



A message from Gordon



Dear Shareholder,

I was elected Chairman of Origin Energy in October 2013. As announced, I will be stepping down at this year's AGM in October.

I looked back at our message to shareholders in the 2014 Annual Report. We commented that our industry was at the forefront of economic, social and political debate. We noted in particular that our challenge every day was to deliver reliable, affordable and cleaner energy. And we bore witness to the substantial change in energy policy settings. How prescient we were, and how tumultuous that seven years has been. But how resilient Origin has demonstrated, in embracing the challenges and transforming its business.

We are very different to the company of 2014. We have become a customer obsessed retailer, and our strategic investment in Octopus Energy, I am certain, will be a step change in that journey. We are pivoting to a greener future with gas as the transition fuel and a leading role in renewables. We have demonstrated the financial viability of investing in APLNG, with production costs competitive with US shale gas. We are at the forefront of building IoT propositions to harness data and to connect customers to the latest technology. We look confidently to the future with e-mobility, hydrogen and LNG for transport extending us beyond the core.

As a backdrop to all of this we have demonstrated sound capital management, maintaining our investment grade rating, reducing debt, and maintaining our dividend. The externalities have not changed, arguably have got more challenging, but we have focused on what we can control, and shown commitment and resilience.

For this I owe a deep well of thanks. Firstly, to a management team, superbly led by Frank. If a Board's first priority is to appoint the right CEO, we succeeded.

Secondly, to a wonderful Board of fellow directors who demonstrate every day the value of our mantra "the obligation to dissent". This constructive contestability has made for better decisions. And finally, to our shareholders and their proxy advisors. I have enjoyed our regular interactions, listened and learned, and we as a company are the better for their counsel.

And so I leave optimistic about the future of Origin. Board renewal has been front of mind for the Board for some time, and after a rigorous chair development and succession program, Scott Perkins was the unanimous choice of his fellow directors. We have worked together closely over the past five years and he and I will ensure a seamless handover. Scott and Frank will form a formidable team, as the leadership of the company, shaping this future.

I will cheer from the sidelines.

Gordon Cairns
Chairman



A message from Frank



Welcome to the 2020 Annual Report.

In an extraordinary year, Origin quietly turned 20. In February 2000, Origin was first listed on the ASX and today we are Australia's number one energy retailer, a significant energy producer and a major contributor to the Australian economy.

It has taken a dedicated group of people to create our business, and I thank our more than 5,200 people who represent Origin every day, from the Surat Basin to Sydney, and from Minto to Melbourne. Two of those people are Scott Andreas and Brooke Geary, who are featured on the front cover of this report.

Scott and Brooke were photographed at a well site at Condabri Central, in Queensland. As part of our Integrated Gas team, Scott and Brooke work to safely deliver gas to our customers and are also helping Origin as we transition to a cleaner energy future.

Our philanthropic foundation also achieved a milestone, celebrating its 10-year anniversary in February. Over this time, the Origin Energy Foundation has provided more than \$27 million to good causes across Australia and supported more than 62,000 young people to achieve success in education. I am exceptionally proud of the work the Foundation undertakes to create better lives for young Australians through the power of education.

Progress on our commitments

In response to significant challenges this year, Origin's focus has been on maintaining reliable energy supply, keeping our people safe, and supporting our customers and communities. Against this backdrop, Origin's underlying business performance continued to improve across the year, driving growth in free cash flow, which allowed further debt reduction, disciplined investment in growth opportunities and distributions to shareholders.

Origin delivered a stable underlying profit of \$1,023 million in FY2020, and our capital structure continued to improve, with adjusted net debt of \$5,158 million at 30 June 2020. Through our Integrated Gas business, strong field production helped drive record production for Australia Pacific LNG and a record cash distribution to Origin of \$1,275 million. In Energy Markets, electricity gross profit was lower following the introduction of retail price regulation, while we were able to utilise the flexibility of our generation fleet and wholesale gas portfolio to adapt to the reduced demand caused by the pandemic.

Importantly, our focus on a safety culture based on learning has yielded strong improvements this year. Our Total Recordable Injury Frequency Rate (TRIFR) reduced to 2.6, from 4.4 the previous year.