



NFI GROUP INC.

**NOTICE OF ANNUAL AND SPECIAL MEETING
AND MANAGEMENT INFORMATION
CIRCULAR**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 8, 2026**

March 20, 2026

NFI GROUP INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS AND AVAILABILITY OF INVESTOR MATERIALS

NOTICE IS HEREBY GIVEN that the annual and special meeting of the shareholders (the “**Meeting**”) of NFI Group Inc. (“**NFI**”) will be held on Friday, May 8, 2026 at 11:00 am (Eastern time) as a hybrid meeting with a physical location at TD South Tower, 79 Wellington St. W, 33rd Floor, Toronto, Ontario, and the option to participate virtually, by way of a live webcast at <https://meetnow.global/MANNDQ4> for the following purposes:

1. **TO RECEIVE** the consolidated financial statements of NFI for the fiscal year ended December 28, 2025, together with the report of the auditors thereon (see section Matters To Be Considered At The Meeting – Financial Statements in the Management Information Circular (the “**Information Circular**”));
2. **TO APPOINT** the auditors and authorize the board of directors of NFI to fix the remuneration of the auditors (see section Matters To Be Considered At The Meeting – Appointment of Auditors in the Information Circular);
3. **TO ELECT** ten members of the board of directors of NFI (see section Matters To Be Considered At The Meeting – Election of Directors in the Information Circular);
4. **TO CONSIDER** and, if deemed appropriate, **TO PASS**, with or without variation, an ordinary resolution in the form set out in Schedule “A” to the Information Circular to continue, amend and restate the Fourth Amended and Restated Shareholder Rights Plan Agreement dated May 4, 2023 between NFI and Computershare Investor Services Inc.;
5. **TO CONSIDER** and, if deemed appropriate, **TO PASS** an advisory resolution in the form set in Schedule “B” to the Information Circular on the approach to executive compensation (“**Say on Pay Resolution**”) (see section Matters To Be Considered At The Meeting – Advisory Resolution on Approach to Executive Compensation in the Information Circular); and
6. **TO TRANSACT** such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Information Circular relating to the Meeting provides additional information relating to the matters to be dealt with at the Meeting as well as how to participate and vote at the Meeting.

You have the right to receive notice of, and to vote at, the Meeting if you were a shareholder of NFI as of 5:00 p.m. (Toronto time) on Monday, March 9, 2026.

Notice and Access

NFI is using the notice and access procedure (Notice and Access) adopted by the Canadian Securities Administrators for the delivery of the Information Circular, the consolidated financial statements of NFI for the fiscal year ended December 28, 2025 and related management’s discussion and analysis (collectively, the “**Meeting Materials**”). Under Notice and Access, you are still entitled to receive a form of proxy (or voting instruction form) enabling you to vote at the Meeting. However, instead of receiving paper copies of the Meeting Materials, shareholders receive this notice of meeting which contains information about how to access the Meeting Materials electronically. The principal benefit of Notice and Access is to reduce costs and the environmental impact of producing and distributing large quantities of paper documents.

Shareholders who have consented to electronic delivery of materials may receive this notice of meeting in an electronic format.

The Information Circular and form of proxy (or voting instruction form) provide additional information concerning the matters to be dealt with at the meeting. **Shareholders are reminded to review all information contained in the Meeting Materials prior to voting.**

For more information about Notice and Access procedures, please call Broadridge Investor Communications Corporation ("**Broadridge**") toll-free at 1-844-916-0609 (English) or 1-844-973-0593 (French).

Websites Where Meeting Materials Are Posted

The Meeting Materials are available on NFI's website, www.nfigroup.com and under NFI's profile on the System for Electronic Data Analysis and Retrieval+ (SEDAR+) at www.sedarplus.ca.

Non-Registered and Registered Shareholders

If you would like paper copies of the Meeting Materials, you should first determine whether you are: (i) a non-registered shareholder; or (ii) a registered shareholder.

- You are a non-registered shareholder (also known as a beneficial holder) if you own common shares of NFI indirectly and your common shares are registered in the name of a bank, trust company, broker or other intermediary. For example, you are a non-registered shareholder if your common shares are held in a brokerage account of any type.
- You are a registered shareholder if you hold a paper share certificate or a direct registration system ("DRS") statement and your name appears directly on the share certificate(s) or DRS statement.

How to Obtain Paper Copies of Meeting Materials

All shareholders may request that paper copies of the Meeting Materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date that the Meeting Materials are posted on NFI's website.

For non-registered shareholders (i.e. beneficial owners), requests may be made by calling Broadridge toll-free at 1-877-907-7643 or requesting materials online at www.proxyvote.com. You will need the 16-digit control number on the voting instruction form.

For registered shareholders, requests may be made by calling Computershare Investor Services Inc. ("**Computershare**") within North America toll-free at 1-866-962-0498, and from outside of North America (514) 982-8716.

Requests must be received by 11:00 am (Eastern time) on Thursday, April 23, 2026 if you would like to receive the Meeting Materials in advance of the voting deadline and date of the Meeting.

Voting

Beneficial Owners

Shareholders who are beneficial owners of common shares of NFI ("**Beneficial Owners**") will receive a voting instruction form with their Meeting Materials. The purpose of this form is to permit Beneficial Owners to direct the voting of the shares they own. As a Beneficial Owner, a shareholder should do the following:

If You Do Not Wish to Vote at the Meeting.

If, as a Beneficial Owner, you do not wish to attend and vote at the Meeting (or have another person attend and vote on your behalf), complete and sign the voting instruction form and return it in accordance with the instructions on the form. Voting instruction forms sent by Broadridge also permit the completion of the voting instruction form by telephone or through the Internet at www.proxyvote.com.

If You Wish to Vote at the Meeting (or Have Someone You Choose Vote for You).

If, as a Beneficial Owner, you wish to participate and vote at the Meeting (or have another person, who need not be a shareholder, participate and vote on your behalf), you must follow the instructions on the voting instruction form that you receive or seek a form of proxy from your intermediary. Duly appointed proxyholders will be able to (i) attend the Meeting in person or (ii) log in to the Meeting online to listen, ask questions and securely vote through a web-based platform, provided that they are connected to the internet and follow the instructions set out in this Information Circular. Beneficial Owners who wish to appoint a proxyholder to represent them at the virtual meeting must submit their duly completed proxy or voting instruction form AND register the proxyholder with the Corporation's registrar and transfer agent, Computershare Investor Services Inc. Registering the proxyholder is an additional step once the Beneficial Owner has submitted their proxy/voting instruction form. Failure to register the proxyholder (the person you have designated to attend the Meeting, who could be yourself or another person) with Computershare will result in that proxyholder not receiving an Invite Code to participate in the virtual meeting.

To register a proxyholder, a Beneficial Owner MUST visit <https://www.computershare.com/NFIGroup> by no later than 11:00 am (Eastern time) on May 6, 2026 and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with an Invite Code via email after the deadline for depositing proxies has passed.

Beneficial Owners who have not duly appointed a proxyholder will be able to attend the virtual meeting as guests and ask questions, provided that they are connected to the internet, but will not be able to vote.

As a Beneficial Owner, you should follow the instructions on the voting instruction form you receive. If you are not sure what to do, you should immediately contact your intermediary in respect of your common shares.

Registered shareholders

Registered shareholders may attend, ask questions and vote at the physical meeting or can vote by proxy or during the Meeting by online ballot through the live web-based platform. Registered shareholders who are unable to attend the Meeting should exercise their right to vote by signing and returning the form of proxy, or voting in advance via the internet, in accordance with the directions on the form.

Computershare must receive completed proxies no later than 11:00 am (Eastern time) on May 6, 2026 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and holidays) before the date of the adjourned or postponed Meeting.

DATED this 20th day of March, 2026.

BY ORDER OF THE BOARD OF DIRECTORS

By: "Colin Robertson"

Colin Robertson
Chair of the Board of Directors

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NFI GROUP INC.

INFORMATION CIRCULAR

This Management Information Circular (the “Information Circular”) is provided in connection with the solicitation of proxies by or on behalf of management of NFI Group Inc. (“NFI” and, together with its subsidiaries, the “Company”) for use at the annual and special meeting (the “Meeting”) of shareholders (the “Shareholders”) of NFI to be held on Friday May 8, 2026 at 11:00 am (Eastern time) as a hybrid meeting with a physical location at TD South Tower, 79 Wellington St. W, 33rd Floor, Toronto, Ontario and the option to participate virtually, by way of a live webcast at <https://meetnow.global/MANNDQ4> and at all postponements or adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting.

All references to “Common Shares” in this Information Circular refer to common shares in the capital of NFI. If you hold Common Shares as of the Record Date (as defined below), you are a Beneficial Owner (as defined below) and are entitled to receive notice of, participate and vote at the Meeting as further described in this Information Circular.

Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to “\$”, “C\$”, “CAD” and “dollars” are to the lawful currency of Canada. References to “US\$” and “USD” are to the lawful currency of the United States.

The information contained in this Information Circular is given as at March 20, 2026, except where otherwise noted.

INFORMATION FOR OWNERS OF COMMON SHARES

Notice and Access

This Information Circular and associated materials for the meeting (collectively, the “Meeting Materials”) are being sent to Shareholders using Notice and Access, the delivery procedures that allow NFI to send Shareholders paper copies of a notice of meeting and form of proxy (or voting information form) while providing Shareholders access to electronic copies of the Meeting Materials over the Internet or to receive paper copies of the Meeting Materials if they so request within the prescribed time periods. The Meeting Materials are available on NFI’s website, www.nfigroup.com and under NFI’s profile on the System for Electronic Data Analysis and Retrieval+ (SEDAR+) at www.sedarplus.ca. For more information, please refer to the notice of meeting delivered to you.

Request for Voting Instructions

Beneficial Owners

“Beneficial Owners” means the persons who own Common Shares indirectly and whose Common Shares are registered in the “book-entry only” system maintained by CDS Clearing and Depository Services Inc. or its nominee (“CDS”). CDS and intermediaries (such as banks, trust companies, securities dealers and brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) with whom you deal in respect of your Common Shares maintain written records (book-entries) of who are the beneficial owners of Common Shares and how many Common Shares they beneficially own. Most Shareholders of NFI are Beneficial Owners.

Beneficial Owners as of the Record Date will receive a voting instruction form with the Notice of the Meeting. The purpose of this form is to permit you, as a Beneficial Owner as of the Record Date, to direct the voting of the Common Shares you own. As a Beneficial Owner, you should do the following:

If You Do Not Wish to Participate and Vote at the Meeting.

If, as a Beneficial Owner, you **do not** wish to participate and vote at the Meeting (or have another person, who need not be a Shareholder, participate and vote on your behalf), complete and sign the voting instruction form and return it in accordance with the instructions on the form. Voting instruction forms sent by Broadridge Financial Services, Inc. (“Broadridge”) (the service company used by intermediaries to forward materials to Beneficial Owners) also permit the completion of the voting instruction form by telephone or through the Internet at www.proxyvote.com. As a Beneficial Owner, you may revoke a voting instruction form given to an intermediary at any time by written notice to the intermediary. However, an intermediary is not required to act on a revocation of a voting instruction form that is not received by the intermediary at least seven days prior to the Meeting.

If You Wish to Participate and Vote at the Meeting (or Have Someone You Choose Vote for You).

If, as a Beneficial Owner, you **wish to participate** and vote at the Meeting (or have another person, who need not be a Shareholder, participate and vote on your behalf), you must follow the instructions on the voting instruction form that you receive or seek a form of proxy from your intermediary, in either case to be appointed as a proxyholder. Duly appointed proxyholders will be able to (i) attend the Meeting in person or (ii) log in to the Meeting online to listen, ask questions and securely vote through a web-based platform, provided that they are connected to the internet and follow the instructions set out in this Information Circular. Beneficial Owners who wish to appoint a proxyholder (being themselves or another person to represent them at the virtual meeting) must submit their duly completed proxy or voting instruction form AND register the proxyholder with NFI’s registrar and transfer agent, Computershare Investor Services Inc. (“Computershare”) as described below. **Registering the proxyholder is an additional step once the Beneficial Owner has submitted their voting instruction form. Failure to register the proxyholder (the person you have designated to participate in the Meeting, who could be yourself or another person) with Computershare will result in that proxyholder not receiving an Invite Code to participate in the virtual meeting.**

To register a proxyholder, a Beneficial Owner MUST visit <https://www.computershare.com/NFIGroup> by no later than 11:00 am (Eastern time) on May 6, 2026 and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with an Invite Code via email after the deadline for depositing proxies (as described below in “Solicitation of Proxies and Voting Instructions –Deposit of Proxies”) has passed.

Beneficial Owners who have not duly appointed a proxyholder will be able to attend the virtual meeting as guests and ask questions, provided that they are connected to the internet, but will not be able to vote.

As a Beneficial Owner, you should follow the instructions on the voting instruction form you receive. If you are not sure what to do, you should immediately contact your intermediary in respect of your Common Shares.

Registered Holders

“Registered Shareholder” means the persons who own Common Shares directly via a paper share certificate or a direct registration system (“DRS”) statement and whose name appears directly on the share certificate(s) or DRS statement.

If You Do Not Wish to Participate and Vote at the Meeting.

If, as a Registered Shareholder, you **do not** wish to participate and vote at the Meeting (or have another person, who need not be a Shareholder, participate and vote on your behalf), complete and sign the form of proxy and return it in accordance with the instructions on the form. The form of proxies also permit the completion of such form by telephone or through the Internet at www.investorvote.com.

If You Wish to Participate and Vote at the Meeting (or Have Someone You Choose Vote for You).

If you **wish to participate and vote** your Common Shares at the Meeting, you are not required to complete or return the form of proxy sent to you. Your vote will be taken and counted at the Meeting. If you wish to have another person, who need not be a Shareholder, participate and vote on your behalf

at the Meeting, you must follow the instructions on the form of proxy that you receive in order to be appointed as a proxyholder. Duly appointed proxyholders will be able to (i) attend the Meeting in person or (ii) log in to the Meeting online to listen, ask questions and securely vote through a web-based platform, provided that they are connected to the internet and follow the instructions set out in this Information Circular. Registered Shareholders who wish to appoint a proxyholder (being themselves or another person to represent them at the virtual meeting) must submit their duly completed proxy AND register the proxyholder with NFI's registrar and transfer agent, Computershare as described below. **Registering the proxyholder is an additional step once the Registered Shareholder has submitted their form of proxy. Failure to register the proxyholder (the person you have designated to participate in the Meeting, who could be yourself or another person) with Computershare will result in that proxyholder not receiving an Invite Code to participate in the virtual meeting.**

To register a proxyholder, a Registered Holder MUST visit <https://www.computershare.com/NFIGroup> by no later than 11:00 am (Eastern time) on May 6, 2026 and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with an Invite Code via email after the deadline for depositing proxies (as described below in "Solicitation of Proxies and Voting Instructions –Deposit of Proxies") has passed.

SOLICITATION OF PROXIES AND VOTING INSTRUCTIONS

Solicitation of Proxies

The solicitation of proxies for the Meeting will be made primarily by mail, but proxies may also be solicited personally, in writing or by telephone by management representatives of NFI, at nominal cost. NFI will bear the cost in respect of the solicitation of proxies for the Meeting and will bear the legal, printing (if any) and other costs associated with the preparation of this Information Circular.

Participation at the Meeting

The physical meeting will take place on Friday May 8, 2026 at 11:00 am (Eastern time) at TD South Tower, 79 Wellington St. W, 33rd Floor, Toronto, Ontario. Registered shareholders and duly appointed proxyholders may attend, ask questions and vote at the Meeting.

The virtual meeting will take place on Friday May 8, 2026 at 11:00 am (Eastern time) by way of a live webcast at <https://meetnow.global/MANNDQ4>. A summary of the information Shareholders will need to attend the virtual meeting is provided below.

In order to attend the virtual meeting, Registered Shareholders, duly appointed proxyholders (including Beneficial Owners who have duly appointed themselves as proxyholder) and guests (including Beneficial Owners who have not duly appointed themselves as proxyholder) must log in online as set out below.

- Step 1: Log in online at <https://meetnow.global/MANNDQ4>
- Step 2: Follow the instructions below:
 - **Registered Shareholders:** If you are a registered shareholder, select "Login" and enter your Control Number. The control number located on the form of proxy or in the email notification you received from Computershare is your Control Number. If you use your Control Number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the Meeting.
 - **Duly appointed proxyholders:** If you are a duly appointed proxyholder, select "Invitation" and enter your Invite Code. Proxyholders who have been duly appointed and registered with Computershare prior to the Meeting as described in this Information Circular will receive an Invite Code by email from Computershare after the proxy voting deadline has passed.
 - **Guests:** Click "I am a guest" and then complete the online form.

Registered Shareholders and duly appointed proxyholders may ask questions at the virtual meeting and vote by completing a ballot online during the virtual meeting. If you plan to vote at the virtual meeting, it is important that you are connected to the internet at all times during the virtual meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the virtual meeting. You should allow ample time to log in to the virtual meeting online and complete the check-in procedures.

Beneficial Owners who have not duly appointed themselves as proxyholders may listen to the virtual meeting as guests and ask questions, provided that they are connected to the internet, but will not be able to vote.

Voting of Proxies

In certain cases, as a Beneficial Owner will not receive a voting instruction form and will instead receive a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by you but which is otherwise uncompleted. As a Beneficial Owner and upon submission by you (or your designee) of identification satisfactory to your intermediary's representative, you may also require the intermediary to sign and deliver to you (or your designee) a proxy to exercise personally your voting rights attaching to the Common Shares you own, if you either (i) have not previously given the intermediary voting instructions in respect of the Meeting or (ii) submit to such representative written revocation of any such previous instructions.

If a Beneficial Owner who receives a form of proxy wishes to vote before the Meeting but does not wish to participate and vote at the Meeting (or have another person participate and vote on the Beneficial Owner's behalf), the Beneficial Owner must complete the form of proxy and deposit it with Computershare, as described below in "Deposit of Proxies" or otherwise follow the instructions provided by the intermediary.

If a Beneficial Owner who receives a form of proxy wishes to participate and vote at the Meeting (or have another person participate and vote on the Beneficial Owner's behalf), the Beneficial Owner must strike out the names of the persons named in the proxy and insert the Beneficial Owner's (or such other person's) name in the blank space provided and deposit it with Computershare, as described below in "Deposit of Proxies" or otherwise follow the instructions provided by the intermediary. In addition, the Beneficial Owner must complete the additional step of registering such proxyholder with Computershare at <https://www.computershare.com/NFIGroup> by no later than 11:00 am (Eastern time) on May 6, 2026 as described in this Information Circular. **Failure to register the proxyholder with Computershare will result in the proxyholder not receiving an Invite Code to participate in the virtual meeting and such proxyholder will only be able to attend the virtual meeting as a guest and ask questions. Without an Invite Code, proxyholders will not be able to vote at the virtual meeting.**

United States Beneficial Owners: To participate and vote at the virtual meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to participate in the virtual meeting. Follow the instructions from your broker or bank or contact your broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to participate in the virtual meeting, you must submit a copy of your legal proxy to Computershare. Requests for registration should be directed to: Computershare Investor Services Inc., 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6 or by email to: uslegalproxy@computershare.com. Requests for registration must be labeled as "Legal Proxy" and be received no later than 11:00 am (Eastern time) on May 6, 2026. You will receive a confirmation of your registration by email after Computershare receives your registration materials. You may attend the virtual meeting and vote your Common Shares at <https://meetnow.global/MANNDQ4> during the virtual meeting. Please note that you are required to register your appointment at <https://www.computershare.com/NFIGroup>.

A Beneficial Owner who has appointed themselves or a third-party proxyholder to represent them at the virtual meeting will appear on a list of Shareholders prepared by Computershare, the transfer agent and registrar for the Meeting. To have their Common Shares voted at the virtual meeting, each proxyholder will be required to enter their Invite Code provided by Computershare at <https://meetnow.global/MANNDQ4> prior to the start of the virtual meeting. In order to vote, Beneficial Owners MUST register their proxyholder with Computershare at <https://www.computershare.com/NFIGroup> after submitting their voting instruction form in order to receive an Invite Code.

If you are a Registered Shareholder, you may vote your Common Shares by proxy in advance of the Meeting or during the Meeting in person or at <https://meetnow.global/MANNDQ4>. You will need your Control Number on the form of proxy in order to do so.

Appointment of Proxies

The persons named in the form of proxy or voting instruction form are representatives of NFI. **Shareholders have the right to appoint as proxyholder themselves or a person or company other than the NFI representatives named on the form of proxy or voting instruction form.** Shareholders should write the name of the person or company they wish to appoint, who need not be a Shareholder, in the blank space provided on the form of proxy or voting instruction form. If the Shareholder does not appoint another person or company as proxyholder, the NFI representatives designated in the form of proxy or voting instruction form will vote or withhold from voting the Common Shares in respect of which they are appointed by proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the form and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

In the absence of any direction, your Common Shares will be voted:

- (a) **FOR** the appointment of Deloitte LLP as auditors of NFI and that the board of directors of NFI be authorized to fix the remuneration of the auditors;
- (b) **FOR** the election of each of the ten nominees to the board of directors listed under the heading "Matters to be Considered at the Meeting - Election of Directors"; and
- (c) **FOR** the confirmation and amendment and restatement of the Fourth Amended and Restated Shareholder Rights Plan; and
- (d) **FOR** the Say on Pay Resolution.

The form of proxy or voting instruction form confers discretionary authority upon the NFI representatives designated in the form of proxy or voting instruction form with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. As of the date of this Information Circular, the directors of NFI (the "**Directors**") know of no such amendments, variations or other matters.

Deposit of Proxies

To be valid, proxies must be deposited with Computershare Investor Services Inc., 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6, Fax: 1-866-249-7775 or 416-263-9524, Attention: Proxy Department, in accordance with the instructions therein, by no later than 11:00 am (Eastern time) on May 6, 2026 or if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned or postponed meeting. Failure to properly complete or deposit a proxy may result in its invalidation. The time limit for the deposit of proxies may be waived by NFI in its discretion without notice.

Revocation of Proxies

Proxies may be revoked by:

- (a) completing and signing a proxy bearing a later date and depositing it with Computershare, as described above; or
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing at the registered office of NFI at any time up to and including the last business day preceding the date of the Meeting, or any adjournment or postponement of the Meeting; or
- (c) in any other manner permitted by law, including pursuant to your right to revoke a proxy under subsection 110(4) of the *Business Corporations Act* (Ontario).

You should follow the instructions on the document that you have received and contact your intermediary promptly if you need assistance.

Meeting Format, Questions and Related Matters

NFI will be holding a hybrid Meeting with a physical location at TD South Tower, 79 Wellington St. W, 33rd Floor, Toronto, Ontario and the option to participate virtually, by way of a live webcast at <https://meetnow.global/MANNDQ4>. During the webcast, shareholders and duly appointed proxyholders will be able to listen to, participate in, ask questions, and vote at the Meeting in real time through a web-based platform instead of attending the Meeting in person. NFI hopes that hosting a hybrid Meeting will help enable greater participation by allowing Shareholders from all geographical locations (including those who might not otherwise be able to travel to the physical meeting) to attend the Meeting online.

NFI believes that the ability to participate in, and ask questions at, the Meeting in a meaningful way remains important. At the virtual meeting, Shareholders and duly appointed proxyholders will be able to participate and have an equal opportunity to ask questions, and vote in real time, provided they are connected to the internet and have logged into the online platform accessible at <https://meetnow.global/MANNDQ4>. To ask a question during the virtual meeting, you may write through the live webcast after logging-in, type your question into the "Ask a Question" field, and click "Submit". We strongly encourage you to submit your questions as early as possible during the virtual meeting. Questions submitted via the online platform that relate to the business of the Meeting are expected to be addressed in the question-and-answer section of the Meeting. Such questions will be read by the Chair of the Meeting or a designee of the Chair and responded to by a representative of the Company at the in-person Shareholder meetings. Questions submitted via the online platform will be moderated before being sent to the Chair of the Meeting. This is to avoid repetition and to ensure an orderly Meeting. The Chair of the Meeting will decide on the amount of time allocated to each question and will have the right to limit or consolidate questions and to reject questions that do not relate to the business of the Meeting or which are determined to be inappropriate or otherwise out of order. Questions can be submitted at any time as prompted by the Chair during the Meeting until the Chair closes the session. It is anticipated that Shareholders and duly appointed proxyholders attending the Meeting virtually will have substantially the same opportunity to ask questions on matters of business before the Meeting as those attending the Meeting in person.

For any technical difficulties experienced during the check-in process or during the virtual meeting, please call Computershare's technical support number that will be posted on the Virtual Shareholder Meeting log-in page for assistance.

Please note that the meeting website may not be fully accessible on all Internet browsers and if you are unable to access this site on your preferred browser, we suggest trying to access it via a different browser and/or ensuring that your browser is updated to the latest version. Note that Chrome, Firefox, Edge and Safari are the preferred browsers for accessing the web-based meeting platform. Internet Explorer is not supported. In addition, internal network security protocols including firewalls and virtual private network (VPN) connections may block your access to the online platform. If you are experiencing any difficulty connecting or watching the virtual meeting, please also ensure your VPN setting is disabled or connect to the platform on a network not restricted to the security settings of your organization.

VOTING SECURITIES OF NFI AND PRINCIPAL HOLDERS THEREOF

NFI is authorized to issue an unlimited number of Common Shares. As of the date of this Information Circular, there were 119,099,944 Common Shares issued and outstanding.

At the Meeting, each Shareholder of record at the close of business on March 9, 2026, the record date established for notice of the Meeting (the "**Record Date**"), will be entitled to one vote for each Common Share held on all matters proposed to come before the Meeting.

To the knowledge of the Directors and officers of NFI, as of the date of this Information Circular, the following persons beneficially own or exercise control or direction over, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to the Common Shares:

Name	Number of Common Shares beneficially owned, or controlled or directed, directly or indirectly ⁽¹⁾	Approximate percentage of total Common Shares
Coliseum Capital Management, LLC (on behalf of certain of its affiliates and managed funds)	25,365,711	21.30%

(1) Based on publicly available filings.

MATTERS TO BE CONSIDERED AT THE MEETING

1. Financial Statements

The consolidated financial statements of NFI for the fiscal year ended December 28, 2025, together with the report of the auditors thereon will be placed before the Shareholders at the Meeting for their consideration. No formal action will be taken at the Meeting to approve the financial statements. If any Shareholder has questions regarding the financial statements, the questions may be brought forward at the Meeting. These financial statements are also available on the internet under NFI's SEDAR+ profile at www.sedarplus.ca.

2. Appointment of Auditors

The management representatives designated in the enclosed form of proxy (if not expressly directed to the contrary in such form) intend to vote **FOR** the reappointment of Deloitte LLP as auditor of NFI to hold office until the next annual meeting of Shareholders and that the Directors be authorized to fix the remuneration of the auditors. Deloitte LLP has served as auditor of NFI since NFI's inception.

At NFI's 2025 annual general meeting of shareholders held on May 9, 2025, Deloitte LLP received 98.41% of the votes in favour of their re-appointment.

Auditor Appointment Results: 2025 Annual General Meeting	
For:	88,082,238
Withheld:	1,420,702
Total:	89,502,940
% in favour:	98.41%

3. Election of Directors

The articles of NFI provide that NFI will have a minimum of three and a maximum of twenty directors. The board of directors of NFI (the "**Board**") is currently comprised of ten Directors. All of the Directors are being nominated for re-election, except for Mr. Edwards and Ms. Winter who will be retiring from the Board at the Meeting. The Board and management of the Company wish to thank Mr. Edwards and Ms. Winter for their contributions and dedication as members of the Board and Mr. Edwards for his leadership as Vice Chair and Lead Independent Director of the Board and former chair of the Human Resources, Compensation and Corporate Governance Committee (the "**Governance Committee**").

In addition, Mr. Daniel Barclay and Mr. John Scannell are being nominated to the Board for the first time.

The management representatives designated in the enclosed form of proxy (if not expressly directed to the contrary in such form) intend to vote **FOR** the election, as Directors, of the nominees whose names are set out below. All nominees, except for Messrs. Barclay and Scannell, are currently Directors and have been Directors since the dates indicated in the section below. Management does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason before the Meeting, the management representatives designated in the enclosed form of proxy reserve the right to vote for another nominee at their

discretion. Each Director elected will hold office until the next annual meeting or until his or her successor is elected or appointed.

At the 2025 annual meeting of shareholders held on May 9, 2025, the ten individuals who were nominated to be elected as Directors of NFI at the time received the following votes regarding their appointment from voting Shareholders.

Director Election Results: 2025 Annual Meeting					
Director:	Aghili	Edwards	Gray	Da Silva Nunes	O'Donovan
For:	87,281,414	86,510,766	80,511,713	87,196,294	87,134,115
Withheld:	820,823	1,591,471	7,590,524	905,943	968,122
Total:	88,102,237	88,102,237	88,102,237	88,102,237	88,102,237
% in Favour:	99.07%	98.19%	91.38%	98.97%	98.90%

Director:	Robertson	Saint-Laurent	Soubry	Walker-Ford	Winter
For:	87,144,256	87,247,607	87,158,525	87,320,307	87,332,026
Withheld:	957,981	854,630	943,712	781,930	770,211
Total:	88,102,237	88,102,237	88,102,237	88,102,237	88,102,237
% in Favour:	98.91%	99.03%	98.93%	99.11%	99.13%

The Amended and Restated NFI's By-Law No. 2 fixes a deadline by which Shareholders must submit a notice of director nominations to NFI prior to any meeting of Shareholders. In the case of an annual meeting, advance notice must be given to NFI not less than 30 days prior to the date of the meeting. The Amended and Restated By-Law No. 2 also requires any Shareholder making a director nomination to provide certain important information about its nominees with its advance notice. Only Shareholders who comply with the requirements of the Amended and Restated By-Law No. 2 will be permitted to nominate directors to the Board unless the "advance notice" requirements are waived by the Board in its sole discretion.

The Board has adopted a majority voting policy which provides that, if the total number of Common Shares voted in favor of the election of a Director nominee at the Meeting represents less than a majority of the total Common Shares voted for and withheld with respect to that Director, the Director must submit his or her resignation to the Board chair, to be effective when accepted by the Board. The Governance Committee will consider and make a recommendation to the Board regarding the resignation, and the Board's decision to accept or reject the resignation will be disclosed to the public within 90 days of the Meeting.

4. Confirmation and Amendment and Restatement of Fourth Amended and Restated Shareholder Rights Plan

In 2023, the Board adopted the Fourth Amended and Restated Shareholder Rights Plan dated May 4, 2023 between NFI and Computershare Investor Services Inc. (the "**Rights Plan**"). At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass a resolution (the "**Rights Plan Resolution**"), the full text of which is attached as Schedule "A" to this Information Circular, with or without variation, to continue, amend and restate the Rights Plan. The proposed amendments to the Rights Plan will be made by way of an amended and restated rights plan (the "**Fifth Amended and Restated Rights Plan**"), which will be substantially the same as the existing Right Plan. The amendments to the Rights Plan and the Fifth Amended and Restated Rights Plan have been adopted by the Board; however, to be effective, they must be approved by a majority of the votes cast by Independent Shareholders (as defined in the Fifth Amended and Restated Rights Plan) at the Meeting. If the Rights Plan Resolution is approved at the Meeting, NFI and Computershare Investor Services Inc. will enter into the Fifth Amended and Restated Shareholder Rights Plan to take effect on the date of the Meeting. If the Rights Plan Resolution is not approved at the Meeting, the Rights Plan will terminate at the termination of the Meeting and the Fifth Amended and Restated Rights Plan will not come into force. To continue to have a shareholder rights plan for NFI beyond the termination of the Meeting, the Rights Plan Resolution must be approved at the Meeting. "Independent Shareholders" means all shareholders other than, generally, an Acquiring Person (as defined in the Fifth Amended and Restated Rights Plan) or a person making a take-over bid for the Common Shares and any person acting jointly or in concert with either of them. As of the date of this Information Circular, NFI is not aware of any shareholder that would be excluded from the vote on the

basis that such holder is not an Independent Shareholder. While Coliseum Capital Management, LLC (on behalf of certain of its affiliates and managed funds) holds over 20% of NFI's Common Shares, to NFI's knowledge, Coliseum Capital Management, LLC does not Beneficially Own (within the meaning of Fifth Amended and Restated Rights Plan) all such Common Shares as a portion of such Common Shares are held in its capacity as a portfolio manager.

5. Advisory Resolution on Approach to Executive Compensation

The Board has adopted a policy of giving Shareholders the opportunity to cast an advisory vote on NFI's approach to executive compensation. NFI believes it is important for Shareholders to understand what it pays its named executive officers ("**NEOs**") and the rationale for these decisions. The 2025 Report on Executive Compensation in this Information Circular has been developed to help Shareholders understand NFI's compensation philosophy and practices, the objectives of its executive compensation program, and the principles and process used by the Governance Committee in making its compensation recommendations and the decisions ultimately made by the Board.

Please read the 2025 Report on Executive Compensation beginning on page 29 of this Information Circular, including the discussion about compensation governance for details about executive compensation at NFI.

As a Shareholder you have the opportunity to vote **FOR** or **AGAINST** NFI's approach to executive compensation through the resolution in the form set in Schedule "B".

This is an advisory vote and your vote is non-binding on the Board. However, the Board and the Governance Committee will take the results of the vote into account, as appropriate, when considering future compensation policies, procedures and decisions and the level of Shareholder engagement on compensation and related matters. The results of the vote will be disclosed in NFI's 2026 report on voting results, which will be available on SEDAR+ at www.sedarplus.ca.

Approach to Executive Compensation Results: 2025 Annual General Meeting	
For:	85,573,581
Against:	2,528,656
Total:	88,102,237
% in favour:	97.13%

DIRECTOR NOMINEES

The following pages set out detailed information on Director nominees, including:

- place of residence;
- year first elected or appointed as a Director, as applicable;
- age and principal occupation, education and experience;
- other principal directorship; and
- committee memberships and meeting attendance.

This information also includes the Director's equity ownership in NFI at the end of the last two fiscal years, consisting of Common Shares, DSUs and Director RSUs (which is described under "Director Compensation" in this Information Circular). The value of the Common Shares was calculated using the closing price of Common Shares on the TSX on December 27, 2024, which was \$13.76 per Common Share and on December 24, 2025, which was \$15.79 per Common Share. The value of the DSUs and Director RSUs was calculated using the volume weighted average trading price per Common Share for the five (5) trading days ending on December 27, 2024, which was \$13.84 per Common Share and for the five (5) trading days ending on December 24, 2025, which was \$15.57 per Common Share.

The below table shows the composition of the various committees as of the date of this Information Circular. It also denotes the independence of the Board members within the meaning of applicable Canadian securities laws and all relevant corporate governance best practices.

Name	Audit Committee	Governance Committee	Operations and Technology Committee
Aziz Aghili <i>Independent</i>	■		■
Larry Edwards¹ <i>(Vice-Chair of the Board and Lead Independent Director)</i> <i>Independent</i>	■		■
Adam Gray <i>Independent</i>			■
Paulo Nunes <i>Independent</i>		■	
Maryse Saint-Laurent <i>(Chair of the Governance Committee)</i> <i>Independent</i>	■	■	
Anne Marie O'Donovan <i>(Chair of the Audit Committee)</i> <i>Independent</i>	■	■	
Colin Robertson, CBE <i>(Chair of the Board and Chair of the Operations and Technology Committee)</i> <i>Independent</i>			■
John Sapp <i>Non-independent</i>			
Jannet Walker-Ford <i>Independent</i>		■	■
Katherine S. Winter² <i>Independent</i>			■

⁽¹⁾ Mr. Edwards will be retiring from the Board at the Meeting, but was a member of the Audit Committee and the Operations and Technology Committee in 2025.

⁽²⁾ Ms. Winter will be retiring from the Board at the Meeting, but was a member of the Operations and Technology Committee in 2025.

The Board considers Mr. Colin Robertson to be an independent director in accordance with applicable Canadian securities laws and all relevant corporate governance best practices. Mr. Robertson joined the NFI group of companies in May 2019 as CEO of acquired foreign company Alexander Dennis Limited (“**ADL**”). He served in that role from May 2019 to September 2020 as an interim measure to facilitate the transition and integration of ADL into the NFI business. On October 1, 2020, following Mr. Robertson’s retirement as CEO of ADL, he joined the Board as non-executive director and Vice Chair and has served continuously ever since. In April 2025, he was appointed Chair of the NFI Board. Mr. Robertson has not served as an officer of NFI or any of its other non-ADL affiliates and has no material relationship, arrangement or involvement with NFI other than serving on the Board as a director.



Aziz Aghili

67
Corporate Director
Naples, Florida
Director since Jan. 2025
Independent

2025 Board/Committee Membership	Meeting Attendance	
Board of Directors	19 of 21	90%
Audit Committee	4 of 4	100%
Operations and Technology Committee	4 of 4	100%

Prior to joining NFI's Board in January 2025, Mr. Aghili retired in July 2024 from Dana Incorporated, where he had served as Executive Vice President and President of the Commercial Vehicle and Off-Highway business units. Mr. Aghili joined Dana in 2009 as President of Europe. He was appointed President of Dana Asia Pacific in 2010 and President of the Off-Highway business unit in 2012. During his tenure, he held multiple global leadership roles with full profit and loss responsibility across diverse international markets. Prior to joining Dana, Mr. Aghili spent 20 years in senior leadership positions at ArvinMeritor. Mr. Aghili currently serves as an independent director of Graphic Packaging Holding Company and Columbus McKinnon Corporation. He holds a Bachelor's degree in Mechanical Engineering from Teesside Polytechnic (United Kingdom), a Graduate Diploma in Business Administration from University of New South Wales (Australia), and completed executive studies in international management at INSEAD (France).

Securities held as at fiscal year end ¹										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share ^{1, 2, 3} Ownership Requirement 2025: \$615,420 2024: N/A
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	-	-	-	-	11,852	184,535	-	-	184,535	30%
2024	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ Mr. Aghili was not a member of the Board in 2024.

⁽²⁾ Mr. Aghili has until 2030 to fulfill the directors' share ownership guideline.

⁽³⁾ Converted into Canadian dollars at a U.S. – Canadian exchange rate of 1.3676 in 2025.



Daniel Barclay ¹

*59
Corporate Director
Toronto, Ontario
New Nominee
Independent*

2025 Board/Committee Membership ¹	Meeting Attendance	
Not applicable	N/A	N/A

Dan Barclay, ICD.D, is a corporate director. Mr. Barclay served 33 years in the financial services industry most recently as CEO of BMO Capital Markets where he was responsible for all of Bank of Montreal's interactions with corporate, government and institutional clients for investment and corporate banking and global trading. He also serves as Chair of the Board of Directors of the Children's Aid Foundation of Canada and is a Board Member of the UHN Foundation, Canada's largest hospital system. Mr. Barclay holds an MBA from the University of Calgary and a Bachelor of Science from the University of Alberta.

Securities held as at fiscal year end ^{1, 2}										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share ^{1, 2} Ownership Requirement 2025: N/A
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ Mr. Barclay was not a member of the Board in 2025.

⁽²⁾ Mr. Barclay did not own any Common Shares on December 28, 2025.



Adam Gray ^{1,2}

⁶⁰
*Managing Partner,
 Coliseum Capital
 Management, LLC
 Greenwich, Connecticut
 Director since May 2012
 Independent*

2025 Board/Committee Membership	Meeting Attendance ³	
Board of Directors	20 of 21	95%
Operations and Technology Committee	4 of 4	100%

Mr. Gray is a managing partner and co-founder of Coliseum Capital Management, LLC, a private firm that makes long-term investments in both public and private companies. Mr. Gray has served on the board of directors of NFI Group Inc. since March 2012, and the board of Purple Innovation, Inc. since February 2018 (including as its non-executive Chairman since April 2023). Mr. Gray served on the board of directors of Blue Bird Corporation from December 2021 to October 2023, the Pas Group Limited from February 2016 until January 2020 (including as its non-executive Chairman since August 2017), Redflex Holdings Limited from December 2013 until June 2021 (including as its non-executive Chairman since February 2014), Blue Bird Corporation from February 2015 until September 2017, DEI Holdings, Inc. from February 2009 until June 2011, and Benihana Inc. from September 2010 until August 2012. Prior to founding Coliseum, Mr. Gray served as Executive Vice President, Strategic Projects, and Capital Management at Burger King Corp, held several executive positions with the Metromedia Restaurant Group, and worked at Kluge & Co. and Morgan Stanley. Mr. Gray holds both a BSE in Finance from the Wharton School of Business and a BS in Mechanical Engineering from the School of Engineering & Applied Science at the University of Pennsylvania.

Securities held as at fiscal year end										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share ⁴ Ownership Requirement 2025: \$615,420 2024: \$612,680
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	-	25,214,637	25,214,637	398,139,118	15,051	234,344	1	16	398,373,478	Exceeds
2024	-	23,722,117	23,722,117	326,416,330	15,051	208,306	1	14	326,624,650	Exceeds

⁽¹⁾ As at the date of this Information Circular, Coliseum or its affiliates beneficially own or control, directly or indirectly 25,365,711 Common Shares, representing approximately 21.30% of the issued and outstanding Common Shares as at the date of this Information Circular. Mr. Gray is a Managing Partner of Coliseum and thus can exert shared control or direction over these Common Shares.

⁽²⁾ Mr. Gray was a director of APP Winddown, LLC (formerly known as American Apparel, LLC) ("AA") from February 1, 2016, when AA exited bankruptcy through a plan of conversion with its former creditors, until his resignation from the board on March 31, 2017. AA was an apparel manufacturer and retailer. On November 14, 2016, AA (along with certain related entities) filed a second voluntary petition for relief under chapter 11 of the U.S. Bankruptcy Code with the U.S. Bankruptcy Court in Wilmington, Delaware and subsequently agreed to sell its intellectual property and other assets to Gildan Activewear. Since then, AA has been in wind down and the majority of its estate has been distributed to creditors. See "Directors, Officers and Management - Cease Trade Orders, Bankruptcies, Penalties and Sanctions" in NFI's Annual Information Form for the fiscal year ended December 28, 2025 (the "AIF").

⁽³⁾ Mr. Gray recused himself from attendance at one of the Board meetings in 2025 due to a conflict of interest. Mr. Gray attended 100% of all of the other Board meetings held in 2025.

⁽⁴⁾ Converted into Canadian dollars at a U.S. – Canadian exchange rate of 1.3676 in 2025 and 1.4416 in 2024.



Paulo Cezar da Silva Nunes

73
Corporate Director
Porto Alegre, Rio Grande do Sul, Brazil
Director since Aug. 2015
Independent

2025 Board/Committee Membership	Meeting Attendance	
Board of Directors	19 of 21	90%
Governance Committee	4 of 4	100%

Paulo Cezar Da Silva Nunes is a corporate director and an independent automotive business consultant, providing services focused on strategy and governance in the automotive industry. Mr. Da Silva Nunes is also the Vice-Chairperson of the board of directors of Marcopolo S.A., one of the world's largest bus manufactures. He served on the board of Cesbe S.A. Engenharia Empreendimentos, a Brazilian construction company, from 2012 to 2019 and on the board of Sindipeças, the Brazilian association of auto parts manufacturers, from 2002 to 2013. Mr. Da Silva Nunes held various senior positions with Dana Holding Corporation from 1994 to 2012, including as Vice-President, Business Development, as well as various positions with Racine Hidraulica S.A. from 1974 to 1993 and Massey Ferguson S.A. from 1971 to 1974. Mr. Da Silva Nunes holds degrees in business administration and general accounting.

Securities held as at fiscal year end										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share ¹ Ownership Requirement 2025: \$615,420 2024: \$612,680
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	3,200	-	3,200	50,528	-	-	60,757	945,986	996,514	Exceeds
2024	3,200	-	3,200	44,032	-	-	48,653	673,358	717,390	Exceeds

⁽¹⁾ Converted into Canadian dollars at a U.S. – Canadian exchange rate of 1.3676 in 2025 and 1.4416 in 2024.



Anne Marie O'Donovan

67
*Corporate Director
 Oakville, Ontario
 Director since May 2024
 Independent*

2025 Board/Committee Membership	Meeting Attendance	
Board of Directors	21 of 21	100%
Audit Committee (Chair)	4 of 4	100%
Governance Committee	7 of 7	100%

Anne Marie O'Donovan, FCPA, FCA, ICD is a corporate director. She has served as the Executive Vice President and Chief Administrative Officer, Global Banking and Markets at Scotiabank from 2009 to 2014. Prior to that, she was the Senior Vice President and Chief Auditor of Scotiabank from 2005 to 2009. Ms. O'Donovan is also a former partner at Ernst & Young LLP. She is the chair of the audit committee of Cadillac Fairview Corp., serves on the board and chairs the investment committee of CMA Impact Inc., a subsidiary of the Canadian Medical Association, and is a director of the non-profit board of Halton Healthcare. She is a past chair of Aviva Canada Inc.; past director, chair of the audit committee and chair of the compensation committee of Indigo Books & Music, Inc. and past director and chair of the audit committee of MDC Partners Inc. She has received a leadership award from Women in Capital Markets and recognized as one of Top 100 Most Powerful Women in Canada by the Women Executive Network. Ms. O'Donovan is a Chartered Professional Accountant (1984) and holds an Honours in Business Administration (Ivey HBA) from the University of Western Ontario.

Securities held as at fiscal year end										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share Ownership Requirement 2025: \$786,370 2024: \$612,680
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	5,250	-	5,250	82,898	-	-	34,853	542,661	625,559	80%
2024	-	-	-	-	-	-	11,613	160,724	160,724	26%

(1) Converted into Canadian dollars at a U.S. – Canadian exchange rate of 1.3676 in 2025 and 1.4416 in 2024.

(2) Ms. O'Donovan has until 2029 to fulfill the directors' share ownership guideline.



**Colin
Robertson, CBE**

61
Corporate Director
Edinburgh, Scotland
Director since Oct. 2020
Independent

2025 Board/Committee Membership	Meeting Attendance	
Board of Directors (Chair)	20 of 21	95%
Operations and Technology Committee (Chair)	4 of 4	100%

Colin Robertson was appointed to the NFI board on October 1, 2020, after 30 years of operational and senior leadership experience in global manufacturing, including 13 years as the chief executive officer of Alexander Dennis Limited (“ADL”), which was purchased by NFI in May 2019. During his tenure, Mr. Robertson transformed ADL into a UK market leader as well as the global leader for double deck buses, through a relentless focus on customer experience and combining operational excellence, innovative products and best-in-class aftermarket support. Mr. Robertson also led ADL’s entry to zero-emission transportation and evolution to becoming a technology leader, driven by a focus on improving air quality around the globe. Mr. Robertson was awarded the Commander of the Most Excellent Order of the British Empire (CBE) in 2019 for his services to exports and to the bus and coach manufacturing sector. Also in recognition of his achievements, Mr. Robertson received Director of the Year from the UK-based Institute of Directors, as well as the EY award for Entrepreneurship and Outstanding Achievement. He was appointed Chair of Entrepreneurial Scotland in summer 2018. Mr. Robertson previously held executive leadership roles with Cummins, Case, and Terex Corporation. He has qualifications in Mechanical and Production Engineering, and studied at Kellogg School of Management, Northwestern University, Illinois.

Securities held as at fiscal year end										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share ¹ Ownership Requirement 2025: \$752,180 2024: \$612,680
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	303,783	56,217	360,000	5,684,400	-	-	64,771	1,008,261	6,692,884	Exceeds
2024	303,783	-	303,783	4,180,054	-	-	42,366	586,345	4,766,400	Exceeds

⁽¹⁾ Converted into Canadian dollars at a U.S. – Canadian exchange rate of 1.3676 in 2025 and 1.4416 in 2024.



Maryse Saint-Laurent

66
*Corporate Director
 Calgary, Alberta
 Director since Jan.2025
 Independent*

2025 Board/Committee Membership	Meeting Attendance	
Board of Directors	21 of 21	100%
Governance Committee (Chair)	7 of 7	100%
Audit Committee	4 of 4	100%

Maryse C. Saint-Laurent is an accomplished executive and corporate director with over 25 years' experience as a business-oriented corporate, transactional and securities lawyer in the energy, power, and mining sectors. She has led several M&A and multi-faceted financing transactions and has a strong governance background. Ms. Saint-Laurent also possesses several years' experience in human resources, compensation and benefits/pension management. Ms. Saint-Laurent is a member of the board of ATB Financial and until most recently she served on the board of Turquoise Hill Resources Ltd., where she served as Chair of the Special Committee, Chair of the Compensation Committee, Chair of the Governance and Sustainability Committee and as a member of the Audit Committee. She also served on the board of Pretivm Resources Inc., as a member of both the Human Resources and the Governance and Nominating Committees, the Alberta Securities Commission, where she served as Chair of the Compensation Committee and Guyana Goldfields where she served as Chair of the Compensation Committee and a member of the Audit Committee. Ms. Saint-Laurent holds a Master of Laws (securities and finance), from York University, Osgoode Hall Law School, an LL.B., BA and Certification in Human Resources and Indigenous Canada from the University of Alberta as well as an ICD.D designation.

Securities held as at fiscal year end ²										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share ^{1, 2, 3} Ownership Requirement 2025: \$615,420 2024: N/A
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	2,000	-	2,000	31,580	11,853	184,551	-	-	216,131	35%
2024	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A

(1) Ms. Saint-Laurent was not a member of the Board in 2024.
 (2) Ms. Saint-Laurent has until 2030 to fulfill the directors' share ownership guideline.
 (3) Converted into Canadian dollars at a U.S. – Canadian exchange rate of 1.3676 in 2025.



John Sapp¹

52
 President & CEO, NFI
 Winnipeg, Manitoba
 Director since Jan.
 2026
 Non-independent

2025 Board/Committee Membership ¹	Meeting Attendance	
Not applicable	N/A	N/A

John Sapp joined NFI as President and Chief Executive Officer in January 2026. Prior to joining NFI, Mr. Sapp was President of the Aerospace Group for Eaton, a global intelligent power management company. Before Eaton, he was at Collins Aerospace where he held several roles of increasing responsibility, including Vice President and General Manager of Strategic Solutions for Mission Systems. Mr. Sapp also spent more than 11 years at GE Aviation. Mr. Sapp has graduated from the U.S. Air Force Academy and holds a master's degree in business administration from New York University.

Securities held as at fiscal year end ¹										
Fiscal Year	Common Shares ²				DSUs ³		Director RSUs ³		Total Value (\$)	% of Share ^{1,2} Ownership Requirement 2025: N/A
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	0	0	0	0	N/A	N/A	N/A	N/A	N/A	-

⁽¹⁾ Mr. Sapp was not a member of the Board or management during 2025.

⁽²⁾ Mr. Sapp did not own any Common Shares on December 28, 2025.

⁽³⁾ As a member of management (effective January 1, 2026), Mr. Sapp is not permitted to be a participant in the DSU Plan or the Director RSU Plans and therefore no DSUs or Director RSUs have been awarded to him.



John Scannell ¹

62
Corporate Director
East Aurora, New York
New Nominee
Independent

2025 Board/Committee Membership ¹	Meeting Attendance	
Not applicable	N/A	N/A

Mr. Scannell retired as CEO of Moog in 2023. Mr. Scannell joined Moog in 1990 as an Engineering Manager of Moog Limited in Ireland and later moved to Germany to become Operations Manager of Moog GmbH. In 1999, he became the General Manager of Moog Limited in Ireland, and in 2003 moved to Aircraft as the Boeing 787 Program Manager and was subsequently named Director of Contracts and Pricing and elected a Vice President of the Company in 2005. He was appointed CFO in 2007, a position he held until December 2010, at which time he was appointed COO. In December 2011, Mr. Scannell was appointed CEO and was named Chairman of the Board in January 2014. In addition to an MBA from The Harvard Business School, Mr. Scannell holds B.S. and Master of Science degrees in Electrical Engineering from University College Cork, Ireland.

Securities held as at fiscal year end ^{1,2}										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share Ownership Requirement ^{1,2} 2025: N/A
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ Mr. Scannell was not a member of the Board in 2025.

⁽²⁾ Mr. Scannell did not own any Common Shares on December 28, 2025.



Jannet Walker-Ford

60
*Corporate Director
 Jacksonville, Florida
 Director since May 2023
 Independent*

2025 Board/Committee Membership	Meeting Attendance	
Board of Directors	18 of 21	86%
Governance Committee	6 of 7	86%
Operations and Technology Committee	4 of 4	100%

Jannet Walker-Ford is a nationally recognized transportation industry executive with more than two decades of public and private sector experience. As Senior Vice President at WSP USA, she leads WSP’s national transit and rail business and is responsible for growth and innovation, and technical project excellence in the transit, rail, mobility, freight, and passenger rail markets. Ms. Walker-Ford has held executive leadership roles at a number of private international companies and served as the Deputy General Manager/Deputy CEO and CIO at the Metropolitan Atlanta Rapid Transit Authority. Ms. Walker-Ford is a distinguished and tireless advocate for equity in transportation and the power of public transit to transform communities. Recognized by Railway Age as a 2023 Woman-in-Rail, she serves on multiple international and national boards including the current Chair of WTS International, the APTA Executive Committee, ENO Transportation and Jacksonville Board of Trustees. She has received numerous awards recognizing her success and advocacy including the 2022 American Public Transportation Association’s Business Member of the Year; 2021 WTS Northeast Florida Woman of the Year, 2019 Women of Color STEM Technology All-Star Award; and a 2019 Conference of Minority Transportation Officials’ Women Who Move the Nation honoree. Ms. Walker-Ford holds a Bachelor of Arts Degree in Management Information Systems from the University of Memphis and a Master of Science Degree in Business from the University of Central Michigan, and has completed significant coursework towards a PhD in Information Systems from Nova Southeastern University.

Securities held as at fiscal year end										
Fiscal Year	Common Shares				DSUs		Director RSUs		Total Value (\$)	% of Share Ownership Requirement 2025: \$615,420 2024: \$612,680
	Ownership (#)	Control (#)	Total (#)	Value (\$)	Number	Value (\$)	Number	Value (\$)		
2025	30,818	-	30,818	486,616	-	-	1	16	486,632	79%
2024	19,261	-	19,261	265,031	-	-	-	-	265,031	43%

(1) Converted into Canadian dollars at a U.S. – Canadian exchange rate of 1.3676 in 2025 and 1.4416 in 2024.

(2) Ms. Walker-Ford has until 2028 to fulfill the directors’ share ownership guideline.

DIRECTOR COMPENSATION

Compensation is paid to Directors in a combination of cash, deferred share units (“**DSUs**”), and/or restricted share units (“**Director RSUs**”). A Director must generally make the election to receive DSUs or Director RSUs before the start of the calendar year in which such election is to apply. Non-management directors’ compensation is paid in U.S. dollars, in quarterly payments, in advance.

	2025 Structure (USD)	2026 Structure (USD)
Total annual retainer for Board membership	\$215,000	\$215,000
• Maximum amount paid in cash	\$90,000	\$90,000
• Minimum amount paid in DSUs / Director RSUs	\$125,000	\$125,000
Additional retainers:		
Board Chair	\$131,000	\$131,000
o Maximum amount paid in cash	\$65,500	\$65,500
o Minimum paid in DSUs / Director RSUs	\$65,500	\$65,500
Lead Independent Director	\$35,000	\$35,000
Audit Committee Chair	\$25,000	\$25,000
Governance Committee Chair	\$20,000	\$20,000
Operations and Technology Chair	\$20,000	\$20,000

Directors may also receive a per diem of USD\$2,000 in the event that they perform additional work authorized by the Board where the additional work occupies a majority of the Director's day. Directors are also reimbursed for out-of-pocket expenses for attending Board and committee meetings. Directors also participate in the insurance and indemnification arrangements described below under “Directors’ and Officers’ Liability Insurance”.

Director compensation is reviewed for market competitiveness on a regular basis and was last reviewed in 2024. The comparator group used was the same comparator group used for executive compensation benchmarking. Director compensation was last adjusted in 2018.

Directors are not paid meeting-based attendance fees and instead are paid a flat-fee base retainer which is more aligned with a Director’s duties and responsibilities and time commitment to the Company.

DSU Plan, 2014 Director RSU Plan and 2025 Director RSU Plan

The DSU Plan, 2014 Director RSU Plan and 2025 Director RSU Plan help NFI attract, retain and motivate highly qualified and experienced individuals to serve as Directors of NFI and promote alignment of interests between the non-employee members of the Board and the stakeholders of NFI.

Director Fee Repayment Policy

The Board adopted a Director Fee Repayment Policy in early 2016 which provides that if a Director ceases to be a Director of the Company prior to the end of the quarter in respect of which the retainer was paid, the Director shall repay to the Company a pro rata portion of the cash retainer paid and forfeit a portion of DSUs and Director RSUs allocated to the Director based on the number of days remaining in the quarter.

Deferred Share Unit Plan for Non-Employee Directors

The Board adopted the Deferred Share Unit Plan for Non-Employee Directors (“**DSU Plan**”) on November 7, 2011, which was amended and restated effective June 30, 2014, December 8, 2015, December 18, 2015, March 14, 2019 and September 14, 2020. The DSU Plan was most recently amended and restated to accommodate grants of DSUs to non-employee Directors in the United Kingdom. Pursuant to the DSU Plan, non-employee Directors may elect to receive all or a portion of their annual retainer in the form of DSUs instead of cash. A DSU is the right to receive a cash payment based on the value of a Common Share credited by means of a bookkeeping entry to an account in the name of the non-employee director.

DSUs are credited to the Director’s account on the day that fees would otherwise be paid. The number of DSUs credited to a Director’s account is determined by dividing the amount of the applicable portion of the Director’s annual retainer by the fair market value of a Common Share on that date.

When dividends are paid on a Common Share, additional DSUs equivalent to the amount of the dividend multiplied by the number of DSUs held, divided by the then fair market value of the Common Shares, will be credited to the Director’s account. At the end of the Director’s tenure as a member of the Board, he or she will be entitled to receive a cash redemption payment equal to the fair market value of a Common Share multiplied by the number of DSUs held.

Restricted Share Unit Plan for the Non-Employee Directors

The Board adopted the 2014 Restricted Share Unit Plan for Non-Employee Directors (“**2014 Director RSU Plan**”) on March 20, 2014. The 2014 Director RSU Plan was amended and restated effective December 8, 2015, December 18, 2017, March 14, 2019 and September 14, 2020. The 2014 Director RSU Plan was most recently amended and restated to accommodate grants of Director RSUs to participants in the United Kingdom. These amendments did not require shareholder approval in accordance with the amendment provisions of the 2014 Director RSU Plan.

On March 17, 2025, the Board adopted a new 2025 Restricted Share Unit Plan for Non-Employee Directors (the “**2025 Director RSU Plan**” and, together with the 2014 Director RSU Plan, the “**Director RSU Plans**”). The 2025 Director RSU Plan was approved by NFI shareholders at the 2025 meeting of shareholders held on May 9, 2025. The purpose of establishing the 2025 Director RSU Plan was to ensure that there remains a sufficient number of Director RSUs to be granted to non-employee directors to acquire Common Shares. The 2025 Director RSU Plan has substantially the same material terms as the 2014 Director RSU Plan.

A maximum of 500,000 Common Shares are available for issuance under each of the Director RSU Plans. Pursuant to the Director RSU Plans, non-employee Directors are permitted to elect, once each calendar year, to receive all or a portion of their annual retainer in the form of Director RSUs instead of cash. A Director RSU is a right to acquire a fully-paid and non-assessable Common Share credited by means of a bookkeeping entry to an account in the name of the non-employee director. The number of Director RSUs to be awarded to a Director is determined by dividing the amount of the applicable portion of the Director’s annual retainer by the applicable fair market value of a Common Share on that date. The Board, in its sole discretion, may award additional Director RSUs, subject to an annual aggregate value of \$150,000 per Director.

When dividends are paid on a Common Share, additional Director RSUs equivalent to the aggregate number of Director RSUs held by a Director on the dividend record date multiplied by the amount of dividend paid by NFI on each Common Share, and then divided by the fair market value of the Common Shares on the dividend payment date, will automatically be credited to the Director’s account. Under the Director RSU Plans, Director RSUs vest immediately as at each applicable award date. A Director (other than a U.S. Director) is permitted to exercise the Director RSUs credited to his or her account at any time prior to December 15 of the year following the year in which the Director ceases to be a non-employee Director of NFI or one of its affiliates, at which time any remaining Director RSUs will be automatically redeemed. A U.S. Director will be required to specify the exercise date in an annual election form in accordance with Section 409A of the U.S. Internal Revenue Code.

See Schedule “D” for further details of the Director RSU Plans.

Common Share Ownership Guideline

In order to further align the interests of Directors and Shareholders, Directors must own a minimum number of Common Shares of NFI having a value equal to five (5) times the Director's annual base cash retainer (chair or extra meeting fees, if any, are excluded). This ownership requirement must be met by a director within five years of being appointed to the Board.

Any DSUs granted under the Company's DSU Plan and any Director RSUs granted under the Director RSU Plans that are held by a Director shall be included in determining that Director's share ownership level. For the current Common Share ownership of each Director, refer to the table of securities held under the biography of each Director nominee, starting on page 11 of this Information Circular.

As disclosed in the Director Nominees section of this Information Circular (see "% of Share Ownership Requirement" column), all of the Directors (other than Ms. O'Donovan who was appointed to the Board in 2024, Mr. Aghili and Ms. Saint-Laurent, who were appointed to the Board in 2025 and who still have time to meet the requirement, and Messrs. Barclay and Scannell, who are new nominees to the Board), own at least the minimum number of Common Shares required.

Director Compensation Table

The following table sets forth the compensation earned by each Director for the year ended December 28, 2025. All values are reported in Canadian dollars.

Name	Fees earned ⁽¹⁾	Share-based awards ⁽²⁾	All other compensation	Total
Aziz Aghili <i>Naples, Florida, USA</i>	121,355	168,549	-	289,904
Larry Edwards <i>Tulsa, Oklahoma, USA</i>	136,760	201,852	-	338,612
Chan Galbato ⁽³⁾ <i>New York, New York, USA</i>	118,297	229,948	-	348,245
Adam Gray ⁽⁴⁾ <i>Greenwich, Connecticut, USA</i>	-	294,034	-	294,034
Krystyna Hoeg ⁽⁵⁾ <i>Toronto, Ontario, Canada</i>	-	294,034	-	294,034
Wendy Kei ⁽⁶⁾ <i>Toronto, Ontario, Canada</i>	170,950	-	-	170,950
Paulo Nunes <i>Porto Alegre, Rio Grande do Sul, Brazil</i>	123,084	170,950	-	294,034
Anne Marie O'Donovan <i>Oakville, Ontario, Canada</i>	-	328,224	-	328,224
Colin Robertson, CBE <i>Edinburgh, Scotland</i>	129,922	319,335	-	449,257
Maryse Saint-Laurent <i>Calgary, Alberta, Canada</i>	143,221	168,549	-	311,770
Jannet Walker-Ford <i>Jacksonville, Florida, USA</i>	123,084	170,950	-	294,034
Katherine S. Winter <i>Palatine, Illinois, USA</i>	123,084	170,950	-	294,034

⁽¹⁾ Compensation was earned in United States dollars, but the amounts reflected in this table have been converted to Canadian dollars at the exchange rate of 1.3676.

⁽²⁾ Amounts reflect the grant date fair value of DSUs/Director RSUs based on the volume weighted average trading price of the Common Shares on the TSX for the five trading days prior to the date of the award, in accordance with the DSU Plan and the 2014 Director RSU Plan.

⁽³⁾ Mr. Galbato retired from the Board on April 15, 2025.

⁽⁴⁾ Mr. Gray has assigned his compensation, including any future amounts to be paid upon the redemption of the DSUs and Director RSUs, to Coliseum Capital Partners, LP.

⁽⁵⁾ Ms. Hoeg retired from the Board on May 9, 2025.

⁽⁶⁾ Ms. Kei retired from the Board on January 6, 2025.

Outstanding Share-Based Awards

The following table sets forth information concerning all outstanding share-based awards granted by NFI to the Directors on or before December 28, 2025. All values are reported in Canadian dollars.

Name of Director	Share-based Awards		
	Number of shares or units that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based awards not paid out or distributed ^{(1) (2)}
Aziz Aghili <i>Naples, Florida, USA</i>	-	-	184,503
Larry Edwards <i>Tulsa, Oklahoma, USA</i>	-	-	1,297,755
Chan Galbato ⁽³⁾ <i>New York, New York, USA</i>	-	-	-
Adam Gray ⁽⁴⁾ <i>Greenwich, Connecticut, USA</i>	-	-	234,302
Krystyna Hoeg ⁽⁵⁾ <i>Toronto, Ontario, Canada</i>	-	-	1,950,026
Wendy Kei ⁽⁶⁾ <i>Toronto, Ontario, Canada</i>	-	-	579,256
Paulo Nunes <i>Porto Alegre, Rio Grande do Sul, Brazil</i>	-	-	945,796
Anne Marie O'Donovan <i>Oakville, Ontario, Canada</i>	-	-	542,561
Colin Robertson, CBE <i>Edinburgh, Scotland</i>	-	-	1,008,250
Maryse Saint-Laurent <i>Calgary, Alberta, Canada</i>	-	-	184,503
Jannet Walker-Ford <i>Jacksonville, Florida, USA</i>	-	-	16
Katherine S. Winter <i>Palatine, Illinois, USA</i>	-	-	930,059

⁽¹⁾ Compensation was earned in United States dollars, but the amounts reflected in this table have been converted to Canadian dollars at the exchange rate of 1.3676.

⁽²⁾ Represents the aggregate value of the DSUs and Director RSUs, calculated based on the volume weighted average trading price of the Common Shares on the TSX for the five (5) trading days ending on December 24, 2025 of \$15.57.

⁽³⁾ Mr. Galbato retired from the Board on April 15, 2025.

⁽⁴⁾ Mr. Gray has assigned his compensation, including any future amounts to be paid upon the redemption of the DSUs and Director RSUs, to Coliseum Capital Partners, LP.

⁽⁵⁾ Ms. Hoeg retired from the Board on May 9, 2025.

⁽⁶⁾ Ms. Kei retired from the Board on January 6, 2025.

Value Vested or Earned During the Year

The following table sets forth the value of share-based awards of the Directors that vested on or before December 28, 2025. All values are reported in Canadian dollars.

Name of Director	Share-based awards - Value vested during the year ^{(1) (2)}
Aziz Aghili <i>Naples, Florida, USA</i>	168,549
Larry Edwards <i>Tulsa, Oklahoma, USA</i>	201,852
Chan Galbato ⁽³⁾ <i>New York, New York, USA</i>	229,948
Adam Gray ⁽⁴⁾ <i>Greenwich, Connecticut, USA</i>	294,034
Krystyna Hoeg ⁽⁵⁾ <i>Toronto, Ontario, Canada</i>	294,034
Wendy Kei ⁽⁶⁾ <i>Toronto, Ontario, Canada</i>	-
Paulo Nunes <i>Porto Alegre, Rio Grande do Sul, Brazil</i>	170,950
Anne Marie O'Donovan <i>Oakville, Ontario, Canada</i>	328,224
Colin Robertson, CBE <i>Edinburgh, Scotland</i>	319,335
Maryse Saint-Laurent <i>Calgary, Alberta, Canada</i>	168,549
Jannet Walker-Ford <i>Jacksonville, Florida, USA</i>	170,950
Katherine S. Winter <i>Palatine, Illinois, USA</i>	170,950

⁽¹⁾ Compensation was earned in United States dollars, but the amounts reflected in this table have been converted to Canadian dollars at the exchange rate of 1.3676.

⁽²⁾ Based on the volume weighted average trading price of the Common Shares on the TSX for the five trading days prior to the applicable grant dates for DSUs and/or Director RSUs. Directors are immediately vested in their Director RSUs which are redeemable immediately upon vesting. Directors are also immediately vested in their DSUs, but do not receive payment in respect of their DSUs until they cease to be Directors.

⁽³⁾ Mr. Galbato retired from the Board on April 15, 2025.

⁽⁴⁾ Mr. Gray has assigned his compensation, including any future amounts to be paid upon the redemption of the DSUs and Director RSUs, to Coliseum Capital Partners, LP.

⁽⁵⁾ Ms. Hoeg retired from the Board on May 9, 2025.

⁽⁶⁾ Ms. Kei retired from the Board on January 6, 2025.

GOVERNANCE COMMITTEE LETTER TO SHAREHOLDERS

Dear fellow shareholders,

Throughout 2025, NFI built on the solid foundation established over the past two years and delivered meaningful improvements in performance, ending the year with record fourth-quarter results. Our progress reflects the strength and dedication of our team members, the trust of our customers, and our continued commitment to supporting the communities we serve – living our purpose: To Move People.

The Company achieved several important milestones this year, including strong new order activity, the launch of a new facility in Las Vegas to restart double deck bus production for the North American market, the opening of our All-Canadian Build facility in Winnipeg, the highest full-year Adjusted EBITDA in NFI's history and another standout year within our aftermarket business.

NFI's focus on offering a full suite of mobility solutions—buses, coaches, aftermarket parts, service, training, infrastructure, and workforce development—continued to support customers at every stage of their transition to low- and zero-emission transportation. Our electric vehicles have now travelled over 325 million zero-emission miles, and since 2018, the Infrastructure Solutions team has delivered over 680 EV chargers to help build the charging networks our customers depend on.

NFI ended 2025 with a total backlog of over 15,325 equivalent units (“EUs”) valued at just over \$13.0 billion, with ZEBs representing 34% of that backlog. In 2025, NFI secured new orders in Ottawa, Las Vegas, California, Ontario, New York, New Jersey, Virginia, Washington, London (UK), Scotland, and other regions.

We believe sustainable corporate and individual objectives are critical to our success and long-term growth. To advance sustainable growth, we prioritize continual improvement strategies and practices to drive innovation forward, maximize operational efficiencies and reduce social and environmental impacts across our value chain. To ensure alignment, our executive performance share unit element of the long-term incentive plan includes a combination of ROIC, Sustainability, and Strategic performance targets. Individual objectives, or MBOs, comprise 25% of annual incentive eligibility. These objectives are developed from the Company's annual operating plan and long-range strategic objectives with a strong focus on continuous improvement objectives.

In 2025, the Governance Committee approved moderate increases to base salary for executives to address competitive market gaps and changes in the scope of responsibilities.

Board renewal continued in 2025 with the appointment of Colin Robertson as NFI's Board Chair, and Larry Edwards assumed the role of Vice Chair and Lead Independent Director. This focus on renewal continues in 2026 with Daniel Barclay and John Scannell being nominated to serve as directors.

We executed with discipline against our priorities, with our teams' resilience driving continued recovery and strengthening the business for sustainable long term value.

In January of 2026, we were thrilled to welcome our new President and Chief Executive Officer, John Sapp, who came to NFI with more than 25 years of leadership experience in the aerospace industry. Mr. Soubry retired after a 16-year career leading NFI and we thank Paul for his service and commitment to the Company.

As we begin 2026, we are excited to build on our record performance of the fourth quarter of 2025, while remaining cautious as we manage the headwinds of global macro trade factors and tariffs.

If you have any questions or comments about our approach to executive compensation, please refer to the contact information at the back of this Information Circular to contact us.

“Colin Robertson”

Colin Robertson
Chair of the Board

“Maryse Saint-Laurent”

Maryse Saint-Laurent
Chair of the Human Resources, Compensation and
Corporate Governance Committee

Compensation Discussion And Analysis

Introduction

This section of the Information Circular explains how NFI's compensation program is designed and operated with respect to our executives, specifically the following NEOs:

Name	Title
Paul Soubry ⁽¹⁾	President and Chief Executive Officer, NFI
Brian Dewsnup	Executive Vice President and Chief Financial Officer, NFI
Paul Davies	President and Managing Director, ADL
Chris Stoddart	President, North American Bus and Coach, New Flyer
John Proven	President, NFI Parts & ARBOC

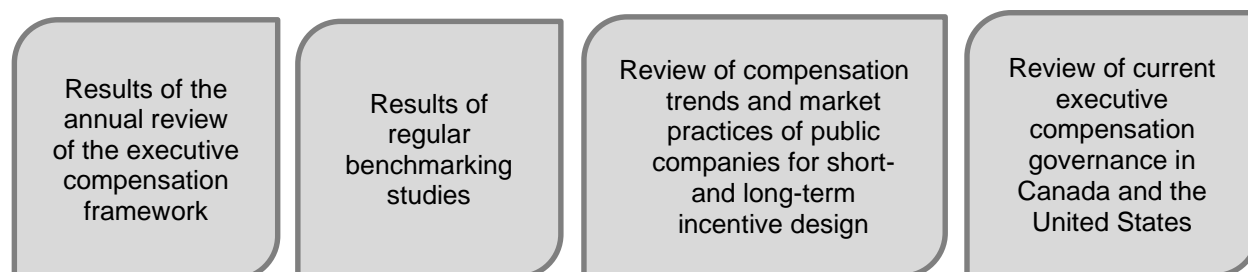
⁽¹⁾ On January 1, 2026, Mr. Sapp succeeded Mr. Soubry as President and Chief Executive Officer of NFI.

Compensation Philosophy and Guiding Principles

In making compensation decisions, the Governance Committee is guided by the following compensation objectives:

- To promote the long-term success and to continually improve the performance of NFI.
- To attract, retain, and motivate talented executives by providing a total compensation program competitive with the marketplace. NFI's compensation philosophy is to pay executives within a competitive range of the median of comparable corporations for target performance.
- To reinforce NFI's values and strategic objectives, including emphasis on shareholder, employee, customer, supplier and community stakeholders.
- To pay for performance and reward the executive leadership team for achieving both short-term and long-term performance goals, with increased emphasis placed on longer-term value creation and sustainability.
- To align the interests of executives with the interests of shareholders.

The Governance Committee determines the mix between the various elements of compensation based on a number of inputs:



Compensation Process and Benchmarking

The Governance Committee considers a number of additional factors when determining the total potential amount of compensation to be awarded to an executive for a particular year. This includes the scope of responsibility of the role, corporate and individual performance, the executive's skills and experience, and compensation levels at similarly situated companies.

To understand competitive levels of compensation for a company of NFI's size and complexity, the Governance Committee may assess executive compensation practices and levels at similarly situated companies. Regularly, with the help of its independent compensation consultant and input from management, the Governance Committee reviews the comparator group for continued applicability and to account for mergers and acquisitions. Criteria used to select and review the comparator group include:

- Same or similar industry to NFI,
- Between one-third and three times NFI's revenue, including comparable assets and market capitalization, and
- Generally headquartered in Canada or the United States, though consideration may also be given to other international companies with comparable business operations.

The comparator group criteria and comparators were reviewed in 2024 and the Governance Committee determined that it continued to be appropriate to assess the competitiveness of executive pay.

The comparator group includes the following 23 companies – (15 U.S. companies and 8 Canadian companies):

2025 Compensation Comparator Group		
Ag Growth International Inc.	ITT Inc.	Rush Enterprises, Inc
Astec Industries, Inc.	LCI Industries	Russel Metals Inc.
Boyd Group Services Inc.	Linamar Corporation	Terex Corporation
Blue Bird Corporation	The Manitowoc Company, Inc.	Titan International, Inc.
CAE Inc.	Martinrea International Inc.	Toromont Industries Ltd.
Federal Signal Corporation	Modine Manufacturing Company	Wabash National Corporation
Finning International Inc.	Oshkosh Corporation	Winnebago Industries, Inc.
The Greenbrier Companies, Inc.	REV Group, Inc.	

COMPENSATION GOVERNANCE

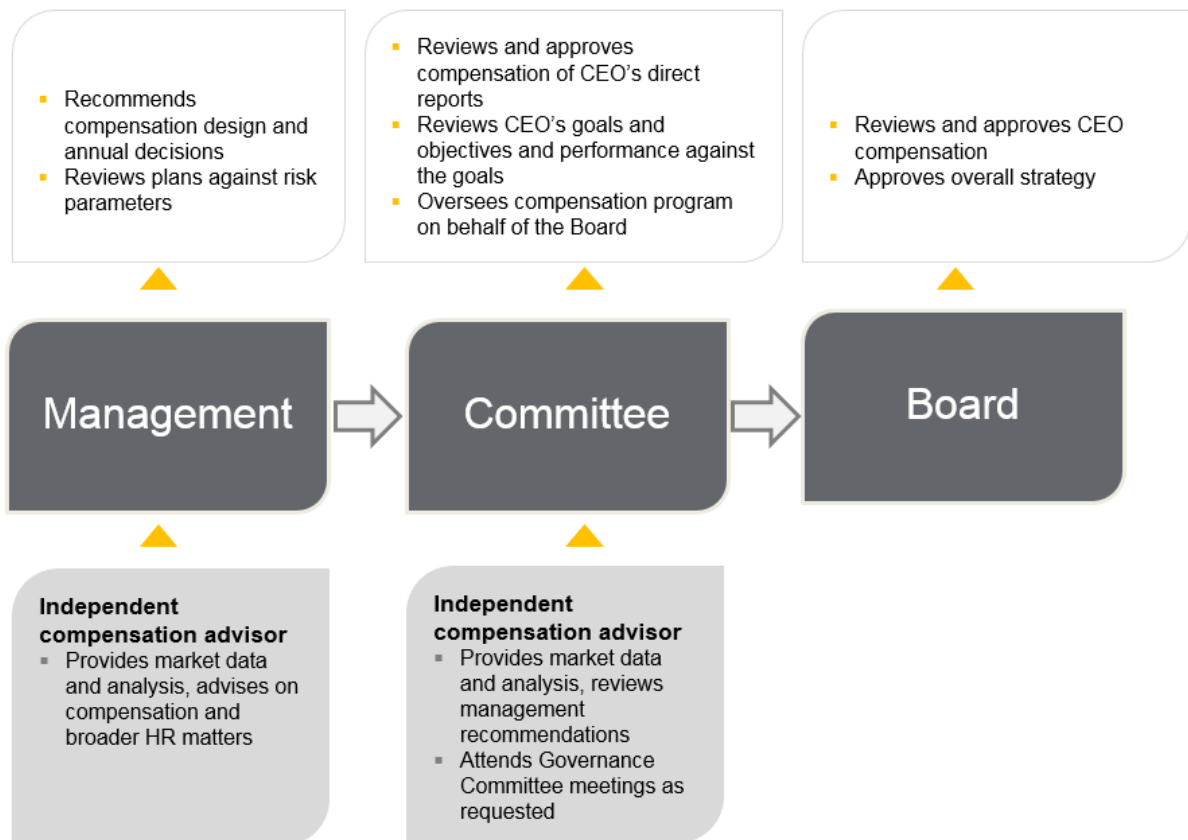
Compensation Oversight

In 2025, the Governance Committee was comprised of four Directors (the current members of the Governance Committee are described on page 9 of this Information Circular):

- Maryse Saint-Laurent (Chairperson)
- Paulo Nunes
- Anne-Marie O'Donovan
- Jannet Walker-Ford

All of the former and current members of the Governance Committee are independent Directors within the meaning of National Instrument 52-110 Audit Committees (“**NI 52-110**”). None of the members of the Governance Committee is a current or former officer or employee of NFI or any of its affiliates.

NFI follows the following process each year:



Role of Compensation Consultant

The Governance Committee has retained Meridian Compensation Partners (since 2012) and Hugessen Consulting (since 2025) as its independent compensation consultants. In 2025, Meridian and Hugessen provided advice to the Governance Committee with respect to Director and executive compensation and related governance matters and assisted with a review of director and executive compensation. As a result of this review, recommendations to increase base salaries were implemented.

Management has retained WTW to provide advice on human resource matters since 2012.

Executive Compensation-Related Fees

Services Provided	Meridian Compensation Partners		WTW		Hugessen Consulting
	2025	2024	2025	2024	2025
Compensation Consulting for the Governance Committee	\$107,870	\$179,464	\$0	\$0	\$33,972
Compensation Consulting for Management	\$0	\$0	\$24,387	\$77,957	\$0
Other Services	\$0	\$0	\$0	\$0	\$0
Total	\$107,870	\$179,464	\$24,387	\$77,957	\$33,972

Talent and Succession Planning and Governance Committee

The Company uses a comprehensive framework and takes an integrated approach to talent management and succession planning. The Company focuses on identifying, assessing and developing high-potential talent to build leadership capability and strengthen overall succession. This process helps to create and maintain a pipeline of leaders to drive the Company's strategic plans and to improve performance.

The Company believes that its human resources processes help ensure the right people are placed in roles that optimize both individual development and business performance, with the intent of developing high-potential talent to prepare them for broader and more complex roles within the organization. This focus on developing internal capabilities helps to retain talent and provides more options for succession. The Company also supplements the practice of promoting from within by hiring externally to benefit from diverse experiences, fresh perspectives and to further promote diversity in the workplace. Through the NFI Learning Institute, the name given to the Company's education and training function, the Company provides formal leadership development and training for team members.

The Governance Committee plays a key role in its oversight of talent management and succession planning. Twice a year, the Governance Committee reviews with management the talent and succession planning activities for the leadership team and discusses the processes and practices for leadership development, as well as the depth and diversity of succession candidates across the Company.

In conjunction with the review of the Company's talent and succession planning activities, the Governance Committee and the Board also review and discuss the CEO and executive leadership team succession. This includes a discussion of contingency and long-term succession plans for the CEO and members of the executive team, in addition to addressing any specific gaps in the succession plan. The CEO and the Executive Vice President, People and Culture discuss the strengths and areas for development of key succession candidates, progress of development over the period and future development plans.

Mr. Sapp's appointment as CEO effective January 1, 2026 exemplifies these activities. Mr. Sapp joins the organization following a detailed global search process. He most recently served as President of Eaton's Aerospace division since 2023, leading a global team of over 12,000 employees that delivered record revenue and operating profits in 2025. Mr. Sapp succeeded Mr. Soubry who retired after 16 years with NFI and who will be available in an advisory role over the next year, as required.

RISK MANAGEMENT

Compensation risk is one of several forms of risk addressed by NFI's risk management policy and overseen by the Board.

The Board has a conservative approach to compensation risk management. The executive compensation program is structured to encourage the right management behaviours consistent with the risk profile of the Company and does not create an incentive to take excessive or inappropriate risks.

What We Do

- ✓ Executive and Director Share Ownership Guidelines
- ✓ Hedging Policy
- ✓ Clawback Policy
- ✓ Trading restrictions
- ✓ Significant percentage of at-risk compensation
- ✓ Capped incentive opportunities
- ✓ Double trigger change in control termination provisions

What We Don't Do

- ✗ Single performance measure plans
- ✗ Provide guaranteed bonus
- ✗ Reprice or replace underwater options
- ✗ Grant, renew or extend loans to employees
- ✗ Pay out incentives if unwarranted by performance
- ✗ Include PSUs and the value of unexercised options when determining ownership compliance

The policies and practices used to manage compensation risk have been developed under a formal enterprise risk management framework in order to ensure the current compensation structure does not create an incentive to take excessive or inappropriate risks.

Trading Restrictions

Under NFI's securities trading policy, directors and employees, including NEOs, are prohibited from entering into short sales or buying or selling call or put options in respect of securities of NFI and restricted from trading while in possession of material undisclosed information.

Hedging Policy

Directors and employees, which includes NEOs, are prohibited from engaging in any hedging activity (including prepaid variable forward contracts, equity swaps, and collars on units of exchange funds) in respect of executive and director equity awards and Common Shares.

Clawback Policy

The Board approved a Clawback Policy on January 25, 2016, that is applicable to all incentive compensation awards granted after that date. The Clawback Policy assists NFI in maintaining a culture that emphasizes integrity and accountability and reinforces NFI's pay-for-performance compensation philosophy. In the event NFI is required to file a restatement of its annual audited financial statements as a result of a correction of a material error, the Clawback Policy allows NFI to recover certain incentive compensation that was granted, vested or earned during the three most recently completed fiscal years prior to the restatement. Individuals covered by the Clawback Policy include current and former executives of NFI or its subsidiaries who were eligible or received incentive compensation from NFI that was granted, vested or earned based on the Company's achievement of any specified financial reporting measure or NFI's share price or total shareholder return ("TSR") under the Company's incentive compensation plans. No misconduct on the part of a covered individual is required for NFI to trigger a clawback. The amount that is recoverable is limited to the amount that

is in excess of the incentive compensation which ought to have been granted, vested or earned in the three-year look-back period based on the restatement. The Clawback Policy was amended in 2024 to also allow NFI to recover incentive compensation in the event a covered individual engages in theft, fraud, embezzlement, willful misconduct or material and intentional non-compliance with law or NFI's policies that results in serious harm to NFI. The Clawback Policy allows the Board to not pay or grant future compensation or equity awards, cause the forfeiture or cancellation of unpaid or unvested incentive compensation and offset against any amounts otherwise payable to covered individuals, to the extent permitted by law.

Common Share Ownership Guidelines

NFI requires executives to maintain a minimum level of share ownership to align executive and shareholder interests. Executives are expected to meet their ownership guidelines within five years of the date on which they joined the Company or were promoted to an executive role, whichever is later.

Level	2025 Guideline
Chief Executive Officer (CEO)	5x base salary
CFO/Business Unit Presidents	2x base salary
Vice Presidents	1x base salary

Included in the determination of the executive's common share ownership requirement are any Common Shares held by the executive (directly or indirectly) and any restricted share units ("**RSUs**") granted and held by an executive officer under NFI's Amended Performance and Restricted Share Unit Plan ("**PRSU Plan**"). The value of PSUs (as defined below) and Options (as defined below) are not included. The value of the executive's share ownership is determined as the sum of (1) the value of the Common Shares held, being the greater of (x) the closing price of the Common Shares as at the last trading day of the period being measured, and (y) the executive's investment cost (or adjusted cost base) of the Common Shares, and, (2) the value of the RSUs held, being the weighted average closing of the Common Shares for the last five trading days of the period being measured.

The table below sets out the value of the current NEOs shareholdings as of December 28, 2025:

Name	Share Ownership Guideline	Number of Common Shares Owned	Number of RSUs Outstanding	Value of Common Shares ⁽¹⁾ CAD (\$)	Value of RSUs ⁽²⁾ CAD (\$)	Total Value of Common Shares and RSUs CAD (\$)	Multiple of Base Salary / Multiple of Total Direct Comp.
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	5x base 2025 salary \$4,571,875	359,000	78,098	11,781,188	1,215,739	12,996,927	14 x base salary / 3 x target total direct comp.
Brian Dewsnup ⁽³⁾ <i>Executive Vice President and Chief Financial Officer, NFI</i>	2x base 2025 salary USD \$993,600 or CAD \$1,358,847	69,910	19,498	2,112,324	415,100	2,527,424	4 x base salary / 2 x target total direct comp.
Paul Davies ⁽⁴⁾ <i>President and Managing Director, ADL</i>	2x base 2025 salary GBP £669,240 or CAD \$1,235,149	2,570	13,672	40,580	340,652	381,232	1 x base salary / 0.3 x target total direct comp.
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	2x base 2025 salary \$934,648	97,505	19,363	1,715,709	301,418	2,017,128	4 x base salary / 2 x target total direct comp.
John Proven <i>President, NFI Parts & ARBOC</i>	2x base 2025 salary \$869,400	11,300	11,600	178,427	180,579	359,006	1 x base salary / 0.4 x target total direct comp.

⁽¹⁾ Based on the greater of closing price of \$15.79 for the Common Shares on the Toronto Stock Exchange on December 24, 2025, and NEO's investment cost (or adjusted cost base).

⁽²⁾ The value of the RSU was \$15.57, based on the weighted average closing price of the Common Shares for the last five trading days of fiscal 2025.

⁽³⁾ Mr. Dewsnup is compensated in U.S. dollars and their ownership guideline has been converted into Canadian dollars at an exchange rate of 1.3676.

⁽⁴⁾ Mr. Davies is compensated in GBP (British pound sterling) and his ownership guideline has been converted into Canadian dollars at an exchange rate of 1.8456.

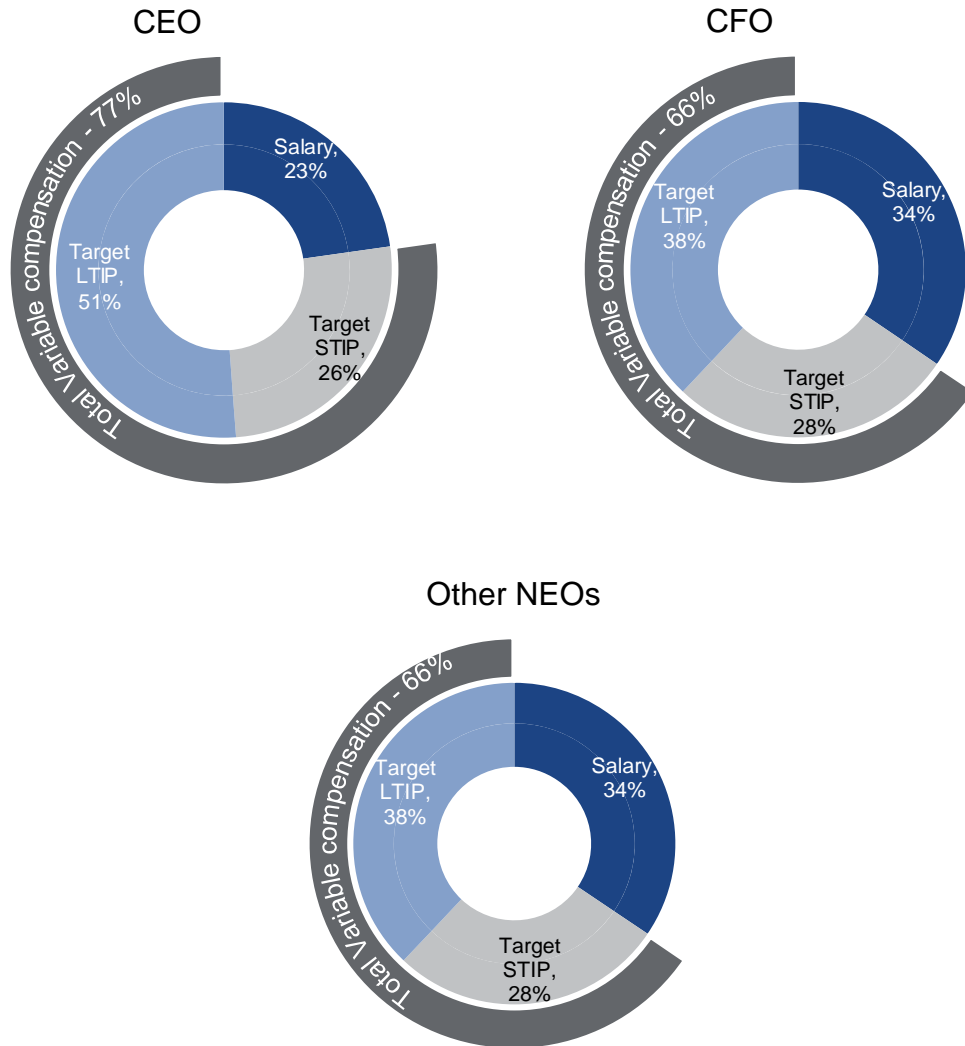
COMPENSATION ELEMENTS

The Company's 2025 executive compensation program was comprised of the following elements:

Component	Performance Period	Key Features	Purpose
Fixed Pay – Base Salary	1 year	<ul style="list-style-type: none"> Set in employment contracts with executives Assessed annually, considering scope and responsibilities of the role and the competitive market Changes, if any, typically made effective January 1st 	<ul style="list-style-type: none"> Attract and retain executives Compensate for meeting the responsibilities of the role
Variable Pay – STIP	1 year	<ul style="list-style-type: none"> Paid annually in cash Awards are based on Governance Committee and Board's assessment of performance against pre-determined financial, operating and individual performance targets Performance measures, threshold, target and maximum performance and award levels are established by the Governance Committee, considering management's performance projections for the year 	<ul style="list-style-type: none"> Reward for achieving key annual performance objectives Attract, motivate, and retain executives
Variable Pay – PSUs	3 years – vesting at the end of the term	<ul style="list-style-type: none"> Notional units are granted based on a target level of long-term incentive compensation and track the Common Share price Value of dividends, if applicable, on Common Shares are accrued over the 3-year performance period 50% of LTIP grant Number of units that vest is subject to the level of performance achieved against predetermined threshold, target and maximum levels, as determined by the Governance Committee The final payment is made in cash 	<ul style="list-style-type: none"> Pay for sustainable long-term performance Align the interests of executives and shareholders Focus executives on key performance objectives of NFI
Variable Pay – RSUs	3 years – vesting over 3 years	<ul style="list-style-type: none"> Notional units are granted based on a target level of long-term incentive compensation and track the Common Share price Value of dividends, if applicable, on Common Shares are accrued over the vesting period 25% of LTIP grant Grant vests 33 1/3% per year starting on or about the first anniversary of grant The final payment is made in cash 	<ul style="list-style-type: none"> Pay for sustainable long-term performance Attract and retain executives Align the interests of executives and shareholders
Variable Pay – Share Options	8-year term – vesting over 4 years	<ul style="list-style-type: none"> Share Options ("Options") granted based on a target level of long-term incentive compensation 25% of LTIP grant Options vest 25% per year starting on or about the first anniversary of grant 8-year term 	<ul style="list-style-type: none"> Pay for sustainable long-term performance Attract, motivate, and retain executives Align the interests of executives and shareholders
Benefits, Pension and Perquisites	N/A	<ul style="list-style-type: none"> Limited number of benefits, pension and perquisites, including executive health benefits and defined contribution pension arrangements 	<ul style="list-style-type: none"> Attract and retain executives

Target Pay Mix for NEOs

To align with NFI's pay for performance compensation philosophy and emphasis on the longer-term value creation of the organization, a significant portion of the executives' pay is variable. In determining the pay mix, the Governance Committee considers market practice, level of pay, and line-of-sight to the overall Company performance. The graphs below show the approximate target compensation mix for the NEOs for 2025.



Base Salary

Base salaries are initially set in the executives' respective employment agreements and reviewed annually by the Governance Committee. In making adjustments, the Governance Committee considers positioning against the competitive market, the executive's level of responsibility, experience, individual performance, and internal equity.

The Board reviewed the competitiveness of compensation in November 2024, and approved compensation increases for the CFO and select NEOs and executives effective January 1, 2025, to address competitive market gaps and changes in scope of responsibilities.

Currency

For reporting purposes, NFI prepares its financial statements in United States dollars and in conformity with International Financial Reporting Standards, or IFRS. All amounts in this Compensation Discussion and Analysis are expressed in Canadian dollars, except where otherwise indicated. Compensation provided to Paul Soubry, Chris Stoddart and John Proven was earned and paid in Canadian dollars. Compensation paid to Brian Dewsnap was earned and paid in U.S. dollars and compensation to Paul Davies was earned and paid in British pounds sterling. The exchange rates on December 24, 2025 used were USD \$1.00 = \$1.3676 and GBP £1.00 = \$1.8456.

Name	Currency ⁽¹⁾	2024 Salary (\$,£)	2025 Salary (\$,£)	% Change 2024 - 2025 ⁽²⁾	2026 Salary ⁽²⁾ (\$,£)	% Change 2025 - 2026 ⁽²⁾
Paul Soubry ⁽³⁾ <i>President and Chief Executive Officer, NFI</i>	CAD	914,375	914,375	0%	914,375	0%
Brian Dewsnap <i>Executive Vice President and Chief Financial Officer, NFI</i>	USD	480,000	496,800	3.5%	521,640	5%
Paul Davies <i>President and Managing Director, ADL</i>	GBP	334,620	334,620	0%	346,332	3.5%
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	CAD	467,324	467,324	0%	483,680	3.5%
John Proven <i>President, NFI Parts & ARBOC</i>	CAD	420,000	434,700	3.5%	452,088	4%

⁽¹⁾ Disclosed in the currency in which the compensation was earned and paid.

⁽²⁾ The 2025 and/or 2026 increases in the salaries reflect an alignment to market.

⁽³⁾ Paul Soubry will continue to support NFI in an advisor role in 2026.

Financial Statement Definitions

“Adjusted EBITDA” as earnings before interest, income tax, depreciation and amortization after adjusting for the effects of certain non-recurring, non-operating, and items occurring outside of normal operations that do not reflect the current ongoing cash operations of the Company. These adjustments include:

- gains or losses on disposal of property, plant and equipment and right of use assets
- losses or gains on debt modification
- fair value adjustment for total return swap
- unrealized foreign exchange losses or gains on non-current monetary items and forward foreign exchange contracts
- past service costs and other pension costs
- proportion of the total return swap realized
- costs associated with assessing strategic and corporate initiatives
- equity settled stock-based compensation
- unrecoverable insurance costs and sales tax provision adjustments
- out of period costs, impairment loss on goodwill, restructuring costs and other, expenses incurred outside of normal operations

“Working Capital Days” as the calculated number of days to convert working capital to cash. It is calculated by the number of days in the last twelve months (Fiscal 2025 - 364 days) divided by the working capital turnover ratio (total sales for the last twelve months divided by average working capital for the last thirteen months).

“Return on Invested Capital” or “ROIC” is defined as NOPAT divided by average invested capital for the last 12-month period.

Adjusted EBITDA, Working Capital Days, and ROIC are non-IFRS measures. For a reconciliation of those measures to the corresponding IFRS measures, see NFI’s management’s discussion and analysis of financial condition and results of operations for the 13-weeks and 52-weeks ended December 28, 2025.

Short-Term Incentive Plan (STIP)

The STIP is designed to reward executives for achieving key annual performance objectives by providing an annual cash award. The plan measures **corporate** performance and **individual** performance (referred to as, **“MBOs”**) against set objectives.

Corporate performance represents 75% and MBOs represent 25% of the target award. Payouts may range between 0% and 200% of target depending on actual performance against the pre-determined objectives. No changes have been made to the STIP structure for 2025.

Corporate Performance

Corporate performance is measured by Adjusted EBITDA (50% weighting) on a business and consolidated basis and Working Capital Days (25% weighting) on a business and consolidated basis. For Business Unit executives, half of Adjusted EBITDA and Working Capital Days is measured at the Company level and half is measured at the Business Unit level.

The STIP does not provide for payments to be made if the Company does not achieve the required threshold performance level. The Board may exercise discretion to make STIP awards if performance targets are not met due to extraordinary or unexpected events.

Performance Measure	Threshold	Target	Maximum	2025 Actual Achieved
Adjusted EBITDA ⁽¹⁾ (millions in USD)	\$293.8	\$350.3	\$388.0	\$335.8
Working Capital Days ⁽²⁾	54	47	45	42

⁽¹⁾ Adjusted EBITDA in this table is defined in the side bar of this page and excludes the provision for the LTIP.

⁽²⁾ Working Capital Days in this table is defined in the side bar of this page and excludes the provision for the LTIP.

In Fiscal 2025, the Company achieved record results with its highest ever revenue and Adjusted EBITDA performance, driven by improving unit economics in North America and the strong contribution of its aftermarket business. Actual Working Capital Days surpassed the ‘Maximum’ target level, while Adjusted EBITDA results were below the ‘Target’ level, but exceeded the ‘Threshold’ level. The STIP award details for the NEOs are included in the table below.

In 2026, the Company anticipates further growth in revenue and Adjusted EBITDA as it meets the increased demand for its buses and coaches, and continued strong performance of its aftermarket segment. Working Capital remains a key objective and is expected to benefit from the Company’s focus on securing additional pre- or advance payments and milestone billings wherever possible, and from the increased use of receivable and supplier financing programs. Working Capital is expected to be somewhat impacted by the ongoing battery recall campaign with respect to certain battery-electric buses in North America in 2026.

Individual Objectives (MBOs)

Individual objectives or MBOs are determined prior to the start of each year by the Governance Committee based on the recommendation of the CEO after a review with each executive. They are developed from the Company's annual operating plan and strategic objectives. The Governance Committee reviews and recommends to the Board for approval the individual objectives for the CEO.

MBOs are assigned a weighting based on importance and the performance of each MBO as a percentage of successful completion.

The Governance Committee measures individual performance separately from corporate performance to be able to acknowledge and recognize the executive's efforts to improve business performance and create shareholder value which may not be completely captured through the corporate performance measures.

The MBO portion of the STIP award is determined by the Governance Committee in respect of the CEO's MBOs and by the Governance Committee on the recommendation of the CEO in respect of the executives who report directly to the CEO and by each of the Business Presidents in respect of the executives who report directly to them. In assessing each executive's performance against the executive's individual MBOs for the year, the following factors are evaluated:

- the accomplishment of the individual's personal objectives (or MBOs) for the year, including key financial metrics, health and safety targets, leadership and talent management objectives, employee engagement and compliance and talent retention targets; and
- the role modelling of the Company's values by the individual.

For 2025, the total (combined corporate and individual) actual STIP awards for the NEOs were as follows:

Name	Target STIP Opportunity (% of salary)	Currency ⁽¹⁾	Corporate Performance Award (\$,£)	MBO Award (\$,£)	Total Actual STIP Award (\$,£)	Actual STIP (% of salary)
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	115%	CAD	983,884	192,410	1,176,294	129%
Brian Dewsnup <i>Executive Vice President and Chief Financial Officer, NFI</i>	80%	USD	371,872	83,979	455,851	92%
Paul Davies <i>President and Managing Director, ADL</i>	80%	GBP	250,475	51,899	302,373	90%
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	80%	CAD	349,808	74,924	424,732	91%
John Proven <i>President, NFI Parts & ARBOC</i>	80%	CAD	325,388	71,966	397,354	80%

⁽¹⁾ Disclosed in the currency in which the compensation was earned.

2026 STIP

For 2026, NFI is maintaining the same relative weighting between Corporate and individual performance (75% and 25%, respectively). Corporate metrics will continue to be Adjusted EBITDA (50% weight) and Working Capital Days (25% weight).

For 2026, STIP target opportunities (as a percentage of base salary) for the NEOs will remain the same with the exception of the CFO, whose target opportunity will increase to 90% of their base salary. This adjustment reflects the evolving responsibilities and strategic importance of the CFO role within NFI's leadership team. The change aims to align the CFO's incentives more closely with NFI's overall performance objectives and shareholder interests.

Long-Term Incentives

The long-term incentives are designed to align executive and shareholder interests and to reward long-term sustainable performance. Long-term incentives at NFI include PSUs, RSUs, and Options. For 2025, executive long-term incentive awards were comprised of 50% PSUs, 25% RSUs, and 25% Options. In respect of 2025, the NEOs long-term incentive targets and number of awards granted were as follows:

Name	LTI Target (% of base salary)	Number of PSUs granted	Number of RSUs granted	Number of options granted
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	225%	74,488	37,244	71,238
Brian Dewsnup <i>Executive Vice President and Chief Financial Officer, NFI</i>	110%	19,786	9,893	18,922
Paul Davies <i>President and Managing Director, ADL</i>	110%	13,327	6,663	12,745
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	110%	18,612	9,306	17,800
John Proven <i>President, NFI Parts & ARBOC</i>	110%	17,313	8,656	16,557

Performance Share Units (“PSUs”)

The PRSU Plan provides for grants of PSUs to officers and senior managers of the Company to align the interests of executives with the interests of shareholders by making a significant portion of executives’ long-term incentive compensation dependent on performance against the Company’s long-term financial performance and strategic goals and on the fair market value of the Common Shares.

The 2025 grant under the PRSU Plan will vest at the end of 2027 based on performance against a financial goal, a sustainability (ESG) goal and a strategic goal, each weighted equally (33%). The financial performance measure (ROIC) has established threshold, target and maximum levels of performance to determine the actual payout. The sustainability (ESG) measure is assessed based upon completion of an annual sustainability workplan with performance leverage recommended by the CEO and assessed by the Board in accordance with workplan achievement over a three-year performance period. The Strategic measure is assessed based upon completion of a Zero Emission Business readiness (ZEB) annual workplan with performance leverage recommended by the CEO and assessed by the Board over a three-year performance period. At threshold performance, 50% of the grant will vest and at maximum performance, 200% of the grant will vest. No PSUs will vest if threshold performance is not met.

Why measure Financial (ROIC), Sustainability (ESG), and Strategic goals?

The Governance Committee believes a balanced approach holds management accountable for earnings and capital utilization, **Sustainable** system management and **Strategic goals** aligned with NFI shareholders and the Company’s **long term** strategic focus.

Return on Invested Capital (“**ROIC**”) is a less volatile measure over the long term than a cumulative multi-year Adjusted EBITDA measure.

References to "ROIC" are to net operating profit after taxes (calculated as Adjusted EBITDA less depreciation of plant and equipment, depreciation of right-of-use assets and income taxes at a rate of 31%) divided by average invested capital for the last 12-month period (calculated as to shareholders’ equity plus long-term debt, obligations under leases, other long-term liabilities and derivative financial instrument liabilities less cash).

The number of PSUs granted to each of the NEOs for fiscal 2025 was determined based on the fair market value of the Common Shares prior to the grant date and the desired target compensation value. When dividends are paid on a Common Share, additional units equivalent to the amount of the dividends multiplied by the number of PSUs held (and determined based on the then fair market value of the Common Shares) will be credited to the participant's account. The actual value of a PSU on the settlement date is contingent on the fair market value of the Common Shares and NFI's actual performance over a three-year period relative to the established objectives.

Restricted Share Units ("RSUs")

The PRSU Plan provides for grants of RSUs to officers and senior managers of the Company, including the NEOs. RSUs were adopted to supplement the long-term incentive compensation framework for the executives to promote their continued efforts in growing NFI, as well as to assist in attracting and retaining senior management personnel.

An RSU is a right to receive a cash payment based on the fair market value of a Common Share, subject to a vesting period of three years. The number of RSUs granted to each of the NEOs for fiscal 2025 were determined based on the fair market value of the Common Shares prior to the grant date and the desired compensation value. The actual value of an RSU on the settlement date is contingent on the fair market value of the Common Shares. The Governance Committee sets the vesting applicable to each grant. The 2025 grants will vest and settle one-third on or about each of the first, second and third anniversaries of the grant date.

See page 54 under "Termination and Change of Control Benefits-Paul Soubry", for further details regarding the PRSU Plan.

Share Options

NFI's use of Options to acquire Common Shares is an important component of its long-term incentive compensation arrangements for its employees. This (i) supports the achievement of NFI's performance objectives; (ii) ensures that interests of key persons are aligned with the long-term success of NFI; and (iii) provides compensation opportunities to attract, retain, and motivate senior management critical to the long-term success of NFI and its affiliates.

NFI maintains an Amended and Restated Share Option Plan (the "**2013 Option Plan**"), which provides for Option grants to officers and senior managers of the Company, including the NEOs. No further Options may be granted under the 2013 Option Plan.

On March 12, 2020, the Board approved a new share option plan, which was subsequently amended and restated on August 5, 2020, to accommodate grants to participants in the United Kingdom (the "**2020 Option Plan**" and collectively with the 2013 Option Plan, the "**Option Plans**"). The purpose of establishing the 2020 Option Plan was to ensure that there remained a sufficient number of Options to acquire Common Shares available for future grants in order to support the achievement of NFI's performance objectives and to ensure that executives' interests are aligned with the success of NFI and its shareholders. Options for 2025 will vest 25% per year starting on or about the first anniversary date of the grant and have an eight-year term. The 2020 Option Plan has substantially the same material terms as the 2013 Option Plan.

See Schedule "C" for a summary of the terms of the Option Plans.

In 2025, a total of 320,059 options were granted to participants under the 2020 Option Plan, representing approximately 0.3% of the weighted average issued and outstanding Common Shares for the 2025 fiscal year.

Payment of the 2023 – 2025 PSU Award

In 2023, NFI granted PSUs under the PRSU Plan to executives that vested at the end of 2025. Vesting at the end of the period was based on NFI's performance against the established three-year average annual ROIC target and achievement of applicable Sustainability (ESG) and Strategic goals. The table below provides the actual ROIC target and performance range and achievement percentage for the Sustainability (ESG) and Strategic workplan goals. The sustainability and strategic goals applicable were established by the Board as part of the Company's long range plans to support durable value creation over the performance period. These goals reflected enterprise priorities including operational performance, environmental and sustainability system maturity, governance, and alignment with evolving regulatory and stakeholder expectations. Performance was assessed on a cumulative basis over the three-year period through ongoing management reporting and Board oversight. The Board determined that the applicable performance conditions for the 2023–2025 PSU award were as follows:

2023-2025 Performance Range Three-Year Average Annual ROIC⁽¹⁾			Actual 2023-2025 Results Three-Year Average Annual ROIC
Threshold	Target	Maximum	
6.3%	7.0%	8.1%	6.13%
Other Measures			Achievement Percentage
Strategic Workplan			0%
Sustainability Workplan			33%

⁽¹⁾ ROIC is defined as disclosed in the side bar on page 39 of this Information Circular.

The Governance Committee exercised discretion in assessing the three-year ROIC element of the 2023-2025 PSU award (which represents 13% of the PSU at target) by awarding threshold level performance. The objective of this financial target of the LTIP program is to drive increases in earnings relative to invested capital in the business. The current tariff environment and the associated expenses were unanticipated when the PSU targets were set in 2023 and have negatively impacted the financial element of the program. The three-year average ROIC, normalized for the impact of the 2025 tariffs, is 6.36%. The Governance Committee took this impact into account when assessing the performance of the program and recognized the 14.1x growth rate in the Company's ROIC from 2023 to 2025.

The recognition of threshold level performance for the ROIC portion of the PSU award has resulted in an incremental payment of approximately CAD \$419,000 in the aggregate for the NEOs.

The payout values for the 2023 grant for the NEOs are as follows:

Name	PSUs Granted in 2023		Actual Compensation			
	Number Granted	Value (\$)	Number of PSUs (including reinvested dividends)	Vesting %	Resulting Number of PSUs	Value (\$)
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	94,301	984,375	94,301	49.5%	46,679	726,639
Brian Dewsnup ⁽¹⁾ <i>Executive Vice President and Chief Financial Officer, NFI</i>	18,968	198,000	18,968	49.5%	9,389	199,886
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	22,656	236,500	22,656	49.5%	11,215	174,578
Paul Davies ⁽²⁾ <i>President and Managing Director, ADL</i>	15,069	157,300	15,069	49.5%	7,459	158,798
John Proven ⁽³⁾ <i>President, NFI Parts & ARBOC</i>	-	-	-	-	-	-

⁽¹⁾ Mr. Dewsnup receives his compensation in US dollars. The grant value and actual compensation value is determined based on the Canadian dollar RSU price at a U.S.-Canadian exchange rate of 1.3676.

⁽²⁾ Mr. Davies receives his compensation in GBP. The grant value and actual compensation value is determined based on the Canadian dollar RSU price at a U.S.-Canadian exchange rate of 1.8456.

⁽³⁾ Mr. Proven was not employed by NFI in 2023 when the PSUs were granted.

Performance Graph

The following graph compares the total cumulative return on funds invested in Common Shares (assuming reinvestment of dividends) with the total cumulative return of the Standard and Poor's TSX Composite Total Return Index (the "TSX Total Return Index") for the past five fiscal years of NFI.



Total compensation paid to NEOs has been 91% of target over the past five years and has increased by 51% since 2021. Over the same five-year period, Adjusted EBITDA has increased by 57%. See "CEO Performance Compensation During Tenure" on page 47 of this Information Circular for a further discussion of the pay and performance relationship.

There is not necessarily a direct correlation in the shorter term between the performance measures of Adjusted EBITDA, Working Capital Days and ROIC in the STIP and PSUs and between the grant date fair value of awards on the one hand and TSR and NFI Common Share price on the other hand. That being said, NEO actual short-term compensation is tied to operational measures and is reflective of actual performance.

Year	2023	2024	2025
Total NEO Compensation (millions)	10.8	9.8	10.4
Adjusted EBITDA (millions) ⁽¹⁾	69.2	214.4	335.8
Working Capital Days ⁽¹⁾	61	52	42
Return on Invested Capital ⁽¹⁾	0%	6.4%	11.3%
Shareholder Return (annual) ⁽²⁾	199%	-30%	14%

⁽¹⁾ Adjusted EBITDA, ROIC and Working Capital Days are defined as disclosed in the side bar on page 39 of this Information Circular.

⁽²⁾ Based on \$100 investment made December 31, 2008.

The total cost of compensation of the NEOs in 2025 as a percentage of Adjusted EBITDA was 3.1%.

CEO PERFORMANCE COMPENSATION

The following table compares the grant date value of compensation awarded to Mr. Soubry in respect of his performance as CEO with the value that he has realized or that is realizable from his compensation awards over the past three completed fiscal years. The compensation he has received includes base salary and STIP, as well as the value of PSUs and RSUs and Options that are outstanding (as at December 28, 2025).

Year	Total Direct Compensation Awarded ⁽¹⁾	Total Realized and Realizable Compensation Value as at January 1, 2026 ⁽²⁾	Value of \$100 Mr. Soubry ⁽³⁾		Value of \$100	
			Realized	Realizable	Common Shares Annual Return ⁽⁴⁾	Combined Cumulative Return during CEO Tenure
			(\$)	(\$)	(\$)	(\$)
2023	3,936,627	4,585,051	65	116	144	388
2024	4,023,250	3,043,964	41	76	101	390
2025	4,023,250	4,707,917	75	117	115	447
Total Direct Compensation	11,983,127	12,336,932				
		Weighted Average	60	103	102	374

⁽¹⁾ Includes base salary and incentive compensation (STIP, PSUs, RSUs and Options) awarded in respect of performance during the year.

⁽²⁾ PSU and RSU awards include targeted award plus dividend equivalents and have not been adjusted for performance relative to the plan targets, unless the award has vested. The realizable value of options is the value of unexercised in-the-money options.

⁽³⁾ Represents the accrued value to Mr. Soubry for each \$100 awarded in total direct compensation during the fiscal year indicated.

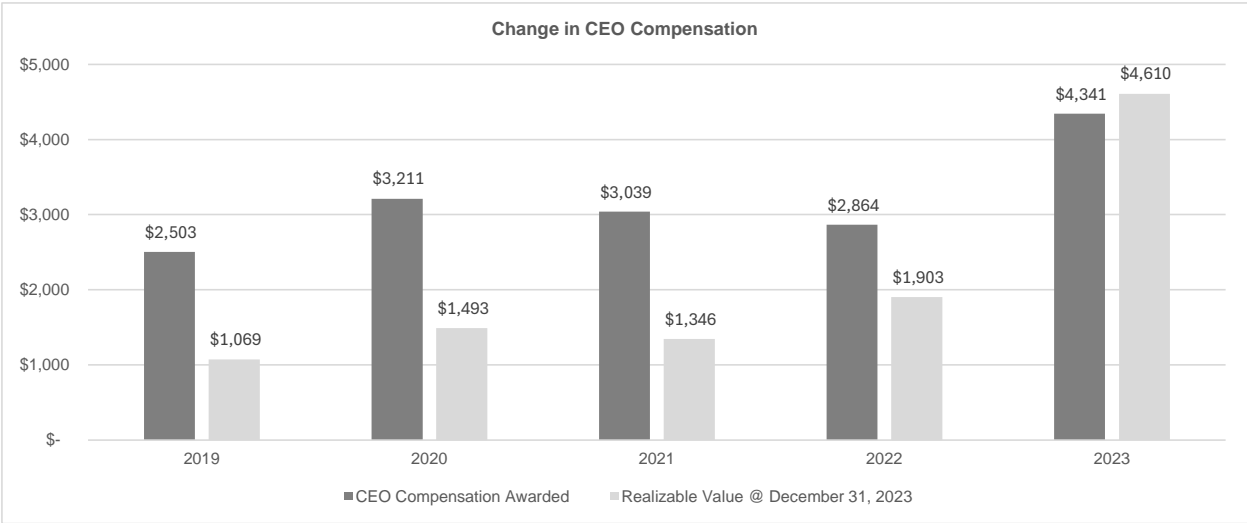
⁽⁴⁾ Represents the cumulative value of a \$100 investment in Common Shares for the fiscal year indicated if the investment was made on the first day of such period, assuming reinvestment of dividends.

During the tenure of the CEO, the percentage of total realizable direct compensation (base salary plus all incentives) to total direct compensation awarded (based on the values disclosed in the Summary Compensation Table) was 58% compared to a TSR of 347% for a shareholder that converted IDSs to Common Shares pursuant to a rights offering in 2011. Of the total realizable compensation, 125% has been realized as at January 1, 2026, and realization of the balance depends on future performance relative to performance targets and NFI future share price.

Pay and Performance Alignment

NFI is committed to a pay-for-performance approach to compensation. The Governance Committee reviews pay for performance elements regularly including the mix of at risk pay, performance measures and goals, and the degree of alignment between realizable pay and performance results. Pay mix is formally reviewed every two years with additional review by the Governance Committee and Board annually to ensure appropriate focus on at risk pay and balance of short-term and long-term focus. Performance measures that are linked to strategy and shareholder value are reviewed and considered annually and performance goals, targets and ranges are set considering appropriate stretch performance.

In January 2025, the Governance Committee, with the assistance of Meridian, conducted a five-year look-back assessment of the relationship between CEO realizable pay and NFI's performance relative to the comparator group. The assessment considered key financial and shareholder value creation metrics, including cash flow, Adjusted EBITDA, ROIC, and TSR and CEO total cash and realizable total compensation, including equity, and other compensation but excluding pension value, over the 2019-2023 timeframe. The results of this look-back assessment indicated a strong alignment of the CEO's realizable pay and NFI's composite financial performance over the five-year timeframe. The following chart compares the grant date value of compensation awarded, excluding pension, to Mr. Soubry in respect of the five-year timeframe assessed with the value at the end of 2023. In aggregate, the realizable value of the compensation is only 65% of the value awarded, and when compared to peers, the ranking of Mr. Soubry's realizable value is directly aligned with the Company's composite performance on cash flow, Adjusted EBITDA, ROIC and TSR. Based on these pay for performance assessments, the Governance Committee considers there to be a strong link between the CEO's realizable direct compensation and Company performance, and the Governance Committee considers realizable CEO pay to be aligned with performance.



⁽¹⁾ Compensation awarded includes base salary and incentive compensation (STIP, PSUs, RSUs and options) awarded in respect of performance during the year, and other compensation (excluding pension).

⁽²⁾ Realizable value of PSU and RSU awards excludes dividend equivalents and include targeted award and have not been adjusted for performance relative to the plan targets, unless the award has vested and paid out. The realizable value of options is the value of unexercised in-the-money options.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation earned by and the share-based and Option-based awards granted to the NEOs for the fiscal year ended December 28, 2025. All values are reported in Canadian dollars.

Name and Title	Year	Salary ⁽¹⁾	Share-based Awards ⁽²⁾	Option-based Awards ⁽³⁾	Non-Equity Incentive Plan Compensation	Pension Value ⁽⁵⁾	All Other Compensation	Total Compensation
					Annual Incentive Plans ⁽⁴⁾			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	2025	914,375	1,543,008	514,336	1,176,294	33,810	20,005 ⁽⁶⁾	4,201,828
	2024	914,375	1,543,008	514,336	556,185	32,490	20,505 ⁽⁶⁾	3,580,889
	2023	894,688	1,476,563	492,188	1,459,870	31,560	18,186 ⁽⁶⁾	4,373,054
Brian Dewsnp <i>Executive Vice President and Chief Financial Officer, NFI</i>	2025	679,424	560,525	186,842	623,421	46,239	0	2,096,450
	2024 ⁽⁷⁾	673,035	555,254	185,085	295,559	46,838	0	1,755,570
	2023	493,546	393,406	131,135	572,913	41,804	0	1,632,805
Paul Davies <i>President and Managing Director, ADL</i>	2025	617,575	509,499	169,833	558,060	0	0	1,854,967
	2024	606,733	500,555	166,852	262,802	0	21,758 ⁽⁸⁾	1,536,941
	2023	513,002	398,331	132,777	621,240	0	0	1,665,350
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	2025	467,324	385,542	128,514	424,732	33,810	0	1,439,923
	2024	467,324	385,542	128,514	202,418	32,490	0	1,216,288
	2023	439,675	354,750	118,250	503,766	31,560	0	1,448,001
John Proven <i>President, NFI Parts & ARBOC</i>	2025	434,700	158,438	119,543	397,354	33,810	0	1,143,844
	2024	245,000	151,125	67,375	110,040	32,490	0	606,030
	2023	0	0	0	0	0	0	0

⁽¹⁾ Mr. Soubry, Mr. Stoddart and Mr. Proven are paid in Canadian dollars. Mr. Dewsnp's compensation has been converted from USD to Canadian dollars at the exchange rates of 1.3676 for 2025, 1.4416 for 2024, and 1.3246 for 2023. Mr. Davies' compensation has been converted from GBP to Canadian dollars at the exchange rate of 1.8456 for 2025, 1.8132 for 2024, and 1.6882 for 2023.

⁽²⁾ Represents the grant date fair value of awards granted under the PRSU Plan for compensation and accounting purposes, calculated based on the average trading price of the Common Shares on the TSX for the five trading days prior to the date of the grant. PSUs are valued assuming target performance.

⁽³⁾ The fair value of the options was determined using the Black-Scholes formula as at the effective date of grant of January 2, 2023, January 2, 2024 and January 2, 2025. (see table below for assumptions).

⁽⁴⁾ Represents payments earned under the STIP.

⁽⁵⁾ Represents contributions made by the Company to the executive's registered retirement plan.

⁽⁶⁾ Represents the after-tax amount related to life insurance premiums forming part of Mr. Soubry's regular benefits.

⁽⁷⁾ Mr. Dewsnp served as Acting President and CEO for the period May 6, 2022 to August 8, 2022. Mr. Dewsnp's base salary was increased from \$360,000 USD to \$520,000 USD during this period.

⁽⁸⁾ Represents car lease payments.

Key assumptions	Grant date:	January 2, 2025	January 2, 2024	January 2, 2023
	Compensation year:	2025	2024	2023
Share price		\$13.81	20.26	\$10.46
Exercise price		\$13.81	20.26	\$10.46
Dividend yield		0%	3.77%	0%
Expected volatility		54.88%	46.01%	51.77%
Risk-free interest rate		3.01%	1.29%	3.28%
Expected life		5.5 years	5.5 years	5.5 years
Value		\$7.22	\$6.10	\$5.28

INCENTIVE PLAN AWARDS

Outstanding Option-Based and Share-Based Awards

The following table sets forth information concerning all outstanding option-based and share-based awards granted by the Company to the NEOs on or before December 28, 2025.

Name and Title	Option-based Awards				Share-based Awards ⁽¹⁾		
	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units that have not vested ⁽²⁾	Market or payout value of share-based awards that have not vested ⁽³⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	78,431	33.43	2-Jan-27	0	187,299	2,915,637	1,117,997
	146,484	26.81	31-Dec-27	0			
	78,374	24.70	28-Dec-28	0			
	80,686	20.26	3-Jan-30	0			
	93,217	10.46	9-Jan-31	496,847			
	72,238	13.54	2-Jan-32	162,536			
Brian Dewsnup <i>Executive Vice President and Chief Financial Officer, NFI</i>	71,238	13.81	2-Jan-33	141,051	48,936	1,041,805	339,356
	18,064	33.43	2-Jan-27	0			
	27,418	26.81	31-Dec-27	0			
	14,670	24.70	28-Dec-28	0			
	16,230	20.26	3-Jan-30	0			
	18,750	10.46	9-Jan-31	99,938			
	15,496	13.54	2-Jan-32	34,866			
2,894	11.76	5-Mar-32	11,663				
Paul Davies <i>President and Managing Director, ADL</i>	18,922	13.81	2-Jan-33	37,466	33,510	962,739	343,441
	8,599	24.70	28-Dec-28	0			
	12,893	20.26	3-Jan-30	0			
	14,896	10.46	9-Jan-31	79,396			
	12,924	13.54	2-Jan-32	29,079			
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	12,745	13.81	2-Jan-33	25,235	46,799	728,513	272,341
	21,569	33.43	2-Jan-27	0			
	32,738	26.81	31-Dec-27	0			
	17,516	24.70	28-Dec-28	0			
	19,385	20.26	3-Jan-30	0			
	22,396	10.46	9-Jan-31	119,371			
	18,050	13.54	2-Jan-32	40,613			
17,800	13.81	2-Jan-33	35,244				
John Proven <i>President, NFI Parts & ARBOC</i>	8,196	15.38	2-Jan-32	3,360	23,083	359,334	44,917
	16,557	13.81	2-Jan-33	32,783			

⁽¹⁾ Awards under the PRSU Plan are considered "share-based awards" for the purposes of this table under applicable Canadian securities laws.

⁽²⁾ Represents the number of notional Common Shares underlying PSUs and RSUs granted under the PRSU Plan, which were unvested as at December 28, 2025.

⁽³⁾ Represents the aggregate value of the Common Shares listed in the adjacent column of this Share-Based Awards Table, calculated based on the closing price of the Common Shares on the TSX on December 24, 2025 of \$15.79. Mr. Dewsnup's payout is in U.S. dollars based on a US-Canadian exchange rate of 1.3676, and Mr. Davies' payout is in GBP based on a GBP-CAD exchange rate of 1.8456.

Value Vested or Earned During the Year

The following table sets forth the value of option-based awards and share-based awards of the NEOs that vested during the 2025 fiscal year, as well as the value of non-equity incentive plan compensation that the NEOs earned in respect of the 2025 fiscal year.

Name and Title	Option-based awards – Value vested during the year (\$)	Share-based awards - Value vested during the year (\$) ⁽¹⁾	Non-equity incentive plan compensation - Value earned during the year (\$)
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	164,843	1,117,997	1,176,294
Brian Dewsnap ⁽²⁾ <i>Vice President and Chief Financial Officer, NFI</i>	36,612	339,356	623,421
Paul Davies ⁽³⁾ <i>President and Managing Director, ADL</i>	27,119	343,441	558,060
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	39,995	272,341	424,732
John Proven <i>President, NFI Parts & ARBOC</i>	840	44,917	397,354

⁽¹⁾ Represents the value of awards granted under the PRSU Plan, which are considered “share-based awards” for the purposes of this table under applicable Canadian securities laws, which vested during fiscal 2025. Only RSUs vested during 2025. The value of RSUs is based on the weighted average closing price of the Common Shares for the last five trading days of fiscal 2025.

⁽²⁾ Mr. Dewsnap receives his compensation in U.S. dollars. The dollar values in this chart are based on a USD – CAD exchange rate of 1.3676.

⁽³⁾ Mr. Davies receives his compensation in GBP. The dollar values in this chart are based on a GBP – CAD exchange rate of 1.8456.

The chart below summarizes the pay realized by NEOs in 2025 with respect to the exercise of Options and the settlement of RSUs and PSUs.

Name	Gain Realized on Options (\$) ⁽¹⁾	Realized Value on RSUs (\$) ⁽²⁾	Realized Value on PSUs (\$) ⁽³⁾	Total Realized Value on Options and Share-Based Awards (\$)
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	-	633,571	484,426	1,117,997
Brian Dewsnp ⁽⁴⁾ <i>Executive Vice President and Chief Financial Officer, NFI</i>	-	206,099	133,257	339,356
Paul Davies ⁽⁵⁾ <i>President and Managing Director, ADL</i>	-	200,573	105,866	306,439
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	-	155,955	116,385	272,341
John Proven <i>President, NFI Parts & ARBOC</i>	-	44,917	-	44,917

⁽¹⁾ None of the NEOs exercised Options in 2025.

⁽²⁾ Represents the value of RSUs that vested in 2025.

⁽³⁾ Represents the value of PSUs that vested in 2025.

⁽⁴⁾ Mr. Dewsnp receives his compensation in U.S. dollars. The dollar values in this chart are based on a U.S.-Canadian exchange rate of 1.3676 in 2025.

⁽⁵⁾ Mr. Davies receives his compensation in GBP. The dollar values in this chart are based on a GBP – CAD exchange rate of 1.8456 in 2025.

Equity Compensation Plan Information

The Governance Committee approves Options, which may be granted to employees in Canada, the U.S. and the United Kingdom, and are priced according to the provisions of the plan in the currency where the employee resides. For more information on the Option Plans, see Schedule “C” – Description of Options Plans.

At December 28, 2025, there were 3,600,000 Options outstanding under the 2013 Option Plan. 1,417,296 of them were exercisable and 292,369 of them expired. At December 28, 2025, there were 638,310 Options outstanding under 2020 Option Plan and all of them are exercisable.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights ⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities included in first column)
Equity compensation plans approved by security holders			
<i>2013 Option Plan</i>	1,417,296	21.95	-
<i>2020 Option Plan</i>	638,310	21.95	2,561,690
<i>2014 Director RSU plan</i>	185,144	15.57	7,058
<i>2025 Director RSU plan</i>	-	-	-
Total	2,240,750	21.42	2,568,748

⁽¹⁾ Outstanding under the 2013 and 2020 Option Plans and 2014 Director RSU Plan and 2025 Director RSU plan for all participants.

⁽²⁾ Weighted-average exercise price of Common Shares outstanding under the 2013 and 2020 Option Plans.

RETIREMENT PLAN BENEFITS

Executives based in Canada

The registered retirement plan for the executives of the Company based in Canada is a non-contributory defined contribution plan. Messrs. Soubry, Stoddart and Proven are based in Canada. The Company contributes each year, on behalf of the NEOs, an amount equal to 18% of their base salary, subject to the maximum level of contributions set out in the *Income Tax Act* (Canada). The contributions made to the plan by the Company vest immediately.

Executives based in the United States

The retirement plan for the executives of the Company who are based in the United States (one of whom is an NEO, being Mr. Dewsnup) consists of a 401(k) plan and a supplemental executive retirement savings plan (the “**ERSP**”). The ERSP is a non-contributory plan. The Company contributes each year, on behalf of the U.S.-based executives, to the 401(k) plan an amount equal to the limit set out under the United States Internal Revenue Code and an amount to the ERSP, such that the aggregate of the amounts contributed to the two plans equal 18% of base salary, similar to the registered retirement plan provided to the executives of the Company based in Canada. The contributions made to the plan by the Company vest immediately.

Executives based in the United Kingdom

The retirement plan for the executives of the Company based in the UK (one of whom is a NEO, Mr. Davies), is a defined contribution plan. The Company contributes or provides cash allowance equivalent each year, on behalf of the NEO, an amount equal to 16% of their base salary, subject to and in line with the maximum level of contributions set out by UK Pension Accrual limits.

Investment and Withdrawal

The executives (including the NEOs) are entitled to invest the funds in any investment vehicle (e.g., guaranteed investment certificates and mutual funds) permitted by the providers of the plans. Upon retirement, the value of the accumulated contributions, together with any interest earned and capital appreciation on the funds invested, less any capital losses, can be withdrawn by the executives to provide retirement benefits. The amount of retirement income provided to each of the executives under the plans will depend upon the amount of contributions made by the Company, the length of time the funds are in the plans and the returns earned on the funds until the executive's retirement.

Defined Contribution Plan Table

Name	Accumulated value at start of year (\$)	Compensatory (\$)	Accumulated value at year-end (\$)
Paul Soubry <i>President and Chief Executive Officer, NFI</i>	944,436	33,810	1,120,841
Brian Dewsnp ⁽¹⁾ <i>Vice President and Chief Financial Officer, NFI</i>	1,542,426	88,637	1,901,502
Paul Davies ⁽²⁾ <i>President and Managing Director, ADL</i>	N/A	99,810	N/A
Chris Stoddart <i>President, North American Bus and Coach, New Flyer</i>	905,154	33,810	1,096,918
John Proven <i>President, NFI Parts & ARBOC</i>	34,762	33,810	80,100

⁽¹⁾ The opening balance has been converted from United States dollars to Canadian dollars at an exchange rate of 1.3676 and the compensatory and year-end values have been converted at an exchange rate of 1.3676.

⁽²⁾ Mr. Davies compensatory value has been converted from GBP to Canadian dollars at an exchange rate of 1.8456.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Paul Soubry

Paul Soubry retired from NFI as CEO and John Sapp was appointed to the role effective January 1, 2026. Mr. Soubry will continue on with NFI in an advisory capacity for 2026. The following describes the arrangements that were applicable to Mr. Soubry's employment prior to his retirement.

A subsidiary of NFI entered into an indefinite term employment agreement with Paul Soubry commencing January 1, 2011. Mr. Soubry's agreement provides that his employment may be terminated for "Cause" without advance notice, and that he may resign without "Good Reason" on 60 days' prior written notice. In these circumstances, Mr. Soubry will be entitled to any amounts earned to the termination date. "Cause" is defined as a willful failure or refusal to perform duties following a 15-day opportunity to correct the failure, a material act of dishonesty or breach of trust in performing his duties, a conviction of or pleading guilty to an offence involving fraud, dishonesty or misappropriation, a breach of Mr. Soubry's non-competition, confidentiality and intellectual property obligations or any other conduct which would be treated as cause under Manitoba law. "Good Reason" is defined as assignment without consent of Mr. Soubry's duties causing a substantial reduction in authority or responsibilities, failure of any successor of NFI to assume the obligations under the employment agreement, or a material violation by NFI of the terms of the employment agreement that NFI fails to correct within 15 days of being notified of the violation. On termination of Mr. Soubry's employment without Cause or resignation by Mr. Soubry with Good Reason, Mr. Soubry is entitled to payment of his base salary and continuation of benefits for a period of 12 months and payment of a prorated bonus for the year in which the termination occurs. If Mr. Soubry's employment ends as a result of death, then Mr. Soubry's estate will be entitled to amounts earned to the termination date and payment of a prorated bonus.

Mr. Soubry is bound by non-competition and non-solicitation covenants during the term of employment and for a period of 12 months in the case of the non-competition covenant, and 24 months, in the case of non-solicitation covenant, following cessation of employment. If Mr. Soubry's employment is terminated without Cause or he resigns with Good Reason, the continuing payments and benefits provided to him will cease immediately if he breaches his post-employment non-competition or non-solicitation obligations.

The PRSU Plan and the Option Plans set out termination and Change of control (as defined below) consequences that are in addition to those described above. The PRSU Plan was amended and adopted by the board on December 18, 2018 to remove the single trigger accelerated vesting of awards in connection with a Change of control and to make other housekeeping changes. In respect of awards granted on or following December 18, 2018, the PRSU Plan provides that if a participant's employment ceases because of a termination without cause or a resignation for good reason (which is materially similar to "Good Reason" as defined above, but also includes a material reduction in the participant's compensation (other than as a result of not achieving applicable performance targets) and a fifteen day cure period, in each case within a specified time period following a Change of control (between 12 and 24 months depending on the participant's seniority), then all of the participant's unvested RSUs will accelerate and vest on the participant's termination date and a pro-rata portion of the participant's unvested PSUs will accelerate and vest on the participant's termination date (assuming target performance). The PRSU Plan also provides that in the event of a Change of control whereby the surviving or successor entity does not assume the outstanding awards under the plan or substitute the outstanding awards for similar awards, NFI will give written notice to all participants advising them that the PRSU Plan will be terminated immediately prior to the Change of control and all unvested RSUs and a pro-rata portion of the unvested PSUs (assuming target performance) will accelerate and vest immediately prior to the termination of the plan and will generally be redeemed at or around such time. If the Change of control is not consummated, the awards which vested will be returned to the participants and reinstated as unvested awards and the original terms applicable to such awards will be reinstated. Additional PRSU Plan terms are described in the "Compensation Discussion and Analysis" section above.

All PSUs and RSUs of Mr. Soubry's are forfeited on termination of employment for Cause or on resignation without Good Reason. If Mr. Soubry's employment is terminated without Cause or he resigns with Good Reason, he is entitled to a prorated portion of PSUs and RSUs based on the number of days in the performance period that elapsed prior to the termination date, and these PSUs and RSUs will continue to vest as if Mr. Soubry had remained employed and, in the case of the PSUs, will be paid out based on actual performance over the whole performance period. In the case of death, a prorated number of PSUs and RSUs vest and are redeemed within 60 days of the date of death. In the case of disability, Mr. Soubry is entitled to a prorated number of PSUs and RSUs, which will continue to vest as if Mr. Soubry had remained employed. In the case of retirement, Mr. Soubry's PSUs and RSUs will continue to vest as if Mr. Soubry had remained employed and, in the case of the PSUs, will be paid out based on actual performance over the whole performance period. The Board has sole discretion to approve whether a resignation shall be treated as retirement and the Board has determined that the conclusion of Mr. Soubry's tenure as CEO will be treated as a retirement for these purposes. If Mr. Soubry's employment is terminated without cause or he resigns with Good Reason within 24 months of a change in control, he is entitled to redemption of all of his RSUs and a prorated portion of PSUs based on the number of days in the performance period that elapsed prior to the termination date, vesting at target. "Change of control" is defined to include (i) a reorganization, amalgamation, merger or plan of arrangement, other than solely involving NFI and one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the voting securities of NFI immediately prior to such reorganization, amalgamation, merger or plan of arrangement do not, following such reorganization, amalgamation, merger or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the voting securities of the resulting entity on a fully-diluted basis; (ii) a formal takeover bid or tender offer for the voting securities of NFI being completed (other than NFI or one or more of its affiliates) resulting in a change in ownership of more than 50% of the voting securities of NFI; or (iii) the direct or indirect sale or other disposition other than to an affiliate of NFI of either more than 50% of the voting securities of New Flyer Holdings, Inc. ("**NF Holdings**") or all or substantially all of the consolidated assets of NF Holdings. Additional PRSU Plan terms are described in the "Compensation Discussion and Analysis" section above. Option employment cessation terms are explained in Schedule "C" – Description of The Option Plans.

Brian Dewsnup, Chris Stoddart, John Proven and Paul Davies

A subsidiary of NFI entered into indefinite term employment agreements with Messrs. Stoddart, Dewsnup, Proven and Davies. These employment agreements provide that upon termination of employment without "Cause" or resignation for "Good Reason", the executive officer is entitled to payment of base salary and

continuation of benefits for 12 months and payment of accrued and prorated bonuses. “Cause” and “Good Reason” under each of these employment agreements have the same definitions as described above under the summary of Mr. Soubry’s employment terms. Under their respective employment agreements, each of Messrs. Stoddart, Dewsnup, Proven and Davies are bound by non-competition and non-solicitation covenants during the term of employment and for a period of 12 months, in the case of the non-competition covenant, and 12 to 24 months, in the case of the non-solicitation covenant, following cessation of employment. If employment is terminated without Cause or they resign with Good Reason, the continuing payments and benefits provided will cease immediately if they breach these post-employment non-competition or non-solicitation obligations.

Summary of Termination Payments

The following table describes the incremental payments and benefits that would be payable to each NEO listed below under their respective employment agreements described above, assuming that such NEO’s employment had been terminated on December 28, 2025. In certain of the scenarios below, the amount of the incremental payments payable to the NEO under the STIP and PRSU Plan depends on the achievement of performance targets and are not determinable until the end of the relevant performance period, being the end of fiscal 2025 in respect of the STIP and the end of the performance period that relates to each of the grants issued to the NEO under the PRSU Plan.

Termination Scenario	Base Salary	STIP	PRSU Plan	Share Options
Termination Without Cause or Resignation for Good Reason	100% of base salary for 12 months.	Pro rata entitlement to the STIP determined as at end of fiscal 2025.	Pro rata number of units based on number of days that elapsed in performance period prior to date of termination. Will continue to vest as if employment had continued.	Forfeit unvested Options, have 90 days to exercise vested Options.
Termination for Cause	Unpaid base salary to date of termination.	No entitlement to STIP for fiscal period in which employment terminated.	All units will be forfeited.	Forfeit unvested Options, have 30 days to exercise vested Options.
Resignation without Good Reason	Unpaid base salary to date of termination.	No entitlement to STIP for fiscal period in which employment terminated.	All units will be forfeited.	Forfeit unvested Options, have 30 days to exercise vested Options.
Death	Unpaid base salary to date of death.	Pro rata entitlement to the STIP determined as at end of fiscal 2025.	Pro rata portion of units based on number of days that elapsed in performance period prior to date of death vest immediately. Units are redeemed and paid within 60 days of death.	Forfeit unvested Options, have one year to exercise vested Options.

Termination Scenario	Base Salary	STIP	PRSU Plan	Share Options
Disability	<p>Long-term disability = 70% of base salary Canadian executives to a maximum of \$18,000 per month non-evidence maximum and \$25,000 over maximum (for Canadian executives) and USD \$16,000 per month (U.S. executives).</p> <p>75% of base salary for UK executives to a maximum of £29,167 per month (UK executives).</p> <p>Supplemental individual policy for CEO of \$17,000 per month.</p>	Pro rata entitlement to the STIP determined as at end of fiscal 2025.	Pro rata portion of units based on number of days that elapsed in performance period prior to date of termination. Will continue to vest as if employment had continued.	Options continue to vest as scheduled and will be exercisable until the earlier of 3 years after the termination date or the expiry date of the Option.
Retirement	Unpaid base salary to date of retirement.	Pro rata entitlement to the STIP determined as at end of fiscal year 2025.	Continue to vest as scheduled. Board has sole discretion to approve whether a resignation shall be treated as retirement.	All Options continue to vest as scheduled and will be exercisable until the earlier of 3 years after the termination date or the expiry date of the Option. Board has sole discretion to approve whether a resignation shall be treated as retirement.
Termination Without Cause or Resignation for Good Reason and Change of Control	100% of base salary for 12 months.	Pro rata entitlement to the STIP determined as at end of fiscal 2025.	All RSUs will vest and be redeemed and paid within 30 days of termination and a pro-rata portion of the PSUs granted will vest at target and be redeemed within 30 days of termination.	All Options vest immediately prior to termination date and will be exercisable for 90 days after the termination date.
Change of Control and No Termination of Employment	Base salary paid in accordance with terms set out in employment agreement.	STIP paid in accordance with terms set out in employment agreement and determined as at end of fiscal 2025.	All units granted that are not assumed or substituted will vest upon a Change in control.	Options that are not assumed or substituted will vest upon a Change of control.

The table below shows the estimated incremental payments or benefits that would be made to the NEOs in the event of different termination events. Amounts have been calculated as if the termination events had occurred on December 28, 2025 and assuming performance at target for the PSUs. All values are reported in Canadian dollars.

Name	Amount Due on Termination						Total (\$)
	Event	Contractual		Long-Term Incentive Plans			
		Base Salary (\$)	STIP (\$)	PSUs (\$) ⁽¹⁾	RSUs (\$)	Option Plans ^{(2) (3)} (\$)	
Paul Soubry ⁽⁵⁾	Termination Without Cause or Resignation for Good Reason	914,375	1,176,294	484,426	633,571	289,061	3,497,727
	Termination for Cause	-	-	-	-	289,061	289,061
	Resignation without Good Reason	-	-	-	-	289,061	289,061
	Death	-	1,176,294	484,426	633,571	289,061	2,583,352
	Disability	-	1,176,294	484,426	633,571	289,061	2,583,352
	Retirement	-	1,176,294	2,833,370	1,219,599	800,433	6,029,697
	Termination Without Cause or Resignation for Good Reason and Change of Control	914,375	1,176,294	2,833,370	1,219,599	800,433	6,944,072
	Change of Control and No Termination of Employment	-	1,176,294	2,833,370	1,219,599	800,433	6,029,697
	Termination Without Cause or Resignation for Good Reason	679,424	623,421	113,257	206,099	61,603	1,703,804
Brian Dewsnup ⁽⁴⁾	Termination for Cause	-	-	-	-	61,603	61,603
	Resignation without Good Reason	-	-	-	-	61,603	61,603
	Death	-	623,421	113,257	206,099	61,603	1,024,380
	Disability	-	623,421	113,257	206,099	61,603	1,024,380
	Retirement	-	623,421	971,584	416,486	183,932	2,195,423
	Termination Without Cause or Resignation for Good Reason and Change of Control	679,424	623,421	971,584	416,486	183,932	2,874,847
	Change of Control and No Termination of Employment	-	623,421	971,584	416,486	183,932	2,195,423
	Termination Without Cause or Resignation for Good Reason	467,324	424,732	116,385	155,955	69,840	1,234,237
	Termination for Cause	-	-	-	-	69,840	69,840
Chris Stoddart	Resignation without Good Reason	-	-	-	-	69,840	69,840
	Death	-	424,732	116,385	155,955	69,840	766,913
	Disability	-	424,732	116,385	155,955	69,840	766,913
	Retirement	-	424,732	703,302	302,383	195,227	1,625,644
	Termination Without Cause or Resignation for Good Reason and Change of Control	467,324	424,732	703,302	302,383	195,227	2,092,968
	Change of Control and No Termination of Employment	-	424,732	703,302	302,383	195,227	1,625,644

Name	Amount Due on Termination						Total (\$)
	Event	Contractual		Long-Term Incentive Plans			
		Base Salary (\$)	STIP (\$)	PSUs (\$) ⁽¹⁾	RSUs (\$)	Option Plans ^{(2) (3)} (\$)	
Paul Davies ⁽⁴⁾	Termination Without Cause or Resignation for Good Reason	617,575	558,060	142,867	200,573	46,968	1,566,043
	Termination for Cause	-	-	-	-	46,968	46,968
	Resignation without Good Reason	-	-	-	-	46,968	46,968
	Death	-	558,060	142,867	200,573	46,968	948,469
	Disability	-	558,060	142,867	200,573	46,968	948,469
	Retirement	-	558,060	918,485	394,079	93,430	1,964,055
	Termination Without Cause or Resignation for Good Reason and Change of Control	617,575	558,060	918,485	394,079	93,430	2,581,629
	Change of Control and No Termination of Employment	-	558,060	918,485	394,079	93,430	1,964,055
John Proven	Termination Without Cause or Resignation for Good Reason	434,700	397,354	-	44,917	840	877,811
	Termination for Cause	-	-	-	-	840	840
	Resignation without Good Reason	-	-	-	-	840	840
	Death	-	397,354	-	44,917	840	443,111
	Disability	-	397,354	-	44,917	840	443,111
	Retirement	-	397,354	271,288	135,346	36,143	840,131
	Termination Without Cause or Resignation for Good Reason and Change of Control	434,700	397,354	271,288	135,346	36,143	1,274,831
	Change of Control and No Termination of Employment	-	397,354	271,288	135,346	36,143	840,131

⁽¹⁾ PSU amounts determined based on vesting percentage at target and the fair value, calculated based on the weighted average closing price of the Common Shares for the last five trading days of fiscal 2025. Actual vesting percentage is dependent on actual results over the future periods, except in the case of death where the target number of units vest (pro-rated for the period).

⁽²⁾ Option amounts determined based on the difference between the closing price of a Common Share on the TSX on December 24, 2025 and the exercise price of the Option.

⁽³⁾ Option amounts determined represent the value of vested option value at time of termination event.

⁽⁴⁾ With the exception of Mr. Dewsnap and Mr. Davies, all executives are paid in Canadian dollars. Mr. Dewsnap's compensation has been converted from U.S. dollars to Canadian dollars at the exchange rate of 1.3676 for 2025. Mr. Davies' compensation has been converted from GBP to Canadian dollars at the exchange rate of 1.8456 for 2025.

⁽⁵⁾ Mr. Soubry retired from NFI effective January 1, 2026.

CORPORATE GOVERNANCE

Indebtedness of Directors and Officers of the Company

No amounts are owed to NFI or any of its subsidiaries or to another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by NFI or any of its subsidiaries, by any Director (including Messrs. Barclay and Scannell) or officer of NFI, former Directors or officers of NFI or any associates or affiliates of the foregoing.

Audit Committee

Information regarding NFI's Audit Committee can be found under the section "Audit Committee and Auditor's Fees" in the AIF. A copy of the AIF can be obtained by contacting NFI or can be found at www.sedarplus.ca.

Statement Of Corporate Governance Practices

The Board believes that good corporate governance practices are an important factor in the overall success of the Company. To that end, the Board strives to uphold high standards of corporate governance that reflect applicable legal and regulatory requirements as well as evolving best practices. The Governance Committee regularly assesses NFI's approach to corporate governance and makes recommendations to the Board on emerging best practices and other policy improvements.

1. Board of Directors

- The independent members of the Board, within the meaning of NI 52-110, are Aziz Aghili, Larry Edwards (who is not being nominated for re-election at the Meeting), Adam Gray, Anne Marie O'Donovan, Paulo Nunes, Colin Robertson, Maryse Saint-Laurent, Jannet Walker-Ford and Katherine Winter (who is not being nominated for re-election at the Meeting).
- John Sapp is a non-independent Director of NFI by virtue of his position as the President and CEO of NFI since January 1, 2026.
- If Mr. Barclay is elected to the Board, he will be considered an independent member of the Board within the meaning of NI 52-110.
- If Mr. Scannell is elected to the Board, he will be considered an independent member of the Board within the meaning of NI 52-110.
- If Messrs. Barclay and Scannell are elected to the Board, nine of the ten members of the Board will be independent of management.
- The Board Chair is Colin Robertson. For the role and responsibilities of the Board Chair, please refer to the Appendix to the Mandate of the Board of Directors in Schedule "E".
- The Board Vice-Chair and Lead Independent Director is Larry Edwards (who is not being nominated for re-election at the Meeting). For the role and responsibilities of the Lead Independent Director, please refer to the section titled "Position Descriptions" below.

- It is the practice of the Board to hold in-camera sessions without members of management in attendance at each Board and Audit Committee and Governance Committee meetings. During fiscal 2025, there were 11 meetings of the Board, four meetings of the Audit Committee and six meetings of the Governance Committee where independent Directors held meetings without management present. To facilitate open and candid discussion among the Directors, the Board Chair regularly calls and leads meetings of the Board. In addition, the independent Directors have unfettered access to information regarding NFI's activities and have the ability to engage outside advisors as deemed necessary.

The following table displays the other public company directorships held by each of the Director nominees:











Name	Other Public Company Directorships
Mr. Aghili	Columbus McKinnon Corporation (U.S.) Graphics Packaging Holding Company (U.S.)
Mr. Barclay	-
Mr. Gray	Purple Innovation, Inc. (U.S.)
Mr. Nunes	Marcopolo S.A. (Brazil)
Ms. O'Donovan	-
Mr. Robertson	-
Ms. Saint-Laurent	North American Construction Group (Canada and U.S.)
Mr. Sapp	-
Mr. Scannell	Moog Inc. (U.S.) Albany International Corp. (U.S.)
Ms. Walker-Ford	-

2. Board Composition

The Governance Committee maintains a matrix that sets out the background, skills and experience of each of the Directors (including Messrs. Barclay and Scannell). This information is used to assess the overall strength and diversity of the Board and is presented below.

Director Skills and Experience Summary

Skills and Experience	Why it matters to NFI
Senior Leadership and People Resources	These qualities equip Board members with the knowledge, experience and insight to effectively oversee the governance and management of the Company's strategy and operations and provide critical insight on motivating and managing people to help drive success of the business.
Public Company Board Service	Public company board experience provides the Board with important perspectives and knowledge in implementing best practices in governance required to navigate the responsibilities and unique challenges of a public company and understanding the Company's legal and regulatory environment.
Accounting, Finance and Risk Management	Our global businesses involve complex financial transactions and financial reporting requirements and expertise and knowledge in complex accounting and financial issues provide valuable insight to the Board's role in the oversight of financial reporting. The Board also plays an important role in the oversight of risk management assessment and practices.
Manufacturing and Operations	We are a global manufacturer of market-leading bus and coach vehicles, aftermarket services and charging infrastructure solutions. Relevant experience in manufacturing and operations, LEAN manufacturing processes and managing complex supply chain issues provides valuable insight and helps the Board oversee the Company's complex global operations.
Public and Private Commercial Vehicle Sector	We manufacture and sell commercial transportation vehicles to both private and public transportation customers. Board members with experience and insight into these unique customer segments provide valuable guidance to our businesses and leadership teams.
Government Relations	Knowledge and experience in government and public policy and public funding mechanisms is important in providing oversight and insight to our businesses which operate in a highly regulated and, in some geographies, government-funded industry.
Sustainability	Sustainability is a core value of our business, and experience in best sustainable/environmental/social practices is instrumental in overseeing the Company in addressing environmental, social, and governance opportunities and challenges in a responsible, thoughtful and forward-thinking manner.
Technology and Innovation	Technologies and new products and services are critical to the success of our businesses and experience in technology, research and development and integration of new technologies into products is an important skillset for assisting the Company in its growth and innovation leadership.
Information Technology Security (Cybersecurity)	Knowledge and experience in the oversight of design, implementation and management of appropriate information security technology, policies and procedures is an important skillset to assist in protecting the Company's IT infrastructure, networks and data.
Strategic Process	Board members bringing knowledge and experience in strategic planning processes are important in assisting management in defining, developing and implementing the Company's vision, mission, values and strategy to ensure the long-term success of the Company.

Skills and Experience		Aghili	Barclay	Gray	Nunes	O'Donovan	Robertson	Saint-Laurent	Sapp	Scannell	Walker-Ford
	Senior Leadership and People Resources	■	■	■	■	■	■	■	■	■	■
	Public Company Board Service	■	■	■	■	■	■	■	■	■	■
	Accounting, Finance and Risk Management	■	■	■	■	■	■	■	■	■	■
	Manufacturing and Operations	■			■		■		■	■	
	Public and Private Commercial Vehicle Sector	■			■		■	■			■
	Government Relations				■			■	■	■	■
	Sustainability		■			■		■	■	■	■
	Technology and Innovation	■	■			■				■	■
	Information Technology Security (Cybersecurity)		■			■				■	■
	Strategic Process	■	■	■	■	■	■	■	■	■	■

3. Board of Directors Mandate

The Board mandate is included as Schedule “E” to this Information Circular.

4. Charter of Expectations for Directors

The Board has adopted a Charter of Expectations for Directors which sets out the Company’s expectations regarding personal and professional competencies and criteria for Directors, share ownership requirements (described on page 24 of this Information Circular), meeting attendance, conflict of interest guidelines, changes of circumstance, resignation events and majority voting policy (described below). The Charter is reviewed annually by the Board and a copy is attached as Schedule “F”.

5. Majority Voting Policy

The Board has adopted a policy which provides that, if the total number of shares voted in favor of the election of a Director nominee at a shareholders’ meeting represents less than a majority of the total shares voted for and withheld with respect to that Director, the Director must submit his or her resignation to the

Board Chair, to be effective when accepted by the Board. The Governance Committee will consider and make a recommendation to the Board regarding the resignation, and the Board's decision to accept or reject the resignation will be disclosed to the public within 90 days of receiving the resignation. Absent exceptional circumstances, the Board will accept the director's resignation. If a resignation is accepted, the Board may appoint a new Director to fill the vacancy. This policy applies only to uncontested elections — that is, elections in which the number of nominees for Director is equal to the number of Directors to be elected.

6. Director Term and Age Limits

The Board believes there should be a balance between having experienced Directors who have served on the Board for an appropriate length of time so as to understand the Company, its business environment and the issues facing the Company and renewing the Board to ensure new insights are considered to reflect and address changing business environments and strategies. In order to assist in achieving this balance, a Director will generally not be nominated for election or re-election at an annual meeting after the earlier of the following occurs: (i) the Director attains the age of 75, and (ii) the Director has served a 15-year term on the Board, provided however, the Board will ultimately rely upon its robust self-assessment process to determine Board renewal needs. Where the Board determines it would be in the best interests of the Company, the Board is entitled to nominate any person for election to the Board, regardless of age or tenure.

7. Position Descriptions

Position descriptions for the Board Chair and the chairpersons of the Governance Committee and Audit Committee are found in the Appendix of the Board mandate included as Schedule "E" to this Information Circular.

A position description for the CEO has also been adopted by the Directors and is as follows:

Responsibilities of the CEO

1. Demonstrate leadership values and integrity in all aspects of managing NFI and its subsidiaries in the best interests of its stakeholders.
2. With input from the Board, develop a multi-year strategic plan and an annual business plan.
3. Provide leadership and vision in setting, implementing and achieving NFI's and its subsidiaries' strategic objectives and distribution targets, developing and implementing sound operating and financial plans, designing an effective organizational structure, and determining annual operating budgets and resource levels for NFI and its subsidiaries to meet its short-term and long-term goals and objectives.
4. Identify business opportunities and plan and direct investigations and negotiations pertaining to capital investments, mergers, joint ventures, material acquisitions of businesses or the sale of major assets, and obtain Directors approval of material transactions.
5. Set an operational philosophy that is performance driven and customer focused, while providing leadership to management in support of NFI's commitment to its Code (as defined below).
6. At the discretion of the securityholders of NFI and the Directors, serve on the Board.
7. Communicate in a timely, candid and comprehensive fashion with the Audit Committee, the Governance Committee and the Directors on the progress of NFI towards the achievement of its strategic objectives and business plan.

8. Meet regularly with the Board Chair and other Directors to ensure that Directors are being provided with necessary information and resources to fulfill their responsibilities and statutory obligations.
9. On an ongoing basis, work with the Board Chair to develop schedules and agendas of meetings of the Directors and its committees and verify that all items requiring Directors and/or committee approval are appropriately tabled.
10. Serve as chief spokesperson and liaison for NFI, including effectively managing relations with NFI's external stakeholders, such as securityholders, NFI's employees, customers, suppliers, the investment community, the media, governments and the public generally.
11. Oversee the direction of NFI's tax management and planning.
12. With the CFO and under the supervision of the Audit Committee:
 - establish and maintain NFI's disclosure controls and procedures through appropriate policies and procedures, including NFI's Disclosure and Insider Trading Policy;
 - identify all significant risks to NFI's business and ensure that procedures are established to mitigate the impact of the risks in the best interest of stakeholders;
 - ensure the accuracy, completeness, integrity and appropriate disclosure of NFI's financial statements and other financial information through appropriate policies and procedures; and
 - ensure that NFI has complied with all regulatory requirements for NFI's financial information, reporting, disclosure requirements and internal controls over financial reporting.
13. Provide general supervision and management of the day-to-day business affairs of NFI and its subsidiaries within the guidelines established by the Directors, consistent with decisions requiring prior approval of the Directors and the Directors' expectations of management.
14. With the CFO, direct and monitor the activities and resources of NFI, consistent with the strategic direction, financial limits and operating and financial objectives approved by the Directors.
15. With the Governance Committee:
 - ensure, through supervision and performance assessment, that NFI and its subsidiaries have an effective senior executive leadership team (the "ELT") and that there exists a plan of succession and development for the CEO, CFO and other members of the ELT;
 - directing the selection and retention of the ELT;
 - develop a compensation and benefit plan for the ELT;
 - develop an effective training and development program for NFI's employees;
 - develop effective processes and metrics to track employment satisfaction of NFI's employees;
 - develop effective guidelines and practices with respect to NFI's employee safety practices; and

- develop effective processes and metrics to track customer satisfaction.
16. Provide required regulatory certifications regarding NFI and its activities.
17. Carry out any other appropriate duties and responsibilities assigned by the Directors.

A position description for the Lead Independent Director has also been adopted by the Directors and is as follows:

The Board of Directors of the Corporation has appointed a Lead Independent Director to serve during the period of time that the Corporation's Chair has been determined to not be independent. The Lead Independent Director shall be an independent director of the Corporation within the meaning of (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements.

The role of the Lead Independent Director is to work collaboratively with the Chair, the President and Chief Executive Officer (CEO), Committee Chairs and other directors to ensure effective functioning of the Board, to serve as an independent liaison between management and the Board and between the Chair and the independent directors, and to assist in maintaining and enhancing high standards of corporate governance.

The responsibilities of the Lead Independent Director include:

- engaging with the Chair and CEO and providing feedback to the independent directors;
- engaging with the independent directors and providing feedback to the Chair and CEO;
- serving as an independent leadership contact for the independent directors;
- presiding as Chair at Board meetings where the Chair is not available;
- presiding as Chair at in-camera sessions of the independent directors and providing feedback as appropriate;
- being available to shareholders and other stakeholders, when appropriate, for consultation and communication of their issues and concerns;
- calling meetings of the independent directors and the Board as deemed appropriate by the Lead Independent Director;
- engaging third party advisors and consultants to provide advice to the independent directors and the Board, as deemed appropriate;
- providing leadership to the Board if circumstances arise in which the Chair may be, or may be perceived to be, in conflict, and in responding to any reported conflicts of interest, or potential conflicts of interest, arising for any director; and
- as appropriate, carrying out any other or special assignments or any functions as may be delegated by the Board to the Lead Independent Director.

8. Orientation and Continuing Education

Management, working with the Directors, provides orientation opportunities for new Directors to familiarize them with NFI and its business. All new Directors participated in an active orientation operation program soon after the date on which the new Director first joins the Board. The orientation includes:

- a detailed briefing with the Board Chair and with the chairperson of each of the Audit Committee and Governance Committee;
- a detailed briefing on the role of the director in NFI and other matters by NFI's general counsel including a briefing on the legal duties and obligations required of a director of a publicly-held company;
- a detailed briefing on NFI and its business by the CEO, CFO and other members of the ELT, as determined by the Board Chair and the CEO from time to time, including a discussion of NFI's key products and operations; and
- a tour of one of NFI's manufacturing facilities.

The orientation program is reviewed regularly by the Governance Committee in connection with new appointments.

All of the Directors have attended (and arrangements have been made with Messrs. Barclay and Scannell to attend prior to the Meeting) NFI's corporate headquarters and the New Flyer and MCI production facilities in Winnipeg, Manitoba.

In March 2025, all of the Directors visited the MCI training facilities and the NFI Parts operations in Louisville, Kentucky and the KMG parts fabrication facility in Shepherdsville, Kentucky. In November 2025, all of the Directors (other than Ms. Walker-Ford) visited MCI's Service Center located in Des Plaines, Illinois. Also in November 2025, Messrs. Robertson, Edwards and Aziz and Meses. Saint-Laurent and Winter visited ARBOC's production facility in Middlebury, Indiana.

These visits are important to help the Directors understand the production, operations, labour and other factors that are key drivers to NFI's success.

NFI has a continuing education program for its Directors, for which the Governance Committee is responsible. The program was developed to help Directors maintain or enhance their skills and abilities, and to update their knowledge and understanding of the company and its industry. The key components of the program include:

- *Regular briefings.* Directors are briefed regularly (and at least on a quarterly basis) on strategic issues affecting NFI, and these briefings include reviews of the competitive environment, NFI's performance relative to its peers, and any other developments that could materially affect NFI's business such as the government funding of transit agencies in Canada and the United States. The briefings are conducted by the CEO, CFO and other members of the ELT, as well as external advisors to NFI.
- *Seminars, conferences and other industry events.* Directors are also encouraged to participate in external education seminars at NFI's expense that are relevant to their role on the Board or Board committees. As part of the continuing education program, NFI provides Directors with a list of the principal education activities that are aimed at the transit industry and the role of a director of a public company. Directors are also encouraged to participate in education activities relating to ethical issues for directors generally as well as those ethical issues that may be specific to the transit industry. Directors are encouraged to suggest educational topics of interest in which they would like to enhance their understanding. Three of the ten proposed nominees for Director are also members of the Institute of Corporate Directors and have graduated from the Institute's Directors' Education Program.
- *Presentations by subject matter experts.* External advisors and consultants also make presentations from time to time to the Directors regarding various industry and corporate

governance issues. In 2025, Deloitte made a presentation regarding the use of artificial intelligence by companies.

9. Ethical Business Conduct

The Directors have adopted and subsequently amended a written code of conduct and ethics for NFI (the “Code”), which constitutes written standards that are designed to promote integrity and to deter wrongdoing. The Code addresses the following issues:

- conflicts of interest, including transactions and agreements in respect of which a Director or executive officer has a material interest;
- protection and proper use of corporate property and opportunities;
- confidentiality of undisclosed corporate information;
- fair dealing with suppliers, competitors and employees of NFI;
- compliance with laws, rules and regulations; and
- reporting of any illegal, unethical or fraudulent behaviour.

To ensure the Directors exercise independent judgment in considering transactions, agreements or decisions in respect of which a Director or executive officer has a material interest, the Directors follow a practice whereby any such Director must be absent during any Board discussion pertaining thereto and not cast a vote on any such matter.

The Directors are responsible for monitoring compliance with the Code, as well as NFI’s Whistleblower Policy. Any person can report complaints or concerns, which may be submitted on an anonymous and confidential basis, arising from infractions of these two policies through an independently operated ethics reporting hotline and website or directly to the chairperson of the Audit Committee.

Management will prepare reports for the Audit Committee, noting any alleged violations of the Code, on a quarterly basis. The Audit Committee will update the Board on a quarterly basis regarding compliance with the Code, and will report any alleged violations to the Board as necessary. The Audit Committee is also notified of any alleged violations of the Code relating to accounting, internal controls or auditing matters. The Governance Committee, in consultation with the Board, reviews the process for administering the Code every year.

The Board believes that providing a procedure for employees and officers to raise concerns about ethical conduct on an anonymous and confidential basis fosters a culture of ethical conduct within NFI and its subsidiaries and affiliates. NFI requires that Directors and officers annually certify they have complied with the Code. To date, NFI has not been required to file a material change report relating to a departure from the Code.

The Code, Anti-Corruption Policy and Whistleblower Policy are posted on NFI’s website www.nfigroup.com and is also available on SEDAR+ at www.sedarplus.ca

10. Diversity Policy

The Board recognizes the importance and benefit of having a board of directors and senior management of the Company comprised of highly talented and experienced individuals who have diverse backgrounds and who reflect the Company’s stakeholders, including its customers and employees, and the changing demographics of the communities in which the Company operates. The Board further recognizes the importance of increasing the number of gender diverse individuals and individuals from other equity-

deserving groups, including those who identify as racialized, black, people of colour, people with disabilities (including invisible and episodic disabilities) and indigenous peoples serving on boards of directors and in senior management positions. The Board believes such diversity promotes better corporate governance and oversight of the Company's talent management processes.

NFI has adopted a written diversity policy relating to the identification and nomination of (i) gender diverse individuals, and (ii) individuals from other equity-deserving groups, serving on the Board or being appointed as executive officers. The ultimate objective of the policy is to increase diversity on the Board and in senior management positions. The policy has been designed to be complementary to the existing measures the Company has in place to promote Board and management effectiveness, including regular evaluation processes, skills/needs assessments and, in the case of the Board, an evergreen list of candidates, term limits and mandatory retirement. These matters are discussed in more detail in the "Compensation Discussion and Analysis" and "Statement of Corporate Governance Practices" sections of this Information Circular.

The diversity policy (i) expresses the Company's commitment to gender, age, ethnicity and other forms of diversity on the Board and in senior management, and (ii) requires the Governance Committee (and, in the case of executive officer positions, the CEO) to consider and make recommendations to the Board in respect of potential strategies for identifying and attracting diverse Board and executive officer candidates, such as methods for (a) leveraging industry contacts, and (b) encouraging referrals from internal and external sources. The above strategies will complement the Board's existing recruitment efforts which include maintaining an evergreen list of Board candidates, which includes several highly qualified diverse candidates.

The Governance Committee Charter, in respect of the recruitment of Directors, expresses the Governance Committee's commitment to adhere to the principles set out in the diversity policy. An annual evaluation of the diversity policy is conducted by the chairperson of the Governance Committee and the Board Chair (as described below). These measures are complementary to the Company's existing Board evaluation processes and skills assessments, as discussed in more detail on page 71 of this Information Circular. Annually, the Chairs of the Governance Committee and the Board evaluate the effectiveness of the diversity policy, report back to the Board and recommend any changes to the policy to improve its effectiveness.

The Board considers gender and other diverse representation through the activities of the Governance Committee and the Company in implementing the diversity policy as described above and, as required, by considering the advice of an external search firm, with the ultimate mandate to balance the following objectives: increasing diversity, maintaining flexibility to effectively address succession planning, and ensuring that the Company continues to attract and retain highly qualified individuals to serve on the Board and in senior management roles.

Three of the ten members of the Board who are nominees at the Meeting (excluding the non-independent Mr. Sapp) are female, representing 33%. Two of the Directors have self-identified as persons of equity-deserving groups, representing 22% of the Board (excluding the non-independent Mr. Sapp).

The reporting structure of NFI is divided into four separate organizational units consisting of the Bus and Coach Manufacturing, International Business, the Aftermarket Parts Business and the Central Group. Within each unit there are several ELT members who report to the respective business unit President (the executives in the Central Group report directly to the CEO). As of the date of this Information Circular, there are 35 members comprising NFI's ELT, of which 14% are female and 6% represent equity-deserving groups. Although changes in organizational headcount due to restructuring, acquisitions, and workforce adjustments may impact year-over-year numbers, NFI has instituted action-oriented programs focused on training, workforce development, and actions designed to improve diversity, inclusion, and representation.

The Board has also adopted targets of 50% gender diverse individuals and 30% of individuals from other equity deserving groups for the Board and senior management and believes that any candidate should not be chosen nor excluded solely or largely because of gender or other diversity. The Board's primary

selection of an executive officer candidate will be based on the candidate's skills, expertise and background that would complement the existing management team.

11. Succession of Directors and Compensation

The Board has appointed the Governance Committee composed entirely of independent Directors.

The Governance Committee charter establishes the Governance Committee's purpose, responsibilities, member qualifications, appointment and removal, structure and powers and manner of reporting to the Board. In addition, the Governance Committee has the authority to engage and compensate any outside advisor as it considers necessary to permit it to carry out its duties.

The Governance Committee, which is comprised entirely of independent Directors, is responsible for identifying individuals qualified to become new Directors and recommending to the Directors the new Director nominees. As part of its succession planning and review process, the Governance Committee considers the qualities and skills that the Board, as a whole, should have and assesses the competencies and skills of the current Directors. Based on the talent already represented on the Board, the Governance Committee then identifies the specific skills, personal qualities or experiences that a director candidate should possess in light of the opportunities and risks facing NFI.

Potential candidates are screened to ensure that they possess the requisite qualities, including integrity, business judgment and experience, industry, business or professional expertise, independence from management, financial literacy, excellent communications skills and the ability to work well with the Board and management. The Governance Committee considers the existing commitments of a potential candidate to ensure that such candidate will be able to fulfill his or her obligations as a member of the Board.

The Governance Committee maintains a list of potential director candidates for its future consideration and will engage outside advisors to assist in identifying potential candidates, when appropriate. The Governance Committee will also consider recommendations for nominees submitted by NFI's shareholders.

The Governance Committee is also responsible for:

- making recommendations to the Directors with respect to the adoption and amendment of executive incentive compensation plans and equity-based plans;
- approving the compensation of senior executives in light of the compensation paid to senior executives in comparable organizations;
- reviewing and approving the corporate goals and objectives that are relevant to the CEO's compensation and evaluating the CEO's performance in meeting those goals and objectives; and
- reviewing executive compensation disclosure before it is publicly released.

For more information on the process by which the Board and the Governance Committee determine compensation, see the "Compensation Discussion and Analysis" section above.

12. Other Board of Directors Committees

The Board formed the Operations and Technology Committee ("**OT Committee**") in mid-2023. The OT Committee is responsible for providing oversight and guidance to management in operational areas of the business, including organization, business unit and functional structure; monitoring and assessment of key performance, supply and operating metrics; reviewing principal operating methodologies and policies of the

businesses (such as LEAN manufacturing) and reviewing NFI's technology roadmap, new product development and technical project management approach, scope and capability. The OT Committee also reviews and recommends to the Board the businesses' requests for material capital expenditures relating to operational and technology projects.

NFI has no board of directors committees other than the Audit Committee, Governance Committee and OT Committee.

13. Assessments

The Board conducts an annual assessment of the effectiveness of the performance and effectiveness of the Board. The results of the evaluation are analyzed and reviewed by members of the Governance Committee and the Board, who consider whether any changes to the Board's processes, composition or committee structure are appropriate. Additionally, senior management is advised of any suggestions made by Directors for enhancement of processes to support the work of the Board. Assessment of individual board members involves Directors participating in an annual written peer review to assess individual Directors on the Board and attributes that contribute to an effective Board. This consists of both an evaluation of each Director's peers and a self-evaluation which are based on a survey and questionnaire approved by the Board. The written peer evaluation process is complemented with one-on-one discussions between the Board Chair and each Director. In addition, each committee annually evaluates its effectiveness in carrying out the duties specified in its charter. The results are reviewed by the members of each committee who consider whether any changes to its structure or charter may be appropriate.

14. Shareholder Engagement

The Board recognizes the importance to have regular and constructive engagement directly with NFI's shareholders to allow and encourage shareholders to express their views on governance matters directly to the Board outside of the annual meetings. Shareholders who wish to provide comments to or ask questions of the Directors can do so by sending inquiries via email to: Chairperson@nfigroup.com.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

NFI has obtained a policy of insurance for Directors and officers of NFI, and for the directors and officers of NFI's subsidiaries. Under the policy, each entity has reimbursement coverage to the extent that it has indemnified directors and officers. The policy includes securities claims coverage, insuring against any legal obligation to pay on account of any securities claims brought against NFI and any of its subsidiaries. The total annual premium for such insurance is approximately CAD\$409,000, no part of which is payable by any Director or officer of NFI or any of NFI's subsidiaries. The initial aggregate limit of liability coverage applicable to the insured directors and officers is CAD\$150 million, with a CAD\$1,000,000 deductible per occurrence. The total limit of liability coverage will be shared among NFI and its subsidiaries and their respective directors and officers so that the limit of liability coverage will not be exclusive to any one of the entities or their respective directors and officers.

The by-laws of NFI and certain of its subsidiaries provide for the indemnification, to the extent permitted by applicable law, of each of their respective directors and officers from and against liability and costs in respect of any action or suit brought against them in connection with the execution of their duties of office.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Directors, and except as described elsewhere in this Information Circular (see page 7), as of the date of this Information Circular, no Director (including Messrs. Barclay and Scannell) nor officer and no person or company beneficially owning, directly or indirectly, or exercising control or direction over, Common Shares carrying more than 10% of the voting rights attached to the Common Shares, nor any associates or affiliates of the foregoing, had any material interest in any transactions involving the Company since the commencement of the 2025 fiscal year or in any proposed transactions involving the Company which has materially affected or would materially affect the Company or any of its subsidiaries.

ADDITIONAL INFORMATION

Financial information for the fiscal year ended December 28, 2025, is provided in NFI's financial statements and the associated MD&A. Shareholders who wish to be added to the mailing list for the annual and interim financial statements and MD&A should contact the Corporate Secretary of NFI at 711 Kernaghan Avenue, Winnipeg, Manitoba R2C 3T4. Shareholders may also wish to provide comments to or ask questions of the Directors by sending inquiries via email to: Chairperson@nfigroup.com.

Copies of NFI's current AIF, together with one copy of any document, or the pertinent pages of any document, incorporated by reference in the current AIF; NFI's most recently filed annual financial statements, together with the accompanying report of the auditor, and any interim financial statements of NFI that have been filed for any period after the end of NFI's most recently completed financial year; and this Information Circular are available to anyone, upon request, from the Corporate Secretary of NFI, and without charge to Shareholders.

The financial statements, MD&A, the AIF and other information relating to NFI are also available at www.sedarplus.ca.

DIRECTORS' APPROVAL

The contents of this Information Circular and its sending to Shareholders have been approved by the Directors.

BY ORDER OF THE BOARD OF DIRECTORS

By: “Colin Robertson”

Colin Robertson
Chair of the Board of Directors

March 20, 2026

Schedule “A”

RESOLUTION TO CONTINUE, AMEND AND RESTATE SHAREHOLDER RIGHTS PLAN

BE IT RESOLVED THAT:

1. The shareholder rights plan of NFI Group Inc. (“NFI”) be continued, amended and restated and the Fifth Amended and Restated Rights Plan in the form substantially set forth in Exhibit “A” to the management information circular of NFI dated March 20, 2026, which amends and restates the fourth amended and restated shareholder rights plan agreement dated May 4, 2023 between NFI and Computershare Investor Services Inc., as rights agent (the “Rights Plan”), and continues the rights issued under the Rights Plan is hereby approved.

2. Any one director or officer of NFI is hereby authorized and directed for and in the name of and on behalf of NFI to execute, or to cause to be executed, whether under the corporate seal of NFI or otherwise, and to deliver or cause to be delivered all such other documents and instruments, and to do or cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to give effect to this resolution, including, without limitation, compliance with all securities laws and regulations.

Exhibit "A"

Shareholder Rights Plan

Blackline of the Fifth Amended and Restated Rights Plan against the Rights Plan

**~~FOURTH~~FIFTH AMENDED AND RESTATED
SHAREHOLDER RIGHTS PLAN AGREEMENT**

between

NFI GROUP INC.

and

**COMPUTERSHARE INVESTOR SERVICES INC.
as Rights Agent**

(amending and restating the ~~Third~~Fourth Amended and Restated
Shareholder Rights Plan Agreement dated as of May ~~74, 2020~~2023)

Dated as of May ~~48, 2023~~2026

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Schedule A

Form of Rights Certificate
Form of Election to Exercise
Form of Assignment

~~FOURTH~~FIFTH AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN AGREEMENT

THIS AGREEMENT is dated as of May ~~48, 2023~~2026

BETWEEN:

NFI GROUP INC., a corporation incorporated under the laws of Ontario
(the “**Corporation**”)

AND:

COMPUTERSHARE INVESTOR SERVICES INC., a company existing under the laws of Canada
(the “**Rights Agent**”)

WHEREAS:

A. The ~~third~~fourth amended and restated shareholder rights plan agreement entered into by the Corporation and the Rights Agent as of May ~~74, 2020~~2023 terminates if it is not reconfirmed by a resolution passed by a majority of the votes cast by Independent Shareholders who vote in respect of such reconfirmation at every third annual meeting of the Corporation.

B. The Board has determined that it is advisable and in the best interests of the Corporation to continue to have in place a shareholder rights plan by adopting a ~~fourth~~fifth amended and restated shareholder rights plan agreement as provided herein (the “**Rights Plan**”) to ensure, to the extent possible, that the Corporation has sufficient time to properly develop and pursue alternatives that could maximize value for shareholders and to ensure that shareholders of the Corporation are treated fairly in connection with any take-over offer for the Corporation or other acquisition of control of the Corporation.

C. The amendments contemplated by this ~~Fourth~~Fifth Amended and Restated Shareholder Rights Plan Agreement shall take effect immediately upon receipt of approval at the next annual meeting (or annual and special meeting, as the case may be) of the Corporation by way of a resolution passed by a majority of the votes cast by Independent Shareholders.

D. In order to continue the implementation of the Rights Plan, the Board has:

- (i) confirmed the issuance on the Effective Date of one right (a “**Right**”) in respect of each Share outstanding at the Record Time;
- (ii) confirmed its authorization of the issuance of one Right in respect of each Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time; and

- (iii) confirmed its authorization of the issuance of Rights Certificates to holders of Rights pursuant to the terms and subject to the conditions set forth herein.

E. Each Right entitles the holder thereof, after the Separation Time, to purchase securities of the Corporation pursuant to the terms and subject to the conditions set forth herein.

F. The Corporation has appointed the Rights Agent to act on behalf of the Corporation, and the Rights Agent is willing to so act, in connection with the issuance, transfer, exchange and replacement of Rights Certificates, the exercise of Rights and other matters referred to herein.

NOW THEREFORE, in consideration of the premises and respective agreements set forth herein, the parties hereby agree as set forth below.

ARTICLE 1 **INTERPRETATION**

1.1 Certain Definitions

For the purposes of this Agreement, including the recitals hereto, the terms set forth below have the meanings indicated.

- (a) **“Acquiring Person”** means any Person who is or becomes the Beneficial Owner of 20% or more of the outstanding Shares, but does not include:
 - (i) the Corporation or any Subsidiary of the Corporation;
 - (ii) any Person who becomes the Beneficial Owner of 20% or more of the outstanding Shares as a result of one or any combination of:
 - (A) a Share Reduction;
 - (B) a Permitted Bid Acquisition;
 - (C) an Exempt Acquisition;
 - (D) a Pro Rata Acquisition; or
 - (E) a Convertible Security Acquisition,

provided, however, that if a Person becomes the Beneficial Owner of 20% or more of the outstanding Shares by reason of one or more or any combination of a Share Reduction, a Permitted Bid Acquisition, an Exempt Acquisition, a Pro Rata Acquisition or a Convertible Security Acquisition, and thereafter such Person, while such Person is the Beneficial Owner of 20% or more of the Shares then outstanding, becomes the Beneficial Owner of more than 1.0% of the number of Shares then

outstanding in addition to those Shares such Person already holds (otherwise than pursuant to a Share Reduction, a Permitted Bid Acquisition, an Exempt Acquisition, a Pro Rata Acquisition or a Convertible Security Acquisition or any combination thereof), then, as of the date that such Person becomes a Beneficial Owner of such additional Shares, such Person shall become an **“Acquiring Person”**;

- (iii) for the period of 10 days after the Disqualification Date (as hereinafter defined), any Person who becomes the Beneficial Owner of 20% or more of the outstanding Shares as a result of such Person becoming disqualified from relying on Section 1.1(e)(ii)(B) where such disqualification results solely because such Person is making or has announced a current intention to make a Take-over Bid, either alone or by acting jointly or in concert with any other Person, unless such disqualified Person during such 10-day period acquires more than 1.0% of the number of Shares then outstanding in addition to those Shares such disqualified Person already holds. For the purposes of this definition, **“Disqualification Date”** means the first date of public announcement that such Person is making or has a current intention to make a Take-over Bid, either alone or by acting jointly or in concert with another Person;
 - (iv) an underwriter or a member of a banking or selling group that becomes the Beneficial Owner of 20% or more of the Shares in connection with a distribution of securities pursuant to an underwriting agreement with the Corporation; or
 - (v) any Person (a **“Grandfathered Person”**) who is the Beneficial Owner of more than 20% of the Shares determined as at the Record Time, provided, however, that this exception shall not, and shall cease to, apply if, after the Record Time, the Grandfathered Person (A) ceases to own more than 20% of the outstanding Shares, or (B) becomes the Beneficial Owner of more than an additional 1.0% of the number of Shares then outstanding in addition to those Shares such Person held as of the Record Time (otherwise than pursuant to a Share Reduction, a Permitted Bid Acquisition, an Exempt Acquisition, a Pro Rata Acquisition or a Convertible Security Acquisition or any combination thereof).
- (b) **“Affiliate”**, when used to indicate a relationship with a specified Person, means a Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person.
- (c) **“Agreement”** means this ~~fourth~~fifth amended and restated shareholder rights plan agreement, as the same may be amended or supplemented from time to time.
- (d) **“Associate”**, when used to indicate a relationship with a specified individual, means any relative of such specified individual who has the same home as such specified individual, or any individual to whom such specified individual is

married, or any individual with whom such specified individual is living in a conjugal relationship outside marriage, or any relative of such spouse or other individual who has the same home as such specified individual.

- (e) (i) A Person shall be deemed the “**Beneficial Owner**” of, and to have “**Beneficial Ownership**” of, and to “**Beneficially Own**”:
 - (A) any securities of which such Person or any of such Person’s Affiliates or Associates is the owner at law or in equity;
 - (B) any securities of which such Person or any of such Person’s Affiliates or Associates has the right to become the owner at law or in equity within 60 days (where such right is exercisable within a period of 60 days, whether or not upon conditions or subject to the occurrence of a contingency or the making of one or more payments) upon the exercise of any conversion right, exchange right, share purchase right (other than the Rights), warrants or options or pursuant to any agreement, arrangement, pledge or understanding, whether or not in writing, other than:
 - (1) customary agreements with and between underwriters and banking group or selling group members with respect to a distribution of securities; and
 - (2) pledges of securities in the ordinary course of the pledgee’s business; and
 - (C) any securities that are Beneficially Owned within the meaning of Section 1.1(e)(i)(A) or 1.1(e)(i)(B) by any other Person with which such Person is acting jointly or in concert.
- (ii) Notwithstanding the provisions of Section 1.1(e)(i), a Person shall not be deemed the “**Beneficial Owner**” of, or to have “**Beneficial Ownership**” of, or to “**Beneficially Own**”, any security because:
 - (A) (1) the holder of such security has agreed to deposit or tender such security to a Take-over Bid made by such Person or any of such Person’s Affiliates or Associates or any other Person referred to in Section 1.1(e)(i)(C) pursuant to a Permitted Lock-up Agreement; or
 - (2) such security has been deposited or tendered pursuant to a Take-over Bid made by such Person or any of such Person’s Affiliates or Associates or made by any other Person acting jointly or in concert with such Person until such deposited or tendered security has been taken up;

(B) such Person, any Affiliate or Associate of such Person or any other Person acting jointly or in concert with such Person holds such security; provided that:

- (1) the ordinary business of such Person (the “**Portfolio Manager**”) includes the management or administration of investment funds or mutual funds for other Persons and such security is held by the Portfolio Manager in the ordinary course of such business in the performance of the Portfolio Manager’s duties for the account of any other Person (a “**Client**”), including non-discretionary accounts held on behalf of a Client by a broker or dealer registered under applicable law;
- (2) such Person (the “**Trust Company**”) is licensed to carry on the business of a trust company under applicable laws and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons (each, an “**Estate Account**”) or in relation to other accounts (each, an “**Other Account**”) and holds such security in the ordinary course of such duties for such Estate Accounts or for such Other Accounts;
- (3) such Person (the “**Crown Agent**”) is established by statute for purposes that include, and the ordinary business or activity of such Person includes, the management of investment funds for employee benefit plans, pension plans, insurance plans, or various public bodies; or
- (4) such Person (the “**Plan Administrator**”) is the administrator or the trustee of one or more pension funds or plans registered under the laws of Canada or the United States of America or any province, territory or state thereof (each, a “**Plan**”), or is a Plan;

provided, however, that in any of the foregoing cases, the Portfolio Manager, the Trust Company, the Crown Agent, the Plan Administrator or the Plan, as the case may be, is not then making or has not then announced an intention to make a Take-over Bid, alone or by acting jointly or in concert with any other Person, other than an Offer to Acquire Shares or other securities pursuant to a distribution by the Corporation, or a Permitted Bid or by means of ordinary market transactions (including pre-arranged trades entered into in the ordinary course of business of such Person) executed through the facilities of a stock exchange or organized over-the-counter market in respect of securities of the Corporation;

- (C) such Person is a Client of the same Portfolio Manager as another Person on whose account the Portfolio Manager holds such security, or because such Person is an Estate Account or an Other Account of the same Trust Company as another Person on whose account the Trust Company holds such security or because such Person is a Plan with the same Plan Administrator as another Plan on whose account the Plan Administrator holds such security;
- (D) such Person is a Client of a Portfolio Manager and such security is owned at law or in equity by the Portfolio Manager or because such Person is an Estate Account or an Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company or such Person is a Plan and such security is owned at law or in equity by the Plan Administrator of such Plan;
or
- (E) such Person is the registered holder of securities as a result of carrying on the business, or acting as a nominee, of a securities depository.

For the purposes of this Agreement, in determining the percentage of the outstanding Shares with respect to which a Person is or is deemed to be the Beneficial Owner, any unissued Shares as to which such Person is deemed the Beneficial Owner pursuant to this Section 1.1(e) shall be deemed outstanding.

- (f) “**Board**” means the board of directors of the Corporation and any duly constituted and empowered committee thereof authorized by the Board to act on its behalf hereunder.
- (g) “**Business Corporations Act**” means the *Business Corporations Act* (Ontario), as amended and the regulations thereunder, as now in effect or as the same may from time to time be amended, re-enacted or replaced.
- (h) “**Business Day**” means any day, other than a Saturday or Sunday or a day on which banking institutions in Toronto, Ontario are authorized or obligated by law to close.
- (i) “**Close of Business**” on any given date means the time on such date (or, if such date is not a Business Day, the time on the next Business Day) at which the principal office of the transfer agent for the Shares in Toronto, Ontario (or, after the Separation Time, the principal office of the Rights Agent in Toronto, Ontario) is closed to the public.
- (j) “**Closing Price**” per security of any securities on any date of determination means:
 - (i) the closing board lot sale price or, if such price is not available, the average of the closing bid and asked prices, for each of such securities as

reported by the principal stock exchange or national securities quotation system on which such securities are listed or admitted to trading (provided that, if at the date of determination such securities are listed or admitted to trading on more than one stock exchange or national securities quotation system, then such price or prices shall be determined based upon the stock exchange or quotation system on which such securities are then listed or admitted to trading on which the largest number of such securities were traded during the most recently completed calendar year);

- (ii) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a stock exchange or a national securities quotation system, then the last sale price, or in case no sale takes place on such date, the average of the high bid and low asked prices for each of such securities in the over-the-counter market, as quoted by any reporting system then in use; or
- (iii) if for any reason none of such prices is available on such day or the securities are not listed or admitted to trading on a stock exchange or a national securities quotation system or quoted by any such reporting system, then the average of the closing bid and asked prices as furnished by a professional market maker making a market in the securities selected in good faith by the Board,

provided that, if for any reason none of such prices are available on such date, then the “**Closing Price**” per security of such securities on such date shall mean the fair value per security of the securities on such date as determined by a nationally or internationally recognized investment dealer or investment banker selected in good faith by the Board with respect to the fair value per security of such securities.

(k) “**Competing Permitted Bid**” means a Take-over Bid that:

- (i) is made after a Permitted Bid or another Competing Permitted Bid has been made and prior to the expiry of such Permitted Bid or Competing Permitted Bid;
- (ii) satisfies all components of the definition of a Permitted Bid other than the requirement set forth in Section 1(kk)(ii)(A)(1); and
- (iii) contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, irrevocable and unqualified conditions that:
 - (A) no Shares and/or Convertible Securities shall be taken up or paid for pursuant to such Take-over Bid prior to the Close of Business on a date that is no earlier than the later of:

- (1) the last day on which the Take-over Bid must be open for acceptance after the date of that Take-over Bid under NI 62-104; and
 - (2) the earliest date on which Shares and/or Convertible Securities may be taken up or paid for under any other Permitted Bid or Competing Permitted Bid that preceded the Competing Permitted Bid that is then outstanding for the Shares and/or Convertible Securities,
- (B) at the time Shares and/or Convertible Securities shall be first taken up or paid for, more than 50% of the then outstanding Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-over Bid and have not been withdrawn; and
- (C) if the requirement set forth in Section 1(k)(iii)(B) is satisfied, the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Shares and/or Convertible Securities for not less than 10 Business Days from the date of such public announcement,

provided that, should a Competing Permitted Bid cease to be a Competing Permitted Bid because it ceases to meet any of the requirements mentioned above prior to the time it expires (after giving effect to any extension) or is withdrawn, then any acquisition of Shares and/or Convertible Securities made pursuant to such Competing Permitted Bid, including any acquisition of Shares and/or Convertible Securities made prior to such time, shall not be a Permitted Bid Acquisition.

- (l) **“Controlled”**: an entity is “controlled” by another Person or two or more Persons acting jointly or in concert if:
- (i) in the case of a specified Person that is a body corporate, securities entitled to vote in the election of directors carrying more than 50% of the votes for the election of directors are held, directly or indirectly, by or for the benefit of the other Person or two or more Persons acting jointly or in concert; and the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of such body corporate;
 - (ii) in the case of a specified Person that is a partnership, other than a limited partnership, that does not have directors, the other Person holds more than 50% of the interests in the partnership;
 - (iii) in the case of a specified Person that is a limited partnership, the other Person is the general partner of the limited partnership; or

- (iv) in the case of any other specified Person, the other Person holds more than 50% of the voting or equity interest of such specified Person;

and “**controls**”, “**controlling**” and “**under common control with**” shall be interpreted accordingly.

- (m) “**Convertible Security**” means a security issued from time to time by the Corporation (other than the Rights) that is convertible or exchangeable into a Share (which, for greater certainty, includes the Debentures) and a “**Convertible Security Acquisition**” means an acquisition by a Person of Shares upon the exercise, conversion or exchange of Convertible Securities received by a Person pursuant to a Permitted Bid Acquisition, an Exempt Acquisition or a Pro Rata Acquisition.
- (n) “**Co-Rights Agents**” has the meaning ascribed thereto in Section 4.1.1.
- (o) “**Debentures**” means the 5.0% unsecured convertible debentures of the Corporation due January 15, 2027.
- (p) “**Disposition Date**” has the meaning ascribed thereto in Section 5.1.2.
- (q) “**Dividend Reinvestment Acquisition**” means an acquisition of Shares pursuant to a Dividend Reinvestment Plan.
- (r) “**Dividend Reinvestment Plan**” means a regular dividend reinvestment or other plan of the Corporation made available by the Corporation to holders of Shares where such plan permits the holder to direct that some or all of:
 - (i) dividends on the Shares;
 - (ii) proceeds of redemption of Shares;
 - (iii) interest paid on evidences of indebtedness of the Corporation; or
 - (iv) optional cash payments;be applied to the purchase of Shares.
- (s) “**Effective Date**” means August 29, 2011.
- (t) “**Election to Exercise**” has the meaning ascribed thereto in Section 2.2.4(b).
- (u) “**Exchange**” means the Toronto Stock Exchange and any other exchange or market on which the Shares may, from time to time, be listed or quoted for trading.
- (v) “**Exempt Acquisition**” means an acquisition of Shares:

- (i) in respect of which the Board has waived the application of Section 3.1 pursuant to Sections 5.1.2, 5.1.4, 5.1.5 or 5.1.6;
 - (ii) pursuant to a distribution by the Corporation of Shares or Convertible Securities (and the conversion or exchange of such securities) (A) to the public pursuant to a prospectus or similar document, provided that the purchaser does not thereby become the Beneficial Owner of a greater percentage of Shares so offered than the percentage of Shares Beneficially Owned by such Person immediately prior to such distribution, or (B) by way of private placement, provided that all necessary stock exchange approvals for the distribution have been obtained and the distribution complies with the terms and conditions of those approvals and the purchaser does not become the Beneficial Owner of more than 25% of the Shares outstanding immediately prior to the distribution (and in making this determination, the securities to be issued to that purchaser pursuant to the distribution will be deemed to be held by that purchaser but will not be included in the aggregate number of outstanding Shares immediately prior to the distribution);
 - (iii) pursuant to an amalgamation, merger or other statutory procedure requiring shareholder approval; or
 - (iv) pursuant to a Dividend Reinvestment Plan.
- (w) “**Exercise Price**” means the price at which a holder of a Right may purchase the securities issuable upon exercise of one whole Right and, until adjustment thereof in accordance with the terms hereof, the Exercise Price shall be \$200.00.
- (x) “**Expansion Factor**” has the meaning ascribed thereto in Section 2.3.2(i)(A).
- (y) “**Expiration Time**” means the earlier of:
- (i) the Termination Time; and
 - (ii) the date of termination of this agreement pursuant to Section 5.9 or 5.10.
- (z) “**Fiduciary**” means a trust company registered under the trust company legislation of Canada or any province or territory thereof, a trust company organized under the laws of any state of the United States, a portfolio manager registered under the securities legislation of one or more provinces or territories of Canada or an investment adviser registered under the United States *Investment Advisers Act of 1940*, as amended, or any other securities legislation of the United States or any state of the United States.
- (aa) “**Flip-in Event**” means a transaction or event in or pursuant to which any Person becomes an Acquiring Person.

- (bb) “**Grandfathered Person**” has the meaning ascribed thereto in Section 1.1(a)(v).
- (cc) “**holder**” has the meaning ascribed thereto in Section 2.8.
- (dd) “**Independent Shareholders**” means holders of outstanding Shares, other than any:
 - (i) Acquiring Person;
 - (ii) Offeror other than a Person who at the relevant time is deemed not to Beneficially Own such Shares by reason of Section 1.1(e)(ii)(B);
 - (iii) Affiliate or Associate of such Acquiring Person or Offeror;
 - (iv) Person acting jointly or in concert with such Acquiring Person or Offeror; or
 - (v) Person who is a trustee or administrator of any employee benefit plan, stock purchase plan, deferred profit sharing plan or any similar plan or trust for the benefit of employees of the Corporation or a Subsidiary of the Corporation, unless the beneficiaries of such plan or trust direct the manner in which the Shares are to be voted or withheld from voting or direct whether or not the Shares are to be tendered to a Take-over Bid.
- (ee) “**Market Price**” per security of any securities on any date of determination means the average of the daily Closing Prices per security of such securities on each of the 20 consecutive Trading Days through and including the Trading Day immediately preceding such date of determination; provided, however, that if an event of a type analogous to any of the events described in Section 2.3 shall have caused any Closing Price used to determine the Market Price on any Trading Day not to be fully comparable with the Closing Price on the Trading Day immediately preceding such date of determination, each such Closing Price so used shall be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 in order to make it fully comparable with the Closing Price on the Trading Day immediately preceding such date of determination.
- (ff) “**Meeting**” means the annual ~~general~~ meeting of Shareholders of the Corporation to be held on May ~~48, 2023~~2026 or any postponement or adjournment thereof.
- (gg) “**NI 62-104**” means National Instrument 62-104 - *Take-Over Bids and Issuer Bids*.
- (hh) “**Nominee**” has the meaning ascribed thereto in Section 2.2.3.
- (ii) “**Offer to Acquire**” shall include:
 - (i) an offer to purchase or a solicitation of an offer to sell Shares or Convertible Securities or any combination of Shares and Convertible

Securities or a public announcement of an intention to make such an offer or solicitation; and

- (ii) an acceptance of an offer to sell Shares or Convertible Securities or any combination of Shares and Convertible Securities, whether or not such offer to sell has been solicited,

or any combination thereof, and the Person accepting an offer to sell shall be deemed to be making an Offer to Acquire to the Person that made the offer to sell.

- (jj) **“Offeror”** means a Person who has publicly announced and not withdrawn a current intention to make, or who has made and not withdrawn, a Take-over Bid.

- (kk) **“Offeror’s Securities”** means the aggregate of the Shares Beneficially Owned on the date of a Take-over Bid by an Offeror.

- (ll) **“Permitted Bid”** means a Take-over Bid made by way of a Take-over Bid circular at the time the bid was made or the intention to make the bid was announced and which also complies with the following additional provisions:

- (i) the Take-over Bid is made to all holders of Shares of record and in the book-based system at the time the bid was made or the intention to make the bid was announced, other than the Offeror; and

- (ii) the Take-over Bid contains, and the take-up and payment for securities tendered or deposited thereunder are subject to, irrevocable and unqualified conditions that:

- (A) no Shares and/or Convertible Securities shall be taken up or paid for pursuant to the Take-over Bid:

- (1) prior to the Close of Business on a date which is not earlier than 105 days following the date of the Take-over Bid, or such shorter minimum period that a take-over bid (that is not exempt from any of the requirements of Division 5 (Bid Mechanics) of NI 62-104) must remain open for deposits of securities thereunder, in the applicable circumstances at such time, pursuant to NI 62-104; and

- (2) unless, at the Close of Business on such date, more than 50% of the then outstanding Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-over Bid and have not been withdrawn;

- (B) unless the Take-over Bid is withdrawn, Shares and/or Convertible Securities may be deposited pursuant to such Take-over Bid at any

time prior to the Close of Business on the date of the first take-up of or payment for Shares and/or Convertible Securities;

- (C) any Shares and/or Convertible Securities deposited pursuant to the Take-over Bid may be withdrawn until taken up and paid for; and
- (D) if the requirement set forth in Section 1(~~kk~~ll)(ii)(A)(2) is satisfied, the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Shares and/or Convertible Securities for not less than 10 Business Days from the date of such public announcement,

provided that, should a Permitted Bid cease to be a Permitted Bid because it ceases to meet any of the requirements mentioned above prior to the time it expires (after giving effect to any extension) or is withdrawn, then any acquisition of Shares and/or Convertible Securities made pursuant to such Permitted Bid, including any acquisition of Shares and/or Convertible Securities made prior to such time, shall not be a Permitted Bid Acquisition. The term “**Permitted Bid**” shall include a Competing Permitted Bid.

- (mm) “**Permitted Bid Acquisition**” means an acquisition of Shares and/or Convertible Securities made pursuant to a Permitted Bid or a Competing Permitted Bid.
- (nn) “**Permitted Lock-up Agreement**” means an agreement between a Person and one or more holders of Shares and/or holders of Convertible Securities (each, a “**Locked-up Person**”), the terms of which are publicly disclosed and a copy of which is made available to the public, including the Corporation, not later than the date the Lock-up Bid (as defined below) is publicly announced or, if the Lock-up Bid has been made prior to the date on which such agreement is entered into, not later than the date of such agreement, and if such date is not a Business Day, the next Business Day, pursuant to which each Locked-up Person agrees to deposit or tender Shares and/or Convertible Securities to a Take-over Bid (the “**Lock-up Bid**”) made or to be made by the Person, any of such Person’s Affiliates or Associates or any other Person acting jointly or in concert with such Person, provided that:
 - (i) the agreement permits any Locked-up Person to terminate its obligation to deposit or tender to or not to withdraw Shares and/or Convertible Securities from the Lock-up Bid in order to tender or deposit the Shares and/or Convertible Securities to another Take-over Bid or support another transaction:
 - (A) where the price or value per Share and/or Convertible Security offered under such other Take-over Bid or transaction is higher than the price or value per Share and/or Convertible Security offered under the Lock-up Bid; or

(B) if:

- (1) the price or value per Share and/or Convertible Security offered under the other Take-over Bid or transaction exceeds by as much as or more than an amount (the “**Specified Amount**”) specified in the agreement the price or value per Share and/or Convertible Security offered under the Lock-up Bid, provided that such Specified Amount is not greater than 7% of the price or value per Share and/or Convertible Security offered under the Lock-up Bid; or
- (2) the number of Shares and/or Convertible Securities to be purchased under the other Take-over Bid or transaction exceeds by as much as or more than a number (the “**Specified Number**”) specified in the agreement the number of Shares and/or Convertible Securities that the Offeror has offered to purchase under the Lock-up Bid at a price or value per Share and/or Convertible Security that is not less than the price or value per Share and/or Convertible Security offered under the Lock-up Bid, provided that the Specified Number is not greater than 7% of the number of Shares and/or Convertible Securities offered to be purchased under the Lock-up Bid,

and, for greater clarity, the agreement may contain a right of first refusal or require a period of delay to give such Person an opportunity to at least match a higher price or value in another Take-over Bid or transaction or other similar limitation on a Locked-up Person’s right to withdraw Shares and/or Convertible Securities from the agreement, so long as the limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Shares and/or Convertible Securities during the period of the other Take-over Bid or transaction; and

- (ii) no “**break-up**” fees, “**top-up**” fees, penalties, expenses or other amounts that exceed in the aggregate the greater of:
 - (A) the cash equivalent of 2.5% of the price or value of the consideration payable under the Lock-up Bid to a Locked-up Person; and
 - (B) 50% of the amount by which the price or value of the consideration payable under another Take-over Bid or transaction to a Locked-up Person exceeds the price or value of the consideration that such Locked-up Person would have received under the Lock-up Bid,

shall be payable by a Locked-up Person pursuant to the agreement in the event a Locked-up Person fails to deposit or tender Shares and/or Convertible Securities to the Lock-up Bid or withdraws Shares and/or Convertible Securities in order to accept the other Take-over Bid or support another transaction.

- (oo) **“Person”** includes any individual, firm, partnership, association, trust, trustee, executor, administrator, legal personal representative, government, governmental body or authority, corporation or other incorporated or unincorporated organization, syndicate or other entity.
- (pp) **“Privacy Laws”** has the meaning attributed thereto in Section 4.6.
- (qq) **“Pro Rata Acquisition”** means an acquisition by a Person of Shares pursuant to:
 - (i) a stock dividend, stock split or other event pursuant to which such Person becomes the Beneficial Owner of Shares on the same pro rata basis as all other holders of Shares of the same class; or
 - (ii) the acquisition, receipt or exercise of rights (other than the Rights) to purchase Shares and/or Convertible Securities distributed to all holders of Shares and/or Convertible Securities (other than holders resident in any jurisdiction where such distribution is restricted or impractical as a result of applicable law) by the Corporation pursuant to a rights offering (but only if such rights are acquired directly from the Corporation),

provided, however, that such Person does not thereby acquire a greater percentage of Shares or of Convertible Securities so offered than such Person’s percentage of Shares Beneficially Owned immediately prior to such acquisition.

- (rr) **“Record Time”** means the Close of Business on the Effective Date.
- (ss) **“Redemption Price”** has the meaning attributed thereto in Section 5.1.1.
- (tt) **“Regular Periodic Cash Dividends”** means cash dividends paid on the Shares at regular intervals in any fiscal year of the Corporation to the extent that such cash dividends do not exceed in the aggregate in any fiscal year, on a per Share basis, the greatest of:
 - (i) \$1.70 per Share;
 - (ii) 200% of the aggregate amount of cash dividends declared payable by the Corporation on its Shares in its immediately preceding fiscal year divided by the number of Shares outstanding as at the end of such fiscal year;
 - (iii) 300% of the arithmetic mean of the aggregate amounts of cash dividends declared payable by the Corporation on its Shares in its three immediately

preceding fiscal years divided by the arithmetic mean of the number of Shares outstanding as at the end of each of such fiscal years; and

- (iv) 100% of the aggregate Adjusted EBITDA of the Corporation for its immediately preceding fiscal year divided by the number of Shares outstanding as at the end of such fiscal year; and for this purpose “**Adjusted EBITDA**” has the meaning attributed thereto in the Corporation’s annual information form for such year.
- (uu) “**Rights**” means the herein described rights to purchase securities pursuant to the terms and subject to the conditions set forth herein.
- (vv) “**Rights Certificate**” means a certificate representing the Rights after the Separation Time which shall be substantially in the form attached hereto as Schedule A.
- (ww) “**Rights Register**” and “**Rights Registrar**” have the respective meanings ascribed thereto in Section 2.6.1.
- (xx) “**Securities Act**” means the *Securities Act* (Ontario), as amended, and the rules and regulations made thereunder, as now in effect or as the same may from time to time be amended, re-enacted or replaced.
- (yy) “**Separation Time**” means:
 - (i) the Close of Business on the tenth Business Day after the earliest of:
 - (A) the Share Acquisition Date;
 - (B) the date of the commencement of, or first public announcement or disclosure of the intention of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence, a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid); and
 - (C) the date upon which a Permitted Bid or Competing Permitted Bid ceases to be a Permitted Bid or a Competing Permitted Bid, as applicable;

provided that, if any Take-over Bid referred to in Section 1(~~xx~~yy)(i)(B) or Section 1(~~xx~~yy)(i)(C) expires or is cancelled, terminated or otherwise withdrawn prior to the Separation Time, such Take-over Bid shall be deemed, for the purposes of this definition, never to have been made, and provided further that if the Board determines, pursuant to Section 5.1.2, 5.1.4, 5.1.5 or 5.1.6, to waive the application of Section 3.1 to a Flip-in Event, then the Separation Time in respect of such Flip-in Event shall be deemed never to have occurred; or

- (ii) such later date as may be determined by the Board in good faith.
- (zz) “**Share Acquisition Date**” means the first date of public announcement or disclosure by the Corporation or an Acquiring Person of facts indicating that a Person has become an Acquiring Person, which, for the purposes of this definition, shall include (without limitation) a report filed pursuant to NI 62-104 announcing or disclosing such information.
- (aaa) “**Share Reduction**” means an acquisition or redemption by the Corporation or a Subsidiary of the Corporation of Shares which, by reducing the number of Shares outstanding, increases the percentage of Shares Beneficially Owned by any Person to 20% or more of the Shares then outstanding.
- (bbb) “**Shareholder**” means a holder of outstanding Shares.
- (ccc) “**Shares**” means the common shares in the capital of the Corporation as presently constituted, as such shares may be subdivided, consolidated, reclassified or otherwise changed from time to time.
- (ddd) “**Subsidiary**” a specified Person is a Subsidiary of another Person if:
 - (i) it is controlled by (A) that other, or (B) that other and one more or Persons, each of which is controlled by that other, or (C) two or more Persons, each of which is controlled by that other; or
 - (ii) it is a Subsidiary of a Person that is that other’s Subsidiary.
- (eee) “**Take-over Bid**” means an Offer to Acquire Shares and/or Convertible Securities, where the securities subject to the Offer to Acquire, together with the Shares into or for which the securities subject to the Offer to Acquire are convertible or exchangeable and the Offeror’s Securities, constitute in the aggregate 20% or more of the outstanding Shares at the date of the Offer to Acquire.
- (fff) “**Termination Time**” means the time at which the right to exercise Rights shall terminate pursuant to Section 5.1.
- (ggg) “**Trading Day**”, when used with respect to any securities, means a day on which the principal Canadian or other securities exchange or securities quotation system (as determined by the Board) on which such securities are listed or admitted to trading is open for the transaction of business or, if the securities are not listed or admitted to trading on any Canadian or other securities exchange or securities quotation system, a Business Day.

1.2 **Currency**

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada, unless otherwise specified.

1.3 **Number and Gender**

Wherever the context requires, terms (including defined terms) used herein importing the singular number only shall include the plural and vice versa and words importing any one gender shall include all others.

1.4 **Sections and Headings**

The division of this Agreement into Articles, Sections and Schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereunder”, “hereof”, and similar expressions refer to this Agreement as amended or supplemented from time to time and not to any particular Article, Section or Schedule or other portion hereof and include any agreement or instrument supplemental or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Schedules are to Articles, Sections and Schedules of or to this Agreement.

1.5 **Statutory References**

Unless the context otherwise requires, any reference to a specific section, subsection, clause or rule of any act or regulation shall be deemed to refer to the same as it may be amended, reenacted or replaced or, if repealed and there shall be no replacement therefor, to the same as it is in effect on the date of this Agreement.

1.6 **Determination of Percentage Ownership**

The percentage of Shares Beneficially Owned by any Person, shall, for the purposes of this Agreement, be and be deemed to be the product (expressed as a percentage) determined by the formula:

$$100 \times \frac{A}{B}$$

where:

A = the aggregate number of votes for the election of all directors generally attaching to the Shares Beneficially Owned by such Person; and

B = the aggregate number of votes for the election of all directors generally attaching to all outstanding Shares.

Where any Person is deemed to Beneficially Own unissued Shares pursuant to Section 1.1(e), such Shares shall be deemed to be outstanding for the purpose of both A and B in the formula

above for such Person, but no other unissued Shares shall, for the purposes of this calculation, be deemed to be outstanding.

1.7 Acting Jointly or in Concert

For the purposes of this Agreement, a Person is acting jointly or in concert with another Person if such first Person has any agreement, arrangement, commitment or understanding, whether formal or informal or written or unwritten, with such other Person, any Affiliate or Associate of such other Person or any other Person acting jointly or in concert with such other Person to acquire or Offer to Acquire Shares or Convertible Securities (other than customary agreements with and between underwriters and banking or selling group members with respect to a distribution of securities and pledges of securities in the ordinary course of business to secure indebtedness).

ARTICLE 2 **THE RIGHTS**

2.1 Legend on Share Certificates

2.1.1 Certificates representing the Shares, including without limitation, Shares issued upon the exercise, conversion or exchange of Convertible Securities, issued after the Record Time but prior to the Close of Business on the earlier of:

- (a) the Separation Time; and
- (b) the Expiration Time,

shall also evidence one Right for each Share represented thereby and shall have impressed on, printed on, written on or otherwise affixed to them the following legend:

“Until the Separation Time (as defined in the Rights Agreement referred to below), this certificate also evidences and entitles the holder hereof to certain Rights as set forth in a Shareholder Rights Plan Agreement, made as of August 29, 2011, as the same may be amended or supplemented from time to time in accordance with the terms thereof (the “**Rights Agreement**”), between the Corporation and Computershare Investor Services Inc., as Rights Agent, the terms of which are hereby incorporated herein by reference and a copy of which is on file at the registered office of the Corporation. Under certain circumstances, as set forth in the Rights Agreement, such Rights may be amended or redeemed, may expire, may become void (if, in certain cases, they are “Beneficially Owned” by an “Acquiring Person”, as such terms are defined in the Rights Agreement, or a transferee thereof) or may be evidenced by separate certificates and may no longer be evidenced by this certificate. The Corporation will mail or arrange for the mailing of a copy of the Rights Agreement to the holder of this certificate without charge as soon as practicable after the receipt of a written request therefor. The Rights Agreement is also available online free of charge from www.sedarplus.com.ca”

2.1.2 Certificates representing Shares that are issued and outstanding at the Record Time shall evidence one Right for each Share evidenced thereby, notwithstanding the absence of the foregoing legend, until the earlier of:

- (a) the Separation Time; and
- (b) the Expiration Time.

2.2 Initial Exercise Price; Exercise of Rights; Detachment of Rights

2.2.1 Subject to adjustment as herein set forth, including without limitation as set forth in Article 3, each Right will entitle the holder thereof from and after the Separation Time and prior to the Expiration Time, to purchase one Share for the Exercise Price determined as at the Business Day immediately preceding the Separation Time (which Exercise Price and number of Shares are subject to adjustment as set forth below). Notwithstanding any other provision of this Agreement, any Rights held by the Corporation or any of its Subsidiaries shall be void.

2.2.2 Until the Separation Time:

- (a) the Rights shall not be exercisable and no Right may be exercised; and
- (b) for administrative purposes, each Right will be evidenced by the certificate for the associated Share registered in the name of the holder thereof (which certificate shall be deemed to represent a Rights Certificate) and will be transferable only together with, and will be transferred by a transfer of, such associated Share.

2.2.3 From and after the Separation Time and prior to the Expiration Time, the Rights may be exercised, and the registration and transfer of the Rights shall be separate from and independent of Shares. Promptly following the Separation Time, the Corporation will prepare or cause to be prepared and the Rights Agent will mail to each holder of record of Shares as of the Separation Time and, in respect of each Convertible Security exercised for, converted or exchanged into Shares after the Separation Time and prior to the Expiration Time, promptly after such exercise, conversion or exchange, the Corporation will prepare or cause to be prepared and the Rights Agent will mail to the holder so exercising, converting or exchanging (other than an Acquiring Person and, in respect of any Rights Beneficially Owned by such Acquiring Person which are not held of record by such Acquiring Person, the holder of record of such rights, a “**Nominee**”) at such holder’s address as shown by the records of the Corporation (the Corporation hereby agreeing to furnish copies of such records to the Rights Agent for this purpose):

- (a) a Rights Certificate in substantially the form of Schedule A appropriately completed, representing the number of Rights held by such holder at the Separation Time and having such marks of identification or designation and such legends, summaries or endorsements printed thereon as the Corporation may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any law, rule or regulation or judicial or administrative order, or with any article or regulation of any stock

exchange or quotation system on which the Rights may from time to time be listed or traded, or to conform to usage; and

- (b) a disclosure statement prepared by the Corporation describing the Rights,

provided that a Nominee shall be sent the materials provided for in Sections 2.2.3(a) and 2.2.3(b) only in respect of all Shares held of record by it which are not Beneficially Owned by an Acquiring Person and the Corporation may require any Nominee or suspected Nominee to provide such information and documentation as the Corporation may reasonably require for such purpose.

2.2.4 Rights may be exercised in whole or in part on any Business Day after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent, at its principal office in Toronto, Ontario:

- (a) the Rights Certificate evidencing such Rights;
- (b) an election to exercise (an “**Election to Exercise**”), substantially in the form attached to the Rights Certificate duly completed and executed in a manner acceptable to the Rights Agent; and
- (c) payment by certified cheque, banker’s draft or money order payable to the order of the Rights Agent (which will promptly submit such payment to the Corporation), of a sum equal to the Exercise Price multiplied by the number of Rights being exercised and a sum sufficient to cover any transfer tax or charge which may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Shares in a name other than that of the holder of the Rights being exercised.

2.2.5 Upon receipt of a Rights Certificate, which is accompanied by an appropriately completed and duly executed Election to Exercise (which does not indicate that such Right is void as provided by Section 3.1.2) and payment as set forth in Section 2.2.4, the Rights Agent (unless otherwise instructed in writing by the Corporation) will thereupon promptly:

- (a) requisition from the transfer agent certificates representing the number of Shares to be purchased (the Corporation hereby irrevocably authorizing its transfer agent to comply with all such requisitions);
- (b) after receipt of such Share certificates, deliver such certificates to, or to the order of, the registered holder of such Rights Certificate, registered in such name or names as may be designated by such holder;
- (c) when appropriate, requisition from the Corporation the amount of cash, if any, to be paid in lieu of issuing fractional Shares;
- (d) when appropriate, after receipt of such cash, deliver such cash to, or to the order of, the registered holder of the Rights Certificate; and

- (e) tender to the Corporation all payments received on exercise of the Rights.

2.2.6 If the holder of any Rights shall exercise less than all the Rights evidenced by such holder's Rights Certificate, a new Rights Certificate evidencing the Rights remaining unexercised will be issued by the Rights Agent to such holder or to such holder's duly authorized assigns.

2.2.7 The Corporation covenants and agrees that it will:

- (a) take all such action as may be necessary and within its power to ensure that all Shares delivered upon the exercise of Rights shall, at the time of delivery of the certificates for such Shares (subject to payment of the Exercise Price), be duly and validly authorized, executed, issued and delivered as fully paid and non-assessable;
- (b) take all such action as may reasonably be considered to be necessary and within its power to comply with any applicable requirements of the Business Corporations Act, the Securities Act and the other applicable provincial or territorial or federal securities laws of Canada, or the rules and regulations thereunder, or any other applicable law, rule or regulation, in connection with the issuance and delivery of the Rights, the Rights Certificates and the issuance of any Shares upon exercise of the Rights;
- (c) use reasonable efforts to cause all Shares issued upon exercise of the Rights to be listed or traded on the stock exchanges or other markets on which the Shares are listed or traded at that time;
- (d) cause to be reserved and kept available out of its authorized and unissued Shares, the number of Shares that, as provided in this Agreement, will from time to time be sufficient to permit the exercise in full of all outstanding Rights;
- (e) pay when due and payable, if applicable, any and all federal, provincial, state and municipal taxes (not in the nature of income, capital gains or withholding taxes) and charges which may be payable in respect of the original issuance or delivery of the Rights Certificates or certificates for Shares issued upon the exercise of Rights, provided that the Corporation shall not be required to pay any transfer tax or charge which may be payable in respect of any transfer of Rights or the issuance or delivery of certificates for Shares issued upon the exercise of Rights, in a name other than that of the holder of the Rights being transferred or exercised; and
- (f) after the Separation Time, except as permitted by Section 5.1 or Section 5.4, not take (or permit any Subsidiary to take) any action if at the time such action is taken it is reasonably foreseeable that such action will diminish substantially or otherwise eliminate the benefits intended to be afforded by the Rights.

2.3 Adjustments to Exercise Price; Number of Rights

2.3.1 The Exercise Price, the number and kind of securities subject to purchase upon exercise of each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 2.3 and in Article 3.

2.3.2 If the Corporation shall at any time after the Record Time and prior to the Expiration Time:

- (a) declare or pay a dividend on the Shares payable in Shares or Convertible Securities in respect thereof other than pursuant to any Dividend Reinvestment Plan;
- (b) subdivide or change the then outstanding Shares into a greater number of Shares;
- (c) consolidate or change the then outstanding Shares into a smaller number of Shares; or
- (d) issue any Shares (or Convertible Securities in respect thereof) in respect of, in lieu of or in exchange for existing Shares, whether in a reclassification, amalgamation, statutory arrangement, consolidation or otherwise,

then the Exercise Price and the number of Rights outstanding (or, if the payment or effective date therefor shall occur after the Separation Time, the securities purchasable upon the exercise of Rights) shall be adjusted as follows:

- (i) if the Exercise Price and number of Rights outstanding are to be adjusted:
 - (A) the Exercise Price in effect after such adjustment will be equal to the Exercise Price in effect immediately prior to such adjustment divided by the number of Shares (or other securities of the Corporation) (the “**Expansion Factor**”) that a holder of one Share immediately prior to such dividend, subdivision, change, consolidation or issuance would hold thereafter as a result thereof, and
 - (B) each Right held prior to such adjustment will become that number of Rights equal to the Expansion Factor, and the adjusted number of Rights will be deemed to be allocated among the Shares with respect to which the original Rights were associated (if they remain outstanding) and the securities of the Corporation issued in respect of such dividend, subdivision, change, consolidation or issuance, so that each such Share (or other security of the Corporation) will have exactly one Right associated with it; and
- (ii) if the securities purchasable upon exercise of Rights are to be adjusted, the securities purchasable upon exercise of each Right after such adjustment will be the securities that a holder of the securities purchasable upon

exercise of one Right immediately prior to such dividend, subdivision, change, consolidation or issuance would hold thereafter as a result thereof.

Adjustments made pursuant to this Section 2.3.2 shall be made successively, whenever an event referred to in this Section 2.3.2 occurs.

2.3.3 If, after the Record Time and prior to the Expiration Time, the Corporation shall issue any of its securities other than Shares in a transaction of a type described in Sections 2.3.2(a) or 2.3.2(d), such securities shall be treated herein as nearly equivalent to Shares as may be practicable and appropriate under the circumstances, and the Corporation and the Rights Agent agree to amend this Agreement in order to effect such treatment.

2.3.4 If an event occurs which would require an adjustment under both this Section 2.3 and Section 3.1, the adjustment provided for in this Section 2.3 shall be in addition to, and shall be made prior to, any adjustment required pursuant to Section 3.1.

2.3.5 If the Corporation shall at any time after the Record Time and prior to the Separation Time issue any Shares otherwise than in a transaction referred to in Section 2.3.2, each such Share so issued shall automatically have one new Right associated with it, which Right shall be evidenced by the certificate representing such Share.

2.3.6 (a) If the Corporation shall at any time after the Record Time and prior to the Expiration Time fix a record date for the making of a distribution to all holders of Shares of rights, options or warrants (other than the Rights) entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Shares (or Convertible Securities in respect of Shares) at a price per Share (or, in the case of such a Convertible Security, having a conversion, exchange or exercise price per Share (including the price required to be paid to purchase such Convertible Security)) less than 90% of the Market Price per Share on such record date, the Exercise Price in effect after such record date will equal the Exercise Price in effect immediately prior to such record date multiplied by a fraction of which:

- (i) the numerator shall be the number of Shares outstanding on such record date plus the number of Shares which the aggregate offering price of the total number of Shares so to be offered (and/or the aggregate initial conversion, exchange or exercise price of the Convertible Securities so to be offered (including the price required to be paid to purchase such Convertible Securities)) would purchase at such Market Price per Share; and
- (ii) the denominator shall be the number of Shares outstanding on such record date plus the number of additional Shares to be offered for subscription or purchase (or into which the Convertible Securities so to be offered are initially convertible, exchangeable or exercisable).

(b) In case such subscription price is satisfied, in whole or in part, by consideration other than cash, the value of such consideration shall be as determined in good faith by the Board. Such adjustment shall be made successively whenever such a record date is fixed. To the extent that such rights, options or warrants are not exercised prior to the expiration

thereof, the Exercise Price shall be readjusted in the manner contemplated above based on the number of Shares (or securities convertible into or exchangeable for Shares) actually issued upon the exercise of such rights, options or warrants.

(c) For purposes of this Agreement, the granting of the right to purchase Shares (whether from treasury or otherwise) pursuant to any Dividend Reinvestment Plan or employee benefit or similar plans (so long as such right to purchase is in no case evidenced by the delivery of rights, options or warrants by the Corporation) shall be deemed not to constitute an issue of rights, options or warrants by the Corporation; provided, however, that in the case of any Dividend Reinvestment Plan, the right to purchase Shares is at a price per share of not less than 90% of the current market price per share (determined as provided in such plans) of the Shares.

2.3.7 If the Corporation shall at any time after the Record Time and prior to the Expiration Time fix a record date for the making of a distribution to all holders of Shares of:

- (a) evidences of indebtedness or assets (other than a Regular Periodic Cash Dividend or a dividend paid in Shares or Convertible Securities, but including any dividend payable in securities other than Shares or Convertible Securities); or
- (b) rights, options or warrants entitling them to subscribe for or purchase Shares (or Convertible Securities in respect of Shares) at a price per Share (or, in the case of such a Convertible Security, having a conversion, exchange or exercise price per Share (including the price required to be paid to purchase such Convertible Security)) less than 90% of the Market Price per Share on such record date (excluding rights, options or warrants referred to in Section 2.3.6),

the Exercise Price in effect after such record date shall be equal to the Exercise Price in effect immediately prior to such record date less the fair market value (as determined in good faith by the Board) of the portion of the assets, evidences of indebtedness, rights, options warrants or other securities so to be distributed applicable to each of the securities purchasable upon exercise of one Right. Such adjustment shall be made successively whenever such a record date is fixed.

2.3.8 Each adjustment made pursuant to this Section 2.3 shall be made as of:

- (a) the payment or effective date for the applicable dividend, subdivision, change, consolidation or issuance, in the case of an adjustment made pursuant to Section 2.3.2; and
- (b) the record date for the applicable dividend or distribution, in the case of an adjustment made pursuant to Section 2.3.6 or 2.3.7, subject to readjustment to reverse the same if such distribution shall not be made.

2.3.9 If the Corporation shall at any time after the Record Time and prior to the Expiration Time issue any securities (other than Shares), or rights, options or warrants to subscribe for or purchase any such securities, or Convertible Securities in respect of any such securities, in a transaction referred to in any of Sections 2.3.2(a) to 2.3.2(d), inclusive, if the Board acting in good faith determines that the adjustments contemplated by Sections 2.3.2, 2.3.6 and 2.3.7 in

connection with such transaction will not appropriately protect the interests of the holders of Rights, then the Board may from time to time, but subject to obtaining the prior approval of the holders of the Rights obtained as set forth in Section 5.4.2, determine what other adjustments to the Exercise Price, number of Rights or securities purchasable upon exercise of Rights would be appropriate and, notwithstanding Sections 2.3.2, 2.3.6 and 2.3.7, such adjustments, rather than the adjustments contemplated by Sections 2.3.2, 2.3.6 and 2.3.7, shall be made upon the Board providing written certification thereof to the Rights Agent as set forth in Section 2.3.17. The Corporation and the Rights Agent shall amend this Agreement as appropriate to provide for such adjustments.

2.3.10 Notwithstanding anything herein to the contrary, no adjustment of the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least 1% in such Exercise Price; provided, however, that any adjustments which by reason of this Section 2.3.10 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All adjustments to the Exercise Price made pursuant to this Section 2.3 shall be calculated to the nearest cent.

2.3.11 All Rights originally issued by the Corporation prior or subsequent to any adjustment made to an Exercise Price hereunder shall evidence the right to purchase, at the adjusted Exercise Price, the number of Shares purchasable from time to time hereunder upon exercise of the Rights, all subject to further adjustment as provided herein.

2.3.12 Unless the Corporation shall have exercised its election, as provided in Section 2.3.13, upon each adjustment of an Exercise Price as a result of the calculations made in Sections 2.3.6 and 2.3.7, each Right outstanding immediately prior to the making of such adjustment shall thereafter evidence the right to purchase, at the adjusted Exercise Price, that number of Shares obtained by:

- (a) multiplying:
 - (i) the number of Shares covered by a Right immediately prior to such adjustment;by
 - (ii) the Exercise Price in effect immediately prior to such adjustment; and
- (b) dividing the product so obtained by the Exercise Price in effect immediately after such adjustment.

2.3.13 The Corporation may elect on or after the date of any adjustment of an Exercise Price to adjust the number of Rights, in lieu of any adjustment in the number of Shares purchasable upon the exercise of a Right. Each of the Rights outstanding after the adjustment in the number of Rights shall be exercisable for the number of Shares for which a Right was exercisable immediately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights shall become the number of Rights obtained by dividing the relevant Exercise Price in effect immediately prior to adjustment of the relevant Exercise Price by the relevant Exercise Price in effect immediately after adjustment of the relevant Exercise Price. The

Corporation shall make a public announcement of its election to adjust the number of Rights, indicating the record date for the adjustment, and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the relevant Exercise Price is adjusted or any day thereafter, but, if the Rights Certificates have been issued, shall be at least 10 calendar days later than the date of the public announcement. If Rights Certificates have been issued, upon each adjustment of the number of Rights pursuant to this Section 2.3.13, the Corporation shall, as promptly as practicable, cause to be distributed to holders of record of Rights Certificates on such record date, Rights Certificates evidencing, subject to Section 5.5, the additional Rights to which such holders shall be entitled as a result of such adjustment, or, at the option of the Corporation, shall cause to be distributed to such holders of record in substitution and replacement for the Rights Certificates held by such holders prior to the date of adjustment, and upon surrender thereof, if required by the Corporation, new Rights Certificates evidencing all the Rights to which such holders shall be entitled after such adjustment. Rights Certificates so to be distributed shall be issued, executed and countersigned in the manner provided for herein and may bear, at the option of the Corporation, the relevant adjusted Exercise Price and shall be registered in the names of holders of record of Rights Certificates on the record date specified in the public announcement.

2.3.14 In any case in which this Section 2.3 shall require that an adjustment in an Exercise Price be made effective as of a record date for a specified event, the Corporation may elect to defer until the occurrence of such event the issuance to the holder of any Right exercised after such record date of the number of Shares and other securities of the Corporation, if any, issuable upon such exercise over and above the number of Shares and other securities of the Corporation, if any, issuable upon such exercise on the basis of the relevant Exercise Price in effect prior to such adjustment; provided, however, that the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional Shares (fractional or otherwise) or other securities upon the occurrence of the event requiring such adjustment.

2.3.15 Notwithstanding anything in this Section 2.3 to the contrary, the Corporation shall be entitled to make such adjustments in the Exercise Price, in addition to those adjustments expressly required by this Section 2.3, as and to the extent that in its good faith judgment the Board shall determine to be advisable in order that any:

- (a) subdivision or consolidation of the Shares;
- (b) issuance wholly for cash of any Shares at less than the Market Price;
- (c) issuance wholly for cash of any Shares or securities that by their terms are exercisable or exchangeable for or convertible into or give a right to acquire Shares;
- (d) stock dividends; or
- (e) issuance of rights, options or warrants referred to in this Section 2.3, hereafter made by the Corporation to holders of its Shares,

shall not be taxable to such shareholders or shall have more favourable tax consequences to such shareholders.

2.3.16 Irrespective of any adjustment or change in the securities purchasable upon exercise of the Rights, the Rights Certificates theretofor and thereafter issued may continue to represent the securities so purchasable following such adjustment or change.

2.3.17 Whenever an adjustment to the Exercise Price is made pursuant to this Section 2.3, the Corporation shall:

- (a) promptly prepare a certificate setting forth such adjustment and a brief statement of the facts accounting for such adjustment; and
- (b) promptly file with the Rights Agent and with each transfer agent for the Shares a copy of such certificate and mail a brief summary thereof to each holder of Rights who requests a copy.

Failure to file such certificate or to cause such notice to be given as aforesaid, or any defect therein, shall not affect the validity of any such adjustment or change.

2.4 Date on Which Exercise is Effective

Each Person in whose name any certificate for Shares is issued upon the exercise of Rights shall for all purposes be deemed to have become the holder of record of the Shares represented thereby on, and such certificate shall be dated, the date upon which the Rights Certificate evidencing such Rights was duly surrendered (together with a duly completed Election to Exercise) and payment of the Exercise Price for such Rights (and any applicable transfer taxes and other governmental charges payable by the exercising Person hereunder) was made; provided, however, that if the date of such surrender and payment is a date upon which the Share transfer books of the Corporation are closed, such Person shall be deemed to have become the record holder of such Shares on, and such certificate shall be dated, the next Business Day on which the Share transfer books of the Corporation are open.

2.5 Execution, Authentication, Delivery and Dating of Rights Certificates

2.5.1 The Rights Certificates shall be executed on behalf of the Corporation by any two officers of the Corporation. The signature of any of these officers on the Rights Certificates may be manual or facsimile. Rights Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Corporation shall bind the Corporation, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the countersignature and delivery of such Rights Certificates.

2.5.2 Promptly after the Corporation learns of the Separation Time, the Corporation will notify the Rights Agent of such Separation Time and will deliver Rights Certificates executed by the Corporation to the Rights Agent for countersignature and a disclosure statement describing the Rights, and the Rights Agent shall countersign (manually or by facsimile signature in a manner satisfactory to the Corporation) and deliver such Rights Certificates and statement to the holders

of the Rights pursuant to Section 2.2. No Rights Certificate shall be valid for any purpose until countersigned by the Rights Agent as aforesaid.

2.5.3 Each Rights Certificate shall be dated the date of countersignature thereof.

2.6 Registration, Transfer and Exchange

2.6.1 After the Separation Time, the Corporation will cause to be kept a register (the “**Rights Register**”) in which, subject to such reasonable regulations as it may prescribe, the Corporation will provide for the registration and transfer of Rights. The Rights Agent is hereby appointed “**Rights Registrar**” for the purpose of maintaining the Rights Register for the Corporation and registering Rights and transfers of Rights as herein provided and the Rights Agent hereby accepts such appointment. If the Rights Agent shall cease to be the Rights Registrar, the Rights Agent will have the right to examine the Rights Register at all reasonable times.

2.6.2 After the Separation Time and prior to the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate, and subject to the provisions of Sections 2.6.4 and 3.1.2, the Corporation will execute, and the Rights Agent will countersign, deliver and register, in the name of the holder or the designated transferee or transferees, as required pursuant to the holder’s instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificates so surrendered.

2.6.3 All Rights issued upon any registration of transfer or exchange of Rights Certificates shall be valid obligations of the Corporation, and such Rights shall be entitled to the same benefits under this Agreement as the Rights surrendered upon such registration of transfer or exchange.

2.6.4 Every Rights Certificate surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Corporation or the Rights Agent, as the case may be, duly executed by the holder thereof or such holder’s attorney duly authorized, in writing. As a condition to the issuance of any new Rights Certificate under this Section 2.6, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.

2.7 Mutilated, Lost, Stolen and Destroyed Rights Certificates

2.7.1 If any mutilated Rights Certificate is surrendered to the Rights Agent prior to the Expiration Time, the Corporation shall execute and the Rights Agent shall countersign and deliver in exchange therefor a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so surrendered.

2.7.2 If there shall be delivered to the Corporation and the Rights Agent prior to the Expiration Time:

- (a) evidence to their reasonable satisfaction of the destruction, loss or theft of any Rights Certificate; and

- (b) such security or indemnity as may be reasonably required by them to save each of them and any of their agents harmless,

then, in the absence of notice to the Corporation or the Rights Agent that such Rights Certificate has been acquired by a *bona fide* purchaser, the Corporation shall execute and, upon the Corporation's request, the Rights Agent shall countersign and deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.

2.7.3 As a condition to the issuance of any new Rights Certificate under this Section 2.7, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.

2.7.4 Every new Rights Certificate issued pursuant to this Section 2.7 in lieu of any destroyed, lost or stolen Rights Certificate shall evidence a contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Rights Certificate shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Agreement equally and proportionately with any and all other Rights duly issued hereunder.

2.7.5 The Rights Agent will place a stop transfer notation on the Rights Register with respect to any destroyed, lost or stolen Rights Certificate for which a replacement Rights Certificate is issued pursuant to this Section 2.7.

2.8 Persons Deemed Owners

The Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent may deem and treat the person in whose name a Rights Certificate (or, prior to the Separation Time, the associated Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes whatsoever. As used in this Agreement, unless the context otherwise requires, the term “holder” of any Rights shall mean the registered holder of such Rights (or, prior to the Separation Time, the associated Shares).

2.9 Delivery and Cancellation of Certificates

All Rights Certificates surrendered upon exercise or for redemption, for registration of transfer or exchange shall, if surrendered to any Person other than the Rights Agent, be delivered to the Rights Agent and, in any case, shall be promptly cancelled by the Rights Agent. The Corporation may at any time deliver to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered hereunder which the Corporation may have acquired in any manner whatsoever, and all Rights Certificates so delivered shall be promptly cancelled by the Rights Agent. No Rights Certificate shall be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided in this Section 2.9 except as expressly permitted by this Agreement. The Rights Agent shall, subject to applicable law, destroy all cancelled Rights Certificates and deliver a certificate of destruction to the Corporation on request.

2.10 Agreement of Rights Holders

Every holder of Rights, by accepting such Rights, consents and agrees with the Corporation and the Rights Agent and with every other holder of Rights:

- (a) to be bound by and subject to the provisions of this Agreement, as amended from time to time in accordance with the terms hereof, in respect of all Rights held;
- (b) that, prior to the Separation Time, each Right will be transferable only together with, and will be transferred by a transfer of, the associated Shares;
- (c) that, after the Separation Time, the Rights will be transferable only on the Rights Register as provided herein;
- (d) that, prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Share certificate) for registration of transfer, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent may deem and treat the Person in whose name the Rights Certificate (or, prior to the Separation Time, the associated Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on such Rights Certificate or the associated Share certificate made by anyone other than the Corporation or the Rights Agent) for all purposes whatsoever, and neither the Corporation nor the Rights Agent shall be affected by any notice to the contrary;
- (e) that such holder of Rights has waived its right to receive any fractional Rights or any fractional Shares or other securities upon exercise of a Right (except as provided herein);
- (f) that, subject to Section 5.4, without the approval of any holder of Rights or Shares and upon the sole authority of the Board acting in good faith, this Agreement may be supplemented or amended from time to time as provided herein; and
- (g) that, notwithstanding anything in this Agreement to the contrary, neither the Corporation nor the Rights Agent shall have any liability to any holder of a Right or any other Person as a result of the inability to perform any of its obligations under this Agreement by reason of applicable law, including any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation.

ARTICLE 3
ADJUSTMENTS TO THE RIGHTS

3.1 **Flip-In Event**

3.1.1 Subject to Section 3.1.2 and Section 5.1, if prior to the Expiration Time a Flip-in Event occurs, each Right shall thereafter constitute, effective at the Close of Business on the tenth Business Day after the Share Acquisition Date (or such longer period as may be required to satisfy the requirements of the securities laws or comparable legislation of each of the provinces and territories of Canada), the right to purchase from the Corporation, upon exercise thereof in accordance with the terms hereof, that number of Shares as have an aggregate Market Price on the date of the consummation or occurrence of such Flip-in Event equal to eight times the Exercise Price upon payment of an amount in cash equal to the Exercise Price (such right to be appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 if, after such date of consummation or occurrence, an event of a type analogous to any of the events described in Section 2.3 shall have occurred with respect to such Shares).

3.1.2 Notwithstanding anything in this Agreement to the contrary, upon the occurrence of any Flip-in Event, any Rights that are or were Beneficially Owned on or after the earlier of the Separation Time and the Share Acquisition Date, or which may thereafter be Beneficially Owned, by:

- (a) an Acquiring Person, any Affiliate or Associate of an Acquiring Person, any other Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert; or
- (b) a transferee or other successor in title of Rights, direct or indirect, of an Acquiring Person, any Affiliate or Associate of an Acquiring Person, any other Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert, where such a transferee or other successor in title becomes a transferee or other successor in title concurrently with or subsequent to the Acquiring Person becoming such in a transfer that the Board, acting in good faith, has determined is part of a plan, arrangement or scheme of an Acquiring Person or of any other Person referred to in this Section 3.1.2(b) that has the purpose or effect of avoiding Section 3.1.2(a),

shall become void without any further action by the Corporation and any holder of such Rights (including any transferee of, or other successor entitled to, such Rights, whether directly or indirectly) shall thereafter have no right to exercise such Rights under any provisions of this Agreement and, further, shall thereafter not have any rights whatsoever with respect to such Rights, whether under any provision of this Agreement or otherwise. The holder of any Rights represented by a Rights Certificate which is submitted to the Rights Agent upon exercise or for registration of transfer or exchange which does not contain the necessary certifications set forth in the Rights Certificate establishing that such Rights are not void under this Section 3.1.2 shall

be deemed to be an Acquiring Person for the purposes of this Section 3.1.2 and such Rights shall become void.

3.1.3 Any Rights Certificate that represents Rights Beneficially Owned by a Person described in either of Section 3.1.2(a) or 3.1.2(b) or transferred to any Nominee of any such Person, and any Rights Certificate issued upon transfer, exchange, replacement or adjustment of any other Rights Certificate referred to in this sentence, shall contain or will be deemed to contain the following legend:

“The Rights represented by this Rights Certificate were issued to a Person who was an Acquiring Person or an Affiliate or an Associate of an Acquiring Person (as such terms are defined in the Rights Agreement) or a Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person or any Affiliate or Associate of such Person so acting jointly or in concert. This Rights Certificate and the Rights represented hereby shall be void in the circumstances specified in Section 3.1.2 of the Rights Agreement.”

The Rights Agent shall not be under any responsibility to ascertain the existence of facts that would require the imposition of such legend but shall be required to impose such legend only if instructed to do so in writing by the Corporation or if a holder fails to certify upon transfer or exchange in the space provided on the Rights Certificate that such holder is not a Person described in such legend.

3.1.4 After the Separation Time, the Corporation shall do all such acts and things necessary and within its power to ensure compliance with the provisions of this Section 3.1 including, without limitation, all such acts and things as may be required to satisfy the requirements of the Business Corporations Act, the Securities Act and the securities laws or comparable legislation in any other jurisdiction where the Corporation is subject to such laws and the rules of the stock exchanges or other markets where the Shares are listed or traded at such time in respect of the issue of Shares upon the exercise of Rights in accordance with this Agreement.

3.2 Fiduciary Duties of the Board

For clarification, it is understood that nothing contained in this Agreement shall be considered to affect the obligations of the directors of the Corporation to exercise their fiduciary duties. Without limiting the generality of the foregoing, nothing contained herein shall be construed to suggest or imply that the Board shall not be entitled to recommend that holders of the Shares reject or accept any Take-over Bid or take any other action including, without limitation, the commencement, prosecution, defence or settlement of any litigation and the solicitation of additional or alternative Take-over Bids or other proposals to Shareholders that the directors believe is necessary or appropriate in the exercise of their fiduciary duties.

ARTICLE 4
THE RIGHTS AGENT

4.1 General

4.1.1 The Corporation hereby appoints the Rights Agent to act as agent for the Corporation and the holders of the Rights in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. The Corporation may from time to time appoint such co-rights agents (“**Co-Rights Agents**”) as it may deem necessary or desirable, subject to the approval of the Rights Agent. If the Corporation appoints one or more Co-Rights Agents, the respective duties of the Rights Agent and Co-Rights Agents shall be as the Corporation may determine with approval of the Rights Agent. The Corporation agrees to pay to the Rights Agent reasonable compensation for all services rendered by it hereunder and, from time to time, on demand of the Rights Agent, its reasonable expenses and counsel fees and other disbursements reasonably incurred in the administration and execution of this Agreement and the exercise and performance of its duties hereunder (including the reasonable fees and other disbursements of any expert retained by the Rights Agent with the approval of the Corporation, such approval not to be unreasonably withheld). The Corporation also agrees to indemnify the Rights Agent for, and to hold it harmless against, any loss, liability, or expense, incurred without negligence, bad faith or wilful misconduct on the part of the Rights Agent, for anything done or omitted by the Rights Agent in connection with the acceptance and administration of this Agreement, including the reasonable costs and expenses of defending against any claim of liability, which right to indemnification will survive the termination of this Agreement or the resignation or removal of the Rights Agent.

4.1.2 The Rights Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in connection with its administration of this Agreement in reliance upon any certificate for Shares, Rights Certificate, certificate for other securities of the Corporation, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons.

4.1.3 The Corporation shall inform the Rights Agent in a reasonably timely manner of events which may materially affect the administration of this Agreement by the Rights Agent and, at any time upon request, shall provide to the Rights Agent an incumbency certificate certifying the then current officers of the Corporation.

4.2 Merger, Amalgamation, Consolidation or Change of Name of Rights Agent

4.2.1 Any corporation into which the Rights Agent or any successor Rights Agent may be merged or amalgamated or with which it may be consolidated, or any corporation resulting from any merger, amalgamation or consolidation to which the Rights Agent or any successor Rights Agent is a party, or any corporation succeeding to the shareholder services business of the Rights Agent or any successor Rights Agent, will be the successor to the Rights Agent under this Agreement without the execution or filing of any document or any further act on the part of any

of the parties hereto, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 4.4. In case at the time such successor Rights Agent succeeds to the agency created by this Agreement any of the Rights Certificates have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and in case at that time any of the Rights Certificates have not been countersigned, any successor Rights Agent may countersign such Rights Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this Agreement.

4.2.2 In case at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and in case at that time any of the Rights Certificates shall not have been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates shall have the full force provided in the Rights Certificates and in this Agreement.

4.3 Duties of Rights Agent

The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Corporation and the holders of Rights Certificates, by their acceptance thereof, shall be bound:

- (a) The Rights Agent may retain and consult with legal counsel (who may be legal counsel for the Corporation), and the opinion of such counsel will be full and complete authorization and protection to the Rights Agent as to any action taken or omitted by it in good faith and in accordance with such opinion and the Rights Agent may also, with the approval of the Corporation, such approval not to be unreasonably withheld, retain and consult with such other experts or advisors as the Rights Agent shall consider necessary or appropriate to properly carry out the duties and obligations imposed under this Agreement (at the Corporation's expense) and the Rights Agent shall be entitled to act and rely in good faith on the advice of such expert or advisor.
- (b) Whenever in the performance of its duties under this Agreement the Rights Agent deems it necessary or desirable that any fact or matter be proved or established by the Corporation prior to taking, refraining from taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by the Chief Executive Officer or the Chief Financial Officer or other senior officer of the Corporation and delivered to the Rights Agent; and such certificate will be full authorization to the Rights Agent for any action taken, not taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate.

- (c) The Rights Agent will be liable hereunder only for its own negligence, bad faith or wilful misconduct.
- (d) The Rights Agent will not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the certificates for Shares, or the Rights Certificates (except its countersignature thereof) or be required to verify the same, and all such statements and recitals are and will be deemed to have been made by the Corporation only.
- (e) The Rights Agent will not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due authorization, execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any Share certificate, or Rights Certificate (except its countersignature thereof); nor will it be responsible for any breach by the Corporation of any covenant or condition contained in this Agreement or in any Rights Certificate; nor will it be responsible for any change in the exercisability of the Rights (including the Rights becoming void pursuant to Section 3.1.2 or any adjustment required under the provisions of Section 2.3) or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt of the certificate contemplated by Section 2.3 describing any such adjustment or any written notice from the Corporation or any holder that a Person has become an Acquiring Person); nor will it by any act hereunder be deemed to make any representation or warranty as to the authorization of any Shares to be issued pursuant to this Agreement or any Rights or as to any Shares, when issued, being duly and validly authorized, issued and delivered as fully paid and non-assessable.
- (f) The Corporation agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement.
- (g) The Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from any individual designated in writing by the Corporation, and to apply to such individuals for advice or instructions in connection with its duties, and it shall not be liable for any action taken or suffered by it in good faith in accordance with instructions of any such individual. It is understood that instructions to the Rights Agent shall, except where circumstances make it impractical or the Rights Agent otherwise agrees, be given in writing and, where not in writing, such instructions shall be confirmed in writing as soon as reasonably practicable after the giving of such instructions.
- (h) The Rights Agent and any shareholder, director, officer or employee of the Rights Agent may buy, sell or deal in Shares, Rights or other securities of the Corporation or become pecuniarily interested in any transaction in which the

Corporation may be interested, or contract with or lend money to the Corporation or otherwise act as fully and freely as though it were not the Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent from acting in any other capacity for the Corporation or for any other legal entity.

- (i) The Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Rights Agent will not be answerable or accountable for any act, default, neglect or misconduct of any such attorneys or agents or for any loss to the Corporation resulting from any such act, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof.

4.4 Change of Rights Agent

The Rights Agent may resign and be discharged from its duties under this Agreement by giving 60 days prior written notice (or such lesser notice as is acceptable to the Corporation) to the Corporation, to each transfer agent of Shares and to the holders of the Rights, all in accordance with Section 5.11 and at the expense of the Corporation. The Corporation may remove the Rights Agent by giving 30 days prior written notice to the Rights Agent, to each transfer agent of the Shares and to the holders of the Rights in accordance with Section 5.11. If the Rights Agent should resign or be removed or otherwise become incapable of acting, the Corporation will appoint a successor to the Rights Agent. If the Corporation fails to make such appointment within a period of 30 days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of any Rights (which holder shall, with such notice, submit such holder's Rights Certificate for inspection of the Corporation), then the holder of any Rights may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Corporation or by such a court, must be a corporation incorporated under the laws of Canada or a province thereof and authorized to carry on the business of a rights agent in the Province of Ontario. After appointment, the successor Rights Agent will be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent, upon payment by the Corporation to the predecessor Rights Agent of all outstanding fees and expenses owed by the Corporation to the predecessor Rights Agent pursuant to this Agreement, shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Corporation will file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Shares and mail a notice thereof in writing to the holders of the Rights in accordance with Section 5.11. Failure to give any notice provided for in this Section 4.4, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

4.5 Compliance with Money Laundering Legislation

The Rights Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Rights Agent reasonably determines that such an act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Rights Agent reasonably determine at any time that its acting under this Agreement has resulted in it being in noncompliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days' written notice to the Corporation, provided that (i) the Rights Agent's written notice shall describe the circumstances of such non-compliance and (ii) if such circumstances are rectified to the Rights Agent's satisfaction within such 10-day period, then such resignation shall not be effective.

4.6 Privacy Provision

The parties acknowledge that federal and/or provincial legislation that addresses the protection of individual's personal information (collectively, "**Privacy Laws**") applies to obligations and activities under this Agreement. Despite any other provision of this Agreement, neither party will take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Corporation will, prior to transferring or causing to be transferred personal information to the Rights Agent, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or will have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Rights Agent will use commercially reasonable efforts to ensure that its services hereunder comply with Privacy Laws.

ARTICLE 5 MISCELLANEOUS

5.1 Redemption and Waiver

5.1.1 Subject to the prior approval of the holders of Shares or Rights obtained as set forth in Section 5.1.11 or 5.4, as applicable, the Board, acting in good faith, may, at any time prior to the occurrence of a Flip-in Event as to which the application of Section 3.1 has not been waived pursuant to Sections 5.1.2, 5.1.4, 5.1.5 or 5.1.6, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.00001 per Right, appropriately adjusted in a manner analogous to the applicable adjustment provided for in Section 2.3 if an event of a type analogous to any of the events described in Section 2.3 shall have occurred (such redemption price being herein referred to as the "**Redemption Price**").

5.1.2 The Board may waive the application of Section 3.1 in respect of the occurrence of any Flip-in Event if the Board has determined, in good faith, within 10 Business Days following the Share Acquisition Date, that a Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that it would become, an Acquiring Person under this Agreement and, if such a waiver is granted by the Board, such Share Acquisition Date shall be deemed not to have occurred. Any such waiver pursuant to this Section 5.1.2 may only be given

on the condition that such Acquiring Person, within 14 days after the foregoing determination by the Board or such later date as the Board may determine (the “**Disposition Date**”), has reduced its Beneficial Ownership of Shares such that, at the time the waiver becomes effective, the Person is no longer an Acquiring Person. If the Person remains an Acquiring Person at the Close of Business on the Disposition Date, then the Disposition Date shall be deemed to be the date of occurrence of a further Share Acquisition Date and Section 3.1 shall apply thereto.

5.1.3 The Board will be deemed to have elected to redeem, without further formality, the Rights at the Redemption Price on the date that a Person who has made a Permitted Bid, a Competing Permitted Bid or Take-over Bid in respect of which the Board has waived, or is deemed to have waived, pursuant to Section 5.1.4 the application of Section 3.1, takes up and pays for Shares pursuant to the terms and conditions of such Permitted Bid, Competing Permitted Bid or Take-over Bid, as the case may be.

5.1.4 The Board may, prior to the occurrence of the relevant Flip-in Event, upon prior written notice delivered to the Rights Agent, determine to waive the application of Section 3.1 to a Flip-in Event that may occur by reason of a Take-over Bid made by means of a Take-over Bid circular to all holders of record of Shares; provided that, if the Board waives the application of Section 3.1 to a particular Take-over Bid pursuant to this Section 5.1.4, then the Board shall be deemed to have waived the application of Section 3.1 to any other Flip-in Event occurring by reason of any Take-over Bid made by means of a Take-over Bid circular to all holders of record of Shares prior to the expiry, termination or withdrawal of any Take-over Bid in respect of which a waiver is, or is deemed to have been, granted under this Section 5.1.4.

5.1.5 Subject to the prior approval of the holders of Shares obtained as set forth in Section 5.4, the Board may, prior to the occurrence of the relevant Flip-in Event, upon prior written notice delivered to the Rights Agent, determine to waive the application of Section 3.1 to a Flip-in Event that may occur by reason otherwise than pursuant to a Take-over Bid made by means of a Take-over Bid circular to all holders of record of Shares. In the event that the Board proposes such a waiver, the Board shall extend the Separation Time to a date subsequent to and not more than ten Business Days following the meeting of shareholders called to approve such waiver.

5.1.6 The Board may, prior to the Close of Business on the tenth Business Day following a Share Acquisition Date, upon prior written notice delivered to the Rights Agent, waive the application of Section 3.1 to the related Flip-in Event; provided that the Acquiring Person has reduced its Beneficial Ownership of Shares (or has entered into a contractual arrangement with the Corporation, acceptable to the Board, to do so within 10 days of the date on which the contractual arrangement is entered into or such later date as the Board may determine) such that, at the time the waiver becomes effective pursuant to this Section 5.1.6, such Person is no longer an Acquiring Person. In the event of such a waiver becoming effective prior to the Separation Time, for the purposes of this Agreement, such Flip-in Event shall be deemed not to have occurred.

5.1.7 Where a Take-over Bid that is not a Permitted Bid is withdrawn or otherwise terminated after the Separation Time has occurred and prior to the occurrence of a Flip-in Event, or if the Board grants a waiver under Section 5.1.6 after the Separation Time, then the Board may elect to redeem all the outstanding Rights at the Redemption Price. Upon the Rights being redeemed

pursuant to this Section 5.1.7, all of the provisions of this Agreement shall continue to apply as if the Separation Time had not occurred and Rights Certificates representing the number of Rights held by each holder of record of Shares at the Separation Time had not been mailed to each such holder, and for all purposes of this Agreement the Separation Time shall be deemed not to have occurred, and the Corporation shall be deemed to have issued replacement Rights to the holders of its then outstanding Shares.

5.1.8 If the Board is deemed under Section 5.1.3 to have elected or elects under Sections 5.1.1 or 5.1.7 to redeem the Rights, then the right to exercise the Rights will thereupon, without further action and without notice, terminate and the only right thereafter of the holders of Rights shall be to receive the Redemption Price.

5.1.9 Within 10 days after the Board is deemed under Section 5.1.3 to have elected or elects under Sections 5.1.1 or 5.1.7 to redeem the Rights, the Corporation shall give notice of redemption to the holders of the then outstanding Rights by mailing such notice to each such holder at its last address as it appears upon the Rights Register or, prior to the Separation Time, on the registry books of the transfer agent for the Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made, and will state that no payment will be made to holders entitled to less than ~~\$10~~10.00, in accordance with Section 5.1.10.

5.1.10 The Corporation shall not be obligated to make a payment of the Redemption Price to any holder of Rights unless such holder is entitled to receive at least ~~\$10~~10.00 in respect of all of the Rights held by such holder.

5.1.11 If a redemption of Rights pursuant to Section 5.1.1 or a waiver of a Flip-in Event pursuant to Section 5.1.5 is proposed at any time prior to the Separation Time, such redemption or waiver shall be submitted for approval to the holders of Shares. Such approval shall be deemed to have been given if the redemption or waiver is approved by the affirmative vote of a majority of the votes cast by Independent Shareholders represented in person or by proxy at a meeting of such holders duly held in accordance with applicable laws and the Corporation's by-laws. If a redemption of Rights pursuant to Section 5.1.1 is proposed at any time after the Separation Time, such redemption shall be submitted for approval to the holders of Rights in accordance with Section 5.4.

5.2 Expiration

No Person will have any rights pursuant to this Agreement or in respect of any Right after the Expiration Time, except in respect of the exercise of any Right on or prior to the Expiration Time or in respect of any right to receive cash, securities or other property which has accrued prior to the Expiration Time and except as specified in Sections 4.1.1 and 4.1.2 with respect to the Rights Agent.

5.3 Issuance of New Rights Certificates

Notwithstanding any of the provisions of this Agreement or of the Rights Certificates to the contrary, the Corporation may, at its option, issue new Rights Certificates

evidencing Rights in such form as may be approved by its Board to reflect any adjustment or change in the number or kind or class of Shares purchasable upon exercise of Rights made in accordance with the provisions of this Agreement.

5.4 Supplements and Amendments

5.4.1 Subject to Section 5.4.3, the Corporation may from time to time amend, vary or delete any of the provisions of this Agreement and the Rights provided that no amendment, variation or deletion made on or after the Meeting shall be made without the prior consent of the Shareholders or holders of the Rights, given as provided in Section 5.4.2, except that amendments, variations or deletions made for any of the following purposes shall not require such prior approval but shall be subject to subsequent ratification in accordance with Section 5.4.2:

- (a) in order to make such changes as are necessary in order to maintain the validity or effectiveness of this Agreement and the Rights as a result of any change in any applicable legislation, regulations or rules;
- (b) in order to make such changes as are necessary in order to cure any clerical or typographical error; or
- (c) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Agreement, provided that such action pursuant to this paragraph (c) shall not adversely affect the interests of the Shareholders or the holders of Rights in any material respect.

5.4.2 Any amendment, variation or deletion made by the Corporation pursuant to Section 5.4.1 shall if made:

- (a) prior to the Separation Time, be submitted to the Shareholders at the next meeting of Shareholders and the Shareholders may, by resolution passed by a majority of the votes cast by Independent Shareholders who vote in respect of such amendment, variation or deletion, confirm or reject such amendment or supplement; or
- (b) after the Separation Time, be submitted to the holders of Rights at a meeting to be held on a date not later than the date of the next meeting of Shareholders and the holders of Rights may, by resolution passed by a majority of the votes cast by the holders of Rights which have not become void pursuant to Section 3.1.2 who vote in respect of such amendment, variation or deletion, confirm or reject such amendment or supplement.

Any amendment, variation or deletion pursuant to Section 5.4.1 made before the Meeting shall be effective when made, subject to confirmation by the Shareholders at the Meeting, and in other cases shall be effective from the later of the date of the consent of the holders of Shares or Rights, as applicable, adopting such amendment, variation or deletion and the date of approval thereof by the Exchange (except in the case of an amendment, variation or

deletion referred to in Sections 5.4.1(a), 5.4.1(b) or 5.4.1(c), which shall be effective from the later of the date of the resolution of the Board adopting such amendment, variation or deletion and the date of approval thereof by the Exchange) and, where such amendment, variation or deletion is confirmed, it shall continue in effect in the form so confirmed). If an amendment, variation or deletion pursuant to Sections 5.4.1(a), 5.4.1(b) or 5.4.1(c) is rejected by the Shareholders or the holders of Rights or is not submitted to the Shareholders or holders of Rights as required, then such amendment, variation or deletion shall cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent resolution of the Board to amend, vary or delete any provision of this Agreement to substantially the same effect shall be effective until confirmed by the Shareholders or holders of Rights, as the case may be.

5.4.3 For greater certainty, neither the exercise by the Board of any power or discretion conferred on it hereunder nor the making by the Board of any determination or the granting of any waiver it is permitted to make or give hereunder shall constitute an amendment, variation or deletion of the provisions of this Agreement or the Rights for purposes of this Section 5.4 or otherwise.

5.4.4 The approval, confirmation or consent of the holders of Rights with respect to any matter arising hereunder shall be deemed to have been given if the action requiring such approval, confirmation or consent is authorized by the affirmative votes of the holders of Rights present or represented at and entitled to be voted at a meeting of the holders of Rights and representing a majority of the votes cast in respect thereof. For the purposes hereof, each outstanding Right (other than Rights which are void pursuant to the provisions hereof or which are Beneficially Owned otherwise than by Independent Shareholders) shall be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting shall be those, as nearly as may be, which are provided in the Corporation's by-laws and the Business Corporations Act with respect to meetings of shareholders of the Corporation.

5.4.5 Notwithstanding anything in this Section 5.4 to the contrary, no such supplement or amendment shall be made to the provisions of Article 4 except with the written concurrence of the Rights Agent to such supplement or amendment.

5.5 Fractional Rights and Fractional Shares

5.5.1 The Corporation shall not be required to issue fractions of Rights or to distribute Rights Certificates which evidence fractional Rights. After the Separation Time there shall be paid, in lieu of such fractional Rights, to the registered holders of the Rights Certificates with regard to which fractional Rights would otherwise be issuable, an amount in cash equal to the same fraction of the Market Price of a whole Right.

5.5.2 The Corporation shall not be required to issue fractional Shares upon exercise of the Rights or to distribute certificates that evidence fractional Shares. In lieu of issuing fractional Shares, the Corporation shall pay to the registered holder of Rights Certificates at the time such

Rights are exercised as herein provided, an amount in cash equal to the same fraction of the Market Price of one Share at the date of such exercise.

5.6 Rights of Action

Subject to the terms of this Agreement, all rights of action in respect of this Agreement, other than rights of action vested solely in the Rights Agent, are vested in the respective holders of the Rights; and any holder of Rights, without the consent of the Rights Agent or of the holder of any other Rights may, on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights, enforce, and may institute and maintain any suit, action or proceeding against the Corporation to enforce, or otherwise act in respect of, such holder's right to exercise such holder's Rights in the manner provided in this Agreement and in such holder's Rights Certificate. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of, the obligations of any Person subject to, this Agreement.

5.7 Holder of Rights Not Deemed a Shareholder

No holder, as such, of any Rights shall be entitled to vote, receive dividends or be deemed for any purpose the holder of Shares or any other securities which may at any time be issuable on the exercise of Rights, nor shall anything contained herein or in any Rights Certificate be construed to confer upon the holder of any Rights, as such, any of the rights of a Shareholder or any right to vote for the election of directors or upon any matter submitted to Shareholders at any meeting thereof or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting Shareholders (except as provided in Section 5.8) or to receive dividends or subscription rights or otherwise, until such Rights, shall have been exercised in accordance with the provisions hereof.

5.8 Notice of Proposed Actions

In case the Corporation proposes after the Separation Time and prior to the Expiration Time to effect the liquidation, dissolution or winding up of the Corporation or the sale of all or substantially all of the Corporation's assets, then, in each such case, the Corporation shall give to each holder of a Right, in accordance with Section 5.11, a notice of such proposed action, which shall specify the date on which such liquidation, dissolution, or winding up is to take place, and such notice shall be so given at least 20 Business Days prior to the date of the taking of such proposed action by the Corporation.

5.9 Effective Date

This Agreement shall be effective and in full force and effect in accordance with its terms and conditions from and after the Meeting if approved by resolution passed by a majority of the votes cast by Independent Shareholders. This Agreement and all outstanding Rights shall terminate and no longer be of any force or effect from and after the Expiration Time.

5.10 Reconfirmation

This Agreement must be reconfirmed by a resolution passed by a majority of the votes cast by Independent Shareholders who vote in respect of such reconfirmation at every third annual meeting of the Corporation. If this Agreement is not so reconfirmed or is not presented for reconfirmation at such annual meeting, then this Agreement and all outstanding Rights shall terminate and be void and of no further force and effect on and from the date of termination of the applicable annual meeting; provided that termination shall not occur if a Flip-in Event has occurred (other than a Flip-in Event which has been waived pursuant to Sections 5.1.2, 5.1.4, 5.1.5 or 5.1.6) prior to the date upon which this Agreement would otherwise terminate pursuant to this Section 5.10.

5.11 Notices

Notices or demands authorized or required by this Agreement to be given or made to or by the Rights Agent, the holder of any Rights or the Corporation will be sufficiently given or made and shall be deemed to be received if delivered or sent by first-class mail, postage prepaid, or by facsimile machine or other means of printed telecommunication, charges prepaid and confirmed in writing by mail or delivery, addressed (until another address is filed in writing with the Rights Agent or the Corporation, as applicable), as follows:

- (a) if to the Corporation:

NFI Group Inc.
711 Kernaghan Avenue
Winnipeg, Manitoba
R2C 3T4

Attention: Executive Vice President and General Counsel
Fax: 204-224-6652

- (b) if to the Rights Agent:

Computershare Investor Services Inc.
~~100 University Avenue~~ 320 Bay Street
~~8th~~ 14th Floor
Toronto, Ontario
~~M5J 2Y1~~ M5H 4A6

Attention: General Manager, Client Services
Fax: 416-263-9539

- (c) if to the holder of any Rights, to the address of such holder as it appears on the Rights Register or, prior to the Separation Time, on the registry books of the Corporation for the Shares.

Any notice which is mailed or sent or delivered in the manner herein provided for shall be deemed given and received whether or not the holder receives the notice.

5.12 Costs of Enforcement

The Corporation agrees that if the Corporation or any other Person (the securities of which are purchasable upon exercise of Rights) fails to fulfil any of its obligations pursuant to this Agreement, then the Corporation or such Person will reimburse the holder of any Rights for the costs and expenses (including legal fees) reasonably incurred by such holder in actions to enforce his rights pursuant to any Rights or this Agreement.

5.13 Posting for Trading of Shares

The Corporation shall use reasonable efforts to cause the Shares to be issued upon the exercise of Rights to be posted for trading on the Exchange.

5.14 Regulatory Approvals

Any obligation of the Corporation or action or event contemplated by this Agreement, shall be subject to applicable law and to the receipt of any requisite approval or consent from any governmental or regulatory authority. Without limiting the generality of the foregoing, any issuance or delivery of debt or equity securities (other than non-convertible debt securities) of the Corporation upon the exercise of Rights and any amendment to this Agreement shall be subject to the applicable prior consent of the stock exchanges and markets on which the Corporation is from time to time listed or quoted.

5.15 Declaration as to Non-Canadian and Non-United States Holders

If, upon the advice of outside counsel, any action or event contemplated by this Agreement would require compliance with the securities laws or comparable legislation of a jurisdiction outside of Canada, the Board acting in good faith may take such actions as it may deem appropriate to ensure that such compliance is not required, including without limitation establishing procedures for the issuance to a Canadian resident Fiduciary of Rights or securities issuable on exercise of Rights, the holding thereof in trust for the Persons entitled thereto (but reserving to the Fiduciary or to the Fiduciary and the Corporation, as the Corporation may determine, absolute discretion with respect thereto) and the sale thereof and remittance of the proceeds of such sale, if any, to the Persons entitled thereto. In no event shall the Corporation or the Rights Agent be required to issue or deliver Rights or securities issuable on exercise of Rights to Persons who are citizens, residents or nationals of any jurisdiction other than Canada and any province or territory thereof or the United States of America and any state thereof in which such issue or delivery would be unlawful without registration of the relevant Persons or securities for such purposes.

5.16 **Successors**

All the covenants and provisions of this Agreement by or for the benefit of the Corporation or the Rights Agent shall bind and enure to the benefit of their respective successors and assigns hereunder.

5.17 **Benefits of this Agreement**

Nothing in this Agreement shall be construed to give to any Person other than the Corporation, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this Agreement; this Agreement shall be for the sole and exclusive benefit of the Corporation, the Rights Agent and the holders of the Rights.

5.18 **Determinations and Actions by the Board**

All actions, calculations, interpretations and determinations (including all omissions with respect to the foregoing) which are done or made by the Board for the purposes hereof, in good faith:

- (a) may be relied upon by the Rights Agent; and
- (b) shall not subject any member of the Board to any liability to the holders of the Rights or to any other parties.

5.19 **Governing Law**

This Agreement and the Rights issued hereunder shall be deemed to be a contract made under the laws of the Province of Ontario and for all purposes will be governed by and construed in accordance with the laws of such province applicable to contracts to be made and performed entirely within such province.

5.20 **Language**

Les parties aux présentes ont exigé que la présente convention ainsi que tous les documents et avis qui s'y rattachent ou qui en coulent soient rédigés en langue anglaise. The parties hereto have required that this Agreement and all documents and notices related thereto or resulting therefrom be drawn up in English.

5.21 **Counterparts**

This Agreement may be executed in any number of counterparts and each of such counterparts will for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument.

5.22 **Severability**

If any term or provision hereof or the application thereof to any circumstance is, in any jurisdiction and to any extent, invalid or unenforceable, such term or provision will be

ineffective only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining terms and provisions hereof or the application of such term or provision in jurisdictions or to circumstances other than those as to which it is held invalid or unenforceable.

5.23 Time of the Essence

Time shall be of the essence hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed.

NFI GROUP INC.

By: *"Paul Soubry"*
Name: ~~Paul Soubry~~
Title: ~~President and Chief Executive Officer~~

By: *"Colin Pewarchuk"*
Name: ~~Colin Pewarchuk~~
Title: ~~Executive Vice President, General Counsel~~

COMPUTERSHARE INVESTOR SERVICES INC.

By: *"Étienne Mailhot"*
Name: ~~Étienne Mailhot~~
Title: ~~Relationship Manager~~

By: *"Patrick Gauthier"*
Name: ~~Patrick Gauthier~~
Title: ~~Relationship Manager~~

SCHEDULE A

to a ~~Fourth~~Fifth Amended and Restated Shareholder Rights Plan Agreement dated as of May ~~48~~,
20232026
between NFI Group Inc. and Computershare Investor Services Inc.

Certificate No. [_____] [_____] Rights

THE RIGHTS ARE SUBJECT TO REDEMPTION, AT THE OPTION OF THE CORPORATION, ON THE TERMS SET FORTH IN THE SHAREHOLDER RIGHTS PLAN AGREEMENT. UNDER CERTAIN CIRCUMSTANCES (SPECIFIED IN SECTION 3.1.2 OF SUCH AGREEMENT), RIGHTS BENEFICIALLY OWNED BY AN ACQUIRING PERSON, CERTAIN RELATED PARTIES OF AN ACQUIRING PERSON OR A TRANSFEREE OF AN ACQUIRING PERSON OR ANY SUCH RELATED PARTIES WILL BECOME VOID WITHOUT FURTHER ACTION.

RIGHTS CERTIFICATE

This certifies that [_____] is the registered holder of the number of Rights set forth above, each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the ~~Fourth~~Fifth Amended and Restated Shareholder Rights Plan Agreement dated as of May ~~48~~, 20232026 (the “**Rights Agreement**”) between NFI Group Inc., a corporation incorporated under the laws of Canada, (the “**Corporation**”) and Computershare Investor Services Inc., a corporation incorporated under the laws of Ontario, as Rights Agent (the “**Rights Agent**”, which term shall include any successor Rights Agent under the Rights Agreement), to purchase from the Corporation, at any time after the Separation Time and prior to the Expiration Time (as such terms are defined in the Rights Agreement), one fully paid common share of the Corporation (a “**Share**”) at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate, together with the Form of Election to Exercise appropriately completed and duly executed, to the Rights Agent at its principal office in Toronto, Ontario. Until adjustment thereof in certain events as provided in the Rights Agreement, the Exercise Price shall be \$~~[200.00]~~ per Right (payable in cash, certified cheque or money order payable to the order of the Corporation).

The number of Shares which may be purchased for the Exercise Price is subject to adjustment as set forth in the Rights Agreement.

This Rights Certificate is subject to all of the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are hereby incorporated by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Rights Agent, the Corporation and the holders of the Rights Certificates. Copies of the Rights Agreement are on file at the registered office of the Corporation and are available upon written request.

This Rights Certificate, with or without other Rights Certificates, upon surrender at the principal office of the Rights Agent in Toronto, Ontario, may be exchanged for another Rights Certificate or Rights Certificates of like tenor evidencing an aggregate number of Rights equal to the aggregate number of Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate shall be exercised in part, the registered holder shall be

entitled to receive, upon surrender hereof, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

In certain circumstances described in the Rights Agreement, each Right evidenced hereby may be adjusted so as to entitle the registered holder thereof to purchase or receive securities in the capital of the Corporation other than Shares or more or less than one Share (or a combination thereof), all as provided in the Rights Agreement. The number of Shares which may be purchased for the Exercise Price is subject to adjustment as set forth in the Rights Agreement.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Rights Certificate may be redeemed by the Corporation at a redemption price of \$0.00001 per Right subject to adjustment in certain events.

No fractional Shares will be issued upon the exercise of any Right or Rights evidenced hereby, but in lieu thereof a cash payment will be made, as provided in the Rights Agreement.

No holder of this Rights Certificate, as such, shall be entitled to vote or receive dividends or be deemed for any purpose the holder of Shares or any other securities which may at any time be issuable upon the exercise hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a shareholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of any meeting or other actions affecting shareholders (except as provided in the Rights Agreement), or to receive distributions or subscription rights or otherwise, until the Rights evidenced by this Rights Certificate shall have been exercised as provided in the Rights Agreement.

This Rights Certificate shall not be valid for any purpose until it shall have been countersigned by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Corporation.

Date: [_____]

NFI GROUP INC.

By: _____
Name:
Title:

COMPUTERSHARE INVESTOR
SERVICES INC.

By: _____
Name:
Title:

FORM OF ELECTION TO EXERCISE

NFI GROUP INC.

The undersigned hereby irrevocably elects to exercise _____ whole Rights represented by this Rights Certificate to purchase the Shares issuable upon the exercise of such Rights and requests that certificates for such Shares be issued in the name of and delivered to:

Rights Certificate No. _____

Name

Address

City and Province

Social Insurance No. or other
taxpayer identification numbers

If such number of Rights shall not be all the Rights evidenced by this Rights Certificate, a new Rights Certificate for the balance of such Rights shall be registered in the name of and delivered to:

Name

Address

City and Province

Social Insurance No. or other
taxpayer identification numbers

Date: _____

Signature

Written Signature Guaranteed

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by a major Canadian trust company, a Schedule 1 Canadian chartered bank, a member of a recognized stock exchange in Canada or a member of the Securities Transfer Association Medallion (STAMP) Program.

(To be completed by the holder if true)

The undersigned hereby represents, for the benefit of the Corporation and all holders of Rights and Shares, that the Rights evidenced by this Rights Certificate are not and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person, any Associate or Affiliate of an Acquiring Person, any other Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or an Associate or Affiliate of such Person so acting jointly or in concert (as such terms are defined in the Rights Agreement).

Signature

NOTICE

If the certification set forth above in the Form of Election to Exercise is not completed, the Corporation is entitled to treat the Beneficial Owner of the Rights represented by this Rights Certificate to be an Acquiring Person (as defined in the Rights Agreement) and, accordingly, such Rights shall be null and void.

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please print name and address of transferee)

the Rights represented by this Rights Certificate, together with all right, title and interest therein.

Date: _____

Signature

Written Signature Guaranteed

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular without alteration or enlargement or any change whatsoever)

Signature must be guaranteed by a major Canadian trust company, a Schedule 1 Canadian chartered bank, a member of a recognized stock exchange in Canada or a member of the Securities Transfer Association Medallion (STAMP) Program.

(To be completed by the holder if true)

The undersigned hereby represents, for the benefit of the Corporation and all holders of Rights and Shares, that the Rights evidenced by this Rights Certificate are not and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person, any Associate or Affiliate of an Acquiring Person, any other Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of such Acquiring Person, or an Associate or Affiliate of such Person so acting jointly or in concert (as such terms are defined in the Rights Agreement).

Signature

(Please print name below signature)

NOTICE

If the certification set forth above in the Form of Assignment is not completed, the Corporation is entitled to treat the Beneficial Owner of the Rights represented by this Rights Certificate to be an Acquiring Person (as defined in the Rights Agreement) and, accordingly, such Rights shall be null and void.f

Schedule “B”

ADVISORY RESOLUTION ON APPROACH TO EXECUTIVE COMPENSATION

BE IT RESOLVED THAT:

1. On an advisory basis and not to diminish the role and responsibilities of the board of directors of NFI Group Inc. (“**NFI**”), the shareholders accept the approach to executive compensation disclosed in NFI’s management information circular dated March 20, 2026.

Schedule “C”

DESCRIPTION OF THE OPTION PLANS

The Board adopted the 2013 Option Plan on March 21, 2013. The 2013 Option Plan was last amended and restated effective August 5, 2020.

On March 12, 2020, the Board approved the 2020 Option Plan.

The Board amended both the 2013 Option Plan and the 2020 Option Plan on August 5, 2020 to (i) provide flexibility to grant Options to participants in the United Kingdom in compliance with local tax laws, and (ii) include other amendments of a housekeeping nature. None of these amendments required shareholder approval pursuant to the terms of the 2013 Option Plan and the 2020 Option Plan.

The 2020 Option Plan has substantially the same material terms as the 2013 Option Plan, which terms are summarized below.

The full texts of the 2013 Option Plan and the 2020 Option Plan were filed on SEDAR+ on November 30, 2020 and are available at www.sedarplus.ca.

Under the Option Plans, the Board may grant Options to active employees of NFI and its affiliates (“**participants**”), including the NEOs. Non-employee directors are not eligible to be granted Options under the Option Plans.

Purpose

The purposes of the Option Plans are to: (i) support the achievement of NFI’s performance objectives; (ii) ensure that interests of key persons are aligned with the success of NFI; and, (iii) provide compensation opportunities to attract, retain, and motivate senior management critical to the long-term success of NFI and its subsidiaries.

Administration

Subject to the Governance Committee reporting to the Board on all matters relating to the Option Plans and obtaining approval of the Board for those matters required by the Governance Committee’s mandate, the Option Plans are administered by the Governance Committee, which will: (i) determine which eligible employees will receive Options, the number of Options to be granted and any terms and conditions of the Options; (ii) interpret and administer the Option Plans; (iii) establish the Option exercise price; and, (iv) make any other determinations required for the administration of the Option Plans. Decisions of the Governance Committee are binding on the participants.

Award of Options

The Governance Committee may award Options to any eligible employee. The Option Plans permits the grant of incentive share options under the U.S. Internal Revenue Code and non-qualified stock options. The exercise price of an Option may not be less than fair market value which, for these purposes means the closing price of a Common Share on the principal stock exchange on which the Common Shares are traded on the last trading day immediately preceding the applicable day. The vesting terms and expiry of an Option will be determined by the Governance Committee for each applicable grant, provided that Options must expire no later than the eighth anniversary of the date of grant, except that Options which would otherwise expire during, or within 10 business days following a blackout period will expire 10 business days following the end of the blackout period.

Exercise of Options

Vested Options may be exercised by the Participant providing a notice of exercise and (i) paying the exercise price in full to NFI; or (ii) without payment either (A) by receiving an amount in cash per Option equal to the cash proceeds realized upon the sale of the Common Shares by a securities dealer in the capital markets, less the applicable exercise price and any applicable withholding taxes, or (B) by receiving the net number of Common Shares remaining after the sale of such number of Common Shares by a

securities dealer in the capital markets as required to realize cash proceeds equal to the applicable exercise price and any applicable withholding taxes, or (C) a combination of (A) and (B). On exercise of a vested Option, NFI will issue to the participant one Common Share for each vested Option elected to be exercised.

Transfer of Options

Options are not transferable or assignable other than by will or the laws of descent and distribution.

Vesting Provisions

Each Option will vest on the date or dates designed in the grant agreement or such earlier date as is provided for in the Option Plans or is determined by the Governance Committee. If no specific provision is made, options will vest 25% on each of the first through fourth anniversaries of the date of grant.

Number of Common Shares Available for Issuance and Burn Rate

The 2013 Option Plan provides for the issuance of 3,600,000 Common Shares, representing approximately 3.0% of the issued and outstanding Common Shares as at December 28, 2025; provided that Common Shares reserved for issuance pursuant to Options that are terminated or are cancelled without having been exercised will again be available for issuance under the 2013 Option Plan. As at December 28, 2025, there were 1,417,296 Options outstanding, representing approximately 1.2% of the issued and outstanding Common Shares as at that date. No new Options may be granted under the 2013 Option Plan after March 21, 2023, the tenth anniversary of the 2013 Option Plan's effective date.

The 2020 Option Plan provides for the issuance of 3,200,000 Common Shares, representing approximately 2.7% of the issued and outstanding Common Shares as at December 28, 2025; provided that Common Shares reserved for issuance pursuant to Options that are terminated or are cancelled without having been exercised will again be available for issuance under the 2020 Option Plan. As at December 28, 2025, there were 2,561,690 Options available for issuance, representing approximately 2.2% of the issued and outstanding Common Shares as at that date, and 638,310 Options outstanding, representing approximately 0.5% of the issued and outstanding Common Shares as at that date.

The annual burn rate for the Options under the 2013 Option Plan for the last three fiscal years is described in the table below.

Year	Options Issued	Weighted Average Common Shares Outstanding	Burn Rate %
2025	N/A	N/A	N/A
2024	N/A	N/A	N/A
2023	323,793	91,866,613	0.35

The annual burn rate for the Options under the 2020 Option Plan for the last three fiscal years is described in the table below.

Year	Options Issued	Weighted Average Common Shares Outstanding	Burn Rate %
2025	320,059	119,071,087	0.27
2024	325,925	119,008,308	0.27
2023	50,655	91,866,613	0.06

Restrictions on the Award of Options

The Option Plans provide that: (i) the number of Common Shares reserved for issuance pursuant to Options and other awards under the Option Plans and any other security-based compensation arrangements of NFI to any one person shall not exceed 5% of the issued and outstanding securities of NFI; (ii) the number of Common Shares issued to any insider or that insider's associates under the Option Plans and under any other security-based compensation arrangement of NFI shall not exceed 5% of the issued and outstanding securities of NFI within a 12-month period; and (iii) the aggregate number of Common Shares issued to insiders of NFI within any 12-month period, or issuable to insiders of NFI at any time, under the Option Plans and any other security-based compensation arrangement of NFI, may not exceed 10% of the total number of issued and outstanding Common Shares of NFI at such time.

Cessation of Employment

If a participant's employment is terminated by the participant's death, the participant's legal representatives will have until the earlier of one year after the date of death and the expiry date of the Option, to exercise Options which are vested on the participant's death and will forfeit all rights to Options which are not vested on the participant's date of death or which are not exercised within the one year period.

If a participant's employment is terminated due to the participant's disability or retirement, the participant's options will continue to vest (and will vest at the same time as if the participant had remained employed for three years after the date of termination) and be exercisable until the earlier of three years after the date of termination due to disability or retirement and the expiry date of the Option and the participant will forfeit all rights to Options which do not vest or which are not exercised within the three-year period.

If a participant's employment is terminated without cause or the participant resigns for good reason (which is defined as the participant's employer substantially diminishing the participant's authority or responsibilities, materially violating the participant's employment agreement or materially reducing a participant's compensation) the participant will have until the earlier of 90 days after the termination date and the expiry date of the Options to exercise Options which are vested on the termination date and will forfeit all rights to Options which are not vested at the participant's termination date or which are not exercised within the 90 day period.

If a participant's employment is terminated without cause or the participant resigns for good reason (as defined above) immediately prior to or within twenty-four months following a Change of Control (as defined under the Option Plans, which includes the acquisition of 50% or more of the Common Shares or a sale of all or substantially all of the assets of NFI) all of the participant's Options will vest immediately prior to the participant's termination date and will be exercisable until the earlier of 90 days after termination of employment and the expiry date of the Option and the participant will forfeit all rights to Options which are not exercised within the 90 day period.

If a participant's employment is terminated for any reason, other than death, disability, retirement, termination without cause or resignation for good reason, the participant will have until the earlier of 30 days after the termination date and the expiry date of the Options to exercise Options which are vested on the termination date and will forfeit all rights to Options which are not vested at the participant's termination date or which are not exercised within the 30 day period.

Amendment, Suspension or Termination of Option Plans

The Governance Committee may amend, suspend or terminate the Option Plans at any time, subject to any provisions of applicable law that require the approval of shareholders or any governmental or regulatory body. The Governance Committee may make any amendments to the Option Plans without shareholder approval including, for example, housekeeping amendments, amendments to comply with applicable laws and the rules, regulations and policies of the TSX, amendments to reduce or restrict participation in the plans, amendments to the vesting provisions of the plans or any Option, amendments to the termination or early termination provisions of the plans or any Option, or amendments necessary to suspend or terminate the plans, provided that the participant's consent is required to make amendments that are adverse to the participant. Notwithstanding the foregoing, shareholder approval is required for:

- any amendment to increase the number of Common Shares issuable under the Option Plans or change from a fixed maximum number of Common Shares to a fixed maximum percentage;
- any amendment that increases the length of the automatic extension for Options expiring during or shortly after a blackout period;
- any amendment reducing the exercise price of an Option (directly or by the cancellation and reissuance of an Option), except in connection with a stock dividend or split, recapitalization, merger, consolidation or other corporate change;
- any amendment expanding the categories of eligible person which would have the potential of broadening or increasing insider participation or which would permit non-employee directors to participate in the plan;
- any amendment extending the term of an Option or any rights pursuant thereto beyond its original expiry date, other than the extension of options which would otherwise expire during or within 10 business days following a blackout period, to 10 business days following the end of the blackout period;
- the addition of any other provision which results in participants receiving Common Shares while no cash consideration is received by NFI;
- any amendment to add a cashless exercise feature, unless it provides for a full deduction of the number of underlying Common Shares from the applicable plan's reserve;
- amendments which would permit Options to be transferred or assigned other than for normal estate planning purposes; and
- amendments to the amending provision of the Option Plan.

Under the 2020 Option Plan, shareholder approval is also required for any amendment to remove or exceed the insider participation limits set out in the plan.

No new Options may be granted under the 2020 Option Plan after March 12, 2030, the tenth anniversary of the 2020 Option Plan's effective date.

Schedule “D”

DESCRIPTION OF RESTRICTED SHARE UNIT PLANS FOR NON-EMPLOYEE DIRECTORS

The Board adopted the 2014 Director RSU Plan on March 20, 2014 and it was approved by shareholders on May 8, 2014. The 2014 Director RSU Plan was amended and restated effective December 8, 2015, December 18, 2017, March 14, 2019 and September 14, 2020. The 2014 Director RSU Plan was most recently amended and restated to accommodate grants of Director RSUs to Participants (as defined below) in the United Kingdom. These amendments did not require shareholder approval pursuant to the terms of the 2014 Director RSU Plan. The full text of the 2014 Director RSU Plan is available at www.sedarplus.ca.

On March 17, 2025, the Board adopted the 2025 Director RSU Plan and the 2025 Director RSU Plan was approved by NFI shareholders at the 2025 meeting of shareholders held on May 9, 2025. A maximum of 500,000 Common Shares are available for issuance under the 2025 Director RSU Plan. The full text of the 2025 Director RSU Plan is available at www.sedarplus.ca.

Under the 2014 Director RSU Plan and the 2025 Director RSU Plan (together, the “**Director RSU Plans**”), only non-employee Directors of NFI and certain affiliates (“**Eligible Directors**”) may receive Director RSUs or dividend restricted share units (“**Dividend Director RSUs**”). Any current or former Eligible Director to whom a Director RSU or Dividend Director RSU was granted is a participant in the Director RSU Plans (“**Participant**” or “**U.S. Participant**” in the case of a United States citizen or resident alien). Unless otherwise noted below, the term “Participant” includes a “U.S. Participant”.

Purpose

The purposes of the Director RSU Plans are to: (i) attract, retain and motivate highly qualified and experienced individuals to act as directors of NFI and certain of its affiliates; and (ii) promote a greater alignment of interests between the Participants and the shareholders of NFI.

Administration

Subject to the Governance Committee reporting to the Board on all matters relating to the Director RSU Plans and obtaining approval of the Board for those matters required by the Governance Committee’s mandate, the Director RSU Plans are administered by the Governance Committee, which will: (i) interpret and administer the Director RSU Plans; (ii) establish, amend and rescind any rules and regulations relating to the Director RSU Plans; and (iii) make any other determinations that the Governance Committee deems necessary or desirable for the administration of the Director RSU Plans.

Award of Director RSUs and Dividend Director RSUs

A Director RSU is a right to acquire a fully-paid and non-assessable Common Share. Eligible Directors have the right to elect once each calendar year to receive all or a portion of their annual retainer in the form of Director RSUs. Eligible Directors generally must make the election prior to the end of the calendar year preceding the year to which such election is to apply, or in the case of a new Eligible Director, as soon as possible after the Eligible Director’s appointment. Elections are irrevocable for the year in respect of which they are made. The Board, in its sole discretion, may award additional Director RSUs. The annual aggregate value of any discretionary Director RSUs granted to an Eligible Director cannot exceed the lesser of 1% of the issued and outstanding Common Shares and \$150,000.

The number of Director RSUs to be awarded to an Eligible Director is equal to the value of the compensation the Eligible Director elects to receive in the form of Director RSUs, divided by the volume weighted average closing price of a Common Share on the TSX for the 5 trading days prior to the date of the award (the “**Fair Market Value**”), rounded down to the nearest whole Director RSU.

When dividends are paid on Common Shares, further rights to acquire fully-paid and non-assessable Common Shares in the form of Dividend Director RSUs will be automatically awarded to each Participant who holds Director RSUs or Dividend Director RSUs on the record date for such dividends. The number of Dividend Director RSUs to be awarded to an Eligible Director is equal to the aggregate number of Director RSUs and Dividend Director RSUs held by the Participant on the dividend record date multiplied by the amount of dividend paid by NFI on each Common Share, and then divided by the Fair Market Value of the Common Shares on the dividend payment date (rounded down to the nearest whole Dividend Director RSU).

Exercise of Director RSUs and Dividend Director RSUs

A Participant (other than a U.S. Participant) may exercise Director RSUs and Dividend Director RSUs that are credited to his or her account at any time prior to December 15 of the year following the year in which the Participant ceases to be an Eligible Director ("**Exercise Deadline**"). If the Participant fails to provide a notice of exercise prior to the Exercise Deadline, the Participant will be deemed to have provided a notice of exercise specifying the Exercise Deadline as the exercise date. In the event a Participant (other than a U.S. Participant) dies, such Participant's Director RSUs and Dividend Director RSUs will automatically be exercised as of the date of death.

U.S. Participants must specify the exercise date for their Director RSUs and Dividend Director RSUs in their annual election form. Director RSUs and Dividend Director RSUs will be exercised on the fixed exercise date or, if earlier, the first to occur of the following events, each defined under Section 409(A) of the U.S. Internal Revenue Code of 1986: (i) separation from service; (ii) disability; (iii) death; or (iv) a change in control.

Subject to the prior written consent of NFI, Participants may surrender to NFI such number of vested Director RSUs and Dividend Director RSUs to satisfy applicable withholding taxes upon exercise of their vested units. Where a Participant elects to surrender his or her vested Director RSUs and Dividend Director RSUs to satisfy applicable withholding taxes upon exercise, the number of Common Shares available for issuance under the applicable Director RSU Plan will be reduced by the number of such surrendered units.

Vesting Provisions

Director RSUs and Dividend Director RSUs vest immediately as at each applicable award date.

Number of Common Shares Available for Issuance and Burn Rate

On adoption of the 2014 Director RSU Plan in 2014, the maximum number of Common Shares available for issuance was 500,000 Common Shares, representing approximately 0.4% of the issued and outstanding Common Shares as at December 28, 2025. As at December 28, 2025 there were 7,058 Director RSUs available for issuance, representing approximately 0.01% of the issued and outstanding Common Shares as at that date, and 185,144 Director RSUs outstanding, representing approximately 0.2% of the issued and outstanding Common Shares as at that date.

No Director RSUs have been awarded under the 2025 Director RSU Plan.

The annual burn rate for the Director RSUs for the last three fiscal years is described in the table below.

Year	Director RSUs Issued	Weighted Average Common Shares Outstanding	Burn Rate %
2025	90,674	119,071,087	0.08
2024	64,769	119,008,308	0.05
2023	103,231	91,866,613	0.11

Insider Participation Limits on the Award of Director RSUs and Dividend Director RSUs

The Director RSU Plans each provide that: (i) the number of Common Shares reserved for issuance pursuant to such Director RSU Plan and any other security-based compensation arrangement of NFI to any one person shall not exceed 5% of the issued and outstanding Common Shares; (ii) the number of Common Shares issued to any insider or that insider's associates under such Director RSU Plan and under any other security-based compensation arrangement of NFI shall not exceed 5% of the issued and outstanding Common Shares within a 12-month period; and (iii) the aggregate number of Common Shares issued to insiders of NFI within any 12-month period, or issuable to insiders of NFI at any time, under such Director RSU Plan and any other security-based compensation arrangement of NFI, shall not exceed 10% of the total number of issued and outstanding Common Shares at such time.

General Restrictions and Assignment

Except as otherwise permitted by the Board, the rights of a Participant under the Director RSU Plans are not capable of being assigned. The rights and obligations under the Director RSU Plans may be assigned by NFI to a successor in the business of NFI.

Amendment, Suspension or Termination of the Director RSU Plans

The Board may amend, suspend or terminate the Director RSU Plans, or any portion thereof, at any time, subject to any provisions of applicable law that require the approval of shareholders or any governmental or regulatory body. The Board may make amendments to the Director RSU Plans without shareholder approval including, for example, housekeeping amendments, amendments to comply with tax laws or amendments to reduce or restrict participation in the Director RSU Plans. Notwithstanding the foregoing, shareholder approval is required for:

1. any amendment to increase the number of Common Shares issuable under a Director RSU Plan or a change from a fixed maximum number of Common Shares to a fixed maximum percentage;
2. any amendment extending eligibility to participate in a Director RSU Plan to persons other than Eligible Directors;
3. any amendment extending the term of the Director RSUs and Dividend Director RSUs or any rights pursuant thereto held by an insider beyond the Exercise Deadline;
4. any amendment increasing the insider participation limits;
5. any amendment to increase the annual limit on discretionary Director RSUs;
6. amendments to the amendment provision of a Director RSU Plan; and
7. amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

Notwithstanding the termination of a Director RSU Plan, the Board may make any amendments to a Director RSU Plan, or to the Director RSUs or Dividend Director RSUs, it would be entitled to make if such Director RSU Plan were still in effect.

Schedule “E”

NFI GROUP INC.

(the “Corporation”)

Mandate of the Board of Directors

The purpose of this document is to summarize the governance and management roles and responsibilities of the Board of Directors of the Corporation (the “Board”). The Board is responsible for the supervision of the management of the Corporation’s business and affairs, directly and through its committees, having regard to the interests of the Corporation’s stakeholders.

1. ROLE

The role of the Board is to focus on governance and stewardship of the business carried on by the Corporation. The Board will review strategy, assign responsibility for achievement of that strategy, and monitor performance against those objectives. In fulfilling this role, the Board will regularly review the strategic plans developed by management so that they continue to be responsive to the changing business environment in which the Corporation operates.

2. RESPONSIBILITIES

In fulfilling its role, the Board will:

(a) Define Stakeholder Expectations

- Satisfy itself that there is effective communication between the Board and the Corporation’s securityholders, other stakeholders and the public.
- Determine, from time to time, the appropriate criteria against which to evaluate performance, and set corporate strategic goals and objectives within this context.

(b) Establish Strategic Goals, Performance Objectives and Operational Policies

The Board will review and approve broad strategic corporate objectives and establish corporate values against which the performance of the Corporation will be measured. In this regard, the Board will, at least annually:

- Approve long-term strategies.
- Review and approve management of the Corporation’s strategic, capital and operational plans so that they are consistent with long-term goals.
- Approve strategic and operational policies proposed by management and within which management of the Corporation will operate.
- Set targets against which to measure corporate and executive performance of the Corporation.
- Satisfy itself that a portion of executive compensation is linked appropriately to the Corporation’s performance.

- Satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management of the Corporation.

(c) **Delegate Management Authority to the Chief Executive Officer**

- Ensure that the Board delegates to the Chief Executive Officer of the Corporation (the “CEO”) the authority to manage and supervise the business of the Corporation and decisions regarding the ordinary course of business and operations.
- Determine what, if any, limitations may be required in the exercise of the authority delegated to management.

(d) **Monitor Corporate Performance**

- Identify, understand, assess and monitor the principal risks of all aspects of the businesses in which the Corporation is engaged.
- Monitor performance of the Corporation against both short-term and long-term strategic plans and annual performance targets and monitor compliance with Board policies and the effectiveness of risk management practices.
- Monitor (through the Corporation’s Human Resources, Compensation and Corporate Governance Committee (the “HR Committee”)) the Corporation’s sustainability program, including the Corporation’s environmental, social and governance (“ESG”) approach, management’s execution against this approach and the material ESG initiatives, impacts, risks and opportunities, and disclosures.
- Monitor compliance by management with internal controls and ensure that management establishes effective management information systems.

(e) **Develop Board Processes**

- Develop procedures relating to the conduct of the Board’s business and the fulfillment of the Board’s responsibilities.
- Develop the Board’s approach to corporate governance through the HR Committee.
- Create additional committees of the Board and delegate to them appropriate responsibilities.
- Appoint, review and replace, as and when necessary or appropriate, the Chairperson of the Board (“Board Chair”) and a vice-chair to the Board (the “Vice Chair”). The Board shall delegate appropriate responsibilities to the Vice Chair from time to time.

(f) **Discharge Specific Responsibilities**

In fulfilling its role, the Board will be responsible for the consideration and approval of:

- The issuance of securities of the Corporation.
- Establishing the dividend policy for the Corporation and the declaration of dividends.

- Approval of the Corporation's disclosure documents and other policies and governance documents that are required to be approved by the Board, including under applicable legal and regulatory requirements.
- The adoption, amendment or repeal of by-laws of the Corporation.
- The review and approval of material transactions not in the ordinary course of business.

3. **QUALIFICATIONS OF DIRECTORS**

The Board is responsible for the composition and organization of the Board, including the number, qualifications and remuneration of directors, diversity considerations, the number of Board meetings, quorum requirements and meeting procedures (in all cases subject to applicable law and the Corporation's constituting documents).

Directors are expected to have the highest personal and professional ethics and values and be committed to advancing the best interests of the Corporation. They are also expected to possess skills and competencies in areas that are relevant to the Corporation's activities and that enhance the ability of the Board to effectively oversee the business and affairs of the Corporation.

A majority of the Board must be independent. Independence shall have the meaning, as the context requires, given to it in National Instrument 52-110 Audit Committees, as may be amended from time to time. The Board Chair is expected to be an independent director but, if the Board Chair is not independent, then there will be an independent lead director who will assume the responsibilities of the Board Chair in applicable circumstances. The Board Chair should act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.

Each director must have an understanding of the Corporation's principal operational and financial objectives, plans and strategies, financial position and performance as well as the performance of the Corporation relative to its principal competitors. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the Chairperson of the HR Committee and, if determined appropriate by the Board on the recommendation of the HR Committee, resign from the Board.

4. **MAJORITY VOTING POLICY**

At meetings of shareholders at which directors are to be elected, shareholders will vote in favor of, or withhold from voting for, each nominee separately. If, with respect to any particular nominee, the number of votes withheld exceeds the votes cast in favour of the nominee, then for purposes of this policy the nominee shall be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law.

An individual elected as a director who is considered under this policy not to have the support or confidence of the shareholders must immediately submit to the Board Chair his or her resignation from the Board. The HR Committee will consider the director's resignation and make a recommendation to the Board as to whether to accept it. A director who has tendered a resignation pursuant to this policy will not attend any part of a meeting of the HR Committee or the Board at which his or her resignation is discussed or a related resolution is voted upon.

Within ninety (90) days of the meeting of shareholders, the Board will make a decision and issue a press release either announcing the resignation of the director or explaining why it has not been

accepted. In determining whether or not to accept the resignation, the Board will take into account the factors considered by the HR Committee and any other factors the Board determines are relevant. Absent exceptional circumstances, the Board will accept the director's resignation. A copy of the press release will be provided to the Toronto Stock Exchange.

Subject to any corporate law restrictions, the Board may: (i) leave the resultant vacancy unfilled until the next annual meeting of shareholders, (ii) fill the vacancy through the appointment of a new director who merits the confidence of the shareholders, or (iii) call a special meeting of shareholders to fill the vacant position.

This majority voting policy does not apply to contested elections in which the number of director nominees for election is greater than the number of director positions on the Board. In contested elections, the directors shall be elected by plurality of the votes cast.

Reference should also be made to the section titled "Resignation Events" in the Corporation's Charter of Expectations for Directors.

5. TERM AND AGE LIMITS

The Board believes there should be a balance between having experienced directors who have served on the Board for an appropriate length of time so as to understand the Corporation, its business environment and the issues facing the Corporation and renewing the Board to ensure new insights are considered to reflect and address changing business environments and strategies. In order to assist in achieving this balance, a member of the Board will generally not be nominated for election or re-election at an annual meeting after the earlier of the following occurs: (i) the director attains the age of 75, and (ii) the director has served a 15-year term on the Board, provided however, the Board will ultimately rely upon its robust self-assessment process to determine Board renewal needs. Where the Board determines it would be in the best interests of the Corporation, the Board is entitled to nominate any person for election to the Board, regardless of age or tenure.

6. DIVERSITY POLICY

The Corporation has a Board Diversity Policy, which sets out that the Board shall consist of directors who represent a diversity of talents, experience, functional expertise and personal skills, age, character and qualities and sets out the target objectives regarding Board composition. The Board aspires to achieve parity in gender identification diversity in its composition. Beyond gender, the Corporation aims to achieve a Board composition that is reflective of the Corporation's stakeholders, including its customers and employees and the changing demographics of the communities in which the Corporation operates, including individuals who identify as racialized, Black, people of colour, people with sexual orientation diversity, people with disabilities (including invisible and episodic disabilities) and Indigenous people.

7. MEETINGS

The Board has meetings at least once in each quarter, with additional meetings held when required. Additional meetings may be called by the Board Chair or any two directors on proper notice. The independent directors will hold regularly scheduled in-camera meetings at which members of management and non-independent directors are not in attendance. The calling of and the provision of notice of a Board meeting shall be made in accordance with the Corporation's by-laws, as may be amended from time to time.

The Board Chair is primarily responsible for the agenda. Prior to each Board meeting, the Board Chair will discuss agenda items for the meeting with the CEO and other members of the Board. Any director may propose the inclusion of items on the agenda, request the presence of, or a report

by management of the Corporation, or at any Board meeting raise subjects that are not on the agenda for that meeting.

The HR Committee and the Audit Committee generally have meetings quarterly, with additional meetings held when required. Meeting frequency and agendas for the standing committees may change from time to time, however, depending on opportunities or risks faced by the Corporation. The calling of and the provision of notice of committee meetings shall be made in accordance with the applicable committee charter, as may be amended from time to time.

The Secretary keeps minutes of the proceedings of the Board and each of its committees, and circulates copies of the minutes for review by each Board or committee member, as the case may be, on a timely basis.

(a) **Procedures for Board Meetings**

- Subject to any applicable by-laws, procedures for Board meetings are determined by the Board Chair unless otherwise determined by a resolution of the Board. Subject to any applicable by-laws, the Board Chair presides over the Board meetings and the Vice Chair presides over the Board meetings when the Board Chair is unable to attend.
- Subject to any applicable by-laws and applicable committee charter, procedures for committee meetings are determined by the committee chairperson unless otherwise determined by a resolution of the committee or the Board.
- A quorum for any Board or committee meeting shall be as required by the constating documents of the Corporation or committee charter, as the case may be.

8. **DIRECTORS' RESPONSIBILITIES**

(a) **Attendance and Participation**

- Each director is expected to attend all meetings of the Board and any committee of which he or she is a member. A director who is unable to attend a meeting in person may participate by telephone or videoconference. The Board or any committee may also take action from time to time by unanimous written consent.
- In advance of each Board or committee meeting, members will receive the proposed agenda and other materials necessary for the directors' understanding of the matters to be considered. Directors are expected to spend the time needed to review the materials in advance of such meetings and to actively participate in such meetings.

(b) **Service on Other Boards and Audit Committees**

- The Board does not believe that its members should be prohibited from serving on the boards of other companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Board Chair in advance of accepting an invitation to serve on the board of another company and, as a general rule, directors are not allowed to join a board of another company on which two or more other directors of the Corporation serve. In addition, directors cannot be on the board of a competitor of the Corporation.
- Members of the Audit Committee may not serve on the audit committees of more than two other companies without the prior approval of the Board Chair.

(b) Access to Independent Advisors

- The Board and any committee may at any time retain outside financial, legal or other advisors at the expense of the Corporation and have the authority to determine the advisors' fees and other retention terms. Any director may, subject to the approval of the Board Chair, retain an outside advisor at the expense of the Corporation.

9. EVALUATION OF BOARD, DIRECTORS AND COMMITTEES

The HR Committee, in consultation with the Board Chair, will ensure that an appropriate system is in place to evaluate and perform an annual evaluation of the effectiveness of the Board as a whole as well as the committees of the Board, to ensure they are fulfilling their respective responsibilities and duties. In connection with these evaluations, each director will be requested to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of individual directors. These evaluations should take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee, as well as any other relevant facts.

10. MANAGEMENT

(a) Management's Role

- The primary responsibility of management of the Corporation is to safeguard the Corporation's assets and to create value for the Corporation. When performance is found to be inadequate, the Board has the responsibility to bring about appropriate change.
- In managing the Corporation, management should also have regard to the interests of the Corporation's other stakeholders, such as the Corporation's employees, customers, suppliers, creditors and the communities in which the Corporation operates.
- Management of the Corporation is under the direction of the CEO. The Board shall take such steps as it deems necessary to satisfy itself as to the integrity of the CEO and senior management of the Corporation and that such individuals create a culture of integrity throughout the Corporation.

(b) Management's Relationship to the Board

- Senior management of the Corporation, primarily through the CEO, reports to and is accountable to the Board. The Board is responsible for the selection, appointment, evaluation and, if necessary, termination of the CEO, as well as ensuring that there is appropriate succession planning, including appointing, counseling and monitoring the performance, of senior management.
- Business plans are developed by senior management and reviewed by the Board to ensure consistency with the Corporation's strategic direction. A special meeting of the Board is held each year to review the strategic initiatives and the business plan submitted by senior management of the Corporation.

(c) Board Access to Business Information and Management

- Information provided by and access to management is critical to the Board's effectiveness. In addition to the reports presented to the Board at its regular and special meetings, the Board is also kept informed on a timely basis by management of the Corporation with respect to developments and key decisions taken by management

in pursuing the Corporation's business plan. Subject to notifying the Board Chair and the CEO in advance, directors should have direct access to senior management of the Corporation. The directors periodically assess the quality, completeness and timeliness of information provided by management to the Board.

(d) **Management Performance Review and Rewards**

- The HR Committee annually reviews the position description of the CEO and establishes objectives against which his or her performance is reviewed, with his or her compensation being assessed against these agreed objectives. Similar reviews and assessments are undertaken for other members of senior management in consultation with the CEO.
- The compensation plans of the Corporation are based on maintaining a direct link between management rewards and the achievement of objectives including risk management, with the ultimate objective of creating long-term, sustainable value for the Corporation.

11. COMMUNICATION AND DISCLOSURE POLICIES

The Corporation has adopted a Disclosure and Insider Trading Policy which summarizes its policies and practices regarding disclosure of material information to investors, analysts and the media. The purpose of this policy is to ensure that the Corporation's communications with the investment community are timely, consistent and in compliance with all applicable securities legislation. This Disclosure and Insider Trading Policy is reviewed annually by the Board and will be distributed to employees in accordance with the policy and made available on the Corporation's intranet site.

The Corporation endeavors to keep its securityholders informed of its progress through a comprehensive annual report, annual information form, quarterly interim reports and periodic press releases. It also maintains a website that provides summary information about the Corporation and ready access to its published reports, press releases, statutory filings and supplementary information provided to analysts and investors. Among other opportunities, directors and management interact with the Corporation's securityholders at the annual meeting and are available to respond to questions at that time.

The Corporation also maintains an investor relations program to respond to inquiries in a timely manner. Management meets on a regular basis with investment analysts, financial advisors and interested members of the public to ensure that accurate information is available to investors, including quarterly conference calls and webcasts to discuss the Corporation's financial results. The Corporation also endeavors to ensure that media is kept informed of key developments as they occur, and have an opportunity to meet and discuss these developments with the Corporation's designated spokespersons.

12. CODE OF BUSINESS CONDUCT AND ETHICS

The Board expects all directors, officers and employees of the Corporation to conduct themselves in accordance with the highest ethical standards and to adhere to the Corporation's Code of Business Conduct and Ethics. Waivers of the Code of Business Conduct and Ethics will only be granted in exceptional circumstances where the waiver would not be inconsistent with the spirit of the Code of Business Conduct and Ethics and following consultation with legal counsel. Any waiver of the Code of Business Conduct and Ethics for officers or directors may only be made by the Board (through the HR Committee) and will be publicly disclosed by the Corporation to the extent required by law, regulation or stock exchange requirement. Employees may seek waivers from the CEO and any such waivers will be promptly reported to the Board.

13. PROHIBITION ON PERSONAL LOANS

The Corporation will not, either directly or indirectly, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any director or member of senior management.

14. ORIENTATION AND CONTINUING EDUCATION OF DIRECTORS

The Corporation is best served by the Board comprised of individuals who are well versed in modern principles of corporate governance and other subject matters relevant to Board service and who thoroughly comprehend the role and responsibilities of an effective Board in the oversight and supervision of management of the Corporation. The Chairperson of the HR Committee, with the assistance of the CEO, shall develop an orientation and continuing education program for all directors of the Corporation. This program will be articulated in a separate director orientation and continuing education policy that will be reviewed by the HR Committee on an annual basis.

APPENDIX

Position Description of Chairperson

The Board Chair is principally responsible for overseeing the operations and affairs of the Board. It is expected that the Board Chair will be independent but, if not, there will be a lead independent director. In fulfilling his or her responsibilities, the Board Chair will:

- (a) provide leadership to foster the effectiveness of the Board;
- (b) ensure there is an effective relationship between the Board and senior management of the Corporation;
- (c) ensure that the appropriate committee structure is in place and assist the Human Resources, Compensation and Corporate Governance Committee (the "HR Committee") in making recommendations for appointments to such committees;
- (d) in consultation with the other members of the Board and the CEO, prepare the agenda for each meeting of the Board;
- (e) ensure that all directors receive the information required for the proper performance of their duties, including information relevant to each meeting of the Board;
- (f) chair Board meetings, including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that clarity regarding decision-making is reached and accurately recorded;
- (g) together with the HR Committee, ensure that an appropriate system is in place to evaluate the performance of the Board as a whole, the Board's committees and individual directors, and make recommendations to the HR Committee for changes when appropriate;
- (h) work with the CEO and other members of senior management to monitor progress on strategic planning, policy implementation and succession planning; and
- (i) provide additional services required by the Board.

Position Description of Committee Chairperson

A committee chairperson is principally responsible for overseeing the operations and affairs of his or her particular committee. In fulfilling his or her responsibilities, the chairperson will:

- (a) provide leadership to foster the effectiveness of the committee;
- (b) ensure there is an effective relationship between the Board and the committee;
- (c) ensure that the appropriate charter is in effect and assist the HR Committee in making recommendations for amendments to the charter;
- (d) in consultation with the other members of the committee and Board, where appropriate, prepare the agenda for each meeting of the committee;
- (e) ensure that all committee members receive the information required for the proper performance of their duties, including information relevant to each meeting of the committee;
- (f) chair committee meetings, including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual members and confirming that clarity regarding decision-making is reached and accurately recorded;
- (g) together with the HR Committee, ensure that an appropriate system is in place to evaluate the performance of the committee as a whole, the committee's individual members, and make recommendations to the HR Committee for changes when appropriate; and
- (h) provide additional services required by the Board.

Schedule “F”

NFI GROUP INC.

(the “Corporation”)

CHARTER OF EXPECTATIONS FOR DIRECTORS

The roles, responsibilities, qualifications and procedures of the board of directors of the Corporation (the “Board”) are set out in the Mandate of the Board of Directors of the Corporation (the “Mandate”). This Charter of Expectations for Directors supplements the Mandate by specifying the expectations the Corporation places on its non-management directors in terms of personal and professional criteria, share ownership, meeting attendance, identifying possible conflicts of interest, resignation events and election of directors.

1. PERSONAL AND PROFESSIONAL CRITERIA

The Corporation uses the following criteria for assisting in the evaluation incumbent directors and potential candidates for election to the Board:

- (a) The director is an individual of the highest personal and business integrity,
- (b) The director brings outstanding and relevant business or other valuable experience, such as:
 - (i) holds or has recently held a position of high-level responsibility;
 - (ii) has experience operating or holding a high-level position in a major public company;
 - (iii) preferably has experience in the transit industry or a related or similar industry;
 - (iv) has a broad exposure to or understanding of the funding environment in which customers of the Corporation operate;
 - (v) possesses a high level of expertise in areas that are important to the Corporation, or
 - (vi) The director has experience serving on the board of directors of a public company,
- (c) The director effectively contributes to the development of the Corporation’s strategic plan and businesses,
- (d) The director effectively contributes to the functioning and decision-making of the Board and its committees,
- (e) The director understands and effectively contributes to the broad range of issues that the Board and its committees must consider,
- (f) The director does not have a conflict of interest relating to the business and affairs of the Corporation or its subsidiaries or affiliates and is free to act in the best interests of the Corporation and its stakeholders, and
- (g) The director is able to devote the time necessary to prepare for and attend all meetings of the Board and its committees and to keep abreast of significant corporate developments.

2. DIVERSITY POLICY

The Corporation has a Board Diversity Policy, which sets out that the Board shall consist of directors who represent a diversity of talents, experience, functional expertise and personal skills, age, character and qualities and sets out the target objectives regarding Board composition. The Board aspires to achieve parity in gender identification diversity in its composition. Beyond gender, the Corporation aims to achieve a Board composition that is reflective of the Corporation's stakeholders, including its customers and employees and the changing demographics of the communities in which the Corporation operates, including individuals who identify as racialized, Black, people of colour, people with sexual orientation diversity, people with disabilities (including invisible and episodic disabilities) and Indigenous people.

3. SHARE OWNERSHIP

The Corporation believes that directors can better represent investors if they are shareholders themselves. The Corporation expects that directors own a minimum number of common shares of the Corporation having a value equal to the product of five (5) times the director's annual base cash retainer (chair or extra meeting fees, if any, not to be included) (the "Ownership Level").

A director must achieve the Ownership Level within five years of being appointed to the Board. Any deferred share units granted under the Corporation's deferred share unit plan for non-employee directors or restricted share units granted under the Corporation's restricted share unit plan for non-employee directors that are held by a director shall be included in determining that director's Ownership Level.

4. MEETING ATTENDANCE

The Corporation expects that directors should make every possible effort to attend in person all regularly scheduled meetings of the Board and of the committees on which they serve. When meetings are scheduled in advance, directors should determine whether they have conflicts and bring these to the attention of the chair of the Board (the "Board Chair") or the chair of the particular committee and the Secretary of the Corporation. Directors are expected to use best efforts to attend all special meetings of the Board, which are usually called on shorter notice, in person or by telephone.

5. CONFLICTS OF INTEREST

Directors are expected to identify in advance any conflict of interest regarding a matter coming before the Board or its committees and to refrain from voting on such matters. If a director is uncertain of the nature or extent of a potential conflict, he or she should seek a ruling on the matter in advance with the Board Chair or, at the time of the meeting with the chair of the meeting.

6. CHANGE OF CIRCUMSTANCES

Directors are responsible for informing the Board Chair of any change in their personal or professional circumstances that may impact their continued ability to serve the Corporation effectively, or if they have been determined by the Board to be independent, that may impact their continued standing as independent directors. The Human Resources, Compensation and Corporate Governance Committee (the "Governance Committee") will review such changes and consider the appropriateness of a director's continued membership on the Board and its committees.

7. TERM AND AGE LIMITS

The Board believes there should be a balance between having experienced directors who have served on the Board for an appropriate length of time so as to understand the Corporation, its business environment and the issues facing the Corporation and renewing the Board to ensure new insights are considered to reflect and address changing business environments and strategies. In order to assist in achieving this balance, a member of the Board will generally not be nominated for election or re-election at an annual

meeting after the earlier of the following occurs: (i) the director attains the age of 75, and (ii) the director has served a 15-year term on the Board, provided however, the Board will ultimately rely upon its robust self-assessment process to determine Board renewal needs. Where the Board determines it would be in the best interests of the Corporation, the Board is entitled to nominate any person for election to the Board, regardless of age or tenure.

8. RESIGNATION EVENTS

If any of the following events occur, a director agrees to submit his or her resignation from the Board to the Board Chair, to be effective when accepted by the Board:

- (a) the director becomes unable to attend at least 75% of the regularly scheduled meetings of the Board,
- (b) the director becomes involved in a legal dispute, regulatory or similar proceeding that could materially impact his or her ability to serve as a director and negatively impact the reputation of the Corporation,
- (c) the director takes on new responsibilities in business, politics or the community which may conflict with the goals of the Corporation and materially reduce his or her ability to serve as a director,
- (d) there is any other change in the director's personal or professional circumstances that impacts the Corporation or such director's ability to serve the Corporation, or
- (e) in connection with the annual director assessment conducted by the Governance Committee, which includes a peer and self-evaluation and a one-on-one discussion between the Board Chair and each director, and after discussion between the chair of the Governance Committee and the Board Chair regarding the results of a director's assessment, the Board Chair requests the director to submit his or her resignation.

The Governance Committee will consider whether to accept the resignation and will make a recommendation to the Board regarding the resignation. If a resignation is accepted, the Board may appoint a new director to fill the vacancy.

9. MAJORITY VOTING POLICY

The Board has adopted a policy (included in the Mandate of the Board of Directors) which provides, if the total number of shares voted in favor of the election of a director nominee at a shareholders' meeting represents less than a majority of the total shares voted for and withheld with respect to that director, the director must submit his or her resignation to the Board Chair, to be effective when accepted by the Board. The Governance Committee will consider and make a recommendation to the Board regarding the resignation, and the Board's decision to accept or reject the resignation will be disclosed to the public within 90 days of the shareholders' meeting. Absent exceptional circumstances, the Board will accept the director's resignation. If a resignation is accepted, the Board may appoint a new director to fill the vacancy. This policy applies only to uncontested elections — that is, elections in which the number of nominees for director is equal to the number of directors to be elected