



Mexico Investor Visit

September 23 to 25, 2024



Presenter



Manuel Tamayo

President, Element Mexico

Manuel has been with Element for nine years, having joined as the commercial leader for Mexico. He has helped to lead the successful revenue growth strategy in the region and assumed the role of Country Head in 2020.

Prior to his time at Element, Manuel spent 10 years in the GE Capital equipment finance business covering a number of asset classes including vehicles and transportation equipment.

Agenda



Today

- Opening Remarks
- Mexico Economic Overview
- Element in Mexico
- Visit to Mercado Libre



FORWARD-LOOKING STATEMENTS

Disclaimer

In the course of this event, representatives of Element Fleet Management may make certain statements that are forward-looking or prospective in nature.

These statements are based on assumptions that are subject to significant risks and uncertainties.

Element refers you to the cautionary statements and risk factors in its year-end and most recent MD&A, as well as its most recent AIF, for a description of these risks, uncertainties, and assumptions.

Although Element management believes that the expectations reflected in the statements are reasonable, Element can give no assurance that the expectations reflected in any forward-looking statements will prove to be correct.

These slides and this event include references to non-GAAP measures that Element believes are helpful to present the Company and its operations in ways that are useful to investors. Reference can be made to the MD&A for a reconciliation of certain non-GAAP measures to IFRS measures.

Welcome Remarks



Laura Dottori-Attanasio President and Chief Executive Officer

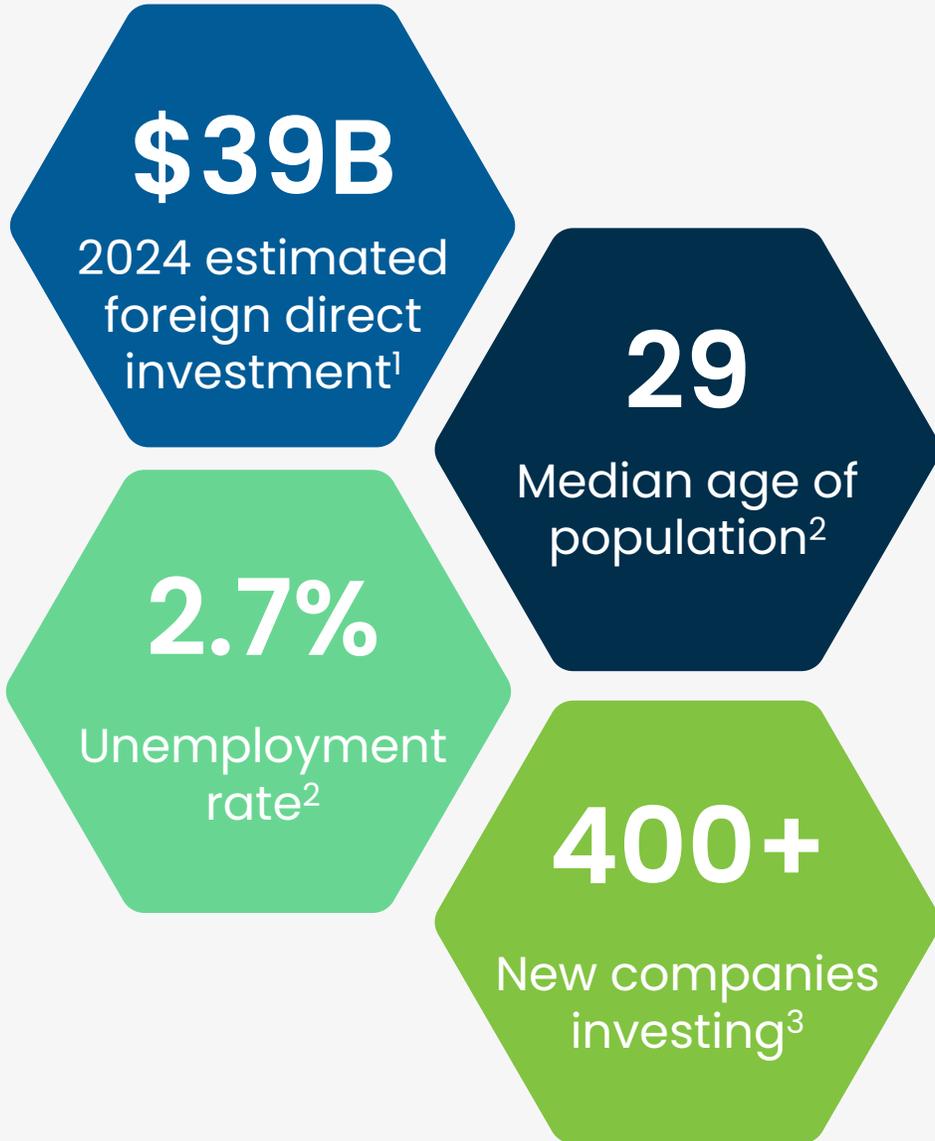
Laura joined Element in February 2023. Prior to joining Element, Laura led the Personal and Business Banking division at one of Canada's largest financial institutions. Prior to this role, she oversaw the institution's Risk Management activities as Chief Risk Officer and previously the Global Corporate Banking and Trading Room Credit in the Capital Markets division.

Delivering sustained, long-term success

1. Mexico represents an attractive opportunity for continued growth
2. Element has robust organic growth opportunities across all regions
3. Emerging trends and opportunities pave the way for growth beyond the core
4. Digitization and automation will play an important role today and into the future



A solid business with clear opportunity for continued organic growth

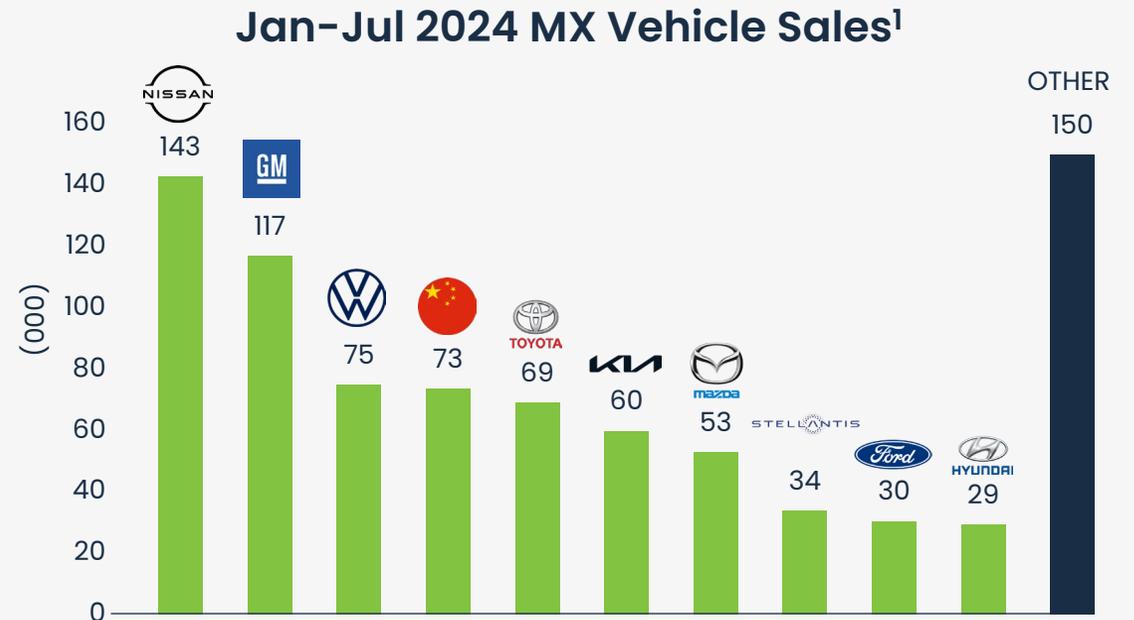


Mexico: Favorable conditions for long-term growth

- 12th largest economy in the world
- Increasing foreign direct investment, particularly in the automotive industry
- Favorable demographic trends
- Investments will demand transportation and mobility solutions

Growing fleet and automotive industry

- Mexico is the 7th largest vehicle manufacturer with 20 production facilities across 13 OEMs
- ~60% of total vehicles sold are from 24 different Asian OEMs with new Chinese OEMs growing share. Our Singapore strategic sourcing hub was established to capitalize on this trend
- New vehicles sales grew 25% in 2023, while fleet vehicles grew 48%
- Vehicle sales and our portfolio largely consist of subcompacts and SUVs



Mexico is a key geography in the fleet and automotive industry, with nearshoring expected to drive increased opportunity

Fleet evolution – key trends

- ~60% of goods in Mexico are transported by road¹, as opposed to by rail or water
- Fleet industry in Mexico is primarily focused on leasing, while fleet services are an emerging segment
- FMCs have contributed to the evolution in last 10 years
- Faster adoption rate of EVs, with sales up 200% YoY. Decarbonization and efficiencies remain key catalysts for self-managed fleet conversion
- E-Commerce growth boosted by the pandemic has resulted in an expansion of new distribution capabilities in logistics

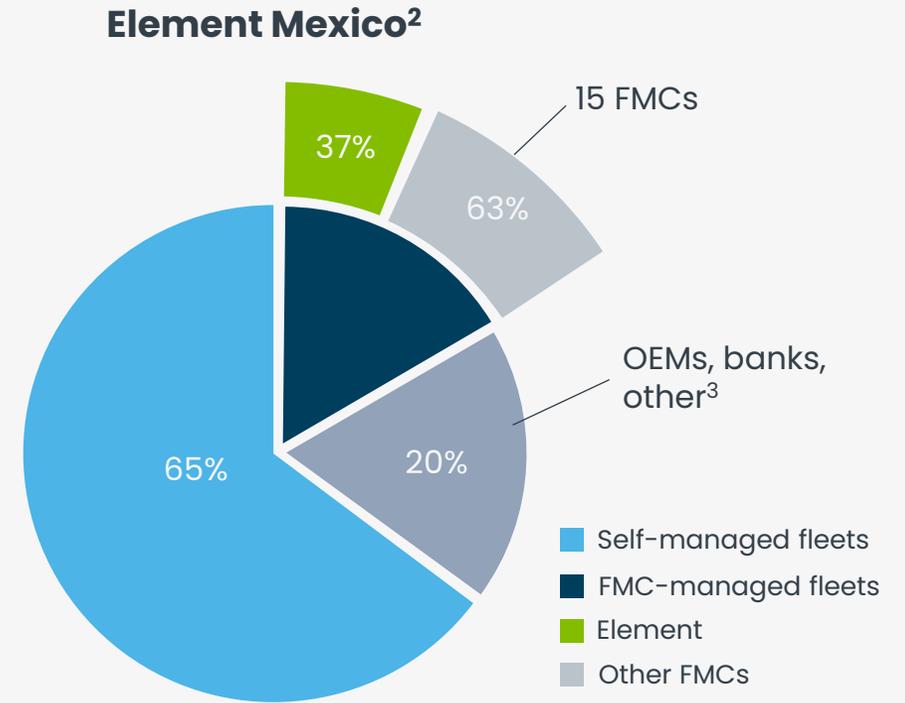


The fleet management industry in Mexico is growing and diversified, serving as a catalyst for our growth

1. Secretaría de Comunicaciones, 2023.

Clear opportunity for market share expansion

- We have estimated our potential market to be 1.6 million vehicles
- Element is the clear market leader with 147 thousand vehicles, representing 37% of the FMCs¹
- Banks and leasing companies make up 20% of the market, but have limited ability to offer fleet services
- Total addressable market of \$2.7 billion in annual net revenue, 65% of which is self-managed



Over the past two years, Element Mexico has increased its fleet size by 42% – well ahead of aggregate FMC growth of 26%

Element in Mexico vs. U.S. & Canada

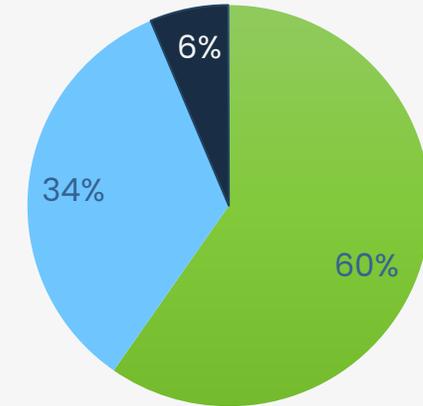


Services revenue as a % of net revenue	30%	65%
Services per VUM	1.9	3.7
Portfolio quality	60% investment grade	65% investment grade
Average fleet size	212	+1,000
Self-managed wins ¹	121	93

High-quality portfolio

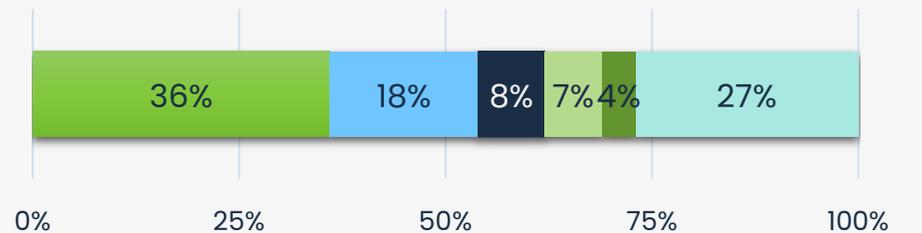
- Our target market primarily consists of multinational investment grade companies
- Well-diversified across the portfolio, with no individual client representing >6% of total revenue in Mexico
- Passenger vehicles and SUVs make up the largest part of our portfolio at 47%
- **73%** of portfolio within five growing industries: Food & Beverage, Transportation & Logistics, Retail, Pharma, and Chemicals

Portfolio Quality



■ AAA to BBB- ■ BB+ to BB- ■ B+ to B- ■ Below B-

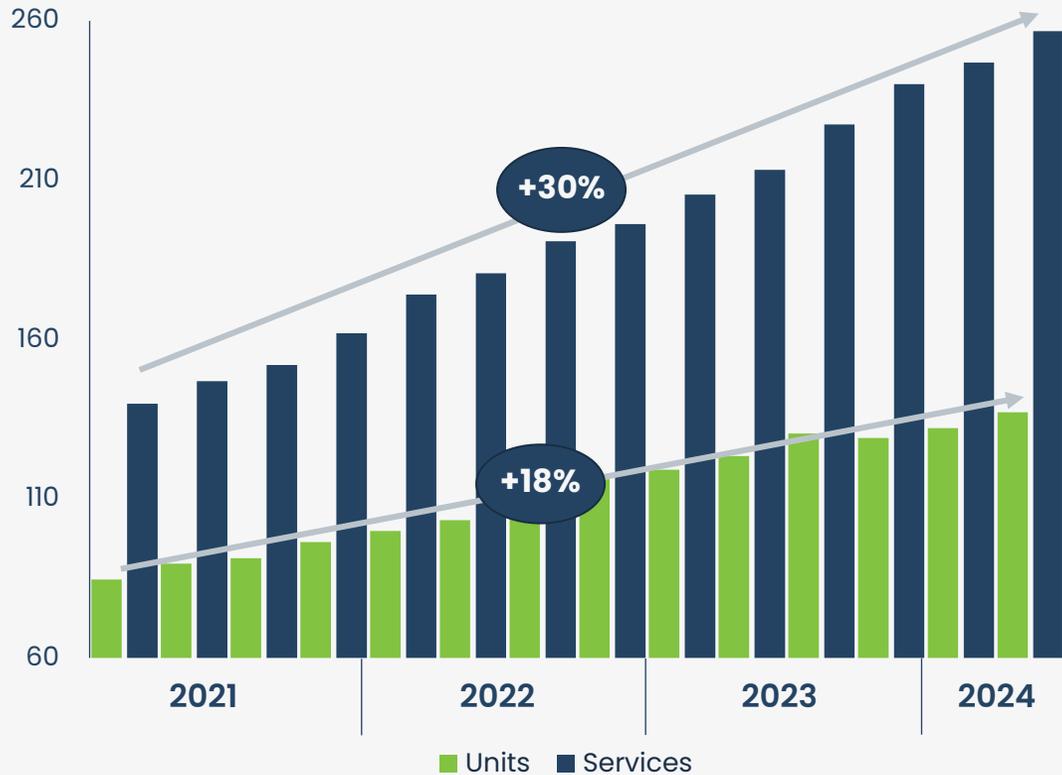
Portfolio by Industry



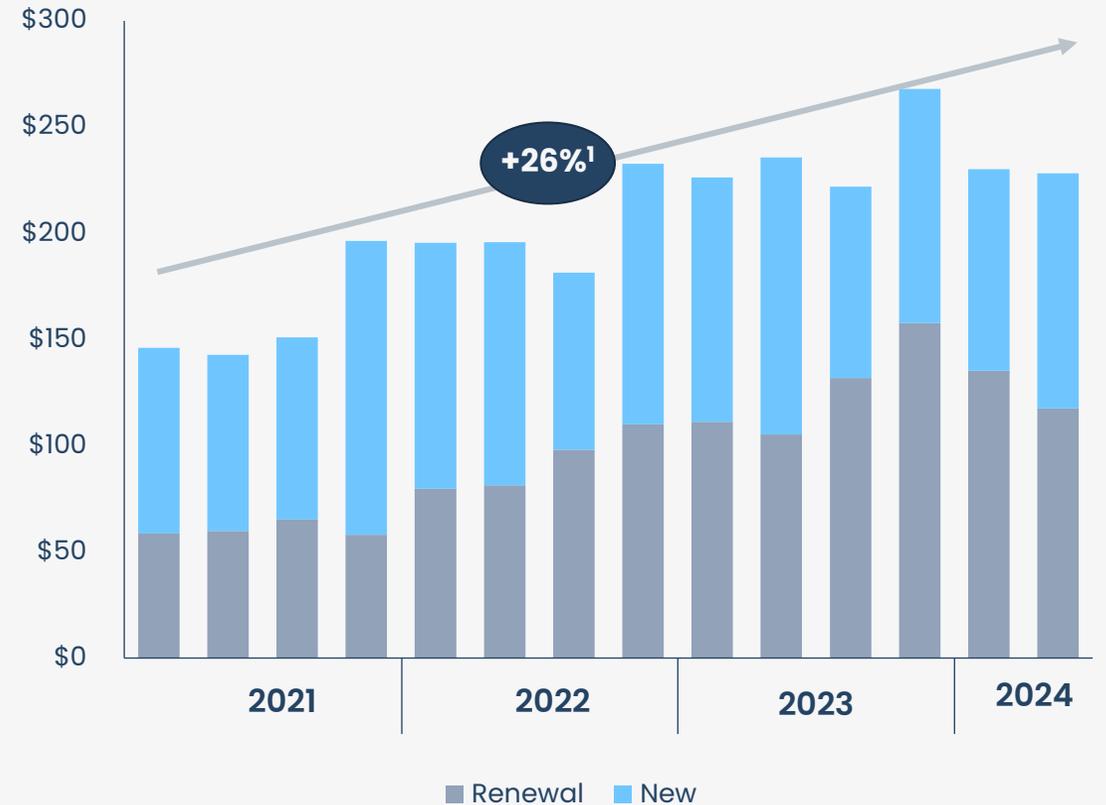
■ Food & Bev ■ Transportation ■ Retail ■ Pharma ■ Chemicals ■ Other

A proven track record of success

Mexico VUM and Services (000's)

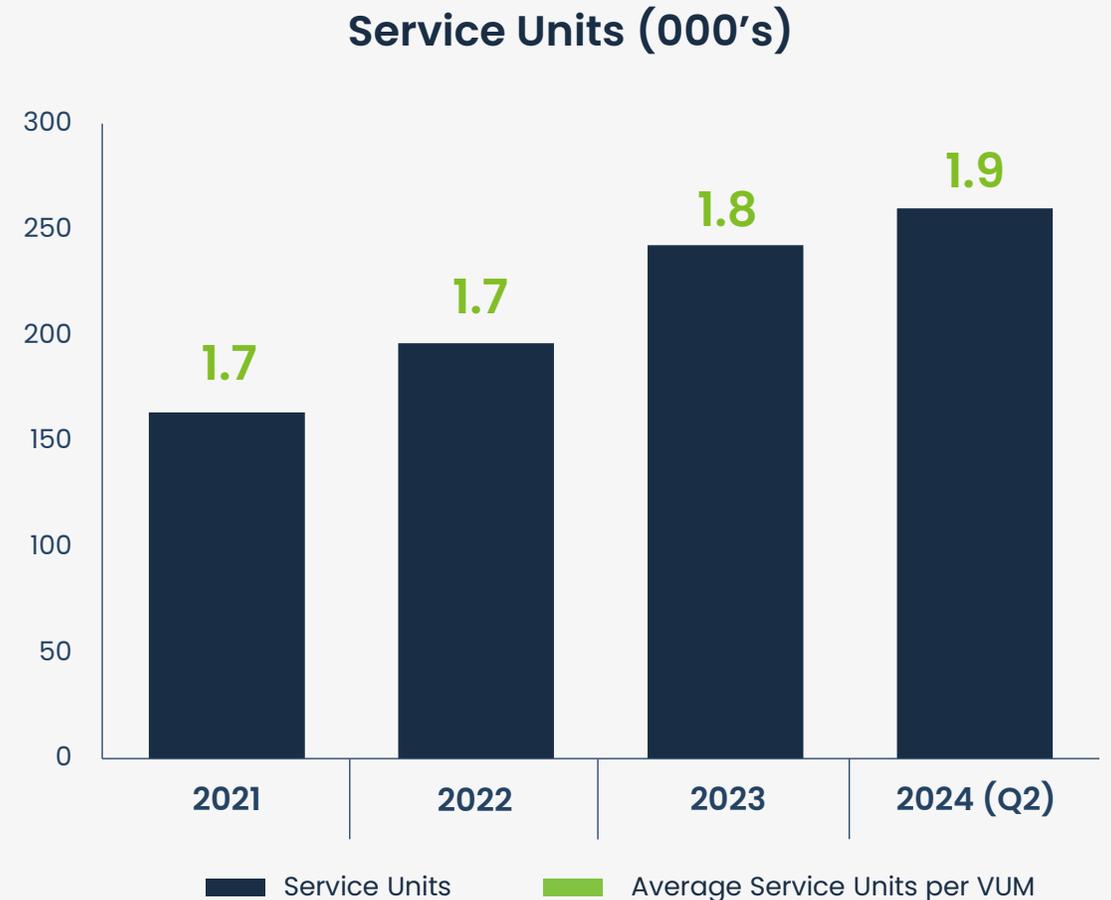


Mexico Originations (Millions)



Service revenue is a key lever to pull in Mexico

- Element Mexico has delivered a three-year CAGR of **30%** in service units (2021-2024)
- Ample opportunity for further penetration with **650 thousand** services of SOW:
 - 59% of fleet has less than two units per VUM
- **Nine** current service offerings will expand to 13 in 2025, with the launch of Variable Fleet, Extended Warranty, Renting, and On-site repair shops
- Achieving parity with U.S. and Canada attachment rates represents **~\$11 million** in net revenue
- From 2021, we upgraded **28 clients** from leasing only to leasing and services, driving additional annual revenue per VUM



A high-performing and engaged workforce

- Best-in-class sales team that has delivered strong results
- Mexico has a young, educated, engaged, and client-focused workforce
- Our commitment to attracting top talent and prioritizing continuous training is unwavering
- 57 Element employees based in Mexico supporting the U.S. and Canadian business
- With a competitive FTE cost compared to other Element locations, growth of our Mexico workforce will have a beneficial impact on our global margins

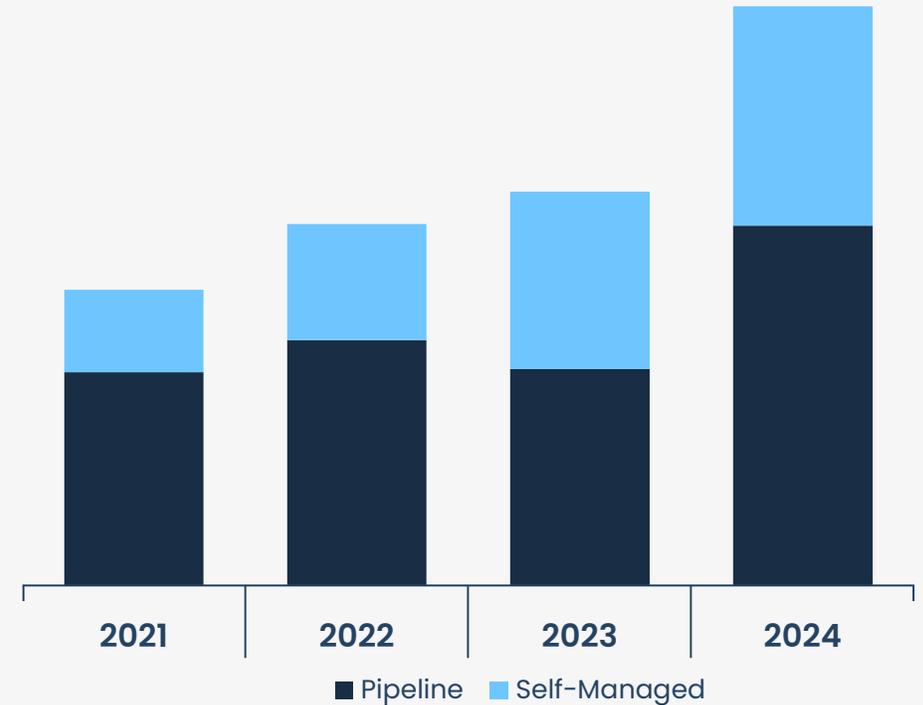


89%
Average
Employee Engagement
2021 to 2024

The opportunity

- Growing and evolving industry focused on cost efficiencies, sustainability, and safety
- Favourable market dynamics with growing new vehicle sales and OEM diversity
- Best-in-class sales team with demonstrated ability to capture opportunities for double-digit growth and accelerate service revenue
- Evolving market demanding value-added solutions
- Capturing just **10%** of the ample opportunity in self-managed fleets represents **\$175 million** in additional revenue – **+131% of 2024 Mexico revenue**

Sales Pipeline



These factors underpin our confidence that we can continue to deliver strong growth in Mexico

Day Two



Mexico Investor Visit

September 23-25, 2024



Agenda



Today:

- Global Growth Strategy
- Fleet Electrification
- Digitization and Automation
- Element and Autofleet
- Closing Remarks
- EV Ride and Drive Experience

Presenter



David Madrigal

EVP and Chief Commercial Officer

David leads Element's global commercial sales efforts and is responsible for coordinating our five revenue growth drivers to deliver on the 6-8% organic annual net revenue growth objective.

Previously, as the country head of Element Mexico, David and his team successfully developed and refined the commercial sales strategy and structure that is now the basis of our global growth strategy.

GLOBAL GROWTH STRATEGY

Global growth strategy

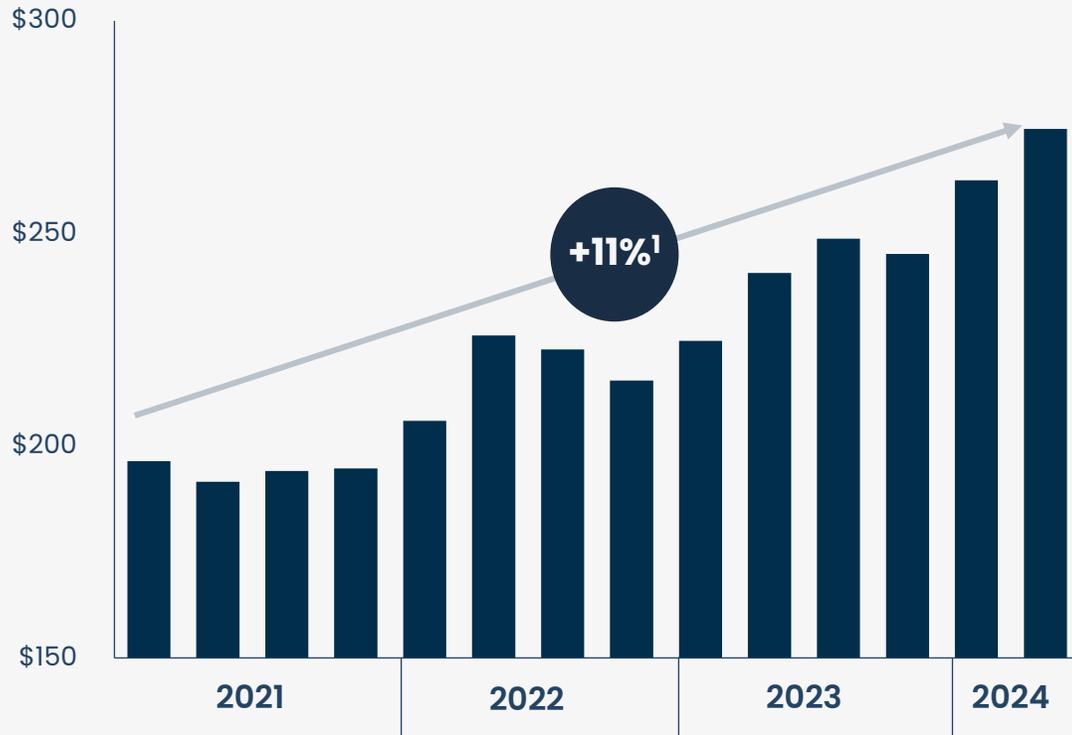
Our global growth strategy centres around the following key growth levers:

- Retaining our clients
- Growing share of wallet (SOW)
- Earning market share
- Converting self-managed fleets
- Winning government and 'mega' fleets

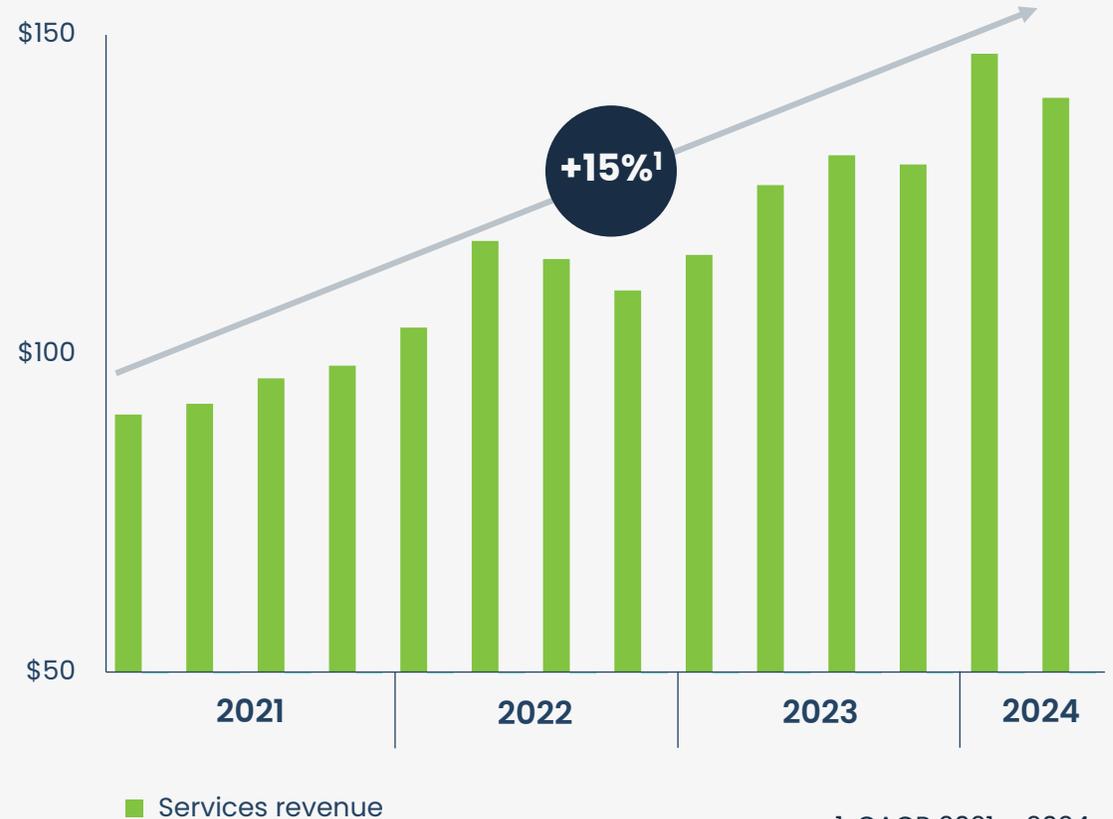


A consistent track record of solid top-line growth

Global Net Revenue (Millions)



Global Services Revenue (Millions)



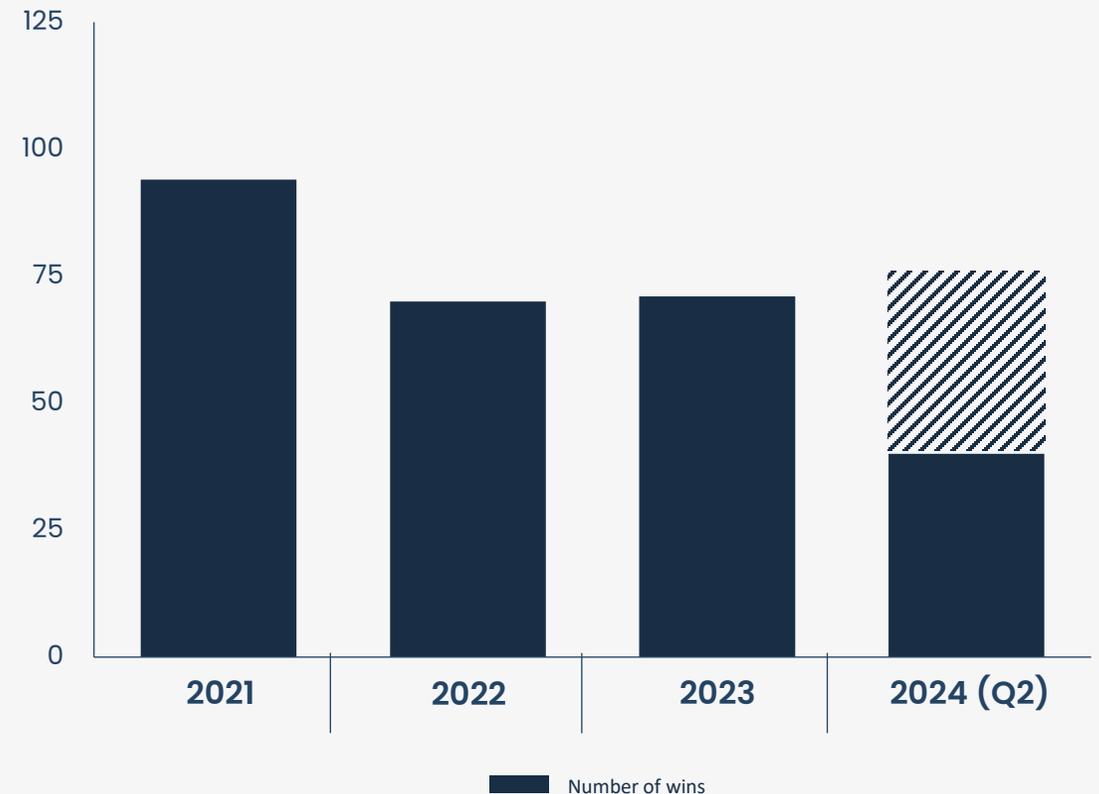
■ Services revenue

1. CAGR 2021 – 2024

Proven ability to convert self-managed fleets

- Since 2021, we have consistently gained market share from self-managed fleets
- Key factors driving our success:
 - Dedicated new business development and strategic advisory team
 - Helping our clients navigate the growing complexity of fleet management
 - Providing clear proof points on the expense and capital savings achieved by working with Element

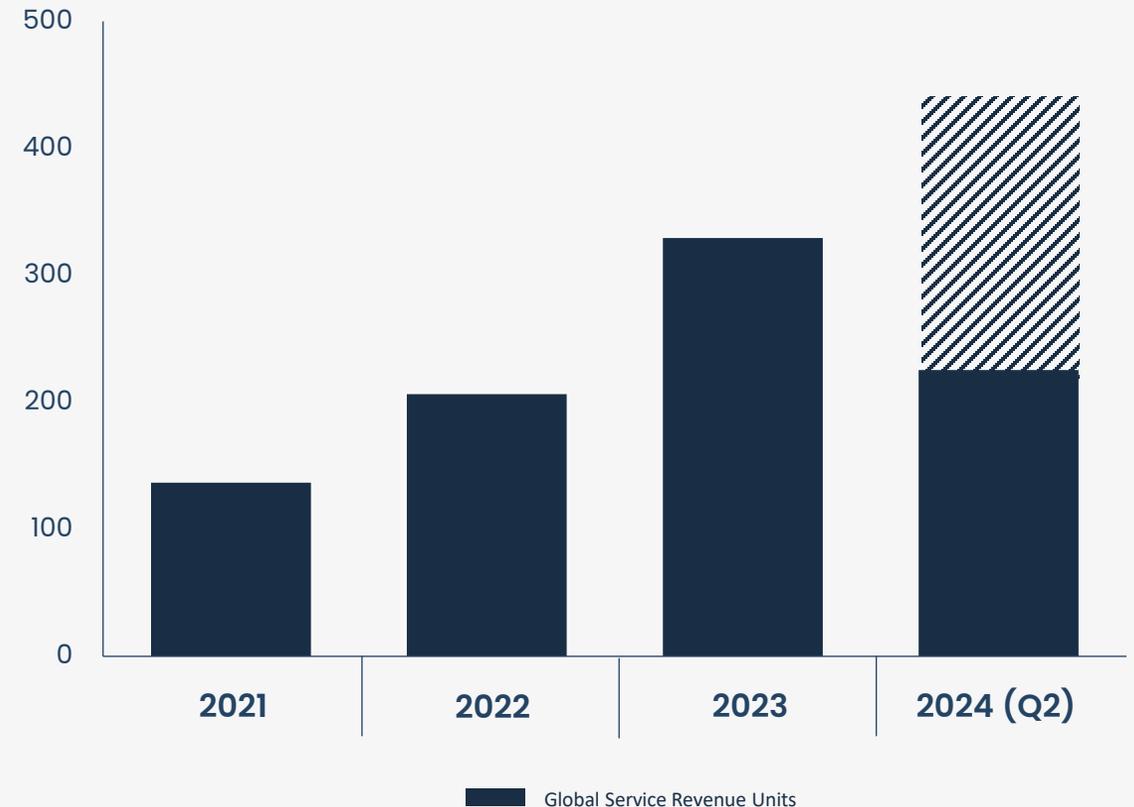
No. of Self-Managed New Client Wins



Client revenue unit wins

- Since 2021, we have seen an 18% increase in the number of revenue unit fleet wins from competitors
- Key factors driving the increase in competitor wins include:
 - Focused approach on our value proposition
 - Comprehensive technology solutions
 - Strategic Advisory Services (SAS) is a continued differentiator in our offering
 - Our approach to account relationship management
 - Our global footprint

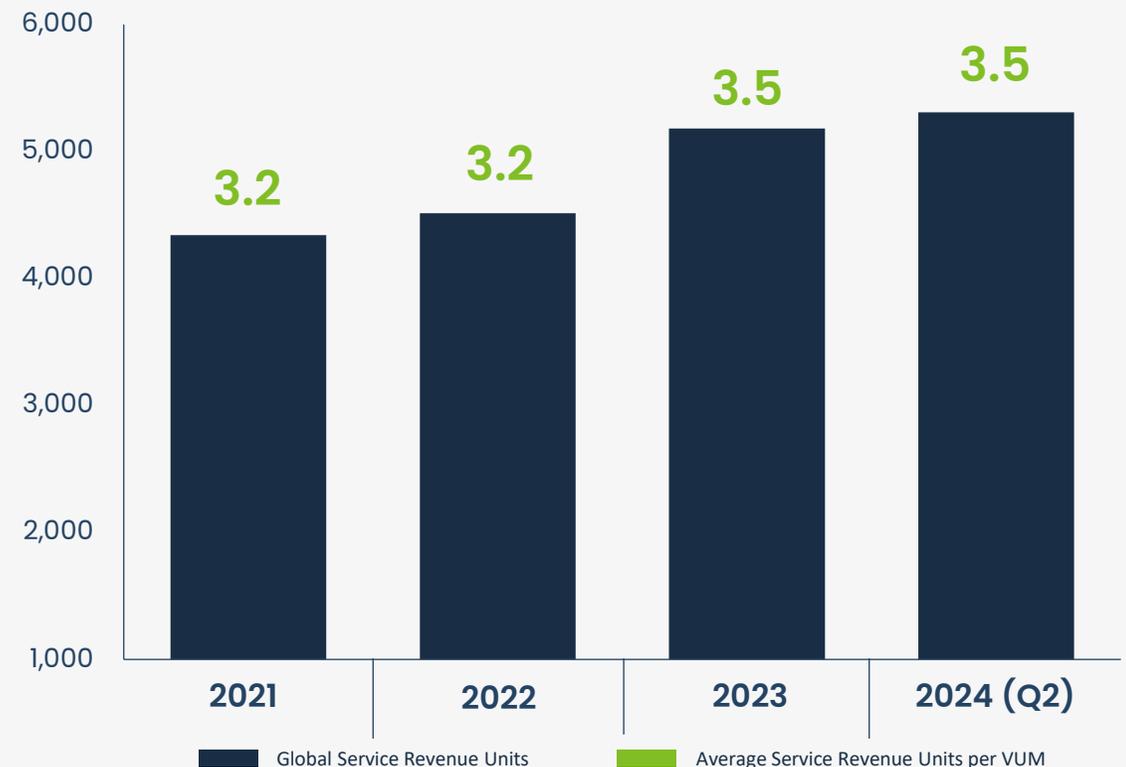
No. of New Client unit wins from competitors (000's)



Clear progress in product penetration

- Since 2021, we have seen a 13% increase in global service revenue units
- Service revenue units per VUM have also increased as we continue to drive product penetration into the existing portfolio, in addition to seeing an increase from VUM wins
- Currently **20%** of our U.S. and Canada portfolio has fewer than two services, while only **17%** is above six
- As our product offering has increased to 14 services, there is clear opportunity to drive additional cross-sell with our clients

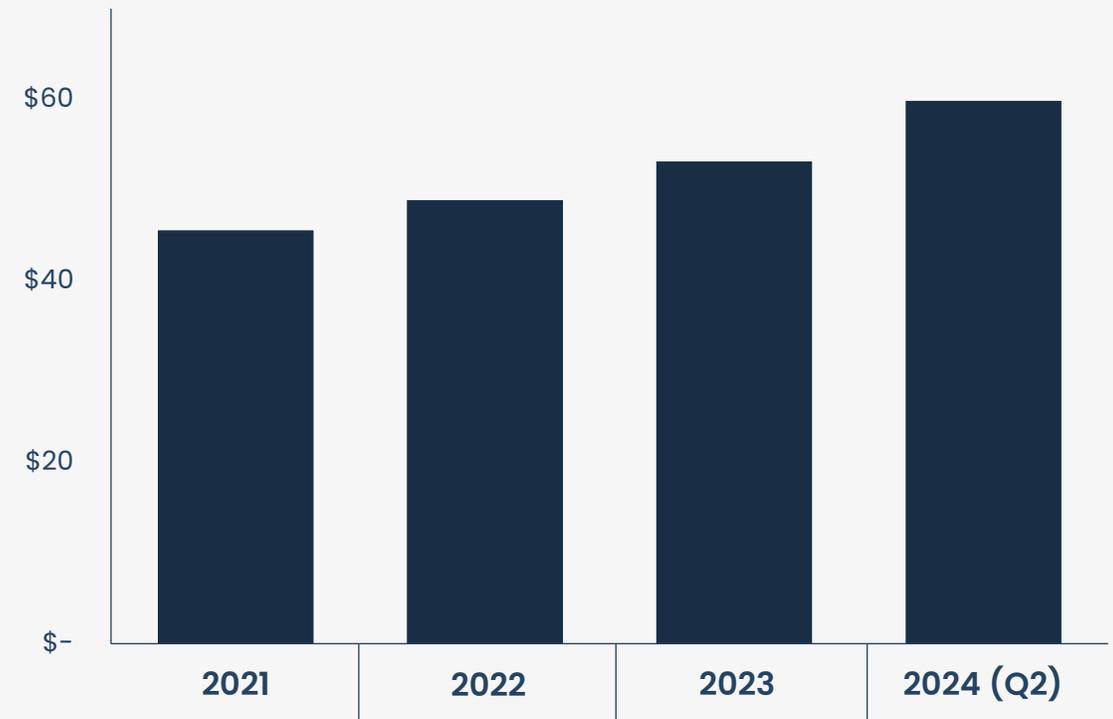
Global Service Unit per VUM (000's)



Pricing optimization will further boost our top line

- Growth bolstered by pricing improvements continued to drive higher revenue per unit (RPU) and overall profitability
- Share of Wallet expansion improves RPU and improves our ability to add value for clients
- Data-driven approach to pricing enables higher win rates and enhances margins

Average Monthly Revenue Per Unit

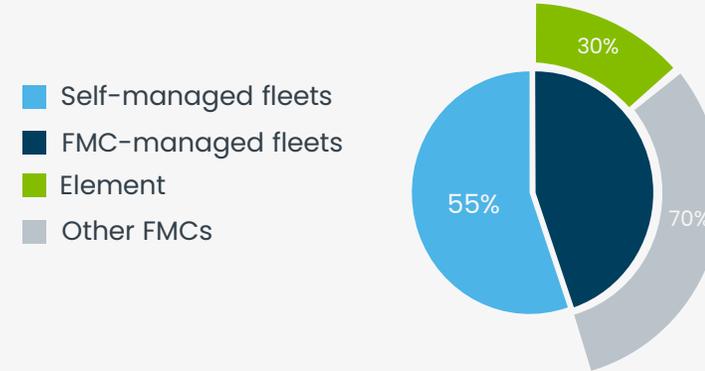


GLOBAL GROWTH STRATEGY

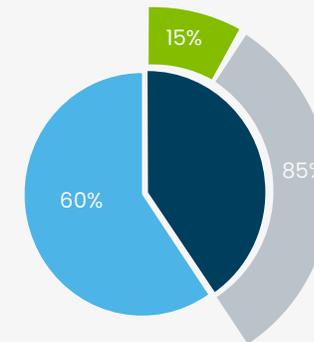
\$10 billion addressable market

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

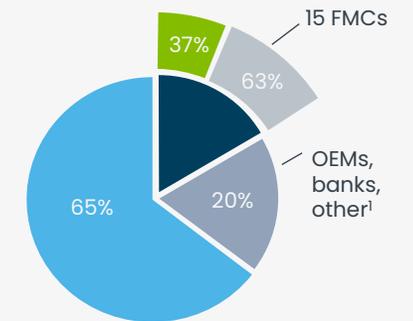
U.S. and Canada



Australia & New Zealand



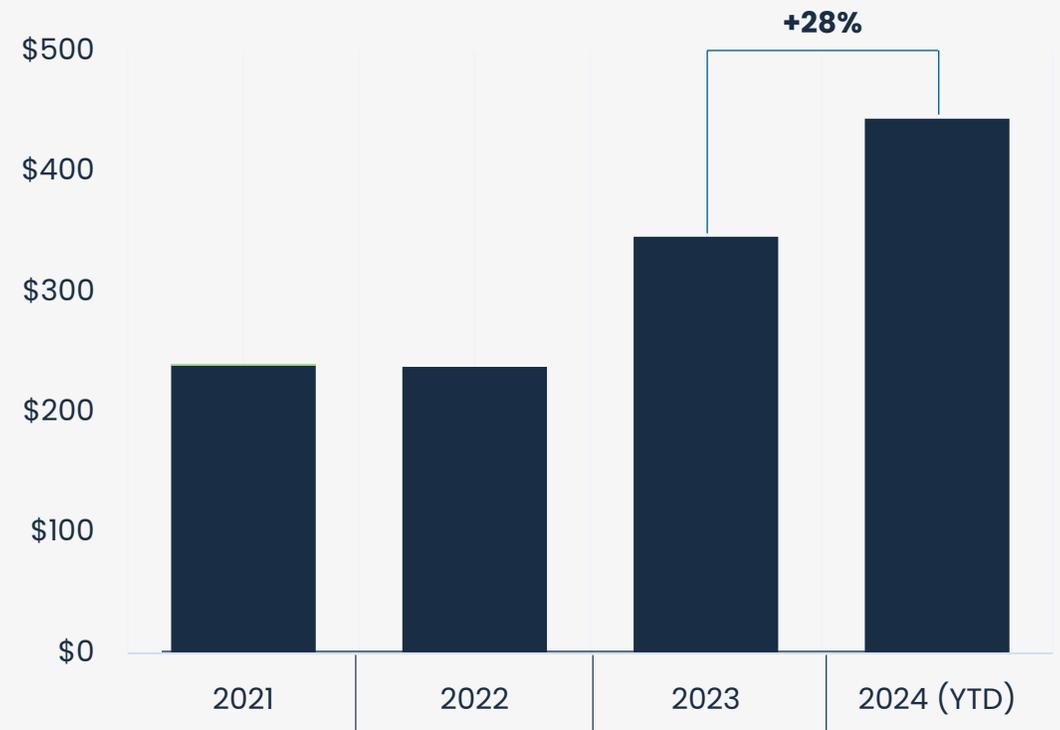
Mexico^{1,2}



Building on our commercial success

- Our global pipeline and conversion rates are trending well
- Our growing global presence and product offering have driven an increase in our opportunity set
- Three-fold increase in conversion rate since 2021, indicative of improved execution

Global Pipeline (Millions)



Case study: Share of wallet



- Introduced Driver Care Connect and Safety Data Integration to a fleet of 16,000 units
- We estimated a 10% reduction in accidents for an anticipated savings of \$1.6 million
- Two years in, a sustained 20%+ decline in accidents, representing \$1.8 million estimated annual savings

Preventable collisions/million miles



The opportunity

- **\$10 billion** total addressable market, with a proven ability for Element to win share
- 3.5 service attachment rate globally, with a growing service offering
- Capitalize on emerging market trends and opportunities in the market – including our digitization and automation efforts



Fleet Electrification

Presenter



Avninder Buttar

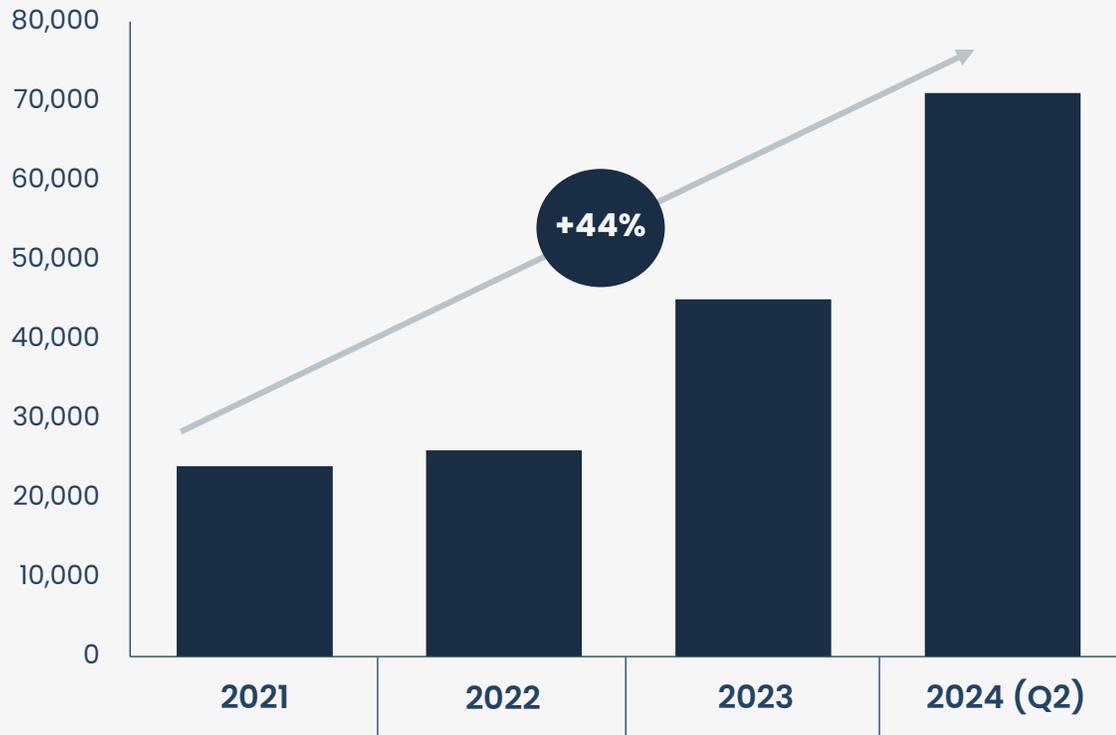
SVP, Head of Electrification

Avninder joined Element in December 2020 and oversees the company's Electrification initiatives.

His role merges his passion for sustainability with his background in developing innovative strategy, which included roles in management consulting at Accenture Strategy, and a variety of corporate roles across industries.

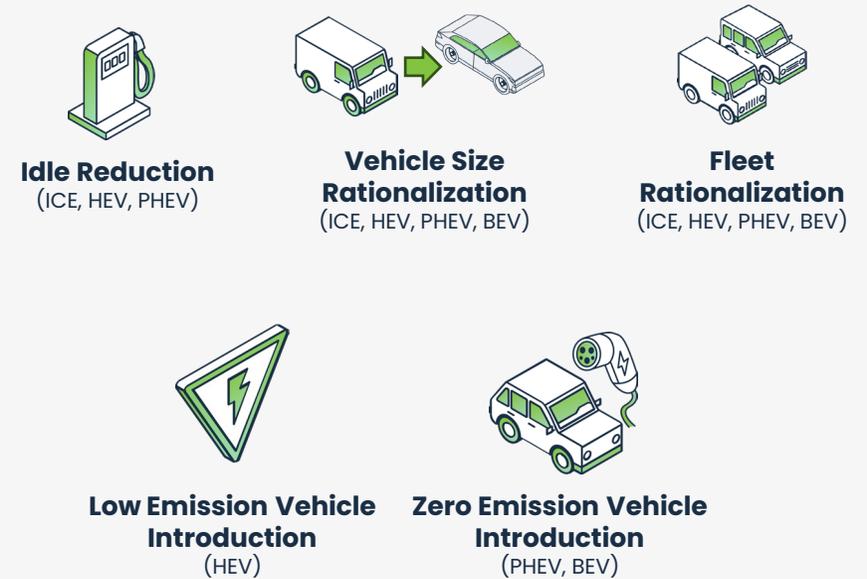
EV client adoption continues to grow

eVUM¹ Growth



1. Internal Element data

Decarbonization Levers



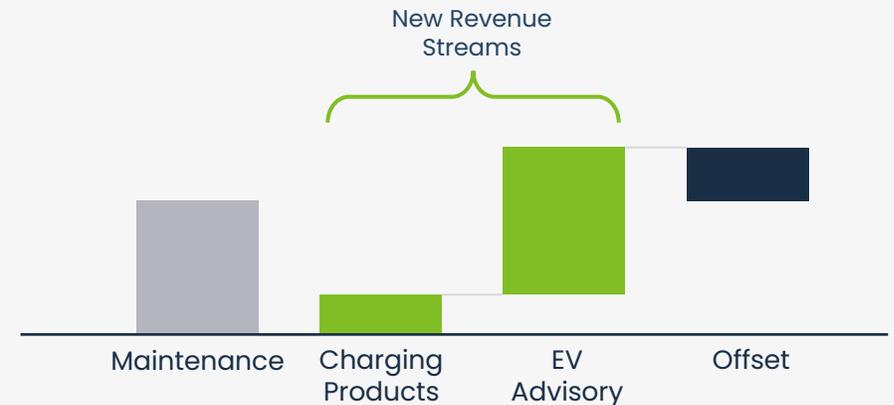
Positive outlook on ICE to EV economics

- Positive near-term outlook – and incremental fees and services will provide a further boost
- Higher cap costs are a primary driver of near-term benefit
- New core service fees and products in the charging, energy, and battery management spaces will be key drivers as the industry slowly transitions towards EV

Current ICE to EV Transition Economics

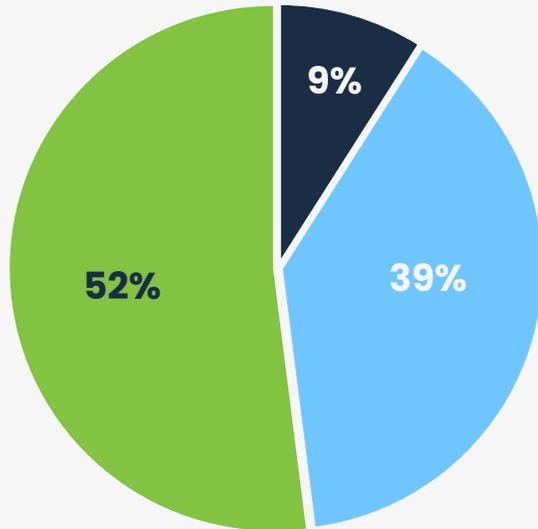


Maintenance Revenue Offset



Opportunity in private charging and energy

**U.S. National Investment –
Charging Infrastructure by 2030**



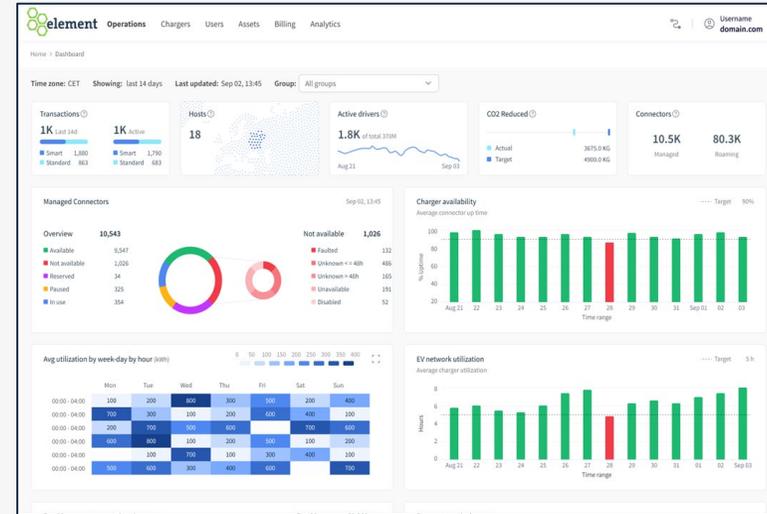
- Public Destination Charging
- Public Fast Charging
- Private Charging

- Volume of charging infrastructure that needs to be deployed before 2030 represents significant potential value for Element
- 80% of charging occurs in private settings – home, workplace, depot
- Private charging will remain the primary use case for commercial fleets due to cost and operational impact of public charging
- Building out products that provide competitive and frictionless access to charging to generate new revenue streams

Sources; National Renewable Energy Laboratory (NREL), McKinsey Centre for Future Mobility, and US Bureau of Labor Statistics

EV intelligence at the core

- Leading with Smart Charging to embed intelligent infrastructure as a platform for our services
- Continue to make prudent investments in talent and technology to ensure leadership in infrastructure, energy, and advisory services
- Elevate our client conversations with a focus on key strategic sustainability goal management
- Lead our clients through their decarbonization journey – expanding beyond fleet
- Deploy energy solutions to access renewable energy, ensure reliability of hardware and generate insights on optimal energy consumption



Creating value from complexity

Element Today

Fleet and EV Infrastructure Management



- Decarbonization Advisory
- Vehicle and Infrastructure Financing and Lifecycle Management
- Commissioning and Maintenance
- Strategic Insights



Opportunity

Mobility and Energy



- Charger and Energy Optimization
- Clean Energy Procurement and Generation
- Monetize Excess Energy Demand
- Regulatory Reporting and Filing

Investing now, to continue leading in the future

3-5 Year Aspirational Goals

4x

Current eVUM

>75%

Client EV Acceptance Rate

>80%

Connectivity (Vehicle or Charger)

- Regulatory environment continues to move towards long-term fleet decarbonization
- Decreasing battery costs and the evolution of EV technology will create lower cost of entry for clients in the near- and medium-term
- Complexity of charging infrastructure will enhance our value proposition to clients
- Self-managed fleets will need to undertake significant investments, or find partners that will support decarbonization efforts
- Increasing focus on sustainability initiatives within large organizations – and Element will lead the way

Digitization and Automation

Presenter

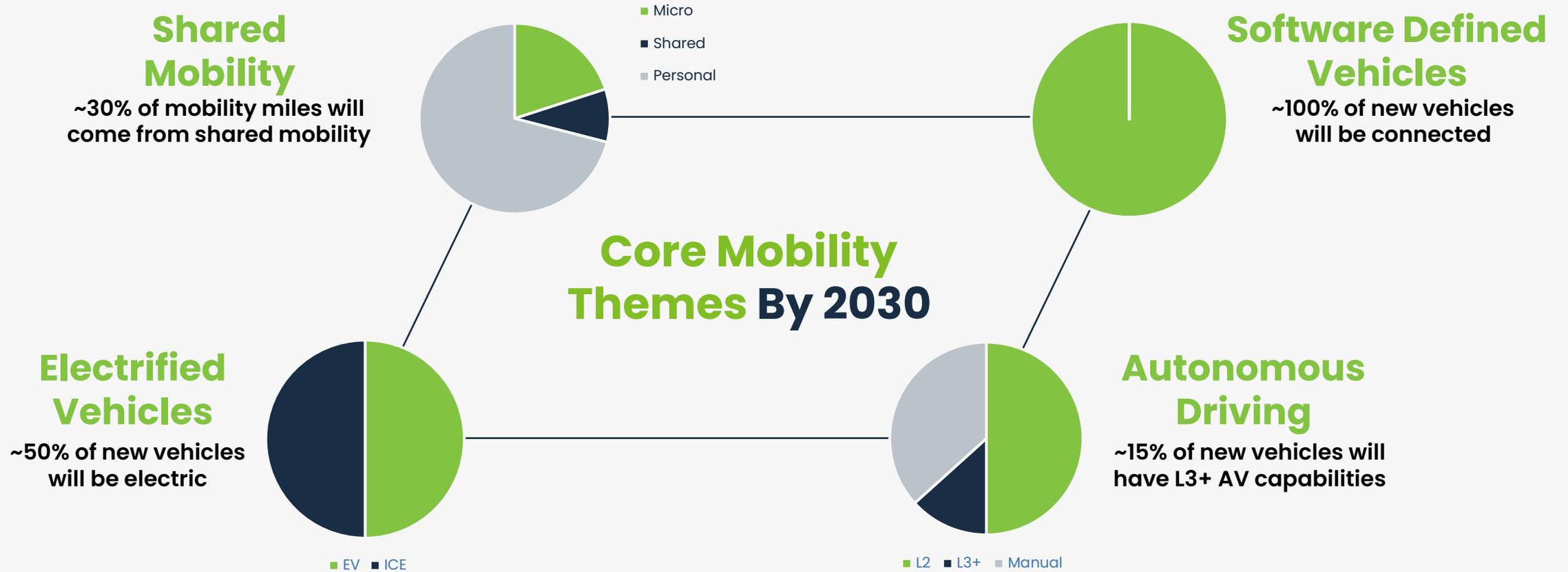


David Attard

SVP, Chief Digital Officer

David Attard joined Element in 2023, as Chief Digital Officer, and is responsible for driving our digital strategy. Most recently, David was SVP, Digital, at a large Canadian financial institution, where he led the digital strategy for Personal and Business Banking. Prior to that he was SVP, Digital Payments Strategy and Innovation at Loblaws, Canada's largest grocery chain.

Key trends shaping the industry and the future



DIGITIZATION AND AUTOMATION

Unlocking new opportunities



Digital user experience today

Key Opportunities

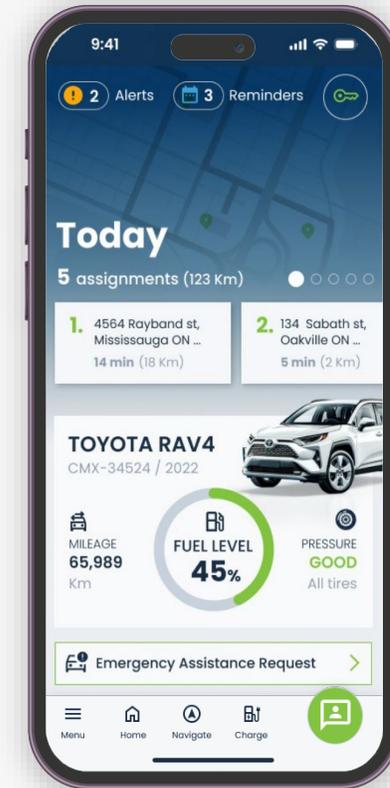
Move from a platform of many to a platform of one

Leverage data for more actionable insights and proactiveness

Better end-to-end digitization to improve experience

Three pillars to our digital vision

1. Digitizing our ecosystem: driver, clients, partners, and team members
2. Using data to convert insights into action
3. Growing share of wallet by expanding into new services



These three core pillars are the foundation that underpin our digital vision and platform strategy

A digital-first fleet and mobility offering

Digital Vision

Be the leading integrated mobility platform, creating a holistic end-to-end ecosystem for clients, drivers, and partners, empowering them with digital solutions and actionable insights.

Ambition

Blend the best of digital and data to deliver seamless experiences that make our clients more efficient, their driver more productive, and our partners more profitable.

DIGITIZATION AND AUTOMATION

Creating a powerful digital ecosystem

- 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 an unmatched, scaled ecosystem that is not easily replicated

Bold aspirations underpin our strategy



3-5 Year Aspirational Goals

+95%
Digital Penetration

+85%
Digital Containment

+70
Industry-leading Digital and Client NPS

Material economic value
Cost savings, revenue capture, net new services

Crafting 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

Presenter



Kobi Eisenberg

President, Element Mobility and Autofleet¹

Kobi is currently the CEO of Autofleet. Upon closing of the Autofleet acquisition, he will assume the role of President of Element Mobility and Autofleet.

Kobi has spent years at the heart of the mobility industry, shaping fleet operations around the world and launching new mobility services. Before co-founding Autofleet, Kobi led product technology teams in other fast-growing startups as well as established corporations.

1. The Autofleet acquisition is scheduled to close on October 1, 2024

Accelerating through...



Kobi Eisenberg – President, Element Mobility and
Autofleet



The Leading Optimization Platform for Fleets

The end-to-end software platform for optimized, reliable and sustainable transportation services for fleets and mobility operators



**Founded
2018**

HQ Tel-Aviv
Subsidiaries in US &
Singapore

**Employees
70**

Global Footprint

Powering leading fleets and mobility operators in over 20 countries.

Autofleet has offices in Israel, US & Singapore

US
New York

Israel
Tel Aviv

Singapore
Singapore

avis budget group



KEOLIS

Hertz

CLP 中電

STRIDESPREMIER



FUJITSU

SCANIA



VGM

End-to-end Planning & Optimization Solutions for Fleets



Fleet Planning Simulator

Simulate your fleet and gain predictable and actionable insights into dozens of operational and financial KPIs



Optimize Fleet Operations

Optimize & automate internal fleet operations to reduce fleet downtime, maximize utilization and revenues



Optimize & Digitize Transport Operations

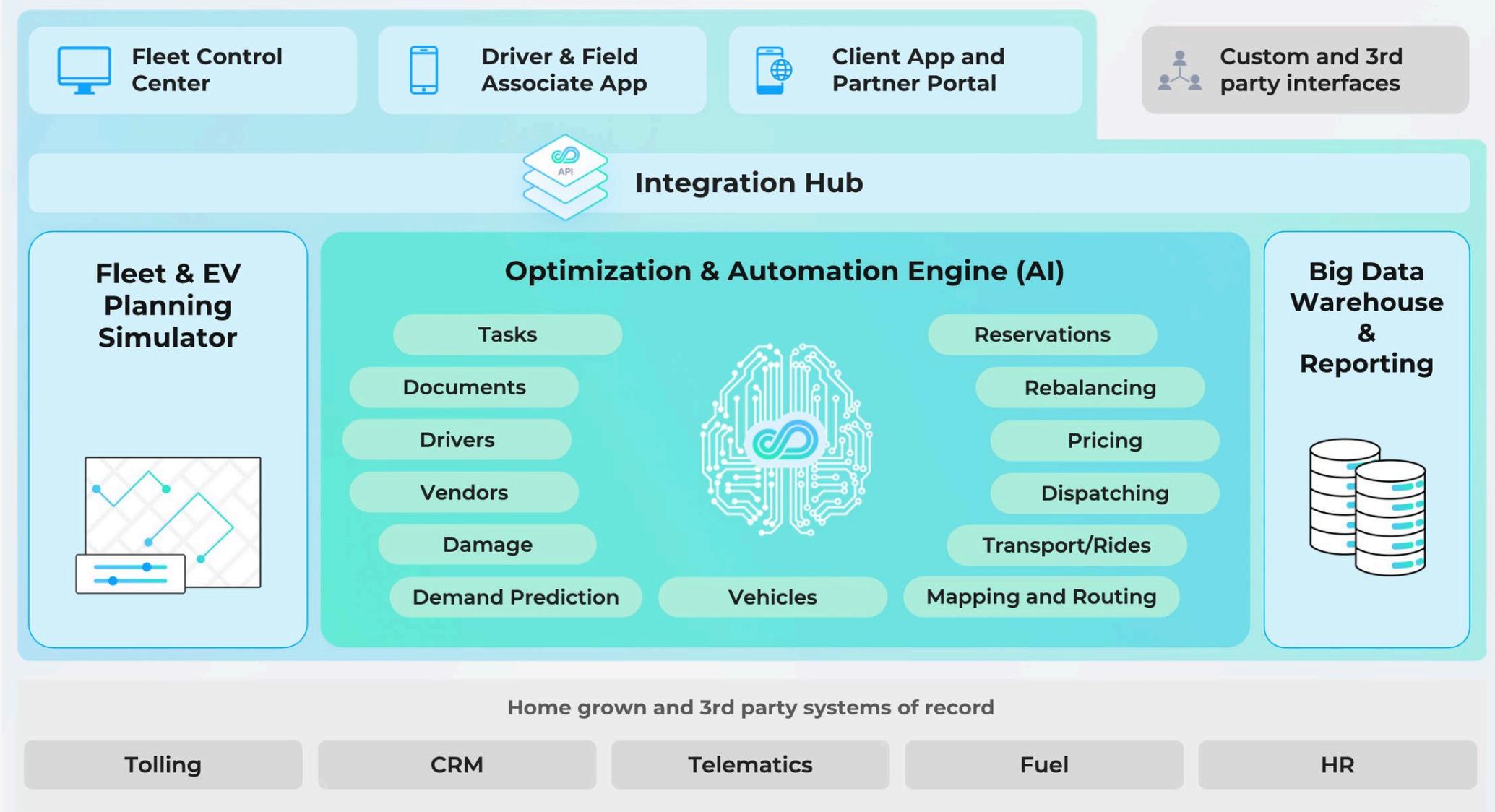
Full digitization of any transport service, providing a seamless customer experience and increased efficiency

Supporting the transition to EV Fleets

- **Simulating EV Fleet Decisions**
Helping fleet owners understand the impact EV selection will have on their operations
- **Optimizing real-time vehicle charging** Automated EV charging optimization for any operation
- **Planning EV charging infrastructure**
Designing the ideal infrastructure deployment in any territory

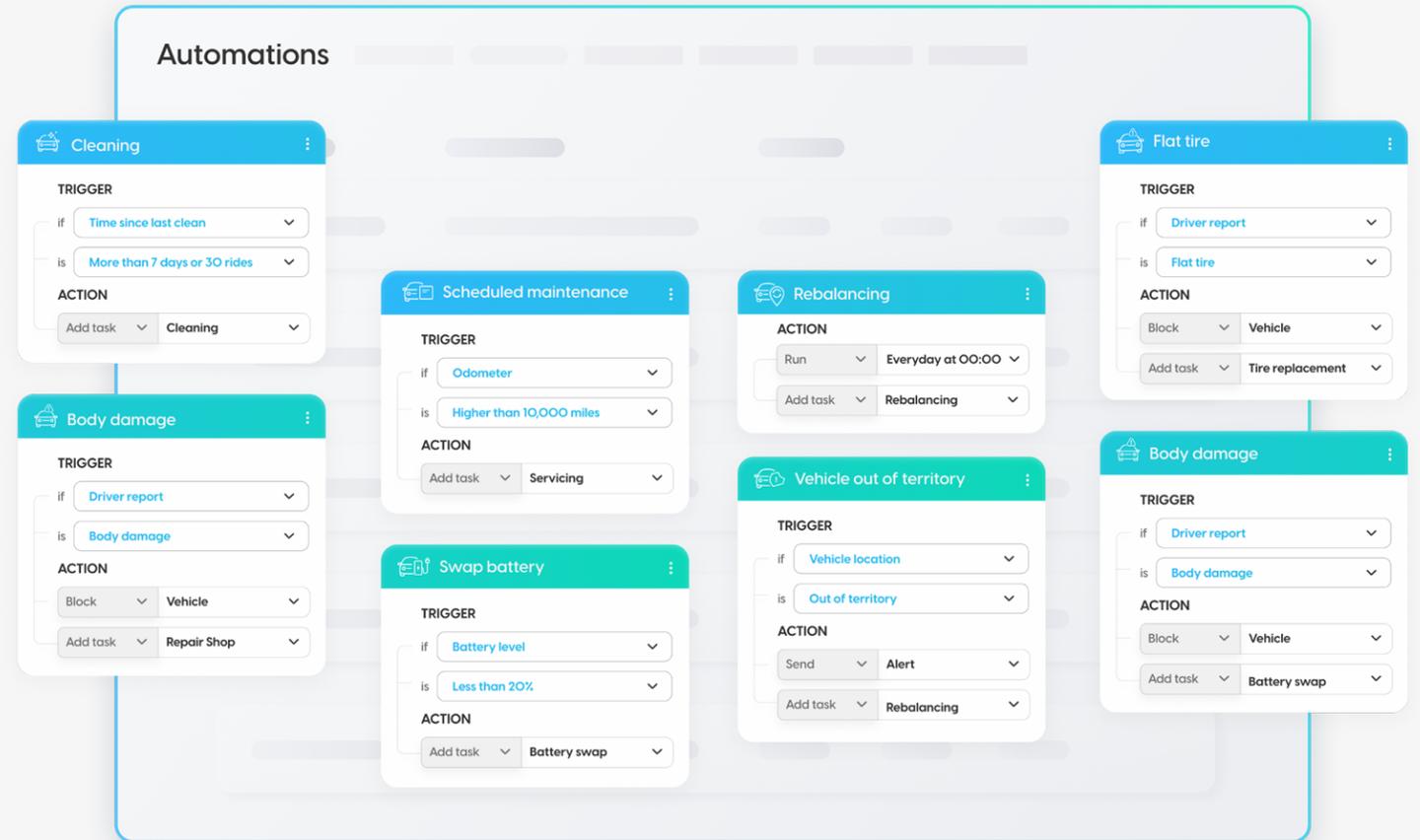


An Operating System for Fleets



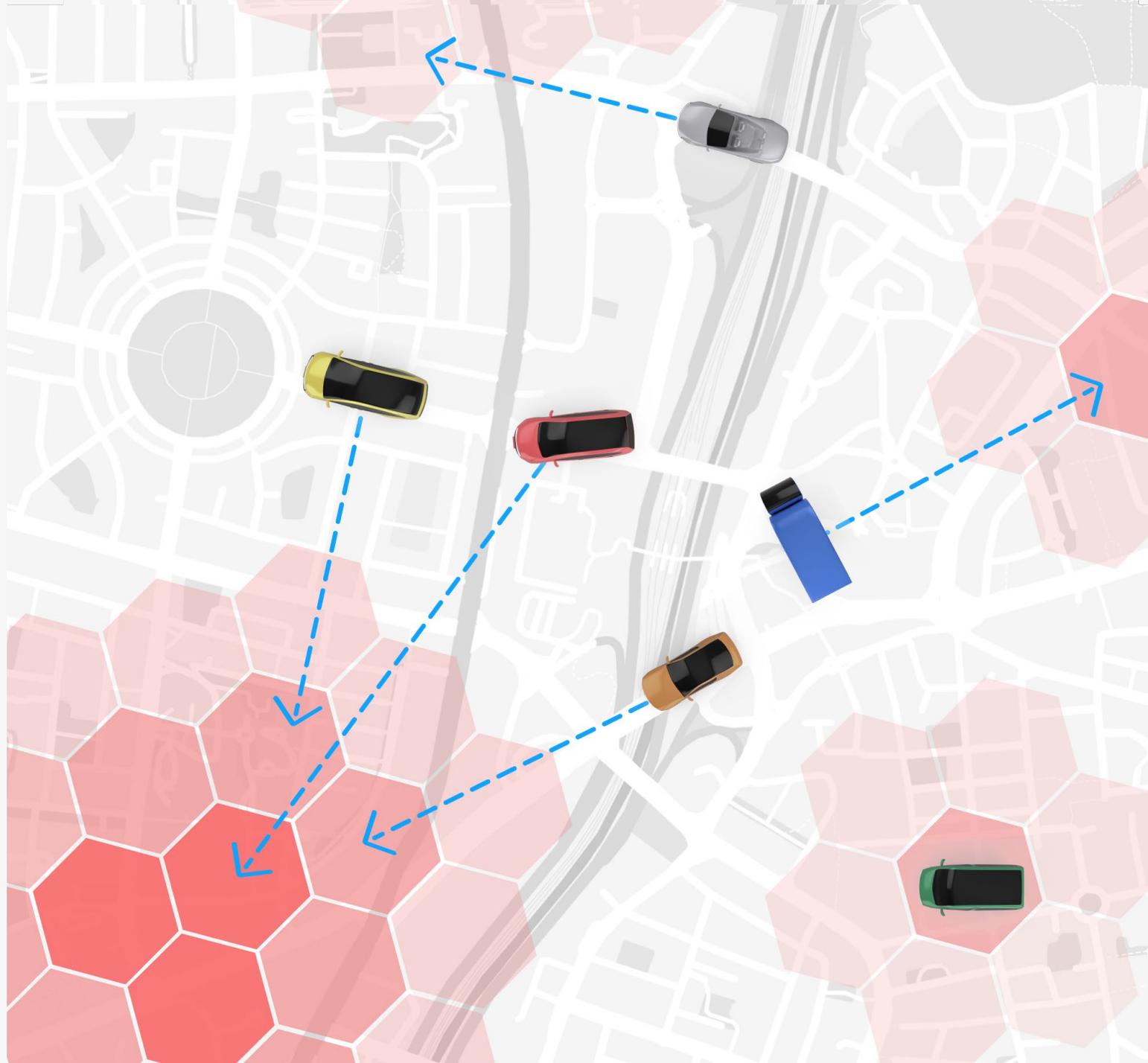
Automations Engine

- Self service and customizable automations for any operational workflow
- Define granular time or event based conditions and policies
- Trigger native tasks or actions in any homegrown or 3rd party systems
- Automated & optimized task execution



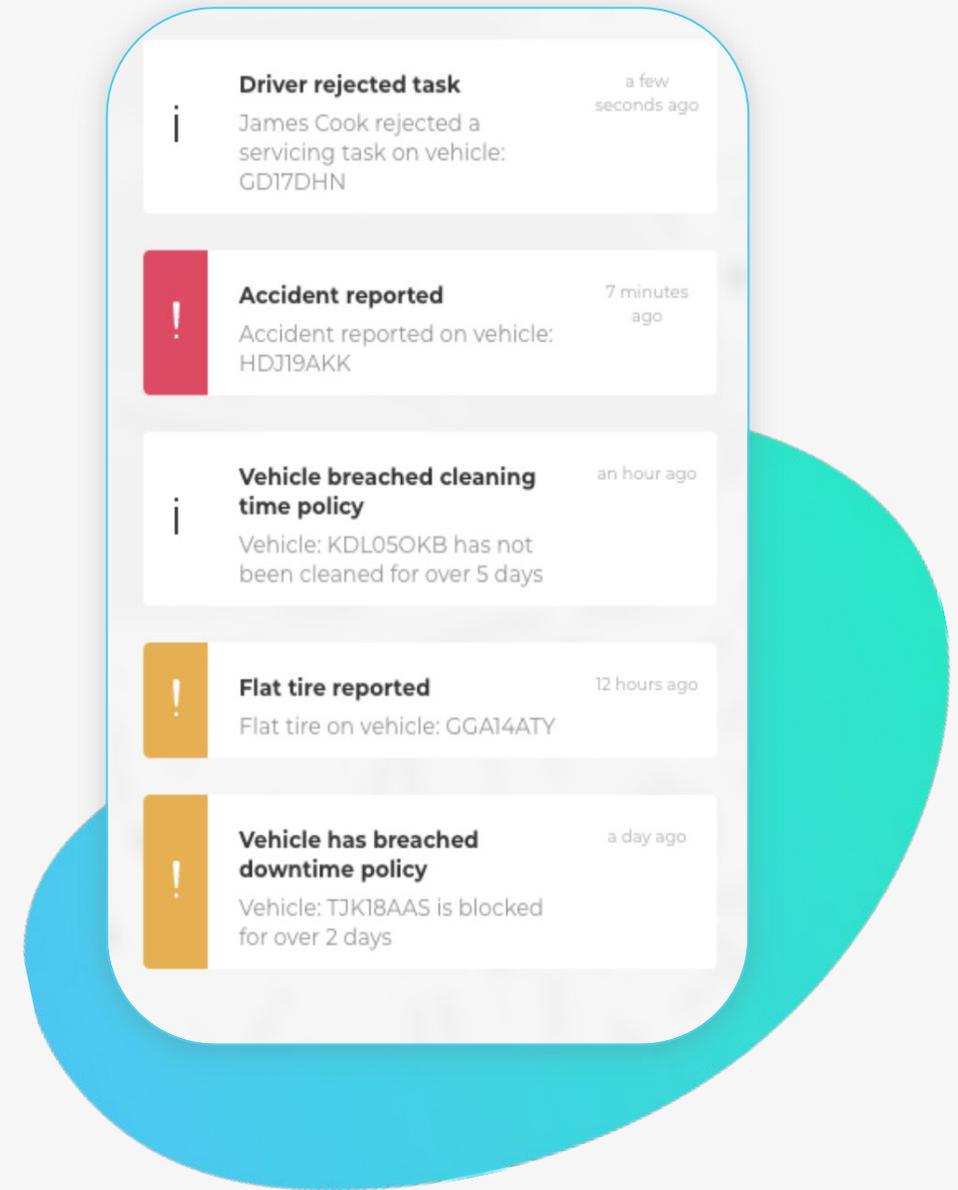
Demand Prediction

- Machine learning algorithm considering historical bookings, seasonality, weather, and relevant operational data points
- Location specific prediction - each fleet station with its own demand profile
- Right-size fleet based on predicted supply / demand dynamic



Anomaly Detection & Real Time Alerts

- Advanced anomaly detection algorithms for proactive alerting before an issue arises
- Configurable triggers based on a fixed schedule or event e.g. “vehicle has not been rented for over 40 days”
- Sent through any communication channel including Email, SMS and Push Notifications

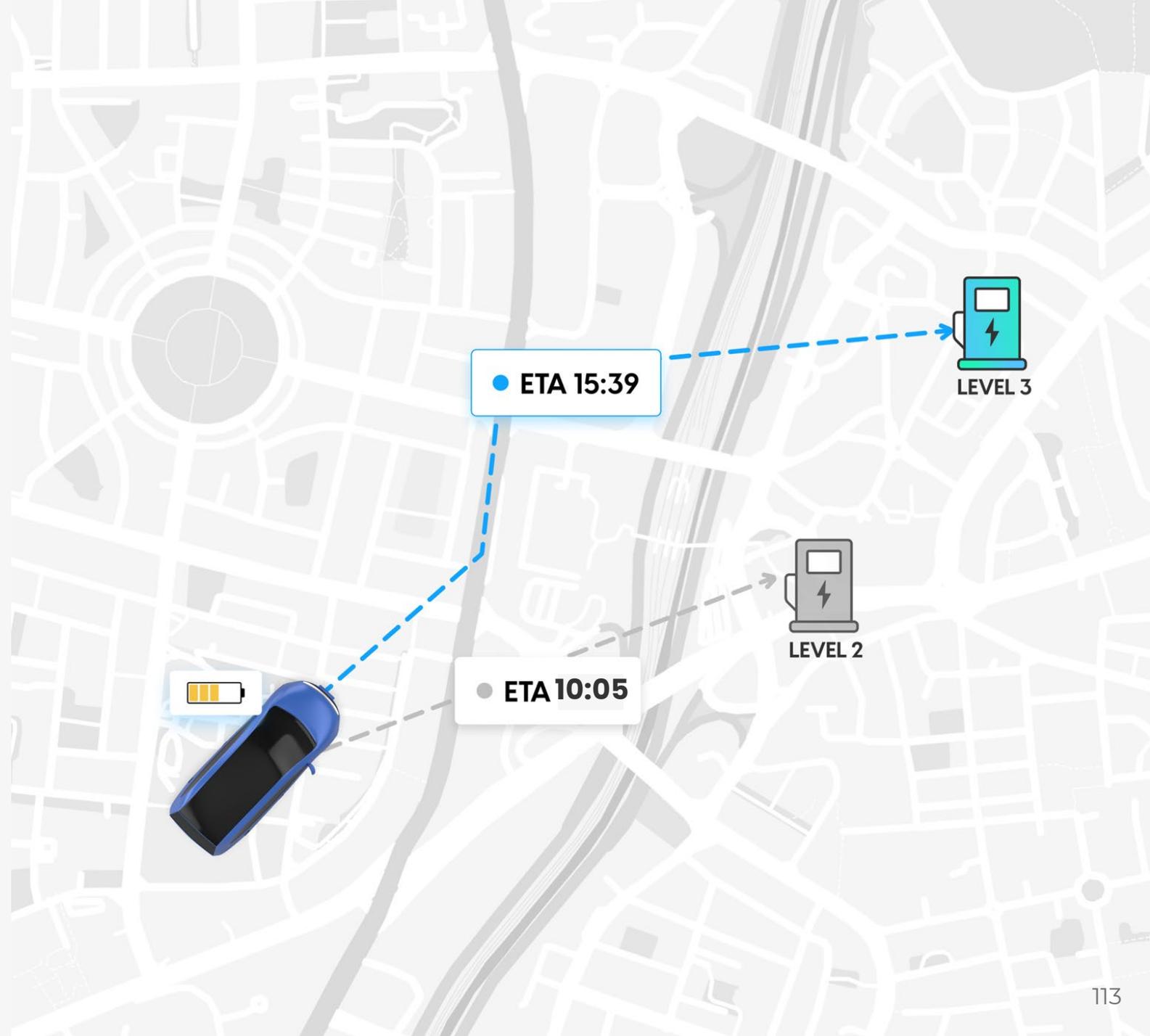


EV Charging Management

Real-time charging decision making and task assignment

Vehicles needing to charge are routed to chargers that minimize downtime across:

- ETA (considering live traffic)
- Queuing time
- Charging time



Advanced Telematics Integrations

Autofleet is deeply integrated with vehicle data and telematics, including two-way integrations to send directives to the vehicle. Shown at right: updating in-vehicle GPS navigation based on route assignment from the Autofleet Driver App

Sample Integrated Partners:

Leading telematics providers e.g. Geotab & Samsara

20+ OEMS

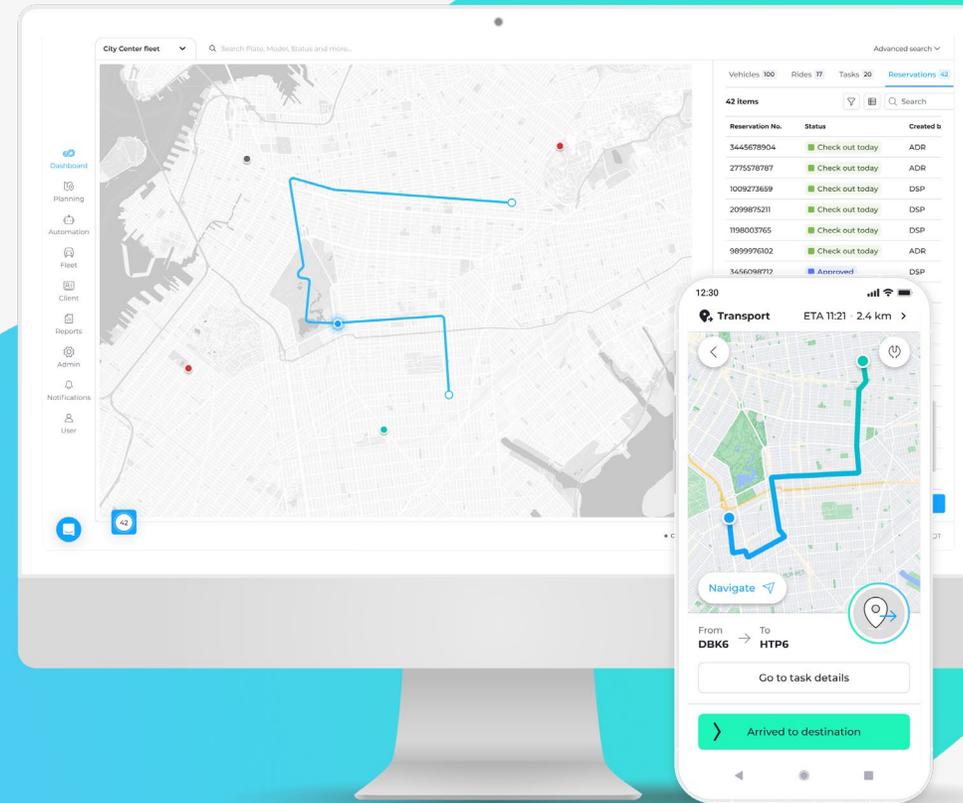
Homegrown in-house systems

Multiple autonomous vehicle platforms



Seamless Customer Experience

- Native Web and Mobile interfaces for fleet managers, drivers, clients and partners
- Real time fleet visibility & control
- Designed for self service
- 'Single pane of glass', aggregating multiple data sources to create actionable operational & financial reporting
- Full customizable to the fleet's needs and processes



Closing remarks



Heath Valkenburg

Incoming EVP and Chief Financial Officer

Heath is a Chartered Accountant with over 19 years of finance experience and industry knowledge, holding senior positions at KPMG and GE Capital, before beginning his long tenure of progressively senior roles at Element.

Prior to relocating to Toronto last year to take on the role of Treasurer, Heath was CFO for Element's Australia and New Zealand business for four years. Heath will succeed Frank Ruperto and become CFO of Element effective March 28, 2025.

Delivering sustained, long-term success

1. Mexico represents an attractive opportunity for continued growth
2. Element has robust organic growth opportunities across all regions
3. Emerging trends and opportunities pave the way for growth beyond the core
4. Digitization and automation will play an important role today and into the future



A solid business with clear opportunity for continued organic growth

