

# Stakeholder Capitalism Metrics (SCM) Index

A World Economic Forum (WEF) and International Business Council (IBC) led initiative.

Starting January 2021, Ecopetrol will report using the WEF/IBC Stakeholder Capitalism Metrics. which were released September 2020. Ecopetrol is currently working on strengthening its information and reporting mechanisms to fully comply moving forward with these set metrics.

[2020 Integrated Sustainable Management Report](#)

[20F](#)

THEME	#	SCM METRICS AND DISCLOSURE	SCM sequence	Where to find
<b>PRINCIPLES OF GOVERNANCE- Core</b>				
<b>Governing purpose</b>	<b>1</b>	<b><u>Setting purpose</u></b> The company’s stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	WEF 1	Ch 1, Pg. 24.
<b>Quality of governing body</b>	<b>2</b>	<b>Governance body composition</b> Composition of the highest governance body and its committees by: competencies relating to economic, environmental, and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual’s other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	WEF 2	Ch 1, Pgs. 29, 35, 39 and 44.
<b>Stakeholder engagement</b>	<b>3</b>	<b>Material issues impacting stakeholders</b> A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	WEF 3	Ch 1, Pg. 25.
<b>Ethical behaviour</b>	<b>4</b>	<b>Anti-corruption</b> 1. Total percentage of governance body members, employees and business partners who have received training on the organization’s anti-corruption policies and procedures, broken down by region. a) Total number and nature of incidents of corruption confirmed during the current year but related to previous years; and b) Total number and nature of incidents of corruption confirmed during the current year, related to this year. 2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.	WEF 4	Ch 1, Pgs. 53, 54, 55, 57 and 59.

<b>Ethical behaviour</b>	<b>5</b>	<b>Protected ethics advice and reporting mechanisms</b> A description of internal and external mechanisms for:1. Seeking advice about ethical and lawful behaviour and organizational integrity; and2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.	WEF 5	Ch. 1, Pgs. 52 and 56.
<b>Risk and opportunity oversight</b>	<b>6</b>	<b>Integrating risk and opportunity into business process</b> Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.	WEF 6	Ch. 1, Pg. 62.

THEME	#	SCM METRICS AND DISCLOSURE	SCM sequence	Where to find
<b>PRINCIPLES OF GOVERNANCE- Expanded</b>				
<b>Governing purpose</b>	<b>1E</b>	<b>Purpose-led management</b> How the company's stated purpose is embedded in company strategies, policies and goals.	WEF 1E	Ch 0, Pg. 12; Ch 1, Pg. 24.
<b>Quality of governing body</b>	<b>2E</b>	<b>Progress against strategic milestones</b> Disclosure of the material strategic economic, environmental and social milestones expected to be achieved in the following year, such milestones achieved from the previous year, and how those milestones are expected to or have contributed to long-term value.	WEF 2E	NA

<b>Quality of governing body</b>	<b>3E</b>	<p><b><u>Remuneration</u></b></p> <p>1. How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics, as connected to the company's stated purpose, strategy and long-term value.</p> <p>2. Remuneration policies for the highest governance body and senior executives for the following types of remuneration:</p> <ul style="list-style-type: none"> <li>- <b>Fixed pay and variable pay</b>, including performance-based pay, equity-based pay, bonuses and deferred or vested shares</li> <li>- <b>Sign-on bonuses or recruitment incentive payments</b></li> <li>- <b>Termination payments</b></li> <li>- <b>Clawbacks</b></li> <li>- <b>Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives and all other employees</b></li> </ul>	WEF 3E	Ch 4, Pg. 146.
<b>Ethical behaviour</b>	<b>4E</b>	<p><b><u>Alignment of strategy and policies to lobbying</u></b></p> <p>The significant issues that are the focus of the company's participation in public policy development and lobbying; the company's strategy relevant to these areas of focus; and any differences between its lobbying positions and its purpose, stated policies, goals or other public positions.</p>	WEF 4E	Ch 1, Pg. 69.
<b>Ethical behaviour</b>	<b>5E</b>	<p><b><u>Monetary losses from unethical behaviour</u></b></p> <p>Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice or violations of other related industry laws or regulations.</p>	WEF 5E	Ch 1, Pg. 57.
<b>Risk and opportunity oversight</b>	<b>6E</b>	<p><b><u>Economic, environmental, and social topics in capital allocation framework</u></b></p> <p>How the highest governance body considers economic, environmental and social issues when overseeing major capital allocation decisions, such as expenditures, acquisitions and divestments.</p>	WEF 6E	Ch 1, Pg. 41; Ch 2, Pg. 74.

THEME	#	SCM METRICS AND DISCLOSURE	SCM sequence	Where to find
<b>PLANET- Core</b>				
<b>Climate Change</b>	<b>7</b>	<b>Greenhouse gas (GHG) emissions</b> For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO2e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	WEF 7	Ch. 5, Pg. 223.
<b>Climate Change</b>	<b>8</b>	<b>TCFD implementation</b> Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.	WEF 8	Ch. 5, Pgs. 204, 222, and 234.
<b>Nature loss</b>	<b>9</b>	<b>Land use and ecological sensitivity</b> Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	WEF 9	Ch. 5, Pg. 251.
<b>Freshwater availability</b>	<b>10</b>	<b>Water consumption and withdrawal in water-stressed areas</b> Report for operations where material: megaliters of water withdrawn, megaliters of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	WEF 10	Ch. 5, Pgs. 210 and 217.

THEME	#	SCM METRICS AND DISCLOSURE	SCM sequence	Where to find
<b>PLANET - Expanded</b>				
<b>Climate Change</b>	<b>7E</b>	<p><b><u>Paris-aligned GHG emissions targets</u></b>            Define and report progress against time-bound science-based GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. This should include defining a date before 2050 by which you will achieve net-zero greenhouse gas emissions, and interim reduction targets based on the methodologies provided by the Science Based Targets initiative, if applicable.</p> <p>If an alternative approach is taken, disclose the methodology used to calculate the targets and the basis on which they deliver on the goals of the Paris Agreement.</p>	WEF 7E	Ch 5, Pgs. 223 and 228.
<b>Climate Change</b>	<b>8E</b>	<p><b><u>Impact of GHG emissions</u></b>            Report wherever material along the value chain (GHG Protocol Scope 1, 2 &amp; 3) the valued impact of greenhouse gas emissions. Disclose the estimate of the societal cost of carbon used and the source or basis for this estimate.</p>	WEF 8E	NA
<b>Nature loss</b>	<b>9E</b>	<p><b><u>Land use and ecological sensitivity</u></b>            Report for operations (if applicable) and full supply chain (if material):            – Area of land used for the production of basic plant, animal or mineral commodities (e.g. the area of land used for forestry, agriculture or mining activities).            – Year-on-year change in the area of land used for the production of basic plant, animal or mineral commodities.            Note: Supply-chain figures can initially be estimated where necessary based on the mass of each commodity used and the average mass produced per unit of land in different sourcing locations.            – Percentage of land area in point 1 above or of total plant, animal and mineral commodity inputs by mass or cost, covered by a sustainability certification standard or formalized sustainable management program.</p> <p>Disclose the certification standards or description of sustainable management programs along with the percentage of total land area, mass or cost covered by each certification standard/program.</p>	WEF 9E	NA
<b>Nature loss</b>	<b>10E</b>	<p><b><u>Impact of land use and conversion</u></b>            Report wherever material along the value chain: the valued impact of use of land and conversion of ecosystems.</p>	WEF 10E	NA

<b>Freshwater availability</b>	<b>11E</b>	<b><u>Impact of freshwater consumption and withdrawal</u></b> Report wherever material along the value chain: the valued impact of freshwater consumption and withdrawal.	WEF 11E	Ch 5, Pgs. 210, 211, 213, and 216.
<b>Air Pollution</b>	<b>12E</b>	<b><u>Air pollution</u></b> Report wherever material along the value chain: nitrogen oxides (NOx), sulfur oxides (SOx), particulate matter and other significant air emissions. Wherever possible estimate the proportion of specified emissions that occur in or adjacent to urban/densely populated areas.	WEF 12E	Ch 5, Pg. 228.
<b>Air Pollution</b>	<b>13E</b>	<b><u>Impact of air pollution</u></b> Report wherever material along the value chain: the valued impact of air pollution, including nitrogen oxides (NOx), sulfur oxides (SOx), particulate matter and other significant air emissions.	WEF 13E	Ch 5, Pgs. 223, 228, 236, 238, 240, 241 and 259.
<b>Water Pollution</b>	<b>14E</b>	<b><u>Nutrients</u></b> Estimate and report wherever material along the value chain: metric tons of nitrogen, phosphorous and potassium in fertilizer consumed.	WEF 14E	NA
<b>Water Pollution</b>	<b>15E</b>	<b><u>Impact of water pollution</u></b> Report wherever material along the value chain: the valued impact of water pollution, including excess nutrients, heavy metals and other toxins.	WEF 15E	Ch 5, Pgs. 205, 215 and 216.
<b>Solid Waste</b>	<b>16E</b>	<b><u>Single-use plastics</u></b> Report wherever material along the value chain: estimated metric tons of single-use plastic consumed. Disclose the most significant applications of single-use plastic identified, the quantification approach used and the definition of single-use plastic adopted.	WEF 16E	Ch 5, Pg. 258.
<b>Solid Waste</b>	<b>17E</b>	<b><u>Impact of solid waste disposal</u></b> Report wherever material along the value chain, the valued societal impact of solid waste disposal, including plastics and other waste streams.	WEF 17E	Ch 5, Pgs. 255, 259 and 260.
<b>Resource Availability</b>	<b>18E</b>	<b><u>Resource circularity</u></b> Report the most appropriate resource circularity metric(s) for the whole company and/or at a product, material or site level as applicable. Potential metrics include (but are not limited to) the Circular Transition Indicators (WBCSD), indicators developed by the Ellen MacArthur Foundation and company developed metrics.	WEF 18E	Ch 5, Pgs. 255 and 258.

		Disclose the methodological approach used to calculate the chosen circularity metric(s) and the rationale for the choice of metric(s).		
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THEME	#	SCM METRICS AND DISCLOSURE	SCM sequence	Where to find
<b>PEOPLE- Core</b>				
<b>Dignity and equality</b>	<b>11</b>	<b>Diversity and inclusion (%)</b> Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	WEF 11	Ch. 4, Pg. 145.
<b>Dignity and equality</b>	<b>12</b>	<b>Pay equality (%)</b> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	WEF 12	Ch 4, Pg.. 149.
<b>Dignity and equality</b>	<b>13</b>	<b>Wage level (%)</b> Ratios of standard entry level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.	WEF 13	Ch 4, Pgs. 147, 148 and 155.
<b>Dignity and equality</b>	<b>14</b>	<b>Risk for incidents of child, forced or compulsory labor</b> An explanation of the operations and suppliers considered to have significant risk for incidents of child labor, forced or compulsory labor. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	WEF 14	Ch. 4, Pgs. 185, 198 and 199.
<b>Health and well-being</b>	<b>15</b>	<b>Health and safety (%)</b> The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	WEF 15	Ch 3, Pgs. 120 and 122.

<b>Skills for the future</b>	<b>16</b>	<b>Training provided (#, \$)</b> Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	WEF 16	Ch. 4, Pg. 156.
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THEME	#	SCM METRICS AND DISCLOSURE	SCM sequence	Where to find
<b>PEOPLE - Expanded</b>				
Dignity and equality	<b>19E</b>	<b>Pay gap (% , #)</b> 1. Mean pay gap of basic salary and remuneration of full-time relevant employees based on gender (women to men) and indicators of diversity (e.g. BAME to non-BAME) at a company level or by significant location of operation. 2. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	WEF 19E	Ch 4, Pg.s 148 and 149.
Dignity and equality	<b>20E</b>	<b>Discrimination and harassment incidents (#) and the total amount of monetary losses (\$)</b> Number of discrimination and harassment incidents, status of the incidents and actions taken, and the total amount of monetary losses as a result of legal proceedings associated with: a) law violations; and b) employment discrimination	WEF 20E	Ch 4, Pg. 190.
Dignity and equality	<b>21E</b>	<b>Freedom of association and collective bargaining at risk (%)</b> 1. Percentage of active workforce covered under collective bargaining agreements. 2. An explanation of the assessment performed on suppliers for which the right to freedom of association and collective bargaining is at risk, including measures.	WEF 21E	Ch 4, Pg. 195.
Dignity and equality	<b>22E</b>	<b>Human rights review, grievance impact &amp; modern slavery (#, %)</b> 1. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.	WEF 22E	Ch 4, Pgs. 183, 184, 198 and 199.



		<p>2. Number and type of grievances reported with associated impacts related to a salient human rights issue in the reporting period and an explanation on type of impacts.</p> <p>3. Number and percentage of operations and suppliers considered to have significant risk for incidents of child labor, forced or compulsory labor. Such risks could emerge in relation to:</p> <p>a) type of operation (such as manufacturing plant) and type of supplier; and</p> <p>b) countries or geographic areas with operations and suppliers considered at risk.</p>		
Dignity and equality	23E	<p><b><u>Living wage (%)</u></b>  Current wages against the living wage for employees and contractors in states and localities where the company is operating.</p>	WEF 23E	Ch 4, Pgs. 147 and 149.
Health and well-being	24E	<p><b><u>Monetized impacts of work-related incidents on organization (#, \$)</u></b>  By multiplying the number and type of occupational incidents by the direct costs for employees, employers per incident (including actions and/or fines from regulators, property damage, healthcare costs, compensation costs to employees).</p>	WEF 24E	NA
Health and well-being	25E	<p><b><u>Employee well-being (#, %)</u></b>  1. The number of fatalities as a result of work-related ill-health, recordable work-related ill-health injuries, and the main types of work-related ill-health for all employees and workers.  2. a) Percentage of employees participating in “best practice” health and well-being programs, and b) Absentee rate (AR) of all employees.</p>	WEF 25E	Ch 3, Pgs. 120, 125 and 127.
Skills for the future	26E	<p><b><u>Number of unfilled skilled positions (#, %)</u></b>  1. Number of unfilled skilled positions (#).  2. Percentage of unfilled skilled positions for which the company will hire unskilled candidates and train them (%).</p>	WEF 26E	NA
Skills for the future	27E	<p><b><u>Monetized impacts of training – Increased earning capacity as a result of training intervention (% , \$)</u></b>  1. Investment in training as a percentage (%) of payroll.  2. Effectiveness of the training and development through increased revenue, productivity gains, employee engagement and/or internal hire rates.</p>	WEF 27E	NA

THEME	#	SCM METRICS AND DISCLOSURE	SCM sequence	Where to find
<b>PROSPERITY- Core</b>				
Employment and wealth generation	17	<b>Absolute number and rate of employment</b> 1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	WEF 17	Ch 4, Pg. 146.
Employment and wealth generation	18	<b>Economic contribution</b> 1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: <ul style="list-style-type: none"> <li>- Revenues</li> <li>- Operating costs</li> <li>- Employee wages and benefits</li> <li>- Payments to providers of capital</li> <li>- Payments to government</li> <li>- Community investment</li> </ul> 2. Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	WEF 18	Ch 4, Pgs. 147 and 164.
Employment and wealth generation	19	<b>Financial investment contribution</b> 1. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. 2. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders	WEF 19	Ch 4, Pg. 164.  20F Section 2.1.2 Investment Plan Section 4.7.2 Capital Expenditures
Innovation of better products and services	20	<b>Total R&amp;D expenses (\$)</b> Total costs related to research and development.	WEF 20	Ch 3, Pg. 138.



Innovation of better products and services	<b>31E</b>	<b><u>Vitality Index</u></b> Percentage of gross revenue from product lines added in last three (or five) years calculated as the sales from products that have been launched in the past three (or five) years divided by total sales, supported by narrative that describes how the company innovates to address specific sustainability challenges.	WEF 31E	NA
Community and social vitality	<b>32E</b>	<b><u>Total Social Investment (\$)</u></b> Total Social Investment (TSI) sums up a company's resources used for "S" in ESG efforts defined by CECP Valuation Guidance	WEF 32E	Ch 4, Pg. 164.
Community and social vitality	<b>33E</b>	<b><u>Additional tax remitted</u></b> The total additional global tax collected by the company on behalf of other taxpayers, including VAT and employee-related taxes that are remitted by the company on behalf of customers or employees, by category of taxes.	WEF 33E	In the process of finalizing a Stand-Alone Tax document that will include this information.
Community and social vitality	<b>34E</b>	<b><u>Total tax paid by country for significant locations</u></b> Total tax paid and, if reported, additional tax remitted, by country for significant locations.	WEF 34E	In the process of finalizing a Stand-Alone Tax document that will include this information.