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The EV Infrastructure Summit

Market View – Australia EV Fleets & Leasing: Embracing a Once-in-a-Century Shift

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NALSPA

National Automotive Leasing and Salary Packaging Association (NALSPA)

About NALSPA & What We Do

The **National Automotive Leasing & Salary Packing Association (NALSPA)** is the peak industry body for the salary packaging and novated leasing sector. NALSPA members manage or facilitate the bulk of employer-provided, tool-of-trade and salary packaged motor vehicles in Australia.

NALSPA is responsible for:

- The salary packaging arrangements of over **1,00,000 employees**.
- NALSPA is spread across the **corporate, charitable & government sectors.**
- Members administer more than **425,000 motor vehicles**, including **200,000 novated lease vehicles.**
- **118,000 vehicles** sold per annum which utilise SFM. This is equivalent to **approximately 10%** of all new vehicle sales in Australia.

EV's & Leasing: The State of Play in Australia – Observations & Facts

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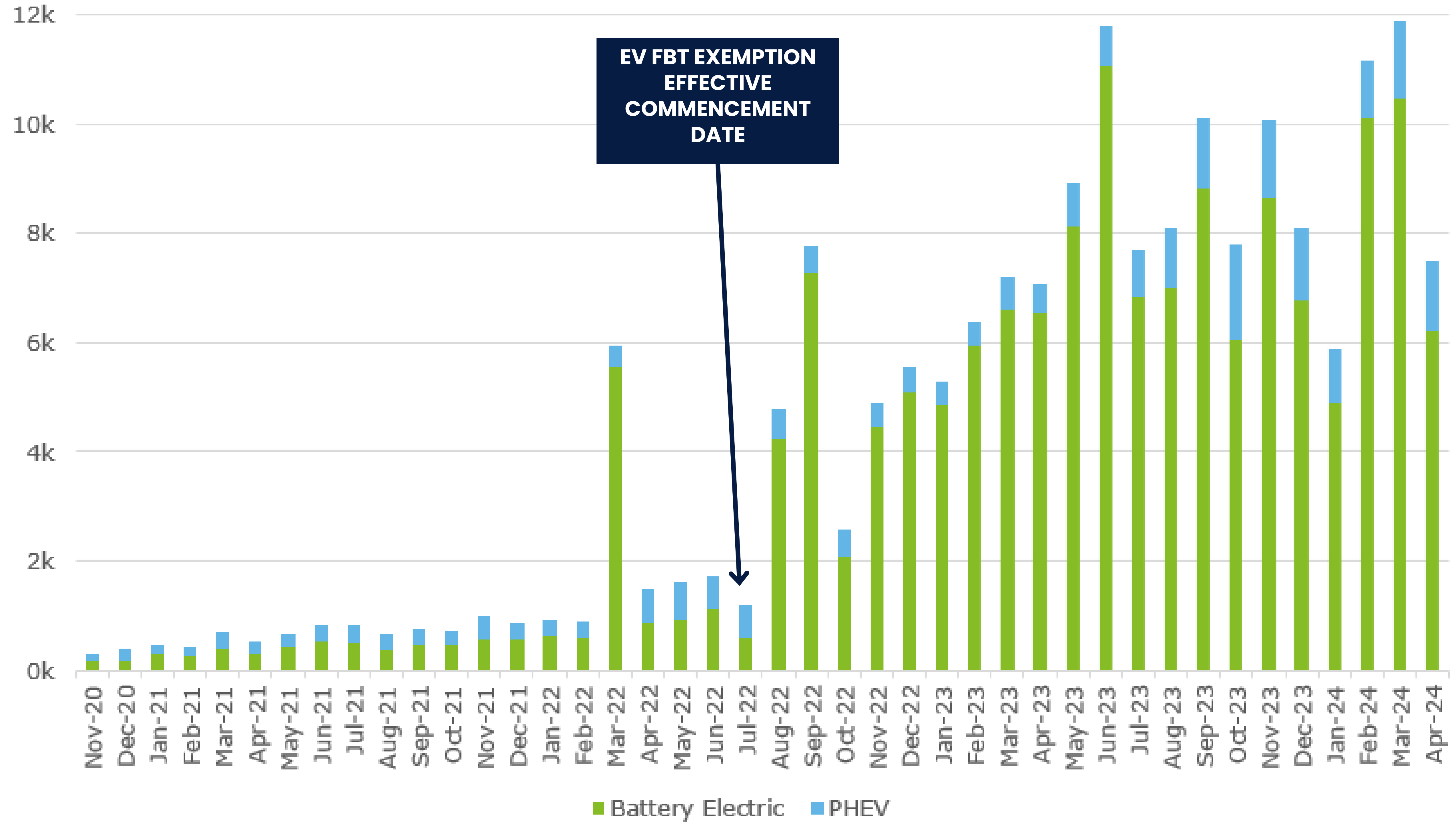
EV Novated Leasing

KEY OBSERVATIONS	
EVs becoming mainstream	•In March 2024, **14% of total SUV and passenger sales** in Aus were EV (BEV/PHEV) •Majority of EV registrations are private
Novated leasing is key enabler	•FBT Discount Policy – major catalyst •Novated leasing currently circa **40-45%** of all EV sales in Aus and rising •Typical lease period circa 4+ years •**PHEV growing in popularity**
Demographics aren't necessarily what you think	•Middle and outer suburbia driving demand •EVC estimates in 2023 nearly **18%** of all EV orders were from rural and rural regional Aus •Est 80-85% charge @ home •In novated, a strong male skew
Continued growth in EV novated sales	•Early adoption stage to be followed by second wave

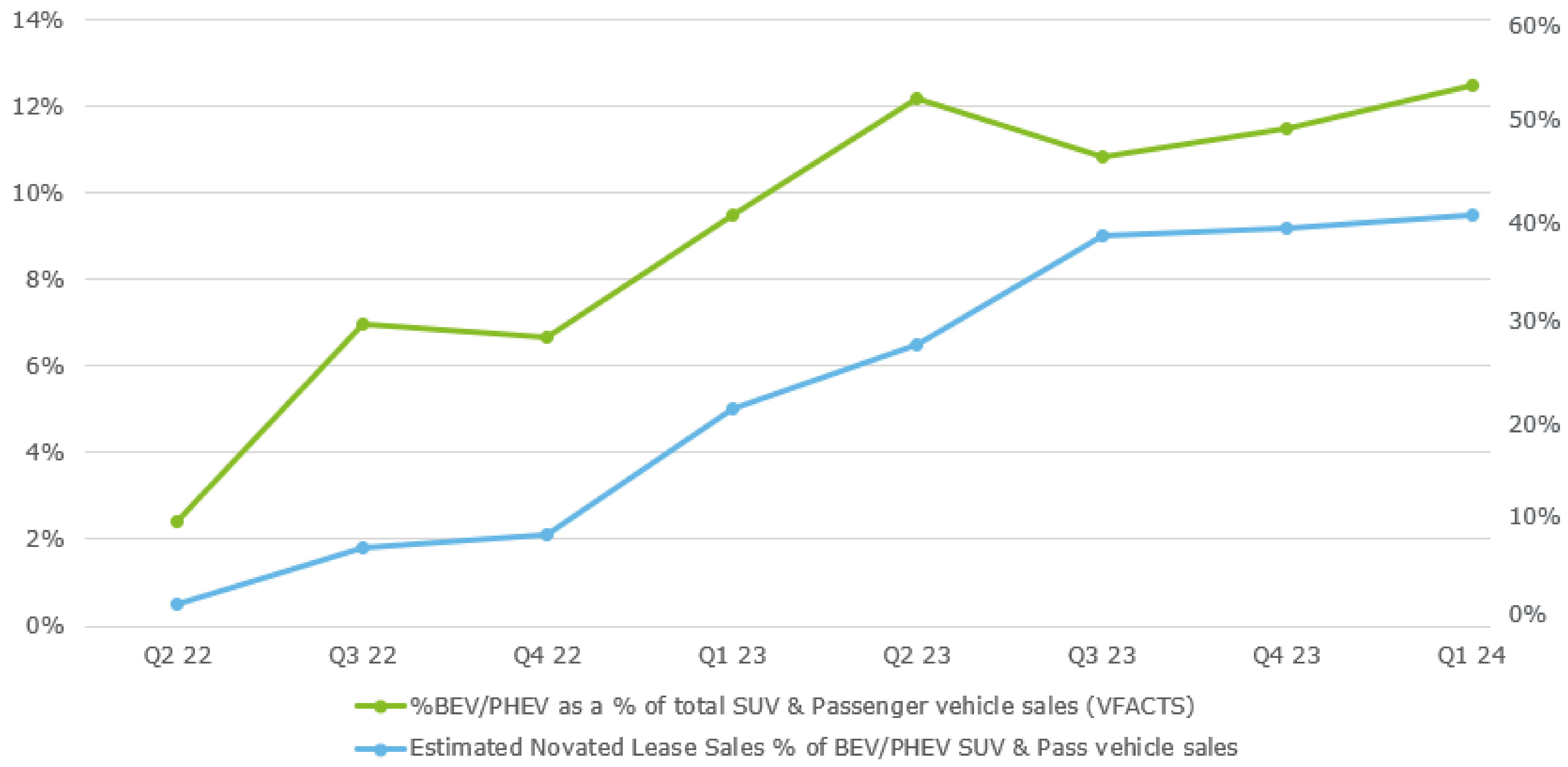
EV Fleet Leasing

KEY OBSERVATIONS	
Adoption lagging private / consumer	•Limited corporate EV penetration
Rational decision focus from fleets	•ICE vs EV cost differentiation •Fit-for-purpose model availability limited •Charging infrastructure and associated issues remain a challenge •Aftersales and service network limited •**Hybrids preferred – including PHEV**
Driver adoption and change management	•Buy-in is critical and adoption the of new ways of working •Addressing driver misconceptions a key component
Adoption to build momentum over time	•NVES targets require transition to EV •Early adopters exploring transition approach •**Tool-of-trade ramp-up** expected in coming years as fit-for-purpose model improves together with supporting infrastructure
Charging still required education to deliver shift in user mindset	•**Concerns over range VS available infrastructure** •Consumers want in home charging, ideally from solar •Limited data on battery longevity raises future value risk

Australian BEV & PHEV Sales (VFACTS)



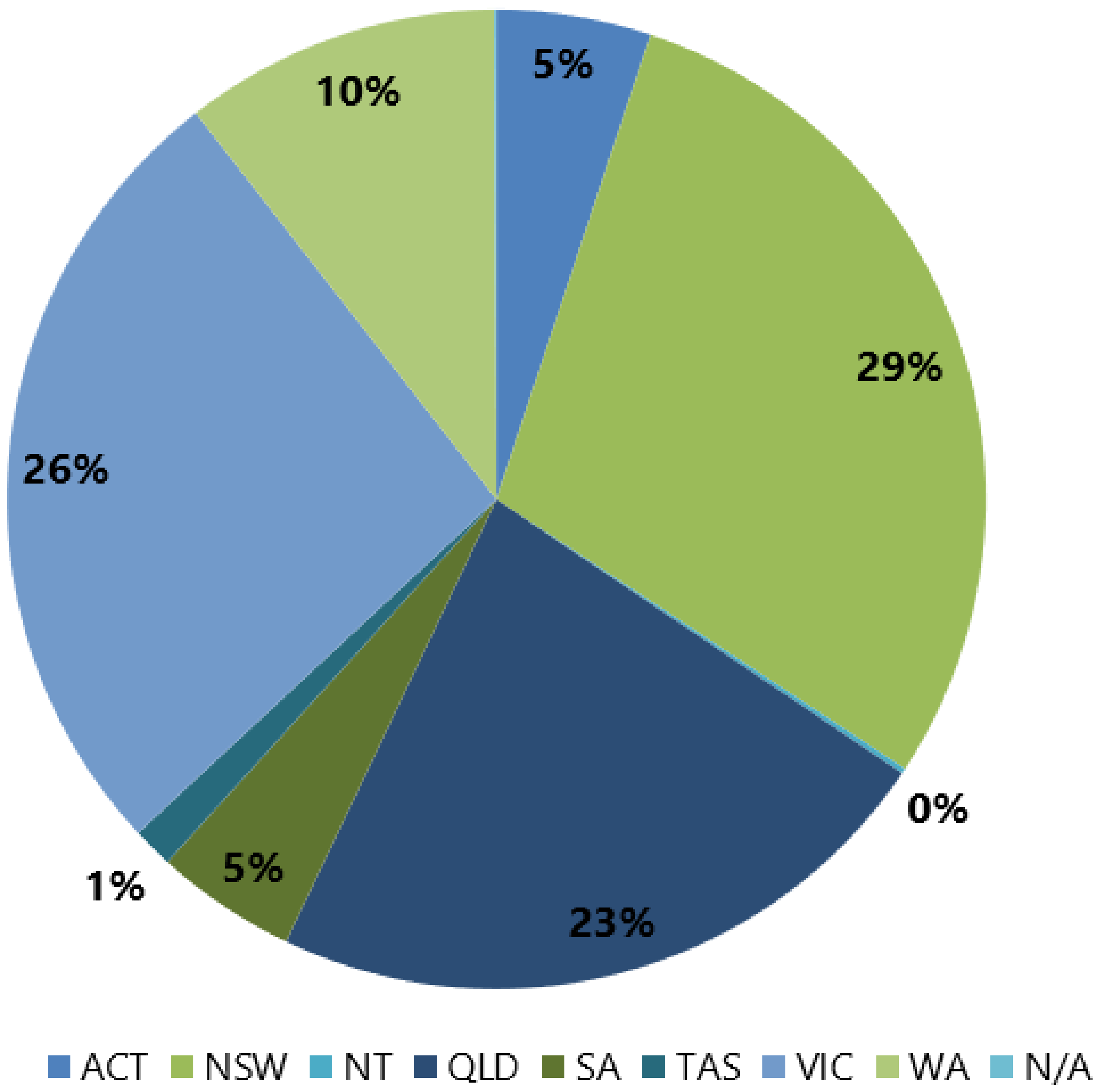
EV Leasing Uptake & the FBT Exemption – A Demonstrable Change



Note:
. BEV/PHEV sales as a % of total SUV & Passenger vehicle sales per VFACTS – since inception of FBT EV exemption. Estimated Novated lease BEV/PHEV sales as a % of all SUV & Passenger BEV/PHEV sales (estimated by NALSPA)

EV Infrastructure Planning – Where are Lease EV Drivers From?

By State - BEV
From Q2 2022 to Q4 2023



Top 10 BEV/PHEV postcodes for Salary Packaged EV's (NALSPA members) (from Q2 2022 to Q4 2023)

Postcode	Suburbs
1. **3030 (VIC)**	Point Cook, Quandong, Werribee
2. **2155 (NSW)**	Beaumont Hills, Kellyville, Rouse Hill
3. **2602 (ACT)**	Ainslie, Dickson, Watson
4. **2611 (ACT)**	Coombs, Duffy, Weston
5. **3029 (VIC)**	Hoppers Crossing, Tarneit, Truganina
6. **2765 (NSW)**	Box Hill, Marsden Park, Riverstone
7. **4152 (QLD) ***	Camp Hill, Carina, Carindale
7. **2153 (NSW)***	Baulkham Hills, Bella Vista, Norwest
8. **4069 (QLD)**	Chapel Hill, Fig Tree Pocket, Kenmore
9. **2615 (ACT)**	Charnwood, Dunlop, MacGregor
10. **4053 (QLD)**	Everton Park, McDowall, Mitchelton

*** Equal 7th**

EV Infrastructure Planning – Where are lease EV drivers from?

Top 12 BEV/PHEV non metro postcodes for Salary Packaged EV's (NALSPA members) (from Q2 2022 to Q4 2023)

Postcode	Suburbs
1. **4350 (QLD)**	Toowoomba
2. **4209 (QLD)**	Coomera (Gold Coast)
3. **2250 (NSW)**	Gosford, Erina, Kariong
4. **4451 (QLD)**	Battery Hill, Caloundra (Sunshine Coast)
5. **3216 (VIC)**	Belmont, Grovedale (Geelong)
6. **4556 (QLD)**	Buderim, Forset Glen (Sunshine Coast)
7. **3350 (VIC**	Ballarat
8. **3328 (VIC)**	Bellbrae, Bells Beach, Torquay (Near Geelong)
9. **4870 (QLD)**	Cairns
10. **2500 (NSW)**	Wollongong
11. **4211 (QLD)**	Beechmont, Binna BUrra (Scenic Rim)
12. **4220 (QLD)**	Burleigh Heads

- **The EVC estimates that in 2023, nearly 18% of all EV orders were from rural and rural regional Aus**
- **PHEV's are proving to be more popular with Regional buyers compared to BEV's**

Adapting the EV Fleet Leasing Proposition

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Adapting the EV Fleet Leasing Proposition

Transition planning takes on a new paradigm from fleet lessors

- Planning with clients is key: aims, objectives and KPI's
- The message "Get started" – maybe that's hybrid 1st or PHEV

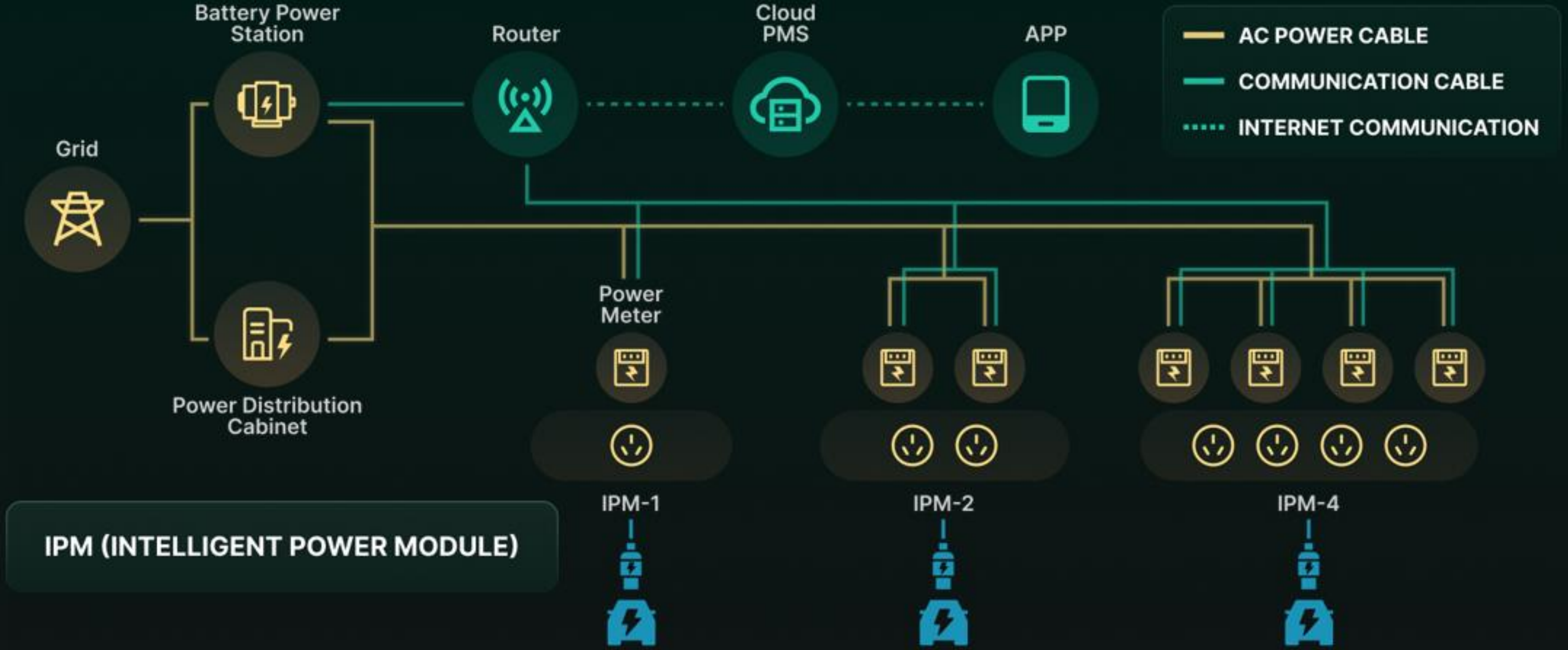
Product Suite Evolution

- Moving beyond the traditional common fleet & leasing services
- On the go fast charging solutions
- End to end charging and infrastructure solutions (on premises, @ employee's homes, strata solutions)
- Partnering with innovative service providers (ie. charging, telematics, financing)

Sustainability Focus

- Connecting fleet and procurement decisions with sustainability/ESG objectives
- Connection with emerging corporate reporting standards
- Tools to measure Scope 1, 2 and 3 emissions

SCALABLE GPO SOLUTION



OUTLET SPECIFICATIONS

- Active Energy: 3.6KWh
- KM added per hour: ~20km*
- Standard Voltage: 240V
- Connectivity: Ethernet and BLE
- Continuous Current: 15Amps
- Stage 2 charging compatible

* Depending on the type of charger used

Adapting the EV Fleet Leasing Proposition - Opportunities

Charging:

- Tax matters:
  - The in-ability to capitalise within a lease the cost of home charging hardware and installation remains a barrier to adoption - we are advocating to Government on this matter
  - PHEV – valuation of fuel – ATO working group formed
- Addressing data fragmentation
- Public charging point standardisation would be a significant step forward
- Traditional fuel cards extended use to EV charging stations

PHEV's:

- Current FBT PHEV exemption to end April 2025
- Significant driver of plug-in uptake up and our transition to a lower emissions future
- > 1 in 4 electrified SUV sales are PHEV
- Discussions with Federal Government and others are ongoing in an effort to secure extension past April 2025

Thank You

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