

Anti-Bribery and Anti-Corruption Policy

New Gold Inc. and its subsidiaries are committed to doing business honestly, ethically, and with the highest integrity at all times. That is emphasized in our Code of Business Conduct and Ethics and our Values, which guide us in our work. We are committed to avoiding fraud and corruption in all of its forms, and strive to comply with Canada’s Corruption of Foreign Public Officials Act, the U.S. Foreign Corrupt Practices Act, and other anti-bribery and anti-corruption laws that may apply to our business. This Anti-Bribery and Anti-Corruption Policy embodies our commitment, and we expect all Company directors, officers, employees, and third parties who work with us to follow it in their work.

1. Applying our Values

As we apply our Values to our business, we are guided by several principles:

- Business decisions are based on objective criteria. Our business dealings are honest, trustworthy and ethical, especially when they involve government and government officials. Examples of government officials can be found at Appendix A.
- We do not tolerate bribery and corruption. Nobody associated with our company may offer, promise, provide or authorize anything of value to a person to influence that person’s decision to act or not to act, or to obtain an improper advantage for New Gold or anyone else.
- Nobody associated with our company may request or accept anything of value from a current or potential business partner to influence a decision connected to their work, or where doing so creates an appearance that a decision may be influenced.
- “Anything of value” means just that. It includes favors, gifts, and payments. There is no exception for “grease” or “facilitating” payments. They are prohibited.
- We are alert to bribery-related issues in all of our dealings, across the full range of ways in which we do business. We act when we see signs or “red flags” of possible bribery and corruption, asking questions if something about a situation “looks bad” or “smells funny,” or referring the matter to Legal for review and guidance. A list of Red Flags can be found at Appendix B.
- We keep and maintain accurate receipts and expenditures, and record them accurately in our Company’s books and records. We do not tolerate expenditures that are “off the books,” that are not characterized correctly, or which are improperly disguised.

As recognizing who is or is not a government official can sometimes be challenging, our approach is simple: we do not bribe anyone, government or non-government.

Your belief that “that’s the way business is done” in some part of the world will not protect you or New Gold from legal penalties that can apply. Nor will it protect you from disciplinary measures resulting from violations of this Policy.

Common corruption issues in our industry arise from: (i) seeking a permit, license, approval or concession; (ii) handling tax, customs and similar matters; (iii) dealings with public security and often indigenous or aboriginal leaders; and (iv) dealings with prosecutors or judges in connection with court proceedings.

2. Special Situations That May Create Questions

While we encourage you to seek guidance from Legal, your supervisor, or your local management if you have questions in applying this Policy, we have created procedures in several areas to help clarify our approach.

- Gifts, meals and entertainment, and sponsored travel for government officials. While you cannot give anything of value to a government official to gain an improper advantage, we have developed a Gifts, Meals and Entertainment and Sponsored Travel Procedures (hyperlink) that allows you to provide reasonable gifts, meals entertainment and sponsored travel to government officials under certain circumstances. Under our procedures, providing, gifts, meals, entertainment and sponsored travel to government officials is permissible where (a) there is a legitimate business purpose, (b) it is reasonable in amount, (c) nothing is being provided in exchange for any action or inaction by the official, and (d) appropriate approvals are obtained.
- Political Contributions. As we explain in our Political and Campaign Contributions Procedure (hyperlink), given the various risks involved, we do not permit political or campaign contributions associated with New Gold without advance approval.
- Donations. While we encourage charitable giving, our Donations Procedure (hyperlink) makes clear that donations on our behalf must be based on legitimate philanthropic objectives, not in exchange for favorable action by that official, and approved in advance from the relevant donations committee.
- Hiring. Hiring decisions for employees, interns and consultants must be made on the merits of each candidate and the needs of the business, and not to obtain a business opportunity or influence a government official. Particular attention must be paid to candidates who have ties to government officials. Before offers can be made to applicants with government ties, make sure there is appropriate review and approval of the application (by Legal where appropriate), an assessment of potential conflicts of interest, and compliance with relevant laws.
- Acquiring other companies or businesses, or participating in joint ventures. Whenever we acquire another company or business, invest in another company or business, or participate in a joint venture or similar arrangement, we conduct due diligence regarding the other participants, including their compliance with anti-bribery and anti-corruption laws. Our agreements with those third parties include provisions regarding compliance with anti-corruption laws and the principles in this Policy.
- Vendors, agents, consultants and third-party representatives acting on our behalf. We try to work with third parties who share our ethical approach and follow the principles in this Policy. We expect that everyone who provides us with goods or services, or performs work on our behalf, conduct business ethically, honestly and legally. As explained

in our External Contractor Procedure (hyperlink), we conduct a review of the third parties we work with, and may require pre-approval from Legal before they can be engaged.

- Threats to life or physical safety. We do not prohibit payments to avoid a serious and imminent threat to your life or your physical safety. If you can, consult with Legal before making the payment; if you cannot, report it to Legal as soon as possible.

3. **Reporting & Violations**

- Any violation of this Policy can lead to disciplinary measures up to and including termination of employment or a business relationship.
- If you know of or suspect this Policy has been violated, report it without delay, either directly to Legal or through the New Gold Whistleblower Hotline. We do not tolerate retaliation against individuals who report concerns in good faith.
- Legal may approve deviations from this Policy under limited and appropriate circumstances, and for legitimate reasons.

Reports may be made:
▶ To the hotline:
1-800-932-5378 (US
Canada); 001-800-613-
2737 (Mexico).
▶ Online:
<https://www.integrity-helpline.com/newgold.jsp>.
▶ In Writing:
The Chair of the Audit
Committee 181 Bay Street,
Suite 3320 Toronto,
Ontario Canada M5J 2T3.

Reviewed and approved by the Board on November 25, 2020.

Appendix A: Government Official: Understanding the Scope

The term “government official” can mean many different things. In fact, people can be government officials in some situations and not others, or while performing certain tasks. To help understand when someone might be a government official, consider the below list.

- Officials or employees of government departments or agencies at any level (such as members of Parliament or Congress, environmental regulators, permitting and licensing personnel, tax authorities, police officials, members of the military, judges, etc.). That includes federal, provincial, territorial, regional, municipal or other levels. It also includes officials or employees of the Canadian and U.S. governments.
- Officials or employees of tribal, indigenous, aboriginal or First Nations governments or groups.
- Employees of enterprises that are majority owned or controlled by the government (such as state-owned contractors, vendors or suppliers).
- Candidates for public office, political parties, and officials of political parties.
- Employees of public international organizations like the World Bank, the International Monetary Fund, the World Health Organization, the United Nations, and the World Trade Organization.
- Private citizens who perform work on behalf of a government, such as by serving on an expert committee or board, or being hired by a government to conduct an audit or inspection.
- Family members of government officials are treated as government officials under our Policy.

Appendix B: Examples of “Red Flags”

“Red flags” are facts or issues that raise concerns about the integrity or legitimacy of transactions or business dealings. Red flags must be resolved or referred to Legal for evaluation where you wish to proceed with a transaction or activity. A sample of red flags is below.

- The other party has a reputation for bribery and/or corruption.
- The other party refuses to promise that it will comply with anti-bribery or anti-corruption laws, or that it has not paid bribes or engaged in corruption.
- The other party seeks a commission that is excessive, is paid in cash or is otherwise irregular.
- The other party seeks payment to an account in the name of another party or at a location unrelated to the transaction (for example, an offshore account).
- The other party is owned in whole or in part, directly or indirectly, by a government official or his or her family member or household member or otherwise has close ties to a government official.
- A government official suggests hiring a particular adviser to help obtain a government contract or address an issue that is within the jurisdiction of that official.
- The other party has requested that we prepare false invoices or any other type of false documentation.
- The other party is a family member or household member of a government official who is in a position to grant a business advantage, or is involved in a business in which such official owns an interest.
- The other party refuses to identify its owners, partners or principals.
- We are informed that a payment to a company or an individual or a donation to a specific charity is needed to generate or facilitate government action.
- The justification for hiring a new agent or other intermediary is that he/she can obtain preferential treatment from a government official, or performs tasks that require no special knowledge or skills or could easily be performed by our employees.
- There is substantial or extravagant “wining and dining” of government officials.
- There is sponsored travel for government officials and/or family members or household members of a government official where there is no clear and legitimate business purpose.
- Family members or household members of government officials are on the payroll of the other party.
- The other party requests reimbursements that cannot be explained or lack supporting documentation.
- The other party has “off the books” receipts or expenses.
- The other party has poor internal controls or record-keeping practices relevant to the transaction.
- A government official asks New Gold to hire a particular candidate.