

The Company, as an industry leader, is committed to pursuing enactment or adoption of appropriate governmental policies pertaining to its business in a respectful, ethical and constructive manner. The democratic process is complex, and lobbying activities are a form of communication that is necessary to ensure that those who construct and enact legislation clearly understand the issues involved and the reason for the Company's position on the issues. Enacted legislation is an external influence that can easily impact the Company in a positive or negative manner.

To the extent allowed by law, the Company may participate in advocacy efforts to support or oppose a particular position on a given issue. To the extent permitted by law, employees may be asked to support this effort on a purely voluntary basis through letters or electronic mail to various parties.

Employees shall not offer or provide gifts or articles of value to any governmental officials in exchange for any actions. Nominal expenditures for incidental entertainment (meals, etc.) may be made, but are limited by the applicable rules of the federal and state governments.

Interaction with officials of foreign governments shall be undertaken in full compliance with anti-bribery and anti-corruption laws and other pertinent legislation or regulations.

Board Oversight

Management shall report to the Nominating and Corporate Governance Committee of the Board of Directors at least annually with respect to Peabody's lobbying expenditures. Such reports shall include detailed information about the recipients and amounts of political contributions made directly by Peabody (where permitted by law) and by the Peabody PAC, as well as information regarding trade association memberships and lobbying expenditures.