

2024 Global Electrification Report: Decarbonization Insights for Commercial Fleets

- Actionable strategies to reduce fleet carbon emissions include reducing idling, optimizing vehicle and fleet sizes, and deploying low- and zero-emission vehicles.
- A robust change management plan can significantly contribute to decarbonization efforts, ensuring stakeholder engagement, policy updates, and effective transition roadmaps.
- Light-duty EVs now offer comparable performance and economic advantages compared to traditional ICE vehicles.

TORONTO, ON, November 18, 2024 – Today, Element Fleet Management Corp. (TSX:EFN) ("Element" or the "Company"), the largest publicly traded, pure-play automotive fleet manager in the world, together with their Global Alliance partner, Arval, and in collaboration with RMI, released the *2024 Global Electrification Report: Accelerating Fleet Decarbonization*. The report evaluates the feasibility and benefits of light-duty commercial fleet electrification, highlighting emission reduction, cost and other key considerations based on real-world performance data and client experiences of transitioning from internal combustion engine (ICE) to battery-electric vehicles (BEV).

"With transportation contributing nearly 25 per cent of all energy-related emissions globally, we are at a pivotal juncture to help our clients work towards their decarbonization goals", said Avninder Buttar, Senior Vice President and Head of Electrification at Element. "As a Purpose-driven organization and a leader in fleet management, we are providing tangible evidence that advances the conversation and adoption of electric vehicles as a viable path toward reducing emissions and contributing to a sustainable and inclusive future for our clients, people, and business."

The report is based on extensive data analysis performed by RMI of global fleets operated respectively by the founders of the Element-Arval Global Alliance (EAGA)

across the U.S and Canada, Mexico, Australia, New Zealand, and Europe. It offers both qualitative and quantitative insights, based on fleet operators feedback addressed to RMI, to equip fleet operators with the necessary tools to transition to a low-carbon future.

Key Insights from the Report Include:

- **Comprehensive Strategies for Fleet Decarbonization:** The report details actionable strategies commercial fleets can take to lower emissions, including reducing idling, optimizing vehicle and fleet sizes, and deploying low- and zero-emission vehicles.
- **Leveraging Telematics for Operational Efficiency:** Fleet managers can harness telematics data to enhance safety, compliance, productivity, and smart charging practices.
- **Economic Feasibility of Electric Vehicles (EVs):** Light-duty EVs now offer comparable performance and economic advantages in certain use cases compared to traditional ICE vehicles. Key studies indicate significantly lower lifecycle emissions for battery electric vehicles when compared to internal combustion vehicles.
- **Change Management for Successful Integration:** A robust change management plan can significantly contribute to decarbonization efforts, ensuring stakeholder engagement, policy updates, and effective transition roadmaps.

“Reducing transportation emissions represents a significant opportunity to mitigate the impacts of climate change, but one that requires a collective effort,” said Clay Stranger, Managing Director at RMI. “More than a true source of qualitative and quantitative assessments of decarbonization tactics, the findings within the report serve as a call to action for fleet operators worldwide.”

The report highlights the potential for fleet operators to mitigate climate impacts, while also benefiting from increased operational efficiency and potential cost reductions. By developing a strategic roadmap and starting with smaller-scale EV deployment, fleet managers can test and refine new approaches, thereby building momentum for larger initiatives.

“Our newly launched 2024 Global Electrification Report represents a pivotal step forward in advancing meaningful discussions about fleet decarbonization opportunities,” said Buttar. “By leveraging the insights and strategies outlined within the report, companies can make informed decisions about their fleets that align with both their sustainability goals and business objectives.”

To view the full 2024 Global Electrification Report: Accelerating Fleet Decarbonization, visit: <https://www.elementfleet.com/global-electrification-report>

About Element Fleet Management

Element Fleet Management (TSX: EFN) is the largest publicly traded pure-play automotive fleet manager in the world, providing the full range of fleet services and solutions to a growing base of loyal, world-class clients – corporations, governments, and not-for-profits – across North America, Australia, and New Zealand. Element’s services address every aspect of clients’ fleet requirements, from vehicle acquisition, maintenance, accidents and remarketing, to integrating EVs and managing the complexity of gradual fleet electrification. Clients benefit from Element’s expertise as one of the largest fleet solutions providers in its markets, offering economies of scale and insight used to reduce fleet operating costs and improve productivity and performance. For more information, visit:

<https://www.elementfleet.com/>

About Arval

Arval is a major actor in full-service vehicle leasing and a specialist in mobility solutions founded in 1989. Arval is fully owned by BNP Paribas and positioned within the Group’s Commercial, Personal Banking & Services division. Arval was leasing 1.75 million vehicles as at the end of June 2024. Every day, 8,600 Arval employees in 29 countries offer flexible solutions to make journeys seamless and sustainable for its customers, ranging from large international corporate groups to smaller companies and private customers.

Arval is a founding member of the Element-Arval Global Alliance. The fleets of all the Alliance members represent more than 4.4 million vehicles in 55 countries.

www.arval.com

About RMI

RMI is an independent nonprofit, founded in 1982 as Rocky Mountain Institute, that transforms global energy systems through market-driven solutions to align with a 1.5°C future and secure a clean, prosperous, zero-carbon future for all. We work in the world's most critical geographies and engage businesses, policymakers, communities, and NGOs to identify and scale energy system interventions that will cut climate pollution at least 50 percent by 2030. RMI has offices in Basalt and Boulder, Colorado; New York City; Oakland, California; Washington, D.C.; Abuja, Nigeria; and Beijing. More information on RMI can be found at www.rmi.org.

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This press release contains certain forward-looking statements and forward-looking information regarding Element, its business and the fleet industry, 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", "could", "predict", "project", "model", "forecast", "will", "potential",

“target, “by”, “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 news release may include, but are not limited to, statements with respect to, among other things, the Company’s expectations regarding the fleet industry and electrification, the Company’s sustainability targets and objectives, including science based targets, Element’s and our clients’ greenhouse gas emissions, fleet electrification, and transition of client vehicles, charging access, decarbonization strategies, future climate reporting, potential climate related opportunities, diverse supplier spending, team member engagement, making a difference in the community, data governance, ethics and compliance, and other sustainability related impacts, objectives and expectations. By their nature, these statements require us to make assumptions and are subject to inherent risks and uncertainties that may be general or specific, which give rise to the possibility that our predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct and that our sustainability priorities, targets (including fleet electrification and GHG reduction targets), commitments and goals will not be achieved. As we work to advance our sustainability strategy, external factors outside of Element’s reasonable control may impact our performance and ability to achieve our goals, including government policies, legislation and regulatory actions, global supply-chain disruptions, geopolitical risk, the occurrence, continuance or intensification of public health emergencies, such as the impact of post-pandemic hybrid work arrangements, the failure of third parties to comply with their obligations to us and our affiliates or associates, our ability to implement various sustainability-related initiatives internally and with our clients under expected timeframes, the availability of comprehensive and high-quality GHG emissions data and standardization of sustainability-related measurement methodologies, the need for active and continuing participation, cooperation and collaboration from various stakeholders, deployment of new technologies and industry-specific solutions, the evolution of client behaviour, varying decarbonization efforts across economies, manufacturer timing and availability, client decisions and preferences, the need for thoughtful

climate policies globally, the challenges of balancing interim emissions goals with an orderly transition, and the continuing development and evolution of regulations, guidelines, principles, and frameworks internationally and Element's compliance thereto, which could lead to us to being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties and fines. These and other factors may cause actual results to differ materially from the expectations expressed in the forward-looking statements and may require Element to adapt its initiatives and activities or adjust its commitments, metrics, targets and goals. The forward-looking statements in this news release speak only as of the date hereof and are presented for the purpose of assisting our stakeholders and others in understanding our objectives and strategic priorities and may not be appropriate for other purposes. We do not undertake to update any forward-looking statement except as required by law. In addition, a discussion of some of the material risks affecting Element and its business appears under the heading "Risk Management" in Element's Management Discussion and Analysis for the twelve-month period ended December 31, 2023 and the three and nine-month period ended September 30, 2024,, and under the heading "Risk Factors" in Element's Annual Information Form for the year ended December 31, 2023, as well as Element's other filings with the Canadian securities regulatory authorities, which have been filed on SEDAR+ and can be accessed on Element's profile on www.sedarplus.com.