
Statement of Continued Support by CEO

I am pleased to confirm that Peabody reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labour, environment and anti-corruption. In our first annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and operations. We are committed to sharing this information with our stakeholders using our primary channels of communication, including our annual ESG Report.

Sincerely,



Glenn Kellow

President and Chief Executive Officer
Peabody



OUR PROGRESS

HUMAN RIGHTS

ASSESSMENT

Peabody strives to create a safe and healthy work environment where all employees are treated with fairness and respect. Among our core values, we emphasize people and strive to offer an inclusive work environment that engages, recognizes and develops our employees. The Company is committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls designed to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains. Our policies and practices concerning human rights are supported by Peabody's Code of Business Conduct and Ethics and are in line with the Universal Declaration of Human Rights.

IMPLEMENTATION

Peabody encourages and informs employees of their ability and obligation to report concerns of misconduct, which would include human rights violations, through a strong program of workplace communications and online training tools. Our board of directors has established procedures for receiving, retaining and investigating reported violations. Retaliation in any form against an individual who exercises his or her right to make a complaint in good faith is strictly prohibited.

The company recently expanded its supplier screening process, and in 2020, will work to develop a formal supplier code of conduct.

MEASUREMENT OF OUTCOMES

In 2019, all claims submitted through Peabody's confidential reporting hotline were reviewed by the ethics and compliance team and others, as appropriate, based on topic and geography.

LABOUR

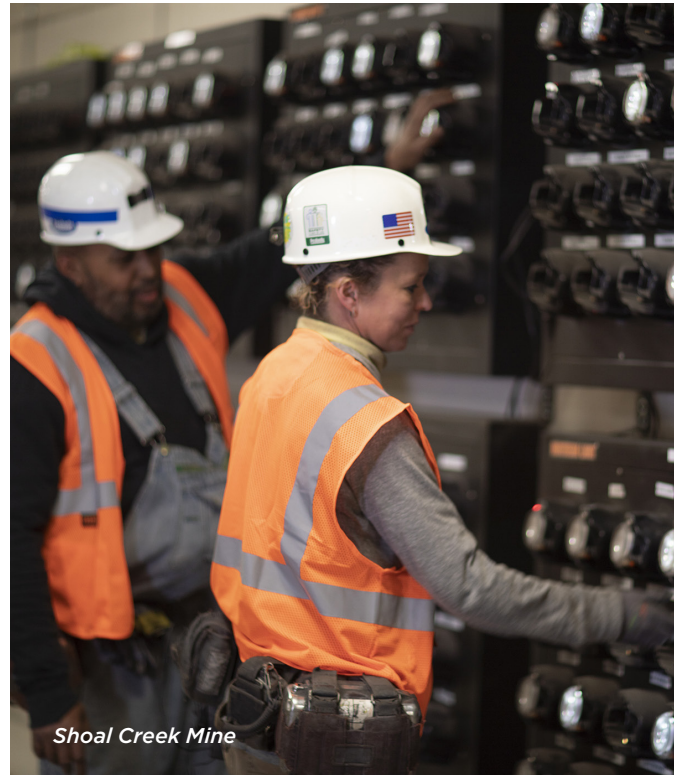
ASSESSMENT

Safety is Peabody's first value and integrated into all areas of our business, and all individuals at our sites must comply with Peabody's established safety and health rules, along with applicable laws and regulations. Our governing Safety Principles apply to our employees, contractors, visitors and vendors at all our sites. We believe Equal Employment Opportunity is good business and maximizes our opportunity to attract and retain a qualified and high-performance workforce. As stated in our Code of Business Conduct and Ethics, it is our commitment to comply with all Equal Employment Opportunity laws and our Equal Opportunity Policy Statement, which require recruiting, hiring, placing, promoting, training, compensating, transferring and terminating employees based on job-related qualifications and performance without regard to race, color, religion, national origin, sex, sexual orientation, age, or status as a special disabled veteran or veteran of the Vietnam era. Our affirmative action programs are intended to enhance this legal protection.

We are committed to complying with all applicable labor laws and support the protections afforded under such laws and related election processes. In our employment practices, we adhere to the following principles: (1) that workers have the right to freely choose whether or not to form and join trade unions and bargain collectively; (2) that employment shall be freely chosen; and (3) that there shall be no use of forced labor, including bonded or voluntary prison labor.

IMPLEMENTATION

Management has overall accountability for safety and health and sharing of learnings across the organization. Peabody's Safety a Way of Life (SAWOL) management system sets out a risk-based framework that is the basis for continuous safety and health improvement. SAWOL is independently certified under the U.S. National Mining Association's CoreSafety® framework, sets clear expectations for work activity at operations and is designed to foster a safety culture that promotes participation. Safety incidents are thoroughly investigated to identify root causes and key findings are passed across global operations.



Peabody encourages and informs employees of their obligation to report concerns of misconduct, including labor violations, through workplace communications and online training tools. Our board of directors has established procedures for receiving, retaining and investigating reported violations. Retaliation in any form against an individual who exercises his or her right to make a complaint in good faith is strictly prohibited.

For 2020, Peabody is targeting to improve its strong safety performance by reducing its global Total Recordable Injury Frequency Rate (TRIFR) and achieving zero fatalities.

MEASUREMENT OF OUTCOMES

In 2019, Peabody did not have any fatalities at its operated mines. The company reported a global TRIFR of 1.64, which includes the Middlemount Mine and contractors across all Peabody locations.

ENVIRONMENTAL

ASSESSMENT

Peabody takes responsibility for the environment throughout the life cycle of our operations and works to comply with all applicable environmental standards, rules and procedures, and relevant jurisdictional laws and regulations. Our governing principles for our sites are outlined in our Environmental Policy, which applies to our employees, contractors, visitors and vendors at all our operations and support Peabody's alignment with Sustainable Development goals.

The company's commitment to the environment extends beyond our operations. As noted in our Statement on Climate Change, Peabody promotes the development and deployment of high-efficiency, low-emissions and carbon, capture, use and storage technologies to achieve goals of substantial reductions in greenhouse gas and other emissions.

IMPLEMENTATION

Management has overall accountability for environmental management and for regular review of environmental performance. We strive to conserve water, advance recycling and waste management programs and apply efficient mining practices, which in turn, can reduce greenhouse gas intensity at our operations. Peabody is also committed to progressively restoring areas disturbed by mining to ensure post-mined land use, landform and environmental outcomes are achieved.

In 2020, Peabody intends to integrate environmental standards for land reclamation, water management, coal waste/water containment, among others, into its established risk management system.

MEASUREMENT OF OUTCOMES

In 2019, Peabody restored nearly one acre for every acre disturbed during mining. Approximately 20 percent of the water withdrawn by our operations in 2019 was recycled or reused. In addition, recycling, reuse and energy recovery programs accounted for 60 percent of the company's waste disposal activities.

ANTI-CORRUPTION

ASSESSMENT

Integrity is among our core values, and Peabody strictly prohibits giving, offering or promising anything of value to a government official to influence any official act or otherwise violate the law. Peabody also prohibits commercial bribery of any kind. Any knowledge of such conduct must be reported immediately to the appropriate supervisor and our Chief Legal Officer. Employees must comply with all laws and regulations of the countries which have jurisdiction over our operations and activities including, without limitation, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and the OECD Anti-Bribery Convention.

IMPLEMENTATION

Peabody informs employees of their obligation to act in a responsible, ethical and constructive manner through workplace communications and online tools. Our board of directors has established procedures for receiving, retaining and investigating reported violations. In addition to Peabody's Code of Business Conduct and Ethics training, the company provides targeted education based on employee business function to mitigate key risks, including anti-bribery and corruption as well as fraud detection and prevention.

Peabody's political and lobbying activities are directed by the executive leadership team with oversight from the company's board of directors. All financial contributions adhere to federal, state and local laws regarding contribution limits on amount and source criteria, and reporting requirements.

MEASUREMENT OF OUTCOMES

In 2019, Peabody achieved a 100 percent completion rate for all active, continuing employees assigned the company's formalized annual Code of Business Conduct and Ethics training.