



# ESG

## Forging the Path Forward

Overview Report | 2022



newgold™



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# Cautionary Note Regarding Forward-looking Statements

New Gold Inc.'s ("New Gold" or the "Company") 2022 ESG Report, finalized as of June 16th, 2023 and certain information contained in this 2022 ESG Report, including any information relating to New Gold's future financial or operating performance are "forward looking". All statements in this 2022 ESG Report, other than statements of historical fact, which address events, results, outcomes or developments that New Gold expects to occur are "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "targeted", "estimates", "forecasts", "intends", "anticipates", "projects", "potential", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved" or the negative connotation of such terms. Forward-looking statements in this 2022 ESG Report include among others, statements with respect to: New Gold's commitment to the environment and surrounding communities; projected potential of the Intrepid underground zone; projected mining of first ore from the C-Zone and the timing thereof; planned activities and focus areas as well as the timing thereof at the Rainy River mine and New Afton mine, including planned development and exploration activities and related expenses; projected life of mine for Rainy River and New Afton and the potential extension thereof; the Company's sustainability strategy goals and intended timing thereof; New Gold's current approach to ESG reporting and intended approach moving forward; intended UN SDG targets and planned progress towards UN SDG goals; the Company's environmental commitments, including GHG reduction commitment and intended pursuit of reduction opportunities; planned updating of the TCFD Report in 2023; planned mapping of Scope 3 GHG emissions; intended increase in reclamation efforts over time; the Company's aims for mine closure planning; the potential extension of New Afton's Life of Mine plan; timing expectations for the completion of New Afton closure plans, including the Beyond New Afton Plan; the continued progression and consultation program relating to the Beyond Rainy River Plan; the Company's tailing management practices, including post-closure practices and strategies, and the continued review and improvement thereof; planned upcoming dam safety reviews; expected lower overall water consumption at New Afton; the continued improvement of site practices as it relates to tailings management and otherwise; intended use of New Afton's water balance model; the planned update to Rainy River's water balance model; goals and anticipated benefits surrounding community engagement, human capital and Indigenous rights; plans to expand the Assertiveness for Women in Business pilot project in 2023; the Company's learning and development opportunities for employees; the completion of a permanent pump-back system at New Afton by year end; potential opportunities for New Gold to reduce GHG emissions; New Gold's climate change and action commitments, intended next steps and the timing thereof; anticipated impacts on operations as a result of climate change; the Company's Indigenous rights commitments, intended next steps and the timing thereof; the Company's commitments to tailings management and proposed methods for improving practices, and the timing thereof; the Company's commitment to water management, intended next steps and the timing thereof; and anticipated changes in the way the Company operates in response to climate change. All forward-looking statements in this 2022 ESG Report are based on the opinions and estimates of management as of the date such statements are made and are subject to important risk factors and uncertainties, many of which are beyond New Gold's ability to control or predict. Certain material assumptions regarding such forward-looking statements are discussed in this 2022 ESG Report, New Gold's annual and quarterly management's discussion and analysis ("MD&A") and its other publicly filed documents available on SEDAR ([www.sedar.com](http://www.sedar.com)) and EDGAR ([www.sec.gov](http://www.sec.gov)).

In addition to assumptions discussed in more detail elsewhere, the forward-looking statements in this 2022 ESG Report are also subject to the following assumptions: (1) there being no significant disruptions affecting New Gold's operations; (2) political and legal developments in jurisdictions where New Gold operates, or may in the future operate, being consistent with New Gold's current expectations; (3) the accuracy of New Gold's current Mineral Reserve and Mineral Resource estimates and the grade of gold, copper and silver expected to be mined; (4) the exchange rate between the Canadian dollar and U.S. dollar, and to a lesser extent the Mexican peso, and commodity prices being approximately consistent with current levels and expectations for the purposes of 2023 guidance and otherwise; (5) prices for diesel, natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels; (6) equipment, labour and material costs increasing on a basis consistent with New Gold's current expectations; (7) arrangements with First Nations and other Indigenous groups in respect of the Rainy River Mine and New Afton Mine being consistent with New Gold's current expectations; (8) all required permits, licenses and authorizations being obtained from the relevant governments and other relevant stakeholders within the expected timelines and the absence of material negative comments or obstacles during any applicable regulatory processes; (9) the results of the life of mine plans for the Rainy River Mine and the New Afton Mine described herein being realized; (10) there being no material disruption to the Company's supply chains and workforce at either the Rainy River Mine or New Afton Mine due to cases of COVID-19 or otherwise that would interfere with the Company's anticipated course of action at its operations.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Such factors include, without limitation: price volatility in the spot and forward markets for metals and other commodities; discrepancies between actual and estimated production, between actual and estimated costs, between actual and estimated Mineral Reserves and Mineral Resources and between actual and estimated metallurgical recoveries; equipment malfunction, failure or unavailability; accidents; risks related to early production at the Rainy River Mine, including failure of equipment, machinery, the process circuit or other processes to perform as designed or intended; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining the validity and enforceability of the necessary licenses and permits and complying with the permitting requirements of each jurisdiction in which New Gold operates, including, but not limited to: uncertainties and unanticipated delays associated with obtaining and maintaining necessary licenses, permits and authorizations and complying with permitting requirements; changes in project parameters as plans continue to be refined; changing costs, timelines and development schedules as it relates to construction; the Company not being able to complete its construction projects at the Rainy River Mine or the New Afton Mine on the anticipated timeline or at all; volatility in the market price of the Company's securities; changes in national and local government legislation in the countries in which New Gold does or may in the future carry on business; compliance with public company disclosure obligations; controls, regulations and political or economic developments in the countries in which New Gold does or may in the future carry on business; the Company's dependence on the Rainy River Mine and New Afton Mine; the Company not being able to complete its exploration drilling programs on the anticipated timeline or at all; inadequate water management and stewardship; disruptions to the Company's workforce at either the Rainy River Mine or the New Afton Mine, or both, due to

cases of COVID-19 or otherwise; the responses of the relevant governments to any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak, not being sufficient to contain the impact of such outbreak; disruptions to the Company's supply chain and workforce due to any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak; an economic recession or downturn as a result of any disease, epidemic or pandemic outbreak, including the COVID-19 outbreak, that materially adversely affects the Company's operations or liquidity position; there being further shutdowns at the Rainy River Mine or New Afton Mine; significant capital requirements and the availability and management of capital resources; additional funding requirements; diminishing quantities or grades of Mineral Reserves and Mineral Resources; actual results of current exploration or reclamation activities; uncertainties inherent to mining economic studies including the Technical Reports for the Rainy River Mine and New Afton Mine; impairment; unexpected delays and costs inherent to consulting and accommodating rights of First Nations and other Indigenous groups; climate change, environmental risks and hazards and the Company's response thereto; tailings dam and structure failures; ability to obtain and maintain sufficient insurance; actual results of current exploration or reclamation activities; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and, to a lesser extent, Mexico; global economic and financial conditions and any global or local natural events that may impede the economy or New Gold's ability to carry on business in the normal course; inflation; compliance with debt obligations and maintaining sufficient liquidity; taxation; fluctuation in treatment and refining charges; transportation and processing of unrefined products; rising costs or availability of labour, supplies, fuel and equipment; adequate infrastructure; relationships with communities, governments and other stakeholders; geotechnical instability and conditions; labour disputes; the uncertainties inherent in current and future legal challenges to which New Gold is or may become a party; defective title to mineral claims or property or contests over claims to mineral properties; competition; loss of, or inability to attract, key employees; use of derivative products and hedging transactions; reliance on third-party contractors; counterparty risk and the performance of third party service providers; investment risks and uncertainty relating to the value of equity investments in public companies held by the Company from time to time; the adequacy of internal and disclosure controls; conflicts of interest; the lack of certainty with respect to foreign operations and legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law; the successful acquisitions and integration of business arrangements and realizing the intended benefits therefrom; and information systems security threats. In addition, there are risks and hazards associated with the business of mineral exploration, development, construction, operation and mining, including environmental events and hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding or drought and gold bullion losses (and, in each case, the risk of inadequate insurance or inability to obtain insurance to cover these risks) as well as "Risk Factors" included in New Gold's latest annual information form. Forward-looking statements are not guarantees of future performance, and actual results and future events could materially differ from those anticipated in such statements. All of the forward-looking statements contained in this 2022 ESG Report are qualified by these cautionary statements. New Gold expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.



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## Forging the Path Forward

As we evolve our Sustainability Strategy, we have also evolved our reporting. For 2022, we transitioned to an Environmental, Social and Governance (ESG) Report to better reflect our work and align with the current reporting landscape. We have also updated our ESG Report to be more concise and, in addition to this general overview, created three standalone reports on its main focus areas – environment, social and governance. We are proud of New Gold’s accomplishments over the last year and look to the future as we continue forging the path forward.

### OUR SUSTAINABILITY ICON

The three Anchors of New Gold’s Sustainability Strategy – Environment, Indigenous Rights and Community Engagement – are represented by four symbols in our Sustainability Icon. The leaf represents our commitment to environmental stewardship, and the feather, our promise to honour Indigenous culture and traditions. The globe represents our accountability to the local and global communities, and the arrow represents New Gold’s dedication to progress.

Together, these elements represent our holistic approach to sustainability as a means to achieve New Gold’s Mission and express New Gold’s Core Values.

\* All dollar amounts stated in Canadian dollars, unless otherwise noted.



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# 2022 ESG Performance Highlights



## ENVIRONMENTAL

**327 tCO<sub>2</sub>**  
equivalent saved from four BEV  
(based on annualized 2022 hours of operation)

**~50**

hectares of newly rehabilitated land

**Updated**

Water Balance Models at both sites



## SOCIAL

**18%**

female employees across our operations

**23%**

Indigenous-identified employment  
across our operations

**0.95**

Total Recordable Injury Frequency Rate  
(TRIFR)



## GOVERNANCE

**38%**

female representation on Board of Directors

**4**

new ESG Strategy Statements

**Updated**

and implemented Company-wide  
Code of Business Conduct Training

Learn more about New Gold's 2022 performance in our companion reports for Environmental, Social and Governance.

[Read the reports >](#)





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# Message from the President and Chief Executive Officer

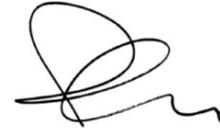
At New Gold, sustainability is about caring for the communities in which we operate and considering the environmental and social impacts of our operations. This means working to limit our environmental impact by effective water and tailings management and by reducing greenhouse gas emissions. It means working with First Nations and local communities in a respectful and transparent manner to generate economic benefits and well-being. It means working on diversity, equity and inclusion within our organization. It means having the courage to care for each other's safety. Together, we are working to forge the path forward.

In 2022, we withstood extreme weather events that affected our ability to deliver on our plans, particularly at our Rainy River Mine. From freezing temperatures to torrential and unrelenting rains, our team was challenged to mitigate the impacts on production. At our New Afton Mine, the threat of wildfires continues to increase as conditions become dryer and hotter. By year-end, our teams had pulled together to achieve our updated guidance, despite every hurdle that stood in our way. We are seeing the impacts of climate change play out right in front of our eyes. As much as the natural world around us has the ability to impact us and our work, we also recognize our own ability to make impacts, and we are committed to continued stewardship of the water, air and land in the communities in which we operate.

We achieved significant milestones at both of our mines during the year. In March, New Gold filed an updated Technical Report for the Rainy River Mine. This Technical Report signifies a shift to the next phase of the mine, as we begin to mine underground. In 2022, New Afton began tailings deposition from the new Thickened and Amended Tailings Facility – an innovative and forward-thinking approach to tailings management that has been years in the making. New Afton also made significant development progress with the C-Zone project and received its mining permit amendment to mine the C-Zone in October, a pivotal milestone in the realization of New Afton's future.

Success means nothing if it cannot be achieved safely. As a team, our commitment to a safe workplace has never wavered and – in 2022, we saw this reflected in our improved safety performance. Safety is one of the most meaningful ways we can show our respect for one another. When we observe unsafe work, hazards or near misses, it is an act of care to stop, intervene and say something. At New Gold, we have the courage to care for those around us and ourselves because it is not only our duty and because it is who we are as people.

Last year, the theme of our report was resilience, and it exemplified the perseverance and resolve that our people demonstrated over the past several years, allowing us to navigate complex and unexpected obstacles. Now, we find ourselves at the start of a new and exciting chapter – the new New Gold – and by leading with our values, keeping our focus on our goals and having the courage to care for our community and for one another at every step, we will forge our own path forward.



**Patrick Godin**  
President and Chief Executive Officer



PERSPECTIVES

**Each of these leaders plays a critical role to ensure that New Gold is forging a path forward.**



*"We are seeing the industry change rapidly and the need for companies to integrate sustainability into all areas of the Company. Sustainability is no longer a standalone action but rather a collective effort to improve business, protect the planet, and support stakeholders at every stage of mining."*

**Beth Borody, Vice President, Sustainability**



*"I would like to thank everyone for your commitment to New Afton and especially keeping safety and well-being as our number one priority. We strive for a culture of zero harm, and we should continue to do so."*

*There have been many great accomplishments and the site worked hard to safely bring B3 production online and to develop C-Zone was a testament to all of our values, especially teamwork and commitment from the resilience of our people.*

*We will continue to forge ahead with our stabilization program and remain on track with C-Zone first ore in Q4 2023."*

**John Ritter, General Manager, New Afton**



*"In 2022, Rainy River demonstrated resilience and the ability to recover from extreme rainfall that led to flooding in the open pit in Q2. Our focus for 2023 is executing our water management strategy, and delivering the plan in the open pit, underground and the mill. A commitment to safety and the courage to care are the foundation of all we do on site."*

**Gord Simms, General Manager, Rainy River**



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# About New Gold



**CANADIAN-FOCUSED**

We are not exclusively Canadian, but Canadian first.

**DIVERSIFIED**

We operate multiple mines using multiple mining methods, producing gold, copper and silver.

**VALUES-DRIVEN**

We live our New Gold Values every day.

**PREMIUM VALUATION**

We design and execute against a free cash flow objective.

**STRONG INDIGENOUS PARTNERSHIPS**

We respect and acknowledge that, because of our partnerships with Indigenous nations, we operate on sacred lands.



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Our Locations



**New Afton Mine** ●●

**Location:** Canada – 10km west of Kamloops, British Columbia

**Indigenous lands:** Located on Stk'emlúpsenc te Secwépemc territory, within the unceded traditional lands of the Secwépemc Nation

**Commercial production:** Began July 2012

**Ore:** Gold and copper

**Status:** Production

**Mining type:** Underground block caving

**Life of Mine:** 2030 (projected)



**Cerro San Pedro Mine**

**Location:** Mexico – 20km northeast of San Luis Potosi

**Commercial production:** Concluded active mining in 2016

**Status:** Transitioned to reclamation in December 2018

[Read our Closure Report >](#)



**Rainy River Mine** ●●

**Location:** Canada – 65km northwest of Fort Frances, Ontario

**Indigenous lands:** Located on the traditional lands of Treaty 3 Anishinaabe Communities in Northwestern Ontario.

**Commercial production:** Began October 2017

**Ore:** Gold and silver

**Status:** Production

**Mining type:** Open pit and underground

**Life of Mine:** 2031 (projected)



**Corporate Head Office**

**Location:** Canada – Toronto, Ontario

**Indigenous lands:** Located on Treaty 13 of the Mississaugas of the New Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples, and is now home to many diverse First Nations, Inuit and Métis peoples.



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# Our Approach to Sustainability

Our responsibility to the communities in which we operate is fundamental to our work. We are driven by the aim of creating lasting value for our community partners, demonstrating care for the environment and building a better future for our employees, stakeholders and shareholders.

While environment and community needs are intrinsic to our approach to sustainability, it also encompasses the health, safety, and well-being of our people and communities, diversity, equity and inclusivity in the workplace, and the continued success of our operations. This approach is not only beneficial to our bottom line, but also strengthens our resiliency going forward.

## Our Sustainability Strategy

Rooted in New Gold's Mission, Core Values and Strategic Sustainability Pillar, our Sustainability Strategy is guided by three Anchors: Environment, Indigenous Rights and Community Engagement. These Anchors represent our priorities and provide insights into our approach to sustainable business.

In 2022, New Gold conducted a review of the goals outlined in our Sustainability Strategy to ensure they were aligned with operational requirements and to help achieve maximum impact for New Gold. As a result, we have updated our water objectives to be more in line with the watersheds in which we operate. This means that we are looking for ways to better manage and steward water usage at both New Afton and Rainy River while understanding that 100 percent reused or recycled water may not be possible.

## Strategy Statements

Following the launch of our Sustainability Strategy in 2020, we began developing Strategy Statements around four Focus Area: climate change and action, water management, Indigenous rights, and tailings management. These Strategy Statements leverage the Embedding Project Guidebook to ensure they are meaningful, impactful and strategically relevant to New Gold.

[Read the statements in the 2022 Governance Report >](#)

## Strategic Pillars and Sustainability Strategy



[Learn more about our Strategic Pillars >](#)

Our Sustainability Strategy outlines the goals to support our commitments through to 2030. Each year, we develop work plans to guide and support progress toward each goal, as well as update and set goals for coming years. We are pleased to share the status of our 2022 to 2023 goals below.

2022 – 2023 GOALS	STATUS
<b>ENVIRONMENT</b>	
Implement greenhouse gas (GHG) reduction strategies	<b>IN PROGRESS<sup>1</sup></b>
Implement strong and transparent water management and stewardship program, allocating responsibilities at all levels of the Company	<b>IN PROGRESS<sup>2</sup></b>
Implement Operational Water Balance Models at both sites	<b>IN PROGRESS</b>
Update Environmental Management System at sites to align with ISO 14001	<b>COMPLETED<sup>3</sup></b> <b>IN PROGRESS<sup>4</sup></b>
<b>COMMUNITY ENGAGEMENT</b>	
Develop a Social Management System at each operation	<b>IN PROGRESS</b>
Develop social closure plans that identify value we want to create in 2030	<b>IN PROGRESS<sup>5</sup></b>
<b>INDIGENOUS RIGHTS</b>	
Raise recruitment and retention rates for Indigenous employees from 2020 baselines	<b>COMPLETED</b>
Raise Indigenous spending and business development from 2020 baseline	<b>COMPLETED</b>

[Learn more about our Sustainability Strategy >](#)

1 Company-wide Climate Feasibility Project.  
2 Water management plans developed for both sites with improved governance measures through the development of multi-departmental Water Teams at both sites. Stewardship plans are in progress. Strategy Statements developed outlining commitments.  
3 Rainy River and New Afton Environmental Management Systems completed.  
4 Corporate office Environmental Management System is in progress.  
5 With continuous review and updating taking place as needed with relevant stakeholders.



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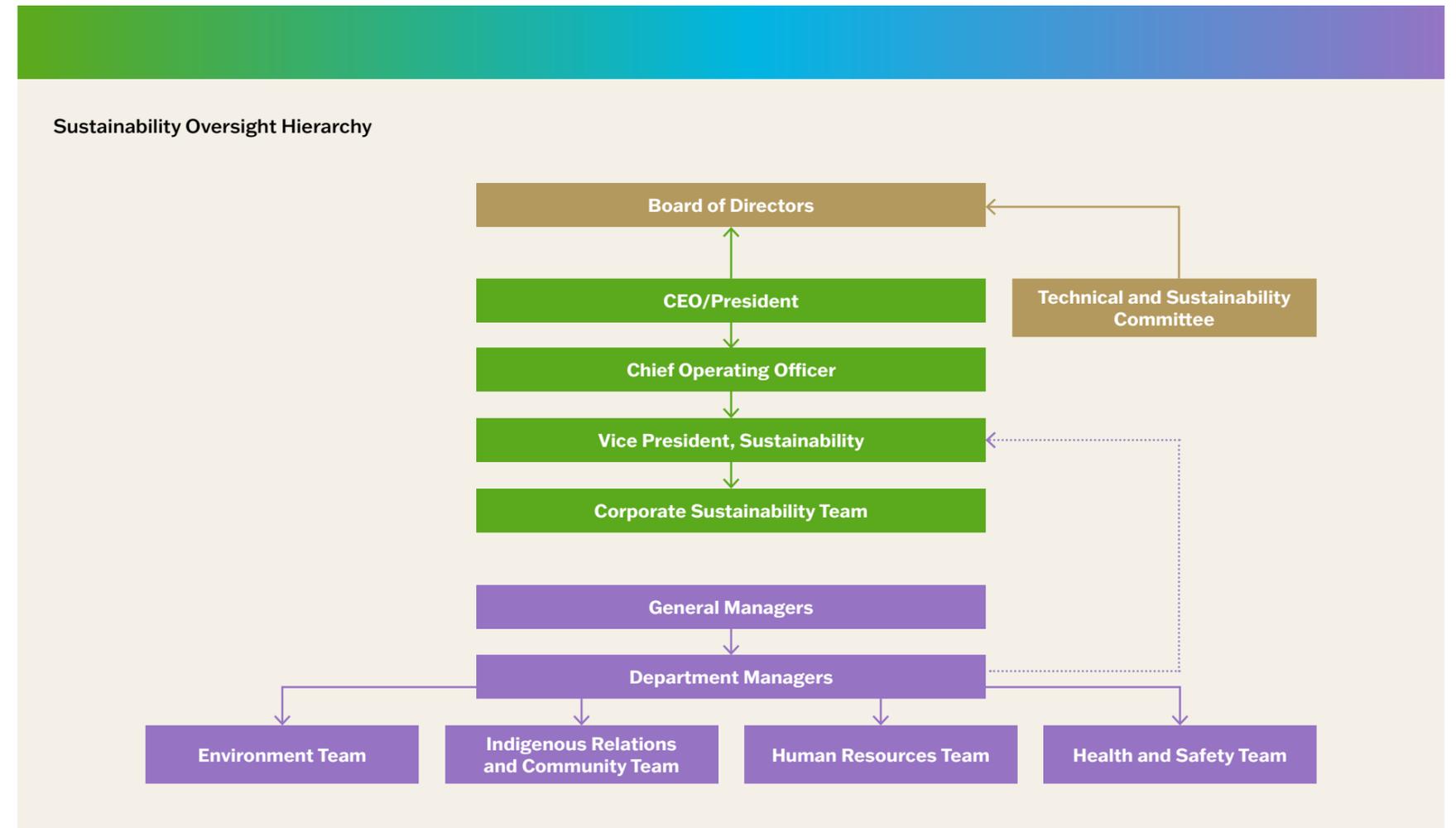
In 2021, New Gold's Sustainability Strategy set targets across our three Anchors: Environment, Community Engagement and Indigenous Relations. In 2022, we conducted a follow-up review of these goals to ensure they were aligned with operational requirements in order to achieve maximum impact for New Gold. Below is a reproduction of our previously disclosed 2025 and 2030 Goals, except as it relates to our 2030 water target. Following our 2022 review and understanding that New Afton and Rainy River are not in water stressed areas, our 2030 water target was updated from striving for 100 percent recycled water at all operating sites to focusing on strong water management solutions that can help us be strong partners and implement water stewardship in every watershed where we operate.

2025 AND 2030 GOALS	YEAR
<b>GENERAL</b>	
Continually improve Environment, Social and Governance (ESG) ratings compared to our peer group and achieve full compliance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations	2025
Establish strategic partnerships to support greater research and development for strategic areas	2025
Be a recognized partner in external research and innovation findings	2030
<b>ENVIRONMENT</b>	
Review energy-reduction strategies and look for greater opportunities to use green energy and electrification	2025
Focus on strong water management solutions and implement water stewardship in watersheds we operate	2030
Reduce GHG emissions by 30 percent from 2020 baseline numbers	2030
<b>COMMUNITY ENGAGEMENT</b>	
Implement social closure activities that provide value to communities	2030
<b>INDIGENOUS RIGHTS</b>	
Improve skill training for Indigenous employees to help provide for future employment and advancement	2030
Support the development of more Indigenous-owned businesses in local areas	2030

## Sustainability Oversight

Sustainability is embedded across New Gold. New Gold's Sustainability Strategy is overseen by the Board of Directors and its committees, with the Technical and Sustainability Committee providing overall guidance to support the Board of Directors and providing direction to Senior Management. New Gold's Sustainability Team oversees ESG reporting and performance. The following chart outlines the structure that provides for sustainability oversight across the Company. A more detailed breakdown of roles and responsibilities can be found in the Governance Report.

[Read the Governance Report >](#)





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## Sustainability Reporting

Sustainability reporting is constantly evolving, and we work to ensure our annual reports are not only aligned with global reporting frameworks but with topics that matter to our stakeholders. As the world continues to face significant challenges, it is more important than ever to provide greater transparency. We also recognize that, while we are a Canadian-focused company, we work in a global context and accordingly we are committed to reporting on ESG-related issues with a global perspective. In 2022, New Gold reviewed its Sustainability Report and renamed it to the ESG Report to better align with our stakeholders and the reporting industry while recognizing Sustainability is what we work towards as a business and ESG is how we report it.

### Overview of Standards and Disclosures

This ESG Report reports against the Global Reporting Initiative Standards (Core option), the G4 Mining and Metals Sector Disclosures, the Sustainability Accounting Standards Board Metals and Mining Standards (SASB), and the Mining Local Procurement Reporting Mechanism (LPRM). Consistent with prior years, our ESG Report represents a January to December calendar year. The boundary of all material topics is limited to the jurisdictions of New Gold's mining operations, unless otherwise stated.

Our approach to ESG reporting will continue to evolve as new and relevant standards, frameworks and expectations become applicable. In 2022, we progressed our alignment with the TCFD recommendations and published our first TCFD Report for the 2021 year. In 2022, we continue to align our reporting with the material topics identified.

### Review

This ESG Report is subject to internal review and not externally assured at this time. The ESG Report was reviewed by the Technical and Sustainability Committee of the Board. We recognize the importance of assuring our data and controls and, as we continue to improve our disclosures and data, we intend to undertake an internal audit of our 2022 ESG Report as another step toward external assurance. For questions regarding this ESG Report, contact us at [sustainability@newgold.com](mailto:sustainability@newgold.com).



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# SUSTAINABLE DEVELOPMENT GOALS

## United Nations Sustainable Development Goals

New Gold has been a participant in the United Nations (UN) Global Compact for over a decade and remains dedicated to actively seeking new opportunities to better support the UN Sustainable Development Goals (SDGs). In 2022, we undertook an assessment of our sustainability and business strategies to identify areas of operation with the greatest impact and potential to drive meaningful change.

We have identified eight SDGs and 11 supporting targets that are most relevant to New Gold’s business and intend to continue to create measurable impact and demonstrate progress toward each goal as we further refine this process. The goals and targets in the accompanying table are mapped to the ESG topics throughout this ESG Report and can be found in the [ESG Interactive Database](#).

**8 SDGs** identified that are most relevant to New Gold’s business and that can create measurable impact

SDG		TARGET		
3		Ensure healthy lives and promote well-being for all at all ages	3.4	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being
			3.9	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination
5		Achieve gender equality and empower all women and girls	5.1	End all forms of discrimination against all women and girls everywhere
			5.5	Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life
6		Ensure availability and sustainable management of water and sanitation for all	6.3	By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally
8		Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
11		Make cities and human settlements inclusive, safe, resilient and sustainable	11.4	Strengthen efforts to protect and safeguard the world’s cultural and natural heritage
12		Ensure sustainable consumption and production patterns	12.2	By 2030, achieve the sustainable management and efficient use of natural resources
13		Take urgent action to combat climate change and its impacts	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries
15		Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	15.1	By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements
			15.5	Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species



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## ANALYSTS CORNER

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# 2022 Materiality Assessment

Stakeholder engagement is central to identifying the material topics we focus on in our reporting. Through an extensive review process, we plan to identify a wide range of stakeholders who are or may be affected by our operations, placing a particular focus on vulnerable or underrepresented groups, and adapting our engagement approach to suit varying preferences. Examples of our engagement mechanisms with various stakeholder groups can be found in the accompanying table.

New Gold undertakes double materiality through community and internal stakeholder engagement. In 2022, we completed a refresh of our material topics for reporting. Through benchmarking against peers, reporting frameworks, and industry standards and initiatives, along with consideration for global and industry trends, we identified a list of ESG topics applicable to our business. This list was further refined through validation with internal stakeholders, senior leadership and Board members. The process revealed the 12 most important ESG topics from 2021 which were still relevant in 2022, with the addition of a topic related to governance. The identified material topics are listed below in order of materiality based on their respective sections of Environment (E), Social (S) and Governance (G). These 13 material topics support our Sustainability Strategy and influence our reporting moving forward.

## Our material topics are

- Climate change and action
- Biodiversity and nature
- Closure
- Tailings
- Water and water stewardship
- Community engagement
- Indigenous rights
- Diversity, equity and inclusion
- Human capital
- Occupational health and safety
- Employee well-being
- Environment and social compliance
- Leadership and accountability

IDENTIFIED STAKEHOLDERS	EXAMPLE ENGAGEMENT MECHANISMS
Employees	Surveys, bulletins, annual reporting, town halls, training and development programs, feedback mechanisms, performance reviews, committees, team communication channels (e.g., meetings, website, intranet), employee resource groups
Indigenous and non-Indigenous communities	Newsletters, open houses, boards (e.g., Environmental Monitoring Boards), grievance mechanisms, materiality assessments, Impact Benefit Agreements/Cooperation Agreements, Community Relations Teams, Joint Implementation Committees, Mine Management Board
Industry associations	Mining Association of Canada, Ontario Mining Association, Mining Association of British Columbia, First Nations Major Project Coalition, Canadian Mining Innovation Council, Canadian Dam Association, International Network for Acid Prevention, Canadian Industry Partnership for Energy Conservation
Shareholders and investors	Roundtable discussions, investor days, roadshows, one-on-one in-person or telephone meetings, virtual meetings, annual reporting, other forums
Contractors, suppliers, customers	Indigenous and community partnerships, meetings, feedback, evaluations, Supplier Code of Conduct, contracts and agreements, annual reporting
Governments	Engagement with national, provincial and local governments through regulatory process and ongoing communication and dialogue
Civil Society and NGOs	Collaboration, consultation and contributions with NGOs at each our sites as part of our engagement with communities. As part of the closure of Cerro San Pedro, New Gold created the nongovernmental organization, Todos por Cerro de San Pedro to contribute to sustainable development in the region





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While 2022 brought many challenges for our people, our operations and our partner communities, it also provided many encouraging examples of success along the way. Here are just a few business performance highlights, through a sustainability lens, of how we continued to forge the path forward in 2022.

January	March	April–May	July	August	October
1,000,000 oz poured at Rainy River.	Rainy River Life of Mine plan extended to 2031.	Water events and flooding at Rainy River inspired collaboration. New Gold embraced the opportunity to learn and re-evaluated and increased preparedness of our sites for future water events.	New Afton celebrated ten years of commercial production.	The Courage to Care Program was launched Company-wide to support New Gold’s focus on health and safety.  Rainy River Intrepid underground zone began production.	Rainy River celebrated five years of commercial production.



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<sup>1</sup> Based on 2022 self-assessments.

# Awards, Memberships and Initiatives

## Awards

New Gold's New Afton Mine was honoured to receive:



## Memberships

- Mining Association of Canada (MAC)
- Ontario Mining Association (OMA)
- Mining Association of British Columbia (MABC)
- Prospectors and Developers Association of Canada (PDAC)
- International Women in Mining (IWIM)
- Women in Mining Canada
- Canadian Dam Association (CDA)
- International Network for Acid Prevention (INAP)
- Canadian Industry Partnership for Energy Conservation (CIPEC)
- Canadian Mining Innovation Council (CIMC)
- First Nations Major Project Coalition Sustaining Partner
- Mining Safety Round Table
- UN Global Compact (UNGC)

## Initiatives

The TSM Excellence Awards are presented each year to companies, facilities and individuals to acknowledge innovative projects and initiatives that promote sustainable development within the mining sector. Our New Afton Mine is the proud recipient of the 2023 TSM Environmental Excellence Award for its Energy and GHG Management.

By continually exceeding annual energy and GHG objectives, as driven by strategic energy and GHG management, New Afton exemplifies TSM guiding principles by working to minimize the impact of our operations on the environment and continuously improving through the application of new technology, innovation and best practices.

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