



CORPORATE GOVERNANCE GUIDELINES

I. Director Qualification Standards

The principal qualities of an effective corporate director include strength of character, an inquiring and independent mind, practical wisdom, and mature judgment. In addition to these qualities, Arch Coal's criteria include recognized achievement, an ability to contribute to some aspect of the Company's business, and the willingness to make the commitment of time and effort required of an Arch Coal director. In order to find the most valuable talent available to meet these criteria, the Board considers candidates diverse in geographic origin, gender, ethnic background, and professional experience (private, public, and non-profit). The goal is to include members with the skills and characteristics that taken together will assure a strong Board.

The number of directors that constitutes the Board is fixed from time to time by a resolution adopted by a two-thirds majority of the Board.

It is the policy of the Board to have an overwhelming majority of directors who meet the applicable independence requirements of the New York Stock Exchange ("NYSE"), the Sarbanes-Oxley Act and the Securities and Exchange Commission ("SEC"). The Board shall make an affirmative determination at least annually as to the independence of each director. In addition, it is the policy of the Board to have significant representation on the Board of individuals not affiliated with a significant shareholder of Arch Coal. Each of the directors is required to adhere to Arch Coal's Code of Business Conduct, as the same may be amended from time to time.

The Board itself is responsible, in fact as well as procedure, for selecting new Board members who will join the Board between shareholder meetings, as well as those to be nominated by the Board for election by shareholders. The Board delegates the screening process to the Nominating and Corporate Governance Committee, with direct input from the CEO and Chairman. Candidates may be recommended to the Nominating and Corporate Governance Committee by other directors, employees, and shareholders.

Arch Coal does not have term limits for its directors, but does require outside directors to tender their resignation for consideration by the Board at the annual meeting following such director's 72nd birthday. Further, the Nominating and Corporate Governance Committee reviews each director's performance on the Board when the director's Board term has expired and the slate of director candidates is being developed for inclusion in the proxy.

Non-employee directors inform the chair of the Nominating and Corporate Governance Committee and the CEO of any principal occupation change, including retirement, and offer their resignation to the chair of the Nominating and Corporate Governance Committee. The chair of the Nominating and Corporate Governance Committee, in turn, advises the Nominating and Corporate Governance Committee of such change of status so that the Nominating and Corporate Governance Committee with the aid of the CEO and Chairman can decide whether to accept the resignation.

The Board has no policy with respect to the separation of the offices of Chairman and the CEO. The Board believes that it should have the ability to make this determination on a case-by-case basis in a manner it deems in the best interest of Arch Coal. If the Chairman is not the CEO, and is an independent director, then there shall be no Lead Director. If the Chairman is the CEO or is not an independent director, the independent directors shall elect a Lead Director.

II. Director Duties and Responsibilities

In fulfilling its responsibilities, Arch Coal's Board performs the following principal functions:

1. Ensuring legal and ethical conduct;
2. Selecting, evaluating, compensating, and, where necessary, replacing the CEO and other senior executives;
3. Approving corporate strategy;
4. Providing general oversight of the business;
5. Evaluating Board processes and performance;
6. Selecting and nominating candidates for the election to the Board of Directors;
7. Compensating directors; and
8. Overseeing Arch Coal's environmental, social, and governance ("ESG") activities and practices, including corporate responsibility and sustainability matters.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. In addition, all directors are expected to attend the annual meeting of shareholders. The CEO, in consultation with the Chairman, or the Lead Director if the Chairman is the CEO, establishes the agenda for each Board meeting. Any director is entitled to add to the agenda any matter that the director reasonably believes should be on the agenda. Prior to each Board meeting, the Board members receive an agenda for the meeting, along with advance copies (when possible) of any written materials to be discussed. In addition, the CEO regularly distributes to all Board members items of topical interest relating to Arch Coal, its operating environment, and the markets that it serves.

The Board meets regularly in executive session, with such meetings led by either the Chairman or the Lead Director if the Chairman is the CEO. The Board also meets regularly in open session joined by selected members of Arch Coal's senior management. All of Arch Coal's senior officers make presentations to the Board on a regular basis. In addition, from time to time various other corporate personnel attend open Board sessions and make presentations.

Board members have complete access to corporate management at all times. Board members use judgment to be sure that this contact is not distracting to the business operation of the Company. In addition, the Board and each committee have the power to hire independent legal, financial or other advisors as they may deem necessary.

III. Board Committees

Arch Coal has three standing committees: Audit, Nominating and Corporate Governance and Personnel and Compensation ("P&C"). Pursuant to Arch Coal's bylaws, the Board may create or

discharge any committee at any time, subject to the rules and regulations of the NYSE, the Sarbanes-Oxley Act and the SEC.

The Nominating and Corporate Governance Committee, after consultation with the Chairman and CEO and with consideration of the desires of individual Board members, recommends committee assignments including the chairperson for each committee to the full Board for approval. The Chairman and CEO are ex-officio but non-voting members of each committee.

Committee chair positions and committee membership are rotated periodically as the Board deems appropriate. In determining potential committee chair and membership rotations, the Board takes into account (a) each Board member's interests, tenure and subject-matter expertise, (b) the need for both continuity and fresh ideas and perspectives, and (c) applicable independence and qualification requirements.

The Audit Committee, Nominating and Corporate Governance Committee, and the P&C Committee consist only of independent directors under criteria established by the NYSE. Each of these committees has its own charter which sets forth the purposes, duties and responsibilities of such committee. The charters also provide that each committee will annually evaluate its performance.

The CEO and Secretary of Arch Coal, in consultation with the Chairman and each committee chair, sets the committee meeting calendar for the upcoming calendar year. Each committee reports to the Board at the next meeting of the Board following the committee meeting.

Prior to each committee meeting, the committee members receive an agenda for the meeting, along with advance copies (when possible) of any written materials to be discussed. Each committee will meet in executive session as the committee deems appropriate.

IV. Director Orientation and Education

Management will provide new Directors with an initial orientation in order to familiarize them with their responsibilities as Directors under law and the New York Stock Exchange Listing Standards, and with the Company and its strategic plans, its significant financial, accounting and risk management policies and procedures, its compliance programs, its Business Code of Conduct, its senior management, and its internal and independent auditors.

In addition, on an ongoing basis, Directors are encouraged to attend continuing education opportunities to provide knowledge of current developments in relevant matters or to improve critical skills.

V. Evaluating Board Processes and Performance

The Board, informed by Nominating and Corporate Governance Committee's annual report to the Board on an assessment of the Board's performance, shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating and Corporate Governance Committee's report is discussed by the Board at first with the CEO in attendance; then, if desired by the chair of the Nominating and Corporate Governance Committee or any other director, it is discussed in an executive session of non-employee directors. This assessment is of the Board's contribution as a whole and reviews areas in which the Board and/or the management believes a better contribution could be made. The Nominating and Corporate Governance Committee is responsible for evaluating the performance of current Board members at the time they are considered for re-nomination to the Board.

VI. Director Compensation

The P&C Committee is responsible for reviewing and making recommendations to the Board concerning directors' compensation. In undertaking its review, this Committee may receive advice from the CEO and internal staff and engage outside consultants to provide reports on trends in director compensation, including compensation paid to outside directors of other companies.

The Board seeks to avoid compensation elements that may compromise the independence of directors, such as consulting contracts or other indirect forms of compensation to a director or an organization with which the director is affiliated.

VII. Director Resignation Policy

Any nominee for director in an uncontested election (which is defined as an election where the number of nominees is not greater than the number of directors to be elected) who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "Majority Withheld Vote") shall, promptly following certification of the stockholder vote, offer his or her irrevocable resignation (a "Resignation Letter") in a form approved by Arch Coal for consideration in accordance with the following procedures. All of these procedures shall be completed within 90 days following certification of the stockholder vote. The Board shall nominate for election or re-election as director only those candidates who agree in advance in writing to tender a Resignation Letter in accordance with the terms hereof.

The Nominating and Corporate Governance Committee shall evaluate the best interests of Arch Coal and its stockholders and shall make a recommendation to the Board on the action to be taken with respect to such offered resignation, which may include (i) accepting the resignation, (ii) maintaining the director but addressing what the Nominating and Corporate Governance Committee believes to be the underlying cause of the withheld votes, (iii) resolving that the director will not be re-nominated in the future for election, or (iv) rejecting the resignation.

In reaching its decision, the Nominating and Corporate Governance Committee shall consider all factors that it deems relevant, including (i) any stated reasons why stockholders withheld votes from such director, (ii) any alternatives for curing the underlying cause of the withheld votes, (iii) the director's tenure, (iv) the director's qualifications, (v) the director's past and expected future contributions to the Board and to Arch Coal, and (vi) the overall composition of the Board, including whether accepting the resignation would cause Arch Coal to fail to meet any applicable SEC or New York Stock Exchange requirements.

The Board will act on the Nominating and Corporate Governance Committee's recommendation, and will consider the factors considered by the Nominating and Corporate Governance Committee and any additional information and factors the Board believes to be relevant. Following the Board's determination, Arch Coal will disclose that decision in a filing with the SEC, a press release, or other broadly disseminated means of communication.

If the Board decides to accept the director's resignation, the Nominating and Corporate Governance Committee will recommend to the Board whether to fill the resulting vacancy or to reduce the size of the Board.

A director who receives a Majority Withheld Vote shall not be present during deliberations or voting by the Nominating and Corporate Governance Committee or the Board on whether to accept his or her resignation, or, except as otherwise provided below, a Resignation Letter offered by any other director receiving a Majority Withheld Vote in the same election. Prior to voting, the Nominating and Corporate

Governance Committee will afford the affected director an opportunity to provide any information or statement that he or she deems relevant. If there are fewer than three directors then serving on the Nominating and Corporate Governance Committee who did not receive a Majority Withheld Vote, then the independent directors sitting on the Board who did not receive a Majority Withheld Vote shall appoint a committee from among themselves to consider the resignation offers and recommend to the Board whether to accept them.

VIII. Conflict of Interest

A director's business or family relationships may occasionally give rise to that director's material personal interest on a particular issue. The Board, after consultation with counsel, determines whether such a conflict of interest exists on a case-by-case basis. The Board takes appropriate steps to identify such potential conflicts and to assure that all directors voting on an issue are disinterested with respect to that issue.

IX. The CEO and Senior Management

The full Board of non-employee directors makes an annual evaluation of the CEO's performance, taking into account both the financial performance of the business and the qualitative performance of the CEO, including, for example, vision and leadership, accomplishment of long-term strategic objectives, and development of management. The results are used to identify strengths and areas needing improvements and to provide input to the P&C Committee's evaluation of the CEO for compensation purposes.

The CEO reviews annually with the Board the current goals of the other senior officers and the extent to which these officers have accomplished their previous goals.

The P&C Committee annually evaluates the performance of the CEO for compensation purposes and makes compensation recommendations to the independent directors of the Board. The independent directors of the Board review these evaluations and recommendations and, together with the P&C Committee, determine the compensation of the CEO, including incentive pay.

The P&C Committee annually evaluates the performance of the other senior officers for compensation purposes and makes compensation recommendations to the Board (non-employee directors). The Board reviews these evaluations and recommendations and determines the compensation, including incentive pay.

The P&C Committee, together with the CEO, makes an annual report to the Board on succession planning and management development. In this report, the P&C Committee and the CEO recommend at least one individual who could assume the CEO position if the CEO unexpectedly should be unavailable for service, updating this recommendation as appropriate.

The CEO and other senior officers obtain the approval of the Nominating and Corporate Governance Committee prior to accepting an invitation to serve on the Board of another public company or on the Board of any private company that would represent a material commitment of time. It is generally advisable to limit such outside directorships to no more than two.

The CEO and other senior officers of Arch Coal do not serve on the Board of a company for which an Arch Coal non-employee director serves as an officer.

These principles and policies are in addition to and are not intended to change or interpret any Federal or state law or regulation, including the Delaware General Corporation Law, or the Certificate of Incorporation or Bylaws of the Company. The Board of Directors will review these Guidelines at least annually and, if appropriate, revise these Guidelines from time to time.