

PEOPLE

We offer an inclusive work environment and engage, recognize and develop employees.

Peabody's People

We are a coal company and proud of it. The Peabody team of 7,100 talented individuals works 24/7 across the U.S., Australia, Europe and Asia to provide energy and infrastructure for people around the globe. We lead through our values, and we value the talented men and women who are essential to our success.

The New Peabody

Events and actions changed Peabody in many positive ways during 2017, with each team member playing an important role in the company's transformation as we navigated a complex restructuring process. In April 2017, a group of employees at all levels of the organization from across our business stepped on the podium to ring the bell at the New York Stock Exchange, representing a fresh start for Peabody. Together we have achieved a number of accomplishments and remain grateful for the day-to-day contributions of our teams that drive our success.



On April 4, 2017, Peabody's Executive Leadership Team was joined by team members across our global platform to ring the opening bell when new Peabody equity began trading on the New York Stock Exchange using our iconic ticker symbol, BTU.

"I love working with my fellow employees. We're all working hard and working for our families." ~ Josh Knight, Head Surveyor-Midwest U.S. Arclar Complex (pictured front row, second from right)

Peabody Employee Value Proposition

The typical Peabody employee has nearly 10 years of experience with the company. About 94 percent of our team members work for mine operations in the U.S. or Australia or for regional offices in Brisbane, London and Beijing, while the remaining are employed with corporate global headquarters based in St. Louis, Mo.

Peabody believes we have the best team in the industry. Our workforce strategy is to attract and retain the best people, develop their full potential and align their talents to create competitive advantage. We offer employment that is challenging and meaningful in an industry that responsibly serves global stakeholders, including many in the communities where we operate. We encourage a supportive and inclusive environment where employees are collaborative, knowledgeable, engaged and know that they can count on one another.

Peabody routinely gathers valuable feedback from existing, prospective and former employees to determine what is important in their career, work environment, compensation and benefits. Peabody's reorganization in 2017 presented a unique opportunity to gain insight into our Employee Value Proposition, helping us to re-evaluate strategies around attracting, engaging and retaining talent.

Rewarding employees for their performance and contributions is a key component of this strategy. Upon emergence, to celebrate a new and exciting phase in Peabody's history, team members were granted restricted stock units in recognition of their tremendous contribution to the company during an especially challenging time. Our vision was that employees at all levels of the organization would become shareholders of the new company.

Learning and Development

Employees value a company that affords them opportunities to grow, develop and advance. Peabody offers a variety of training, mentoring and development programs to aid employees in their career growth.

During the past five years, 86 percent of open positions at Peabody were filled by internal candidates, split between promotions and lateral career development opportunities.

Manager and Supervisor Development Programs have been offered at Peabody since 2012, taking 600-plus employees through graduation, with 73 percent still actively employed. The programs are sponsored and co-facilitated by company leaders and are designed to build leadership skills and reinforce our core values for our base of future leaders. In 2017, more than 94 percent of participants stated they were satisfied with the program's content and greater than 95 percent agree the program will help them in career development.

In 2017, a series of Reinforcement and Re-engagement workshops aimed at re-acquainting leadership teams and past graduates of the programs were delivered at 10 Americas locations and headquarters. Site leadership teams gathered to discuss the program's benefits to their operation, and graduates attended a session to revisit program materials.

A Leader Development Program for Vice President and above employees was piloted in 2017 to enhance leadership development for senior-level team members of the organization. The program complements the curriculum of the Manager and Supervisor Program and increases the likelihood of senior leaders supporting the development of their teams through enhanced communication skills, business acumen and leading through the Peabody values. All participants agreed the program both increased their strategic leadership skills and improved their communication skills. Leader Development programming will next be rolled out to Director-level team members.

Global Inclusion and Diversity

An inclusive and diverse work environment continues to be a focus for Peabody, and the company strives to maintain a global workforce that is representative of many backgrounds. Company inclusion programs are formalized in policy and practice and are embedded in the Equal Employment Opportunity policy and the Code of Business Conduct and Ethics.

Glenn Kellow, President and Chief Executive Officer, signed a CEO Action for Diversity & Inclusion® pledge to advance diversity and inclusion in the workplace. More than 400 CEOs of the world's leading companies have joined in this commitment. Glenn also participated with company leaders in a St. Louis business Inclusion and Diversity Summit in 2017, sharing insights on the impact and value of a diverse workforce.

In the U.S., 16 percent of the Peabody workforce is racially or ethnically diverse. The company also recognizes the competitive value of a diverse supplier base, and Peabody seeks to develop a strong supplier network within the industry. Peabody's spend with minority suppliers in the U.S. during 2017 totaled \$23 million, representing a 10 percent increase from the prior year.

Peabody's Inclusion and Diversity Advisory Board (IDAB) is led by two female executives, Amy Schwetz, Executive Vice President and Chief Financial Officer, and Verona Dorch, Executive Vice President, Chief Legal Officer, Government Affairs and Corporate Secretary. In 2017, Verona was named among the Most Powerful Women in Business and among the Most Powerful Executives in Corporate America by Black Enterprise magazine. The IDAB champions inclusion efforts and introduces culture-enhancing and mining-promotion activities to support business goals.

Recruiting women to roles in mining, an industry that has predominantly and historically employed men, is a focus for Peabody across its mining sites and administrative offices. Overall, women hold 15 percent of Vice President and above roles for the company and 10 percent of the global workforce.

The Queensland Resources Council and Women in Mining and Resources Queensland annually host International Women's Day events to recognize exceptional women in the resources sector. Across several of Peabody's operations, International Women's Day is observed by bringing team members together for networking and celebration. George Schuller, President-Australia, and Connie de Santana, Senior Vice President of Finance and Administration-Australia, hosted a panel on gender parity, with industry guests in attendance including Middlemount Coal, Billiton Mitsubishi Alliance, Glencore, Anglo American and Thies.



A Women in Mining International Women's Day breakfast was held in Moranbah, Queensland, and sponsored by Peabody, with several team members in attendance.

In New South Wales, Peabody sponsored the first Women in Mining networking event in Mudgee, to promote diversity across the coal, silver and gold resource industries and attract women to the field. The New South Wales Women in Mining Awards annually recognize outstanding females in the coal industry, and Peabody's Hana Newbury, Diesel Mechanic-Wilpinjong Mine, was named Outstanding Tradeswomen. Hana's path to the mining industry began with automotive and metal work courses in school. Upon receiving her degree, she sought opportunity to work as a diesel mechanic apprentice. In the field since 2010, Hana is also an active member of the Wilpinjong Mine Rescue Team. Stephanie Gelland, Human Resources Manager-Metropolitan Mine, was named runner-up in the Gender Diversity category.



Hana Newbury, left, was named Outstanding Tradeswoman at the New South Wales Women in Mining Awards.

"I'm humbled by the role these two women are playing in inspiring young women to pursue opportunities in mining and Australia resources that they may not have considered, due to gender stereotypes." ~ George Schuller, President-Australia

Growing a Pipeline of Talent

Peabody is focused on growing a pipeline of diverse talent in the tech industry and has joined a cohort of St. Louis companies that are determined to address the challenges of recruiting a skilled workforce.

Through a partnership with NPower, a nonprofit that creates an alternative fast track to digital careers for military veterans and young adults, Peabody hosted a talented NPower intern, Austin Everett, who was successfully converted to a full-time contractor in 2017. Lina Young, Senior Vice President and Chief Information Officer, serves on the regional board of NPower.



Austin Everett, On-Site Information Technology Support

"I'm grateful to NPower for setting me on this career path and to Peabody for continuing to invest in me and enhance my skills."

Native American and Indigenous Employment and Engagement

Peabody has a deep respect for cultural heritage and collaborates with local indigenous communities at our operations. Native Americans comprised 94 percent of the workforce and held more than 75 percent of mine management, administration and supervisory jobs during 2017 at Kayenta Mine, which operates on Navajo Nation and Hopi Tribe lands.

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. In 2017, Peabody signed two Native Title agreements with the Traditional Owners relating to Burton, which provide benefits to the groups including Trainee, Operator and Apprentice positions as well as access to business opportunities with Peabody at our other Bowen Basin operations. The agreements recognize a longstanding relationship with the Traditional Owners, which has created avenues for skills development and employment for the greater good of both the traditional custodians of the land on which we operate and for Peabody.

Upon completion of the traineeships, Barada Barna trainees will be automatically transferred to full-time operator roles with Peabody “on their traditional country.” Peabody also continues to work with the Wiri group to grow their business portfolio to support greater access to opportunities with the company.

Assessment Centers form another component of the Peabody recruitment and selection process of indigenous and non-indigenous populations. Centers are used in conjunction with our technical selection criteria to short list candidates for interviews. The assessment activities focus on behaviors like communication and problem solving and have been designed to give full and equal consideration to the gender and cultural diversity within the candidate pool.



Left: Brearna Brown and Ben Isaacs from the Barada Barna were recruited to Moorsvale Mine as Trainee Production Operators. Right: George Schuller, President-Australia (pictured far right), signs a Native Title agreement with Greg Brown from the Barada Barna (pictured shaking hands).

Health and Wellness

Peabody employees are supported with health care benefits that are competitive within the industry and the majority of large employers.

Our health care benefits program is designed to empower employees and their families to invest in their health and well-being while managing their care to ensure the best services are coupled with smart spending. It is the right thing to do for employees and enables Peabody to manage medical costs to sustain future programs.

In 2017, Peabody took steps to streamline our medical plan options in the U.S., offering one plan that can be paired with a health savings account to pay for eligible health care expenses. In Australia, employees' universal health care coverage is supplemented with Peabody's "whole approach" remuneration package.

Peabody offers advocacy services and tools that help employees navigate their health care benefits as educated consumers. An employee may access resources that assist them in finding professionals to make sense of medical treatment options, compare costs before having a procedure and solve billing issues.

The company also provides a variety of health and wellness programs, with site-specific initiatives including on-site flu vaccinations, mammography screenings, tobacco cessation programs, an Employee Assistance Program and dietary and exercise coaching.



Crew members at North Antelope Rochelle Mine in Wyoming.