



MAY 2022

# Environmental, Social & Governance Report for 2021



# Resiliency, Recovery, and Innovation

## Leading the evolution to electric and zero-emission mobility in a complex global environment

There is no doubt that the transition to a green economy has continued to accelerate, with strengthened environmental, social and governance (“ESG”) commitments from all stakeholders and an increased focus on diversity, equity, and inclusion (“DEI”). In a year punctuated by extreme, weather events, the Intergovernmental Panel on Climate Change (“IPCC”) published its landmark report, the Sixth Assessment Report, on the climate crisis, which underlines the urgency of an accelerated shift to sustainable and zero-emission transportation.

NFI has progressed from a bus and coach manufacturer to a sustainable mobility solutions provider. Our products—battery-electric buses and coaches—are leading the charge to a zero-emission future (we call it the **ZEvolution™**). From 2015 through 2021, we have delivered 2,032 zero-emission buses (“ZEBs”) that have travelled more than 65 million zero-emission service miles and driven emission reductions in five countries. In 2021, we delivered 661 ZEBs, up from 389 in 2020. ZEBs were 17% of our total deliveries in 2021, and we anticipate that ZEBs will be 20% to 25% of our overall production in 2022. More than 80 cities around the world have an NFI ZEB in service or on order, and 2021 saw us expanding our zero-emission presence in Ireland, Britain, New Zealand, and Australia.

In 2021, and as we write this today, the global economy continues to be challenged by the ongoing COVID-19 pandemic, supply chain challenges, and heightened inflation. Despite these near-term challenges, NFI’s commitment to lead in zero-emission mobility and best-in-class ESG practices and performance remains steadfast.

This publication marks our fourth annual ESG Report. With each passing year, we have demonstrated significant growth and maturity in our Company-wide ESG practices. In 2021, we continued to prioritize the health, safety and well-being of our employees, completed our first response to the CDP climate change questionnaire, advanced our “NFI Forward” facility footprint rationalization, continued to evaluate and add subsidiaries to ISO 14001, 45001 and 9001 registrations, and started conducting renewable energy studies in some of our facilities to identify opportunities in preparation for the net-zero economy.

We also engaged an independent third party to conduct a DEI survey of our organization to assess our current state and areas for opportunity, and we formalized a Human Rights Statement, outlining our commitment and approach. We continue to weave ESG into the fabric of our day-to-day operations and our long-term planning. With this spirit in mind, we launched our materiality mapping exercise to assess where we should focus our efforts to ensure we continue to create long-term, sustainable value for all our stakeholders.

As one of the world’s largest designers, manufacturers and supporters of mass transportation solutions, we know that we have a responsibility to lead sustainably, for the long term. Our comprehensive mobility solutions enable smart city development, reduce the harmful impacts of climate change, traffic congestion and noise pollution, and create economic opportunity for current and future generations.

Although 2022 will not be without its challenges, we are proud of our history and excited about our future—Leading the **ZEvolution™** to global sustainable mobility.



**The Honourable  
Brian Tobin, P.C., OC  
Chair of the Board**



**Paul Soubry  
President and Chief  
Executive Officer**



**Video: Introducing  
the NFI ESG Report for 2021**

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# About This Report

We are proud to present our fourth annual ESG Report (the “Report”). This Report includes ESG metrics and discussions that are focused on areas NFI Group and its subsidiaries (collectively, “NFI” or the “Company”) believe are most relevant to our business and our stakeholders, and are guided by the principles of accuracy, balance, and clarity.

This Report is a part of our continuous improvement process as we move to enhance ESG at NFI. To our stakeholders reviewing this report, we invite your feedback on the contents and format to assist us in ensuring this report will meet your needs and expectations through its ongoing evolution. Please reach out to our sustainability team at [esg@nfigroup.com](mailto:esg@nfigroup.com).

## — Reporting Scope and Boundaries

This Report covers the operational activities of NFI and its subsidiaries globally from January 1, 2021 to December 31, 2021, unless otherwise indicated herein. References to “Fiscal 2021” refer to the 53-week period beginning December 28, 2020 and ending January 2, 2022.

To develop this Report, NFI consulted with a broad range of internal and external stakeholders on regional and global levels, including key internal departments, customers, suppliers, investors, creditors, and community partners.

As a result of data coverage and quality improvements, a limited number of past performance figures published in our 2020 report have been restated where relevant and clarified in our footnotes throughout the report.

## — Definitions

Zero-emission buses (“ZEBs”) consist of trolley-electric, hydrogen fuel cell-electric, and battery-electric buses and coaches. One equivalent unit (or “EU”) represents one production “slot”, being one 30-foot, 35-foot, 40-foot, 45-foot heavy-duty transit bus, one double deck bus, one medium-duty bus, one cutaway bus or one motor coach, whereas one articulated transit bus represents two EUs. An articulated transit bus is an extra-long transit bus (approximately 60 feet in length). In this Report, where ZEB deliveries are referenced, the reference refers to EUs of ZEBs delivered.

## — Data Assurance

This ESG report has been reviewed and published with the approval of NFI’s senior executives and the Board of Directors.

Environmental and safety data for our facilities is reported to various jurisdictional regulatory authorities as required. NFI will consider third-party verification of some or all of its global facility greenhouse gas (“GHG”) emissions in the future as we continue to develop our sustainability programming and roadmap to managing our operational carbon and climate change risk and opportunities.

## — Other

Photos, images, and videos included in this Report were taken at various points over the past few years. All public health, Company and customer protocols were followed by employees, customers and visitors at each NFI facility or external location.

All references to \$ in this document refer to U.S. dollars unless otherwise noted.



New Flyer Xcelsior CHARGE® battery-electric bus



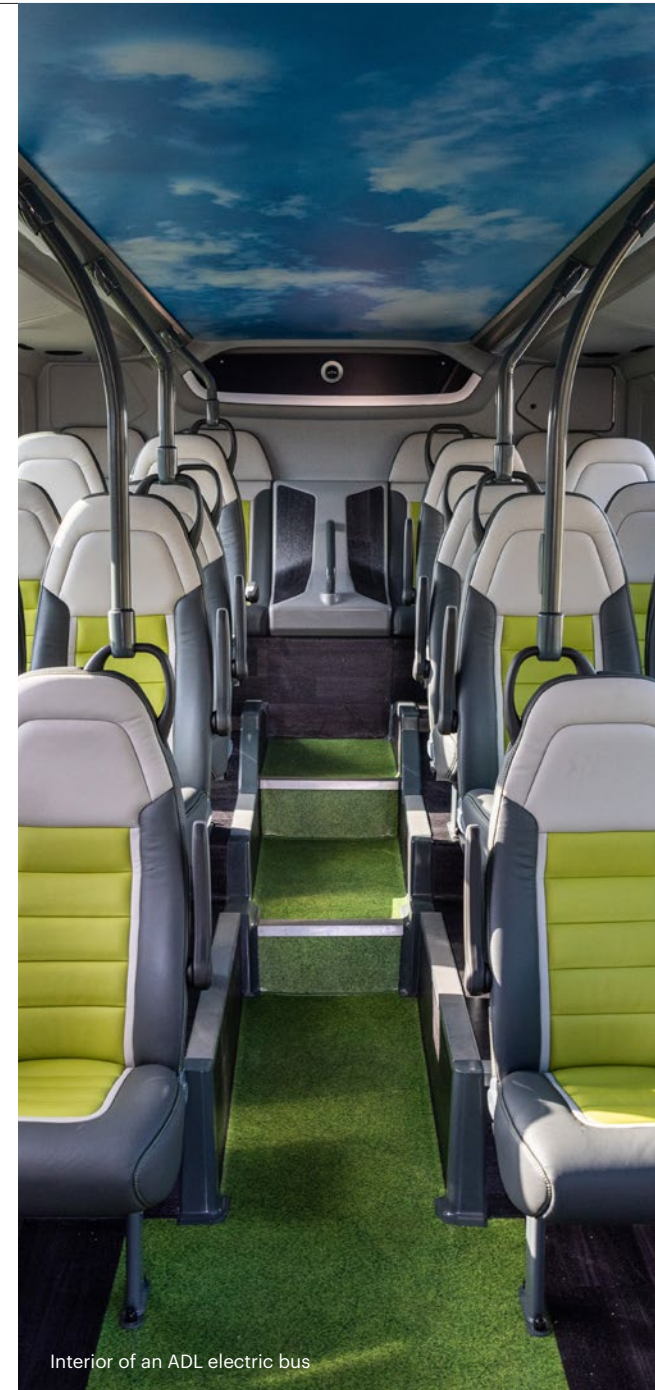
A better product.  
A better workplace.  
A better world.

## — Forward-Looking Statements

This Report contains “forward-looking information” and “forward-looking statements”, within the meaning of applicable Canadian securities laws, which reflect the expectations of management regarding the Company’s future growth, financial performance and objectives and the Company’s vision, strategic initiatives, plans, business prospects and opportunities, including the Company’s social, economic, environmental and governance-related impacts and objectives. The forward-looking information in this ESG Report is included to assist the Company’s stakeholders in understanding these matters. This information may not be appropriate for other purposes. The words “believes”, “views”, “anticipates”, “plans”, “expects”, “intends”, “projects”, “forecasts”, “estimates”, “guidance”, “goals”, “objectives” and “targets” and similar expressions such as “may”, “will”, “should”, “could”, “would” are intended to identify forward-looking statements. These forward-looking statements reflect management’s current expectations regarding future events and speak only as of the date of this Report (or as otherwise indicated).

By their very nature, forward-looking statements require management to make assumptions and involve significant risks and uncertainties, should not be read as guarantees of future events, performance or results, and give rise to the possibility that management’s predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that the assumptions may not be correct and that the Company’s future growth, financial performance and objectives and the Company’s vision, strategic initiatives, plans, business prospects and opportunities, including the Company’s social, economic, environmental and governance-related impacts and objectives, will not occur or be achieved.

The Company cautions readers and investors not to place undue reliance on these forward-looking statements and information as a number of risk factors could cause the Company’s actual results to differ materially from the expectations expressed in such forward-looking statements. These factors – many of which are beyond the Company’s and management’s control and the effects of which are difficult to predict – include risks related to general economic and market factors; risks related to the Company’s business environment; risks related to the Company’s operations, strategy, financing, capital structure, tax, regulatory compliance, reputation, environmental and social risk; and the risks discussed in the “Risk Factors” section of the Company’s Annual Information Form and other disclosure documents filed with the Canadian securities regulatory authorities and available on SEDAR at [www.sedar.com](http://www.sedar.com). The Company cautions that the foregoing list of risk factors is not exhaustive and other factors could materially adversely affect the Company’s future growth, financial performance and objectives and the Company’s vision, strategic initiatives, plans, business prospects and opportunities, including the Company’s social, economic, environmental and governance-related impacts and objectives. Except as required by law, the Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on its behalf. The Company provides no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.



Interior of an ADL electric bus

# Report Highlights



NFI zero-emission vehicles



**65M+**

Electric service miles travelled by NFI ZEBs since 2015



**6**

New zero-emission bus and coach models in 2021



**ISO**

North America Transit and Coach facilities certified to ISO 14001, 45001, and 9001



**Living Wage**

2021 assessment of main transit bus production facilities



**40%**

Female board members



**Flexible Work**

Flexible Work Program launched in 2021



**DEI**

2021 survey launched for employees



**COP26**

NFI buses participated and featured at COP26 in Glasgow, Scotland



**CDP**

Responded to 2021 CDP Climate Change Questionnaire

INTRODUCTION

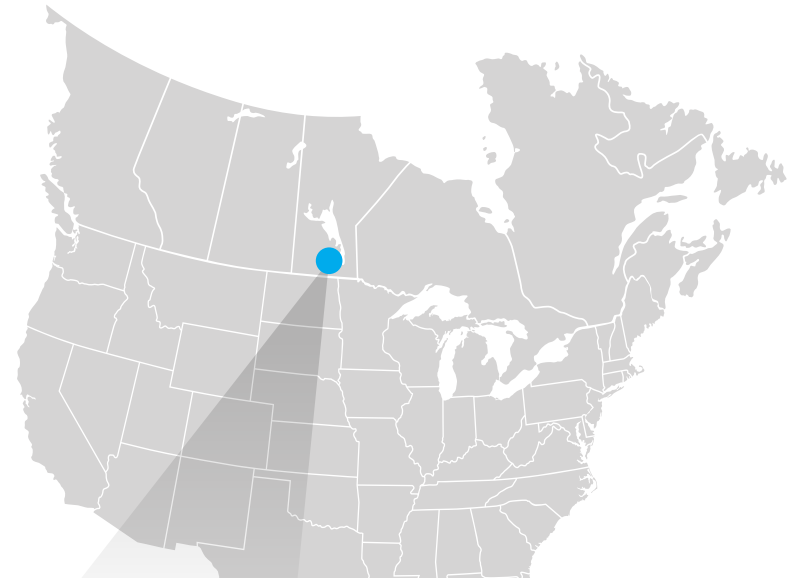
# Land Acknowledgement

NFI's global headquarters is located on Treaty One Territory, the original lands of the Anishinaabe, Cree, Oji-Cree, Dakota, Lakota, and Dene peoples, and the birth place and homeland of the Métis Nation.

We acknowledge that our water is sourced from Shoal Lake 40 First Nation. We respect and give honor to the Indigenous peoples' history on this land and recognize First Nations, Métis, and Inuit peoples' ongoing contribution in our neighborhoods and communities today.



— Video: NFI Land Acknowledgment by President and Chief Executive Officer, Paul Soubry



# About NFI

Video Links



— Video: NFI Exists “To Move People”



— Video: NFI is leading the *ZE*volution™ to electric and zero-emission mobility



INTRODUCTION

# About NFI

NFI is leading the evolution to global zero-emission mobility. We continue to build upon our legacy of innovation to deliver transit technology that meets the complex environmental and social demands of communities today and into the future.



— We Move People.

**Our Vision:**

To lead the evolution of sustainable on-road mass transportation and mobility.

**Our Mission:**

To design, deliver, and support market-leading bus and motor coach solutions that are safe, accessible, efficient, and reliable.



Team members pose in front of an ADL zero-emission double-deck bus they have built

~7,500

team members

45+

facilities in 9 countries

105,000+

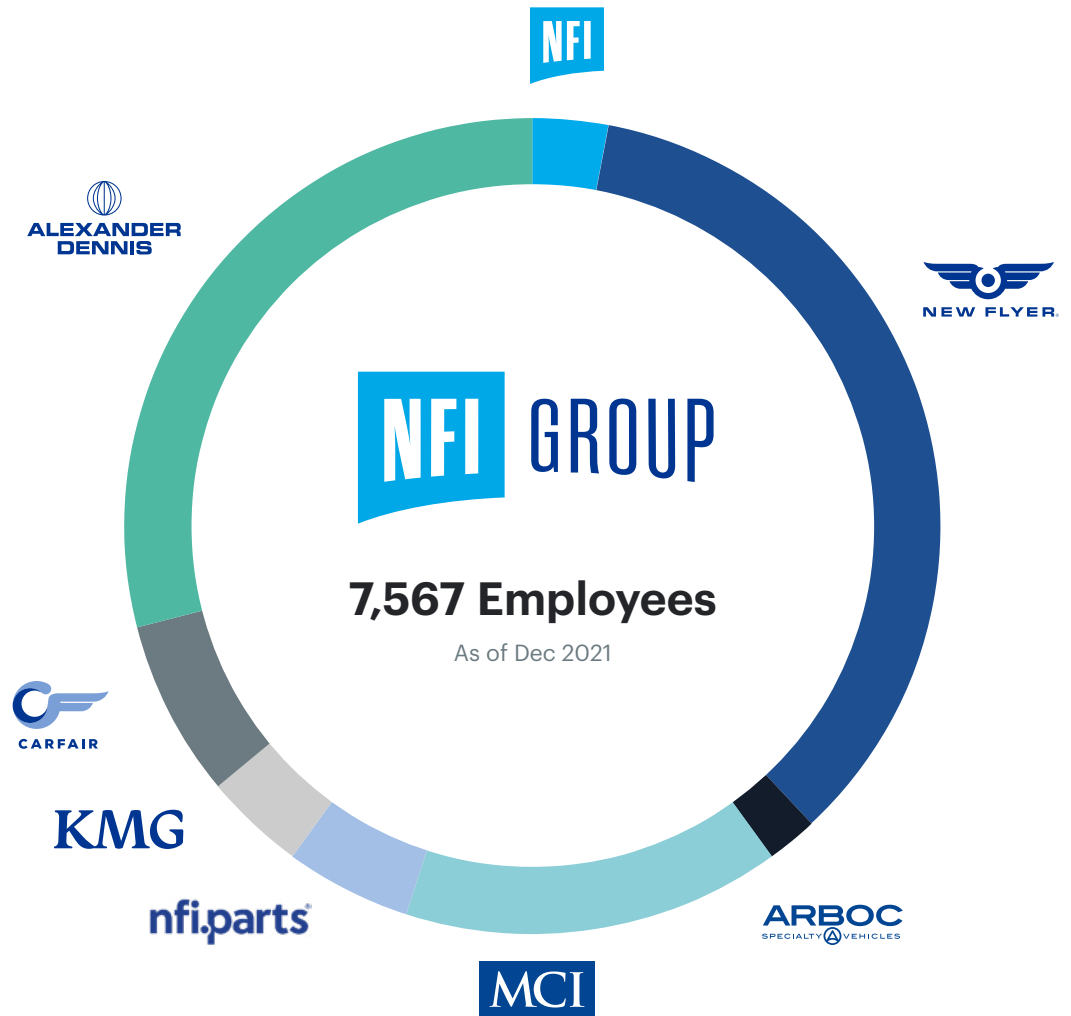
buses and coaches in service around the world



# Our People



● 206 Employees	NFI
● 2,755 Employees	New Flyer
● 123 Employees	ARBOC
● 1,152 Employees	MCI
● 396 Employees	NFI Parts
● 300 Employees	KMG
● 460 Employees	Carfair Composites
● 2,175 Employees	Alexander Dennis Limited



INTRODUCTION

# Our Communities



- **Anniston, AL**  
NF Bus Manufacturing  
Vehicle Innovation Center
- **Arnprior, ON**  
Service Center
- **Crookston, MN**  
Bus Completion
- **Jamestown, NY**  
Parts Manufacturing
- **Ontario, CA**  
NF Bus Completion  
MCI Service Center
- **Renton, WA**  
NF Service Center
- **St. Cloud, MN**  
NF Bus Manufacturing  
Part Fabrication
- **Winnipeg, MB**  
Part Fabrication  
Bus Shell Assembly  
New Product Development



- **Ciudad de Mexico, Mexico**  
Commercial, Parts  
Distribution and Service  
Center



- **Blackwood, NJ**  
MCI Service Center
- **Dallas, TX**  
MCI Service Center
- **Des Plaines, IL**  
MCI Service Center
- **Hayward, CA**  
MCI Service Center
- **Montreal, QC**  
MCI Service Center
- **Pembina, ND**  
MCI D Model Shell  
Completion
- **Winnipeg, MB**  
Part Fabrication  
MCI D Model Shell Assembly  
Complete J Model  
Manufacturing  
New Product Development  
Fiberglass Fabrication



- **Middlebury, IN**  
Cutaway and Medium-Duty  
Bus Manufacturing



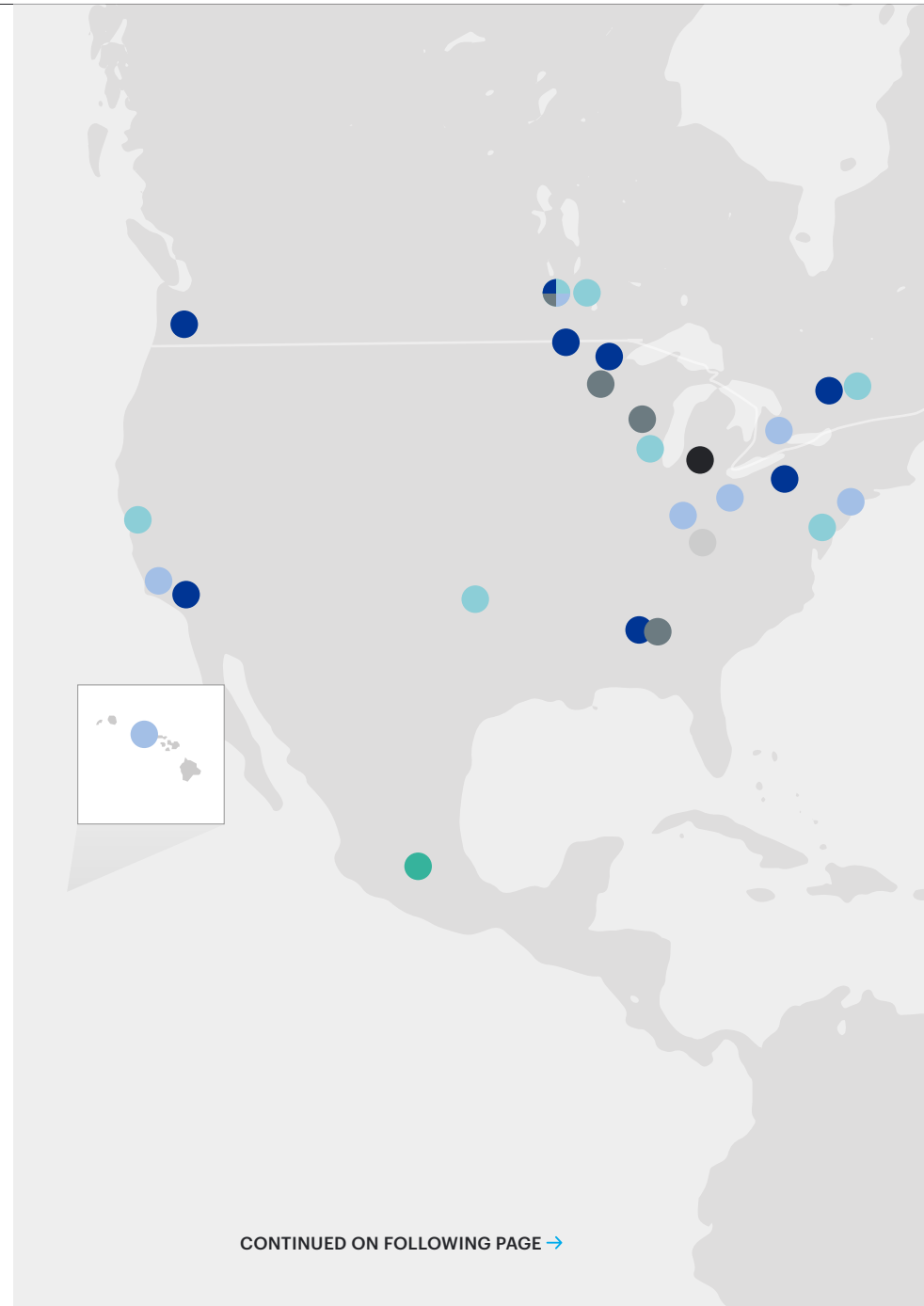
- **Shepherdsville, KY**  
Part Fabrication



- **Brampton, ON**  
NFI Parts Distribution Center
- **Delaware, OH**  
NFI Parts Distribution Center
- **East Brunswick, NJ**  
NFI Parts Distribution Center  
Customer Training
- **Fresno, CA**  
NFI Parts Distribution Center
- **Louisville, KY**  
NFI Parts Distribution Center  
Customer Training
- **Honolulu, HI**  
NFI Parts Distribution Center
- **Winnipeg, MB**  
NFI Parts Distribution Center  
Publications  
Customer Training



- **Anniston, AL**  
Fiberglass Fabrication
- **St. Cloud, MN**  
Fiberglass Fabrication
- **Wausaukee & Gillett, WI**  
Fiberglass Fabrication
- **Winnipeg, MB**  
Fiberglass Fabrication



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- **Auckland, New Zealand**  
Commercial, Parts Distribution and Service Center
- **Anston, England**  
Parts Distribution and Service Center
- **Ballymena, Northern Ireland**  
Engineering Hub
- **Berlin, Germany**  
Commercial, Parts Distribution and Service Center
- **Dublin, Ireland**  
Parts Distribution Center
- **Falkirk, Scotland**  
Bus Manufacturing
- **Farnborough, England**  
Design and Engineering
- **Harlow, England**  
Service Center
- **Hong Kong**  
APAC Head Office  
Commercial, Parts Distribution and Service Center
- **Larbert, Scotland**  
Head Office
- **Skelmersdale, England**  
Parts Distribution and Service Center
- **Scarborough, England**  
Bus and Coach Manufacturing
- **Singapore**  
Commercial, Parts Distribution and Service Center
- **Tauranga, New Zealand**  
Build Partner Manufacturing Plant
- **Zhuhai, China**  
Build Partner Manufacturing Plant



INTRODUCTION

# Our Companies



New Flyer is North America's heavy-duty transit bus leader and offers the most advanced product line under the Xcelsior® and Xcelsior CHARGE® brands. It also offers infrastructure development through NFI Infrastructure Solutions™, a service dedicated to providing safe, sustainable, and reliable charging and mobility solutions. New Flyer actively supports over 35,000 heavy-duty transit buses (New Flyer, NABI, and Orion) currently in service, of which 8,600 are powered by electric motors and battery propulsion and 1,900 are zero-emission. It also provides workforce development through NFI's Vehicle Innovation Center ("VIC"), the first and only innovation lab of its kind dedicated to advancing bus and coach technology. Since opening late 2017, the VIC has hosted over 300 interactive events and welcomed over 5,000 industry professionals for EV and infrastructure training.

→ [newflyer.com](http://newflyer.com)



Alexander Dennis Limited ("ADL") is a global leader in the design and manufacture of double deck buses and is also the UK's largest bus and coach manufacturer. ADL offers single and double deck vehicles under the brands of Alexander Dennis and Plaxton, and has over 31,000 vehicles in service in the UK, Europe, Hong Kong, Singapore, New Zealand, Mexico, Canada and the United States. ADL's focus on zero-emission includes single deck, 2 axle double deck and 3 axle double deck battery-electric bus models, as well as electric range hybrid double deck and 2nd generation hydrogen fuel-cell battery-electric double deck, the H2.0. ADL has over 1,000 battery-electric buses in service in the UK, North America and New Zealand, plus another 500 battery-electric buses on order.

→ [alexander-dennis.com](http://alexander-dennis.com)



MCI is North America's public and private market motor coach leader. Products include the luxury J-Series (an industry best-seller for over a decade), the workhorse D-Series, and the brand new zero-emission luxury and commuter coaches: the battery-electric J4500 CHARGE™ and MCI D45 CRT LE CHARGE™. MCI also provides maintenance, repair, 24-hour roadside assistance, parts, and technician training through the industry's only Automotive Service Excellence ("ASE") accredited and award-winning MCI Academy.

→ [mcicoach.com](http://mcicoach.com)



ARBOC is North America's low-floor, body-on-chassis ("cutaway") bus leader serving transit, paratransit, and shuttle applications. With more than 4,500 buses produced, ARBOC leads the low-floor cutaway bus market providing unsurpassed passenger accessibility and comfort. Providing Equal Access for Everyone®, ARBOC offers a medium-duty bus for transit and shuttle applications, the Equess, as a diesel or compressed natural gas ("CNG"), or the Equess CHARGE™, as its first zero-emission battery-electric bus.

→ [arbocsv.com](http://arbocsv.com)



NFI Parts™ is North America's most comprehensive parts organization providing parts, technical publications, training, and support for buses and motor coaches. NFI Parts provides replacement parts for New Flyer® transit buses, MCI® motor coaches, ADL buses, ARBOC® vehicles, as well as the product lines for the acquired NABI and Orion parts businesses. Additionally, NFI Parts has extensive cross references for parts that are common with other bus, coach, and cutaway product lines and has a mature supply base and established relationships with over 1,000 suppliers. With over 90 years of parts experience, NFI Parts supports a combined fleet of 75,000 active transit buses, motor coaches and cutaway vehicles, and serves more than 5,000 customers annually.

→ [nfi.parts](http://nfi.parts)



Carfair Composites Inc. is North America's leader in engineered fiber-reinforced plastics ("FRP") and composite technologies for buses, with over 50 years of experience.

→ [carfaircomposites.com](http://carfaircomposites.com)



KMG is NFI's part fabrication facility which launched in 2018 in Shepherdsville, Kentucky.

# Our Milestones

- **1895** Dennis founded in England
- **1907** Plaxton founded in England
- **1924** Alexander founded in Scotland
- **1930** Western Auto and Truck Body Works founded in Winnipeg, Canada
- **1932** Motor Coach Industries founded in Winnipeg, Canada
- **2004** Dennis, Alexander and Plaxton become Alexander Dennis Limited
- **2008** ARBOC Specialty Vehicles founded in Middlebury, IN
- **2010** NFI acquires TCB Industries
- **2013** NFI acquires Orion Parts and North American Bus Industries in Anniston, AL
- **2015** NFI acquires Motor Coach Industries and Frank Fair Industries
- **2017** NFI acquires ARBOC Specialty Vehicles
- **2017** NFI Parts established (New Flyer, NABI, Orion and MCI Parts)
- **2017** NFI opens Vehicle Innovation Center (“VIC”) in Anniston, AL
- **2017** NFI acquires Carlson Engineered Composites and Wausaukee-Sintex Composites
- **2018** NFI launches KMG Part Fabrication in Shepherdsville, KY
- **2019** NFI acquires Alexander Dennis Limited
- **2019** NFI introduces NFI Infrastructure Solutions™
- **2020** NFI introduces the national Community Benefits Framework
- **2020** NFI launches NFI Forward, a transformational initiative to move NFI from a holding company to an integrated operating company
- **2021** NFI Parts integrates North American ADL Parts business
- **2021** NFI unveils its strategy, entitled Leading the **ZE**volution™, to drive the evolution to zero-emission mobility
- **2021** NFI introduces six new zero-emission bus and coach models



# Our Awards & Accolades



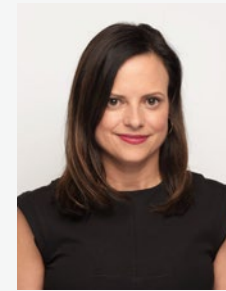
→ ADL was recognized for its international development at the Centre for Engineering and Development (“Ceed”) Industry Awards, recognizing ADL’s unwavering focus on developing its international double-deck platform and zero-emission technologies to meet customer and market requirements around the globe. In addition to winning the Internationalisation category, ADL’s successful apprenticeship program was shortlisted for the Skills Development award.



→ NFI’s MCI Academy received an ASE Training Managers Council (“ATMC”) National Excellence in Training Award. The MCI Academy, an NFI center for training and workforce development, secured the 2021 first place Grand Award for its Motorcoach Technician Certificate Program with a score of 498 out of possible 500. This award marked the fifth consecutive time the MCI Academy has earned the award, and the only time a recipient has won five times.



→ NFI was presented with the Spirit of Collaboration award for our partnership with the International Association of Machinists and Aerospace Workers (“IAMAW”) and Unifor during our 2021 United Way workplace campaign.



→ Jennifer McNeill, Vice President of Sales and Marketing, North American Bus and Coach, NFI, was named a Canada Climate Champion for advocating and leading zero-emission bus adoption in North America for over a decade.

“Jennifer has been instrumental in the evolution and advancement of NFI’s EV leadership in North America, but, more importantly, in urging a paradigm shift towards more livable cities and low-carbon mobility,” said Paul Soubry, President and Chief Executive Officer, NFI. “NFI proudly congratulates Jennifer on this honor. She has illustrated ingenuity in leading our industry toward a zero-emission future, and has been a driving force behind our technology roadmap and strategic growth – ultimately driving a more sustainable future.”

INTRODUCTION

# COVID-19: Moving Forward from Response to Communicable Disease Planning

As was true for many in 2021, the COVID-19 pandemic continues to have a significant impact on our Company, teams, customers, suppliers, partners, and their families. During these volatile conditions, we have demonstrated our resilience by responding to an actively changing environment while maintaining our ESG commitments.

Our team worked tirelessly to achieve balance by focusing on safety, strategically managing our incoming supply, and consciously adjusting line entry rates. Our actions to reduce new vehicle input rates helped us to control costs, minimize working capital, and preserve cash flows through a period of uncertain part supply availability. We drilled down deep into our supply chain to assist with sourcing individual parts or alternate supply from around the globe, and our people have been incredibly flexible and accommodating—delivering to the best of our ability for our customers, while staying focused on the health and safety of each other.

Our dedicated COVID-19 Response Team has continued to coordinate Safe Work and Risk and Operations Initiatives together with consistent communication to all employees, contractors and visitors throughout the ongoing pandemic in 2021. Through these efforts, NFI has initiated the development and implementation of a communicable disease (“CD”) plan to address potential future CD risks, and to ensure the health and safety of all those working in and visiting our facilities.

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## — Focusing On Our Employees and Communities

Our focus remains on the health, safety, and well-being of our team members and their families, customers, visitors, others who spend time in our facilities, and the surrounding community. Organizationally, we are proactive in our measures to reduce the risk of CD transmission within our facilities and follow all jurisdictional public health requirements to maintain a safe and healthy workplace.

Throughout the summer of 2021, NFI offered in-house vaccine clinics for our employees and families in some of our Canadian and U.S. facilities, coordinated in partnership with public health resources. At our headquarters located in Winnipeg, Manitoba, NFI worked in partnership with local non-profit and Indigenous family resource center, Ma Mawi Wi Chi Itata (Ojibway for “we all work together to help one another”) to provide no-cost transportation on New Flyer buses for inner-city community members to access vaccine clinics they otherwise could not have reached. NFI continues to work in partnership with its community members to provide support to improve the health of our communities.

Encouraged by the needs of the pandemic and in an effort to maintain business continuity in the face of future business disruptors, NFI launched its Flexible Work Program in October 2021 in its continued efforts to provide a progressive work environment through flexible work arrangements, enabling team members to work in flexed schedule, flex/hybrid, or remote schedules where applicable and suitable.



## 2,323 tonnes CO<sub>2</sub>e Reduction

With just over 20% of our workforce in a flex/hybrid or remote work option, the decrease in daily commutes to the workplace equates to a reduction of approximately 2,323 tonnes of CO<sub>2</sub>e annually.<sup>1</sup>

1. Calculated using Greenhouse Gas Protocol Scope 3 methodology.

We desire the highest standards of service through an engaged, talented, and flexible workforce, and we believe that supporting team members in flexible work and schedule arrangements, where possible, will assist to achieve this.





ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT FOR 2021

# Principles & Governance



A better product.  
A better workplace.  
A better world.

# Seeking Long-Term Success

NFI is committed to creating long-term and sustainable value for all our stakeholders while placing great value on the health and safety of our employees, the environment, and the communities in which we live and work.

At NFI, the consideration of all our stakeholders' interests is critical to our decision making. In 2009, we adopted our stakeholder model that encompasses the various parties displayed on the right-hand side of this page. Using this system and understanding the need to focus on our stakeholders through a broader lens, NFI has begun to engage with our stakeholders to better understand how they view specific ESG issues, and how these issues may affect them. To initiate this ESG engagement process, in 2022 NFI commenced a multi-stakeholder materiality assessment to identify the most relevant ESG issues to our stakeholders and our organizational goals. The results of this assessment will guide our sustainability roadmap and identify which ESG/sustainability framework(s) are most relevant to align with. This considered and systematic approach will enable specific operational target-setting measures as we move towards identifying our risks and opportunities in preparation for the net-zero economy.

In 2021, NFI responded to the CDP Climate Change Questionnaire for the first time and intends to respond to the 2022 questionnaire. NFI's ESG materiality assessment results will inform our sustainability roadmap to relevant disclosure platforms. Future reporting may include, but is not limited to, questionnaires, frameworks and standards such as the S&P Corporate Sustainability Assessment ("CSA"), Global Reporting Initiative ("GRI"), the Sustainability Accounting Standards Board ("SASB"), the Taskforce for Climate-related Financial Disclosures ("TCFD") and/or the United Nations Sustainable Development Goals ("SDG").

In some jurisdictions, NFI participates in consultations with representatives of the communities in the immediate vicinity of our production facilities. These community meetings are used to discuss any significant process or production rate changes that could impact the environmental conditions in the area and are the forum used to highlight safety and environmental improvements incorporated into our manufacturing operations.



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Our suppliers are subject to our environmental, labor, and human rights codes of conduct. Our Environmental Health & Safety Policy applies to all of NFI's facilities, operations, contractors, visitors and vendors/suppliers.

We recognize, through our Environmental, Health & Safety Management System ("EHSMS"), the impact our direct operations, supply chain, and consumer use of our products and services has on the consumption of natural resources, energy, and water, and the generation of waste. Our EHSMS commits us to continually improving our efforts to eliminate or minimize the environmental impacts of our products and operations, further shown through the certification of many of our manufacturing divisions. NFI's heavy-duty and medium-duty transit, and, as of 2021, our motor coach manufacturing facilities in North America, have been registered to the ISO 9001 (quality), ISO 14001 (environmental), and ISO 45001 (safety) certifications, making NFI the first North American bus or coach manufacturer to achieve all three ISO certifications. ARBOC was awarded ISO 9001:2008 in 2009 and is now ISO 9001:2015 certified. ADL has been awarded ISO 9001 certification for certain of its production facilities in the UK.

Our commitment to minimizing environmental impacts and reducing emissions is why each NFI bus is designed and built for either a) zero emissions, or b) fuel efficiency. Environmental design criteria, including emissions output, resource use and waste generation, are critical considerations in the creation of our products. Engines are procured to be efficient and to meet, and sometimes exceed, regulatory emissions and efficiency requirements per country. On-board emissions measurements systems are employed during driving to reduce fuel consumption. Our impressive line-up of zero-emission and battery-electric products, as well as telematics and connected technology to monitor performance, demonstrate our commitment to a sustainable future for our business, our customers, our employees, and our communities.

New Flyer Xcelsior CHARGE NG™ battery-electric bus under overhead charger



As a publicly traded company on the Toronto Stock Exchange ("TSX"), NFI ensures decisions are made to drive shareholder value and provide long-term returns. As you'll see throughout this Report, employees and customers are also critical stakeholder groups that drive our business and strategy.

# Our Core Values



**Safety:**

The health and wellbeing of our team members and the safety of our products are our top priorities.



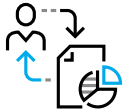
**Quality:**

We strive for excellence in our products, services, and all that we do.



**Integrity:**

We act with honesty, transparency, and integrity, treating each other with respect in a diverse, equitable, and inclusive workplace.



**Accountability:**

We take responsibility for our actions, seeking to build trust and earn a reputation for excellence and reliability.



**Teamwork:**

We work with our team members, our supplier partners, and our customers to pursue mutual benefits.

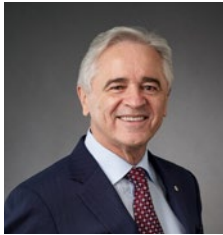


**Sustainability:**

We seek long-term success for our business, our communities, and the environment through responsible sourcing, lean manufacturing, and sustainable operations.



# NFI Board of Directors



**Hon. Brian Tobin\***  
(Ontario)  
Board Chair  
HRCG Committee Member  
Member since 2005



**Colin Robertson**  
(United Kingdom)  
Vice Chair  
Member since 2020



**Phyllis Cochran\***  
(South Carolina)  
Audit Committee Chair  
Member since 2015



**Larry Edwards\***  
(Oklahoma)  
HRCG Committee Chair  
Audit Committee Member  
Member since 2008



**Paul Soubry**  
(Manitoba)  
President & CEO  
Member since 2009



**Katherine Winter\***  
(Illinois)  
HRCG Committee Member  
Member since 2019  
  
Kathy is the VP & GM, Autonomous Transportation & Infrastructure Division, Intel Corporation



**Wendy Kei\***  
(Ontario)  
Member at Large  
Member since 2022  
  
Wendy also serves as the Chair of the Board of Ontario Power Generation Inc.



**Adam Gray\***  
(Connecticut)  
Audit Committee  
Member since 2012  
  
Adam is co-founder and Managing Partner at Coliseum Capital Management, LLC



**Krystyna Hoeg\***  
(Ontario)  
Audit Committee Member  
Member since 2015



**Paulo Nunez\***  
(Brazil)  
HRCG Committee Member  
Member since 2015  
  
Paulo also serves on the Board of Directors of Marcopolo S.A.

\* Denotes independent directors.

## Key Facts

**80%**  
Board independence

**40%**  
Female

**300**  
Years of combined experience

**4**  
Geographical diversity across four countries

**90%**  
of Directors own shares\*\*

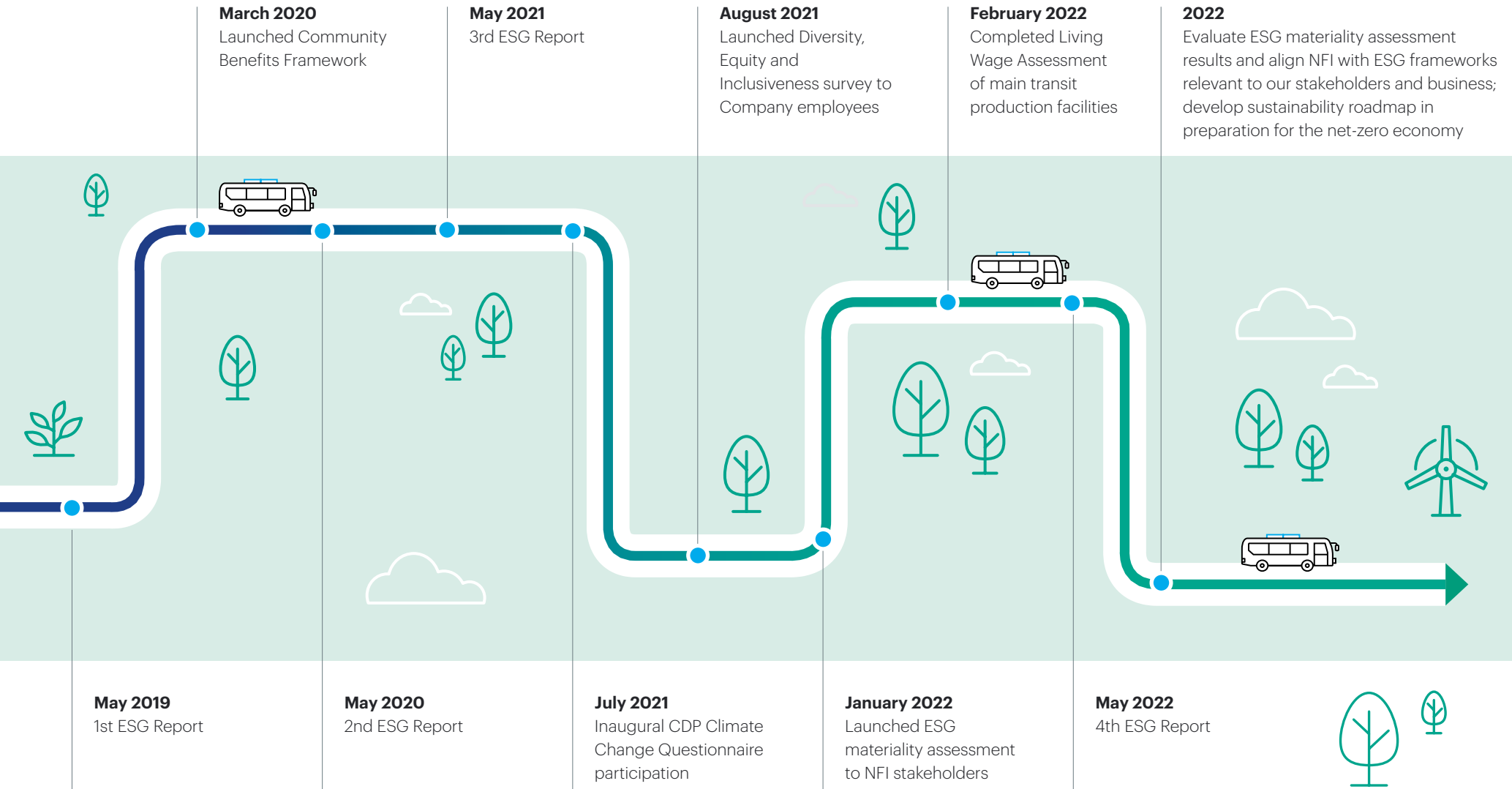
Striving for increased representation of underrepresented groups

\*\* Throughout 2021 and prior to the 2022 Annual General Meeting, 100% of Directors owned shares.

## Robust Governance Program

- Dedicated committees for Audit and for HR, Compensation and Corporate Governance
- Comprehensive governance framework
- Enhanced ESG disclosure and policy development
- Whistleblower and Fraud Hotline
- Top 200 for Canada's Corporate Boards in Globe and Mail Board Games Survey

# Our ESG Journey Highlights



**May 2019**  
1st ESG Report

**March 2020**  
Launched Community Benefits Framework

**May 2020**  
2nd ESG Report

**May 2021**  
3rd ESG Report

**July 2021**  
Inaugural CDP Climate Change Questionnaire participation

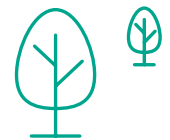
**August 2021**  
Launched Diversity, Equity and Inclusiveness survey to Company employees

**January 2022**  
Launched ESG materiality assessment to NFI stakeholders

**February 2022**  
Completed Living Wage Assessment of main transit production facilities

**May 2022**  
4th ESG Report

**2022**  
Evaluate ESG materiality assessment results and align NFI with ESG frameworks relevant to our stakeholders and business; develop sustainability roadmap in preparation for the net-zero economy

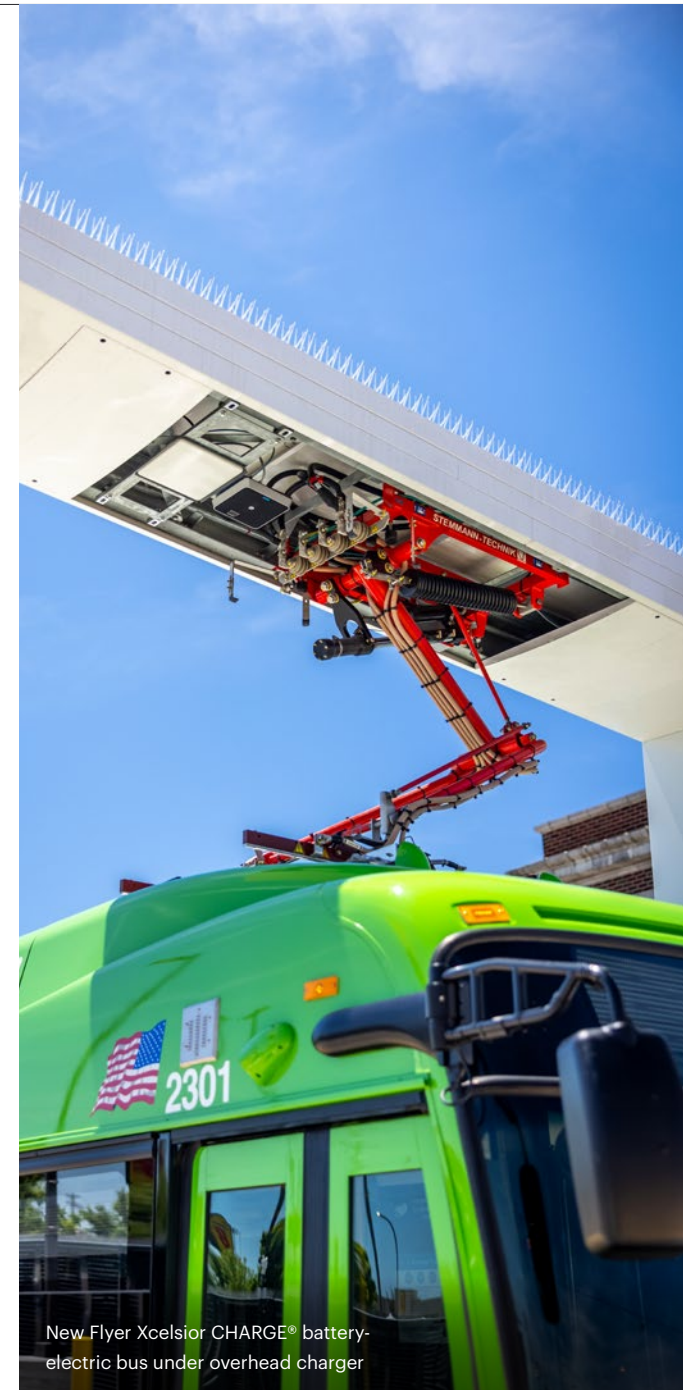


# Our ESG Progress in 2021

In 2021, we accelerated our Company-wide sustainability strategy and roadmap, and, in 2022, we commenced our first ESG materiality assessment, to gather input from our stakeholders regarding their views and expectations related to ESG topics.

## As a part of our ongoing ESG priorities, in 2021 we:

- Continued to prioritize the health, safety and well-being of our employees through our pandemic emergency response and safety measures;
- Continued our NFI Forward facility footprint rationalization, contributing to decreases in our carbon footprint;
- Formalized Sustainability structure and resourcing with creation of Sustainability Manager and Coordinator roles;
- Completed our first response to the CDP Climate Change questionnaire;
- Began conducting studies in some of our facilities to identify renewable energy opportunities in preparation for the net-zero economy;
- Continued to evaluate registration to ISO 14001, 45001, and 9001 for certain subsidiaries;
- Shifted some of our strategic priorities to withstand supply chain challenges;
- Engaged an independent third party to conduct a DEI survey of our organization to assess our current state and areas for opportunity;
- Formalized a Human Rights Statement outlining our commitment and approach, informed by international principles;
- Raised more than \$370,000 through United Way campaign, supporting 18 communities across North America; and
- Continued development of our product to meet the needs of the net-zero economy by releasing six new zero-emission vehicle models in 2021 alone.



New Flyer Xcelsior CHARGE® battery-electric bus under overhead charger



ADL double-deck bus at the English coast

PRINCIPLES & GOVERNANCE

# Our ESG Priorities for 2022

Company Management	Environment	Employees	Community
Business performance	Zero-emission products and solutions	Celebrating, fostering and measuring diversity, equity, and inclusion	Responsible corporate citizen
Leading with integrity	Emissions management, including footprint rationalization	Environmental health and safety	Human Rights
Quality products, continuous innovation	Energy and water consumption management	Respectful and vibrant workplace culture	Community and charitable initiatives
Robust governance practices	Infrastructure Solutions to support zero-emission projects	Workforce development, Community Benefits Framework and initiatives	Team and community spirit, supported by the Community Benefits Framework
Supply chain management	Battery recycling partnership	Advance 50 - 30 Challenge	Global United Way sponsorship program



Our 2022 materiality assessment will inform the key ESG issues most relevant to NFI and all our stakeholders, to ensure we are meeting the needs of tomorrow as we continue our ZEvolution to a more sustainable future.



“ We continue to weave ESG into the fabric of our day-to-day operations and our long-term planning. Our 2022 materiality assessment will inform the ESG issues most relevant to NFI and all our stakeholders, to ensure we are meeting the needs of tomorrow as we continue to build products and solutions that enable smart city development, reduce the harmful impacts of climate change, traffic congestion and noise pollution, and enable economic opportunity. ”

Janice Harper, Executive Vice President, People & Culture

# Our Sustainability Pledge



A better product.  
A better workplace.  
A better world.

Our Sustainability Pledge guides our daily actions and long-term planning. NFI is passionate about creating a better product, a better workplace, and a better world.



New Flyer Xcelsior CHARGE® battery-electric bus



ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT FOR 2021

# Better Product



A better product.  
A better workplace.  
A better world.

# Better Product Highlights



NFI battery-electric buses and coaches



**13**  
Countries with NFI buses and coaches in service



**Quietest**  
Xcelsior CHARGE H2™ is the quietest bus on the market



**Options**  
Zero-emission and accessible vehicle options across all brands



**COP26**  
NFI buses participated and featured at COP26 in Glasgow, Scotland



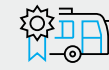
**80+**  
Cities with an NFI ZEB in service or on order



**65M+**  
Electric service miles travelled by NFI ZEBs since 2015



**280+**  
EV chargers installed via NFI Infrastructure Solutions™ since inception



**~8,000**  
EUs annual ZEB production capacity



**2,032**  
ZEBs delivered from 2015-2021



**17%**  
of 2021 deliveries were ZEBs



**661**  
ZEB deliveries in 2021; 2.2 billion lbs of CO<sub>2</sub> avoided

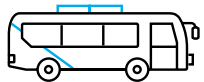
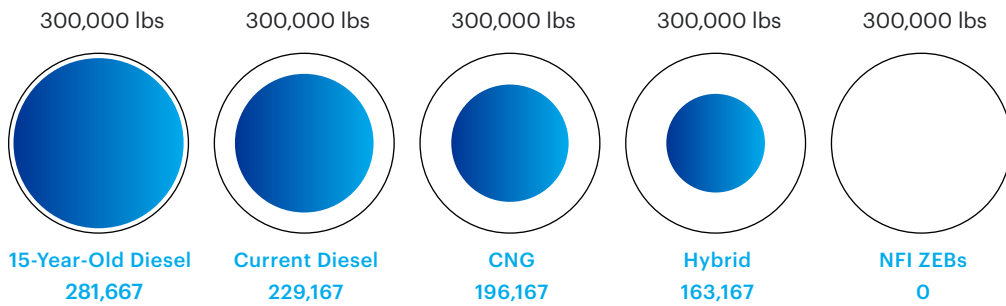


**20-25%**  
of 2022 production expected to be ZEBs

BETTER PRODUCT

# The Global Power of a Bus

## Annual Tailpipe Emissions<sup>1</sup> (CO<sub>2</sub>, lbs)



The global pandemic illustrated the critical nature and necessity of the bus and of public transit systems. Safe, equitable and thriving public transit systems are essential for communities to continue to recover from the COVID-19 pandemic.<sup>2</sup>

## Comparative Cost and Time to Delivery

Transit mode	Cost	Time to deliver
Light Rail Transit (LRT) <sup>5</sup>	\$3B - \$6B	>5 years
100 Transit Buses	\$50M - \$60M	1 - 2 years
100 ZEBs	\$90M - \$110M	1 - 2 years

1. GREET Model Fleet Footprint Calculator & EPA Motor Vehicle Emission Simulator 2. Health Affairs Journal 3. American Public Transportation Association ("APTA") and the National Association of Realtors 4. APTA 5. Management estimate based on historic projects in Canada and the U.S.

## Key Facts

**+24%**

home values near public transportation<sup>3</sup>

**\$11.7B**

offset to annual car operating costs in the U.S.<sup>4</sup>

**50,000**

jobs created from every \$1 billion invested in public transit<sup>4</sup>

**40**

cars removed from the road for every 1 bus<sup>4</sup>

**10x**

safer per mile to travel by public transit than automobiles<sup>4</sup>

**\$5**

in economic returns for every \$1 invested in public transportation<sup>4</sup>

**55%**

fewer GHGs for a public transit trip (vs. driving alone)<sup>4</sup>

**3,380,000**

lbs of CO<sub>2</sub> emission prevented by each ZEB over 12-year life<sup>1</sup>



ADL buses in Glasgow, Scotland

# Comprehensive Mobility Solutions Creating Positive Impact



## Environment:

New Flyer's zero-emission Xcelsior CHARGE NG™ 40-foot transit bus and its fuel cell-electric buses can save up to 135 metric tons of GHG from tailpipe emissions per year (a traditional 40-foot clean diesel bus emits approximately 135 tons of GHG in one year).<sup>1</sup> This is equivalent to taking up to 29 cars off the road or planting up to 5,600 trees.<sup>2</sup>

ADL's zero-emission electric buses reduce well-to-wheel greenhouse gas emissions by up to 63% compared with a conventional diesel bus<sup>3</sup> when charged with UK grid electricity, and even more when fully charged by renewable energy.

In 2021, ARBOC released the zero-emission battery-electric Equest CHARGE™, and MCI launched the D45 CRT LE CHARGE™ and J4500 CHARGE™. Both 45-foot electric coaches can avoid the emission of approximately 80 metric tons of GHG annually.<sup>4</sup>

In addition, NFI Parts™ continues to seek out green technology with its introduction of no-idle solutions, such as solar panel and electronic HVAC systems.



## Energy Costs:

The Xcelsior CHARGE NG™ transit bus provides up to \$400,000 lower fuel costs over the 12-year life of the bus (compared to a 40-foot diesel bus; actual savings will depend on regional energy costs and charging methods). Its new lightweight electric traction drive system provides up to 90% energy recovery.



## Industry-Leading Accessibility:

ARBOC continues to lead the industry by creating the first patented low-floor cutaway and low-floor non-kneeling cutaway, allowing equal access for all passengers. The innovative design of MCI's D45 CRT LE CHARGE™ vehicle provides easier boarding and greater independence. All of Plaxton's coach models are available in wheelchair-friendly versions, meeting the requirements of the UK's Public Service Vehicles ("PSV") Accessibility Regulations.

New Flyer's SmartRider™ ramp and suspension system enables buses to kneel to variable heights, minimizing the slope difference between a low-floor ramp and bus floor and ultimately providing unmatched accessibility for all.



## Quiet:

During the Altoona Interior Noise: 0 to 35 mph Acceleration Testing, the Xcelsior CHARGE H2™ scored the lowest dBA level, making it the quietest bus on the market.



## Interoperable:

NFI Infrastructure Solutions™ deploys electric vehicle supply equipment and charging systems that are compatible with all types, makes and models of electric vehicles, adhering to industry standards. ADL works with trusted partners to supply turn-key infrastructure solutions, and ADL's electric buses are available with interoperable charging interfaces for both slow and opportunity charging, subject to market requirements and preferences. NFI is a member of the ITxPT (see page 44 of this Report).

1. Federal Transit Administration and U.S. Environmental Protection Agency ("EPA"). 2. U.S. Department of Transportation, U.S. EPA., and One Tree Planted. 3. American Bus Association, Altoona, and U.S. EPA. 4. Digest of United Kingdom Energy Statistics 2020.

# NFI Leading the **ZE**volution™

Our end products are a key driver to enable cities to lower emissions, decrease congestion and enable economic opportunity. We are committed to continuing to innovate in order to deliver smarter, safer, more sustainable, and more connected public transportation.



NFI was named partner of choice by nine transit agencies for the FTA's 2021 Low or No Emission Grant Program, with subsidiaries New Flyer and MCI supporting successful applications for over \$40 million in grants to support EV and charging infrastructure procurements.



ADL double-deck bus in Singapore



New Flyer Xcelsior CHARGE NG™ under overhead charger



ADL electric bus in COP26 colours



ADL Enviro200 autonomous bus

NFI is leading electric bus mobility towards a zero-emission economy.

**50+**  
years of electric bus experience

**13**  
countries with NFI buses and coaches in service

**65M+**  
electric service miles travelled by NFI ZEBs since 2015

**80+**  
cities with an NFI ZEB in service or on order

**2,032**  
ZEBs delivered from 2015-2021

**661**  
ZEBs delivered in Fiscal 2021

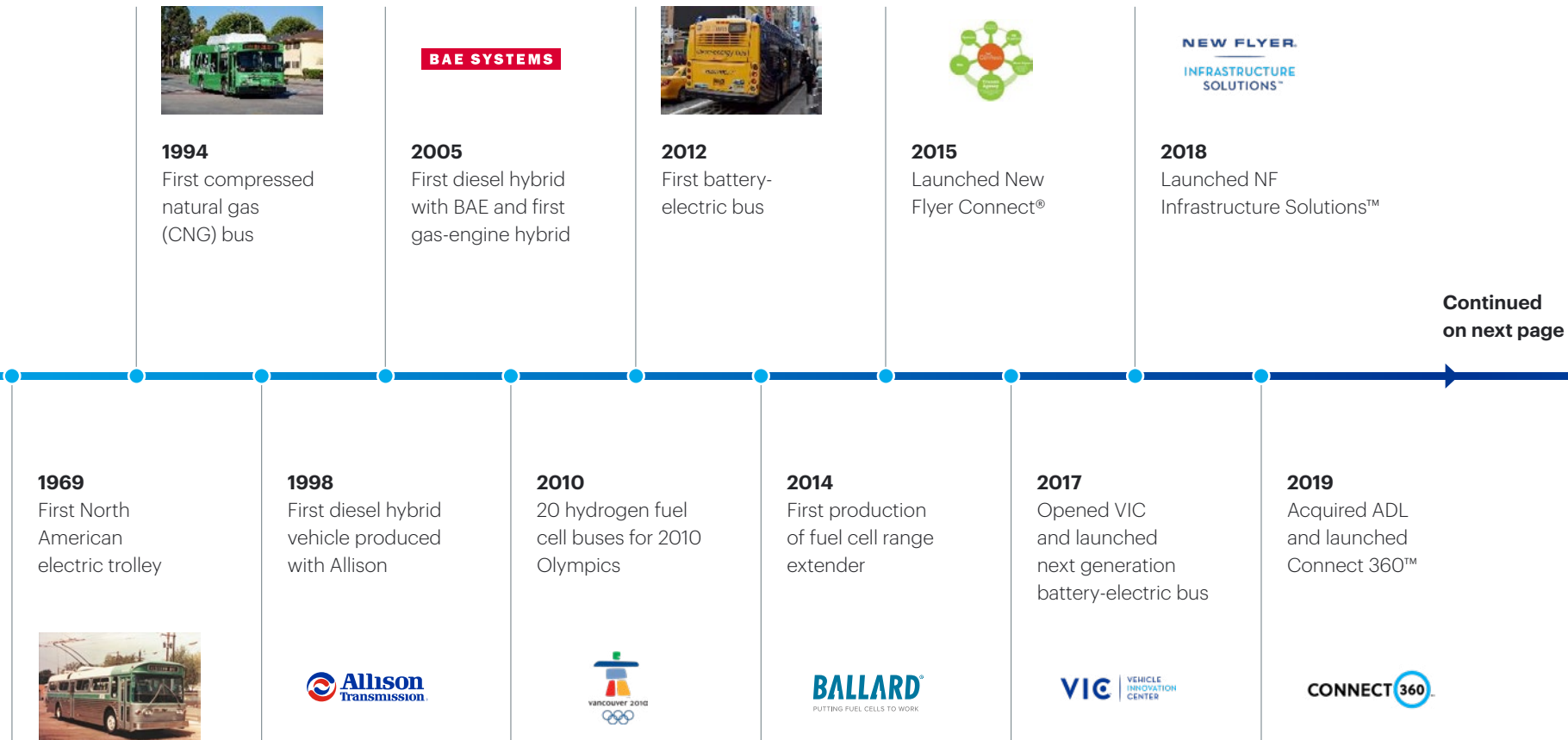
**1,414**  
ZEBs in backlog as at end of 2021 (17% of total backlog)

**280+**  
EV chargers installed via NFI Infrastructure Solutions™

**~8,000**  
EUs annual ZEB production capacity

**20-25%**  
of 2022 production expected to be ZEBs

# Our Zero-Emission Journey Dates Back to 1969...





# ...and continued in 2021



**Battery Recycling Partnership**  
Battery recycling partnership with Li-Cycle Corporation



**ARBOC Equest CHARGE™**  
Zero-emission, battery-electric, medium-duty low-floor transit bus



**MCI J4500 CHARGE™**  
Zero-emission, battery-electric luxury motor coach



**ADL Enviro500EV CHARGE**  
Zero-emission, battery-electric, double-deck bus

**New Flyer Xcelsior AV™**  
North America's first SAE Level 4 automated heavy-duty transit bus; zero-emission, battery-electric



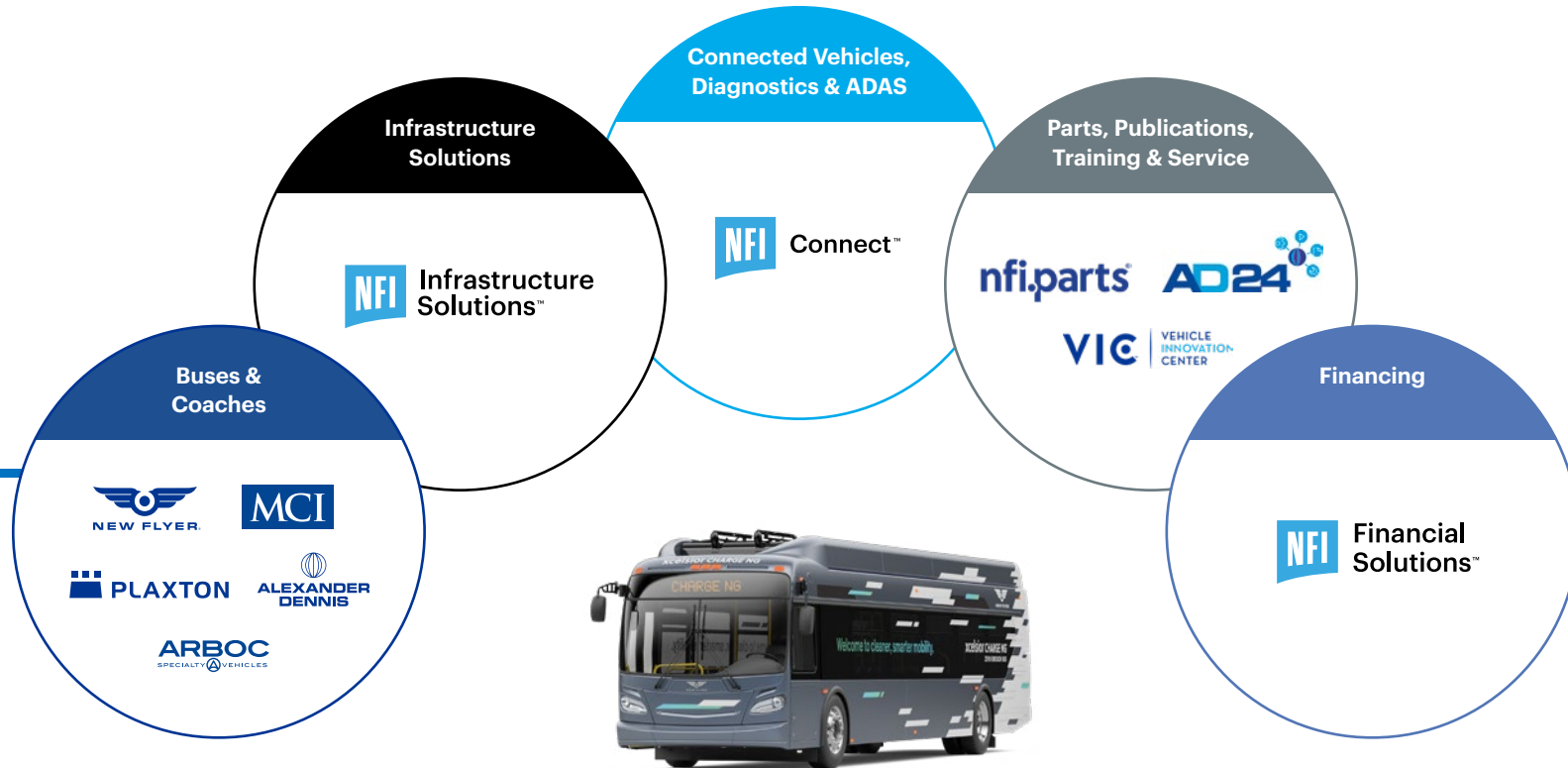
**New Flyer Xcelsior CHARGE NG™**  
Next-generation, zero-emission, battery-electric transit bus



**MCI D45 CRT LE CHARGE™**  
Zero-emission, battery-electric commuter coach



Today, NFI provides comprehensive mobility solutions and supports public and private customers in their transition to zero-emission fleets.



BETTER PRODUCT

# The Industry's Widest Range of ZEBs

**30- & 35-foot**

Medium-Duty, Low-Floor Battery-Electric



**Single-Deck**

Battery-Electric



**35-foot**

Battery-Electric



**Double-Deck**

Battery-Electric



**40-foot**

Battery-Electric



**Double-Deck**

Fuel Cell-Electric



**40-foot**

Fuel Cell-Electric



**Motor Coach**

Battery-Electric



**60-foot**

Battery-Electric



**Motor Coach**

Battery-Electric Low-Entry



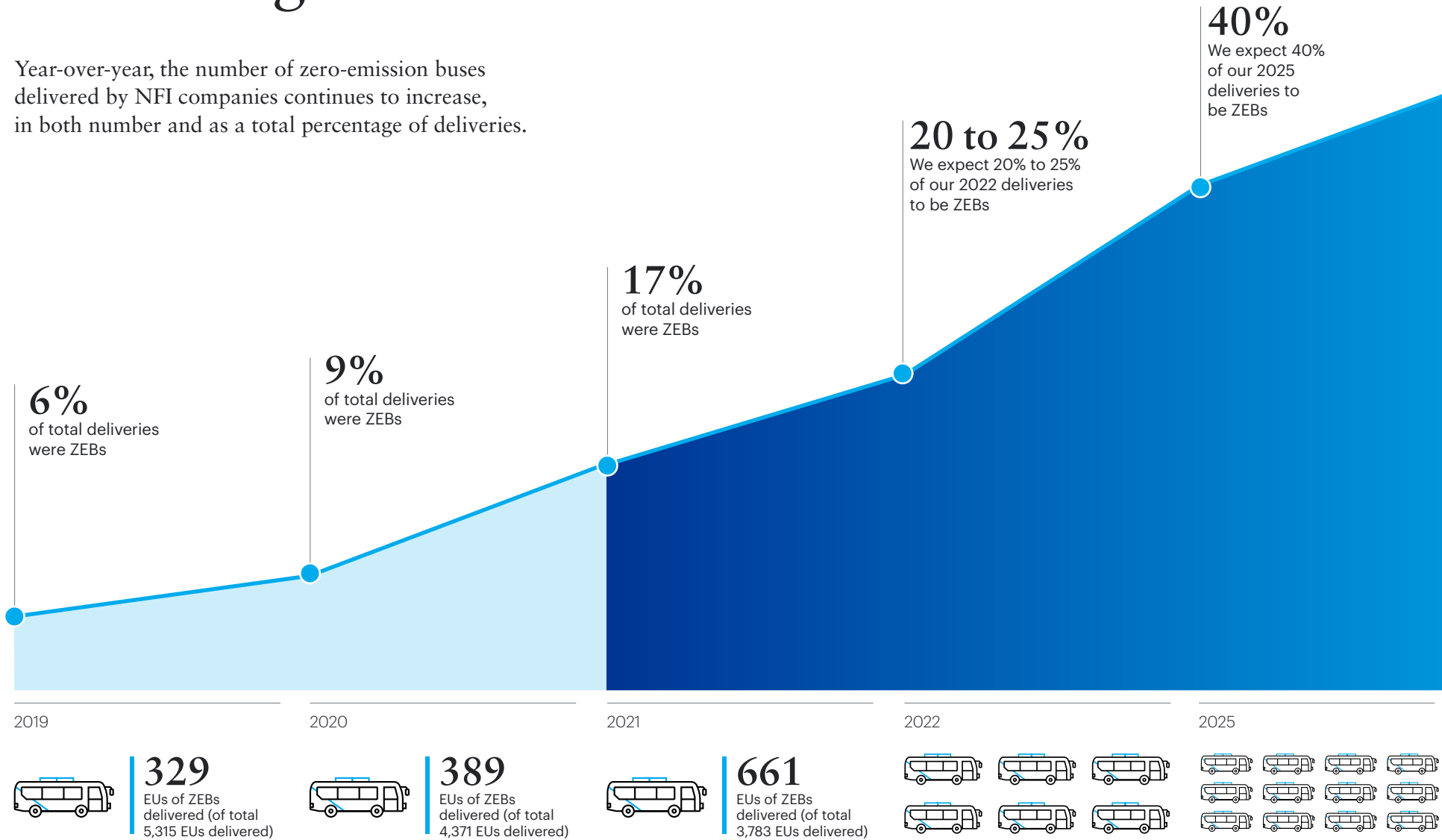
**60-foot**

Fuel Cell-Electric



# Increasing ZEB Deliveries

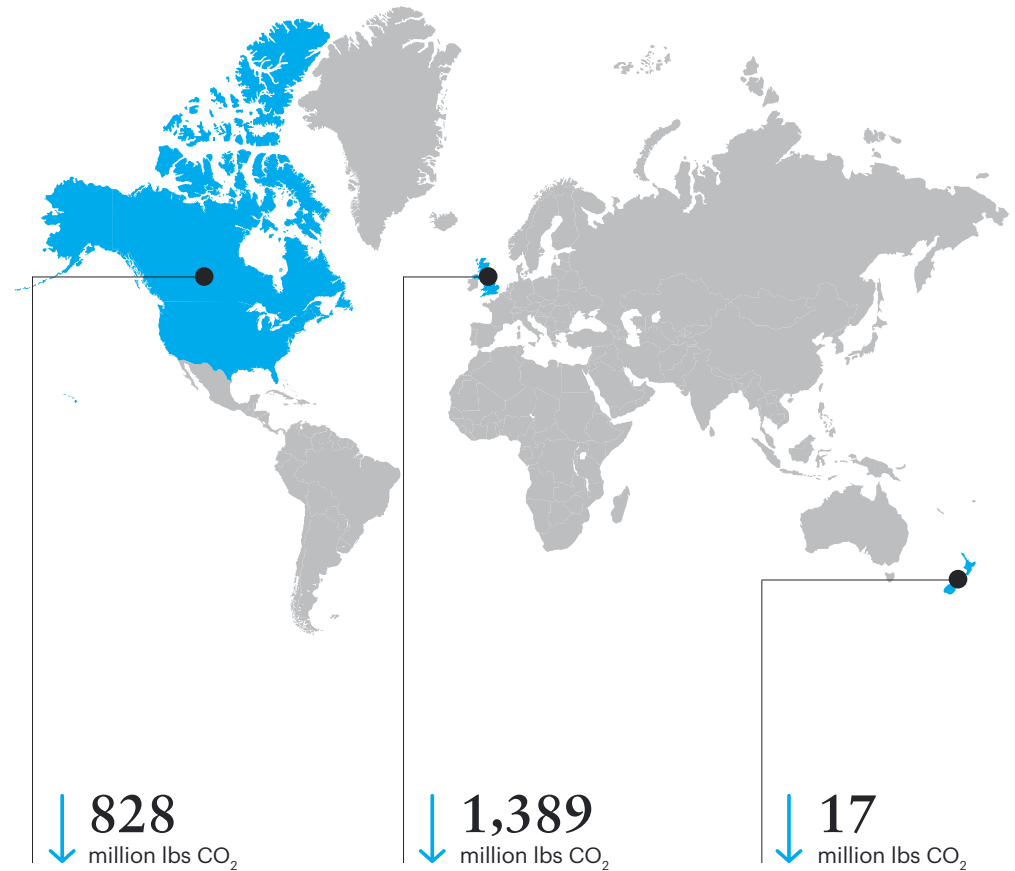
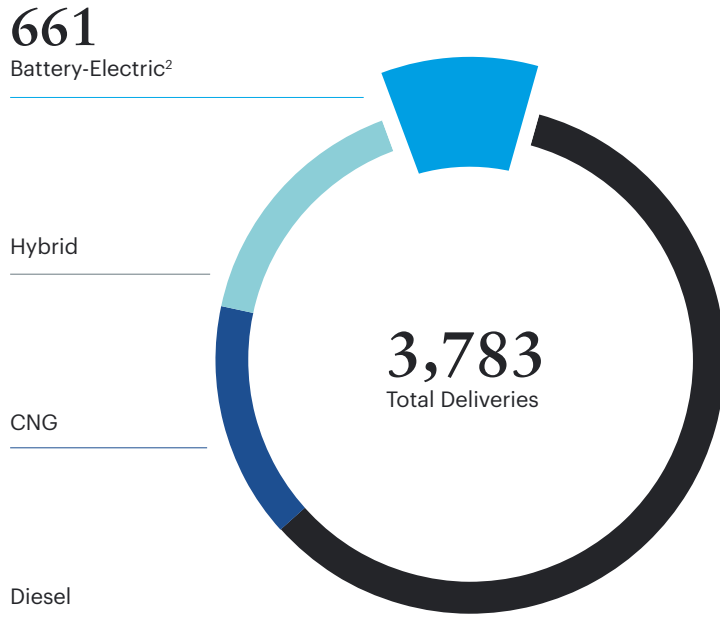
Year-over-year, the number of zero-emission buses delivered by NFI companies continues to increase, in both number and as a total percentage of deliveries.



# Impact of 2021 ZEB Deliveries

— In Fiscal 2021, NFI delivered 661 ZEBs (17% of total deliveries), avoiding the equivalent of 2.2 billion lbs of CO<sub>2</sub> emissions over the expected 12-year life of those buses<sup>1</sup>

— NFI 2021 Deliveries by Propulsion Type



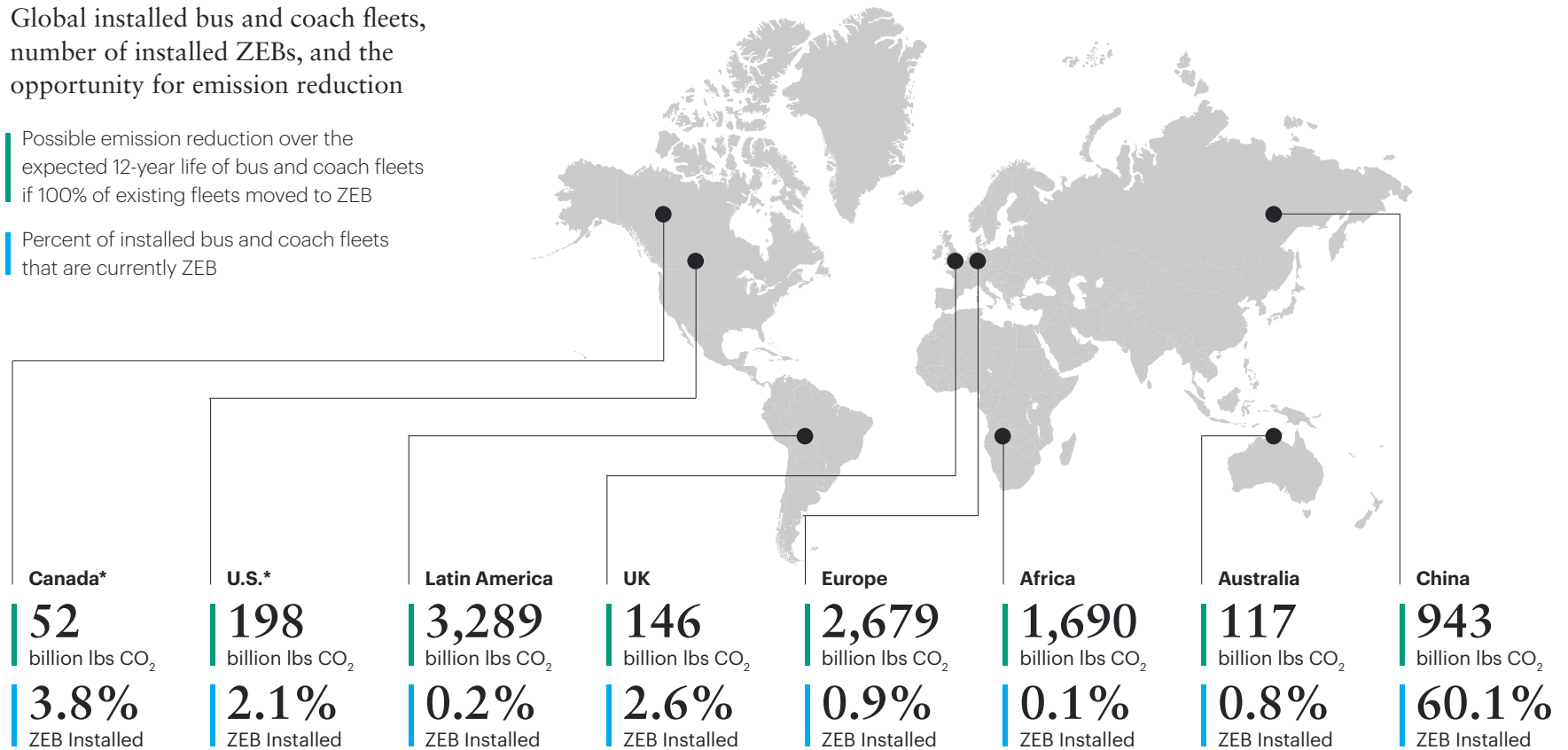
1. GREET Model Fleet Footprint Calculator & EPA Motor Vehicle Emission Simulator  
2. Includes hydrogen fuel cell-electric

# The Global ZEB Opportunity

It will take time to move to 100% ZEB fleets given current fleet status and adoption rates, but there is a massive opportunity for emission reduction as countries around the world transition to ZEBs. If each region pictured below were to move to a 100% ZEB fleet, the combined equivalent of ~9 trillion lbs of CO<sub>2</sub> emissions would be avoided over the expected 12-year minimum life of those buses.

Global installed bus and coach fleets, number of installed ZEBs, and the opportunity for emission reduction

- Possible emission reduction over the expected 12-year life of bus and coach fleets if 100% of existing fleets moved to ZEB
- Percent of installed bus and coach fleets that are currently ZEB



\* Canada and U.S. estimates include transit only.

Source: Sustainable Bus, SCI, Stagecoach, Government of UK, Electric Autonomy, Statista, Management Estimates. Canada/U.S. reported in EUs. Data as of end of December 2021.

BETTER PRODUCT

# Our Zero-Emission Buses in the Spotlight at COP26

NFI is excited to share that its subsidiary ADL played a meaningful role in the United Nations (“UN”) 26th Conference of the Parties (“COP26”) in Glasgow in the fall of 2021.

Prior to the event, ADL collaborated with major energy provider SSE, the UK’s national clean energy champion and partner at COP26 to deliver a roadshow called the “Road to Renewables”, showcasing the people and places driving the transition to net zero. This roadshow saw a BYD ADL Enviro400EV, the UK’s highest selling electric double-deck bus, travel more than 1,000 zero-emission miles from London to Glasgow over a two-week period.

During COP26, ADL collaborated with transport group Stagecoach to provide 10 electric buses and drivers for the VIP transport, which took dignitaries from the core COP26 campus in the conference’s secure Blue Zone to an evening reception at Glasgow’s iconic Kelvingrove Art Gallery hosted by HRH The Prince of Wales. Guests travelling on the buses included UK Prime Minister Boris Johnson and UN Secretary-General António Guterres, among other state leaders, negotiators and COP26 stakeholders. Further to this, a fleet of 22 BYD ADL Enviro200EV single-deck buses brought delegates from Glasgow city center to the COP26 campus.

“We’re delighted that world leaders have had the opportunity to ride on our world-leading double-deck buses,” said Paul Davies, President & Managing Director, ADL. “COP26 is focused on finding solutions

to the climate emergency, and we are proud to have been able to demonstrate a zero-emission solution that is available right now. Clean electric buses such as the ones world leaders travelled on are key to reducing transport emissions around the globe and encouraging modal shift to sustainable transport modes. Zero-emission buses are available today and ready to be rolled out at scale.”

In addition, ADL was invited by the UK Government as organizers of COP26 to present its solutions for sustainable transport to negotiators and global leaders in the Blue Zone at COP26. The zero-emission bus, which was specially branded to promote the fuel cell- and battery-electric solutions ADL offers, had been kindly lent by bus operator National Express from its West Midlands fleet, and was located inside the security-controlled Blue Zone, where negotiations between world leaders occurred. ADL has a long tradition of innovation, having brought to market the widest range of clean buses including class-leading zero-emission technologies.

The ADL buses that participated in COP26 in Glasgow were manufactured at their facility less than 20 miles from the COP26 campus and underlined how NFI subsidiary ADL is Leading the **ZE**volution™ in the UK.



ADL electric buses transporting world leaders



ADL zero-emission bus in COP26 Blue Zone



UK Prime Minister Boris Johnson exits ADL electric bus  
Photo Credit: Karwai Tang UK Government

BETTER PRODUCT

# The VIC

The Vehicle Innovation Center, or VIC, is the first and only innovation lab in North America solely dedicated to the innovation and advancement of bus and coach technology. The VIC provides comprehensive electricvehicle (EV) and automated vehicle (AV) training and workforce development, now available online.

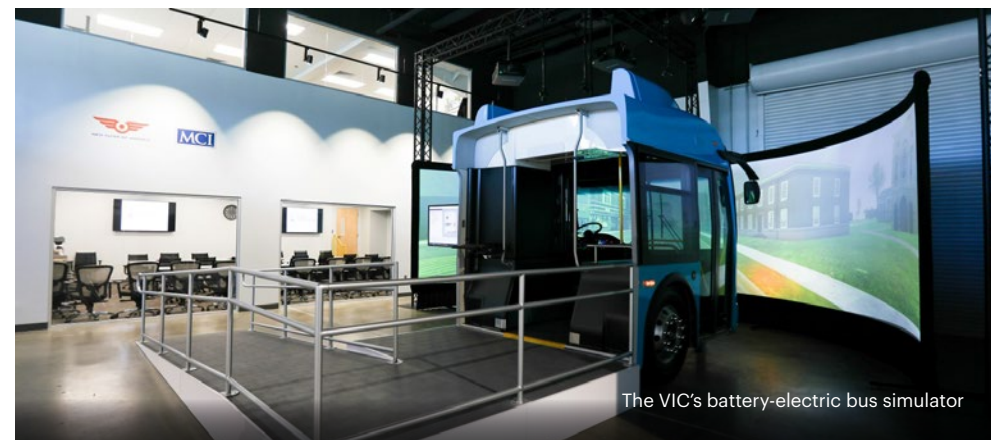
The VIC exists to promote research and development, education and innovation, progressive manufacturing, and bold thinking.

With increased societal focus on sustainability to protect the environment and preserve natural resources, the demand for zero-emission battery-electric buses is quickly increasing throughout the world. NFI has met this demand and raised the bar with its state-of-the-art VIC.

After pivoting to fully virtual events in 2020, the VIC hosted over 2,600 visitors for virtual and in-person events in 2021, including industry leaders, valued agencies, partners, and more.



Vehicle Innovation Center, Anniston, AL



The VIC's battery-electric bus simulator



**2017**  
Launch

**300+**  
Events Since Launch

**5,000+**  
Visitors

**2,600+**  
Visitors in 2021  
(Virtual and In-Person Sessions)

**3**  
Observation Decks

**1**  
Simulator

**8**  
Interactive Activities

**24**  
Displays

**3**  
Charger Types



# Industry Partnerships to Drive Our Zero-Emission Economy



## — Accelerate: Canada's ZEV Supply Chain Alliance

Canada's Accelerate Alliance launched September 28, 2021, as a zero-emissions vehicle ("ZEV") catalyst. Alongside 20 key players, NFI subsidiary New Flyer is a founding member of the alliance, which is focused on accelerated development of a ZEV supply chain in Canada.

The first of its kind in the country, Accelerate Alliance will leverage its forum to develop an industrial roadmap to build out the supply chain, engage in policy advocacy, and enable collaboration among ZEV players.

[acceleratezev.ca](https://acceleratezev.ca)



## — Calstart: Global Commercial Vehicle Drive to Zero™

The Global Commercial Vehicle Drive to Zero™ pledge is a coordinated, international effort championed by CALSTART and aimed at dramatically reducing emissions from trucks and buses in high-potential markets. The pledge focuses on eight global market segments for medium- and heavy-duty vehicles, with goals to achieve commercial success in each market internationally by 2025, and to have zero-emission technology dominate new sales in these segments by 2040. Current signatories include government, elected officials, and industry leaders. "New Flyer signing the Global Commercial Vehicle Drive to Zero pledge is yet another powerful sign that industry is ready and able to step up on climate and air quality goals," said John Boesel, President and Chief Executive Officer, CALSTART. "Global cities and regions are carrying these goals forward, but need support. The Drive to Zero work will help those leaders by providing guiding strategies and tools to quickly transform trucks and buses toward zero: bringing industry as an active partner."

[globaldrivetozero.org](https://globaldrivetozero.org)



## — California Fuel Cell Partnership

The California Fuel Cell Partnership ("CFCP") was founded in 1999 and serves to advocate for the market expansion and adoption of hydrogen fuel cell-electric vehicles ("FCEVs") in the state of California. FCEVs can act as a no-compromises zero-emissions drop-in solution for traditional fossil fuel powered vehicles, including significantly improved ranges and refuel times compared to battery-electric vehicles. Members collaborate on activities to advance technologies across the entire hydrogen supply chain, including public outreach, first responder training, and filling station commissioning as just some examples.

As a member, New Flyer represents the heavy vehicle industry as a leading manufacturer of FCEVs, including our current Xcelsior CHARGE H2™, the dominant hydrogen-powered transit bus in the market. In this way, we advocate for further education, infrastructure, and all tools needed to further FCEV adoption in the transit space in California, leading to meaningful cuts in emissions throughout the state.

[cafcp.org](https://cafcp.org)

CONTINUED ON FOLLOWING PAGE →



### — ITxPT: Technology Standards For Public Transport

NFI is an official member of the Information Technology for Public Transport (“ITxPT”) Association. NFI joins many of its supplier partners, vehicle manufacturers, and operators as an associated member.

ITxPT is a non-profit association that enables an open architecture, data accessibility, and interoperability between IT systems. The members of ITxPT develop the IT architecture for public transport and other mobility services together, based on standards and best practices.

ITxPT specifications provide public transit agencies and operators with recommendations and requirements to support the purchase and integration of interoperable IT architecture. Additionally, industry suppliers use the specifications to design ITxPT-compliant equipment and services. In its laboratory, ITxPT delivers labels of compliance for vehicles and modules that are listed in the ITxPT catalogue. Through this, ITxPT is enabling interoperability across Europe and North America.

[itxpt.org/](http://itxpt.org/)



### — The Center for Transportation and the Environment

The Center for Transportation and the Environment (“CTE”) is a 501(c)(3) nonprofit, membership-based planning and engineering organization based in Atlanta, Georgia. CTE’s mission is to improve the health of our climate and communities by bringing people together to develop and commercialize clean, efficient, and sustainable transportation technologies. CTE collaborates with federal, state, and local governments, fleets, and vehicle technology manufacturers to advance clean transportation and energy technologies. NFI has been a member of CTE since 2013.

Since its founding in 1993, CTE has managed a portfolio of more than \$800 million in team research, development, and demonstration projects funded by a variety of federal and state organizations. CTE is experienced in developing, implementing, and administering advanced transportation technology projects, with a focus on zero-emission transit buses. CTE has provided technical assistance to more than 75 transit agencies that have either deployed, or will soon deploy, more than 430 zero-emission buses. As a result, the level of experience and expertise with zero-emission buses that CTE provides to their clients and members is unprecedented in the transit industry.

[www.cte.tv](http://www.cte.tv)



### — Canadian Urban Transit Research & Innovation Consortium

NFI is a founding member of the Canadian Urban Transit Research & Innovation Consortium (“CUTRIC”), a non-profit innovation consortium with a vision to make Canada a global leader in low-carbon smart mobility. Through industry-led collaborative research and large-scale technology integration trials, CUTRIC is working to achieve this goal by focusing on technology development, integration and standardization of low-carbon propulsion systems and smart vehicle systems, data-driven analytics in mobility, and cybersecurity in transportation. CUTRIC is also proudly recognized as the Government of Canada’s Zero Emission Transit Fund National Planning Service, supporting public transit agencies in decarbonizing their fleets.

[cutric-crituc.org](http://cutric-crituc.org)



### — Making Hydrogen Happen

ADL is a founding member of Making Hydrogen Happen, a collaborative, pan industry group of leading organizations from across the hydrogen economy who are committed to making hydrogen happen in the UK. The campaign successfully lobbied the UK Government for a hydrogen strategy and is now working to enable private sector companies to deliver the UK's hydrogen economy for the benefit of the country.

[makinghydrogenhappen.com/](http://makinghydrogenhappen.com/)



### — Zemo Partnership

ADL is a member of the Zemo Partnership (formerly known as the Low Carbon Vehicle Partnership), a not-for-profit, independent partnership dedicated to accelerating the move to zero-emission mobility in the UK. Jointly funded by government and its members, the Zemo Partnership advises the UK Government on the development and implementation of policies that encourage the adoption of zero-emission vehicles. It has been instrumental in developing independent test cycles to measure the performance of clean buses, supporting and recording clean bus deployment, and sharing expertise.

[www.zemo.org.uk](http://www.zemo.org.uk)



### — Lithium-Ion Battery Recycling Partnership

NFI expanded its partnership with Li-Cycle to facilitate full-circle sustainable mobility and material recapture through lithium-ion battery recycling. Li-Cycle can now provide battery recycling for all NFI vehicles, including New Flyer, MCI, Alexander Dennis, and ARBOC. As zero-emission adoption continues to expand across North American public transit, the accumulation of end-of-life batteries will increase demand for heavy-duty battery recycling. NFI's partnership with Li-Cycle will provide operators a viable option for battery recycling, in turn delivering full-circle sustainability.

Batteries recycled by Li-Cycle currently produce three products: "black mass" (containing lithium, nickel and cobalt), shredded metals, and plastics. Black mass will be further processed into battery-grade lithium, nickel and cobalt products, which will be used to produce new battery materials. Metals and plastics are sent downstream for material

recovery and reuse. Li-Cycle conducts a downstream assessment of all off-takers, with commodity off-take agreements managed by an external group to vet off-takers. Recycled battery materials are projected to account for 30% of battery material supply in 2030, which will significantly offset the need to obtain new materials from mining.

Having assurance that NFI's vehicle batteries can confidently be recovered for critical materials and contribute to a circular economy, NFI encourages its customers to participate in end-of-life battery recycling by providing customers support on how to connect with Li-Cycle for their end-of-life battery needs.

New Flyer and Li-Cycle are both members of CALSTART, an international nonprofit dedicated to accelerating the pace of clean technology and the adoption of clean transportation.

[li-cycle.com](http://li-cycle.com)



ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT FOR 2021

# Better Workplace



A better product.  
A better workplace.  
A better world.

# Better Workplace Highlights



## Safety Performance

Top strategic priority



## Employee Wellbeing

Initiatives continued in 2021 to support employee mental health



**\$7**

Million invested in employee training in 2021



## Freedom of Association

Included in 2021 Human Rights Statement



## Living Wage

2021 assessment of main transit bus production facilities



**62%**

of NFI's global workforce is covered by collective bargaining agreements



## Equal Opportunity

Free from discrimination



## Electrical Training

Electrical Technician Training Program ("ETTP") launched in 2021 to provide high-demand electrical skills for new EV mobility era



## Safer Design

Xcelsior CHARGE NG™ safer battery packaging design for manufacturing and service technicians

# Protecting Our People and Community

NFI is committed to protecting human health and the environment within our facilities and beyond.

We recognize the environmental impacts we have through our direct operations, supply chain, and consumer use of our products and services, through the consumption of natural resources, energy, water, and the generation of waste. As such, our Environment, Health & Safety (“EHS”) policy applies to all of our facilities and operations. Adherence to the EHS policy is the responsibility of all employees and persons working at or visiting our facilities. NFI’s Supplier Code of Conduct requires our contractors and suppliers be in compliance with all applicable EHS laws and regulations and encourages our suppliers to minimize environmental impacts within their operations where possible.

At NFI, we believe that nothing is more important than the health and safety of our people, a key strategic priority. We are committed to meeting our EHS responsibilities and maintaining a safe working environment at all locations by using a proactive approach in maintaining an EHS culture and reducing workplace injuries through the collaborative efforts of our safety teams across our business groups. This is supported by regular communication, setting safety goals

through industry benchmarking, and reporting on EHS risks and opportunities to our business group executives.

We are committed to complying with all applicable EHS laws and other requirements to which we subscribe and communicate regulatory updates to leadership and our board of directors at regular intervals. Improved EHS performance is continually sought at all NFI locations through the integration of risk-based and cost-effective management practices, which are applied to site activities and included in our annual operating planning.

With world-class workplaces and manufacturing facilities, NFI continues to lead the industry in the safe and environmentally conscious design, build, and delivery of fuel-efficient and zero-emission buses and coaches.

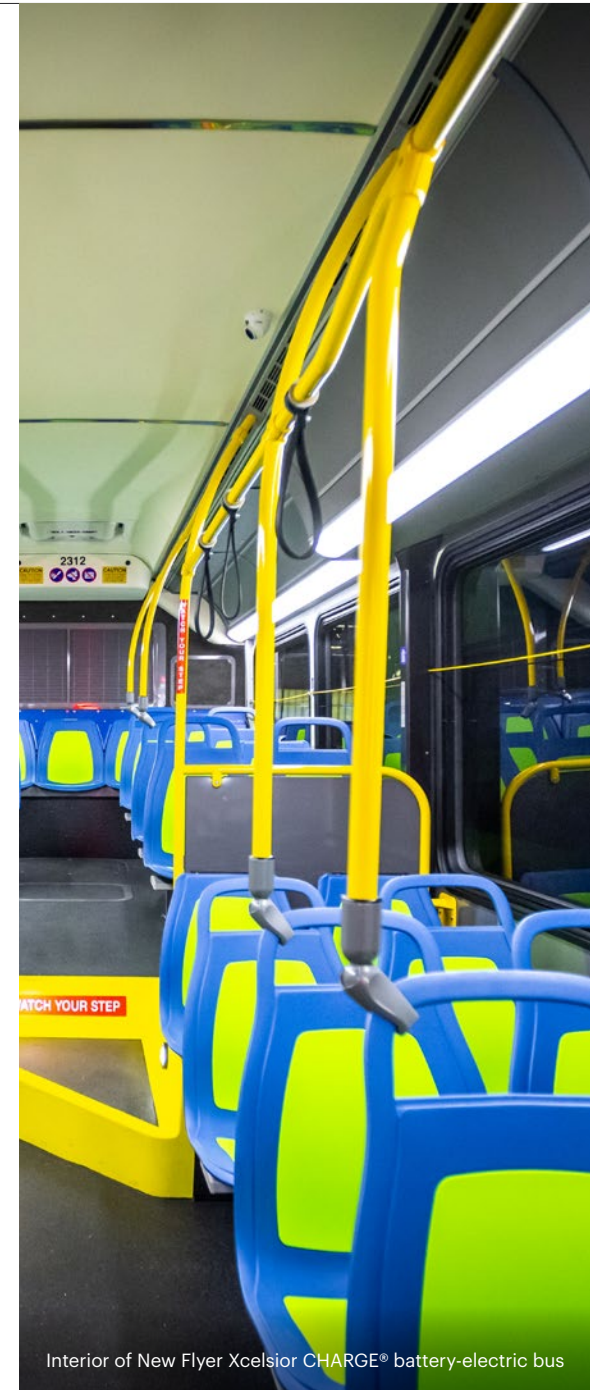
Our Environment, Health & Safety Policy may be requested by contacting: [esg@nfigroup.com](mailto:esg@nfigroup.com)



NFI Infrastructure Solutions™ charger installation in St. Louis, Missouri

# Ongoing EHS Commitments

- Integrate EHS considerations into our product and process design, manufacturing and business planning.
- Consider the life cycle perspective.
- Protect people and the environment through robust risk assessment practices.
- Provide safe and secure facilities for employees, customers and visitors by:
  - Maintaining and improving a progressive EHS management system with programs designed to prevent incidents and provide effective procedures in the event of emergency.
  - Maintaining and supporting active health and safety committees or representatives at each location.
  - Continuously striving to maintain a clean and organized workplace, free from debris and unnecessary recognized hazards.
  - Providing support for all EHS procedures, including but not limited to supervisory training and the prompt elimination of recognized hazards.
- Require that contractors, suppliers, and their workers meet or exceed all NFI EHS program requirements.
- Develop an understanding among those in leadership positions of their responsibilities to provide and promote a safe, healthy and environmentally responsible workplace.
- Reduce waste with top priority of waste prevention at source, elimination of wasteful practices, and recycling.
- Responsibly, efficiently, and sustainably use natural resources such as energy, water and wood products.
- Minimize our contribution to climate change.
- In accordance with our EHS management system requirements, periodically review our EHS policy to ensure its continuing suitability and communicate changes and additions as appropriate.




Interior of New Flyer Xcelsior CHARGE® battery-electric bus

# A Safer Way for Our Team and Customers

As a leading industry innovator in bus, coach, and parts development, we pride ourselves on protecting the health and safety of our people and the environment through every step of our research, development, innovation, and manufacturing process. Through continued investments in reskilling, upskilling, training, and workforce development to ensure the safest practices are employed, we are contributing to more successful zero-emission deployments and enabling the new mobility era. The Xcelsior CHARGE NG™ is our next generation battery-electric, zero-emission bus, our most advanced electric bus on the market.

Our Xcelsior CHARGE NG™ contains a new battery packaging technology that was designed and developed by New Flyer to ensure the rooftop and propulsion compartment application lends simplicity and efficiency in design, manufacturing, install and maintenance. With this approach, the same battery enclosure can be mounted in any position on the bus and offers a “plug and play” approach.

 NFI continues to make strides in the research and development of our products, with a strong focus on safety in the transportation and infrastructure industry.



Why is this design safer? The potential for customer or team member exposure to high-voltage electricity is a risk we do not take lightly. We continue to enhance our designs to ensure:

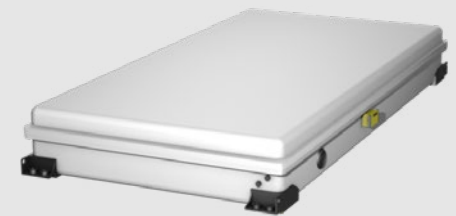
### It's Simpler

- Simplified service manuals: no matter the make of the battery, every battery has the same enclosure (packaging). Service manuals are the same for every single bus model and length, providing a more standardized approach and reducing the opportunity for error when dealing with high-voltage materials.

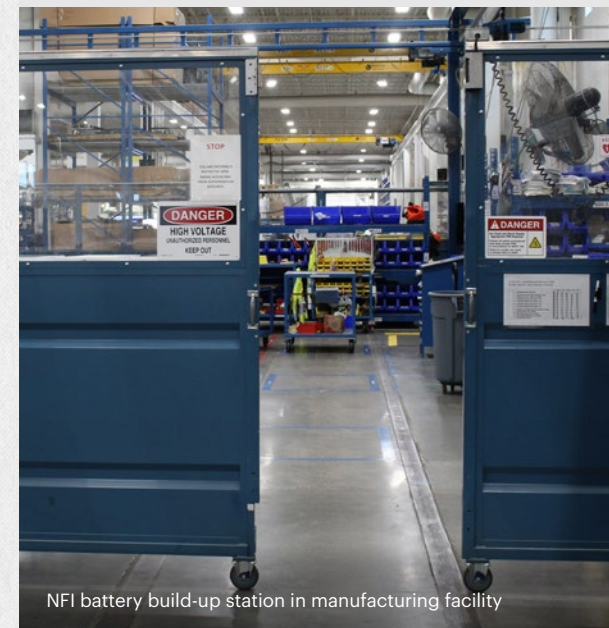
### It's Easier to Service

- When installing and servicing the batteries, potential exposure to high-voltage electricity is reduced – it is touch-safe.
- The casings are built using a reinforced composite fiber that is non-conductive.
- Service technicians can simply plug in or unplug the battery module (like the safety of plugging and unplugging a plug in a wall socket in your home).

The design also ensures safer transport to the final reclamation/recycling location at the battery's end of life.



Battery enclosure for New Flyer Xcelsior CHARGE NG™ battery-electric bus



NFI battery build-up station in manufacturing facility



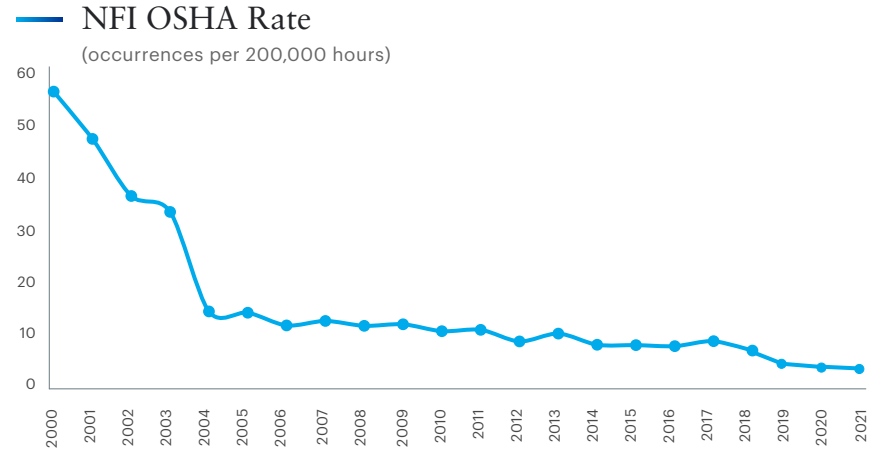
# Occupational Health & Safety Performance

Safety performance is tracked and measured against our respective North American Industry Classification System (“NAICS”) codes as a benchmark for similar industry performance. For NFI overall, the 2021 incident rates increased when compared to 2020, with the increase related to COVID-19-required incident reporting. When excluding COVID-19 incident recordables, we showed improvement in our safety performance year over year. This continues along the same positive trend we saw in 2020, even though normal production operations and deployment of EHS resources were significantly impacted due to COVID-19 response activities in that period. NFI worked diligently to manage through the COVID-19 pandemic, and our Company-wide efforts to work towards top-tier organizational employee safety are ongoing. NFI did not have a work-related fatality at any of its locations in 2021.

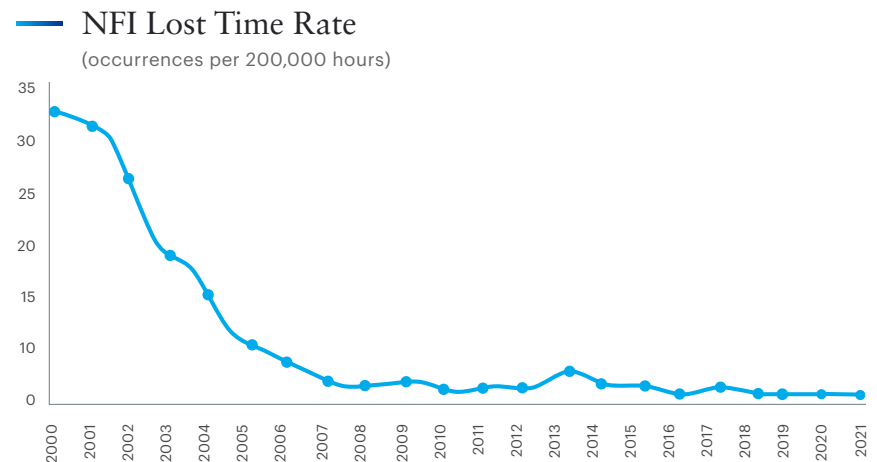
	NFI OSHA Rate:	NFI Lost Time Rate:	NFI Fatality Rate:
2021 Rates with recorded COVID-19 positive cases	4.7	2.0	0.0
2021 Rates direct from Operations	4.1	1.3	0.0
2022 Target Rates	3.2	1.3	0.0

NFI values our workforce and considers the health and safety of our employees as a top strategic priority. OSHA and Lost Time incident rates are tracked and reported weekly and monthly to both management and employees. These reports capture all NFI employees, while contractor injuries are investigated and recorded with the primary contractor responsible for work.

NFI’s focus on occupational health and safety has resulted in strong and continuous improvements over the past two decades. Management believes that NFI’s dedicated commitment to safety and health improvements is essential to the creation of a safe and healthy working environment and culture for NFI’s employees and operations, as well as a competitive advantage for the organization.



Since 2000, Our OSHA and Lost Time Rates have reduced by 90% and 96% respectively.



BETTER WORKPLACE

# Workplace Culture

NFI fosters a workplace culture that is inclusive, promotes continuous improvement, and embraces efforts to empower team members through employee listening channels and responsive action.

Our vision is to achieve business success through aligned and engaged employees, and the delivery of resources and services to prepare our people to support the growth and profitability of the Company guided by the principles of NFI. We do so with these values at work:

- We care about our employees, our communities, and the environment
- We believe providing a safe work environment is critical
- We aim to create a community spirit within NFI, through social committees/company events encouraging employee involvement at all levels
- We aim to be a great organization to work for and an employer of choice
- We empower our people through learning and development and create opportunities for advancement
- We strive to do the right thing and aim to exemplify our core principles in everything we do



# Workplace Culture

In addition to annual performance reviews, NFI provides leadership development, team coaching, and mentorship by the management support team, and also conducts and assesses leadership performance each year through anonymous surveys.

In addition, the leadership team has personal and professional goals established each year, which are measured and monitored through a "Management By Objectives" goal structure.

We measure progress in employee satisfaction through our Employee Feedback Framework, which includes employee surveys, electronic feedback, round table communication, and 360-degree leadership feedback.

Part of NFI's continual improvement model includes ensuring we understand the pulse on our employee safety, wellness and satisfaction as we begin to transition from pandemic emergency response to an organizational communicable disease prevention plan. A Pulse Check Survey will be issued in 2022 to identify our current state and opportunities to develop action plans where needed.



# Employee Wellbeing Initiatives

NFI strongly believes that mental health and wellbeing is important for a healthy lifestyle. Early in the pandemic, ADL realized that mental health has become an important challenge in the workplace and implemented a series of initiatives to support its team members throughout 2020 and into 2021.



## — Start Well program

In 2020, ADL organized a week-long series of five 15-minute sessions starting at 8:00 a.m. local time, focused on stretches, breathwork and mindfulness meditation, to create a moment of calm and to help set members up for the day ahead. The sessions were recorded for those unavailable to join at the specified time. After a successful pilot, the program continued in 2021, with another set of five 15-minute sessions in March 2021, and then weekly sessions each Tuesday from May through August 2021.

ADL is continuing this series into 2022, but with some updates. Renamed the Midday Reset, this 30-minute midday session supports team members physical and mental wellbeing – a perfect reset for the afternoon ahead.

## — Mental Health and Wellbeing e-Learning

Following on the success of ADL’s mental health awareness program in 2020, in 2021, an eLearning course titled, “Mental Health and Wellbeing for Leaders” was created and assigned to leaders across NFI; to date, 224 leaders have completed this training.

## — Mental Health First Aiders

ADL strongly believes that mental health and physical health should be valued equally. To proactively support mental health in 2020, ADL provided training for more than 35 volunteer Mental Health First Aiders. Mental Health First Aiders were taught to identify, understand and respond to signs of mental health challenges; learn risk factors and warning signs; be prepared when a mental health crisis occurs; and assist employees with finding appropriate assistance for their specific circumstance. ADL ensured that all sites had representatives available to provide support to those in our facilities, as well as those working remotely. Continuing this effort into 2021, ADL increased the number of MHFAs and has been involving them in all internal Health & Wellbeing initiatives through 2022. On February 3, 2022, Walk & Talk Day was held for National “Time to Talk Day”, which consisted of a 1 km walk around ADL sites. This was an opportunity for team members to talk openly about mental health. #endthestigma

## — Cycle to Work program



Every year, ADL opens up a Cycle to Work program which allows its team members the opportunity to save up to 42% on the cost of a new standard or electric bike and accessories. This initiative was brought on to benefit ADL team members by making a conscious effort to reducing climate change impacts while saving money on fuel and parking, in addition to supporting the improvement of their physical and mental health. The uptake in 2021 was initially low (33 employees), as expected, with the majority of team members working from home during the pandemic. ADL anticipates demand for this initiative to increase in 2022.

# Equal Employment Opportunity

NFI seeks to employ the best qualified team, better representing communities in which we live and work, and promoting activity that is free from discrimination. We encourage team building and respecting unique differences, all of which lead to a better culture and respectful workplace in accordance with our Human Rights statement.



## Employment

NFI is committed to recruit, hire, train and promote into all job levels the most qualified persons without regard to race, color, religion, gender or gender expression, sexual orientation, national origin, age, marital status, genetic information, abilities, veteran, or disadvantaged status (defined as being homeless, being a custodial single parent, receiving public assistance, lacking a general education development or high school diploma, having a criminal record or other involvement with the criminal justice system, suffering from chronic unemployment, or emancipated from the foster care system).

Today, we compete for that talent against other vehicle manufacturing companies and, increasingly, against businesses in other sectors, such as technology. To win and keep talent, we must provide a workplace culture that encourages employee behaviors aligned with our values, fulfills their long-term individual aspirations and achieves full engagement and inclusion. In order to be leaders, we must attract and retain the most diverse talent around the world.

We do this by adhering to a responsible employer philosophy, which includes commitments to create job opportunities, pay workers fairly, ensure safety, and promote wellness.

We have instituted action-oriented programs designed to eliminate identified obstacles and help us achieve our improvement goals.



## Compensation

We work to advance employment for all people and are committed to administering all employment matters in accordance with the value we place on fostering a diverse and welcoming workplace that values the contributions of all employees and on ensuring that employees' protected categories, including gender, should not factor into compensation decisions.

We believe that fair and equitable pay should be an essential element of any successful business model, and we are proud to stand with other companies that share this same value. NFI conducts gap analyses on an ongoing basis to identify any pay discrepancies and makes adjustments whenever unaccounted for discrepancies are found. We practice transparency and limit discretion in pay decisions.

CONTINUED ON FOLLOWING PAGE →

# Equal Employment Opportunity



## Living Wage Assessment

NFI acknowledges and supports the need to contribute to the economic wellbeing of its our team members and the communities in which our companies operate. NFI supports the growing number of companies committing to pay a living wage to their employees.

As an important first step in 2021, NFI completed a living wage assessment of its main transit bus manufacturing production facilities in Canada and the U.S. to understand the competitiveness of New Flyer's wage scales in relation to applicable local living wage guidelines. To conduct the study, we retained Korn Ferry to complete an independent Living Wage Assessment. The methodology and tools used in the assessment were: Massachusetts Institute of Technology (MIT)<sup>1</sup> for U.S.-based employees and the Canadian Center for Policy Alternatives for Manitoba, Canada-based employees.<sup>2</sup>

The review was conducted by comparing the current wage and medical benefits of all employees in each jurisdiction to the living wage information available through external data sources, including the living wage definition of two adults and two children. This assessment consisted of 55 different counties/municipalities in Canada and the U.S.



In 2021, 99.78% of our employees at NFI's main transit bus manufacturing facilities in Canada the the U.S. were at or above the living wage standard in their region.

Based on this review, we will make the relevant adjustments to close any gaps. NFI seeks to pay fair wages meeting or exceeding the amount for basic living needs. In 2022, we will review the wages for our coach and fabrication production facilities in Canada and the U.S. to understand the competitiveness of those wage levels.

1. Glasmeier, Amy K... Living Wage Calculator,. 2020. Massachusetts Institute of Technology.

2. Canadian Centre for Policy Alternatives - A Family Living Wage for Manitoba | Canadian Centre for Policy Alternatives.



# Leading with Integrity

NFI is committed to conducting all business activities with high standards of fairness, honesty, and integrity, and to complying with all legal and regulatory requirements, especially with respect to employees, suppliers, competitors, government and the public.

We strive to outperform our competitors fairly and honestly, while always following ethical and legal business practices. Each director, officer, employee and agent of NFI is bound by the Code of Business Conduct and Ethics when hired or retained. Employees in leadership, administrative, and customer roles are provided a copy of the Code on an annual basis.

All other employees are provided a copy of the Code on a biannual basis. Each employee is required to sign and acknowledge their obligation to adhere to the Code.

NFI Code of Business Conduct and Ethics training is conducted via NFI's learning management system and a quiz is completed to test that all team members understand the Code and how it applies to them.

Reports or Financial Allegations Reports may be submitted to the Ethics and Compliance Hotline on a confidential and anonymous basis, by phone or online using an independent third-party reporting service provided by NAVEX.



The NFI Code of Business Conduct and Ethics and the NFI Whistleblower Policy is available at [www.nfigroup.com](http://www.nfigroup.com)



# Anti-Corruption and Bribery Policy

NFI is committed to conducting its business free of corruption, bribery, and any improper influencing action when dealing with government and public officials.

NFI's anti-corruption principles govern relationships and interactions with public officials, payments, records of payments and third-party dealings. Additionally, NFI employees within scope of this policy are trained to familiarize themselves with additional restrictions and specific requirements of the public agencies with whom they interact. Training for all employees within the policy's scope is conducted on an annual basis.

The Ethics Officer (the Executive Vice President, General Counsel and Corporate Secretary, NFI) can be reached at [ethics@nfigroup.com](mailto:ethics@nfigroup.com) for questions or guidance.

# Political Advocacy

NFI does not make contributions of any kind (money, employee work time, goods or services), directly or indirectly, to political parties or candidates, or to promote or support ballot initiatives, initiative measures, propositions or similar proposals or measures including through intermediary organizations such as political action committees, campaign funds, or trade or industry associations.



NFI's Political Contribution Policy is available at [www.nfigroup.com](http://www.nfigroup.com)



Interior of New Flyer Xcelsior CHARGE® battery-electric bus



# Respectful Workplace

NFI has zero tolerance for workplace discrimination and harassment. All employees are responsible for ensuring that NFI is a safe and respectful environment, free of discrimination and harassment, where high value is placed on equity, fairness, and dignity.

Discrimination and harassment based on race, gender identity or expression, sexual orientation, color, national or ethnic origin, religion, marital status, family status, citizenship status, veteran status, age, or abilities is prohibited. NFI has zero tolerance for acts of violence, threats of violence, and acts of intimidation against another person or group.

All employees are required to complete training regarding the Respectful Workplace policy and reporting procedures on a two-year cycle. NFI has robust incident reporting and investigation processes to maintain confidentiality and to prevent non-retaliatory behavior.



# Human Rights Statement

## Our Commitment

At NFI, we are committed to respecting the human rights and dignity of individuals within our operations, supply chain, and communities where we do business, and to promoting and protecting the human rights of our team and other stakeholders. We strive to do this through our Code of Business Conduct and Ethics, our Supplier Code of Conduct and other NFI Group policies. In recognition of the evolution of human rights and that circumstances may change over time, we regularly review our human rights approach and focus areas and make updates where appropriate.

## Our Approach

We view human rights within the meaning of internationally recognized human rights. Our approach is informed by international principles, including those encompassed in the United Nations Guiding Principles on Business and Human Rights Universal Declaration of Human Rights, and International Bill of Rights. We uphold the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, subject to and in accordance with rights and obligations under applicable laws.

Based upon our operational context and ability to influence, NFI's human rights approach focuses on the management of human rights within our operations, supply chain and communities in which we do business. Among other things, we concentrate on labor and employee welfare. For example, the working conditions of our employees at a particular facility are, at minimum, in compliance with internationally recognized labor standards and the laws of the country in which they work.

In accordance with relevant laws and regulations, and as described in our Code of Business Conduct and Ethics as well as our Supplier Code of Conduct, we will:

- Treat people with respect and dignity, in accordance with reasonable expectations.
- Foster a workplace free of harassment and discrimination.
- Provide an inclusive workplace, and promote diversity in the workplace.
- Prohibit forced, bonded, trafficked and child labor in our operation and to avoid such labor in our supply chain.
- Recruit ethically based on the needs of our business and seek to recognize the talent and potential of new applicants.
- Provide fair wages and benefits that are based on the consideration of numerous applicable factors.
- Promote health and safety in the workplace as described in our Environmental, Health and Safety Policy.
- Adopt practices to protect the personal information of our employees and customers.
- Recognize the freedom of workers to associate or not associate with a labor union, and to collectively bargain when represented by a legally recognized labor union.
- Respect the right to freedom of association and to not undermine or pressure any employee from exercising this right.



Further information about the NFI Group Human Rights statement is available at [www.nfigroup.com](http://www.nfigroup.com).

# Labour Relations

NFI works with seven unions globally, representing approximately 62% of our global workforce covered by collective bargaining agreements. In 2021, Carfair and MCI ratified new five-year labor agreements covering employees at three Unifor and IAMAW represented sites across Canada. The UK Scarborough site and Unite the Union reached agreement on certain new terms and conditions. These agreements provide bargaining unit team members with a competitive wage and benefit package, recognizing their hard work and contributions, and supporting families and communities.

NFI's relationships with labor unions are generally healthy and stable business partnerships. Consistent with our respect for employees and their bargaining representatives, we have worked collaboratively with our union partners to respond to business challenges and work to improve performance.

We manage our labor relations regionally, with an NFI Group focus. The labor relations responsibility is held by the NFI Group employee and labor relations leader, with partnerships that go to the highest level of the NFI organization. Regular meetings are held with our union partners, starting with quarterly meetings between the plant and the union leadership. Regional heads of manufacturing participate in face-to-face meetings with the unions when visiting the manufacturing sites, and plant

managers discuss business issues on a daily basis with local unions. These meetings provide critical input for making business decisions in a dynamic environment where schedules, supply impacts, and products are ever changing. NFI leadership devotes time to working productively with our union partners. This spirit of collaboration and consultation continues even during challenging times.

The way we manage labor relations is evolving as the nature of unions and our interactions with them evolve around the world. We work to share best practices and solutions among regions.

In 2022, we have expanded on freedom of association rights outlined in our Human Rights Statement through the introduction of the Freedom of Association statement (see following page).



# Freedom of Association Statement

## — Commitment

NFI is a leading global independent bus and motor coach manufacturer providing a comprehensive suite of mass transportation solutions to enable the future of mobility with innovative and sustainable solutions. At NFI, we are committed to respecting human rights, including the freedom of association and collective bargaining, within our operations globally. This commitment to respect the right to freedom of association and to not undermine or pressure any employee from exercising this right will be clarified in updates to our Human Rights Statement and Code of Business Conduct and Ethics in 2022. As part of our commitment to the freedom of association and collective bargaining as well as other human rights, we regularly review our human rights' risks, due diligence and management systems, which may result in changes.

## — Our Approach

We view human rights within the meaning of internationally recognized human rights, as well as applicable laws where we operate. More specifically, our approach to the freedom of association and collective bargaining includes our commitment to uphold the International Labor Organization's Declaration on Fundamental Principles and Rights at Work (the "Declaration"), subject to and in accordance with rights and obligations under applicable laws. As previously indicated in our Human Rights Statement

(2021), NFI recognizes the freedom of workers to associate or to not associate with a labor union, and to collectively bargain when represented by a legally recognized labor union. In connection with our commitment, NFI prohibits any member of management or agent of NFI from undermining the right of employees to form or join trade unions, or to pressure any employee from exercising such right, in a manner contrary to the Declaration and applicable law.

## — Implementation

Like other human rights, NFI operationalizes the freedom of association and collective bargaining in a number of ways. We deliver training and awareness-raising activities among employees and management related to the freedom of association and collective bargaining, including practical "dos" and "don'ts". We monitor, and report externally on, our human rights commitments and efforts, including with respect to the freedom of association and collective bargaining. We encourage our employees to speak up, without retribution, about any concerns related to freedom of association, collective bargaining and other human rights through a number of mechanisms (such as, round tables, town halls, surveys, "pulse checks" and a confidential online mechanism). If such concerns were raised, they would be investigated in accordance with our Whistleblower Policy. We do not tolerate retaliation or reprisal against any workers exercising their rights in accordance with applicable law and corporate policies.

If any shortcoming is identified with respect to NFI's operationalization of the freedom of association and collective bargaining, such shortcoming would be addressed.

Operationalization of the freedom of association and collective bargaining is further overseen as part of NFI's quarterly assessment of enterprise risks. Such risks are reported to the Board of Directors of NFI. Thus, they would have visibility into any significant issue with respect to the operationalization of the freedom of association and collective bargaining.

Moving forward, NFI will report on significant risks to the freedom of association that have been identified, and measures taken to mitigate the risks. We will also disclose relevant information, such as collective bargaining coverage across our locations and businesses, and how NFI has been engaging with workers and unions.

# Supply Chain Management

NFI seeks to do business with reputable business partners who are committed to ethical standards and business practices compatible with those set out in the NFI Group Supplier Code of Conduct. NFI strongly encourages suppliers to exceed the requirements of this Code and to promote best practices and continuous improvement throughout their operations.

NFI takes proactive steps to ensure that it does not conduct business with persons or entities that use forced, indentured, involuntary or child labor, or engage in human trafficking. All suppliers, domestic and foreign, are subject to on-site verification audits of their quality and management systems to promote adherence to NFI's specifications and requirements. These supplier verification audits include a review of the supplier's safety management and human resources policies.

NFI sourcing personnel receive training specific to the risks of prohibited labor practices to ensure diligence is sustained within supplier management processes. Suppliers that operate in high-risk regions must provide an official certification attesting they do not participate in any of these activities. In the event it is determined that a supplier engages in any of these activities, NFI will move to develop alternate sources of supply and will terminate its relationship with the offending supplier.

Approved suppliers are required to manufacture products and provide services in accordance with all other applicable laws, statutes, rules, regulations, and ordinances, of all applicable government agencies and authorities, including environmental, occupational health and safety standards, employment and minimum wage requirements, and export/import requirements.

NFI is proud to provide Disadvantaged Business Enterprises ("DBE") and Minority Women Business Enterprises ("MWBE") the opportunity to participate in the sourcing of components and materials used in manufacturing. We establish an annual goal of MBE/DBE/MWBE participation in our supply chain and actively work to identify, onboard and develop minority and disadvantaged businesses.



NFI's Supplier Terms and Conditions may be requested through: [nfigroup.com/contact](https://nfigroup.com/contact).



# Data Security & Privacy

NFI has established data and cyber security policies outlining our guidelines and provisions for preserving the security of our data and technology infrastructure.

We understand that the more we rely on technology to collect, store, and manage information, the more vulnerable we can become to security breaches. For this reason, we have outlined considerable security measures in our mobile device usage, social media and email/Internet usage policies to provide NFI team members with instructions on how to protect personal and company devices, safely use email, manage passwords and transfer data securely.

NFI has established a Group Data Privacy Policy outlining our commitment to comply with all applicable privacy laws in the countries in which we operate or conduct business. The applicable NFI companies comply with the General Data Protection Regulation (“GDPR”) regarding the use and management of personal data in regions in which GDPR applies.

We have taken additional measures to implement a Privacy and Data Security Incident Response Plan that outlines workforce responsibilities and how to report any suspected incidents. Additionally, we have disaster recovery processes and protocols to ensure prompt recovery of lost data in an emergency. Regular training is provided to employees regarding how to detect scam and phishing emails, and we encourage our employees to reach out to NFI’s IT and Legal departments with questions or concerns.

Regular reporting to the IT Steering Committee, Enterprise Risk Committee and Board of Directors is done to keep each group informed of the cyber risks and actions taken to address them.



BETTER WORKPLACE

# NFI Learning Institute

— NFI invested approximately \$7 million in employee training in 2021.

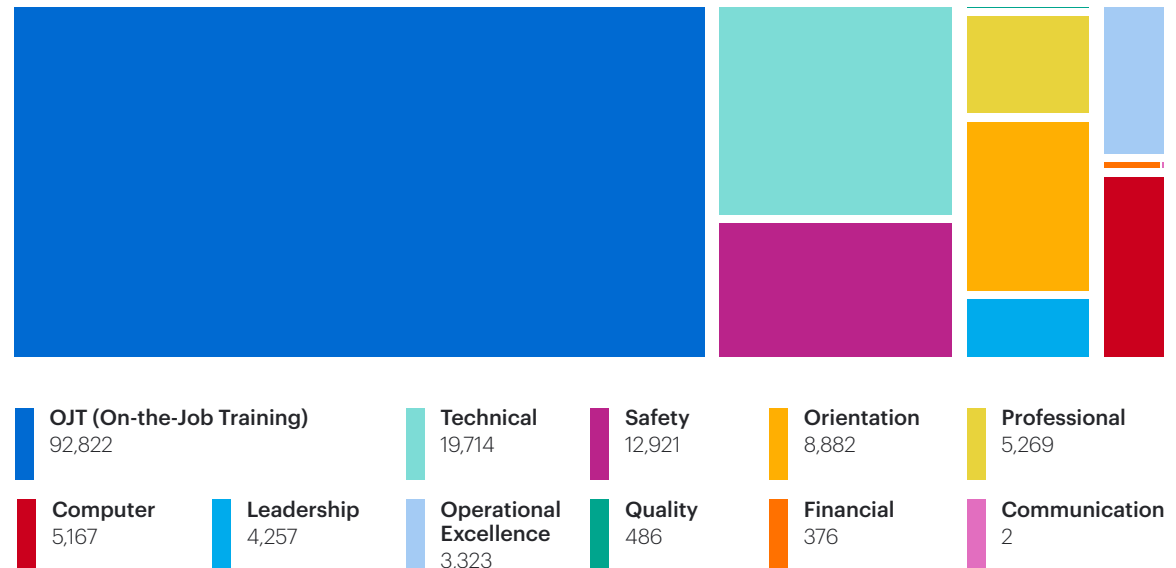
NFI delivers considerable training and educational programming that is directed at supporting the success of the organization and its workforce. The NFI Learning Institute drives training and development across all businesses through the delivery of training programs that support the diverse needs of our workforce. To ensure that the programming is relevant and meets the ever-changing requirements of NFI and the industry, the NFI Learning Institute engages in maintaining strong internal, local and regional partnerships that help support training priorities aligned with organizational goals.

NFI focuses on all areas of development, including a robust orientation program for those joining NFI, technical and professional development that supports the workforce in their current and future roles, as well as leadership training and workshops for current and emerging leaders.

To meet the training needs of a geographically widespread workforce, the NFI Learning Institute conducts training in person and online.



— NFI Training Hours 2021 by Category



# Electrical Technician Training Program for High-Demand Electrical Skills

In 2021, NFI launched the Electrical Technician Training Program (“ETTP”) to provide high-demand electrical skills to assist with the continued pursuit of enabling the new mobility era.

The ETTP, launched initially in New Flyer’s Crookston and St. Cloud, Minnesota facilities, is a program encompassing classroom and on-the-job (“OJT”) training and providing employees with knowledge and skills to continue leading and supporting zero-emission adoption across North America. The program, whose module development leveraged existing programming from NFI subsidiary MCI, is intended for expansion and launch across NFI’s other major manufacturing facilities in the future.

The purpose of the ETTP is to help employees upskill and reskill through the industry’s accelerating transition to zero-emission propulsion and the increased demand for advanced ZEB manufacturing, and to serve as a skills development pipeline to help employees reach the Senior Electrical Technician role. It includes five preparatory modules and two levels of training. Training levels include “Red” and “Blue”, respectively indicating Electrical Technician 1 and Electrical Technician 2, which are earned upon training completion.

“Ultimately, the ETTP launch in Minnesota serves as a model for development and implementation of like programs across our major manufacturing facilities,” said Janice Harper, Executive Vice President, People and Culture, NFI. “Program expansion is already underway. This program is timely and exciting for our team and the industry as a whole – directly meeting workforce development needs and developing critically needed skills to enable the new mobility era.”

The ETTP includes intensive learning content through modules incorporating electrical theory and components, bus systems and troubleshooting (including high-voltage safety training), zero-emission propulsion, customer option systems, and extensive hands-on practical skills development.

“By the time an employee has fulfilled all program requirements, they will have completed 64 hours of classroom learning and over 3,600 hours of OJT,” said Chris Stoddart, President, North American Bus and Coach. “This is in addition to the 150,000 hours of training completed annually across the New Flyer team. Continued learning is critical for advancing zero-emission deployment, which is why workforce development remains one of four important pillars in our mobility solutions offering.”



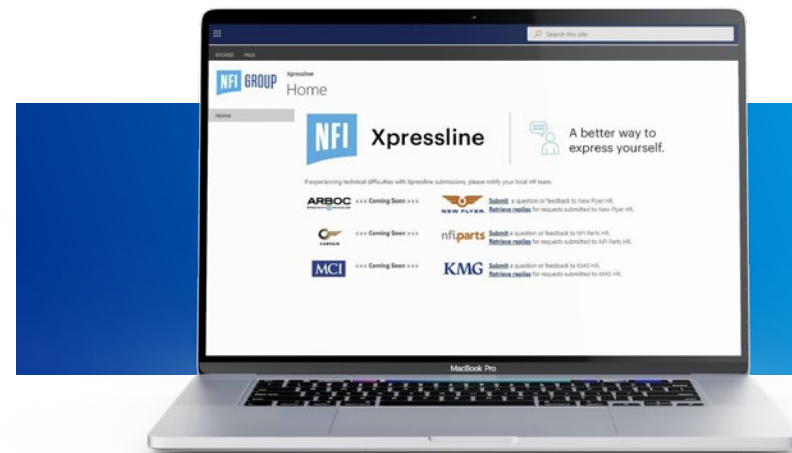
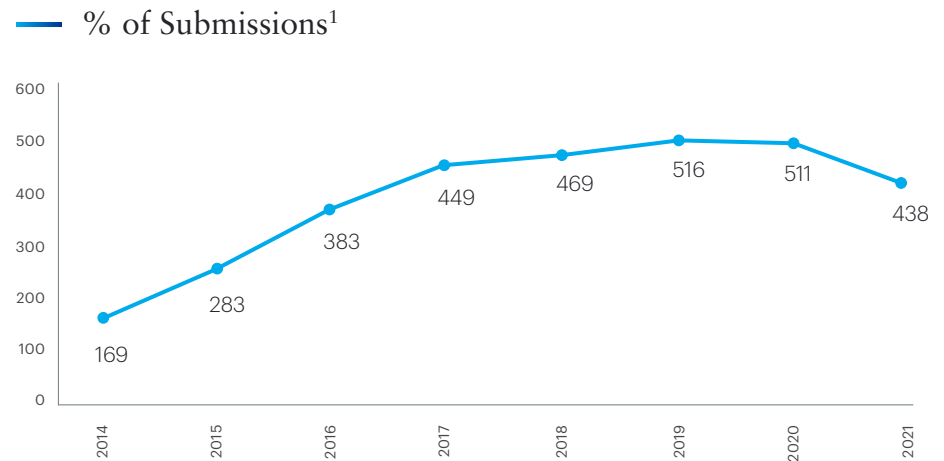


# Xpressline

Launched in 2014, Xpressline is an electronic employee suggestion and feedback program that has delivered tremendous value to New Flyer and NFI Parts and will be extended to all NFI North American facilities in 2022.

Employees can submit their suggestion and/or feedback and receive a response through the online system to their email or ticket number. In 2021, we received 438 submissions. Employee feedback through Xpressline can include, but is not limited to, the following:

- General Feedback
- Employee and Labor Relations Concerns
- Company Intranet Improvement
- Social Committee Feedback and Suggestions
- Safety Concerns and Suggestions
- Environmental Concerns and Suggestions
- Respectful Workplace Concerns
- Loss Prevention Concerns and Suggestions
- Border Security Concerns and Suggestions
- Product and Build Process Improvement Suggestions
- Training and Development Concerns and Suggestions



1. The drop in submissions for 2020 and 2021 may be a result of idle periods related to the COVID-19 pandemic.



ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT FOR 2021

# Better World



A better product.  
A better workplace.  
A better world.

# Better World Highlights



## DEI

2021 survey launched for employees



## Living Wage

2021 assessment of main transit bus production facilities



## 13

New hires through Anniston Workforce Development program in 2021



## 21%

Female executive leadership team



## Energy Efficiency

Significant energy efficiency upgrades to several NFI facilities in 2021



## \$372,552

Raised and donated to United Way Agencies across North America in 2021 (\$3.1 million since 2009)



## 50-30

Joined Canada's 50-30 Challenge



## Lifecycle

Cradle-to-grave hazardous waste acetone recycling implemented at four NFI fabrication facilities



## TRC92

Active member of the TRC92: Employer Consortium centered around addressing Call to Action #92

# Celebrating Diversity, Equity, and Inclusion

NFI celebrates diversity through the creation of programs that recognize and support our differences, working to foster diversity in ways that create a sense of belonging while enabling uniqueness.

## — Diversity + Equity + Inclusion = Success

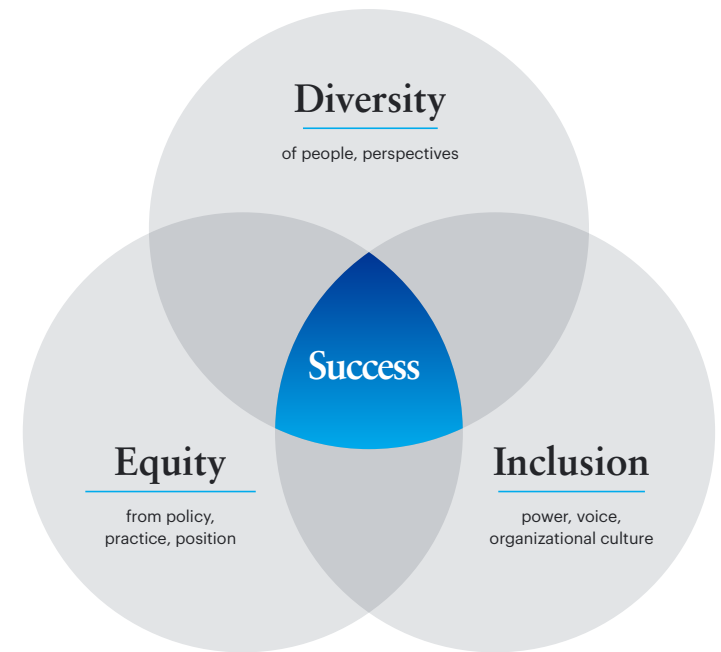
A key step in creating an environment that encourages diversity, equity, and inclusiveness is to educate individuals on the benefits.

An interactive diversity and inclusion training program was first rolled out to our leadership team in 2015 and has become a critical component of our training programs. This program describes the benefits of diversity and takes each leader on a journey of exploration of their personal biases and how those biases can impede their ability to create and foster an inclusive environment. This program has been firmly embedded into our leadership program and to date has been delivered to more than 600 leaders, ranging from executives to team leads.

In addition to our in-house diversity and inclusion training, we have partnered with external consulting firm Korn Ferry to help embed a deeper understanding of diversity, equity, and inclusion (“DEI”) within our teams. A new training program called “Leading Inclusion” has been initially rolled

out within our highest level of senior management and will be expanded to include additional levels of management in 2022. This training focuses on active learning and self-reflection in order to better lead our teams with a focus on DEI.

NFI embeds itself firmly in the communities in which we do business. Communities are an integral part of our business and, as such, have been built into our stakeholder and workforce development frameworks. We work closely with community groups on the development of programs that support skill and career development for groups that are underserved in many workplaces, including but not limited to: women, Indigenous and founding nations groups, persons of color and racialized communities, newcomers to our countries, persons with visible or invisible disabilities, the LGBTQ2S+ communities, those formerly incarcerated, and youth.



# Measuring Diversity, Equity, and Inclusion

NFI measures diversity to ensure representation is tracking in a positive direction, adjusting focus where required, and implementing actions to more effectively and inclusively manage our diverse workforce.

Although changes in organizational headcount and regional talent availability have impacted historic and year-over-year numbers, we have instituted action-oriented programs focused on training, workforce development, and community outreach designed to address problem areas by region and representation.

NFI is an equal opportunity employer.

## Diversity, Equity, and Inclusion

	2019*	2020	2021
Women	18.7%	19.3%	19.0%
Women in Middle Management & Above	19.6%	17.7%	22.2%
Women in Executive Roles	15.8%	20.7%	21.4%
Women in Board Roles	38.0%	33.0%**	33.3%**
Visible Minorities	19.0%	28.5%	19.4%
Visible Minorities in Middle Management & Above	6.8%	11.7%	12.1%
Visible Minorities in Executive Roles	5.6%	3.5%	3.6%
People With Disabilities	2.1%	1.2%	1.0%
Indigenous People	0.5%	0.5%	0.4%
Veterans	***	3.1%	2.9%

\*Note: Alexander Dennis included in 2019 onward

\*\*NFI increased the number of Board positions by 1 in 2020; it did not lose a female Board member; as of May 2022, NFI now has 40% women in Board roles.

\*\*\*Due to acquisitions, a baseline had not yet been established.



# Fostering Diversity, Equity, and Inclusion

## — Our Principles and Framework

Our roadmap provides NFI with a pathway for advancing racial equity, workforce diversity, and inclusion through a tangible roadmap, beyond legal compliance, and with a view to continuous improvement.

Our roadmap is based on five core principles that guide our DEI Commitments.

1. Strategic Priority
2. Climate Assessment and Demographic Data
3. Programs and Practices
4. Dedicated Resources
5. Engagement

NFI partnered with external consultant Korn Ferry in 2021 to start the journey of reviewing our DEI efforts and activities. An organization-wide DEI survey was launched in the summer of 2021, with an employee participation rate of 55%. The feedback and compiled results of this first-of-its-kind survey for the company, provided a framework for DEI initiatives moving into 2022.



Moving into 2022, we plan to communicate our DEI action plan throughout the organization, expand the “Leading Inclusion” training to additional leadership groups, and review each of our internal policies and procedures through a DEI lens.

## — In total there were 38 statements, of which:

Statements scored as neutral or positive at 90% or above



Statements scored as neutral or positive at 80-89%



Statements scored as neutral or positive at 74-79%.



Statements scored as neutral or positive below 74%.



Moving into 2022, we have commenced work on our DEI action plan, with a focus on the following areas:

1. Clarifying and promoting a better understanding about our specific DEI efforts.
2. Improving awareness and understanding of our current processes and procedures for reporting a concern on treatment of people.
3. Reinforcing fairness in promotions and advancing diverse groups into professional positions and leadership.
4. Suggestions to leverage diverse perspectives to develop innovative solutions for customers.

As previously mentioned, Korn Ferry also provided its “Leading Inclusion” training program to our senior leadership team.

## — Our Objectives

- Advancing diversity, equity, and workforce inclusion by developing a culture of representation and belonging
- Promoting diverse, equitable, and inclusive leadership, challenging bias and nurturing diverse talent
- Building upon practices to facilitate a diverse and equitable future



# Advancing Diversity, Equity, and Inclusion

Our diversity goals are rooted in our Board Diversity Policy established in 2016, which recognizes the importance and benefit of having a board of directors and senior management of NFI comprised of diverse backgrounds, reflecting the changing demographics of the communities in which NFI operates.

There are now 28 members comprising NFI's executive leadership team, of which six (or 21%) are women. In March 2021, NFI joined the 50-30 Challenge, formalizing our commitment to advance diversity, inclusion, equity, gender parity, and economic prosperity in all our workplaces.



An initiative of Innovation, Science and Economic Development Canada ("ISED"), signatory organizations aspire to two goals:

- Gender parity (50%) on Canadian board(s) and senior management; and
- Significant representation ("30%") on Canadian board(s) and senior management of other under-represented groups, including racialized persons, people living with disabilities (including invisible and episodic disabilities) and members of the LGBTQ2S+ community. The program and participants recognize that First Nations, Inuit and Métis peoples as founding peoples of Canada are under-represented in positions of economic influence and leadership.

**We are committed to this journey.**



In 2021, NFI reviewed its target objective for gender diversity on the Board, increasing its target objective from 25% to 30% female representation. With changes to the Board composition in May 2022, NFI's Board is now 40% female. NFI will continue to review target objectives on an annual basis.



**— The Prosperity Project**

In 2021, NFI participated in gathering and submitting data for the Prosperity Project's 2022 Annual Report Card on Gender Diversity and Leadership. This was the second in a series that was launched in February 2021. This groundbreaking research sets a new standard for collecting and publishing data on female leaders in Canada that was driven by the realization that Canadian women are being disproportionately affected by the pandemic in terms of job loss, the increased burden of childcare/home schooling, increased likelihood of taking voluntary furlough options and increased domestic violence. There is a specific focus on representation among Black and Indigenous women, as well as women with disabilities or those who identify as LGBTQ2S+. Over 21,000 women across 82 organizations at the leadership level of Corporate Canada participated by submitting their data.

# Community Benefits Framework

NFI is enhancing its existing approaches to workplace development through the hiring of diverse, underserved, disadvantaged, and underrepresented individuals. The Community Benefits Framework (“CBF”), adopted by New Flyer in 2020, serves as the guiding framework from which formal agreements and programs outlining our local community partnership and workforce development commitments are created and implemented.

The measures outlined in the CBF are intended to identify, train, and onboard new hires and support the development and deployment of pre-apprenticeship/ apprenticeship programs and ongoing career development of people including veterans, women, people of color, people with differing abilities, and underrepresented, disadvantaged, and underserved individuals in the field of advanced manufacturing.

## Workforce Development Programs



Accelerate Anniston™ is the first initiative of our Anniston Workforce Development Program (“AWDP”), a national workforce development initiative introduced by New Flyer and its partner, the Transportation Diversity Council (“TDC”). The TDC

is a nonprofit organization that delivers world-class education and development programs promoting diversity in the transportation and construction industries. NFI plans to add additional programs in other regions/locations in future years.

In 2021, the AWDP helped bring 13 local candidates from the Anniston area onto the New Flyer team. Of those hired, eight have remained with the Company into 2022 and are working successfully in various roles including assembly, materials and our electrical apprenticeship program. This was made possible with the support of our diverse group of Community Benefits partners, working together with New Flyer and TDC to identify and prepare candidates for entering the workforce.

## Anniston Workforce Development Program Progress Report 2021 Q4

### Community Partnerships

# of Community-Based Organizations Engaged	14
# of Community-Based Organizations Signed	10
# of People Referrals	24

### Workforce Development

# of Hires	13
# of Candidates Ready to Start	1
# of Hires (Target)	20
# of Training Hours Delivered	3,120
# of Disadvantaged Target Groups	7
# of Hires Completing Pre-Apprenticeship	8
# of Hires Entering Electrical Apprenticeship Program	1
# of Employee Engagement Committee Members	10
# of Employee Engagement Committee Meetings to Date	32

### Educational Bursaries and Social Investment

# of Educational Bursaries Awarded	In progress
Value of Educational Bursaries	\$25,000
Value of Stipends (Travel/Daycare/Housing)	\$2,500

New Flyer provided all of our AWDP candidates various forms of support to aid in breaking down some of the barriers to employment these candidates currently face. On the next two pages, we have profiled two great additions to our New Flyer Anniston team through the crucial support of the AWDP.



# New Team Members Joining Through Our AWDP

## — Meet Jessica



Jessica is an Electrical Technician on the New Flyer team in Anniston, Alabama, helping to manufacture world-class electric buses for cities across North America.

Before New Flyer, Jessica worked two jobs in hospitality and retail, often struggling to secure childcare due to unpredictable shift work—this after overcoming the challenge of completing her full-time studies while working, raising kids as a single mom, and navigating a divorce.

She now holds dual associates degrees in Electronic Engineering Technology and Industrial Automation Technology from Gadsden State Community College. It was there she was introduced to New Flyer by her then teacher, Mr. Robertson, who connected her with the TDC to further explore career opportunities in manufacturing.

Jessica came to New Flyer through its AWDP, created in partnership with TDC. She was able to meet the team after childcare supports were provided through the AWDP, which allowed her the time to interview, onboard, and complete training.

Having just surpassed one year with New Flyer, Jessica is thriving in her full-time role while continuing her father's legacy in manufacturing, using the opportunity to learn and grow, and enjoying the added stability that comes with predictable scheduling, competitive wages, and great health benefits. The Anniston facility's four-day workweek has been an added bonus, which helps balance the needs of her now expanded family.

"The health benefits make such a difference when you have a family, and the four-day work week makes it easier on your family too. You can get your kids after school and spend more time with them on Fridays. I see myself growing here for sure – I want to be beneficial across all departments."

# New Team Members Joining Through Our AWDP

## — Meet Terence



Just one year ago, Terence was working three hospitality jobs, sleeping three hours a night, and struggling to pay rent.

Terence is a military Veteran, having served four years in the U.S. Army Reserve. He holds dual degrees and is halfway through a master's program in project management, with his sights set on completing a doctorate one day.

He has also experienced homelessness, faced the criminal justice system, and for many years raised his daughter as a custodial single parent.

"I have worn every pair of shoes a man can possibly wear."

By all accounts, Terence is brilliant. He completed his first degree, a Bachelor of Arts Degree in Business Administration from Talladega College, in only three years and shortly thereafter completed his second, an Associate Degree in Drafting and Design Engineering Technology from Central Ohio Technology College.

But life doesn't always go as planned, and Terence's life took a dramatic turn as he was completing university. A few poor decisions as a young man left him with fewer opportunities to find and retain meaningful employment.

"When that happened, life was cut short for me. I had been at several Fortune 500 companies, but when they got my background report, it was over."

Terence came onboard as an Assembler II in October 2021 and completed five weeks of intensive technical training – which included blueprint reading, use of power tools, electrical systems, and machine operation – and three days of workplace readiness training including ethics, communication and teambuilding, financial health, and managing wellness. Through the AWDP, he was provided housing supports to stabilize accommodations and allow him the freedom to focus on work.

"At 52, I have been given a second chance. Sometimes I don't feel like it's real. These people invested in me. They take time to show you how to do things and help you in the right direction. I pinch myself like I'm dreaming – I have never worked for a better group of people."

# Our Industry Partners to Advance Diversity, Equity, and Inclusion



**LATINOS**  
IN TRANSIT

## — Latinos In Transit (LIT)

Since 2020, New Flyer and MCI have been proud partners of Latinos in Transit (“LIT”), the leading industry organization for promoting, developing, networking, and advancing Latinos in transportation.

Founded in 2016, LIT’s mission is to advocate and provide a professional development platform for its members, which include professionals identifying as Latino and Hispanic, as well as other minorities, in the mobility industry. A long-time supporter and advocate of diversity, equity, and inclusion, New Flyer and MCI support the critical work and leadership of LIT, securing an Oro level (second highest level available) partnership in 2021 and actively supporting LIT programming and events through participation, speaking, and sponsorship.

[latinosintransit.org/about](https://latinosintransit.org/about)



**WOMEN**  
IN TRANSPORT

## — UK’s Women in Transport

ADL became the first bus manufacturer to become a corporate member of the UK’s Women in Transport network. ADL will champion Diversity & Inclusion in the bus industry through sponsorship of this working group, while providing networking and professional development opportunities for team members. Women in Transport is a not-for-profit that empowers women to maximize their potential. Membership – which is open to any ADL team member wishing to engage – provides access to a varied events programme, networking opportunities, annual mentoring, a leadership development programme and the All Party Parliamentary Group for women in transport.

ADL is a sponsor of the Diversity & Inclusion Bus Group, which seeks to promote the benefits of diversity and inclusion and improve perceptions of the bus industry while attracting a diverse workforce which represents the industry’s customer base. The group meets around four times a year, progressing various workstreams and sharing learnings, knowledge and expertise.

[womenintransport.com](https://womenintransport.com)



**TRANSPORTATION DIVERSITY COUNCIL**

## — Transportation Diversity Council (TDC)

Established in 2010, the Transportation Diversity Council (“TDC”) is a nonprofit organization that delivers world-class education and development programs promoting diversity in the transportation and construction industries.

The relationship between New Flyer and TDC was first established in 2017, and, since then, the partnership has expanded to include the AWDP. Through the AWDP, New Flyer and TDC work together to continue supporting the development and preservation of meaningful relationships with community organizations to hire individuals from local groups and programs that focus on underrepresented and underserved communities.

[tdc-ntl.org](https://tdc-ntl.org)

CONTINUED ON FOLLOWING PAGE →



### — Conference of Minority Transportation Officials Toronto & Region (COMTO T&R)

COMTO, the voice of equity in transportation, is a nonprofit organization dedicated to advancing success for underrepresented individuals in transportation. With over 30 chapters across North America, COMTO delivers leadership training, professional development, scholarship and internship funding, advocacy, partnership building, and networking opportunities to nearly 3,000 members.

New Flyer has been an active member of COMTO for more than 15 years through membership, event attendance, sponsoring chapter scholarships and golf tournaments, and supporting the annual Women Who Move the Nation Gala. In 2020, New Flyer took its involvement further by partnering with the Toronto Transit Commission to cofound COMTO's first Canadian and first international chapter: Toronto and Region ("COMTO T&R"). Since then, COMTO T&R has welcomed more than 15 guest speakers to address critical topics touching DEI the workplace; organized backpack drives for the local community; completed holiday fundraising for underserved families; collaborated with CUTA, CUTRIC, OPTA, and WTS on conference sessions aimed at fostering DEI; shared job and professional development opportunities with members, and more. All people in the Canadian public transportation industry are welcome to join COMTO T&R.

[comtotorontoandregion.ca](http://comtotorontoandregion.ca).



### — APTA Racial Equity Commitment Program

On January 19, 2022, New Flyer signed on to the American Public Transportation Association's ("APTA") Racial Equity Commitment Program, joining 82 other organizations (as of Mar 9, 2022) invested in improving their DEI practices.

The Commitment Program is a two-year pilot program that provides APTA members with a tangible roadmap for advancing racial equity within their organizations as part of a comprehensive diversity, equity and inclusion framework.

As a member of the APTA Racial Equity Commitment Program, we have signed on to make the following commitments:

1. Make racial equity an explicit strategic priority for our organization.
2. Undertake an annual DEI climate assessment of our organization on the perceived employee experience of existing policies, practices, and procedures.

3. Review and analyze demographic data covering both what is internal as well as external to an organization to develop a baseline on how existing policies, practices and programs impact racial equity.
4. Put in place evidence-informed policies, practices, programs, and processes for creating and maintaining an inclusive and equitable environment for employees and customers including identifying best practices for responding to the use of hate-related behavior/language/signs.
5. Establish programs, tools, and dedicated resources that engage executive and board leadership and staff at all levels on the meaning and importance of racial equity.

[apta.com](http://apta.com)



### — APTA 2021 Workforce Readiness Guide

NFI's DEI initiatives and New Flyer's CBF were profiled in the APTA 2021 Workforce Readiness Guide, a comprehensive handbook capturing the state of workforce readiness in North America, and outlining key initiatives that will help drive it forward. As the electrification of mass mobility continues, workforce development and equity for every person to participate in the transportation industry will remain a critical enabler of the new mobility era. For details, visit [newflyer.com/CBF](http://newflyer.com/CBF).

# Truth & Reconciliation Efforts



In order to redress the legacy of residential schools and advance the process of Canadian reconciliation, the Truth and Reconciliation Commission made 94 calls to action including, Call to Action #92, which is focused on business and reconciliation.

We have examined these calls to action and our employment practices to implement applicable aspects of the calls to action within our business operations and to promote and advance reconciliation with our employee groups and the communities we serve. Some ways that we are working on this in our business, include the following:

- Measuring and monitoring workforce demographics to understand workforce representation and identifying improvement opportunities;
- Delivering diversity and inclusion training as a required leadership development module to promote awareness of diverse workplace and understanding of unconscious and implicit bias. Expanded to include a “Leading Inclusion” training event provided by Korn Ferry to our senior leadership team, with plans to include other levels of leadership in 2022 and beyond;
- Implemented the Indigenous Insights learning program with the University of Winnipeg; this program supports organizations seeking to understand and respond to the Truth and Reconciliation Commission’s Calls to Action.

## — TRC92: Employer Consortium

NFI is committed to building respectful relationships, ensuring that Indigenous peoples have equitable access to jobs and training within our organization, and to developing leadership and workforce intercultural competencies.

An important step towards advancing reconciliation efforts in our operations is through our active membership to the TRC92: Employer Consortium. NFI has participated in regular meetings with more than 30 companies in Manitoba, all centered around addressing Call to Action #92.

In 2021, NFI accepted the challenge to take this commitment further by being a part of a social innovation lab focused on Indigenous youth employment, specific to the manufacturing industry. Through the formation of a diverse co-creation team consisting of strong Indigenous representation, NFI representatives, community trainers and cultural awareness educators, community, government and labor experts, along with facilitator and evaluators, we will be addressing and prototyping solutions to address the challenges that Indigenous youth face

surrounding employment. The shared purpose of the social innovation lab is to ensure that:

- Indigenous youth have access to training, jobs, and advancement opportunities within culturally safe and inclusive workplaces;
- Indigenous youth have the training and supports required to transition successfully from pre-employment to ongoing employment;
- Indigenous youth can afford the costs of transitioning from pre-employments to employment; and
- Indigenous youth represent a percentage of the company’s workforce that is more closely aligned with Winnipeg’s demographics.

Through the process of learning from Indigenous youth, elders and knowledge keepers, and from other companies who have successfully implemented these changes in the past, we are putting our learnings into practice and working to make impactful changes throughout NFI.

# Environmental Performance

Continual improvement is a key driver of our EHSMS initiatives to enhance our environmental performance.

Each NFI facility is evaluated to identify and categorize activities that could impact the health and safety of our environment. This assessment is performed annually by the EHS personnel responsible for our manufacturing facilities and considers the environmental footprint of our manufacturing processes. The scope includes parameters such as air emissions, raw material use, and waste generation.

The majority of our GHG emissions are related to heating, cooling, and ventilating our facilities. NFI's production is not energy intensive, and consideration is given to reduce energy consumption and GHG emissions as part of each facility upgrade. The ongoing monitoring of key environmental metrics helps provide the basis for more focused improvement initiatives.

**A Note on Reporting:** The COVID-19 pandemic continued to impact facility usage and, subsequently, NFI's environmental metrics in 2021. A variety of situations including, but not limited to, employees working from home, unplanned shutdowns and facility idling, adjusted production schedules, business reconfiguration, and site closures led to lower than expected demand on utilities and other environmental performance data. Data from 2020 was NFI's first full year of operation with ADL as a subsidiary company; as a result, a number of reported absolute values may have increased from 2019 levels. As we work towards continually improving our internal tracking and environmental reporting processes annually, year-over-year increases may still be seen. As production increases over time in comparison to 2021, increases in absolute values are expected. NFI's transformative cost reduction initiative, "NFI Forward", continues to focus on rationalizing the Company's organizational facility footprint. This review and subsequent actions will lead to meaningful baseline information, in addition to providing direction in terms of the development of science-based targets moving forward.

\*2020 values have been restated to address corrections to data values made for previously reported total water consumption, total industrial waste, recycled cardboard, recycled metal and recycled wood.

\*\*Some direct and indirect emissions (such as GHG emissions produced by company vehicles) are not yet included.

Consumption	Units	2020	2021**
Total Energy Consumption	GWh <sub>eq</sub>	852	722
Gross Renewable Energy	GWh	33	32
Gross Non-Renewable Energy	GWh <sub>eq</sub>	820	690
Renewable Electricity	%	49	51
Non-Renewable Electricity	%	51	49
<b>Facility Heating Totals</b>			
Carbon Dioxide Emissions – CO <sub>2</sub> Total	US tons	159,266	133,415
Methane Emissions – CH <sub>4</sub> total	US tons	3.03	2.54
Nitrogen Oxide Emissions – N <sub>2</sub> O total	US tons	2.89	2.43
Particulate Matter Emissions <30µm	US tons	10.00	8.38
Sulfur Dioxide Emissions – SO <sub>2</sub> total	US tons	0.79	0.66
Volatile Organic Compound Emissions – VOC total	US tons	7.24	6.06
Solvents Emissions (VOC)	US tons	436	372
Particulate Matter Emissions <30µm (production total)	US tons	2.23	2.07
Hazardous Air Pollutant (HAP) Emissions	US tons	137	122
Total Water Consumption	US gal	46,345,635*	40,669,163
Total Hazardous Waste	US tons	483	400
Total Industrial Waste	US tons	7,033*	5,494
Recycled Cardboard	US tons	949*	948
Recycled Metal	US tons	3,442*	2,833
Recycled Wood	US tons	2,293*	2,156
Production Total: Buses & Coaches (various propulsion systems)	Vehicles	4,363	3,596

# Climate Change

NFI continues to work towards reducing our operational GHG emissions through facility energy efficiency projects, waste reduction and diversion strategies, and transitioning fuel-powered equipment to electric. Insourcing various components through our primary fabrication operations reduces our environmental footprint by centralizing production, in turn providing NFI better control over our supply chain and its effects on climate change.

We expect the results of our 2022 materiality assessment will further inform our targeted actions towards our continued climate action efforts.

## NFI Greenhouse Gas (GHG) Emissions (U.S. tons)

2019	2020	2021
VOC 9.10	VOC 7.24	VOC 6.06
SO <sub>2</sub> 0.99	SO <sub>2</sub> 0.79	SO <sub>2</sub> 0.66
PM 12.57	PM 10.00	PM 8.38
N <sub>2</sub> O 3.64	N <sub>2</sub> O 2.89	N <sub>2</sub> O 2.43
CH <sub>4</sub> 3.80	CH <sub>4</sub> 3.03	CH <sub>4</sub> 2.54
CO <sub>2</sub> 199,781	CO <sub>2</sub> 159,266	CO <sub>2</sub> 133,415

**A Note on Reporting:** NFI has divided its emission profile into two streams; (a) representing building and process energy requirements, and (b) direct chemical emissions from manufacturing and service processes. Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous Oxide (N<sub>2</sub>O) and fluorinated gas (none) emissions are related to heating our facilities.

**A Note on Reporting:** 2019 includes only 7 months of ADL data due to timing of acquisition. 2021 metrics are impacted by several factors, including but not limited to the COVID-19 pandemic. Please see detailed note "A Note on Reporting" on Page 78 explaining these items and their impact.

# Energy

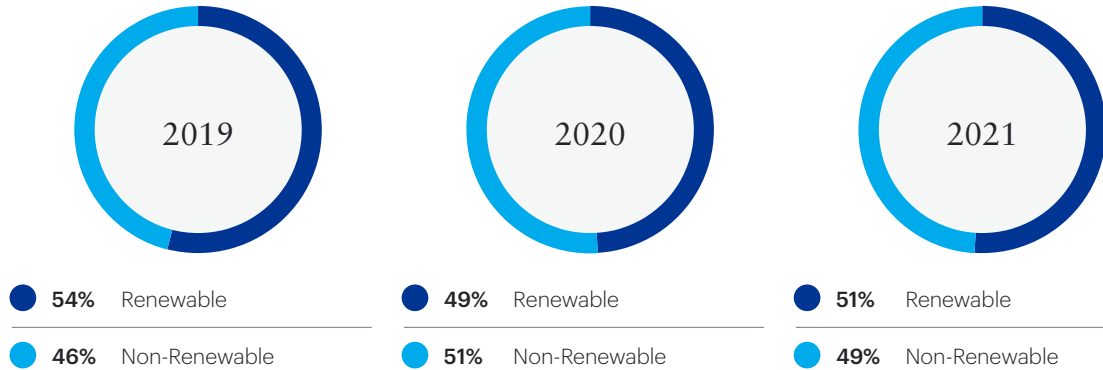
Conserving energy is important to NFI. Energy efficiency is a key strategy of ours when minimizing our resource consumption, contributions to GHGs, and climate-related risks. Renewable electricity metrics for 2021 are provided to the right.

The majority of NFI's manufacturing facilities are located in cold climate regions, and facility heat represents a large part of our energy consumption. Energy reduction projects mainly focus on facility energy usage as process energy usage is minimal by comparison. Wherever possible, projects that are directly related to facility energy consumption aim to reduce consumption by 10%, within the context of the project. For these projects, energy consumption data is summarized, validated, and reported to our leadership group.

Large facility projects were slowed in 2021 and are on hold for 2022 due to the residual effects of the COVID-19 pandemic. It is anticipated these facility projects will ramp up again in 2023 as lingering pandemic impacts are expected to have stabilized in the industry. As the demands to our zero-emission product line increase, we anticipate a future increase to energy use in some of our production facilities as a result of product testing and charging requirements.

Energy savings continue to be realized in our facilities through the installation of LED lighting (including emergency and exterior lighting), radiant heating, improved ventilation and heating, boiler system upgrades, infrared water heaters, variable frequency compressors, and paint booth exhaust fans, as well as insulating/sealing of our facilities.

## NFI Electrical Energy Use



**A Note on Reporting:** 2019 includes only 7 months of ADL data due to timing of acquisition. 2021 metrics are impacted by several factors, including but not limited to the COVID-19 pandemic. Please see detailed note "A Note on Reporting" on Page 78 explaining these items and their impact.





# Energy Reduction Improvements in NFI Facilities

In our continued efforts to improve our operational impact on climate change, NFI incorporates ongoing improvements through our Capital Improvements Plan. Improvements can range from replacing a fuel-powered forklift with an electric one, to major facility energy improvements. This year we are highlighting some of our 2021 facility improvements that have had a positive impact on energy reduction.

In October 2021, the NFI Parts Distribution Centre located in Louisville, Kentucky completed a lighting project encompassing 44,622 square feet of office space. The objectives of the project were to reduce coal-fired energy use, improve employee health and safety (by installing quality indoor lighting and brighter outdoor fixtures), and reduce facility maintenance costs. Kentucky is the fifth-largest coal-producing state in the USA, with 69% of Kentucky's electricity net generation being coal-fired.<sup>1</sup>

Roughly 650 indoor standard fluorescent and 50 outdoor metal halide lighting fixtures dating back to the year 2000 were replaced with new LED technology. In addition, approximately 100 switches were converted to motion detection sensors to decrease the unnecessary use of energy in unoccupied areas such as closets, restrooms, offices and conference rooms. Feedback from employees after project completion has been very positive, an exciting step forward as we work towards reducing our facility carbon outputs by reducing our annual coal-fired energy consumption at this location by approximately 35%.

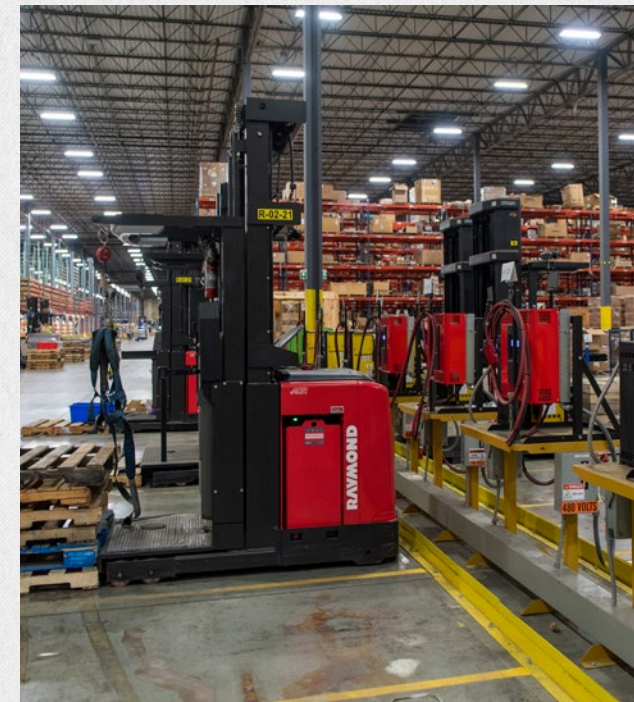
One of our motor coach facilities in Winnipeg, Manitoba made lighting improvements in a paint booth to improve lighting quality with an anticipated reduction in energy consumption of almost 75%.

Our Arnprior, Ontario Service Centre completed a lighting upgrade to several indoor offices, washrooms, locker rooms, lunchrooms, shop areas and a paint booth, resulting in annual energy savings of almost 50%.

In addition, our NFI Forward business transformation initiative has had, and continues to have, a positive impact on energy efficiency throughout the organization. The NFI Forward initiative includes streamlining and consolidating our business functions and units, as well as rationalizing and reducing our overall facility footprint, which has had a positive impact on our carbon footprint.

NFI understands the relationship between carbon reduction initiatives and the positive business impacts it has on its own operations, as well as employee, customer and community health.

<sup>1</sup> Stats Reference: Kentucky - State Energy Profile Overview - U.S. Energy Information Administration ("EIA")



# Air Emissions

Air emissions from NFI operations are quantified, monitored and managed to meet and, where commercially feasible, be reduced beyond local regulatory requirements.

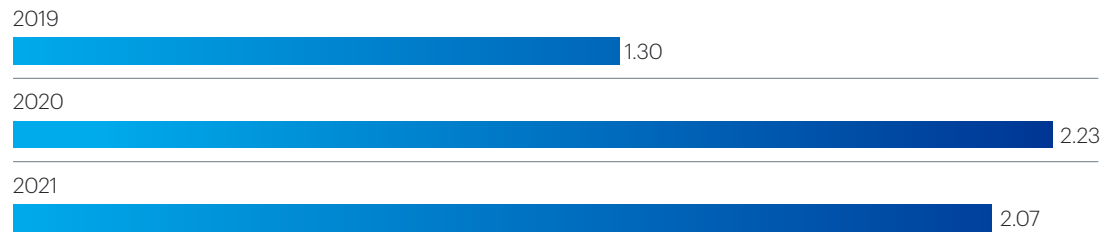
Volatile Organic Compounds (“VOCs”), Particulate Matter (“PM”), and Hazardous Air Pollutant (“HAP”) air emissions from painting and fiberglass manufacturing activities are managed by striving to meet industry best practices and properly maintaining air pollution control equipment. NFI has implemented powder coating technology wherever practicable to reduce air emissions.



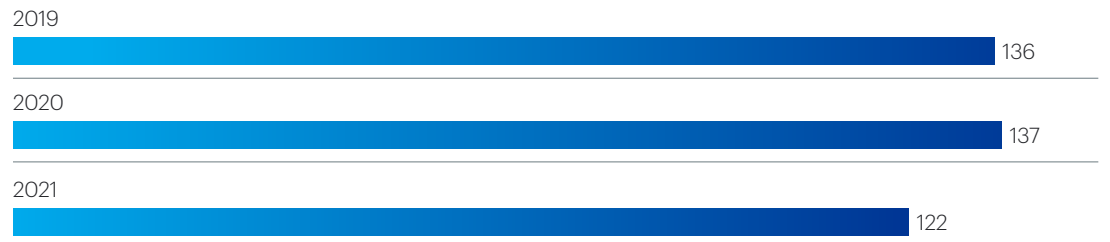
## NFI VOC Emissions (U.S. tons)



## NFI PM Emissions (U.S. tons)



## NFI HAPs Emissions (U.S. tons)



**A Note on Reporting:** 2019 includes only 7 months of ADL data due to timing of acquisition. 2021 metrics are impacted by several factors, including but not limited to the COVID-19 pandemic. Please see detailed note “A Note on Reporting” on Page 78 explaining these items and their impact.

# Waste

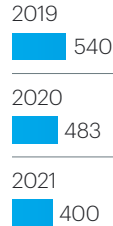
NFI manages waste in an environmentally conscious manner with waste management programs in place at each of our facilities. Lean manufacturing methodologies also drive efficiencies in the use of raw materials, reducing NFI’s overall waste footprint.

→ With reduced production rates in 2021, existing facilities saw a similar reduction with industrial waste.

Hazardous waste treatment and disposal is completed through the use of certified hazardous waste disposal contractors. All chemicals used in production are reviewed to minimize their use and evaluated for possible substitutions to reduce the impact on human health and the surrounding environment.

Waste to landfill is decreased through recycling where applicable. In 2021, NFI diverted 2,156 tons of wood and 948 tons of cardboard from landfills, and recycled 2,833 tons of metal.

## — NFI Total Hazardous Waste (U.S. tons)



## — NFI Total Industrial Waste (U.S. tons)



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## — Circularity of Our Electric Vehicle Batteries

NFI’s current North American EV battery supplier designs its batteries with recycling in mind, ensuring there is opportunity for the circularity of the batteries we install on our buses. Circularity involves a product being created with its own end-of-life taken into account. Our current battery supplier uses clean, recycled materials in its product; more specifically aluminum, copper and cathode powders. This supplier also works with recyclers for end-of-life recycling and collaborates with **Re-Cell**, a national collaboration of industry, academia

and national laboratories working together to advance recycling technologies along the entire battery life-cycle for current and future battery chemistries. In addition, this supplier certifies that none of its suppliers’ products are sourced, manufactured or processed with “Conflict Minerals” from the Democratic Republic of the Congo that contain gold, columbite-tantalite (coltan), cassiterite, wolframite, or their derivatives, tantalum, tin, tungsten, or gold (“Conflict Minerals”).

# Acetone Recycling – Cradle-to-Grave Hazardous Waste

Acetone is a solvent used in our fabrication facilities as a cleaning agent for spray guns and hand tools. In 2019, NFI had expended over 59,000 gallons of acetone, resulting in high purchase and disposal volumes. Through NFI’s ongoing continual improvement process to consider hazardous waste reduction opportunities, an acetone recycling project was undertaken and implemented in 2021 for our Carfair Winnipeg, St. Cloud, Wausaukee and Anniston facilities.

The acetone recycler system takes the expended acetone and reclaims it with 85% to 95% cradle-to-grave efficiency and is ready for use in 4 to 6 hours. Any remaining waste is appropriately removed by an approved and certified hazardous waste hauler.

Incorporating acetone recycling into our facilities has helped to lower our solvent purchasing needs, reduce solvent waste and disposal costs, adhere to relevant industry regulations, and maintain the needs of our operations while positively impacting the environment.

Additional benefits to this project included freeing up more facility floor space and mitigating worker health and safety risk through processing the acetone in an approved engineered enclosure.

NFI is excited to showcase our progressive facility improvements through reducing hazardous waste impacts and in turn creating cleaner, healthier communities.



The acetone recycler system takes the expended acetone and reclaims it with 85% to 95% cradle-to-grave efficiency.



Acetone Recycler System at an NFI Facility



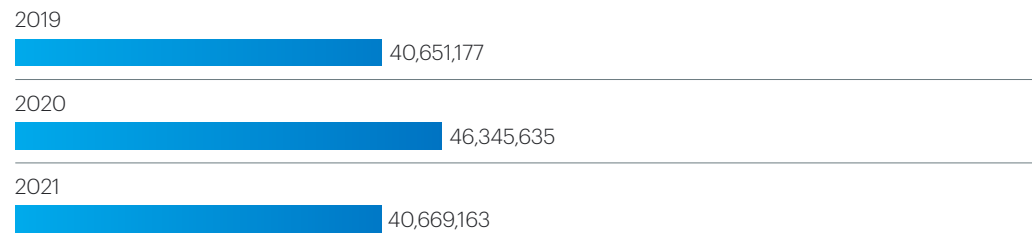
Acetone Recycler System at an NFI Facility

# Water Use

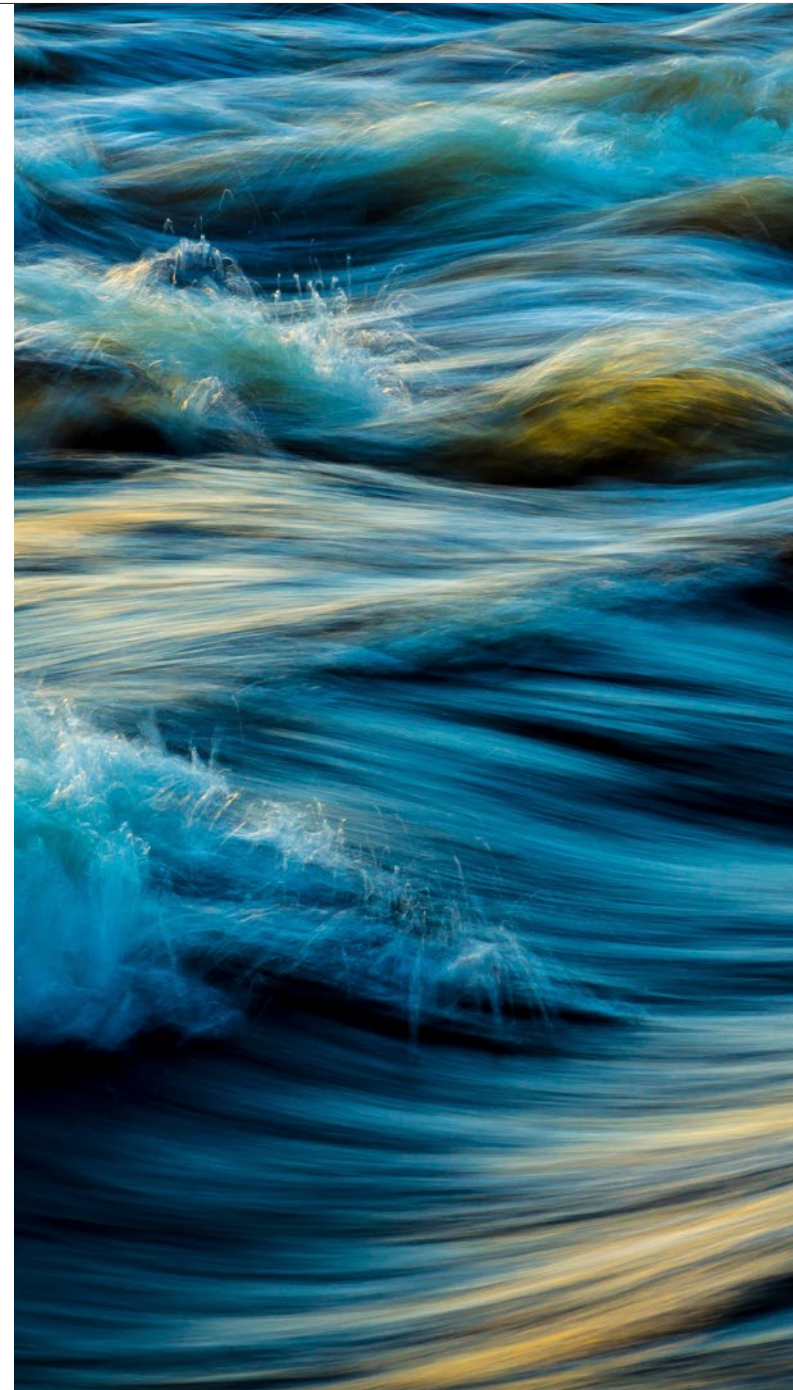
In NFI facilities, water is predominantly used for sanitary purposes, jurisdictionally mandated facility irrigation, and water leak tests.

Water testing for bus shell integrity is our largest water consumption for manufacturing process usage. Requirements for these tests vary by contract and can have a significant impact on our water consumption. Several of our facilities conserve water during the manufacturing process through on-site re-use of water required for extreme weather leak testing.

## — NFI Total Water Consumption (U.S. Gallons)



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# Community Support

NFI is proud to support community, charitable, and not-for-profit initiatives through community partnerships, sponsorships, and customer support.

Program support is centered on community, non-profit, volunteer, public service, or charitable organizations focusing in the areas of youth, health, and community development. Our program objectives are as follows:

- Promote and enhance community relations
- Promote citizenship and active roles in our communities
- Support corporate objectives and NFI principles
- Promote and enhance customer relations
- Provide widespread community benefit
- Provide our employees the opportunity to actively participate and contribute

Donations are approved in accordance with the NFI Group Code of Business Conduct and Ethics, NFI Group Political Contribution Policy, NFI Group Gift and Entertainment policies, NFI Group Charitable and Community Support Policy, and applicable Customer's Code of Conduct, Business Ethics, and Gift Acceptance policies.

A number of community groups received support and contributions from NFI in 2021. We support a variety of community, health, and

youth organizations and programs, such as Pride Winnipeg, Save the Children, Men's Mental Health, Crookston Ox Cart Days, Winnipeg Art Gallery's Inuit Art Centre (Qaumajuq), Seniors at Home, and Winnipeg Jets Hockey Academy. In addition, the NFI team collectively invests hundreds of hours back into the communities where they work, and live each year.

In 2021, the fourth NFI-wide United Way campaign was held across 27 locations, and our team came together to donate more than \$370,000 to United Way agencies across North America—proudly supporting 18 different United Way agencies in the U.S. and Canada, in or nearby communities we operate in.

We recognize that we are better together, and that our communities can thrive as a strong collective. NFI is extremely proud of its team efforts in contributing during another difficult pandemic year, proving just how much our teams value supporting our local community efforts.

NFI was presented with the Spirit of Collaboration award for our partnership with the IAMAW and Unifor during our 2021 workplace campaign.



NFI collectively has donated more than \$3.1 million to the United Way from its workplace campaigns since 2009.



NFI was a sponsor of Pride Winnipeg's 2021 celebrations, supporting the diverse community in the city of NFI's organizational headquarters.

"In this time of uncertainties and overwhelming challenges to our community, we are pleased to have NFI's support to show our true colours and be able to increase our presence on digital platforms to ensure our community's needs, rights, and fights are seen and heard", said Barry Karlenzig, Technical Sales Manager, New Flyer & President of Pride Winnipeg.

# Support for Education



Left to right: NFI President and Chief Executive Officer Paul Soubry with award recipient



In April 2022, New Flyer and AROW Global awarded the inaugural New Mobility Bursary through NFI's Vehicle Innovation Center, a \$10,000 bursary to support underrepresented individuals in pursuit of education and skills development, and ultimately contribute to the advancement of DEI.



ADL Enviro200 bus at the IRTE Skills Challenge



Every year, ADL provides an Enviro200 bus for the IRTE Skills Challenge, run by the Society of Operational Engineers, to contribute to up-skilling technicians and identifying knowledge gaps within the industry.

MCI proudly supported the American Bus Association Foundation's scholarship program to help fund education and workforce development to support the motor coach and tour industry.



# Team & Community Spirit

Teamwork, community involvement, and a collaborative spirit are inherent aspects of our culture at NFI. Employee-led social committees are established in various business units, with unique employee-planned events held throughout NFI locations annually. We are proud of these efforts to build stronger communities, to create a fun and caring workplace, and to support mental health awareness and connections.

As a result of the pandemic, in-person events were once again limited in 2021, but that didn't stop our teams from coming up with new and exciting ways to bring our teams together. We saw a range of events happening throughout the year, from strictly virtual to in-person and distanced. Regardless of the format, one common theme rang throughout: let's stay active and connected even when we can't always be physically together.

Here are some examples of how we promoted togetherness and community spirit throughout the year.



## — For Our Employees

- In Anniston, Alabama, there were a variety of ways for all employees to get involved and come together. Themed dress days are always a hit and give team members a chance to show off their fun and creative side. In 2021, employees participated in a Hawaiian Shirt Day, Team Spirit Jersey Day, a Halloween costume contest, and an Ugly Sweater Day for the holiday season. Anniston also brought light to social causes, such as a day to wear pink in support of breast cancer awareness. To round it all out, employees also participated in the annual fishing derby and car show.
- Our Canadian and U.S. NFI Parts teams kept busy in 2021 with employee appreciation and holiday luncheons for all six locations. Sports bracket challenges also provided a chance to have some friendly competition between the PDCs with events for March Madness NCAA Basketball and the NHL Hockey Bracket Challenge.
- Our Winnipeg teams (New Flyer, NFI Parts, MCI and Carfair) had opportunities to participate in a number of events throughout the year. Virtually, employees were able to enter the FedEx Cup Golf bracket to win some great prizes. A summer memories photo album was created online, and employees were able to vote for their favorite photos to win prizes. Our Winnipeg teams were also encouraged to stay active throughout the warmer months with outdoor exercise classes being held in the New Flyer courtyard, which included Zumba, yoga, and even a hula hooping class.

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## — For Our Communities

- The Garden of Giving was started at one of our Winnipeg locations in 2010. This program encourages employees to lend their gardening skills, or hone them if they are wanting to learn, to grow and harvest fruits and vegetables throughout the summer and fall. This produce is then donated to charitable organizations that help to feed those in need within the community. In 2021, we were able to donate a total of 44 boxes of various produce to local charitable organizations Siloam Mission and the Union Gospel Mission.
- Our Winnipeg B2 NFI Parts and Transit team once again collected donations for Christmas Cheer Board hampers, helping families in need during the holiday season. This year they were able to collect non-perishable food items, gifts, household items and monetary donations to assist one senior and one family of two within the community.
- NFI was once again pleased to partner with the True North Foundation and Bernie Wolfe Community School to participate in the Winnipeg Jets Hockey Academy. This program is designed to increase school attendance through the opportunity to have time on the ice practicing skating and hockey skills. NFI employees can volunteer to help out on or off the ice to help the students to get ready and help out with equipment needs during the sessions.
- ADL supported local organization Go Forth and Clyde in providing a Christmas on the Canal event to give local families in the Falkirk area the opportunity to celebrate the season.
- At our headquarters located in Winnipeg, Manitoba, NFI worked in partnership with local non-profit and Indigenous family resource center, Ma Mawi Wi Chi Itata (Ojibway for “we all work together to help one another”), to provide no-cost transportation on New Flyer buses for inner-city community members to access vaccine clinics they otherwise could not have reached.

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New Flyer Xcelsior® CNG bus in Winnipeg, MB



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## — Winnipeg Steps Challenge

In the late summer of 2021, employees from all of our Winnipeg facilities were encouraged to take part in our first ever Steps Challenge by keeping track of the number of steps they took throughout the week for six weeks. Using a step counting app, employees tracked and then submitted their total number of steps at the end of each week to be ranked against the other participants. Team members were motivated by various factors including self-challenges, challenges between coworkers, and simply to just get more active in the midst of a pandemic situation. There was also some external motivation by way of draws for prizes for participation and highest number of steps.

Some stats from the Steps Challenge include:

- **Total Steps Taken:**  
18,027,254 (enough to walk the length of Canada twice over!)
- **Highest Daily Total:**  
3,325,608
- **Total # of Participants:**  
101

## — Shout-Outs and Standing Ovations

Over 90 employees were recognized by their peers in a “Shout-Out” or “Standing Ovation” recognition over the past year. Shout-Outs provide a way to say thank-you to someone at NFI for going the extra mile, and we take a moment to say so publicly. The Standing Ovation is a way for colleagues to recognize their fellow team member for their efforts in the local community. It is important for us to recognize our NFI team for their accomplishments outside of our workplace walls. Whether someone has run a marathon, volunteered with a local charity, or has an accomplishment they want to share with others, we want to hear and share their story.





Leading the *ZE*volution™