

G4-EN4

ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION

- Report energy consumed outside of the organization, in joules or multiples.
- Report standards, methodologies, and assumptions used.
- Report the source of the conversion factors used.

GUIDANCE**Relevance**

Energy consumption occurs throughout organization's upstream and downstream activities associated with its operations, including the use of sold products by consumers and the end-of-life treatment of sold products after consumer use.

Quantifying energy consumption outside of the organization provides a basis for calculating some of the relevant other indirect (Scope 3) GHG emissions in Indicator G4-EN17. Tracking and reducing energy consumption outside of the organization may improve the overall life-cycle performance of products and services, and be part of a comprehensive design program.

Compilation

The organization may assess which of its activities cause the energy consumption outside of the organization itself, and assess the amounts involved. For this Indicator, exclude energy consumption reported in Indicator G4-EN3.

When determining the relevance of these activities, identify whether the activity's energy consumption:

- Contributes significantly to the total anticipated energy consumption outside of the organization
- Offers potential for reductions that could be undertaken or influenced by the organization
- Contributes to the organization's risk exposure to climate change-related risks such as financial, regulatory, supply chain, product and customer, litigation, and reputational risks
- Is deemed material by key stakeholders (such as customers, suppliers, investors, or civil society)
- Results from outsourced activities which were previously performed in-house, or activities that are typically performed in-house by other organizations in the same sector
- Has been identified as significant in sector-specific guidance
- Meets any additional criteria for determining relevance, developed by the organization or by organizations in its sector

Identify relevant upstream or downstream energy consumption in the following categories and activities:

Upstream

- Purchased goods and services
- Capital goods
- Fuel- and energy- related activities (those that are not included in Indicator G4-EN3)
- Upstream transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Upstream leased assets
- Other upstream

Downstream

- Downstream transportation and distribution
- Processing of sold products
- Use of sold products
- End of life treatment of sold products
- Downstream leased assets
- Franchises
- Investments
- Other downstream

The upstream/downstream categories and activities above including their numbering correspond to the categories and activities documented in the WRI and WBCSD 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard'. The numbering has been maintained consistent for the ease of reference between G4 and the WRI and WBCSD 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard'. Calculate or estimate the amount of energy consumed in the above relevant categories and activities.

Organizations may report energy consumption separately for non-renewable and renewable energy sources.

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Organizations are expected to report standards, methodologies, and assumptions used to calculate and measure energy consumption, with a reference to the calculation tools used. Organizations subject to different standards and methodologies should describe the approach to selecting them.

Definitions

See Glossary in *Implementation Manual*, p. 244

- [Non-renewable energy sources](#)
- [Renewable energy sources](#)

Documentation sources

Potential sources of information include supplier information, and life-cycle calculations or estimations carried out internally or by research organizations.

References

- World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard', 2011.