

District Cooling towards **Net Zero**





Table of Contents

Foreword	3
About EMIKOOL	6
<i>EMIKOOL's Role in Urban Decarbonisation</i>	6
Our Declaration towards Net Zero	7
<i>Driving Net Zero Across Policy, Customers, and Operations</i>	8
Our Emission Landscape	10
<i>Total Emissions by Scope</i>	11
Our Net Zero Roadmap	12
<i>Scenario Framework for Net Zero Transition</i>	13
<i>Emission Projections and Reduction Pathways</i>	14
<i>Scope-wise Decarbonisation Strategy</i>	16
<i>Marginal Abatement Cost Curve (MACC) Analysis</i>	17
Our Key Dependencies	19
Our Progress on Operational Decarbonisation	20
Our Sustainable Finance Strategy	21
Our Climate Governance	22
Conclusion	24

Message from our Chief Executive Officer



Dear Stakeholders,

At EMICOOOL, sustainability is not a parallel agenda — it is a strategic imperative.

As a leading district cooling provider operating in an energy-intensive sector, we recognize both our responsibility and our opportunity to contribute meaningfully to the global climate transition. This Net Zero Declaration Report formalizes our commitment to decarbonisation and aligns our strategy with the UAE Net Zero 2050 vision and internationally recognized climate frameworks.

This declaration represents a defining moment in our corporate journey, establishing a clear emissions baseline, Board-approved interim milestones, and a structured pathway toward Net Zero by 2050 based on a 2023 baseline of 183,423 tCO₂e, including a targeted 10% reduction by 2035. These commitments embed climate governance into Board and executive oversight while ensuring sustainability is integrated into capital allocation, operational planning, and long-term value creation through measurable and technically grounded execution.

We approach Net Zero with ambition and discipline. Ambition in committing to a low-carbon future. Discipline in ensuring that every target is supported by data, technical feasibility, and structured execution. Our pathway will be defined by transparency, accountability, and measurable progress.

We are mindful of the challenges inherent in our industry — including capital intensity, energy dependency, and evolving regulatory landscapes. However, we see these not as barriers, but as catalysts for innovation, operational excellence, and stronger stakeholder partnerships.

This report is both a milestone and the beginning of a structured transformation. It reflects the progress we have achieved to date, while establishing the framework that will guide us forward. Over the coming years, our success will be measured not by statements of intent but by verified emissions reductions, improved energy efficiency, enhanced resilience, and strengthened ESG performance.

Our commitment to Net Zero is a long-term strategic direction — not an initiative. It is embedded in how we operate, how we invest, and how we create sustainable value for our shareholders, customers, employees, and communities.

I extend my sincere appreciation to our Board, management team, and employees whose dedication makes this transition possible. Together, we will continue to advance EMICOOOL as a responsible leader in sustainable district cooling.

Dr. Adib Moubadder

Chief Executive Officer | EMICOOOL

Message from our Chairman, ESG Committee



Dear Stakeholders,

As we present EMICOOOL's Net Zero Declaration Report, I am pleased to reaffirm our commitment to advancing a low-carbon future and supporting the UAE's Net Zero 2050 ambition.

Our Net Zero Declaration represents a significant step in our sustainability journey. We have established a structured pathway to achieve Net Zero emissions across Scope 1, Scope 2, and relevant Scope 3 emissions by 2050, based on a 2023 baseline. This approach is designed to decouple business growth from carbon emissions while reinforcing our role as a key enabler of low-carbon urban infrastructure.

Achieving Net Zero requires a disciplined and integrated approach. We are aligning with national regulations, including UAE Federal Decree-Law No. 11 of 2024, while systematically measuring, monitoring, and reducing emissions. In parallel, we support our customers in lowering building-level emissions through efficient cooling solutions, while continuing to enhance our own operations through energy optimisation, renewable energy integration, and advanced technologies.

This report reflects both our ambition and our progress. Through operational decarbonisation, green financing, and strengthened climate governance, we are embedding sustainability into our core business. These efforts contribute to national climate goals while enhancing resilience, efficiency, and long-term value creation.

On behalf of the Board, I extend my sincere appreciation to our employees, partners, and stakeholders for their continued support. Together, we are enabling sustainable cooling at scale and contributing to the development of resilient, low-carbon communities across the UAE.

Mr. James Magor
Chairman, ESG Committee

Curating EMICOOOL’S Net Zero Pathway

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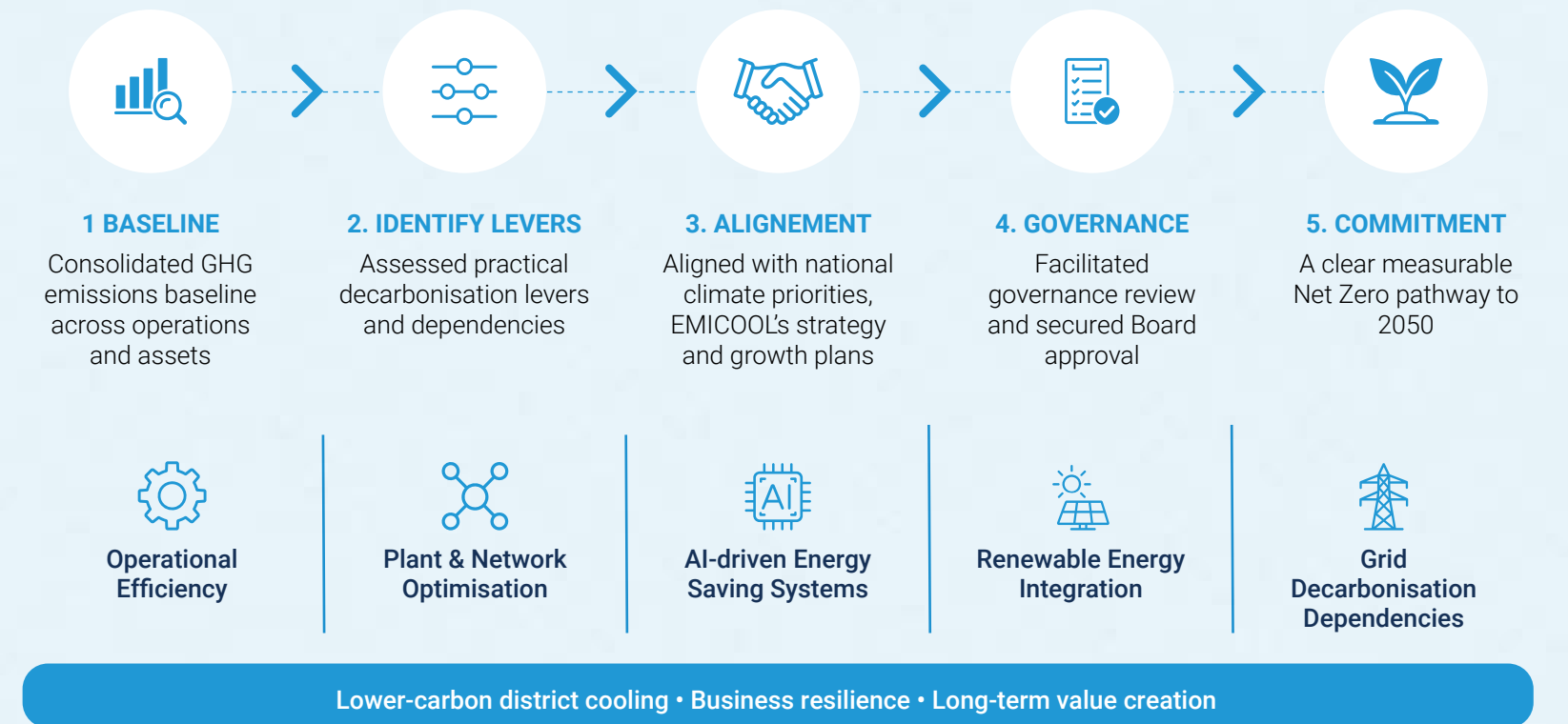
EMICOOOL’s Net Zero pathway was developed through a structured process coordinated by the Business Excellence & Sustainability (BES) function, in collaboration with management, operational teams and specialist advisers.
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BES supported the exercise by consolidating the GHG emissions baseline, identifying practical decarbonisation levers, aligning the pathway with national climate priorities and EMICOOOL’s growth plans, and facilitating the governance review process leading to Board approval.
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The pathway brings together operational efficiency, plant and network optimisation, AI-driven energy saving systems, renewable energy integration and grid decarbonisation dependencies into a clear and measurable commitment.
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This process has translated EMICOOOL’s sustainability ambition into an accountable pathway that supports lower-carbon district cooling, business resilience and long-term value creation.

Our Net Zero Pathway Development Process



Reflections from the Team



Ezzeddine Jradi
Head of Business Excellence Sustainability

“ Developing EMICOOOL’s Net Zero pathway was about connecting strategy with operations—ensuring every decarbonisation lever is grounded in data, feasibility, and long-term value creation. ”



Rishabh Shrivastava
Manager Business Excellence & Sustainability

“ This exercise was about ensuring that EMICOOOL’s Net Zero ambition is supported by data, operational feasibility and clear governance. The pathway provides a proactive basis for integrating decarbonisation into business and investment decisions. ”

About EMICOOOL

Established in 2003, Emirates District Cooling (EMICOOOL) LLC is a joint venture of Dubai Investments and Actis. EMICOOOL is a strategic player among leading district cooling service providers in the United Arab Emirates, delivering reliable and energy-efficient cooling solutions across residential and commercial developments.

At a Glance

 Founded 2003	 Ownership Dubai Investments & Actis (JV)	 District Cooling Plants 20	 Total Connected Load 306,240 RT	 Core Offering District Cooling Solutions
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Our Operations

EMICOOOL provides district cooling services to a wide range of residential and commercial customers across Dubai. Its network of strategically located plants ensures efficient cooling delivery, supporting large-scale urban developments with reliable and optimised infrastructure.



EMICOOOL’s Role in Urban Decarbonisation

Cooling demand is a major driver of electricity consumption in the UAE, efficient district cooling is key to reducing energy use and emissions.

District cooling systems offer a significantly more efficient alternative to conventional standalone cooling by centralising production and optimising energy use. This results in lower electricity consumption per unit of cooling and a corresponding reduction in greenhouse gas emissions.

Through its operations, Emicool plays a critical role in enabling urban decarbonisation by:

- Reducing energy intensity across developments
- Lowering greenhouse gas emissions
- Supporting sustainable urban growth aligned with national climate objectives
- Utilizing renewable energy

By delivering efficient cooling infrastructure, EMICOOOL contributes to building low-carbon, resilient, and sustainable communities across the UAE.

Our Declaration towards Net Zero

Net Zero District Cooling Operations by 2050

EMICOOL has established a structured Net Zero pathway aligned with the UAE Net Zero by 2050 ambition, based on a 2023 baseline of 183,423 tCO₂e, targeting a 10% emissions reduction by 2035 and continued reductions across Scope 1, Scope 2, and relevant Scope 3 emissions in line with the Dubai Clean Energy Strategy and UAE Clean Energy Strategy 2050.

Our Net Zero strategy is designed to decouple business growth from carbon emissions while strengthening our role as a critical enabler of sustainable urban cooling in the UAE. It will support our long-term business resilience, regulatory readiness, and cost efficiency, while reinforcing its contribution to low-carbon urban development and the UAE’s national decarbonisation objectives.



Standard /Framework	Application in the Net Zero Report
	Used to define organisational boundaries and calculate Scope 1, Scope 2, and Scope 3 emissions
	Guides target-setting approach, baseline year (2023), and 2050 absolute reduction ambition
UAE Net Zero 2050 Guidelines	Ensures alignment with national climate targets and energy transition pathways
Dubai Clean Energy Strategy	Alignment through progressive emissions reduction and energy efficiency initiatives supporting Dubai’s 2050 clean energy ambitions.
UAE Clean Energy Strategy 2050	Alignment with the UAE Clean Energy Strategy 2050 through long-term decarbonisation, energy efficiency improvements, and emissions reduction initiatives supporting the UAE’s transition to a low-carbon economy.

Our Net Zero commitment formalises our public commitment to decarbonisation, aligned with the UAE’s national Net Zero ambitions, the Dubai Clean Energy Strategy, and the overarching UAE Clean Energy Strategy 2050.



Driving Net Zero Across Policy, Customers, and Operations

At EMICOOOL, achieving Net Zero is more than a goal, it is embedded into every aspect of our business. From aligning with national climate policies and regulatory requirements to supporting our customers in their sustainability journeys and optimising our internal operations, we are taking a holistic approach to decarbonisation.



Policy

Aligned with
UAE Net Zero
2050



Customers

Low-carbon
solutions



Operations

Energy-efficient,
low-carbon
plants

Aligned with UAE Net Zero 2050

EMICOOOL measures, reports, and reduces Scope 1, 2, and relevant Scope 3 emissions in line with UAE Federal Decree-Law No. 11 of 2024.

EMICOOOL's Net Zero strategy is aligned with UAE Federal Decree-Law No. 11 of 2024 on Climate Change, which mandates organisations to measure, report, and progressively reduce GHG emissions in line with the UAE's national Net Zero ambition.

In alignment with the Decree-Law, EMICOOOL has embedded the following approach:

- Systematic measurement and monitoring of Scope 1, Scope 2, and relevant Scope 3 emissions
- Development of reduction pathways consistent with national decarbonisation goals

Aligned with Low-Carbon Solutions for Customers

Our Net Zero district cooling operations will help developers, asset owners, and property managers reduce building-level emissions while creating value for customers and communities, enabling resilient and environmentally responsible neighbourhood.

Our commitment to Net Zero extends beyond our own operations, it directly supports our customers in achieving their sustainability ambitions. As developers, asset owners, and property managers face increasing regulatory, investor, and tenant expectations around decarbonisation, district cooling along with net zero commitment plays a critical role in reducing building-level emissions.

Empowering Communities and Creating Shared Value

EMICOOOL's commitment to Net Zero cooling operations is not only about sustainability, it's also an opportunity to create value for our customers and communities. By delivering efficient, low-carbon district cooling, we support residents and businesses reduce emissions, while supporting their sustainability goals. Through our Net Zero plan, we enable communities to become more resilient and environmentally responsible.

Aligned with a Low-Carbon Operations

Every plant and process is optimised for energy efficiency and emissions reduction, demonstrating sustainable cooling at scale.

EMICOOL is committed to reducing the carbon footprint of our own operations while maintaining the highest standards of service. By implementing energy-efficient technologies, optimising plant performance, deploying AI-driven energy saving systems, and integrating renewable energy where feasible, we are steadily lowering emissions across our network. Our approach includes continuous monitoring, operational audits, and adopting best practices to ensure that every plant and process contributes to Net Zero goals.

These efforts not only help EMICOOL achieve its Scope 1, 2, and relevant Scope 3 emission targets but also strengthen operational resilience, reduce energy costs, and improve the overall sustainability of the services we deliver to our customers and communities. By embedding low-carbon practices into daily operations, EMICOOL demonstrates that sustainable cooling is achievable at scale without compromising performance or reliability.



Policy



Customers



Operations



Our Emission Landscape

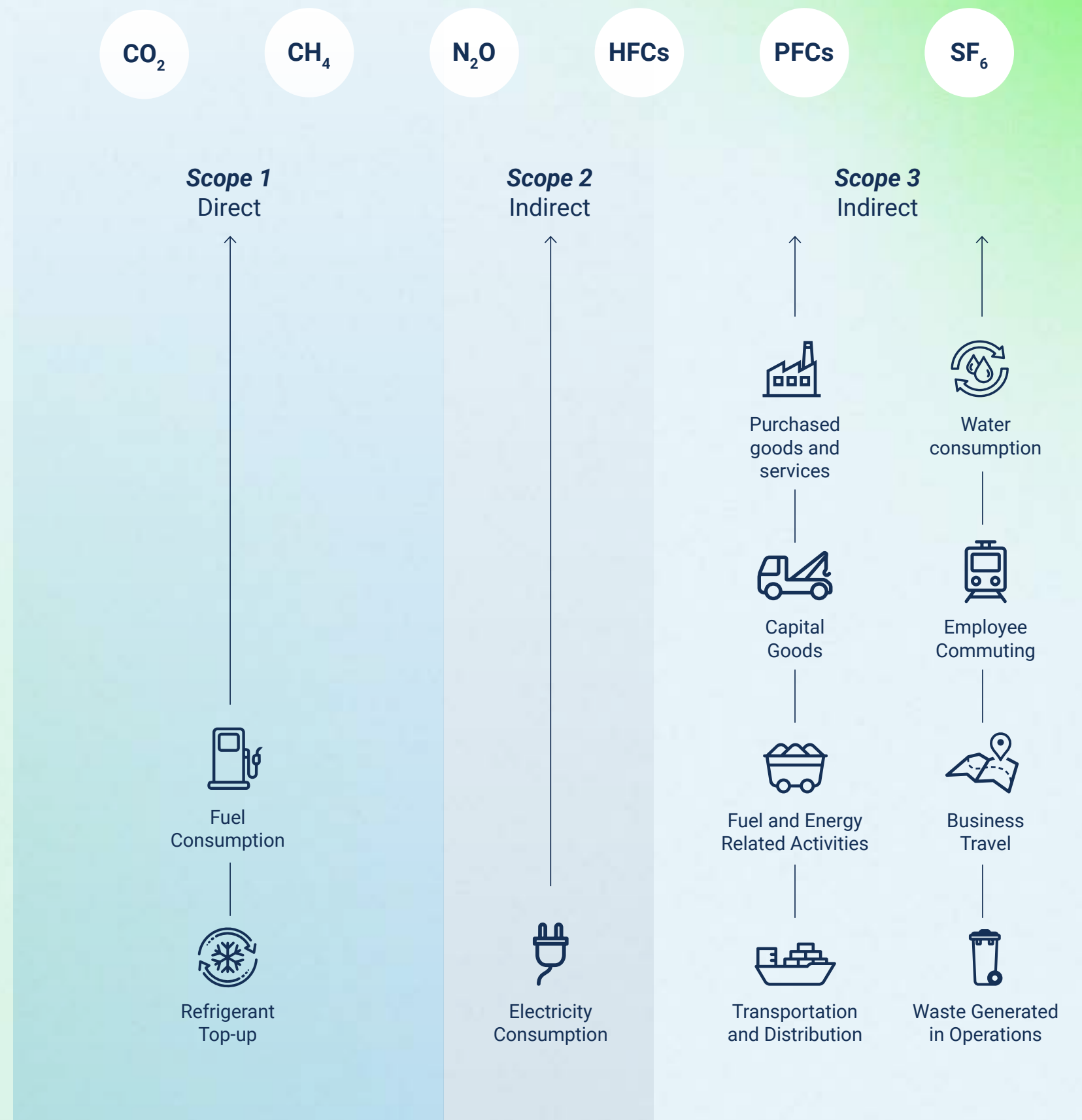
Developed GHG Inventory

Established a clear, comprehensive GHG emissions baseline for all business activities, in line with GHG Protocol standards.

EMICOOL exercises full operational control over all sites, including its plants and offices. Following the GHG Protocol guidance, we consolidate our GHG emissions using the operational control approach, ensuring accurate measurement and reporting across our operations. EMICOOL's GHG inventory covers the Head Office and all plants within its operational portfolio (Plants 1–20)*.



* Any entities controlled by EMICOOL's subsidiaries have been excluded.



Total Emissions by Scope

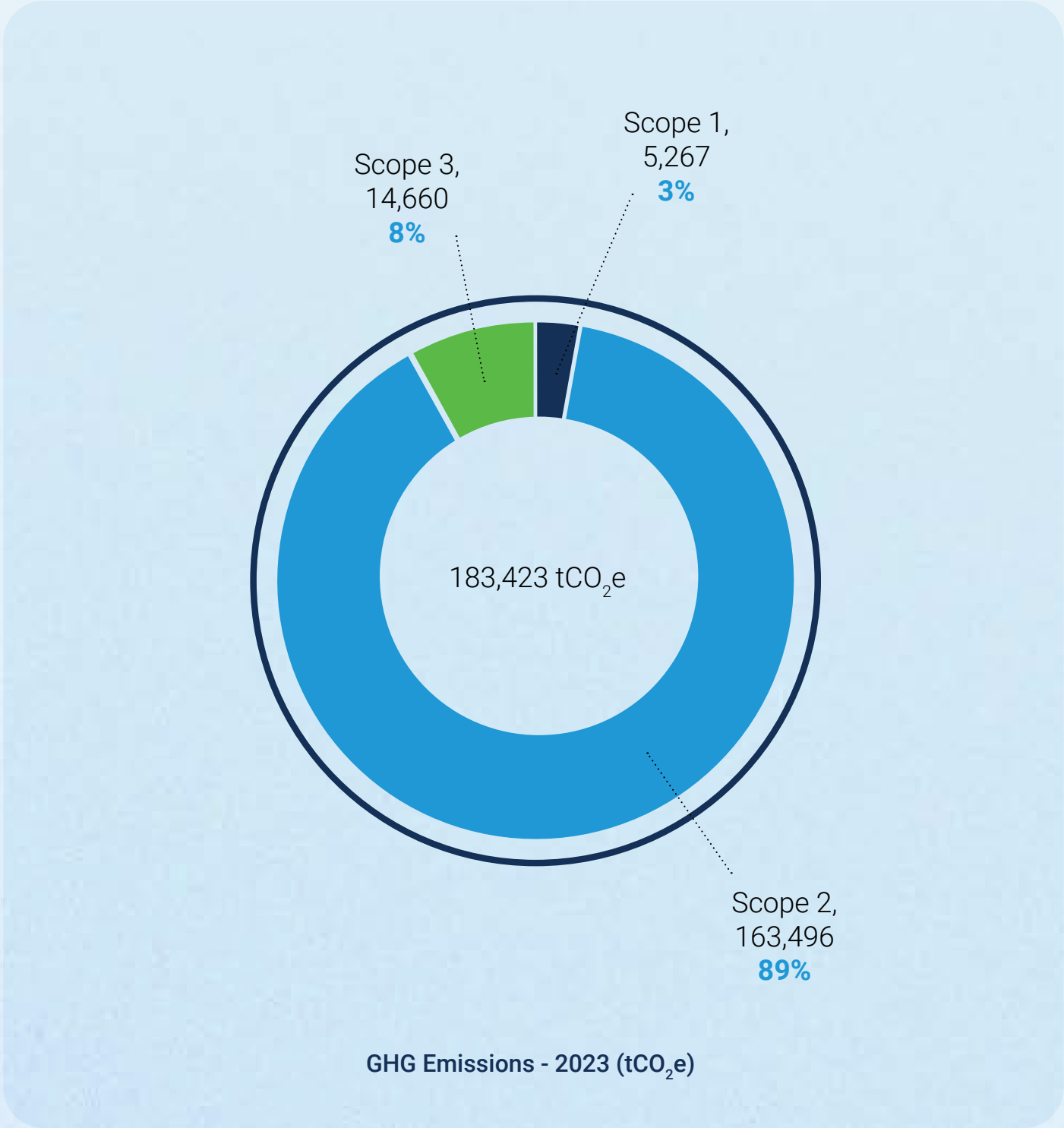
Emissions from our direct operations (Scope 1 and Scope 2) accounted for 92% of our total GHG footprint, while the remaining 8% originated from our supply chain activities (Scope 3).

EMICOOL's total GHG emissions by Scope

(Baseline Year 2023)

Scope 1		
Emitted Directly	5,267	3%
Includes on-site fuel combustion and refrigerant top-up		
Scope 2		
Emitted Indirectly	163,496	89%
Includes electricity consumption		
Scope 3		
Supply-Chain Emissions	14,660	8%
Includes Purchased Goods & Services, Capital Goods, Wastewater, and waste generated in operations, Employee Commute, Business Air Travel, Fuel & Energy-related emissions, and water consumption		

tCO₂e stands for tonnes of carbon dioxide equivalent.



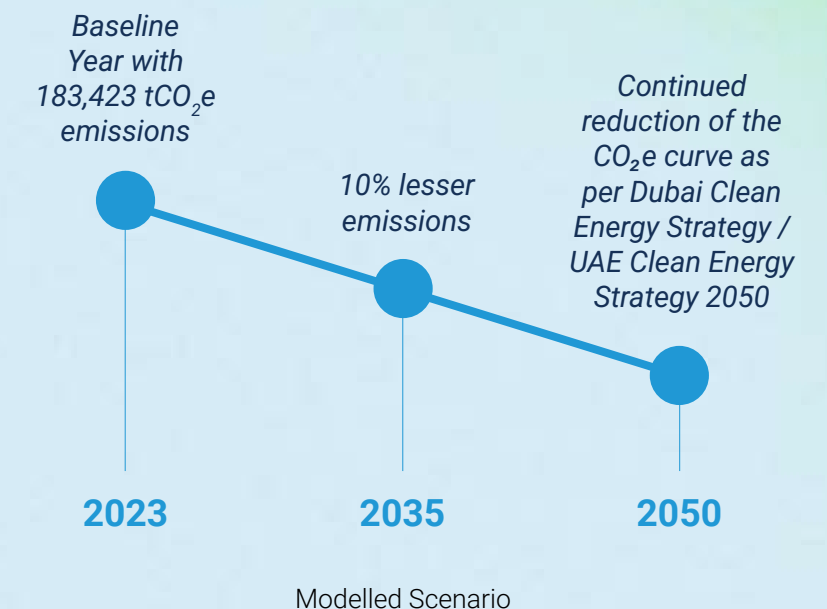
Our Net Zero Roadmap

From ambition to a structured and measurable transition.

In alignment with the UAE’s national Net Zero ambitions towards 2050, and following review by the ESG Committee, it is recommended that Emicool adopt a structured decarbonization pathway based on operational and infrastructure measures, including efficiency improvements, plant upgrades, network optimization, and the progressive decarbonization of the electricity grid. Under this pathway, emissions would be reduced from the 2023 baseline by 10% in 2035 and the CO₂e curve will continue reduction as per the Dubai Clean Energy Strategy which is aligned with the overarching UAE Clean Energy Strategy 2050. These interim milestones reflect reductions achievable through operational improvements ,infrastructure optimization, AI Energy saving systems and increased penetration of renewable Energy systems, positioning Emicool to contribute meaningfully to national decarbonization objectives while maintaining alignment with the company’s growth trajectory.

Our Long-term Initiatives for Emission Reduction

- Net Zero goal of grid electricity providers
- Energy Efficiency Upgrades
- Carbon offset for technically unavoidable residual emissions after feasible direct reduction measures.



Practical levers

Operational efficiency

Infrastructure upgrades

Network optimisation

AI-driven energy saving systems

Renewable energy integration

Grid decarbonisation.





Scenario Framework for Net Zero Transition

Our Net Zero pathway is built on a scenario-based decarbonisation model, integrating multiple emission trajectories to achieve Net Zero by 2050.

Scenarios	Key Action/Factor	Description	GHG Scope Impacted
Scenario 1	Baseline Emissions (No Action)	Emissions calculated based on approved growth plans, using 2023 as the baseline year. No additional mitigation measures are applied.	↑ ↑ ↑
Scenario 2	Increase in Efficiency	Emicool will gradually increase chiller efficiency: Current: 0.81 (kWh/Tr) 2029 Target: 0.78 (kWh/Tr) 2036 Target: 0.70 (kWh/Tr)	↓ ↑
Scenario 3	Climate Change Impact	Overall energy consumption is projected to increase by 6.9% by 2050 due to global warming.	↑
Scenario 4	Utility Decarbonisation	Assumes DEWA & TAQA achieve Net Zero by 2050, reducing grid emissions intensity.	↓ ↓
Scenario 5	Plant Retrofitting	Olders plants (>30 years) undergo mandatory retrofitting to maintain efficiency and extend operational life.	↑
Scenario 6	Renewable Energy Inclusion	Renewable energy plan: 2025: 0.3% 2030: 0.76% 2035: 0.70% 2040: 0.67% 2045: 0.65% 2050: 0.63% Lower rate of solar inclusion is due to load growth, installed capacity limitation, and the percentage of total energy demand.	↓ ↑ ↓ ↑ ↑
Scenario 7	EVs Inclusion	Inclusion of Electric vehicles	↓ ↓ ↓
Scenario 8	Net Zero Strategy (Combined Impact)	Cummulative emissions projection after integrating all scenarios (1-7) to assess Net Zero pathway feasibility.	

Scope 1 → Scope 2 → Scope 3 →

Emission Projections and Reduction Pathways

Our GHG emissions in the baseline year stood at 183,423 tCO₂e (2023).

EMICOOL has adopted a structured decarbonisation pathway focused on operational and infrastructure transformation.

Key Decarbonisation Levers include:

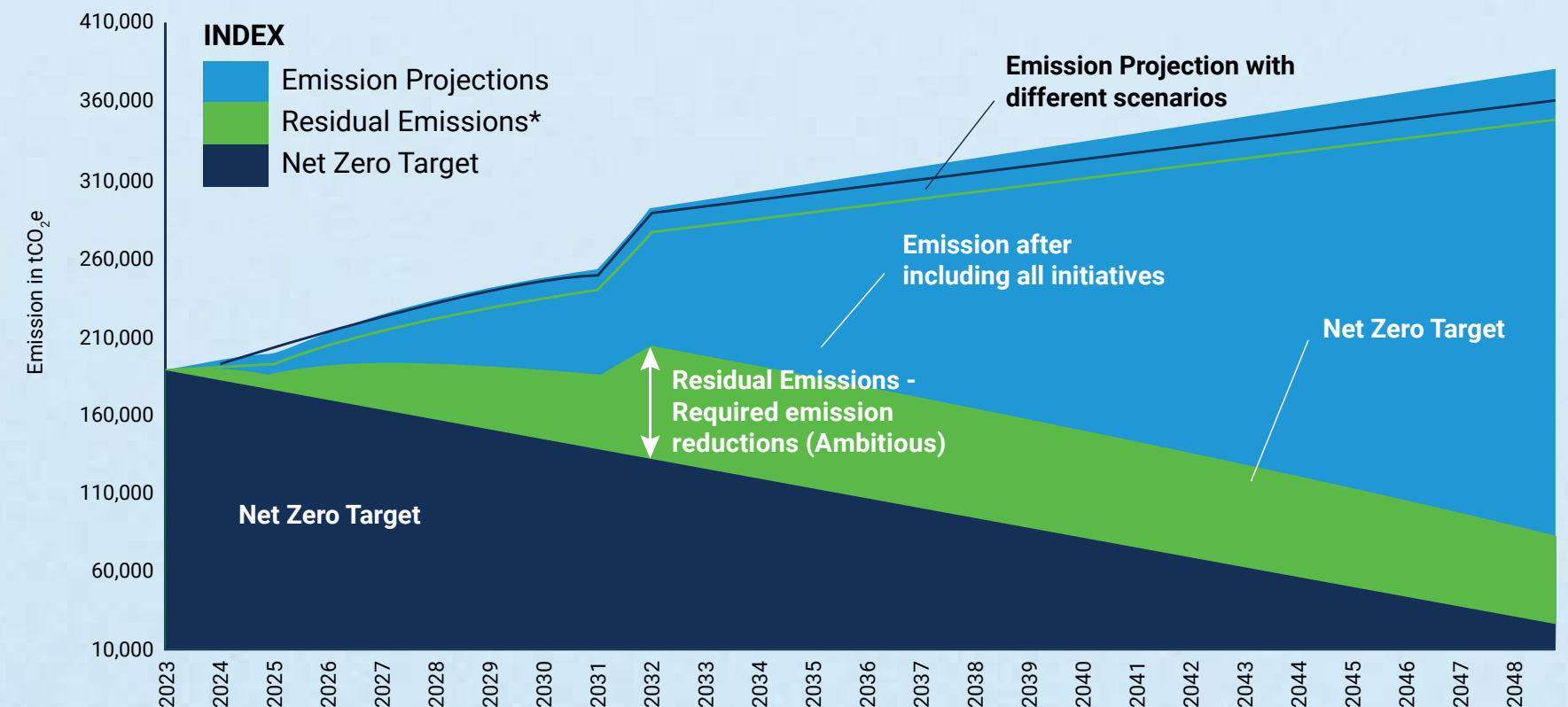
- Efficiency improvements
- Plant upgrades and retrofitting
- Network optimization
- AI-driven energy saving systems
- Increased penetration of renewable energy systems
- Progressive decarbonisation of the electricity grid

Based on currently identified initiatives and planned operational improvements, total emissions are projected to decline to 58,273 tCO₂e by 2050.

Beyond this projected reduction pathway, EMICOOL's Net Zero ambition is to further reduce emissions to 18,342 tCO₂e by 2050, representing a 90% reduction from the 2023 baseline through additional decarbonisation measures, technology advancements, and energy transition initiatives.

The remaining residual emissions, representing hard-to-abate emissions at the target year rather than cumulative emissions, will be fully neutralised through high-integrity carbon offset instruments to achieve EMICOOL's Net Zero commitment.

Modelled emission scenarios

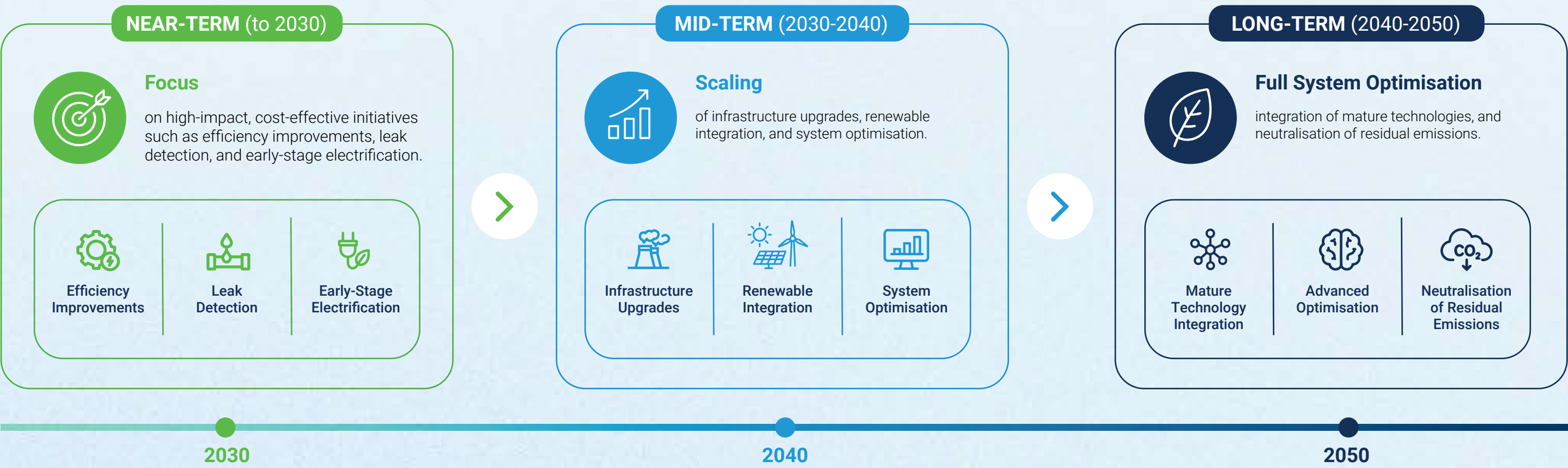


Residual emissions represent remaining hard-to-abate emissions at a given target year and are not cumulative emissions.

Our Net Zero strategy and associated emissions projections will be reviewed and updated every five years, in alignment with EMICOOL's five-year business planning cycle.

A Phased and Adaptive Transition

EMICOOL's pathway is structured in phases aligned with its business planning cycle.

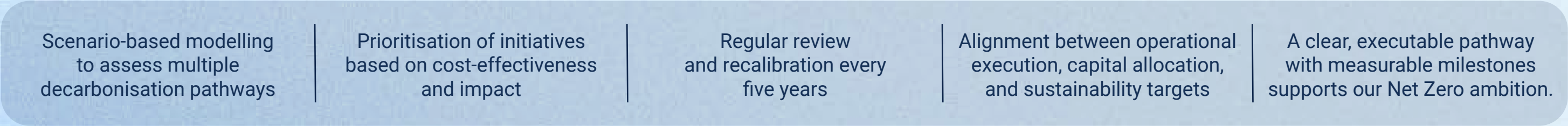


Adaptive by Design: We continuously monitor performance, technology, and external factors

to refine actions and ensure the most effective pathway to Net Zero.

Phasing is indicative and subject to five-year review, capital planning, grid decarbonization, and technology maturity.

Ensuring Delivery Credibility



Scope-Wise Decarbonisation Strategy

EMICOOL's Net Zero pathway is structured across Scope 1, Scope 2, and Scope 3 emissions, ensuring that operational improvements, technological innovation, clean energy transition, and value chain engagement are systematically aligned with emission sources.

Decarbonisation Focus Areas for Scope 1 Emissions



1. Refrigerant Management & Transition

- Progressive transition to lower Global Warming Potential (GWP) refrigerants integrated into long-term equipment replacement and retrofit cycles.
- Structured refrigerant inventory management, leak detection systems, and preventive maintenance programmes to minimise fugitive emissions.



2. Fleet Electrification

- Transition of fleet and supporting operations to low-emission alternatives, eliminating direct fuel-related emissions where feasible.

Diesel use in temporary cooling has been identified as a material hotspot and will be assessed as part of future transition planning.

Decarbonisation Focus Areas for Scope 2 Emissions



1. Operational Efficiency and Asset Optimisation

- Upgradation, optimisation, and predictive maintenance of chillers, pumps, and auxiliary systems to reduce specific energyconsumption.
- Implementation of Energy Conservation Measures (ECMs) and phasing of plant retrofits.
- Systematic detection and elimination of chilled water leakages to minimise thermal and hydraulic losses.



2. Technology and Infrastructure Upgrades

- Deployment of advanced cooling technologies, thermal energy storage, and system-level optimisation to enhance efficiency at scale.
- Deployment of AI-enabled energy optimisation systems.



3. Clean Energy Integration

- Gradual reduction of grid dependency through renewable energy adoption, complemented by national grid decarbonisation.



4. Utility-Level Decarbonisation (Structural Enabler)

- EMICOOL's Scope 2 emissions profile is closely linked to the carbon intensity of grid electricity supplied by DEWA (in Dubai) and TAQA (in Abu Dhabi). Ongoing national grid decarbonisation efforts act as an external enabler, enhancing the impact of EMICOOL's internal efficiency, electrification, and emissions reduction measures, while remaining outside the company's direct operational control.



DEWA and TAQA operate as both electricity providers and operational enablers, shaping grid decarbonisation pathways.



Provider



Operational Enabler

Decarbonisation Focus Areas for Scope 3 Emissions



1. Water-Related Emissions

- Improving water efficiency across plant operations and cooling processes to reduce energy embedded in water production, treatment, and pumping.



2. Sustainable Procurement

- Implementation of a Green Procurement Policy to evaluate and select suppliers aligned with low-carbon principles.



3. Digital Transformation & Waste Reduction

- Digital systems to reduce paper procurement and associated waste generation.



4. Employee Mobility & Workplace Policies

- Introduction of two work-from-home Fridays per month to reduce commute-related emissions.



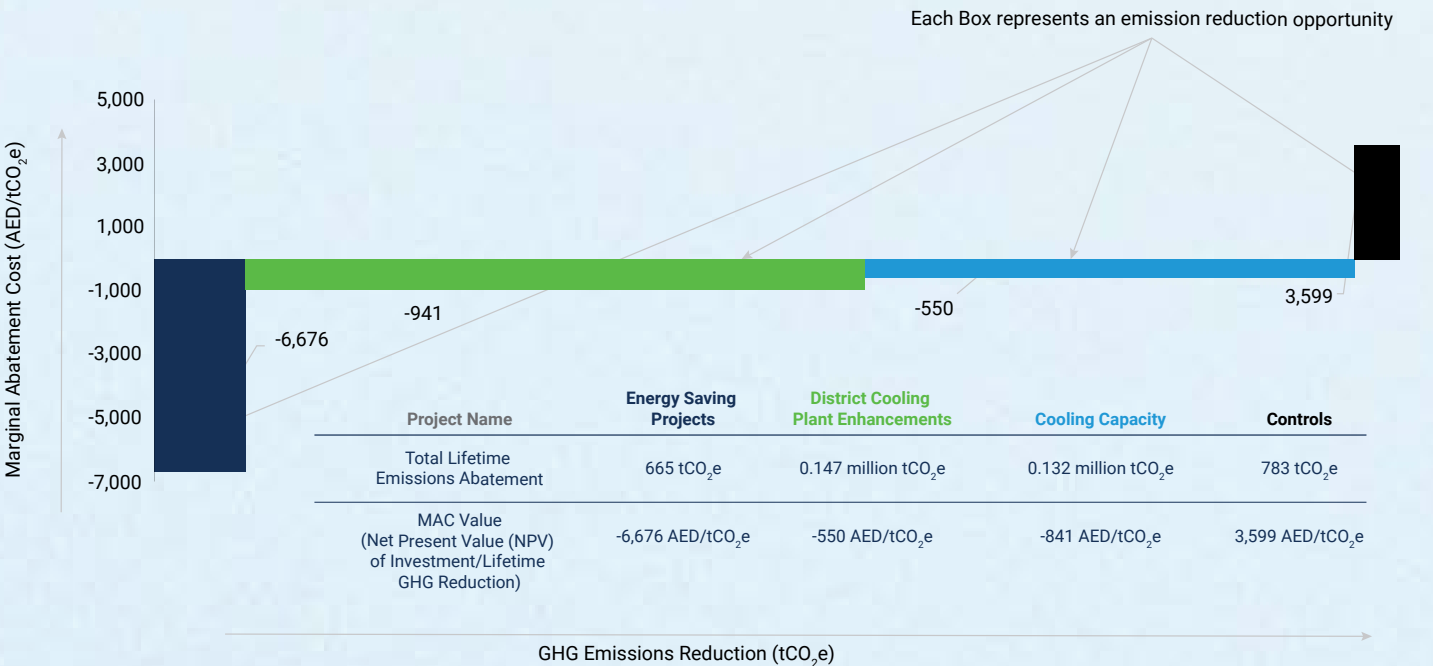
5. Customer Awareness & Demand-Side Engagement

- Seasonal circulars and communication campaigns, particularly during peak summer months, to promote responsible energy consumption.

Marginal Abatement Cost Curve (MACC) Analysis

The MACC provides a clear view of EMICOOL's emission reduction opportunities, ranked by cost-effectiveness. Each project is evaluated based on its lifetime GHG abatement potential and the net present value (NPV) of the investment per tCO₂e reduced.

- MACC Analysis is a visual tool that ranks GHG reduction options by their cost-effectiveness
- Showcase the cost per unit of emissions avoided alongside the potential volume of reductions



Residual Emissions & Neutralisation

Despite aggressive abatement measures across all scopes, certain emissions may remain technically or economically unavoidable. High-quality carbon offsets will be considered only after maximising feasible reduction initiatives, ensuring offsets complement and do not replace the direct decarbonisation efforts.



Cost-Effectiveness



Higher-Cost

Cost-effective Opportunities



Leak Detection and Thermal Energy Storage are highly cost-effective, delivering substantial GHG reductions at negative abatement costs of -6,676 AED/tCO₂e and -941 AED/tCO₂e, respectively.

Chiller and Pumps improvements also provide significant emission reductions (147,281 tCO₂e) at a low cost of -550 AED/tCO₂e.

EMICOOL can achieve significant GHG reductions while optimising investments. Early deployment of low-cost, high-impact measures enables accelerated decarbonisation and sets the foundation for long-term sustainability initiatives.

Net Zero

Scenarios

Emission Reduction

Key Initiatives Supporting Decarbonization Pathway

Initiative / Project	Description	Estimated Average Emission Reduction (tCO ₂ e/year)	Implementation Timeline (years)	Estimated Five-Year Budget (AED)	Priority
District Cooling Plant Enhancements	Upgradation and maintenance activities of plant equipment to improve operating efficiency	14,728	2	67,812,785	
Cooling Capacity	Installation and operation of systems enhancing cooling capacity to reduce peak demand and avoid inefficient operations	3,348	5	13,900,000	
Energy Saving Projects	Energy savings project focused on detection and rectification of inefficiencies in chilled water distribution lines to clients	66.5	2	2,431,000	
Controls	Installation and monitoring of control systems to reduce physical site visits and improve network efficiency	52	2	3,660,397	
Electric Vehicles (EVs)	Replacement of fossil-fuel vehicles with electric vehicles to reduce transport emissions	27	1	1,390,000	
Renewable Energy	Installation of solar PV systems to reduce grid electricity consumption	7,125	1	–	

Low Priority | Medium Priority | High Priority

Our Key Dependencies

Key Dependencies and Execution Approach

Delivering Net Zero through structured execution and system-wide alignment

EMICOOL's Net Zero pathway is designed with a clear understanding that decarbonisation is both an operational transformation and a system-level transition. While significant progress can be achieved through internal initiatives, the pace and scale of emissions reduction are also shaped by external enablers and evolving market conditions.

To ensure a credible and achievable pathway, EMICOOL has identified a set of key dependencies that are actively monitored and integrated into its planning and decision-making processes:

1. System and Regulatory Alignment

- Decarbonisation of grid remains a critical external dependency and enabler of EMICOOL's Scope 2 emissions reduction pathway, rather than an internally guaranteed reduction lever. Ongoing collaboration with utility providers such as DEWA and TAQA, alongside alignment with national energy transition policies, will play a defining role in accelerating progress.

2. Phased Capital Allocation

- Transition to low-carbon operations requires sustained and prioritised investment. EMICOOL is adopting a phased capital allocation approach, ensuring that high-impact decarbonisation initiatives are implemented in alignment with financial discipline and long-term asset strategies.

3. Technology Evolution

- Advancements in low-GWP refrigerants, high-efficiency cooling technologies, and system optimisation tools are essential to achieving long-term targets. EMICOOL continuously evaluates emerging technologies to ensure readiness for integration as solutions mature.

4. Supply Chain Maturity

- The availability of low-carbon materials, equipment, and services is an important factor in reducing Scope 3 emissions. EMICOOL is progressively embedding sustainability criteria into procurement processes while working with suppliers to support their transition.

5. Operational and Resource Factors

- Water availability and quality, infrastructure readiness, and waste management systems influence operational efficiency and emissions performance. These factors are continuously assessed to optimise plant performance and ensure resilience.

Our Approach to Managing Dependencies



Integrated planning across operational, financial, and sustainability functions



Continuous performance monitoring and scenario-based analysis



Close coordination with regulators, utilities, and strategic partners



Governance oversight at executive and Board levels

The emissions reduction pathway will be periodically reviewed and updated to reflect changes in grid emission factors, regulatory developments, technology readiness, capital allocation, and business growth assumptions.

Our Progress on Operational Decarbonisation

Translating Strategy into Measurable Actions

EMICOOL has moved beyond planning to active delivery, achieving measurable operational decarbonisation across its assets through fleet electrification, near-net-zero facilities, technological innovation, and plant efficiency upgrades.

Key Operational Achievements



- **Fleet Electrification:** EMICOOL has electrified 90% of its owned vehicle fleet and is on track to achieve full (100%) electrification by 2026, significantly reducing direct fuel combustion emissions and supporting cleaner mobility operations.



- **Low-Carbon Buildings:** The Head Office operates as a near-zero energy building due to solar PV installation, demonstrating EMICOOL's commitment to lowering operational emissions while enhancing overall building energy performance and efficiency.



- **Innovation and Research Collaboration:** EMICOOL partners with the University of Rochester on research and development initiatives focused on wind energy solutions and the use of underground water reservoirs as thermal heat sinks, advancing long-term innovation in sustainable, low-carbon cooling technologies.



- **Plant Efficiency and Retrofits:** A structured retrofit programme is being implemented to strengthen plant performance and improve energy efficiency. Three retrofit phases have been completed, with a fourth phase currently underway.



- **Energy Performance Measures:** Regular energy audits are conducted across all plants to systematically identify and implement Energy Conservation Measures (ECMs), ensuring continuous optimisation and sustained operational performance improvements.



- **Green Procurement:** EMICOOL has implemented a Green Procurement Policy that integrates sustainability criteria into supplier evaluation and selection processes. This approach prioritises low-carbon, resource-efficient products and services, strengthens supply chain accountability, and supports the reduction of indirect (Scope 3) emissions across operations.



- **AI-driven Energy Saving Systems:** EMICOOL is advancing energy efficiency through AI-driven energy saving systems, including its centralised Command Control Centre (CCC) and SMART Systems, enabling real-time monitoring, remote plant operations, and performance optimization.

Emission intensity remained stable at 0.00038 tCO₂e/RTH in both 2024 and 2025, while annual production increased by approximately 1.3%, from 507,130,546 RTH to 513,722,524 RTH.



Progress



Operational Decarbonisation



Achievement

Our Sustainable Finance Strategy

Green Financing for Net Zero

EMICOOL is financing its Net Zero transition through green-aligned capital investment, with dedicated green loan tranches channelled to deliver measurable energy efficiency gains and significant GHG emission reductions across the UAE.

Delivering EMICOOL's Net Zero ambition requires sustained capital investment in energy-efficient infrastructure and low-carbon cooling solutions. To support this transition, EMICOOL has embedded sustainability considerations into its financing strategy, aligning capital allocation with climate and energy efficiency outcomes.

A total investment of approximately AED 116 million has been earmarked through to 2027 to support District Cooling Plant (DCP) energy optimisation. This investment is structured across four progressive phases, enabling a systematic and data-driven approach to improving operational efficiency and reducing energy intensity.

In 2025, EMICOOL secured a multi-tranche loan facility, of which Tranches I and II are structured as green loan tranches.

Tranche I: Refinancing of existing district cooling assets

Tranche II: Development of new district cooling plants across the UAE

The green tranches ensures that capital is directly channelled toward assets that deliver measurable energy efficiency and emissions reduction benefits.

These investments underpin EMICOOL's strategy to expand high-efficiency cooling infrastructure in a region where cooling demand accounts for a significant share of electricity consumption.



Financial Lever



Growth



Outcomes

Our Climate Governance

Embedding Accountability and Oversight Into the Net Zero Transition

EMICOOL's Net Zero commitment is supported by a structured governance framework that integrates climate considerations into strategic decision-making, operational execution, and performance monitoring.



1 — Board and Executive Oversight



2 — Integrated Delivery Across Functions



3 — Performance Monitoring and Accountability



4 — Adaptive Governance for a Long-Term Transition



5 — A Governance Model Built for Delivery



Board and Executive Oversight

EMICOOL's Board-approved Net Zero commitment is overseen at the highest level through the ESG Committee and Board governance structures. This ensures that Net Zero priorities remain aligned with corporate strategy, risk management, and long-term value creation.

The executive management team is responsible for translating these strategic priorities into actionable plans and ensuring alignment across business functions and operational units. Any revisions to interim public targets or decarbonisation commitments are subject to governance review and approval through the established ESG and Board oversight process.



Integrated Delivery Across Functions

The delivery of EMICOOL's Net Zero pathway is embedded across multiple functions, including operations, finance, procurement, and business excellence. This integrated approach ensures that sustainability considerations are reflected in:

- Capital allocation and investment planning
- Operational performance and efficiency initiatives
- Supplier engagement and procurement decisions
- Risk management and regulatory compliance



Performance Monitoring and Accountability

Progress against Net Zero targets is monitored through structured performance management processes, supported by ESG reporting frameworks and internal review mechanisms.

Key performance indicators are tracked regularly, enabling:

- **Transparent measurement of emissions and reduction progress**
- **Early identification of performance gaps**
- **Continuous improvement through data-driven decision-making**



Adaptive Governance for a Long-Term Transition

Recognising the evolving nature of the energy transition, EMICOOOL's governance framework is designed to remain adaptive. This includes:

- **Periodic review of targets, assumptions, and pathways**
- **Alignment with evolving regulatory requirements and market conditions**
- **Continuous engagement with stakeholders, including regulators, investors, and partners**



A Governance Model Built for Delivery

Through this governance structure EMICOOOL ensures that its Net Zero commitment is supported by:

Clear Oversight at Board and Executive Levels

Cross-functional Accountability

Data-driven Performance Management

Alignment between Strategy, Execution, and Reporting

This approach reinforces EMICOOOL's ability to translate ambition into sustained, measurable outcomes over the long term.

Performance monitoring will clearly distinguish between approved commitments, modelled scenarios, key dependencies, and offset assumptions to ensure transparency and accurate tracking of progress.

Conclusion

EMICOOL's Net Zero report reflects a disciplined and phased approach aligned with the UAE Net Zero 2050 ambition, Dubai Clean Energy Strategy, and UAE Clean Energy Strategy 2050. It highlights how sustainability is embedded into our operations, guiding decisions that balance emissions reduction with business resilience and long-term growth.

This report reflects EMICOOL's transition from planning to implementation, demonstrating measurable progress toward its Net Zero commitment across operations and the value chain.

In alignment with the UAE Net Zero 2050 ambition and following review by the ESG Committee, EMICOOL has adopted a structured decarbonisation pathway focused on operational and infrastructure measures, including efficiency improvements, plant upgrades, network optimization, AI-enabled energy saving systems, renewable energy integration, and the progressive decarbonisation of the electricity grid. Based on a 2023 baseline of 183,423 tCO₂e, the pathway includes a Board-approved target of a 10% emissions reduction by 2035, with continued reductions thereafter in line with the UAE Green Energy Strategy and Dubai Clean Energy Strategy.

The report highlights initiatives that support operational resilience and long-term emissions reduction, while clarifying that any future use of high-quality carbon offsets will apply only to residual emissions and complement, not replace, direct reduction measures.



Net Zero



Sustainable Cooling



Growth



