

# **2024 Sustainability Report**

# Peabody

## **BUILDING BRIGHTER FUTURES**

# **Disclosure Regarding Forward-Looking Statements**

This report contains forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should," "goal," "could" or "may" or other similar expressions. Forward-looking statements provide management's or the Board's current expectations or predictions of future conditions, events or results. All statements that address operating performance, events, or developments that may occur in the future are forward-looking statements, including statements regarding the shareholder return framework, execution of Peabody's operating plans, market conditions, reclamation obligations, financial outlook, potential acquisitions and strategic investments, and liquidity requirements. They may include estimates of sales and other operating performance targets, cost savings, capital expenditures, other expense items, actions relating to strategic initiatives, demand for the company's products, liquidity, capital structure, market share, industry volume, other financial items, descriptions of management's plans or objectives for future operations and descriptions of assumptions

underlying any of the above. All forward-looking statements speak only as of the date they are made and reflect Peabody's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, Peabody disclaims any obligation to publicly update or revise any forward-looking statement, except as required by law. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to, a variety of economic, competitive, and regulatory factors, many of which are beyond Peabody's control, that are described in Peabody's periodic reports filed with the SEC including its Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and other factors that Peabody may describe from time to time in other filings with the SEC. You may get such filings for free at Peabody's website at www.peabodyenergy.com. You should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

**Peabody Energy** 2024 Sustainability Report

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Peabody is a leading coal producer, providing essential products for the production of affordable, reliable energy and steel. Our commitment to sustainability underpins everything we do and shapes our strategy for the future.











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# **President & CEO Statement**

# Dear Stakeholders,

At Peabody, we approach our environmental, social and governance practices as an opportunity to deliver further value across our business and to our stakeholders. We continue taking action that aligns with our strategic vision and develops risk-informed ESG practices and programs that support our shareholder, our customer and our company goals. The actions and achievements detailed in this report reflect our Peabody commitment to safety, sustainability, human capital and governance.

Safety remains our first value and our measure for excellence. After achieving our lowest global injury rate in company history last year, we achieved our second lowest annual global injury rate in 2023. Our Australian operations continued to build on exemplary programs and safety culture to achieve a record low injury rate in Australia. We are proud of our operations for the persistent efforts by site personnel to create a safety culture that supports these outcomes.

In 2023, we reclaimed approximately 3,200 acres and gained final bond release approval on 2,600 acres. We also successfully pre-funded all long-term mine closure and reclamation obligations. In the U.S., our reclamation efforts exceeded targets by 25 percent. Our Bear Run Mine received the Indiana Excellence in Mining Reclamation Award from the Indiana Department of Natural Resources. Our Australian operations continue working towards certification under the Minerals Council of Australia's Toward Sustainable Mining protocol. These efforts are driving performance, transparency and excellence in key areas of our environmental and social programs.

Our programs and performance would not be possible without the exceptional professionals and operators that are the core of our business and our culture. Two Peabody employees were recognized by the American Society of Reclamation Sciences with the Reclamationist of the Year Award and the Pioneer in Reclamation Award. We are proud of the work these employees have done over their careers at the Kayenta Mine and the North Antelope Rochelle Mine.

The achievements during the past year reflect our ongoing efforts to strengthen our ESG programs to better support the goals of our stakeholders and our own aspirations. While there is plenty of work ahead, we can celebrate our successes and learn from our challenges as we strive to continually improve. We were pleased to successfully reach our first incremental target, reducing our Scope 1 and Scope 2 GHG emissions by 15 percent from our 2018 baseline. As we look ahead, we intend to continue developing further incremental, measurable targets moving towards our net-zero aspirations. We also continue to support innovation through our partnerships with universities.

The achievements during the past year reflect our ongoing efforts to strengthen our ESG programs to better support the goals of our stakeholders and our own aspirations."

at Peabody.

Sincerely.

lim Grech President & CEO, Peabody Energy



D **Our Business** 

Environmental

Appendix

We strive to attract the right people for the right roles at Peabody. Over the past year, we have listened to feedback from our Employee Value Proposition to make recommendations and implement changes. We are developing pipelines of diverse talent as well as providing opportunities for our employees to learn, grow and maximize their potential as we remain committed to fostering a workplace that prioritizes safety, values people, upholds integrity, promotes leadership, pursues excellence and champions sustainability. As a company, we are committed to serving and supporting the communities in which we operate. Our operations support local charities, civic groups and community events as well as partner with schools and universities for training and internship opportunities.

We believe there is a critical role for coal in the energy economy of the future—it provides necessary, reliable and affordable energy that powers growth and development and provides resources for the production of steel needed for infrastructure. We are proud of what we have accomplished, and we look forward to what is ahead as we continue building brighter futures

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# About Our Company

Peabody is a leading coal producer, providing essential products for the production of affordable, reliable energy and steel. Our commitment to sustainability underpins everything we do and shapes our strategy for the future.

We are focused on three core portfolios—seaborne met, seaborne thermal and U.S. thermal. Our seaborne met segment provides an essential ingredient for steelmaking to customers in Asia and Europe. Our seaborne thermal segment is well positioned to serve continued strong demand from growing Asia Pacific economies and is supported by our high-quality, lowcost mines in Australia. The U.S. thermal segment benefits from our low-cost operations and serves as a foundation for the U.S. energy grid now and in the future.





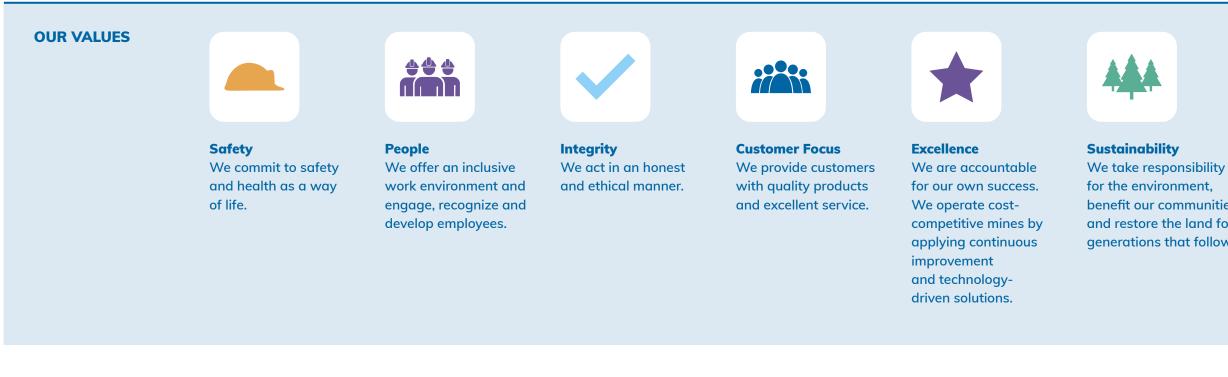
# **Mission & Values**

# **Our Mission**

To create superior value for shareholders as the leading global supplier of coal, which enables economic prosperity and a better quality of life.













benefit our communities and restore the land for generations that follow.

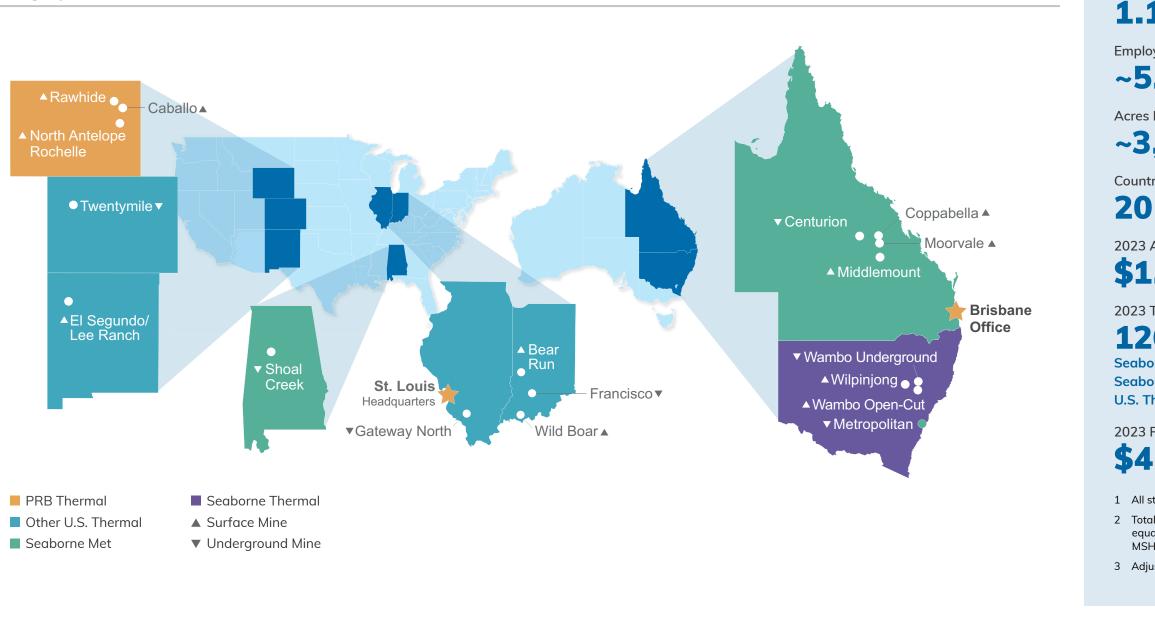


## Leadership

We have the courage to lead, and do so through inspiration, innovation, collaboration and execution.

# **Peabody at a Glance**

**Mining Operations** 



**Our Business** 

Environmental

# 2023 QUICK FACTS<sup>1</sup>

TRIFR<sup>2</sup>



Employees



Acres Restored



Countries Served

2023 Adjusted EBITDA<sup>3</sup>

# **\$1.4B**

2023 Tons Sold

# **126M**

Seaborne Thermal: 16M tons Seaborne Met: 7M tons U.S. Thermal: 103M tons

2023 Revenue



1 All statistics are for the year ended December 31, 2023.

2 Total Recordable Incident Frequency Rate ('TRIFR') equals recordable incidents per 200,000 hours worked; MSHA reported total U.S. TRIFR for 2023 of 2.72.

3 Adjusted EBITDA is a non-GAAP financial measure.

# **Building Brighter Futures**





We believe coal has a critical role in the energy economy of the future. The transition to a net-zero emissions economy must deliver affordable and reliable energy production that will drive continued growth and development. Coal continues to be a building block for economic progress. It provides the fuel for low-cost baseload electricity that economies need to grow and resources for the production of steel needed to build infrastructure, particularly the infrastructure for renewable energy, that leads to a better quality of life.

From the boardroom to the coal face, sustainability is integrated into all facets of our business operations. The governing principles that guide our board enable the operational excellence, focused engagement and financial strength to meet these values. These practices enhance our strategy and reflect our commitment to delivering further value for our stakeholders as we continue moving toward our ambition of net-zero emissions by 2050.

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As a leading, modern coal company,

and leadership go hand in hand.

Peabody understands that stewardship

Our Business

Environmental





# **Our ESG** Program

We strive to be the coal producer of choice. This means maintaining financial strength, delivering a diversity of products to support our customers' needs, practicing operational excellence and championing sustainability. We believe that good environmental, social and governance ("ESG") practices are good business practices.

Our programs are continually improving to meet the needs and expectations of our customers, shareholders and broader stakeholder community. We are embracing a future in which material areas of our ESG strategy are identified as both risks and opportunities.

This approach encourages innovation, cultivates resilience and will drive the future success of our business. As a part of this commitment, we continue to review our current programs, the interests of our stakeholders and communities of interest and the changing regulatory environment to improve our environmental, social and governance performance in ways that mitigate risk and create value.



## **UN GLOBAL COMPACT**

In 2019, Peabody became a signatory to the United Nations Global Compact, the world's largest global corporate sustainability initiative. The UN Global Compact provides a universal framework for sustainability. We endeavor to incorporate the UN Global Compact and the UN Sustainable Development Goals into our strategy, culture and operations. We reaffirm our support of the Ten Principles of the UN Global Compact in the areas of human rights, labor, environment and anti-corruption. We will continue to outline our actions and efforts to integrate the UN Global Compact and its principles into our business strategy, culture and operations in our annual Communications on Progress. Peabody's program development supports the Compact's sustainable development goals, including affordable clean energy, decent work and economic growth, industry, innovation and infrastructure, climate action and life on land.













**United Nations Global Compact** 





# **Our Approach to ESG**

At Peabody, we are driving a holistic approach to environmental, social and governance practices to deliver further value across our business and to our stakeholders.

To identify ESG focus areas that impact our business and areas which our business has the potential to impact, our materiality determination process was guided by the topics recommended by the Sustainability Accounting Standards Board ("SASB") and the reporting standards established by the Global Reporting Initiative ("GRI"). Results are then integrated within our risk management systems to assess risks and opportunities across our company and build actionable performance goals.

These assessments are conducted and reviewed regularly in key operational areas. During this process, operations management collaborates with technical team members to review and monitor potentially changing conditions. The gathered information from each area is reported to the executive team, who evaluates the adequacy of the assessment and action plans. Then, information is further aggregated to identify key, strategic risks to the organization. We continue to build and enhance programs in these strategic areas that mitigate risk, realize opportunity and measure performance through transparent metrics and disclosure.

# ESG PRIORITY ASSESSMENT TOPICS



## **Environmental**

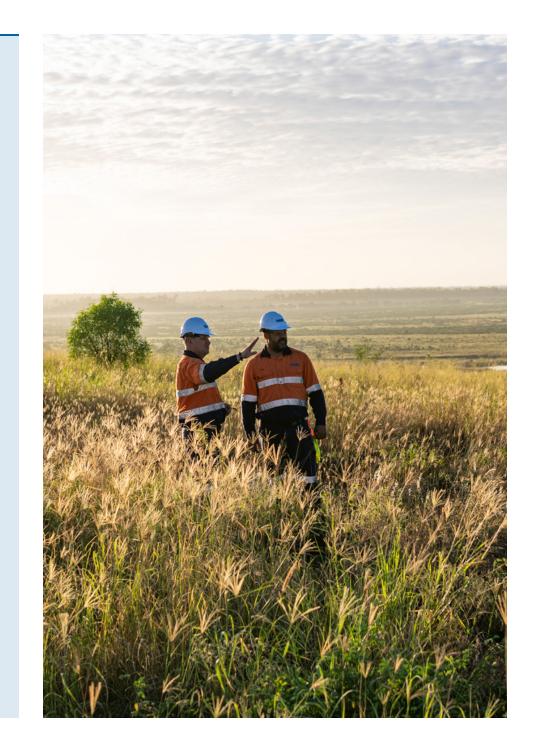
- Greenhouse Gas Emissions
- Energy Use
- Biodiversity & Environmental Impact
- Waste
- Water Use & Management

## Social

- Human Capital
- Diversity & Inclusion
- Health & Safety
- Human Rights
- Supply Chain Management
- Community Involvement

# Governance

- Risk Management
- Ethics
- Board Composition
- Cybersecurity
- Whistleblower Protection
- Political Contributions













# **ESG Oversight**

Peabody's environmental, social and governance programs, including corporate ethics, compliance, safety and environmental programs, are subject to ongoing evaluation and oversight. The Board annually reviews the qualifications and composition of the board and committees as well as the objectives, policies and efficacy of programs that advance progress on sustainable development. The Board of Directors achieves responsible corporate governance practices through a dotted line reporting relationship between management's compliance function and the Board's Nominating and Corporate Governance Committee, and through regular compliance reporting to both the board's Nominating and Corporate Governance and Health, Safety, Security and Environmental Committees.

# Environmental

Peabody maintains an Environmental Policy that is championed by our Executive Leadership Team, who have overall responsibility for Peabody's environmental performance. Our board of directors and the board's Health, Safety, Security and Environmental Committee provide oversight for this policy and supporting functions. The committee's oversight responsibilities include significant risks and opportunities identified in the HSSE areas; objectives, policies, programs and performance metrics; and efforts to advance progress on sustainable development.

## Social

We believe that not only our products, but our people and communities, are key to a better business and a better society. Our Executive Leadership Team has overall responsibility for Peabody's human capital management program, safety performance and collaboration in the communities we serve. The board of directors, including through its Compensation Committee, has oversight for these functions and responsibility for the review of key risks, opportunities and performance metrics in this area.

## Governance

We operate under a set of governance principles that guide our board and enable operational excellence, focused engagement and financial strength. These principles include such areas as board and management roles and responsibilities, board composition and director qualifications, management evaluation and succession, and overall corporate compliance. The board of directors and the board's Nominating and Governance Committee have oversight of these functions, as well as the risks and opportunities identified in this area.

## **BOARD OF DIRECTORS COMMITTEE RESPONSIBILITIES**

### **BOARD OF DIRECTORS**

Ensures competency and efficacy of Board Committees to oversee ESG risks, opportunities and programs.

NOMINATING AND **GOVERNANCE COMMITTEE** 

Coordinates oversight of ESG risks, opportunities, programs and performance on behalf of the board. Directly oversees risks and opportunities related to corporate governance and compliance.

## HEALTH, SAFETY, SECURITY AND ENVIRONMENTAL COMMITTEE

Oversees risks, opportunities and programs related to climate, land and biodiversity, emissions, crisis management and safety and health impacts.

## **EXECUTIVE LEADERSHIP TEAM**

Responsible for the development, implementation and performance of ESG programs, including identification and communication of risks and opportunities to the board and board committees.

## MANAGEMENT AND TECHNICAL LEADERS

Responsible for the execution of supporting programs to mitigate ESG risks, develop opportunities and improve performance.

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## COMPENSATION COMMITTEE

Oversees risks, opportunities and programs related to human capital management, community engagement, safety performance and incentive structure.

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peabody

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# **Environmental** Management

Our environmental approach considers the full mining lifecycle, from exploration through mining, processing, closure and release responsibilities. The Peabody Health, Safety, Environment & Communities Policy, our environmental programs and supporting environmental standards drive the sustainable use and protection of natural resources, mitigate operational risk and establish expectations regarding consultation and collaboration with communities of interest.

Establishing a risk-based framework, our Safety and Sustainability Management System is the basis for continuous improvement in health, safety and environmental stewardship. This includes:

- Our commitment to comply with all applicable environmental standards;
- Appropriate training to ensure all employees and vendors are equipped and knowledgeable to comply with all regulations and our programs;
- Regular review of risk and opportunities, including aspects that could impact the environment;
- Regular monitoring and auditing to ensure program alignment; and
- Corrective action plans that address opportunities for improvement.

# The Details

Peabody utilizes industry-leading practices to efficiently use natural resources and minimize our environmental impact. This strategy includes a focus on reducing greenhouse gas intensity, reducing energy consumption, applying progressive land reclamation to lessen surface disturbance, conserving water and advancing recycling and waste management programs.



Our goal is to maximize production while conserving energy and resources. This reduces costs and minimizes our environmental footprint through lower emissions.

We commit to abide by all applicable environmental regulations in the jurisdictions in which we operate. In addition, we are committed to progressively restoring, monitoring and maintaining areas disturbed by mining to ensure that post-mine land use, biodiversity and environmental outcomes are achieved.

# PEABODY AUSTRALIA ALIGNMENT TO TSM



Peabody facilities in Australia are currently undergoing a three-year certification process to the Mineral Council of Australia's Toward Sustainable Mining protocol. The globally-recognized framework was developed for the mining industry and takes an incremental approach to program development and action planning that aligns with Peabody's strategy and drives meaningful environmental and social performance while engaging communities of interest. To attain certification, facilities must develop programs and commitments that align with the expectations of each protocol, undergo internal assurance and external verification of conformance to the protocol and publicly disclose performance. The protocols include indicators that will enhance performance in key areas related to mining:

- **Biodiversity Conservation Management**
- Climate Change •
- •
- •
- Preventing Child and Forced Labor
- - **Tailings Management**
  - Water Stewardship







**Crisis Management and Communications Planning** Equitable, Diverse and Inclusive Workplaces • Indigenous and Community Relationships Safe, Healthy and Respectful Workplaces

# **Climate & Energy**

# **Peabody recognizes that the** effects of climate change must be addressed.

Peabody also believes that a concerted global effort is required to reduce greenhouse gas (GHG) emissions, including those resulting from the use of energy resources such as coal.

As one part of the energy and steelmaking value streams, Peabody has a responsibility to reduce our GHG emissions to align with the goals of our customers and move toward our ambition of achieving net-zero emissions by 2050. We believe setting measurable, near-term emission reduction goals is the most effective and transparent strategy for achieving this aspiration.

We have successfully achieved our first near-term target, to reduce our Scope 1 and Scope 2 GHG emissions by 15 percent from our 2018 baseline. We intend to announce our next near-term target in the second half of 2024. To develop this next step, we are currently assessing the unique emission profiles of each of our facilities, the timeline for emerging technologies and the changing regulatory landscape to ensure this next target, and the resources to support our program, effectively align with our strategy.

As we consider further emission reduction opportunities and future targets, we weigh the timing, cost and strategic fit of each technology to determine the best ways to support our operations, comply with regulations and meet the expectations of our stakeholders and customers.

# **CLIMATE AND EMISSION REDUCTIONS: THE OPPORTUNITIES**

## **Scope 1 Fugitive Emissions**

**Potential opportunities:** 

- Coal-bed methane drainage and utilization
- Flaring
- Regenerative Thermal Oxidation



## **Scope 1 Fuel Emissions**

**Potential opportunities:** 

- Optimization of mine configuration and handling/haulage method
- Implementation of low-carbon fuel alternatives
- Equipment electrification
- Alternate material handling and conveyance



# **Scope 2 Emissions**

**Potential opportunities:** 

- Development of renewable energy sources (solar PV) on reclaimed mine land
- Pumped hydro for power generation
- Utilization of coal-bed methane resources for power generation











# PEABODY SUPPORTS UNIVERSITY OF WYOMING SCHOOL OF ENERGY RESOURCES RESEARCH INTO ALTERNATIVE **COAL USES**

In 2023, Peabody made a sustaining commitment to the University of Wyoming's School of Energy Resources (SER). The gift supports the "Peabody Education, Innovation and Technology Fund" and supports SER's pioneering solutions in carbon engineering, management, capture, utilization and storage, as well as reclamation, alternative coal uses, regulatory analysis and policy and more.

Since the 1980s, Peabody's North Antelope Rochelle Mine (NARM) has partnered with the University of Wyoming on various research projects to improve the process of reclamation and revegetation. Ongoing research between NARM and SER is focused on the use of coal char (pyrolyzed thermal coal) as a soil amendment to enhance organic matter in topsoil.

The application of coal char as a soil amendment has shown positive results with improved health and vigor of the microbiology in agricultural use topsoil. NARM is currently working with SER to apply coal char to multiple test plots in newly seeded reclamation areas trying to achieve the same positive results. Topsoil in the northeast region of Wyoming contains lower levels of organic matter and the addition of coal char can help with the long-term health of microbial communities in the soil.

Finding alternative carbon neutral uses for coal means that it can continue to benefit local economies and ecology with less detrimental impacts to the environment. Peabody made an initial gift of \$500,000 and committed one cent per ton of Powder River Basin coal sold by Peabody with the current gift total surpassing \$1.36 million.

We will continue to take direct actions to reduce emissions from our mining operations and drive investment in the development and adoption of low emissions technologies that will be critical for the world to reach its climate goals. We believe that applying emission reduction technology to existing resources and infrastructure must play a key role in achieving a net-zero future.





We are embracing the transition to net-zero emissions as an opportunity to collaborate and innovate with our customers as one piece of a broader energy ecosystem, and we believe our steelmaking coal will be key to the development of renewable energy products and future infrastructure. We intend to create further value for our stockholders by reducing emissions at our operations and developing opportunities to support our customers' climate commitments, including investment in advancing technology and the development of renewables. Importantly, we believe the transition to a net-zero emissions economy must balance the need for a timely transition with the necessity for affordable, reliable energy and steel.

We remain committed to playing a role in the energy transition and are reorienting our portfolio toward the steelmaking coal necessary to build the new energy grid. As part of the transition, we will continue to responsibly grow our non-thermal revenue from our diversification initiatives, including our investment in R3 Renewables. We will responsibly mine our existing thermal coal reserves, given the importance of coal as a fuel to support evolving global energy needs, while we reduce annual volumes from our U.S. thermal mines by 20-40 million tons by 2035 (versus 2021 production).

# **Our Commitments & Progress**

## **OUR COMMITMENTS**



# **Develop Targets for Success**

- Create value for our stakeholders through a net reduction of our emissions
- Set incremental, measurable and achievable targets to meet our goals
- Achieve 15% net reduction in Scope 1 and 2 GHG emissions by 2026



# Enhance our Data to Guide our Strategy

- Improve data collection and data management programs
- Understand the unique opportunities for reductions at our facilities



# **Develop and Deploy our Project Pipeline**

- Leverage our existing assets and new technology
- Invest in and execute projects that support our business goals and ambitions



D **Our Business** 







# **OUR PROGRESS**



**Attained emission reduction target** 

- Improved data collection and regular tracking mechanisms for emissions data
- Continue to develop a project pipeline to address near, mid and long-term investments in technology and innovation that support a net-zero emissions economy

# Energy Consumption

Extracting coal for energy and steel requires energy. Electricity and other fuels power our operations in our haulage fleet, pumps, conveyors and maintenance areas on a daily basis. Consistent with our approach to responsible environmental management, we continually assess new ways to reduce our energy consumption to minimize our costs and reduce the resulting greenhouse gas emissions.

Our investments in our equipment fleet will leverage newer engines, hybrid technologies and enhanced data analysis to drive efficiency and reduce emissions in our near-term future. Several of our mining operations already utilize electric equipment, such as draglines, shovels, longwall and continuous miners in parts of the mining process. As electrification technology matures within the mining sector, we will continue to collaborate with our suppliers and identify opportunities for integration of these technologies into our strategy.

We are also advancing the development of renewable energy projects in the U.S. through our partnership in R3 Renewables and will continue to identify opportunities in our U.S. and Australian operations to leverage our land assets and proximity to infrastructure for further renewable energy development. As these projects progress, we have the opportunity to deliver renewable energy to the grid and meet the energy needs of our operations.



**MOBILE EQUIPMENT UPGRADES DRIVE EFFICIENCY AND** LOWER EMISSIONS Peabody is upgrading its fleet of haul trucks to include trucks that meet Tier IV standards and have lower emissions. Since November 2022, NARM has been transforming its fleet of haul trucks to include 23 new trucks with Tier IV engines. Similarly, Peabody's Coppabella Mine has added six new haul trucks with Tier IV engines, and Metropolitan Mine is also transitioning to electric crew transport vehicles underground, replacing its diesel vehicles. This significant investment in new equipment will reduce emissions and conserve energy at operations in the U.S. and Australia.







# **Greenhouse Gas Emissions**

## PEABODY CONTINUES SUPPORT **OF CONSORTIUM FOR CLEAN COAL UTILIZATION**

In 2023, Peabody contributed \$100,000 to support the research of the Consortium for Clean Coal Utilization (CCCU) at Washington University in St. Louis, which focuses on research in advanced coal and carbon capture technologies. Funding is used to support faculty-led research projects, build advanced research facilities and support outreach activities relating to the clean utilization of coal.

The Advanced Coal and Energy Research Facility (ACERF), which is co-sponsored by Peabody, provides pilot-scale research, development and testing of clean technologies for pollution control and carbon capture and utilization. Peabody has supported the CCCU since it was established in 2008.

Peabody's Scope 1 direct emissions include consumed diesel fuel and fugitive emissions from our operations, and our Scope 2 emissions relate to the consumption of purchased electricity. In 2023, our emission intensity per ton of mined coal decreased by five percent compared to 2022, while overall emissions also decreased by more than five percent.

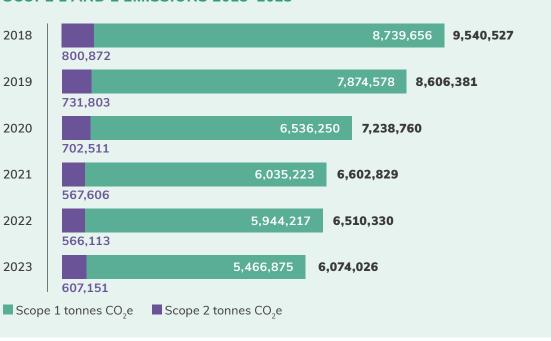
Peabody's Scope 1 and 2 emissions have decreased over 35 percent since 2018, resulting from GHG emissions reduction efforts and the impact of lower production volumes. As we have achieved our first emission reduction target, we are assessing future production volumes, opportunities to implement emission reduction technologies and initiatives that drive operational excellence. We intend to set our next near-term targets to reduce our Scope 1 and 2 emissions later in 2024, with a continued commitment to establish incremental, measurable and actionable targets to reach our net-zero emission aspiration.

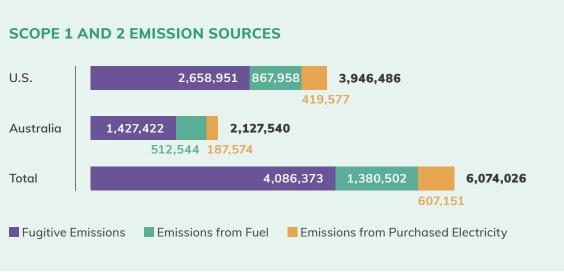
While Peabody has not established specific targets related to the reduction of Scope 3 emissions, we will continue to support our customers' and suppliers' emission reduction goals through investment in research and technology and advocacy for the policies that support these goals.

We know the deployment of technology is imperative to reaching a sustainable, net-zero emissions future. Proven technology exists today to significantly reduce carbon emissions, including high-efficiency, low-emissions coal-fueled generation (HELE) and Carbon Capture and Storage (CCS). We believe that the investments and partnerships we make today will shape the energy economy of the future and improve these technologies.

We support research and key initiatives in low-emissions projects and partnerships such as Low Emission Technology Australia (LETA), Carbon Utilization Research Council (CURC), the University of Wyoming School of Energy Resources (SER) and the Consortium for Clean Coal Utilization at Washington University in St. Louis.

## SCOPE 1 AND 2 EMISSIONS 2018–2023







# Land & Biodiversity

Peabody is committed to progressively restoring areas disturbed by mining to ensure positive post-mine land use, landform, biodiversity and environmental outcomes. Our approach to contemporaneous reclamation benefits both operations and the environment by minimizing our footprint and efficiently restoring the land as we mine at the lowest cost.

Before any mining activity begins, we complete comprehensive baseline studies. We look at local ecosystems, geology, surface water, groundwater, land uses and other relevant resources to support detailed assessments. These inform our mine plans and measures to reduce potential impacts from our operations, respect critical habitat and execute cost-effective reclamation that restores viable and diverse ecosystems.

Over the past five years, Peabody has restored one acre of mined land for every acre disturbed, including restoring more than 3,200 acres of land in 2023. These lands will now serve as wildlife habitat, rangeland, forests, prime farmland, grazing land and wetlands. Reclaimed lands may also be utilized for renewable energy development projects such as the ongoing work in our Midwest Thermal Operations through the R3 Renewables joint venture.

Successful land restoration is a recurring metric within Peabody's executive compensation program, as well, with the goal of reclaiming as much or more land than we disturb on an annual basis. This an effective metric that balances within budget operational excellence and our commitment to minimizing environmental impacts.

Peabody facilities have consistently garnered awards for the quality and diversity of restoration activities. Our industry-leading reclamation strategy is key to maintaining our social license to operate while restoring mined land for further opportunities in the communities we serve.

## MARIE SHEPHERD, ASRS RECLAMATIONIST OF THE YEAR



Peabody was pleased to have two employees recognized for their innovative and dedicated work in the field of reclamation at the 40<sup>th</sup> Annual American Society of Reclamation Sciences' (ASRS) Conference in June 2023. Marie Shepherd, of the Kayenta Mine, was given the Reclamationist of the Year award and Bryan Hansen, from NARM, received the Pioneer in Reclamation award.

The Reclamationist of the Year award recognizes individuals demonstrating outstanding accomplishments in the practical application or evaluation of reclamation technology. It also rewards individuals responsible for implementing innovative practices or designs for new reclamation strategies. The Pioneer in Reclamation award is presented to an individual that has had significant impact and influence in the field of environmental science and reclamation relating to disturbed ecosystems over their entire career.

Shepherd, a member of the Navajo Nation, has been at the Kayenta mine for over 11 years. "To restore Mother Earth to a sustainable condition here on the Kayenta Mine Complex for the Navajo People and the Nation is a big deal to me. Mother Earth provided for us during mining and with the reclamation process she will continue to provide through use of the land for grazing, medicinal purposes and wildlife to forage on. With support and commitment from leadership, we are restoring the lands to be used for decades to come," Shepherd said.

"Receiving this award reflects Peabody's values and the people that help to get reclamation completed at Kayenta Mine and I am proud to represent the people and the company. I am happy to receive this award as it reflects the exemplary work that we have done at Kayenta Mine," she added.

During the height of Kayenta's reclamation, Shepherd managed to reclaim about 400 acres per year over a five-year period. She has integrated geomorphic concepts into reclamation plans and coordinates Peabody's cultural planting program at the site as well. These practices result in a sustainable landform for the Navajo Nation to use. She also manages the annual grazing program which allows the local community to use the reclaimed lands for grazing. As a rancher herself, Shepherd understands using grazing as a best management practice.





# LAND & BIODIVERSITY continued

In the U.S. and Australia, Peabody provides third-party bonding (in excess of U.S. GAAP reclamation liabilities) to provide appropriate assurances that reclamation will occur. At both active and closed mines, bonds are released incrementally when success criteria are met. In the U.S., Peabody had approximately 2,600 acres approved for final phase bond release at the end of 2023.

In addition to funding every dollar of our coal mine restoration, Peabody pays tens of millions of dollars each year to the Abandoned Mine Land (AML) Reclamation Program for the reclamation of lands mined before the U.S. Surface Mining and Control Reclamation Act of 1977 that have been abandoned by their operators. Peabody recognized \$22.6 million in expenses related to AML fees in 2023.



# MITIGATION HIERARCHY FOR BIODIVERSITY



In 2023, Peabody successfully pre-funded the full cost estimates for Peabody's final reclamation liabilities in a plan designed to ensure that all Peabody lands are restored for future generations.

# **BEAR RUN MINE RECOGNIZED BY INDIANA** DEPARTMENT OF NATURAL RESOURCES



Peabody's Bear Run Mine received the Indiana **Excellence in Mining and Reclamation Award** recognizing the success of the mine's reclamation efforts. The award focused on the techniques used in the reclamation of Pit 1, mined from 2009–2011, Reclamation was done contemporaneously with operations and posed interesting and complicated challenges for the team. Throughout the process, reclamation staff balanced replacing streams and county roads and maintaining the approximate original contour of the land to allow for prime farm ground to be replaced while accounting for a 15-20% swell in overburden backfill.

The success of this reclamation is obvious. Today, the trees that were planted in the Pit 1 area are well over 15 feet tall and producing fruit (acorns). When it comes to the prime farmland areas, the crops planted all exceeded the required yields, some by nearly double. The streams that have been reclaimed in the mitigation are stable, sustainable and robust. The engineered structures placed in the streams have helped keep the main channel from eroding or migrating from its designed path.

Now, the reclaimed area is used by both nature and people. Several different species of wildlife have been spotted in and around the area including short eared owls, bald eagles, coyotes, deer, quail, dove, snakes and many more. The prime farm ground is leased by local farmers for hay/alfalfa production. In the future, the mixture of open farm fields with the streams and forest areas will provide many recreational hunting opportunities.

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# Water Use & Management

At Peabody, we strive to conserve water through reuse and recycling to minimize our impact while driving a culture of continuous improvement at our operations. While we manage and utilize water as part of daily operations, we acknowledge that water can be a vital resource in the communities in which we operate and an important component of thriving ecosystems.

As a component of the risk management framework, each of our mines aligns its water management strategy with the specific challenges of its region and regularly monitors performance. We actively participate in watershed working groups and industry associations to ensure a holistic approach to water management and engagement with our communities of interest.

Our operations in more arid environments focus on conservation, while mines in humid climates routinely manage surplus water from storms or groundwater to help mitigate flood risk. In Australia, our operations must manage excess water during wet cycles and plan for water shortages during dry cycles. Operational risks associated with water are reviewed annually to ensure adequate planning and controls have been implemented to meet each operations' unique water budget. All management and use of water at Peabody mines follow the regulatory frameworks specific to the countries and regions where they are located. In 2023, Peabody withdrew 10,119 megaliters of fresh water across its global operations, primarily for use in dust control and coal processing at preparation plants. This water may be used and recycled multiple times for process needs on site prior to discharge in accordance with regulations and water quality discharge requirements. In 2023, over 2,110 megaliters of the fresh water withdrawn was recycled or reused in process prior to discharge or evaporation.

In some regions, a significant portion of this water may result from managing stormwater on the mine property and dewatering extraction areas in surface and underground facilities. Water is also used for exploration, coal extraction and land reclamation activities, with minor amounts used for mine location drinking water, showers and equipment maintenance. Water sources for Peabody mines include surface water, such as rivers, lakes, precipitation and runoff; groundwater; and municipal or purchased water.





# Waste

As a part of our risk-based approach to environmental management, we employ waste management practices that minimize waste, especially potentially hazardous waste, and maximize recycling and reuse opportunities before proper disposal. As part of our waste minimization and management program, we maintain a review and approval process for hazardous materials and utilize less hazardous alternatives where possible. We are not a significant generator of hazardous waste.

When possible, our preferred approach is to utilize mineral waste as backfill in subsurface pits onsite. Waste that cannot be used as backfill is stored in earthen fills or impoundments that are constructed to comply with strict regulatory performance criteria set in both the U.S. and Australia. Our impoundments contain a mix of coarse refuse and fine coal waste materials, which together have a relatively lower flowability compared to highly-ground, finer materials typically found in non-coal tailings dams.

Peabody currently maintains five active, above-ground coal waste impoundments, three of which are of upstream construction. We also have additional impoundments in various stages of the reclamation process. Two of the active impoundments are located in the U.S., with the remaining three located in Australia. In the U.S., two active slurry impoundments are operated, both with 'low' hazard classification. In Australia, the three active impoundments have a 'significant' dam failure consequence classification based on relevant legislation.

## SHOAL CREEK TAILINGS REPROCESSING PROJECT



In 2023, the Shoal Creek mine conducted a tailing recovery initiative, to test the feasibility of retrieving and re-processing valuable coking coal from the fine refuse impoundment onsite. The pilot was successful and demonstrated the ability to unlock the value of this waste stream, while concurrently generating extra storage capacity within the footprint of the impoundment. Throughout 2023, the mine successfully extracted and reprocessed 44,000 tons of tailing, resulting in the creation of an additional 20,000 cubic yards of storage space within the impoundment.







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# SOCIAL

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Environmental



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# **Human Rights**

Peabody helps its customers provide affordable and reliable energy and steel to communities around the world, but the company's responsibility to the people and communities it serves does not end with the delivery of Peabody coal.

As leaders in the mining industry and business community, we understand that a commitment to human rights goes hand in hand with dedication to customers, stakeholders and the environment.

Peabody strives to act ethically and with integrity in all business and relationships. The company expects all external partners, including its supply chains, to adhere to these same principles, and we communicate these expectations though our Code of Business Ethics and Vendor Code of Conduct. We have effective controls and training in place to ensure modern slavery is not taking place anywhere in our own business or any of our supply chains.

Peabody encourages and informs employees and other stakeholders about their ability and obligation to report concerns of misconduct, including human rights violations, through a strong program of workplace communications and online training tools. Our board of directors has established procedures for receiving and investigating reported violations, including a confidential hotline, which is available to both internal employees and external contractors and vendors.

Retaliation in any form against an individual who exercises their right to make a complaint in good faith is strictly forbidden.



# **Peabody Statement on Human Rights**

The <u>Peabody Statement on Human Rights</u> outlines our commitment to creating a safe and healthy work environment where all employees are treated with fairness and respect. Our policies and practices concerning human rights apply to all employees, visitors and contractors within our global operations. These standards are supported by Peabody's Code of Business Conduct and Ethics and our Vendor Code of Conduct and are aligned with the Universal Declaration of Human Rights.

# **Anti-Slavery Policy**

Our <u>Anti-Slavery Policy</u> includes specific prohibitions against the use of forced, compulsory or trafficked labor. It also prohibits holding anyone in slavery, servitude or debt bondage, including adults or children. This policy is part of our contracting processes and complies with Australia's Modern Slavery Act and other laws and regulations. Our employees receive training about this and other related topics annually and we expect that our suppliers will hold their own suppliers to the same high standards.

# Vendor Code of Conduct

The <u>Vendor Code of Conduct</u> outlines key principles and standards Peabody expects its business partners to align with, including standards related to health and safety; environmental stewardship; and labor, human rights and employment. With regards to human rights, Peabody's vendors, at a minimum, comply with all applicable laws, regulations and standards, including without limitation acting in accordance with the International Bill of Human Rights, United Nations Guiding Principles on Business and Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work, as well as the Australian Modern Slavery Act.









# **Human Capital**

Established more than 140 years ago, Peabody stands as a global leader in the coal mining industry. Our enduring success is built on the strength, dedication and expertise of our people. Our Human Capital Statement reflects our commitment to our values: fostering a workplace that prioritizes safety, values people, upholds integrity, promotes leadership, pursues excellence, focuses on customers and champions sustainability.



# Safety First

We are committed to maintaining a workplace that prioritizes the health and well-being of our employees. Our goal is to achieve and sustain zero harm through rigorous safety protocols, continuous training and a culture that empowers all employees to prioritize safety in every aspect of their work and speak up as a change agent—including through our anonymous "Tell Peabody" line—to address potentially unsafe situations.

# **People-Centric Culture**

At the heart of our success is our people. Peabody is working to cultivate a people-centric culture that values the diverse backgrounds and experiences of our workforce, and to foster an environment where every employee feels respected, heard and empowered to contribute those unique skills and perspectives.

Peabody acknowledges the significant risk to our business of not being able to access the talent necessary for our operations to succeed. We are working to address this risk in a number of ways:

- We are establishing talent pipelines in high schools, trade schools and universities, including programs designed to recruit from diverse groups historically underrepresented in our workforce.
- We are recruiting internationally for hard-to-fill technical roles and leveraging favorable work visa arrangements between the United States and Australia.

• We are building on our previous success in recruiting military veterans to our business with targeted outreach.

# **Integrity in Action**

We uphold the highest standards of integrity in all our dealings. Peabody's commitment to ethical conduct and transparency builds trust within our workforce and with external stakeholders. We believe that integrity is the foundation upon which lasting success is built, and we encourage our people to speak up—including through our anonymous "Tell Peabody" line—when they encounter any behavior that fails to meet these high standards.

# Leadership Development

Peabody recognizes the importance of leadership at every level of our organization. We invest in leadership development programs—particularly for our frontline leaders—to empower our employees to take on leadership roles, driving innovation and guiding the company towards sustained growth. We believe that training our leaders to be engaged and effective managers is the best way to support and develop our entire workforce, which in turn drives results for our stockholders.

# **Commitment to Excellence**

# **Customer Focus**

Peabody places a strong emphasis on understanding and exceeding customer needs and expectations. By actively engaging with our customers on a variety of issues, we help ensure that our products, our services and the way we operate our business meet their evolving needs. Customer partnership and satisfaction is not just a goal; it is the cornerstone of our success.

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We encourage a mindset of continuous improvement and strive for excellence in our operations, technologies, products and services. Our commitment to excellence positions us as leaders in the coal mining industry.

# Sustainability at the Core

As a responsible global citizen, sustainability is embedded in the core of Peabody's operations. We recognize the importance of minimizing our environmental footprint, contributing positively to the communities in which we operate and ensuring the long-term viability of our industry through sustainable practices.

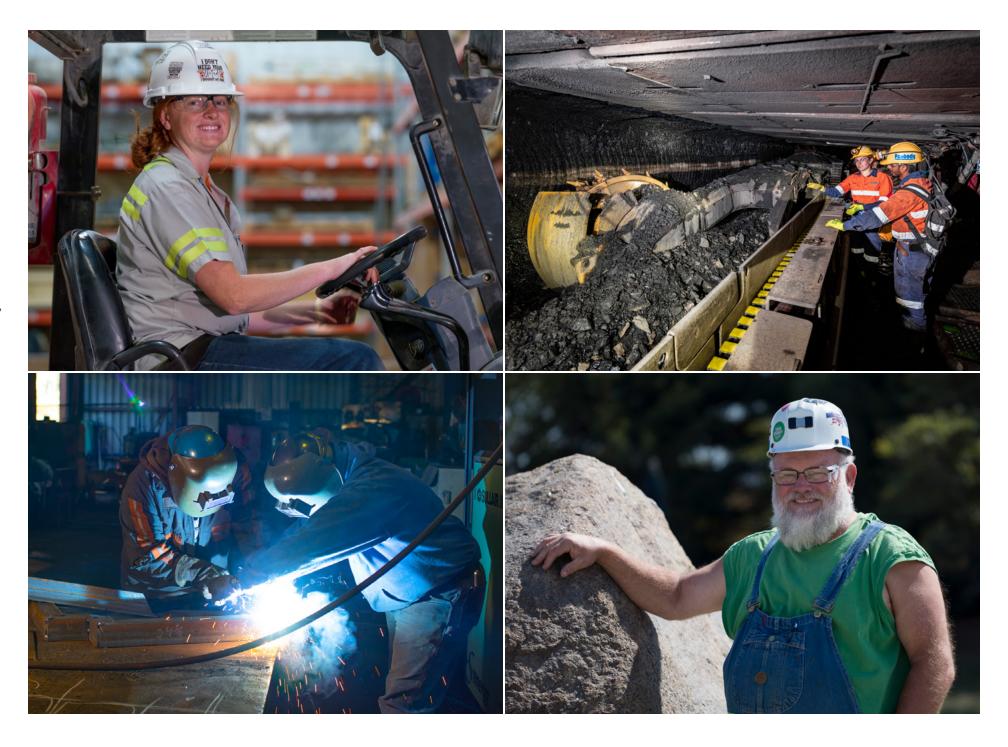
By investing in our human capital, we not only secure the success of our company but also contribute to a resilient and sustainable future for our employees, our customers and the communities in which we operate.

# Labor

As a global employer, Peabody reiterates our belief that Equal Opportunity Employment is good business and maximizes our ability to attract and retain a qualified, diverse and high-performance workforce.

As stated in our <u>Code of Business Conduct and Ethics</u>, we are committed to complying with all Equal Employment Opportunity laws. Our own Equal Opportunity Policy Statement requires 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, gender identity or expression, age (as defined by law), disability (unrelated to performance of essential tasks of the position) or veteran status. We are committed to complying with all applicable labor laws and support the protections afforded under such laws and related election processes.

With approximately 37 percent of our global hourly workforce represented by organized labor unions currently, Peabody adheres to the principle that workers have the right to freely choose to form or join trade unions and bargain collectively.



Environmental





# Recruitment

Having the best and brightest, but also the right person in the right role is essential to any business. At Peabody, our recruitment efforts strive to achieve this. We ensure our candidate attraction strategies cover a broad range of communication channels, tools and processes. We work to encourage internal candidates and attract external candidates. We also appeal to active candidates and passive candidates (those not actively looking for employment opportunities) to generate a qualified candidate pool that is also diverse and representative of the broader population in the areas in which we operate.

Competency-based interview guides tailored to each position are developed by the HR team and address both the technical and behavioral competencies required to successfully fill the position. When complete, they provide an objective assessment of a candidate's technical and behavioral fit.

Interviews are undertaken in a panel format and include interviewers that can accurately assess a candidate's technical, behavioral and cultural fit. This helps ensure consistency and allows for objective hiring decisions.

Our applicant tracking system is configured so that candidates are able, and encouraged, to self-identify as a member of various groups during and after the application process.



## 2023 RECRUITING EVENTS AND OUTREACH

Peabody participated in career fairs at 22 universities across the U.S. in efforts to fill summer internship roles for U.S. mine operations and the corporate office in St. Louis. As part of our effort to attract a diverse talent pool to the industry, Peabody partners closely with various universities across the U.S. to promote and sponsor mining-related education, including Missouri University of Science and Technology's Future of Coal Workshop and military-focused job fairs in 2023. Peabody also hosted a Community Leader Luncheon at the St. Louis headquarters to build connections with local non-profits including the St. Louis Hispanic Chamber of Commerce, St. Louis Public Schools and Greater St. Louis, Inc.









# **STUDENT AND GRADUATE OPPORTUNITIES**

The Australian Graduate and U.S. Scholarship programs at Peabody are utilized to attract young professionals

to the industry and to Peabody. In the U.S., 17 interns (eight engineering interns and nine corporate interns) participated in the summer internship program. Across Australia, nine graduates began the twoyear graduate program in 2023.

Peabody offers recent university graduates the opportunity to develop as mining industry professionals through a twoyear graduate program within the Australian operations.

These new hires will work across different sites and technical roles throughout the program to guide their professional development and support our operations and efforts to attract, train and retain talented professionals.

Peabody makes a financial contribution to university and technical students in the U.S. These students must accept vacation employment with Peabody during studies and work for Peabody for a period of 24 months after graduation.

# Retention

Peabody strives to attract and retain the best people, and help employees reach their full potential and advance their careers through mentorship and development opportunities. As part of our commitment to invest in and develop our employees, we have a well-rounded employee retention strategy. The plan focuses on the following areas:

- Creating a workplace culture where people want to work;
- Improving the quality of our leaders through our Supervisor and Manager development programs;
- Providing ongoing learning and development opportunities for employees;
- Providing market-appropriate compensation and benefits; and
- Providing additional financial incentives.



Peabody teams operate in an environment that is inclusive, collaborative and engaging. Our people work together and support each other to achieve business outcomes and a sense of pride in a job well done. Two-way, open and transparent communication with leadership is encouraged and fosters an environment of trust and respect. Peabody offers a variety of development opportunities to learn, grow and advance, including experience-based learning; supervisor, manager and leadership development programs; and mentoring and on-the-job training.

Our employees are encouraged to reach their full potential and advance their careers. Along with our development and training programs, we provide access to a virtual platform that is accessible 24/7 and is powered by the world's largest marketplace of learning content. This employeedriven platform was created to ensure that our employees, leaders and teams have the resources to develop, maintain and grow their skills and capabilities. It offers a variety of courses for employee growth, ranging from Mental Health Awareness and Leading Inclusivity to more technical subjects.

Peabody has a comprehensive Performance and Development Review process. The process provides the opportunity for two-way communication between employees and managers to discuss performance goals, performance achievements, individual development plans and career aspirations.

Peabody also has a mentoring program for identified high potential employees and for selected employees identified via our inclusion and diversity initiatives. Selected mentors are assigned mentees for an initial six-month period. Peabody also supports informal mentorship arrangements between senior managers and employees as well as opportunities for leadership development through external programs and certification.

Almost all vacant roles are advertised internally so employees can express interest in new and/or promotional opportunities. Peabody has a formal succession planning process in place to create advancement opportunities for high-potential employees and to ensure adequate skills to perform critical roles in case of employee turnover.



# **NEW APPRENTICES JOIN METROPOLITAN MINE**

Developing talent is a vital part of Peabody's human capital focus. The Metropolitan Mine in Illawarra, Australia took on four apprentices this year. They will spend the four years learning their trade.

The apprenticeship program provides the opportunity for participants to work in different parts of the operation, including the workshop, coal processing plant and underground, with the help of Peabody's skilled tradespeople as mentors.

Metropolitan has long history of developing qualified workers from the Illawarra region. There are currently 11 apprentices many with family members who currently work at the mine.

Jessica Stewart, a mechanical apprentice and proud Yuin woman, was excited to start her role at Metropolitan this year. "It's a career changing opportunity to start my apprenticeship at a major company and I hope it will lead to a long and satisfying career with Peabody," she said.



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# Compensation & Benefits

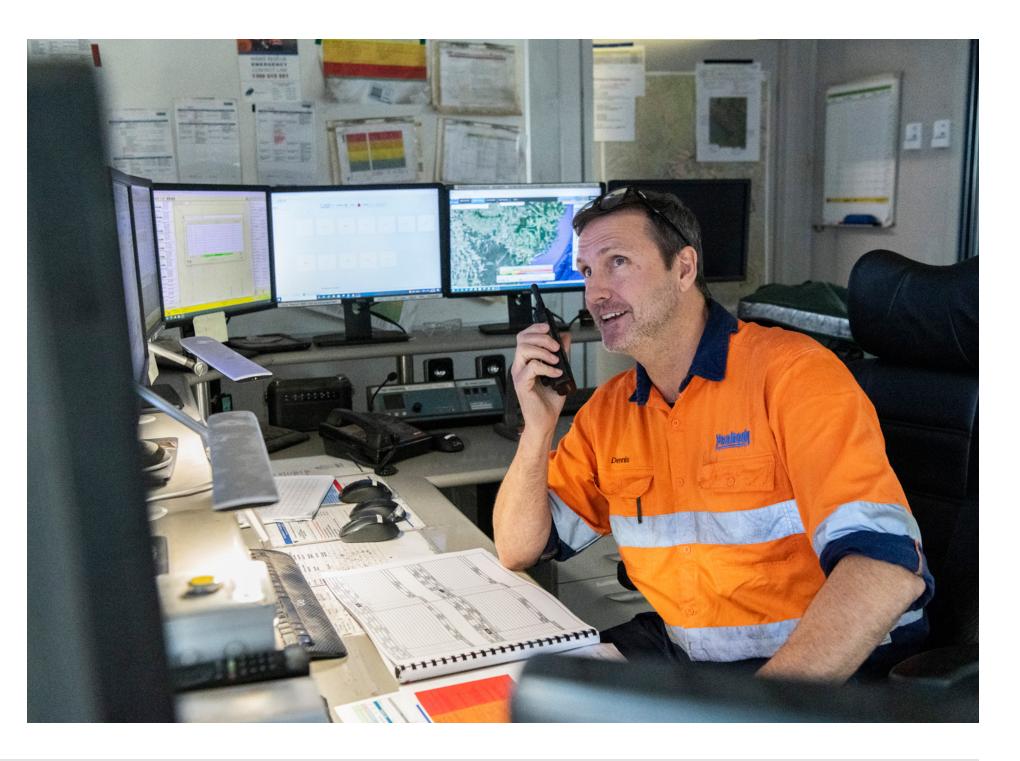
# To attract and retain the best and most qualified employees, Peabody offers a generous compensation program.

We utilize competitive market information from both compensation surveys and peer reviews to inform compensation decisions. The program is designed to balance the goals of attracting, motivating, rewarding and retaining employees while incentivizing behaviors that align with the interests of our shareholders.

Employees are rewarded through a variety of programs, including competitive salaries, benefits packages and results-based incentives. The company also offers savings and retirement benefits, including a 401K match, and paid time off.

Peabody recognizes the importance of work/life balance and strives to provide employees flexibility to manage their work and personal demands. Opportunities include part-time employment, modified work schedules, redistributed work hours and telecommuting. Availability is dependent on location and operational role. We regularly review these policies and feedback from our periodic Employee Value Proposition surveys to ensure our programs are effective and align with our human capital strategy.

Peabody's emphasis on healthy living is a natural complement to our safety culture. We provide employees with healthcare benefits that are competitive within the industry.





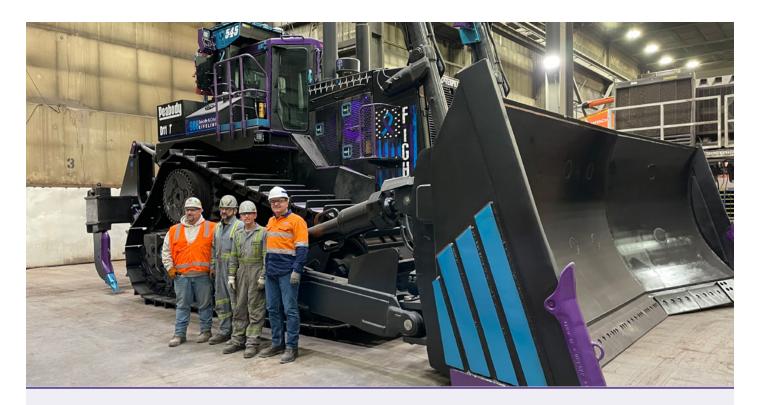
Environmental



# **Employee Engagement** & Satisfaction

The Peabody mission statement reflects our values—safety, customer focus, leadership, people, excellence, integrity and sustainability—and we work to ensure that our employees live by those values each day. Peabody deploys a full employee engagement survey every three years, with pulse surveys twice yearly in the interim, with topics addressing Trust and Confidence, Work/Life Balance, Job Security and Development and Career Advancement to assess employee engagement and work culture. Results are aggregated and shared with employees, and these results feed directly into our Employee Value Proposition improvement plans. Results are also presented to Peabody's executive team, and various actions and interventions are implemented to address concerns.

As part of our commitment to safety as a core value, Peabody also launched a safety engagement survey in 2023. We believe that a world-class safety program should continually strive for improvement, and the feedback received from employees and managers can shape our programs and training for future success.



## **MINING FOR A CAUSE AT NARM**

At the North Antelope Rochelle Mine in Wyoming, Peabody employees decided to raise awareness about suicide prevention after seeing the impact of Wyoming's high suicide rate in their community. In May, the site completed a rebuilt CATD11T track dozer that was painted black, purple and blue and included decals with the 988 suicide lifeline and other resources.

Mechanics Jason Snyder and Corey Boyd were dedicated to reconditioning the dozer and their passion and drive returned a quality product for this cause. "Suicide awareness needs to be broadcast more. People don't want to talk about it, but as we've been doing this project, it has been on people's minds," Dusty Rohrer, maintenance team lead, said. "It will bring awareness on the mine site to a level it hasn't been before. People will see the names on the machine, it might have effect on them. When the machine gets moved from pit to pit, just seeing it is going to bring awareness. That was the biggest focus—how can we get this out there to where people can see it, come forward, and try to prevent something like that from happening."

## **EVP FEEDBACK PROGRESS**

During the most recent pulse survey, employee feedback indicated greater than 10% improvements in three of the four identified for long-term improvement plans:

- Work/life balance and flexibility
- Development and career advancement
- Stable organization

Further action plans are being developed throughout the organization to continue to build trust and confidence within the organization. These action plans and further performance will be reviewed by the ELT.







# **Diversity &** Inclusion

We continue to build a workforce that is comprised of diverse backgrounds, perspectives and experiences.

Our policies and practices support diversity of thought, perspective, sexual orientation, gender, gender identity and expression, race, ethnicity, culture and professional experience, among others. The company's inclusion programs are formalized in policy and practice and are embedded in our Equal Employment Opportunity policy and our Code of Business Conduct and Ethics.

Our employees have the right to report issues in a safe and anonymous manner when necessary, through our third-party managed "Tell Peabody" reporting platform. Peabody also has an established process for employees to raise concerns with legal protection.

Peabody actively supports inclusion and diversity initiatives. We are committed to continuing our journey towards greater awareness and action in support of workforce diversity.



Our global workforce is comprised of approximately 11 percent women, with 13 percent of Director-level or higher positions occupied by women, in addition to the three women on our Board of Directors. Within Peabody Investment Corp., which is centralized in our St. Louis Office, Peabody has achieved target placement rates for women and minority employees in middle and senior management positions under the Affirmative Action Program goals established by the Office of Federal Contract Compliance Programs.

As part of Peabody's ongoing efforts to better understand the demographics of our workforce and the communities in which we operate, Peabody collects employee ethnicity data within each of our U.S. Operations and reports this information under the Federal Equal Opportunity for Employment Act. This data, which is included in the appendix of the report, can be utilized to inform our strategy as we identify opportunities to improve the diversity of our workforce. Depending on the region of operation, these initiatives include outreach to organizations supporting underrepresented ethnic groups, recruitment of military veterans, partnership with workforce development agencies and collaboration with organizations promoting women in leadership. By understanding the composition of the communities we serve, Peabody is better positioned to attract a robust and diverse workforce to lead our organization into the future.

At Peabody's Australian operations, we have invested in upgrades to our data collection program to collect further data related to employee ethnicity. With access to this resource, we will be able to provide further information regarding the diversity of the Australian workforce and further analysis of our global workforce. While we had intended to complete this effort by Q1 2024, data will not be available until later in the year.

Environmental



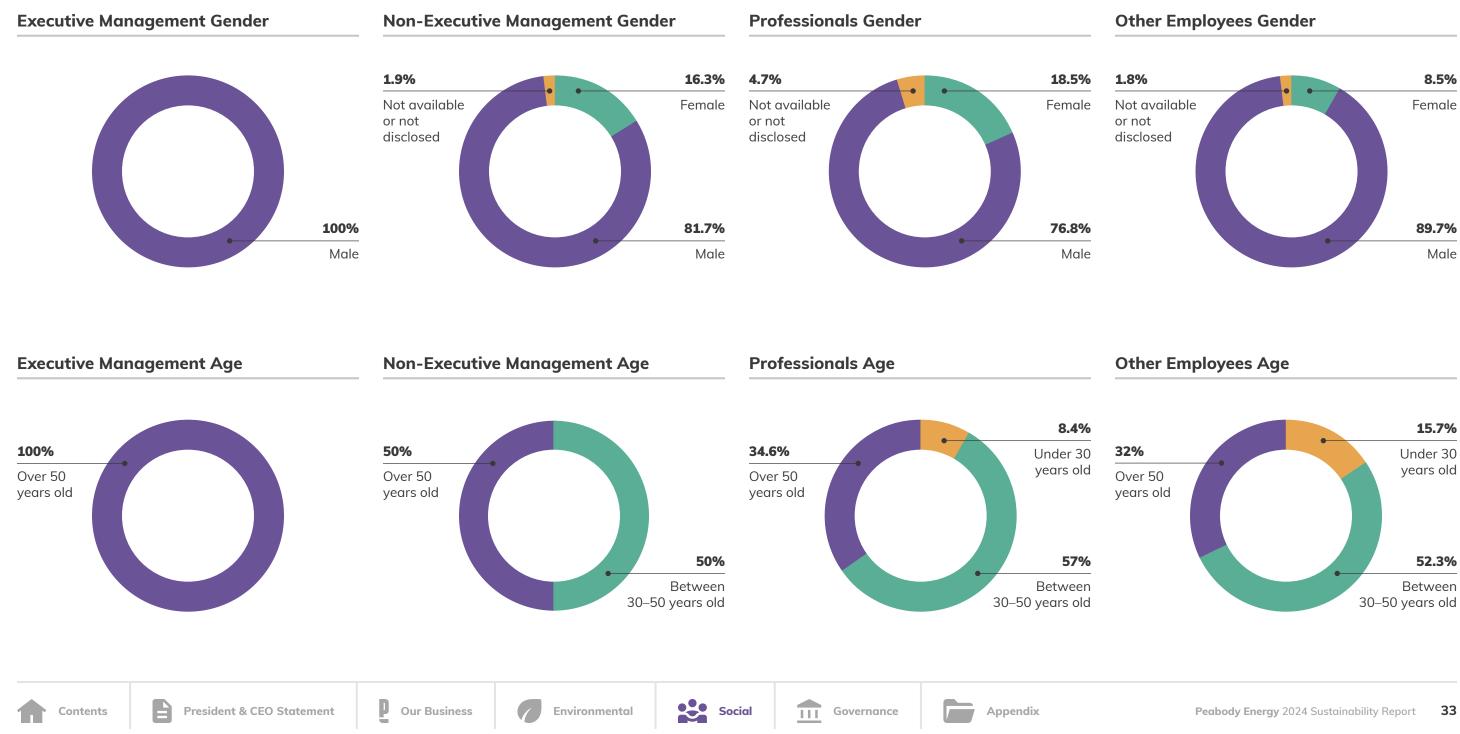


# **PEABODY CELEBRATES INTERNATIONAL WOMEN'S DAY**

Team members from Peabody's Australian operations took part in events and workshops to celebrate inclusion and diversity on International Women's Day (IWD) in March.

Peabody was proud to sponsor the prestigious Resources Awards for Women IWD breakfast in Brisbane on the day, hosted by the Oueensland Resources Council (QRC) and Women in Mining and Resources Queensland. Speaking at the event, President of Australian Operations, Jamie Frankcombe, highlighted how critical diversity and inclusion are to our sector's long-term success. The event attracted more than 1,000 people and hundreds more who were watching online in the regions including members from our Coppabella Moorvale JV at an IWD event in Moranbah.

# **DIVERSITY & INCLUSION** continued



# Health & Safety

At Peabody, safety is a way of life, our first value and leading measure of excellence. It is integrated into all areas of our business and at the core of our strong, united workforce. We approach safety as a process and a passion, supporting our goal of an incidentfree workplace through a culture of innovation, accountability and continuous improvement at all levels of the organization.

Peabody's health and safety efforts are led by the executive leadership team, with oversight by the board's Health, Safety, Security and Environmental Committee (the "HSSE Committee"). Health and safety are core to the Peabody mission, and the success of the company's efforts in these areas depends on the daily decisions and actions of each Peabody employee.

TOTAL

## **REPORTABLE INJURY FREQUENCY RATE**



## LOST TIME INJURY FREQUENCY RATE



# Safety Management Systems

Our vision is to operate safe, healthy and environmentally responsible workplaces that are incident free. Safety and health are core Peabody values and are integrated into all areas of our business. Our goal is to eliminate all workplace incidents, including injuries and occupational illnesses, by identifying risks and systematically developing processes to mitigate or eliminate exposure.

Peabody's Safety and Sustainability Management System is a risk-based approach that is the basis for continuous improvement in health, safety and environmental stewardship. Our Safety and Sustainability Management System is independently certified under the U.S. National Mining Association's CORESafety<sup>®</sup> framework and sets clear expectations for work activity at operations and the management principles that support a culture of participation and accountability among employees, contractors, visitors and vendors at our sites.

At Peabody Australia facilities, we will also align to the performance indicators outlined in the safety protocol of the Mineral Council of Australia's Toward Sustainable Mining framework as part of the certification process.

# **CMJV SUCCESSFULLY TRIALS REMOTE-CONTROLLED DOZER**



.86

.65



The team at Coppabella Moorvale Joint Venture (CMJV) successfully trialed a remotecontrolled dozer at its stockpile to improve safety. The innovative approach follows an incident in 2023 when a dozer entered a stockpile void and was engulfed in coal during train loading operations. The facility effectively deployed it's emergency management protocol.

**CMIV** General Manager Albert Scheepers said that following the incident the team concentrated on implementing higher controls in the hierarchy of risk control framework. "We were determined to find a way to remove our people from potential hazards and by embracing technology we've been able to achieve that and maintain the efficient movement of coal for train loading." Scheepers said.

# HEALTH & SAFETY continued

# The Safety and Sustainability **Management System**

As part of our system, key elements that support our safety and sustainability performance have been established, including the following:

- Identification of key risks within each operation
- Front-line risk assessment to identify and effectively manage hazards during work activities

## SENTINELS OF SAFETY AWARD **AT TWENTYMILE MINE**



Peabody's Twentymile Mine in Colorado received the prestigious Sentinels of Safety Award for the second year in a row. This award recognizes coal and mineral operations with

the lowest MSHA reportable injury rate. Twentymile had no reportable injuries in the year and had the most exposure hours making it the safest underground mine in the United States. "Winning this award in any year is extremely difficult, to do it two years in a row is truly remarkable," Matt Pedersen-Howard, VP of Health, Safety, Security and Environment, said. Nationally, only six coal mines received recognition.

- Leadership field verification that provides a forum for observation, coaching and feedback with a focus on the highest risk activities
- Communication and learning that support continuous improvement, including:
- Safety briefings, risk reviews and hazard training before entering mines
- Incident investigation, findings review and best practice sharing when an incident or close call occurs
- Established roles and responsibilities for management and employees
- Clear expectations that contractors will align with company safety practices and expectations
- Regular audits of our practices and procedures to improve the system, including annual internal audits and an external audit every three years
- Incentives linked to operational safety and audit performance through compensation metrics

Our management system has driven exceptional safety performance, including injury rates that are consistently lower than industry standards. Along with our success, Peabody also mourned the loss of a contract employee who lost their life at the Bear Run Mine in 2023. As we continue to drive proactive safety efforts and reinforce the good actions of our people, this loss serves as further motivation to persist in our efforts to continue making safety a way of life and eliminate harm by identifying and mitigating risk.



## WAMBO MINE RESCUE AWARD

Team members at Wambo Mine once again topped the field in the Hunter Valley Mines Rescue Underground Competition in 2023, their 13<sup>th</sup> victory out of the previous 15 years.

In the competition held in Singleton, New South Wales, volunteer mine rescue teams from four underground mines in the region were put to the test in simulated search-and-rescue, firefighting, miner extraction and first aid scenarios.



Environmental





# **Supply Chain Management**

Peabody's commitments to labor, human rights, employment standards and environmental excellence extend beyond just employees to all vendors and contractors performing work on behalf of the company. Operations leadership, in partnership with the Vice President of Supply Chain Management, has responsibility for partnering with vendors that share our values and deliver quality products and services.

During onboarding, vendors and their employees receive a copy of Peabody's rules and regulations and receive training to understand the requirements set forth in our policies and standards. Vendors are required to comply with all necessary health and safety permits, have a system in place for workers to report any incidents and implement a corrective action plan for incidents and failures. Training requirements to ensure compliance are outlined in the contractual arrangements with the vendor. Contractor performance and compliance with our standards is overseen by a Peabody project manager while work is being performed at any of our facilities.

# **Environmental Expectations of Suppliers**

Peabody outlines expectations for environmental compliance and stewardship to all vendors in its Vendor Code of Conduct. Suppliers must comply with all laws and regulations—whether local, tribal or international—and ensure all activities are covered by relevant environmental permits and licenses. As part of our risk-based approach, Peabody may also outline further requirements or controls in its contractual arrangements with a vendor if necessary, depending on the scope or potential impact of the service or product provided. Vendors onsite are required to adhere to our environmental management practices and performance to these standards is monitored by the Peabody project manager for the duration of the project.

# **Social Expectations of Suppliers**

Peabody's vendors must comply with all applicable laws and regulations, as well as all expectations outlined in the Vendor Code of Conduct. Peabody's vendors must include in their internal policies and procedures a commitment to zero tolerance towards bullying, harassment or discrimination within the workplace. Peabody's vendors are expected to follow our principles of acting in accordance with the International Bill of Human Rights, United Nations Guiding Principles of Business and Human Rights and the International Labor Organization Declaration on Fundamental Principles and Rights at Work. Our Australian vendors are also expected to follow the provisions of the Australian Modern Slavery Act.

In addition, a vendor's diversity status is obtained in the onboarding process for purposes of tracking diversity spend across the company. In 2023, Peabody spent approximately \$15.6 million with underrepresented vendors.



## PEABODY COMMISSIONS INDIGENOUS ART

As part of our ongoing reconciliation and engagement efforts, Peabody commissioned artwork by Aboriginal artist Rikki Salam, entitled Revealing Country. The digital artwork is displayed on the reception screen at Peabody's Brisbane office and illustrates Peabody's narrative in Australia.

The elements of the piece highlight our mine sites, communities and values. The hand impressions exhibit the significant cultural heritage that can be found at our sites. The serpent in Indigenous art depicts the creator and the curved patterns above that are earth and mineral seams connected by symbols representing our site locations, alues, employees and communities.









### **Community Involvement**

### **Supporting Indigenous Communities**

Peabody recognizes the important role indigenous people play as key stakeholders in our mining operations and in the sustainable and positive management of cultural heritage and the environment. We work to forge strong and respectful relationships with indigenous people based upon comprehensive engagement and communication frameworks established throughout the mining process.

Our process for managing cultural heritage sites begins with the identification of the project scope, including areas for disturbance, followed by a due diligence process. The process includes a review of existing law, applicable management plans, ownership and possible cultural heritage impacts.

In Peabody Australia operations, consultation with the relevant Traditional Owner group is typically undertaken throughout this process including site surveys, review of the proposed works and assessment of the nature of impacts to any identified cultural material or sites. In some cases, where an existing management plan is already in place, the approvals pathway outlined in the plan is followed, including any protocols for impacts to identified cultural material.

Similarly, in Peabody U.S. operations, cultural heritage assessments and consultation with Indigenous stakeholders are conducted as a component of the environmental permitting process, where applicable, with mitigation or management agreements put into place as necessary, based on findings. To ensure unidentified cultural heritage resources are not

impacted, any areas to be disturbed must first go through an internal review and approval process. Once mining has concluded, a post-mining survey is conducted.

Peabody is actively completing final reclamation of the Black Mesa/Kayenta Mine complex in Arizona. We are restoring the land for highly productive use in line with a comprehensive sustainability plan and ongoing involvement from the landowners—the Navajo and Hopi Tribes.

In Australia, Peabody's mining operations are within the traditional lands of many Indigenous people. We have a strong, ongoing record of consultation with local Indigenous representatives and Native Title parties based on mutual respect, understanding and value for Aboriginal cultural heritage. Consultation and engagement processes begin prior to regulatory approval of any mining project and continue through mining production, land rehabilitation and mine closure.

Peabody is signatory to Native Title and/or Aboriginal Cultural Heritage Agreements with local indigenous peoples at the company's four Australian operating mines, and at non-operating sites.

Through these agreements, Indigenous people also have key input into the company's provision of economic support programs for local indigenous communities, including employment opportunities and traineeships.



#### **PEABODY'S ROCKY HILL DECISION**

In 2017, the NSW Government approved an extension of Peabody's Wilpinjong Coal open cut mine, 48

kilometers northwest of Mudgee. The approved footprint of the mine included an area of significant Aboriginal cultural heritage, the Rocky Hill complex which features a range of archaeological components including Indigenous art motifs.

In early 2023, following extensive engagement with local Indigenous groups, Peabody made a decision to significantly alter its mine plan to leave the site undisturbed, thereby preserving the physical structure of the outcrop and its archaeological and cultural features. This

decision demonstrates the benefits of Peabody's open and respectful engagement with local Indigenous people over the past 15 years. Active listening and learning has resulted in an evolving appreciation and understanding of Indigenous cultural heritage and the importance of the site.



D **Our Business** 

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Appendix

Peabody is currently co-designing an appropriate management strategy to preserve the site and will undertake conservation actions including baseline assessments, routine inspections and monitoring of vibration and dust. Working together with local Indigenous groups, this important site will be preserved for future generations.

### COMMUNITY INVOLVEMENT continued

### **Supporting Our Communities**

Peabody is committed to being a valued member of the communities we serve through ongoing participation in philanthropic and community betterment events, local trade and industry associations and local emergency response organizations.

Each facility has developed its own engagement strategy within the local community, ranging from donations to local schools and charities, volunteering for community service projects or representing Peabody through participation in community events. These partnerships are key to communicating our values and culture to the communities in which we operate. Our philanthropic program supports the people and communities that support us. The program seeks to improve the lives and livelihoods of our employees, their families and the communities where we operate through direct contributions to local educational, health, sporting and social services.

#### WILPINJONG SAFETY TRAINING FOR LOCAL COMMUNITY



Team members from the Wilpinjong Mine used a safety training exercise as opportunity to learn and support the surrounding community. Focusing on the consequences of hand injuries, team members assembled 32 bicycles for local

children, using only one hand.

This exercise highlighted the mine's statistics that hand and lower arm injuries comprised 30 percent of all incidents, with the majority being preventable through proper hazard recognition and management. The bikes were donated to the Gulgong and Mudgee special needs schools along with the local Rotary Association Christmas auction. In 2023, Wilpinjong celebrated two years without a Lost Time Incident (LTI), a significant safety milestone.







D

Environmental



### **PEABODY EMPLOYEES RALLY BEHIND MEN'S HEALTH** FOR MOVEMBER

The Peabody team in Australia successfully raised \$91,857 for the Movember Foundation and the Prostate Cancer Foundation of Australia (PCFA), exceeding the previous year's contributions by over 30 percent. Peabody directly contributed to the fundraising with a \$30,000 donation to the PCFA.

For Movember, the teams walked and cycled thousands of kilometers and grew mustaches of all shapes and sizes.

John Anger Director of Safety, Health. Environment and Closed Mines and recipient of the Most Movement Award said, "The enormous efforts our teams showed for supporting one other to help men take action on their health will hopefully have an impact on reducing the number of male deaths from cancer and suicide."

# GOVERNANCE

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### **Risk Management**

Peabody has established an Enterprise Risk Management (ERM) process that is applied at all levels of the organization. Through this, we have developed a standard framework for evaluating risk and communicating these risks to the appropriate levels of management. The board of directors, the executive team and operations management regularly conduct oversight and reviews of key risk areas.

In assessing our key risks, we also strive to fully understand how those risks may evolve over time, and what steps we can take to mitigate those risks. Management is responsible for the day-to-day management of the risks we face, while the board, as a whole and through its committees, is responsible for the oversight of risk management.

### The Details

Risk Assessments are conducted regularly in key operational areas. These are based on potential consequences and likelihood and include escalation criteria. During this process, operations management collaborates with technical team members to review and monitor potentially changing conditions. The gathered information from each area is reported to the executive team who evaluates the adequacy of the assessment and action plans and ensure consistency with public disclosures.

In its risk oversight role, the board has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as intended. Additionally, the board holds strategic planning sessions with management to discuss our strategies, key challenges, risks and opportunities. The full board receives reports on our enterprise risk management initiatives on an annual basis, at a minimum, oversees the process of identifying and mitigating our material risks and management's ERM team annually interviews individual directors as part of their risk identification efforts.

While the board has ultimate responsibility for risk oversight, board committees also oversee specific aspects related to our ESG strategy. The Compensation Committee assists the board in fulfilling its oversight responsibilities with respect to the risks arising from our compensation policies and programs and human capital matters. The Health, Safety, Security and Environmental Committee assists the board in fulfilling its oversight responsibilities with respect to the risks associated with our health, safety, security and environmental objectives, policies and performance, including those related to cybersecurity and data privacy. The Nominating and Corporate Governance Committee assists the board in fulfilling its oversight responsibilities with respect to the risks associated with board organization, membership and structure, ethics and compliance, political contributions and lobbying expenditures, succession planning for our directors and executive officers and corporate governance.

The board completes annual reviews of the ERM program and outputs. It regularly reviews information relating to marketing, operations, safety performance, trading, finance, business development, cybersecurity, safety and health performance and environmental, social and governance objectives, policies and performance and the risks associated with each.

### **RISK OVERSIGHT**

#### **Board of Directors** Oversight of enterprise risk management:

- Environmental, social and governance risks
- Outputs of risk assessments
- Adequacy of controls

#### Nominating and Governance Committee Risks and opportunities related to:

- Ethics and compliance •
- Political contributions •
- Lobbying expenditures
- Succession planning for ELT
- Corporate governance

#### **Compensation Committee** Risks and opportunities related to:

- Human capital matters
- Compensation and metrics

### Risks and opportunities related to:

- Cybersecurity and data privacy







#### • Board organization, membership and structure

### Health, Safety, Security and Environmental Committee

### • Health, safety, security and environmental matters

### **Our Board**



Peabody is governed by an experienced and diverse board of directors. Our directors come from multiple global, tier-one mining, energy, utility, equipment and capital markets companies, bringing strong and unique perspectives. The board has broad experience in a variety of areas including mining and related industries, end-user segments (energy/steel), mergers and acquisitions, finance and accounting, human capital and organizational health, restructuring, global operations, health, safety and environmental affairs, governmental affair and administration, public policy, corporate governance, legal and regulatory affairs, board service and executive management.



President & CEO Statement H

p **Our Business** 

Environmental





Appendix

Front Row: Andrea Bertone, Joe Laymon, Bob Malone, Jim Grech, Samantha Algaze, M. Katherine Banks; Back Row: Stephen Gorman, Dave Miller, Nicholas Chirekos, Bill Champion.

### Independence

An independent board ensures that meaningful oversight occurs. Nine of our 10 directors are independent under NYSE rules, including the non-executive board chair.

Our board has five standing committees:

- Audit
- Compensation
- Executive
- Health, Safety, Security and Environmental
- Nominating and Corporate Governance

These committees each have a formal charter that describes its purpose, organizational structure and responsibilities. The board and each of its committees regularly holds executive sessions of their independent directors.

BO	AR	D	SK	ILLS

BOARD SKILLS										
	Malone	Algaze	Banks	Bertone	Champion	Chirekos	Gorman	Grech	Laymon	Miller
Skills, Knowledge, and Experience										
Public Company Board Experience	•	•	•	•	•	•	•	•	•	•
Financial	•	•	•	•	•	•	•	•	•	•
Health, Safety, Environmental	•		•	•	•		•	٠	•	
Risk Management	•		•	•	•			•	•	•
Accounting		•				•				
Corporate Governance/Ethics	•	•	•	•	•	•	•		•	•
Legal/Regulatory	•		•	•	•					
Human Capital/Organizational Health/Compensation	•		•		•		•		•	
Executive Experience	•		•	•	•		•	٠	•	
Strategic Planning/Oversight	•	•	•	•	•	•	•	•	•	٠
Technology/Cybersecurity	•		•							
Mergers and Acquisitions	•	•		•		•	•	٠	•	•
Mining or Related	•		•	•	•	•		٠		
End User Segments (Energy/Steel)	•		•		•			٠		
Academia/Education			•		•					
SEC Regulatory										
Commercial Sales/Marketing	•				•			٠		
Global Operations/Supply Chain	•		•	•	•		•	٠		
Government/Public Policy	•		•		•			٠	•	
International (Australia /AsiaPac)	•				•	•	•	٠		
Restructuring Industry/Company	•	•			•		•	٠	•	•
Select Minority Demographics										
Female		•	•	•						
African American									•	
Latino(a)				•						
Veteran/Military Service										
Prior Service									•	
Compliance Considerations										
Independent Director	•	•	•	•	•	•	•		•	٠
Board Tenure										
Years	15	4	1	5	4	7	7	3	7	4



### Stakeholder Engagement

### Peabody seeks to engage stakeholders and build trust through ongoing conversations and transparency.

Our stakeholders include investors, employees, customers, suppliers, government regulators, communities and industry groups.

We value feedback and welcome discussion about business strategy and priorities, operational updates, our holistic approach to ESG and executive compensation. We encourage open and constructive dialogue with investors during quarterly earnings calls and investor days. In 2023, Peabody reached out to 30 institutional stockholders, accounting for 70 percent of total diluted shares outstanding as of December 31, 2023.

Communications from investors are elevated to the executive leadership team and are forwarded and reviewed by the full board as appropriate.









### **Ethics**

At Peabody, integrity is one of our most important values. We embrace this value and communicate our expectations for our employees through our Code of Business Conduct and Ethics, which outlines policies and procedures that shape how we work and drive a culture of excellence. Peabody salaried employees are required to participate in annual training on the Code of Business Conduct and Ethics.

We understand that a strong adherence to these principles of ethical decision-making promotes the best interests of the company and enhances our reputation as a world-class, responsible mining company for our stakeholders.

The Code of Business Conduct and Ethics covers key areas including conflicts of interest, antitrust and unfair competition, fraud, commercial relationships, financial reporting and harassment.

The policies and procedures outlined in the Code of Business Conduct and Ethics support compliance with local, state, federal, tribal land and international laws and regulations, including securities requirements.

### **Anti-Bribery & Corruption**

The company complies with all applicable laws and regulations in any jurisdiction in which it does business.

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 prohibits commercial bribery of any kind, as outlined in the Anti-Bribery and Anti-Corruption Policy and annual anti-corruption and anti-bribery training is required for salaried employees.

and behavior.



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Environmental





Peabody knows its reputation for fairness and integrity is one of its most valuable assets. Because of this, Peabody cultivates a culture of high ethical standards

### Whistleblower **Protection**

Peabody's Whistleblower Policy encourages all current and former directors, officers, employees and suppliers of Peabody to report any suspected wrongdoing, unethical or improper conduct or dangers at work or improper circumstances in relation to Peabody.

To safeguard confidentiality, Peabody established "Tell Peabody," a 24/7 telephone and web-based hotline. Employees, vendors and contractors may use the hotline to report any issues or concerns anonymously to an independent entity, without risk of retaliation. Reports may also be made to managers, HR representatives or the General Counsel.

Employees learn about the "Tell Peabody" hotline during the onboarding process and refresher training is provided annually.

All issues reported to the hotline are reviewed and investigated. Information about investigations and relevant outcomes is regularly reviewed by the board of directors.

For those outside the company, information about the "Tell Peabody" hotline is available on our public-facing website.

This program is communicated to all employees during their onboarding process and refresher training is provided annually.

### Code of Business PFAB



#### Protect and Use Company Assets Properly

Theft, fraud, carelessness, and waste impact our resources and ability to work ethically. Misusing company computers, emails or the internet are some of the inappropriate behaviors that lower the integrity of our workplace.





inappropriate behavior.

We understand it takes courage to speak up; however, we can't fix an issue if we don't know about it. If you know of, suspect, experience or witness misconduct of any kind, talk with your manager, local team, HR or contact the Tell Peabody Hotline.

Treat each other fairly and respectfully to make our



#### Be Safe At Work - No Drugs, Alcohol or Violence

workplace an enjoyable and productive environment free from

Avoid being under the influence of, bringing, or sharing controlled substances, illegal drugs, or alcohol at work and when operating our vehicles. Violent or threatening behavior does not belong in our workplace and will not be tolerated.



We follow - in both letter and spirit - all of the laws and regulations that apply to our business. We operate safely and act with integrity. This includes timely reporting of misconduct, accidents, injuries, and unsafe equipment, practices and conditions.





Ethical decision-making is essential to our success. If something seems illegal, against policy or unethical or if made public it makes you uneasy, stop and ask for help from your supervisor, general manager, HR or the Ethics & Compliance Officer.



TellPeabody.com

Peabody supports a workplace that is free from unlawful discrimination and harassment, and expects that all employees will treat each other with fairness and respect. Retribution. retaliation and revenge are prohibited.









integrity@peabodyenergy.com "Peabody Ethics & Compliance team enters in system

Full version of the Peabody Code of Business Conduct and Ethics is available in the Investor section of PeabodyEnergy.com

China: 00.800.1777.9999

















SMS texts

\*carrier fees may apply

















### **Crisis Management**

Should a crisis occur, Peabody maintains and regularly reviews its Crisis Management Plan. This plan includes a scalable structure and can be utilized at both the Corporate and facility level. The plan includes defined roles for members of a Crisis Management Team and Facility Emergency Contacts and interfaces with the response plans necessary to address specific risks or regulatory requirements that may apply to each operation.

Each Peabody site has its own site-based Incident Management Team that is responsible for on-site management of serious incidents and crises as part of its Emergency Management Plan. These teams are supported by corporate staff and the Crisis Management Team, when necessary. The site-based Incident Management Team works in tandem with the local emergency response teams and oversees the mitigation and recovery effort.

Crisis and Incident Management Team members receive regular training and conduct annual exercises to test the program and plans. The board of directors is also a key piece of the Crisis Management Team and participates in regular exercises to test its own, board-specific Crisis Management Plan and to ensure preparedness. Peabody engages with a broad network of stakeholders, including investors, regulators and trade associations, to identify potential risks that may require a crisis management response and uses these inputs to continually improve the readiness for future responses.

#### A TOP-DOWN APPROACH TO CRISIS MANAGEMENT PLANNING

Board of Directors and Executive Leadership Team conduct simulated crisis management drills based on scripted scenarios developed by an independent firm. Findings are documented and inform planning and control improvements.

Annually, Corporate Crisis Management Teams in St. Louis and Brisbane review and test the crisis management plan. Opportunities and lessons learned are used to drive improvements.

> Management team. The teams are also tested by tabletop and onsite Key findings are shared with the Executive Leadership team.

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### Cybersecurity

### Cybersecurity is a significant pillar of risk management at Peabody.

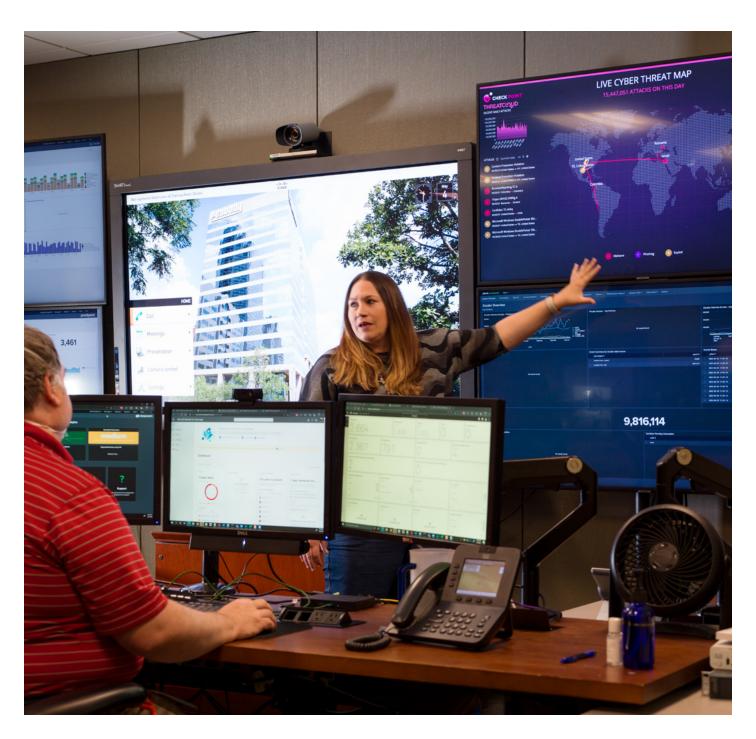
Our cybersecurity strategy emphasizes mitigating cyber risk exposure and continuous improvement of cyber defense and resilience capabilities.

Peabody's cybersecurity strategy emphasizes:

- Proactive management of cyber risk to ensure compliance with contractual, legal and regulatory requirements;
- Performing due diligence on third parties to ensure they have sound cybersecurity practices;
- Ensuring essential business services remain available during a business disruption;
- Implementing data policies and standards to protect sensitive company information; and
- Exercising cyber incident response plans and risk mitigation strategies to address potential incidents should they occur.

The Peabody cybersecurity department also completes cyber risk assessments on vendors and prospective vendors to assess the types of data furnished to the vendor or connections to Peabody systems. They then evaluate these factors and make a recommendation regarding potential risks and if additional security controls may be necessary to mitigate these risks.

In 2023, there were no breaches that resulted in loss of privacy, data or company information for customers or employees. All Peabody employees who have access to Peabody data or systems are required to complete annual cybersecurity training. The board of directors also completes annual training. Employees who have access to sensitive data complete targeted training that addresses specific security risks.





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Environmental





### **Political Contributions**

### Oversight of Political and Lobbying Activities

As a global leader in energy resources, Peabody believes it is important to participate in the political process and engage policymakers on global energy, environmental and economic matters.

Peabody's political and lobbying activities are directed by members of the executive leadership team with oversight from the company's board of directors. Any action is conducted in accordance with applicable law, corporate policies and our Code of Business Conduct and Ethics.

Peabody is also a member of industry groups, trade associations and nonprofit organizations. These groups represent the mining industry and business community in discussions with governments and other stakeholders to establish consensus on policy issues.

### **Reported Contributions**

In 2023, Peabody made \$65,100 in political contributions through its Political Action Committee (Peabody PAC), a nonpartisan political fund that provides financial support to candidates and is funded entirely through voluntary contributions from eligible Peabody employees.

Peabody's total U.S. federal lobbying expense for 2023 was approximately \$580,000, as determined using the Lobbying Disclosure Act method for reporting such expenditures. Peabody political contributions, Peabody PAC and U.S. lobbying expenditures are a matter of public record, and the most current information is available through the Federal Election Commission, state campaign finance reports and the U.S. Senate and U.S. House of Representatives. Peabody publicly reports U.S. federal lobbying expenses on a quarterly basis, including issues lobbied. Our reports are filed under the name Peabody Investments Corp and are available on Peabody's <u>website</u>.

Peabody belongs to organizations that may have further lobbying and expenditures. In 2023, approximately \$247,400 of the annual dues and other company payments to U.S. industry groups and trade associations were used for these activities and expenditures.



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## Horn Buttons APPEN

#### IN THIS SECTION

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- 53 Workforce Demographic Data

For additional information, see the complete <u>2023 Performance Data</u>.











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### **KPI Data Charts**

CATEGORY	торіс	UNIT	2021	2022	2023	GRI	SASB
	Total Revenue	\$ million USD	3,318	4,982	4,947	—	—
Emissions							
Emissions	Carbon Intensity	(tons CO <sub>2</sub> -e/million USD)	2,194	1,440	1,353	305-4	_
Emissions	Carbon Intensity	tons CO <sub>2</sub> -e/ tons mined	0.051	0.051	0.047	305-4	_
Emissions	Scope 1 Emissions <sup>a</sup>	metric ton CO <sub>2</sub> e	6,035,223	5,944,217	5,466,875	305-1	EM-CO-110a.1,2
Emissions	Scope 2 Emissions <sup>a</sup>	metric ton CO <sub>2</sub> e	567,606	566,113	607,151	305-2	_
Emissions	CO <sub>2</sub> Equivalent Emissions Total (Scope 1 & 2)°	metric tons CO <sub>2</sub> -e	6,602,829	6,510,330	6,074,026	305-1; 305-2	_
Waste							
Waste	Hazardous Waste	metric tons	2,269	2,161	4,029	306-3	EM-CO-150a.5
Waste	Non-Hazardous Waste	metric tons	8,973	22,109	19,850	306-3	
Waste	Non Mineral Waste Generated	metric tons	11,242	24,250	24,417	306-3	EM-CO-150a.2
Waste	Mineral Waste	metric tons	12,736,440	14,425,353	10,740,241	306-3	EM-CO-150a.3; EM-CO-540a.1
Waste	Hazardous Waste Recycled	metric tons	1,580	1,508	1,766	306-4	EM-CO-150a.6
Waste	Total Waste Recycled (Hazardous + Non-Hazardous)	metric tons	6,418	14,614	14,837	306-4	EM-CO-150a.6

a IPCC AR5 GWP values utilized and emissions restated







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### KPI DATA CHARTS continued

CATEGORY	торіс	UNIT	2021	2022	2023	GRI	SASB
Water							
Water	Water Withdrawal Total	megaliters	55,067	48,425	53,744	303-3	EM-CO-140a.1
Freshwater	Fresh Water Withdrawal Total	megaliters	23,498	30,036	10,119	303-3; 303-5	EM-CO-140a.1
Water	Water Recycled	megaliters	12,234	11,984	11,700	303	_
Water	Percentage of Water Recycled and Reused	%	22%	25%	17%		_
Water	Percentage of Water Withdrawn in Areas with High or Extremely High Baseline Stress <sup>b</sup>	%	21%	23%	7%	_	EM-CO-140a.1
Water	Number of water non-compliances resulting in a formal enforcement action	#	0	2	2	_	EM-CO-140a.2
Energy Use							
Energy Use	Energy from Electricity	Gigajoules	3,206,713	3,632,886	4,048,297	302-1	_
Energy Use	Percentage Renewable Energy from Electricity	%	26%	26%	27%		_
Energy Use	Energy from Fuel Use	Gigajoules	_	18,240,873	19,719,075	302-1	_
Energy Use	Total Energy	Gigajoules		21,873,760	25,241,341	302-1	
Diversity							
Diversity	% Women Employees	%	11%	11%	11%	405-1	
Diversity	% Non Executive Women Managers	%	13%	12%	16%	405-1	_
Human Capital Manag	ement						
Human Capital Management	Turnover of Employees	%	14.7%	14.3%	22.3%	401-1	

b Updated WRI model utilized for determination of high water stress









### KPI DATA CHARTS continued

CATEGORY	TOPIC	UNIT	2021	2022	2023	GRI	SASB
Health & Safety							
Health & Safety	Employee Health & Safety Training Hours	Hours	86,280	163,000	100,145	403-5	EM-MM-320a.1
Health & Safety	Total Injury Rate	Rate	1.18	1.13	1.18	403-9	EM-CO-320a.1
Health & Safety	Total Injury Rate Employees	Rate	1.26	1.15	1.18	403-9	EM-CO-320a.1
Health & Safety	Total Injury Rate Contractors	Rate	0.93	1.08	1.18	403-9	EM-CO-320a.1
Health & Safety	Lost Time Injury Rate Total	Rate	—	_	0.76	403-9	EM-CO-320a.1
Health & Safety	Lost Time Injury Rate Employees	Rate	—	—	0.80	403-9	EM-CO-320a.1
Health & Safety	Lost Time Injury Rate Contractors	Rate	0.62	0.65	0.66	403-9	EM-CO-320a.1
Health & Safety	NMFR	#	4.7	24.2	0.47	_	EM-CO-320a.1
Health & Safety	Employee Fatalities	#	0	0	0	403-9	EM-CO-320a.1
Health & Safety	Contractor Fatalities	#	0	1	1	403-9	EM-CO-320a.1
Labor							
Labor	Percentage of active workforce covered under collective bargaining agreements, broken down by U.S. and foreign employees	%	U.S.: 11.5% Non-U.S.: 63%	U.S.: 9.1% Non-U.S.: 59.8%	U.S.: 8.3% Non-U.S.: 56.0%	_	EM-CO-310a.1
Labor	Number and duration of strikes or lockdowns	#	7	1 strike, 57 days	0	_	EM-CO-310a.2
Management							
Management	Executive Member Diversity	%	0%	0%	0%	405-1	_
Management	Board Member Diversity	%	33%	33%	40%	405-1	_

For additional information, see the complete <u>2023 Performance Data</u>.







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### **Workforce Demographic Data**

	RACE/ETH	RACE/ETHNICITY													
	HISPANIC	OR LATINO	NOT HISP/	ANIC OR LATING	)										
			MALE						FEMALE						
Job Categories	Male	Female	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	Total
Executive/Senior Level Officials and Managers	0	0	24	0	2	0	0	1	1	0	0	0	0	0	28
First/Mid-Level Officials and Managers	13	1	339	3	9	0	10	2	37	2	2	0	1	0	419
Professionals	4	0	77	4	4	0	1	2	42	11	1	0	1	0	147
Technicians	1	0	37	0	0	0	0	0	4	0	0	0	0	0	42
Sales Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Support Workers	3	4	41	0	0	0	2	0	47	1	0	0	3	0	101
Craft Workers	85	5	1969	33	3	3	59	12	112	0	0	0	4	1	2286
Operatives	83	9	393	39	1	0	20	6	20	2	0	0	5	0	578
Laborers and Helpers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	1	0	1	0	0	0	0	0	0	0	0	0	0	0	2
Current 2022 Reporting Year Total	190	19	2881	79	19	3	92	23	263	16	3	0	14	1	3603
Prior 2021 Reporting Year Total	165	13	2665	52	18	4	73	10	239	13	3	0	9	0	3264

Data sourced from 2022 U.S. Equal Employment Opportunity Commission (EEOC) 2022 Employer Information Report, Peabody Energy Corporation









Peabody Energy, Inc. 701 Market Street St. Louis, Missouri 63101

peabodyenergy.com



### **BUILDING BRIGHTER FUTURES**