



Leading the **ZE**volution™

TD Cowen Sustainability Week

Virtual Conference
June 8, 2023

Today's speakers



Paul Soubry

**President &
Chief Executive
Officer**



Stephen King

**Vice President
Strategy and
Investor Relations**

Cautionary statement

Certain statements in this presentation are “forward looking statements,” which reflect the expectations of management regarding the Company's future growth, results of operations, performance and business prospects and opportunities.

These forward-looking statements are made as of the date of this presentation and NFI assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws. See the Appendix to this presentation for more details about the forward-looking statements.

In addition, certain financial measures used in this presentation, including but not limited to, Backlog, Liquidity, Adjusted EBITDA, Adjusted Net Earnings and Free Cash Flow are not recognized earnings measures and do not have standardized meanings prescribed by International Financial Reporting Standards (“IFRS”). Therefore, they may not be comparable to similar measures presented by other issuers. See the Appendix to this presentation and the Company's related Management Discussion & Analysis (“MD&A”), available on SEDAR (www.sedar.com) for more information and detailed reconciliation to the applicable IFRS measures.

All figures in U.S. dollars unless otherwise noted.



Key terms

- ✓ Buses manufactured by New Flyer and ADL's single and double deck buses are classified as "**transit buses**". ARBOC manufactures body on-chassis or "**cutaway**" and "**medium-duty**" buses that service transit, paratransit, and shuttle applications. Collectively, transit buses, medium-duty buses and cutaways, are referred to as "**buses**".
- ✓ A "**motor coach**" or "**coach**" is a 35-foot to 45-foot over-the-highway bus typically used for intercity transportation and travel over longer distances than heavy-duty transit buses and is typically characterized by (i) high deck floor, (ii) baggage compartment under the floor, (iii) high-backed seats with a coach-style interior (often including a lavatory), and (iv) no room for standing passengers.
- ✓ **Zero-emission buses ("ZEBs")** consist of trolley-electric, hydrogen fuel cell-electric, and battery-electric buses and coaches.
- ✓ One **equivalent unit** (or "**EU**") represents one production "slot", being one 30-foot, 35-foot, 40-foot, 45-foot heavy-duty transit bus, one double deck bus, one medium-duty bus, one cutaway bus or one motor coach, whereas one articulated transit bus represents two equivalent units. An articulated transit bus is an extra-long transit bus (approximately 60-feet in length), composed of two passenger compartments connected by a joint mechanism. The joint mechanism allows the vehicle to bend when the bus turns a corner yet have a continuous interior.
- ✓ Many public customer contracts include options to purchase transit buses and motor coaches in the future, and a large portion of the Company's order book is represented by "**options**" as opposed to "**firm orders.**"



Land Acknowledgement



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

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

Who is NFI?

Market and technology leader in each of our major markets.

NFI is a global independent bus and motor coach solution provider that is leading the evolution to zero-emission mobility.

 Leading the **ZE**volution™

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



NFI's mobility solutions

Parts, Publications & Service

NFI Service AD24
nfi.parts

Workforce Development & Training

VIC VEHICLE INNOVATION CENTER AD24 Training Academy
NEW FLYER Institute NFI Learning Institute
MCI MCI Academy Training for Advancing Technology

Buses & Coaches

NEW FLYER MCI
ALEXANDER DENNIS ARBOC SPECIALTY VEHICLES
PLAXTON



Connected Vehicles & Diagnostics

NFI Connect™ CONNECT 360

Infrastructure Solutions

NFI Infrastructure Solutions™

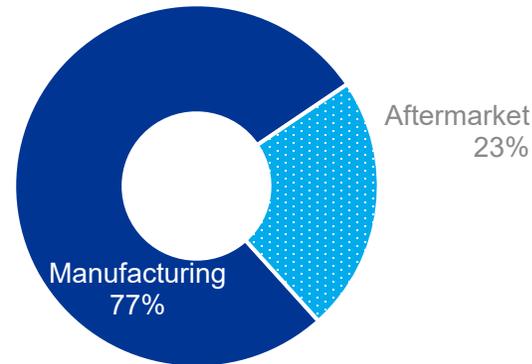
Financing

NFI Financial Solutions™

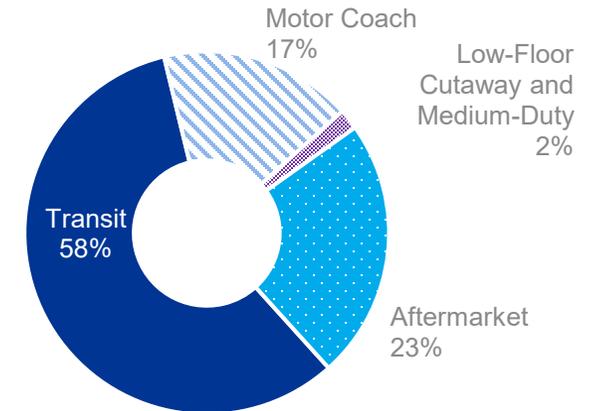
NFI Group Overview

- Independent, publicly traded (NFI.TO), global bus manufacturer providing a comprehensive suite of mobility solutions
- Vehicles in service in 13 countries
- Installed base of over 100,000 buses and coaches globally across clean diesel, natural gas, diesel-electric hybrid and zero-emission electric (battery, trolley and fuel cell) drive systems
- Largest and most comprehensive aftermarket service and support business in North America and the United Kingdom

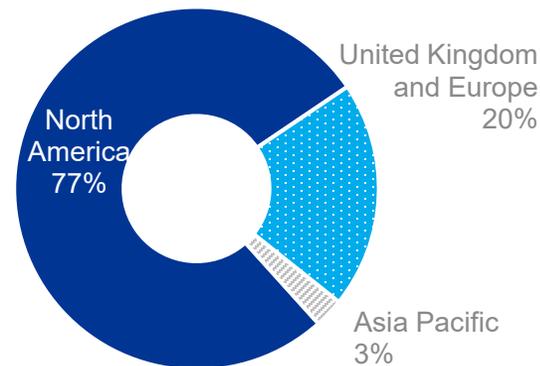
Revenue by Segment¹



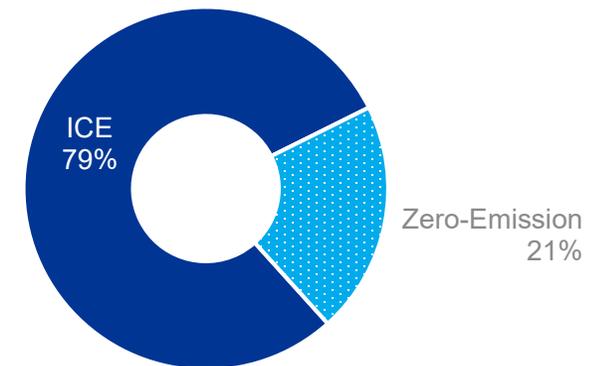
Revenue by Product¹



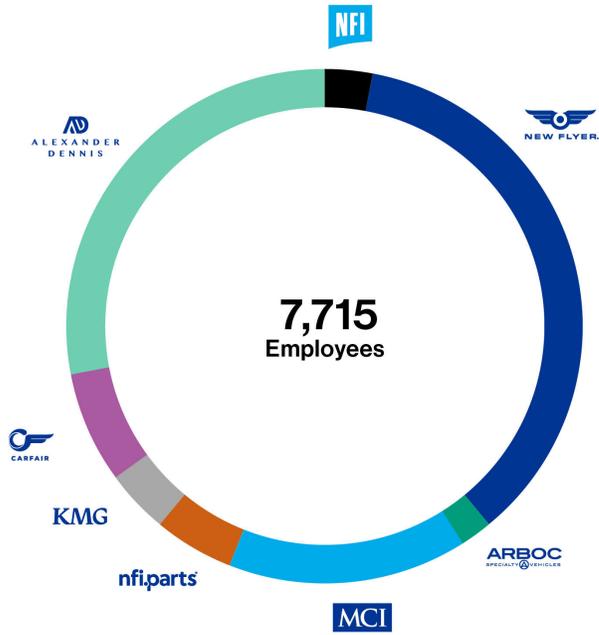
Revenue by Geography¹



Vehicle Deliveries by Propulsion¹



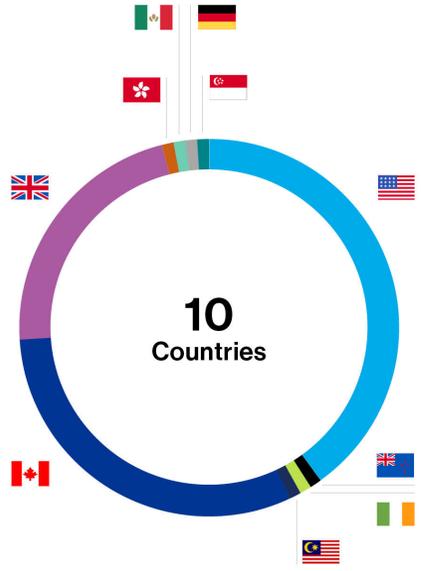
Our people



Employees

212	NFI Group
2,890	New Flyer
2,029	Alexander Dennis
1,118	MCI
552	Carfair Composites
394	NFI Parts
371	KMG
149	ARBOC

45+
Facilities



By Country

3,153	USA
2,554	Canada
1,897	UK
54	Hong Kong
29	Mexico
8	Germany
8	Singapore
7	New Zealand
4	Ireland
1	Malaysia



Our ESG journey highlights: 2019 to today



2019
1st ESG Report

2020
2nd ESG Report;
launched Community
Benefits Framework

2021
3rd ESG Report;
inaugural CDP Climate
Change Questionnaire
participation; launched DEI
survey to employees

2022
4th ESG Report;
completed ESG materiality assessment;
completed Living Wage Assessment of main
North American transit production facilities;
inaugural S&P CSA response

2023
5th ESG Report;
developing sustainability
roadmap in preparation for
the net-zero economy

Our ESG progress in 2022

“ In 2022, NFI completed its first ESG materiality assessment to inform the ESG factors most relevant to NFI and all our stakeholders, and has initiated a sustainability roadmap to action the results of our materiality assessment and overall sustainability strategy.

In 2022, we also implemented a DEI action plan; continued to prioritize the health, safety and well-being of our employees; and completed our first annual disclosure to the S&P Global CSA and our second annual disclosure to the CDP Climate Change questionnaire. Our Board of Directors is now over 50% female, and we have increased our Board diversity targets. Our teams also came together to raise over \$381,000 through our annual United Way campaign, supporting 18 communities across North America. We are focused on meeting the needs of tomorrow and continue to weave ESG into the fabric of our day-to-day operations and our long-term planning.”

Janice Harper
Executive Vice President,
People + Culture



115M+

Electric service miles travelled by NFI ZEBs since 2015



Updated

Code of Business Conduct and Ethics to affirm prohibition against child labour



Enhanced

Commitments to Freedom of Association



1st

Response to S&P Corporate Sustainability Assessment (CSA)



Initiated

Sustainability roadmap and Sustainability Council



2nd

Response to CDP Climate Change Questionnaire

1st

Materiality Assessment completed

100%

of employees at NFI’s main transit bus, coach and fabrication manufacturing facilities in Canada and the U.S. were at or above the living wage standard in their region, as described later in this Report¹

1. As of May 2023.

Our ESG priorities in 2023



Employees

- ✓ Sustainability training and engagement
- ✓ Environmental, health and safety and continued ISO 45001 certification
- ✓ Respectful and vibrant workplace culture
- ✓ Retention, workforce development and training, Community Benefits Framework, and Freedom of Association support
- ✓ Advance DEI roadmap, and 50-30 challenge commitments



Company Management

- ✓ Business performance
- ✓ Leading with integrity
- ✓ Quality products, continuous innovation
- ✓ Robust governance practices
- ✓ Sustainability supply chain management



Environment

- ✓ Zero-emission products and solutions
- ✓ Material ESG topics and ESG standard identification
- ✓ Energy and waste consumption management
- ✓ Continued certification to ISO 14001
- ✓ Continued industry partnerships to advance the net-zero economy



Community

- ✓ Responsible corporate citizen
- ✓ Human Rights
- ✓ Community and charitable initiatives
- ✓ Team and community spirit, supported by the Community Benefits Framework
- ✓ Global United Way sponsorship program



Board of Directors

Oversight of sustainability program



HR, Compensation + Governance Committee

Oversight and approval of sustainability policies, frameworks, and strategic direction



Sustainability Council

Strategic leadership around sustainability strategy and program, including sustainability goals, initiatives, plans, reports and actions to support the program



Capital plan and recovery

NFI Leading the **ZE**volution™

Comprehensive refinancing plan

- On May 10th, NFI announced a comprehensive refinancing plan that included credit approval of the key terms and an extension of its main credit facilities (North America and UK) to April 2026, including suspension of debt to EBITDA and interest coverage ratio covenants until Q3-2024 with respect to its senior credit facilities
- Equity financing of \$225 million through a \$133 million private placement and \$92 million bought-deal subscription receipts offering. Equity financing demand was very strong leading to increased sizing and execution of over-allotment
- Also seeking to raise \$175 million (or CAD equivalent) Senior Secured Second Lien Financing (the “Second Lien Financing”)
- Net proceeds from the Second Lien Financing and equity raise will be used to pay down the existing credit facilities (including a permanent repayment of \$250 million) and bolster liquidity
- NFI is confident that once completed, the amendments and extensions to the credit facilities, covenant relief and liquidity enhancement will provide sufficient runway to implement its business recovery plan and achieve its 2025 financial targets
- Focused on finalizing an amended credit agreement with long-term covenants by June 30, 2023

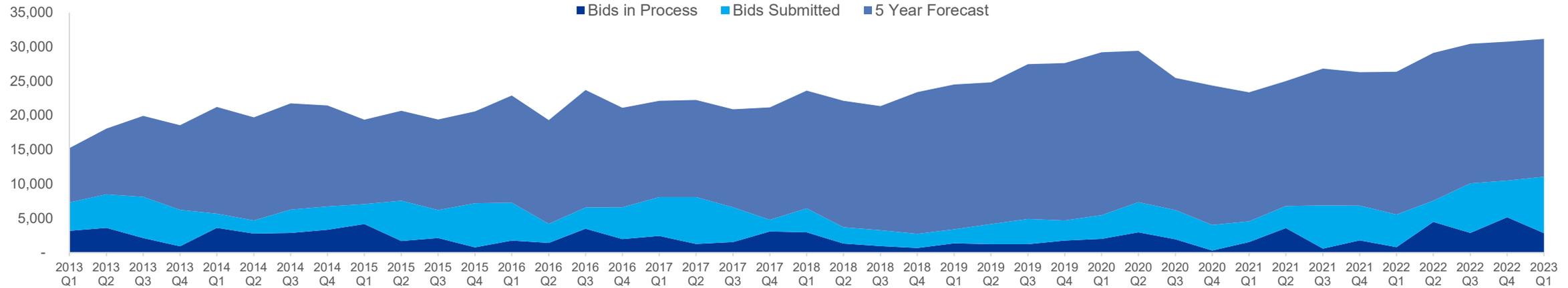
Pro-Forma Capitalization (\$M)

	2023 Q1 ⁽¹⁾	Capital Plan	Pro-Forma
Cash and Equivalents	\$59.4		\$59.4
North American Credit	\$862.0	(\$358.5)	\$503.5
UK Credit	\$49.2	(\$16.5)	\$32.7
Senior Secured Indebtedness	\$911.2	(\$375.0)	\$536.2
Second Lien	\$0.0	\$164.0	\$164.0 ⁽⁴⁾
Senior Unsecured Indebtedness	\$911.2	(\$211.0)	\$700.2
Convertible Debentures	\$218.7 ⁽²⁾		\$218.7 ⁽²⁾
Manitoba Gov Senior	\$36.8 ⁽²⁾		\$36.8 ⁽²⁾
EDC Senior	\$49.6		\$49.6
Total Indebtedness	\$1,216.3		\$1,005.3
Total Shareholders' Equity	\$533.8	\$211.0	\$744.8
Total Capitalization	\$1,750.1		\$1,750.1
Liquidity	\$124.1	\$125.0	\$249.1

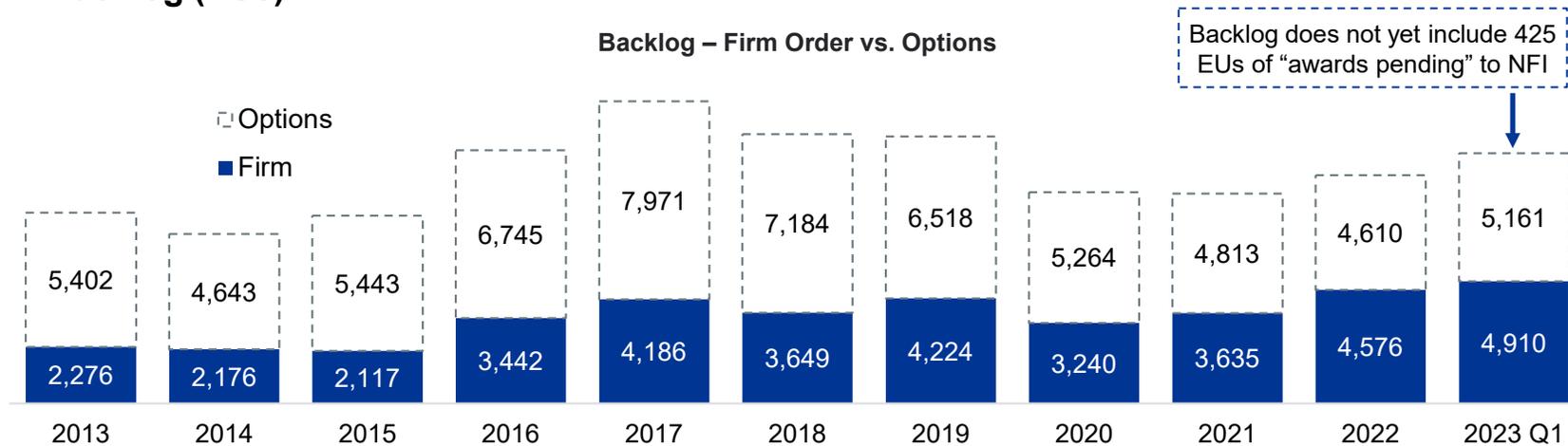
(1) Based on the Interim Financial Statements; (2) Converted into U.S. dollars using the exchange rate on May 31, 2023 of C\$1 = US\$0.7399; (3) Converted into U.S. dollars using the exchange rate on May 31, 2023 of £\$1 = US\$1.2337; (4) Assuming gross proceeds of US\$175 million are raised via the Second Debt Lien Financing, net of expected transaction fees; (5) Adjustments reported net of expected transaction fees in connection with the Credit Facilities Amendments; (6) Assuming gross proceeds of US\$225 million are raised via the Private Placement and the Offering, net of expected transaction fees.

Government funding driving backlog growth

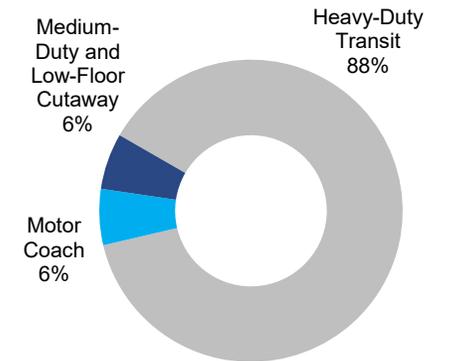
Canada and U.S. Public Market Bid Universe 2013 – 2023 Q1 (EUs)¹



NFI Backlog (EUs)



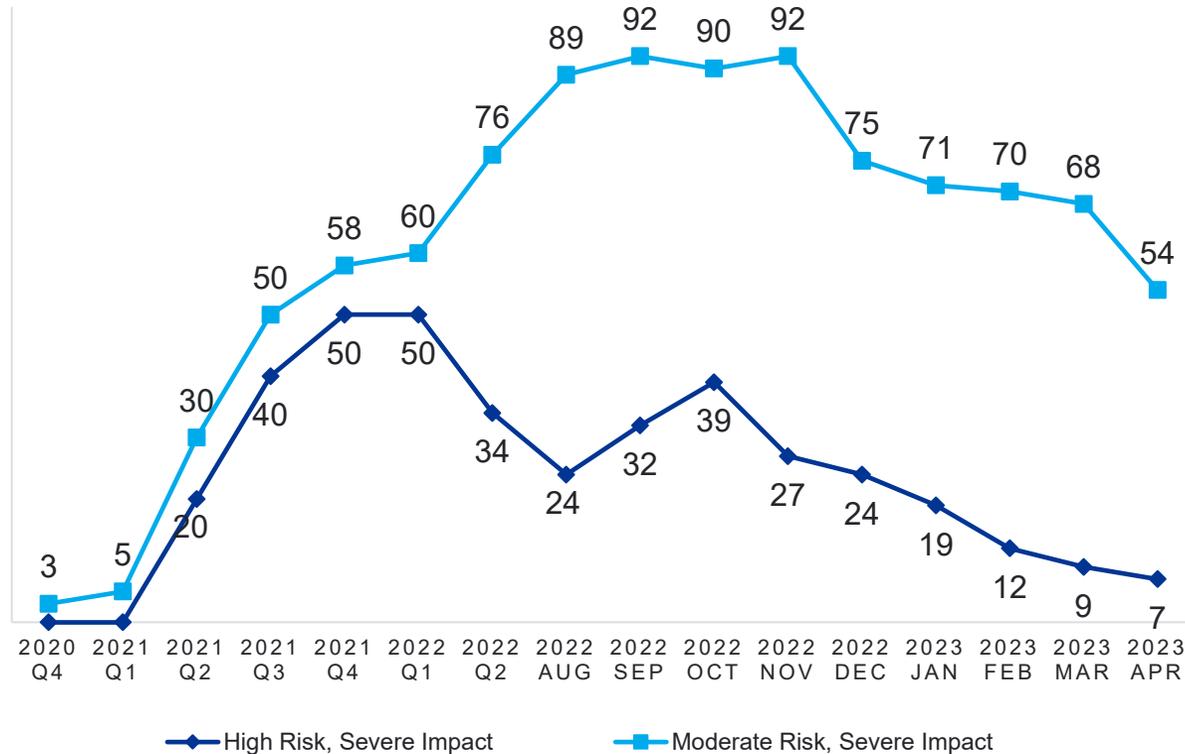
Backlog – By Product (EUs)



Significant supply chain improvements in 2023

NFI Group Consolidated High and Moderate Risk Suppliers (2020 Q4 to 2023 Q1)

Note: 7 High Risk Suppliers in NFI top 750



2023 Update

- Supplier performance continues to improve, and critical disruptions experienced in 2022 are being effectively mitigated
- Supplier on-time-delivery performance continues to improve but remains impactful to production execution in several areas
- 'Severe impact, moderate risk' suppliers continue to improve on-time delivery, with majority of remaining issues effectively managed through increased purchases of raw materials. Suppliers removed from moderate risk once on-time-delivery to purchase order dates is sustained

FY 2023 Outlook

- Supply performance continues trending positively and indications for strong recovery in 2023
- Production line disruption risk has dropped significantly from critical risk suppliers. We are now focusing on sustained improvement and performance
- Supply team continues to work through the risks associated with supplier capacity increases to support 2023 production increase. Short list of issues remain which we are optimistic can be effectively mitigated

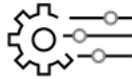
Proactive response to supply chain disruptions

Ongoing proactive actions.

Numerous actions executed and ongoing to combat adverse impacts of unpredictable supply.



Secured and continue to pursue price adjustments wherever possible



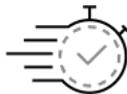
Lowered new vehicle production rates to match with supply



Brought on alternative sources of supply and connected suppliers (*tier 1, 2, 3 and 4 suppliers*)



Increased inventory levels of components on hand (*moving from 6 days of JIT to 20+ days for certain components*)



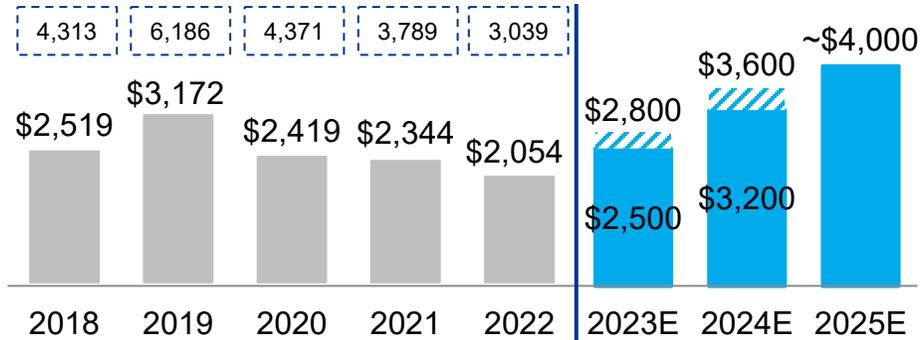
Provided longer lead times to suppliers (*up from 6 weeks to 12 weeks in many instances*)



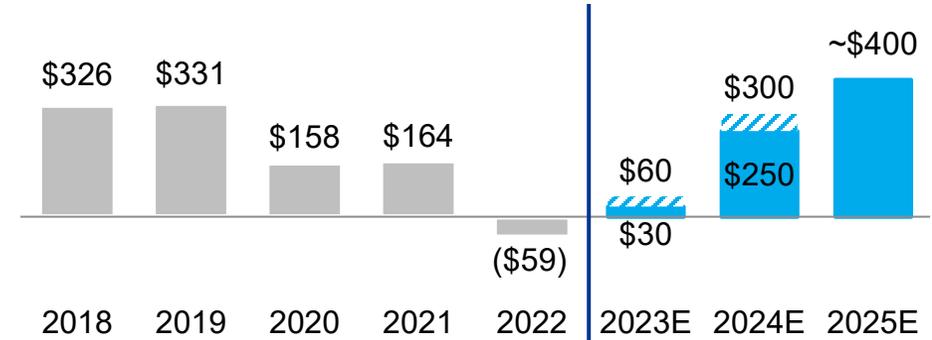
Reduced overhead and administrative costs since COVID-19 through NFI Forward initiative (*including closure of 25 facilities/parts distribution locations and reduction of 2,000 positions*)

Poised for recovery: forward guidance and targets

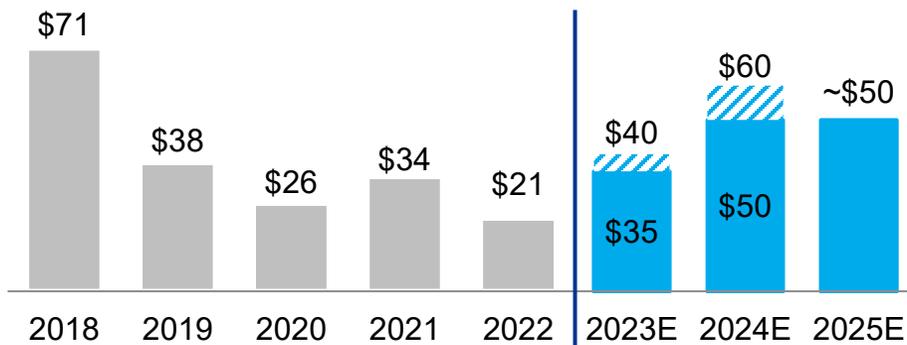
Revenue (\$M) and Units Delivered (EUs)



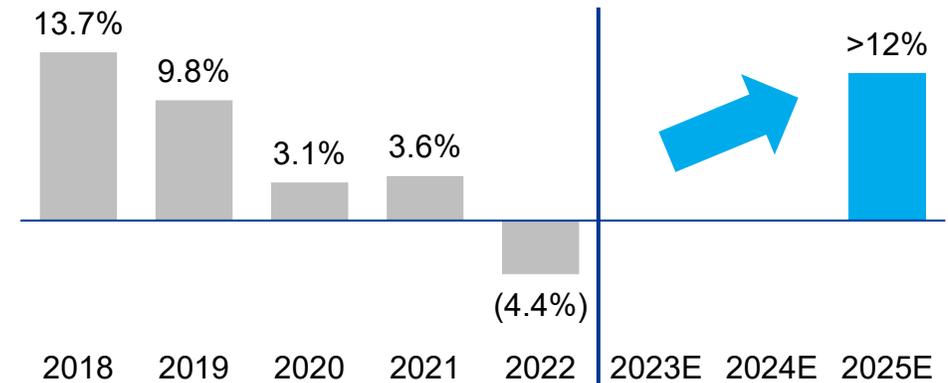
Adjusted EBITDA¹ (\$M)



Capex (\$M)



Return on Invested Capital¹

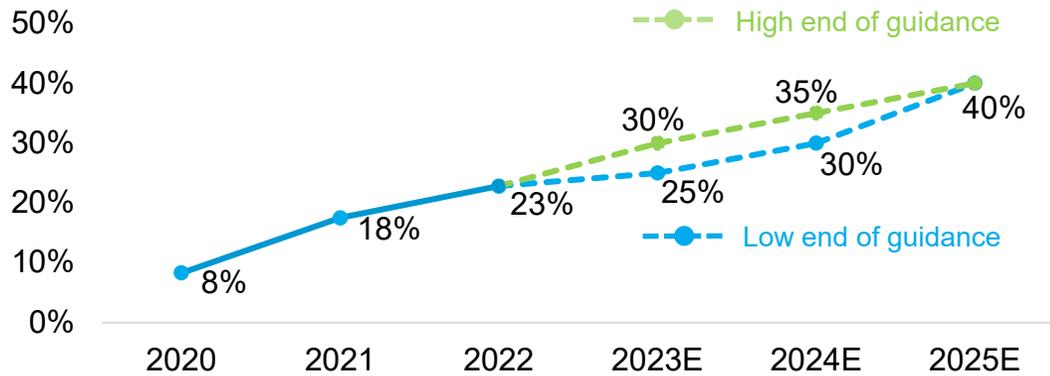


¹ Adjusted EBITDA and Return on Invested Capital (ROIC) represents a non-IFRS measure, meaning it is not a defined term under IFRS and does not have a standard meaning, so it may not be a reliable way to compare NFI to other companies. See Cautionary Statement.

Transition to *ZE* accelerating

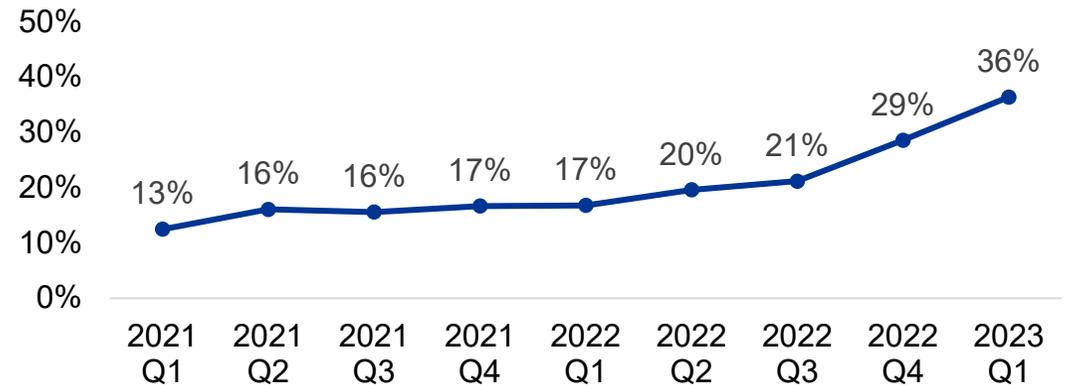
Increasing demand for electric vehicles (battery- and fuel cell-electric) in NFI's core markets, driven by government funding and the drive to zero-emission

ZEBs as % Annual Deliveries



2023 Q1:
21% of total deliveries
were ZEB EUs

ZEB as % of Backlog

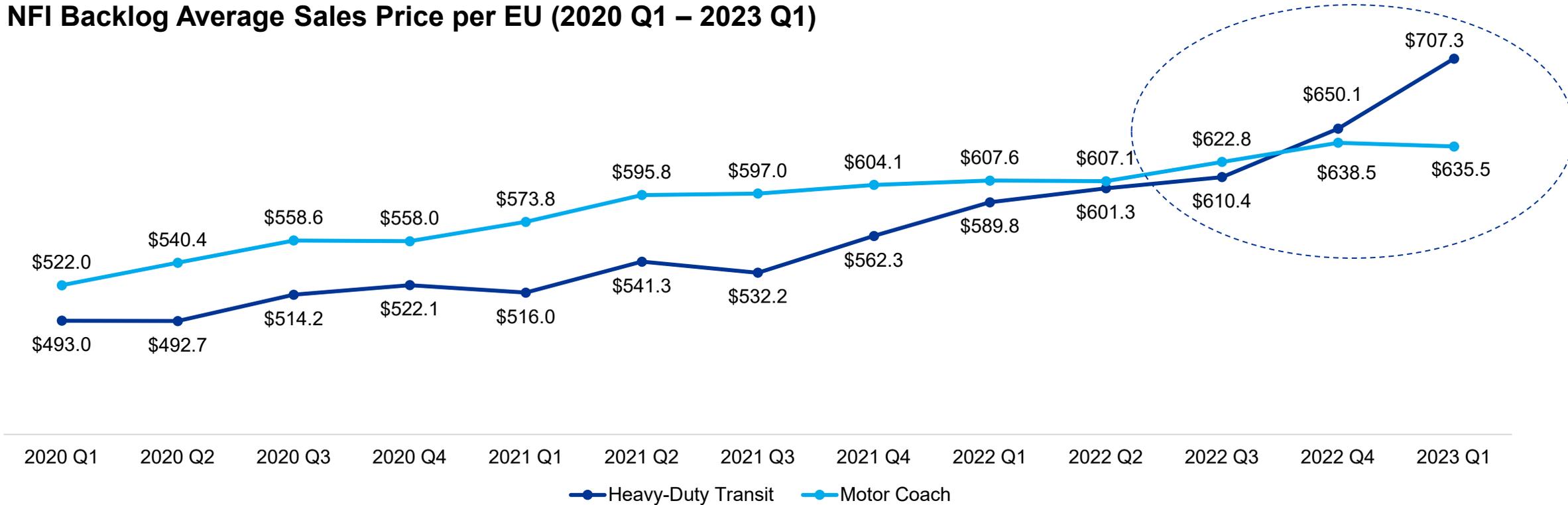


***ZE* transition accelerating; transition is growing NFI's ZEB backlog with higher dollar revenue and margin vehicles.**

Average backlog price continues to increase

Increasing transit and coach sale prices driven by increased number of ZEBs in backlog; will drive higher \$\$/EU contribution

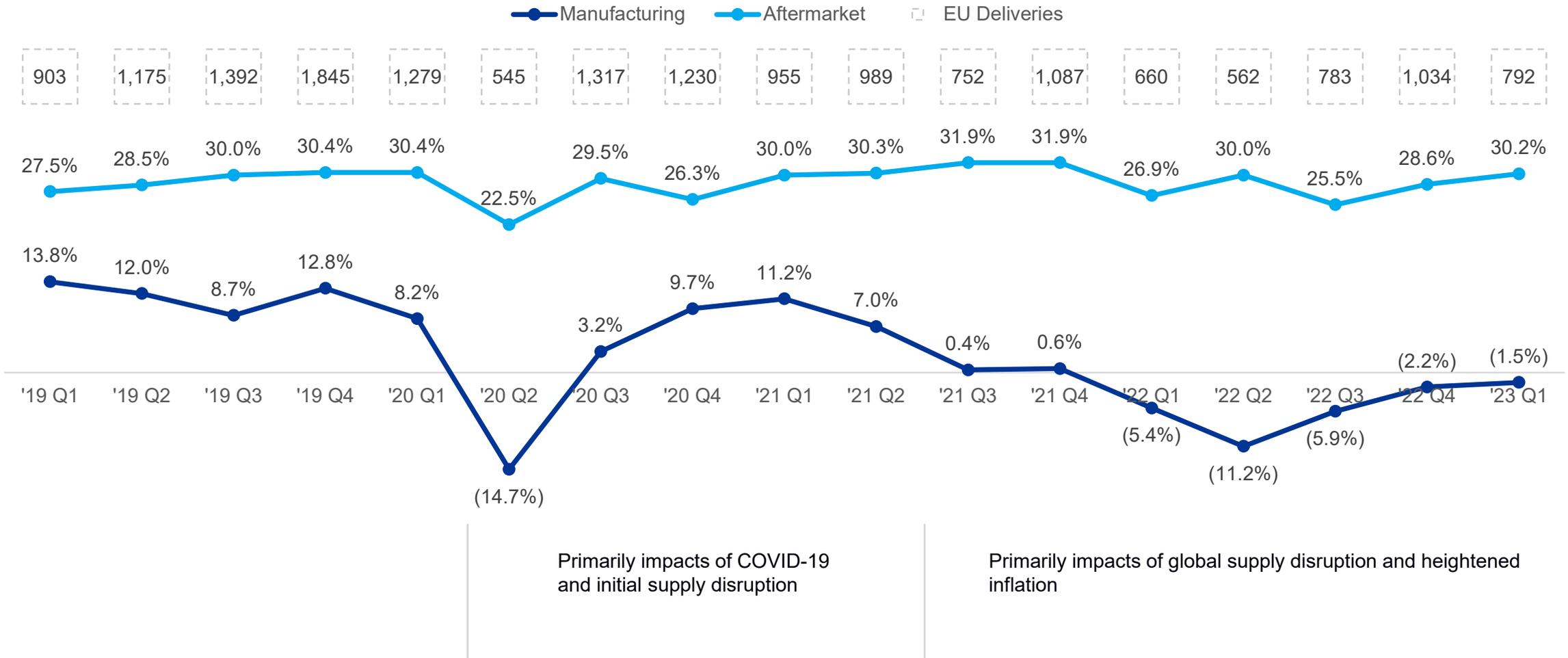
NFI Backlog Average Sales Price per EU (2020 Q1 – 2023 Q1)



ZEBs, on average, command a price premium to ICE vehicles and a dollar margin uplift. ZEB backlog growth positions NFI on its path to achieve 2025 targets.

Quarterly Gross Margins: 2019 Q1 to 2023 Q1

NFI Segment Quarterly Gross Margins including Depreciation and Amortization (2019 Q1 – 2023 Q1)



Summary: Why invest in NFI

With 450 years of combined bus and coach experience across its portfolio companies, NFI has a proven track record of innovation, customized vehicle manufacturing expertise, a diversified product offering and strong aftermarket support and service.

As market leader in share, technology and reputation, NFI is well positioned to deliver compelling financial returns as it continues to Lead the **ZEvolution™** and provide a full suite of solutions to its customers.



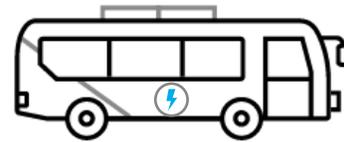
Leader in Core Markets With Focus on Bus & Coach Solutions



Best in Class Aftermarket Business



Strong End Market Demand Driving Robust Backlog



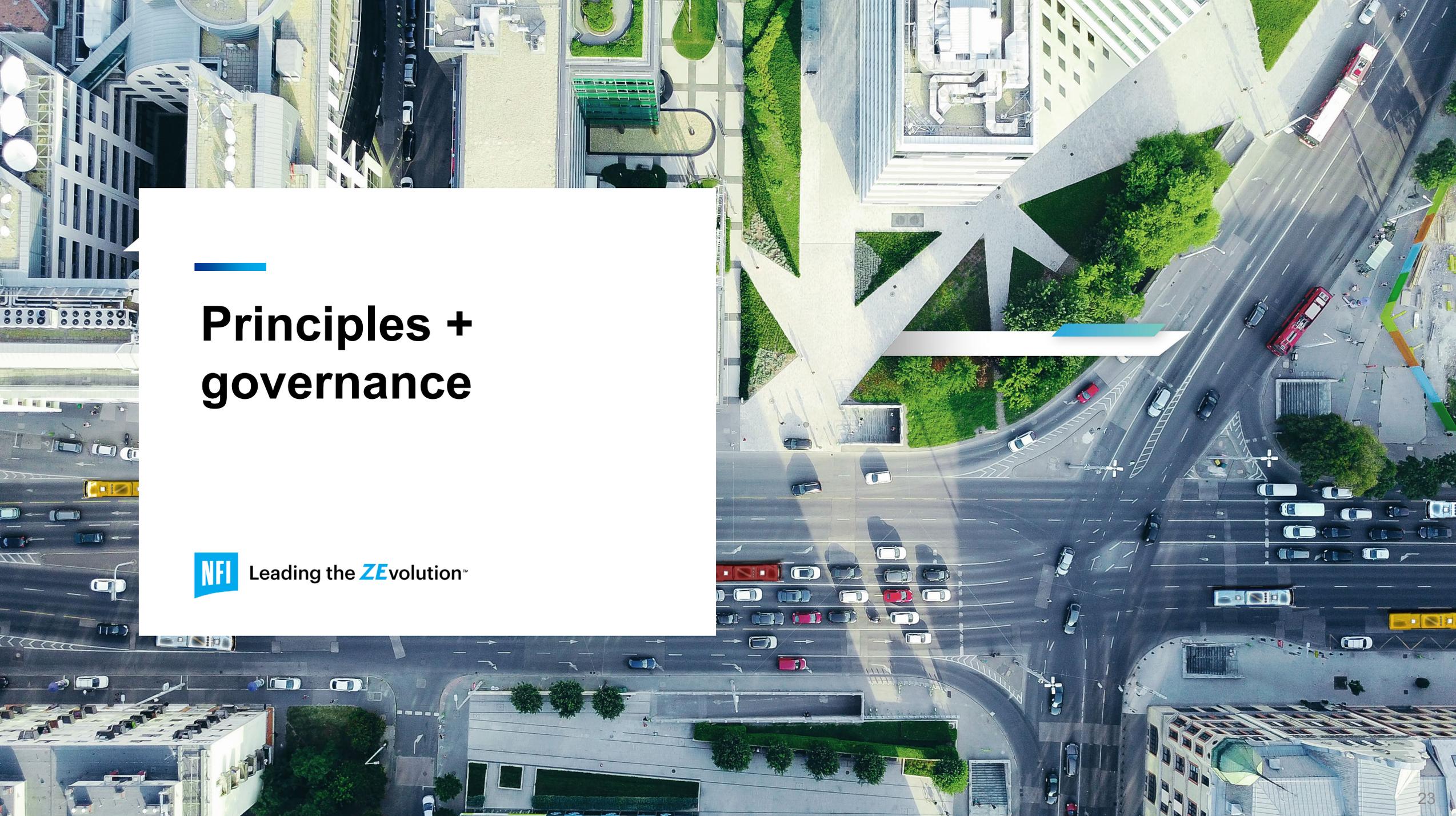
Leading Zero Emission Bus (ZEB) Innovation



Poised for Recovery



Experienced Management Team



Principles + governance

NFI Leading the *ZE*volution™

Our values + stakeholders drive our decisions



Safety

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



Quality

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



Integrity

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



Accountability

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



Teamwork

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



Sustainability

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

Board of Directors



Facts

80%

Board independence

4

Geographical diversity across four countries

63%

of Independent Directors are female¹

90%

of Directors own shares²

Over
300
years of combined experience

¹ As of May 2023

² Throughout 2022 and prior to the 2023 Annual General Meeting, 100% of Directors owned shares.

Policies + statements

Policies + Statements

2022

NFI Group-Wide Policies + Statements

Code of Business Conduct and Ethics (affirms prohibition against child labour)	Y
Anti-Corruption and Bribery Policy	Y
Political Contribution Policy	Y
Environmental Health & Safety Policy	Y
Human Rights Statement	Y
Freedom of Association Statement	Y
Whistleblower Policy	Y
Data Privacy Policy	Y
Board Diversity Policy	Y
Gift and Entertainment Policy	Y
Charitable and Community Support Policy	Y
Gift Acceptance Policy	Y
Supplier Code of Conduct	Y
Flexible Work Program	Y
North American Respectful Workplace policies	Y
Management Committees/Councils	
Enterprise Risk Committee	Y
Sustainability Council	Y





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

Leader in zero-emission transportation

115M+

Electric service miles driven

52%

of NA Public Bid Universe is ZEBs

36%

of total backlog is ZEB EUs

~8,000

EUs annual ZEB production capacity

166

ZEB EUs delivered in 2023 Q1

2,891

ZEB EUs delivered since 2015

3,661

ZEB EUs in the backlog

390+

EV chargers delivered via Infrastructure Solutions™ since 2018

21%

of total 2023 Q1 deliveries were ZEB EUs

130+

Cities have NFI ZEBs in service or on order

6

Countries have NFI ZEBs in service or on order

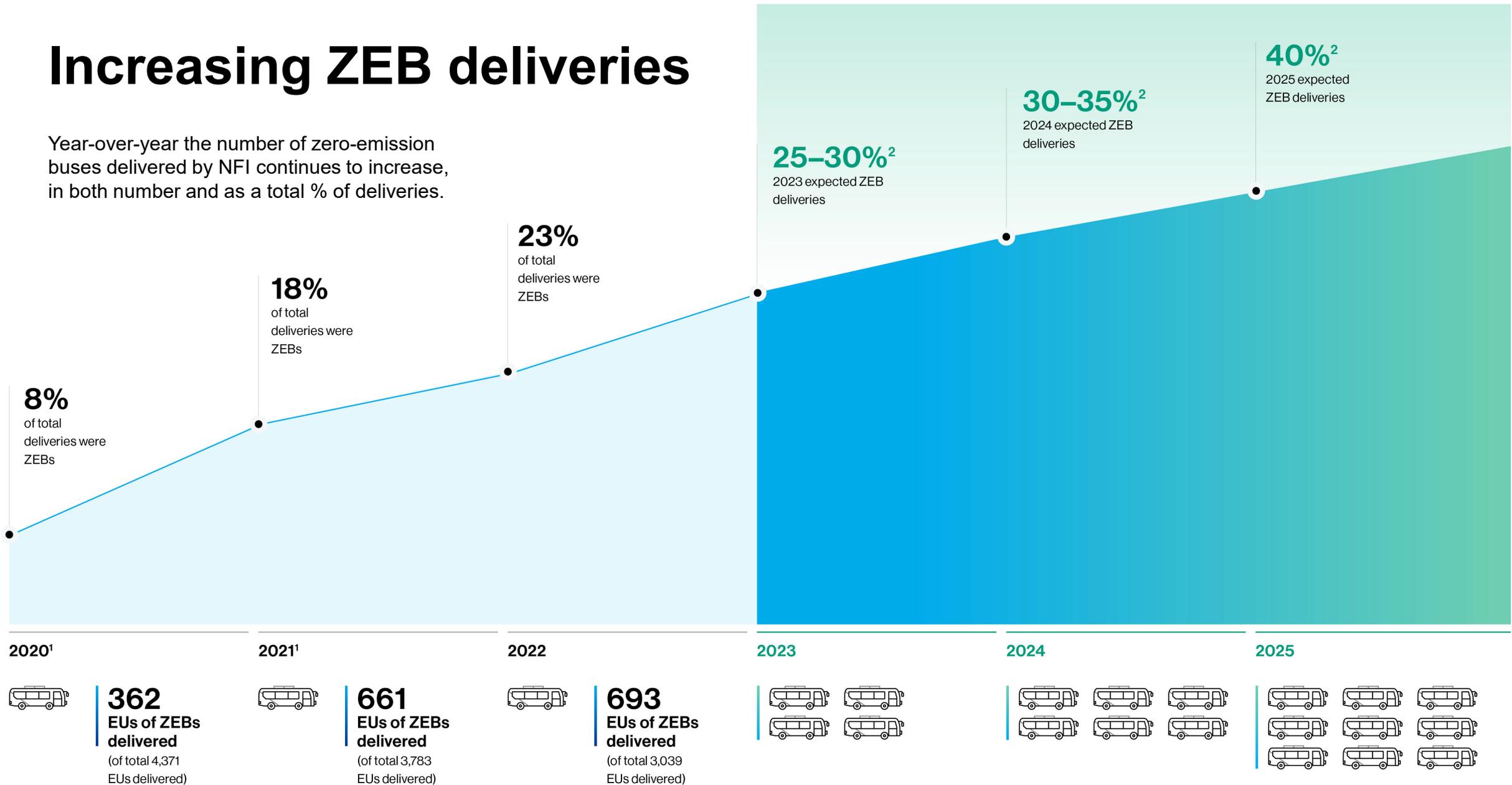
77+ MW

Charging capacity delivered via Infrastructure Solutions™ since 2018



Increasing ZEB deliveries

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



1. Slight corrections made to the 2020 and 2021 percentages as compared to 2021 Report.

2. Please review the Company's March 1, 2023 press release and the 2022 Q4 and Fiscal Year MD&A for details on the assumptions that drive Fiscal 2023 and Fiscal 2024 guidance and 2025 targets, as well as certain applicable risks.

Impact of 2022 deliveries

2.3B lbs
of CO₂ Emissions

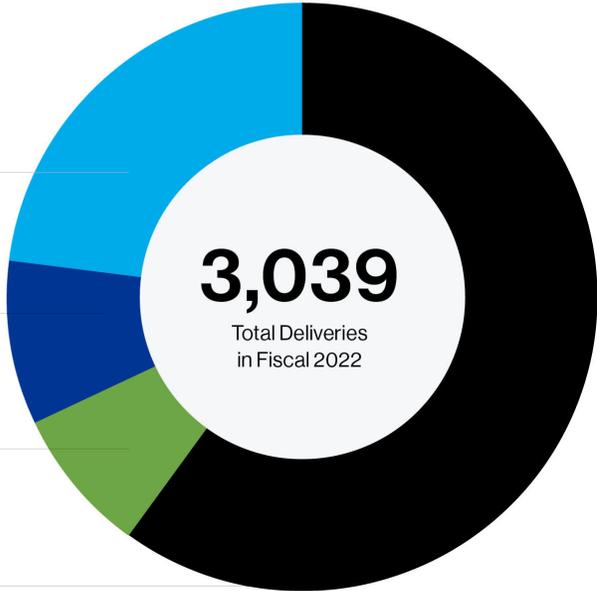
In Fiscal 2022, NFI delivered 693 ZEBs (23% of total deliveries), avoiding the equivalent of 2.3 billion lbs of CO₂ emissions over the expected 12-year life of those buses.¹

693
Zero-Emission

269
CNG

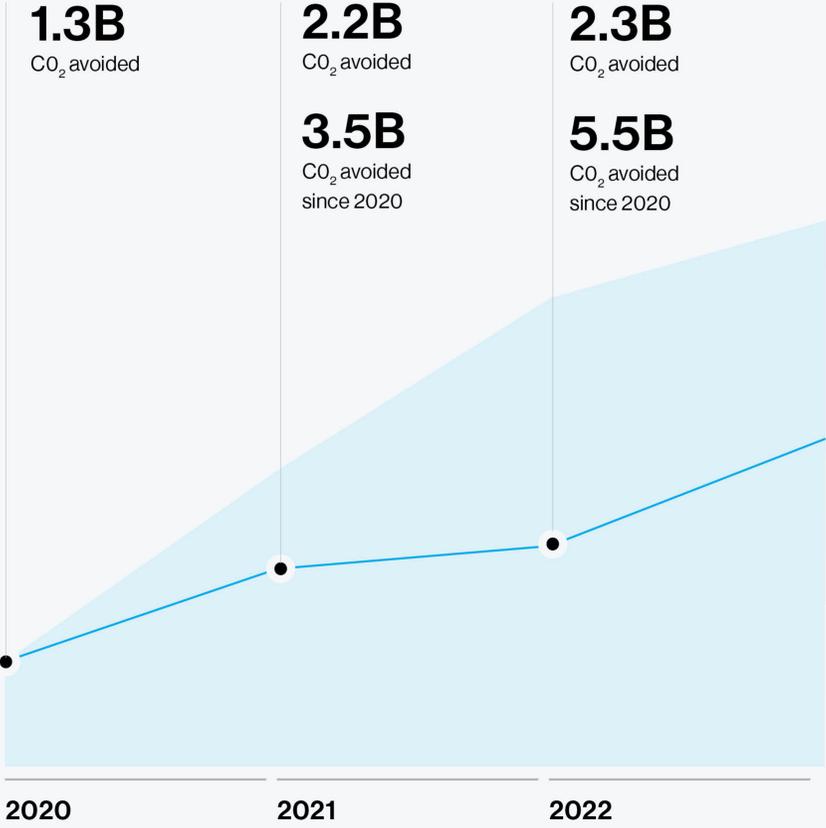
243
Hybrid

1,834
Diesel and/or Petroleum



Lbs of CO₂ Avoided Annually

— Current
■ Cumulative since 2020



1. GREET Model Fleet Footprint Calculator & EPA Motor Vehicle Emission Simulator.

The VIC: The industry's Vehicle Innovation Center



The Vehicle Innovation Center, or VIC, is the first and only facility in North America solely dedicated to the innovation and advancement of bus and coach technology.

The VIC exists to promote research and development, education and innovation, progressive manufacturing, and bold thinking. With increased societal focus on sustainability to protect the environment, preserve natural resources, and improve quality of living in our communities, the demand for zero-emission buses and coaches is quickly increasing throughout the world. NFI has met this demand and raised the bar with its state-of-the-art VIC.



2017

Launch

350+

Events since launch

7,000+

Visitors

2

Product launch events in 2022

1,850+

Visitors in 2022
(virtual and in-person sessions)

1

Simulator

8

Interactive Activities

25

Displays

3

Charger Types



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

Better workplace highlights



Safety Performance

Top strategic priority



ISO 45001

Registration for all of NFI's heavy duty and medium duty transit and motor coach manufacturing facilities in North America

100%

of employees at NFI's main transit bus, coach and fabrication manufacturing facilities in Canada and the U.S. were at or above the living wage standard in their region

Employee Well-Being

Initiatives continued throughout 2022 to support employee mental health



Equal Opportunity

Free from discrimination



2022

Freedom of Association statement implemented in 2022; also included in 2021 Human Rights Statement



Xpressline

Employee feedback program rolled out across all remaining North American locations

\$8.6M

Invested in employee training in 2022



Electrical Training

Electrical Technician Training Program ("ETTP") expanded in 2022 to provide high-demand electrical skills for new EV mobility era

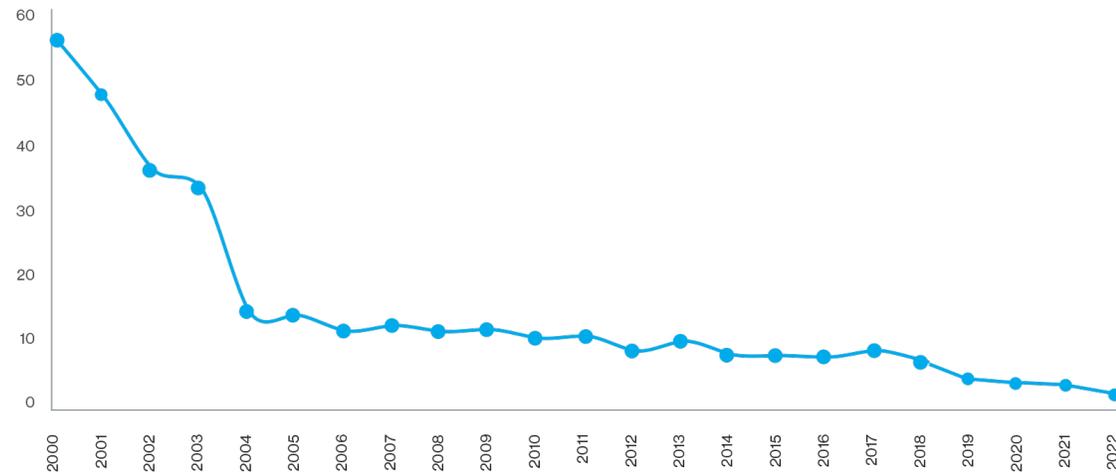


Safety drives everything we do

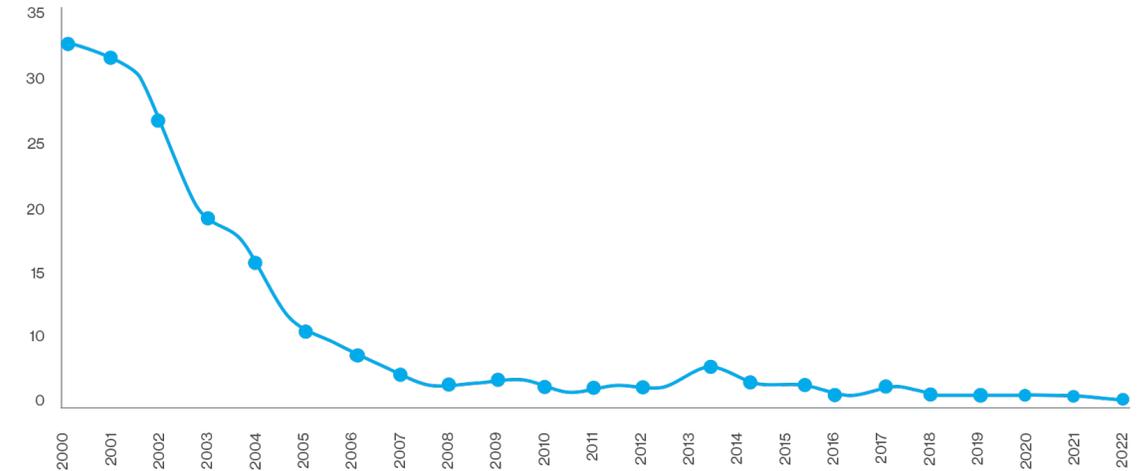


	NFI OSHA Rate:	NFI Lost Time Rate:	NFI Fatality Rate:
2023 Target Rates	3.3	1.3	0.0
2022 Safety Rates	2.8	1.0	0.0
2021 Safety Rates	4.7	2.0	0.0

NFI OSHA Rate
(occurrences per 200,000 hours)



NFI Lost Time Rate
(occurrences per 200,000 hours)



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



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

Better world highlights



DEI

Strategic Framework launched outlining goals and priorities for 2022–2024

115

Employees recognized by their peers in a “Shout-Out” recognition



Scope 1 + 2

Emissions reported



ISO 14001

Registration for all of NFI's heavy duty and medium duty transit and motor coach manufacturing facilities in North America



Energy Efficiency

Continuous improvement activities continue across NFI locations

TRC92

Working with the Indigenous community of Winnipeg to actively address barriers to employment for Indigenous Youth

\$3.5M

Collectively donated to the United Way since 2009



50-30 Challenge

Continued our commitments to Canada's 50-30 Challenge with a revised Board Diversity Policy



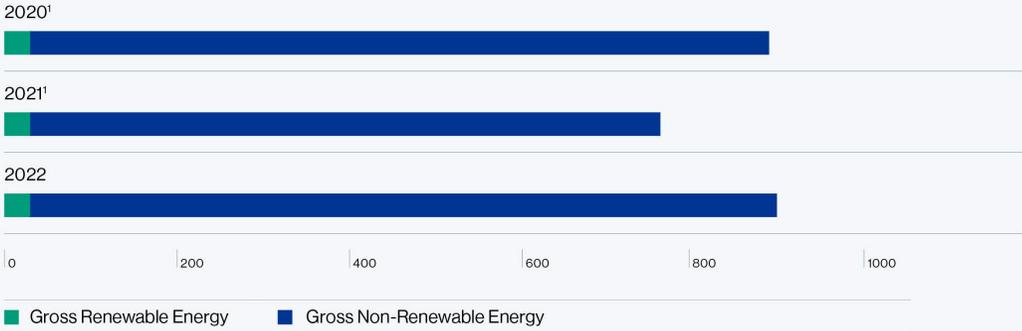
522

Microlessons accessed by NFI employees, on topics ranging from Black Lives Matter, to Hispanic Heritage Month and 2SLGBTQ+ education

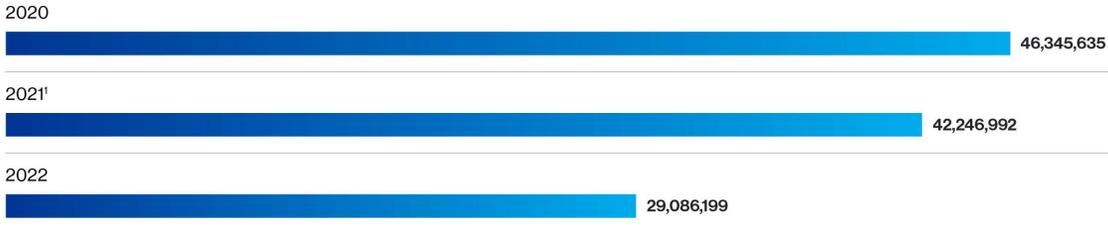


A few key environmental metrics

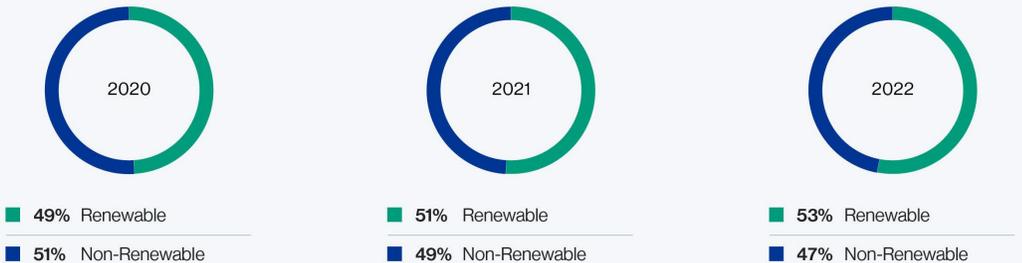
Total Facility Energy Consumption (GWh)



NFI Total Water Consumption (U.S. gallons)



Electricity



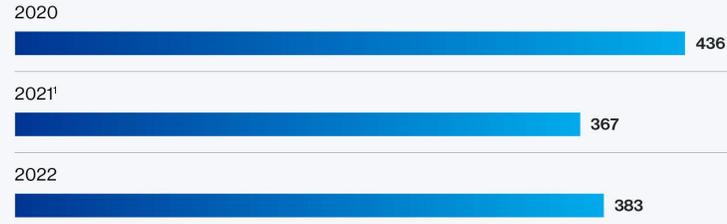
BIODIVERSITY

NFI has commenced an initial assessment of our global locations to better understand if any of our operational sites are located in or near biodiversity-sensitive areas.

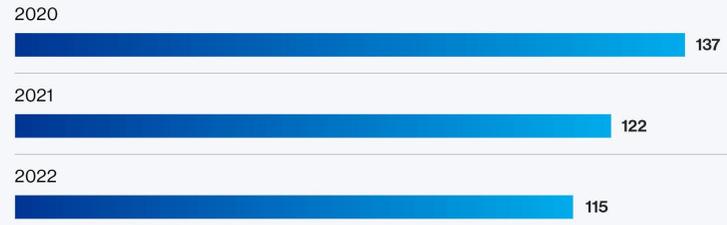
¹ Values have been restated to address corrections to previously reported data.

A few key environmental metrics

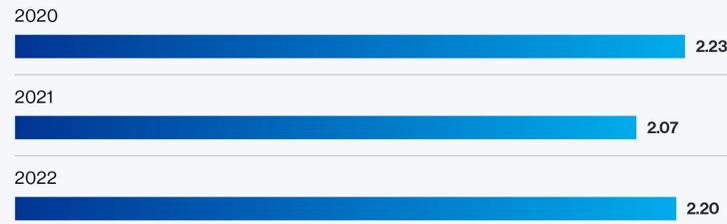
NFI VOC Emissions (U.S. tons)



NFI HAP Emissions (U.S. tons)



NFI PM Air Pollutants (U.S. tons)



2022 CO₂e Emissions (U.S. tons)

Direct: Scope 1
152,126

Indirect: Scope 2
18,011

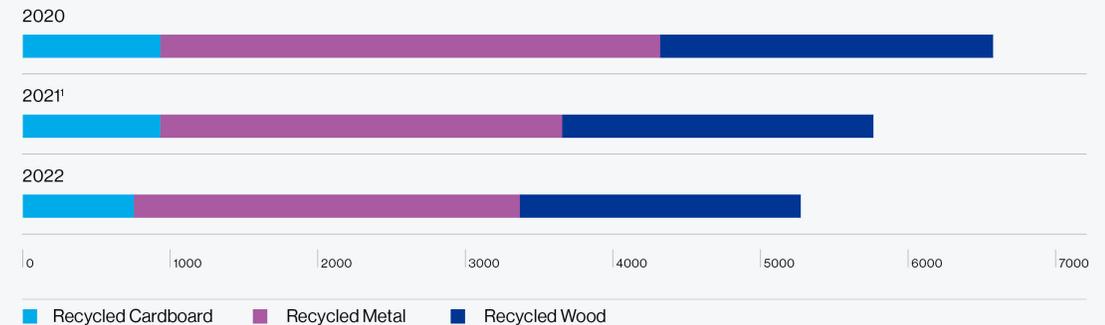
NFI Total Hazardous Waste (U.S. tons)



NFI Total Industrial Waste (U.S. tons)



Waste Diverted from Landfill (U.S. tons)



An aerial photograph of a city intersection, showing multiple lanes of traffic, buildings, and green spaces. A white rectangular text box is overlaid on the left side of the image. The text box contains a blue horizontal line, the word "Appendix" in a large, bold, black font, the NFI logo, and the slogan "Leading the ZEvolution™".

Appendix



Leading the **ZE**volution™

ESG Data Tables

Revenue	Unit of Measurement	2020	2021	2022	2023 Guidance ¹	2024 Guidance ¹	2025 Target ¹
Revenue by Region							
North America	\$ millions (USD)	\$1,969	\$1,776	\$1,555			
United Kingdom & Europe	\$ millions (USD)	\$333	\$441	\$441			
Asia Pacific	\$ millions (USD)	\$118	\$127	\$58			
Total Revenue	\$ millions (USD)	\$2,419	\$2,344	\$2,054	\$2,500 to \$2,800	\$3,200 to \$3,600	~\$4,000
Revenue by End Market							
Manufacturing	\$ millions (USD)	\$2,018	\$1,870	\$1,569			
Aftermarket	\$ millions (USD)	\$402	\$474	\$485			
Total Revenue	\$ millions (USD)	\$2,419	\$2,344	\$2,054	\$2,500 to \$2,800	\$3,200 to \$3,600	~\$4,000

Annual Deliveries	Unit of Measurement	2020	2021	2022	2023 Guidance ¹	2024 Guidance ¹	2025 Target ¹
EUs delivered	EUs	4,371	3,783	3,039			
ZEB EUs delivered	EUs	362	661	693			
% of deliveries that were ZEB EUs	EUs	8%	18%	23%	25%-30%	30-35%	-40%

Company Statistics	2020	2021	2022
Team Members - By Subsidiary	7,923	7,567	7,715
NFI Group	142	206	212
New Flyer	2,996	2,755	2,890
Alexander Dennis	2,156	2,175	2,029
MCI	1,244	1,152	1,118
Carfair Composites	378	460	552
NFI Parts™	396	396	394
KMG	483	300	371
ARBOC	128	123	149

Company Statistics	2020	2021	2022
Team Members - By Country	/	/	7,715
USA	/	/	3,153
Canada	/	/	2,554
UK	/	/	1,897
Hong Kong	/	/	54
Mexico	/	/	29
Germany	/	/	8
Singapore	/	/	8
New Zealand	/	/	7
Ireland	/	/	4
Malaysia	/	/	1

Company Statistics	2020	2021	2022
Facilities			45+
Countries with operations			10

Governance	2022	As of May 2023
Board of Directors		
Size of the Board	10	10
# of Independent Directors	8	8
% Independent	80%	80%
% of Independent Directors Who Self-Identify as Female	50%	63%
% of Independent Directors Who Self-Identify as Persons of Colour	13%	25%
Years of Combined Experience	300	300
Geographic diversity: # of countries	4	4
% of Directors who own NFI shares	90%	80%
Board average age	64	63

Policies + Statements	2022
NFI Group-Wide Policies + Statements	
Code of Business Conduct and Ethics (affirms prohibition against child labour)	Y
Anti-Corruption and Bribery Policy	Y
Political Contribution Policy	Y
Environmental Health & Safety Policy	Y
Human Rights Statement	Y
Freedom of Association Statement	Y
Whistleblower Policy	Y
Data Privacy Policy	Y
Board Diversity Policy	Y
Gift and Entertainment Policy	Y
Charitable and Community Support Policy	Y
Gift Acceptance Policy	Y
Supplier Code of Conduct	Y
Flexible Work Program	Y
North American Respectful Workplace policies	Y
Management Committees/Councils	
Enterprise Risk Committee	Y
Sustainability Council	Y

/ = no data available

1. Please review the Company's March 1, 2023 press release and the 2022 Q4 and Fiscal Year MD&A for details on the assumptions that drive Fiscal 2023 and Fiscal 2024 guidance, and 2025 targets, as well as other applicable risks.

ESG Data Tables

Environment	Unit of Measurement	2020	2021	2022	As of May 2023
Product					
NFI's buses and coaches in service (global)	Buses	-105,000	-105,000	-100,000	-100,000
Countries with NFI buses and coaches in service		11	11	12	13
Countries with electric NFI buses and coaches in service		/	5	6	6
Electric service miles travelled by NFI ZEBs since 2015	Miles	20,000,000+	50,000,000+	100,000,000+	115,000,000+
ZEBs EUs delivered since 2015	EUs	1,371	2,032	2,725	2,891
EV chargers delivered via NFI Infrastructure Solutions™ since 2018		175+	275+	340+	390+
MW charging capacity delivered via NFI Infrastructure Solutions™ since 2018	MW	/	/	58+	77+
Workforce					
% of workforce working as part of flex/hybrid or remote work program		/	20%	17%	
CO ₂ e reduction as a result of flex/hybrid or remote work program	U.S. tons	/	2,323	2,238	
Operational Environmental Performance					
<i>Match to Excel environmental performance data</i>					
Total Energy Consumption ¹	GWH	859	749	864	
Gross Renewable Energy	GWH	33	32	32	
Gross Non-Renewable Energy ¹	GWH	826	718	832	
% Renewable Energy		49	51	53	
% Non-Renewable Energy		51	49	47	
Greenhouse Gas Emissions					
Direct (Scope 1)	CO ₂ e	/	/	152,126	
Indirect (Scope 2) ²	CO ₂ e	/	/	18,011	
VOC Emissions ¹	U.S. tons	436	367	383	
PM Emissions	U.S. tons	2.23	2.07	2.20	
HAPs Emissions	U.S. tons	137	122	115	
Waste					
Total Hazardous Waste Produced	U.S. tons	483	400	359	
Total Industrial Waste Produced ¹	U.S. tons	7,033	5,269	5,898	
Recycled Cardboard	U.S. tons	949	948	766	
Recycled Metal ¹	U.S. tons	3,442	2,769	2,658	
Recycled Wood ¹	U.S. tons	2,293	2,143	1,935	
Water Consumption					
Total Water Consumed ¹	U.S. gallons	46,345,635	42,246,992	29,086,199	
Production Total					
Buses & Coaches (various propulsion systems) ¹	EU	4,363	3,656	3,217	

1. Values have been restated to address corrections to previously reported data.
 2. Location-based emissions.

/ = no data available

A Note on Reporting: The COVID-19 pandemic continued to impact facility usage and, subsequently, NFI's environmental metrics in 2022. A variety of situations including, but not limited to, employees working from home, unplanned shutdowns and facility idling, adjusted production schedules, business reconfiguration, and site closures led to lower than expected demand on utilities and other environmental performance data. As we work towards continually improving our internal tracking and environmental reporting processes annually, year-over-year increases may still be seen. As production increases over time in comparison to 2022, increases in absolute values are expected.

ESG Data Tables

Social	Unit of Measurement	2020	2021	2022	2023 Target
Occupational Health + Safety					
NFI OSHA Rate	per 200,000 hours	4.4	4.7	2.8	3.3
NFI Lost Time Rate	per 200,000 hours	1.6	2.0	1.0	1.3
NFI Fatality Rate		0.0	0.0	0.0	0.0
Union Relations					
% of NFI's global workforce covered by collective bargaining agreements		47%	62%	48%	
Living Wage					
% of employees at NFI's main transit bus manufacturing facilities in Canada and the U.S. that are at or above the living wage standard in their region		/	99.78%	100%	
Training					
\$ invested in employee training	USD	-\$5,000,000	>\$7,000,000	>\$8,000,000	
Hours invested in employee training		/	/	>225,000	
Employee Engagement					
# of submissions submitted via Xpressline		511	438	239	
Team Diversity					
Women		19.3%	19.0%	19.1%	
Women in Middle Management & Above		17.7%	22.2%	23.3%	
Women in Executive Roles		20.7%	21.4%	17.2%	
Women in Board Roles		33.0%	33.3%	40.0%	
Visible Minorities		28.5%	19.4%	21.9%	
Visible Minorities in Middle Management & Above		11.7%	12.1%	11.6%	
Visible Minorities in Executive Roles		3.5%	3.6%	3.4%	
People With Disabilities		1.2%	1.0%	1.4%	
Indigenous People		0.5%	0.4%	0.5%	
Veterans		3.1%	2.9%	2.6%	
Community Support					
\$ donated through annual United Way campaign	USD	\$378,701	\$372,552	\$381,868	

/ = no data available

Non-IFRS reconciliation: 2023

Reconciliation of IFRS to non-IFRS As of April 2, 2023

In '000	First Quarter
Net Sales	\$ 524,411
Net Earnings	\$ (45,964)
<i>% of net sales</i>	-8.8%
Adjustment, Gross	
Restructuring and Other Corporate Initiatives	\$ 1,838
Derivative related	\$ 4,787
Foreign exchange loss/gain	\$ (424)
Equity settled stock-based compensation	\$ 409
Asset related	\$ (17)
Employment related (past service costs)	\$ 4,764
Other tax adjustment	\$ (246)
Other	\$ 1,246
Income taxes	\$ (3,909)
Net Earnings - Adjusted	\$ (37,516)
<i>% of sales</i>	-7.2%
Adjustments:	
Income taxes	\$ (3,407)
Finance costs	\$ 27,431
Amortization	\$ 20,901
Adjusted EBITDA	\$ 7,409
<i>% of net sales</i>	1.4%

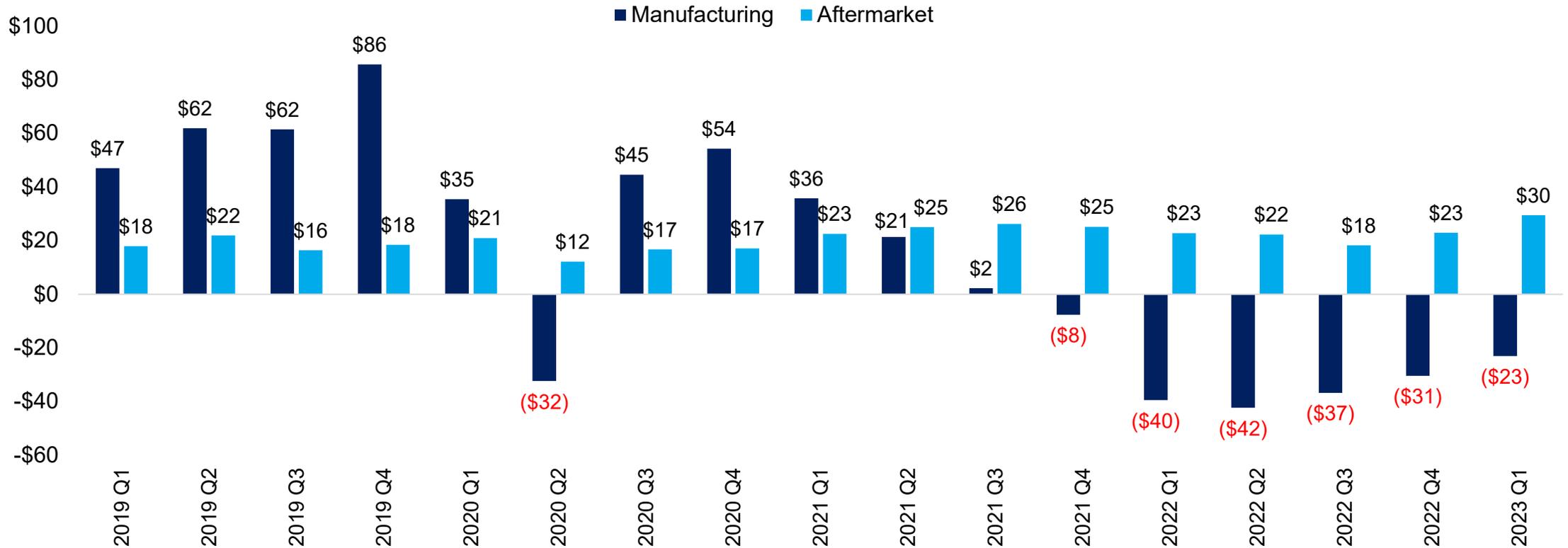
Non-IFRS reconciliation: 2022

Reconciliation of IFRS to non-IFRS As of January 1, 2023

In '000	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net Sales	\$ 459,330	\$ 397,952	\$ 514,047	\$ 682,604	\$ 2,053,933
Net Earnings	\$ (27,795)	\$ (56,435)	\$ (42,483)	\$ (149,444)	\$ (276,157)
<i>% of net sales</i>	-6.1%	-14.2%	-8.3%	-21.9%	-13.4%
Adjustment, Gross					
Restructuring and Other Corporate Initiatives	\$ 96	\$ 7,435	\$ 3,672	\$ 7,240	\$ 18,443
Derivative related	\$ (25,317)	\$ (9,888)	\$ (8,309)	\$ (2,455)	\$ (45,969)
Foreign exchange loss/gain	\$ 4,767	\$ 1,046	\$ (2,482)	\$ (3,929)	\$ (598)
Equity settled stock-based compensation	\$ 285	\$ 243	\$ 421	\$ 397	\$ 1,346
Unrecoverable insurance costs	\$ 412	\$ 7,913	\$ -	\$ 164	\$ 8,489
Asset related	\$ (373)	\$ (58)	\$ (544)	\$ 410	\$ (565)
Employment related (past service costs)	\$ -	\$ 7,000	\$ -	\$ -	\$ 7,000
Impairment loss on goodwill	\$ -	\$ -	\$ -	\$ 103,900	\$ 103,900
Other tax adjustment	\$ (180)	\$ (1,700)	\$ (1,428)	\$ 22,292	\$ 18,984
Other	\$ -	\$ -	\$ 1,394	\$ 770	\$ 2,164
Income taxes	\$ 7,504	\$ (4,244)	\$ 1,813	\$ (2,068)	\$ 3,004
Net Earnings - Adjusted	\$ (40,601)	\$ (48,688)	\$ (47,946)	\$ (22,723)	\$ (159,959)
<i>% of sales</i>	-8.8%	-12.2%	-9.3%	-3.3%	-7.8%
Adjustments:					
Income taxes	\$ (16,069)	\$ (11,652)	\$ (10,516)	\$ (31,172)	\$ (69,408)
Finance costs	\$ 16,659	\$ 19,029	\$ 20,587	\$ 27,159	\$ 83,434
Amortization	\$ 23,351	\$ 20,282	\$ 22,282	\$ 22,580	\$ 88,495
Adjusted EBITDA	\$ (16,660)	\$ (21,029)	\$ (15,593)	\$ (4,156)	\$ (57,438)
<i>% of net sales</i>	-3.6%	-5.3%	-3.0%	-0.6%	-2.8%

Quarterly Adjusted EBITDA: 2019 Q1 to 2023 Q1

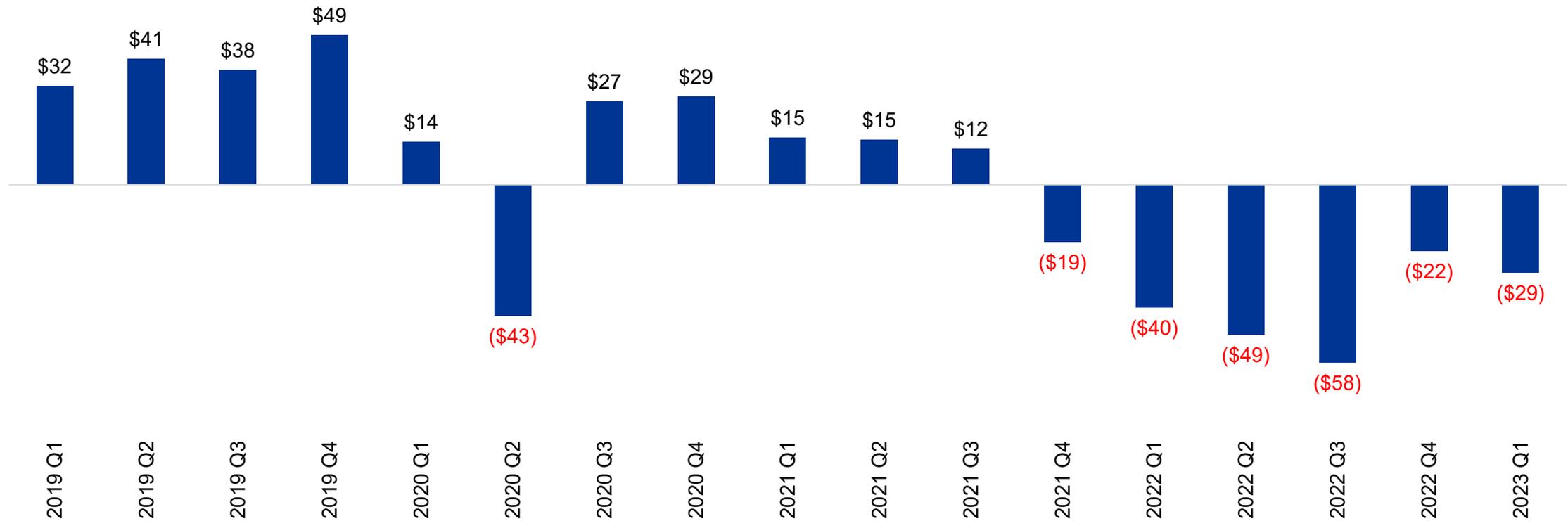
NFI Segment Quarterly Adjusted EBITDA¹ (2019 Q1 – 2023 Q1) \$M



Note that Corporate segment results are not included in the above. Corporate segment would need to be added to Manufacturing and Aftermarket to obtain NFI's Consolidated Adjusted EBITDA results

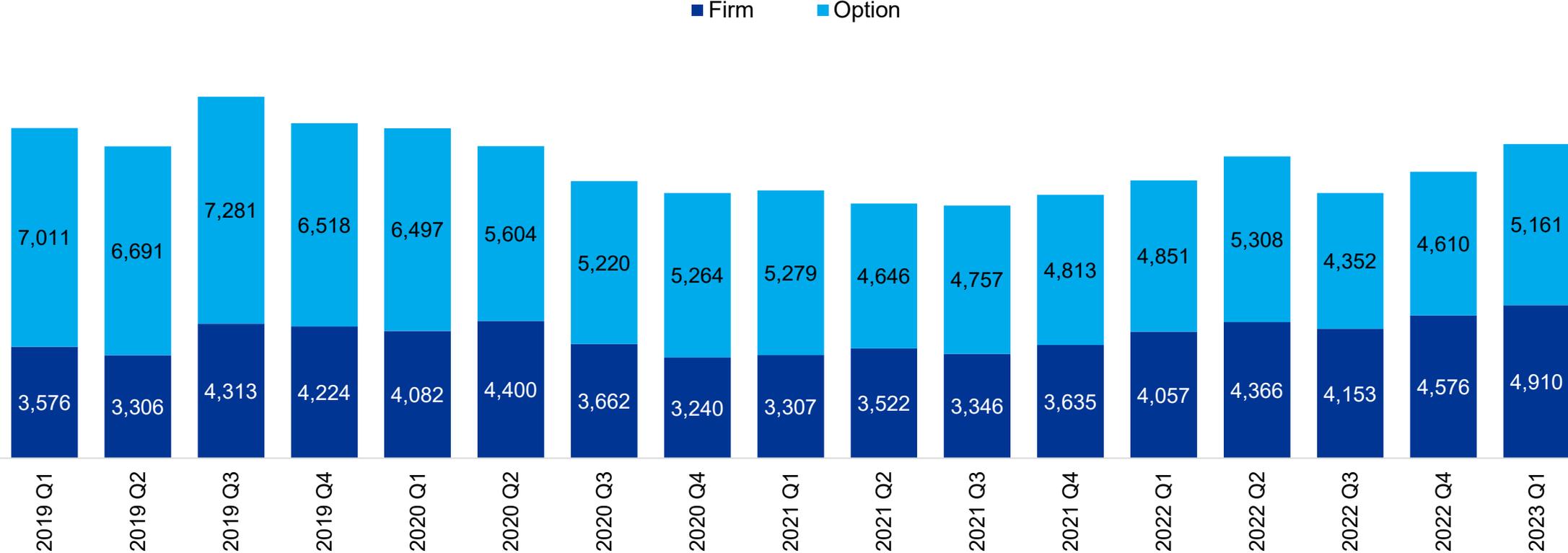
Quarterly Free Cash Flow: 2019 Q1 to 2023 Q1

NFI Free Cash Flow Results by Quarter (2019 Q1 – 2023 Q1) \$M



Quarterly Backlog: 2019 Q1 to 2023 Q1

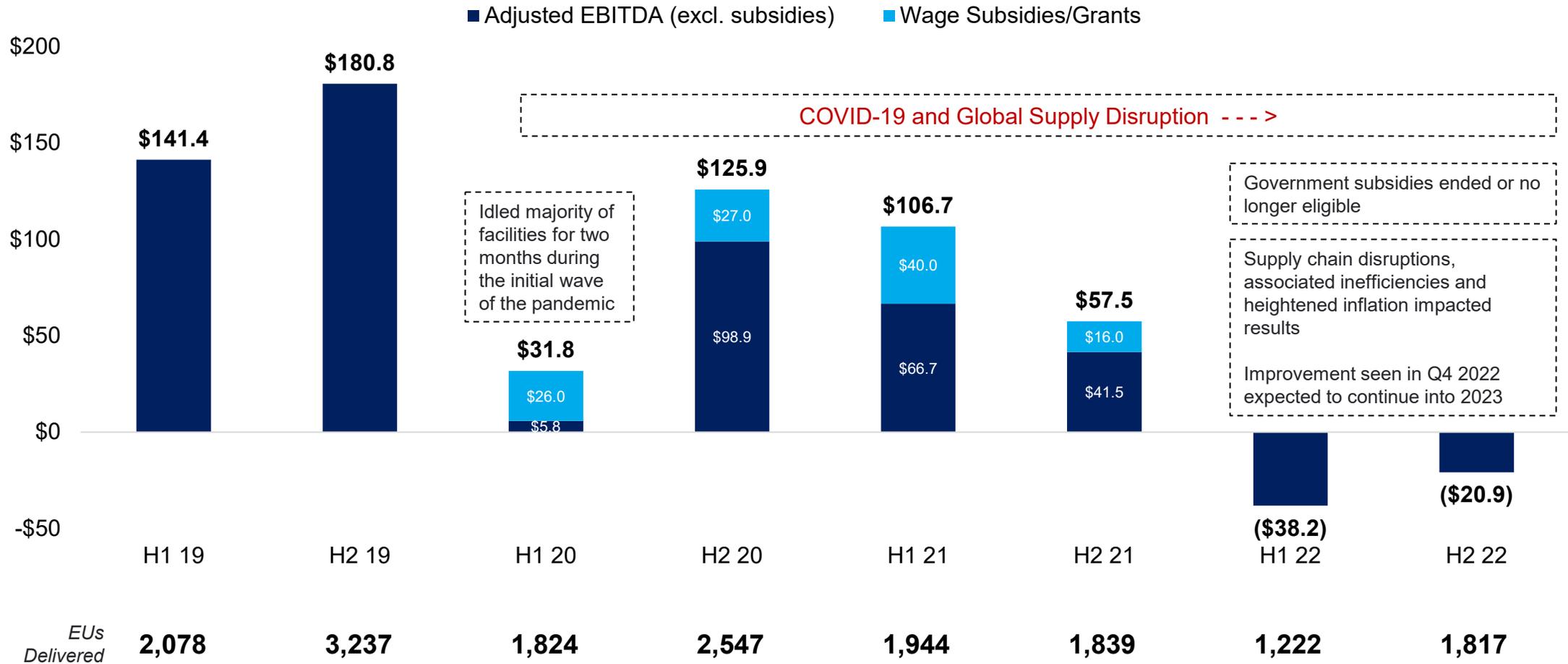
NFI Quarterly Backlog¹ in EUs (2019 Q1 – 2023 Q1)



1. Backlog represents a supplemental financial measure. See Cautionary Statement.

Half Year Adjusted EBITDA: 2019 to 2022

NFI Adjusted EBITDA¹ Results by Half Year (2019 – 2022) \$M



Forward-looking statements

Certain statements in this presentation are “forward-looking statements”, which reflect the expectations of management regarding the Company’s future growth, financial performance, and liquidity and objectives and the Company’s strategic initiatives, plans, business prospects and opportunities, including the duration, impact of and recovery from the COVID-19 pandemic, supply chain disruptions and plans to address them, and the Company’s expectation of obtaining long-term credit arrangements and sufficient liquidity. A number of factors and risks may cause actual results to differ materially from the results discussed in the forward-looking statements (including the temporary nature of the supply chain disruptions and operational challenges, production improvement, the recovery of the Company’s markets, the expected benefits to be obtained through its “NFI Forward” initiative, and the Company’s March 1, 2023, financial guidance (the “Guidance”)). For more detail regarding the assumptions, factors and risks relating to these “forward looking statements”, please refer to the Company’s press release dated March 1, 2023 and financial materials dated February 28, 2023 and May 3, 2023, and the factors and risks contained in its Annual Information Form and other materials filed with the Canadian securities regulatory authorities which are available on SEDAR at www.sedar.com. These forward-looking statements are made as of the date of this presentation and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by applicable securities laws. *All figures in U.S. dollars unless otherwise noted.*

Notes to readers

The Company retrospectively adopted IFRS 17 - Insurance Contracts on January 2, 2023. Refer to the section, "new and amended standards adopted by the Company" for details of the impact of the adoption on this MD&A. NFI's Financial Statements were prepared on a going concern basis in accordance with IFRS. Readers are recommended to read the section, "capital allocation policy" regarding the basis of preparation, the impact of upcoming financial covenants and the determination of application of the going concern assumption.

Specific references and definitions are used throughout this MD&A, please see the Non-IFRS and Other Financial Measures section. References to LTM mean last-twelve months ("LTM"). Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"), Invested Capital, net operating profit after taxes ("NOPAT"), return on invested capital ("ROIC"), Free Cash Flow, Free Cash Flow per Share, Adjusted Net Loss, Adjusted Net Loss per Share, Liquidity, Working Capital Days, Payout Ratio, Book-to-Bill and Backlog are non-IFRS measures and should not be considered substitutes or alternatives for IFRS measures. These are not defined terms under IFRS and do not have standard meanings, so may not be a reliable way to compare NFI to other companies.

Key financial definitions

Non-IFRS Measures – see *NON-IFRS AND OTHER FINANCIAL MEASURES* section of the MD&A Dated May 3, 2023

- ✓ **Adjusted EBITDA:** Earnings before interest, income taxes, depreciation and amortization after adjusting for the effects of certain non-recurring and/or non-operations related items 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, fair value adjustment for total return swap, unrealized foreign exchange losses or gains on non-current monetary items and forward foreign exchange contracts, costs associated with assessing strategic and corporate initiatives, past service costs and other pension costs or recovery, non-recurring costs or recoveries relating to business acquisition, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, proportion of the total return swap realized, proportion of the total return swap realized, equity settled stock-based compensation, unrecoverable insurance costs, prior year sales tax provision, extraordinary COVID-19 costs, impairment loss on goodwill and non-recurring restructuring costs.
- ✓ **Free Cash Flow:** Defined as net cash generated by or used in operating activities adjusted for changes in non-cash working capital items, interest paid, interest expense, income taxes paid, current income tax expense, repayment of obligation under lease, cash capital expenditures, acquisition of intangible assets, proceeds from disposition of property, plant and equipment, costs associated with assessing strategic and corporate initiatives, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, defined benefit funding, defined benefit expense, past service costs and other pension costs or recovery, proportion of total return swap, unrecoverable insurance costs, prior year sales tax provision, non-recurring restructuring costs, extraordinary COVID-19 costs, foreign exchange gain or loss on cash held in foreign currency.
- ✓ **Return on Invested Capital (“ROIC”):** Defined as 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).
- ✓ **Adjusted Net Earnings (Loss):** Defined as net earnings (loss) after adjusting for the after tax effects of certain non-recurring and/or non-operational related items that do not reflect the current ongoing cash operations of the Company including: fair value adjustments of total return swap, unrealized foreign exchange loss or gain, unrealized gain or loss on the interest rate swap, impairment loss on goodwill, portion of the total return swap realized, costs associated with assessing strategic and corporate initiatives, fair value adjustment to acquired subsidiary company's inventory and deferred revenue, equity settled stock-based compensation, gain or loss on disposal of property, plant and equipment, past service costs and other pension costs or recovery, unrecoverable insurance costs, recovery on currency transactions, prior year sales tax provision, other tax adjustments, extraordinary COVID-19 costs and non-recurring restructuring costs.
- ✓ **Adjusted Earnings (Loss) per Share:** Defined as Adjusted Net Earnings (Loss) divided by the average number of Shares outstanding



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