

## Gargash Group Accelerates Sustainability Agenda with New Sustainability Linked Facility from Mashreq

- *The deal marks one of the largest sustainable finance transactions in the UAE's automotive sector.*
- *Brings the total sustainable finance transactions by Mashreq in the sector to AED 2.8 billion in 2025.*
- **A Strategic Move that supports UAE's Green Agenda 2030 through measurable ESG targets**

**1 July 2025, Dubai:** Gargash Group is pleased to announce a significant step forward in its sustainability efforts with the signing of a Sustainability-Linked Facility (SLF) agreement with Mashreq, a leading financial institution in the MENA region. The agreement represents one of the largest SLFs in the UAE automotive sector to date, and supports the Group's efforts to align with UAE Green Agenda 2030 and Net Zero Strategy 2050.

The facility ties financing terms to measurable Environmental, Social, and Governance (ESG) Key Performance Indicators (KPIs), including targets for reducing carbon emissions, increasing investment in employee development, and encouraging responsible practices across the supply chain.

The signing ceremony took place at the Mercedes-Benz Brand Center in Dubai Design District and highlights Gargash Group's strong commitment to Environmental, Social, and Governance (ESG) principles. This agreement builds on the Memorandum of Understanding (MoU) signed with Mashreq in September 2024. It further illustrates Gargash Group's dedication to sustainable growth through the implementation of measurable Key Performance Indicators (KPIs) and improved governance frameworks.

The Sustainability-Linked Facility (SLF) agreement represents an important step forward in Gargash Group's long-term sustainability vision and ESG priorities.

By directly linking facility terms to the achievement of ESG targets, the SLF highlights how sustainable finance can drive measurable environmental and social impact, while remaining aligned with the Group's broader business objectives.

As part of Gargash Group's long-term sustainability vision, the company is implementing a comprehensive energy transformation roadmap throughout its network. This plan includes various initiatives focused on solar energy and energy efficiency, aimed at minimizing environmental impact while aligning with national clean energy goals. Through these projects, Gargash Group reaffirms its commitment to the UAE Green Agenda 2030 and the Net Zero Strategy 2050, promoting sustainable practices across all areas of its operations. The landmark



agreement not only advances the UAE's national climate strategies but also aligns directly with several UN Sustainable Development Goals, including **SDG 13 (Climate Action)**, **SDG 7 (Affordable and Clean Energy)**, **SDG 8 (Decent Work and Economic Growth)**, and **SDG 12 (Responsible Consumption and Production)**.

**Walid Hizaoui, Group Chief Strategy Officer at Gargash Group**, said: "This Sustainability Linked Facility represents a crucial step in translating our ESG commitments into actions. At Gargash Group, we understand that achieving our sustainability goals requires not only vision but also rigorous execution, transparent accountability, and strong governance frameworks. This partnership with Mashreq reinforces our ability to track and measure our progress against clearly defined KPIs, ensuring that sustainability remains at the heart of our strategic decisions. We are dedicated to creating lasting value for our stakeholders while contributing positively to the environment and society, and this agreement is a testament to that commitment".

**Thomas Schulz, General Manager Mercedes-Benz Passenger Cars at Gargash Enterprises**, said: "Sustainability is not just a responsibility, it's a core element of how we shape the future of mobility. This Sustainability Linked Loan reinforces our commitment to embedding sustainability principles into every level of our operations, from energy-efficient facilities to greener, smarter customer experiences. Through this partnership, we are proud to contribute to the UAE's national sustainability goals and set a new standard for responsible automotive leadership in the region".

**Marwan Galadari, Executive Vice President & Head of Trading Division at Mashreq** commented: "We are honored to deepen our partnership with Gargash Group through this Sustainability Linked Facility, which exemplifies our shared vision for a sustainable and responsible future. At Mashreq, we believe that integrating Environmental, Social, and Governance (ESG) principles into our financial products is not only essential for driving long-term value but also critical for addressing global challenges. This agreement enables Gargash Group to accelerate its sustainability initiatives while setting a benchmark for the automotive sector and the wider business community in the region".

**Karim Amer, Senior Vice President, Head of Automotive, Heavy Equipment and Trading Multinational Groups at Mashreq** commented: "ESG principles are becoming a core part of how financing is structured and deployed across the automotive sector, and this facility is a strong example of that shift. Building on our ambition to facilitate USD 30 billion in sustainable finance by 2030, it stands among the largest sustainability-linked facilities in the UAE automotive sector to date. This deal brings the total sustainable finance transactions concluded by Mashreq in this sector to AED 2.8 billion in 2025 and reflects our continued commitment to advancing sustainability in one of the country's most vital industries."



As the Group continues to integrate ESG principles into every facet of its operations, the SLF stands as a model for how strategic finance can support broader environmental and societal goals. Gargash Group remains committed to driving impactful changes and setting new standards for accountability, transparency, and sustainable business practices across the region.

### **About Gargash Group**

Established in 1918, Gargash Group is one of the UAE's leading business enterprises. Today, the group comprises a family of internationally renowned brands operating across four verticals: automotive, real estate, financial services, and Food & Beverage. It is recognized for its global expertise and deep understanding of local markets, enabling the group to deliver integrated, innovative, and competitive services. The group has introduced leading global automotive brands into the UAE, including Mercedes-Benz, Alfa Romeo, GAC MOTOR, SIXT Rent Car, SIXT Leasing & SIXT Limousine. Since 1998, Gargash Group's financial services arm, Daman Investments, has provided advisory, asset management, brokerage, and wealth management services in the UAE. Gargash Real Estate develops and manages high-quality residential, commercial, and industrial properties across the country. The group also includes several leading brands in the Food & Beverage industry.

### **About Mashreq**

Mashreq is more than half a century old, yet he proudly thinks like a challenger, startup, and innovator. Mashreq pioneered key innovations and developments in banking, starting with entry-level digital-first customers and progressing to powering some of the region's most prominent corporations and wealth accounts.

The bank's mandate is to help customers find their way to Rise Every Day, partnering through the highs and lows to help them achieve their goals and unlock their vision of success.

Reassuringly present in major financial centres of the world, Mashreq's home and global HQ remains in the Middle East, offering services whenever and wherever opportunity takes its customers. Mashreq has been recognized as the fastest-growing Middle East brand by Banking 500 rankings for 2024 by Brand Finance.