Q2 2021
Investor Presentation

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Forward-looking statements

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 include, but are not limited to, statements with respect to, among other things, the impact that the COVID-19 pandemic may have on Element’s financial condition, operating results and cash flows; the objectives, vision and strategies of Element; anticipated benefits of Element’s transformation plan; the future financial reporting of Element; future cash flows, financial condition, operating performance, financial ratios, projected asset base, capital structure and capital expenditures; Element’s after-tax adjusted operating income per share; Element’s expectations regarding revenue growth; 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; the extent, nature and impact of any value driver to create pre-tax run-rate operating income; 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; Element’s dividend policy and the payment of future dividends; Element’s proposed 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; 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; terms of new instruments issued to refinance Element’s 2024 convertible debentures; the reset rates for Element’s outstanding preferred shares; the extent of its assets and liabilities; and, in the case of the forward-looking statements regarding financial outlook, that Element will achieve the expected benefits, costs and timing of the transformation plan. 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, risks related to the addition of new clients, risks related to the payment of dividends, risks relating to business integration and many other factors beyond the control of Element. The COVID-19 pandemic has cast additional uncertainty on Element’s expectations, estimates, projections, assumptions and beliefs. The duration, extent and severity of the impact the COVID-19 pandemic, including measures to prevent its spread, will have on Element Fleet's business is highly uncertain and difficult to predict at this time. 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 current Management and Discussion and Analysis and Annual Information Form, each of which have been or will be filed on SEDAR and can be accessed at www.sedar.com. 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.

Disclaimer

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 March 3, 2021, 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, 2021, all of which have or will have been filed on SEDAR and can be accessed at Element’s profile on www.sedar.com. 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 Canadian dollars.

Non-IFRS Measures

In this presentation, management uses a number of terms and ratios (including “adjusted operating income” and “after-tax adjusted operating income per share”) which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other organizations. A full description of these measures can be found in Element’s Management Discussion & Analysis for the three- and six-month periods ended June 30, 2021, which have been filed on SEDAR (www.sedar.com). Element believes that certain Non-IFRS Measures can be useful to investors because they provide a means by which investors can evaluate Element’s underlying key drivers and operating performance of the business, exclusive of certain adjustments and activities that investors may consider to be unrelated to the underlying economic performance of the business of a given period.

Please see the definitions of “Adjusted operating income” and “After-tax adjusted operating income per share” provided under the heading “Description of Non-IFRS Measures” in Element’s Management Discussion and Analysis in respect of the period ended June 30, 2021, which is publicly available on SEDAR.

Business overview

The largest pure-play automotive fleet manager in the world, Element (TSX: EFN) is a global B2B and B2G services company

$427 M
LTM Free Cash Flow[1]

53.9%
Operating Margin[1]

15.3%
Return on Equity[2]

- Market leader in North America and Australia / New Zealand
- Resilient recurring revenues from a growing base of loyal, world-class clients across 700+ industries and 5 countries
- Industry-leading scalable operating platform with minimal capex requirements
- Ample free cash flow being returned to shareholders by way of ongoing share buybacks and growing common dividends
- Transparent, accountable, proven management team with track record of creating value for shareholders
- Attractive industry dynamics including high barriers to entry

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1. Last twelve months as of June 30, 2021.
2. Pre-tax return on common equity as of June 30, 2021.

Our resilient business model consistently generates strong cash flows and solid financial results throughout economic cycles

1	**Essential business services provider**	• Fleet vehicles are essential for our clients to sustain revenues and/or meet stakeholder needs, ensuring continuity of demand for and utilization of our services
2	**Compelling value proposition**	• We leverage our scale – purchasing power & data – to reduce the total cost of fleet operations for our clients, who outsource management of their vehicles to Element thereby eliminating in-house administrative burden
3	**High client retention**	• Outsourced business services are virtually never repatriated in-house. The nature of our relationships with our clients translate into high switching costs and thus, very low client turnover: 98% is our historical average annual client revenue retention rate
4	**Widely distributed client base**	• Our company serves over 5,500 clients across five sizable geographies in over 700 industries, mitigating risks of exposure to regional and sectoral business cycles
5	**Organic revenue growth runway**	• 55-65% of our addressable markets are currently unpenetrated, meaning prospective clients currently self-manage their fleets and have never experienced the cost saving and productivity enhancing benefits of outsourced fleet management services
6	**Scalable operating platform**	• Our transformed, industry-leading service platform underpins >50% operating margins that magnify net revenue growth into significantly higher operating income growth
7	**Capital-lighter business model**	• Our evolving capital-lighter business model incorporates increased service penetration (share of wallet) and strategic fleet asset syndication to enhance returns on equity
8	**Excess free cash flow**	• The tax attributes of automotive fleet assets drastically reduce our cash tax burden. Combined with minimal capex required to sustain our operations, Element's free cash flow routinely exceeds our reported earnings

Q2 / H1 2021 Results

Second quarter and first half results reflect consistent focus on growth priorities

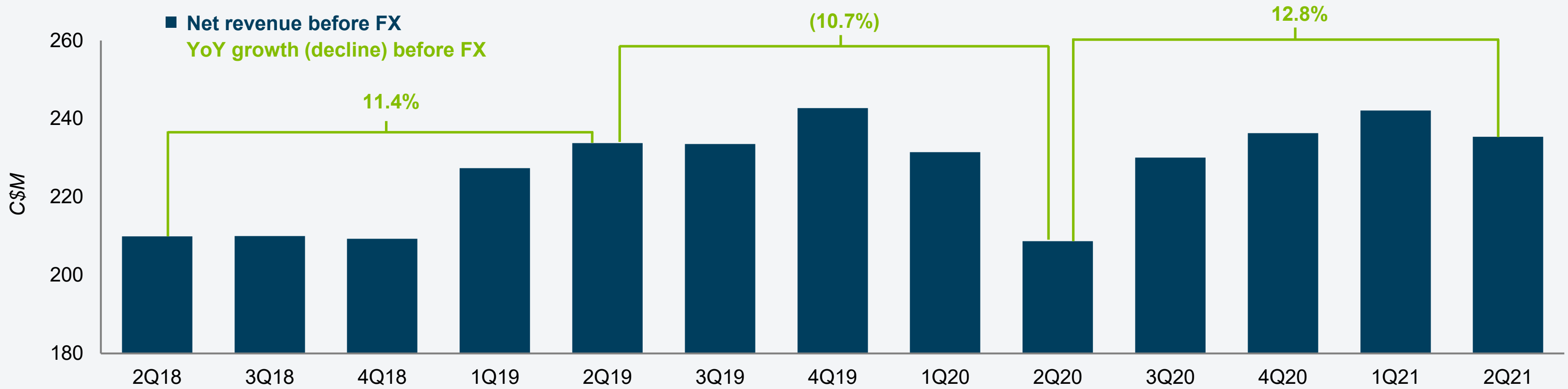
1. Q2 net revenue grew 4.4% year-over-year; 12.8% before the impact of changes in FX
2. Element's scalable operating platform magnified net revenue growth into significantly higher year-over-year adjusted operating income growth of 13.8% (23.4% before FX) to $126.5 million, equivalent to $0.20 adjusted EPS
3. Syndication advanced the Company's capital-lighter business model with $611 million of assets sold in Q2, helping enhance pre-tax return on common equity by 100 basis points quarter-over-quarter to 15.3%
4. ROE-accretive service revenue grew 7.9% year-over-year and 1.4% quarter-over-quarter before the impact of changes in FX, led by the U.S. and Canada where client vehicle usage is approaching pre-pandemic levels
5. Q2 free cash flow of $0.26 per share is a $0.01 increase over Q2 2020 and $0.03 increase over prior quarter; $0.04 increases in both cases before FX
6. Element returned $217.7 million of cash to common shareholders in the quarter by way of dividends and the repurchase of 13,515,159 common shares for cancellation pursuant to its normal course issuer bid (NCIB)

H1 2021 operating margin expanded by 360 basis points from H1 2020, highlighting Element's scalable operating platform

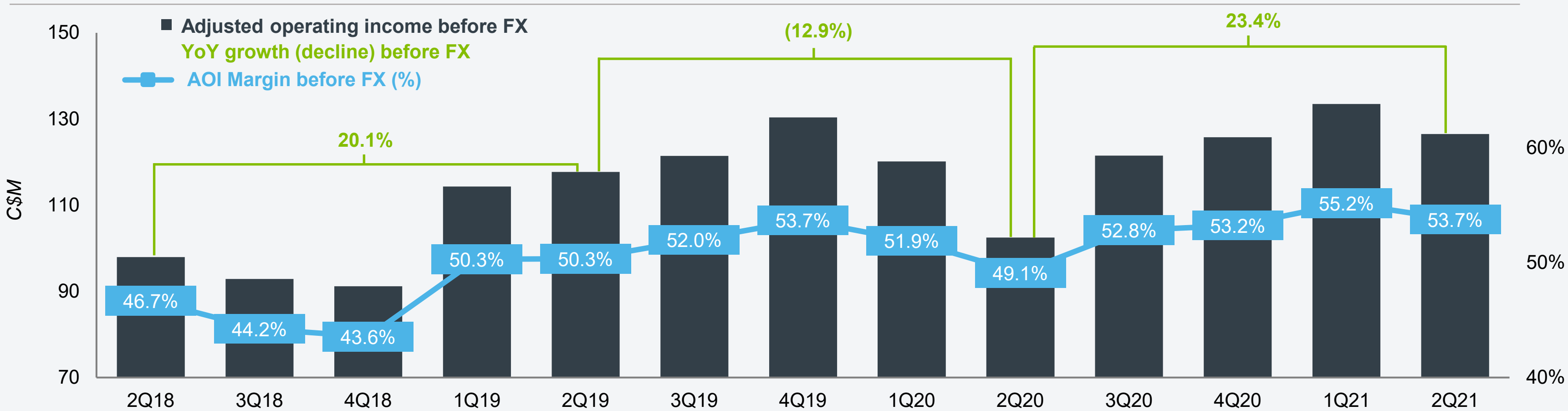
	For the three-month periods ended			For the six-month periods ended	
(values in $000's for stated amounts, except share and per share amounts)	**Jun 30, 2021**	Mar 31, 2021	Jun 30, 2020	**Jun 30, 2021**	Jun 30, 2020
Net financing revenue	**109,352**	111,020	100,655	**220,372**	195,960
Servicing income, net	**113,185**	114,489	114,515	**227,674**	240,362
Syndication revenue, net	**12,865**	23,089	10,333	**35,954**	36,420
Net revenue	**235,402**	248,598	225,503	**484,000**	472,742
Salaries, wages and benefits	**72,654**	73,625	74,859	**146,279**	150,329
General and administrative expenses	**25,826**	27,146	28,590	**52,972**	60,381
Depreciation and amortization	**10,410**	10,526	10,910	**20,936**	21,566
Adjusted operating expenses	**108,890**	111,297	114,359	**220,187**	232,276
Adjusted operating income	**126,512**	137,301	111,144	**263,813**	240,466
Operating margin	***53.7%***	*55.2%*	*49.3%*	***54.5%***	*50.9%*
Provision for taxes applicable to adjusted operating income	**32,577**	32,128	17,783	**64,705**	41,708
Cumulative preferred share dividends	**8,103**	8,103	10,906	**16,206**	21,812
After-tax adjusted operating income attributable to common shareholders	**85,832**	97,070	82,455	**182,902**	176,946
Weighted average number of shares outstanding [basic]	**428,646**	438,503	437,852	**433,547**	437,577
After-tax adjusted operating income per share [basic]	**0.20**	0.22	0.19	**0.42**	0.40
Originations	**1,198,102**	1,286,506	1,306,804	**2,484,608**	3,337,792
Assets under management	**14,516,361**	15,045,231	17,049,689	**14,516,361**	17,049,689

Global net revenue and adjusted operating income growth were particularly strong before the impact of changes in FX

Global net revenue growth YoY



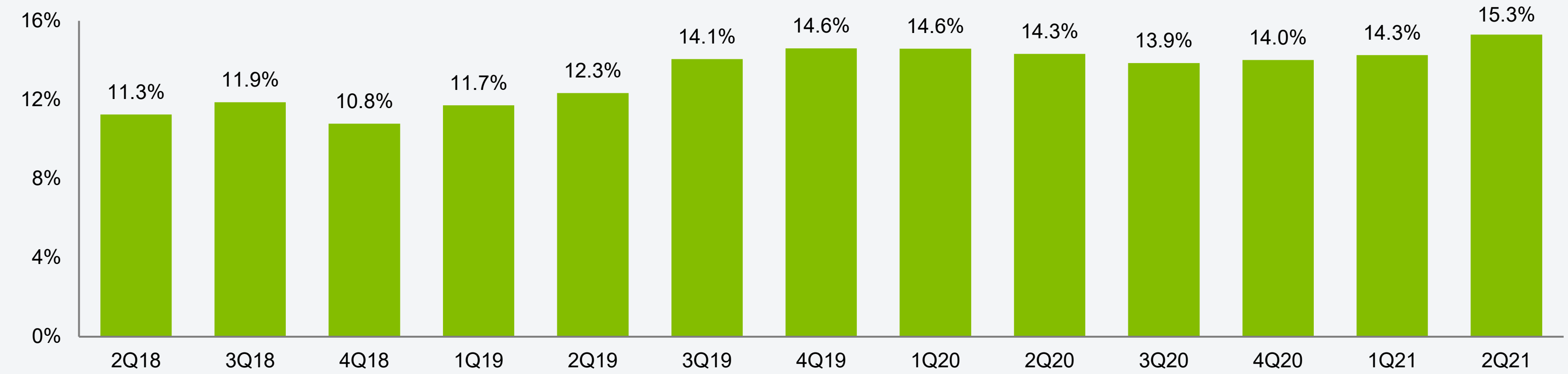
Global adjusted operating income growth YoY



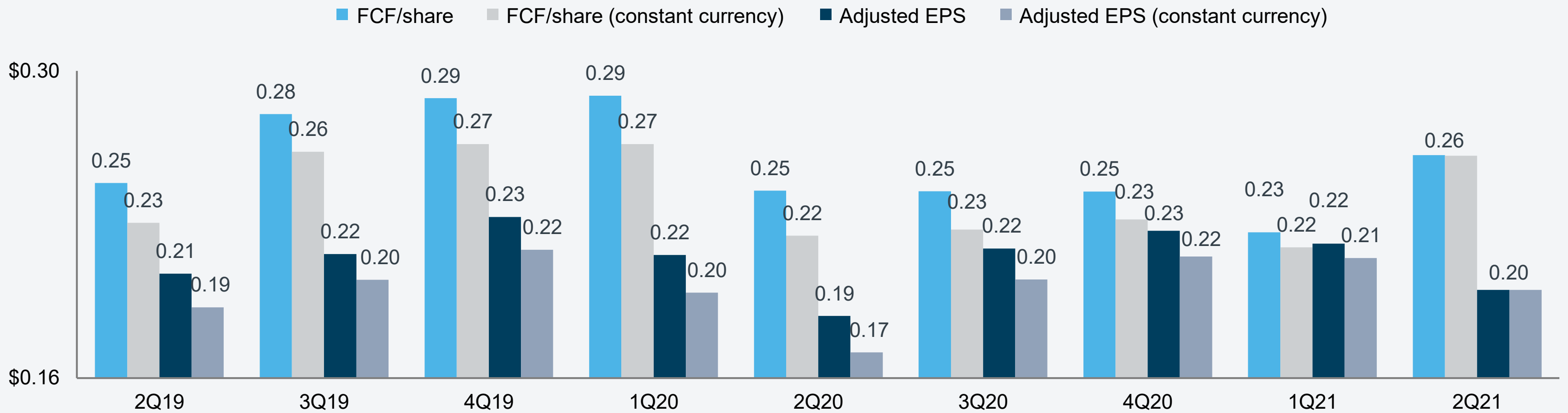
Q2 / H1 2021 Results

Our capital-lighter business model enhances ROE and free cash flow per share routinely exceeds adjusted EPS

Pre-tax return on common equity



Free cash flow



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Deep Dive: Orders to Originations and OEM Production Delays

Deep Dive: Orders to Originations

Lack of Originations growth[1] is a function of supply, not demand; OEMs are unable to fulfill the strong order book we have built

- OEM production delays arising from the microchip shortage have lengthened the supply cycle time from Order to Origination, suppressing 1H21 Origination volumes.
  - Historical average Order-to-Origination cycle times are approximately 60 days in the U.S. and 90 days in Canada. At July 15, 2021 the average was over 125 days in each country – and rising.
  - While ANZ OEMs were less impacted by the chip shortage, dealer inventories remain low with more vehicles being sold into the higher-margin retail channel, reducing supply to FMCs.
  - Mexico has been the least impacted by production delays out of our three operating regions.
- At the same time, Element generated healthy first half Order volumes.
  - 1H21 U.S. and Canadian Orders increased 56% from 1H20 (in constant currency) and are largely consistent with 1H17 and 1H18 Order volumes on the same basis. (1H19 Order volumes in the U.S. were significantly enlarged by Armada.)
  - We believe there is additional near-term client demand for vehicles in the U.S. and Canada that is not reflected in 1H21 Orders, as some clients remained cautious in the first half.
  - Custom Fleet's (ANZ) Orders grew 46% in returning to pre-pandemic levels for 1H21, while Element Mexico's 1H21 Orders grew 42% year-over-year.

Supply is temporarily suppressing Originations growth. Demand remains strong.

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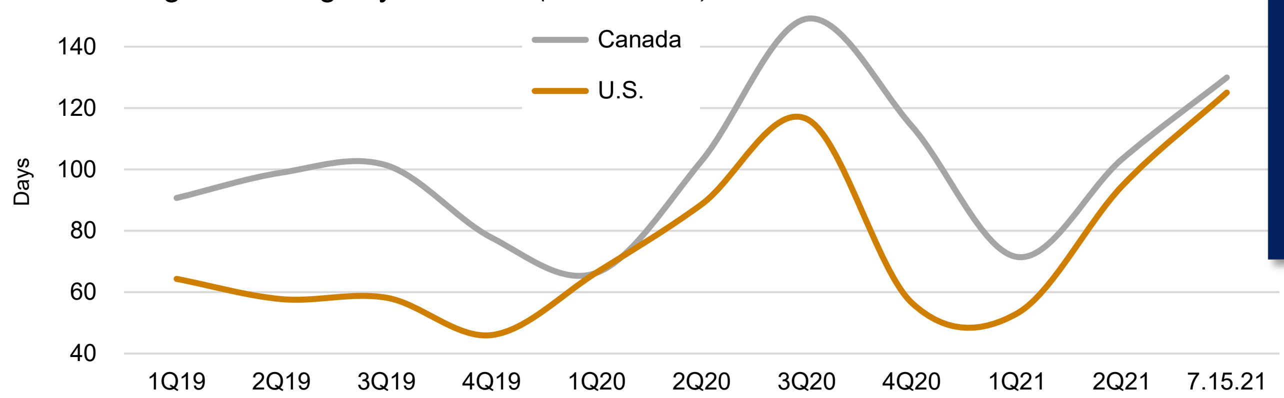
1. Relatively flat Originations of approximately C$1.2B in each of 2Q21, 1Q21 and 2Q20 – on a constant currency basis.
2. Excluding 2Q19 to 1Q20 Armada Order backlogs in the U.S.

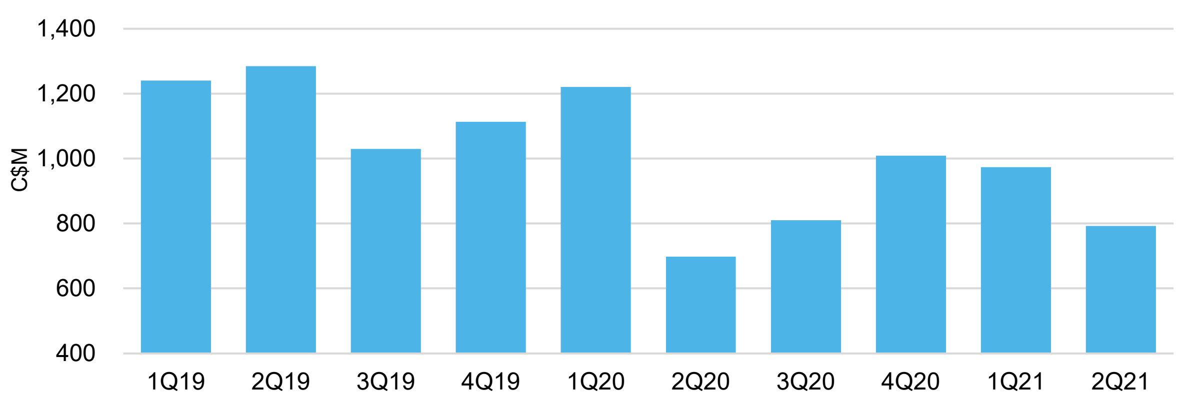
OEM production delays arising from the microchip shortage have lengthened cycle times, suppressing 1H21 Originations

Order to Origination Avg. Cycle Times *(excl. Armada)*



Historical average Order-to-Origination cycle times are approximately 60 days in the U.S. and 90 days in Canada. On July 15, 2021 the average was over 125 days in both countries – and rising.

U.S. & Canadian Originations *(excl. Armada, in Constant Currency)*



Significant Order volume growth opposite OEM production delays has resulted in record Order backlogs[1] in all three regions

- Backlogs represent Orders placed by Element (for our clients) with OEMs, who have accepted those Orders. Upon OEM production of an Ordered vehicle, the Order becomes an Origination.
- Element is liable to purchase Ordered vehicles upon production by OEMs, thereby generating Originations. Upon Order placement, our clients become legally-bound to lease or purchase those vehicles from Element[2] – guaranteeing revenue and cash flow following Originations.
    - We make the complexity of replacing fleet vehicles simple for our clients by ordering, upfitting, delivering, titling, licensing and registering new vehicles – and usually remarketing the older vehicles being replaced.
    - These activities give rise to Net Financing and Service Revenue, and leased vehicles are opportunities for Syndication Revenue where the economics of syndication are superior to holding the leases on-book.
    - These revenues and related cash flows are deferred until an Order becomes an Origination.
- Based on the latest OEM production plans (which continue to be fluid), we expect OEM supply to normalize later in 2H21, drawing down our record Order backlogs and resulting in increased levels of Originations[3] in early 2022.

Record Order backlogs should translate into increased 2022 Originations[3]

- While we await the return of normalized supply, we are generating revenue (such as elevated Gains on Sale in ANZ and Mexico) that we would not otherwise be earning.
    - The time value of money impact on revenue related to deferred Originations is at least partly offset by the one-time and limited-time revenues we are generating as a direct result of OEM production delays.

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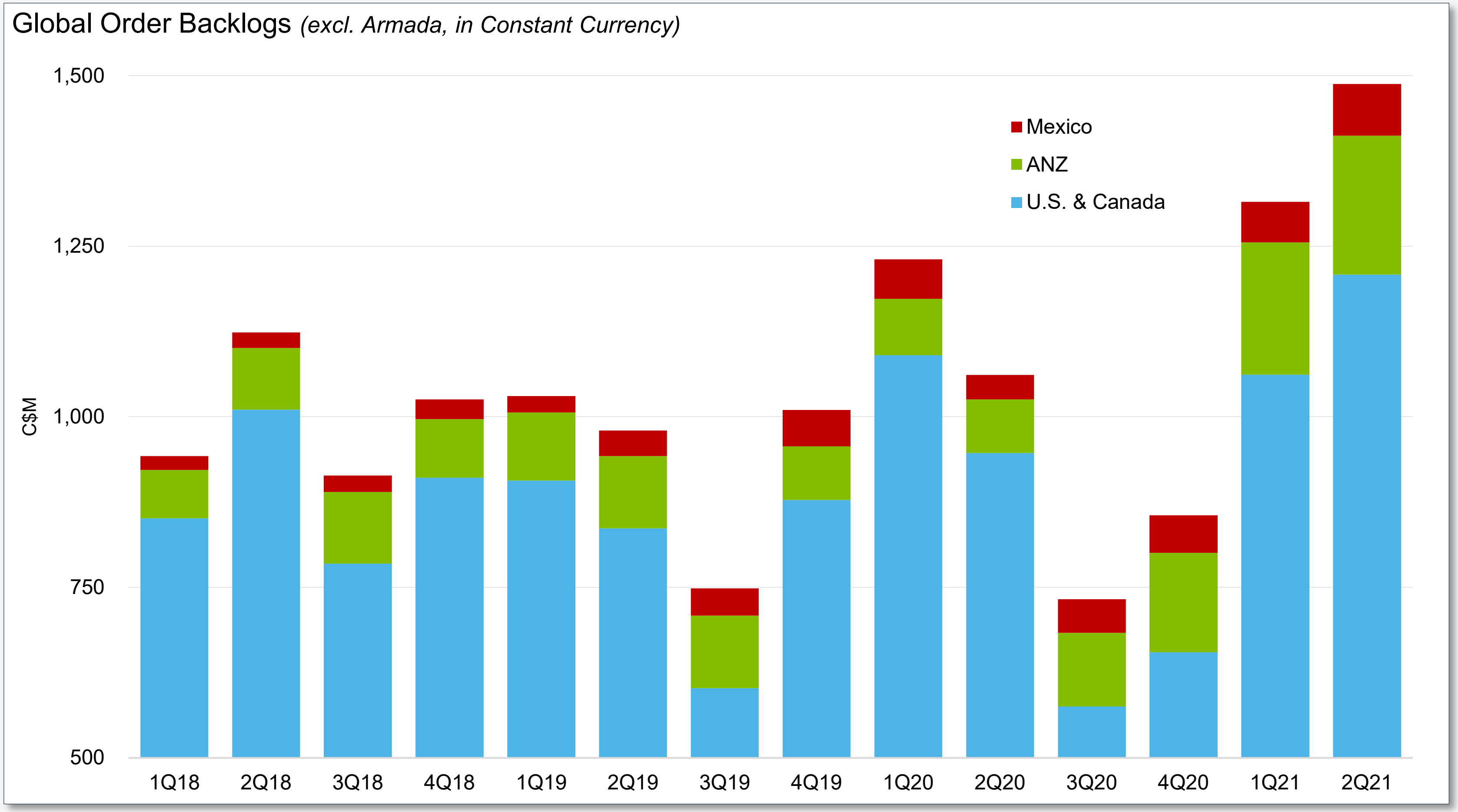
1. Excluding 2Q19 to 1Q20 Armada Order backlogs in the U.S.
2. Under the terms and conditions of our agreements with our clients.
3. “Increased [levels of / 2022] Originations” compared to historical run-rates. (“Run-rates” exclude 2019 and 2020 Armada Originations.)

Deep Dive: Orders to Originations

Significant Order volume growth opposite OEM production delays has resulted in record Order backlogs[1] in all three regions



1. Excluding 2Q19 to 1Q20 Armada Order backlogs in the U.S.

Deep Dive: Orders to Originations

We expect normal OEM production to resume later in 2H21, drawing down our backlogs and increasing 2022 Originations

Illustrative *normal* U.S./Canadian lease timeline from Order to Origination, billing and payment[1]

- Short end of the range for leases
- Long end of the range for leases

Implementation, which often begins before final negotiated contracts are executed

30 days

75 days

Order placed during implementation; vehicle production ~60-100 days in US/CA; origination occurs once vehicle is produced

60 days

100 days

Origination occurs; pre-lease revenue begins to accrue; vehicle delivery can take ~30-60 days

30 days

60 days

Vehicle delivered to client; additional pre-lease revenue accrues. Can take ~15-60 days to activate lease and issue first bill

15 days

60 days

Within ~15-20 days of first bill issuance, first payment of lease and pre-lease charges received; first recognition of cash flow

15 days

20 days

Total time from vehicle order to receipt and recognition of cash flow

~4 months

~8 months

1. Note: Process and timing of service revenue recognition and receipt of cash flow differs; please see Supplementary Information document (available on Element's website) for an illustrative normal U.S./Canadian service implementation, billing and payment timeline

Key Takeaways

1. Client demand for vehicles is strong; OEM supply has limited Originations
2. This supply / demand mismatch has created record EFN Order backlogs
3. The situation is temporary; we expect OEM supply to normalize later in 2H21
4. Normal OEM production drawing down record Order backlogs should result in increased levels of 2022 Originations[1]
5. In the meantime, we are generating revenue we would not otherwise earn

1. "Increased levels of 2022 Originations" compared to historical run-rates. ("Run-rates" exclude 2019 and 2020 Armada Originations.)

Strategic priorities

Strategic priorities

Having transformed the business, we are focused on achieving our strategic priorities for 2021 and beyond

	2018-2020	2021 – 2022 – 2023 – …
Solidify and grow the core business	Transform the operating platform	Aggressively pursue organic revenue growth and leverage our scalable operating platform
Optimize the capital structure	Strengthen the balance sheet	Advance a capital-light*er* business model that enhances return on equity
Maximize cash-generating capabilities		Materially grow annual free cash flow and predictably return excess to shareholders
Focus on the fleet business	Divest of non-core assets	

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We are aggressively pursuing profitable net revenue growth

Five sources of global net revenue growth in 2021:

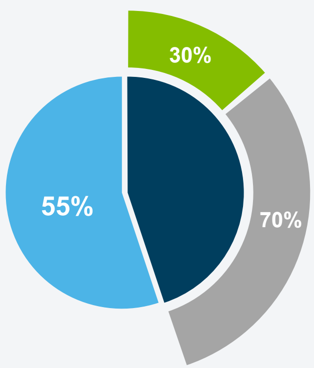
1. Retaining existing clients (improving on 98% industry average)
2. Increasing client profitability and service penetration (share of wallet)
3. Winning new clients from other FMCs (improved salesforce effectiveness)
4. Converting self-managed fleets into Element clients
5. Reducing costs that offset gross revenues to derive net revenue

Strategic priorities

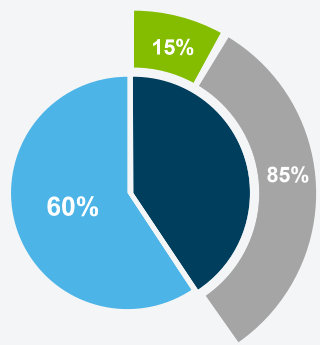
Self-managed fleets represent a very large opportunity for sustained organic net revenue growth across our footprint

- Self-managed fleets
- FMC[1]-managed fleets
- Element
- Other FMCs

U.S. & Canada



Australia & New Zealand



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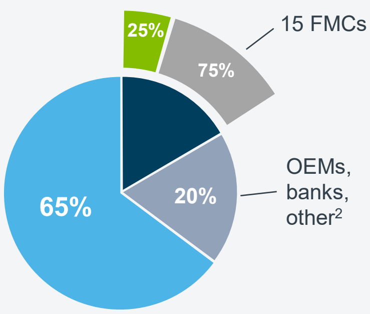

Annual potential net revenue to FMCs

$6.0 billion

$3.3 billion

$3.6 billion

1. Fleet Management Companies like Element
2. ~20% of the Mexican fleet market procures financing (only) from OEMs, banks and other commercial lenders.

Element is committed to sustainability and we are leading with the transparency and integrity we are known for

As part of our commitment to ESG, our ESG Scorecard will be incorporated into and linked to Element's Global Balanced Scorecard – to drive performance in the coming years. In 2021, Element's first year formally tracking ESG metrics, our priority is to develop a robust baseline, which we will publish in our second annual ESG Report in 2022. As our ESG strategy matures, our Scorecard will evolve in alignment.

	2021 Strategic Objectives	2021 Metrics
Sustainability Reduce carbon footprint and invest in green technology	• Reduce client fleet petroleum consumed	• Cumulative grams of CO_2 saved
	• Reduce EFN carbon emissions	• Electrification of internal fleet
	• Enable client fleet electrification	• EV originations
Diversity and Inclusion Foster D&I in our workforce and in our communities	• Attract and develop a diverse workforce	• Diversity representation
	• Promote diversity across our supply chain	• Track pass-through spend/volume driven to minority and women-owned suppliers
	• Give back to our communities	• Total employee volunteered time • Corporate donations
Satisfaction & Safety Prioritize client and employee Safety & Satisfaction	• Improve employee and client satisfaction	• Global Employee Engagement Index • Global NPS Score
	• Improve client and driver safety	• Number of accidents per million kilometers driven
Governance Increase ESG reporting, education and awareness	• Improve external ESG scores	• EcoVadis and ISS scores
	• Board composition	• Director independence, diversity and tenure

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A global fleet leader

Element is the largest pure-play automotive fleet manager in the world, providing B2B / B2G services that lower clients' total cost of fleet operations and make their vehicles and drivers safer, smarter and more productive.

Dominant market position in North America and the market leader in Australia / New Zealand

Resilient recurring revenues from a growing base of loyal, world-class clients across 700+ industries

Ample free cash flow returned to shareholders through common dividends and share buybacks

Accountable management with proven ability to create value

Reliable 4-6% annual net revenue growth in normal market conditions