



Q3 2024

Investor Presentation

Element Fleet Management (TSX: EFN)



Forward-looking statements and disclaimer

This presentation contains certain forward-looking statements and forward-looking information regarding Element Fleet Management Corp. (“Element”) and its business which are based upon Element’s current expectations, estimates, projections, assumptions and beliefs. In some cases, words such as “plan”, “expect”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “potential”, “target”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur are intended to identify forward-looking statements and forward-looking information. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements or information.

Forward-looking statements and information in this presentation may include, but are not limited to, statements with respect to, among other things, Element’s future financial reporting; future cash flows, financial condition, financial performance, operating performance, financial ratios, projected asset base, capital structure and capital expenditures; Element’s after-tax adjusted operating income per share and free cash flow per share; Element’s expectations regarding revenue growth; Element’s expectations in respect of its supply chain and the timing and volume of vehicle production; Element’s EV strategy and capabilities; global EV adoption rates; Element’s ability to achieve its sustainability objectives; Element achieving its digital platform ambitions; the Autofleet acquisition enabling the Company to scale its business more quickly, achieve operational efficiencies, increase client and shareholder value and unlock new revenues streams; Element’s anticipated dividend policy and plans for future dividends; Element’s ability to deliver returns and benefits from its initiatives; client acquisition, retention and experience; relationships with suppliers; anticipated cash needs, capital requirements, need for and cost of additional financing and ability to access such financing; future assets; demand for services; Element’s competitive position; anticipated trends and challenges in Element’s business and the markets in which it operates; Element’s ability to generate pre-tax run-rate operating income; expectations regarding syndication; Element’s ability to increase total shareholder return; Element’s ability to pre-fund redemption of its outstanding convertible debentures upon their maturity, if required; Element’s plans with respect to share purchases, including the number of common shares to be repurchased, the timing thereof and TSX acceptance of the normal course issuer bid and any renewal thereof; any impacts of pandemics or other health threats; and expectations regarding credit ratings.

By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Such forward-looking statements and information in this presentation speak only as of the date on the front of this presentation. The forward-looking information and statements contained in this presentation reflect several material factors, expectations and assumptions of Element including, without limitation: that Element will conduct its operations in a manner consistent with its expectations and, where applicable, consistent with past practice; acceptable negotiations with third parties; the general continuance of current or, where applicable, assumed industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax and regulatory regimes; certain cost assumptions; the continued availability of adequate debt and/or equity financing and cash flow to fund its capital and operating requirements as needed; Element’s net interest margin; expectations regarding syndication; growth in lease receivables and service income; assumed rate of cost inflation; assumed applicable foreign exchange rates and applicable income tax rates; Element’s funding mix; the extent of its assets and liabilities; and the impact of vehicle manufacturers’ ability to deliver vehicles;. Element believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

The forward-looking events and circumstances discussed in this presentation may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting Element, including risks regarding the fleet management and finance industries, economic factors, regulatory landscape, risks related to the addition of new clients, risks related to the payment of dividends, risks relating to execution of strategic initiatives and many other factors beyond the control of Element. No forward-looking statement can be guaranteed and Element cannot guarantee future results, levels of activity, performance or achievements. Accordingly, readers should not place undue reliance on any forward-looking statements or information. A discussion of the material risks applicable to Element can be found in Element’s most recent Management Discussion and Analysis document as well as the most recent such document in respect of a full calendar year, and Element’s Annual Information Form, each of which have been or will be filed on SEDAR and can be accessed at www.sedarplus.ca. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Element disclaims any intention and assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

An investment in the securities of Element involves significant risks. A discussion of some of the material risks affecting Element and its business appears under the heading “Risk Factors” in Element’s Annual Information Form dated on February 27, 2024, and under the headings “Risk Management” and “Critical Accounting Policies and Estimates” in Element’s Management Discussion and Analysis for the three- and six-month periods ended June 30, 2024, all of which have or will have been filed on SEDAR and can be accessed at Element’s profile on www.sedarplus.ca. Prospective investors should carefully consider the risks associated with an investment in the securities of Element before deciding to purchase any such securities.

Unless the context otherwise requires, references to “\$” are to millions of U.S. Dollars, except per share amounts, which are single U.S. Dollars.

Non-IFRS Measures

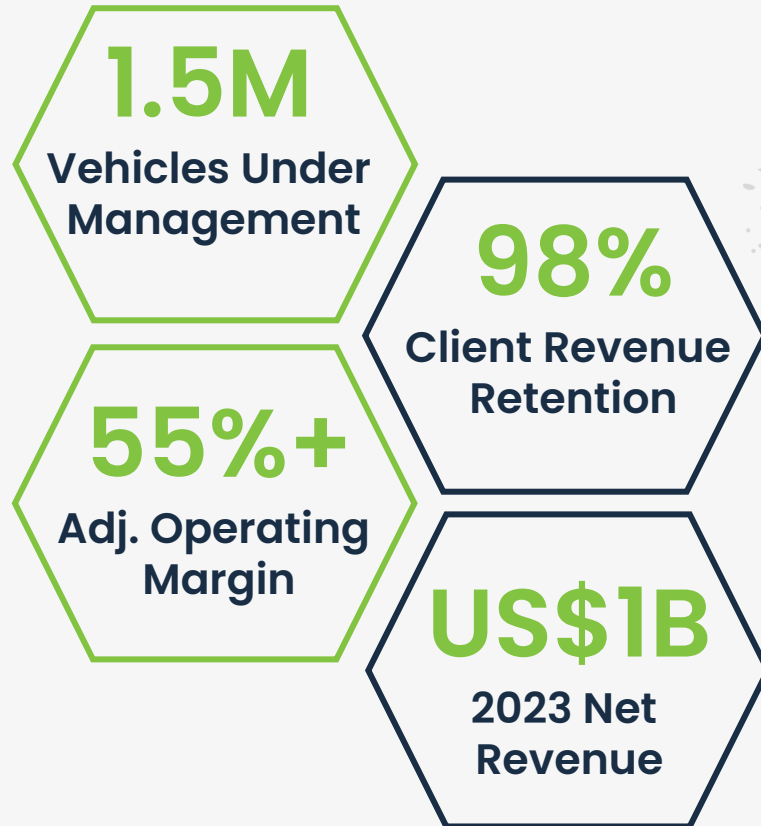
In this presentation, management presents measures that do not have a standardized meaning under IFRS and may not be comparable to similarly-named or any other non-GAAP measures presented by other organizations. Descriptions of the non-GAAP measures presented in this document can be found in Element’s Management Discussion & Analysis that accompanies the financial statements for the most recent quarter or year, which have been filed on SEDAR (www.sedarplus.ca).

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Element – The largest pure-play publicly traded automotive fleet manager in the world



Our Purpose: *Move the World Through Intelligent Mobility*

Global industry leader

- We provide services and financing to large and mid-sized corporate/commercial and government/public service fleets
- We specialize in large, complex fleets of mission-critical service vehicles: vans, pick-ups, and medium- and heavy-duty trucks.
- We are a market leader in:
 - the U.S. and Canada
 - Australia and New Zealand ('**ANZ**')
 - Mexico
- Element-Arval Global Alliance allows us to compete for and win the business of large multinational clients that require a global solution to their vehicle fleet needs



Q3 2024 Highlights

Q3 2024 HIGHLIGHTS

Q3 2024 Results (vs Q3/23)

(In US\$ millions unless otherwise noted)

Net revenue

\$280M | ▲ **12%**

Services revenue

\$147M | ▲ **12%**

Adj. operating income¹

\$161M | ▲ **15%**

Adj. operating margin¹

57.7% | ▲ **120 bps**

Adj. Free Cash flow per share¹

\$0.36 | ▲ **13%**

Adj. EPS¹

\$0.29 | ▲ **12%**



1. Considered to be a non-GAAP financial that does not have a standardized meaning under IFRS and may not be comparable to similarly-named or any other non-GAAP measures presented by other organizations. Descriptions of the non-GAAP measures presented in this document can be found in Element's Management Discussion & Analysis that accompanies the financial statements for the three- and nine-month period ended September 30, 2024, which have been filed on SEDAR (www.sedarplus.ca).

Key Highlights

Robust growth across all revenue categories

Double-digit services revenue growth

Increased annual common dividend per share to CAD\$0.52

Q3 2024 HIGHLIGHTS

Q3 YTD 2024 Results (vs Q3 YTD/23)

(In US\$ millions unless otherwise noted)

Net revenue

\$817M | ▲ **14%**

Services revenue¹

\$434M | ▲ **16%**

Adj. operating income²

\$458M | ▲ **16%**

Adj. operating margin²

56.1% | ▲ **70 bps**

Adj. Free Cash flow per share²

\$1.09 | ▲ **16%**

Adj. EPS²

\$0.85 | ▲ **15%**



1. Q1 2024 services revenue includes \$7.0 million of certain revenue items which are unlikely to repeat in 2024.
2. Considered to be a non-GAAP financial that does not have a standardized meaning under IFRS and may not be comparable to similarly-named or any other non-GAAP measures presented by other organizations. Descriptions of the non-GAAP measures presented in this document can be found in Element's Management Discussion & Analysis that accompanies the financial statements for the three- and nine-month period ended September 30, 2024, which have been filed on SEDAR (www.sedarplus.ca).

Key Drivers

Higher services penetration
and utilization

Onboarding clients with higher
service attachment rates

Commercial momentum
across share-of-wallet wins,
earning market share from
competitors and converting
self managed fleets

Positive operating leverage

Q3 2024 HIGHLIGHTS

Record net revenue and solid operating margin expansion

(US\$millions, except per share)							
Key Metrics	Adjusted ¹			Q3 2024	Reported		
	Q3 2024	QoQ	YoY		Q3 2024	QoQ	YoY
Services revenue	\$147	5%	12%	\$147	5%	12%	
Net financing revenue	\$116	(5%)	11%	\$116	(5%)	11%	
Syndication revenue	\$17	38%	29%	\$17	38%	29%	
Net revenue	\$280	2%	12%	\$280	2%	12%	
Operating expenses	\$118	(3%)	9%	\$139	6%	19%	
Operating income	\$161	6%	15%	\$140	(2%)	7%	
Operating margin	57.7%	+ 200 bps	+ 120 bps	50.2%	(190 bps)	(270 bps)	
Originations (excl. Armada)	\$1,716	(13%)	10%	\$1,716	(13%)	10%	
EPS [basic]	0.29	–	12%	0.24	(8%)	–	
Free cash flow per share	0.36	(5%)	13%				
EPS [basic] – CAD\$	0.40	3%	14%	0.33	(6%)	3%	
Free cash flow per share – CAD\$	0.49	(6%)	17%				

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Q3 2024 HIGHLIGHTS

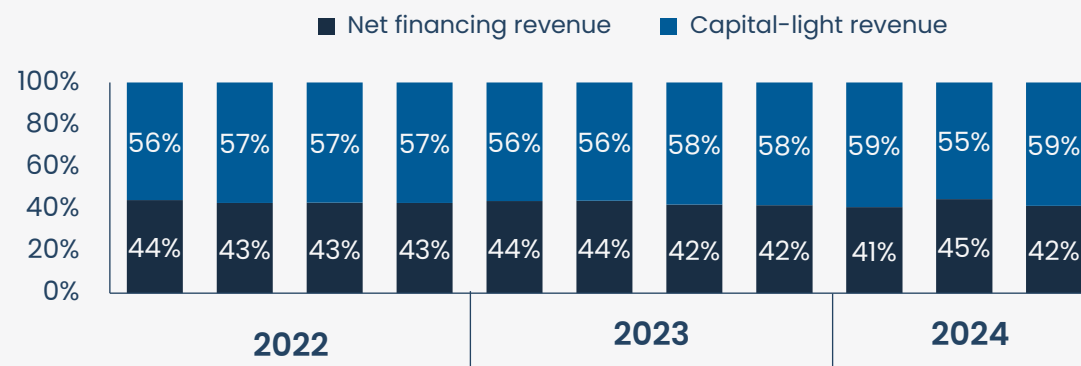
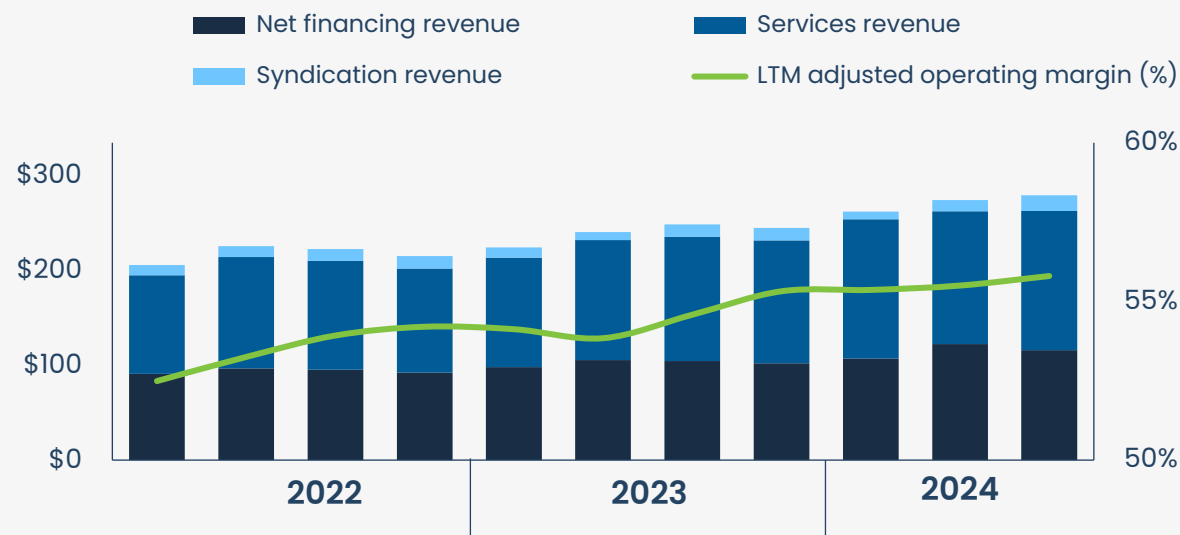
Key drivers of net revenue growth

- Strong services revenue growth
 - Increasing penetration rates
 - Driving greater volume through our comprehensive service-supplier networks
- Higher net earning assets associated with higher originations in the U.S and Canada
- Record syndication volume associated with higher originations and our ongoing focus on our capital lighter model

This combination of capital-light revenue and balance sheet management will continue to enhance Element's return on equity profile



Net revenue streams, and adjusted operating margin

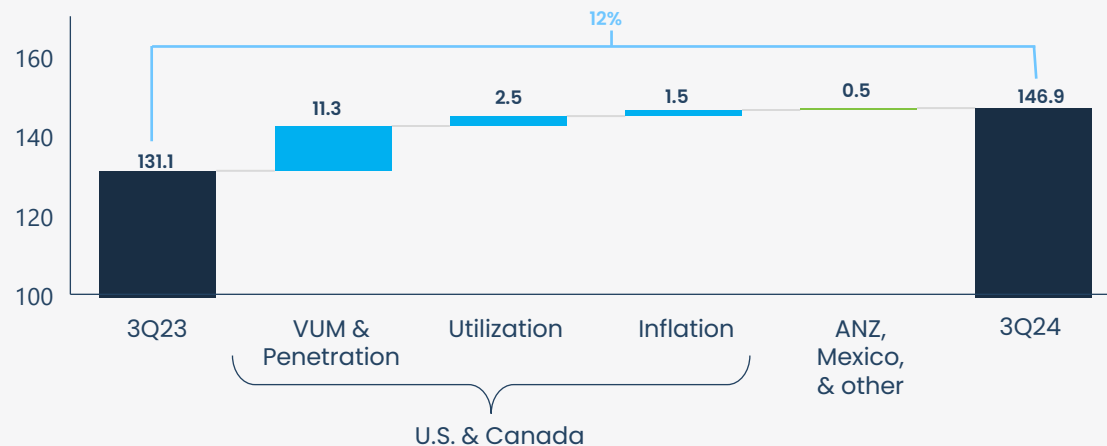


Q3 2024 HIGHLIGHTS

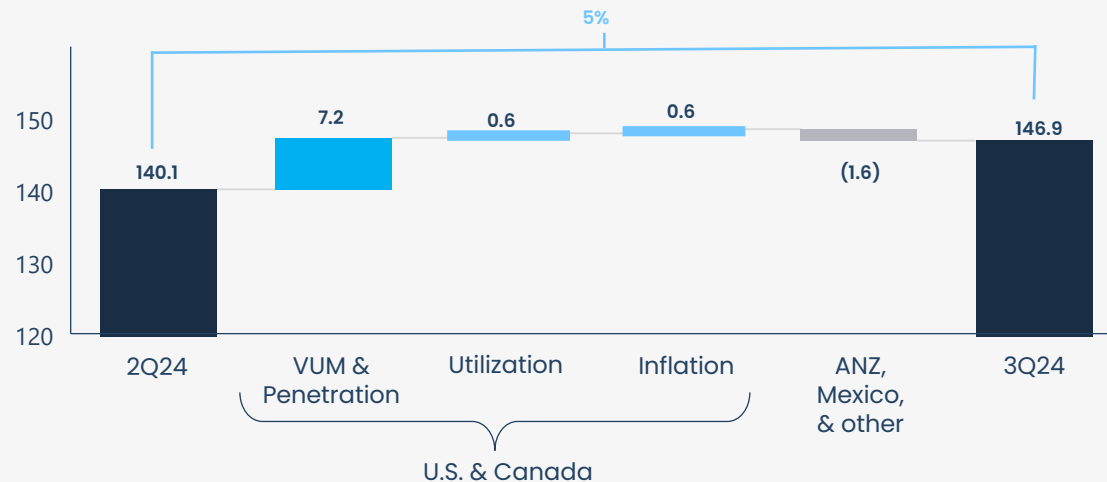
Increased services penetration and utilization

- **Increased penetration** – providing more services to more of our existing clients' vehicles – deepens our value proposition (by further lowering Total Cost of Operations ('TCO') and unlocking opportunities through enhanced mobility solutions) and increases client retention
- **Increased utilization** – a key driver of share of wallet growth, as two-thirds of services revenue is vehicle-usage based; the remaining one-third is recurring subscription fee-based. We offer clients insights to improve service utilization, which benefits clients' TCO

3Q23 -> 3Q24 services revenue



2Q24 -> 3Q24 services revenue



Q3 2024 HIGHLIGHTS

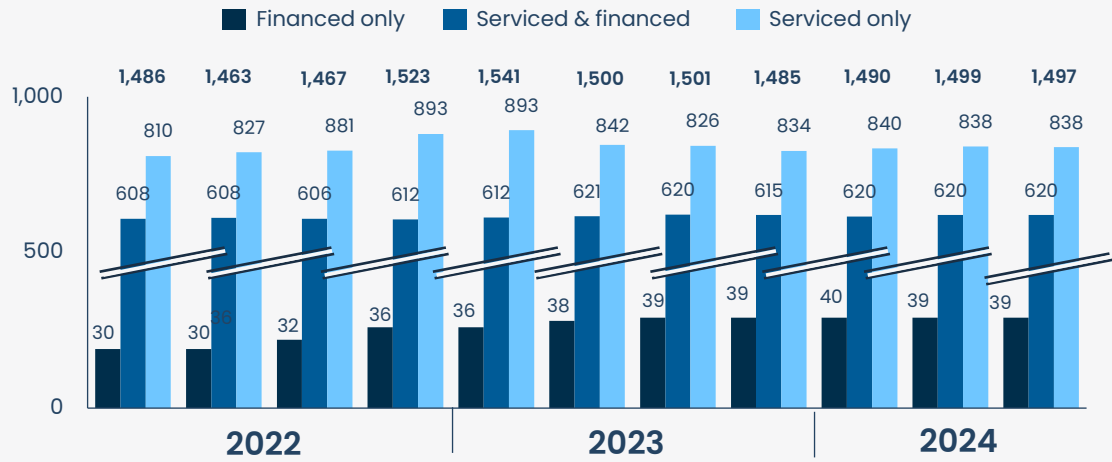
VUM and services attachment

Over the long term, we aim to drive growth in vehicles under management (‘VUM’) through:

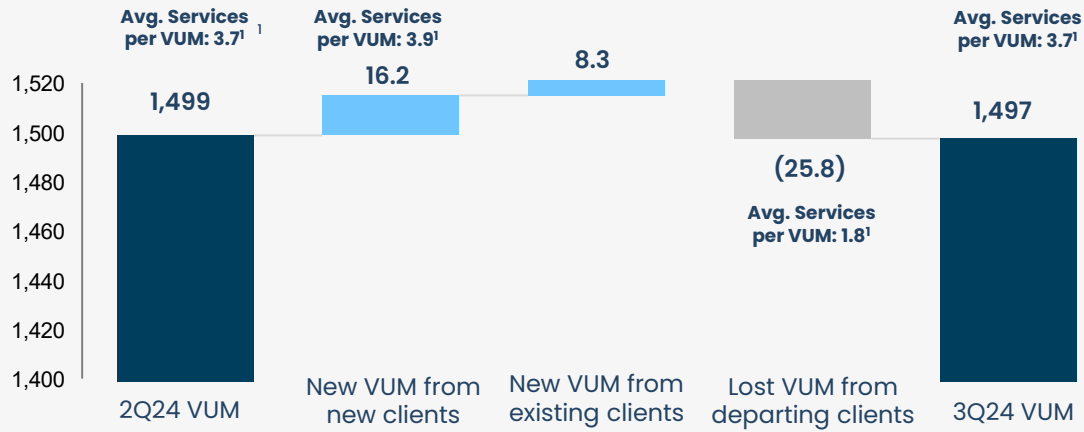
- High client retention
- ‘Internal’ growth: earning incremental business from clients whose fleet needs are increasing
- New clients: earning market share, converting self-managed fleets, and winning government and ‘mega’ fleets

Lost VUM from departing clients this quarter were largely attributable to two lower revenue single-service clients

End-of-period global VUM³ (in thousands)



End-of-period 2Q24 -> 3Q24 VUM² (in thousands)



1. Represents the global number of services per VUM. For the U.S. and Canada only where the vast majority of our vehicles are located the services being tracked include Collision, Fleet Partnership Solutions, Fuel, Insurance, Maintenance & Roadside Assistance, Tax Benefits, Telematics, Title & Registration and Tolls & Violations. Excludes Acquisitions, Remarketing, Driver Safety and End of Contract services. Commencing Q1 2024 the Company excludes Financing from its total services count (previously included in total services count).

2. We released approximately 73,800 VUM in 2Q23, 68,000 VUM in 3Q23, 33,000 VUM in 4Q23 and 31,400 VUM in 1Q24 (in aggregate 206,200 VUM) in relation to our move to end the provision of certain white-label services to competitors.

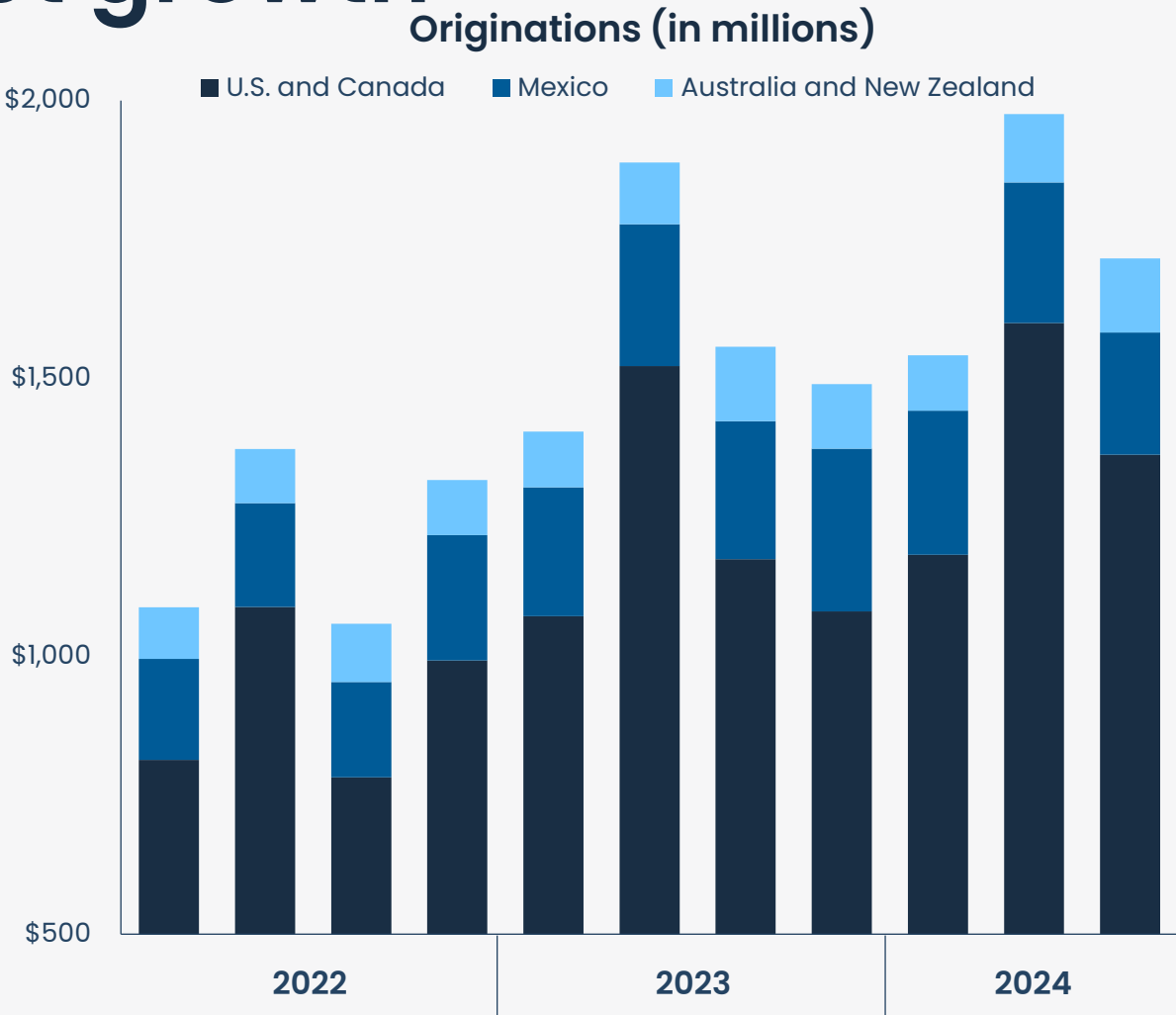
3. Every "VUM" is one unique vehicle (a) receiving or subscribed to one or more Element services, and/or (b) financed by Element, whether or not subsequently syndicated. In calculating VUM, management applies certain judgements and makes certain estimates, including in respect of a small number of single-service usage-based VUM. Certain estimates rely on information provided by our clients that could not be definitively validated. While there are inherent subjectivities in the VUM calculation due to these judgements and estimates, the Company believes that such judgements and estimates are reasonable.

Q3 2024 HIGHLIGHTS

10% year-over-year growth in originations driving net earning asset growth

Drivers of originations growth this quarter include:

- 1. Resilient client demand
- 2. Improving OEM production volumes
- 3. Few models remain on OEM-controlled allocations
- 4. Higher new vehicle pricing



Q3 2024 HIGHLIGHTS

Sustained commercial success driving return of capital to shareholders

Capital allocation priorities:

1. Prudently invest in our business
2. Tangible leverage ratio management (target of 6.25x-6.75x, though we may temporarily exceed this range in advancing our strategic priorities)
3. Consistently grow common share dividends (annual common dividend target payout range of 25-35% of our last twelve months' adjusted FCF per share)¹
4. Repurchase common shares under NCIB

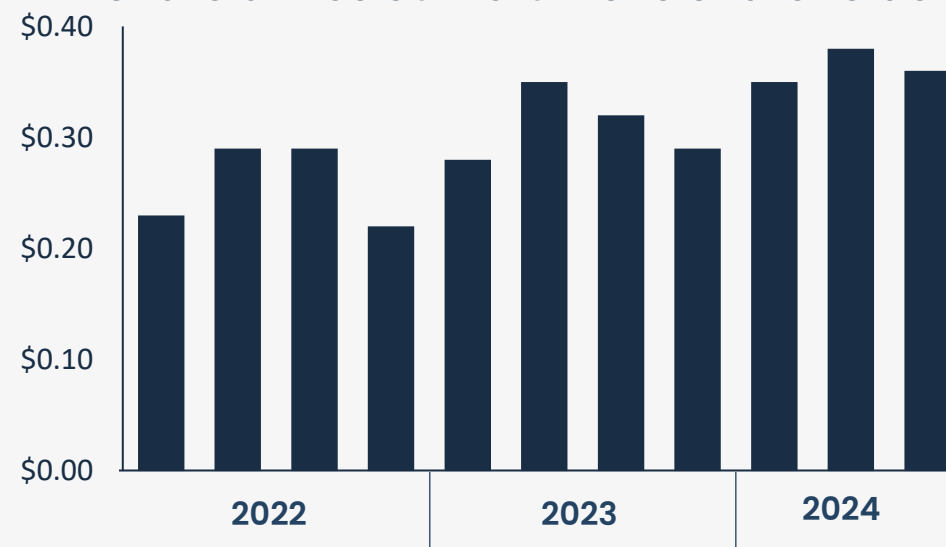
On November 13, 2024, Element announced an 8% increase to its common dividend, from CAD\$0.48 to CAD \$0.52 per share annually



\$527 Million

Total amount of capital returned to shareholders since 2022 through common share buybacks and dividends

Strong adjusted cash flow generation per share drives our returns to shareholders



Looking Ahead

LOOKING AHEAD

Initial Full-Year 2025 Guidance¹

- We expect new client growth, including the continued conversion of self-managed fleets, and resilient client demand for our services & solutions to underpin **full-year net revenue growth between 6.5 to 8.5% in 2025**
- In addition, we expect to deliver **high single to low double-digit growth** in each of adjusted operating income, adjusted EPS and adjusted free cash flow per share in 2025
- We are committed to generating **positive operating leverage** in managing the business, which will underpin further operating margin expansion

Annual growth rates	Initial Full-year 2025 guidance
Net revenue	6.5 – 8.5%
Adjusted Operating Income	High-single to low-double digit
Adjusted EPS [basic]	High-single to low-double digit
Adjusted free cash flow per share	High-single to low-double digit
Originations (excl. Armada)	Low- to mid-single digit

Our guidance excludes non-recurring setup costs associated with its previously announced strategic initiatives, one-time costs associated with the acquisition of Autofleet, and also prior to any material changes in foreign exchange. For additional information on temporary and one-time headwinds affecting our initial 2025 guidance, please see pg#21 to our Supplementary Information document, which can be found on our website.

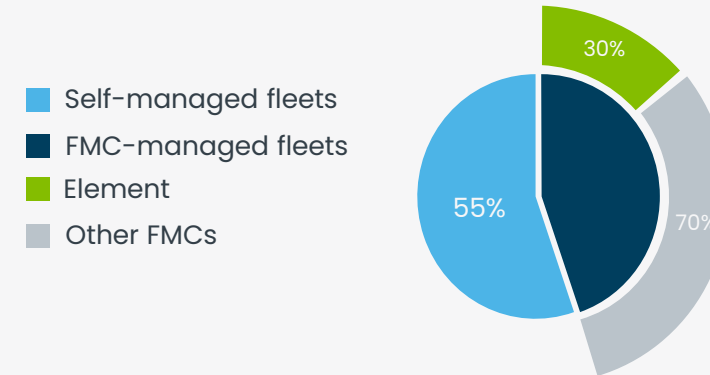
LOOKING AHEAD

Ample organic growth opportunities

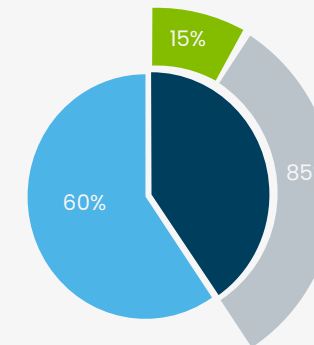
\$10 billion addressable market

- The estimated addressable market in the U.S. and Canada represents a ~\$4.4 billion net revenue opportunity
- The Mexico and ANZ markets represent an estimated opportunity of ~\$2.7 billion and ~\$2.5 billion net revenue, respectively
- Evolving industry trends expected to drive continued outsourcing of fleets towards specialized FMCs

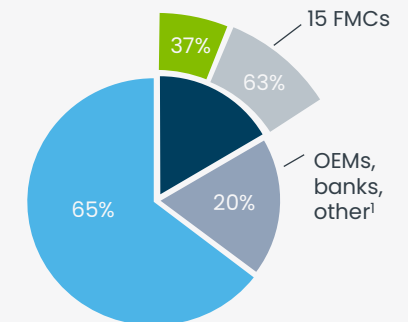
U.S. and Canada



Australia & New Zealand



Mexico^{1,2}



LOOKING AHEAD

Favourable dynamics supporting self-managed fleet conversion

1. Growing complexity: The need to simplify the complexities of managing large fleets to lower total cost of fleet operation
2. Electrification: Transition to EV fueled by corporate decarbonization goals; EV expertise is required
3. Strategic Advisory: We leverage our access to advanced analytics, telematics, and driver behaviour for enhanced decision making
4. Incumbent scale advantage: With 1.5 million vehicles under management, we have meaningful purchasing power, and access to a network of +60,000 suppliers



LOOKING AHEAD

A strong foundation for future growth with key initiatives

- **Centralizing accountability for U.S. and Canadian leasing in Dublin, Ireland**
 - Enhancing our consistent, superior client leasing experience
 - Commenced operations in early August 2024
 - Expected to generate between \$27–42M of run-rate net revenue, and between \$20 – 35M of run-rate adjusted operating income, by full-year 2028
- **Establishing a strategic sourcing presence in Singapore**
 - Broadening and deepening relationships with Asian OEMs & improving clients' access to new vehicles
 - Commenced operations in April 2024 & entered into a collaboration agreement with BYD, the world's leading new energy vehicle manufacturer/power battery supplier
 - Expected to generate between \$3M of run-rate net revenue, and \$2M of run-rate adjusted operating income, by full-year 2028



LOOKING AHEAD

We are creating a powerful digital ecosystem to help unlock opportunities

- EV and Energy Management
- Autonomous Management
- Payments and Embedded Finance
- Smart Mobility Management
- Sustainability
- Risk, Compliance, and Cyber Management
- Collision and Safety
- Maintenance and Uptime
- Connected Vehicles
- Marketplace
- Transit and Rental
- Logistics and Delivery



Our 1.5 million vehicles under management provides us with a sizeable and scaled ecosystem that is not easily replicated

LOOKING AHEAD

Element and Autofleet – a global digital mobility business

Combined, Element and Autofleet will become a competitive differentiator through a holistic, end-to-end fleet and mobility offering for clients around the world



- Global scale
- Largest publicly-traded fleet management company in the world
- Tier 1 global client and partner network



- Leading-edge technology platform
- Advanced optimizations and AI enablement core capabilities
- Mobility and rental vertical core competencies

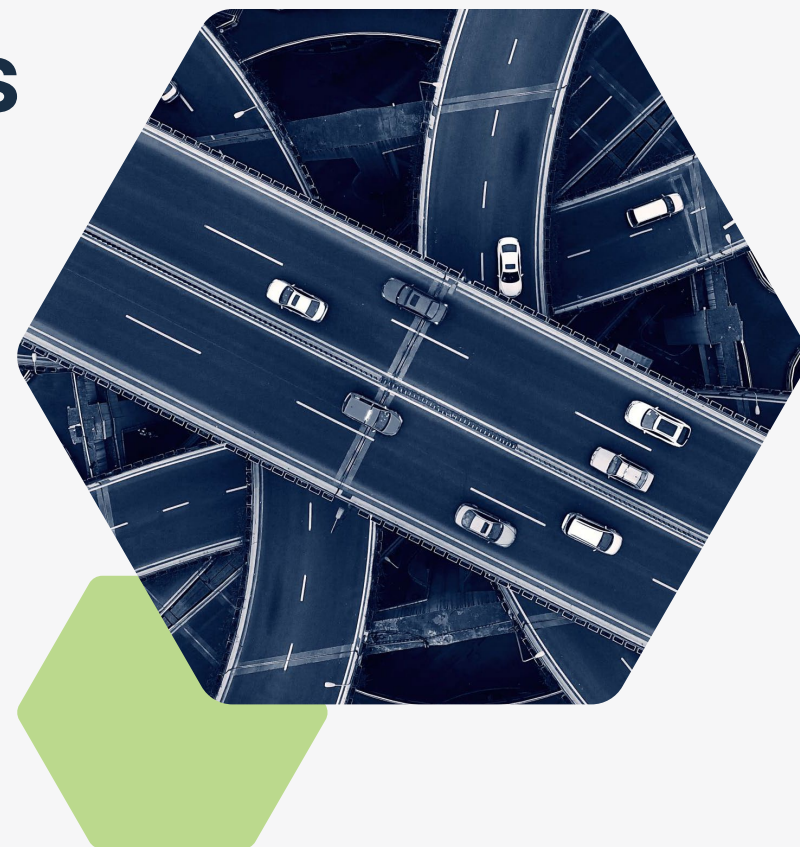
Move the world through intelligent mobility



LOOKING AHEAD

Continue to deliver for our clients and our shareholders

1. An enhanced client experience through delivering new and innovative fleet and mobility solutions
2. Digitization and automation will enable us to scale our business more quickly - driving business optimization
3. Emerging trends and opportunities pave the way for growth beyond the core
4. Continue returning capital to shareholders



A strong business with clear opportunity for continued organic growth

Sustainability

SUSTAINABILITY

Sustainability highlights

In June 2024, we issued our fourth annual Sustainability Report titled *"Sustainable Momentum: Building on Progress"*, which reflects our 2023 achievements

Highlights from the 2024 Sustainability Report include:

- Commitment to the Science-based targets initiative (SBTi)
- Aligned disclosures to the Task Force on Climate-related Financial Disclosures (TCFD)
- Full disclosure of greenhouse gas (GHG) emissions across all Scopes
- Reduced Scopes 1 and 2 GHG emissions by 44%¹
- Strong diversity representation trends
- Supplier Diversity program – US\$1.8 billion spent across 4,800+ diverse suppliers in our service networks including women, minority, LGBT, disability and veteran-owned businesses
- 60% women on our Board of Directors
- 62% increase in electric vehicle originations^{2,3}

¹ Compared to 2019 baseline, reduction calculated utilizing Scope 2 market-based GHG emissions

² Inclusive of Plug-in Hybrid Electric Vehicles (PHEV) & Hybrid Electric Vehicles (HEV)

³ U.S. and Canada.



SUSTAINABILITY

Recognition

Our efforts in 2023 were recognized by the following organizations:



Globe and Mail Board Games

Top 8% of 219 Canadian companies in 2023



Geotab Innovation Award

Element was awarded the Geotab Innovation Award for Electric Vehicle Innovation



CDP Climate

Scored a B, which is the "Management" level ranking higher than the North American regional average



Australian Workplace Equality Index (AWEI) Bronze Award

for LGBT inclusion



EcoVadis

Silver Medal placing Element in the top 25% of companies assessed

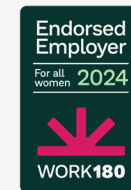


Sustainable Supply Chain Case Study Award



Grupo Expansión MX for work climate & culture study

Element ranked #41 of 763 for participating companies with fewer than 500 team members



Work 180 Endorsement

Recognising our policies and practices create a great place to work for women



Johnson Controls Sustainability Supplier Leadership Award



CSR Certification (Empresa Socialmente Responsable) by CEMEFI



Better Companies from Betterfly

Element Mexico ranked #19 out of 170 companies in Latin America for companies with 300+ team members



IR Magazine Canada:

- Best overall investor relations (mid-cap)— Element Fleet Management Corp (EFN:CA)
- Best investor relations officer (mid-cap)— Michael Barrett, VP of IR & Investments
- Best IR by a small or mid-cap senior management team

