

The Energy To Do More



ENVIRONMENTAL,
SOCIAL AND GOVERNANCE
REPORT 2018



About this Report

This is UGI Corporation's (UGI) first Environmental, Social and Governance (ESG) Report. The report covers ESG information from our four business segments. It provides information at the business level and, where appropriate, on a fully consolidated basis.

The theme for our first report is "The Energy to Do More." We pride ourselves on being a responsive and engaged energy company and are proud to present our first ESG report.

In preparing this report, we conducted a materiality assessment to understand the ESG topics that are most important to our internal and external stakeholders. This report provides performance data against many of these topics.

UGI's businesses share a similar strategy and common values but operate independently of each other. We have also grown by acquisition – particularly internationally. For these reasons, when preparing this first-time report, we encountered some challenges collecting consistent and complete ESG data across our business portfolio. Looking forward, we are energized to enhance our reporting capabilities across ESG topics and build on our rich history of sound corporate governance and stewardship. Our targeted areas for improvement and increased disclosure include scope 1 and 2 emissions, fugitive emissions, and diversity and inclusion. Over time, our methodology for data collection and disclosures will improve - supported in part by a new strategic alignment. The enhanced leadership structure better supports strategic initiatives, like ESG reporting, and fosters best practice sharing across the Company.

This report was informed by the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

Information in this report covers UGI's 2018 Fiscal Year, unless otherwise indicated. The 2018 fiscal year ran from October 1, 2017 through September 30, 2018. We will make periodic updates on our ESG performance, which can be found on our website at www.ugicorp.com.

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Our Business

UGI Corporation is a publicly traded company listed on the New York Stock Exchange. UGI, through subsidiaries and affiliates, distributes, stores, transports and markets energy products and related services.

Our subsidiaries and affiliates operate principally in the following four business segments: AmeriGas Propane, UGI International, UGI Energy Services, and UGI Utilities. Our business strategy is to grow the business responsibly by focusing on our core competencies. Our corporate headquarters is in King of Prussia, Pennsylvania. Please see our Annual Report for FY18 on [Form 10-K](#) for a more detailed description of our business.



AmeriGas Propane

The nation's largest retail propane marketer, with delivery of 1.1 billion gallons (2.1 million tons) of propane to over 1.7 million customers in all 50 states from approximately 1,900 locations in FY18. Approximately 7,700 employees.



UGI Utilities

Operates a regulated natural gas distribution business that serves over 642,000 customers in portions of 44 eastern and central Pennsylvania counties and more than 500 customers in portions of one Maryland county through its distribution system of approximately 12,300 miles of gas mains. Also provides regulated electric utility service to approximately 62,000 customers in portions of Luzerne and Wyoming counties in north-eastern Pennsylvania. Approximately 1,600 employees.

AT A GLANCE



nearly
3 million
total customers



134
consecutive years
paying dividends



nearly **200**
miles of
midstream pipeline

~12,000
miles of utility
system gas mains

31
consecutive years of
increasing dividends

~2 billion
retail LPG gallons
delivered in FY18



15
languages



13,500
employees
worldwide



18
countries



UGI International

Distributed approximately 1 billion gallons (1.9 million tons) of liquefied petroleum gases (LPG) in 17 countries in Europe in FY18 and operates an energy marketing business in four of those countries. Approximately 2,900 employees.



UGI Energy Services

Markets natural gas, electricity, and liquid fuels to over 12,500 residential, commercial, and industrial customers in 11 eastern states and the District of Columbia and conducts UGI's midstream natural gas business through ownership of underground natural gas storage, gas peaking plants, and pipeline assets in Pennsylvania. UGI Energy Services also owns all or a portion of electric generation assets, principally in Pennsylvania. Approximately 600 employees.

ESG Highlights



Utility Conversions from Oil to Natural Gas

90,000 households over last 10 years
\$108 million in annual energy cost savings

Reduction in greenhouse gas emissions (GHG) equivalent to removing **103,000** passenger vehicles from the road for a year



Energy Efficiency

UGI Utilities created a dedicated Gas Energy Efficiency and Conservation (EE&C) program in 2017 that incentivizes customers to install energy efficiency and conservation measures in homes and businesses; **\$5.5** million in rebates paid to participants to date

In 2018, our French operations generated savings of nearly **1,500,000** kilowatt hours (KWh)¹

¹ Installation of energy-efficient solutions (low-consumption gas boilers, better insulation, etc.) and through the purchase of energy certificates

Additional Activities

Pipeline replacement and betterment

Improving system integrity and reducing leaks; reduced leaks by approximately 25% over the past five years

Project ROAD

Using technology to optimize route efficiency; reducing miles driven by an estimated 5.4 million over the past two years

Solar Facilities

17,000 mega watt hours (MWh)
generated in FY18

Electricity to power **1,700** homes

Reduction in GHG emissions equivalent
to removing **2,700** passenger vehicles
from the road for a year



Landfill Gas Recovery

Methane and landfill gas consumption
at Broad Mountain generation facility
was about **1,000,000** dekatherms
(Dths) in FY18

Enough Dths to heat **10,000** homes
for a year

Reduction in GHG emissions equivalent to
removing **14,000** passenger vehicles
from the road for a year



International Renewables Marketing

Marketed 2.4 terawatt hours (Twh) from renewable
energy sources; enough to power 240,000 homes
in FY18

Fleet Conversions

AmeriGas converting diesel fleets to low carbon/low
emission LPG; Natural Gas business constructing
compressed natural gas (CNG) facilities and converting
fleets



Message from Leadership

UGI has over 135 years of experience providing energy solutions to our customers. Our business has changed over time, but our vision remains the same. We believe that safe, reliable, efficient, and affordable energy is a necessity for our customers and communities.

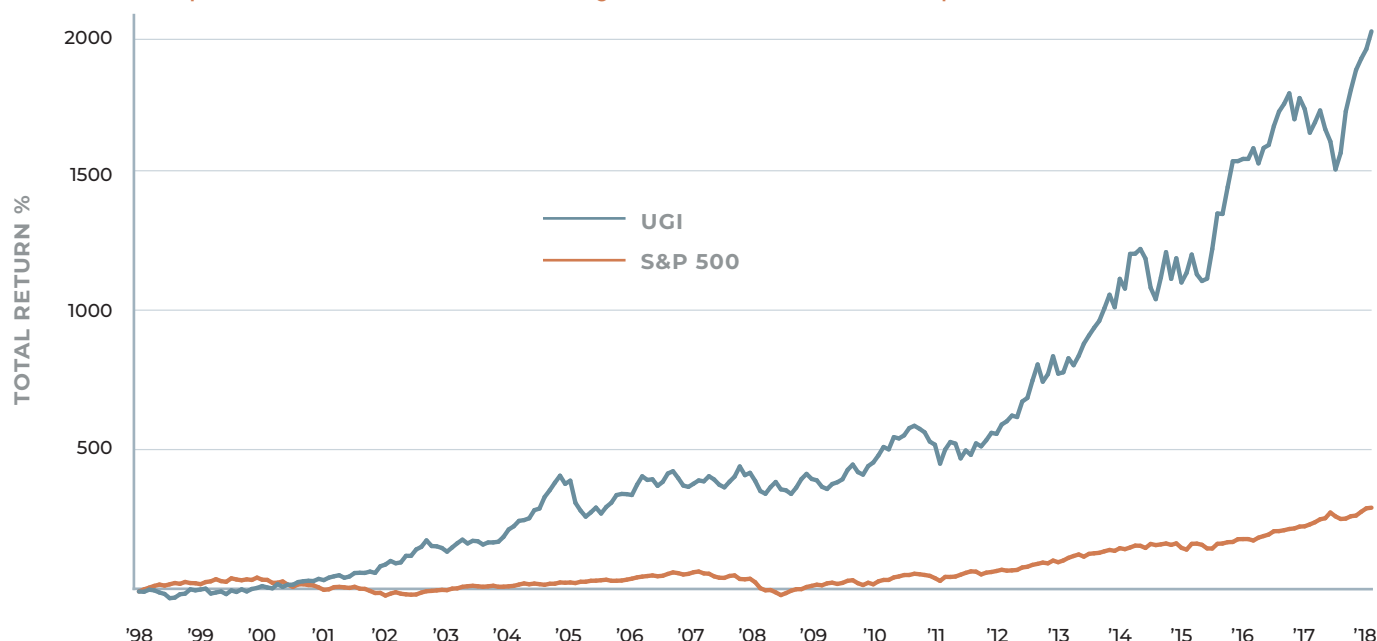
2019 is an important year for UGI. It marks our 90-year anniversary as a member of the New York Stock Exchange, our 60-year anniversary of operating the AmeriGas business, and the publication of our first ESG report. The theme for our inaugural report is “The Energy to Do More.” Throughout our history, our teams have demonstrated a relentless desire to do more for our stakeholders, including our customers, the communities we serve, our employees, and our investors. We are pleased to demonstrate our commitment to sound corporate citizenship in this report and hope you find it valuable.

At UGI, we market and distribute energy products and services that enable comfortable and secure lives for our customers. Our teams provide energy to heat homes, cook, and power businesses. We are proud to be a safe, efficient and reliable energy provider to nearly 3 million customers. Additionally, our businesses provide customers with knowledge and opportunity to do more, such as exploring more efficient appliances, converting to cleaner burning LPG and natural gas, and making wiser consumption decisions.

In Fiscal 2018, UGI was recognized by a number of respected publications and institutions. Most notably, for the 14th consecutive year, UGI was listed among the *Fortune* 500, which comprises the 500 largest companies in the United States as compiled by *Fortune*. Of particular note, we were very pleased that among the eight companies listed by *Fortune* in the Energy sector, UGI was ranked #1 in the categories of Biggest Employer and Profits Percent Change and #2 in the Most Profitable Company category. *Barron's* again ranked UGI among the *Barron's* 500 list of top performing companies and Platts named UGI as one of the “Top 250 Global Energy Companies.”

We received these recognitions from the investor community because we continuously deliver on our commitments. We meet these commitments because we invest in sustainable businesses, our employees, safety, and the communities in which we operate. Our mission is to be the preeminent energy distribution company in the markets we serve, and we can only accomplish our goal by making informed investments that benefit all stakeholders.

Outperformance Driven by Cadence of Disciplined Investments



UGI has made significant investments in sustainable assets and businesses, including solar facilities, energy efficiency programs, landfill gas recovery, bio-LPG, fleet conversions, and a renewable energy marketing business. Over the past five years, UGI invested over \$750 million to reduce methane emissions and ensure the safety and reliability of our Utility pipeline system and over \$306 million in safety programs across our four businesses. We have paid over \$5.5 million in rebates since 2017 to our natural gas and electric customers who reduced natural gas usage by participating in our energy efficiency programs. In 2018, we donated over \$2 million dollars to support the communities we serve. We are also pleased to report that our teams invested over 60,000 hours working with critical partners in support of our communities in 2018. These partners include United Way, American Red Cross, The Salvation Army, and Reading Is Fundamental.

We are proud of our long history, and see tremendous opportunities to deliver on our commitments for future earnings growth in a sustainable manner. We will continue to enhance our ESG program and welcome dialogue around these topics.



Marvin O. Schlanger
Chairman of the Board



John L. Walsh
President and CEO



Frank S. Hermance
Chair of Safety, Environmental
and Regulatory Compliance
(SERC) Committee



Materiality Assessment

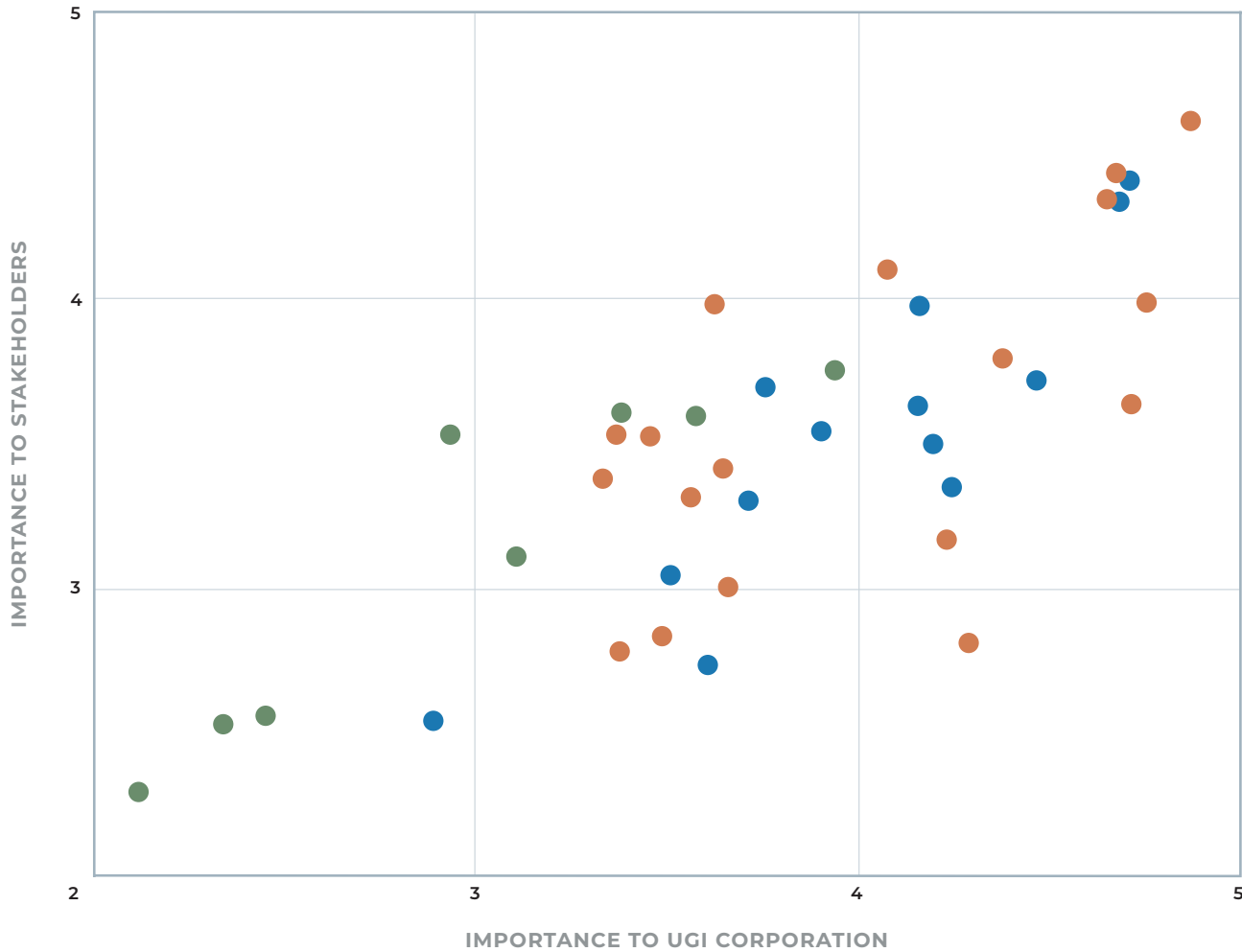
In 2018, we worked with sustainability experts to develop our first Materiality Assessment. **We wanted our first report to reflect the topics that are most important to our stakeholders.**

Our Methodology

- 1. Identify and group our stakeholders:** analysts, communities, customers, employees, investors, regulators, suppliers, and trade associations
- 2. Establish relevant topics** by focusing on those reported by peers, ESG reporting frameworks, investors and analysts
- 3. Conduct internal interviews** with over 40 leaders from across our business units to identify the most material issues

The graph on the next page depicts the topics most important to the business and our internal and external stakeholders, based on the above methodology. As UGI continues to build out and enhance our ESG reporting capabilities, we will incorporate direct feedback from external stakeholders for our next materiality assessment.

Total UGI Corporation Materiality Matrix



The following issues are the most important topics to both the business and our stakeholders, and informed the content of this report.

Environmental Topics

- Air quality
- Climate-related issues
- Greenhouse gas emissions
- Water, effluent and by-product management
- Water management

Social Topics

- Employee and contractor safety
- Customer Service
- Service Reliability
- Process Safety
- Emergency planning and response
- Data privacy and protection
- Diversity and inclusion

Governance Topics

- Legal and regulatory compliance
- Ethical business conduct
- Cybersecurity
- Corporate governance



Our Vision and Values

At UGI, we believe that safe, reliable and efficient energy is a necessity for our customers and communities. We strive to deliver this fundamental need through best-in-class safety, operations, products and services while positively impacting the lives of our employees and the communities we serve.

We do this by committing to:



Safety

Safety is a way of life for us. We take the time to be safe, safeguard one another and make safety a priority in our interactions with our colleagues, customers, and communities.



Integrity

We do the right thing and act with honesty. **We are ethical and trustworthy in all our relationships.**



Respect

We embrace the diversity and uniqueness of individuals and cultures and the varied perspectives they provide. **We recognize that our success depends upon the commitment and capabilities of our employees to create greater value for all.**



Reliability

We are a reliable service provider with a long-standing history in the community. We recognize that our customers and communities rely on the products and services we provide. In turn, we support the communities we serve through our investment in critical infrastructure and our team's commitment to philanthropic activities.



Responsibility

We are committed to sustainable business practices and growing the Company in an environmentally responsible way. Natural gas and LPG are clean-burning, efficient, cost effective and abundantly available energy sources. **We pursue innovative and efficient energy solutions to benefit our customers and our communities.**



Excellence

We are committed to achieving exceptional performance through disciplined growth, execution and continuous improvement. Our goal is to deliver the best value for our **investors** as a high performing investment, **customers** as a best-in-class service provider, **employees** as a great place to work, and **communities** as a valued neighbor.



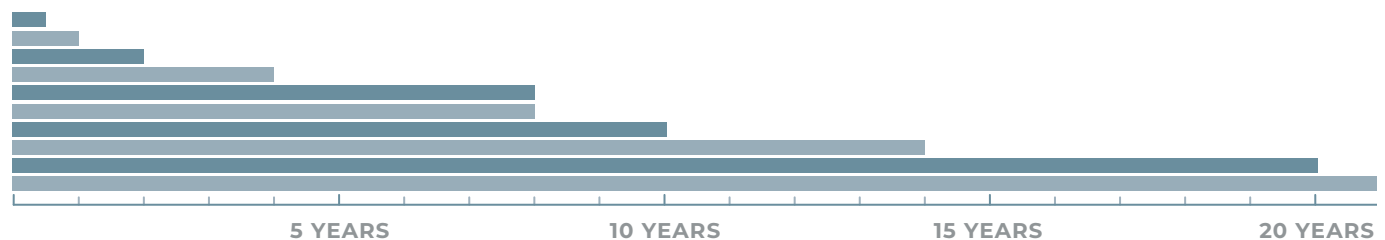
Governance

Strong corporate governance is essential to creating long-term value and safeguarding UGI's commitments to its stakeholders: employees, investors, customers, suppliers, vendors, creditors, and the communities in which we do business.

Recognizing the importance of good corporate governance in carrying out its responsibilities, the Company's Board of Directors has adopted the UGI Corporation Principles of Corporate Governance. The Principles provide a framework for the effective governance of the Board and UGI by outlining the responsibilities of the Board and the Board Committees. The Board regularly reviews the Principles and, as appropriate, updates them in response to changing regulatory requirements. The Principles require the Board to:

- Approve Strategies and Objectives
- Evaluate the Chief Executive Officer
- Evaluate Senior Management
- Review Succession Planning
- Advise and Counsel Management
- Monitor Policies on Corporate Governance and Conduct
- Establish Composition, Structure and Operations of the Board

Board Member Tenure



The above chart represents the vast range of tenure of our Board of Directors. The average tenure is approximately 8 years. This demonstrates the Company's commitment to bring on new directors to provide fresh perspectives from varying experiences and backgrounds..

Our Board members have relevant experience in the following areas:



Finance and
financial strategy



Risk
management



Business
development



Corporate
governance



Human resources
and management



Energy
Industry



IT
infrastructure



Logistics and
distribution



International
business



Government
regulation



Mergers and
acquisitions

Board Role in Risk Management and ESG Efforts

Our Board takes an active role in risk management and ESG efforts, fulfilling its oversight responsibilities directly and through delegation to the following committees: Audit, Corporate Governance, Compensation and Management Development, and Safety, Environmental and Regulatory Compliance (SERC). The Board also plays an important role in overseeing management's performance in assessing and managing risk and ESG efforts.

UGI's *Principles of Corporate Governance and Code of Business Conduct and Ethics* can be found on the corporate website at www.ugicorp.com/company/leadership-and-governance/governance-documents/default.aspx.

Committee	Risk Oversight
Audit	Provides oversight of the Company's enterprise risk management policies and processes, including major risk exposures, risk mitigation and the design and effectiveness of the Company's processes and controls to prevent and detect fraudulent activity.
Compensation & Management Development	Provides oversight of the Company's compensation programs for our employees, including executive officers, to ensure that the programs do not encourage employees to take unnecessary or excessive risks.
Corporate Governance	Provides oversight of corporate governance matters, such as director independence and director succession planning to ensure overall Board effectiveness.
Safety, Environmental and Regulatory Compliance	Provides oversight responsibility for the review of programs, procedures, initiatives and training related to safety, environmental and regulatory compliance for the Company's domestic and international business units, as well as the review of policies and programs to promote cyber security and to mitigate cyber security risks.

Governance

Enterprise Risk Management

The business case to develop a focused ESG agenda and integrate it into a company's culture can hardly be debated. ESG initiatives have gained enhanced visibility among the various stakeholders of our Company. Enterprise Risk Management (ERM) at UGI takes a holistic view on top level enterprise risks and the various risk drivers and focuses on building an integrated risk framework that is aligned with each of its business unit's (BU) objectives. This approach helps UGI to identify risks appropriately with ESG related focus areas, particularly those related to safety and operations. ERM has oversight on how each BU proactively drives towards better control strategies and mitigation action plans, while taking into account ESG-related risk impacts, particularly safety and operational risks. Overall, as the ERM process at UGI continues to mature, the goal is to integrate sustainability into the Company's ERM program and initiatives.

ERM at UGI has created a framework that focuses on governance, internal oversight and ongoing dialogue with UGI executive leadership through the Corporate Risk Committee, BU level leadership through the applicable BU level Risk Management Committee, as well as the Board of Directors through the Audit Committee and the Safety, Environmental, Regulatory Committee. ERM presents periodically to these committees on enterprise level risks, some of which overlap with ESG-related focus areas. The Board level engagement and oversight of the ERM process at UGI also ensures a transparent directive to address top level enterprise risks as well as strengthens governance, oversight and highlights any risk-related challenges that need to be addressed.

ESG Governance

ESG is currently governed by the Safety, Environmental, and Regulatory Compliance (SERC) Committee of UGI's Board of Directors. Leaders at each BU are responsible for the implementation of ESG initiatives. ESG reporting is managed by UGI's Investor Relations team and includes representatives from each of the four BUs as well as UGI's legal, human resources, and enterprise risk management teams.

The SERC Committee receives updates on ESG-related matters at least quarterly. The Committee performs the following responsibilities, which are outlined in the Committee's Charter:

- review the adequacy of, and provides oversight with respect to, the Company's safety, environmental and regulatory compliance policies, programs, procedures, initiatives and training
- review operational risks associated with the Company's businesses
- review the Company's policies and programs to promote cyber security and to mitigate cyber security risks
- review reports regarding the Company's code of ethical conduct for employees to the extent relating to safety, environmental and regulatory compliance matters
- keep abreast of the regulatory environment within which the Company operates.

In addition, the Committee provides periodic reports to the Board of Directors.

Additional Information

UGI Corporation's positions on governance and ethics, as well as our approaches to (i) managing legal and regulatory compliance, (ii) setting and communicating standards of conduct, (iii) providing mechanisms to report concerns about ethics and suspected incidents of misconduct, and (iv) preventing, managing and responding to cybersecurity threats are discussed in various of its public disclosures, all of which can be found on the Company's website.



[2018 Annual Report on Form 10-K, filed with the Securities and Exchange Commission](#)



[Notice of Annual Meeting and Proxy Statement](#)



[Principles of Corporate Governance](#)



[Charter of the Audit Committee of the Board of Directors](#)



[Charter of the Compensation & Management Development Committee of the Board of Directors](#)



[Charter of the Corporate Governance Committee of the Board of Directors](#)



[Charter of the Safety, Environmental and Regulatory Compliance Committee of the Board of Directors](#)



[Code of Business Conduct and Ethics for Directors, Officers and Employees of UGI Corporation, its subsidiaries and affiliates](#)



[Code of Ethics for Chief Executive Officer and Senior Financial Officers](#)

ISS GOVERNANCE QUALITYSCORE

ISS Governance QualityScore uses a numeric, decile-based score that indicates a company's governance risk across four categories. For additional information about the QualityScore and the underlying methodology please use the following link, www.issgovernance.com/esg/rankings.

ISS QualityScore
GOVERNANCE

Highest Rating By
INSTITUTIONAL SHAREHOLDER SERVICES



Governance

Board of Directors



Marvin O. Schlanger

Non-Executive Chairman, Director since 1998

Mr. Schlanger serves as the Company's Chairman of the Board (since January 2016). He is a Principal in the firm of Cherry Hill Chemical Investments, L.L.C. (a management services and capital firm for chemical and allied industries) (since 1998). Mr. Schlanger served as Chief Executive Officer of CEVA Holdings BV and CEVA Holdings, LLC, an international logistics supplier (2012 to 2013). Mr. Schlanger is currently a director of AmeriGas Propane, Inc., and UGI Utilities, Inc., both of which are subsidiaries of UGI Corporation. He is also a director of Hexion, Inc. Mr. Schlanger serves on the advisory board of the Kleinman Center for Energy Policy at the University of Pennsylvania. He previously served as a director of CEVA Holdings, LLC (2009 to 2018) and CEVA Group, plc (2009 to 2018).



John L. Walsh

Director since 2005

Mr. Walsh is a Director and President (since 2005) and Chief Executive Officer (since 2013) of UGI Corporation. In addition, Mr. Walsh serves as a Director (since 2005) and Chairman of the Board of AmeriGas Propane, Inc. (since 2016) where he had served as a director and vice chairman since 2005. He also serves as a Director and Vice Chairman of UGI Utilities, Inc. (since 2005). Both AmeriGas Propane, Inc. and UGI Utilities, Inc. are subsidiaries of UGI Corporation. Mr. Walsh served as Chief Operating Officer of UGI Corporation (2005 to 2013) and as President and Chief Executive Officer of UGI Utilities, Inc. (2009 to 2011). Previously, Mr. Walsh was the Chief Executive of the Industrial and Special Products division of the BOC Group plc (an industrial gases company), a position he assumed in 2001. He was an Executive Director of BOC (2001 to 2005), having joined BOC in 1986 as Vice President – Special Gases and having held various senior management positions in BOC, including President of Process Gas Solutions, North America (2000 to 2001) and President of BOC Process Plants (1996 to

2000). Mr. Walsh also serves as Director at Main Line Health, Inc., the United Way of Greater Philadelphia and Southern New Jersey, the World Affairs Council of Philadelphia, the Greater Philadelphia Chamber of Commerce, the Satell Institute, and the Philadelphia Zoo, and as Trustee at the Saint Columbkille Partnership School.

“We seek to live our values every day in order to maintain the highest level of integrity throughout our businesses.”

— John Walsh, *President & CEO, UGI Corporation*

M. Shawn Bort

Director since 2009

Ms. Bort retired in 2015 as Senior Vice President, Finance of Saint-Gobain Corporation, the North American business of Compagnie de Saint-Gobain (a global manufacturer and distributor of flat glass, building products, glass containers and high performance materials) (2006 to 2015). Ms. Bort was formerly Vice President, Finance (2005 to 2006) and Vice President, Internal Control Services (2002 to 2005) of Saint-Gobain. Prior to joining Saint-Gobain, she was a partner with PricewaterhouseCoopers LLP, a public accounting firm (1997 to 2002), having joined Price Waterhouse in 1984. Ms. Bort also serves as a Director of UGI Utilities, Inc., a subsidiary of the Company.



Theodore A. Dosch

Director since 2017

Mr. Dosch is Executive Vice President of Finance and Chief Financial Officer of Anixter International Inc. (a leading global distributor of network & security solutions, electrical & electronic solutions and utility power solutions) (since 2011). He previously served as Anixter International's Senior Vice President, Global Finance (2009 to 2011). Prior to joining Anixter International, Mr. Dosch held a number of executive positions with Whirlpool Corporation, including CFO – North America and Vice President of Maytag Integration (2006 to 2008), Corporate Controller (2004 to 2006) and CFO – North America (1999 to 2004). Mr. Dosch also serves as a Director of UGI Utilities, Inc., a subsidiary of the Company.



Richard W. Gochnauer

Director since 2011

Mr. Gochnauer retired in May 2011 as Chief Executive Officer and Director of United Stationers, Inc. (a wholesale distributor of business products) (2002 to 2011). He previously served as President and Chief Operating Officer and Vice Chairman and President, International, of Golden State Foods Corporation (a diversified international supplier to the food service industry) (1994 to 2002). Mr. Gochnauer also serves as a Director of AmerisourceBergen Corporation (a wholesale distributor of business products in the U.S. and internationally), Golden State Foods Corporation, UGI Utilities, Inc., a subsidiary of the Company, and Vodori (a private marketing solutions company).



Governance



Alan N. Harris

Director since 2018

Mr. Harris retired in January 2015 from Spectra Energy Corporation where he served in multiple roles since 2007, including as Senior Advisor to the Chairman, President and Chief Executive Officer (January 2014 to January 2015), Chief Development Officer and Chief Operations Officer (2008 to 2014) and Chief Development Officer (2007 to 2008). Prior to Spectra Energy Corporation's spin-off from Duke Energy Gas Transmission, Mr. Harris held various positions of increasing responsibility at Duke Energy, including Group Vice President, Chief Financial Officer (2004 to 2006), Executive Vice President (2003 to 2004), Senior Vice President, Strategic Development and Planning (2002 to 2003), Vice President, Controller, Treasurer, Strategic Planning (2000 to 2002) and Vice President, Controller, Strategic Planning (1999 to 2000). Mr. Harris currently serves as a Director of Enable Midstream Partners, LP and UGI Utilities, Inc., a subsidiary of the Company.



Frank S. Hermance

Director since 2011

Mr. Hermance is the retired Chairman (2001 to 2017) and Chief Executive Officer (1999 to 2016) of AMETEK, Inc. (a global manufacturer of electronic instruments and electromechanical devices). He previously served as AMETEK's President and Chief Operating Officer (1996 to 1999). Mr. Hermance also serves as a Director of AmeriGas Propane, Inc. and UGI Utilities, Inc., both of which are subsidiaries of the Company, as Director Emeritus of the Greater Philadelphia Alliance for Capital and Technologies, as Vice Chairman of the World Affairs Council of Philadelphia, and as an advisory board member at American Securities LLP (a private equity firm). He previously served as a member of the Board of Trustees of the Rochester Institute of Technology (until November 2016).



Anne Pol

Director 1993 through 1997 and since 1999

Mrs. Pol retired in 2005 as President and Chief Operating Officer of Trex Enterprises Corporation (a high-technology research and development company), a position she had held since 2001. She previously served as Senior Vice President (1998 to 2001) and Vice President (1996 to 1998) of Thermo Electron Corporation (an environmental monitoring and analytical instruments company and a major producer of recycling equipment, biomedical products and alternative energy systems). Mrs. Pol also served as President of Pitney Bowes Shipping and Weighing Systems Division, a business unit of Pitney Bowes Inc. (a mailing and related business equipment company) (1993 to 1996); Vice President of New Product Programs in the Mailing Systems Division of Pitney Bowes Inc. (1991 to 1993); and Vice President of Manufacturing Operations in the Mailing Systems Division of Pitney Bowes Inc. (1990 to 1991). Mrs. Pol also serves as a Director of UGI Utilities, Inc. and AmeriGas Propane, Inc., both of which are subsidiaries of UGI Corporation.

Kelly A. Romano

Director since 2019

Ms. Romano is the Founder and Chief Executive Officer of BlueRipple Capital, LLC, a consultancy firm focused on strategy, acquisitions, deal structure, and channel development for high technology companies. Ms. Romano retired from United Technologies Corporation (a diversified company that provides high technology products and services to the building and aerospace industries) in 2016 after serving in various positions of increasing responsibility since 1984. From 1993 to 2016, Ms. Romano held a number of senior executive positions at United Technologies Corporation, including President, Intelligent Building Technologies, Building Systems & Services (2014 to 2016), Corporate Vice President, Business Development, UTC Corporate Headquarters (2012 to 2014), President, Global Security Products, UTC Fire & Security (2011 to 2012), Senior Vice President, Global Sales & Marketing, UTC Fire & Security (2010 to 2011), and President, Building Systems & Services, Carrier Corporation (2006 to 2009). Ms. Romano has been an executive advisory board member of Gryphon Investors (a private equity firm focused on middle-market investment opportunities) since 2016; a senior advisory partner of Sand Oak Capital Partners, LLC (a private equity firm focused on investments in industrial and manufacturing companies in the U.S.) since 2016; managing partner of Xinova, LLC (an innovation development and banking firm) since 2016; and a director and co-chair of the Board of Potter Electric Signal (a leading sprinkler monitoring and fire-life safety company) since 2017. Ms. Romano currently serves as a director of Dorman Products, Inc. and as a director of UGI Utilities, Inc., a subsidiary of the Company.



James B. Stallings Jr.

Director since 2015

Mr. Stallings is the Chief Executive Officer of PS27 Ventures, a private investment fund focused on technology companies (since 2013). Mr. Stallings retired from International Business Machines Corporation (IBM) (a global provider of information technology and services) as General Manager of Global Markets, Systems and Technology, a position he had held since 2009. From 2002 to 2009, Mr. Stallings held a number of senior executive leadership positions at IBM in the technology, mainframe, software and intellectual property areas. He was founder, Chairman and CEO of E House (a consumer technology company) from 2000 to 2002. Previously he was Executive Vice President, Physician Sales & Services, Inc. (a medical products supplier) (1996 to 2000). Mr. Stallings currently serves as a director of Fidelity National Information Services Corporation (FIS) (a global provider of banking and payment technology, consulting and outsourcing solutions), Cannae Holdings, Inc. (a principal investment firm) and as a director of UGI Utilities, Inc., a subsidiary of the Company.





Safety

A culture deeply-rooted in safety strives to end each day without injuries or incidents. When your safety culture is strong, you can trust everyone will do the right thing. At UGI, the safety and well-being of our employees, customers, and communities are of the utmost importance.

We continue to build upon our safety culture to ensure everyone's well-being is at the center of what we do and safety remains our top priority. Our four businesses have spent over \$300 million on programs, technology, and training to improve safety throughout our operations over the past five years, exclusive of pipeline replacement and betterment.

We believe safety begins with sound corporate governance and that actions speak louder than words. In Fiscal 2018, UGI tied safety to executive compensation. This modification reinforces our commitment to our employees and holds us accountable to create and operate safe work environments across the organization. Our safety performance is calculated using Occupational Safety and Health Act (OSHA) standards.

UGI's SERC Committee, comprised of five independent members of the Board of Directors, oversees our safety performance, and regularly provides reports to the Board of Directors. Each of our businesses has a safety team that is responsible for overseeing the safety of our operations, instilling our values, and enhancing our safety culture. Our safety teams visit our facilities to ensure compliance, provide safety training, and work with our BUs to develop and implement plans to address relevant risks.

Additionally, our businesses maintain customized emergency response plans for our assets as well as community emergency response plans for first responders in each area. Our safety programs comply with OSHA regulations and industry-specific regulations.

Our teams continue to improve achievement of their safety metrics, but we remain focused on increasing the rate of improvement. UGI wants to be regarded as best-in-class in terms of safety performance. We have engaged consultants and implemented new software platforms to enhance our ability to analyze safety data, identify trends, and make necessary adjustments to our safety programs. One area we have targeted for improvement is preventable motor vehicle incidents. UGI businesses drive over 205 million miles per year, and our ambition is to achieve zero incidents. In addition to safety, miles driven provides an environmental opportunity as we continue to focus on route optimization and fleet conversions, which is addressed elsewhere in this report. We will not waver from this mindset as we are committed to continuous improvement of UGI's safety culture.

For the fiscal year ended September 30, 2018.

Natural Gas

UGI Utilities and UGI Energy Services

Indicator	2017	2018
Total Recordable Injury Rate ¹	2.85	2.39
Lost time injury rate	0.89	0.96
Number of Fatalities	1	0

Global LPG

AmeriGas and UGI International

Indicator	2017	2018
Total Recordable Injury Rate ¹	4.38	3.73
Lost time injury rate	1.72	1.64
Number of Fatalities	1	1

¹Calculated per OSHA formula



Pictured above is a leak check training at AmeriGas' Kokomo, IN Training Center.



Environment

At UGI, we emphasize the importance of reducing our environmental impact and encouraging conservation and energy efficiency.

Our approach to climate change

UGI understands that climate change is a challenge that we must address today in order to create a more sustainable future for our customers, employees, investors and the communities we serve. Our teams work to meet this challenge through a three-step approach: reducing our emissions, reducing our customers' emissions and investing in alternatives.

Reducing Our Emissions

Managing our emissions not only plays a key role in the long-term sustainability of the Company, but also makes sense in terms of efficiency and safety.

The UGI and AmeriGas headquarters is in Valley Forge, Pennsylvania. The building is LEED certified Silver and is served with 50 kW of power from a roof-mounted solar PV energy system. UGI Utilities recently constructed a new headquarters facility that will utilize co-generation and also be LEED certified. Many of our facilities have been upgraded to LED fixtures and occupancy sensors have been added to help reduce electric usage.

Our AmeriGas team continues to invest in technology to optimize efficiency. **Over the past two years, AmeriGas has eliminated an estimated 5.4 million miles driven – an almost 4% reduction in total miles. As another measure of efficiency, AmeriGas tracks miles per stop, which improved 7% in FY17 and an additional 3% in FY18.** This technology is currently being applied to the service fleet at AmeriGas and at UGI International.

Both our LPG and Natural Gas businesses are incorporating new technology into our fleets. AmeriGas has converted 225 trucks to propane-powered engines, which reduces GHG emissions by approximately 13%. UGI Utilities is also converting its fleet to cleaner CNG vehicles. By the end of Fiscal 2019, we expect CNG vehicles to account for 12% of the UGI Utilities fleet.

Scope 1 Emissions¹

UGI Utilities

The increase in Scope 1 Emissions is attributable to larger volumes of gas utilized by the system. The CO₂ equivalent emission rate as a percentage of throughput is down 16% versus last year.

Indicator Greenhouse Gas Emissions	2017 Results in Metric tons of CO ₂ equivalent	2018 Results in Metric tons of CO ₂ equivalent
Scope 1 Direct Emissions	318,053	327,358
Subpart W Leaks and Population Counts	176,176	162,178
Fleet Vehicle Sources	8,694	8,086
Operational Combustion Sources – Boilers, Heaters, and Emergency Generators	133,183	157,094

Energy Services

Indicator Greenhouse Gas Emissions	2017 Results in Metric tons of CO ₂ equivalent	2018 Results in Metric tons of CO ₂ equivalent
Scope 1 Direct Emissions	276,301	267,737

Scope 2 Emissions

UGI Utilities

Indicator	Reporting Unit	2017 Results	2018 Results
Scope 2 (indirect) greenhouse gas emissions	Metric tons of CO ₂ equivalent	399	392
	Electricity usage only (kWh/year)	974,759	967,435

Efforts will be made to calculate emissions for AmeriGas and UGI International for future reports.

¹ Data derived from UGI Utilities and UGI Energy Services operations

Environment

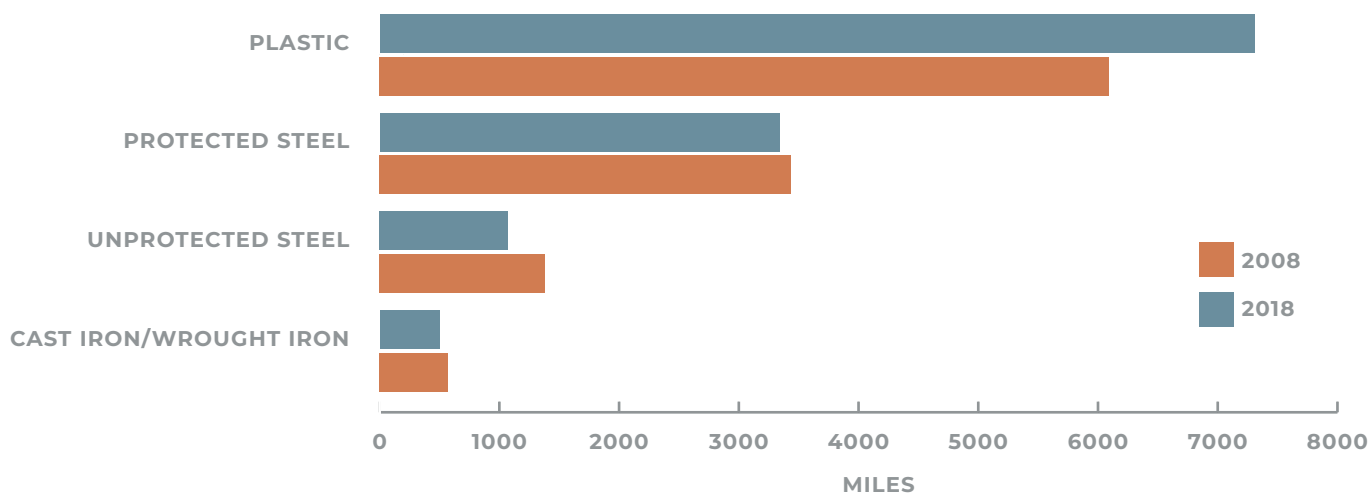
Methane Emissions – UGI Utilities

Increasingly, methane emissions have been a concern of both UGI and our stakeholders. **We take this concern seriously and continue to work towards more efficient methane management. As such, UGI is a partner in the EPA's Natural Gas STAR and Methane Challenge programs.** Participation in these programs signals a commitment to reduce methane emissions and furthers our goal to be a more efficient natural gas distribution company. Currently, we have the highest proportion of contemporary mains (less likely to leak) in the Commonwealth of Pennsylvania – nearly 90%. Outlined below are a few key data points as well as information on our Leak Detection and Repair methodology. Additionally, we will begin tracking data relating to the volume of transmission pipeline blowdown beginning in Fiscal 2019 and report both on our website and in future reports. A blowdown generally refers to the gas emitted from a system as pressure is released from a pipeline to ensure that maintenance, testing, etc. can be performed safely.

Pipeline R&B, Leak Detection, and Repair – Utilities

Pipeline replacement commitments

- Replace all cast iron pipes by 2027
- Replace all bare steel pipes by 2041
- Our rate of replacement is roughly 64 miles per year
- **Replacement of the cast iron and bare steel pipes is projected to reduce current emissions by a minimum of 80% by 2041**



642,000 customers

161,975 metric tons of fugitive methane emissions from distributed operations

0.000596% CO₂ equivalent Emission Rate as a percentage of throughput

271 billion cubic feet (bcf) of natural gas distribution throughput

~12,000 miles of main in service

305 miles of transmission pipeline operated

Leak detection and repair

Our team has procedures in place directed at minimizing risks by proactive detection of leaks throughout our 12,300 miles of gas mains. Our procedures comply with and, in many cases, exceed federal and state requirements. Primarily, we utilize flame ionization, optical methane detection, infrared detection, and laser detection for leak surveys, but we regularly evaluate new technology to better support the safety and efficiency of our system.

The frequency of surveys on our system varies and depends on a number of factors. These factors include the facility and the material of the pipe.

Leak repair timelines vary and depend largely on the classification of the leak. The classifications are based on safety, not GHG impact. Leaks, and repair timelines, are classified as follows:

A Leak	An underground leak that is non-hazardous at the time of detection and can be reasonably expected to remain non-hazardous.
	Repair – No required repair time line, but must be resurveyed within 15 months of the original finding “A” leaks have decreased nearly 4% over the last five years (2013-2018)
B Leak	An underground leak that is recognized as being non-hazardous at the time of detection, but justifies a scheduled repair based on probable future hazard.
	Repair – Must be resurveyed within 7.5 months of the original finding, and must be repaired within 15 months of original finding “B” leaks decreased over 75% over the last five years (2013-2018)
C Leak	An underground leak that represents an existing or probable hazard to persons or property, and requires immediate repair or continuous action until the conditions are no longer hazardous.
	Repair – Must be repaired immediately Zero inventory of “C” leaks; occurrences trending downward over time

The method of repair depends on the material, pressure, and the nature of the leak. Our repair methods include cut-out and replacement, leak clamp installations, and repair sleeve installations.

Environment

Air Quality¹

Not only is air quality an important contributor to climate change, it impacts our relationship with the communities in which we operate. All of our facilities with air permits are operating below our permit limits.

Indicator	2017 in tons	2018 in tons
Nitrogen oxides (NOx)	681.95	561.57
Sulfur oxides (SOx)	5.99	4.70
Persistent organic pollutants (POP)	de minimis	de minimis
Volatile organic compounds (VOC)	54.13	42.58
Hazardous air pollutants (HAP)	114.77	90.13
Particulate matter (PM)	42.48	34.37

THE ENERGY TO DO MORE

SUNBURY PIPELINE

The Sunbury Pipeline provides a great example of converting a coal-fired plant to natural gas.

The Sunbury Pipeline is a 35-mile interstate transmission pipeline, which is owned and operated by UGI Sunbury, LLC, a subsidiary of UGI Energy Services, LLC. The pipeline serves Panda Hummel Station, a state-of-the-art natural gas-fueled power plant at the existing site of the coal-fired Sunbury Generation facility near Shamokin Dam in Snyder County, Pennsylvania, as well as UGI Utilities, a local natural gas distribution company. Natural gas emits half the carbon emissions of coal. **Hummel's plant will not only generate enough electricity to power one million homes, but it will do so by releasing fewer NOx emissions, and virtually no sulfur dioxide, mercury or particulate pollution.**



¹Data from UGI Utilities and UGI Energy Services operations



UGI Utilities and LANta celebrate the opening of LANta's newest CNG fueling station.

Reducing Our Customers' Emissions

Residential/Commercial/Industrial Conversions

UGI is a marketer and distributor of energy products and services. We distribute natural gas and LPG. These two sources are much cleaner than alternatives like coal and heating oil. In terms of power generation, natural gas emits 50% - 60% less carbon dioxide when compared to a typical coal plant. Our teams continue to work with customers and regulators to convert customers to these abundant and reliable energy sources.

UGI Utilities and UGI Energy Services are uniquely positioned on the eastern edge of the Marcellus. The two BUs continue to be significant contributors to the infrastructure build out of this region. The availability of abundant Marcellus gas has fueled rapid growth. Over the past three years our Natural Gas businesses have initiated service to three power generation facilities that generate ~3,400 MW per year – cutting carbon dioxide emissions in half when compared to typical coal-fired plants generating comparable levels of electricity. UGI Utilities has converted 90,000 households to natural gas over the past 10 years. The reduction in GHG emissions is equivalent to removing 103,000 cars from the road, resulting in nearly \$108 million in annual energy cost savings.

UGI Utilities remains committed to providing natural gas to unserved or underserved regions of Pennsylvania. The UGI Growth Extension Tariff (GET) is an innovative pilot program designed to provide natural gas service to regions without access today. The pilot program is available to homeowners and businesses within our gas territory.

UGI UTILITIES IS ABLE TO SOURCE
APPROXIMATELY 90% OF ITS
NATURAL GAS SUPPLY FROM
ABUNDANT SOURCES
IN THE MARCELLUS.

*On average, our customers are
paying less now than they did in 2008.*

Fleet Conversions

The AmeriGas team has been working with customers to deploy more propane fleets as an alternative to diesel. One area of considerable growth is school bus fleets, but AmeriGas has also experienced growth in nationwide fleets, forklifts, and lawnmowers. Autogas gallons increased 13% in FY18 versus FY17.

The demand for CNG has also been increasing. Like propane, CNG burns more cleanly than diesel and can reduce emissions by as much as 90%. Our Energy Services and Utilities teams have been working with customers to convert truck fleets to cleaner burning and abundant CNG.

UGI Utilities fuels the Lehigh and Northampton Transportation Authority (LANta) natural gas bus fleet, which is expected to have 34 CNG buses by the end of 2019.

Environment

Energy Efficiency Programs

UGI Utilities offers a variety of energy efficiency programs to residential and commercial electric and gas customers. **The EE&C Plans were designed to encourage customers to install high efficiency appliances (Energy Star Rated) over less expensive, standard efficiency appliances by providing incentives to offset the incremental equipment cost.** Over the past 15 years (on a weather-adjusted basis), average residential customer consumption has declined by nearly 10% due to customer demand for enhanced efficiency and programs that support that demand.

By participating in these programs, customers receive the benefits of saving energy and money, in the form of a rebate for the equipment installation, and lower utility bills. In total, over 600,000 customers have access to the Company's energy efficiency and conservation programs. Residential customers are eligible for rebates up to \$2,000 and a few commercial customers have received rebates in excess of \$100,000, which enabled them to make further investments in their facilities.

Over the past two years, the **UGI Save Smart Energy Efficiency Rebate Program is responsible for saving 192,831 MCF of natural gas, which resulted in 10,602 metric tons of carbon not entering the atmosphere.** One particular project for a small business customer resulted in a \$51,000 rebate, substantial energy savings, and the receipt of the National Green Building Council Small Business Project of the Year award in 2017.

UGI International also offers a range of financial incentives for individuals and businesses that are interested in energy savings projects such as condensating boilers, insulation, and more efficient appliances.

Investing in Alternatives



Solar

17,000MWh generated in FY18; additionally, we completed more than 110 projects to plan and install approximately 30,000 solar panels on behalf of our customers; UGI and AmeriGas headquarters is served with 50 kW of power from a roof mounted solar PV energy system



Landfill Gas Recovery

Methane and landfill gas consumption at Broad Mountain generation facility is about one million Dth per year, enough Dth to heat 10,000 homes



Combined Heating and Power (CHP)

In FY18, 26 Combined Heating and Power customers totaling 170 MW; six new projects underway



Compressed Natural Gas (CNG)

Currently operate 10 public CNG facilities



Bio-LPG

UGI International (North region) is supplementing supply portfolio with Bio-LPG; proportion of Bio-LPG is expected to grow over the next 10 years



Energy Marketing in Europe

In 2017, we acquired DVEP, a Netherlands based gas and electricity marketer, which marketed 2.4 Twh from renewable energy sources in FY18; enough to power 240,000 homes

Water Management

While UGI does not use a significant amount of water resources in our regular business activities, we recognize the importance of maintaining water quality. Water analysis is an important aspect of UGI Utilities' gas main construction. We conduct engineering analyses as part of our pipeline design to assess potential discharges to waterways. Through those efforts, we identify best practice management strategies for mitigating potential discharges. We include these practices in our plans and permits so that they are employed during the construction phase. This includes engineering analysis of horizontal drills below waterways to assess potential inadvertent returns to those waters, and implementation of engineering controls during the drilling operations to prevent and contain any inadvertent returns that may occur. Additionally, we comply with all necessary regulations, including the Clean Water Act. Recently, our Energy Services business completed pipeline construction in the Susquehanna River Basin. The activities associated with that construction were deemed water-use neutral from a consumption perspective under the Susquehanna River Basin Commission regulations.

Recognition

The Environmental Champion designation is based on data collected in our *Utility Trusted Brand & Customer Engagement: Residential* study. It's a quarterly web-based study that covers a broad set of customer experience topics including environmental perceptions.



THE ENERGY TO DO MORE GOODPLANET FOUNDATION

For the past 10 years, Antargaz Finagaz has supported the GoodPlanet Foundation in developing ecological farming projects in France. After supporting an afforestation project to protect water abstraction in Brittany, and agro-forestry projects in the Pas-de-Calais and in the Adour-Garonne basin, Antargaz Finagaz is continuing its contribution to the GoodPlanet Foundation by supporting a sustainable farming project in the Occitanie and Provence-Alpes-Côte d'Azur (PACA) regions.

Fragile, subject to erosion, poor in organic matter, and with limited access to water, Mediterranean soils are increasingly subject to severe weather conditions, while the farmers who work with them try to implement and emphasize practices that safeguard this essential resource.

In particular, several groups of producers of the Occitanie and PACA regions have, for several years, been questioning the traditional crop-growing systems in areas where access to organic material – from livestock, in particular – is limited.

This project aims to allow the emergence, implementation and dissemination of technical and organizational solutions for better preservation of the fertility of the soils and greater autonomy of the farms of the Mediterranean area.

The 3-year project will benefit 50 farmers and lead to the recycling of 20,000 tons of green waste.

FONDATION
GOODPLANET



Employees

More than 13,000 men and women provide the foundation to support our mission to be the preeminent energy distribution company in our targeted markets. Our teams have a celebrated history of providing excellent customer service, reliability, and innovation to support the future growth of the business.

To be consistent with UGI's values, we have had a robust strategy to increase representation of women and minorities for many years. In 2017, UGI added additional resources in support of talent acquisition and professional growth and development of all employees at UGI. These new additions to the Human Resources team enable UGI to better identify, target and source female and minority talent and provide additional professional development programs.

Benefits

UGI believes that competitive benefits support retention and overall employee satisfaction. We provide our employees the opportunity to enroll in an array of benefits, participate in programs and services that support healthy lifestyles, build financial security and help them to live well-balanced lives. Benefits for domestic employees include:

- Medical and Prescription Drug Plans
- Dental Plans
- Vision Plans
- Flexible Spending Accounts
- Employee Assistance Programs
- Basic Group Term Life Insurance
- Voluntary Employee Life and Accidental Death & Dismemberment (AD&D) Insurance
- Voluntary Dependent Life and AD&D Insurance
- Disability Insurance (Short and Long-term)
- Long-term Care Insurance
- 401k Retirement Savings Plans
- Parental leave (gender neutral)
- Paid Time Off (vacation, personal days and holidays)

Training and Development

Training our employees and developing talent is critical to the ongoing success of UGI. We continue to invest in our employees to ensure a robust pipeline of functional experts and to develop the leaders of tomorrow. Examples of training and development programs include:

UGI University

UGI University is a leadership development program for emerging leaders across all domestic and international business units. In addition to completing personal assessments and leadership and team effectiveness training; participants engage directly with the executive leaders of each business, gaining a broader understanding of UGI and the stakeholders it serves.

UGI Academy

UGI Academy is a leadership development program that provides UGI International's emerging leaders an opportunity to learn more about UGI Corporation, our culture, values and strategic direction. Participants engage in self-assessments, meet colleagues from across the business, engage with the UGI executive management team and sharpen skills that will equip them for future success.

AmeriGas Accelerated Leadership program (ALP)

The ALP establishes key leadership competencies, behavioral traits and skills required to be an effective field Area Director. This competitive program runs for a full year, with participants completing a series of training experiences, job shadowing, and completion of a detailed development plan to ensure their readiness for the next District Manager opportunity.

MBA Leadership Development Program (LDP)

The MBA LDP recruits graduates of top-ranked business schools to develop into future senior leaders through challenging assignments across all business units and a variety of functional areas. These individuals work with the most senior leaders at UGI, driving business results as they are growing their expertise and understanding of the broader objectives of UGI.

Learning Management System (LMS)

Through our recently implemented LMS, all employees will have access to functional skill training, technical and interpersonal effectiveness resources, webinars and other targeted resources to support their unique growth areas.

Diversity

Promoting a culture that supports diversity and inclusion is essential to any organization. A diverse workforce promotes different perspectives and ideas, fosters greater creativity, and improves business results. Creating a diverse workforce also ensures broader access to a pipeline of talented potential employees. UGI has continued to increase its focus on representation of women and minorities across our businesses with a goal of having our workforce represent the communities in which we operate.

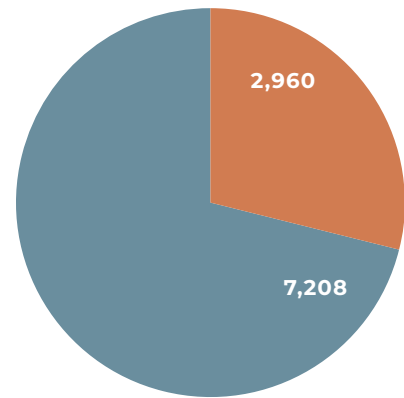
We also have striven to promote diversity on our Board of Directors and in leadership roles at the Company. The success of our efforts is demonstrated by comparing our Board structure to the S&P 500; **currently, UGI's Board of Directors is 30% female compared to only 21% for S&P 500 companies.**

Our teams work with organizations such as:

- Pennsylvania Economic Development Council's Hire One initiative
- Main Line Chamber of Commerce's Society of Professional Women
- Franklin Institute's STEM Program
- POWER of Professional Women initiative, hosting onsite Mentee Circles and access to highly rated seminars and workshops in the region
- The Leaders Edge EXCEL program for emerging women leaders

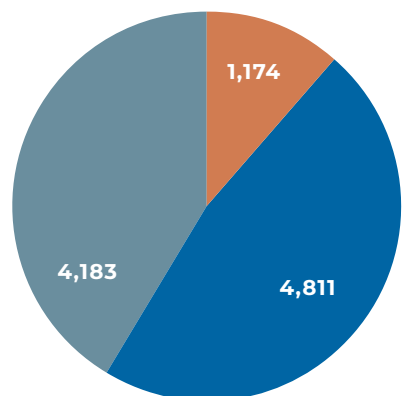
In addition, AmeriGas Women's Impact Network (WIN) provides programs and resources that support women in their success; 300 women at all levels across nine chapters engage in development circles, training events and community engagement.

DOMESTIC EMPLOYEES



■ FEMALE EMPLOYEES
■ MALE EMPLOYEES

DOMESTIC EMPLOYEES



■ EMPLOYEES AGED <30
■ EMPLOYEES AGED >50
■ EMPLOYEES AGED 30-50

THE ENERGY TO DO MORE

EMPLOYING VETERANS



UGI believes that veterans play a vital role in building a diverse and innovative workplace. Military veterans and Reserve and National Guard members are valued members of UGI's workforce. The Veteran Employee Team (VET) works to provide career opportunities to military men and women.

VET includes United States veterans of the Army, Navy, Marines, Coast Guard and Air Force from across UGI and AmeriGas.

The team aims to establish national capabilities and support local efforts through:

- Recruiting and retaining veterans
- Creating growth and goodwill in our communities and with our customers

VET is taking steps to make the transition from service to the civilian workforce smoother. We recently created a website to provide support in the process with financial planning, resume writing and interview tips. The team is looking to expand its role and align with a national organization in 2019.



Customers

Our customers and safety are at the core of everything we do. We strive to deliver safe and reliable energy while promoting a stress-free engagement experience. We are working hard across our businesses to enhance the customer experience and achieve our goal of delighting the customer.

Our four businesses continue to develop innovative ways to ensure our customers are satisfied and that we are widely known as a company that is easy to do business with. We strive to be best-in-class in terms of reliability, service, and customer engagement. UGI is committed to improving the experience for each of our nearly 3 million customers.

Satisfaction

UGI believes that customer feedback provides insight into our operations and can alert us to areas for improvement. Our teams gather feedback through customer service lines, direct mail, telephone, email, and online surveys, and may use independent research firms to compile results. Customer satisfaction performance metrics are shared monthly with our operations teams as well as senior leaders across the organization. The metrics vary slightly across businesses, but we measure customer experience primarily through:

- Reliability of customer deliveries
- Responsiveness to phone calls
- Customer retention and loyalty
- Our availability
- Variety and ease of channels available for our customers to conduct business

UGI Energy Services

UGI Energy Services does not have a formalized customer satisfaction program across its business. Currently the business uses its strong customer renewal rate as a proxy for overall customer satisfaction. The heating, ventilation and air conditioning (HVAC) division of the business has the most interaction with individual customers and needs to be as responsive as possible. Our team fielded ~160,000 feedback calls last year. HVAC uses independent third parties to track customer satisfaction and to verify customer service and new installation customers. The findings are as follows:



290 Installation Surveys

96.9%

would recommend to
friends/colleagues

Our team followed up with nine customers who rated us "would not recommend" to resolve any issues



2,615 Service Work Surveys

96.5%

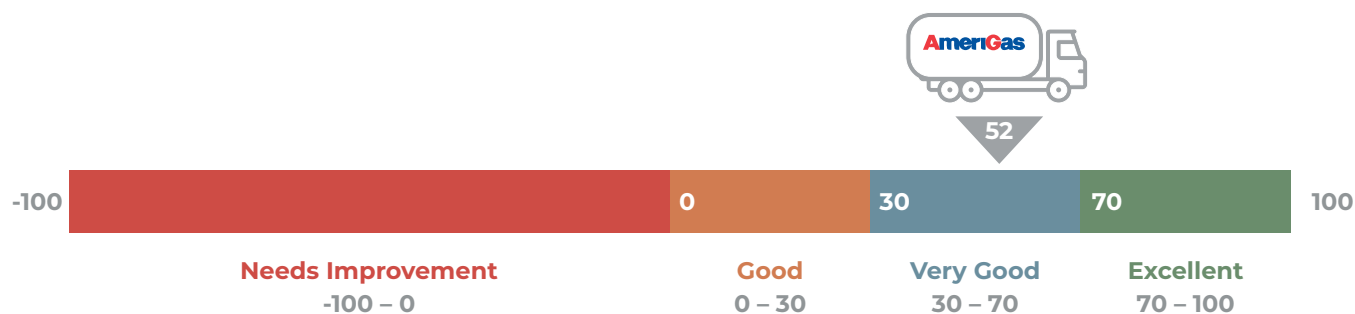
would recommend to
friends/colleagues

Our team followed up with 92 customers who rated us "would not recommend" to resolve any issues

AmeriGas

AmeriGas monitors customer experience through a Net Promoter Score (NPS). We are very proud of our 2018 NPS of 52. This puts us in the ranks of some of the top-ranking service providers in a variety of industries.

AmeriGas' local managers and customer service representatives review customer feedback daily and reach out to customers regularly to ensure customers are receiving their expected level of service. NPS is a focus for all AmeriGas employees in the organization from the front lines to the CEO.



Customers

UGI International

UGI International is in the process of adopting the NPS metrics used by AmeriGas. AmeriGas monitors customer satisfaction through a satisfaction survey conducted by a third-party resource. The French operation of UGI International currently measures certain aspects of the customer experience including:



Deliveries:

95%

satisfaction
rate



Tank:

94%

satisfaction
rate



Call Center:

92%

satisfaction
rate



Orders:

92%

satisfaction
rate

Last year, **92%** of our customers in France identified themselves as loyal to Antargaz Finagaz

UGI Utilities

UGI Utilities gauges customer satisfaction through the JD Power survey. JD Power measures customer sentiment on six drivers of utility satisfaction and benchmarks that performance against other utilities of the same size and geographic location.

A cross-functional team meets periodically to review quarterly survey data and prioritize initiatives that will enhance the customer experience with UGI Utilities.

Electric Reliability

For our businesses, service reliability is generally tied to overall customer satisfaction, but for our Electric customers, it is something we measure directly. Service reliability declined in FY18 versus FY17 due to several specific weather-related events and overall poor (wet) weather conditions during the second half of the year. Our team is committed to reverse these trends and has several enhancements underway to improve overall system reliability and the customer experience.

Indicator	Unit	2017	2018
Power outage frequency ¹	Frequency Rate	0.42	1.21
Average power outage duration ²	Time in Minutes	56.66	220.64

¹ Calculated as (number of customer interruptions/number of customers served)

² Calculated as (sum of duration of customer interruptions/number of customers served)

Approved Long-term Infrastructure Improvement Plan (LTIIP) that addresses aging infrastructure including:

- Wood poles
- Underground primary cable and substation transformers
- New tie-lines
- Relocation of off-road right-of-way lines
- Lower voltage conversions
- Enhanced feeder/segmentation/sectionalizing to limit customer outage exposure and duration

Ongoing Distribution Automation program that will replace many of the existing non-monitored field devices with communication enabled devices such as detectors. The purpose of this program is to improve restoration time and limit customer outage minutes.

Enhancing the Customer Experience

We continue to introduce products, services, and programs aimed at improving our relationship with customers. The list below covers a number of new initiatives across our businesses.

UGI Utilities

GET Gas Program

The Utilities Growth Extension Tariff (GET) is an innovative pilot program designed to provide natural gas service to regions currently without access. GET Gas makes extending natural gas utility lines more affordable by allowing customers to pay a monthly surcharge over a 10-year period to cover the cost of the main and service extension rather than making a substantial upfront payment. Because Marcellus gas prices are lower than other fuel sources, customers are able to use a portion of the savings generated from converting to natural gas to significantly offset the surcharge. To date, the Company has invested approximately **\$17 million to extend more than 60 miles of gas mains/utility lines to reach approximately 5,500 properties.**

The Technology and Economic Development (TED) Rider

The TED Rider is a negotiated rider available to non-residential customers to address project-specific economic requirements to support the expansion of new technologies such as CHP and CNG, develop brownfields and support economic development.

Project UNITE

UGI Utilities implemented a new customer information system in 2017. Additional phases of system upgrades are underway to support business needs and continue to improve customer service. Upon completion, our upgraded platform will serve more than 700,000 customers with state-of-the-art technology and on-line service.

Customers

UGI International

CLIP

CLIP is our cross-company project aimed at aligning UGI International with the goal of optimizing customer satisfaction. Since its inception in May 2017, over 90 CLIP meetings have been held, and UGI International has implemented 150 action plans with goals ranging from streamlining our customer-facing processes to ensuring timely responses to customers.

UGI International has a rich history of acquisition and integration. CLIP has played a prominent role in ensuring our customer-first mentality is adopted by newly-acquired companies.



AmeriGas and UGI Energy Services

Websites and Customer Portals

AmeriGas and Energy Services have made enhancements to their customer interface platforms in recent years. Energy Services launched a new, user-friendly website to their small commercial and residential customers in 2018. The website gives customers the ability to renew online, access energy saving tips and education about shopping for competitively priced natural gas and electric supply. For medium/large commercial customers, Energy Services developed an internal Enrollment Dashboard that measures enrollment activity, initiates proactive communications during extreme cold regarding price volatility, and presents communication tools to relay market data to customers so they can make better informed decisions.

The AmeriGas team also has made upgrades to customer facing platforms. In addition to enhancing the website, AmeriGas introduced My AmeriGas Customer Portal, which allows customers to order a delivery online, view and pay bills, and review past and scheduled deliveries. The new tool also gives users the ability to live chat with a customer service agent.

All UGI Companies

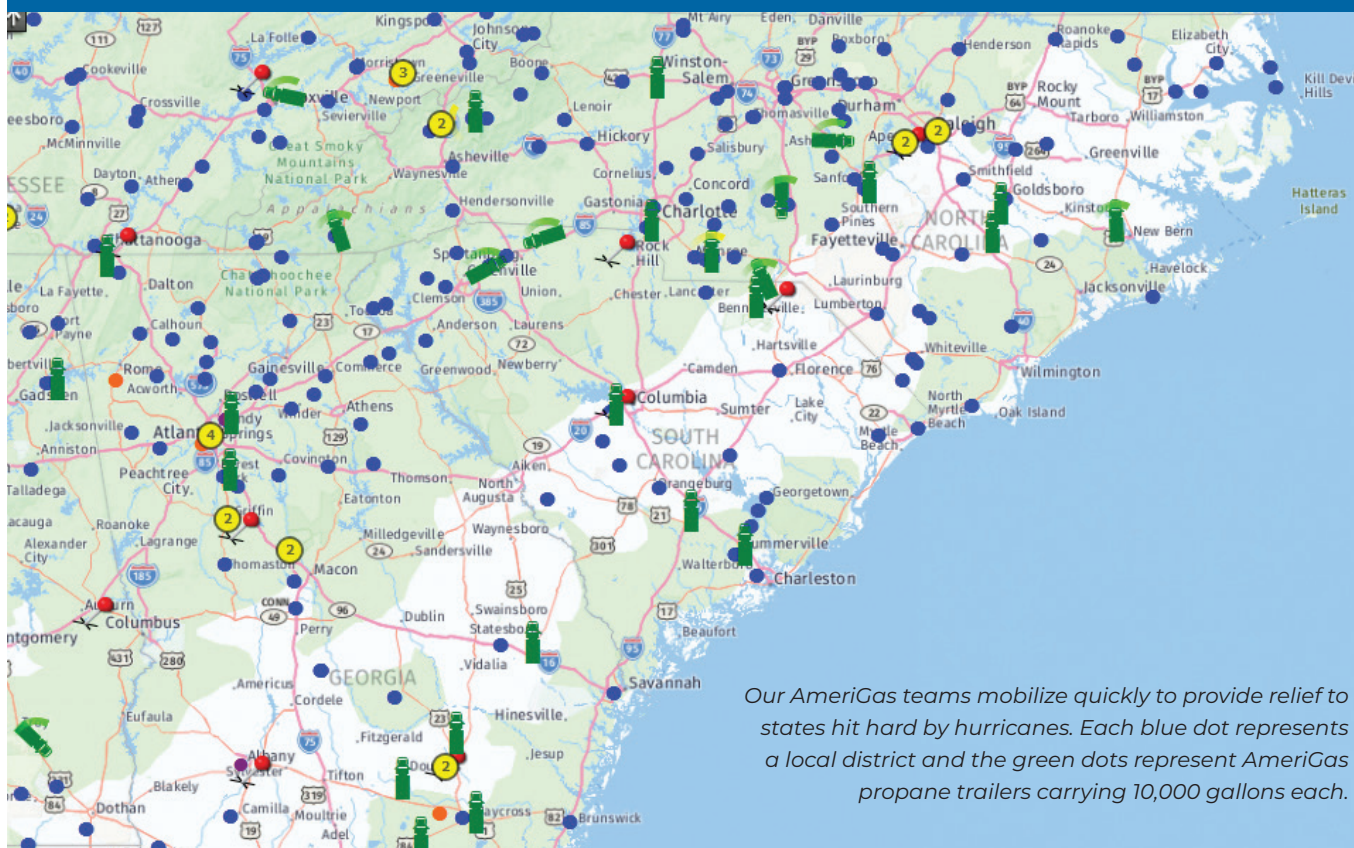
Data Privacy and Data Security Initiatives

UGI recognizes the changing landscape and ever-increasing importance of data protection. UGI is committed to protecting our customers, employees, partners, and clients from damaging acts. Effective security is a team effort involving the participation and support of every UGI user who interacts with data and information systems. Our teams work hard to implement the policies set out in UGI's Comprehensive Information Security Program (CISP).

[For more information on UGI's CISP, please click here.](#)

THE ENERGY TO DO MORE

AMERIGAS TEAM RALLIES IN THE FACE OF EXTREME EVENTS



Our AmeriGas teams mobilize quickly to provide relief to states hit hard by hurricanes. Each blue dot represents a local district and the green dots represent AmeriGas propane trailers carrying 10,000 gallons each.

UGI works hard to ensure reliable supply during extreme events. In 2017, the AmeriGas team faced back-to-back challenges. Hurricane Harvey swept across parts of Texas and Louisiana in August. Just as the region began to recover, Hurricane Irma made landfall in Florida in early September. Our employees in North Carolina, South Carolina and Georgia – many of whom were hurricane victims themselves – put the interests of customers first. 2018 posed similar challenges with Hurricanes Florence and Michael.

Our ability to prepare for disasters and recover from them is unmatched in the propane industry. Exemplary customer service depends on the joint efforts of our teams across the country helping each other and our customers.

AmeriGas' industry-leading logistics network was crucial in providing our customers with propane during the hurricanes. Owning terminals and transports enables us to better support our customers – particularly in trying times. Our supply and logistics team worked with suppliers to obtain supplemental volumes beyond our contractual commitments. Our government affairs team worked with the NPGA to encourage regulators to enact waivers pertaining to hours of service, licensures and permits – all aimed at keeping our customers supplied with propane. AmeriGas also rallied to create backup districts to handle the increased call volume, and our AmeriGas Airborne fleet – a dedicated team that provides extra hands when demand is high – provided necessary support. Our field personnel worked tirelessly to ensure that affected tanks were properly serviced.

This coordinated effort allowed AmeriGas to continue delighting the customer in the face of extreme weather.



Communities

For more than 135 years, UGI and its employees have not only delivered safe and reliable energy, but we have demonstrated an enduring dedication to the quality of life in the cities and towns in which we live and work. UGI believes that the vitality of the communities it serves is critical to its continued success.

A commitment to the community is a core value embraced by UGI and its more than 13,000 employees. Our teams embrace a wide variety of causes including literacy programs, first responders, STEM programs, cancer awareness events, food banks, opioid abuse, veteran affairs, and hunger.

Employees from our businesses actively participate on non-profit boards and committees to ensure that we are effectively contributing to, and understand the needs of, our communities.

In 2018, UGI and its employees donated over \$2 million and 60,000 hours of volunteer time to support causes in our communities. We strive to improve these numbers every year.

The four businesses track efforts in the community at various levels of detail. We plan to standardize our data collection approach in coming reports.



THE ENERGY TO DO MORE MECENAT CARDIAC SURGERY

Our team in France partners with the Mecenat Cardiac Surgery organization to raise money during the Tour de France. The organization provides free surgery to children in emerging countries. For 15 stages, Antargaz commits to offer one euro per one kilometer completed. Antargaz invites nearly 2,000 customers, distributors, and contractors to participate in the fundraiser.

United Way

Across our businesses, we support over 30 local United Way chapters. In 2018, UGI's employees raised nearly \$1 million.



Reading is Fundamental

Reading Is Fundamental (RIF), which began in 1966, is a national model to support early childhood reading. We have been awarded the RIF Legacy of Literacy Award twice and have received local, state and national recognition because of this partnership. In that time, UGI has donated over 1.5 million books to more than 450,000 students. UGI employees have donated tens of thousands of hours of volunteer service and promoted early childhood literacy in more than 50 school districts throughout Pennsylvania, recognizing that literacy is the first step in economic and workforce development. A number of urban school districts purchase books in English and Spanish to aid their ESL students, who then take those books home and teach their parents English. Thus, the UGI-RIF partnership literally spans generations.



American Red Cross

UGI has supported the American Red Cross Home Fire Campaign in eastern and central Pennsylvania since the program's inception in 2014. Employees have installed smoke alarms and helped families develop home fire preparedness plans throughout the state. Nationwide, the campaign has saved more than 330 lives and has installed more than 1.1 million smoke alarms.



Salvation Army

UGI has a long-standing partnership with The Salvation Army that reaches across the company's service area. For example, UGI Utilities employees in multiple offices participate in both the Christmas Angel Tree and the Red Kettle campaigns. In addition, the Customer Outreach Department works with multiple Salvation Army chapters to administer UGI's customer assistance programs to low-income customers. Over the past two years, UGI served as the telethon sponsor and provided volunteer phone operators for WGAL's Coats for Kids campaign, an initiative that works with The Salvation Army to provide new or gently used coats for children in need.



For Here From Here

In 2017, AmeriGas started the "For Here From Here" campaign to address some of the issues that communities throughout America face, such as opioid abuse, hunger, animal welfare, homelessness, veteran affairs, childhood cancer and fire safety. This program continues to allow AmeriGas to be a leader in providing support and assistance in a manner that is meaningful to both our local employees and the community as a whole. [Click here to view a brief video highlighting our efforts.](#)

In 2018, UGI and its employees donated over **\$2 million** and **60,000 hours** of volunteer time to support causes in our communities. We strive to improve these numbers every year.



Conclusion

Thank you for your support and interest in UGI Corporation's first ESG report. We hope you have found the content useful and look forward to sharing our company performance and the impact we have on our communities and the environment in the years to come. We will continually strive to have the **"Energy to Do More."**

Investor Relations

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GRI Table

Table 1 - General disclosures

Disclosure Number	Disclosure Title	Location of Disclosure
1. Organizational profile		
102-1	Name of the organization	UGI Corporation
102-2	Activities, brands, products, and services	Please see <i>Our Business</i>
102-3	Location of headquarters	460 North Gulph Road, King of Prussia, PA 19406
102-4	Location of operations	18 countries. Please see <i>Form 10-K, Part I, Corporate Overview</i> for names of respective countries.
102-5	Ownership and legal form	UGI Corporation (UGI) is a publicly traded company listed on the New York Stock Exchange. UGI, through subsidiaries and affiliates, distributes, stores, transports and markets energy products and related services. Our subsidiaries and affiliates operate principally in the following four business segments: AmeriGas Propane, UGI International, UGI Energy Services, and UGI Utilities. Our business strategy is to grow the business responsibly by focusing on our core competencies. Please see <i>Form 10-K, Part I, Corporate Overview</i>
102-6	Markets served	Please see <i>Our Business</i> Please see <i>Form 10-K, Part I, Corporate Overview</i>
102-7	Scale of the organization	Please see <i>Our Business</i> Please see <i>Employees</i> Please see <i>Form 10-K</i>
102-8	Information on employees and other workers	Please see <i>Diversity</i>
102-9	Supply chain	Please see <i>Form 10-K</i>

Disclosure Number	Disclosure Title	Location of Disclosure
102-10	Significant changes to the organization and its supply chain	Please see <i>Form 10-K</i>
102-11	Precautionary Principle or approach	N/A (Evaluating how Precautionary Principal fits into risk management.)
102-12	External initiatives	Please see <i>Governance</i>
2. Strategy		
102-14	Statement from senior decision-maker	Please see <i>Message from Leadership</i>
102-15	Key impacts, risks, and opportunities	Please see <i>Governance</i>
3. Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Please see <i>Our Vision and Values</i>
102-17	Mechanisms for advice and concerns about ethics	Please see <i>Our Vision and Values and Governance</i>
4. Governance		
102-18	Governance structure	Please see <i>Governance</i>
102-19	Delegating authority	Please see <i>Governance</i>
102-20	Executive-level responsibility for economic, environmental, and social topics	Please see <i>Governance</i>
102-21	Consulting stakeholders on economic, environmental, and social topics	Please see <i>Governance</i>
102-22	Composition of the highest governance body and its committees	Please see <i>Governance</i>
102-23	Chair of the highest governance body	Please see <i>Governance</i>
102-26	Role of highest governance body in setting purpose, values, and strategy	Please See <i>Governance</i>
102-27	Collective knowledge of highest governance body	Please see <i>Governance</i>

Disclosure Number	Disclosure Title	Location of Disclosure
102-28	Evaluating the highest governance body's performance	Please see <i>Governance</i>
102-29	Identifying and managing economic, environmental, and social	Please See <i>Governance</i>
102-30	Effectiveness of risk management processes	Please see <i>Governance</i>
5. Stakeholder Engagement		
102-40	List of stakeholder groups	Please see <i>Materiality Assessment</i>
102-42	Identifying and selecting stakeholders	Please see <i>Materiality Assessment</i>
6. Reporting Practice		
102-45	Entities included in the consolidated financial statements	Please see <i>Form 10-K</i>
102-46	Defining report content and topic Boundaries	Please see <i>Environment</i>
102-47	List of material topics	Please see <i>Materiality Assessment</i>
102-48	Restatements of information	N/A (This is UGI's first sustainability GRI report)
102-49	Changes in reporting	N/A (This is UGI's first sustainability GRI report)
102-50	Reporting period	Please see <i>About this Report</i>
102-51	Date of most recent report	N/A (This is UGI's first sustainability GRI report)
102-53	Contact point for questions regarding the report	Brendan Heck (heckb@ugicorp.com)
102-54	Claims of reporting in accordance with the GRI Standards	Please see <i>About this Report</i>
102-55	GRI content index	This report was informed by the GRI Sustainability Reporting Standards.
102-56	External assurance	No assurance obtained

Table 2 - Topic specific disclosures

Disclosure Number	Disclosure Title	Location of Disclosure
Water and Effluents		
303-1	Interactions with water as a shared resource	Please see <i>Environment</i>
Emissions		
305-1	Direct (Scope 1) GHG emissions	Please see <i>Environment</i>
305-2	Energy indirect (Scope 2) GHG emissions	Please see <i>Environment</i>
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	No significant fines were paid for noncompliance with laws and regulations in 2018.
Employment		
401-1	New employee hires and employee turnover [This Standard includes a Standard Interpretation on how to calculate the rates of new employee hires and employee turnover.]	Please see <i>Employees and Diversity</i>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Please see <i>Employees</i>
Occupational Health and Safety		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Please see <i>Safety</i>
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Please see <i>Diversity</i>
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Please see <i>Communities</i>



ENVIRONMENTAL,
SOCIAL AND GOVERNANCE
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