



# RANKING SECTORS BY CARBON FOOTPRINT

Sectors from the Global Industry Classification Standard (GICS®) jointly developed by MSCI Inc. and S&P Global Market Intelligence. The GICS® structure comprises 11 sectors, 24 industry groups, 69 industries, and 158 sub-industries.

Understanding the carbon footprint of various sectors can help investors minimize their portfolios' greenhouse gas (GHG) emissions.



## Types of emissions



**Scope 1**  
Direct emissions from sources that are owned or controlled by the company.



**Scope 2**  
Indirect emissions produced by a third-party but utilized during the company's operations.



**Scope 3**  
All other indirect emissions not included in scope 2, including financed emissions from external operations like transportation.

SOURCE: World Economic Forum, 2022

Here's how many GHG emissions are associated with USD 1 million in financing for different sectors.

## Carbon Emissions EVIC Intensity<sup>1</sup>

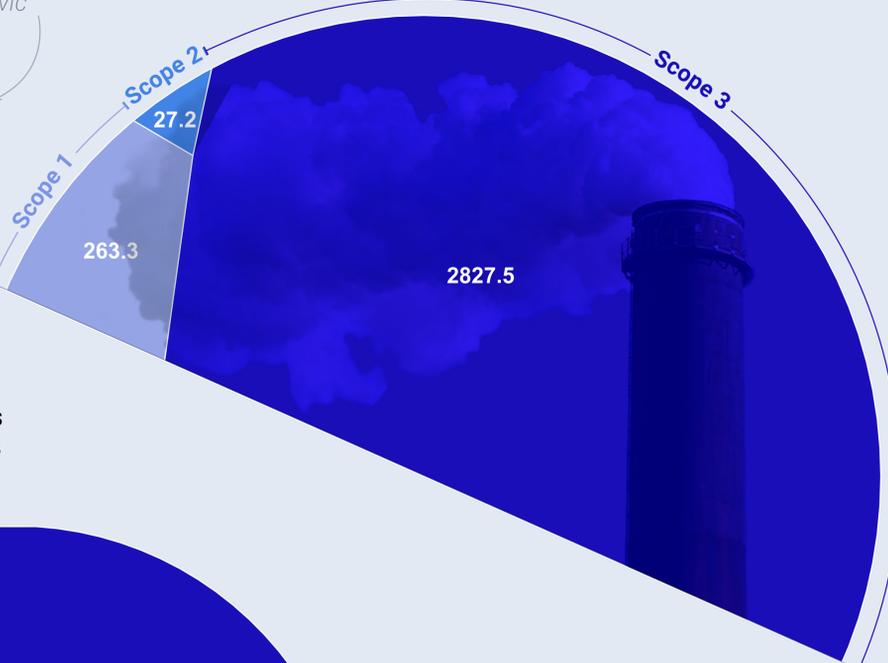
tCO<sub>2</sub>e/USD million EVIC by Sector<sup>2</sup>

● Scope 1 ● Scope 2 ● Scope 3

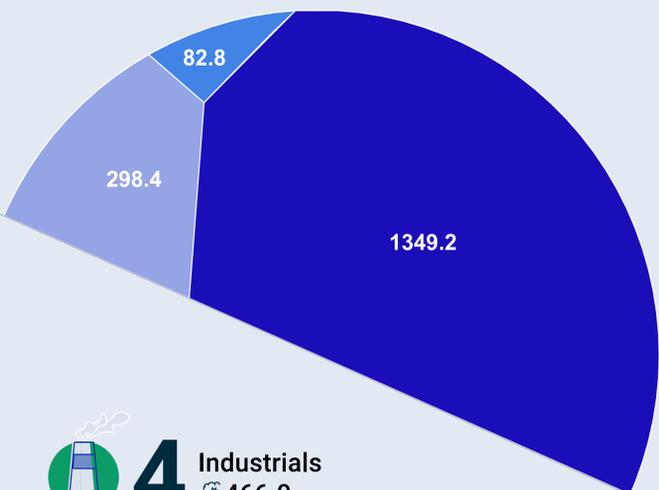
<sup>1</sup>tCO<sub>2</sub>e/USD million EVIC



**1 Energy**  
£ 3118.0



**2 Materials**  
£ 1730.4



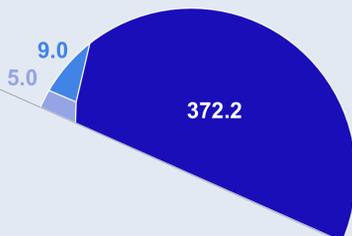
**3 Utilities**  
£ 883.0



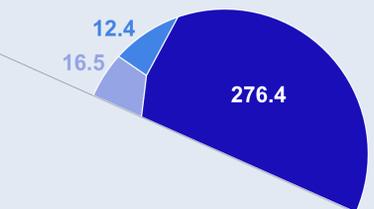
**4 Industrials**  
£ 466.0



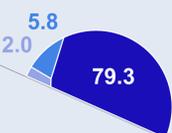
**5 Consumer discretionary**  
£ 386.2



**6 Consumer staples**  
£ 305.3



**7 Information technology**  
£ 87.1



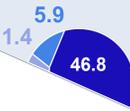
**8 Health care**  
£ 75.2



**9 Financials**  
£ 63.4



**10 Real estate**  
£ 54.0



**11 Communication services**  
£ 45.8



<sup>1</sup>EVIC = Enterprise Value Including Cash. Carbon Emissions EVIC Intensity shows that for every USD 1 million financing of the company, what is the amount of GHG emissions an investor will be responsible for.

<sup>2</sup>tCO<sub>2</sub>e/USD million EVIC = tons of carbon-equivalent emissions per million USD of economic output.

Numbers are rounded.

SOURCES: MSCI ESG Research, as of August 10, 2023



Industries can vary in terms of their carbon emissions, as well as how they're categorized under scopes 1, 2 and 3.

MSCI's climate data and metrics are designed to give investors a clear understanding of climate-related opportunities and risks.



Explore MSCI's paper on

[Understanding Climate Metrics](#)

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