



**Part II** Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attached](#)

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [See attached](#)

Blank lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attached](#)

Blank lines for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ R. F. Bruer Date ▶ April 7, 2025

<b>Paid Preparer Use Only</b>	Print your name ▶ <u>Robert F. Bruer</u>	Preparer's signature	Title ▶ <u>VP - Tax</u>	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name				Firm's EIN ▶	
	Firm's name ▶				Phone no.	
	Firm's address ▶					

PEABODY ENERGY CORPORATION

EIN: 13-4004153

ATTACHMENT TO IRS FORM 8937

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

On February 19, 2025 (the “Conversion Rate Adjustment Date”), an increase in the conversion rate of the 3.250% Convertible Senior Notes due 2028 (the “Convertible Notes”) was made in connection with the payment of the Cash Dividends (defined below) to shareholders of common stock of Peabody Energy Corporation (“BTU”). The increase in the conversion rate of the Convertible Notes results in a deemed distribution under section 301 of the Internal Revenue Code of 1986, as amended (the “Code”) by reason of sections 305(b)(2) and 305(c) of the Code. Section 6045B of the Code and the underlying Treasury Regulations (the “Regulations”) provide that if a corporation issues a cash dividend with respect to stock that results in a conversion rate adjustment on a convertible debt instrument that it is treated as a deemed distribution under section 305(b)(2) and (c) of the Code, an information return (i.e., this Form 8937) must be filed with the Internal Revenue Service (the “IRS”) describing, among other things, the action’s quantitative effect. As an alternative to filing the information return with the IRS, an issuer may post the information return to its public website.

The information contained in the attached Form 8937 and this attachment thereto is intended to satisfy the requirements of public reporting under Section 6045B of the Code and Sections 1.6045B-1(a)(3) and (b)(4) of the Regulations by BTU. The information in Form 8937 and this attachment is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the conversion rate adjustment. Each holder of the Convertible Notes is urged to consult its own tax advisor regarding the particular consequences of the transactions described herein, including the impact on tax basis resulting therefrom.

**PART II**

**Item 14**

Shareholders of BTU common stock have been entitled to the following dividend payments (collectively, the “Cash Dividends”):

<b>Declaration Date</b>	<b>Ex-Dividend Date</b>	<b>Record Date</b>	<b>Payment Date</b>	<b>Amount Per Share</b>
May 2, 2024	May 15, 2024	May 16, 2024	Jun. 5, 2024	\$0.075
Aug. 1, 2024	Aug. 15, 2024	Aug. 15, 2024	Sep. 4, 2024	\$0.075
Oct. 31, 2024	Nov. 14, 2024	Nov. 14, 2024	Dec. 4, 2024	\$0.075
Feb. 6, 2025	Feb. 19, 2025	Feb. 20, 2025	Mar. 11, 2025	\$0.075

Pursuant to Section 5.05(A) and Section 5.05(C) of the Indenture dated as of March 1, 2022, the conversion rate on the Convertible Notes was increased on the Conversion Rate Adjustment Date to take into account the cumulative amount of the Cash Dividends. Such adjustment to the conversion ratio on the Conversion Rate Adjustment Date is treated as a deemed distribution of property to the holders of the Convertible Notes to which section 301 of the Code applies by reason of sections 305(b)(2) and 305(c).

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**Item 15**

Because there were Cash Dividends declared and paid with respect to common stock and a corresponding increase in the conversion rate on the Convertible Notes, such increase in the conversion rate constitutes a deemed distribution of common stock to the holders of the Convertible Notes to which section 301 applies. BTU expects that it will have sufficient current or accumulated earnings and profits to treat the deemed distribution of property to the holders of the Convertible Notes as a dividend for U.S. federal income tax purposes. The holders of the Convertible Notes are required to include the deemed distribution in gross income for U.S. federal income tax purposes and increase the basis of the Convertible Notes by the fair market value of the deemed distribution. Therefore, as a result of the increase in the conversion ratio of the Convertible Notes, each holder of a Convertible Note is required to include \$11.55 in gross income as a dividend per \$1,000 face amount of Convertible Notes and increase the basis in such Convertible Notes by the same amount with respect to the conversion rate adjustment.

**Item 16**

The tax basis adjustment of \$11.55 per \$1,000 face amount of Convertible Notes held was determined as follows:

$$\$11.55 = (\$15.85 - \$0.075) \times (51.7762 - 51.0440)$$

Where:

51.7762 = the conversion rate in effect immediately after the open of business on February 19, 2025, the ex-dividend date for the Cash Dividend declared on February 6, 2025;

51.0440 = the conversion rate in effect immediately before the open of business on February 19, 2025, the ex-dividend date for the Cash Dividend declared on February 6, 2025;

\$15.85 = the last reported sales price per share of BTU common stock on February 18, 2025, the trading day immediately before the ex-dividend date for the Cash Dividend declared on February 6, 2025; and

\$0.075 = the amount of the Cash Dividend declared on February 6, 2025 per share of BTU common stock.

**Item 17**

Sections 305(b)(2), 305(c), 301(c), 316 and 301(d) of the Code.

**Item 18**

This is not a loss transaction.

**Item 19**

The reportable tax year is 2025 for a taxpayer reporting taxable income on a calendar year basis.