

Board Diversity Policy

I. Overview and Purpose of Policy

ONGC has developed a policy for the Diversity of the Board of Directors in compliance with Regulation 19(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy must be read in line with ONGC's Nomination and Remuneration Policy, ONGC's Code of Business Conduct and other associated policies which set out ONGC's broader commitment to diversity and inclusion.

A diverse board composition is essential for effectively managing challenges like the expansion of business, rapid technological advancements, increased social accountability, growing focus on corporate governance, and heightened requirements for risk mitigation. The scope of the policy encompasses ONGC's approach for incorporating diversity within the Board of Directors.

II. Applicability

The Policy is applicable to ONGC's Board of Directors.

III. Details

- The Board acknowledges the significance of having a diverse Board in its achievements, with variations in ideas, viewpoints, expertise, skills, regional and industry knowledge, age, gender, and geographical origins, among others. This will contribute to the attainment of diverse strategic and commercial goals, effective corporate governance, and high-quality decision-making for ONGC's competitive edge at both local and global levels.
- The Articles of Association of the Company specifies that the Board of Directors must consist of a minimum of 3 (three) members and a maximum of 20 (twenty) members. According to Article 75 of the Company's Articles of Association, as long as the President maintains ownership of 51% or more of the paid-up Equity Share Capital of the Company.
- According to Clause 17(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is mandated that the board of directors must maintain a balanced mix of executive and non-executive directors, including at least one-woman director. Additionally, a minimum of 50% of the board of directors must consist of non-executive directors.
- The Board's composition must adhere to the requirements outlined in the Articles of Association, the Companies Act, the Listing Regulations, as well as ONGC's statutory, regulatory, and contractual obligations.
- A genuine diverse Board will incorporate and effectively utilize variances in skills and industry experience, background, and other distinctions among directors.

IV. Governance Framework

The Nomination and Remuneration Committee is tasked with identifying individuals who are qualified to serve on the Board. Although appointments to the Board will still be based on merit, the Committee will consider the advantages of diversity when identifying and recommending qualified individuals for Director positions.

Further, the Nomination and Remuneration Committee will ensure that no individual faces discrimination based on their religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute that does not impact their ability to serve as a Board member.

ONGC will conduct an annual review of the Policy, evaluating its effectiveness. The Nomination and Remuneration Committee will assess the benefits of all aspects of diversity, beyond those mentioned in the policy, when reviewing Board composition to ensure the efficient execution of its duties and obligations.



Arun Kumar Singh
Chairman & CEO, ONGC

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