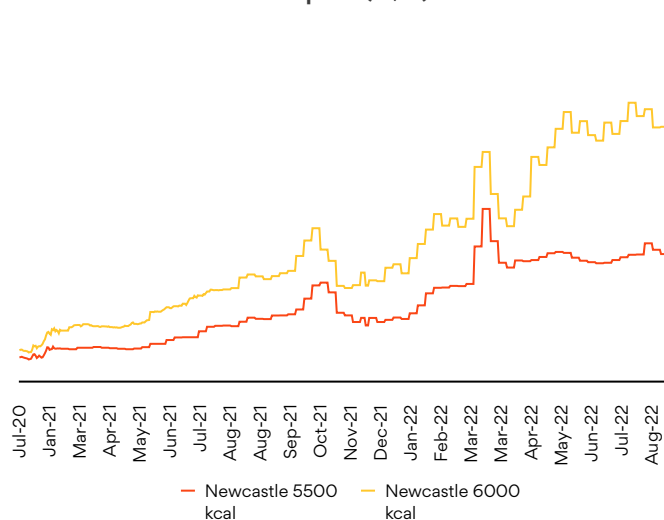
Oil price - Brent (US\$/bbl)



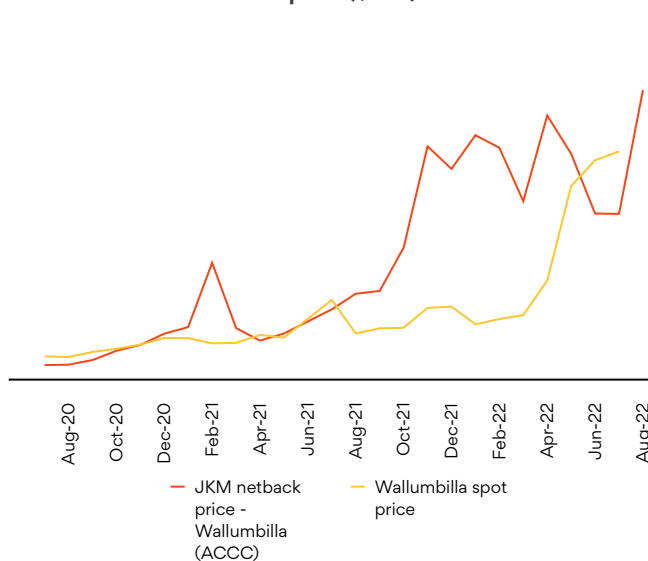
NSW electricity price (\$/MWh)



Coal price (A\$/t)



Gas price (\$/GJ)



Market Outlook

The global and domestic energy market is experiencing a fundamental transition resulting from changes in technology, increasing electrification and increasing commitments to decarbonise.

Recent events have highlighted that this transition will not always be smooth, with volatility expected due to the magnitude and complexity of the changes occurring in the energy system, as well as shifts in the geopolitical and macroeconomic environment.

In the medium term, we expect some of the recent high pricing and volatility to ease as fuel prices and supply chain disruptions normalise. Increased electricity supply from large and small-scale renewable energy is expected to put downward pressure on average electricity prices over time.

The growth in renewables will be supported by underwriting arrangements from governments and corporates with decarbonisation objectives. For example, the Australian Government is supporting the transition to cleaner energy, aiming to achieve 82 per cent renewables in the electricity market by 2030.

The increase in renewables will in turn increase the need for reliable, dispatchable capacity such as flexible gas-fired generation and battery storage at times of peak demand and lower renewable generation.

Electricity markets are expected to remain competitive. Customers are increasingly looking for lower carbon solutions as homes and businesses become more connected. Customers are becoming more empowered, managing their energy requirements in partnership with retailers such as Origin.

Electricity prices for customers are expected to increase in FY2024 before reducing in mid 2020s as new sources of renewable electricity supply put downward pressure on prices. There is also potential for further government intervention in the market should volatility and higher prices threaten energy security and affordability.

We expect international and domestic gas prices to remain high given the current global supply constraints. Pressures on the domestic gas market will ease as more coal baseload generation comes back online reducing the domestic demand for gas. We further expect the LNG industry on the east coast, including our own APLNG project, to continue to meet domestic gas demand.

Energy Policy Reform

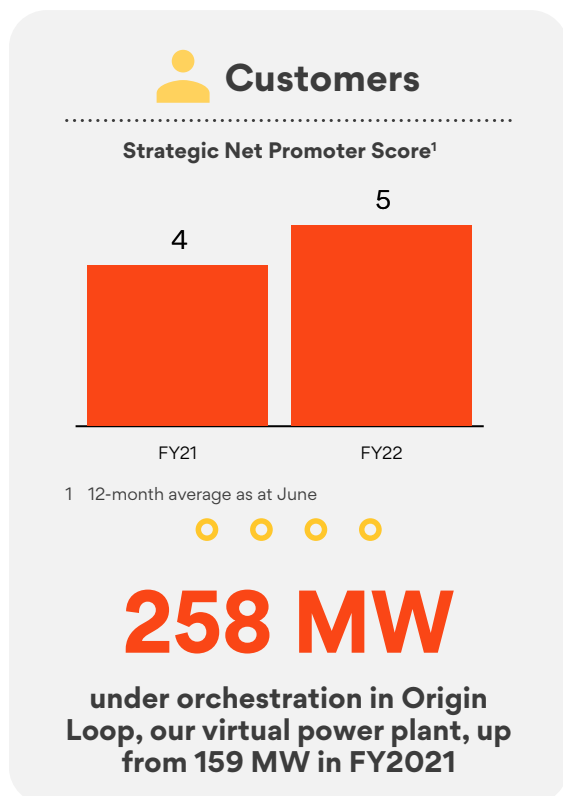
The existing energy system has a critical role to play over the coming years as Australia transitions to renewable energy. Policy reform is urgently required to ensure the existing energy system performs reliably as it is needed to support this transition. New investment is also required in renewable energy, firming generation and transmission to underpin the new energy system. Gas is needed to play a critical role in firming renewables but requires a clear market signal to do so. The right market settings can accelerate the transition away from coal and towards renewables and maintain reliability for customers.

Policy reform must address the lack of price incentives for reliable generation capacity. Origin supports the development of a well-designed capacity mechanism that would allow for the application of a consistent national framework that would provide the incentive to get the investment needed to help safeguard reliability at least cost as the market transitions. A capacity mechanism could have an overall positive impact by helping to stimulate investment in new supply. Importantly, the capacity mechanism should not be viewed as a means of staving off coal closures, but to work alongside a credible framework to help facilitate and manage orderly exits.

It is crucial the capacity mechanism is designed to complement the existing energy-only framework. This would reduce any disruption, complexity, and ultimately costs in adopting the scheme, by building on the strengths of the National Energy Market's current design.

2 Highlights

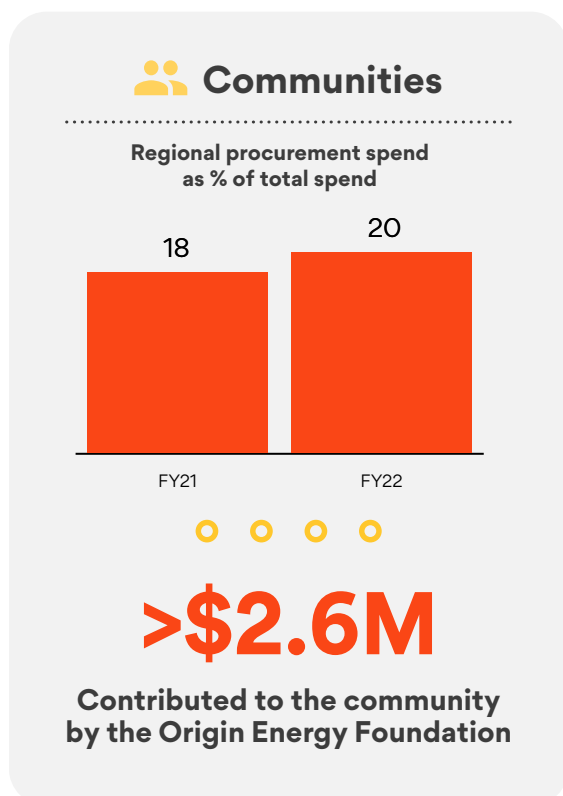
Our purpose underpins everything we do: **Getting energy right for our customers, communities and planet**



Getting energy right for our customers

Our customers are at the heart of everything we do. We are committed to providing ‘good energy’ that is reliable, affordable and sustainable. In FY2022, we:

- supported residential and small business customers in financial distress due to COVID-19, and the floods in New South Wales and Queensland;
- continued to support customers in our Power On hardship program;
- increased the number of customer accounts across our GreenPower, Green Gas, Green LPG and Origin Go Zero products to 340,000, up from 260,000 in FY2021;
- continued to migrate customers accounts to the Kraken platform, with 2.2 million successfully migrated as at 30 June 2022;
- supported the domestic east coast gas market through our APLNG business; and
- launched Origin Zero, our business unit dedicated to supporting our large business customers on their decarbonisation journey.



Getting energy right for our communities

We respect the rights and interests of the communities in which we operate, and consult with them to understand and manage our impact.

We spent \$318 million directly and indirectly with regional suppliers, or 20 per cent of our total spend, up from 18 per cent in FY2021.

Our Stretch Reconciliation Action Plan (Stretch RAP) includes a commitment to increase the participation of Aboriginal and Torres Strait Islander businesses in Origin’s supply chain. In FY2022, our spend with Indigenous suppliers was up \$7 million to \$17 million, bringing our cumulative spend under our three-year Stretch RAP to \$32.6 million.

We continue to work closely with the Northern Land Council to engage with our Native Title holders in the Beetaloo Basin. During the year, we appointed a Native Title holder as a Community Liaison Officer to provide ongoing engagement with the local community about our activities. We also undertook meetings on Country to explain our upcoming work program and sacred site clearance and avoidance surveys of our potential future work areas.

Through grants, 7,000 hours of employee volunteering, and our workplace giving program, the Origin Energy Foundation contributed over \$2.6 million to the community in FY2022.

We also committed to a \$5 million community fund as part of our support for the community as we transition out of coal-fired generation at the Eraring Power Station.

Getting energy right for the planet

This year we continued updating our emissions reduction targets to be consistent with a 1.5°C pathway. We expect to announce our new targets before the 2022 Annual General Meeting.

We also announced our intention to put our climate reporting and the new 1.5°C pathway targets to a non-binding, advisory vote of shareholders at our 2022 Annual General Meeting.

During FY2022, we:

- reduced our Scope 1 and 2 equity emissions by 2 million tonnes, or 12 per cent;
- announced the potential early closure of the Eraring Power Station, from as early as August 2025;
- received development approval for a 700 MW battery at the Eraring site;
- secured 1,300 MW of solar farm development projects, bringing total to 1,600 MW;
- increased Eraring's ash re-use rate to 73 per cent, up from 36 per cent in FY2021;
- collaborated with others to begin developing the green hydrogen Hunter Valley Hydrogen Hub;
- attained Climate Active carbon neutral certification for our Origin Go Zero (electricity), Carbon Neutral Solar, and Carbon Neutral Demand Response products ; and
- launched Origin 360 EV Car Share.

Our people

Our people are one of our greatest strengths, and having a diverse and inclusive workplace is key to the success of our business. We continued to change the way we work in response to COVID-19, strengthening Origin's culture during this time. During FY2022, we:

- reduced Tier 1 and Tier 2 Process Safety Events to two, from 11 in FY2021;
- completed the roll out of our Life Saving Controls program at operational sites;
- announced support for the Uluru Statement from the Heart;
- ranked in the top 10 in Australia in Equileap's 2022 Gender Equality Global Report & Ranking;
- awarded "Gold employer status" at the Australian LGBTQ Inclusion Awards;
- received an engagement score down 6 per cent to 68 per cent, remains 7 per cent above the Australia and New Zealand energy industry average; and
- grew our Indigenous talent base, from 35 Aboriginal and Torres Strait Islander employees at the beginning of our Stretch RAP in FY2018 to 73 at the end of FY2022.

Regrettably our TRIFR deteriorated during the year due to the additional constraints wet weather and COVID-19 placed on our field based employees and contractors. We undertook a safety stand down to assess these field based injuries and continue to focus on providing a safe work environment for all of our people.

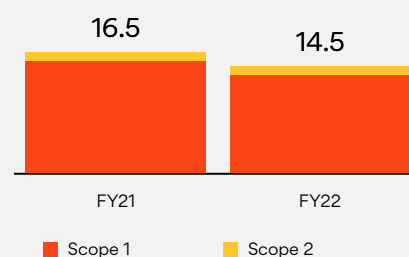
Our COVID-19 response included extensive workplace health controls, including testing in specific situations, a temporary COVID-19 Vaccination Policy and detailed social distancing and hygiene controls.

In July 2021, Origin became a signatory to *40:40 Vision*, an investor-led initiative targeting gender balance in executive leadership by 2030. Under the initiative, we have committed to achieving gender balance (40:40:20) in executive leadership by 2030.

We continue to focus on supporting the mental health and well being of our people and to develop a range of resources and programs through our online Mental Health and Wellbeing Hub.

Planet

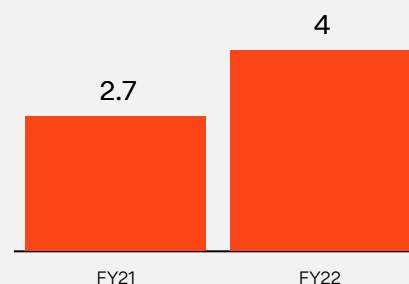
Greenhouse gas emissions (equity basis, mt CO₂-e)



1,600 MW
of solar farm development projects secured to date

People

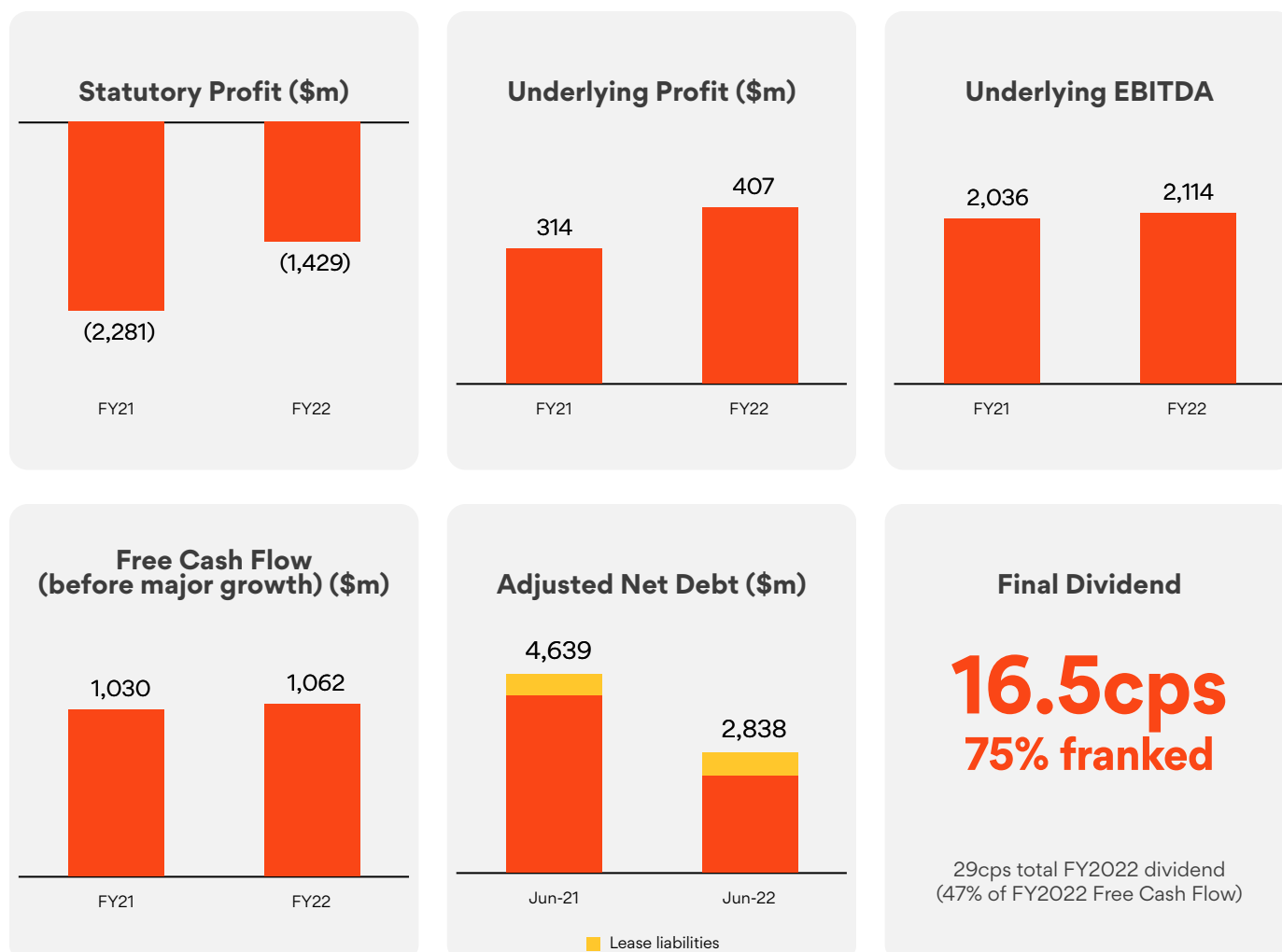
Total Recordable Injury Frequency Rate (TRIFR)



40.8%

Female Senior Leaders, up from 34.6% in FY2021

Financial performance



Statutory Profit was impacted by a non-cash impairment associated with accounting for electricity and gas derivative assets. High electricity and gas prices meant the hedge transactions that we use to manage price risk significantly increased in value. This increase in hedge value resulted in a requirement to recognise an impairment in the underlying business assets which in no way reflects the performance or future value of the business.

FY2022 was characterised by unprecedented volatility and elevated prices in global and domestic energy markets. Underlying Profit was higher at \$407 million with higher earnings from Integrated Gas and lower earnings from Energy Markets. Earnings from Integrated Gas increased despite the sale of 10 per cent of APLNG during the period.

Energy Markets earnings were adversely impacted during the period by a material contracted coal supply disruption to the Eraring Power Station at a time of high spot electricity prices. Low retail tariffs were set at a time of low customer demand during COVID-19, adding to the challenges faced by the electricity business. Our natural gas business performed well with increased earnings primarily driven by rising market prices reflected in higher trading sales.

APLNG delivered stable production despite a significant increase in wet weather and well flooding events. APLNG delivered 132 cargoes, up from 130 cargoes in the prior period, including 15 spot cargoes, as well as delivering additional gas to the domestic market during a period of downstream maintenance and in response to high customer demand in Q4 FY2022. APLNG's realised oil price of US\$74/bbl, up from US\$43/bbl in FY2021 meant that a record cash distribution was paid to Origin.

Free Cash Flow was up \$32 million at \$1,062 million, driven by record cash distributions from APLNG of \$1,595 million partially offset by lower earnings from Energy Markets. This as well as \$1,957 million from the sale of 10 per cent of Australia Pacific LNG enabled debt reduction of \$1,801 million while allowing for investment in growth, dividends to shareholders and a \$250 million on market share buy-back.

Our partnership with Octopus to transform our retail operations is progressing well, with more than 2.2 million customer accounts migrated to the Kraken platform. An additional \$80 million in FY2022 and \$163 million in August 2022 were invested to restore our 20 per cent interest.

The Board has determined to pay 16.5 cent per share dividend franked to 75% bringing total distributions for the year to 29 cents per share.

Energy Markets performance

Underlying EBITDA

\$365M

Down \$614m or 63% vs FY2021

Operating cash flow

\$824M

Down \$194m vs FY2021

(1.5%)

Underlying ROCE¹
Down 6.1% vs FY2021

Cost to serve

\$487M

Stable vs FY2021

Customer accounts

4,458k

Up 193k vs June 2021

Retail X

2,200k

Customer accounts migrated to
the Kraken platform

During the period, we experienced unprecedented energy market conditions with extremely high and volatile electricity prices, driven by coal plant outages, high coal and gas fuel costs and wet weather impacted renewable energy generation. These conditions culminated with periods of administered wholesale electricity pricing and a temporary electricity spot market suspension in June.

The Electricity business began the year in a strong position to manage these conditions; however, a material coal supply disruption to our only coal-fired generation plant, Eraring, at a time of high spot electricity prices resulted in significantly higher energy procurement costs. Low retail tariffs added to the unfavourable market conditions, with tariffs set during FY2021 when wholesale prices were at low levels due to COVID-19. This resulted in a \$692 million reduction in the Electricity Gross Profit.

During June, strong support was received from coal suppliers, rail network providers and the NSW Government to increase rail deliveries which uplifted Eraring's output. Coal contracting for FY2023 is progressing and is now more than halfway towards our purchase target of 5 to 6 million tonnes.

Natural Gas Gross Profit increased by \$117 million, driven by higher short-term trading gas sales and repricing of customer tariffs, partly offset by higher procurement costs. Our portfolio is underpinned by fixed-price² supply contracts and is well placed heading into a tightening market. The JKM supply position is fully hedged at favourable rates to current market prices and there are no further price reviews on supply contracts until FY2024.

We are committed to relieving the pricing impacts on customers where possible. Our principle is to hold FY2023 prices flat for our most vulnerable hardship customers who are on the Power On program, and we absorbed some higher energy costs to make sure that most of our customers are at or below the DMO and VDO, post product benefits such as market discounts and Solar FiT.

Customer accounts increased by 193,000³, including the acquisition of WINconnect, which added 99,000 customer accounts. Our Broadband business grew by 28,000 to 61,000 customer accounts and was named Australia's best-rated NBN provider of 2022 by Canstar Blue.

Our investment in Octopus continues to exceed expectations. Octopus emerged from the recent UK energy crisis with 43 per cent more customer accounts, and is now the fifth largest UK retailer with around 15 per cent market share. This has demonstrated the significant advantage of Octopus' low-cost operating model and market-leading Kraken platform in a rapidly changing energy landscape. We have migrated more than 2.2 million customer accounts to the Kraken platform and remain on track to achieve the targeted cash cost benefits.

Our ambition is to lead the energy transition to net zero emissions through cleaner energy and customer solutions. We have established the Origin Zero business to provide innovative low and zero carbon energy solutions to our customers. We also acquired the large-scale Yarrabee Solar Farm development project and received NSW Government development approval for the Eraring large-scale battery.

¹ 12-month average. Return on Capital Employed (ROCE) is calculated as Adjusted EBIT / Average Capital Employed.

² Subject to CPI adjustments.

³ Includes 39,000 previously excluded electricity unmetered sites due to an industry change, and around 7,000 customer accounts (post churn) due to recent Retailer of Last Resort (ROLR) events that occurred from May 2022 until the end of FY2022.

Integrated Gas performance

Underlying EBITDA

\$1,837M

Up \$702m or 62% vs FY2021
Underlying EBIT up \$539m

Cash distributions from APLNG

\$1,595M

Up \$886m or 125% vs FY2021

15.2%

Underlying ROCE
Up from 4.8%
in FY2021

APLNG production (100%)

693PJ

Down 1% vs FY2021

Average realised LNG price

**US\$12.5/
MMBtu**

Up 103% vs FY2021
Up 110% in A\$ terms at \$16.4/GJ

Capex and opex⁴/GJ

\$3.2/GJ

11% increase vs FY2021

APLNG delivered record EBITDA and cash distributions to Origin driven by stable production, continued low operating and capital costs and high commodity prices. Integrated Gas EBITDA was up \$702 million to \$1,837 million and APLNG's cash distributions to Origin were up \$886 million to \$1,595 million.

Record earnings were primarily driven by realised oil prices at APLNG increasing from US\$43/bbl (A\$58/bbl) in FY2021 to US\$74/bbl (A\$103/bbl) in FY2022. Reflecting the high oil price environment, hedge losses at Origin increased from a gain of \$55 million in FY2021 to a loss of \$189 million in FY2022.

Strong field performance and operational efficiencies enabled APLNG to maintain stable production despite a significant increase in wet weather and associated well flooding events. Well availability was stable at around 90 per cent in FY2022, with the wet weather impacts offset by implementation of new technology that reduced well defects and failures. High upstream gas processing facility reliability and improved performance from network infrastructure, driven by investment in prior periods enabled high utilisation of upstream gas processing capacity.

During the period, APLNG delivered 132 LNG cargoes (up from 130 cargoes in FY2021) including 15 spot cargoes. APLNG also continued to supply significant volumes into the domestic market, directing additional gas during June 2022 when the market was experiencing particularly high demand.

Operating expenses in APLNG increased, primarily due to higher power costs and higher royalties on the higher revenue base.

Origin announced the sale of a 10 per cent interest in APLNG to ConocoPhillips on 8 December 2021, delivering net proceeds of \$2 billion after adjustments. Origin retains a 27.5 per cent shareholding in the joint venture and continues the role of upstream operator.

A scheduled price review with an LNG customer was successfully completed in early FY2023, with no material impact on Origin's earnings.

APLNG 2P (proved plus probable) reserves increased 901 PJ before production, representing reserves replacement of 116 per cent, driven by higher estimated recoveries from producing fields. After production and field divestment, 2P reserves increased by 109 PJ.⁵

Other highlights across Integrated Gas during the period included:

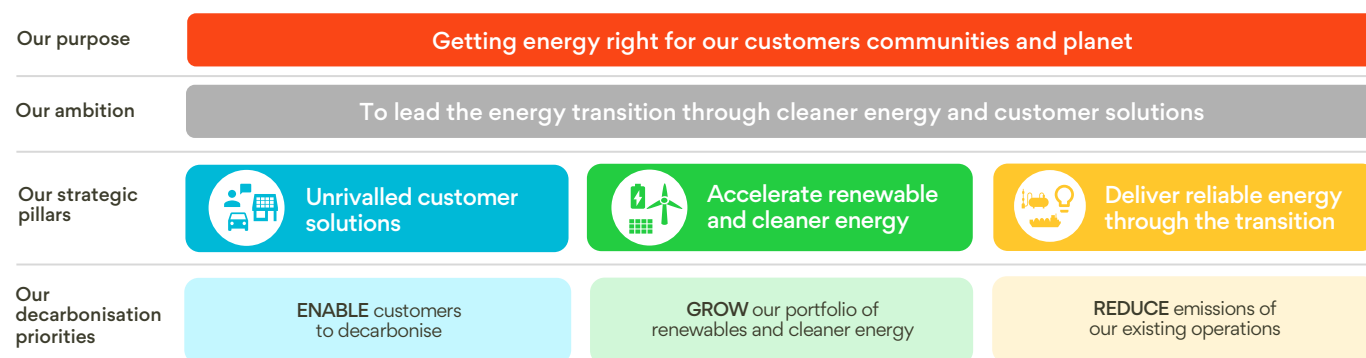
- Beetaloo Basin – Production test results from the Amungee NW 1H well suggest a normalised gas flow rate equivalent of between 5.2 and 5.8 million cubic feet per day (MMscf/d) per 1,000 metres of lateral. Preparations are underway to continue appraisal of the Velkerri dry gas play at Amungee.
- Origin was awarded \$45 million from the Australian government to progress several renewable hydrogen projects including the proposed Hunter Valley Hydrogen Hub in Newcastle, the Tasmanian Green Hydrogen Hub Project at Bell Bay, and the potential development of a green hydrogen supply chain between Japan and Australia out of Gladstone, Queensland.

⁴ Opex excludes purchases and reflects royalties at the breakeven oil price.

⁵ Refer to Section 8 for disclosure relating to Tri-Star litigation associated with these CSG interests.

3 Our strategy

Our strategy



During the year we made significant progress towards executing our strategy:

- Submitted notice to AEMO giving Origin the ability to close Eraring as early as August 2025 and grew our coal contracting position to 3 million tonnes for FY2023, of a target of 5 - 6 million tonnes
- Secured 1,300 MW of additional solar farm development projects, bringing total to 1,600 MW
- Progressed plans for a Hunter Valley Hydrogen Hub green hydrogen project
- Obtained approval for the Eraring battery development, now in tendering phase
- Grew our virtual power plant (Loop) to 258 MW across 121,000 connected assets
- Completed sale of 10 per cent interest in Australia Pacific LNG
- Grew total customer accounts by 193,000 to 4.5 million, including through the WINconnect acquisition
- Progressed the transformation of our retail business with 2.2 million customer accounts (over half) migrated to the Kraken platform
- Launched Origin Zero to support large customers on their decarbonisation journey
- Set new short- and medium-term targets aligned with 1.5°C pathway, which will shortly be released as part of Origin's Climate Transition Action Plan

Our business drivers

As a leading integrated energy company, Origin's earnings drivers are spread across the energy value chain.

Our electricity margin is driven by outperforming the market cost of energy through our supply portfolio (including our power stations and supply contracts). Our portfolio of coal and gas generation plants, renewable energy power purchase agreements and market supply and hedge contracts provides us with the flexibility to manage energy procurement costs. As we sell more energy than we generate, we have the ability to build or contract renewable energy and storage as the price of renewable energy becomes more competitive.

In natural gas, Origin's wholesale margin is driven by a strong gas supply portfolio, with pipeline and storage flexibility enabling us to direct gas to where it is most needed. A large portion of supply is under long-term contracts that are either fixed-price⁶ or linked to oil and LNG spot prices. Some of our contracts reprice to market over time.

Profitability in energy retailing is driven by managing retail margins through matching retail tariffs with energy procurement costs combined with an efficient, low cost operation and the ability to attract and retain customers through providing a superior customer experience. We are implementing the Kraken retail system which we believe will further lower our cost base and improve customer service.

We own 20 per cent of Octopus Energy⁷, a UK-based fast-growing energy technology company. Octopus owns the Kraken technology platform which is licensing around the world. Octopus is the fifth-largest energy retailer in the UK.

Origin is the upstream operator and has a 27.5 per cent interest in APLNG, reduced from 37.5 per cent following the sale of a 10 per cent stake during the year, which is Australia's largest CSG to LNG project. It is a significant supplier to both domestic gas and international LNG markets, with the majority of volume contracted until approximately 2035. Profitability is underpinned by maintaining a low capital and operating cost base relative to revenues, much of which are linked to oil prices. In FY2022, around 76 per cent of APLNG gas volume was sold as LNG (of which 89 per cent was under long-term oil-linked contracts).

⁶ Subject to CPI adjustments.

⁷ Following CPPIB' investment in Octopus Energy during December 2021, Origin accounted for its interest in Octopus Energy at 18.7 per cent from 1 December 2021 (previously 20 per cent). An additional \$163 million (£94 million) was invested to restore its 20 per cent interest in August 2022.

Our strategic pillars

Our strategy involves three strategic pillars:



Unrivalled customer solutions

We have a leading retail business with 4.5 million customer accounts, delivering a superior customer experience at low cost and with churn lower than our Tier 1 competitors.

Our strategy to increase the value of our retail business and enhance customer experience involves:

- adopting a new operating model and migrating customers to the world class Kraken platform, delivering a superior customer experience, lower costs, a leaner operation and lower churn. We are targeting a \$200 - 250 million cash cost reduction from FY2018 baseline by FY2024
- increasing the breadth of products purchased from us including broadband, solar, batteries, connected solutions and E-mobility
- using strong data analytics capability to enable personalised and segmented offers and experiences for customers

For our larger business customers, we are working to simplify the energy transition, providing tailored energy and decarbonisation solutions through Origin Zero. These solutions can include elements such as renewable energy, demand response, solar, batteries, renewables, energy management and electric vehicle fleet management.

Through our Octopus Energy investment, we have access to an industry-leading retail platform to deliver the lowest costs and market-leading customer happiness, as well as exposure to Octopus's global growth.

Accelerate renewables and cleaner energy

We will invest in clean energy positions to support our customers' demand for energy and decarbonisation solutions. We will increase our renewable energy supply through new investments, partnerships, and projects, targeting multi-GW renewable growth opportunities through a staged and disciplined investment or contracting approach.

In addition to our significant gas peaking generation portfolio, we will invest in growing our "firming capacity" to support the growth of renewables during periods of peak demand and lower renewable generation. We have developed a proprietary Virtual Power Plant (VPP) platform to connect and use artificial intelligence to orchestrate distributed assets. We are also growing our battery storage portfolio options with our first opportunity being the potential development of a 460MW stage 1 battery at Eraring.

We are investigating opportunities to invest in cleaner fuels for harder-to-abate sectors, including domestic and export green hydrogen projects, targeting domestic green hydrogen supply from the mid 2020s and export supply from the late 2020s.



Deliver reliable energy through the transition

We have a valuable portfolio of assets that play a critical role in providing customers with reliable and affordable energy as we transition to a low-carbon future. We believe gas will remain a key part of the energy mix during the transition.

Through our 27.5 per cent interest in APLNG, we continue to be low cost supplier of gas, for domestic and export customers. Any development associated with APLNG or our other upstream growth assets would only be done in a manner consistent with our decarbonisation commitments.

Our Eraring coal fired power station continues to support the reliability and security of the electricity market. We have announced the potential early retirement of Eraring from 2025 as our portfolio and the market transitions to cleaner sources of energy and new sources of supply enter the market. We continue to investigate opportunities at the Eraring site for further clean energy developments, including batteries.

Our existing thermal peaking generation will continue to play a critical role in providing capacity and firming as coal generators such as Eraring retire and are replaced by intermittent renewables.

We have a leading domestic wholesale gas position with the ability to transport gas across the east coast to support our gas fired generation fleet as well as residential, business and wholesale customers.



4 Guidance

The following guidance is based on current market conditions and the regulatory environment. Ongoing volatility in market conditions is likely and may adversely impact operations.

		FY22	FY23 guidance
Integrated Gas - APLNG 100%			
Production	PJ	693	680 - 710
Capex and opex, excluding purchases ¹	A\$b	2.2	2.5 - 2.7
Unit capex + opex, excluding purchases ¹	A\$/GJ	3.2	3.5 - 4.0

¹ Opex excludes purchases and reflects royalties at the breakeven oil price.

Integrated Gas

We estimate production in FY2023 of **680 - 710 PJ** (APLNG 100 per cent), reflecting ongoing strong field performance and allowing for the impact of recent wet weather events.

We estimate total APLNG capex and opex of **\$2.5 - \$2.7 billion**, higher than FY2022, reflecting:

- Exposure to elevated current power costs both through operated upstream operations and non-operated joint ventures;
- Commencement of cyclical upstream major maintenance program on gas processing plants along with continuation of downstream cyclical LNG Train maintenance;
- Increased workover activity as we target increased well availability, offsetting natural field decline to fill gas processing capacity; and
- Increased well drilling activity to maintain current production levels.

At 2 August 2022, Origin estimates that approximately **43 per cent of APLNG's FY2023 JCC oil price exposure has been priced at US\$108/bbl** before hedging, based on the long-term LNG contract lags. Based on forward market prices as at 2 August 2022, we estimate losses in FY2023 on oil hedging of \$290 million and LNG trading of \$47 million. The LNG trading result remains subject to the spread between European and Asian gas prices, shipping costs and the allocation of cargos in the annual schedule. See Section 6.2.2 for details of Integrated Gas oil hedging and LNG trading.

Energy Markets

There remains a wide range of potential earnings outcomes in FY2023. We will continue to assess the outlook with a view to providing an update when there is less uncertainty.

We expect higher earnings in FY2023. Earnings from the gas business are expected to be higher on a largely fixed price⁸ supply portfolio with no further price reviews on gas supply contracts until 1 July 2023. We expect electricity gross profit to remain suppressed due to rising energy costs being only partially priced into regulated tariffs. Coal contracting is partially complete with 4.4 million tonnes now contracted of a target of 5 to 6 million tonnes. The contracted coal supplies are from both legacy priced contracts and contracts priced at market forward prices at the time of contracting. We remain exposed to risk of under-delivery including due to rail and mine performance. Cost to serve is expected to be relatively flat on FY2022, with Kraken benefits being offset by non-repeat of surplus COVID-19 provision release and investment in future portfolio growth.

In FY2024 we anticipate further growth in earnings. The magnitude of this growth is dependent on current forward prices being maintained and priced into regulated tariffs, and is subject to coal contracting risk and approximately 50 PJ gas price review outcomes. Octopus Energy is expected to deliver growth as global licensing revenue ramps up and the UK market stabilises. We expect Retail transformation to deliver on our commitment of \$200 - \$250 million cash cost reduction by FY2024, from an FY2018 baseline.

⁸ Subject to CPI adjustments.

5 Financial update

5.1 Reconciliation from Statutory to Underlying Profit

	FY22 (\$m)	FY21 Restated (\$m)	Change (\$m)	Change (%)
Statutory Profit/(Loss) - total operations	(1,429)	(2,281)	852	(37)
Items Excluded from Underlying Profit (post-tax)				
Increase/(decrease) in fair value and foreign exchange movements	791	(569)	1,360	(239)
<i>Oil and gas</i>	92	(231)	323	(140)
<i>Electricity</i>	713	(348)	1,061	(305)
<i>FX and interest rate</i>	3	13	(10)	(77)
<i>Other financial asset/liabilities</i>	59	(114)	173	(152)
<i>FX gain/(loss) on foreign-denominated financing</i>	(76)	111	(187)	(168)
Impairment, disposals, business restructuring and other	(2,627)	(2,026)	(601)	30
Total Items Excluded from Underlying Profit (post-tax)	(1,836)	(2,595)	759	(29)
Underlying Profit	407	314	93	30

Fair value and foreign exchange movements reflect non-cash or non-recurring fair value gains/(losses) associated with commodity hedging, interest rate swaps and other financial instruments. These amounts are excluded from Underlying Profit to remove the volatility caused by timing mismatches in valuing financial instruments and the underlying transactions they relate to.

- Oil and gas derivatives manage exposure to fluctuations in the underlying commodity price to which Origin is exposed through its gas portfolio and indirectly through Origin's investment in APLNG. See Section 6.2.2 for details of Origin's APLNG-related oil hedging.
- Electricity derivatives, including swaps, options and forward purchase contracts, are used to manage fluctuations in wholesale electricity and environmental certificate prices in respect of electricity purchased to meet customer demand.
- Foreign exchange and interest rate derivatives manage exposures associated with the debt portfolio. A portion of debt is euro-denominated and cross-currency interest rate swaps hedge that debt to AUD.
- Other financial assets/liabilities reflects investments held by Origin.
- Foreign exchange on foreign-denominated financing reflects currency fluctuations on unhedged USD debt. Debt is maintained in USD to offset the USD-denominated investment in APLNG, which delivers USD cash distributions.

Impairment, disposals, business restructuring and other are either non-cash or non-recurring items and are excluded from Underlying Profit to better reflect the underlying performance of the business. They include:

	FY22 (\$m)
Impairments	(2,196)
<i>Impairment - Energy Markets</i>	(2,196)
Business restructuring	(58)
Disposals	(114)
<i>Loss on divestment - APLNG equity accounted investment</i>	(113)
<i>Loss on divestment - other assets</i>	(1)
Other	(259)
<i>Net capital gains tax on divestment - APLNG</i>	(172)
<i>LGC net shortfall charge</i>	(151)
<i>Deferred tax liability recognition net of reversal pertaining to divestment - APLNG</i>	(39)
<i>Provision for legal matters</i>	(22)
<i>Onerous contracts - LNG</i>	34
<i>WINconnect other income</i>	47
<i>Gain on dilution of investment - Octopus Energy</i>	44
Impairment, disposals, business restructuring and other	(2,627)

\$2,196 million impairment of Energy Markets: Recent extraordinary market conditions have resulted in an uplift in the value of in-the money derivative assets of \$4,354 million associated with the hedging of high wholesale electricity and gas prices results. The carrying value of the Energy Markets business is assessed independently of the derivatives, and accordingly, a non-cash impairment of Energy Markets has been recorded. This impairment will impact goodwill only, accordingly there is no tax impact. This impairment does not reflect the performance of the business and its cash flows, nor impact future value.

- \$113 million loss on the divestment of 10 per cent interest in APLNG. At completion, the impairment reported within the Interim Report 2022 of \$193 million was partially offset by a net gain of \$80 million. The net gain comprises the release of \$105 million benefit from the foreign currency translation reserve, partially offset by FX hedging costs and other completion adjustments amounting to \$25 million. Refer to Note B2.1 of the Financial Statements for further information;
- \$172 million capital gains tax expense on divestment of 10 per cent share of APLNG, net of \$222 million benefit from capital losses. The cash tax payment will be lower than the net capital gains tax of \$172 million as a result of offsetting tax deductions;
- \$151 million net cost relating to a decision to defer the surrender of a portion of Origin's calendar year 2021 large-scale generation certificates and the expected deferral in relation to calendar year 2022. The costs associated with this deferral are expected to be recovered in future periods. Refer to Appendix for further details;
- \$39 million non-cash deferred tax expense, recognised net of the reversal of the booked amount to the divested share of APLNG, reflecting the expectation of higher future distributions from APLNG. Refer to Appendix for further details;
- \$34 million non-cash benefit relating to revaluation of the LNG onerous contract provisions, due to stronger near-term assumptions for LNG prices relative to Henry Hub prices and an increase in long-term assumptions for US Treasury bond rates. The realised loss for the period associated with these contracts is recognised in Underlying Profit;
- \$47 million in relation to Master Service Agreement (MSA) income earned as part of the acquisition of WINconnect; and
- \$44 million non-cash gain on dilution of Origin's stake in Octopus associated with CPPIB's acquisition of a six per cent stake in Octopus;

The nature of Items Excluded from Underlying Profit set out in the above table have been reviewed by our auditor for consistency with the description in Note A1 of the Financial Statements.

Prior period restatements

The prior period has been restated for the following items. Refer to Note G11 of the Financial Statements for details of these restatements.

- IFRIC agenda decision - Configuration or Customisation Costs in a Cloud Computing Arrangement - SaaS restatement;
- IFRIC agenda decision - Economic Benefits from Use of a Windfarm (IFRS 16 Leases) - PPAs restatement; and
- Certain amounts have been restated to reflect adjustments to the results of our equity accounted investment in Octopus Energy.

5.2 Underlying Profit

	FY22 (\$m)	FY21 Restated (\$m)	Change (\$m)	Change (%)
Energy Markets	365	979	(614)	(63)
Integrated Gas - Share of APLNG	2,134	1,145	989	86
Integrated Gas - Other	(297)	(10)	(287)	2,870
Corporate	(88)	(78)	(10)	13
Underlying EBITDA	2,114	2,036	78	4
Underlying depreciation and amortisation (D&A)	(449)	(541)	92	(17)
Underlying share of ITDA of equity accounted investees	(1,138)	(956)	(182)	19
Underlying EBIT	527	539	(12)	(2)
Underlying interest income - MRCPS	48	106	(58)	(55)
Underlying interest income - Other	13	3	10	333
Underlying interest expense	(187)	(242)	55	(23)
Underlying profit before income tax and non-controlling interests	401	406	(5)	(1)
Underlying income tax expense	10	(90)	100	(111)
Non-controlling interests' share of Underlying Profit	(4)	(2)	(2)	100
Underlying Profit	407	314	93	30
Underlying EPS	23.2cps	17.8cps	5.4cps	30
Underlying ROCE - rolling 12 month	7.6%	4.4%		3.2%

Refer to Sections 6.1 and 6.2 respectively for Energy Markets and Integrated Gas analysis.

Corporate costs increased by \$10 million, primarily reflecting unfavourable movements in foreign exchange and higher corporate insurance costs, partially offset by lower ERP costs.

Underlying D&A decreased by \$92 million, driven primarily by the lower asset base following the FY2021 generation asset impairment, partially offset by the impact of increased depreciation (\$25 million) following the reassessment of Eraring's useful life.

Underlying share of ITDA increased \$182 million, driven by higher ITDA from APLNG (\$169 million), comprising higher tax expense (\$350 million), lower net interest expense (\$88 million), and lower depreciation and amortisation (\$93 million). These were partly offset by the increase in ITDA from the full year impact of Origin's equity share of Octopus Energy (\$12 million).

Underlying MRCPS interest income decreased \$58 million with the principal balance fully repaid during the year following buy-backs by APLNG, and a higher AUD/USD exchange rate.

Underlying net interest expense decreased \$65 million, reflecting a lower net debt balance and refinancing activities.

5.3 Cash flows

Operating cash flow

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Underlying EBITDA	2,114	2,036	78	4
Underlying equity accounted share of EBITDA (non-cash)	(2,097)	(1,141)	(956)	84
Other non-cash items in Underlying EBITDA	118	114	4	4
Underlying EBITDA adjusted for non cash items	135	1,009	(874)	(87)
Change in working capital	590	68	522	768
<i>Energy Markets - excluding futures exchange collateral</i>	68	(29)	97	(334)
<i>Energy Markets - futures exchange collateral</i>	471	110	361	328
<i>Integrated Gas - excluding APLNG</i>	48	(2)	50	n/a
<i>Corporate</i>	3	(11)	14	(127)
Other	(167)	(144)	(23)	16
Tax (paid)/refunded	(27)	31	(58)	(187)
Cash flow from operating activities	531	964	(433)	(45)

Operating cash flow decreased \$433 million, driven by lower Underlying EBITDA adjusted for non-cash items (\$874 million) partially offset by an improved working capital position (\$522 million).

Underlying equity accounted share of EBITDA (non-cash) reflects share of APLNG (\$2,134 million) less share of Octopus Energy (\$36 million loss). Other non-cash expenses include provisions for bad and doubtful debts (+\$65 million), share-based remuneration (+\$29 million) and exploration expense (+\$24 million).

Working capital moved favourably by \$590 million in the period driven primarily by a favourable movement in futures exchange collateral.

Futures exchange collateral relates to cash received from the futures exchange associated with in-the-money forward electricity hedge positions. FY2022 included \$471 million of cash collateral received from the favourable movement in the value of open energy futures hedging contracts. The cash flows from favourable futures contracts and security deposits arose during a period of higher prices in domestic energy markets at the end of the financial year. Subsequent value movements will depend on forward energy prices.

Other reflects the cash impact of items excluded from Underlying Profit, primarily the 2021 LGC shortfall charge. Refer to Appendix 2 for further details.

Investing cash flow

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Capital expenditure	(336)	(339)	3	(1)
Distribution from APLNG	1,595	709	886	125
Interest received from other parties	2	3	(1)	(33)
Investments/acquisitions	(392)	(161)	(231)	143
Disposals	1,963	7	1,956	27,943
Cash flow from investing activities	2,832	219	2,613	1,193

We continue to tightly manage our capital spend, with FY2022 capital expenditure of \$336 million remaining flat, and comprising:

- generation maintenance and sustaining capital (\$92 million), primarily at Eraring (\$73 million) and Shoalhaven (\$6 million);
- other sustaining capital (\$87 million) including spend in preparation for the move to five-minute settlement of pool prices (\$15 million), LPG (\$31 million), and Origin ERP system replacement (\$13 million);
- productivity/growth (\$92 million) including deferred and contingent licensing payment to Octopus Energy (\$30 million), other Kraken implementation costs (\$20 million), and Community Energy Services (\$8 million); and
- exploration and appraisal spend (\$65 million) primarily related to the appraisal programs in the Beetaloo and Canning Basins.

Cash distributions from APLNG amounted to \$1,595 million comprising \$50 million of MRCPS interest (down from \$110 million in FY2021), \$1,112 million of MRCPS buy-backs (up from \$599 million in FY2021), and unfranked dividends of \$433 million, which commenced once MRCPS were fully redeemed during the year.

Investments include deferred and contingent consideration for the equity interest in Octopus Energy (\$268 million), WINconnect (\$92 million⁹), Yarrabee Solar Farm (\$14 million) and Carisbrook Solar Farm (\$5 million), as well as investments in Future Energy and LPG.

Disposals relate primarily to the sale of the 10 per cent interest in APLNG.

⁹ Reflects purchase price of \$94 million and completion adjustments of \$11 million, net of \$13 million cash and cash equivalents received.

Financing cash flow

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Net proceeds/(repayment) of debt	(1,856)	(1,042)	(814)	78
Operator cash call movements	(70)	(90)	20	(22)
AEMO cash deposits	(290)	-	(290)	n/a
On-market purchase of shares	(325)	(96)	(229)	239
Close out of foreign currency contracts	(46)	(65)	19	(29)
APLNG loan (repayment)/proceeds ¹	(51)	(3)	(48)	n/a
Interest paid	(191)	(234)	43	(18)
Payment of lease liabilities	(73)	(76)	3	(4)
Dividends paid	(314)	(343)	29	(8)
Total cash flow from financing activities	(3,216)	(1,949)	(1,267)	65
Effect of exchange rate changes on cash	1	(2)	3	(150)

¹ APLNG - loan (repayment)/proceeds represents cash generated by APLNG as part of its normal business operations deposited to a project finance debt service reserve accounts. Upon issuance of a bank guarantee to APLNG by Origin the cash was distributed to Origin by way of a loan.

Repayment of debt reflects capital market debt repaid from the proceeds of the sale of 10 per cent interest in APLNG, Free Cash Flow and cash held.

Operator cash call movements represent the movement in funds held and other balances relating to Origin's role as the upstream operator of APLNG.

Australian Energy Market Operator (AEMO) cash deposits relates to cash security deposits placed with AEMO to support the Company's energy purchases from national electricity and gas markets. This obligation is typically satisfied by bank guarantees; however, the obligation was partially met with cash in FY2022.

On-market purchase of shares represents the purchase of shares connected with the on-market share buyback of \$250 million, the employee share remuneration schemes and the Dividend Reinvestment Plan (DRP).

Settlement of foreign currency contracts represents the partial closure of contracts executed in prior periods to monetise the value in certain cross-currency interest rate swap contracts. The value of outstanding contracts as at 30 June 2022 was \$48 million.

Free Cash Flow

Free Cash Flow represents cash flow available to pay dividends, repay debt, invest in major growth projects or return surplus cash to shareholders. This is prepared on the basis of equity accounting of APLNG. Specific items may be excluded from Free Cash Flow, to better represent cashflows from the underlying business. In FY2022 there was a significant cash inflow for futures exchange collateral which is expected to unwind. Proceeds from the sale of 10 per cent of APLNG were also excluded.

In FY2022, consistent with previous years, cash payments associated with the Octopus Energy equity investment and Kraken licence implementation costs (\$318 million) were considered to be Major Growth and were excluded from FY2022 Free Cash Flow.

(\$m)	Energy Markets		Integrated Gas - Share of APLNG		Integrated Gas - Other		Corporate		Total	
	FY22	FY21	FY22	FY21	FY22	FY21	FY22	FY21	FY22	FY21
Underlying EBITDA	365	979	2,134	1,145	(297)	(10)	(88)	(78)	2,114	2,036
Non-cash items	112	101	(2,134)	(1,145)	31	6	12	11	(1,979)	(1,027)
Change in working capital	539	81	-	-	48	(2)	3	(11)	590	68
Other	(192)	(143)	-	-	25	(4)	-	3	(167)	(144)
Tax (paid) /refunded	-	-	-	-	-	-	(27)	31	(27)	31
Operating cash flow	824	1,018	-	-	(193)	(10)	(100)	(44)	531	964
Capital expenditure	(261)	(263)	-	-	(69)	(60)	(6)	(16)	(336)	(339)
Cash distribution from APLNG	-	-	-	-	1,595	709	-	-	1,595	709
(Acquisitions)/disposals	(386)	(155)	-	-	1,957	-	-	1	1,571	(154)
Interest received	-	-	-	-	-	-	2	3	2	3
Investing cash flow	(647)	(418)	-	-	3,483	649	(4)	(12)	2,832	219
Interest paid	-	-	-	-	-	-	(191)	(234)	(191)	(234)
Free Cash Flow including major growth	177	600	-	-	3,290	638	(295)	(289)	3,172	949
Major growth spend	318	191	-	-	-	-	-	-	318	191
APLNG proceeds	-	-	-	-	(1,957)	-	-	-	(1,957)	-
Futures exchange collateral	(471)	(110)	-	-	-	-	-	-	(471)	(110)
Free Cash Flow	24	681	-	-	1,333	638	(295)	(289)	1,062	1,030

5.4 Shareholder returns

The Board has determined a partially franked final dividend of 16.5 cents per share. The dividend will be franked to 75 per cent. This brings Origin's total distributions to shareholders for FY2022 to 29 cents per share, representing 47 per cent of Free Cash Flow. The final dividend will be paid on 30 September to shareholders registered as at 7 September 2022.

During the period, \$318 million was incurred in respect of the investment in Octopus Energy and the costs associated with the Kraken system implementation. This has been treated as major growth expenditure and excluded from Free Cash Flow when measuring the dividend pay-out percentage.

As the company has returned to a tax paying position, we expect future dividends to be either fully or partially franked.

Origin will seek to deliver sustainable shareholder returns through the business cycle and will target a payout range of 30 per cent to 50 per cent of Free Cash Flow per annum in the form of ordinary dividends. Free Cash Flow is defined as cash from operating activities and investing activities (excluding major growth projects), less interest paid. Remaining cash flow will be applied to further debt reduction, value accretive organic growth and acquisition opportunities, and/or additional capital management initiatives.

The dividend payout ratio of 47 per cent is within the 30 per cent to 50 per cent target range as Free Cash Flow during the period, with Free Cash Flow adjusted for both the proceeds from the sale of the 10 per cent stake in APLNG and a large in-the-money collateral position on electricity futures hedge contracts. This collateral position is expected to reverse in future periods as the hedge contracts settle.

The Board maintains discretion to adjust shareholder distributions for economic and business conditions.

Given the Company's continued focus on capital management, the Board has taken the decision to suspend the dividend reinvestment plan until further notice.

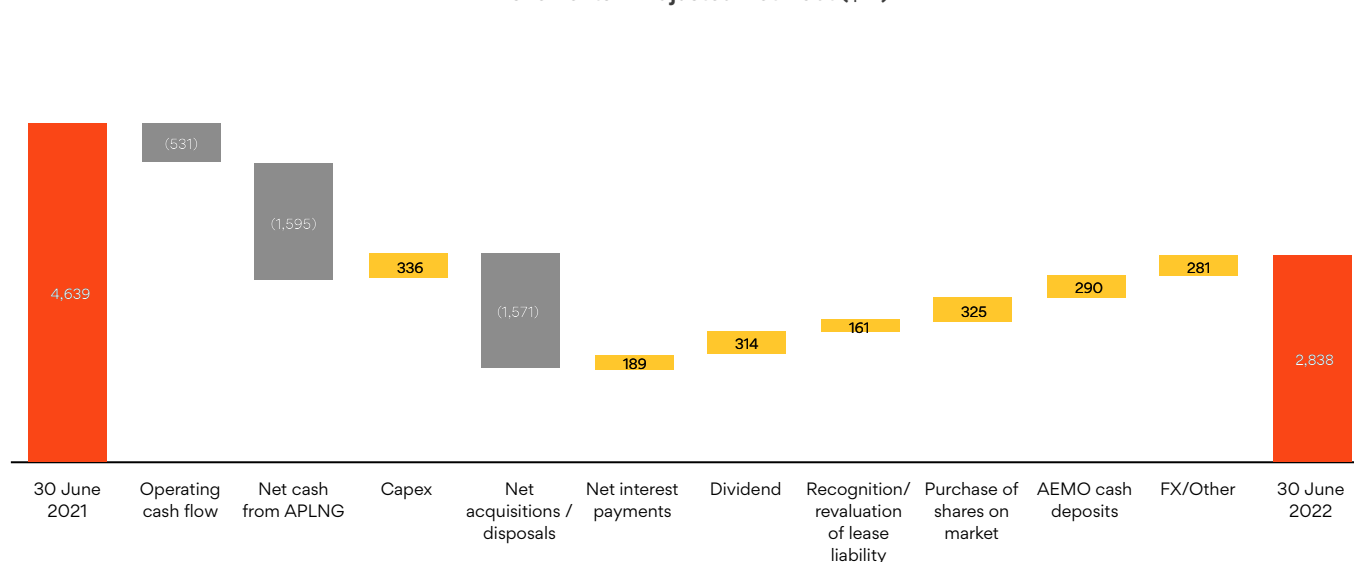
5.5 Capital management

During FY2022, the following capital management initiatives were completed:

- Repaid and extended the tenor of our debt facilities:
 - repaid €800 million (A\$1,164 million) 2.8 per cent effective interest rate debt;
 - repaid US\$500 million (A\$680 million) 5.5 per cent fixed interest rate debt; and
 - extended the tenor of A\$2,357 million bank loan from FY2024/FY2025 to FY2026/FY2027.
- Extended the tenor of A\$500 million of bank guarantee facilities from FY2023/FY2025 to FY2025/FY2026.
- Cancelled \$65 million in undrawn bank loan facilities that were surplus to requirements.
- Completed a \$250 million on-market buy back of ordinary shares.

Adjusted Net Debt

Movements in Adjusted Net Debt (\$m)



Adjusted Net Debt decreased \$1,801 million, driven by operating cash flow, cash distributions from APLNG and the proceeds from the sale of 10 per cent of APLNG. Operating cash flow of \$531 million included \$471 million of cash collateral received from the favourable movement in the value of open energy futures hedging contracts. The amount of the futures exchange collateral received was partially offset by a financing cash outflow of \$290 million for cash security deposits placed with AEMO to support Origin's energy purchases from national electricity and gas markets.

Purchase of shares on market includes the \$250 million on-market share buyback, and shares purchased to meet employee share remuneration programs and the DRP.

Foreign exchange/other primarily reflects the non-cash translation of unhedged USD debt and fees (\$104 million), operator cash call movements (\$88 million), repayment of APLNG loan (\$51 million and settlement of foreign currency contracts (\$46 million).

Origin aims to maintain an Adjusted Net Debt/Adjusted Underlying EBITDA ratio of 2.0 - 3.0x and a gearing¹⁰ target of 20 per cent to 30 per cent. At 30 June 2022, these ratios were 1.9x and 22 per cent respectively, reflecting the sale of a 10 per cent interest in APLNG during the year with the proceeds applied to debt reduction, distributions from APLNG of \$1,595 million and favourable working capital movement associated with futures exchange collateral.

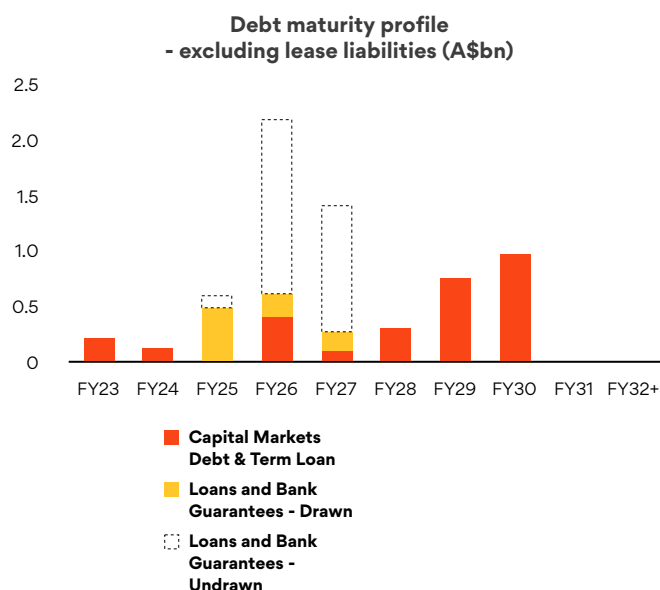
Our long-term credit profile is Baa2 (stable) from Moody's.

¹⁰ Gearing is Adjusted Net Debt divided by Adjusted Net Debt plus Equity.

Debt portfolio management

Average term to maturity increased from 3.4 years at 30 June 2021 to 4.4 years at 30 June 2022. The average interest rate on drawn debt remained unchanged at 4.3 per cent for both FY2021 and FY2022.

As at 30 June 2022, Origin held \$0.6 billion¹¹ of cash and \$2.7 billion in committed undrawn debt facilities. This liquidity position of \$3.3 billion is held to meet near-term debt and lease liability payment obligations of \$0.3 billion and to maintain a sufficient liquidity buffer.



APLNG funding

During construction of APLNG, shareholders contributed capital via ordinary equity and the investment in preference shares (termed MRCPS) issued by APLNG. APLNG distributed funds to shareholders firstly via fixed dividends of 6.37 per cent per annum on the MRCPS balance, recognised as interest income by Origin, and secondly via buy-backs of MRCPS (refer to Section 5.3 above). The MRCPS were entirely bought back in the year ended 30 June 2022 and subsequent distributions from APLNG during the year were received via unfranked dividends (\$433 million).

APLNG also funded construction via US\$8.5 billion (APLNG 100 per cent) in project finance facilities. These facilities were partially refinanced in FY2019. The outstanding balance at 30 June 2022 was US\$5,410 million (A\$7,851 million), net of unamortised debt fees of US\$51 million (A\$74 million). APLNG's average interest rate associated with its project finance debt portfolio for FY2022 was 3.1 per cent.

Gearing¹² in APLNG was 21 per cent as at 30 June 2022, down from 26 per cent at 30 June 2021.

APLNG project finance debt amortisation profile

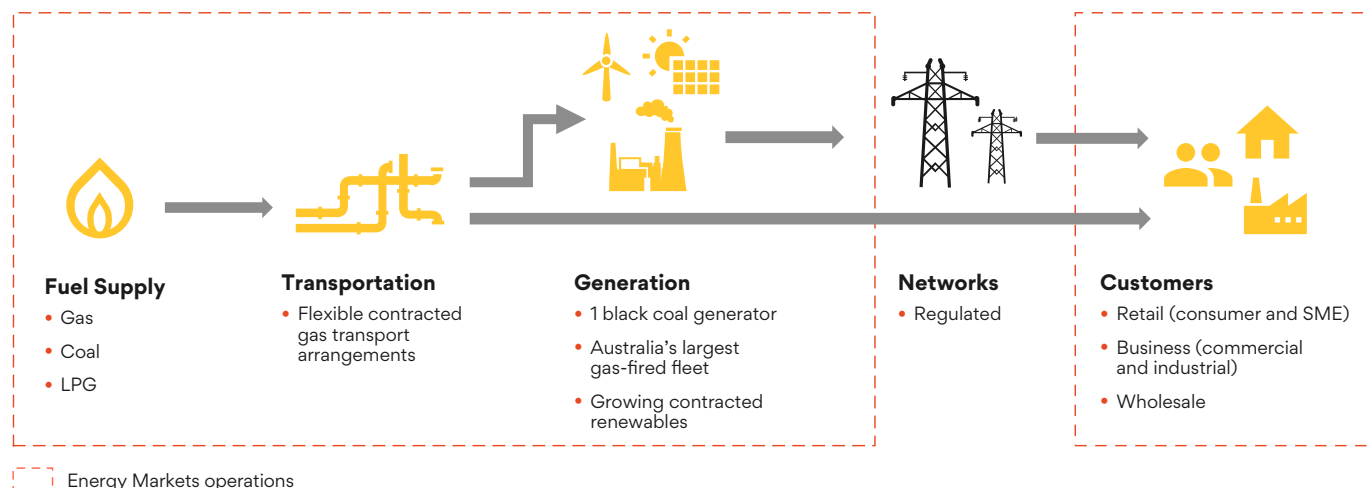
Closing balance as at 30 June									
(US\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030
Bank loan (variable)	1,689	1,407	1,153	871	587	265	-	-	-
US Exim	1,772	1,519	1,247	965	679	382	162	-	-
USPP	2,000	2,000	1,940	1,887	1,787	1,690	1,437	930	297
Total	5,461	4,927	4,340	3,722	3,052	2,337	1,599	930	297

¹¹ Excludes \$48 million cash held on behalf of APLNG as upstream operator.

¹² Gearing is defined as project finance debt less cash, divided by project finance debt less cash plus equity.

6 Review of segment operations

6.1 Energy Markets



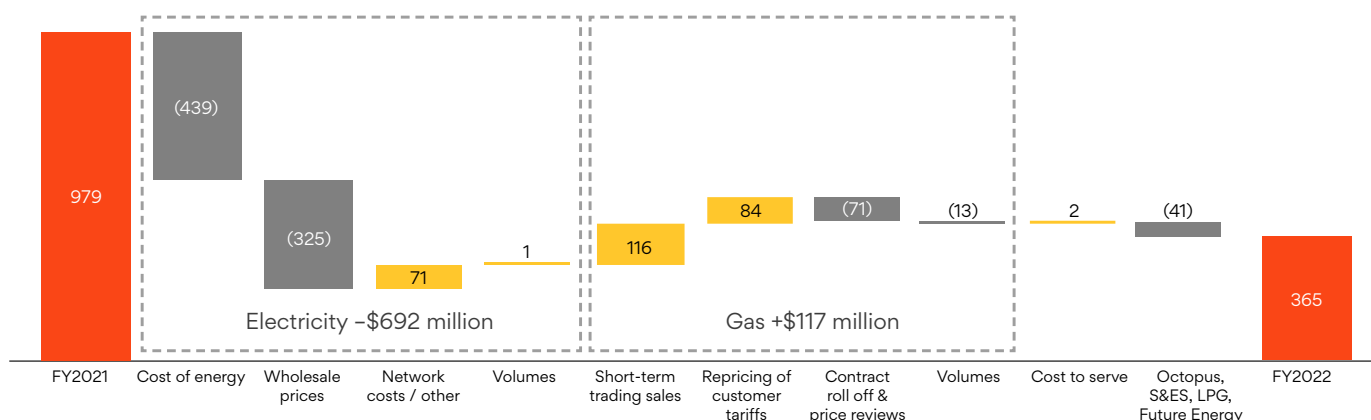
Origin's Energy Markets business comprises one of Australia's largest energy retail businesses by customer accounts, Australia's largest fleet of gas-fired peaking power stations supported by a substantial contracted fuel position, a growing supply of contracted renewable energy and Australia's largest power station, the black coal-fired Eraring Power Station.

The business reports on an integrated portfolio basis. Electricity and Natural Gas Gross Profit and cost to serve are reported separately, as are the EBITDA of the Solar and Energy Services, Future Energy and LPG divisions, and our 20 per cent¹³ share of earnings from Octopus Energy.

6.1.1 Financial summary

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Electricity Gross Profit	207	899	(692)	(77)
Natural Gas Gross Profit	564	447	117	26
Electricity and Natural Gas cost to serve	(487)	(489)	2	(0)
LPG EBITDA	92	89	3	4
Solar and Energy Services EBITDA	52	55	(3)	(6)
Future Energy EBITDA	(28)	(19)	(9)	51
Share of EBITDA from Octopus Energy	(36)	(3)	(33)	1,059
Underlying EBITDA	365	979	(614)	(63)
Underlying EBIT	(111)	432	(543)	(126)

Movements in Underlying EBITDA (\$m)



¹³ Following CPPIB' investment in Octopus Energy during December 2021, Origin accounted for its interest in Octopus Energy at 18.7 per cent from 1 December 2021 (previously 20 per cent). An additional \$163 million (£94 million) was invested to restore its 20 per cent interest in August 2022.

6.1.2 Electricity

Volume summary

Volumes sold (TWh)	FY22			FY21			Change (TWh)	Change (%)
	Retail	Business	Total	Retail	Business	Total		
NSW ¹	7.6	8.1	15.7	7.9	8.6	16.4	(0.8)	(4.6)
Queensland	4.1	4.2	8.3	4.3	3.7	8.0	0.3	3.7
Victoria	2.9	5.0	7.9	2.8	3.2	6.1	1.8	29.9
South Australia	1.3	2.3	3.7	1.3	1.8	3.1	0.6	19.3
Total volumes sold	15.9	19.6	35.5	16.3	17.3	33.5	1.9	5.8

¹ Australian Capital Territory customers are included in New South Wales.

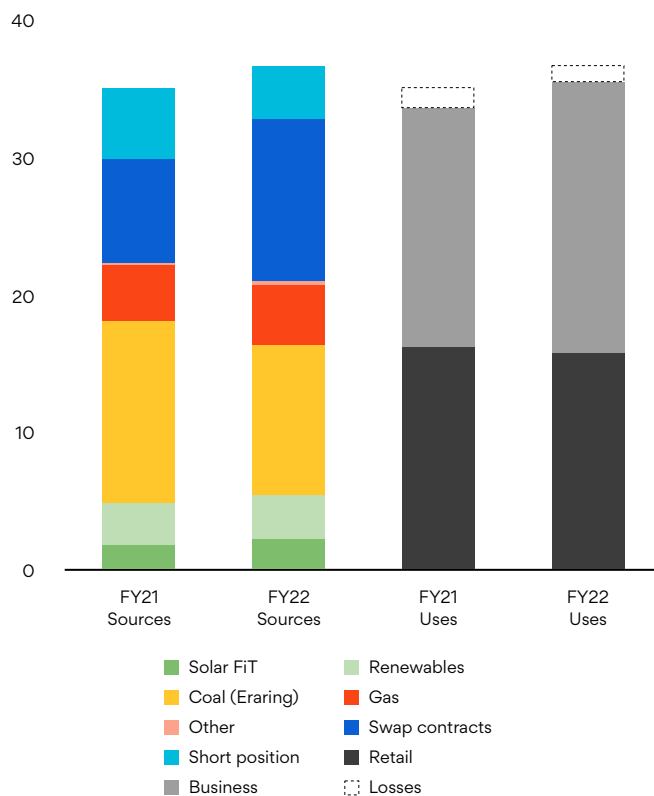
Gross Profit summary

	FY22		FY21		Change (%)	Change (\$/MWh)
	\$m	\$/MWh	\$m	\$/MWh		
Revenue	7,125	200.8	7,136	212.7	(0.1)	(12.0)
Retail (residential/SME)	4,148	260.6	4,382	269.6	(5.3)	(8.9)
Business	2,977	152.1	2,754	159.3	8.1	(7.2)
Cost of goods sold	(6,918)	(194.9)	(6,237)	(185.9)	(10.9)	(9.0)
Network costs	(3,271)	(92.2)	(3,156)	(94.1)	(3.7)	1.9
Energy procurement costs	(3,647)	(102.8)	(3,081)	(91.9)	(18.4)	(10.9)
Gross Profit	207	5.8	899	26.8	(76.9)	(21.0)
Gross margin %	2.9%		12.6%		(76.9)	

Electricity Gross Profit decreased by \$692 million driven by:

- \$21/MWh decrease in unit margins (-\$693 million):
 - \$315 million due to higher generation fuel costs. Unit fuel costs increased from \$47.9/MWh to \$68.2/MWh, driven by higher coal costs as the material under-delivery of contracted coal from our primary supplier resulted in coal purchases at significantly higher prices. High electricity spot prices and colder weather towards the end of FY2022 also resulted in increased gas generation, with gas purchased at high market prices;
 - \$124 million due to higher electricity procurement costs, largely reflecting higher unit net pool costs which increased from \$45.5/MWh to \$99.2/MWh, and higher volumes of market contracts. Lower output from Eraring due to coal supply disruption required replacement electricity purchased in the spot and contract markets;
 - These higher costs were partially offset by lower cost of capacity hedge contracts as more expensive legacy contracts rolled off, lower unit cost of market contracts due to the timing of the sale and purchase of swaps, and lower bundled renewable PPA costs with Stockyard Hill volumes replacing more expensive legacy contracts;
 - \$325 million related to lower wholesale prices flowing into customer tariffs, which were set during FY2021 with a period of low wholesale prices due to the impacts of COVID-19; and
 - +\$71 million from improved value management (+\$48 million), recovery of FY2021 network costs (+\$37 million), partially offset by metering costs under recovered (-\$14 million).
- Volumes increased 1.9 TWh, reflecting a 2.3 TWh increase in business volumes, partially offset by a 0.3 TWh decrease in retail volumes, with a +\$1 million impact to Gross Profit. Higher business volumes are driven by net customer wins, and lower residential demand largely reflecting continued uptake in solar and energy efficiency.

Sources and uses of electricity (TWh)



Owned and contracted generation output of 18.7 TWh was lower by 1.7 TWh, primarily driven by lower Eraring output (-2.3 TWh) due to coal supply constraints. Gas generation was higher (+0.3 TWh) primarily to offset lower coal generation. Generation from renewable PPAs increased (+0.3 TWh) largely due to Stockyard Hill volumes received while ramping up production. Refer to the Electricity Supply table on the following page.

Wholesale energy costs

	FY22			FY21		
	\$m	TWh	\$/MWh	\$m	TWh	\$/MWh
Fuel cost ¹	1,057	15.5	68.2	837	17.5	47.9
Generation operating costs	235	15.5	15.2	240	17.5	13.8
Owned generation ¹	1,293	15.5	83.4	1,078	17.5	61.7
Net pool costs ²	363	3.7	99.2	230	5.1	45.5
Bundled renewable PPA costs ³	271	3.2	84.8	282	3.0	95.3
Market contracts ³	727	11.9	60.9	485	7.7	62.9
Solar feed-in tariff	207	2.3	90.9	203	1.9	106.1
Capacity hedge contracts	226			308		
Green schemes (excl. PPAs)	535			484		
Other	24			12		
Energy procurement costs	3,647	36.6⁴	99.7	3,081	35.1⁴	87.9

1 Includes volume from internal generation and contracted from Pelican Point.

2 Net pool costs includes gross pool purchase costs net of pool revenue from generation, gross and net settled PPAs, and other contracts.

3 Bundled PPAs includes cost of electricity and renewable certificates. Market contracts include swap and energy hedge contracts.

4 Volume differs from sales volume due to energy losses of 1.1 TWh (FY2021: 1.6 TWh).

Electricity supply

	Nameplate capacity (MW)	Type ¹	FY22			FY21			Change		
			Output (GWh)	Pool revenue (\$m)	\$/MWh	Output (GWh)	Pool revenue (\$m)	\$/MWh	Output (GWh)	Pool revenue (\$m)	\$/MWh
Eraring	2,922										
Units 1 - 4	2,880	Black Coal	10,966	1,668	152	13,276	1,008	76	(2,310)	660	76
Gas Turbine	42	OCGT	-	-	-	-	-	-	-	-	-
Darling Downs	644	CCGT	1,871	475	254	1,696	147	87	176	328	167
Osborne ²	180	CCGT	606	105	173	379	22	58	226	83	116
Uranquinty	664	OCGT	301	94	312	142	36	255	159	58	56
Mortlake	584	OCGT	458	90	196	512	43	85	(54)	46	111
Mount Stuart	423	OCGT	70	49	708	35	22	619	34	27	89
Quarantine	235	OCGT	95	27	280	129	16	125	(34)	10	155
Ladbroke Grove	80	OCGT	42	9	219	82	9	106	(39)	1	112
Roma	80	OCGT	55	19	357	47	10	219	8	9	138
Shoalhaven	240	Pump/hydro	153	35	230	122	10	79	32	26	151
Internal generation	6,052		14,617	2,571	176	16,420	1,323	81	(1,803)	1,248	95
Pelican Point	240	CCGT	885			1,050			(165)		
Renewable PPAs	1,005 ³	Solar / Wind	3,196			2,959			261		
Owned and contracted generation	7,297		18,697			20,429			(1,707)		

1 OCGT stands for open cycle gas turbine; CCGT stands for combined cycle gas turbine.

2 Origin has a 50 per cent interest in the 180 MW plant and contracts 100 per cent of the output.

3 Nameplate capacity does not include Stockyard Hill as it is not yet generating at full capacity.

6.1.3 Natural Gas

Volume summary

Volume sold (PJ)	FY22			FY21			Change (PJ)	Change (%)
	Retail	Business	Total	Retail	Business	Total		
NSW ¹	12.2	19.5	31.7	12.1	24.1	36.2	(4.5)	(12)
Queensland	3.1	71.9	75.0	3.3	66.8	70.1	4.9	7
Victoria	23.6	40.3	63.8	24.8	46.3	71.1	(7.3)	(10)
South Australia ²	5.4	12.1	17.5	5.7	9.8	15.5	2.0	13
External volumes sold	44.2	143.9	188.1	45.9	147.0	192.9	(4.9)	(3)
Internal sales (generation)			41.4			38.4	3.0	8
Total volumes sold			229.4			231.3	(1.8)	(1)

1 Australian Capital Territory customers are included in New South Wales.

2 Northern Territory and Western Australia customers are included in South Australia.

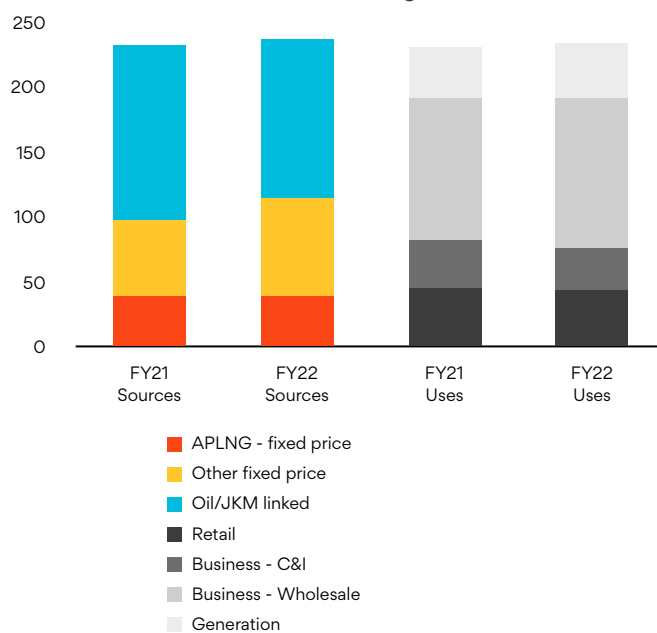
Gross Profit summary

	FY22		FY21		Change (%)	Change (\$/GJ)
	\$m	\$/GJ	\$m	\$/GJ		
Revenue	2,769	14.7	2,455	12.7	13	2.0
Retail (residential/SME)	1,185	26.8	1,148	25.0	3	1.8
Business	1,584	11.0	1,307	8.9	21	2.1
Cost of goods sold	(2,205)	(11.7)	(2,008)	(10.4)	(10)	(1.3)
Network costs	(749)	(4.0)	(789)	(4.1)	5	0.1
Energy procurement costs	(1,456)	(7.7)	(1,218)	(6.3)	(20)	(1.4)
Gross Profit	564	3.0	447	2.3	26	0.7
Gross margin %	20.4%		18.2%		12	

Natural Gas Gross Profit increased \$117 million driven by:

- +\$116 million due to increased volumes and prices on short-term trading sales, particularly in the second half of the year, net of higher procurement costs;
- +\$84 million due to retail and business customer tariff repricing, reflecting the recovery of higher costs;
- -\$71 million reflecting supply contract price reviews and the expiry of long-term supply contracts; and
- 4.9 PJ decrease in external sales volume (-\$13 million) due to expiration of business contracts, reduced residential usage driven by warmer than average weather, and COVID-19 impacts, partly offset by new sales for business customers.

Sources and uses of gas (PJ)¹



¹ Fixed price contracts are subject to CPI adjustments.

6.1.4 Electricity and Natural Gas cost to serve

	FY22	FY21	Change (\$)	Change (%)
Cost to maintain (\$ per average customer) ¹	(97)	(100)	4	(4)
Cost to acquire/retain (\$ per average customer) ¹	(39)	(36)	(2)	6
Electricity and Natural Gas cost to serve (\$ per average customer)¹	(135)	(136)	1	(1)
Maintenance costs (\$m)	(348)	(359)	11	(3)
Acquisition and retention costs (\$m) ²	(139)	(130)	(9)	7
Electricity and Natural Gas cost to serve (\$m)	(487)	(489)	2	(0)

1 Represents cost to serve per average customer account, excluding CES accounts.

2 Customer wins (FY2022: 480,000; FY2021: 484,000) and retains (FY2022: 1,244,000; FY2021: 1,441,000).

	FY22 (\$m)	FY21 (\$m)	Change (\$)	Change (%)
Labour	(150)	(136)	(14)	11
Bad and doubtful debts	(58)	(83)	25	(30)
Other variable costs	(128)	(102)	(26)	25
Retail and Business	(337)	(321)	(15)	5
Wholesale	(52)	(56)	4	(8)
Corporate services and IT	(99)	(112)	13	(12)
Electricity and Natural Gas cost to serve	(487)	(489)	2	(0)

Electricity and Natural Gas cost to serve has reduced by \$2 million, primarily driven by a \$10 million release of surplus COVID-19 Business Energy bad and doubtful debt provision, lower wholesale, corporate services and IT costs, partially offset by higher labour costs while running dual Retail businesses during the migration of customers to the Kraken platform.

Bad debt expense as a percentage of total Electricity and Natural Gas revenue decreased to 0.59 from 0.87 in FY2021. This included a \$10 million release of surplus provision recognised in FY2020 relating to COVID-19. Normalising for this, the Bad debt expense ratio would be 0.69.

We continue to target a \$200 – \$250 million reduction in operating and capital cost savings from FY2018 baseline by FY2024. \$170 million cash cost savings have been achieved to date, with further savings on operating costs related to the adoption of Kraken platform and operating model expected over FY2023 – 24.

Customer accounts

Customer accounts ('000) as at	30 June 2022	30 June 2021	Change
Electricity	2,733¹	2,625	108
NSW ²	1,193	1,175	17
Queensland	674	637	37
Victoria	608	566	42
South Australia ³	257	246	11
Natural Gas	1,277	1,249	29
NSW ²	379	350	29
Queensland	178	178	(0)
Victoria	495	492	3
South Australia ³	226	228	(3)
Total electricity and natural gas	4,010⁴	3,874	137
Rolling average customer accounts	3,922	3,855	67
Broadband	61	33	28
LPG	368	359	8
Other ⁵	20	-	20
Total customer accounts	4,458¹	4,266	193

1 Includes an additional 39,000 previously excluded electricity unmetered sites due to an industry change.

2 Australian Capital Territory customer accounts are included in New South Wales.

3 Northern Territory and Western Australia customer accounts are included in South Australia.

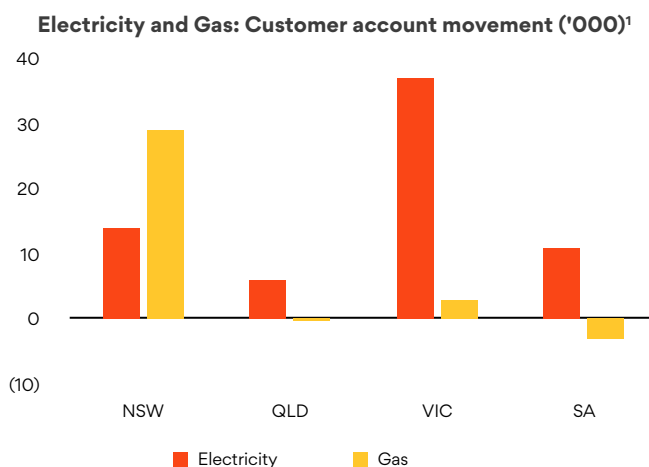
4 Includes 403,000 CES customer accounts (FY2021: 280,000).

5 Largely relates to Origin Home Assist customers.

Origin churn increased to 13.4 per cent, up from 12.5 per cent in the prior period, compared to market churn of 19.0 per cent which is up from 17.3 per cent in the prior period. Churn rates increased driven by volatile and high wholesale electricity prices, causing some smaller energy retailers to either exit the market or offer uncompetitive prices to their customers.

Period end customer accounts increased by 193,000 overall, including recording 39,000 previously excluded electricity unmetered sites due to an industry change. Excluding the addition of the electricity unmetered sites, electricity customer accounts increased by 69,000 reflecting gains across all states. Natural Gas customer accounts increased by 29,000, driven primarily by gains in New South Wales. The addition of around 7,000 customer accounts was due to the Retailer of Last Resort (ROLR) events¹⁴ that occurred from May 2022 until the end of FY2022.

WINconnect acquisition added 99,000 customer accounts to the CES business. Broadband customer accounts increased by 28,000 to a total of 61,000 and LPG customer accounts increased by 8,000 to 368,000.



¹ Excludes 39,000 unmetered sites which are now included in total customer accounts due to an industry change.

6.1.5 LPG

	FY22	FY21	Change	Change (%)
Volumes (kT)	357	389	(32)	(8)
Revenue and Other Income (\$m)	710	589	121	21
Cost of goods sold (\$m)	(513)	(388)	(125)	32
Gross Profit (\$m)	196	201	(4)	(2)
Operating costs (\$m)	(104)	(112)	8	(7)
Underlying EBITDA (\$m)	92	89	3	4

Origin is one of Australia's largest LPG and propane suppliers, procuring and distributing LPG to residential and business locations across Australia and the Pacific.

Gross Profit was broadly in line with FY2021 with higher cost of gas offset by retail price increases. Volumes were down 8 per cent due to continued decline in autogas sales and lower wholesale demand. Operating costs decreased \$8 million, largely driven by cost efficiencies achieved as part of an ongoing cost optimisation program.

6.1.6 Solar and Energy Services

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Revenue and Other Income	405	346	59	17
CES Gross Profit	98	82	16	20
Solar Gross Profit	33	39	(6)	(15)
Other Gross Profit	2	5	(2)	(60)
Gross Profit	133	126	7	6
Operating costs	(81)	(70)	(11)	16
Underlying EBITDA	52	55	(3)	(5)

Origin provides installation of solar photovoltaic (PV) systems and batteries to residential and business customers, and ongoing support and maintenance services. The Community Energy Services (CES) business provides serviced hot water, natural gas and electricity via embedded networks and other related services such as communal solar and battery systems to apartment blocks.

Underlying EBITDA decreased \$3 million. CES Gross Profit increased \$16 million driven by continued growth in customer account, with the WINconnect acquisition in April 2022 adding around 99,000 customer accounts. This is offset by a \$6 million reduction in Solar Gross Profit largely due to higher panel costs associated with manufacturing and supply constraints, and an \$11 million increase in operating costs including the continued investment in Broadband.

¹⁴ Weston Energy, Pooled Energy and Enova Energy.

6.1.7 Future Energy

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Operating costs	(29)	(25)	(5)	16
Other income	2	6	(3)	(67)
EBITDA	(28)	(19)	(9)	47
Net (investments) / disposals ¹	1	(5)	5	(120)

¹ Relates to investments in future energy technology focused private equity funds.

Future Energy activities and associated expenditure reflects the transition from the incubation phase to scaling of various initiatives. The main focus areas continue to be the expansion of Origin Loop (our in-house Virtual Power Plant) and the deployment of digital products and services to our customers that reflect the continued shift towards a distributed and data-driven energy landscape.

Assets connected to Loop have grown from 159 MW to 258 MW during FY2022, including an increasing variety of distributed assets, which are aggregated, controlled and dispatched in response to market and portfolio positions, improving customer engagement while reducing energy costs for both customers and Origin.

Of the 121,000 connected services, more than 75,000 are from our Spike program, an increase of around 30 per cent in the past 12 months. Spike is a behavioural demand response program that rewards customers for reducing energy usage during periods of peak market demand called SpikeHour. It has proven to be very engaging with customers, with more than 2.6 million SpikeHour invitations since the launch in August 2020, with a participation rate of 69 per cent and total energy reduction of 342 MWh during the SpikeHour. We have also deployed in-app solar and battery features that provide customers with powerful insights on how they use and manage energy in their homes.

Operating costs increased during the period, largely due to scaling of Loop, batteries and demand response offerings.

Other income in the period related to distributions received from equity investments.

6.1.8 Octopus Energy - Origin share¹⁵

	FY22 (\$m)	FY21 (\$m) ¹
Revenue - energy	1,603	750
Revenue - licensing	35	31
Cost of sales	(1,607)	(752)
Gross Profit	32	29
Operating costs	(68)	(32)
EBITDA	(36)	(3)
ITDA	(51)	(39)
NPAT	(87)	(42)

1 Certain amounts have been restated to reflect an adjustment to the result of the equity accounted investment in Octopus Energy.

Octopus customer accounts - Octopus 100%

	FY22 ('000)	FY21 ('000)
Energy customer accounts (closing)	6,013	4,214
Energy customer accounts (12-month average)	5,531	3,486
Licensed Kraken platform customer accounts migrated to date (closing)	11,240	4,726
Licensed Kraken platform customer accounts migrated to date (12-month average)	8,036	2,134

Octopus secured two new investors during the year. Origin invested an additional approximately \$80 million (£43 million) in FY2022 and \$163 million (£94 million) in August 2022 to restore its 20 per cent interest.

Origin's share of Octopus Energy EBITDA for the period was a loss of \$36 million, a reduction of \$33 million from FY2021. This was largely driven by unprecedented UK market conditions in FY2022 which saw about 28 UK energy retailers exit the market since the start of September 2021, displacing close to 6 million customers. Octopus' wholesale risk management approach largely shielded the company from the market volatility, though they incurred a higher cost of energy during extreme wholesale prices with an inability to pass this cost on to customers due to the lag in the reset of regulated tariffs. Octopus' operating costs increased driven by the scale up of labour to support the growth in licensing, energy services and international retail businesses.

Octopus added around 1 million Avro Energy customer accounts under the regulator's Retailer of Last Resort (ROLR) scheme and launched in the Italian and French markets. Customer accounts in the underlying UK retail business have grown to 6 million at the end of June 2022, a 43 per cent increase in the past 12 months and Octopus is now the fifth largest UK retailer. This has demonstrated the significant advantage of Octopus' low-cost operating model, prudent risk management approach and market-leading Kraken platform in a rapidly changing energy landscape.

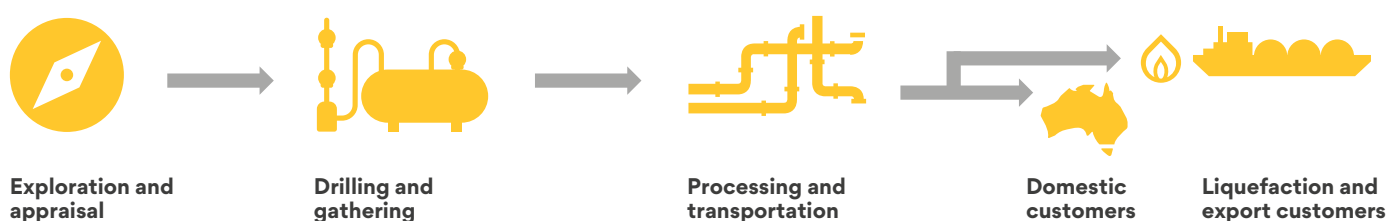
In November 2021, Octopus announced a licensing deal with EDF, the fourth largest UK energy supplier, to move its 5 million customers to Kraken from 2023. Following this deal, four of the UK's leading energy suppliers will be on the Kraken platform. Licensing deals with E.ON and Origin are progressing well, with all of E.ON's 8.7 million customer accounts migrated and 2.2 million customer accounts from Origin now on the Kraken platform.

¹⁵ Following CPPIB' investment in Octopus Energy during December 2021, Origin accounted for its interest in Octopus Energy at 18.7 per cent from 1 December 2021 (previously 20 per cent). An additional \$163 million (£94 million) was invested to restore its 20 per cent interest in August 2022.

6.2 Integrated Gas

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Share of APLNG EBITDA (see Section 6.2.1) ¹⁶	2,134	1,145	989	86
Integrated Gas - Other (see Section 6.2.2)	(297)	(10)	(287)	2,870
Underlying EBITDA	1,837	1,135	702	62
Underlying depreciation and amortisation	(24)	(30)	6	(20)
Underlying share of ITDA from APLNG	(1,086)	(917)	(169)	18
Underlying EBIT	727	188	539	287

6.2.1 Share of APLNG



Origin held a 37.5 per cent shareholding in APLNG, an equity accounted incorporated joint venture, at the beginning of FY2022. On 8 December 2021 Origin sold a 10 per cent interest to ConocoPhillips for net proceeds of \$1,957 million taking Origin's holding in APLNG to 27.5 per cent.¹⁶ The sale completed in February 2022. APLNG operates Australia's largest CSG to LNG export project (by nameplate capacity) with the country's largest 2P CSG reserves¹⁷.

Origin is the operator of the upstream CSG exploration and appraisal, development and production activities. ConocoPhillips is the operator of the 9 mtpa two-train LNG liquefaction facility at Gladstone in Queensland.

As APLNG is an equity accounted incorporated joint venture, Integrated Gas reports its share of APLNG EBITDA. The share of APLNG ITDA is recorded as a line item between EBITDA and EBIT.

APLNG acquired various CSG interests from Tri-Star in 2002 that are subject to reversionary rights and an ongoing royalty interest in favour of Tri-Star. These interests represent approximately 20 per cent of APLNG's 2P CSG reserves and approximately 20 per cent of 3P (proved plus probable plus possible) CSG reserves (as at 30 June 2022). Refer to Section 8 for disclosure relating to Tri-Star litigation associated with these CSG interests.

Financial summary – APLNG

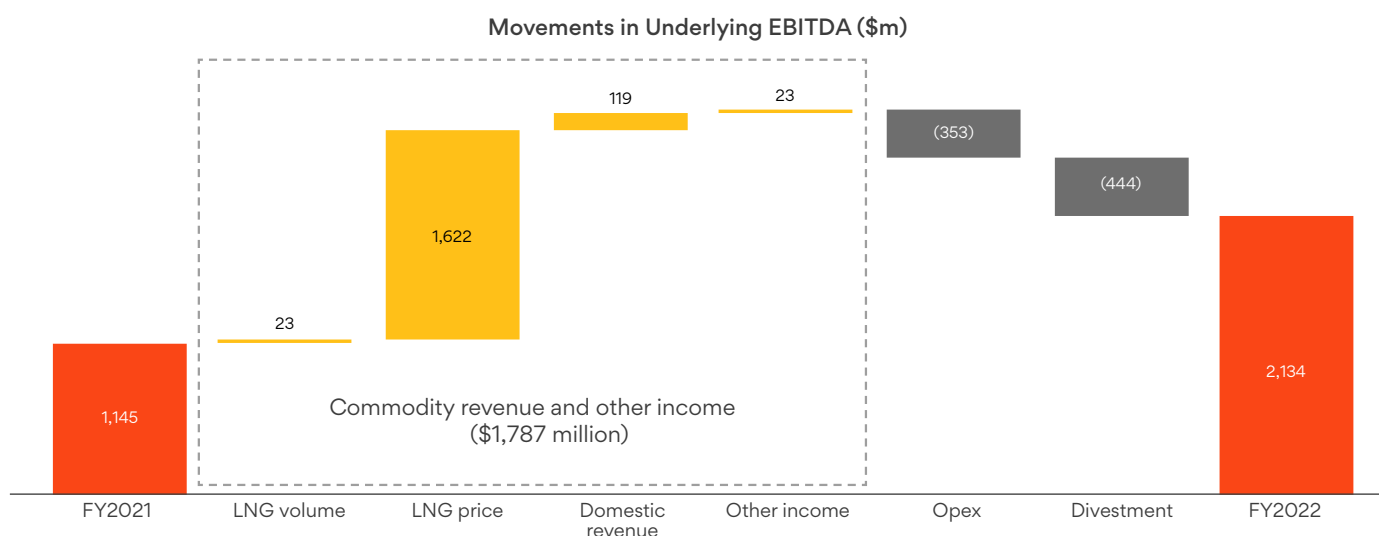
(\$m)	FY22		FY21	
	APLNG 100%	Origin share ¹⁶	APLNG 100%	Origin share
Commodity revenue and other income ¹	9,362	2,903	4,595	1,723
Operating expenses	(2,486)	(768)	(1,544)	(578)
Underlying EBITDA	6,876	2,134	3,051	1,145
Depreciation and amortisation	(1,563)	(495)	(1,568)	(588)
MRCPS interest expense	(141)	(48)	(282)	(106)
Project finance interest expense	(261)	(82)	(270)	(101)
Other financing expense	(67)	(23)	(87)	(33)
Interest income	9	3	6	2
Income tax expense	(1,456)	(445)	(255)	(95)
Underlying ITDA²	(3,479)	(1,090)	(2,456)	(921)
Underlying Profit	3,397	1,044	595	224

¹ Includes commodity revenue plus other income of \$29 million (Origin share) primarily related to Woleebee asset sale (FY2021: \$16 million Origin share).

² See Note B2.2 of the Financial Statements for details relating to a \$4 million difference between APLNG ITDA and Origin's reported share.

¹⁶ On 8 December 2021, Origin sold a 10 per cent interest to ConocoPhillips for net proceeds of \$1,957 million taking Origin's holding in APLNG to 27.5 per cent.

¹⁷ As per EnergyQuest EnergyQuarterly, June 2022.



Origin's share of APLNG Underlying EBITDA increased by \$989 million, primarily due to higher commodity prices, partially offset by the reduction in ownership from December 2021.

- Commodity revenue and other income increased by \$1,787 million¹⁸, primarily reflecting a realised oil price of US\$74/bbl (A\$103/bbl) compared to US\$43/bbl (A\$58/bbl) in FY2021 and higher realised spot LNG prices with 15 JKM-linked cargoes delivered in FY2022. The North Asian LNG prices delivered in FY2022 averaged approximately US\$26/MMbtu compared with US\$7/MMbtu in FY2021.
- Operating expenses increased by \$353¹⁸ million, driven by higher royalties as a result of higher revenue, along with higher electricity costs. See below for further details.
- The change in ownership from December 2021 reduced Origin's share of APLNG's EBITDA by \$444 million compared to maintaining a 37.5 per cent stake for the full year.

The change in ownership is also the primary driver of the reduction in Origin's share of depreciation and amortisation of \$93 million and project finance interest expense of \$19 million. MRCPS were fully repaid during the period, leading to a reduction in MRCPS interest expense of \$58 million.

¹⁸ Origin's share is calculated at 37.5 per cent before 10 per cent divestment.

APLNG volume summary

	FY22		FY21	
	APLNG 100%	Origin share ¹	APLNG 100%	Origin share
Volumes (PJ)				
Operated	535	170	537	202
Non-operated	157	50	163	61
Total production	693	220	701	263
Purchases	15	5	6	2
Changes in upstream gas inventory/other	(4)	(1)	(12)	(4)
Liquefaction/downstream inventory/other	(40)	(13)	(39)	(15)
Total sales	664	211	656	246
Commodity revenue (\$m)				
Domestic gas	990	327	672	252
LNG	8,267	2,546	3,880	1,455
Sales mix (PJ)				
Domestic gas	159	52	158	59
LNG contract	450	143	450	169
LNG spot	55	16	48	18
Realised price				
Domestic gas (A\$/GJ)	6.23		4.24	
LNG (A\$/GJ)	16.36		7.79	
LNG (US\$/MMbtu)	12.50		6.17	

¹ During FY22 Origin completed the sale of a 10 per cent interest in APLNG. As a result of the sale, from 8 December 2021 Origin holds 27.5 per cent ownership in APLNG which continues to be equity accounted

Strong operated field performance and operational efficiencies offset lower production from Spring Gully legacy wells, natural field decline in certain non-operated fields and wet weather impacts, resulting in stable production compared to the prior period.

APLNG sales volumes increased 1 per cent, reflecting more volumes lifted from non-operated fields and portfolio management via time swaps, which allows for effective management of upstream gas production during periods of LNG plant outages.

The average realised LNG price increased 110 per cent to A\$16.36/GJ driven by higher realised oil prices, and higher spot LNG volumes and prices. The average realised domestic gas price increased 47 per cent to \$6.23/GJ, primarily driven by market-linked short-term contract prices.

Cash flow – APLNG 100%

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Underlying EBITDA	6,876	3,051	3,825	125
Non-cash items in underlying EBITDA	(89)	8	(97)	(1,213)
Change in working capital	283	265	18	7
Other	-	(10)	10	(100)
Operating cash flow¹	7,070	3,314	3,756	113
Capital expenditure ¹	(415)	(459)	44	(10)
Interest income ¹	7	8	(1)	(13)
Acquisitions/disposals ¹	68	-	68	n/a
Loans (advanced to)/paid by shareholders	51	3	48	1,600
Investing cash flow	(289)	(448)	159	(35)
Project finance interest and transaction costs ¹	(233)	(263)	30	(11)
Repayment of project finance ¹	(694)	(672)	(22)	3
Other financing activities ¹	(22)	(48)	26	(54)
Repayment of lease liabilities ¹	(55)	(45)	(10)	22
Interest on lease liabilities ¹	(15)	(19)	4	(21)
MRCPS interest	(145)	(293)	148	(51)
MRCPS buy-back	(3,544)	(1,598)	(1,946)	122
Ordinary dividends paid	(1,573)	-	(1,573)	n/a
Financing cash flow	(6,281)	(2,938)	(3,343)	114
Net increase/(decrease) in cash and cash equivalents	500	(72)	572	(794)
Effect of exchange rate changes on cash ¹	139	(95)	234	(246)
Net increase/(decrease) in cash and cash equivalents including FX movement	639	(167)	806	(483)
Distributable cash flow¹	5,850	1,721	4,129	240

¹ Included in distributable cash flow. Distributable cash flow represents the net increase in cash, including foreign exchange movements before MRCPS interest and buy-backs, and transactions with shareholders.

APLNG generated distributable cash flow of \$5,850 million in FY2022 at an effective oil price of US\$74/bbl, up from \$1,721 million at an effective oil price of US\$43/bbl in the prior year. Cash distributions to Origin were \$1,595 million in FY2022 up from \$709 million in the prior year. The distribution Origin received comprised redemption of MRCPS and associated interest of \$1,162 million, and unfranked ordinary dividends of \$433 million. The project finance facility requires APLNG to hold an amount of cash to service near-term operational and project finance obligations. As at 30 June 2022, APLNG held \$1,544 million of cash, up from \$905 million at 30 June 2021 reflecting higher commodity prices in the last quarter of FY2022 compared with the last quarter of FY2021.

Operating expenditure – APLNG 100%

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Purchases	(144)	(41)	(103)	251
Royalties and tariffs ¹	(784)	(180)	(604)	336
Upstream operated opex	(935)	(767)	(168)	22
Upstream non-operated opex	(295)	(249)	(46)	18
Downstream opex	(309)	(221)	(88)	40
APLNG Corporate/other	(19)	(86)	67	(78)
Total operating expenses per Profit and Loss	(2,486)	(1,544)	(942)	61
Other cash items	(32)	(89)	57	(64)
Total operating cash costs	(2,518)	(1,634)	(884)	54

¹ Reflects actual royalties paid. At breakeven price, royalties and tariffs would have amounted to \$175 million (FY2021: \$147 million).

Operating expenses increased \$942 million, primarily driven by higher royalties and tariffs (\$604 million), reflecting stronger commodity prices. Higher purchases was associated with portfolio management via time swaps supporting sales during upstream maintenance periods (\$103 million). Upstream operated opex increased \$168 million mainly due to increased electricity costs with 24 per cent of APLNG's FY2022 electricity costs on a floating price, and a higher number of major workovers completed. Upstream non-operated opex increased \$46 million, also driven by higher electricity costs. Downstream opex increased \$88 million primarily reflecting the 31-day planned Train 1 major maintenance activity conducted early in the year. APLNG Corporate/other reduced by \$67 million, primarily due to favourable FX revaluation of USD cash balances.

Capital expenditure – APLNG 100%

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Operated upstream - Sustain	(202)	(285)	83	(29)
Operated upstream - Infrastructure	(29)	(11)	(18)	166
Exploration and appraisal	(35)	(23)	(12)	50
Downstream	(23)	(14)	(9)	68
Non-operated	(131)	(95)	(36)	37
Total capital expenditure	(421)	(429)	8	(2)

Capital expenditure decreased \$8 million, with an \$83 million decrease in operated sustain costs, partially offset by increases across other areas. The reduction in operated sustain costs reflects reduced development activity in the period enabled by improved field performance as well as the impact of more wet weather in FY2022. Non-operated expenditure increased \$36 million due to the commencement of Arcadia Phase 2 and Fairview development programs. Operated infrastructure costs increased \$18 million primarily due to construction costs associated with the Talinga Condabri North Pipeline (TCNP), which was commissioned in July 2022, connecting gas fields to gas processing infrastructure with surplus capacity.

Operated upstream - Sustain includes expenditure for drilling, completions, fracture stimulation, the gathering network, surface connection, capital improvements and land access which occurs over multiple years. In FY2022, 63 operated wells were drilled (versus 86 in FY2021), 23 wells were fracture stimulated (versus 18 in FY2021) and 65 operated wells were commissioned (versus 141 in FY2021).

6.2.2 Integrated Gas – Other

This segment comprises Origin Integrated Gas activities that are separate from APLNG, and includes exploration interests in the Beetaloo, Cooper-Eromanga and Canning Basins and a potential conventional development resource in the offshore Browse Basin. It also includes overhead costs (net of recoveries) incurred as upstream operator and corporate service provider to APLNG, costs associated with growth initiatives such as hydrogen, and costs incurred in managing Origin's exposure to LNG pricing risk and impacts of its LNG trading positions.

Beetaloo Basin (Northern Territory)

Origin has a 77.5 per cent interest in three exploration permits over 18,500 km² in the Beetaloo Basin. Stage 2 appraisal under the farm-in arrangement to evaluate three independent shale gas plays was completed in HY2022. Stage 3 is now underway, targeting the Velkerri dry gas play. Work continues with regulators and Native Title holders to ensure operations are conducted safely with transparency and consistent with necessary approvals and consents.

- **Velkerri dry gas play** – A further production test of the Amungee NW 1H well was conducted in August 2021 to assess if stages that were stimulated during the previous test in 2016 are contributing to flow rates. Average gas flow rates of 1.02 million standard cubic feet per day (MMscf/d) were observed over a 45-day period, with between 85 per cent and 95 per cent of the flows measured coming from the first 200-metre section of the well. The test results suggest a normalised gas flow rate equivalent of between 5.2 and 5.8 MMscf/d per 1,000 metres of lateral. Future production wells will target effective lengths of approximately 3,000 metres. This result indicates the Velkerri dry gas play may be comparable with commercial shale plays around the world. The Stage 3 work programme includes drilling, hydraulic fracture stimulation and extended production test of two horizontal wells.
- **Velkerri liquids-rich gas play** – The Velkerri 76 S2-1 well was drilled to a total measured depth of 2,129 metres in October 2021 with encouraging preliminary results, indicating that the Velkerri shales at this location are within the wet gas maturity window. The CY2022 work programme includes core sample analysis to further characterise the reservoir.
- **Kyalla liquids-rich gas play** – A production test was conducted at the Kyalla 117 well during the period. The well was able to intermittently flow without assistance at rates up to 1.5 MMscf/d; however, production was not sustained and the well has been shut in. Kyalla 117 is the first horizontal well drilled targeting the Beetaloo Basin's Kyalla shale formation and successfully met its primary technical objective of demonstrating potential liquids-rich gas flows. The Stage 3 work programme includes further evaluation of the results of the Kyalla 117 well to better understand the issues encountered during testing in CY2021.

Cooper-Eromanga Basin (Queensland)

Origin has a 75 per cent interest and operatorship of five permits, 100 per cent interest and operatorship of one permit, and has 99 per cent interest and operatorship of additional 11 permits. In December 2020, the first vertical exploration well, Obelix-2, was drilled to test the maturity of the Toolebuc Formation. The well was written off in HY2022 with no plans for further development at the well location. Additional permits were acquired to continue the evaluation of the prospectivity of the Toolebuc formation within the basin, targeting both unconventional liquids and gas.

Canning Basin (Western Australia)

Origin entered into agreements in December 2020 with Buru Energy to farm in to a 50 per cent equity share in five permits, and a 40 per cent equity share in two permits. The Currajong 1 well was drilled to a total measured depth of 2,340 metres in August 2021 however no oil was recovered from the test zones, and the well was written off in HY2022. The Rafael 1 well was drilled to a total depth of 4,141 metres in November 2021, and a production test was conducted in March 2022 with gas successfully flowed to the surface. Initial analysis of the data collected during the test indicates encouraging gas composition with high condensate and low CO₂ content. Further appraisal of Rafael will be required to understand materiality and commerciality.

Financial summary

	FY22 (\$m)	FY21 (\$m)	Change (\$m)	Change (%)
Origin only commodity hedging and trading	(189)	55	(244)	(441)
Other Origin only costs	(109)	(65)	(44)	67
Underlying EBITDA	(297)	(10)	(287)	2,870
Underlying depreciation and amortisation/ITDA	(20)	(26)	6	(22)
Interest income - MRCPS	48	106	(58)	(55)
Underlying Profit/(Loss)	(268)	71	(339)	(477)

Refer to the following table for a breakdown of Origin only commodity hedging and trading costs.

Other Origin only costs increased \$44 million, primarily reflecting write-off of wells in the Cooper and Canning Basins.

Commodity hedging and trading summary

FY2022 positions realised a \$189 million net loss, compared to a \$55 million gain in FY2021. Based on current forward market prices¹⁹, we estimate a net loss on oil hedging and LNG trading in FY2023 of \$358 million.

(\$m)	FY22 actual	FY21 actual	FY23 estimate ¹
Oil hedging premium expense	(28)	(9)	(21)
Gain/(loss) on oil hedging	(137)	101	(290)
Gain/(loss) on LNG trading	(23)	(37)	(47)
Total	(189)	55	(358)

¹ Based on forward prices as at 2 August 2022.

Oil hedging

Origin has entered into oil hedging instruments to manage its share of APLNG oil price risk based on the primary principle of protecting the Company's investment grade credit rating and cash flows during volatile market periods.

For FY2023, Origin's share of APLNG related Japan Customs-cleared Crude (JCC) oil price exposure is estimated to be approximately 17 MMboe. As at 2 August 2022, we estimate that 43 per cent has been priced (based on LNG contract lags) at approximately US\$108/bbl before any hedging.

Origin has separately hedged to provide downside protection (using 5.4 MMbbl of swaps and 1.6 MMbbl of producer collars) and subsequently executed 4.4 MMbbl of collars to re-participate in upside in a higher oil environment. As at 2 August 2022, the effective price on the realised hedging (3 MMbbl equivalent) was US\$67/bbl (see table below). Based on forward oil price of US\$94/bbl, the effective prices on the unrealised hedges would be US\$64/bbl (2.4 MMbbl equivalent), which would result in an effective oil price for FY2023 of ~US\$87/bbl including hedges.

Premium spend for this hedge position is A\$21 million, to be incurred in FY2023.

FY2023 hedge instruments	Realised as at 2 August 2022		Remaining unrealised	
	Volume (MMbbl)	Effective realised price on 3 MMbbl	Volume (MMbbl)	Average price
Brent USD swaps	3.0	US\$57/bbl	2.4	US\$55/bbl
Brent producer collars	0.4	-US\$3/bbl	1.2	US\$35-90/bbl
Brent USD upside participation collar	2.6	+US\$13/bbl	1.8	US\$61-76/bbl
Net realised price		US\$67/bbl		

The FY2024 hedge position consists of:

- 2 MMbbl hedged at a fixed price of A\$137/bbl,
- 0.8 MMbbl hedged at a floor price of US\$35/bbl, with all of this hedged amount participating in market prices up to US\$90/bbl.

The total premium spend for this hedge position is A\$2 million to be incurred in FY2024.

LNG hedging and trading

In 2013, Origin established a Henry Hub linked contract to purchase 0.25 mtpa from Cameron LNG for a period of 20 years, with the first cargo delivered to Origin in June 2020.

In FY2020, a non-cash onerous provision of \$641 million was recognised, which has been revalued to nil (\$0m) as at 30 June 2022 (\$397 million as at 30 June 2021), reflecting stronger near-term assumptions for LNG prices relative to Henry Hub prices, higher US Treasury bond rates and the realised gain for the period.

In 2016, Origin established a contract with ENN LNG Trading Company Limited to sell 0.28 mtpa on a Brent oil-linked basis commencing in FY2019 and ending in December 2023 to act as a partial hedge to the Cameron LNG contract. In FY2021, a non-cash onerous provision of \$13 million was recognised, which has been revalued at \$397 million as at 30 June 2022, reflecting stronger near-term assumptions for LNG prices relative to Brent oil prices.

These contracts and derivative hedge contracts that manage the price risk associated with the physical LNG contracts form part of an LNG trading portfolio.

Based on market forward prices as at 2 August 2022, the FY2023 LNG trading loss is expected to be \$47 million and remains subject to the spread between European and Asian gas prices, shipping costs and the allocation of cargos in the annual schedule. The increase in expected loss compared to FY2022 is primarily due to less favourable hedging rates achieved and higher shipping costs on physical deliveries.

¹⁹ As at 2 August 2022.

7 Risks related to Origin's future financial prospects

The scope of operations and activities means that Origin is exposed to risks that can have a material impact on our future financial prospects. Material risks, and the Company's approach to managing them, are summarised below.

Risk management framework

Overseen by the Board and the Board Risk Committee, Origin's risk management framework supports the identification, management and reporting of material risks. Risks are identified that have the potential to impact the delivery of business plans and objectives. Risks are assessed using a risk toolkit that considers the level of consequence and likelihood of occurrence using consistent risk assessment criteria.

The risk framework incorporates a "three lines of defence" model for managing risks and controls in areas such as health and safety, environment (including climate change), financial, reputation and brand, legal and compliance and social impacts. All employees are responsible for making risk-based decisions and managing risk within approved risk appetite and specific limits.

The Board reviews Origin's material risks each quarter and assesses the effectiveness of the Company's risk management framework annually in accordance with the ASX Corporate Governance Principles and Recommendations.

Three lines of defence

Line of defence	Responsibility	Primary accountability
First line Lines of business	Identifies, assesses, records, prioritises, manages and monitors risks.	Management
Second line Oversight functions	Provides the risk management framework, tools and systems to support effective risk management.	Management
Third line Internal audit	Provides assurance on the effectiveness of governance, risk management and internal controls.	Board, Board Committees and Management

Our risk framework supports the identification and management of emerging risks and escalating threats. During FY2022, the accelerating energy transition, continued COVID-19 challenges, as well as emerging geopolitical risks, inflationary pressures, and supply chain disruptions were key threats to our operational and financial performance. These threats have required ongoing response and management across many of our existing material risks to minimise impacts. Our priorities remain focused on ensuring the continuity of our operations and supporting activities to provide essential services to our customers, and to maintain our financial resilience to respond to changes in global markets.

Material risks

The risks identified in this section have the potential to materially affect Origin's ability to meet our business objectives and impact its future financial prospects. These risks are not exhaustive and are not arranged in order of significance.

Strategic risks

Strategic risks arise from uncertainties that may emerge in the medium to longer term and, while they may not necessarily impact on short-term profits, can have an immediate impact on the value of the Company. These strategic risks are managed through continuous monitoring and reviewing of emerging and escalating risks, ongoing planning and the allocation of resources, and evaluation from management and the Board.

Risk	Consequences	Management
Competition	<p>Origin operates in a highly competitive retail environment which can result in pressure on margins and customer losses.</p> <p>Competition also impacts Origin's wholesale business, with generators competing for capacity and fuel and the potential for gas markets to be impacted by new domestic gas resources, LNG imports and the volume of gas exports.</p> <p>Origin is well placed to respond to prevailing headwinds due to the diversified nature of our business; however, Origin is exposed to coal supply challenges relative to vertically integrated organisations with coal businesses or those with long term legacy coal contracts.</p>	<ul style="list-style-type: none"> Our strategy to mitigate the impact of this risk on our retail business is to provide customers with value for money products with exceptional service whilst continuously focussing on maintaining our cost leadership and innovation. The migration of our business to Octopus' Kraken platform should see Origin maintain our churn advantage to competitors through extending leadership in cost, products and service. We endeavour to mitigate the impact of this risk on our wholesale business by sourcing competitively priced fuel to operate our generation fleet and through efficient operations to optimise flexibility in our fuel, transportation and generation portfolio.

Risk	Consequences	Management
Technological developments / disruption	<p>Origin is exposed to risks and opportunities relating to new digital, and low-carbon technologies.</p> <p>Distributed generation is empowering consumers to own, generate and store electricity, consuming less energy from the grid. Technology is allowing consumers to understand and manage their power usage through smart appliances, having the potential to disrupt the existing utility relationship with consumers.</p> <p>Technology also allows customers to have increased awareness of the impact of when they consume energy and the source of that energy.</p> <p>Advances in technology and the abundance of low-cost data acquisition, communication and control has the potential to create new business models and introduce new competitors.</p>	<ul style="list-style-type: none"> • Origin actively participates and invests in technological developments through local and global start-up accelerator programs, trialling new energy technology and new products and business models. • In parallel, Origin is growing its distributed generation and home energy services businesses and endeavouring to mitigate the impact of this risk on its core energy businesses by offering superior service and innovative products and reducing cost to serve. • Origin is pursuing opportunities in low-carbon technologies such as hydrogen, e-mobility, and carbon management.
Changes in demand for energy	<p>The volume or source of energy demanded by customers could change due to price, consumer behaviour, community expectations, mandatory energy efficiency schemes, Government policy, weather and other factors.</p> <p>Demand for the energy is also expected to grow due to increased electrification, e.g., hydrogen, E-mobility and distributed infrastructure as a service, providing new market opportunities.</p> <p>The current global energy market environment may impact the supply and cost of energy to our customers, and this could have an adverse impact on our reputation with customers and the community.</p> <p>Any change in demand for energy could impact Origin's revenues and future financial performance.</p>	<ul style="list-style-type: none"> • Our strategy of increasing our supply of renewables and investing in new technology and products, such as storage, the virtual power plant and low carbon customer solutions, supports Origin's ability to meet future increases in energy demand. • Origin uses the flexibility in its gas supply and peaking generation capacity, as well as the flexibility of Eraring Power Station, to manage the intermittency of renewables. • Origin is partially mitigating the impact of this risk by developing data-based customer propositions and better predicting customer demand through our AI orchestration platform, which connects and controls distributed assets and IoT devices, and by applying advanced data analytics capability.
Regulatory and government	<p>Origin has broad exposure to regulatory policy change and other government interventions. Changes to policy and other government interventions can impact financial outcomes and, in some cases, change the commercial viability of existing or proposed projects or operations. Specific areas subject to review and development include government subsidies for building new generation or transmission capacity, government direct investment in generation, constraints upon plant closure, energy market design, domestic and international climate change policies, domestic gas market interventions, wholesale and retail price, consumer protection regulation, and royalties and taxation policy.</p>	<ul style="list-style-type: none"> • Origin contributes to the policy process with federal, state and territory governments by actively participating in public policy debate, proactively engaging with policy makers and participating in public forums, industry associations, think tanks and research. • Origin advocates directly with key members of governments, opposition parties and bureaucrats to achieve sound policy outcomes aligned with our Purpose and commercial objectives. Origin also makes formal submissions to relevant government policy inquiries. • Origin actively and publicly promotes the customer and economic benefits that flow from our activities in deregulated energy markets.

Climate risks

Climate change risk is considered a strategic risk for Origin. Under the Task Force on Climate-related Financial Disclosures (TCFD) framework, Origin’s climate-related risks can be classified as transitional or physical. Many of Origin’s climate-related risks are managed within our existing risks and the table below provides a summary of our climate-related risks under the TCFD’s categories.

TCFD Risk Type	Consequences	Management
Transition Risks		
Policy and Legal Risk time horizon: Short – Medium	<p>Changes to government policy and regulation in relation to, and resulting from, climate change may present risks and opportunities for Origin, including:</p> <ul style="list-style-type: none"> regulatory intervention in the national electricity and gas markets; carbon pricing (including carbon markets, border adjustment and taxes); the emergence of new climate-related legislation or reporting requirements; government investment in energy infrastructure and generation including partnerships; government grants and subsidies to innovate and incentivise market development; and development approvals and planning and zoning laws. <p>These changes may impact Origin's asset values, operating costs, or investment decisions.</p> <p>There is an increased risk of climate change-related litigation globally and in Australia. Any litigation would incur legal costs and potential fines, compensation payments or settlement costs and may directly or indirectly influence future operational strategy.</p>	<ul style="list-style-type: none"> Origin has committed to updating its emissions reduction targets to be consistent with a 1.5°C pathway. Origin continues to advocate for coordinated and long-term energy policy at the national level to give industry the confidence to invest in new electricity generation and gas supply. Origin engages proactively with all levels of government and regulatory bodies on energy and climate policy, including through policy submissions, participating in think tanks, research and various industry associations. This consultation helps to support government responses in a rapidly evolving landscape. Climate-related commitments and disclosures are regularly reviewed and updated to take into consideration up to date science, regulatory requirements and stakeholder expectations. Scenario based planning and portfolio assessment is carried out.
Technology Risk time horizon: Short – Long	<p>The development of new technologies may be required to assist Origin to meet its medium to long-term decarbonisation targets, however there is uncertainty regarding the efficacy, timing, and cost of available technologies.</p> <p>The growth of low emissions technologies, distributed generation, and demand management enabled by technologies could result in lower demand (and revenue) for existing products however these also present new market opportunities and revenue streams.</p>	<ul style="list-style-type: none"> Origin participates in local and global start-up accelerator programs, trialling new energy technology and exploring investments in new products or business models. Origin is growing its offerings in emerging technologies and markets. More details are in the <i>‘Technological developments / disruption’</i> strategic risk above.
Market Risk time horizon: Short - Medium	<p>The energy transition represents a period of significant change and volatility which presents both risks and opportunities for Origin. The ongoing decarbonisation of energy markets and lower demand for fossil fuels in some markets could result in:</p> <ul style="list-style-type: none"> the reduced lifespan of existing carbon-intensive assets and potential for stranded assets; the continued electrification of some sectors that currently depend on fossil fuels, with potential to increase overall demand for electricity; a change in the competitive landscape and the development of new markets and business models that Origin can participate in, as cleaner fuels, renewables, storage, and distributed generation markets evolve; and energy market price volatility, as both the volume and source of energy supply and demand shift. <p>Origin's response to these market changes may have a positive or negative influence on our future financial prospects including our earnings, asset values, and investments.</p> <p>Origin's financial performance during the energy transition will also be influenced by the timely and affordable access to:</p> <ul style="list-style-type: none"> capital to support our strategy and growth aspirations; land and infrastructure, including the necessary network transmission capacity to enable investment in renewables and other third-party infrastructure; and the necessary inputs (including skills, commodities, and other supplies) in an ethical manner to develop renewable and cleaner energy assets. 	<ul style="list-style-type: none"> Our aim is to transition through cleaner energy and customer solutions. Origin is focused on growing our offering of low carbon solutions, including solar and batteries, electric vehicles and demand management, that help our customers decarbonise. We are also accelerating growth in renewables and cleaner energy, by aiming to grow our portfolio of renewables and storage and exploring both domestic and export market opportunities for renewable hydrogen and ammonia. All major Origin capital expenditure and investment decisions are tested against a range of climate-related scenarios and incorporate a price on carbon. Climate change scenario analysis plays a role in our assessment of the assets we should hold, invest in, dispose of and acquire. Origin aims to deploy capital in areas that deliver value to shareholders and are consistent with our strategy, targets and ambition. Origin is investing in new technology to support our ability to manage the supply / demand balance in the electricity market. This includes scaling an artificial intelligence orchestration platform, or VPP, which connects, and controls distributed assets and IoT devices, and applying advanced data analytics capability to smart meter data to better predict customer demand and develop data-based customer propositions. The VPP provides Origin with an important tool to manage the supply/demand balance in the electricity market.

TCFD Risk Type	Consequences	Management
Transition Risks		
Reputation Risk time horizon: Short	<p>Our decarbonisation targets and climate change strategy may fail to meet stakeholder expectations. This includes the timing and alignment of our portfolio decisions, particularly in relation to the role of gas as a transition fuel, and how we set, measure and report on climate change targets. This could result in:</p> <ul style="list-style-type: none"> increased cost of, or restricted access to, debt and equity capital and insurance; adverse impacts to our social licence to operate, and our reputation among communities and with our customers; and challenges attracting and retaining talent. 	<ul style="list-style-type: none"> Origin has committed to updating its medium-term emissions reductions target consistent with a 1.5°C pathway. We also have a short-term emissions reduction pathway linked to executive remuneration, and aim to be net zero by 2050. This will contribute to Origin's reputation as being responsive to climate change risks. Origin has been using the TCFD as the framework for our external climate disclosures since 2018, and in 2022 will publish a Climate Transition Action Plan (CTAP) that will be put to a non-binding, advisory shareholder vote at the 2022 Annual General Meeting. The CTAP will include Origin's updated emissions reduction targets and ambitions. Origin proactively engages with our capital providers and other financial stakeholders to ensure they are well informed of our climate change strategy, commitments and targets. Origin engages with communities to understand, mitigate, and report on environmental risks associated with its projects and operations, including relating to climate change.
Physical Risks		
Chronic Risk time horizon: Short – Long	<p>Changing weather patterns may influence the demand for energy, which could impact Origin's revenues and future financial performance.</p>	<ul style="list-style-type: none"> Origin is applying advanced data analytics capability to better predict customer demand and increasing our supply of renewables and flexible capacity to meet changes in demand. More details are in the 'Changes in demand for energy' strategic risk above.
Acute Risk time horizon: Short – Long	<p>Changing and more frequent and severe weather conditions, including floods, droughts, bushfires, and extreme temperature events could disrupt our operations or impact the efficacy of our assets, leading to increased operating costs, increased maintenance and capital expenditure, and higher insurance costs or restrictions on the ability access insurance.</p>	<ul style="list-style-type: none"> Origin has extreme weather event preparation processes including comprehensive seasonal readiness activities and emergency response plans. Our operational planning and design processes incorporate extreme weather events, while investment decisions for major growth projects. incorporate potential financial losses from natural disasters.

Time horizons: Short-term: up to three years; Medium-term: three to 10 years; Long-term: beyond 10 years

Financial risks

Financial risks are the risks that directly impact the financial performance and resilience of Origin.

Risk	Consequences	Management
Commodity	<p>Origin has a long-term exposure to international oil, LNG and gas prices through the sale and purchase of domestic gas, LNG and LPG, and its investment in APLNG. Pricing can be volatile and downward price movements can impact cash flow, financial performance, reserves and asset carrying values. Some of Origin's long-term domestic gas purchase agreements and APLNG's LNG sale agreements contain periodic price reviews. Following each review, pricing may be adjusted upwards or downwards, or it may remain unchanged.</p> <p>Prices and volumes for electricity that Origin sources to on-sell to customers are volatile and are influenced by many factors that are difficult to predict. Fluctuations in coal and gas prices also impact the margins of Origin's generation portfolio. Energy Markets also has exposures to contracted volumes of coal not being delivered which could result in lower output or higher costs to meet customer demand.</p> <p>Different commodity prices that have historically moved in a correlated fashion may see that correlation break down. It would disadvantage Origin if the domestic wholesale energy costs incurred by Energy Markets were high, but the international oil and LNG prices obtained by APLNG were low.</p>	<ul style="list-style-type: none"> Commodity exposure limits are set by the Board to manage the overall financial exposure that Origin is prepared to take. Origin's commodity risk management process monitors and reports performance against defined limits. Commodity price risk is managed through a combination of physical positions and derivatives contracts. For each periodic price and supply review, a negotiation strategy is developed, which takes into account external market advice and utilises both external and in-house expertise.
Foreign exchange and interest rates	<p>Origin has exposures through principal debt and interest payments associated with foreign currency and Australian dollar borrowings, through the sale and purchase of gas, LNG and LPG, and through its investments in APLNG and Octopus. Interest rate and foreign exchange movements could lead to a decrease in revenues or increased payments in Australian dollar terms.</p>	<ul style="list-style-type: none"> Risk limits are set by the Board to manage the overall exposure. Origin's treasury risk management process monitors and reports performance against defined limits. Foreign exchange and interest rate risks are managed through a combination of physical positions and derivatives.
Liquidity and access to capital markets	<p>Origin's business, prospects and financial flexibility could be adversely affected by a failure to appropriately manage its liquidity position, or if markets are not available at the time of any financing or refinancing requirement.</p>	<ul style="list-style-type: none"> Origin actively manages its liquidity position through cash flow forecasting and maintenance of minimum levels of liquidity as determined under Board approved limits.
Credit and counterparty	<p>Some counterparties may fail to fulfil their obligations (in whole or part) under major contracts.</p>	<ul style="list-style-type: none"> Counterparty risk assessments are regularly undertaken and where appropriate, credit support is obtained to manage counterparty risk. Australian Energy Market Operator (AEMO) credit is managed daily to ensure compliance with the market rules, ensuring management forecast the collateral required to continue to meet spot market obligations for all AEMO markets.

Operational risks

Operational risks arise from inadequate or failed internal processes, people or systems or from external events.

Risk	Consequences	Management
Safe and reliable operations	<p>Origin has exposure to reliability or major accident events that may impact our licence to operate or financial prospects. This includes loss of containment, cyber-attack and security incidents, unsafe operations, and natural hazards and events that may result in harm to our people, environmental damage, additional costs, production loss, third-party impacts, and impact to our reputation.</p> <p>A production outage or constraint, network or IT systems outage, would affect Origin's ability to deliver electricity and gas to its customers.</p> <p>A serious incident or a prolonged outage may also damage Origin's financial prospects and reputation.</p>	<ul style="list-style-type: none"> • Core operations are subject to a comprehensive framework of controls and operational performance monitoring to manage the design, operational and technical integrity of our assets and associated operational activities. Origin's standards and controls are designed to ensure it meets regulatory and industry standards in all operations. • Origin personnel are appropriately trained and licensed to perform their operational activities. • Origin maintains an extensive insurance program to mitigate consequences by partially transferring financial risk exposure to third parties where commercially appropriate.
Environmental and Social	<p>An environmental incident or Origin's failure to consider and adequately mitigate the environmental, social and socio-economic impacts on communities and the environment has the potential to cause environmental impact, community action, regulatory intervention, legal action, reduced access to resources and markets, impacts to Origin's licence to operate and reputation and increased operating costs.</p> <p>Community concerns regarding environmental and social impacts associated with our activities may also give rise to unrest amongst community stakeholder groups and activism which may impact the company's reputation. A third party's actions may also result in delay in Origin carrying out its approved development and operational activities. NGOs, landholders, community members and other affected parties can seek to prevent or delay Origin's activities through court litigation, preventing access to land and extending approval pathway time frames.</p>	<ul style="list-style-type: none"> • Origin engages with communities to understand, mitigate and report on environmental and social risks associated with its projects and operations. • At a minimum, the management of environmental and social risks meets regulatory requirements. Where practical, our management extends to the improvement of environmental values and the creation of socio-economic benefits. • Origin has a cultural awareness learning framework to build awareness of Aboriginal and Torres Strait Islander cultures, histories and achievements. Origin maintains and implements Native Title Agreements and Cultural Heritage Management Plans with Traditional Owners where appropriate. Engagement with impacted groups and consideration of cultural heritage protection is undertaken as part of ongoing operations and at project stage gates. • A dedicated Board Committee oversees safety and sustainability. The Committee receives regular reporting of the highest rated environmental risks and mitigants, and reviews significant incidents and near misses. The Committee also receives periodic updates on our engagement with Traditional Owners. • Origin engages with its stakeholders prior to seeking relevant approvals for its development and operational activities, and this engagement continues through the life of the project and during operations.
Cyber security	<p>A cyber security incident could lead to a breach of privacy, loss of and/or corruption of commercially sensitive data, and/or a disruption of critical business processes. This may adversely impact customers and the Company's business activities.</p>	<ul style="list-style-type: none"> • A cyber security strategy is in place and is regularly updated to cater for emerging threats, security regulation and stakeholder expectations. • A robust security monitoring and incident response process exists and is exercised on a regular basis. In the event of an incident, Origin is supported by an external incident response and forensics firm. • Origin undertakes regular independent security assurance to assess the resilience of our digital channels and internal security controls. • Employees undertake compulsory cyber awareness training, including how to identify phishing emails and keep data safe; and are subject to a regular program of random testing.

Risk	Consequences	Management
APLNG gas reserves, resources and deliverability	<p>There is uncertainty about the productivity, and therefore economic viability, of resources and developed and undeveloped reserves. As a result, there is a risk that actual production may vary from that estimated, and in the longer term, that there will be insufficient reserves to supply the full duration and volumes to meet contractual commitments.</p> <p>As at 30 June 2022 APLNG's identified reserves and resources are estimated to be greater than its contractual supply commitments on a volume basis. However, given the inherent uncertainty in forecasting future production rates, there is a risk that the rate of gas delivery required to meet APLNG's committed gas supply agreements may not be able to be met for the later years in the life of existing contracts.</p>	<ul style="list-style-type: none"> • APLNG integrates all available subsurface data to develop insights into regional prospectivity allowing identification and prioritisation of plays and prospects for exploration to mature contingent and prospective resources. • APLNG monitors reservoir performance and adjusts development plans accordingly. APLNG continually takes steps to further strengthen the supply base such as lowering costs and identifying new plays. • APLNG is progressing an exploration campaign that if successful, could increase long term supply. • APLNG continues to review business development opportunities for long term gas supply, and has the ability to substitute gas or LNG to meet contractual requirements if required.
Conduct	<p>Unlawful, unethical or inappropriate conduct that falls short of community expectations could result in penalties, reputational/brand damage, loss of customers and adverse financial impacts.</p> <p>Origin's financial prospects and operations are underpinned by our licence to operate which requires compliance with stakeholder commitments, regulations, and laws for example requirements for dealing with vulnerable customers, privacy, and insider trading.</p>	<ul style="list-style-type: none"> • Origin's people are trained on the laws and regulations that apply to their activities and operations or on the processes that underpin compliance with laws and regulations. • Origin's Purpose, Values, Behaviours and Code of Conduct guide conduct and decision making across Origin. • All Origin's people are trained in our Code of Conduct, and we conduct training for insider trading, privacy and competition and consumer law every year. • Conduct risk and Compliance are identified as material risks within Origin's risk management framework and are regularly reported to the Board Risk Committee. Controls specific to the different parts of Origin's business are the accountability of Business Units and are subject to assurance activities, including Internal Audit.
Joint venture	<p>Third party joint venture operators may have economic or other business interests that are inconsistent with Origin's own and may take actions contrary to the Company's objectives, interests or standards. This may lead to potential financial, reputational and environmental damage in the event of a serious incident.</p>	<ul style="list-style-type: none"> • Origin applies a number of governance and management standards across its various joint venture interests to provide a consistent approach to managing them. • Origin actively monitors and participates in its joint ventures through participation in their respective boards and governance committees.

8 APLNG reversion

In 2002, APLNG acquired various CSG interests from Tri-Star that are subject to reversionary rights and an ongoing royalty in favour of Tri-Star. If triggered, the reversionary rights require APLNG to transfer back to Tri-Star a 45 per cent interest in those CSG interests for no additional consideration. The reversion trigger will occur when the revenue from the sale of petroleum from those CSG interests, plus any other revenue derived from or in connection with those CSG interests, exceeds the aggregate of all expenditure relating to those CSG interests plus interest on that expenditure, royalty payments and the original acquisition price.

The affected CSG interests represent approximately 20 per cent of APLNG's 3P CSG reserves (as at 30 June 2022), and approximately 20 per cent of APLNG's 2P CSG reserves (as at 30 June 2022).

Tri-Star served proceedings on APLNG in 2015 ('reversion proceeding') claiming that reversion occurred as early as 1 November 2008 following ConocoPhillips' investment in APLNG, on the assertion that the equity subscription monies paid by ConocoPhillips, or a portion of them, were revenue for purposes of the reversion trigger. Tri-Star has also claimed in the alternative that reversion occurred in 2011 or 2012 following Sinopec's investment in APLNG. These claims are referred to in this document as Tri-Star's "past reversion" claims.

Tri-Star has made other claims in the reversion proceeding against APLNG relating to other aspects of the reversion trigger (including as to the calculation of interest, calculation of revenue and the nature and quantum of APLNG's expenditures that can be included), the calculation of the royalty payable by APLNG to Tri-Star, rights in respect of infrastructure, and claims relating to gas sold by APLNG following the alleged reversion dates. APLNG denies these claims and is defending the proceedings.

If Tri-Star's past reversion claims are successful, then Tri-Star may be entitled to an order that reversion occurred as early as 1 November 2008. If the court determines that reversion has occurred, then APLNG may no longer have access to the reserves and resources that are subject to Tri-Star's reversionary interests and may need to source alternative supplies of gas (including from third parties) to meet its contracted commitments. There are also likely to be a number of further complex issues that would need to be resolved as a consequence of any such finding in favour of Tri-Star. These matters will need to be determined by the court (either in the current or in separate proceedings) or by agreement between the parties, and they include:

- the terms under which some of the affected CSG interests will be operated where currently there are no joint operating agreements in place;
- the amount of Tri-Star's contribution to the costs incurred by APLNG in exploring and developing the affected CSG interests between the date of reversion and the date of judgment, which APLNG has stated in its defence and counter-claim are in the order of \$4.56 billion (as at 31 December 2019) if reversion occurred on 1 November 2008; and
- the consequences of APLNG having dealt with Tri-Star's reversionary interests between the date of reversion and the date of judgment, including the gas produced from them. Tri-Star has:
 - estimated the value of such gas which it has been unable to take since the alleged reversion, calculated by reference to the sale of gas as LNG and gas to domestic customers, to be approximately \$3.37 billion (as at 31 March 2019) and approximately \$1.3 billion per annum thereafter. In the alternative, Tri-Star claims that the value of such gas should be assessed by reference to the revenue derived by APLNG or its affiliates from LNG sales since the alleged reversion, being

approximately \$2.5 billion (as at March 2019), or \$2.4 billion (as at March 2019) if the proceeds from the sale of LNG is determined to be calculated net of liquefaction costs; and

- alleged that it should be paid the value of such gas or is otherwise entitled to set-off the value of such gas from any amount owing to APLNG arising from APLNG's counter-claim for contribution to the costs incurred by APLNG in exploring and developing the affected CSG interests between the date of reversion and the date of judgement; and
- if reversion occurred:
- the extent of the reversionary interests principally with respect to Tri-Star's ownership and/or rights to use or access certain project infrastructure; and
- the repayment by Tri-Star of the ongoing royalty which has been paid by APLNG since reversion, resulting from its mistake as to the occurrence of the reversion trigger.

If APLNG is successful in defending Tri-Star's past reversion claims in the reversion proceeding, the potential for reversion to otherwise occur in the future in accordance with the reversion trigger will remain.

In 2017, Tri-Star commenced separate proceedings against APLNG ('markets proceeding') which allege that APLNG breached three CSG joint operating agreements by failing to offer Tri-Star (and the other minority participants in those agreements) an opportunity to participate in the "markets" alleged to be constituted by certain of its LNG and domestic gas sales agreements, including the Sinopec and Kansai LNG sale agreements entered into by APLNG in 2011 and 2012. Tri-Star has alleged that it should have been offered participation in those sales agreements for its share of production from those three CSG joint ventures referable to both its small participating interests and its reversionary interests in those joint ventures.

In September 2019, Tri-Star made further claims in the markets proceeding relating to:

- the nature and scope of the obligations of APLNG as operator pursuant to the CSG joint operating agreements;
- Tri-Star's ownership and/or rights to use or access certain project infrastructure; and
- APLNG's entitlement as operator to charge (both historically and in the future) certain categories of costs under the relevant CSG joint operating agreements.

Tri-Star is seeking, amongst other things, damages and/or an order that APLNG offer Tri-Star (and the other minority participants in those CSG joint operating agreements) the opportunity to participate in those sales agreements for their proportionate share of production from those three CSG joint ventures. APLNG denies these claims and is defending these proceedings.

APLNG filed defences and counterclaims in both proceedings in April and May 2020. In December 2020, Tri-Star filed replies and answers in both proceedings. APLNG filed its rejoinders in the reversion proceeding and the markets proceeding in February and April 2021 respectively. APLNG filed a further amended defence and counterclaim in the reversion proceeding in December 2021.

In September 2021, Tri-Star filed and served an application in both proceedings for questions to be determined separately (or further or alternatively referred to a referee to conduct an inquiry into and prepare a report to the court on those questions). The questions proposed for separate determination in those applications include the issue of whether the 2008 ConocoPhillips subscription monies are revenue for the purposes of the calculation of the reversion trigger. APLNG opposed those applications. The applications were heard in April 2022 and judgement has been reserved. Origin expects that the court will wait for the applications to be finally

determined before making further orders for the conduct of the two proceedings (which Origin expects will continue to be managed in parallel).

The necessary steps to prepare for a trial (whether as to all disputed issues or discrete questions) usually include document disclosure, evidence preparation and exchange and pre-trial mediation. The process that will ultimately be followed (and the procedural timetable) is difficult to predict at this stage.

If APLNG is not successful in defending all or some of the claims being made in the proceedings by Tri-Star, APLNG's financial performance may be materially adversely impacted and the amount and timing of cash flows from APLNG to its shareholders, including Origin, may be significantly affected.

9 Important information

Forward looking statements

This Operating and Financial Review (OFR) contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events and future financial prospects. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements, and the outcomes are not all within the control of Origin. Statements about past performance are not necessarily indicative of future performance.

Neither the Company nor any of its subsidiaries, affiliates and associated companies (or any of their respective officers, employees or agents) (the 'Relevant Persons') makes any representation, assurance or guarantee as to the accuracy, completeness or likelihood of fulfilment of any forward looking statement any assumption on which a forward looking statement is based. The forward looking statements in this OFR reflect views held only at the date of this report and except as required by applicable law, the Relevant Persons disclaim any obligation or undertaking to publicly update any forward looking statements whether as a result of new information or future events.

Information on likely developments in the Company's business strategies, prospects and operations for future financial years and the expected results that could result in unreasonable prejudice to the Company (for example, information that is commercially sensitive, confidential or could give a third party a commercial advantage) has not been included in this OFR. The categories of information omitted include forward-looking estimates and projections prepared for internal management purposes, information regarding the Company's operations and projects, which are developing and susceptible to change, and information relating to commercial contracts.

Non-IFRS financial measures

This OFR and Directors' Report refers to Origin's financial results, including Origin's Statutory Profit and Underlying Profit. Origin's Statutory Profit contains a number of items that when excluded provide a different perspective on the financial and operational performance of the business. Income Statement amounts, presented on an underlying basis such as Underlying Profit, are non-IFRS financial measures, and exclude the impact of these items consistent with the manner in which senior management reviews the financial and operating performance of the business.

Each underlying measure disclosed has been adjusted to remove the impact of these items on a consistent basis. A reconciliation and description of the items that contribute to the difference between Statutory Profit and Underlying Profit is provided in Section 5.1 of this OFR.

Certain other non-IFRS financial measures are also included in this OFR. These non-IFRS financial measures are used internally by management to assess the performance of Origin's business and make decisions on allocation of resources. Further information regarding the non-IFRS financial measures is included in the Glossary of this OFR. Non-IFRS financial measures have not been subject to audit or review. Certain comparative amounts from the prior corresponding period have been re-presented to conform to the current period's presentation.

Emissions data

Origin reports its Scope 1 and Scope 2 emissions under the National Greenhouse and Energy Reporting Act, 2007 (NGER)²⁰. Origin calculates Scope 3 emissions based on the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard²¹ and Scope 3 guidance documents²².

Due to the inherent uncertainty and limitations in measuring emissions under the calculation methodologies used in the preparation of such data, all emissions data or references to emissions volumes (including ratios or percentages) in this presentation are estimates. Where data is not available due to timing, Origin applies a reasonable estimation methodology. Where applicable, Origin revises prior year data to update prior estimates and align with external reporting requirements such as NGER.

²⁰ National Greenhouse and Energy Reporting NGER (cleanenergyregulator.gov.au)

²¹ Corporate Value Chain (Scope 3) Standard | Greenhouse Gas Protocol (ghgprotocol.org)

²² Scope 3 Calculation Guidance | Greenhouse Gas Protocol (ghgprotocol.org)

Appendix

1 Deferred Tax Liability - investment in APLNG

During the year the MRCPS were fully redeemed, with \$433 million being received by way of unfranked dividends. The ordinary dividends will be unfranked until APLNG starts paying income tax, which is expected to occur in the next few years. An income tax expense of \$130 million was recognised during the year in respect of these unfranked dividends distributed out of APLNG's current year earnings.

There is an unrecognised deferred tax liability in respect of our investment in APLNG because the accounting cost base of the investment is higher than the tax cost base. The accounting carrying value has been augmented, primarily as a result of our equity accounted share of retained profits to date, while the tax cost base reflects only the cash outlay.

Consistent with accounting standards, the deferred tax liability has not been recognised historically because

1. Origin is able to control the timing of distributions from APLNG which would reverse the temporary difference; and
2. it has not been probable that the temporary difference will reverse in the foreseeable future via dividends paid from current retained earnings, capital returns or a disposal.

As it had become probable in FY2021 that APLNG would begin to distribute cash to shareholders via dividends in the coming years, Origin recognised a deferred tax liability of \$669 million. During the period, the recognised deferred tax liability was reduced by \$178 million, reflecting the deferred tax liability associated with the 10 per cent share of APLNG divested, and an additional amount of \$217 million was recognised, reflecting improved outlook for distributable cash flows from APLNG. This has resulted in a net tax expense and a net increase in the recognised deferred tax liability of \$39 million.

As at 30 June 2022 we have a deferred tax liability on the balance sheet of \$708 million, representing 30 per cent of the dividends expected to be paid by APLNG in the foreseeable future from the carried forward equity accounted earnings based on current market assumptions, including future oil prices, at our residual interest of 27.5 per cent.

Recognition of the deferred tax liability only impacts the timing of accounting for the tax expense and has no impact on the underlying economics or cash flows. There is a remaining unrecognised deferred tax liability at 30 June 2022 of \$685 million which may be partly or fully recognised in the future.

Going forward, when Origin receives unfranked dividends from APLNG, the proportion paid from earnings in that year will give rise to a tax expense, and the balance attributable to carried forward equity accounted earnings will result in partial utilisation of the deferred tax liability.

2 Accounting for large-scale generation certificate trading strategy

Supply and demand for large-scale generation certificates (LGCs) is driven by the rate of new renewable projects coming online, voluntary demand for carbon offsets as well as the compliance obligations under the Large-scale Renewable Energy Target (LRET). Renewable project delays and generation curtailments have led to a near-term tightening of the LGC market. However, it is expected that the 33 TWh legislated target will be exceeded and longer term the market will be oversupplied. The Clean Energy Regulator has acknowledged this and provides the option for parties to shift demand from periods of tight supply by deferring the surrender of certificates to later years. Under the scheme, parties can defer up to 10 per cent of their obligation at no additional cost and can defer more than 10 per cent by incurring a shortfall charge of \$65 per certificate that is refundable provided the LGCs are surrendered within three years. Refunds are now non-assessable for tax following legislative change and aligns with the non-deductible treatment of the shortfall charge.

This presents an economic opportunity with the LGC forward curve in backwardation and Origin has elected to defer surrender of 2.5 million CY2020 certificates in February 2021 and 3.6 million CY2021 certificates in February 2022. Origin also expects to defer approximately 2.8 million CY2022 certificates due for surrender in February 2023.

FY2022 impact

During FY2022, a shortfall charge of \$236 million was paid in relation to CY2021 certificates of which \$102 million was accrued in FY2021, and a further \$92 million was accrued in relation to the first half of CY2022. Included in the FY2022 Underlying Profit is a cost of \$74 million, reflecting the estimated future surrender cost, based on a weighted average of the current forward price and purchases to date, comprising:

- 1.6 million CY2021 certificates recorded in FY2021 repriced from \$12 to \$20;
- 2 million CY2021 certificates at \$20/certificate; and
- ~ 1.4 million CY2022 certificates at \$14/certificate (estimate for the first half of CY2022).

The balance of \$151 million is excluded from Underlying Profit.

FY2023 impact

Subject to changes in volume and forward price estimates, we expect to incur a further \$92 million for the shortfall charge for the second half of CY2021. A cost of \$20 million will be recognised in FY2023 Underlying Profit and the balance of \$72 million will be excluded from Underlying Profit.

Future surrender cost will continue to be reassessed each reporting period.

	Statutory Profit (\$m)	Adjustment (\$m)	Underlying Profit (\$m)
CY2020 and CY2021 certificates shortfall			
Shortfall charge (~4.1 million certificates x \$65; \$160 million paid and \$102 million accrued)	(262)	262	-
Expected surrender cost (~2.5 million CY2020 certificates x \$19)	-	(46)	(46)
Expected surrender cost (~1.6 million CY2021 certificates x \$12)	-	(18)	(18)
FY2021 impact	(262)	198	(64)
Reassessment of FY2021 impact, remaining CY2021 certificates shortfall and CY2022 certificates shortfall			
Shortfall charge accrued (~3.5 million certificates x \$65; \$236 million paid and \$92 million accrued)	(225)	225	-
Reassessment of CY2021 shortfall recorded in FY2021 (~1.6 million certificates x \$8)		(13)	(13)
Expected surrender cost (~2 million CY2021 certificates x \$20)		(41)	(41)
Expected surrender cost (~1.4 million CY2022 certificates x \$14)	-	(20)	(20)
FY2022 impact	(225)	151	(74)
Remaining CY2022 certificates shortfall			
Shortfall charge accrued (~1.4 million certificates x \$65)	(92)	92	-
Expected surrender cost (~1.4 million certificates x \$14)		(20)	(20)
FY2023 impact	(92)	72	(20)
CY2020 certificates surrender			
Surrender (~2.5 million certificates x \$19)	(46)	46	-
Shortfall refund (~2.5 million certificates x \$65)	160	(160)	-
FY2024 impact	114	(114)	-
CY2021 certificates surrender			
Surrender (~3.6 million certificates x \$20)	(72)	72	-
Shortfall refund (~3.6 million certificates x \$65)	235	(235)	-
FY2025 impact	163	(163)	-
CY2022 certificates surrender			
Surrender (~2.8 million certificates x \$14)	(40)	40	-
Shortfall refund (~2.8 million certificates x \$65)	184	(184)	-
FY2026 impact	144	(144)	-
Total cost of ~8.9 million certificates	(158)	-	(158)

Directors' Report

For the year ended 30 June 2022



In accordance with the *Corporations Act 2001* (Cth), the Directors of Origin Energy Limited (Company) report on the Company and the consolidated entity Origin Energy Group (Origin), being the Company and its controlled entities for the year ended 30 June 2022.

The Operating and Financial Review and Remuneration Report form part of this Directors' Report.

1 Principal activities, review of operations and significant change in state of affairs

During the year, the principal activity of Origin was the operation of energy businesses including exploration and production of natural gas, electricity generation, wholesale and retail sale of electricity and gas, and sale of liquefied natural gas. There have been no significant changes in the nature of those activities during the year and no significant changes in the state of affairs of the Company during the year.

The Operating and Financial Review, which forms part of this Directors' Report, contains a review of operations during the year and the results of those operations, the financial position of Origin, its business strategies, and prospects for future financial years, including likely developments in Origin's operations in future financial years and the expected results of those operations.

2 Events subsequent to balance date

Other than the matters described below, no matters or circumstances have arisen since 30 June 2022, which have significantly affected, or may significantly affect, the Company's operations, the results of those operations or the Company's state of affairs in future financial years.

On 26 July 2022 Origin announced an additional investment of £94 million (approximately A\$163 million) in Octopus Energy Group Limited to maintain its 20 per cent equity interest.

On 18 August 2022, the Directors determined a final dividend of 16.5 cents per share, partially franked to 75 per cent, on ordinary shares. The dividend will be paid on 30 September 2022.

3 Dividends

a. Dividends paid during the year by the Company were as follows:

	\$ million
7.5 cents per ordinary share, unfranked, for the full year ended 30 June 2021, paid 1 October 2021	132
12.5 cents per ordinary share, unfranked, for the half year ended 31 December 2021, paid 25 March 2022	220

b. In respect of the current financial year, the Directors have determined a final dividend as follows:

	\$ million
16.5 cents per ordinary share, partially franked to 75 per cent, for the full year ended 30 June 2022 payable 30 September 2022	284

The Dividend Reinvestment Plan (DRP) will not operate for the FY2022 final dividend.

4 Directors and Company Secretary

The Directors of the Company at any time during or since the end of the financial year, their qualifications, experience and special responsibilities are set out on pages 6 and 7. The qualifications and experience of the Company Secretary is also set out below:

Scott Perkins
Independent Non-executive Chairman

Frank Calabria
Managing Director and Chief Executive Officer

John Akehurst
(retired 20 October 2021)
Independent Non-executive Director

Ilana Atlas
Independent Non-executive Director

Maxine Brenner
Independent Non-executive Director

Greg Lalicker
Independent Non-executive Director

Mick McCormack
Independent Non-executive Director

Bruce Morgan
Independent Non-executive Director

Steven Sargent
Independent Non-executive Director

Nora Scheinkestel
(appointed 4 March 2022)
Independent Non-executive Director

Joan Withers
Independent Non-executive Director

Helen Hardy
Company Secretary

Helen Hardy joined Origin in March 2010. She was previously General Manager, Company Secretariat of a large ASX-listed company, and has advised on governance, financial reporting and corporate law at PwC and Freehills. Helen is a Chartered Accountant, Chartered Secretary and a Graduate Member of the Australian Institute of Company Directors. Helen is a director of the Governance Institute of Australia and a member of its Legislative Review Committee. She holds a Bachelor of Laws and a Bachelor of Commerce from the University of Melbourne, a Graduate Diploma in Applied Corporate Governance and is admitted to legal practice in New South Wales and Victoria.

5 Directors' meetings

The number of Directors' meetings, including Board committee meetings, and the number of meetings attended by each Director during the financial year, are shown in the table below:

Directors	Scheduled		Additional		Audit		Safety & Sustainability		Nomination		Remuneration, People & Culture		Risk	
	H ¹	A ²	H ¹	A ²	H ¹	A ²	H ¹	A ²	H ¹	A ²	H ¹	A ²	H ¹	A ²
J Akehurst ³	3	3	1	1	-	-	1	1	1	1	-	-	2	2
I Atlas	8	8	5	5	-	-	-	-	-	-	3	3	2	2
M Brenner	8	8	5	5	4	4	3	3	3	3	2	2	5	5
F Calabria	8	8	5	5	-	-	4	4	-	-	-	-	-	-
G Lalicker	8	8	5	5	-	-	3	3	-	-	2	2	-	-
B Morgan	8	8	5	5	4	4	1	1	3	3	-	-	5	5
M McCormack	8	8	5	5	4	4	4	4	-	-	5	5	-	-
S Perkins	8	8	5	5	4	4	4	4	3	3	5	5	5	5
S Sargent	8	8	5	5	-	-	4	4	3	3	5	5	5	5
N Scheinkestel ⁴	3	2	2	2	1	1	-	-	1	1	-	-	2	2
J Withers	8	8	5	4	4	4	-	-	2	2	-	-	5	5

1 Number of meetings held during the time that the Director held office or was a member of the Committee during the year.

2 Number of meetings attended.

3 Prior to the date of retirement on 20 October 2021.

4 From the date of appointment on 4 March 2022.

The Board held eight scheduled meetings, including an annual strategic review and five additional meetings to deal with urgent matters. There were also two scheduled workshops. In addition, the Board conducted in-person and virtual visits of Company operations at various sites and met with operational management during the year.

6 Directors' interests in shares, Options and Rights

The relevant interests of each Director as at 30 June 2022 in the shares and Options or Rights over such instruments issued by the companies within the consolidated entity and other related bodies corporate at the date of this report are as follows:

Director	Ordinary shares held directly and indirectly	Restricted shares	Options over ordinary shares	Performance Share Rights (PSR) over ordinary shares	Restricted Share Rights (RSR) over ordinary shares
I Atlas	50,000	-	-	-	-
M Brenner	28,367	-	-	-	-
F Calabria	595,361	444,281	401,288 ¹	872,147 ¹	419,403 ¹
G Lalicker	100,000	-	-	-	-
B Morgan	47,143	-	-	-	-
M McCormack	100,000	-	-	-	-
S Perkins	80,000	-	-	-	-
S Sargent	41,429	-	-	-	-
N Scheinkestel	33,365	-	-	-	-
J Withers	26,000	-	-	-	-

1 The Exercise price for Options is \$7.37 and the Exercise price for Rights is Nil.

No Director other than the Managing Director and Chief Executive Officer participates in the Company's Equity Incentive Plan.

Securities granted by Origin

Non-executive Directors do not receive Options or Rights as part of their remuneration. Non-executive Directors are eligible to participate in the Non-executive Director Share Plan (NEDSP). During the year, one Non-executive Director elected to participate in the NEDSP, however the first allocation of Rights is not expected until FY23.

The following securities were granted to the five most highly remunerated officers (other than Directors) of the Company during the year ended 30 June 2022:

	Restricted Shares	Performance Share Rights	Restricted Share Rights	Matching Share Plan Rights ¹
J Briskin	93,252	77,331	77,331	443
G Jarvis	73,170	79,049	79,050	443
A Lucas	46,858	63,067	63,069	-
A Thornton	22,713	24,794	24,792	443
L Tremaine	104,872	87,385	87,384	443

¹ Matching Share Plan Rights were granted in accordance with the Origin Employee Share Plan rules and disclosed to the ASX at the time of grant. The Employee Share Plan is available to all eligible Origin employees. Refer to Section 3.8 of the Remuneration Report for further details.

The awards of Restricted Shares, Performance Share Rights, and Restricted Share Rights were made in accordance with the Company's Equity Incentive Plan as part of the relevant Executive's remuneration. Further details on Rights granted during the financial year, and unissued shares under Options and Rights, are included in Section 7 of the Remuneration Report.

No Options or Rights were granted since the end of the financial year.

Origin shares issued on the exercise of Options and Rights

Options

No Options granted under the Equity Incentive Plan were exercised during or since the year ended 30 June 2022, so no ordinary shares in Origin were issued as a result.

Rights

662,907 ordinary shares of Origin were allocated from the Origin Energy Limited Employee Share Trust during the year ended 30 June 2022 on the vesting and exercise of RSRs and PSRs under the Equity Incentive Plan and Matching Share Plan Rights granted under the Employee Share Plan. No amounts were payable on the vesting of these RSRs, PSRs and Matching Share Plan Rights and, accordingly, no amounts remain unpaid in respect of any of those shares.

Since 30 June 2022, 1,145 ordinary shares were allocated from the Origin Energy Limited Employee Share Trust on the vesting of Matching Share Plan Rights granted under the Employee Share Plan.

All shares in the Origin Energy Limited Employee Share Trust were purchased on market.

7 Environmental regulation and performance

The Company's operations are subject to environmental regulation under Commonwealth, State, and Territory legislation. For the year ended 30 June 2022, the Company notified 17 environmental reportable incidents to the relevant regulators (Integrated Gas: 10 and Energy Supply and Operations: 7). All of these incidents resulted in minor environmental consequences with the appropriate level of investigation undertaken. All incidents are investigated, and lessons learned captured and shared across the Company.

During the year ended 30 June 2022, Integrated Gas received one Environmental Protection Order, one penalty infringement notice, two breach notices, and nine formal warning letters from the Department of Environmental Science in Queensland.

8 Indemnities and insurance for Directors and Officers

Under its Constitution, the Company may indemnify current and past Directors and Officers for losses or liabilities incurred by them as a Director or Officer of the Company or its related bodies corporate to the extent allowed under law. The Constitution also permits the Company to purchase and maintain a Directors' and Officers' insurance policy. No indemnity has been granted to an auditor of the Company in their capacity as auditor of the Company.

The Company has entered into agreements with current Directors and certain former Directors whereby it will indemnify those Directors from all losses or liabilities in accordance with the terms of, and subject to the limits set by, the Constitution.

The agreements stipulate that the Company will meet the full amount of any such liability, including costs and expenses to the extent allowed under law. The Company is not aware of any liability having arisen, and no claim has been made against the Company during or since the year ended 30 June 2022 under these agreements.

During the year, the Company has paid insurance premiums in respect of Directors' and Officers' liability, and legal expense insurance contracts for the year ended 30 June 2022.

The insurance contracts insure against certain liability (subject to exclusions) of persons who are or have been Directors or Officers of the Company and its controlled entities. A condition of the contracts is that the nature of the liability indemnified and the premium payable not be disclosed.

9 Auditor independence

There is no former partner or director of EY, the Company's auditors, who is or was at any time during the year ended 30 June 2022 an officer of the Origin Energy Group. The auditor's independence declaration for the financial year (made under section 307C of the *Corporations Act 2001* (Cth)) is attached to and forms part of this Report.

10 Non-audit services

The amounts paid or payable to EY for non-audit services provided during the year was \$879,000 (shown to the nearest thousand dollars). Amounts paid to EY are included in note G7 to the full financial statements.

Based on written advice received from the Audit Committee Chairman pursuant to a resolution passed by the Audit Committee, the Board has formed the view that the provision of those non-audit services by EY is compatible with, and did not compromise, the general standards of independence for auditors imposed by the *Corporations Act 2001* (Cth). The Board's reasons for concluding that the non-audit services provided by EY did not compromise its independence are:

- all non-audit services provided were subjected to the Company's corporate governance procedures and were either below the pre-approved limits imposed by the Audit Committee or separately approved by the Audit Committee;
- all non-audit services provided did not, and do not, undermine the general principles relating to auditor independence as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards; and
- there were no known conflict of interest situations nor any other circumstance arising out of a relationship between Origin (including its Directors and Officers) and EY which may impact on auditor independence.

11 Proceedings on behalf of the Company

The Company is not aware of any proceedings being brought on behalf of the Company, nor any applications having been made in respect of the Company under section 237 of the *Corporations Act 2001* (Cth).

12 Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191 dated 24 March 2016 and, in accordance with that class order, amounts in the financial report and Directors' Report have been rounded off to the nearest million dollars unless otherwise stated.

13 Remuneration

The Remuneration Report forms part of this Directors' Report.

Remuneration Report

For the year ended 30 June 2022



The Remuneration Report for the year ended 30 June 2022 (FY2022) forms part of the Directors' Report. It has been prepared in accordance with the *Corporations Act* 2001 (Cth) (the Act) and Accounting Standards, audited as required by section 308(3C) of the Act.

Letter from the Chairman of the Remuneration, People and Culture Committee

Dear Shareholder

On behalf of the Remuneration, People and Culture Committee (RPCC) and the Board, I am pleased to present the Remuneration Report for FY2022.

The Company has delivered solid results in another challenging year characterised by the extraordinary volatility of commodity prices and an uncertain regulatory environment. The higher earnings from Integrated Gas as Australia Pacific LNG (APLNG) benefited from strong commodity prices were offset by a decline in Energy Market earnings. These were associated, in part, with a decline in retail prices (Default Market Offers) set when wholesale prices were low during COVID-19 and the recent rise in fuel prices.

The remuneration framework and governance processes have again shown that remuneration outcomes align with business outcomes and the shareholder experience. The remuneration framework has effectively dealt with the combination of market volatility, uncertainty and operational challenges during the period.

FY2022 remuneration outcomes

Although the operating environment presented significant and varying challenges during the year, Origin's share price rose 27.1 per cent and recorded a Total Shareholder Return (TSR) of 32.4 per cent over the year, reflecting the resilience of our portfolio.

Key factors driving remuneration outcomes for FY2022 included:

- record-high revenue off the back of a strong rebound in commodity prices;
- superior field performance and disciplined cost management that has enabled the Integrated Gas business to leverage the buoyant commodity market;
- continuing progress on the transformation of the retail business, including the rollout of the Kraken technology platform and new operating model, to provide a superior customer experience at a lower cost (customer migration is on track for completion in mid FY2023);
- strong market support following our announcement of the proposed closure of Eraring and the proposed installation of a large-scale battery, reflecting our commitment to playing a leading role in Australia's energy transition. Constructive response has also been received from our employees and the local community in relation to our comprehensive plans for a just and effective transition;
- penalties of \$17 million in relation to regulatory compliance failures with the implementation of certain customer payment plans. Significant action has been taken since to remedy the problem. Our Power On program currently supports and protects around 47,000 customer accounts in financial hardship, and we are focused on supporting them effectively through rising costs of living and the impact of recent price increases;
- continuing strong performance of our strategic investment in Octopus Energy, now valued at more than £3 billion (GBP), and disciplined capital management including crystallisation of some of the value in APLNG on the sale of 10 per cent of our interest; additionally our acquisition of WINconnect, which adds further scale to the Community Energy Services business.

Management's efforts in achieving these strong financial and operating outcomes, while managing a diverse and complex business, have resulted in the following incentive outcomes for FY2022:

- the outcome for the CEO's Short Term Incentive (STI) scorecard was 74.6 per cent of maximum (124.6 per cent of target);
- other Executive Key Management Personnel (KMP) outcomes range between 69.3 and 80.4 per cent of maximum (115.8 to 134.3 per cent of target); and
- the aggregate outcome was 73.6 per cent of maximum (122.9 per cent of target).

Long Term Incentive (LTI) awards tested during the year partially vested (25.0 per cent). One half of the August–October 2018 LTI grants was subject to a relative TSR hurdle and failed to vest. The other half was subject to two separate Return on Capital Employed (ROCE) hurdles for the Integrated Gas and Energy Markets businesses respectively, both of which partially vested at threshold levels. The overall vesting level was 25.0 per cent.

LTI vesting outcomes for FY2023 will be determined at the end of August 2022. Indicatively the vesting outcome is expected to be around 16 per cent. Details of LTI outcomes are explained in more detail in Section 4.2.2.

FY2022 remuneration framework and levels

Fixed Remuneration and Non-executive Director fees

There were no changes to the level or structure of Non-executive Director (NED) fees in FY2022.

Following comprehensive benchmarking in line with our policy, the Fixed Remuneration (FR) of the CEO was increased by 2.7 per cent and the FR of other Executive KMP increased by an average of 2.3 per cent, in line with adjustments to the workforce more generally.

Short Term Incentive Plan

The architecture for the STI Plan (STIP) was refined for FY2022 to better reflect the Company's key performance criteria, resulting in 60 per cent being based on financial outcomes and the balance of 40 per cent based on the strategic priorities that build capability for Origin's future.

A key feature of the revised STIP design is that, while the scorecard outcomes are numerically determined on **output** measures and strategic priorities, the scorecard performance is also subject to review of **how** the results were achieved.

Long Term Incentive Plan

There is no change to the LTI Plan (LTIP) in FY2022. The architecture remains the same as that adopted in FY2020 and is fully described in Section 3.5.

FY2023 remuneration

Each year the RPCC considers the remuneration framework's continuing appropriateness in terms of the organisation's strategies and priorities. It also considers the framework's effectiveness and capacity to provide realisable remuneration that attracts and keeps the right people, drives their focus and rewards execution.

The RPCC concluded that the current framework and policy settings remain balanced and appropriate, and accordingly, no changes are planned for FY2023.

In terms of changes to the level of FR for FY2023, adjustments across the wider organisation are expected to average in the 3.5–4.0 per cent, reflecting prevailing market conditions, and movements for Executive KMP will be consistent with this.

Finally, there will be no changes to the structure or level of NED fees for FY2023.



Steven Sargent

Chairman, Remuneration, People and Culture Committee

Report structure

The Remuneration Report is divided into the following sections:

1. Key Management Personnel
2. Remuneration link with Company performance and strategy
3. Remuneration framework details
4. Company performance and remuneration outcomes
5. Governance
6. Non-executive Director fees
7. Statutory tables and disclosures

1 Key Management Personnel

The Remuneration Report discloses the remuneration arrangements and outcomes for people listed below: individuals who have been determined as KMP as defined by AASB 124 *Related Party Disclosures*. Members of the RPCC are identified in the last column.

	Name	Role	Appointed	Retired	Term as KMP in FY2022	RPCC	
Non-executive	Board	S Perkins	Chairman, Independent	20-Oct-20		Full	✓
		I Atlas	Independent	19-Feb-21		Full	✓
		M Brenner	Independent	15-Nov-13		Full	
		G Lalicker	Independent	1-Mar-19		Full	
		M McCormack	Independent	18-Dec-20		Full	✓
		B Morgan	Independent	16-Nov-12		Full	
		S Sargent	Independent	29-May-15		Full	Chair
		N Scheinkestel	Independent	4-Mar-22		Part	
		J Withers	Independent	21-Oct-20		Full	
		J Akehurst	Independent	29-Apr-09	20-Oct-21	Part	
Executive		F Calabria	Chief Executive Officer (CEO)	19-Oct-16		Full	
		L Tremaine	Chief Financial Officer (CFO)	10-Jul-17		Full	
		J Briskin	Executive General Manager, Retail	5-Dec-16		Full	
		G Jarvis	Executive General Manager, Energy Supply and Operations	5-Dec-16		Full	
		A Thornton	Executive General Manager, Integrated Gas	1-Nov-21		Part	

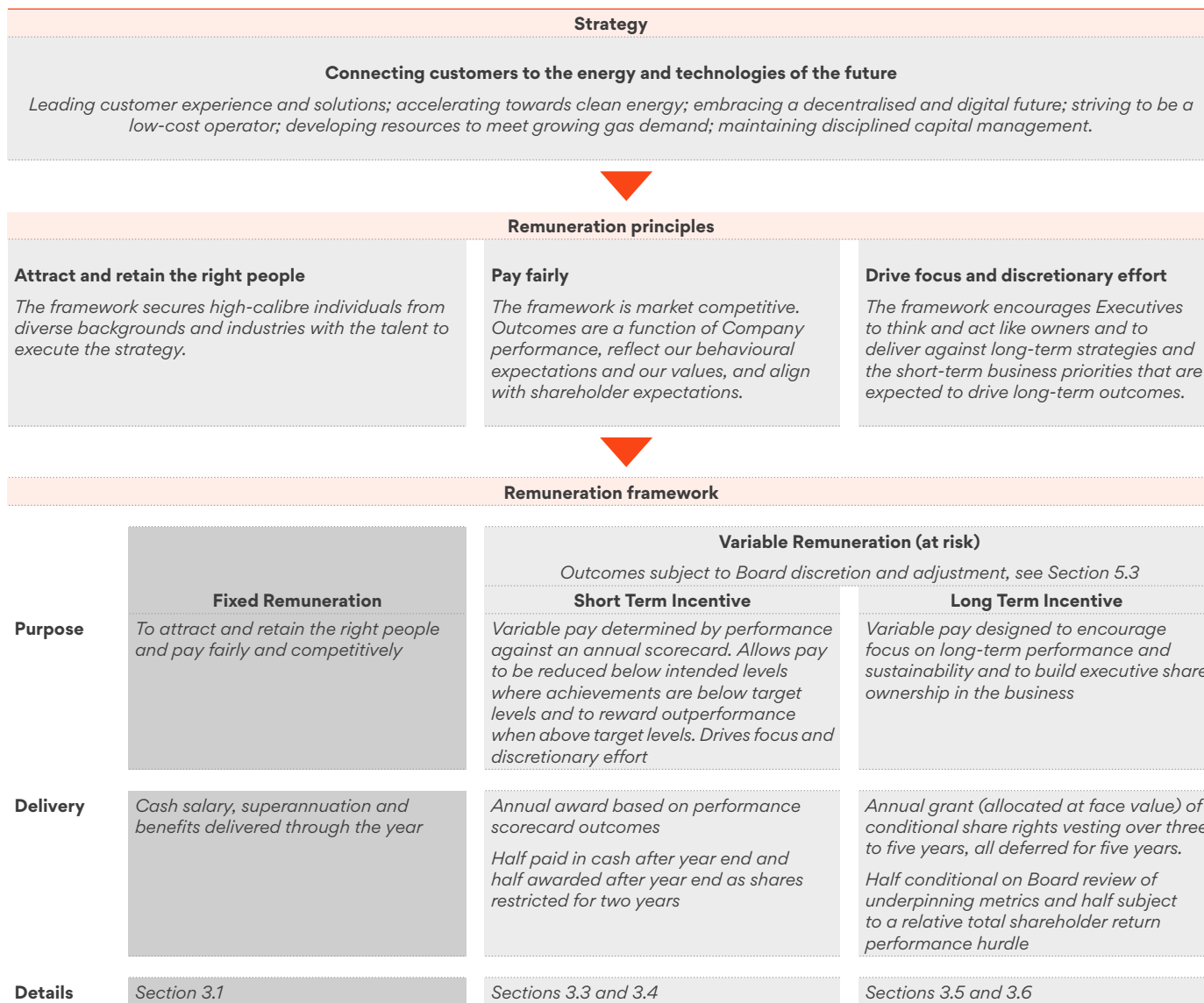
The term 'Other Executive KMP' (abbreviated as 'Other' in tables and charts) refers to Executive KMP excluding the CEO.

'Executive team' is a broader reference to the Executive Leadership Team (ELT).

2 Remuneration link with Company performance and strategy

2.1 Overview of remuneration framework

Our remuneration framework is designed to support the Company’s strategy and to reward our people for its successful execution. It is designed around three principles, summarised in the diagram below.



2.2 Board oversight

Remuneration outcomes are subject to Board oversight and strong governance controls as set out in Section 5.3. Origin believes that observance of our values and leadership behaviours and the quality of our relationships with our customers and the community are inextricably linked to the creation of shareholder value. Prior to making remuneration determinations, the full Board conducts formal reviews of management that incorporate individual performance, risk management and leadership behaviours. The Board may adjust variable outcomes up or down.

2.3 Minimum Shareholding Requirement for Executive KMP

A key objective of the remuneration framework is to promote employee share ownership and to encourage employees to think and act as owners. Equity is therefore a key element of remuneration, representing at least half of STI awards and the whole of LTI awards. This is supplemented by other share plan arrangements, including salary sacrifice, share purchase and matching plans (see Section 3.8).

Executive KMP are required to build and maintain a substantial shareholding in the Company (that is, the Minimum Shareholding Requirement (MSR)). Executives are not expected to purchase shares to meet the requirement. The MSR operates as an additional trading restriction which prevents the disposal of shares (other than to cover arising tax liabilities) that have been generated from executive share plans until the MSR has been achieved and maintained. The requirement will normally be achieved within four years of the first equity grant following appointment.

The MSR is referenced to one of two nominal multiples of FR, one for the CEO and one applicable to all Other Executive KMP. Following changes to the LTIP in August 2020, the reference multiples are scheduled to increase from 200 per cent of the FR to 250 per cent of the FR for the CEO and from 100 per cent to 150 per cent of the FR for Other Executive KMP, effective after August 2023, which is the earliest date from which the new plan can begin to impact vesting patterns.

For transparency, simplicity and practicability¹, the MSR is expressed as a number of shares rather than a dollar value. From time to time, the Board changes this number, which is determined by taking into account changes in FR, changes to STI deferral or LTI opportunity levels, and the medium-term share price trend. The current determinations of 620,000 shares (CEO) and 130,000 shares (Other Executive KMP) are scheduled to increase to 720,000 and 160,000, respectively, in FY2024.

Share rights awarded under incentive plans do not count towards the MSR obligation.

Table 7.4 (a) shows that the CEO and Executive KMP exceed both the current and FY2024 MSR requirements, with the exception of new appointee Andrew Thornton, whose accumulation is on track to meeting his MSR.

3 Remuneration framework details

3.1 Fixed Remuneration

FR comprises cash salary, employer contributions to superannuation and salary sacrifice benefits. It takes into account the size and complexity of the role, and the skills and experience required for success in the role.

FR is reviewed annually, but increases are not guaranteed. Roles are benchmarked to the median of corresponding roles in organisations with comparable activity and scale and with which Origin competes for talent.² In the absence of special factors, new or newly promoted incumbents generally commence below this reference point and move to the median over time. FR may be positioned above this reference point where it is appropriate to reward sustained high performance, for key talent retention purposes or where it is necessary to attract and secure key skills to fill a business-critical role. Accordingly, the median positioning may vary between approximately the 40th and 60th percentile of the reference market.

3.2 Variable Remuneration

Variable Remuneration (VR) enables pay to be adjusted upwards or downwards, depending on whether performance outcomes exceed or fall short of expectations. Unlike bonus systems that pay for performance above expectations but do not reduce pay where performance falls short of them, VR does both. It is important to note that the total of FR plus VR is set and benchmarked such that the **at target** outcome represents the satisfaction of expected performance.

VR comprises the total of STI and LTI:

- The **minimum** VR is zero, where no STI or LTI is awarded, or where the STI scorecard outcome is zero and LTI is not awarded or all of it fails to vest, or where discretion is exercised to reduce such awards or vesting outcomes to zero.
- The **target** VR represents the total of STI awarded at the target level, plus the target value of LTI (calculated as 50 per cent of the face value³ of Performance Share Rights (PSRs) and 100 per cent of the face value of Restricted Share Rights (RSRs)). The LTI components are described in Section 3.5. The LTI target value represents a risked or expected (probabilistic) vesting outcome.
- The **maximum** VR is the total of STI awarded at the maximum level, plus the full face value of all LTI assuming 100 per cent vesting.

VR outcomes are subject to Board oversight and discretionary adjustment as summarised in Sections 4.2 and 5.3.

¹ A practical consideration is that Executives periodically need to sell shares to meet Employee Share Scheme tax obligations. Any process of tagging shares for MSR according to the share price of specific shares at grant or allocation (for example) would become exceedingly complex to track when parcels are disposed of according to other tags (such as cost bases for capital gains tax purposes).

² The prime references are to (a) ASX-listed organisations ranked between seven and 70 by average two-year market capitalisation (excluding foreign domiciles, listed investment companies or similar) and to (b) organisations with revenues between 40 per cent and 250 per cent of Origin's revenue, always including AGL, APA Group, Santos and Woodside.

³ The face value at the date of grant is represented by the share price on the date of grant. The face value of deferred equity elements (Deferred STI and LTI) is represented by the current share price (present-day value) because it is not possible to predict future share prices.

3.3 Total Remuneration

Total Remuneration (TR) is the sum of FR and VR.

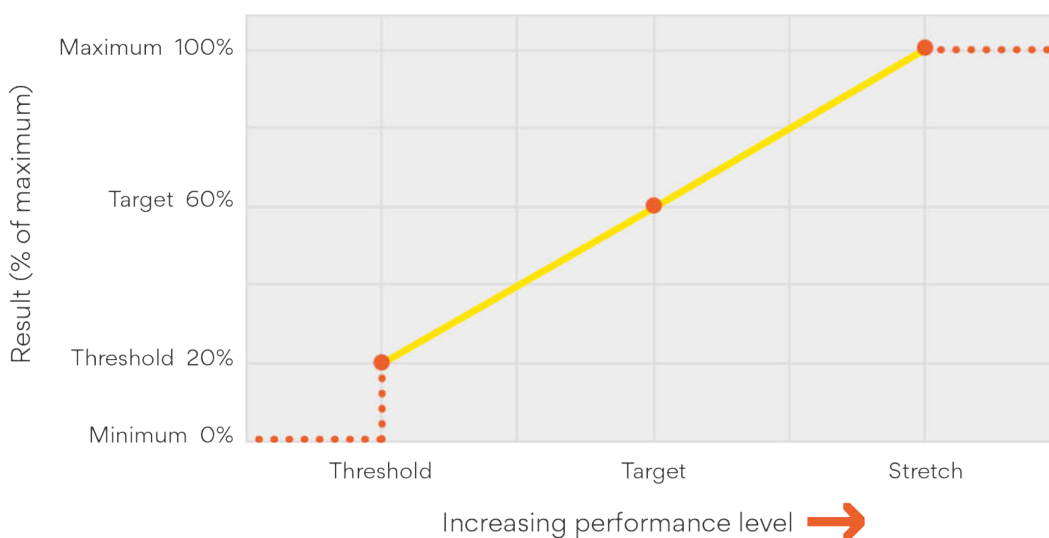
TR at target (TRT)	=	FR	+	target VR
TR maximum (TRM)	=	FR	+	maximum VR

TRT is benchmarked to the median of equivalent TRT in the reference market, with the intention that when Origin’s outcomes are at their maximum possible (that is, TRM), they will be comparable to the top quartile of the reference TRT.

3.4 FY2022 Short Term Incentive Plan details

The following is a detailed description of how the STIP operates.

Parameter	Details
Award basis	The annual performance cycle is 1 July to 30 June. Individual balanced scorecards are agreed, with shared Group objectives and targeted divisional objectives. Objectives are set across financial categories (generally 60 per cent of the weightings) and non-financial categories (generally 40 per cent). The CEO’s FY2022 scorecard details and outcomes are shown in Section 4.2.
Scorecard operation	Individual objectives on the scorecard are referenced to three performance levels: threshold, target and stretch (with pro-rating between each). Threshold performance represents the lower limit of rewardable outcome for an individual objective – one that represents a satisfactory outcome, often achieving year-on-year improvement and contribution towards delivery of annual plans but falling short of the target level. Threshold performance yields 20 per cent of maximum (33 per cent of target). Target represents the expectation for achieving robust annual plans, yielding 60 per cent of maximum. Stretch performance represents the delivery of exceptional outcomes well above expectations, yielding the maximum payout (corresponding to 167 per cent of target).



Opportunity level	The opportunity level for FY2022 for all Executive KMP was unchanged at 100 per cent FR at target, with a capped maximum of 167 per cent of FR.
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Award calculation and assessment	$\text{STIP award (\$)} = \text{\$ FR (at 30 June)} \times \text{STIP opportunity (\% of FR)} \times \text{Balanced scorecard outcome (\%)}$
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Achievement and performance against each Executive’s balanced scorecard is assessed annually as part of the Company’s broader performance review process and is subject to Board oversight and adjustment as detailed in Sections 2.2 and 5.3.

Delivery and timing	The STI award is delivered in two parts, a cash element and a deferred element, each representing half of the award. Both elements are delivered in August to September following the end of the financial year to which they relate. The deferred element is delivered in the form of Restricted Shares (RSs) that are restricted for two years. The award is subject to forfeiture if the service conditions are not met (as set out below).
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RS allocation	Number of RSs = Deferred STI amount divided by the 30-day volume weighted average price (VWAP) to 30 June of the performance year just completed, rounded to the nearest whole number.
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Parameter	Details
Service conditions and cessation of employment	<p>Unless the Board determines otherwise:</p> <ul style="list-style-type: none"> For resignation or dismissal with cause, the whole of an STI award is forfeited and RSs within their restriction period are forfeited. In cases of death, disability, redundancy or genuine retirement (good leaver circumstances), to the extent that an STI award is payable, it is delivered wholly in cash.
Release	RSs in respect of FY2022 STI awards will be released on the second trading day following the release of full-year financial results for FY2024, subject to the service conditions being met and the service period completed (or else as described under 'Service conditions and cessation of employment' above).
Dividends	As the STI has been earned and awarded, RSs carry dividend entitlements and voting rights.
Sourcing of RSs	The Board's practice is to purchase shares on market, but it may issue shares or make the award in alternative forms, including deferred cash.
Governance and MSR	After restrictions on RSs are lifted, trading is subject to the MSR (see Section 2.3), to the Company's Dealing in Securities Policy, and to the malus and clawback provisions in Section 5.3.

3.5 FY2022 Long Term Incentive Plan details

The operation of the LTIP is described below.

Parameter	Details												
Award basis	LTIP awards are conditional grants of equity that may vest in the future, subject to the meeting of performance conditions and/or underpinning criteria, and subject also to the Executive meeting service and personal conduct and performance requirements. Awards are considered annually for approximately 60 senior roles representing those having significant influence on long-term company performance.												
Opportunity and value range	<p>The LTIP opportunity level reflects the capacity of the role to influence long-term sustainable growth and performance, and is set with reference to market benchmarks (see Section 3.2). Opportunity levels are expressed as a percentage of FR (at the commencement of the financial year in which the grant is to be made) and in terms of the total face value of the awards (that is, not discounted for risk).</p> <table border="1"> <thead> <tr> <th colspan="3">LTIP opportunity (percentage of FR)</th> </tr> <tr> <th>Executive KMP</th> <th>Minimum</th> <th>Maximum</th> </tr> </thead> <tbody> <tr> <td>CEO</td> <td>0</td> <td>120</td> </tr> <tr> <td>Other</td> <td>0</td> <td>80</td> </tr> </tbody> </table> <p>Awards are granted at face value, between the minimum and maximum opportunity level. Prior to the determination of LTIP grants, the Board considers whether there are any reasons to reduce or not make an award. But in the normal course of events, awards are granted at the maximum opportunity level (given that they are subject to future performance and underpinning conditions, additional to malus and clawback processes). The value of an award is as follows.</p> <ul style="list-style-type: none"> The minimum value is zero (which will be the case if the award fails to vest, is forfeited or is not awarded). The target value represents the risked or expected value of the maximum grant, taking into account the likelihood of vesting. The maximum value represents the present-day face value of the maximum grant, assuming that 100 per cent of the grant vests, ignoring the risks of achieving performance conditions and of the service requirements. <p>The actual or realised value of an LTIP award depends on the level of vesting and the share price at the time of vesting, neither of which can be determined in advance.</p>	LTIP opportunity (percentage of FR)			Executive KMP	Minimum	Maximum	CEO	0	120	Other	0	80
LTIP opportunity (percentage of FR)													
Executive KMP	Minimum	Maximum											
CEO	0	120											
Other	0	80											
Vehicle, dividends and voting rights	<p>LTIP awards are delivered in the form of share rights. The share rights do not carry any dividend or voting entitlements. Each vested share right represents a right to a fully paid ordinary share (as an RS) in the Company and such additional shares equal to the value of dividends (as determined by the Board) in the period from grant to exercise on the underlying share on a reinvested basis. The terms and conditions applying to the share rights or RSs apply also to the dividend-equivalent amounts and shares. The Board retains a discretion to make a cash equivalent payment to settle the dividend-equivalent amount in lieu of an allocation of shares. The share rights are granted at no cost because they are awarded as remuneration.</p> <p>No dividend or dividend-equivalents are received by participants on share rights during a vesting period, and none on share rights that do not vest. Shares allocated upon vesting of rights (including rights to a dividend-equivalent amount) carry the same dividend and voting rights as other shares (including while they are subject to a holding lock).</p>												
Number and type of share rights	<p>The total number of share rights to be granted is calculated by taking the face value of the award being made and dividing it by the 30-day VWAP of Origin shares to 30 June preceding the grant, rounded to the nearest whole number.</p> <p>The award is divided into two halves, each with its own vesting conditions.</p> <p>One half of the share rights is awarded as PSRs, that are subject to a Relative TSR (RTSR) performance condition with a conventional vesting scale.</p> <p>The other half of the share rights is awarded as RSRs where vesting is subject to Board discretion with reference to a suite of underpinning conditions as described below. The number of RSRs will be divisible by three because this tranche is further divided into three equal parts, which vest progressively as described below.</p>												
Vesting and release	All of the share rights are deferred for five years.												

Parameter	Details
PSR tranche	<p>The PSR tranche vests (subject to achievement against the RTSR vesting scale) into RSs at the end of the three-year performance period, remaining under a holding lock for a further two years.</p> <p>The RSR tranche vests (subject to Board discretion) progressively after three, four and five years. The part which vests after three years is into RSs that remain under a two-year holding lock; the part vesting after four years is locked for a further year; and the final part vests after five years vests into unrestricted shares.</p> <p>The vesting dates corresponding to the three-year, four-year and five-year periods are determined as the second trading day after the release of the respective full year results. For FY2022 awards granted in September and October 2021 (following completion of the FY2021 year), these are expected to be 26 August 2024, 25 August 2025 and 24 August 2026 (Release Date).</p> <p>At all times before and after vesting, and after release from a holding lock, the share rights and shares remain subject to malus and clawback provisions (Section 5.3), and may also be subject to trading restrictions arising from the MSR (Section 2.3) and from the Company's Dealing in Securities Policy.</p> <p>RTSR measures the Company's TSR performance relative to a reference group of companies, assuming reinvestment of dividends, measured over three financial years with vesting deferred for a further two years. It has been chosen because it aligns Executive reward with shareholder returns. It rewards only when Origin outperforms the reference group; it does not reward overall market uplifts. The market reference group is the S&P/ASX 50¹, representing a transparent and widely understood group of companies with which Origin competes for investors, skills and talent. Narrower comparator groups have not been chosen due to the small number of companies with investment profiles and operations similar to those of Origin.</p> <p>In calculating RTSR, share prices are determined using three-month VWAPs to the start and end of the performance period.</p> <p>Vesting occurs only if Origin's TSR over the performance period ranks it higher than the 50th percentile of the group. Half of the PSRs vest on satisfying that condition, and all of the PSRs vest if Origin ranks at or above the 75th percentile. Straight-line pro-rata vesting applies between these two points.</p>
RSR tranche	<p>In contrast to the PSR tranche, which is conditional on performance against a single external financial metric, the RSR tranche is designed to vest in full unless there is a material deviation from Board expectations of performance across approximately 30 key metrics. These metrics reflect the underlying health, performance and sustainability of the Company and, since FY2021, are reported annually as the Key Sustainability Performance Measures in the Company's annual Sustainability Report. They cover the four dimensions of Customer, Community, Planet (climate change and environment) and People. If, at the review date for vesting, the Board considers management's performance against the totality of these underpinning indicators has not met its expectations, then it may reduce or cancel vesting accordingly.</p> <p>Together, the PSR and RSR tranches provide a balance that incorporates a hard single financial test with a holistic assessment across the full range of performance areas that will position the Company for ongoing success. This approach aligns management interests with those of shareholders and stakeholders through the building of Executive share ownership and driving focus across the full range of key measures that align operations with long-term strategy.</p> <p>The RSR vesting review process incorporates outcomes from the Executive Performance Review (described in Section 5.3) and overall performance with reference to the underpinning indicators in addition to risk and reputation matters. Vesting decisions will be disclosed in the relevant Remuneration Report accompanied by a rationale for the Board's determinations.</p>
Service conditions and cessation of employment	<p>Unless the Board determines otherwise:</p> <ul style="list-style-type: none"> • For resignation or dismissal with cause, all share rights are forfeited. • In cases of death, disability, redundancy or genuine retirement (good leaver circumstances), share rights remain on foot subject to their original terms and conditions (other than the continuing service condition).
Sourcing	<p>The Board's preferred approach is to satisfy the vesting of share rights through the purchase of shares on market, but it may issue shares or make the award in alternative forms, including cash or deferred cash.</p>

¹ The TSR reference group is set at the commencement of the performance period. For FY2022, it comprised: The a2 Milk Company Ltd, Medibank Private Ltd, Ampol Ltd, Macquarie Group Ltd, Aristocrat Leisure Ltd, National Australia Bank Ltd, Amcor PLC, Newcrest Mining Ltd, Australia and New Zealand Banking Group Ltd, Northern Star Resources Ltd, APA Group, Afterpay Ltd, Qantas Airways Ltd, ASX Ltd, QBE Insurance Group Ltd, Aurizon Holdings Ltd, Ramsay Health Care Ltd, BHP Group Ltd, Rio Tinto Ltd, Brambles Ltd, South32 Ltd, Commonwealth Bank of Australia, Scentre Group, Cochlear Ltd, Stockland Corporation Ltd, Coles Group Ltd, Sonic Healthcare Ltd, Computershare Ltd, Santos Ltd, CSL Ltd, Suncorp Group Ltd, Dexu, Sydney Airport Holdings Pty Ltd, Endeavour Group Ltd, Transurban Group, Fortescue Metals Group Ltd, Telstra Corporation Ltd, Goodman Group, Treasury Wine Estates Ltd, GPT Group, Westpac Banking Corp, Insurance Australia Group Ltd, Wesfarmers Ltd, James Hardie Industries PLC, Woolworths Group Ltd, LendLease Group, Woodside Energy Group Ltd, Mirvac Group and Xero Ltd. Companies are not replaced (for example, as a consequence of merger, acquisition or delisting) unless the Board determines otherwise.

3.6 Variable Remuneration components and timelines

The following chart summarises the components of Variable Remuneration and the timelines for delivery.

Variable Remuneration	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Cash STI 29% CEO 34% Other ExecKMP	Performance tested at end 1-year performance period					
Restricted Shares 29% CEO 34% Other ExecKMP	Performance tested (STI scorecard) 2-year deferral period after completion of 1-year performance period					
Restricted Share Rights 21% CEO 16% Other ExecKMP	Conditional vest – holistic underpin review (ESG and key indicators) 5-year deferral period after award (progressive vest from Year 3 all locked to Year 5)					
Performance Share Rights 21% CEO 16% Other ExecKMP	Performance tested – Relative TSR against ASX 50 5-year deferral period after award (3-year vest and 2-year holding lock)					

3.7 Remuneration range and mix

The potential range for the CEO's total remuneration in FY2022 was between a minimum of \$1.88 million (his FR) to a target of \$5.452 million and a maximum of \$7.276 million (FY2021: \$7.086 million). The remuneration mix at target and at maximum is shown in the chart below, which shows the significant proportion of variable or performance-based pay and delivery in equity. Variable or performance-based pay represents 65.5 per cent of the CEO's package at target outcomes, and 74.2 per cent at maximum outcomes. Forfeitable equity represents 48.3 per cent at target outcomes and 52.6 per cent at maximum outcomes. Corresponding figures for the average remuneration mix for other Executive KMP are also shown in the table below.

Remuneration component \$'000, %TR	CEO		Other Executive KMP (average) ¹			
	Target	Maximum	Target	Maximum	Target	Maximum
FR cash	1,880 34.5%	1,880 25.8%	947 38.5%	947 28.8%		
STI cash	940 17.2%	1,570 21.6%	474 19.2%	791 24.1%		
STI deferred equity	940 17.2%	1,570 21.6%	474 19.2%	791 24.1%		
LTI conditional deferred equity	1,692 31.1%	2,256 31.0%	568 23.1%	758 23.0%		
Total Remuneration	5,452 100%	7,276 100%	2,463 100%	3,287 100%		
Variable (performance-related) component	65.5%	74.2%	61.5%	71.2%		
Equity component	48.3%	52.6%	42.3%	47.1%		

1 A Thornton's remuneration is not pro-rated for the KMP term for the purpose of these calculations

3.8 Other equity/share plans

The Company operates a universal Employee Share Plan in which all full-time and part-time employees can choose to be eligible for awards of up to \$1,000 worth of Company shares annually, or else participate in a salary sacrifice scheme to purchase up to \$4,800 in shares annually.

Under the \$1,000 scheme (the General Employee Share Plan (GESP)), shares are restricted for three years or until cessation of employment, whichever occurs first.

Under the Matching Share Plan (MSP), shares purchased under the sacrifice scheme are restricted for two years or until cessation of employment, whichever occurs first. For every two shares purchased under the salary sacrifice scheme within a 12-month cycle, participants are granted one Matching Right (MR) at no cost. The MRs vest two years after the cycle began, provided that the participant remains employed by the Company at this time. Each MR entitles the participant to one fully paid ordinary share in the Company, or in certain limited circumstances a cash equivalent payment. The MRs do not have any performance hurdles as they have been granted to encourage broad participation in the scheme across the Company, and to encourage employee share ownership. All shares are currently purchased on market.

Directors are not eligible to participate in the above schemes, but may participate in the NED Share Plan (NEDSP) by sacrificing Board fees. This plan is intended to facilitate share acquisition, enabling new Directors to meet their MSR obligations. All NEDs currently meet their MSR or are recently appointed. In FY2022, there was one participant sacrificing during the year. However no rights or shares have yet been allocated under the Plan. Rights and shares will be allocated in FY2023.

Directors regularly assess the risk of the Company losing high-performing key people who manage core activities or have skills that are being actively solicited in the market. Where appropriate, the Board may consider the selected use of deferred payment arrangements to reduce the risk of such critical loss. From time to time, it may be necessary to offer sign-on equity to offset or mirror unvested equity, which a prospective executive must forfeit to take up employment with Origin. No such arrangements were implemented for Executive KMP in FY2022.

4 Company performance and remuneration outcomes

This section summarises remuneration outcomes for FY2022 and provides commentary on their alignment with Company outcomes.

4.1 Five-year Company performance and remuneration outcomes

The table below summarises key financial and non-financial performance for the Company from FY2018 to FY2022, grouped and compared with short-term and long-term remuneration outcomes.

Five-year key performance metrics FY2018–22 ¹	FY18	FY19	FY20	FY21	FY22
Operational measures					
Underlying earnings per share (EPS) (cents) ^{2,12}	58.2	58.4	57.6	17.8	23.2
Net cash from/(used in) operating and investing activities (NCOIA) (\$m)	2,645	1,914	1,813	1,183	3,363
Energy Markets underlying EBITDA (\$m) ¹²	1,811	1,574	1,450	979	365
Integrated Gas underlying EBITDA (total operations) (\$m)	1,521	1,892	1,741	1,135	1,837
Adjusted net debt (\$m) ³	6,496	5,417	5,158	4,639	2,838
Strategic Net Promoter Score (sNPS) ⁴	(19)	(9)	(3)	4	5
Total Recordable Injury Frequency Rate (TRIFR) ⁵	2.2	4.5	2.6	2.7	4.0
Female representation in senior roles (%) ⁶					
CEO-1	20.0	25.0	33.3	33.3	30.0
CEO-2	33.8	40.6	43.9	42.9	43.6
Senior leadership roles	34.2	34.4	33.9	34.6	40.8
Origin Engagement Score ⁷	61	61	75	74	68
STI award outcomes					
Percentage of maximum (%)⁸	88.7	73.7	84.1	50.7	73.6
Return measures					
Closing share price at end of June (\$) ⁹	10.03	7.31	5.84	4.51	5.73
Dividends (cents per share) ¹⁰	0	25	25	20	29
Annual TSR (%)	46.2	(26.1)	(17.7)	(19.7)	32.4
Three-year rolling TSR (CAGR % p.a.) ¹¹	(2.6)	12	(8)	(20.6)	(0.4)
Group Statutory EBIT (\$m) ¹²	473	1,432	360	(1,833)	(745)
Underlying ROCE ^{12,13} (%)	7.7	9.1	8.7	4.4	7.6
LTI outcomes					
LTI vesting percentage (%)	0	0	0	35.3	25.0

1 Except as noted in (2) below, FY2018 is as previously reported. It has not been restated for the presentation of certain electricity hedge premiums, which are included in underlying from FY2019, or for the reclassification of futures collateral balances to operating cash flows (previously in financing cash flows in prior periods). A restatement for these factors for FY2018 only was provided in the FY2019 Consolidated Financial Statements at Note A1 Segments and in the Statement of cash flows, for indicative comparison purposes only.

2 EPS is calculated on a continuing activities basis (excludes Lattice Energy for FY2018).

3 Adjusted Net Debt for FY2020 includes first recognition of lease liability (\$514 million) under AASB16.

4 sNPS is an industry-recognised measure of customer advocacy. The measures were previously presented on a final-quarter average for each year and have been restated as the average over the whole of the relevant financial year.

5 TRIFR is the total number of injuries resulting in lost time, restricted work duties or medical treatment per million hours worked.

6 CEO-1 represents Executives reporting directly to the CEO. In line with market practice, it includes the CEO. CEO-2 includes roles directly reporting to CEO-1. Senior leadership roles captures the three reporting levels below CEO and includes roles with base salaries exceeding approximately \$200,000 per annum.

7 Employee engagement is measured as a score through an annual Company-wide survey conducted independently.

8 This is the total dollar value of STI awarded for Executive KMP as a percentage of their total maximum STI. The percentage of STI forfeited is this amount subtracted from 100 per cent.

9 The opening share price for FY2018 was \$6.86.

10 Dividends represent the interim plus final dividends determined for each financial year. For FY2022, this includes the final dividend determined on 18 August 2022 to be paid on 30 September 2022. The amounts paid within each financial year are 0c, 10c, 30c, 22.5c and 20.0c, respectively.

11 TSR calculations use the three-month VWAP share price to 30 June, reflecting the testing methodology for relative TSR ranking.

12 Following clarifying guidance from the International Financial Reporting Interpretations Committee, the Group has applied changes in accounting policies that require restatement of previously reported amounts. Refer to note G11 Prior year restatements, in the Consolidated Financial Statements.

13 Underlying ROCE is defined in the Glossary and Interpretation.

4.2 Variable remuneration outcomes

4.2.1 Assessment process

The Board has adopted governing principles to apply when considering adjustments to measures that are used for remuneration purposes. The starting points for setting STI scorecard targets are the relevant underlying measures from the financial accounts. Targets set at the beginning of the year may be subject to events materially outside the course of business and outside the control of the current management, in which case discretion may be required to vary targets or outcomes to reflect the intended purpose and/or actual results and achievements. The principles provide a structured process for the consideration of adjustments and the exercise of discretion, and a decision framework that seeks fairness (to both Executives and shareholders) and balance between favourable and unfavourable events.

4.2.2 Short-term performance and STI outcomes

STI awards are calculated on the basis of a balanced scorecard, with requirements set at threshold, target and stretch achievement levels. The CEO's FY2022 scorecard showing measures, outcomes and results is summarised below.⁴

Measure, rationale and performance	Weight	Targets and outcomes			Result (% max)
		Threshold	Target	Stretch	
Underlying EPS (cents) <i>Measure of earnings and profitability. Increased 28.2 per cent on prior year, reflecting improved performance in the Integrated Gas business, which outweighed a decline in the Energy Markets business</i>	15%	4.4	10.4	18.3 23.2	100.0
Origin NCOIA (\$m) <i>Measure of effective cashflow generation. Performance was 27 per cent above target after the removal of the impact of the sale of a 10 per cent interest in APLNG</i>	15%	2,496	2,646	2,896 3,363	100.0
Energy Markets EBITDA (\$m) <i>Measure of operating performance of the Energy Markets business. Performance did not reach threshold requirements and this measure did not contribute to STI outcomes</i>	15%	450 365	525	615	0.0
Integrated Gas cost (\$m) <i>Measure of capital and operating costs in the Integrated Gas business. Superior field performance and disciplined cost management has enabled the business to leverage the buoyant commodity market</i>	15%	2,520	2,400	2,250 2,299	86.9
Financial measures	60%	20	60	100 71.7	71.7
Origin Scope 1 emissions reduction (CO₂-e)(%) <i>Measure of progress against our decarbonisation strategy. Scope 1 emissions were reduced 22 per cent in the year, far exceeding the stretch target of 10 per cent</i>	10%	4	6	10 22	100.0
Strategy development for Integrated Gas <i>Measures the reliable delivery of energy through the transition and progress on cleaner energy initiatives. Significant progress was made on key exploration and production prospects, portfolio re-positioning, hydrogen hub development and securing of strategic locations, and decarbonisation</i>	12%	20	60	100 63.9	63.9
Strategy development for Energy Markets <i>Measures progress in unrivalled customer solutions and accelerating renewables. Customer migration to the Kraken platform well advanced and will be completed in mid FY2023. Origin Zero established. Excellent progress on the Eraring closure pathway and Eraring battery storage, acquisition of WINconnect and acquisitions of renewable development projects, material value add through Octopus relationship</i>	18%	20	60	100 77.3	77.3
Strategic priorities Non-financial measures	40%	20	60	100 78.9	78.9
Total	100%	20	60	100 74.6	74.6

⁴ The value for each of the three levels are shown along the top of the achievement bar and correspond to results of 20 per cent, 60 per cent or 100 per cent of maximum, respectively. The actual achievement is represented by the darker shading along the bar while the achievement value is recorded below the bar

The scorecard reflects financial and operating outcomes achieving 71.7 per cent of maximum accounting for 60 per cent of the STI award. In addition, it reflects very strong performance against the three non-financial strategic priorities defined for the year (78.9 per cent of maximum) accounting for the remaining 40 per cent of the STI award. The overall scorecard outcome was 74.6 per cent of maximum (124.6 per cent of target).

Application of the principles described in Section 4.2.1 included the following adjustments:

- The significant impact of the sale of our 10 per cent interest in APLNG was excluded from the NCOIA result and Integrated Gas Capital Employed.
- The impact of the WINconnect acquisition was removed from the NCOIA result and from the Energy Markets ROCE EBIT.
- The NCOIA result was adjusted for the cost of the additional investment in Octopus Energy.
- Penalties and legal costs associated with Australian Energy Regulator action, excluded from underlying financial measures, were included for the purposes of the relevant metrics in STI awards.

4.2.3 Executive KMP STI outcomes

Origin's EPS and NCOIA targets, and therefore results, represent half of the financial metrics for all Executive KMP. The remaining financial metrics for divisional Executive General Managers are based on divisional targets. While Energy Markets EBITDA and Retail EBITDA contributed zero and small contributions, respectively, there has been a relative outperformance in Integrated Gas. Accordingly, scorecard outcomes ranged between 69.3 to 80.4 per cent of maximum.

Executive KMP	STI award			\$'000
	% of target	% of maximum	% forfeited	
F Calabria	124.6	74.6	25.4	2,343
L Tremaine	124.6	74.6	25.5	1,299
J Briskin	115.8	69.3	30.7	1,071
G Jarvis	117.6	70.4	29.6	1,100
A Thornton ¹	134.3	80.4	19.6	793

¹ The STI award for A Thornton relates to the period as KMP.

4.2.4 Long-term performance and LTI outcomes

In FY2022, the Company's share price increased 27.1 per cent, TSR by 32.4 per cent and underlying ROCE by 71.1 per cent. Longer term measures in the performance summary in Section 4.1 over the last five years show that dividends have been restored and stabilised; female representation has significantly increased across all levels of leadership; and engagement, though dipping in the challenging FY2022 year, is above the average and close to the top quartile of organisations in Australia and New Zealand.

Improving performance has been reflected in partial vesting of LTIP awards in the last two years, following eight years of zero vesting outcomes.

A partial vesting (25.0 per cent) of LTI awards granted in FY2019 occurred on 23 August 2021. One half of that grant was subject to relative TSR conditions and failed to vest. The other half was subject to ROCE hurdles in two equal tranches, one determined by results in the Integrated Gas business and the other by results across Energy Markets, over three years. Each of these two latter elements met its threshold vesting requirement (9.0 per cent for Energy Markets and 6.1 per cent for Integrated Gas, measured on an LTI basis), delivering 50 per cent in each case, a total of 25 per cent of all rights tested.

Vesting outcomes for FY2023 will be determined at the end of August 2022. Testing will include the last tranche of Options that the Company has granted (in August to October 2017). These Options were subject to a five-year TSR hurdle relative to a ten-up/ten-down market capitalisation peer group. Origin's performance will not meet the median peer TSR performance and all of the Options will lapse. Testing will also include PSRs granted in August and October 2019, half of which were subject to a three-year TSR hurdle (relative to ASX 50) and the balance to three-year ROCE hurdles. Origin's performance will not meet the median peer TSR performance and all of these PSRs will lapse. The ROCE tranche is divided equally into Energy Markets and Integrated Gas hurdles. The Energy Markets tranche will not meet threshold vesting requirements, while the Integrated Gas tranche is likely to approach its full vesting level (9.1 per cent). The overall vesting outcome for FY2023 is expected to be around 16 per cent.

4.3 Total pay received in FY2022

In line with general market practice, a non-AASB presentation of actual pay received in FY2022 is provided below as a summary of real or 'take home' pay. AASB statutory remuneration is presented in Table 7-2.

(\$'000) Executive KMP	FR ¹	STI cash ²	Short-term equity ³	Long-term equity ⁴	Actual total pay received	Share price appreciation included in total ⁵
F Calabria	1,880	1,171	806	333	4,190	(986)
L Tremaine	1,043	649	406	131	2,229	(443)
J Briskin	925	535	202	66	1,728	(221)
G Jarvis	935	550	386	71	1,942	(200)
A Thornton ⁶	570	397	134	22	1,123	(119)

1 FR is cash and superannuation received during FY2022.

2 STI cash represents the cash element of the FY2022 STI award.

3 Short-term equity represents the value of previously awarded equity from short-term arrangements (including STIP and grants under the Employee Share Plan) that are vested or released (as relevant) during FY2022. The value is determined as the number of shares vested or released multiplied by the five-day VWAP immediately prior to the date of vest/release. This value is usually the same as the equity's taxable value to the executive. The amounts shown above relate to Deferred Share Rights (DSR) vests and Restricted Share releases, all on 26 August 2021, arising from Deferred STI arrangements, plus GESP shares released on 5 September 2021 and Matching Share Plan allocations released on 22 October 2021.

4 Long-term equity represents the value of previously awarded equity from long-term arrangements (LTIP and other arrangements with deferral periods of three or more years) that are vested or released (as relevant) during FY2022. The value is determined in the same way as described in note 3 above. The amounts shown all relate to vesting and releases on 26 August 2021 (being three-year ROCE LTI awards).

5 Share price appreciation represents the increase (decrease) in share value at the time of realisation or release, relative to the value at the time the relevant equity was awarded and allocated.

6 Remuneration for A Thornton relates to the period as KMP.

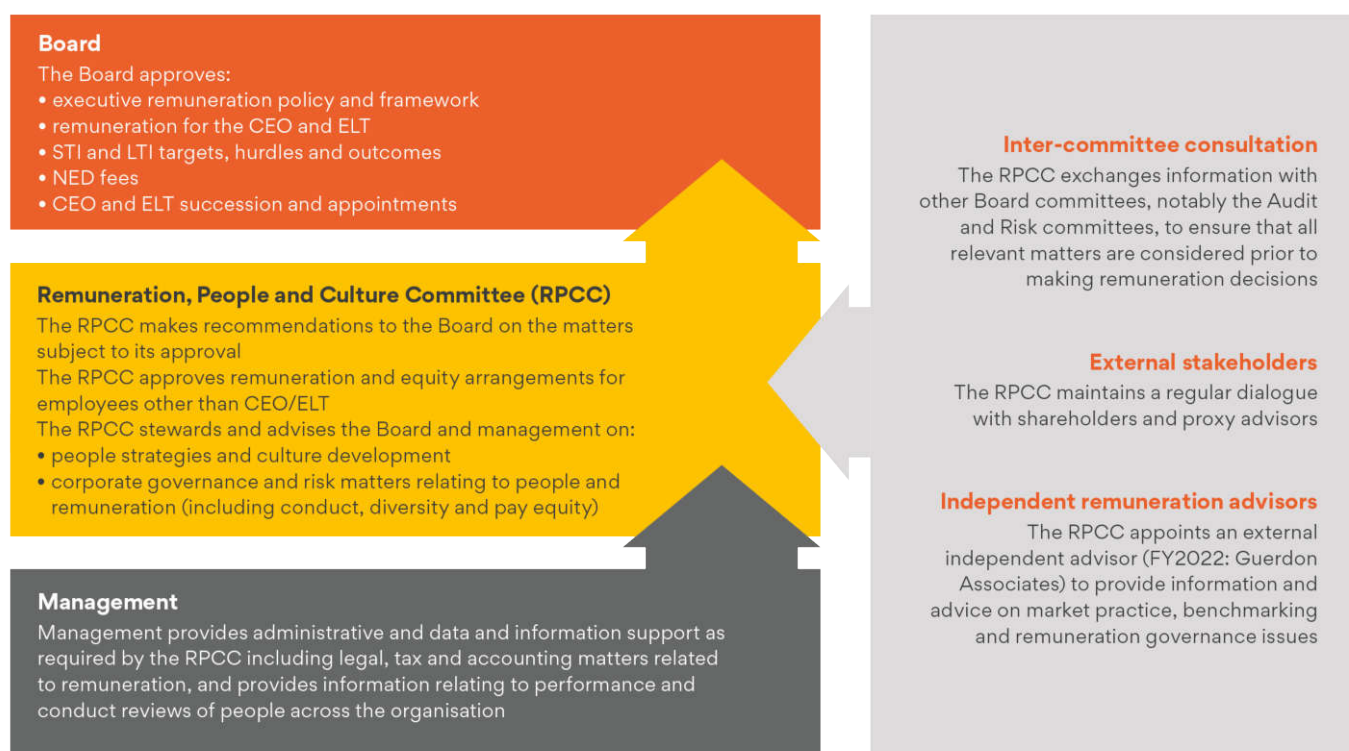
5 Governance

5.1 The role of the Remuneration, People and Culture Committee

The RPCC supports the Board by overseeing Origin’s remuneration policies and practices. It operates under a Charter (published on the Company’s website at originenergy.com.au). The RPCC met formally five times during the reporting period.

Including its Chairman, the RPCC has four members, all of whom are independent NEDs (see Section 1 for details). The RPCC’s Charter requires a minimum of three NEDs. In addition, there is a standing invitation to all Board members to attend the RPCC’s meetings. Management may attend RPCC meetings by invitation but a member of management will not be present when their own remuneration is under discussion.

The following diagram sets out the role of the RPCC and its operational relationships with the Board, management, stakeholders and external advisors.



5.2 Remuneration advisors

The RPCC engages external advisors from time to time to conduct benchmarking, advise on regulatory and market developments, and review proposals and reports. Protocols have been established for engaging and dealing with external advisors, including those defined as remuneration consultants for the purposes of the *Corporations Act 2001*. These protocols are to ensure independence and avoid conflicts of interest.

The protocols require that remuneration advisors are directly engaged by the RPCC and act on instruction from its Chairman. Reports must be delivered directly to the RPCC Chairman. The advisor is prohibited from communicating with Company management except as authorised by the Chairman, and even then, this is 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.

The RPCC generally seeks information rather than specific remuneration recommendations within the definition of the Act, and this was the case during FY2022. Guerdon Associates was appointed for this period; no remuneration recommendations as defined under the Act were provided.

In addition, the RPCC makes use of general market trend information from a variety of commercial and industry sources and has access to in-house remuneration professionals who provide it with guidance and analysis on request.

The recommendations that the RPCC makes to the Board are based on its own independent assessment of the advice and information received from these multiple sources, using its experience and having careful regard to the principles and objectives of the remuneration framework, Company performance, shareholder and community expectations, and good governance.

5.3 Remuneration governance and oversight

The Board's oversight of executive performance and remuneration outcomes is rigorous and multi-phased. The oversight can be divided into the stages set out below, and it is designed to ensure that outcomes are fair to executives and to stakeholders, consistent in approach, and governed by documented principles.

5.3.1 Through the performance period

Throughout the STI performance year and LTI vesting periods, the Board monitors and reviews management performance against financial and non-financial targets, including factors affecting the original assumptions underlying the setting of targets at the beginning of the relevant performance periods.

Potential adjustments that may be required are considered under a set of protocols that cover materiality, symmetry of treatment for favourable and unfavourable events, the degree to which events are foreseeable and controllable by management, and the impact of Board decisions (for example, mergers and acquisitions). Any adjustments are subject to Board approval at the end of the performance period.

The outcome from this stage comprises preliminary STI outcomes and preliminary LTI vesting outcomes.

5.3.2 At the end of the financial year

At the end of each financial year the full Board conducts a formal Executive Performance Review of the CEO and each member of the ELT, including the preliminary remuneration outcomes. The review is a formal and holistic process which considers:

- risk, audit, compliance and reputation matters (including whistle-blowing, discrimination, bullying or harassment complaints; and safety and employee relations matters);
- enterprise and business strategy contribution; and
- leadership habits and behaviours.⁵

The process includes taking feedback from:

- Chair of the Health, Safety and Environment Committee;
- Chair of the Audit Committee;
- Internal Auditor;
- General Counsel and EGM Company Secretariat, Risk and Governance; and
- Executive General Manager, People & Culture.⁶

As a performance review process, the output includes performance feedback and identifies specifically whether there are any matters that warrant the exercise of downward discretion to modify individual executives' preliminary remuneration outcomes. In exceptional circumstances the Board may exercise upward discretion, within the capped opportunity level.

During this stage, the Board will also consider whether any exercises of discretion are appropriate on a collective basis, and in the overall context of ensuring that the outcomes represent a reasonable and fair reflection of the company's performance from the perspective of all stakeholders.

The output from this stage comprises final STI outcomes and final LTI vesting decisions.

5.3.3 Beyond the performance period

Issues may emerge after final results have been notified where the Board deems that those results are no longer appropriate, or that the results would give rise to the receipt of an inappropriate benefit. Where such issues emerge before payment has been made or before rights have vested or shares have been released from trading locks, the Board may reduce or cancel the award or the vesting level, and/or extend the period of a trading lock under the Company's malus provisions. The deferral period for equity (two years for STI and five years for all tranches of LTI) means that the exercise of malus is available for significant periods of time.

Where benefits have been paid, vested or released, the Company's clawback provisions give the Board further powers to recover cash proceeds from the sale of shares and to recover cash awards. These powers may be limited by statute or regulation.

Of course, fraud, dishonesty, gross misconduct, negligence, breach of duties and other serious matters would have consequences additional to the remuneration impacts described above.

Downward discretions have been exercised by the Board from time to time, both to STI outcomes and to LTI allocations or vesting outcomes, to provide better alignment of variable pay outcomes with the broader context and overall circumstances of the Company. There have been no circumstances to date in which the Board has sought to apply the clawback provisions.

5.4 Change of control and capital reorganisation

On a change of control event the Board may determine that all or a specified number of unvested securities will vest or cease to be subject to restrictions.

On a capital reorganisation, the Board may determine the manner of adjustment of the number of unvested share rights and Options held by participants to minimise or eliminate any material advantage or disadvantage to the participant. If new awards are granted, they will, unless the Board determines otherwise, be subject to the same terms and conditions as the original awards.

⁵ Behaviours across the company are informed by a behaviourally anchored rating scale (BARS) methodology.

⁶ For the Executive General Manager, People & Culture, the feedback is from the CEO and/or the Chair of the RPCC.

6 Non-executive Director fees

6.1 Remuneration policy and structure for Non-executive Directors

NED remuneration comprises fixed fees with no incentive-based payments. This ensures that NEDs can independently and objectively assess both Executive and Company performance.

Board and committee fees take into account market rates for similar positions at relevant Australian organisations (those of comparable size and complexity) and fairly reflect the time commitments and responsibilities involved. The aggregate cap for overall NED remuneration remains at \$3.2 million p.a., as approved by shareholders in 2017.

The Origin Chairman receives a single fee that includes committee activities, while other NEDs receive a NED Base Fee and separate fees for their role on specific committees (other than the Nomination Committee, which is considered within the NED Base Fee). All fees include superannuation contributions.

The table below summarises the structure and level of NED fees. No change to the fee structure or quantum is proposed for FY2023.

Office	FY2022 and FY2023 (\$'000)	
	Chairman	Member
Board	677 ¹	196
Audit Committee	57	29
RPCC, Safety and Sustainability Committee, and Risk Committee	47	23.5
Nomination Committee	nil	nil

¹ The Chairman fee is inclusive of committee fees.

6.2 Minimum Shareholding Requirement for Non-executive Directors

To align the interests of the Board with those of shareholders, NEDs are required to build and maintain a substantive shareholding in the Company (the MSR). NEDs may purchase shares directly or through the NEDSP that was approved by shareholders in 2018. The NEDSP is a fee sacrifice plan that allows NEDs to acquire share rights (rights to acquire fully paid ordinary shares in the Company) subject to the terms of the grant. The NEDSP is intended to facilitate the acquisition of shares for new Directors to meet their MSR obligation while recognising that opportunities for direct purchases by Directors may be limited. NEDs are expected to reach their MSR within three years of their appointment. During FY2022, one NED commenced salary sacrificing fees under the NEDSP. However, no rights or shares are scheduled to be allocated until FY2023. There were no rights or shares allocated during the reporting period under the NEDSP, as there had been no prior participants under the NEDSP.

The NED MSR is determined from time to time as a number of shares referenced to a nominal multiple of fees. The determination takes into account changes in fees and share prices over time. The nominal reference multiple is 100 per cent of the annual base NED fee for all NEDs except for the Chairman of the Board, where it is 200 per cent of the annual base NED fee. The current share determinations of 28,000 shares for NEDs and 56,000 shares for the Chairman are to be increased to 36,000 and 72,000, respectively, from August 2023.

Share rights held by NEDs under the NEDSP (FY2022: nil) will count towards the satisfaction of NED MSR obligations because they are funded through sacrifice of fees by the participating Director. The shares allocated on vesting of the share rights are bought on market on behalf of the Director and are not subject to forfeiture.

Table 7-4 (b) shows that all NEDs meet the current MSR obligation apart from recent appointee Joan Withers, who is on track to meeting her MSR.

7 Statutory tables and disclosures

Table 7-1 Executive service agreements

The main terms of service agreements for Executive KMP as at 30 June 2022 are set out in the table below.

Basis of contract	Ongoing
Notice period	<ul style="list-style-type: none"> • Twelve months by either party for CEO; six months for Other Executive KMP • Shorter notice may apply by agreement • No notice in defined circumstances¹
Termination benefits for cause	Statutory entitlements only
Termination benefits for resignation	Notice as above or payment in lieu of notice that is not worked; current-year STI forfeited; unvested equity lapses; statutory entitlements
Termination benefits for other than resignation or cause	<p>Notice worked (or payment in lieu of any portion not worked); pro-rata STI for the period worked (no deferral applicable); all unvested equity lapses unless held on foot in accordance with Equity Incentive Plan Rules²; statutory entitlements.</p> <p>For redundancy (Other Executive KMP only) payment in accordance with the Company's general redundancy policy of three weeks FR per year of service, with a minimum of 18 weeks and a maximum of 78 weeks.</p>
Remuneration	Remuneration is reviewed annually or as required to maintain alignment with policy and benchmarks.

1 These circumstances include but are not limited to serious or persistent or wilful misconduct, breach of contract, or conduct likely to seriously injure the reputation of the Company.

2 For cases of death, disability, genuine retirement or other extraordinary circumstances as approved by the Board.

Table 7-2 (a) Executive KMP statutory remuneration (\$'000)

		Short term			Long term					Totals		
		Base salary	Post-employment benefit	Other ¹	Cash STI ²	Leave accrual ³	Share based ⁴			Accounting remuneration	At risk (%)	Share based (%)
						Deferred STI	LTI	Other				
Executive Director												
F Calabria	2022	1,855	24	51	1,171	44	658	1,694	0	5,497	64	43
	2021	1,786	22	46	712	122	1,091	1,385	0	5,164	62	48
Other Executive KMP												
J Briskin	2022	905	24	14	535	150	368	436	1	2,433	55	33
	2021	873	22	19	434	15	484	296	2	2,145	57	36
G Jarvis	2022	916	24	25	550	63	320	464	148	2,510	59	37
	2021	877	22	37	341	65	453	332	261	2,388	58	44
A Thornton ⁵	2022	535	16	60	396	113	189	365	1	1,675	57	33
	2021	—	—	—	—	—	—	—	—	—	—	—
L Tremaine	2022	1,023	24	44	649	16	393	517	1	2,667	58	34
	2021	990	22	34	488	(16)	625	440	7	2,590	60	41
Former Executive KMP												
M Schubert ⁶	2022	—	—	—	—	—	—	—	—	—	—	—
	2021	898	22	84	0	40	(471)	(369)	0	204	0	0
Executive total												
	2022	5,234	112	194	3,301	386	1,928	3,476	151	14,782	60	38
	2021	5,424	110	220	1,975	226	2,182	2,084	270	12,491	52	36

1 Represents non-monetary benefits including insurance premiums and fringe benefits (such as car parking and expenses associated with travel).

2 STI cash represents one half of the STI award. STI cash is paid after the end of the financial year to which it relates but is allocated to the earning year. The balance of the STI award is Deferred STI.

3 Movement in leave provision over the reporting period. Negative movement indicates that leave taken during the year exceeded leave accrued during the current year.

4 Share based remuneration is that portion of the accounting value of equity granted or to be granted for the current and prior periods attributable to the reporting period.

Where vesting of the equity is conditional on a non-market hurdle (for example ROCE, or the underpinning metrics in the LTI RSR tranche) in following reporting periods the accumulated expense is adjusted for the number of instruments then expected to be released or vested. In good leaver circumstances, a bring-forward of future-period accounting expense may occur where a cessation of employment occurs before the normal vesting date. See Note G3 for details on share-based remuneration accounting.

5 For FY2022, pro-rata period for KMP office is from 1 November 2021 to 30 June 2022.

6 For FY2021, 'Other' includes accommodation benefits associated with travel from home base to the Brisbane office.

Table 7-2 (b) NEDs statutory remuneration (\$'000)

		Short term		Post-employment	Total remuneration
		Board and committee fees	Other ¹	Superannuation contributions	
NEDs — current					
I Atlas ²	2022	207	0	21	228
	2021	59	0	6	65
M Brenner	2022	273	0	24	297
	2021	267	0	20	287
G Lalicker	2022	200	0	20	220
	2021	191	0	20	211
M McCormack ²	2022	239	0	23	262
	2021	112	0	11	123
B Morgan	2022	262	0	24	286
	2021	278	1	22	301
S Perkins	2022	653	0	24	677
	2021	529	2	22	553
N Scheinkestel ³	2022	66	0	7	73
	2021	—	—	—	—
S Sargent	2022	267	0	24	291
	2021	268	1	22	291
J Withers ²	2022	241	0	24	265
	2021	151	0	16	167
NEDs — former					
J Akehurst ³	2022	83	0	8	91
	2021	244	1	22	267
G Cairns ²	2022	—	—	—	—
	2021	217	0	10	227
T Engelhard ²	2022	—	—	—	—
	2021	84	1	7	92
NED total	2022	2,491	0	199	2,690
	2021	2,400	6	178	2,584

1 Represents non-monetary benefits including insurance premiums and fringe benefits (such as car parking and expenses associated with travel).

2 For FY2021: G Cairns and T Engelhard retired on 20 October 2020; J Withers, M McCormack, and I Atlas were appointed on 21 October 2020, 18 December 2020 and 21 February 2021, respectively.

3 For FY2022: J Akehurst retired on 20 October 2021; N Scheinkestel was appointed on 4 March 2022.

Table 7-3 Details of equity grants made during the reporting period

Equity grants made to KMP during the reporting period are listed below. The grants are at nil cost to the recipient and none of the instruments granted have an exercise price.

For Rights, exercise is automatic at vest and the expiry date is the same as the vest date. Rights that fail to meet the relevant performance conditions lapse effective on the test date, which may be prior to the scheduled vest date.

	Type	Number granted	Grant date fair value (\$) ¹	Exercise price (\$)	Grant date	Vest date ²	Expiry date
Executive Director							
F Calabria ³	Performance Share Rights	235,989	3.58	—	20-Oct-21	26-Aug-24	26-Aug-24
	Restricted Share Rights	235,989	5.14	—	20-Oct-21	2024-2026	2024-2026
	Restricted Shares (Deferred STI)	153,000	4.44	—	6-Sep-21	21-Aug-23	—
Other Executive KMP							
J Briskin	Performance Share Rights	77,331	2.46	—	6-Sep-21	26-Aug-24	26-Aug-24
	Restricted Share Rights	77,331	4.44	—	6-Sep-21	2024-2026	2024-2026
	Matching Rights	443	0.47	—	24-Sep-21	20-Oct-23	—
	Restricted Shares (Deferred STI)	93,252	4.44	—	6-Sep-21	21-Aug-23	—
G Jarvis	Performance Share Rights	79,049	2.46	—	6-Sep-21	26-Aug-24	26-Aug-24
	Restricted Share Rights	79,050	4.44	—	6-Sep-21	2024-2026	2024-2026
	Matching Rights	443	0.47	—	24-Sep-21	20-Oct-23	—
	Restricted Shares (Deferred STI)	73,170	4.44	—	6-Sep-21	21-Aug-23	—
A Thornton	Performance Share Rights	24,794	2.46	—	6-Sep-21	26-Aug-24	26-Aug-24
	Restricted Share Rights	24,792	4.44	—	6-Sep-21	2024-2026	2024-2026
	Matching Rights	443	0.47	—	24-Sep-21	20-Oct-23	—
	Restricted Shares (Deferred STI)	22,713	4.44	—	6-Sep-21	21-Aug-23	—
L Tremaine	Performance Share Rights	87,385	2.46	—	6-Sep-21	26-Aug-24	26-Aug-24
	Restricted Share Rights	87,384	4.44	—	6-Sep-21	2024-2026	2024-2026
	Matching Rights	443	0.47	—	24-Sep-21	20-Oct-23	—
	Restricted Shares (Deferred STI)	104,872	4.44	—	6-Sep-21	21-Aug-23	—

1 For MRs, the fair value is per \$1 contributed by the Executive.

2 For Restricted Shares, the vest date is the date that trading restrictions are lifted (other than restrictions arising from MSR or the Dealing in Securities Policy).

3 F Calabria was granted 235,989 PSRs and 235,989 RSRs as approved at the 2021 Annual General Meeting under ASX Listing Rule 10.14.

Table 7-4 (a) Details of, and movements in, equity rights and ordinary shares of the Company Executive KMP

The following table summarises holdings and movements of rights and ordinary shares held (directly, indirectly or beneficially, including by related parties) over the reporting period (or KMP portion of the period), including grants, transactions and forfeits, by value and by number. See Table 7-5 for further details of the terms and conditions of those rights.

Type	Held at start ¹	Granted/acquired ^{2,3}			Exercised ⁴		Forfeited/ disposed ⁵	Held at end ^{1,6,7}
		Number	Value (\$)	No. vested	Number	Value (\$) ⁸		
Executive Director								
F Calabria								
Options	632,995	—	—	0	0	0	231,707	401,288
Performance Share Rights	1,075,269	235,989	844,841	78,061	78,061	333,320	361,050	872,147
Restricted Share Rights	183,414	235,989	1,212,983	0	0	0	0	419,403
Deferred Share Rights ⁹	45,556	—	—	45,556	45,556	194,524	0	0
Shares ³	763,025	276,617	679,320	—	—	—	0	1,039,642
Other Executive KMP								
J Briskin								
Options	86,910	—	—	0	0	0	—	86,910
Performance Share Rights	275,333	77,331	190,234	15,498	15,498	66,176	73,969	263,197
Restricted Share Rights	60,102	77,331	343,350	0	0	—	0	137,433
Matching Rights	708	443	2,256	431	431	2,233	0	720
Shares ³	279,001	109,633	414,039	—	—	—	0	388,634
G Jarvis								
Options	164,927	—	—	0	0	0	71,708	93,219
Performance Share Rights	291,545	79,049	194,461	16,623	16,623	70,980	79,338	274,633
Restricted Share Rights	61,440	79,050	350,982	0	0	0	0	140,490
Matching Rights	708	443	2,256	431	431	2,233	0	720
Shares ³	277,371	92,429	324,875	—	—	—	101,000	268,800
A Thornton								
Options	34,925	—	—	0	0	0	0	34,925
Performance Share Rights	87,091	0	—	0	0	0	0	87,091
Restricted Share Rights	43,491	0	—	0	0	0	0	43,491
Matching Rights	528	192	1,128	0	0	0	0	720
Shares ³	141,567	382	—	—	—	—	15,000	126,949
L Tremaine								
Options	81,441	—	—	0	0	0	81,441	0
Performance Share Rights	358,047	87,385	214,967	30,612	30,612	130,713	91,837	322,983
Restricted Share Rights	67,917	87,384	387,985	0	0	—	0	155,301
Matching Rights	708	443	2,256	431	431	2,233	0	720
Shares ³	591,847	136,367	465,632	—	—	—	0	728,214

1 The number of instruments that were held at the start/end of the reporting period. For A Thornton the start is at appointment as KMP.

2 Rights to equity and shares in the Company granted to Executive KMP during the reporting period under the Equity Incentive Plan, as listed in Table 7-2. These were provided at no cost to the recipients.

3 Shares include purchases and transfers in, and shares received upon the vesting and exercise of share rights. It includes allotments of fully paid ordinary shares purchased by the Executive under the MSP (number of shares acquired: G Jarvis 1,035; J Briskin 1,035; L Tremaine: 1,035). The value of shares shown relates to the value of restricted shares granted (as set out in Table 7-3). No value is attributed to the balance of shares acquired, as they represent shares arising from the exercise of share rights (the value of which is shown in the relevant share rights line of this table) or shares purchased by the Executive under the MSP.

4 All of the rights currently listed in this table are automatically exercised upon vesting.

5 Forfeited Options and PSRs were granted on 30 August 2016, 19 October 2016, 30 August 2017, 18 October 2017, 10 September 2018 and 17 October 2018.

6 Options granted in 2017 and PSRs granted in 2019 failed to meet their test on 30 June 2022 and were subsequently lapsed, following which the remaining number of instruments held is as follows: Options (all Executives: 0), PSRs (F Calabria: 419,405; J Briskin: 137,435; G Jarvis: 140,487; A Thornton: 43,493; L Tremaine: 155,301).

7 There were no vested Options as at the end of the period. Other than rights and shares disclosed elsewhere in this Report, no other equity instruments, including shares in the Company, were granted to KMP during the period.

8 After vesting and after payment of any exercise price. The value of rights exercised is calculated as the closing market price of the Company's shares on the ASX on the date of exercise, after deducting any exercise price. The exercise price for all of the rights referenced in this table is nil. DSRs vesting in the period were granted on 18 October 2017 (vested 23 August 2021).

9 Prior to FY2018, the deferred element of STI was delivered in the form of Deferred Share Rights.

Table 7-4 (b) Details of, and movements in, ordinary shares of the Company — NEDs

	Type	Held at start ¹	Acquired ²	Disposed ³	Held at end ^{1,4}
NEDs — current⁵					
I Atlas	Shares	50,000	0	0	50,000
M Brenner	Shares	28,367	0	0	28,367
G Lalicker	Shares	100,000	0	0	100,000
M McCormack	Shares	100,000	0	0	100,000
B Morgan	Shares	47,143	0	0	47,143
S Perkins	Shares	56,000	24,000	0	80,000
S Sargent	Shares	41,429	0	0	41,429
N Scheinkestel	Shares	0	33,365	0	33,365
J Withers	Shares	0	26,000	0	26,000
NEDs — former					
J Akehurst	Shares	71,200	0	0	71,200

1 The number of instruments held at the start/end of the reporting period.

2 Purchases and transfers in.

3 Sales and transfers out.

4 Other than shares disclosed elsewhere in this Report, no other equity instruments, including shares in the Company, were granted to KMP during the period.

5 NEDs are not issued shares under any incentive or equity plans. Acquisitions include purchases of shares on market, or pursuant to the Company's dividend reinvestment plan or the August 2015 Entitlement Offer.

Table 7-5 Summary of share rights outstanding

The table below lists all the share rights outstanding at 30 June 2022 that have been granted to current or former employees (including Executive Directors and Executive KMP) under equity-based incentive plans. Equity-based incentives are not granted to NEDs. No terms of equity-settled share-based transactions have been altered or modified subsequent to grant. Share rights that failed to meet their performance hurdles on test dates on or before 30 June 2022 lapsed effective on that test date. Details of awards granted in prior years, including applicable service and performance conditions, are summarised in prior Remuneration Reports corresponding to the reporting period in which the awards were granted.

Granted	Number outstanding ¹	Number held by KMP	Exercise price (\$)	Earliest vest date ²	Last possible expiry date ^{3,4}
Legacy Options					
30-Aug-17	821,594	215,054	7.37	22-Aug-22	22-Aug-22
18-Oct-17	401,288	401,288	7.37	22-Aug-22	22-Aug-22
Performance Share Rights					
30-Aug-19	1,648,867	471,188	—	22-Aug-22	
16-Oct-19	452,742	452,742	—	22-Aug-22	
3-Nov-20	955,692	391,573	—	21-Aug-23	
6-Sep-21	1,039,173	268,559	—	26-Aug-24	
20-Oct-21	235,989	235,989	—	26-Aug-24	
Restricted Share Rights					
3-Nov-20	322,570	130,524	—	21-Aug-23	
3-Nov-20	322,570	130,524	—	26-Aug-24	
3-Nov-20	322,570	130,524	—	25-Aug-25	
6-Sep-21	351,533	89,519	—	26-Aug-24	
6-Sep-21	351,533	89,519	—	25-Aug-25	
6-Sep-21	351,533	89,519	—	24-Aug-26	
20-Oct-21	78,663	78,663	—	26-Aug-24	
20-Oct-21	78,663	78,663	—	25-Aug-25	
20-Oct-21	78,663	78,663	—	24-Aug-26	
Matching Rights					
25-Sep-20	285,053	2,112	—	21-Oct-22	
24-Sep-21	113,847	768	—	20-Oct-23	

1 Options and PSRs with the earliest vest date of 22 August 2022 were tested on 30 June 2022. These Options and PSRs (TSR hurdle only) did not satisfy the vesting conditions and will lapse on 22 August 2022, in accordance with the Plan Rules. This applies to Options granted in 2017 and PSRs granted in 2019 (TSR hurdle only, the remaining total balance of 2019 PSRs: 1,050,807; held by KMP: 461,965).

2 The vest date for PSRs and RSRs granted since 2018 does not include the trading restriction of approximately one to two years that applies to the shares allocated on vesting.

3 Where no expiry is given, automatic exercise applies at vesting. To the extent that rights fail to meet the relevant performance conditions, they will lapse effective on the test date, which may be on or before the vest date.

4 Options with the expiry date of 22 August 2022 failed their test on 30 June 2022 and as such will lapse on 22 August 2022, in accordance with the Plan Rules.

Loans to KMP

No loans have been made, guaranteed or secured, directly or indirectly, by the Company or any of its subsidiaries, at any time throughout the year, in relation to any KMP including to a KMP-related party.

Signed in accordance with a resolution of Directors



Scott Perkins
Chairman

Sydney, 18 August 2022

Lead Auditor's Independence Declaration



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Auditor's Independence Declaration to the Directors of Origin Energy Limited

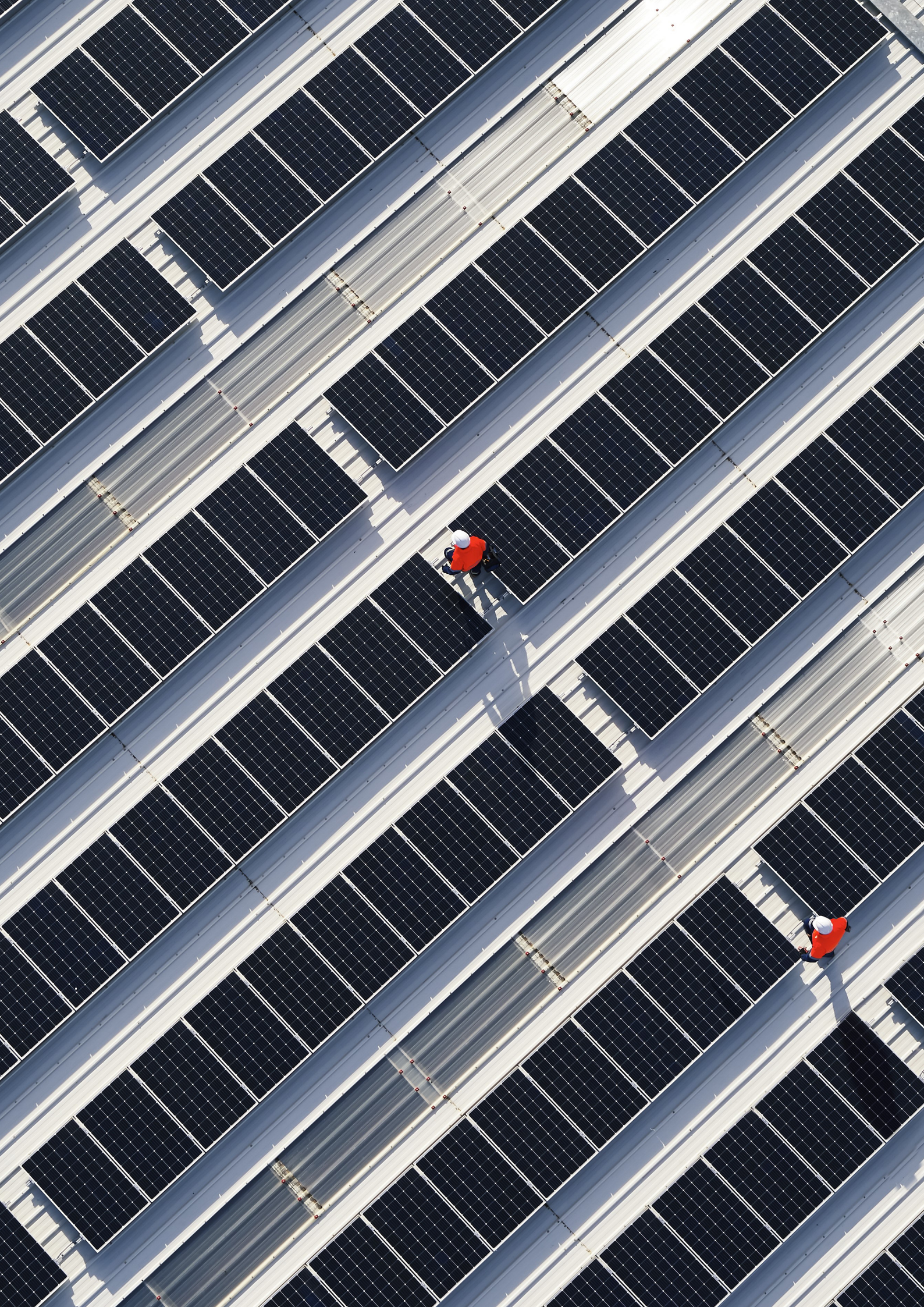
As lead auditor for the audit of the financial report of Origin Energy Limited for the financial year ended 30 June 2022, I declare to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit
- b) No contraventions of any applicable code of professional conduct in relation to the audit; and
- c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Origin Energy Limited and the entities it controlled during the financial year.

Ernst & Young

Andrew Price
Partner
Sydney
18 August 2022



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30 June 2022



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Income statement

for the year ended 30 June

	Note	2022 \$m	2021 ¹ \$m
Revenue	A2	14,461	12,097
Other income	A3	150	43
Expenses	A4	(16,315)	(14,158)
Results of equity accounted investees	A5	959	185
Interest income	A3	61	109
Interest expense	A4	(190)	(242)
Loss before income tax		(874)	(1,966)
Income tax expense	E1	(551)	(313)
Loss for the year		(1,425)	(2,279)
Loss for the period attributable to:			
Members of the parent entity		(1,429)	(2,281)
Non-controlling interests		4	2
Loss for the year		(1,425)	(2,279)
Earnings per share			
Basic earnings per share	A6	(81.5) cents	(129.6) cents
Diluted earnings per share	A6	(81.5) cents	(129.6) cents

¹ Certain amounts have been restated to reflect adjustments disclosed in note G11.

The income statement should be read in conjunction with the notes to the financial statements.

Statement of comprehensive income

for the year ended 30 June

	Note	2022 \$m	2021 ¹ \$m
Loss for the period		(1,425)	(2,279)
Other comprehensive income			
Items that will not be reclassified to profit or loss, net of tax			
Actuarial gain on defined benefit superannuation plan	E1	1	3
Investment valuation changes	E1	3	(6)
Items that can be reclassified to profit or loss, net of tax			
<i>Foreign currency translation reserve:</i>			
Reclassified to income statement ²	E1	(103)	-
Translation of foreign operations	E1	598	(639)
<i>Cash flow hedges:</i>			
Reclassified to income statement	E1	(310)	91
Effective portion of change in fair value	E1	2,385	356
Total other comprehensive income, net of tax		2,574	(195)
Total comprehensive income for the year		1,149	(2,474)
Total comprehensive income attributable to:			
Members of the parent entity		1,144	(2,475)
Non-controlling interests		5	1
Total comprehensive income for the year		1,149	(2,474)

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 Refer to note B2 for details of a foreign currency translation reserve gain recycled to the income statement as a result of the sale of a 10 per cent interest in APLNG.

The statement of comprehensive income should be read in conjunction with the notes to the financial statements.

Statement of financial position

as at

		30 June 2022	30 June 2021 ¹	1 July 2020 ¹
	Note	\$m	\$m	\$m
Current assets				
Cash and cash equivalents		620	472	1,240
Trade and other receivables	C1	3,416	2,298	1,959
Inventories		182	113	164
Derivatives	D4	3,174	769	630
Other financial assets	C7	860	503	479
Income tax receivable		-	7	89
Other assets		90	121	105
Total current assets		8,342	4,283	4,666
Non-current assets				
Trade and other receivables	C1	-	14	18
Derivatives	D4	3,075	366	675
Other financial assets	C7	243	1,465	2,225
Investments accounted for using the equity method	A5	6,245	6,939	7,360
Property, plant and equipment (PP&E)	C3	3,255	3,291	4,331
Exploration and evaluation assets	C2	286	245	190
Intangible assets	C4	2,523	4,658	5,373
Deferred tax assets	E2	-	-	462
Other assets		51	47	40
Total non-current assets		15,678	17,025	20,674
Total assets		24,020	21,308	25,340
Current liabilities				
Trade and other payables	C5	3,485	2,407	1,934
Payables to joint ventures		131	169	202
Interest-bearing liabilities	D2	316	2,004	1,401
Derivatives	D4	1,590	741	466
Other financial liabilities	C7	727	344	237
Provision for income tax		59	-	-
Employee benefits		242	231	234
Provisions	C6	378	43	163
Total current liabilities		6,928	5,939	4,637
Non-current liabilities				
Trade and other payables		-	-	193
Interest-bearing liabilities	D2	3,074	3,224	5,451
Derivatives	D4	1,744	1,395	1,343
Other financial liabilities	C7	-	15	16
Deferred tax liabilities	E2	1,359	5	-
Employee benefits		37	36	33
Provisions	C6	856	1,219	1,313
Total non-current liabilities		7,070	5,894	8,349
Total liabilities		13,998	11,833	12,986
Net assets		10,022	9,475	12,354
Equity				
Contributed equity	D3	6,877	7,138	7,145
Reserves		3,109	525	716
Retained earnings		11	1,792	4,472
Total parent entity interest		9,997	9,455	12,333
Non-controlling interests		25	20	21
Total equity		10,022	9,475	12,354

¹ Certain amounts have been restated to reflect adjustments disclosed in note G11.

The statement of financial position should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

for the year ended 30 June

\$m	Contributed equity	Share-based payments reserve	Foreign currency translation reserve	Hedge reserve	Fair value reserve	Retained earnings	Non-controlling interests	Total equity
Balance as at 30 June 2021 restated	7,138	226	222	72	5	1,795	20	9,478
Prior year restatements ¹	-	-	-	-	-	(3)	-	(3)
Balance as at 1 July 2021 restated	7,138	226	222	72	5	1,792	20	9,475
Profit/(loss)	-	-	-	-	-	(1,429)	4	(1,425)
Other comprehensive income	-	-	494	2,075	4	-	1	2,574
Total comprehensive income for the year	-	-	494	2,075	4	(1,429)	5	1,149
Dividends provided for or paid	-	-	-	-	-	(352)	-	(352)
On-market share buy-back (refer to note D3)	(250)	-	-	-	-	-	-	(250)
Movement in contributed equity (refer to note D3)	(11)	-	-	-	-	-	-	(11)
Share-based payments	-	11	-	-	-	-	-	11
Total transactions with owners recorded directly in equity	(261)	11	-	-	-	(352)	-	(602)
Balance as at 30 June 2022	6,877	237	716	2,147	9	11	25	10,022
Balance as at 30 June 2020	7,145	223	860	(375)	8	4,819	21	12,701
Prior year restatements ¹	-	-	-	-	-	(347)	-	(347)
Balance as at 1 July 2020 restated	7,145	223	860	(375)	8	4,472	21	12,354
Profit/(loss)	-	-	-	-	-	(2,281)	2	(2,279)
Other comprehensive income	-	-	(638)	447	(3)	-	(1)	(195)
Total comprehensive income for the year	-	-	(638)	447	(3)	(2,281)	1	(2,474)
Dividends provided for or paid	-	-	-	-	-	(396)	(2)	(398)
Movement in contributed equity (refer to note D3)	(7)	-	-	-	-	-	-	(7)
Share-based payments	-	3	-	-	-	-	-	3
Total transactions with owners recorded directly in equity	(7)	3	-	-	-	(396)	(2)	(402)
Balance as at 30 June 2021 restated	7,138	226	222	72	5	1,795	20	9,478

¹ Certain amounts have been restated to reflect adjustments disclosed in note G11.

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

Statement of cash flows

for the year ended 30 June

	Note	2022 \$m	2021 \$m
Cash flows from operating activities			
Receipts from customers		14,663	12,954
Payments to suppliers and employees		(14,105)	(12,021)
Cash generated from operations		558	933
Income taxes (paid)/received, net of refunds received		(27)	31
Net cash from operating activities	G6	531	964
Cash flows from investing activities			
Acquisition of PP&E		(162)	(124)
Acquisition of exploration and evaluation assets		(65)	(47)
Acquisition of other assets		(109)	(168)
Acquisition of Octopus Energy		(268)	-
Acquisition of other investments		(124)	(161)
Interest received from other parties		2	3
Net proceeds from sale of non-current assets		6	7
<i>Australia Pacific LNG (APLNG) investing cash flows</i>			
Divestment of ten per cent share in APLNG ¹		1,957	-
Receipt of Mandatorily Redeemable Cumulative Preference Shares (MRCPS) interest		50	110
Receipt of unfranked dividends		433	-
Proceeds from APLNG buy-back of MRCPS		1,112	599
Net cash from investing activities		2,832	219
Cash flows from financing activities			
Proceeds from borrowings		2,896	-
Repayment of borrowings		(4,752)	(1,042)
Joint venture operator cash call movements		(70)	(90)
Settlement of foreign currency contracts		(46)	(65)
Australian Energy Market Operator (AEMO) cash deposits		(290)	-
Interest paid ²		(191)	(234)
Repayment of lease principal		(73)	(76)
Dividends paid to shareholders of Origin Energy Ltd, net of Dividend Reinvestment Plan (DRP)		(313)	(341)
Dividends paid to non-controlling interests		(1)	(2)
Repayment of Debt Service Reserve Account (DSRA) loan to equity accounted investees		(51)	(3)
Buy back of shares on-market	D3	(250)	-
Purchase of shares on-market (treasury shares)	D3	(75)	(96)
Net cash used in financing activities		(3,216)	(1,949)
Net increase/(decrease) in cash and cash equivalents		147	(766)
Cash and cash equivalents at the beginning of the year		472	1,240
Effect of exchange rate changes on cash		1	(2)
Cash and cash equivalents at the end of the year		620	472

1 Sales proceeds of \$1,998 million offset by (\$41) million relating to hedging and other transaction related costs.

2 Includes \$17 million (2021: \$17 million) of interest payments on leases.

The statement of cash flows should be read in conjunction with the notes to the financial statements.

Overview

Origin Energy Limited (the Company) is a for-profit company domiciled in Australia. The address of the Company's registered office is Level 32, Tower 1, 100 Barangaroo Avenue, Barangaroo NSW 2000. The nature of the operations and principal activities of the Company and its controlled entities (the Group or Origin) are described in the segment information in note A1.

On 18 August 2022, the Directors resolved to authorise the issue of these consolidated general purpose financial statements for the year ended 30 June 2022.

Basis of preparation

The financial statements have been prepared:

- in accordance with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board;
- on a historical cost basis, except for derivatives and other financial assets and liabilities that are measured at fair value; and
- on a going concern basis.

The financial statements:

- are presented in Australian dollars;
- are rounded to the nearest million dollars, unless otherwise stated, in accordance with Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191; and
- do not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

Changes in accounting policies

Following clarifying guidance from the International Financial Reporting Interpretations Committee (IFRIC), the Group has applied changes in accounting policies that require restatement of previously reported amounts. The nature and effect of each new amendment on the Group's consolidated financial report are described below.

IFRIC agenda decision - Configuration or Customisation Costs in a Cloud Computing Arrangement -SaaS restatement

In April 2021, the IFRS Interpretations Committee (IFRIC) published an

agenda decision for configuration and customisation costs incurred related to a Software as a Service (SaaS) arrangement. Consequently, the Group has changed its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements. The nature and effect of the changes as a result of changing this policy is described below.

SaaS arrangements are arrangements in which the Group does not currently control the underlying software used in the arrangement.

Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where the company has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset and amortised over the useful life of the software on a straight-line basis. The amortisation is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

Where costs incurred to configure or customise do not result in the recognition of an intangible software asset, then those costs that provide the Group with a distinct service (in addition to the SaaS access) are now recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, the costs are now recognised as expenses over the duration of the SaaS contract. Previously, some costs had been capitalised and amortised over its useful life.

IFRIC agenda decision - Economic Benefits from Use of a Windfarm (IFRS 16 Leases) -PPAs restatement

In December 2021, IFRIC published a final agenda decision addressing whether an agreement for the use of a windfarm provides the right to obtain substantially all the economic benefits to qualify as a lease. It was determined that such an agreement conveyed neither the right nor the obligation for the retailer to obtain any of the electricity produced by the windfarm, and as such does not contain a lease. Following the IFRIC clarification, the Group has changed its accounting policy in relation to the treatment of some renewable power purchase agreements (PPAs) previously recognised as leases. As a result of applying the above guidance to the Group's renewable PPAs, certain agreements have been retrospectively recognised as electricity derivatives.

Impact on financial statements

In accordance with Australian Accounting Standards, the changes in accounting policies have been adopted retrospectively and prior periods comparatives have been restated. Restated amounts are detailed in note G11.

Use of judgements and estimates

Preparing the financial statements in conformity with Australian Accounting Standards requires management to make judgements and apply estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions, which are based on historical experience and various other factors believed to be reasonable under the circumstances, form the basis of judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Throughout the notes to the financial statements, further information is provided about key management judgements and estimates that we consider material to the financial statements.

The Group's operating environment and COVID-19

In addition to the COVID-19 pandemic; the Group's operating environment has experienced very challenging energy market conditions, with high prices and periods of supply constraints. This is most evident with the Ukraine war and the move by many countries away from importing energy from Russia. This is driving higher global energy prices and causing countries to place greater national importance on energy security.

These factors have had wider impacts on consumers, businesses and the overall economy. The Group entered the 2022 financial year in a financially resilient position with significantly reduced upstream costs at APLNG, and materially reduced debt. This has enabled the Group to respond to the above factors with a focus on safely maintaining energy supply and supporting customers who have been financially affected.

AEMO market suspension

During the year, Origin has experienced unprecedented energy market conditions with extremely high and volatile electricity prices, driven by generation supply constraints in the National Electricity Market (NEM), high coal and gas fuel costs and wet weather impacted renewable energy generation. These conditions culminated with periods of administered wholesale electricity pricing

and a temporary electricity spot market suspension in June 2022.

The economic impacts of the changes in the Group's operating environment due to market conditions and COVID-19 impacts have implications for various line items in the financial statements.

Strategy and climate change risks

Managing the transition to a low-carbon economy is a strategic priority. With an aim to achieve net-zero emissions by 2050, the Group is committed to helping lead the transition to a low-carbon future by progressively decarbonising its business.

The Group has identified certain key physical and transition risks relating to climate change. These include changes in market supply and demand for energy and fossil fuels, government policy and regulation in relation to climate change and other technological advancements that might occur as the decarbonisation transition unfolds.

The Group continues to monitor climate-related legislation and policies that impact the financial report and will incorporate any required changes as they arise. We recognise that there is significant uncertainty around the pace of decarbonisation across the global economy and future changes to the Group's climate change strategy or realisation of global decarbonisation ambitions quicker or more slowly than currently anticipated may impact some of the Group's significant judgements and key estimates.

In preparing the financial report, the key judgements and estimates consider the range of economic conditions that are forecast to exist over the remaining useful lives of assets, including expectations about future operations, the current outlook for commodity prices, discount rates, capital expenditure requirements and market supply and demand profiles. Climate change will impact those areas of the financial statements that are subject to estimation uncertainties in the medium to long term and can also introduce more volatility in assets and liabilities carried at fair value.

The Group's current strategy to manage the risks associated with climate change is contemplated in the significant judgements and estimates in the following notes to the financial statements:

- B2 - Investment in APLNG
- C2 - Exploration assets
- C3 - Property, plant and equipment
- C4 - Intangible assets
- C6 - Provisions - restoration
- C8 - Impairment of non-current assets

In February 2022, the Group announced plans to accelerate the exit from coal-fired power generation, bringing forward the closure of the Eraring Power Station by up to seven years to as early as 2025, with timing to be determined closer to 2025. This announcement will reduce the exposure of the financial statements to climate change risks in future years.

The recoverable amount estimates used in the impairment assessment for the Energy Markets Generation CGU considers climate change risk through the adjustment of cashflows associated with the early closure of Eraring in 2025. In line with this, the useful life of the Eraring Power Station has been adjusted to accelerate the depreciation expense in future years reflecting the earlier closure date. Refer to note C3.

Similarly, the timing of restoration activities and associated cashflows for the Eraring site remediation work have been brought forward and are reflected in the provision balance at 30 June 2022. Refer to note C6.

Paris Agreement and net zero emissions by 2050

The Group acknowledges that there are a range of possible energy transition scenarios that are aligned with the goals of the Paris Agreement. One such scenario is the International Energy Agency (IEA) Net Zero Emissions (NZE) scenario which reflects a world where there is significantly strengthened government and climate policy in order to limit warming to 1.5°C.

At a domestic level, the Australian Energy Market Operator (AEMO) produces various climate scenarios for the gas and electricity sector such as the "strong electrification" scenario which is derived from the IEA NZE scenario and has also been designed to reflect a world where warming is limited to 1.5°C.

The Group considers these scenarios when testing the resilience of the portfolio for the impact of climate change. At this time, the Group does not utilise the key assumptions in these scenarios to derive the critical accounting estimates in the financial statements, as these are not viewed as the most likely outcome given the uncertainty around the pace of decarbonisation across the global economy. The key estimates in the financial statements are determined using the Group's base case assumptions which are informed by an assessment of the current market outlook.

Although all potential financial reporting consequences under the scenarios above are impracticable to fully assess, the long-term commodity price outlook under the above 1.5°C scenarios would result in the following impact to the financial statements:

Energy Markets

For Energy Markets, commodity prices under a 1.5°C scenario are net favourable compared to the price outlook in the current base case assumptions, benefiting existing assets such as the peaking generation fleet and PPAs. Increased electrification of the NEM and other growth areas such as electric vehicle penetration and an increase in connected services as customers decarbonise their homes will provide further opportunities for the retail business. The recent announcement of the early closure of Eraring and the impairments recognised in FY2022 limit the exposure of the carrying value of the assets in the Energy Markets segment to long-term commodity price movements. There is no expected impact to the useful lives of the remaining assets or restoration and rehabilitation provisions under this 1.5°C scenario.

Investment in APLNG

For the Group's investment in APLNG, the commodity price outlook and carbon price assumptions under this 1.5°C scenario are unfavourable compared to the price outlooks in the current base case. A key input into the recoverable amount assessment is the long-term oil price assumption, with the Group's base case assumption of US\$60/bbl (real, 2022) favourable compared to the IEA NZE oil price assumptions of US\$36 by 2030 (real, 2022), US\$30 by 2040 (real, 2022) and US\$24 by 2050 (real, 2022).

The Group's preliminary assessment of the recoverable amount using the IEA NZE commodity and carbon price assumptions indicates that there is still significant value in the investment in APLNG despite the sharp price reductions. It is noted that the impact of applying these prices alone would result in an impairment of the investment at 30 June 2022, however it is currently impracticable to fully assess the potential impact under such a pricing environment as the Group would take steps to mitigate any adverse cashflow impact by adjusting its future operational and investment decisions.

There are inherent limitations with scenario analysis, and it is difficult to predict which, if any, of the scenarios might eventuate. Scenarios do not constitute definitive outcomes or probabilities, and scenario analysis relies on assumptions that may or may not be, or prove to be, correct and may or may not eventuate. Scenarios may also be impacted by additional factors to the assumptions disclosed.

A Results for the year

This section highlights the performance of the Group for the year, including results by operating segment, income and expenses, results of equity accounted investees, earnings per share and dividends.

A1 Segments

The Group's operating segments are presented on a basis that is consistent with the information provided internally to the Managing Director, who is the chief operating decision maker. This reflects the way the Group's businesses are managed, rather than the legal structure of the Group.

The reporting segments are organised according to the nature of the activities undertaken and are detailed below.

- **Energy Markets:** Energy retailing and wholesaling, power generation and LPG operations predominantly in Australia. Also includes Origin's investment in Octopus Energy Holdings Limited (Octopus Energy).
- **Integrated Gas:** Origin's investment in APLNG, exploration interests in the Beetaloo, Cooper-Eromanga and Canning basins and costs associated with growth initiatives such as hydrogen. It also includes overhead costs (net of recoveries from APLNG) and costs incurred in managing Origin's exposure to LNG pricing risk and impacts of its LNG trading positions. For greater transparency, the investment in APLNG is presented separately from the residual component of the segment.
- **Corporate:** Various business development and support activities that are not allocated to operating segments, including corporate treasury and tax items.

Underlying profit and underlying EBITDA are non-statutory (non-IFRS) measures. The objective of measuring and reporting underlying profit and underlying EBITDA is to provide a more meaningful and consistent representation of financial performance by removing items that distort performance or are non-recurring in nature.

Items excluded from the calculation of underlying profit are reported to the Managing Director as not representing the underlying performance of the business and thus are excluded from underlying profit or underlying EBITDA. These items are determined after consideration of the nature of the item, the significance of the amount and the consistency in treatment from period to period.

The nature of items excluded from underlying profit and underlying EBITDA are:

- Changes in the fair value of financial instruments not in accounting hedge relationships, to remove the significant volatility caused by timing mismatches in valuing financial instruments and the related underlying transactions. The valuation changes are subsequently recognised in underlying earnings when the underlying transactions are settled;
- Realised and unrealised foreign exchange gains/losses on debt held to hedge USD-denominated investment in APLNG;
- Significant redundancies and other costs in relation to business restructuring, transformation or integration activities;
- Gains/losses on the sale or acquisition of an asset/entity;
- Transaction costs incurred in relation to the sale or acquisition of an entity;
- Impairments of assets;
- Significant onerous contracts;
- Deferred tax liability recognition relating to the APLNG investment;
- Large-scale Generation Certificates (LGCs) net shortfall charge; and
- Other significant non-recurring items.

A1 Segments (continued)

Segment result for the year ended 30 June

\$m	Ref.	Integrated Gas								Consolidated	
		Energy Markets		Share of APLNG		Other		Corporate		2022	2021 ¹
		2022	2021 ¹	2022	2021	2022	2021	2022	2021 ¹	2022	2021 ¹
External revenue		13,636	11,931	-	-	825	166	-	-	14,461	12,097
EBITDA		(403)	(1,205)	2,134	1,145	(689)	(389)	(200)	113	842	(336)
Depreciation and amortisation		(424)	(513)	-	-	(24)	(30)	(1)	2	(449)	(541)
Share of ITDA of equity accounted investees		(52)	(39)	(1,090)	(921)	4	4	-	-	(1,138)	(956)
EBIT		(879)	(1,757)	1,044	224	(709)	(415)	(201)	115	(745)	(1,833)
Interest income ²						48	106	13	3	61	109
Interest expense ³								(190)	(242)	(190)	(242)
Income tax expense ⁴								(551)	(313)	(551)	(313)
Non-controlling interests (NCI)								(4)	(2)	(4)	(2)
Statutory profit/(loss) attributable to members of the parent entity		(879)	(1,757)	1,044	224	(661)	(309)	(933)	(439)	(1,429)	(2,281)
Reconciliation of statutory profit/(loss) to segment result and underlying profit/(loss)											
Fair value and foreign exchange movements	(a)	1,574	(444)	-	-	(331)	(556)	(112)	187	1,131	(813)
Disposals, impairments, business restructuring and other	(b)	(2,342)	(1,740)	-	-	(62)	176	(3)	4	(2,407)	(1,560)
Tax and NCI items excluded from underlying profit								(560)	(222)	(560)	(222)
Total significant items		(768)	(2,184)	-	-	(393)	(380)	(675)	(31)	(1,836)	(2,595)
Segment underlying profit/(loss)⁵		(111)	427	1,044	224	(268)	71	(258)	(408)	407	314
Underlying EBITDA^{5,6}		365	979	2,134	1,145	(297)	(10)	(88)	(78)	2,114	2,036

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 Interest income earned on MRCPS has been allocated to the Integrated Gas - Other segment.

3 Interest expense related to general financing is allocated to the Corporate segment.

4 Income tax expense for entities in the Origin tax consolidated group is allocated to the Corporate segment.

5 Underlying profit and underlying EBITDA are non-statutory (non-IFRS) measures.

6 Underlying EBITDA equals segment result and underlying profit/(loss) adjusted for: depreciation and amortisation; share of ITDA of equity accounted investees; interest income/(expense); income tax expense; and NCI.

A1 Segments (continued)**Segment result for the year ended 30 June**

\$m	2022		2021 ¹	
	Gross	Tax and NCI	Gross	Tax and NCI
(a) Fair value and foreign exchange movements				
Increase/(decrease) in fair value of derivatives	1,155	(347)	(809)	242
Net gain/(loss) from financial instruments measured at fair value	85	(26)	(163)	49
Exchange (loss)/gain on foreign-denominated debt	(109)	33	159	(47)
Fair value and foreign exchange movements	1,131	(340)	(813)	244
(b) Disposals, impairments, business restructuring and other				
Loss on sale - Horan & Bird Energy Pty Ltd	-	-	(13)	-
Loss on divestment - APLNG equity accounted investment	(113)	-	-	-
Loss on sale - other assets	(1)	-	-	-
Disposals	(114)	-	(13)	-
Impairment - Energy Markets	(2,196)	-	(1,504)	250
Impairments	(2,196)	-	(1,504)	250
Restructuring costs ²	(51)	15	(3)	1
Transaction costs	(5)	2	(2)	-
Transformation costs	(27)	8	(20)	6
Business restructuring	(83)	25	(25)	7
Deferred tax liability recognition - APLNG	-	(39)	-	(669)
Net capital gains tax on divestment - APLNG ³	-	(172)	-	-
Gain on dilution of investment - Octopus Energy	44	-	-	-
Provision for legal matters	(22)	-	-	-
LGC net shortfall charge	(151)	-	(198)	-
Onerous contracts provision ⁴	48	(14)	176	(53)
WINconnect other income ⁵	67	(20)	-	-
Other provisions	-	-	4	(1)
Other	(14)	(245)	(18)	(723)
Total disposals, impairments, business restructuring and other	(2,407)	(220)	(1,560)	(466)
Total significant items	(1,276)	(560)	(2,373)	(222)

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 The amount in the current year relates to the early closure of the Eraring Power Station. Refer to note C6.

3 Includes \$394 million of capital gains tax, offset by a \$222 million tax benefit pertaining to carry-forward capital losses.

4 This amount represents the non-cash movement during the year relating to the Group's onerous contracts. Future realised gains or losses will be recognised within underlying profit. Refer to note C6.

5 Refer to note F2 for details of the WINconnect acquisition transaction.

A1 Segments (continued)

Segment assets and liabilities as at 30 June

\$m	Energy Markets		Integrated Gas				Corporate		Consolidated	
	2022	2021 ¹	Share of APLNG		Other		2022	2021 ¹	2022	2021 ¹
Assets										
Segment assets	15,982	11,493	-	-	972	743	155	194	17,109	12,430
Investments accounted for using the equity method (refer to note A5)	424	407	6,392	7,315	(571)	(783)	-	-	6,245	6,939
Cash, funding-related derivatives and tax assets					-	1,296	666	643	666	1,939
Total assets	16,406	11,900	6,392	7,315	401	1,256	821	837	24,020	21,308
Liabilities										
Segment liabilities	(6,713)	(4,534)	-	-	(1,763)	(1,210)	(604)	(673)	(9,080)	(6,417)
Financial liabilities, interest-bearing liabilities, funding-related derivatives and tax liabilities							(4,918)	(5,416)	(4,918)	(5,416)
Total liabilities	(6,713)	(4,534)	-	-	(1,763)	(1,210)	(5,522)	(6,089)	(13,998)	(11,833)
Net assets	9,693	7,366	6,392	7,315	(1,362)	46	(4,701)	(5,252)	10,022	9,475
Additions of non-current assets	697	415	-	-	65	61	4	15	766	491

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

A2 Revenue

2022

\$m	Retail	Business and Wholesale	LPG	Solar and Energy Services	Integrated Gas	Total
Sale of electricity	4,196	2,891	-	126	-	7,213
Sale of gas	1,185	1,627	705	114	825	4,456
Pool revenue	-	2,608	-	-	-	2,608
Solar and batteries	-	-	-	107	-	107
Other revenue	-	28	-	49	-	77
Total revenue	5,381	7,154	705	396	825	14,461

2021

\$m	Retail	Business and Wholesale	LPG	Solar and Energy Services	Integrated Gas	Total
Sale of electricity	4,381	2,754	-	94	-	7,229
Sale of gas	1,148	1,307	585	108	166	3,314
Pool revenue	-	1,337	-	-	-	1,337
Solar and batteries ¹	-	-	-	111	-	111
Other revenue ¹	35	34	4	33	-	106
Total revenue	5,564	5,432	589	346	166	12,097

¹ Prior period amounts for Solar and Energy Services were restated to reflect a new category for solar and batteries.

The Group's primary revenue streams relate to the sale of electricity and natural gas to retail (Residential and Small to Medium Enterprises), business and wholesale customers, and the sale of generated electricity into the NEM.

Key judgements and estimates

The Group recognises revenue from electricity and gas sales once the energy has been consumed by the customer. When determining revenue for the financial period, management estimates the volume of energy supplied since a customer's last bill. The estimation of unbilled consumption requires judgement and is based on various assumptions including:

- volume and timing of energy consumed by customers;
- allocation of estimated electricity and gas volumes to various pricing plans;
- discounts linked to customer payment patterns; and
- loss factors.

Management also uses unbilled consumption volumes to accrue network expenses incurred by the Group for unread customer electricity and gas meters.

The calculation of unbilled revenue requires significant judgement in estimating the level of energy consumption by customers during the unbilled period to 30 June 2022. The Group uses a backcasting model and volume-matching process to provide a reliable estimate of unbilled revenue as at 30 June 2022. Refer to note C1 for the Group's consideration of the COVID-19 impact on its cash collection of trade receivables and unbilled revenue.

Retail contracts

Retail electricity service is generally marketed through standard service offers that provide customers with discounts on published tariff rates. Contracts have no fixed duration, generally require no minimum consumption, and can be terminated by the customer at any time without significant penalty. The supply of energy is considered a single performance obligation for which revenue is recognised upon delivery to customers at the offered rate. Where customers are eligible to receive additional behavioural discounts, Origin considers this to be variable consideration, which is estimated as part of the unbilled process.

Business and wholesale contracts

Contracts with business and wholesale customers are generally medium to long-term, higher-volume arrangements with fixed or index-linked energy rates that have been commercially negotiated. The nature and accounting treatment of this revenue stream is largely consistent with retail sales. Some business and wholesale sales arrangements also include the transfer of renewable energy certificates (RECs), which represent an additional performance obligation. Revenue is recognised for these contracts when Origin has the 'right to invoice' the customer for consideration that corresponds directly with the value of units of energy delivered to the customer.

Pool revenue relates to sales by Origin generation assets into the NEM, as well as revenue associated with gross settled PPAs. Origin has assessed it is acting as the principal in relation to transactions with the NEM and therefore recognises pool sales on a gross basis. Revenue from these sales is recognised at the spot price achieved when control of the electricity passes to the grid.

A2 Revenue (continued)

Solar and energy services

Solar and batteries revenue includes the sale, installation, repairs and maintenance services of solar photovoltaic systems, and battery solutions, to residential and business customers. Revenue is recognised at the point in time that the system is installed, or the service provided is complete. Community Energy Services supplies electricity and gas within embedded network sites. Similar to Retail contracts, the supply of energy is considered a single performance obligation for which revenue is recognised upon delivery to the customers at the offered rate.

LPG and Integrated Gas

Revenue from the sale of LPG (from Origin's Energy Markets segment) and LNG (from Origin's Integrated Gas segment) is recognised at the point in time that the customer takes physical possession of the commodity. Revenue is recognised at an amount that reflects the consideration expected to be received.

A3 Other income

	2022	2021
	\$m	\$m
Net gain on dilution of investments (refer to note B4)	44	-
Fees and services, and other income	106	43
Other income	150	43
Interest earned from other parties ¹	13	3
Interest earned on APLNG MRCPS (refer to note B4)	48	106
Interest income	61	109

1 Interest income is measured using an effective interest rate method and recognised as it accrues.

A4 Expenses

	2022	2021 ¹
	\$m	\$m
Cost of sales ²	13,388	10,261
Employee expenses ³	690	643
Depreciation and amortisation	449	541
Impairment of non-current assets ⁴	2,196	1,504
Net loss on divestment ⁵	113	-
Impairment of trade receivables (net of bad debts recovered)	65	88
(Increase)/decrease in fair value of derivatives	(1,155)	809
Net (gain)/loss from financial instruments measured at fair value	(85)	163
Net loss on sale of assets	2	11
Net foreign exchange loss/(gain)	128	(163)
Onerous contracts provision ⁶	(51)	(176)
Other ⁷	575	477
Expenses	16,315	14,158
Interest on borrowings	169	218
Interest on lease liabilities	17	17
Unwind of discounting on long-term provisions	4	7
Interest expense	190	242

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 Includes variable lease payments of \$24 million (2021: \$21 million).

3 Includes contributions to defined contribution superannuation funds of \$60 million (2021: \$62 million).

4 Refer to note C8.

5 Relates to the divestment of 10 per cent of Origin's investment in APLNG. Refer to note B2.1 for further details.

6 Refer to note C6.

7 Includes low-value assets and short-term leases payments of \$3 million (2021: \$5 million).

A5 Results of equity accounted investees

for the year ended 30 June

2022

\$m	Share of EBITDA	Share of ITDA	Share of net profit/(loss)
APLNG ^{1,2}	2,134	(1,086)	1,048
Total joint ventures	2,134	(1,086)	1,048
Octopus Energy ³	(36)	(51)	(87)
Gasbot Pty Limited	(1)	-	(1)
Gaschem Sydney	-	(1)	(1)
Total associates	(37)	(52)	(89)
Total	2,097	(1,138)	959

2021

\$m			
APLNG ^{1,2}	1,145	(917)	228
Total joint ventures	1,145	(917)	228
Octopus Energy ^{3,4}	(3)	(39)	(42)
Gasbot Pty Limited	(1)	-	(1)
Gaschem Sydney	-	-	-
Total associates	(4)	(39)	(43)
Total	1,141	(956)	185

1 APLNG's summary financial information is separately disclosed in notes B2.2, B2.3 and B2.4.

2 Included in the Group's share of net profit is \$4 million (2021: \$4 million) of MRCPS interest income, in line with the depreciation of the capitalised interest in APLNG's result. Refer to note B2.2.

3 The Group holds an 18.7 per cent interest in Octopus Energy and has significant influence over the entity. The prior year interest was 20 per cent. Refer to note B4 for details regarding the dilution of the Group's interest during the year. Included in the Group's share of net profit is \$18 million (2021: \$18 million) of depreciation, relating to the fair value attributed to assets at the acquisition date. Refer to note B3.

4 The prior year amounts have been restated to reflect adjustments disclosed in note G11.

as at 30 June	Equity accounted investment carrying amount	
	2022	2021
\$m		
APLNG ^{1,2}	5,821	6,532
Octopus Energy ^{3,4}	413	395
Gasbot Pty Limited	1	1
Gaschem Sydney	10	11
Total	6,245	6,939

1 APLNG's summary financial information is separately disclosed in notes B2.2, B2.3 and B2.4.

2 During the year the Group divested ten per cent of its share of APLNG. Refer to note B2.1.

3 Octopus Energy's summary financial information is separately disclosed in note B3.

4 The prior year amount has been restated to reflect adjustments disclosed in note G11.

A6 Earnings per share

	2022	2021
Weighted average number of shares on issue-basic ²	1,753,612,216	1,759,555,663
Weighted average number of shares on issue-diluted ³	1,762,126,506	1,764,549,534
Statutory profit		
Earnings per share based on statutory consolidated profit		
Statutory loss \$m	(1,429)	(2,281)
Basic earnings per share	(81.5) cents	(129.6) cents
Diluted earnings per share	(81.5) cents	(129.6) cents
Underlying profit		
Earnings per share based on underlying consolidated profit		
Underlying profit \$m ⁴	407	314
Underlying basic earnings per share	23.2 cents	17.8 cents
Underlying diluted earnings per share	23.1 cents	17.8 cents

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 The basic earnings per share calculation uses the weighted average number of shares on issue during the period reduced by shares bought-back and excluding treasury shares held.

3 The diluted earnings per share calculation uses the weighted average number of shares on issue during the period reduced by shares bought-back and excluding treasury shares held. It is also adjusted to reflect the number of shares that would be issued if outstanding Options, Performance Share Rights, Deferred Share Rights, Restricted Shares and Matching Share Rights were to be exercised (2022: 8,514,290; 2021: 4,993,871).

4 Refer to note A1 for a reconciliation of statutory profit to underlying consolidated profit.

A7 Dividends

The Directors have determined to pay a final dividend of 16.5 cents per share, partially franked to 75 per cent, on ordinary shares. The dividend will be paid on 30 September 2022. Dividends paid during the year ended 30 June are detailed below.

	2022 \$m	2021 \$m
Final unfranked dividend of 7.5 cents per share, in respect of FY2021, paid 1 October 2021 (2021: 10 cents per share, in respect of FY2020, unfranked, paid 2 October 2020)	132	176
Interim unfranked dividend of 12.5 cents per share, in respect of FY2022, paid 25 March 2022 (2021: 12.5 cents per share, in respect of FY2021, unfranked, paid 26 March 2021)	220	220
Total dividends provided for or paid	352	396

Dividend franking account

Franking credits available to shareholders of Origin Energy Limited for subsequent financial years are shown below.

Australian franking credits available at 30 per cent	86	(7)
New Zealand franking credits available at 28 per cent (in NZD)	304	304

B Investment in equity accounted joint ventures and associates

This section provides information on the Group's equity accounted investments including financial information relating to APLNG and Octopus Energy.

B1 Interests in equity accounted joint ventures and associates

Joint ventures and associates	Reporting date	Country of incorporation	Ownership interest (per cent)	
			2022	2021
APLNG ¹	30 June	Australia	27.5	37.5
Octopus Energy ^{2,3}	30 April	United Kingdom	18.7	20.0
PNG Energy Developments Limited	31 December	PNG	50.0	50.0
Gasbot Pty Limited	30 June	Australia	35.0	35.0
Gaschem Sydney	31 December	Germany	25.0	25.0
KUBU Energy Resources (Pty) Limited	30 June	Botswana	-	50.0

1 APLNG is a separate legal entity. Operating, management and funding decisions require the unanimous support of the Foundation Shareholders, which includes the Group and ConocoPhillips. Accordingly, joint control exists and the Group has classified the investment in APLNG as a joint venture.

2 Octopus Energy is a separate legal entity. The Group's investment is equity accounted as a result of the Group's active participation on the Board and the Group's ability to impact decision making, leading to the assessment that significant influence exists.

3 Refer to note B4 for details of additional equity transactions after 30 June 2022.

Of all the above joint ventures and associates, only the interests in APLNG and Octopus Energy have a material impact on the Group at 30 June 2022.

B2 Investment in APLNG

This section provides information on financial information related to the Group's investment in the equity accounted joint venture APLNG.

B2.1 Sale of share of APLNG

Subsequent to 31 December 2021, the Foreign Investment Review Board approved ConocoPhillips application to acquire an additional 10 per cent in APLNG from Origin, reducing Origin's interest from 37.5% to 27.5%. All conditions precedent under the share sale agreement between Origin and ConocoPhillips were satisfied and completion occurred on 18 February 2022.

On 8 December 2021, Origin classified the portion of the asset to be divested as held for sale and recognised an impairment of \$193 million to reduce the carrying value of the portion sold to its estimated fair value of \$1,998 million.

At completion, this impairment was partially offset by a net gain of \$80 million, outlined in the table below, resulting in the final net loss on divestment amounting to \$113 million.

	2022 \$m
Foreign currency translation reserve ¹	105
FX hedging costs ²	(18)
Other completion adjustments	(7)
Total completion adjustments	80

1 An amount of \$105 million was recycled to the income statement from the foreign currency translation reserve at completion.

2 On execution of the previously announced transaction, US\$285 million was hedged at a forward rate of AUD/USD 0.749. The net loss on the hedge contract on closing out the position amounted to \$18 million.

The following amounts in notes B2.2, B2.3 and B2.4 reflect this change in ownership which was effective from 8 December 2021.

B2.2 Summary APLNG income statement

for the year ended 30 June	2022		2021	
	Total APLNG	Origin interest ¹	Total APLNG	Origin interest ¹
\$m				
Operating revenue	9,362		4,595	
Operating expenses	(2,486)		(1,544)	
EBITDA	6,876	2,134	3,051	1,145
Depreciation and amortisation expense	(1,563)	(495)	(1,568)	(588)
Interest income	9	3	6	2
Interest expense – MRCPS	(141)	(48)	(282)	(106)
Other interest expense	(328)	(105)	(357)	(134)
Income tax expense	(1,456)	(445)	(255)	(95)
ITDA	(3,479)	(1,090)	(2,456)	(921)
Statutory result for the year	3,397	1,044	595	224
Other comprehensive income	-	-	-	-
Statutory total comprehensive income²	3,397	1,044	595	224
Underlying profit for the year³	3,397	1,044	595	224
Underlying EBITDA for the year³	6,876	2,134	3,051	1,145

1 Origin's interest is 27.5 per cent. Prior to 8 December 2021 it was 37.5 per cent.

2 Excluded from the above is \$4 million (2021: \$4 million) (Origin share) of MRCPS interest income that has been recognised by Origin, in line with the depreciation of the capitalised interest in APLNG's result above. Refer to note B2.3. This adjustment is disclosed under the Integrated Gas - Other segment on the 'share of ITDA of equity accounted investees' line in note A1.

3 Underlying profit and underlying EBITDA are non-statutory (non-IFRS) measures.

Income and expense amounts are converted from USD to AUD using the average exchange rate prevailing for the relevant period.

B2.3 Summary APLNG statement of financial position

100 per cent APLNG as at 30 June \$m	2022	2021
Cash and cash equivalents	1,544	905
Assets classified as held for sale	-	24
Other assets	788	647
Current assets	2,332	1,576
Receivables from shareholders	312	335
PP&E	32,083	31,352
Exploration, evaluation and development assets	558	486
Other assets	142	730
Non-current assets	33,095	32,903
Total assets	35,427	34,479
Bank loans – secured	776	681
Liabilities classified as held for sale	-	1
Other liabilities	766	588
Current liabilities	1,542	1,270
Bank loans – secured	7,075	7,179
Payable to shareholders (MRCPS)	-	3,417
Other liabilities	3,569	3,107
Non-current liabilities	10,644	13,703
Total liabilities	12,186	14,973
Net assets	23,241	19,506
Group's interest of 27.5 (prior to 8 Dec 2021: 37.5) per cent of APLNG net assets	6,392	7,315
Group's impairment expense	(477)	(650)
Group's own costs	18	25
MRCPS elimination ¹	(112)	(158)
Investment in APLNG Pty Ltd²	5,821	6,532

1 During project construction, when the Group received interest on the MRCPS from APLNG, it recorded the interest as income after eliminating a proportion of this interest that related to its ownership interest in APLNG. At the same time, when APLNG paid interest to the Group on MRCPS, the amount was capitalised by APLNG. Therefore, these capitalised interest amounts form part of the cost of APLNG's assets and these assets have been depreciated since commencement of operations. The proportion attributable to the Group's own interest (37.5 per cent prior to 8 December 2021 and 27.5 per cent thereafter) is eliminated through the equity accounted investment balance.

2 Includes a movement of \$631 million in foreign exchange that has been recognised in the foreign currency translation reserve. This represents the net amount after \$105 million was recycled to the income statement on divestment. Also included is a movement of A\$433 million (US\$303 million) relating to unfranked dividends received from APLNG.

Reporting date balances are converted from USD to AUD using an end-of-period exchange rate of 0.6891 (2021: 0.7516).

Key judgements and estimates

The carrying amount of the Group's equity accounted investment in APLNG is reviewed at each reporting date to determine whether there is any indication of impairment or reversal of impairment. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made. The Group's assessment of the recoverable amount uses a discounted cash flow methodology and considers a range of macroeconomic and project assumptions, including oil and LNG price, AUD/USD exchange rates, discount rates and costs over the asset's life. No impairment loss or reversal of impairment was recognised during the year.

Climate change is a material risk that can affect the Group's operations through current and future climate-related legislation and policies and climate related scenarios. Future climate related conditions, legislation and policies may have an impact on future commodity prices, foreign exchange rates, discount rates, inflation, global market supply and demand conditions and whether reserve quantities are capable of economic extraction.

B2.4 Summary APLNG statement of cash flows

100 per cent APLNG for the year ended 30 June \$m	2022	2021
Cash flow from operating activities		
Receipts from customers	9,529	4,808
Payments to suppliers and employees	(2,459)	(1,494)
Net cash from operating activities	7,070	3,314
Cash flows from investing activities		
Loan repaid by Origin	51	3
Acquisition of PP&E	(393)	(431)
Acquisition of exploration and development assets	(22)	(28)
Proceeds from sale of assets	68	-
Other investing activities	7	8
Net cash used in investing activities	(289)	(448)
Cash flows from financing activities		
Payments relating to other financing activities	(22)	(48)
Repayment of lease principal	(55)	(45)
Payment of interest on lease liabilities	(15)	(19)
Repayment of borrowings	(694)	(672)
Payments of transaction and interest costs relating to borrowings	(233)	(263)
Payments for buy-back of MRCPS	(3,544)	(1,598)
Payments of interest on MRCPS	(145)	(293)
Payments of ordinary dividends	(1,573)	-
Net cash used in financing activities	(6,281)	(2,938)
Net increase/(decrease) in cash and cash equivalents	500	(72)
Cash and cash equivalents at the beginning of the year	905	1,072
Effect of exchange rate changes on cash	139	(95)
Cash and cash equivalents at the end of the year	1,544	905

Cash flow amounts are converted from USD to AUD using the exchange rate that approximates the actual rate on the date of the cash flows.

B3 Investment in Octopus Energy Holdings Limited

Octopus Energy is an energy retailer and technology company incorporated in the United Kingdom and is not publicly listed. During the year the Group's ownership was reduced from 20 per cent to 18.7 per cent following additional equity transactions undertaken by Octopus Energy. Refer to note B4 for further details.

The following table summarises the financial information of Octopus Energy, as included in its financial statements, adjusted for differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Octopus Energy.

Summary Octopus Energy income statement for the year ended 30 June \$m	2022		2021 ¹	
	Total Octopus Energy	Origin interest ²	Total Octopus Energy	Origin interest ²
Operating revenue	8,562		3,907	
Statutory and underlying result for the year	(345)	(69)	(121)	(24)
Other comprehensive income	-	-	-	-
Statutory total comprehensive income³	(345)	(69)	(121)	(24)

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 Origin's interest is 18.7 per cent. Prior to 1 December 2021 it was 20 per cent. Refer to note B4.

3 \$18 million (2021: \$18 million) (Origin share) of amortisation relating to the fair value attributed to assets at the acquisition date is not included above as it is recognised by Origin.

Income statement amounts are converted from GBP to AUD using the average rate prevailing for the relevant period.

Summary Octopus Energy statement of financial position as at 30 June \$m	2022	2021 ¹
Current assets ²	2,961	1,317
Non-current assets	570	331
Current liabilities ³	(2,867)	(1,372)
Non-current liabilities ³	(11)	-
Net assets	653	276
Group's interest of 18.7 per cent (prior to 1 Dec 2021: 20 per cent) of Octopus Energy net assets	122	55
Goodwill and fair value adjustments	285	334
Group's own costs	6	6
Group's carrying amount of the investment in Octopus Energy	413	395

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 Current assets include cash and cash equivalents of \$800 million (2021: \$233 million).

3 Includes current financial liabilities and non-current financial liabilities of \$1,732 million (2021: \$703 million) and \$11 million (2021: \$nil) respectively.

Reporting date balances are converted from GBP to AUD using an end-of-period exchange rate of 0.5665 (2021: 0.5428).

The associate has no contingent liabilities or capital commitments as at 30 June 2022.

B4 Transactions between the Group and equity accounted investees

APLNG

Service transactions

The Group provides services to APLNG including corporate services, upstream operating services related to the development and operation of APLNG's natural gas assets, and marketing services relating to coal seam gas (CSG). The Group incurs costs in providing these services and charges APLNG for them in accordance with the terms of the contracts governing those services.

Commodity transactions

Separately, the Group has entered agreements to purchase gas from APLNG (2022: \$401 million; 2021: \$354 million) and sell gas to APLNG (2022: \$17 million; 2021: \$7 million). At 30 June 2022, the Group's outstanding payable balance for purchases from APLNG was \$25 million (2021: \$55 million) and outstanding receivable balance for sales to APLNG was \$7 million (2021: \$7 million).

Funding transactions

The Group recorded cash received of A\$1,162 million (2021: \$709 million) and reflected a reduction in the MRCPS non-current financial asset during the financial year. The related MRCPS dividend of A\$50 million was recognised as interest income.

As at 30 June 2022, the APLNG MRCPS were fully bought back and APLNG have commenced distributions via unfranked dividends of which \$433 million were received during the year.

During the year, Origin repaid \$51 million (2021: \$3 million) of the loan from APLNG under the APLNG project finance DSRA requirements.

Octopus Energy

Initial investment - deferred consideration and BOT milestone payments

On 1 May 2020, the Group announced the acquisition of a 20 per cent equity stake in Octopus Energy for a total cash consideration of £215 million (A\$412 million), of which £65 million was paid prior to 30 June 2020 and £150 million was deferred over two financial years. The Group has also entered into a licensing agreement for a total cash consideration of £25 million, of which £5 million was paid prior to 30 June 2020 and £20 million was deferred over two financial years. During the year, the Group paid £100 million (A\$189 million) to Octopus Energy in respect of the remaining deferred consideration payable under the equity purchase agreement. A further £15 million (A\$28 million) was also paid to Octopus Energy during the year, representing £10 million of the remaining deferred consideration payable under the licensing agreement and an additional £5 million which became payable on achievement of certain milestones.

Additional equity transactions

On 27 September 2021, the Group committed an additional investment of £38 million (~A\$72 million) to maintain its 20 per cent equity interest, following the announcement of an investment into Octopus Energy by a fund managed by Generation Investment Management (GIM) for approximately a seven per cent interest in Octopus Energy. This amount was paid in October 2021 and was recognised as an increase in the carrying amount of the Group's equity investment in Octopus Energy.

In December 2021, GIM obtained a further three per cent interest in Octopus Energy and Octopus Energy announced that the CPP Investment Board (CPPIB) agreed to acquire a six per cent stake in Octopus Energy for £211 million with completion of the CPPIB transaction occurring in two tranches. The first CPPIB tranche was completed in December 2021.

The GIM and CPPIB transactions in December 2021 resulted in a dilution of the Group's ownership in Octopus Energy to 18.7 per cent at 31 December 2021 and the Group has recognised a gain on dilution of \$44 million in the current year.

In April 2022, £4.5 million (\$8 million) was paid to Octopus Energy in respect of our equity investment. The amount represents a tranche 2 milestone payment under the previous announced transaction between Tokyo Gas and Octopus and was required to maintain the Group's 18.7 per cent interest.

On 26 July 2022 Origin announced an additional investment of £94 million (approximately A\$163 million) to restore its 20 per cent equity interest.

Financial guarantee

The Group has provided a financial guarantee to Octopus Energy's financiers and during the year, \$9 million (2021: \$8 million) has been recognised within other income in respect of the financial guarantee income. The current financial guarantee expires in March 2023.

C Operating assets and liabilities

This section provides information on the assets used to generate the Group's trading performance and the liabilities incurred as a result.

C1 Trade and other receivables

The following balances are amounts due from the Group's customers and other parties.

	2022 \$m	2021 \$m
Current		
Trade receivables net of allowance for impairment	769	602
Unbilled revenue net of allowance for impairment	2,107	1,444
Other receivables	540	252
Total current	3,416	2,298
Non-current		
Trade receivables	-	9
Other receivables	-	5
Total non-current	-	14

Trade and other receivables are initially recorded at the amount billed to customers or other counterparties. Unbilled receivables represent estimated gas and electricity supplied to customers since their previous bill was issued. The carrying value of all receivables, including unbilled revenue, reflects the amount anticipated to be collected.

Key judgements and estimates

Recoverability of trade receivables: Judgement is required in determining the level of provisioning for customer debts. Impairment allowances take into account the age of the debt, historic collection trends and expectations about future economic conditions.

Unbilled revenue: Unbilled gas and electricity revenue is not collectable until customers' meters are read and invoices issued. Refer to note A2 for judgement applied in determining the amount of unbilled energy revenue to recognise.

Credit risk and collectability

The Group minimises the concentration of credit risk by undertaking transactions with a large number of customers from across a broad range of industries. Credit approval processes are in place for large customers and all customers are required to pay in accordance with agreed payment terms. Depending on the customer segment, settlement terms are generally 14 to 30 days from the date of the invoice. For some debtors, the Group may also obtain security in the form of deposits, guarantees, deeds of undertaking or letters of credit, which can be called upon if the counterparty defaults.

Debtor collectability is assessed on an ongoing basis and any resulting impairment losses are recognised in the income statement. The Group applies the simplified approach to providing for trade receivable and unbilled revenue impairment, which requires the expected lifetime credit losses to be recognised when the receivable is initially recognised. To measure expected lifetime credit losses, trade receivables and unbilled revenue balances have been grouped based on shared credit risk characteristics and ageing profiles. A debtor balance is written off when recovery is no longer assessed to be possible.

With the emergence of COVID-19, the government introduced lockdowns and other restrictions to combat the spread of the virus, which has had a wide-ranging impact on businesses and individuals, with job losses and business shutdowns in certain industries. This has placed increased pressure on businesses' ability to absorb these impacts, and on consumer budgets. Collectively, this impacts the Group's debt collection performance and any expected credit losses. At the date of this report, the Group has not experienced a significant impact on its debt collection as a result of COVID-19.

Despite this, there remains future credit risk associated with trade receivable amounts due to the unprecedented nature of this event, such that historical performance cannot be used in isolation as an indicator of the future. The impacts seen in other countries are not comparable due to different consumer patterns, demographics and responses to COVID-19, including the nature and quantum of government stimulus.

C1 Trade and other receivables (continued)

The Group has assessed its provision for bad and doubtful debts in accordance with AASB 9 *Financial Instruments* considering:

- Current collection performance, including the COVID-19 period when lockdown restrictions and government stimulus measures were in place, and expected credit default frequencies;
- Regulatory and economic outlook, including forecast unemployment rates and the timing and quantum of government stimulus packages and other relief measures provided by banks and landlords; and
- Risk profile of customers and industry-specific risk assessments based on actual and forecasted volumes as a measure for credit risk.

These considerations require significant judgement. The Group models the expected credit loss by customer type and industry group. Where possible, publicly available information, such as expected default rates, has been applied. For residential customers, a higher allowance for impairment is included for those with significantly aged receivables.

As at 30 June 2022, the allowance for impairment in respect of trade receivables and unbilled revenue is \$186 million (2021: \$186 million).

The average age of trade receivables is 18 days (2021: 19 days). Other receivables are neither past due nor impaired, and relate principally to generation and hedge contract receivables. The ageing of trade receivables and unbilled revenue at the reporting date is detailed below.

\$m	2022		2021	
	Gross	Impairment allowance	Gross	Impairment allowance
Unbilled revenue	2,120	(13)	1,465	(21)
Not yet due	539	(8)	380	(8)
Less than 30 days	86	(5)	105	(7)
31-60 days past due	49	(9)	45	(9)
61-90 days past due	30	(8)	30	(9)
Greater than 91 days	238	(143)	207	(132)
Total	3,062	(186)	2,232	(186)

The movement in the allowance for impairment in respect of trade receivables and unbilled revenue during the year is shown below.

Balance as at 1 July	186	162
Impairment losses recognised	65	88
Amounts written off	(65)	(64)
Balance as at 30 June	186	186

C2 Exploration and evaluation assets

	2022	2021
	\$m	\$m
Balance as at 1 July	245	190
Additions	65	55
Exploration write-off	(24)	-
Balance as at 30 June¹	286	245

¹ The closing balance primarily relates to the Group's 77.5 per cent share in the Beetaloo Basin joint venture with Falcon Oil & Gas (Beetaloo asset) and the Group's interests in several permits in the Canning Basin with Buru Energy and Rey Resources.

The Group holds a number of exploration permits that are grouped into areas of interest according to geographical and geological attributes. Expenditure incurred in each area of interest is accounted for using the successful efforts method. Under this method, all general exploration and evaluation costs are expensed as incurred except the direct costs of acquiring the rights to explore, drilling exploratory wells and evaluating the results of drilling. These direct costs are capitalised as exploration and evaluation assets pending the determination of the success of the well. If a well does not result in a successful discovery, the previously capitalised costs are immediately expensed.

The carrying amounts of exploration and evaluation assets are reviewed at each reporting date to determine whether any of the following indicators of impairment are present:

- the right to explore has expired, or will expire in the near future, and is not expected to be renewed;
- further exploration for and evaluation of resources in the specific area is not budgeted or planned for;
- the Group has decided to discontinue activities in the area; or
- there is sufficient data to indicate the carrying value is unlikely to be recovered in full from successful development or by sale.

Where an indicator of impairment exists, the asset's recoverable amount is estimated. If it is concluded that the carrying value of an exploration and evaluation asset is unlikely to be recovered by future exploitation or sale, an impairment is recognised in the income statement for the difference.

Key judgement

Recoverability of exploration and evaluation assets

Assessment of the recoverability of capitalised exploration and evaluation expenditure requires certain estimates and assumptions to be made as to future events and circumstances, particularly in relation to whether economic quantities of reserves have been discovered. Such estimates and assumptions may change as new information becomes available. Additionally, future climate-related conditions, legislation and policies may impact whether reserve quantities are capable of economic extraction. The recoverability of these assets continues to be monitored by the Group. Such estimates and assumptions may change as new information becomes available.

Upon approval of the commercial development of a project, the exploration and evaluation asset is classified as a development asset. Once production commences, development assets are transferred to PP&E.

C3 Property, plant and equipment

\$m	Owned			Right-of-use		Total
	Plant and equipment	Land and buildings	Capital work in progress	Plant and equipment	Land and buildings	
2022						
Cost	5,952	194	371	266	397	7,180
Less: Accumulated depreciation and impairment losses	(3,649)	(79)	-	(97)	(100)	(3,925)
Total	2,303	115	371	169	297	3,255
Balance as at 1 July 2021	2,458	112	317	84	320	3,291
Additions	41	6	114	127	1	289
Net restoration movement	(31)	-	-	-	-	(31)
Disposals	(9)	-	-	-	(78)	(87)
Modifications to lease terms	-	-	-	12	85	97
Depreciation/amortisation	(216)	(3)	-	(54)	(31)	(304)
Transfers within PP&E	60	-	(60)	-	-	-
Transfers to intangibles	(3)	-	-	-	-	(3)
Effect of movements in foreign exchange rates	3	-	-	-	-	3
Balance as at 30 June 2022	2,303	115	371	169	297	3,255
2021						
Cost	5,863	194	317	162	408	6,944
Less: Accumulated depreciation and impairment losses	(3,405)	(82)	-	(78)	(88)	(3,653)
Total	2,458	112	317	84	320	3,291
Balance as at 1 July 2020	3,443	143	278	108	359	4,331
Additions	36	1	110	29	1	177
Disposals	-	-	-	(13)	(1)	(14)
Modifications to lease terms	-	-	-	12	1	13
Depreciation/amortisation	(294)	(4)	-	(48)	(40)	(386)
Impairment	(801)	(28)	-	(4)	-	(833)
Transfers within PP&E	71	-	(71)	-	-	-
Transfers from intangibles	5	-	-	-	-	5
Effect of movements in foreign exchange rates	(2)	-	-	-	-	(2)
Balance as at 30 June 2021	2,458	112	317	84	320	3,291

Owned PP&E

PP&E is recorded at cost less accumulated depreciation, amortisation and impairment charges. Cost includes the estimated future cost of required closure and rehabilitation.

The carrying amounts of assets are reviewed to determine if there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and if required, an impairment is recognised in the income statement.

Depreciation is calculated on a straight-line basis so as to write off the cost of each asset over its expected useful life. Leasehold improvements are amortised over the period of the relevant lease or estimated useful life, whichever is shorter. Land and capital work in progress are not depreciated.

The estimated useful lives used in the calculation of depreciation are shown below.

- Buildings, including leasehold improvements 10 to 50 years
- Plant and equipment 3 to 30 years

C3 Property, plant and equipment (continued)

Leased PP&E

The Group's leased assets include commercial offices, power stations, LPG terminals and shipping vessels, motor vehicles and other items of equipment.

ROU assets are recognised at the commencement of a lease. ROU assets are initially valued at the corresponding lease liability amount adjusted for any payments already made, lease incentives received or initial direct costs incurred when entering into the lease. Where the Group is required to restore the ROU asset at the end of the lease, the cost of restoration is also included in the value of the ROU asset.

ROU assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the ROU asset. The carrying amounts of ROU assets are reviewed to determine if there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated, and if required, an impairment is recognised in the income statement.

Refer to note D2 for discussion of the recognition and measurement of associated lease liability balances.

Key judgements and estimates

Recoverability of carrying values: Estimates of recoverable amounts are based on an asset's value-in-use or fair value less costs to sell, whichever is higher. The recoverable amount of these assets is sensitive to changes in key assumptions. Refer to note C8 for further details.

Estimation of useful economic lives: A technical assessment of the operating life of an asset requires significant judgement. Useful lives are amended prospectively when a change in the operating life is determined. The estimated useful lives of our assets align with our climate change strategy commitments.

Restoration provisions: An asset's carrying value includes the estimated future cost of required closure and rehabilitation activities. Refer to note C6 for a judgement related to restoration provisions.

Climate change risks: Future climate-related conditions, legislation and policies may have an impact on these estimates and continues to be monitored.

Lease term: Where lease arrangements contain options to extend the term or terminate the contract, the Group assesses whether it is 'reasonably certain' that the option to extend or terminate will be exercised. Consideration is given to all facts and circumstances that create an economic incentive to extend or terminate the contract. Lease liabilities and ROU assets are measured using the reasonably certain contract term.

C4 Intangible assets

	2022	2021 ¹
	\$m	\$m
Goodwill net of impairment losses	1,965	4,136
Software and other intangible assets	1,684	1,528
Accumulated amortisation	(1,126)	(1,006)
Total	2,523	4,658

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

Reconciliations of the carrying amounts of each class of intangible asset are set out below.

\$m	Goodwill ¹	Software and other intangibles ¹	Total ¹
Balance as at 30 June 2021 restated	4,136	522	4,658
Additions ²	25	183	208
Transfers from PP&E	-	3	3
Impairment ³	(2,196)	-	(2,196)
Amortisation expense	-	(150)	(150)
Balance as at 30 June 2022	1,965	558	2,523
Balance as at 1 July 2020 restated	4,818	555	5,373
Additions ⁴	-	135	135
Transfers to PP&E	-	(5)	(5)
Impairment ³	(682)	-	(682)
Amortisation expense	-	(163)	(163)
Balance as at 30 June 2021 restated	4,136	522	4,658

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 Includes \$77 million of software and other intangibles related to the acquisition of WINconnect Pty Ltd and \$25 million of goodwill (refer to note F2). Additions also include \$15 million related to the acquisition of Yarrabee Solar Farm and \$12 million related to the acquisition of the Carisbrook Solar Farm.

3 Includes \$2,196 million (2021: \$671) million related to the impairment of Energy Markets segment goodwill. The remaining prior year amount of \$11 million related to goodwill written off when Horan & Bird Energy Pty Ltd was sold.

4 Additions include amounts relating to the build of the Kraken technology platform, along with amounts relating to the implementation of a new Enterprise Resource Planning system for the Group.

Goodwill is stated at cost less any accumulated impairment losses and is not amortised. Software and other intangible assets are stated at cost less any accumulated impairment losses and accumulated amortisation. Amortisation is recognised as an expense on a straight-line basis over the estimated useful lives of the intangible assets.

The average amortisation rate for software and other intangibles (excluding capital work in progress) was 11 per cent (2021: 13 per cent).

Key judgements and estimates

Recoverability of carrying values: Refer to note C8 for further details.

C5 Trade and other payables

	2022	2021
	\$m	\$m
Current		
Trade payables and accrued expenses	3,485	2,205
Deferred consideration ¹	-	202
Total	3,485	2,407

1 The prior year deferred consideration balance was settled during the year. Refer to note B4.

C6 Provisions

\$m	Restoration ¹	Onerous contracts ²	Other ³	Total
Balance as at 1 July 2021	675	411	176	1,262
Provisions recognised	9	393	46	448
Provisions released	(48)	(446)	(2)	(496)
Payments/utilisation	(8)	-	(12)	(20)
Unwinding of discounting	1	3	-	4
Effect of movements in foreign exchange rates	-	36	-	36
Balance as at 30 June 2022	629	397	208	1,234
Current				378
Non-current				856
Total provisions				1,234

1 The closing balance includes amounts relating to the restoration of the Eraring Power Station site and other generation gas power station locations. Also included within this balance are rehabilitation provisions for contamination at existing and legacy operating sites.

2 All contracts in which the unavoidable costs of meeting the obligations exceed the economic benefits are deemed onerous and require a provision to be recognised up front. The opening balance included an onerous contract provision of \$398 million (US\$299 million) for the Cameron LNG purchase contract which has been released during the year. The closing balance relates to an onerous contract provision of \$397 million (US\$273 million) (30 June 2021: \$13 million) for the LNG sales contract with ENN.

3 The closing balance of other provisions primarily relates to costs for compliance with safety standard requirements relating to the Eraring ash dam wall, costs associated with the new Myuna Bay Recreation Centre facility, costs associated with the Eraring Power Station closure and a make good provision relating to existing property leases.

Restoration provisions are initially recognised at the best estimate of the costs to be incurred in settling the obligation. Where restoration activities are expected to occur more than 12 months from the reporting period, the provision is discounted using a risk-free rate that reflects current market assessments of the time value of money. The unwinding of the discount is recognised in each period as interest expense.

At each reporting date, the restoration provision is remeasured in line with changes in discount rates, and changes to the timing or amount of costs to be incurred, based on current legal requirements and technology. Any changes in the estimated future costs associated with:

- Restoration and dismantling are added to or deducted from the related asset; and
- Environmental rehabilitation are expensed in the current period.

Key estimate

Restoration, rehabilitation and dismantling costs

The Group estimates the cost of future site restoration activities at the time of installation or construction of an asset, or when an obligation arises. Restoration often does not occur for many years and thus significant judgement is required as to the extent of work, cost and timing of future activities. Future climate-related conditions, legislation and policies may have an impact on these estimates and will continue to be monitored.

C7 Other financial assets and liabilities

\$m	2022		2021	
	Current	Non-current	Current	Non-current
Other financial assets				
<i>Measured at fair value through profit or loss</i>				
MRCPS issued by APLNG	-	-	-	1,296
Settlement Residue Distribution Agreement units	109	70	42	31
Environmental scheme certificates	444	-	255	-
Investment fund units	-	59	-	64
Debt and other securities	14	22	12	22
Equity securities	-	1	-	6
<i>Measured at fair value through other comprehensive income</i>				
Equity securities	-	51	-	46
<i>Measured at amortised cost</i>				
Futures collateral	3	-	194	-
AEMO cash deposits	290	-	-	-
Debt instruments	-	40	-	-
Total other financial assets	860	243	503	1,465
Other financial liabilities				
<i>Measured at fair value through profit or loss</i>				
Environmental scheme surrender obligations	417	-	321	-
<i>Measured at amortised cost</i>				
Futures collateral	304	-	23	-
Financial guarantees ¹	6	-	-	15
Total other financial liabilities	727	-	344	15

1 Financial guarantee contracts are initially recognised at fair value. Subsequently, they are measured at either the amount of any determined loss allowance or at the amount initially recognised less any cumulative income recognised, whichever is larger. This financial guarantee relates to the working capital facility entered into by Octopus Energy with its financiers, as referred to in note B4, for which the Group has provided a guarantee.

C8 Impairment of non-current assets

Cash-generating units

Assets are grouped together into the smallest group of individual assets that generate largely independent cash inflows (cash generating unit or (CGU)). The Energy Markets segment consists of the following materially distinct CGUs:

- **Retail CGU:** incorporates Mass Market customers, Commercial & Industrial customers and the Wholesale & Trading businesses for electricity and natural gas commodities. The Wholesale & Trading business includes various electricity PPAs and major wholesale gas supply contracts.
- **Generation CGU:** incorporates cash flows from Origin's power stations.
- **LPG CGU:** supplies and distributes LPG to residential and business locations across Australia and the Pacific.

The carrying amounts of the CGUs are reviewed at each reporting date to determine whether there is any indication of impairment. Where an indicator of impairment exists, or where goodwill is present, a formal estimate of the recoverable amount is made.

Only the Retail CGU contains a material goodwill balance and an impairment assessment of the recoverable amount was performed at June 2022.

Impairment testing for the year ended 30 June 2022

Origin's assessment of the carrying value of its non-current assets in the Retail CGU considers a range of macroeconomic factors, including market prices for wholesale electricity and gas, large-scale generation certificates (LGCs), retail market dynamics, discount rates and costs.

In order to manage risk around the volatility of its energy supply costs, the Group enters into long-term and short-term derivative contracts. The recent extraordinary market conditions have resulted in a significant increase in wholesale electricity and gas prices and associated in-the-money derivative assets at 30 June 2022 (refer note D4).

The recoverable amount of the Retail CGU is assessed independently of the derivative cashflows which results in a cost of energy that is based on market prices and not the contracted hedged price. Accordingly, the higher assumed market prices have resulted in a non-cash impairment of \$2,196 million recognised as at 30 June 2022.

C8 Impairment of non-current assets (continued)

Although the in-the-money derivative assets will unwind in future periods as the underlying contracts are settled, the impairment is allocated to goodwill in the Retail CGU and cannot be reversed in future periods. The impairment expense recognised by class of asset is outlined in the following table.

Impairment expense	Note	2022 \$m	2021 \$m
Non-current assets			
PP&E	C3	-	833
Intangible assets	C4	2,196	671
Total impairment expense on non-current assets	A4	2,196	1,504

The carrying amount of the remaining goodwill allocated to the Retail CGU is \$1,943 million after the recognition of the impairment.

Recoverable amount

The recoverable amount of the Retail CGU has been determined using value-in-use models that include an appropriate terminal value. The value-in-use calculations are sensitive to a number of key assumptions requiring management judgement, including future commodity prices, regulatory policies, and the outlook for the market supply-and-demand conditions. The key assumptions used by the Group in its impairment assessment are shown in the table below.

Key assumptions	Energy Markets
Commodity prices	Future commodity price assumptions impact the recoverability of carrying values and are reviewed at least twice annually. The Group's estimate of future commodity prices is made with reference to internally derived forecast data, current spot prices, external market analysts' forecasts and forward curves. Where volumes are contracted, future prices reflect the contracted price.
Long-term growth rates	Cash flows are projected for the term of electricity PPAs and major wholesale supply contracts in the Retail CGU. Other Retail CGU cash flows are projected for five years. The growth rate used to extrapolate Retail cash flows beyond the initial period projected averages 2.3 per cent, analogous to long term Consumer Price Index.
Customer numbers	This is based on a review of actual customer numbers and historical data regarding levels of customer churn. The historical analysis is considered against current and expected market trends and competition for customers.
Gross margin and operating cost	This is based on a review of actual gross margins and cost per customer, and consideration of current and expected market movements and impacts.
Discount rate	Discount rates used are the pre-tax equivalent of a post-tax discount rate of 7.2 per cent (2021: 6.8 per cent).
Climate risk	The Group continues to develop its assessment of the potential impacts of climate change and the transition to a low-carbon economy and this has been considered in the assumptions used as part of the recoverable amount assessment.

Sensitivity analysis

To the extent the Retail CGU, that includes a significant portion of goodwill, has been written down to the recoverable amount in the current year, any change in key assumptions on which the valuation is based would further impact asset carrying values. When modelled in isolation, it is estimated that changes in the key assumptions would result in the following additional impairments in FY2022.

Sensitivity	Discount rates increase by 1%	Long-term growth rates decrease by 1%
Retail	(728)	(540)

Changes in any of the aforementioned assumptions may be accompanied by changes in other assumptions, which may have an offsetting impact.

D Capital, funding and risk management

This section focuses on the Group's capital structure and related financing costs. Information is also presented about how the Group manages capital, and the various financial risks to which the Group is exposed through its operating and financing activities.

D1 Capital management

The Group's objective when managing capital is to make disciplined capital allocation decisions between investment in growth, distributions to shareholders and to maintain an optimal capital structure while maintaining access to capital. Management believes that a strong investment-grade credit rating (Baa2) and an appropriate level of net debt are required to meet these objectives. The Group's current credit rating is Baa2 (stable outlook) from Moody's.

Key factors considered in determining the Group's capital structure and funding strategy at any point in time include expected operating cash flows, capital expenditure plans, the maturity profile of existing debt facilities, the dividend policy, and the ability to access funding from banks, capital markets and other sources.

The Group monitors its capital requirements through a number of metrics including the gearing ratio (target range of approximately 20 to 30 per cent) and an adjusted net debt to adjusted underlying EBITDA ratio (target range of 2.0x to 3.0x). These targets are consistent with attaining a strong investment-grade rating. Underlying EBITDA is a non-statutory (non-IFRS) measure.

The gearing ratio is calculated as adjusted net debt divided by adjusted net debt plus total equity. Net debt, which excludes cash held by Origin to fund APLNG-related operations, is adjusted to take into account the effect of FX hedging transactions on the Group's foreign currency debt obligations. The adjusted net debt to adjusted underlying EBITDA ratio is calculated as adjusted net debt divided by adjusted underlying EBITDA (Origin's underlying EBITDA less Origin's share of APLNG underlying EBITDA plus net cash flow from APLNG) over the relevant rolling 12-month period.

The Group monitors its current and future funding requirements for at least the next five years and regularly assesses a range of funding alternatives to meet these requirements in advance of when the funds are required.

	2022 \$m	2021 ¹ \$m
Borrowings	2,855	4,765
Lease liabilities	535	463
Total interest-bearing liabilities	3,390	5,228
Less: Cash and cash equivalents excluding APLNG-related cash ²	(572)	(442)
Net debt	2,818	4,786
Fair value adjustments on FX hedging transactions	20	(147)
Adjusted net debt	2,838	4,639
Total equity	10,022	9,475
Total capital	12,860	14,114
Gearing ratio	22%	33%
Ratio of adjusted net debt to adjusted underlying EBITDA	1.9x	2.9x

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 This balance excludes \$48 million (2021: \$30 million) of cash held by Origin, as upstream operator, to fund APLNG-related operations.

The Group has undertaken a bank debt extension during the year ended 30 June 2022. This activity has been aimed at strengthening the capital profile by extending the weighted average tenor of the Group's debt portfolio.

A summary of key transactions is shown below.

Bank debt facility extension

13 December 2021 - extended the maturity dates of \$2.4 billion of bank debt facilities from FY2024/FY2025 to FY2026/FY2027.

Refinance of bank guarantee facilities

13 April 2022 - extended the maturity dates of A\$500 million of bank guarantee facilities from FY2023/FY2025 to FY2025/FY2026.

Debt maturity

30 September 2021 - repaid the €800 million eight-year note issued under the Euro Medium Term Note program. The notes had been swapped to A\$1,164 million.

13 October 2021 - repaid US\$500 million ten-year 144a note.

Share buy-back

1 April 2022 to 22 June 2022 - Origin incurred A\$250 million on a share buy-back with 38.5 million shares bought back at an average price of A\$6.50 per share.

D2 Interest-bearing liabilities

	2022	2021
	\$m	\$m
Current		
Bank loans - unsecured	29	-
Capital market borrowings – unsecured	228	1,938
Total current borrowings	257	1,938
Lease liabilities – secured	59	66
Total current interest-bearing liabilities	316	2,004
Non-current		
Bank loans – unsecured	508	537
Capital market borrowings – unsecured	2,090	2,290
Total non-current borrowings	2,598	2,827
Lease liabilities – secured	476	397
Total non-current interest-bearing liabilities	3,074	3,224

Interest-bearing liabilities are initially recorded at the amount of proceeds received (fair value) less transaction costs. After that date, the liability is amortised to face value at maturity using an effective interest rate method.

Lease liabilities are initially measured at the present value of future lease payments discounted at the Group's incremental borrowing rate. Where a lease includes termination and/or extension options, the impact of these options on the amount of future payments is included where exercise of such options is considered reasonably certain to occur. Interest expense is charged on outstanding lease liabilities that reduce over time as periodic payments are made.

The lease liability is remeasured when certain events occur, including changes in the lease term or changes in future lease payments such as those resulting from inflation-linked indexation or market rate rent reviews. On remeasurement of lease liabilities, a corresponding adjustment is made to the ROU asset.

The contractual maturity of lease liabilities is disclosed within the liquidity table in note D4.

The contractual maturities of non-current borrowings are as set out below.

	2022	2021
	\$m	\$m
One to two years	123	237
Two to five years	508	534
Over five years	1,967	2,056
Total non-current borrowings	2,598	2,827

Some of the Group's borrowings are subject to terms that allow the lender to call on the debt in the event of a breach of covenants. As at 30 June 2022, these terms had not been triggered.

D3 Contributed equity

	2022	2021	2022	2021
	Number of shares		\$m	
Ordinary share capital				
Opening balance	1,761,211,071	1,761,211,071	7,163	7,163
On-market share buy-back ¹	(38,463,400)	-	(250)	-
Less treasury shares:				
Opening balance	(6,046,328)	(3,212,930)	(25)	(18)
Shares purchased on market	(13,748,516)	(20,903,960)	(75)	(96)
Utilisation of treasury shares on vesting of employee share schemes and DRP	13,895,660	18,070,562	64	89
Total treasury shares	(5,899,184)	(6,046,328)	(36)	(25)
Closing balance	1,716,848,487	1,755,164,743	6,877	7,138

¹ During the period, a buy-back of 38.5 million shares was completed. As at 30 June 2022, the total consideration paid for shares bought back on-market was \$250 million at an average price of \$6.50 per share.

Ordinary shares

Holders of ordinary shares are entitled to receive dividends as determined from time to time and are entitled to one vote per share at shareholders' meetings. In the event of the winding up of the Group, ordinary shareholders rank after creditors, and are fully entitled to any proceeds of liquidation. The Group does not have authorised capital or par value in respect of its issued shares.

Treasury shares

Where the Group or other members of the Group purchase shares in the Company, the consideration paid is deducted from the total shareholders' equity and the shares are treated as treasury shares until they are subsequently sold, reissued or cancelled. Treasury shares are purchased primarily for use on vesting of employee share schemes and the DRP. Shares are accounted for at a weighted average cost.

D4 Financial risk management

Overview

The Group's day-to-day operations, new investment opportunities and funding activities introduce financial risks, which are actively managed by the Board Risk Committee. These risks are grouped into the following categories:

- **Credit:** The risk that a counterparty will not fulfil its financial obligations under a contract or other arrangement.
- **Market:** The risk that fluctuations in commodity prices, foreign exchange rates and interest rates will adversely impact the Group's result.
- **Liquidity:** The risk that the Group will not be able to meet its financial obligations as they fall due.

Risk	Sources	Risk management framework	Financial exposure
Credit	Sale of goods and services and hedging activities	The Board approves credit risk management policies that determine the level of exposures it is prepared to accept. It also allocates credit limits to counterparties based on publicly available credit information from recognised providers where available.	Notes C1, C7 and D4 disclose the carrying amounts of financial assets, which represent the Group's maximum exposure to credit risk at the reporting date. The Group utilises International Swaps and Derivative Association (ISDA) agreements to limit exposure to credit risk by netting amounts receivable from and payable to individual counterparties (refer to note G8).
Market	Purchase and sale of commodities and funding risks	The Board approves policies that ensure the Group is not exposed to excess risk from market volatility. These policies include active hedging of price and volume exposures within prescribed cash flow at risk and value at risk limits.	See below for further discussion of market risk.
Liquidity	Ongoing business obligations and new investment opportunities	The Group centrally manages its liquidity position through cash flow forecasting and maintenance of minimum levels of liquidity determined by the Board. The debt portfolio is periodically reviewed to ensure there is funding flexibility and an appropriate maturity profile.	Analysis of the Group's liquidity profile as at the reporting date is presented at the end of this section.

D4 Financial risk management (continued)

Market risk

The scope of the Group's operations and activities exposes it to multiple markets risks. The table below summarises these risks by nature of exposure and provides information about the risk mitigation strategies being applied.

Nature	Sources of financial exposure	Risk management strategy
Commodity price	Future commercial transactions and recognised assets and liabilities exposed to changes in electricity, oil, gas, coal or environmental scheme certificate prices	Due to vertical integration, a significant portion of the Group's spot electricity purchases from the NEM are naturally hedged by generation sales into the NEM at spot prices. The Group manages its remaining exposure to commodity price fluctuations beyond Board-approved limits using a mix of commercial contracts (such as fixed-price purchase contracts) and derivative instruments (described below).
Foreign exchange	Foreign-denominated borrowings and investments (e.g., APLNG MRCPS) and future foreign currency denominated commercial transactions	The Group limits its exposure to changes in foreign exchange rates through forward foreign exchange contracts and cross-currency interest rate swaps. In certain circumstances, borrowings are left in a foreign currency, or swapped from one foreign currency to another, to hedge expected future business cash flows in that currency. Significant foreign-denominated transactions undertaken in the normal course of operations are managed on a case-by-case basis.
Interest rate	Variable-rate borrowings (cash flow risk) and fixed-rate borrowings (fair value risk)	Interest rate exposures are kept within an acceptable range as determined by the Board. Risk limits are managed through a combination of fixed-rate and fixed-to-floating interest rate swaps.

Derivatives to manage market risks

Derivative instruments are contracts with values that are derived from an underlying price index (or other variable) that require little or no initial net investment, and that are settled at a future date.

The Group uses the following types of derivative instruments to mitigate market risk.

Forwards	A contract documenting the underlying reference rate (such as benchmark price or exchange rate) to be paid or received on a notional principal obligation at a future date.
Futures	An exchange-traded contract to buy or sell an asset for an agreed price at a future date. Futures are net-settled in cash without physical delivery of the underlying asset.
Swaps	A contract in which two parties exchange a series of cash flows for another (such as fixed-for-floating interest rate).
Options	A contract in which the buyer has the right, but not the obligation, to buy (a call option) or sell (a put option) an instrument at a fixed price in the future. The seller has the corresponding obligation to fulfil the transaction if the buyer exercises the option.
Structured electricity products	A non-standardised contract, generally with an energy market participant, to acquire long-term capacity. These contracts typically contain features similar to swaps and call options.

Derivatives are carried on the balance sheet at fair value. Movements in the price of the underlying variables, which cause the value of the contract to fluctuate, are reflected in the fair value of the derivative.

The method of recognising changes in fair value depends on whether the derivative is designated in an 'accounting' hedge relationship. Derivatives not designated as accounting hedges are referred to as 'economic' hedges.

Fair value gains and losses attributable to economic hedges are recognised in the income statement and resulted in a \$1,153 million gain (2021: \$377 million loss) for the year. Fair value gains and losses attributable to accounting hedges are discussed in the Hedge Accounting section.

D4 Financial risk management (continued)

\$m	Assets		Liabilities	
	Current	Non-current	Current	Non-current
2022				
Economic hedges				
Commodity contracts	1,112	1,766	(1,417)	(1,526)
Foreign exchange and interest rate contracts	5	-	(48)	(3)
Total economic hedges	1,117	1,766	(1,465)	(1,529)
Accounting hedges				
Commodity contracts	2,016	1,309	(125)	(161)
Foreign exchange and interest rate contracts	41	-	-	(54)
Total accounting hedges	2,057	1,309	(125)	(215)
Total	3,174	3,075	(1,590)	(1,744)
2021¹				
Economic hedges				
Commodity contracts	434	201	(537)	(1,231)
Foreign exchange and interest rate contracts	10	-	(54)	(60)
Total economic hedges	444	201	(591)	(1,291)
Accounting hedges				
Commodity contracts	218	121	(150)	(44)
Foreign exchange and interest rate contracts	107	44	-	(60)
Total accounting hedges	325	165	(150)	(104)
Total	769	366	(741)	(1,395)

¹ Certain amounts have been restated to reflect adjustments disclosed in note G11.

Hedge accounting

The Group uses two types of hedge accounting relationships, as detailed below.

	Fair value hedge	Cash flow hedge
Objective of hedging arrangement	To hedge our exposure to changes in the fair value of a recognised asset or liability or unrecognised firm commitment, caused by interest rate or foreign currency movements.	To hedge our exposure to variability in the cash flows of a recognised asset or liability, or a highly probable forecast transaction caused by commodity price, interest rate and foreign currency movements.
Effective hedge portion	All changes in the fair value of the underlying item relating to the hedged risk and the change in fair value of derivatives are recognised in profit and loss at the same time.	The effective portion of changes in the fair value of derivatives designated as cash flow hedges are recognised in the hedge reserve.
Hedge ineffectiveness	Certain determinants of fair value, such as credit charges included in derivatives, or mismatches between the timing of the instrument and the underlying item in the hedge relationship, can cause hedge ineffectiveness. Any ineffectiveness is recognised immediately in profit or loss as a change in the fair value of derivatives.	
Hedged item sold or repaid	The unamortised fair value adjustment is recognised immediately in profit or loss.	Amounts accumulated in the hedge reserve are transferred immediately to profit or loss.
Hedging instrument expires, is sold, is terminated or no longer qualifies for hedge accounting	The unamortised fair value adjustment is recognised in profit or loss when the hedged item is recognised in profit or loss. This may occur over time if the hedged item is amortised over the period to maturity.	The amount previously deferred in the hedge reserve is only transferred to profit or loss when the hedged item is also recognised in profit or loss.

At 30 June 2022 all derivatives designated in hedge accounting relationships are cash flow hedges.

D4 Financial risk management (continued)

Cash flow hedges

A number of derivative contracts have been designated as cash flow hedges of the Group's exposure to foreign exchange, interest rate and commodity price fluctuations. Designated derivatives include swaps, options, futures and forwards.

The Group's structured electricity products, though important to the overall risk management strategy, do not qualify for hedge accounting. As such, they are not represented in the summary information below.

2022	FX and interest	Electricity	Crude oil	Propane
Nominal hedge volumes	EUR 750m	25.4 TWh	8,085k barrels	24k mt
Hedge rates	AUD/EUR 0.62-0.81; Fixed 3.2%-6.6%	\$29-\$303	US\$53-US\$115 (ICE Brent); US\$6.5- US\$30.6 (JKM)	US\$285-US\$728
Timing of cash flows – up to	Sep 2029	Dec 2025	Oct 2024 (ICE Brent); Dec 2025 (JKM)	Dec 2023

Carrying amounts - \$m	FX and interest	Electricity	Crude oil	Propane	Total
Hedging instrument – assets ¹	41	2,386	930	9	3,366
Hedging instrument – liabilities ¹	(54)	(102)	(184)	-	(340)
Hedge reserve ²	(4)	(2,284)	(770)	(9)	(3,067)
Fair value increase/(decrease) - \$m					
Hedging instrument	3	2,337	563	(6)	2,897
Hedged item	(4)	(2,337)	(562)	6	(2,897)
Hedge ineffectiveness ³	(1)	-	1	-	-
Reconciliation of hedge reserve - \$m					
Effective portion of hedge gains/(losses)	24	2,304	1,065	14	3,407
Transfer of deferred losses/(gains) to:					
– Cost of sales	-	34	(484)	(20)	(470)
– Finance costs	27	-	-	-	27
Tax on above items	(16)	(701)	(174)	2	(889)
Change in hedge reserve (post-tax)	35	1,637	407	(4)	2,075

1 Hedging instruments are included in the derivatives balance on the statement of financial position.

2 No hedges have been discontinued or de-designated in the current period.

3 Hedge ineffectiveness is recognised within expenses in the income statement as a change in fair value of derivatives.

D4 Financial risk management (continued)

Residual market risk

After hedging, the Group's financial instruments remain exposed to changes in market pricing. The following is a summary of the Group's residual market risk and the sensitivity of financial instrument fair values to reasonably possible changes in market pricing at the reporting date.

Risk	Residual exposure	Relationship to financial instruments value
USD exchange rate	<ul style="list-style-type: none"> USD debt FX and commodity derivatives with USD pricing 	A 10 per cent increase/decrease in the USD exchange rate would increase/decrease fair value by \$47/(\$48) million (2021: \$21/(\$18) million).
Euro exchange rate	<ul style="list-style-type: none"> Currency basis on the CCIRs swapping euro debt to AUD 	A 10 per cent increase/decrease in the euro exchange rate would increase/decrease fair value by \$6 million (2021: \$11 million).
Interest rates	<ul style="list-style-type: none"> Interest rate swaps Long-term derivatives and other financial assets/liabilities for which discounting is significant 	A 100 basis point increase/decrease in interest rates would impact fair value by (\$27)/\$26 million (2021: (\$38)/\$39 million).
Electricity forward price	<ul style="list-style-type: none"> Electricity forward price 	A 10 per cent increase/decrease in electricity forward prices would increase/decrease fair value by \$355 million (2021: \$68/(\$69) million).
Oil forward price	<ul style="list-style-type: none"> Commodity derivatives 	A 10 per cent increase/decrease in oil forward prices would increase/decrease fair value by \$139/(140) million (2021: \$44/(40) million).
Renewable Energy Certificates (REC) forward price	<ul style="list-style-type: none"> REC forwards Environmental scheme certificates Environmental scheme surrender obligations 	A 10 per cent increase/decrease in renewable energy certificate forward prices would increase/decrease fair value by \$32 million (2021: \$23 million).

Liquidity risk

The table below sets out the timing of the Group's payment obligations, as compared to the receipts expected from the Group's financial assets, and available undrawn facilities. Amounts are presented on an undiscounted basis and include cash flows not recorded on the statement of financial position, such as interest payments for borrowings.

2022				
\$m	Less than one year	One to two years	Two to five years	Over five years
Bank loans and capital markets borrowings	(343)	(211)	(749)	(2,082)
Lease liabilities	(88)	(69)	(166)	(364)
Net other financial assets/liabilities	(69)	76	52	74
	(500)	(204)	(863)	(2,372)
Derivative liabilities	(2,104)	(959)	(314)	(285)
Derivative assets	3,975	1,736	941	347
	1,871	777	627	62
Net liquidity exposure	1,371	573	(236)	(2,310)

The amount of cash and committed undrawn floating rate borrowing facilities expiring beyond one year is \$3,274 million.

2021				
\$m	Less than one year	One to two years	Two to five years	Over five years
Bank loans and capital markets borrowings	(2,068)	(313)	(754)	(2,221)
Lease liabilities	(91)	(74)	(147)	(276)
Net other financial assets/liabilities	754	199	7	-
	(1,405)	(188)	(894)	(2,497)
Derivative liabilities	(779)	(289)	(137)	(68)
Derivative assets	902	211	39	28
	123	(78)	(98)	(40)
Net liquidity exposure	(1,282)	(266)	(992)	(2,537)

The amount of cash and committed undrawn floating rate borrowing facilities expiring beyond one year is \$3,279 million.

D5 Fair value of financial assets and liabilities

Financial assets and liabilities measured at fair value are grouped into the following categories based on the level of observable market data used in determining that fair value:

- *Level 1:* The fair value of financial instruments traded in active markets (such as exchange-traded derivatives and RECs) is the quoted market price at the end of the reporting period. These instruments are included in level 1.
- *Level 2:* The fair value of financial instruments that are not traded in an active market (such as over-the-counter derivatives) is determined using valuation techniques that maximise the use of observable market data. If all significant inputs required to fair value an instrument are observable, either directly (as prices) or indirectly (derived from prices), the instrument is included in level 2.
- *Level 3:* If one or more of the significant inputs required to fair value an instrument is not based on observable market data, the instrument is included in level 3.

2022	Note	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
Derivative financial assets	D4	1,917	3,382	950	6,249
Other financial assets at fair value	C7	623	73	74	770
Financial assets carried at fair value		2,540	3,455	1,024	7,019
Derivative financial liabilities	D4	(471)	(2,294)	(569)	(3,334)
Other financial liabilities at fair value	C7	(417)	-	-	(417)
Financial liabilities carried at fair value		(888)	(2,294)	(569)	(3,751)
<hr/>					
2021		Level 1 \$m	Level 2 \$m	Level 3 \$m ¹	Total \$m ¹
Derivative financial assets	D4	44	1,066	25	1,135
Other financial assets at fair value	C7	328	77	1,369	1,774
Financial assets carried at fair value		372	1,143	1,394	2,909
Derivative financial liabilities	D4	(86)	(1,097)	(953)	(2,136)
Other financial liabilities at fair value	C7	(321)	-	-	(321)
Financial liabilities carried at fair value		(407)	(1,097)	(953)	(2,457)

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

The following table shows a reconciliation of movements in the fair value of level 3 instruments during the period.

	\$m
Balance as at 30 June 2021	1,330
Prior year restatements ¹	(889)
Balance as at 1 July 2021 restated	441
New instruments recognised in the period	72
Instruments transferred out of level 3	(218)
Net cash settlements paid/(received)	(1,353)
Gains/(losses) recognised in other comprehensive income	4
<i>Gains/(losses) recognised in profit or loss</i>	
Change in fair value	1,267
Cost of sales	196
Interest income	46
Balance as at 30 June 2022	455

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

D5 Fair value of financial assets and liabilities (continued)

Valuation techniques used to determine fair values

The various techniques used to value the Group's financial instruments are summarised in the following table. To the maximum extent possible, valuations are based on assumptions that are supported by independent and observable market data. For instruments that settle more than 12 months from the reporting date, cash flows are discounted at the applicable market yield, adjusted to reflect the credit risk of the specific counterparty.

Instrument	Fair value methodology
Financial instruments traded in active markets	Quoted market prices at reporting date.
Interest rate swaps and CCIRS	Present value of expected future cash flows based on observable yield curves and forward exchange rates at reporting date.
Forward foreign exchange contracts	Present value of future cash flows based on observable forward exchange rates at reporting date.
Electricity, oil and other commodity derivatives (not traded in active markets)	Present value of expected future cash flows based on observable forward commodity price curves (where available). The majority of the Group's level 3 instruments are commodity contracts for which further detail on the significant unobservable inputs is included below.
Other financial instruments	Discounted cash flow analysis.
Long-term borrowings	Present value of future contract cash flows.

Fair value measurements using significant unobservable inputs (level 3)

The following is a summary of the Group's level 3 financial instruments, the significant inputs for which market observable data is unavailable, and the sensitivity of the estimated fair values to the assumptions applied by management.

Instrument ¹	Unobservable inputs	Relationship to fair value
Electricity derivatives	Forward electricity spot market price curve Forward electricity cap price curve Forecast REC prices	A 10 per cent increase/decrease in the unobservable inputs would increase/decrease fair value by \$256 million (2021: \$57 million).

¹ Excludes \$49 million (June 2021: \$47 million) of unlisted equity securities, and associated share warrants, for which management has assessed the investment cost to be a reasonable reflection of fair value at reporting date.

Day 1 fair value adjustments

For certain complex financial instruments, such as the structured electricity products, the fair value that is determined at inception of the contract using unobservable inputs does not equal the transaction price. When this occurs, the difference is deferred to the statement of financial position and recognised in the income statement over the life of the contract in a manner consistent with the valuation methodology initially applied.

	\$m
Reconciliation of net deferred gain	
Balance as at 30 June 2021	166
Prior year restatements	378
Balance as at 1 July 2021 restated	544
Value recognised in the income statement	(75)
New instruments	15
Balance as at 30 June 2022	484
Classification of net deferred gain	
Derivative assets	289
Derivative liabilities	195
Balance as at 30 June 2022	484

D5 Fair value of financial assets and liabilities (continued)

Financial instruments measured at amortised cost

Except as noted below, the carrying amounts of non-current financial assets and liabilities measured at amortised cost are reasonable approximations of their fair values due to their short-term nature.

	Fair value hierarchy level	Carrying value		Fair value	
		2022	2021	2022	2021
		\$m	\$m	\$m	\$m
Liabilities					
Bank loans – unsecured	2	508	537	542	575
Capital markets borrowings – unsecured	2	2,090	2,290	1,874	2,460
Total¹		2,598	2,827	2,416	3,035

¹ Non-current interest-bearing liabilities in the statement of financial position include \$2,598 million (June 2021: \$2,827 million) as disclosed above, and lease liabilities of \$476 million (June 2021: \$397 million).

The fair value of these financial instruments reflects the present value of expected future cash flows based on market pricing data for the relevant underlying interest and foreign exchange rates. Cash flows are discounted at the applicable credit-adjusted market yield.

E Taxation

This section provides details of the Group's income tax expense, current tax provision, deferred tax balances and tax accounting policies.

E1 Income tax expense

	2022	2021 ¹
	\$m	\$m
Income tax		
Current tax expense	100	59
Adjustments to current tax expense for previous years	(2)	(7)
Deferred tax expense	453	261
Total income tax expense	551	313
Reconciliation between tax expense and pre-tax net profit		
Loss before income tax	(874)	(1,966)
Income tax using the domestic corporation tax rate of 30 per cent (2021: 30 per cent)		
Prima facie income tax expense on pre-tax accounting profit:		
– at Australian tax rate of 30 per cent	(262)	(590)
– adjustment for tax exempt charity (Origin Foundation Limited)	2	(3)
Income tax expense/(benefit) on pre-tax accounting profit at standard rates	(260)	(593)
Increase/(decrease) in income tax expense due to:		
Share of results of equity accounted investees	(300)	(55)
Unfranked distributions received - APLNG	130	-
Impairment of carrying value of Energy Market goodwill	659	201
Loss on divestment - APLNG equity accounted investment	33	-
Net capital gains tax on divestment - APLNG	172	-
Deferred tax liability recognition - APLNG	39	669
LGC shortfall charge	67	79
Other	9	8
	809	902
Under provided in prior years	2	4
Total income tax expense	551	313
Deferred tax movements recognised directly in other comprehensive income (including foreign currency translation)		
Financial instruments at fair value	886	190
Provisions	(10)	17
Employee benefits	-	1
Other items	-	(1)
	876	207

¹ Certain amounts have been restated to reflect adjustments disclosed in note G11.

The Company and its wholly owned Australian resident entities that met the membership requirement formed a tax-consolidated group with effect from 1 July 2003. The head entity within the tax-consolidated group is Origin Energy Limited. Tax funding arrangement amounts are recognised as inter-entity amounts.

Income tax expense is made up of current tax expense and deferred tax expense. Current tax expense represents the expected tax payable on the taxable income for the year, using current tax rates and any adjustment to tax payable in respect of previous years. Deferred tax expense reflects the temporary differences between the accounting carrying amount of an asset or liability in the statement of financial position and its tax base.

E1 Income tax expense (continued)

Key judgements and estimates

Tax balances: Tax balances reflect a current understanding and interpretation of existing tax laws. Uncertainty arises due to the possibility that changes in tax law or other future circumstances can impact the tax balances recognised in the financial statements. Ultimate outcomes may vary.

Deferred taxes: The recognition of deferred tax balances requires judgement as to whether it is probable such balances will be utilised and/or reversed in the foreseeable future and there will be sufficient future taxable profits against which the benefits can be utilised.

A deferred tax liability is recognised for taxable temporary differences associated with investments in joint ventures unless the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. During the year, the Group recognised a deferred tax expense of \$39 million (2021: \$669 million) in respect of the investment in APLNG, representing carried forward equity accounted earnings that are expected to be distributed to Origin via dividends from APLNG in the foreseeable future. In determining the forecast distributions from APLNG, the Group's assessment of future cash flows considers a range of macroeconomic and project assumptions, including oil and LNG prices, AUD/USD exchange rates, discount rates and costs over the asset's life.

At 30 June 2022, the Group has recognised a deferred tax liability of \$708 million. The remaining unbooked balance is not expected to reverse in the foreseeable future through the payment of future dividends, through sale or through a capital return. The unrecognised portion is disclosed in note E2.

Income tax expense recognised in other comprehensive income

\$m	2022			2021		
	Gross	Tax	Net	Gross	Tax	Net
Actuarial gain on defined benefit superannuation plan	1	-	1	4	(1)	3
Investment valuation changes	4	(1)	3	(8)	2	(6)
<i>Foreign currency translation reserve:</i>						
Reclassified to income statement	(103)	-	(103)	-	-	-
Translation of foreign operations	584	14	598	(623)	(16)	(639)
<i>Cash flow hedges:</i>						
Reclassified to income statement	(443)	133	(310)	130	(39)	91
Effective portion of change in fair value	3,407	(1,022)	2,385	509	(153)	356
Other comprehensive income for the year	3,450	(876)	2,574	12	(207)	(195)

E2 Deferred tax

Deferred tax balances arise when there are temporary differences between accounting carrying amounts and the tax bases of assets and liabilities, other than where:

- the difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting profit nor taxable profit or loss;
- temporary differences relate to investments in subsidiaries, associates and interests in joint arrangements, to the extent the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- temporary differences arise on initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced if it is no longer probable that the related tax benefit will be realised.

E2 Deferred tax (continued)

Movement in temporary differences during the year

Asset/(liability) \$m	1 July 2020 ¹	Recognised in income ¹	Recognised in equity	30 June 2021 ¹	Recognised in income	Recognised in equity	Acquisition of subsidiary	30 June 2022
Employee benefits	79	2	(1)	80	4	-	-	84
Provisions	488	(41)	(17)	430	(17)	10	-	423
Tax value of carry-forward tax losses recognised	46	(45)	-	1	-	-	-	1
PP&E	(489)	274	-	(215)	36	-	-	(179)
Exploration and evaluation assets	(54)	(13)	-	(67)	(13)	-	-	(80)
Financial instruments at fair value	301	236	(190)	347	(397)	(886)	-	(936)
Investment in APLNG	-	(669)	-	(669)	(39)	-	-	(708)
APLNG MRCPS elimination (refer to note B2.3)	49	(1)	-	48	(15)	-	-	33
Business-related costs (deductible under s.40-880 ITAA97)	27	(1)	-	26	(20)	-	-	6
ROU assets	(140)	19	-	(121)	(18)	-	-	(139)
Lease liabilities	154	(15)	-	139	22	-	-	161
Intangibles	-	1	-	1	1	-	(25)	(23)
Other items	2	(8)	1	(5)	3	-	-	(2)
Net deferred tax liabilities	463	(261)	(207)	(5)	(453)	(876)	(25)	(1,359)

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

Unrecognised deferred tax assets and liabilities

	2022 \$m	2021 \$m
Deferred tax assets have not been recognised in respect of the following items:		
Revenue losses - non-Australian	5	4
Capital losses	-	223
Petroleum resource rent tax, net of income tax	119	118
Acquisition transaction costs	57	57
Investment in joint ventures ¹	-	67
Intangible assets	8	8
	189	477

Deferred tax liabilities have not been recognised in respect of the following items:

Investment in APLNG ²	(685)	(810)
	(685)	(810)

1 There is no longer an unrecognised deferred tax asset in the current year as the relevant joint ventures have been deregistered.

2 The deferred tax liability in respect of the investment in APLNG has not been recognised in full during the year as not all of the temporary difference is expected to reverse in the foreseeable future.

F Group structure

The following section provides information on the Group's structure and how this impacts the results of the Group as a whole, including details of joint arrangements, associates, controlled entities, transactions with non-controlling interests, and changes made to the Group structure during the year.

F1 Controlled entities

The financial statements of the Group include the consolidation of Origin Energy Limited and controlled entities. Controlled entities are the following entities controlled by the parent entity (Origin Energy Limited).

	Incorporated in	Ownership interest per cent	
		2022	2021
Origin Energy Limited	NSW		
Origin Energy Finance Limited	Vic	100	100
Huddart Parker Pty Limited ¹	Vic	100	100
FRL Pty Ltd ¹	WA	100	100
Origin Energy Power Limited ¹	SA	100	100
Origin Energy SWC Limited ¹	WA	100	100
Sun Spot 5 Pty Ltd	NSW	100	-
Yarrabee Project Co Pty Ltd	Vic	100	-
Yarrabee One Pty Ltd	Vic	100	-
Origin Energy Eraring Pty Limited ¹	NSW	100	100
Origin Energy Eraring Services Pty Limited ¹	NSW	100	100
Origin Energy Upstream Holdings Pty Ltd	Vic	100	100
Origin Energy B2 Pty Ltd	Vic	100	100
Origin Energy Browse Pty Ltd	Vic	100	100
Origin Energy West Pty Ltd	NSW	100	100
Origin Energy C6 Pty Limited	Vic	100	100
Origin Energy C5 Pty Limited	Vic	100	100
Origin Energy Future Fuels Pty Ltd	Vic	100	100
Origin Energy Upstream Operator Pty Ltd	Vic	100	100
Origin Energy Holdings Pty Limited ¹	Vic	100	100
Origin Energy Retail Limited ¹	SA	100	100
Origin Energy (Vic) Pty Limited ¹	Vic	100	100
Gasmart (Vic) Pty Ltd ¹	Vic	100	100
Origin Energy (TM) Pty Limited ¹	Vic	100	100
Cogent Energy Pty Ltd	Vic	100	100
Origin Energy Retail No. 1 Pty Limited	Vic	100	100
Origin Energy Retail No. 2 Pty Limited	Vic	100	100
Origin Energy Electricity Limited ¹	Vic	100	100
Eraring Gentrader Depositor Pty Limited	Vic	100	100
Sun Retail Pty Ltd ¹	Qld	100	100
OE Power Pty Limited ¹	Vic	100	100
Origin Energy Uranquinty Power Pty Ltd ¹	Vic	100	100
OC Energy Pty Ltd ¹	Vic	100	100
Origin Energy Eraring Battery Pty Ltd	NSW	100	100
Ten Ants Connect Pty Ltd	NSW	100	-
WINconnect Pty Ltd	Vic	100	-
Nextgen Utilities Pty Ltd	Vic	100	-
Carbon Energy Management Technologies Pty Ltd	WA	100	-
Carbon R&D Pty Ltd	WA	100	-

¹ Entered into ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 and related Deed of Cross Guarantee with Origin Energy Limited.

F1 Controlled entities (continued)

	Incorporated in	Ownership interest per cent	
		2022	2021
Origin Energy International Holdings Pty Limited	Vic	100	100
Origin Energy PNG Ltd ¹	PNG	66.7	66.7
Origin Energy PNG Holdings Limited ¹	PNG	100	100
Origin Energy Tasmania Pty Limited ²	Tas	100	100
The Fiji Gas Co Ltd	Fiji	51	51
Origin Energy Contracting Limited ²	Qld	100	100
Origin Energy LPG Limited ²	NSW	100	100
Origin (LGC) (Aust) Pty Limited ²	NSW	100	100
Origin Energy SA Pty Limited ²	SA	100	100
Hylemit Pty Limited	Vic	100	100
Origin Energy LPG Retail (NSW) Pty Limited	NSW	100	100
Origin Energy WA Pty Limited ²	WA	100	100
Origin Energy Services Limited ²	SA	100	100
OEL US Inc.	USA	100	100
Origin Energy Asset Management Limited ²	SA	100	100
Origin Energy Pipelines Pty Limited ²	NT	100	100
Origin Energy Solomons Ltd	Solomon Islands	80	80
Origin Energy Cook Islands Ltd	Cook Islands	100	100
Origin Energy Vanuatu Ltd	Vanuatu	100	100
Origin Energy Samoa Ltd	Western Samoa	100	100
Origin Energy American Samoa Inc	American Samoa	100	100
Origin Energy Insurance Singapore Pte Ltd	Singapore	100	100
Angari Pty Limited ²	SA	100	100
Oil Investments Pty Limited ²	SA	100	100
Origin Energy Southern Africa Holdings Pty Limited	Qld	100	100
Origin Energy Vietnam Pty Limited	Vic	100	100
Origin Energy Singapore Holdings Pte Limited	Singapore	100	100
Origin Energy (Song Hong) Pte Limited	Singapore	100	100
Origin Future Energy Pty Limited	NSW	100	100
Origin Energy Metering Coordinator Pty Ltd	NSW	100	100
Origin Energy Resources NZ (Rimu) Limited	NZ	100	100
Origin Energy VIC Holdings Pty Limited ²	Vic	100	100
OE JV Co Pty Limited ²	Vic	100	100
Origin Energy LNG Holdings Pte Limited	Singapore	100	100
Origin Energy LNG Portfolio Pty Ltd ²	Vic	100	100
Origin Energy Australia Holding BV ¹	Netherlands	100	100
Origin Energy Mt Stuart BV ¹	Netherlands	100	100
OE Mt Stuart General Partnership ¹	Netherlands	100	100
Parbond Pty Limited	NSW	100	100
Origin Energy Foundation Ltd	NSW	100	100

1 Controlled entity has a financial reporting period ending 31 December.

2 Entered into ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 and related Deed of Cross Guarantee with Origin Energy Limited.

F1 Controlled entities (continued)

	Incorporated in	Ownership interest per cent	
		2022	2021
Origin Renewable Energy Investments No 1 Pty Ltd	Vic	100	100
Origin Renewable Energy Pty Ltd	Vic	100	100
Origin Energy Geothermal Holdings Pty Ltd	Vic	100	100
Origin Energy Geothermal Pty Ltd	Vic	100	100
Origin Energy Chile Holdings Pty Limited	Vic	100	100
Origin Energy Chile S.A. ¹	Chile	-	100
Origin Energy Wind Holdings Pty Ltd	Vic	100	100
Wind Power Pty Ltd	Vic	100	100
Origin Energy Hydro Bermuda Limited	Bermuda	100	100

¹ Controlled entity has a financial reporting period ending 31 December.

Changes in controlled entities

- Ten Ants Connect Pty Ltd was incorporated on 26 October 2021.
- Sun Spot 5 Pty Ltd was acquired on 25 March 2022.
- WINconnect Pty Ltd, Nextgen Utilities Pty Ltd, Carbon Energy Management Technologies Pty Ltd and Carbon R&D Pty Ltd were acquired on 1 April 2022.
- Yarrabee One Pty Ltd and Yarrabee Project Co Pty Ltd were acquired on 28 April 2022.
- Origin Energy Chile S.A. was deregistered on 10 June 2022.

F2 Business combinations

Acquisition of WINconnect Pty Ltd

On 1 April 2022 the Group completed the acquisition of 100 per cent of the formerly privately held WINconnect Pty Limited under a Share Sale Agreement. The acquisition adds embedded electricity network and serviced hot water customers to Origin's community energy services business. Considering the timing of the transaction and the size of the operations, the overall impact of the acquisition to the Group's consolidated revenue and profit and loss since the acquisition date, is not significant.

Purchase consideration of \$105 million was paid to acquire the net assets on the completion date. Considering the acquired cash balance of \$13 million the net cash impact from the acquisition was \$92 million in the current year.

The purchase consideration of \$92 million has been recognised in investing cashflow.

As part of the transaction, Origin has agreed to amendments to its Master Services Agreement (MSA) with Intellihub which has included an increase the current meter volume commitment. Origin received a one-off payment of \$67 million excluding GST (\$74 million inclusive of GST) which has been recognised upfront as Other Income.

	2022
	\$m
	Fair value ¹
Purchase consideration	105
Cash acquired	(13)
Acquisition related cashflow	92
Cash and cash equivalents	13
Trade and other receivables	17
PP&E	24
Customer related intangible assets	77
Trade and other payables	(26)
Deferred tax liability	(25)
Fair value of net assets acquired	80
Purchase consideration	105
Less fair value of net assets acquired	(80)
Goodwill recognised on consolidation	25

1 In accordance with the Group's accounting policies, the fair value of assets and liabilities acquired are provisional and will be subject to further review for a period of up to 12 months from the date of acquisition.

F3 Joint arrangements and investments in associates

Joint arrangements are entities over whose activities the Group has joint control, established by contractual agreement and requiring the consent of two or more parties for strategic, financial and operating decisions. The Group classifies its interests in joint arrangements as either joint operations or joint ventures, depending on its rights to the assets and obligations for the liabilities of the arrangements.

Associates are entities, other than partnerships, for which the Group exercises significant influence, but no control, over the financial and operating policies, and which are not intended for sale in the near future.

Of the Group's interests in joint arrangements and associates, only APLNG and Octopus Energy have a material impact on the Group at 30 June 2022 (refer to Section B).

Interests in unincorporated joint operations

The Group's interests in unincorporated joint operations are brought to account on a line-by-line basis in the income statement and statement of financial position. These interests are held on the following assets whose principal activities are oil and/or gas exploration, development and production; power generation; and geothermal power technology:

- Beetaloo Basin
- Browse Basin
- Canning Basin
- Innamincka Deeps Geothermal
- Cooper-Eromanga Basin

G Other information

This section includes other information to assist in understanding the financial performance and position of the Group, and items required to be disclosed to comply with accounting standards and other pronouncements.

G1 Contingent liabilities

Discussed below are items where either it is not probable that the Group will have to make future payments or it is not possible to reliably measure the amount of future payments.

Joint arrangements and associates

As a participant in certain joint arrangements, the Group is liable for its share of liabilities incurred by these arrangements. In some circumstances, the Group may incur more than its proportionate share of such liabilities, but will have the right to recover the excess liability from the other joint arrangement participants.

The Group continues to provide parent company guarantees in excess of its 27.5 per cent shareholding in APLNG, in respect of certain historical domestic contracts.

In October 2018, Origin and the other APLNG shareholders agreed to indemnify one of APLNG's long-term LNG customers (following that customer's election to defer delivery of 30 cargoes over six years (2019-24)) should APLNG fail to supply make-up cargoes to that customer prior to the expiry of the LNG supply contract. The customer will pay APLNG for the deferred cargoes and APLNG expects to resell the gas to other customers, and deliver the deferred cargoes to the long-term LNG customer between 2025 and the end of the LNG supply contract. The indemnity was provided severally in accordance with each shareholder's proportionate shareholding in APLNG. At the inception of the agreement, any obligation or liability on the part of the shareholders will only be confirmed by the occurrence or non-occurrence of future events, and cannot be measured with sufficient reliability.

The Group has entered into an agreement to provide a financial guarantee to Octopus Energy's financiers in respect of a working capital facility entered into by Octopus Energy. Under this agreement, the Group is required to make a payment to Octopus Energy's financiers should Octopus Energy not make payments under the working capital facility. In return, Octopus Energy is required to pay a monthly fee to the Group in respect of the guarantee facility. The guarantee has been accounted for as a Financial Guarantee Contract under AASB 9 *Financial Instruments* and is carried at fair value (refer to note C7) with reference to the guarantee amount in the facility agreement.

Legal and regulatory

Certain entities within the Group (and joint venture entities, such as APLNG) are subject to various lawsuits and claims as well as audits and reviews by government, regulatory bodies or other joint venture partners. In most instances, it is not possible to reasonably predict the outcome of these matters or their impact on the Group. Where outcomes can be reasonably predicted, provisions are recorded.

A number of sites owned/operated (or previously owned/operated) by the Group have been identified as potentially contaminated. For sites where it is likely that a present obligation exists, and it is probable that an outflow of resource will be required to settle the obligation, such costs have been expensed or provided for.

Warranties and indemnities have also been given and/or received by entities in the Group in relation to environmental liabilities for certain properties divested and/or acquired.

Capital expenditure

As part of the acquisition of Browse Basin exploration permits in 2015, the Group agreed to pay cash consideration of US\$75 million contingent upon a project Final Investment Decision (FID), and US\$75 million contingent upon first production. The Group will pay further contingent consideration of up to US\$50 million upon first production if 2P reserves, at the time of the FID, reach certain thresholds. These obligations have not been provided for at the reporting date as they are dependent upon uncertain future events not wholly within the Group's control.

Bank guarantees

There are no contingent liabilities arising from bank guarantees held by the Group that are required to be disclosed as at the reporting date, as these have either been provided for, or an outflow of economic benefits is considered remote.

The Group's share of guarantees for certain contractual commitments of its joint ventures is shown at note G2.

AEMO administered and suspended market

During the period of administered pricing and market suspension, an administered price cap was imposed. Generators were entitled to claim compensation through the Australian Energy Market Commission for losses incurred as a result of the administered price cap. Origin has lodged a notice of its intent to claim direct costs and opportunity costs as a result of the price cap. During the period of administered pricing and market suspension, AEMO issued directions to generators to supply electricity as needed. Generators directed on by AEMO during this period were entitled to directions compensation.

Compensation to be paid to generators is still in the process of being determined. AEMO will seek to recover these compensation costs from retailers. These compensation payments and costs have not been recognised for at the reporting date as they are still in the process of being determined and therefore not wholly within the Group's control and cannot be measured with sufficient reliability.

G2 Commitments

Detailed below are the Group's contractual commitments that are not recognised as liabilities as there is no present obligation.

	2022 \$m	2021 \$m
Capital expenditure commitments	108	107
Joint venture commitments ¹	237	208

¹ Includes \$121 million (2021: \$135 million) in relation to the Group's share of APLNG's capital and joint venture commitments.

G3 Share-based payments

This section sets out details of the Group's share-based remuneration arrangements, including details of the Company's Equity Incentive Plan and Employee Share Plan (ESP).

The table below shows share-based remuneration expenses that were recognised during the year.

	2022 \$m	2021 \$m
Equity Incentive Plan	29	24
Employee Share Plan	4	4
Total	33	28

Equity Incentive Plan

Eligible employees are granted share-based remuneration under the Origin Energy Limited Equity Incentive Plan. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate or to receive any guaranteed benefits. Equity incentives granted prior to FY2018 were offered in the form of Options and/or Share Rights. From FY2019 onwards, equity incentives are granted in the form of Share Rights and/or Restricted Shares (RSs). Only RSs carry dividend and voting entitlements. To the extent that Share Rights ultimately vest, a dividend equivalent mechanism operates.

(i) Short Term Incentive

Short Term Incentive (STI) includes the award of RSs, which are subject to trading restrictions for a set period of time (generally up to two years), after which they become unrestricted, provided that the employee remains employed with satisfactory performance. Once unrestricted, the shares are transferred into the employee's name at no cost. The face value of RSs measured at grant date is recognised as an employee expense over the related service period. RSs are forfeited if the service and performance conditions are not met.¹

(ii) Long Term Incentive

The Long Term Incentive (LTI) awards include the award of Share Rights, which vest subject to performance conditions. Generally half of each LTI award is made in the form of Performance Share Rights (PSRs) and is subject to a market hurdle, namely Origin's Total Shareholder Return (TSR) relative to a Reference Group of ASX-listed companies, as identified in the 2022 Remuneration Report. The remaining half of each LTI award is made in the form of Restricted Share Rights (RSRs), where vesting is subject to Board assessment with reference to a suite of underpinning conditions, as set out in the 2022 Remuneration Report.

The number of awards that may vest are considered separately for PSRs and RSRs. For the PSR awards, which are subject to the relative TSR hurdle, vesting only occurs if Origin's TSR over the performance period ranks higher than the 50th percentile of the Reference Group. Half of the PSRs vest if that condition is satisfied. All the PSRs vest if Origin ranks at or above the 75th percentile of the Reference Group. Straight-line pro-rata vesting applies in between these two points. The PSR grants made in FY2022 have a performance period of three years. Vesting is into RSs with a trading restriction for a further two years (total deferral five years). For the RSR awards, the Board will determine the vesting outcome shortly before each of three progressive vesting dates at years three, four and five by reference to a broad range of performance indicators. Vesting is into RSs which all have trading restrictions until the end of the fifth year.

Prior to FY2021, the LTI awards include the award of PSRs, such that half of the award is subject to the TSR hurdle, and the remaining half of each LTI award is subject to an internal hurdle, namely Return on Capital Employed (ROCE), as set out in the relevant remuneration report.

For awards granted in FY2019 and FY2020 that are subject to the ROCE hurdle, half of the ROCE tranche is allocated to Energy Markets and the other half to Integrated Gas. Each tranche will be tested separately and vest separately. Vesting for each tranche only occurs if the average actual annual ROCE outcomes over the performance period for the relevant business meets or exceeds the average of the annual ROCE targets, which are reflective of delivering WACC for the relevant business. Half of the relevant PSRs will vest if the ROCE target is met. All the relevant PSRs will vest if the ROCE target is exceeded by two percentage points or more. Straight-line pro-rata vesting applies in between.

Vested share rights are automatically exercised upon vesting, and there is no exercise price. Upon exercise, a vested award is converted into one fully paid ordinary share that is subject to a post-vesting holding lock for a set period (generally up to two years) and carries voting and dividend entitlements.

¹ The Equity Incentive Plan Rules set out exceptional circumstances, such as death, disability, redundancy or genuine retirement, ('good leaver' circumstances) under which RSs are released at cessation unless the Board determines otherwise. Prior to FY2018, the equity component of STI was awarded in the form of Deferred Share Rights (DSRs).

G3 Share-based payments (continued)

In relation to Share Rights awarded since FY2021, upon vest, a dividend equivalent amount will be delivered in the form of additional shares equal in value (as determined by the Board) to the amount of dividends that would have been paid and re-invested had the participant held the underlying shares during the period from the grant date through to the relevant vesting date.

The fair value of the awards granted is recognised as an employee expense, with a corresponding increase in equity, over the vesting period. In exceptional circumstances², unvested Share Rights may be held 'on foot' subject to the specified performance hurdles and other plan conditions being met, or dealt with in an appropriate manner determined by the Board.

For PSRs subject to the relative TSR condition, fair value is measured at grant date using a Monte Carlo simulation model that takes into account the exercise price, share price at grant date, price volatility, dividend yield, risk-free interest rate for the term of the security, and the likelihood of meeting the TSR market condition.

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The amount recognised as an expense is adjusted to reflect the actual number of awards that vest except where due to non-achievement of the TSR market condition. Set out below are the inputs used to determine the fair value of the PSRs granted during the year.

For RSRs subject to the underpinning conditions, the initial fair value at grant date is the market value of an Origin share, and the recognised expense is trued up at each reporting period to the expected outcome as assessed at that time.

Set out below is a summary of RSRs and PSRs issued during the financial year.

	RSRs	RSRs	PSRs	PSRs
Grant date	06 Sep 2021	20 Oct 2021	06 Sep 2021	20 Oct 2021
Grant date share price	\$4.44	\$5.14	\$4.44	\$5.14
Exercise price	Nil	Nil	Nil	Nil
Volatility	-	-	37%	37%
Risk-free rate ¹	-	-	0.15%	0.51%
Grant date fair value (per award)	\$4.44	\$5.14	\$2.46	\$3.58

¹ Where the risk-free rate is nil, these RSR tranches are subject to a number of underpinning conditions to be assessed by the Board; therefore, the risk-free rate is not relevant to their valuation.

Equity Incentive Plan awards outstanding

Set out below is a summary of awards outstanding at the beginning and end of the financial year.

	Options	Weighted average exercise price	PSRs	RSRs	DSRs	RSs
Outstanding at 1 July 2021	3,105,221	\$6.32	5,670,304	995,169	45,556	6,695,155
Granted	-	-	1,296,535	1,311,963	-	4,929,061
Exercised/released	-	-	397,663	-	45,556	3,156,022
Forfeited	1,882,339	-	2,236,713	48,834	-	467,068
Outstanding at 30 June 2022	1,222,882	\$7.37	4,332,463	2,258,298	-	8,001,126
Exercisable at 30 June 2022	-	-	-	-	-	-
Outstanding at 1 July 2020	3,259,381	\$6.33	6,243,467	-	213,038	4,523,573
Granted	-	-	1,044,581	1,056,609	-	4,216,362
Exercised/released	-	-	563,432	-	167,482	1,758,548
Forfeited	154,160	-	1,054,312	61,440	-	286,232
Outstanding at 30 June 2021	3,105,221	\$6.32	5,670,304	995,169	45,556	6,695,155
Exercisable at 30 June 2021	-	-	-	-	-	-

The weighted average share price during 2022 was \$5.45 (2021: \$4.75). The options outstanding at 30 June 2022 have an exercise price of \$7.37. The options outstanding at 30 June 2022 were tested on 30 June 2022; they did not satisfy the vesting conditions and will lapse on 22 August 2022 in accordance with the Equity Incentive Plan rules.

For more information on these share plans and performance rights issued to key management personnel, refer to the Remuneration Report.

² The Equity Incentive Plan Rules provide that Share Rights, and RSs arising from STI arrangements, are forfeited on cessation of employment, except in 'good leaver' circumstances or unless the Board determines otherwise. The offer terms provide guidance for the exercise of that discretion, specifically that the Share Rights and RSs will not normally be forfeited in cases of 'good leavers' (such as those ceasing employment due to death, disability, redundancy or genuine retirement).

G3 Share-based payments (continued)

Employee Share Plan

Under the ESP, all eligible employees have a choice of either participating in the \$1,000 General Employee Share Plan (GESP) or the Matching Share Plan (MSP).

Under the GESP, all employees of the Company who are based in Australia and have been continuously employed as at 1 March of the performance year, are granted up to \$1,000 of fully paid Origin shares conditional on Board approval. The shares are granted for no consideration. Shares awarded under the GESP are purchased on market, registered in the name of the employee, and are restricted for three years, or until cessation of employment, whichever occurs first.

Under the MSP, all eligible employees may elect to purchase shares via a salary sacrifice arrangement, which commences on 1 October of the performance year. The shares under this plan are allotted quarterly and are subject to a trading restriction for a set period (generally two years) or until cessation of employment. The Company matches the purchased shares on a one-for-two basis with allocation of additional Matching Rights (MRs) which vest at the same time as the restriction is lifted for the purchased shares. Vesting of MRs is conditional on the employee remaining in continuous employment at that time. MRs are forfeited if the service conditions are not met.³

Details of the shares awarded under the GESP during the year are set out below. The cost per share represents the weighted average market price of the Company's shares on the grant date.

	Grant date	Shares granted	Cost per share	Total cost \$'000
2022	6 Sep 2021	813,637	\$4.36	3,547
Total		813,637		3,547
2021	28 Aug 2020	703,794	\$5.49	3,864
Total		703,794		3,864

Set out below is a summary of MRs outstanding at the beginning and end of the financial year.

	MRs
Outstanding at 1 July 2021	375,895
Granted	267,619
Exercised/released	219,688
Forfeited	24,926
Outstanding at 30 June 2022	398,900
Exercisable at 30 June 2022	-

³ The Equity Incentive Plan Rules provide that Share Rights, and RSs arising from STI arrangements, are forfeited on cessation of employment, except in 'good leaver' circumstances or unless the Board determines otherwise. The offer terms provide guidance for the exercise of that discretion, specifically that the Share Rights and RSs will not normally be forfeited in cases of 'good leavers' (such as those ceasing employment due to death, disability, redundancy or genuine retirement).

G4 Related party disclosures

The Group's interests in equity accounted entities and details of transactions with these entities are set out in notes B1 and B4.

Certain Directors of Origin Energy Limited are also directors of other companies that supply Origin Energy Limited with goods and services or acquire goods or services from Origin Energy Limited. Those transactions are approved by management within delegated limits of authority, and the Directors do not participate in the decisions to enter into such transactions. If the decision to enter into those transactions should require approval of the Board, the Director concerned will not vote upon that decision nor take part in the consideration of it.

G5 Key management personnel

	2022	2021
	\$	\$
Short-term employee benefits	11,222,909	10,344,127
Post-employment benefits	306,469	289,963
Other long-term benefits	385,726	225,909
Share-based payments	5,554,712	4,133,424
Total	17,469,816	14,993,423

Loans and other transactions with key management personnel

There were no loans with key management personnel during the year.

Transactions entered into during the year with key management personnel are normal employee, customer or supplier relationships and have terms and conditions that are no more favourable than dealings in the same circumstances on an arm's length basis. These transactions include:

- the receipt of dividends from Origin Energy Limited or participation in the DRP;
- participation in the ESP and Equity Incentive Plan;
- terms and conditions of employment or directorship appointment;
- reimbursement of expenses incurred in the normal course of employment; and
- purchases of goods and services.

G6 Notes to the statement of cash flows

Cash includes cash on hand, at bank and in short-term deposits, net of outstanding bank overdrafts. The following table reconciles profit to net cash provided by operating activities.

	2022 \$m	2021 ¹ \$m
Loss for the year	(1,425)	(2,279)
Adjustments for non-cash ITDA		
Depreciation and amortisation	449	541
Net financing costs	129	133
Income tax expense	551	313
Non-cash share of ITDA of equity accounted investees	1,138	956
Adjustments for other non-cash items		
(Increase)/decrease in fair value of derivatives	(1,220)	809
(Increase)/decrease in fair value of financial instruments	(46)	163
Unrealised foreign exchange loss/(gain)	109	(153)
Net loss on divestment	113	-
Impairment of non-current assets	2,196	1,504
Loss on sale of assets	2	11
Gain on dilution of investment	(44)	-
Impairment losses recognised - trade and other receivables	65	88
Non-cash share of EBITDA of equity accounted investees	(2,097)	(1,141)
Exploration expense	24	-
Share-based payment expense	29	24
Changes in assets and liabilities:		
- Receivables	(1,052)	(398)
- Inventories	(68)	50
- Payables	1,308	450
- Provisions	16	(178)
- Other	(90)	(70)
- Futures collateral	471	110
Tax (paid)/received	(27)	31
Total adjustments	1,956	3,243
Net cash from operating activities	531	964

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

Reconciliation of movements of liabilities to cash flows arising from financing activities

\$m	Liabilities from financing activities				Total
	Current borrowings	Non-current borrowings	Lease liabilities	Other financial (assets)/liabilities	
Balance as at 1 July 2021	1,938	2,827	463	(81)	5,147
Proceeds from borrowings	-	2,883	-	13	2,896
Repayment of borrowings/other liabilities	(1,968)	(2,896)	-	112	(4,752)
Changes to leases	-	-	72	-	72
Foreign exchange adjustments and other non-cash movements	23	48	-	(30)	41
Reclassification	264	(264)	-	-	-
Balance as at 30 June 2022	257	2,598	535	14	3,404

G7 Auditors' remuneration

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	2022 \$'000	2021 \$'000
Amounts received or due and receivable by the auditor of the Parent Company and any other entity in the Group for:		
Auditing the statutory financial report of the Parent Company covering the Group	2,225	1,998
Auditing the statutory financial reports of any controlled entities	73	73
Fees for other assurance and agreed-upon-procedures services under other legislation or contractual arrangements	9	9
Fees for other services		
Tax compliance ¹	879	823
Advisory services ²	-	900
Sustainability compliance	250	141
Total	3,436	3,944
Amounts received or due and receivable by affiliates of the auditor of the Parent Company for:		
Auditing the statutory financial reports of any controlled entities	69	69
Total fees to overseas member firms of the Parent Company auditor	69	69
Total remuneration to Parent Company auditor	3,505	4,013
Auditing of statutory financial reports of any controlled entities by other auditors	206	169
Total auditors' remuneration	3,711	4,182

1 This amount relates to the Group's share of tax compliance work billed. An amount of \$879,000 (2021: \$800,000) was recharged to APLNG in respect of its share and is excluded from this amount.

2 The fees for non-audit services paid to the auditor of the Parent Company (EY) in the prior year predominantly related to a one-off occurrence due to transactional activities that took place in FY2020. As part of the acquisition of Octopus Energy and the associated retail transformation process, an external consulting firm was engaged by the Group to undertake advisory services in respect of this acquisition. In June 2020, midway through the project, the firm engaged by the Group was acquired by EY. As the Group decided it was in the best interest for the project to continue, the audit committee agreed to a one-off approval allowing for continuation of the work, provided the time period and fees were limited. This project completed in the prior year and therefore these costs will not reoccur going forward.

G8 Master netting or similar agreements

The Group enters into derivative transactions under ISDA master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a net amount payable by one party to the other.

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position, where the Group has a legally enforceable right to offset recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting, but still allow for the related amounts to be offset in certain circumstances, such as a loan default or the termination of a contract.

The following table presents the recognised financial instruments that are offset, or subject to master netting arrangements but not offset, as at the reporting date. The net amount column shows the impact on the Group's statement of financial position if all set-off rights were exercised.

	Gross amount \$m	Amount offset in the statement of financial position \$m	Amount in the statement of financial position \$m	Related amount not offset \$m	Net amount \$m
2022					
Derivative assets	9,855	(3,606)	6,249	(2,070)	4,179
Derivative liabilities	(6,940)	3,606	(3,334)	2,070	(1,264)
2021					
Derivative assets	1,488	(353)	1,135	(867)	268
Derivative liabilities ¹	(2,489)	353	(2,136)	867	(1,269)

¹ Certain amounts have been restated to reflect adjustments disclosed in note G11.

G9 Deed of Cross Guarantee

The parent entity has entered into a Deed of Cross Guarantee through which the Group guarantees the debts of certain controlled entities in the event that one of those entities is wound up. The controlled entities that are party to the Deed are shown in note F1.

The following consolidated statement of comprehensive income and retained profits, and statement of financial position, cover the Company and its controlled entities that are party to the Deed of Cross Guarantee after eliminating all transactions between parties to the Deed.

	2022	2021 ¹
for the year ended 30 June	\$m	\$m
Consolidated statement of comprehensive income and retained profits		
Revenue	14,299	11,966
Other income	19	15
Expenses	(13,520)	(12,747)
Share of results of equity accounted investees	1,046	227
Impairment	(2,196)	(1,783)
Net loss on divestment	(113)	-
Interest income	59	109
Interest expense	(198)	(261)
Loss before income tax	(604)	(2,474)
Income tax expense	(615)	(380)
Loss for the year	(1,219)	(2,854)
Other comprehensive income	-	-
Total comprehensive income for the year	(1,219)	(2,854)
Retained earnings at the beginning of the year	2,007	5,257
Dividends paid	(352)	(396)
Retained earnings at the end of the year	436	2,007

¹ Certain amounts have been restated to reflect adjustments disclosed in note G11.

G9 Deed of Cross Guarantee (continued)

	2022	2021 ¹
as at 30 June	\$m	\$m
Statement of financial position		
Current assets		
Cash and cash equivalents	481	286
Trade and other receivables	4,404	3,304
Inventories	170	102
Derivatives	2,901	667
Other financial assets	732	491
Income tax receivable	-	7
Other assets	87	117
Total current assets	8,775	4,974
Non-current assets		
Trade and other receivables	1,909	1,537
Derivatives	3,074	302
Other financial assets ²	93	1,074
Investments accounted for using the equity method	5,832	6,543
PP&E	3,052	3,077
Intangible assets	2,419	4,641
Other assets	51	47
Total non-current assets	16,430	17,221
Total assets	25,205	22,195
Current liabilities		
Trade and other payables	3,361	2,443
Payables to joint ventures	133	169
Interest-bearing liabilities	87	72
Derivatives	1,010	523
Other financial liabilities	688	311
Provision for income tax	59	1
Employee benefits	240	221
Provisions	373	38
Total current liabilities	5,951	3,778
Non-current liabilities		
Trade and other payables	3,856	5,314
Interest-bearing liabilities	977	926
Derivatives	1,740	1,291
Deferred tax liabilities	1,394	13
Employee benefits	37	44
Provisions	814	1,177
Total non-current liabilities	8,818	8,765
Total liabilities	14,769	12,543
Net assets	10,436	9,652
Equity		
Contributed equity	6,877	7,138
Reserves	3,123	507
Retained earnings	436	2,007
Total equity	10,436	9,652

1 Certain amounts have been restated to reflect adjustments disclosed in note G11.

2 Includes investment in subsidiaries relating to entities outside the Deed of Cross Guarantee.

G10 Parent entity disclosures

The following table sets out the results and financial position of the parent entity, Origin Energy Limited.

	2022	2021
Origin Energy Limited	\$m	\$m
Profit/(loss)	505	(1,428)
Other comprehensive income, net of income tax	512	(657)
Total comprehensive income for the year	1,017	(2,085)
Financial position of the parent entity at year end		
Current assets	743	271
Non-current assets	17,418	16,771
Total assets	18,161	17,042
Current liabilities	4,274	3,364
Non-current liabilities	3,421	3,626
Total liabilities	7,695	6,990
Contributed equity	6,877	7,138
Share-based payments reserve	236	226
Foreign currency translation reserve	664	189
Hedge reserve	3	(33)
Fair value reserve	4	3
Retained earnings ¹	2,682	2,529
Total equity	10,466	10,052

¹ Refer to note A7 for details of dividends provided for or paid of \$352 million.

The parent entity has entered into a deed of indemnity for the cross-guarantee of liabilities of a number of controlled entities. Refer to note F1.

G11 Prior year restatements

Changes in accounting policies

Following clarifying guidance from the International Financial Reporting Interpretations Committee (IFRIC), the Group has applied changes in accounting policies that require restatement of previously reported amounts.

SaaS

The net intangibles assets of \$40 million have been derecognised in the statement of financial position at 30 June 2021 and the associated retained earnings amount of \$29 million (after tax) has been restated.

The associated amortisation of \$9 million (before tax) for the period has been reversed in the income statement as at 30 June 2021.

PPAs

In the year ended 30 June 2021, the Group recognised an impairment of goodwill allocated to the Energy Markets Retail cash generating unit (CGU) amounting to \$830 million, and the cash flows associated with the renewable PPAs were included in the calculation of the recoverable amount for the Retail CGU. This change in the Group's accounting policy to recognise PPAs as derivatives has resulted in an adjustment of \$324 million to reverse a portion of the impairment of goodwill recorded at 30 June 2021, relating to the renewable PPAs that were included in the recoverable amount.

The net electricity derivative liabilities of \$889 million have been recognised as derivatives in the statement of financial position at 30 June 2021 and the associated retained earnings amount of \$298 million (after tax) have been restated.

Other restatements

Certain amounts have been restated to reflect an adjustment to the result of the equity accounted investment in Octopus Energy.

G11 Prior year restatements (continued)

The following tables show the adjustments recognised for each individual line item.

Impact on statement of financial position	Restatements				Restated 30 June 2021	30 June 2020	Restatements		
	30 June 2021 \$m	PPAs \$m	SaaS \$m	Other \$m			PPAs \$m	SaaS \$m	Restated 1 July 2020 \$m
Non-current assets									
Derivatives	366	-	-	-	366	528	147	-	675
Investments accounted for using the equity method	6,952	-	-	(13)	6,939	7,360	-	-	7,360
Intangible assets	4,374	324	(40)	-	4,658	5,420	-	(47)	5,373
Deferred tax assets	-	-	-	-	-	315	134	13	462
Non-current liabilities									
Derivatives	506	889	-	-	1,395	749	594	-	1,343
Deferred tax liabilities	283	(267)	(11)	-	5	-	-	-	-
Net assets	9,815	(298)	(29)	(13)	9,475	12,701	(313)	(34)	12,354
Equity									
Retained earnings	2,132	(298)	(29)	(13)	1,792	4,819	(313)	(34)	4,472
Total equity	9,815	(298)	(29)	(13)	9,475	12,701	(313)	(34)	12,354

Impact on income statement	Restatements				Restated 30 June 2021	30 June 2020	Restatements		
	30 June 2021 \$m	PPAs \$m	SaaS \$m	Other \$m			PPAs \$m	SaaS \$m	Restated 1 July 2020 \$m
Expenses	(14,048)	(119)	9	-	(14,158)	(13,418)	66	(11)	(13,363)
Results of equity accounted investees	195	-	-	(10)	185	512	-	-	512
(Loss)/profit before income tax	(1,846)	(119)	9	(10)	(1,966)	179	66	(11)	234
Income tax expense	(443)	133	(3)	-	(313)	(93)	(20)	3	(110)
(Loss)/profit for the period	(2,289)	14	6	(10)	(2,279)	86	46	(8)	124
Profit for the period attributable to:									
Members of the parent entity	(2,291)	14	6	(10)	(2,281)	83	46	(8)	121
(Loss)/profit for the period	(2,289)	14	6	(10)	(2,279)	86	46	(8)	124

Impact on note A4 Expenses	Restatements				30 June 2020	Restatements		
	30 June 2021 \$m	PPAs \$m	SaaS \$m	Restated 30 June 2021 \$m		PPAs \$m	SaaS \$m	Restated 1 July 2020 \$m
Expenses								
Depreciation and amortisation	550	-	(9)	541	509	-	(8)	501
Impairment of non-current assets	1,828	(324)	-	1,504	668	-	-	668
Decrease/(increase) in fair value of derivatives	366	443	-	809	(275)	(66)	-	(341)
Other	477	-	-	477	486	-	19	505
Expenses	14,048	119	(9)	14,158	13,418	(66)	11	13,363

G11 Prior year restatements (continued)

Impact on note A6 basic and diluted earnings per share	30 June 2021	Restatements			Restated 30 June 2021	30 June 2020	Restatements		Restated 1 July 2020
		PPAs	SaaS	Other			PPAs	SaaS	
Statutory (loss)/profit									
Earnings per share based on statutory consolidated profit									
Statutory profit/(loss) \$m	(2,291)	14	6	(10)	(2,281)	83	46	(8)	121
Basic earnings per share (cents)	(130.2)	0.8	0.3	(0.5)	(129.6)	4.7	2.7	(0.5)	6.9
Diluted earnings per share (cents)	(130.2)	0.8	0.3	(0.5)	(129.6)	4.7	2.7	(0.5)	6.9
Underlying profit									
Earnings per share based on underlying consolidated profit									
Underlying profit \$m	318	-	6	(10)	314	1,023	-	(8)	1,015
Underlying basic earnings per share (cents)	18.0	0.0	0.3	(0.5)	17.8	58.1	0.0	(0.5)	57.6
Underlying diluted earnings per share (cents)	18.0	0.0	0.3	(0.5)	17.8	58.0	0.0	(0.5)	57.5

Impact on note D5 Fair value of financial assets and liabilities	30 June 2021	Restatements			Restated 30 June 2021	30 June 2020	Restatements		Restated 1 July 2020
		PPAs	SaaS	Other			PPAs	SaaS	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Non-current assets									
Economic hedges									
Commodity contracts	201	-	-	201	258	147	-	-	405
Total economic hedges	201	-	-	201	258	147	-	-	405
Non-current liabilities									
Economic hedges									
Commodity contracts	(342)	(889)	-	(1,231)	(173)	(594)	-	-	(767)
Total economic hedges	(402)	(889)	-	(1,291)	(297)	(594)	-	-	(891)

G12 Subsequent events

Other than the matters described below, no item, transaction or event of a material nature has arisen since 30 June 2022 that would significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial periods.

Additional investment

On 26 July 2022 Origin announced an additional investment of £94 million (approximately A\$163 million) in Octopus Energy Group Limited to restore its 20 per cent equity interest.

Dividends

On 18 August 2022, the Directors determined a final dividend of 16.5 cents per share, partially franked to 75 per cent, on ordinary shares. The dividend will be paid on 30 September 2022. The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2022 and will be recognised in subsequent financial statements.

Directors' Declaration

1. In the opinion of the Directors of Origin Energy Limited (the Company):
 - a. the consolidated financial statements and notes are in accordance with the *Corporations Act 2001* (Cth), including:
 - i. giving a true and fair view of the financial position of the Group as at 30 June 2022 and of its performance, for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001 (Cth).
 - b. the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in the Overview of the consolidated financial statements; and
 - c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. There are reasonable grounds to believe that the Company and the controlled entities identified in note F1 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those controlled entities pursuant to ASIC Corporations (Wholly-owned Companies) Instrument 2016/785.
3. The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* (Cth) from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Directors:



Scott Perkins

Chairman Director

Sydney, 18 August 2022

Independent Auditor's Report



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Independent Auditor's Report to the Members of Origin Energy Limited Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Origin Energy Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



Carrying Value of the Energy Markets Group of Cash Generating Units (CGUs)

Why significant

In accordance with the requirements of Australian Accounting Standards, the Group is required to test all CGUs annually for impairment where goodwill is present. The Group assesses the recoverable amount of each CGU using a discounted cash flow forecast to determine value in use.

As disclosed in Note C8 to the financial statements, as a result of increased forecast wholesale electricity and gas prices, the Group has recognised a \$2,196 million impairment charge on its Retail CGU, which form part of the Energy Markets group of CGUs.

Assumptions used in the forecasting of cash flows are highly judgmental and inherently subjective. As disclosed in Note C8, small changes in key assumptions can lead to significant changes in the recoverable amount of these assets.

As a result, we considered the impairment testing of the Energy Markets group of CGUs and the related disclosures in the financial report to be particularly significant to our audit.

How our audit addressed the key audit matter

Our audit procedures included the following:

- ▶ Assessed whether the impairment testing methodology for the Energy Markets group of CGUs used by the Group met the requirements of Australian Accounting Standards.
- ▶ Assessed the basis for the determination of the Group's CGUs based on our understanding of the nature of the Group's business, the interdependence of cash flows, and the economic environment in which it operates.
- ▶ Tested the mathematical accuracy of the discounted cash flow models.
- ▶ Assessed the cash flow forecasts with reference to historical budgeting accuracy and current trading performance, historical growth rates, historical operating results, market data and forecasts, ratio analysis, and discussions with management and senior executives.
- ▶ Where long term supply or sales contracts are in place, agreed the forecast revenue and costs to the contract terms and rates.
- ▶ For the Generation CGU within the Energy Markets Group of CGUs, compared the useful lives of assets assumed in the impairment model to the Australian Energy Market Operator ("AEMO") closure dates.
- ▶ Involved our energy market modelling specialists to assess the conclusions reached by the Group's internal specialists in respect of forecast energy prices, forecast generation volumes, forecast capacity prices and marginal loss factors.
- ▶ Involved our valuation specialists to:
 - Assess the discount rates, growth rates and terminal growth rates with reference to publicly available information on comparable companies in the industry and markets in which the Group operates; and
 - Perform sensitivity analyses and evaluated whether any reasonably possible changes in assumptions could cause the carrying amount of the cash generating unit to exceed its recoverable amount.
- ▶ Considered the potential impacts of climate risk on the recoverable amount by analysing the forecast energy price assumptions applied by management, asset useful lives and the possible changes to commodity prices resulting from the transition to a low carbon future.
- ▶ Evaluated the adequacy of the related disclosure in the financial report.



Carrying Value of APLNG Equity Accounted Investment

Why significant

At 30 June 2022, the Group's equity accounted investment in Australia Pacific LNG Pty Limited (APLNG) had a carrying value of \$5,821 million. The Group has concluded that no impairment or impairment reversal was required.

As disclosed in Note B2.3, the carrying amount of the Group's equity accounted investment in APLNG is reviewed at each reporting date to determine whether there is any indicators of impairment or impairment reversal. Where an indicator of impairment or impairment reversal exists, a formal estimate of the recoverable amount is made.

Oil price is a significant assumption used in this assessment and is inherently subjective. In times of economic uncertainty, including the current political and energy supply uncertainty which results from the Ukraine war, the degree of subjectivity in determining forecast pricing is higher than it might otherwise be. Changes in this assumption can lead to significant changes in the recoverable amount.

Due to the significance of this investment relative to total assets and the inherent complexity in forecasting commodity prices and future market outlooks, we considered the carrying value of this investment to be a key audit matter.

How our audit addressed the key audit matter

In fulfilling our responsibilities as Group auditor, we considered the work performed by the EY Component Auditor responsible for auditing APLNG. This included:

- ▶ Sending instructions to the EY Component Auditor detailing the scope to be covered for the purposes of our audit of the Group. This included the risk associated with impairment or impairment reversal.
- ▶ The Component Auditor confirmed compliance with the instructions provided and reported the results of their procedures to us.
- ▶ To ensure sufficient oversight, we, as the Group audit team:
 - Held frequent meetings with the Component Auditor to discuss the outcome and extent of their procedures.
 - Reviewed underlying working papers and documentation of the Component Auditor for selected areas of audit focus.

In addition, we undertook the following additional procedures with the assistance of our valuation's experts:

- ▶ Considered whether information existed that was contrary to the EY Component auditor's conclusion in respect of the existence of impairment or impairment reversal for APLNG at 30 June 2022 and may represent **objective evidence** of a significant or prolonged change in value of the investment, including:
 - Compared current period results from APLNG to prior period impairment modelling.
 - Considered changes to market conditions during the period including changes and volatility in key macro-economic assumptions such as oil price and gas price with reference to broker and analyst data and publicly available peer company information.
 - Evaluated possible changes to the APLNG discount rate with reference to external market data including government bond rates and comparable company data.
 - Considered the impact of climate risk on the asset life and key macro-economic assumptions.
 - Undertook sensitivity analysis for reasonably possible changes in key assumptions which included price sensitivity analysis using scenarios developed by the International Energy Agency.
- ▶ Considered available market information including trading and reserve multiples as a cross check of the carrying value of the Group's equity accounted investment.
- ▶ Assessed the climate related disclosures in respect of APLNG for accuracy and consistency with other publicly disclosed information.



Unbilled Revenue

Why significant

At 30 June 2022, the Group recognised unbilled revenue net of an allowance for impairment of \$2,107 million as disclosed in Note C1.

Unbilled revenue represents the value of energy supplied to customers between the date of the last meter read and the reporting date where no bill has been issued to the customer at the end of the reporting period.

The estimation of unbilled revenue is considered a key audit matter due to the complex estimation process and significant audit effort required to address the estimation uncertainty. Key factors that require consideration impacting the complex estimation process include:

- ▶ Estimation of customer demand which is impacted by weather and an individual customer's circumstances.
- ▶ Application of different customer rates across different regulated and unregulated markets.
- ▶ Changes in energy consumption patterns compared to the same period in the prior year, particularly due to the ongoing impacts of COVID-19 and wholesale energy price volatility.

The Group's disclosures in respect of the unbilled revenue estimation process are included in Note C1 of the financial report.

How our audit addressed the key audit matter

Our audit procedures included the following:

- ▶ Assessed whether the methodology used to recognise unbilled revenue met the requirements of Australian Accounting Standards.
- ▶ Assessed the effectiveness of the Group's controls governing energy purchased, energy sold and the customer pricing process.
- ▶ Evaluated the unbilled revenue calculation by:
 - With the assistance of specialists, assessing the calculation methodology and mathematical accuracy.
 - Comparing inputs used in the calculation to supporting data such as historical temperature data and volume data provided by the Australian Energy Market Operator (AEMO).
 - Compared the prices applied to customer consumption with historical and current data.
 - Reviewed the Group's reconciliation of volumes acquired from AEMO against volumes sold and volumes purchased as used by the Group in their analysis.
 - Compared the accuracy of the unbilled revenue accrual by comparing the historical accrual to final billing data and performing a trend analysis of the accrual year on year.
 - Tested the accuracy of the unbilled revenue accrual for business customers by comparing the unbilled revenue accrual to subsequent invoices.
- ▶ Evaluated the adequacy of the related disclosures in the financial report including those made with respect to judgements and estimates

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2022 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Origin Energy Limited for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

The logo for Ernst & Young, featuring the company name in a stylized, handwritten-style font.

Ernst & Young

A handwritten signature in black ink, appearing to read 'APR'.

Andrew Price
Partner
Sydney
18 August 2022

Share and Shareholder Information



The information set out below was applicable as at 29 July 2022.

Corporate Governance Statement

The Company's Corporate Governance Statement can be found on its website at originenergy.com.au/governance

Substantial shareholders

As at 29 July 2022, the Company received notice of two substantial holders:

Shareholder	Date notice received	Number of shares in notice	Percentage of capital in notice
AustralianSuper Pty Ltd	1 July 2022	218,137,581	12.66%
Vanguard Group	28 April 2022	88,061,736	5.00007%

Number of equity securities holders and voting rights

As at 29 July 2022 there were:

- 138,184 holders of 1,722,747,671 ordinary shares in the Company;
- 15 holders of 1,222,882 Options, 61 holders of 4,332,463 Performance Share Rights, 60 holders of 2,258,298 Restricted Share Rights; and
- 712 holders of 396,315 Matching Share Rights.

Only ordinary shares of the Company are quoted. Only holders of ordinary shares are entitled to attend and vote at a meeting of members.

Voting rights of members

At a meeting of members, each member who is entitled to attend and vote may attend and vote in person or by proxy, attorney or representative. On a show of hands, every person present who is a member, proxy, attorney or representative, shall have one vote; and on a poll, every member who is present in person or by proxy, attorney or representative shall have one vote for each fully paid ordinary share held. No other equity securities hold voting rights.

Analysis of holdings

Fully paid ordinary shares

Holdings ranges	Holders	Total shares	%
1-1,000	59,701	25,388,736	1.470
1,001-5,000	56,210	136,083,626	7.900
5,001-10,000	13,414	95,424,251	5.540
10,001-100,000	8,628	178,549,435	10.360
100,001-999,999,999	231	1,287,301,623	74.720
Totals	138,184	1,722,747,671	100.000

Options

Holdings ranges	Holders	Total options	%
1-1,000	0	0	0.000
1,001-5,000	0	0	0.000
5,001-10,000	0	0	0.000
10,001-100,000	14	821,594	67.190
100,001-999,999,999	1	401,288	32.810
Totals	15	1,222,882	100.000

Performance share rights

Holdings ranges	Holders	Total rights	%
1-1,000	0	0	0.000
1,001-5,000	0	0	0.000
5,001-10,000	2	15,252	0.350
10,001-100,000	51	1,963,127	45.310
100,001-999,999,999	8	2,354,084	54.340
Totals	61	4,332,463	100.000

Restricted Share rights

Holdings ranges	Holders	Total rights	%
1-1,000	0	0	0.000
1,001-5,000	0	0	0.000
5,001-10,000	3	21,180	0.940
10,001-100,000	51	1,150,242	50.930
100,001-999,999,999	6	1,086,876	48.130
Totals	60	2,258,298	100.000

Matching Share Plan matched rights

Holdings ranges	Holders	Total rights	%
1-1,000	712	396,315	100.000
1,001-5,000	0	0	0.000
5,001-10,000	0	0	0.000
10,001-100,000	0	0	0.000
100,001-999,999,999	0	0	0.000
Totals	712	396,315	100.000

Unmarketable parcels

7,612 shareholders held less than a marketable parcel as at 29 July 2022.

Top 20 holdings

Shareholder	Number of shares	% of Issued shares
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	440,271,158	25.56%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	437,906,585	25.42%
CITICORP NOMINEES PTY LIMITED	141,870,327	8.24%
NATIONAL NOMINEES LIMITED	68,203,964	3.96%
BNP PARIBAS NOMS PTY LTD <DRP>	41,301,426	2.40%
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	27,318,193	1.59%
ARGO INVESTMENTS LIMITED	11,351,603	0.66%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	9,707,307	0.56%
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	9,119,774	0.53%
CERTANE CT PTY LTD <ORIGIN ENERGY ESP ALLOC A/C>	8,766,570	0.51%
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	6,965,196	0.40%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	6,140,797	0.36%
CERTANE CT PTY LTD <ORIGIN ENERGY ESP UNALL A/C>	5,923,371	0.34%
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	4,189,056	0.24%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	2,939,491	0.17%
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	2,855,269	0.17%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	2,255,426	0.13%
MUTUAL TRUST PTY LTD	2,218,988	0.13%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,881,258	0.11%
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	1,828,570	0.11%

Securities exchange listing

Origin shares are traded on the Australian Securities Exchange Limited (ASX). The symbol under which Origin shares are traded is 'ORG'.

Escrowed securities

There are no securities subject to voluntary escrow as at the date of this Report.

On-market buy-back

There is no current on-market buy-back of Origin shares. During FY2022, the company undertook an on-market buy-back between 1 April 2022 and 23 June 2022.

On-market purchases for employee equity plans

During the reporting period, 5,900,000 Origin shares were purchased on-market for the purpose of Origin's employee incentive plans. The average price per share purchased was \$6.12.

Shareholder enquiries

For information about your shareholding, to notify a change of address, to make changes to your dividend payment instructions or for any other shareholder enquiries, you should contact Origin Energy's share registry, Boardroom Pty Ltd on 1300 664 446. Please note that broker-sponsored holders are required to contact their broker to amend their address.

When contacting the share registry, shareholders should quote their security holder reference number, which can be found on the holding or dividend statements.

Shareholders with internet access can update and obtain information regarding their shareholding online at www.originenergy.com.au/about/investors-media

Tax File Number

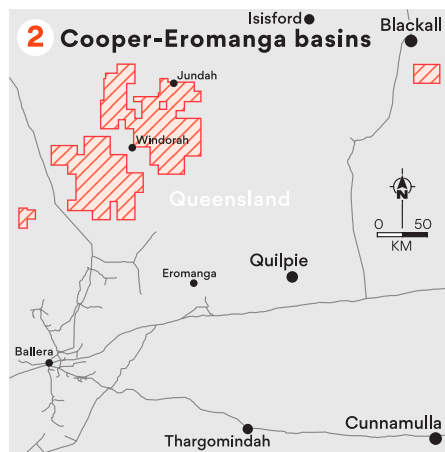
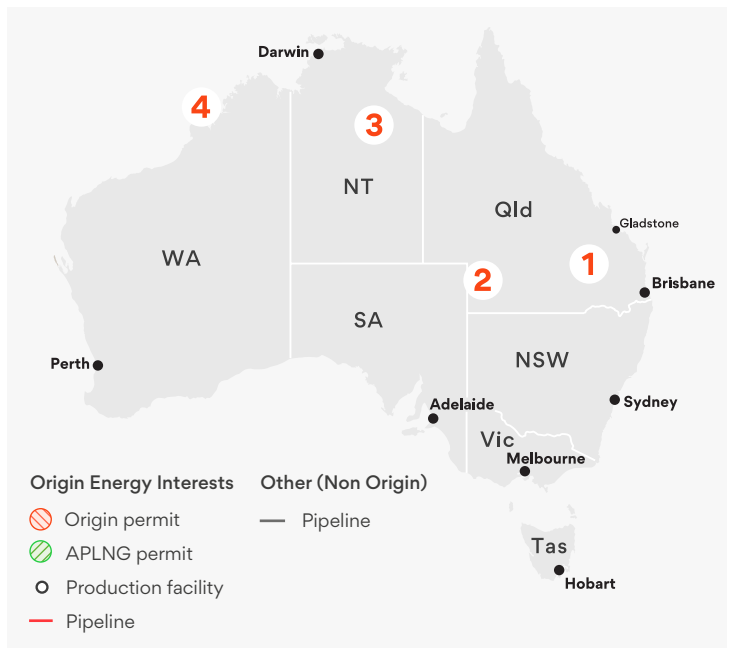
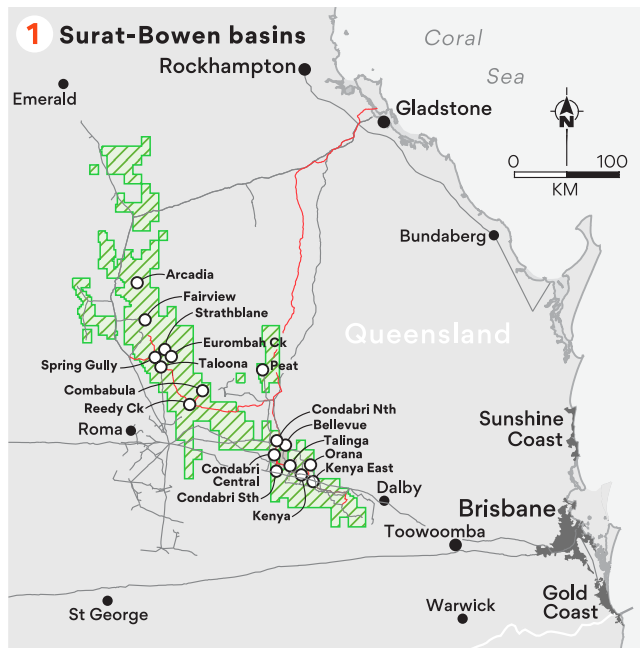
For resident shareholders who have not provided the share registry with their Tax File Number (TFN) or exemption category details, tax at the top marginal tax rate (plus Medicare levy) will be deducted from dividends to the extent they are not fully franked. For those shareholders who have not provided their TFN or exemption category details, forms are available from the share registry. Shareholders are not obliged to provide this information if they do not wish to do so.

Information on Origin

The main source of information for shareholders is the Annual Report. The Annual Report will be provided to shareholders on request and free of charge. Shareholders not wishing to receive the Annual Report should advise the share registry in writing so that their names can be removed from the mailing list. Origin's website (www.originenergy.com.au) is another source of information for shareholders.



Exploration and Production Permits and Data



1 Origin's Australian interests

Origin held interests in the following permits at 30 June 2022.

Basin/Project Area	Interest	Basin/Project Area	Interest	Basin/Project Area	Interest
Queensland					
Surat-Bowen basins					
Angry Jungle					
ATP 631; PLs 281 and 282	4.9765375%	1			
Carinya and Ramyard					
ATP 972; PL 469, 470 and 471	25.50%	* 1			
ATP 973	27.5%	* 1			
Combabula/Reedy Creek/Peat and Taroom East					
ATP 2047	13.75%	1			
ATP 606; PLs 297, 403, 404, 405, 406, 407, 408, 412 and 413; PL(A) 444	25.50%	* 1			
PL 101	27.5%	* 1			
PPL 178	27.5%	* 1			
Condabri					
PLs 265, 266, 267, 1011, 1018 and 1084	27.50%	* 1			
PPLs 177, 185, 186, 2000 and 2059	27.50%	* 1			
Denison Trough					
ATP 1191; PLs 1082 and 1083 (Mahalo block deeps)	13.75%	1			
ATP 1191; PLs 450, 451, 457, 1012; PL(A) 1062	13.75%	1			
PLs 43, 44, 45, 183 and 218 (Deepes)	13.75%	* 1			
Fairview and Arcadia					
ATPs 745; PLs 420, 421 and 440	6.558623%				
PL 1059	6.55875%	1			
ATPs 2012; 90, 91, 92, 99, 100, 232, 233, 234, 235, 236 and 1017	6.580664%	1			
Queensland (continued)					
Gladstone LNG					
PFL 20	27.50%	1			
PPLs 162 and 163	27.50%	* 1			
Ironbark					
ATP 788; PL(A) 1106 (Deepes)	6.88%	* 1			
ATP 788; PL(A) 1106 (Shallows)	27.50%	* 1			
Kenya/Kenya East/Bellevue and Anya					
PL 247	8.078125%	1			
PFL 19	8.59375%	1			
PL 1025	8.59375%	1			
PLs 257, 273, 274, 275, 278, 279, 442, 466, 474 and 503 (Shallows)	8.59375%	1			
PLs 179, 180, 228, 229 and 263	11.171875%	1			
PPLs 107, 176, 2014 and 2063	11.171875%	1			
Membrane and Lonesome					
ATP 804	8.057017%	1			
PLs 219 and 220	27.50%	* 1			
Spring Gully					
ATP 592; PLs 195, 268, 414, 415, 416, 417, 418 and 419	25.99%	* 1			
PL 200	26.32%	* 1			
PL 204	27.42%	* 1			
PPL 143, 180 and 2026	27.50%	* 1			
Talinga and Orana					
PLs 215, 216, 225, 226 and 272	27.50%	* 1			
PFL 26	27.50%	* 1			
PPLs 171, 181 and 2032	27.50%	* 1			
Queensland (continued)					
Cooper-Eromanga basins					
ATPs 736, 737, 738, 2025 and 2026	75.00%	*			
PLs 1094, 1095, 1096, 1097, 1098, 1099, 1100, 1101, 1102, 1103 and 1104	99.00%	*			
ATP 784	100%	*			
Boree North					
EPM 27973	100%	*			
Northern Territory					
Beetaloo Basin					
EP 76, 98 and 117	77.50%	*			
Western Australia					
Browse Basin					
TR/7, TR/8, WA-90-R, WA-91-R, WA-92-R	40.00%				
Canning Basin					
EP 129, 391, 428, 431 and 436	50.00%				
EP 457 & EP 458	40.00%				
South Australia					
Geothermal					
GRL 3	30.00%				

Notes:

* Operatorship
1 Interest held through 27.5 per cent ownership of Australian Pacific LNG Joint Venture

Annual Reserves Report

For the year ended 30 June 2022



1 Reserves and resources

This *Annual Reserves Report* provides an update on the reserves and resources of Origin Energy Limited (Origin) and its share of Australia Pacific LNG Pty Limited (APLNG), as at 30 June 2022.

1.1 Highlights

APLNG (Origin 27.5 per cent share)

- Origin share reduced from 37.5 to 27.5 per cent during the financial year.
- Updated reservoir modelling to reflect strong field performance and step-out data, primarily in Combabula, resulted in an overall 116¹ per cent 2P (proved plus probable) reserves replacement in operated and non-operated areas during FY2022. A detailed breakdown of movements in Origin's share of APLNG 2P reserves is as follows:
 - 240 PJ (7 per cent) upward revision of operated 2P reserves before production driven by updated reservoir models reflecting strong field performance and new data insights;
 - 37 PJ (6 per cent) increase in non-operated 2P reserves before production; and
 - (220) PJ of production.
- Excluding divestment of Origin equity in APLNG, 2P reserves replacement of 99 per cent has been achieved in operated fields over the last five years, primarily driven by strong performance in producing fields, along with continued maturation of contingent areas shown to be feasible for development through appraisal activities.
- Developed 2P reserves accounted for 60 per cent of total 2P reserves as at 30 June 2022.
- Origin's share of 1P (proved) reserves has continued to grow, with an increase of 7 per cent or 197 PJ before production due to strong performance in producing fields. 1P reserves represent 59 per cent of total 3P (proved plus probable plus possible) reserves as at 30 June 2022.

1.2 2P reserves (Origin share)

2P reserves decreased by 1,104 PJ after divestment, revisions and production to a total of 3,148 PJ, compared to 30 June 2021.

Origin 2P reserves by area

(PJ)	2P 30/06/2021	Acquisition/ divestment	New booking/ discovery	Revisions/ extensions	Production	2P 30/06/2022
Operated Assets	3,587	(984)	-	240	(170)	2,673
– Asset East	1,463	(390)	-	110	(86)	1,097
– Asset West	2,124	(594)	-	130	(84)	1,576
Non-Operated Assets	665	(177)	-	37	(50)	475
Total 2P	4,252	(1,161)	-	277	(220)	3,148

- Summary of 2P reserves movement - key changes include:
 - 220 PJ decrease due to production;
 - 1,161 PJ decrease due to divestment, largely related to Origin's equity decrease from 37.5% to 27.5% (-1,134 PJ) but also including APLNG's divestment of the Woleebee and Mahalo fields (-27 PJ);
 - 240 PJ positive revision across all operated areas, reflecting:
 - Updated reservoir models reflecting strong field performance and new step-out data acquisition resulting in an increase in estimated recovery, notably from Combabula-Reedy Creek area this year.
 - 37 PJ increase in non-operated areas.
- As at 30 June 2022, developed 2P reserves represented 60 per cent of total 2P reserves.
- As at 30 June 2022, 100 per cent of Origin's share of 2P reserves are unconventional gas located in the Surat and Bowen Basins.

¹ At 100% APLNG project level including impact of Woleebee asset sale and Mahalo divestment

Origin 2P reserves by development type

(PJ)	Total 2P			Total 2P		
	Developed	Undeveloped	30-6-2021	Developed	Undeveloped	30-6-2022
Operated Assets	2,173	1,414	3,587	1,637	1,036	2,673
- Asset East	1,031	432	1,463	793	304	1,097
- Asset West	1,142	982	2,124	844	732	1,576
Non-Operated Assets	393	273	665	267	208	475
Total 2P	2,566	1,686	4,252	1,903	1,245	3,148

1.3 1P reserves (Origin share)

1P reserves increased by 197 PJ or 7 per cent before production and decreased by 757 PJ after divestment and production to 1,998 PJ, compared to 30 June 2021.

As at 30 June 2022, developed 1P reserves represented 91 per cent of total 1P reserves. The remaining 9 per cent of 1P reserves represents wells that have been spudded but not connected or planned wells that are immediately adjacent to drilled wells. 100 per cent of 1P reserves are unconventional gas located in the Surat and Bowen Basins.

Origin 1P reserves by area

(PJ)	1P 30/06/2021	Acquisition/ divestment	New booking/ discovery	Revisions/ extensions	Production	1P 30/06/2022
Operated Assets	2,203	(588)	-	179	(170)	1,624
- Asset East	1,124	(300)	-	53	(86)	791
- Asset West	1,079	(288)	-	126	(84)	833
Non-Operated Assets	553	(147)	-	18	(50)	373
Total 1P	2,755	(735)	-	197	(220)	1,998

Origin 1P reserves by development type

(PJ)	Total 1P			Total 1P		
	Developed	Undeveloped	30-6-2021	Developed	Undeveloped	30-6-2022
Operated Assets	2,046	157	2,203	1,557	68	1,624
- Asset East	1,020	104	1,124	765	26	791
- Asset West	1,026	53	1,079	792	42	833
Non-Operated Assets	383	170	553	260	113	373
Total 1P	2,428	327	2,755	1,817	181	1,998

1.4 2C contingent resources for Origin Energy**Beetaloo Basin**

A material contingent resource announcement of 6.6 Tscf (gross) or 2.3 Tscf (net) for the Beetaloo Basin was provided on 15 February 2017 to the ASX:

<https://www.asx.com.au/asxpdf/20170215/pdf/43g0qhh87j71bb.pdf>

Origin increased its interest in the Beetaloo Joint Venture to 70 per cent in May 2017 by acquiring Sasol's 35 per cent share:

<https://www.asx.com.au/asxpdf/20170505/pdf/43j1ss71xqbxtc.pdf>

During FY2020 Origin further increased its interest in the Beetaloo Joint Venture to 77.5 per cent by acquiring 7.5 per cent of the interest owned by Falcon Oil and Gas:

<https://www.asx.com.au/asxpdf/20200407/pdf/44gs08yfdwfrjp.pdf>

Refer to the Operating and Financial Review, released on the same date as this report, for details of the current status of the Beetaloo Basin asset.

Appendix A: APLNG reserves and resources

Origin, as APLNG upstream operator, has prepared estimates of the reserves and resources held by APLNG for operated assets detailed in this report.

Netherland, Sewell & Associates, Inc. (NSAI) has prepared a consolidated report of the reserves and resources held by APLNG for non-operated assets. The reserves and resources estimates for the non-operated properties in their report have been independently estimated by NSAI.

The tables below provide 1P, 2P and 3P reserves and 2C resources for APLNG (100 per cent) and Origin's 27.5 per cent interest in these APLNG (operated and non-operated) reserves and resources.

Reserves and resources held by APLNG (100 per cent share)

Reserves/resource classification	30/06/2021	Acquisition/ divestment	New booking/ discovery	Revisions/ extensions	Production	30/06/2022
1P (proven)	7,348	-	-	610	(693)	7,265
2P (proven plus probable)	11,339	(100)	-	901	(693)	11,448
3P (proven plus probable plus possible)	12,204	(151)	-	1,048	(693)	12,408
2C (best estimate contingent resource)	3,602	(115)	-	196	-	3,683

Reserves and resources held by Origin (27.5 per cent in APLNG)

Reserves/resource classification	30/06/2021	Acquisition/ divestment	New booking/ discovery	Revisions/ extensions	Production	30/06/2022
1P (proven)	2,755	(735)	-	197	(220)	1,998
2P (proven plus probable)	4,252	(1,161)	-	277	(220)	3,148
3P (proven plus probable plus possible)	4,576	(1,262)	-	317	(220)	3,412
2C (best estimate contingent resource)	1,351	(392)	-	54	-	1,013

See details above for movements in 1P and 2P reserves.

The 1,048 PJ increase in APLNG (100 per cent share) 3P reserves, excluding production and divestment is due to improved understanding of field behaviour, coupled with strong field performance which has resulted in an increase in estimated recovery from producing areas.

Appendix B: Notes relating to this report

a. Methodology regarding reserves and resources

The Reserves Report has been prepared to be consistent with the Petroleum Resources Management System (PRMS) 2018 published by the Society of Petroleum Engineers (SPE). This document may be downloaded from the SPE website: <https://www.spe.org/en/industry/reserves/>. Additionally, this Reserves Report has been prepared to be consistent with the ASX reporting guidelines. For all assets, Origin reports reserves and resources consistent with SPE guidelines as follows: proved reserves (1P); proved plus probable reserves (2P); proved plus probable plus possible reserves (3P) and best estimate contingent resource (2C). Reserves must be discovered, recoverable, commercial and remaining.

The CSG reserves and resources held within APLNG's properties have either been independently prepared by NSAI or prepared by Origin. The reserves and resources estimates contained in this report have been prepared in accordance with the standards, definitions and guidelines contained within the PRMS and generally accepted petroleum engineering and evaluation principles as set out in the SPE Reserves Auditing Standards.

Origin does not intend to report prospective or undiscovered resources as defined by the SPE in any of its areas of interest on an ongoing basis.

b. Economic test for reserves

The assessment of reserves requires a commercial test to establish that reserves can be economically recovered. Within the commercial test, operating cost and capital cost estimates are combined with fiscal regimes and product pricing to confirm the economic viability of producing the reserves.

Gas reserves are assessed against existing contractual arrangements and local market conditions, as appropriate. In the case of gas reserves where contracts are not in place, a forward price scenario based on monetisation of the reserves through domestic markets has been used, including power generation opportunities, direct sales to LNG and other end users, and utilisation of Origin's wholesale and retail channels to market.

For CSG reserves that are intended to supply the APLNG CSG to LNG project, the economic test is based on a weighted average price across domestic, spot and LNG contracts, less short run marginal costs

for downstream transport and processing. This price is exposed to changes in the supply/demand balance in the market through oil price-linked LNG contracts.

c. Reversionary rights

The CSG interests that APLNG acquired from Tri-Star in 2002 are subject to reversionary rights. If triggered, these rights will require APLNG to transfer back to Tri-Star a 45 per cent interest in those CSG interests for no additional consideration. Origin has assessed the potential impact of these reversionary rights, based on economic tests consistent with the reserves and resources referable to the CSG interests, and based on that assessment does not consider that the existence of these reversionary rights impacts the reserves and resources quoted in this report. Tri-Star has commenced proceedings against APLNG claiming that reversion has occurred. APLNG denies that reversion has occurred and is defending the claim.²

d. Information regarding the preparation of this Reserves Report

The CSG reserves and resources held within APLNG's properties have either been independently prepared by NSAI or by Origin. All assessments are based on technical, commercial and operational data provided by Origin on behalf of APLNG.

The statements in this Report relating to reserves and resources as at 30 June 2022 for APLNG's interests in non-operated assets are based on information in the NSAI report dated 29 July 2022. The data has been compiled by Mr John Hattner, a full-time employee of NSAI. Mr Hattner has consented to the statements based on this information, and to the form and context in which these statements appear.

The statements in this Report relating to reserves and resources for other assets are based on, and fairly represent, information and supporting documentation prepared by, or under the supervision of qualified petroleum reserves and resource evaluators who are employees of Origin.

This Reserves Statement as a whole has been approved by Ms Petrina Weatherstone CPEng NER MIEAust who is a full-time employee of Origin. Ms Petrina Weatherstone is Chief Reservoir Engineer, a qualified petroleum reserves and resources evaluator and a member of the Society of Petroleum Engineers, has consented to the form and context in which these statements appear.

e. Rounding

Information on reserves is quoted in this report rounded to the nearest whole number. Some totals in tables in this report may not add due to rounding. Items that round to zero are represented by the number 0, while items that are actually zero are represented with a dash "-".

f. Abbreviations

bbl	barrel
Tscf	trillion standard cubic feet
CSG	coal seam gas
kbbbls	kilo barrels = 1,000 barrels
ktonnes	kilo tonnes = 1,000 tonnes
mamboe	million barrels of oil equivalent
PJ	petajoule = 1×10^{15} joules
PJe	petajoule equivalent

g. Conversion factors for PJe

CSG	1.038 PJ/Bscf
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h. Reference point

Reference points for Origin's petroleum reserves and contingent resources are defined points within Origin's operations where normal exploration and production business ceases, and quantities of the produced product are measured under defined conditions prior to custody transfer. Fuel, flare and vent consumed to the reference points are excluded.

i. Preparing and aggregating petroleum resources

Petroleum reserves and contingent resources are typically prepared by deterministic methods with support from probabilistic methods. Petroleum reserves and contingent resources are aggregated by arithmetic summation by category and as a result, proved reserves may be a conservative estimate due to the portfolio effects of the arithmetic summation. Proved plus probable plus possible may be an optimistic estimate due to the same aforementioned reasons.

j. Methodology and internal controls

The reserves estimates undergo an assurance process to ensure that they are technically reasonable given the available data and have been prepared according to our reserves and resources process, which includes adherence to the PRMS Guidelines. The assurance process includes peer reviews of the technical and commercial assumptions. The annual reserves report is reviewed by management with the appropriate technical expertise, including the Resource Assessment Lead and Integrated Gas General Managers.

² Refer to Section 7 of the Operating and Financial Review released to the ASX on 18 August 2022 for further information.

Five-year Financial History



A reconciliation between statutory and underlying profit measures can be found in note A1 of the Origin Consolidated Financial Statements.

	2022 ¹	2021 ^{1,2}	2020 ^{1,2}	2019 ¹	2018 ¹
Income statement (\$m)					
Total external revenue	14,461	12,097	13,157	14,727	14,883
Underlying:					
EBITDA ³	2,114	2,036	3,122	3,232	3,217
Depreciation and amortisation expense	(449)	(541)	(501)	(419)	(381)
Share of interest, tax, depreciation and amortisation of equity accounted investees ⁴	(1,138)	(956)	(1,303)	(1,504)	(1,194)
EBIT	527	539	1,318	1,308	1,642
Net financing costs	(126)	(133)	(126)	(154)	(278)
Income tax benefit/(expense)	10	(90)	(174)	(123)	(339)
Non-controlling interests	(4)	(2)	(3)	(3)	(3)
Segment result and underlying consolidated profit	407	314	1,015	1,028	1,022
Impact of items excluded from segment result and underlying consolidated profit net of tax	(1,836)	(2,595)	(894)	183	(804)
Statutory:					
Profit/(loss) attributable to members of the parent entity	(1,429)	(2,281)	121	1,211	218
Statement of financial position (\$m)					
Total assets	24,020	21,308	25,340	25,743	24,257
Net debt/(cash)	2,818	4,786	5,688	6,084	7,289
Shareholders' equity - members/parent entity interest	9,997	9,455	12,333	13,129	11,804
Adjusted net debt/(cash) ⁵	2,838	4,639	5,158	5,417	6,496
Shareholders' equity - total	10,022	9,475	12,354	13,149	11,828
Cash flow					
Net cash from operating and investing activities - total operations (\$m)	3,363	1,183	1,813	1,914	2,645
Key ratios					
Statutory basic earnings per share (cents)	(81.5)	(129.6)	6.9	68.8	12.4
Underlying basic earnings per share (cents)	23.2	17.8	57.6	58.4	58.2
Total dividend per share (cents) ⁶	29.0	20.0	25.0	25.0	-
Net debt to net debt plus equity (adjusted) (%) ⁵	22	33	29	29	36
Underlying EBITDA by segment (\$m)					
Energy Markets ⁷	365	979	1,450	1,574	1,811
Integrated Gas	1,837	1,135	1,741	1,892	1,521
Corporate	(88)	(78)	(69)	(234)	(115)
General Information					
Number of employees	5,174	4,979	5,232	5,360	5,565
Weighted average number of shares	1,753,612,216	1,759,555,663	1,759,801,186	1,758,935,655	1,757,442,268

	2022 ¹	2021 ^{1,2}	2020 ^{1,2}	2019 ¹	2018 ¹
Integrated Gas⁸					
2P reserves (PJe)	3,148	4,252	4,268	4,599	4,799
Product sales volumes (PJe)	211	246	251	254	255
Liquified Natural Gas (Kt)	2,868	3,370	3,258	3,257	3,213
Natural gas and ethane (PJ)	52	59	70	73	77
Production volumes (PJe)	220	263	265	255	254
Energy Markets					
Generation (MW) - owned	6,052	6,047	6,029	6,029	5,981
Generation dispatched (TWh)	15	16	18	20	21
Number of customers ('000)	4,458	4,266	4,236	4,200 ⁹	4,181
Electricity	2,733	2,625	2,631	2,639	2,666
Natural gas	1,277	1,249	1,220	1,191	1,145
LPG	368	359	365 ¹⁰	362	370
Broadband	61	33	20	8	-
Other ¹¹	20				
Electricity (TWh)	35	34	34	36	38
Natural gas (PJ)	188	193	204	222	214
LPG (Kt)	357	389	417	426	450

1 Includes discontinued operations and assets held for sale unless stated otherwise.

2 Following clarifying guidance from the International Financial Reporting Interpretations Committee, the Group has applied changes in accounting policies that require restatement of previously reported amounts. Refer to note G11 Prior year restatements, in the Consolidated Financial Statements.

3 Since FY2019 this includes premiums relating to certain electricity hedges within Underlying profit. The equivalent amount in FY2018 has not been restated in the above table. Had the amount been adjusted, the impact to underlying EBITDA would have been \$(160) million.

4 Origin discloses its equity accounted results in two lines: 'share of EBITDA of equity accounted investees,' included in EBITDA; and 'share of interest, tax, depreciation and amortisation of equity accounted investees,' included between EBITDA and EBIT.

5 Total current and non-current interest-bearing liabilities only, less cash and cash equivalents excluding APLNG related cash, less fair value adjustments on hedged borrowings.

6 Dividends represent the interim and final dividends determined for each FY. This includes the final dividend for FY22 determined on 18 August 2022 to be paid on 30 September 2022. The amounts paid within each FY are 20c, 22.5c, 30c, 10c and 0c respectively.

7 Since FY2019 this includes premiums relating to certain electricity hedges within Underlying profit. The equivalent amount in FY2018 has not been restated in the above table. Had the amount been adjusted, the impact to underlying EBITDA would have been \$(160) million.

8 FY2018 excludes Lattice Energy (continuing operations basis shown).

9 Total number of customers restated to include Broadband customers

10 June 2020 LPG customer accounts restated to include ~2,500 Asia Pacific customer accounts

11 Largely relates to Origin Home Assist customers.

Glossary and Interpretation



Glossary

Statutory financial measures

Statutory financial measures are measures included in the Financial Statements for the Origin Consolidated Group, which are measured and disclosed in accordance with applicable Australian Accounting Standards. Statutory financial measures also include measures that have been directly calculated from, or disaggregated directly from financial information included in the Financial Statements for the Origin Consolidated Group.

Term	Meaning
Cash flows from investing activities	Statutory cash flows from investing activities as disclosed in the Statement of Cash Flows in the Origin Consolidated Financial Statements.
Cash flows from operating activities	Statutory cash flows from operating activities as disclosed in the Statement of Cash Flows in the Origin Consolidated Financial Statements.
Cash flows used in financing activities	Statutory cash flows used in financing activities as disclosed in the Statement of Cash Flows in the Origin Consolidated Financial Statements.
Net Debt	Total current and non-current interest-bearing liabilities only, less cash and cash equivalents excluding cash to fund APLNG day-to-day operations.
Non-controlling interest	Economic interest in a controlled entity of the consolidated entity that is not held by the Parent entity or a controlled entity of the consolidated entity.
Statutory Profit/Loss	Net profit/loss after tax and non-controlling interests as disclosed in the Income Statement in the Origin Consolidated Financial Statements.
Statutory earnings per share	Statutory Profit/Loss divided by weighted average number of shares as disclosed in the Income Statement in the Origin Consolidated Financial Statements.

Non-IFRS financial measures

Non-IFRS financial measures are defined as financial measures that are presented other than in accordance with all relevant Accounting Standards. Non-IFRS financial measures are used internally by management to assess the performance of Origin's business, and to make decisions on allocation of resources. The Non-IFRS financial measures have been derived from Statutory financial measures included in the Origin Consolidated Financial Statements, and are provided in this report, along with the Statutory financial measures to enable further insight and a different perspective into the financial performance, including profit and loss and cash flow outcomes, of the Origin business.

The principal Non-IFRS profit and loss measure of Underlying Profit has been reconciled to Statutory Profit in Section . The key Non-IFRS financial measures included in this report are defined below.

Term	Meaning
AASB	Australian Accounting Standards Board
Adjusted Net Debt	Net Debt adjusted to remove fair value adjustments on hedged borrowings
Adjusted Underlying EBITDA	Origin Underlying EBITDA – Share of APLNG Underlying EBITDA + net cash from APLNG over the relevant 12 month period.
Average interest rate	Interest expense divided by Origin's average drawn debt during the period.
cps	Cents per share.
Free Cash Flow	Net cash from operating and investing activities (excluding major growth projects), less interest paid.
FY22 (Current period)	Twelve months ended 30 June 2022.
FY21 (Prior period)	Twelve months ended 30 June 2021.
Gearing	Adjusted Net Debt / (Adjusted Net Debt + Total equity)
Gross Profit	Revenue less cost of goods sold.
Items excluded from Underlying Profit (IEUP)	Items that do not align with the manner in which the Chief Executive Officer reviews the financial and operating performance of the business which are excluded from Underlying Profit. See Section 5.1 for details.
MRCPS	Mandatorily Redeemable Cumulative Preference Shares.
Non-cash fair value uplift	Reflects the impact of the accounting uplift in the asset base of APLNG which was recorded on creation of APLNG and subsequent share issues to Sinopec. This balance will be depreciated in APLNG's Income Statement on an ongoing basis and, therefore, a dilution adjustment is made to remove this depreciation.
Share of ITDA	Origin's share of equity accounted interest, tax, depreciation and amortisation.
Total Segment Revenue	Total revenue for the Energy Markets, Integrated Gas and Corporate segments, as disclosed in note A1 of the Origin Consolidated Financial Statements.
Underlying EPS	Underlying Profit/Loss divided by weighted average number of shares.
Underlying EBITDA	Underlying earnings before underlying interest, underlying tax, underlying depreciation and amortisation (EBITDA) as disclosed in note A1 of the Origin Consolidated Financial Statements.

Term	Meaning
Underlying share of ITDA	Share of interest, tax, depreciation and amortisation of equity accounted investees adjusted for items excluded from Underlying Profit.
Underlying Profit/Loss	Underlying net profit/loss after tax and non-controlling interests as disclosed in note A1 of the Origin Consolidated Financial Statements.
Underlying ROCE (Return on Capital Employed)	Calculated as Adjusted EBIT / Average Capital Employed. Average Capital Employed = Shareholders Equity + Origin Debt + Origin's Share of APLNG project finance - Non-cash fair value uplift + net derivative liabilities. The average is a simple average of opening and closing in any 12 month period. Adjusted EBIT = Origin Underlying EBIT and Origin's share of APLNG Underlying EBIT + Dilution Adjustment = Statutory Origin EBIT adjusted to remove the following items: a) Items excluded from underlying earnings; b) Origin's share of APLNG underlying interest and tax; and c) the depreciation of the Non-cash fair value uplift adjustment. In contrast, for remuneration purposes Origin's statutory EBIT is adjusted to remove Origin's share of APLNG statutory interest and tax (which is included in Origin's reported EBIT) and certain items excluded from underlying earnings. Gains and losses on disposals and impairments will only be excluded subject to Board discretion.

Non-financial terms

Term	Meaning
Boe	Barrel of oil equivalent
CES	Community Energy Services
C&I	Commercial and Industrial
DMO	Default Market Offer
ERP	Enterprise resource planning
GJ	Gigajoule = 10^9 joules
JCC	Japan Customs-cleared Crude (JCC) is the average price of crude oil imported to Japan. APLNG's long-term LNG sales contracts are priced based on the JCC index.
Joule	Primary measure of energy in the metric system.
Kansai	When referring to the off-taker under the LNG Sale and Purchase Agreement (SPA) with APLNG, means Kansai Electric Power Co. Inc.
kT	kilo tonnes = 1,000 tonnes
Mtpa	Million tonnes per annum
MW	Megawatt = 10^6 watts
MWh	Megawatt hour = 10^3 kilowatt hours
NEM	National Electricity Market
NPS	Net Promoter Score (NPS) is a measure of customers' propensity to recommend Origin to friends and family
PJ	Petajoule = 10^{15} joules
PJe	Petajoules equivalent = an energy measurement used to represent the equivalent energy in different products so the amount of energy contained in these products can be compared.
PPA	Power Purchase Agreement
Sinopec	When referring to the off-taker under the LNG Sale and Purchase Agreement (SPA) with APLNG, means China Petroleum & Chemical Corporation which has appointed its subsidiary Unipecc Asia Co. Ltd. to act on its behalf under the LNG SPA.

Term	Meaning
SME	Small Medium Enterprise
TRIFR	Total Recordable Incident Frequency Rate
TW	Terawatt = 10^{12} watts
TWh	Terawatt hour = 10^9 kilowatt hours
VDO	Victorian Default Offer
Watt	A measure of power when a one ampere of current flows under one volt of pressure.

Interpretation

All comparable results reflect a comparison between the current period and the prior period, unless otherwise stated.

A reference to APLNG or Australia Pacific LNG is a reference to Australia Pacific LNG Pty Limited in which Origin holds a 27.5 per cent shareholding. A reference to Octopus Energy or Octopus is a reference to Octopus Energy Group Limited in which Origin holds an 18.7% shareholding as at 30 June 2022, with subsequent investment to restore its 20% shareholding in FY2023. Origin's shareholding in APLNG and Octopus Energy is equity accounted.

A reference to \$ is a reference to Australian dollars unless specifically marked otherwise.

All references to debt are a reference to interest bearing debt only.

Individual items and totals are rounded to the nearest appropriate number or decimal. Some totals may not add due to rounding of individual components.

When calculating a percentage change, a positive or negative percentage change denotes the mathematical movement in the underlying metric, rather than a positive or a detrimental impact. Percentage changes on measures for which the numbers change from negative to positive, or vice versa, are labelled as not applicable.

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