

Sustainable Mining

Principle	Questions	Comments <small>(page numbers reference Peabody's 2017 Corporate and Social Responsibility Report)</small>
Operate safe workplaces, commit to continuous improvement in safety and health practices and performance, and establish safety as a top priority principle.	Does the company have a statement in its Corporate Social Responsibility Report committing to the goal of an incident-free workplace?	We commit to safety and health as a way of life. Safety is Peabody's first value, integrated into all areas of our business. Our goal is to eliminate all workplace incidents, including injuries, occupational illnesses and property damage; p. 7.
	Is the company a participant in the U.S. National Mining Association's CORESafety® program?	Yes. Peabody was recognized by the U.S. National Mining Association (NMA) in 2016 as the first company in the coal industry to achieve independent certification under the CORESafety® program. In 2017, the implementation of an auto-retracting, three-point seatbelt system for use in mining equipment earned Peabody recognition by the NMA, in conjunction with the U.S. National Institute for Occupational Safety and Health, for using an existing technology in a new way; pp. 12, 39.
	Is the company's annual total recordable injury frequency rate below the industry average?	In 2017, Peabody attained a global 1.38 total recordable injury frequency rate per 200,000 hours worked, with zero fatalities. We are a safety leader, and our global incidence rate outperforms industry averages in the areas where we have operations - the U.S., and New South Wales and Queensland, Australia; p. 10.
Maximize resource recovery.	Does the company have a statement in its Corporate Social Responsibility Report committing to reasonable steps to maximize resource recovery?	"Maximize resource recovery" is a core tenet of Peabody's "Investment Principles for Best-in-Class Coal Companies;" p. 27. Peabody's North Antelope Rochelle Mine coal seam resource recovery is estimated at 90-95 percent.
Seek ongoing improvement in environmental performance.	Does the company document its environmental activities in its Corporate Social Responsibility Report?	Peabody reports its environmental activities in the Sustainability chapter of its CSR report; pp. 48-60.
	Does the company have water management and recycling programs?	Peabody provides data in reference to five Global Reporting Initiative indicators covering water. Peabody is committed to pursuing opportunities to reduce, reuse and recycle water whenever possible, and approximately 59 percent of total water withdrawn in 2017 was recycled and reused; p. 59.

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Seek ongoing improvement in environmental performance. <i>(Continued)</i>	Does the company have fuel efficiency and energy efficiency programs?	Peabody is focused on conserving power and reducing greenhouse gas intensity whenever possible through continual improvements in mine planning and engineering, use of advanced technologies, and operational leading practices; p. 58.
	Has the company continuously improved its greenhouse gas emissions intensity?	Since 2013, Peabody's greenhouse gas intensity across its global operations has declined slightly from 11.2 CO ₂ e per unit to 11.1 CO ₂ e in 2017; p. 58.
	Does the company define its position on climate change and carbon dioxide?	Peabody's Position on Energy and Climate Change is posted on PeabodyEnergy.com and in the CSR Report; p. 50.
	Does the company have a comprehensive recycling program?	Peabody starts with the principle of overarching efficiency in all aspects of our business, which maximizes the utilization of necessary resources and ultimately leads to a decreased need for recycling and reuse. Materials that are no longer usable are then recycled. Peabody references a Global Reporting Initiative indicator covering waste. In 2017, recycling, reuse and energy recovery programs accounted for 72 percent of the company's waste disposal activities; p. 60.
	Has the company been acknowledged by independent third parties for environmental performance?	Peabody's environmental responsibility, reclamation and remediation efforts have been recognized with 100 honors since 2000, from both private and government entities; p. 52.

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Disclose which mines provide mountaintop-removal-free production.	Does the company disclose coal production from its mines as mountaintop-removal-free in the U.S.?	Peabody has a statement on the Sustainable Mining page of PeabodyEnergy.com that "All coal produced at Peabody's current mining operations is mountaintop-removal-free."
Commit to restoring mined lands for generations that follow.	Does the company provide a statement that commits to good stewardship of mined lands through reclamation practices in its Corporate Social Responsibility Report?	Peabody's sustainability value states "We take responsibility for the environment, benefit our communities and restore the land for generations that follow." The company's environmental policy is on p. 49.
	Does the company state the acres of reclaimed and disturbed lands in its Corporate Social Responsibility Report?	In 2017, Peabody restored 5,145 acres of mined lands into wildlife habitat, rangeland, hardwood forests, prime farmland, pastoral land and wetlands, reclaiming 1.4 acres for each acre disturbed (3,592 acres); p. 48.
	Does the company collaborate with peers, academic institutions, governments and other stakeholders on projects, both domestically and internationally, to share best practices?	Peabody collaborates with government agencies, the National Mining Association, World Coal Association and Minerals Council of Australia, among others, regarding the restoration of mined lands; p. 72.
Respect human rights and indigenous people who are potentially impacted by mining activities.	Does the company support fundamental principles of human rights?	Peabody supports the fundamental principles of human rights and is focused on the safety and health of our workforce. Peabody complies with all laws and regulations in our business transactions, promotes inclusion and diversity, and is an equal opportunity employer; pp. 7-8, 32-34.
	Does the company have programs to support local employment and engagement with indigenous people?	Peabody built the Kayenta Mine, located on Navajo Nation and Hopi Tribe lands in Arizona, and has operated it since 1973. In 2017, Native Americans comprised 94 percent of the workforce and held more than 75 percent of mine management, administration and supervisory jobs at Kayenta Mine; p. 34. Peabody Burton Mine is located in the Bowen Basin region of Queensland, where two Traditional Owner Groups, the Barada Barna and the Wiri, have worked closely alongside Peabody for over a decade, ensuring their cultural values are upheld. <i>(Continued on next page)</i>

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Respect human rights and indigenous people who are potentially impacted by mining activities. <i>(Continued)</i>	Does the company have programs to support local employment and engagement with indigenous people?	(page numbers reference Peabody's 2017 Corporate and Social Responsibility Report) In 2017, Peabody signed two Native Title agreements with the Traditional Owners relating to Burton; p. 34.

Essential for Electricity and Steelmaking

Principle	Questions	Comments
Drive partnerships and policy and work with stakeholders to recognize coal's essential role in electricity generation and steelmaking.	Does the company publicly support the need for universal access to modern electricity in company statements, speeches and presentations, and written comments?	Peabody and the products the company supplies – thermal and metallurgical coal – contribute to and support many of the United Nations Sustainable Development Goals. Coal is essential to achieving the goal of ensuring access to affordable, reliable, sustainable and modern energy for all; pp. 9, 22.
	Does the company engage with governments to promote policies to increase energy access as well as resilient infrastructure?	Peabody's Global Government Affairs team has strong relationships with elected officials, legislators, regulators and their respective staffs in the U.S., Australia and other nations. We believe it is essential for us to participate constructively and responsibly in the political process and provide recommendations to policymakers for global energy, environmental and economic policies; p. 44.
	Does the company serve in leadership roles in associations that promote access to modern electricity and resilient infrastructure?	Peabody serves in a leadership capacity in organizations such as the International Energy Agency Coal Industry Advisory Board, World Coal Association, National Coal Council (a federal advisory committee to the U.S. Secretary of Energy), American Coalition for Clean Coal Electricity, Minerals Council of Australia, etc.; pp. 21-24, 72.
Engage with government, academia and other stakeholders to address major energy challenges.	Does the company engage with government officials and their staff to find solutions to energy challenges?	Peabody's Global Government Affairs team has strong relationships with elected officials, legislators, regulators and their respective staffs in the U.S., Australia and other nations. We believe it is essential for us to participate constructively and responsibly in the political process and to provide recommendations to policymakers for global energy, environmental and economic policies; p. 44.

Essential for Electricity and Steelmaking

Principle	Questions	Comments
Engage with government, academia and other stakeholders to address major energy challenges. <i>(Continued)</i>	Does the company disclose its political and lobbying activities?	<i>(page numbers reference Peabody's 2017 Corporate and Social Responsibility Report)</i> Peabody's participation in and funding of its political and lobbying activities is disclosed in the Integrity section of the CSR Report (pp. 44-46) and on PeabodyEnergy.com.
	Does the company provide leadership to academic institutions and trade associations to address major energy challenges?	Peabody is a founding member of and continues to support development and deployment of advanced coal technologies at the Consortium for Clean Coal Utilization at Washington University in St. Louis. In addition, Peabody is involved in the Carbon Capture Coalition, Carbon Utilization Research Council, COAL21 Fund, Global Carbon Capture and Storage Institute, GreenGen, National Carbon Capture Center, and U.S.-China Clean Energy Research Center; pp. 21-24, 72.

Advanced Coal Technologies

Principle	Questions	Comments
Support greater development and deployment of advanced coal technologies and next-generation carbon capture, use and storage technologies.	Does the company invest in advanced coal technologies and next-generation carbon capture, use and storage technologies?	Peabody has invested \$300 million over the past two decades in global partnerships and projects in Australia, China and the U.S. to advance high-efficiency, low-emissions and carbon capture technologies; p. 23.
	Does the company serve in a leadership capacity in associations that support advanced coal technologies?	We serve in a leadership position and are members of organizations working to advance high-efficiency, low-emissions and carbon capture, use and storage technologies. These organizations span the spectrum of technology research, development and deployment, with some directly investing in novel research and others acting as leading advocates for developing incentives necessary for deployment; pp. 21-24, 72.

Advanced Coal Technologies

Principle	Questions	Comments
Support and drive policies to achieve the goal of near-zero emissions in the world's next-generation coal-based electricity generation fleet.	Does the company publicly support driving toward near-zero emissions in its Corporate Social Responsibility Report?	(page numbers reference Peabody's 2017 Corporate and Social Responsibility Report) Peabody supports driving toward near-zero emissions in a number of public-facing documents, including its Corporate and Social Responsibility Report, Position on Energy and Climate Change, Environmental Policy, Investment Principles for Best-in-Class Coal Companies and on PeabodyEnergy.com; pp. 27, 49, 50.
	Does the company engage with governments, industry and other stakeholders to promote policy parity for advanced coal technologies?	Peabody engages with elected officials, legislators and regulators and their respective staff in the U.S., Australia and other countries. Peabody employees serve in leadership roles in the Carbon Capture Coalition, National Coal Council (a federal advisory committee to the U.S. Secretary of Energy), International Energy Agency Coal Industry Advisory Board, World Coal Association, Minerals Council of Australia, Carbon Utilization Research Council, etc.; pp. 21-24, 72.

Peabody is the leading global pure-play coal company and a member of the Fortune 500, serving power and steel customers in more than 25 countries on six continents. The company offers significant scale, high-quality assets, and diversity in geography and products. Peabody is guided by seven core values: safety, customer focus, leadership, people, excellence, integrity and sustainability.