Q3 2020
Investor Presentation

element

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 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 implementation of Element’s systems integrations and organizational revisions; 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 2020 convertible debentures and 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 23, 2020, and under the headings “Risk Management” and “Critical Accounting Policies and Estimates” in Element’s Management Discussion and Analysis for the three- and nine-month periods ended September 30, 2020, 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 nine-month periods ended September 30, 2020, 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 September 30, 2020, which is publicly available on SEDAR.

Element's foundational strengths position it for continued market leadership and profitable organic growth

$465+ M
LTM Free Cash Flow[1]

53.0%
Operating Margin[2]

$16+ B
Assets Under Management[3]

- #1 in North America and Australia / New Zealand
- Attractive industry dynamics with high barriers to entry
- Well diversified across clients, industries, geographies, revenue and funding sources
- Investment grade balance sheet and maturing capital structure
- Approx. two-thirds of portfolio with investment grade clients
- Management team with proven ability to create value for investors with full accountability and transparency

The largest pure-play automotive fleet management company in the world.

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1. Last twelve months as at September 30, 2020.
2. For the quarter-ended September 30, 2020.
3. As at September 30, 2020.

Our business model is designed to be resilient, consistently delivering solid financial results throughout economic cycles

1	Essential business services	• Fleet vehicles are mission-critical for clients to generate and sustain revenues, ensuring continuity of demand, payments and service utilization.
2	Compelling value proposition	• We use our scale – purchasing power & data – to drive down the total cost of fleet operations for our clients, and our services and solutions eliminate the administrative burden of in-house fleet management.
3	High client retention	• The nature of the assets and relationship translate into high switching costs and thus low client turnover: approximately 98% historical average annual retention rate.
4	Blue-chip clients	• Two-thirds of our portfolio is with investment grade clients (publicly rated or "investment grade equivalent"), with many of the Fortune 500 represented.
5	Widely distributed client base	• Our assets are at work for clients across five sizable geographies and over 700 standard industrial classifications, mitigating concentration risks.
6	Effective protection against default	• Clients with deteriorating credit are usually able to restructure rather than liquidate. In a restructuring, our leases are usually affirmed, ensuring continuity of payments to Element. Our leases contain cross-default provisions, and no force majeure clauses.
7	Historically strong credit performance	• Our leases are cross-collateralized and fleet vehicles are highly liquid. During and after the Great Financial Recession, the businesses that now make up Element experienced less than 10 bps of credit loss (as a % of finance receivables) in their worst years.
8	Strong funding capacity	• We have ready access to cost-efficient capital, with both securitization and syndication programs, and we maintain multiple committed alternatives to fund the business should access to the ABS or syndication markets become constrained for any reason.

Q3 2020 Results

Solid financial and operating results, the achievement of strategic milestones and the announcement of a capital return plan

1. Q3 adjusted operating income increased 16% quarter-over-quarter to $129 million, equivalent to $0.22 of adjusted EPS and $0.25 of free cash flow per share

2. Transformation program surpassed end-goal of $180 million in annual run-rate pre-tax profit improvement initiatives, reaching cumulative $189 million actioned and delivering $94 million of operating income enhancement year-to-date

3. Accounts receivable (including delinquent account balances) have returned to pre-COVID-19 levels and impaired receivable balances have improved beyond pre-COVID-19 levels

4. Series G preferred shares were redeemed in full at quarter-end, further maturing capital structure by eliminating most expensive preferred share series

5. Announced capital return strategy:
    - a 44% common dividend increase, from $0.18 to $0.26 annually per share; and
    - the establishment of a normal course issuer bid to repurchase EFN common shares – subject to TSX approval

Q3 2020 results

Operating results include quarter-over-quarter improvements on all three revenue streams and flat adjusted operating expenses

	For the three-month periods ended			For the nine-month periods ended	
(values in $000's for stated amounts, except per share amounts)	**Sept 30, 2020**	June 30, 2020	Sept 30, 2019	**Sept 30, 2020**	Sept 30, 2019
Net financing revenue	**103,272**	100,655	100,531	**299,232**	310,963
Servicing income, net	**124,734**	114,515	122,181	**365,096**	364,591
Syndication revenue, net	**15,246**	10,333	23,084	**51,666**	62,039
Net revenue	**243,252**	225,503	245,796	**715,994**	737,593
Salaries, wages and benefits	**74,910**	74,859	79,904	**225,239**	244,551
General and administrative expenses	**28,789**	28,590	27,765	**89,710**	86,155
Depreciation and amortization	**10,568**	10,910	10,477	**32,134**	31,307
Adjusted operating expenses	**114,267**	114,359	118,146	**346,543**	362,013
Adjusted operating income	**128,985**	111,144	127,650	**369,451**	375,580
Provision for taxes applicable to adjusted operating income	**21,927**	17,783	22,339	**63,635**	68,246
Cumulative preferred share dividends	**10,875**	10,906	11,071	**32,687**	33,399
After-tax adjusted operating income attributable to common shareholders	**96,183**	82,455	94,240	**273,129**	273,935
Weighted average number of shares outstanding [basic]	**438,842**	437,849	435,140	**437,997**	434,487
After-tax adjusted operating income per share [basic]	**0.22**	0.19	0.22	**0.62**	0.63
Originations	**1,279,263**	1,306,804	2,106,603	**4,617,054**	5,625,961
End-of-period assets under management	**16,148,812**	17,049,689	16,169,794	**16,148,812**	16,169,794

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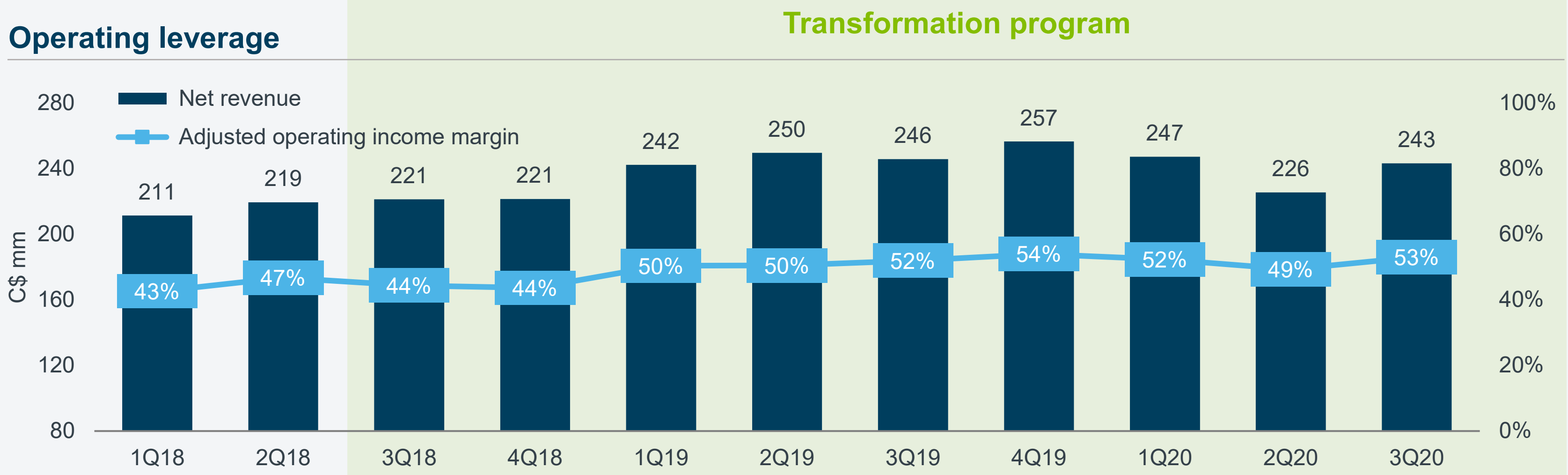
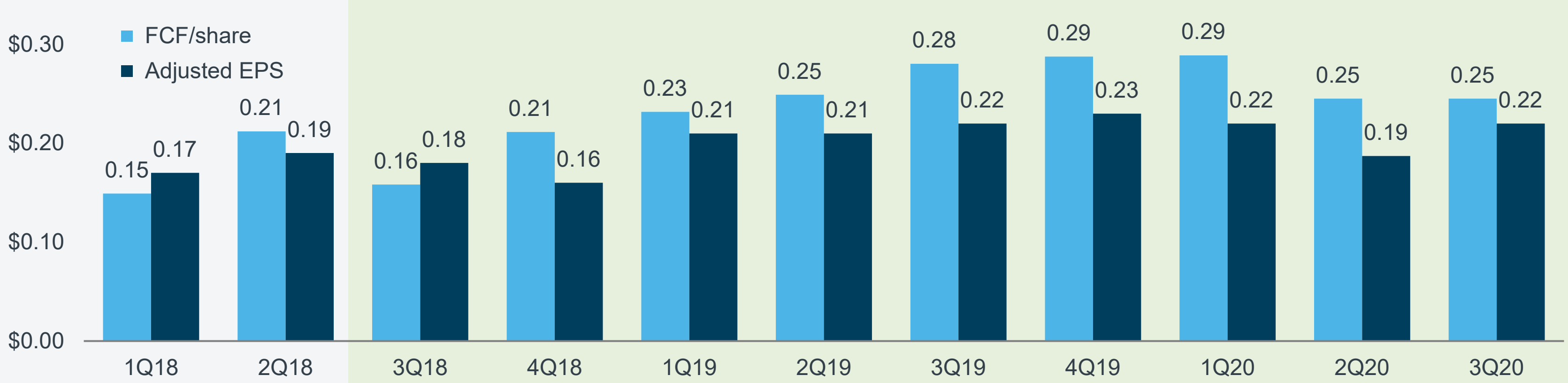
Q3 2020 results

Transformation has improved operating leverage and increased free cash flow

Operating leverage



Free cash flow



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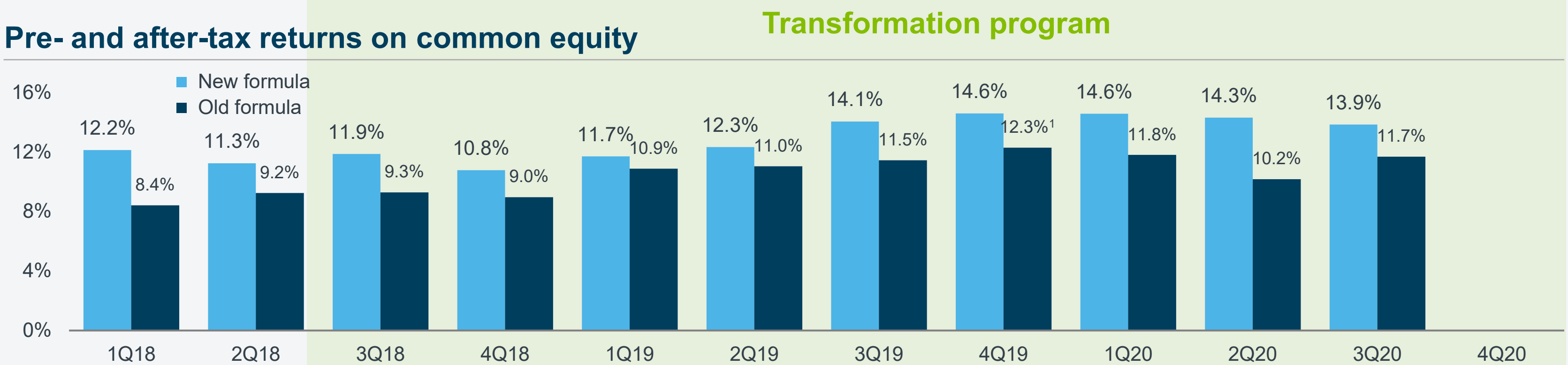
Syndication and transformation continue to enhance returns on equity and accelerate de-leveraging

Pre- and after-tax returns on common equity

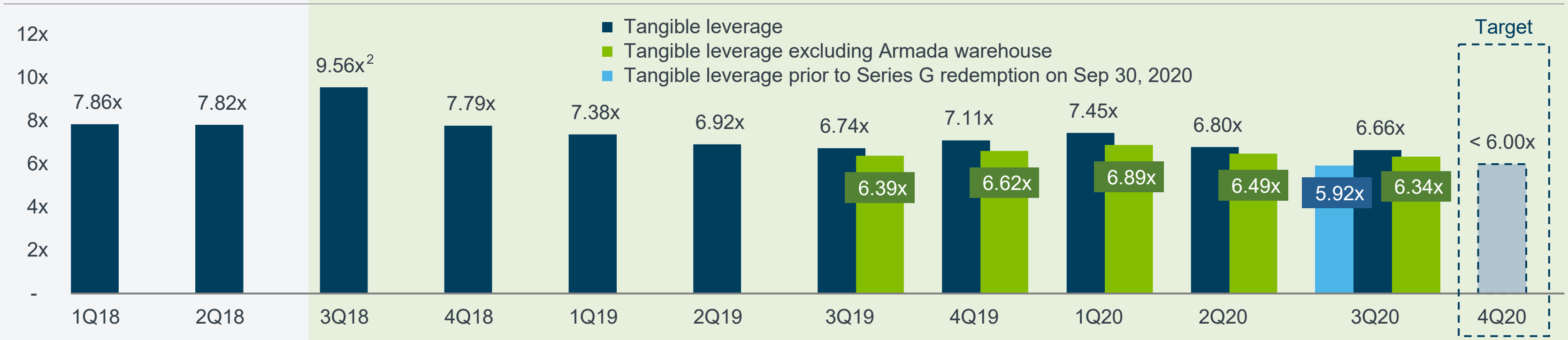


We are introducing an improved formula for calculating Element's return on equity – abbreviated "PRoCE" for pre-tax return on common equity – with the goal of better representing true trending business performance by reducing the impact of individual quarterly results and Element's effective tax rate.

"New" PRoCE formula: The sum of before-tax adjusted operating income, minus preferred share dividends, for each of the current and three preceding quarters; divided by average total equity for the current quarter and same-quarter prior year, minus current quarter preferred share capital.

"Old" ROE formula: After-tax adjusted operating income attributable to common shareholders for the quarter, multiplied by four (i.e. annualized), divided by average total equity of the current and immediately preceding quarter, minus current quarter preferred share capital.

Tangible leverage

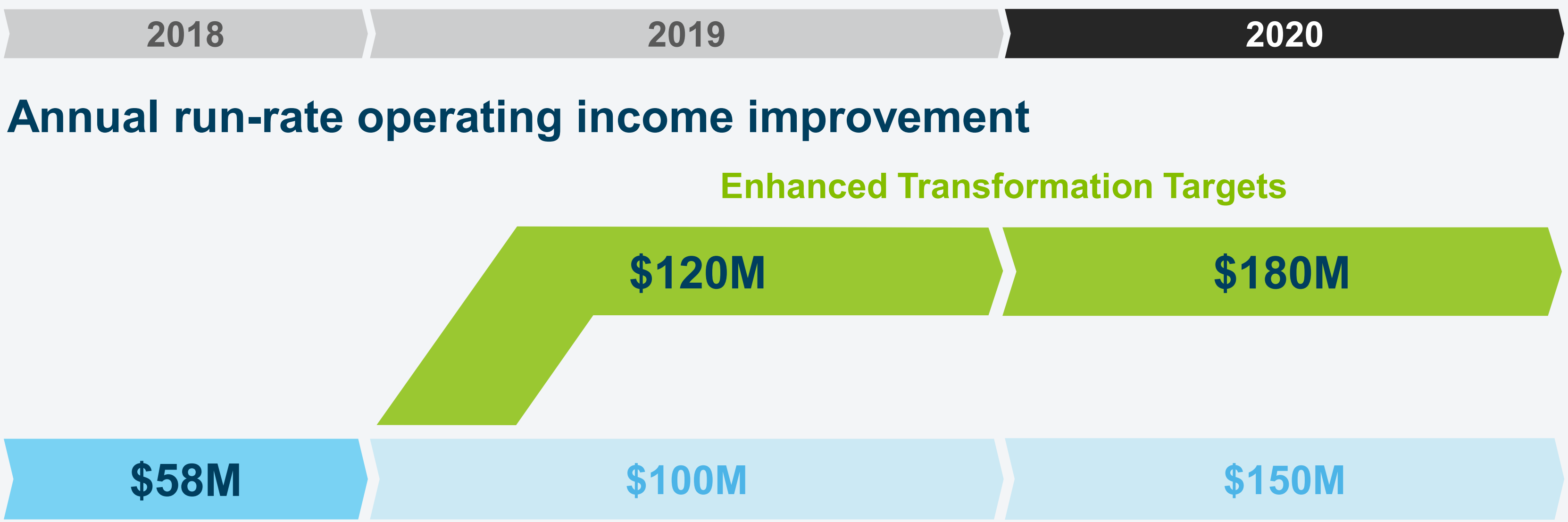


1. 4Q19 return on equity calculated using the old formula was 12.6%; 12.3% excludes the 19th Capital charge in that quarter.
2. In Fall 2018, Element repositioned its non-core investment in 19th Capital and took an after-tax charge of $360 million, reflected in its Q3 2018 financial statements. Concurrently, as part of its initiative to strengthen its balance sheet, Element raised $345 million of common equity, which was reflected in its Q4 2018 financial statements.

Strategic priorities

We have surpassed our $180 million year-end goal for actioned profit improvement initiatives – three months ahead of plan

- We have been executing a client-centric transformation plan since Q3 2018
- We exceeded our original end-goal of $150 million earlier this year; and – in anticipation of doing so – we increased our end-goal to $180 million as of Q3 2019
- We have now exceeded our $180 million end-goal having actioned a cumulative $189 million in annual run-rate pre-tax profit improvements at September 30, 2020
- We delivered $35 million of operating income enhancement in Q3 2020



Strategic priorities

We have also strengthened our balance sheet, maturing our capital structure and maintaining ready access to cost-efficient funding

(C$ millions)	Sept 30 2018	June 30 2020	**Sept 30 2020**	Committed, undrawn liquidity
Cash	50	64	**76**	
Unsecured debt				
Senior unsecured revolving credit facilities	2,617	1,774	**1,354**	2,109
Senior notes	-	543	**533**	
Convertible debentures	892	152	**153**	
Vehicle management asset-backed debt facilities				
Revolving term notes in amortization	4,376	4,564	**4,815**	
Variable funding notes	5,407	4,849	**4,007**	3,654
Other	53	45	**45**	
Deferred financing costs & adjustments	(52)	(16)	**(19)**	
Total debt	13,293	11,911	**10,888**	5,763
Shareholders' equity				
Common share capital	2,758	3,145	**3,161**	
Preferred share capital	680	680	**512**	
Other	15	54	**62**	
Total shareholders' equity	3,453	3,879	**3,735**	
Total capitalization	16,796	15,790	**14,623**	

Committed, undrawn liquidity

We had $5.8 billion of contractually committed, undrawn liquidity across our revolving unsecured ($2.1 billion) and vehicle management asset-backed ($3.7 billion) facilities at September 30, 2020. Commitments under these facilities are provided by syndicates of leading Canadian, U.S. and international banks.

As previously disclosed, Element redeemed its Series G preferred shares in full at quarter-end, taking advantage of the opportunity to further mature its capital structure by eliminating its most expensive series of preferred shares. The redemption was enabled by successful execution of the Company's strategic plan over the last two years, which has materially enhanced free cash flow.

Strategic priorities

Success is assured on all three prongs of our 2018 plan as we pivot to three new strategic priorities for 2021 and beyond

2018 | 2019 | 2020 | 2021 | 2022 | 2023

- Divest of non-core assets
- Strengthen the balance sheet
- Transform the operating platform
- Pivot to growth

Accelerated activity enabled by overachievement on 2018 plan

- Aggressive pursuit of organic growth to leverage our scalable operating platform
- Advance a capital-light*er* business model that enhances return on equity
- Materially grow annual FCF and predictably return excess capital to shareholders

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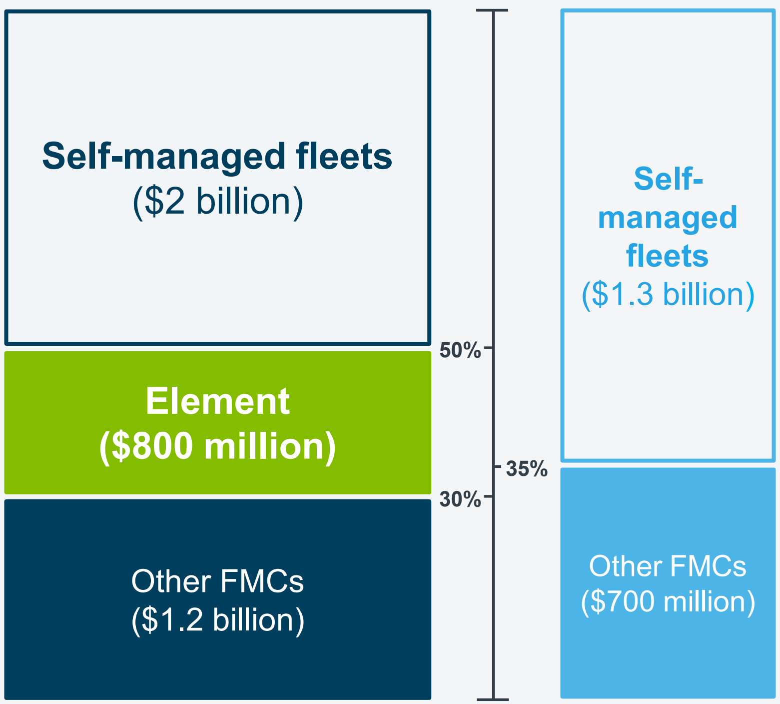
Strategic priorities

Our aggressive pursuit of organic profitable revenue growth will include converting self-managed fleets across our footprint

$4 billion market* we currently serve

$2 billion adjacent market* we can serve



** Only Canada plus U.S. markets shown here, in Canadian dollars, representing actual and / or potential annual net revenue to FMCs*

Five means of growth

1. Holding market share
2. Improving salesforce effectiveness
3. Better managing client profitability
4. Leveraging market leadership in Mexico and ANZ
5. Converting self-managed fleets into Element clients

➕ Periodic addition of “mega-fleets”

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A global fleet leader

Element Fleet Management is a leading global automotive fleet services company, providing solutions 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

Dramatically improved earnings, cash flow and client experience from ongoing transformation program

Well diversified across clients, industries, geographies, and revenue and funding sources

Accountable management with proven ability to create value

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