

7 November 2022

ASX Release

Market Announcements Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Damien Berrell to succeed Julian Russell as Eclipx Group CEO

The Board of Eclipx Group (ASX: 'ECX' or 'Group') today announced that Damien Berrell will become Chief Executive Officer in February 2023, succeeding Julian Russell.

Mr Berrell is currently the Group Chief Financial Officer, responsible for all aspects of Finance as well as Strategy, M&A, Legal, Investor Relations and Company Secretarial. Mr Berrell has over twenty years' experience in the domestic and international non-bank financial institutional space, with the majority of this time in senior leadership roles at successful fleet leasing businesses. He was appointed as Chief Financial Officer in early 2020.

Mr Russell will step down as Chief Executive Officer on 1 February 2023, following the AGM and has been retained to provide ongoing support to the Board of Directors and Mr Berrell until September 2023.

ECX Chair Gail Pemberton said: "Julian has led a highly successful transformation of the Group, simplifying our business model and implementing the strategic foundations to drive long-term value for our shareholders and other stakeholders.

"When Julian joined the Group, it faced significant financial and strategic uncertainty. Despite these challenges, and the subsequent emergence of COVID-19, Julian led the execution of the Simplification Plan resulting in a de-risked capital structure, higher quality of earnings, lower costs and a focus on disciplined capital allocation.

"This paved the way for Strategic Pathways, a strategy designed by both Julian and Damien to drive commercial intensity, including demonstrated profitable market share gains in target markets and increased customer and employee engagement scores. With these strong strategic foundations now in place, and the commencement of the three-year Accelerate program, now is a logical time for leadership succession.

"The Board has maintained a strong focus on succession to ensure we have the right balance of skills and capabilities in place across our executive team. This will enable a seamless succession transition from Julian to Damien.

"We are delighted to have an internal candidate of Damien's calibre be appointed as our next Chief Executive. He is an outstanding candidate for the role, given his substantial fleet industry experience, his aligned strategic vision for the Group and the strength of his leadership.

“Damien and Julian have worked closely together since 2020. Damien has been a driving force in the Group’s transformation, particularly in relation to our recent commercial and operational successes, which are evident in today’s FY22 results. As we move into the Accelerate program, Damien’s deep experience and skillset are critical to the successful implementation, along with the strong team we have in place.”

Mr Berrell said he was honoured to lead Eclipx Group. “Our Group plays a critical role in supporting our customers with their fleet financing and management, enabling their business outcomes. We have strong foundations in place under Strategic Pathways, and the best team in the sector to drive our growth ambitions, as well as execute on the Accelerate program. Combined with the progress we have made to date, we continue to see significant opportunities in our business.”

Mr Russell said he was proud of what the team at Eclipx Group has delivered since the commencement of Simplification through to this set of results. “As you can see from today’s results, the Group has once again outperformed the sector, which is a strong reflection on our team and disciplined strategic implementation. The Group has never been in such a strong position, and there is a significant amount of opportunity in front of us. Damien is unequivocally the best operator in our industry and, under his stewardship, will lead the team to take advantage of these opportunities.”

Ms Pemberton said: “The Board looks forward to working with Julian and Damien on the leadership transition to deliver the best outcome for all our stakeholders.”

As part of Mr Berrell’s transition to CEO, James Owens has been appointed Chief Financial Officer. Mr Owens joined the Group from KPMG earlier in 2022, where he was a partner in Transaction Services and led a significant number of Corporate and M&A transactions across Australia, New Zealand and the United Kingdom. Mr Owens, a Chartered Accountant in the United Kingdom, will commence in the role of Chief Financial Officer on 1 February 2023, following the AGM.

Biographical details and a summary of the key terms of Mr Berrell’s employment contract are outlined in Schedules A and B, and a summary of Mr Russell’s leaving arrangements is outlined in Schedule C.

Schedule A

Damien Berrell B.Ec, CA — Biographical details

Damien was appointed as Group Chief Financial Officer (CFO) in early 2020. Since joining the Group, Damien has been responsible for all aspects of Finance as well as Group Strategy, M&A, Legal, Investor Relations and Company Secretarial.

Damien has over twenty years' experience in the domestic and international non-bank financial institutional space, with the majority of this time in senior leadership roles at successful fleet leasing businesses. He was appointed as CFO in early 2020.

Prior to joining ECX, Damien was CFO of Custom Fleet, where he played a leading role in the sale of Custom Fleet by General Electric to Element Financial, where he remained as CFO. His role at Custom Fleet encompassed repositioning the business in Australia and New Zealand, which included the establishment of a securitisation funding program, the implementation of fleet and finance ERPs and the re-engineering of their finance and operational processes.

Damien led the introduction of the go-to-market pricing strategy, product penetration, and numerous automation projects within operations, including in-life and end-of-lease management, resulting in increased revenue, margins and lower operating costs.

Prior to Custom Fleet, Damien led the successful restructuring of GE Fleet, Japan, and held senior finance positions at General Electric including GE Capital in Australia & New Zealand, Japan and in the US.

Damien holds a Bachelor of Economics, Accounting from Macquarie University and is a qualified Chartered Accountant.

Damien lives in Sydney with his wife and two daughters.

Schedule B

Damien Berrell — Summary of Key Terms of Employment Agreement

A summary of the material terms and conditions of the employment agreement entered into with Damien Berrell are provided below:

Key terms	Details
Commencement Date	Mr Berrell's appointment as Chief Executive Officer and Managing Director of Eclipx Group (Group) will commence on 1 February 2023, immediately after the Group's Annual General Meeting (Commencement Date)
Term	Mr Berrell's appointment is ongoing with no fixed term
Fixed Remuneration	Fixed Remuneration of \$720,531, including salary and superannuation contributions (TEC)
At risk remuneration	<p>Short term incentive: Mr Berrell will be eligible to receive an annual discretionary Short-Term Incentive (STI). The initial STI target will be \$700,000 (100% of his annual salary) and awarded in equity-based compensation. The STI will be subject to a number of financial and non-financial performance-based metrics. Vesting of STI equity instruments will be 100% deferred for one year following the award.</p> <p>Long term incentive: Mr Berrell will be eligible to participate in the Group's Long-Term Incentive Program (LTI), with a maximum of 100% of his annual salary and awarded in equity-based compensation. Subject to the performance against Group based hurdles, the vesting of LTI may occur at the end of the target three-year period.</p> <p>Full details will be provided in the Group's Notice of Meeting.</p>
Leave entitlements	Mr Berrell is entitled to Group and statutory leave entitlements.
Confidential Information	Mr Berrell's employment agreement contains customary provisions for the protection of the Group's confidential information and intellectual property.
Termination provisions	<p>The employment agreement may be terminated in the circumstances described below:</p> <p>Resignation: Employment may be terminated by the CEO on 12 months' notice;</p> <p>Termination on Notice by ECX: The notice period is 12 months and ECX may make a payment in lieu of notice (calculated on TEC);</p> <p>Termination Without Notice by ECX for defined causes: In this case only TEC and statutory entitlements may only be payable.</p>
Post-Employment Restraints	Mr Berrell is subject to a restraint for 12 months after ceasing employment with ECX on being concerned in the business of another fleet management organisation in Australia and New Zealand. Mr Berrell is subject to a restraint for 12 months after ceasing employment with ECX, on soliciting away from ECX, ECX employees, customers or clients.

Schedule C**Julian Russell — Key Terms of Separation Arrangements and Transition Role**

A summary of the material terms and conditions of the leaving agreement entered into with Julian Russell are provided below:

1. Mr Russell will cease being Chief Executive Officer of the Group on 01 February 2023, after the completion of the Group's Annual General Meeting
2. Following the Annual General Meeting, until his departure date on 30 September 2023, Mr Russell will be retained to support Mr Berrell and the Board of Directors
3. Mr Russell will ensure a well-managed transition to Mr Berrell, as well as providing ongoing support in relation to M&A, partnerships, personnel and any business-critical matters
4. Mr Russell is entitled to:
 - a) Fixed annual TEC ongoing until his departure date (30 September 2023)
 - b) Amounts that Mr Russell may be entitled to under the terms of the STI and LTI in which Mr Russell is eligible to participate (and subject to relevant Board discretion and applicable law)
5. No separate termination payment will be paid outside of statutory requirements and other contractual entitlements
6. Mr Russell is subject to a restraint for 12 months after ceasing employment with ECX on being concerned in the business of another fleet management organisation in Australia and New Zealand. Mr Russell is subject to a restraint for 12 months after ceasing employment with ECX, on soliciting away from ECX, ECX employees, customers or clients.

ENDS**Authorised by the Board of Eclipx Group Limited**

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