

## PEABODY POLICY

### Anti-Bribery and Corruption

September 2020

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**Executive Owner: Executive Vice President, Chief Legal Officer, Government Affairs and Corporate Secretary**

Peabody Energy Corporation and each of its subsidiaries and affiliates (collectively, the “Company” or “Peabody”) considers its reputation for fairness and integrity one of its most valuable assets. Peabody is committed to complying with all applicable laws and/or regulations in the various jurisdictions in which it does business.

The Company’s Officers, Directors, and employees are strictly prohibited from paying a bribe to, or receiving a bribe from, another individual or entity, public or private. We must adhere to the Company’s internal controls and be especially mindful of those designed to prevent corruption and safeguard Company assets and employees.

Our third parties – including, but not limited to, agents, sales representatives, joint venture partners, consortiums, consultants, brokers, vendors, lobbyists, intermediaries, contractors, distributors, suppliers – (collectively, “third parties”) are also required to follow standards consistent with this Policy when acting on our behalf.

As used in this Policy, “bribe” means giving, or making an offer or promise to give, or authorizing, soliciting, or accepting the giving of, anything of value or any other advantage, to improperly influence actions. Bribes can include money, gifts, hospitality, expenses, reciprocal favors, business or employment opportunities, political or charitable contributions, or any other tangible or intangible benefit or consideration to improperly influence actions, whether conferred directly or indirectly. For example, improper influence can include a kickback intended to cause someone else to misuse their position to secure a benefit.

It is the Company’s policy to comply with all applicable anti-bribery and corruption laws of all jurisdictions in which the Company does business, including for example the U.S. Foreign Corrupt Practices Act (“FCPA”), the Bribery Act 2010 of the United Kingdom, and Chapter 4 of the Australian Criminal Code and other applicable laws of Australia, its states and territories (together with local anti-bribery and corruption laws “Anti-Corruption Laws”).

We are each responsible for knowing the legal standards and Company policies applicable to our roles and duties, including this Policy and all applicable Anti-Corruption Laws, conducting ourselves accordingly and asking for help when we are unsure.

### **Violations**

Violations of this Policy, including failures to comply with internal controls, may result in disciplinary action up to and including termination of employment or contract and/or referral to appropriate law enforcement authorities.

For managers, disciplinary action applies equally to those who:

- act inappropriately;
- do nothing to prevent misconduct by an employee or agent/representative under the manager's supervision, when the manager had reason to know that that person/people was/were contemplating the misconduct;
- fail to take appropriate corrective action in response to misconduct by someone under the manager's supervision, when the manager had reason to know of the misconduct; or
- fail to ensure internal controls are adequately implemented in operations they oversee.

Violations of anti-corruption laws may subject the Company, an employee or third party to civil and criminal penalties. Employees and third parties must be sensitive to potential bribery and corruption and must contact the Legal Department with any questions or concerns they may have. See below for further information on obtaining guidance from the Legal Department or reporting a suspected violation to the Legal Department or the Tell Peabody hotline.

### **Third Parties**

Individual employees and the Company are at risk when our third parties offer, pay or receive bribes.

Individual employees and the Company can be liable for payments by a third party even if the employee does not actually know that the third party has offered or will pay a bribe. This means we must take steps to ensure we engage in transactions only with ethical third parties and that we monitor our third-party relationships for any warning signs.

Due Diligence and Monitoring: Before entering business relationships, as well as during business relationships, we conduct appropriate due diligence and monitoring of third parties. "Appropriate" due diligence depends on the circumstances and requires attention to the appearance of any warning signs, including but not limited to: the location and nature of the services provided by the Company (high risk countries require special diligence); transactions with governments or their agencies; and transactions involving high dollar value projects. Due diligence results are documented and recorded. After engaging a third party, employees must carefully monitor its compliance with ethical standards and legal obligations on an ongoing basis.

Agreements: The engagement of any third party to interact with government entities or officials on the Company's behalf must be properly authorized and such engagement must be pursuant to a form of agreement approved by the Legal Department. Such approved form of agreement will contain appropriate anti-corruption representations and warranties, including, among other things, prohibitions on improper payments to officials, audit rights, ongoing monitoring of its compliance with ethical standards and termination rights.

### **Customers and Suppliers**

Agreements with customers or suppliers must include provisions requiring compliance with applicable anti-corruption laws as well as data privacy protections.

## **Accurate Books and Records**

The Company must make and keep books, records and accounts that accurately and fairly reflect its transactions and disposition of assets in sufficient detail to facilitate a full understanding and audit trail. No false or misleading entries may be made in the books and records of the Company for any reason. All contracts, invoices and other documents must accurately describe the transactions to which they relate. No payment on behalf of the Company may be approved without adequate supporting documentation or made with the intention or understanding that all or part of any such payment is to be used for any purpose other than that described by the documents supporting the payment.

## **No Exception for Facilitation Payments**

This Policy and most Anti-Corruption Laws prohibit "facilitation payments", which are payments intended to expedite or to secure the performance of routine governmental action where there is no discretion on the part of the government official. Generally, these are small payments to "speed up" or "encourage" an otherwise routine government action, such as processing visas or work permits, customs clearances, adequate police protection or providing phone or water service.

## **Imminent Threats to Personal Health, Safety, or Freedom**

In rare circumstances, an employee may deem it necessary to make a payment to a government official to avoid an imminent threat to personal health, safety, or freedom. Such payments must be reported to the employee's supervisor and the Chief Compliance Officer as soon as possible after making the payment and must be accurately described and recorded in the books and records of the Company.

## **Political and Charitable Contributions**

Company contributions to political parties, party officials, candidates, organizations or individuals engaged in politics, or charities or sponsorships, whether direct or indirect, must not be a subterfuge for bribery or contrary to applicable law. Any such contributions must be pre-authorized by the Company's Senior Vice President Government Relations and by the Company's Executive Vice President, Chief Legal Officer, Government Affairs and Corporate Secretary. Proper recording and accounting of contributions is essential.

## **Communications Review and Reporting**

**Encouraging Open Communication:** No policy can anticipate every situation that may arise. Accordingly, this Policy is not meant to be all-inclusive, but rather is intended to serve as a source of guiding principles and to encourage communication and dialogue concerning standards of conduct addressed in the Policy. Employees and third parties are encouraged to discuss with any member of the Legal Department or contact the Tell Peabody hotline with questions about particular circumstances that may implicate the provisions of this Policy.

**Reporting Obligations:** Employees or third parties who believe that there may be misconduct related to requirements articulated in this Policy must report the circumstance(s) to the Legal Department or to the Tell Peabody hotline. Concerns may be shared anonymously through the Tell Peabody hotline, although employees and third parties are encouraged to identify themselves to facilitate prompt

and thorough investigation.

**No Retaliation:** Retaliation for reports of misconduct by others made in good faith is prohibited by law, and the Company will not permit retaliation of any kind against any employee or third party who makes a good faith report.

**Ongoing Review:** Anticorruption procedures and compliance with this policy are subject to periodic monitoring and review. We will make changes as recommended to improve our program and reduce our risks.