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April 29, 2020

The Honourable Brian V. Tobin
Chairperson of the Board of Directors
NFI Group
711 Kernaghan Avenue
Winnipeg, Manitoba
R2C 3T4

Dear Mr. Tobin,

We are writing to recommend that the NFI Group adopt specific measures and safeguards to protect the health and safety of the company's manufacturing workforce from the COVID-19 pandemic. We are writing to share our perspective regarding the NFI Group's U.S. workforce, and we recognize that the company may respond to the COVID-19 pandemic differently based on the geographic location of the company's international operations. We hope that you will address this subject matter at the upcoming shareholder meeting on May 7, 2020 as we believe that these concerns regarding the COVID-19 pandemic are shared by investors generally.

The actions the NFI Group takes in response to the current public health crisis are vital to ensuring the long-term health of the company, its employees, and the communities in which it operates. We understand that the NFI Group has temporarily halted production at its manufacturing facilities until at least May 2020 and has furloughed or laid off many of its manufacturing employees. Our recommendations seek to mitigate the impact of the production shutdown on the company's workforce and to best position the company to resume full manufacturing operations when permitted by the advice of the appropriate government officials and public health experts.

Affordable Health Insurance – In countries such as the U.S. that do not provide universal health care, employers should offer all employees affordable health insurance. Employee health insurance should cover COVID-19 testing and care. NFI Group companies should pay at least three months of health insurance premiums for any laid off employees at all U.S. facilities, as New Flyer is doing at facilities represented by the Communications Workers of America union in Minnesota.

Paid Leave Policies – Employers should provide their workforce with paid sick leave to permit workers with COVID-19 symptoms to self-quarantine and provide family leave options to care for sick family

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members. New Flyer is not paying employees who, due to COVID-19

- Are sick or quarantined;
- Are caring for sick family members;
- Are caring for children whose school or day care is closed; or
- Have been laid off or furloughed due to COVID-19;

beyond requiring them to use any available accrued leave or short-term disability, which in most cases is insufficient to cover their full wages for the duration of the furlough or school closure and in many cases the duration of COVID-19-related illnesses. Beyond that, New Flyer does not provide paid family leave. We urge NFI Group to provide retroactive paid leave for all employees who were previously required to use vacation and/or unpaid leave due to COVID-19.

Maintain Employment Relationships – Employers should seek to maintain their workforce to ensure that well-trained and committed employees are available to resume operations once the COVID-19 crisis is resolved. To the extent layoffs are economically necessary, companies should offer severance pay and/or recall rights to former employees.

Personal Protective Equipment – New Flyer is only permitting workers to wear cloth masks for COVID-19 protection where there is an operational requirement to work within six (6) feet of another employee, and is not providing N-95 masks except for activities that required such protection before the pandemic. Employers should *both* require at least six (6) feet of distancing *and* provide adequate personal protective equipment such as hand sanitizer, sanitary wipes, gloves, medical-grade face masks, respirators, and eye protection, as recommended by occupational safety and public health experts.

Workplace Infection Control – *The New York Post* reported on March 26 that New Flyer was “sending workers out to high-risk locations with no protective equipment, downplaying the coronavirus and refusing to enforce social distancing.” New Flyer should regularly sanitize workplaces, locker rooms, rest rooms, and break rooms; adopt engineering controls such as high-efficiency air-filters and clear plastic “sneeze” guards; provide regular paid breaks for employees to wash their hands and clean their workstations; and train employees in all safety and health controls.

Social Distancing – Employers should adopt social distancing best practices such as separating workstations, staggered shifts, telework (if feasible), and limiting contact with customers and suppliers. Pregnant and immunocompromised workers should be offered alternative work arrangements to accommodate their underlying health conditions.



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Hazard Pay – Employment should be voluntary during government shelter-in-place orders, and employers should pay any needed essential employees a wage premium of at least “time-and-a-half” pay if they are needed to work during a government-mandated quarantine. New Flyer has not honored a commitment that all work during the production halt be voluntary, and has rejected CWA’s demand for hazard pay for employees who work during the pandemic.

Respect Workers’ Rights – Companies should respect the freedom of employees to collectively negotiate workplace solutions to reduce the health and safety risks of COVID-19. Employees who raise workplace health and safety concerns, refuse to perform unsafe work, or are unable to work due to illness should not be subject to retaliation or discipline.

Fiscal Prudence – We also urge companies to halt share buybacks and dividends to preserve cash during this unprecedented economic recession, and to limit executive and senior management compensation. Such measures will also demonstrate social solidarity with workers and communities that are enduring economic sacrifices due to unemployment.

We thank you for your consideration of these recommendations for employers to best protect their workforces from the COVID-19 pandemic. We believe that these recommended best practices will help NFI Group fulfill the guiding workplace values outlined in the company’s Environmental Social Governance report, which states that “We believe providing a safe work environment is core,” “We aim to be a Great Place to Work and employer of choice in the communities we work in,” and “We will do the right thing.” Our organization is ready to negotiate a Community Benefits Agreement with NFI Group to help make these commitments a reality.

Sincerely,

Madeline Janis, Esq.

Executive Director

Patricia Todd

Southern Director

cc. Alabama Coalition for Community Benefits