UGI Corporation Announces Commitment to Reduce Scope I GHG Emissions by 55% by 2025; Establishes Ambitious Safety Goals; and Advances D&I Initiatives

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VALLEY FORGE, Pa.--(BUSINESS WIRE)--May 14, 2021-- UGI Corporation (NYSE: UGI) announced today the release of its third Environmental, Social and Governance ("ESG") report titled, *The Foundation of a Renewable Energy Future*. The ESG report is available on UGI's ESG website at (https://ugiesg.com/sustainability-reports/). The report highlights UGI's commitment to be a leader in the renewable energy space by providing energy solutions that are sustainable, reliable, and affordable. UGI has recently committed to reducing its Scope I (direct) emissions by 55% over the next 5 years[1] on its path to align with international efforts to reduce carbon emissions as outlined in the Paris Climate Accord. UGI will reduce its emissions by investing in infrastructure and technology that lowers methane and greenhouse gas ("GHG") emissions, incorporating low or zero carbon alternatives energy solutions such as compressed natural gas ("CNG"), renewable natural gas ("RNG"), and bio-Gas into our supply portfolio, transitioning our fleet to lower carbon solutions, and the sale of non-core assets such as Conemaugh.

At UGI, safety is not only our top priority, it is one of our core values and a way of life for us. UGI believes the achievement of superior safety performance is an important short- and long-term strategic initiative. We are proud to announce that we have established two safety goals that we will report on annually, as part of our ESG report:

- 35% Reduction in Total Recordable Injuries by 2025[2,3] (Per 200,000 hours; 2017 baseline)
- 50% Reduction in Accountable Vehicle Incidents ("AVI") by 2025 [4, 5,6] (Per 1,000,000 miles; 2017 baseline)

UGI embraces the diversity and uniqueness of individuals and cultures and the varied perspectives they provide. In alignment with UGI's values to promote diversity, the Company recently created the Belonging, Inclusion, Diversity, & Equity ("BIDE") Initiative, which provides the blueprint for achieving greater diversity of gender, race, culture, experience and thought throughout the organization. As part of BIDE, UGI employees established Black Organizational Leadership & Development ("BOLD"), an employee resource group that is focused on inclusion, equity, education, and empowerment for black employees and their allies through professional development opportunities created through mentorships and networking events. We recognize that our success depends upon the commitment and capabilities of a diverse and inclusive workforce, therefore, beginning in Fiscal 2021, UGI will include a diversity and inclusion goal as a component of its executives' target annual bonus award opportunity.

UGI has a long history of strengthening the communities we serve both by providing financial assistance and supporting employee volunteer efforts. UGI employees continued this tradition of community support by donating over 37,000 hours to community-based organizations and established new partnerships with the Urban Affairs Coalition and Big Brothers Big Sisters. In addition, UGI was recognized by the Philadelphia Business Journal as a winner of the 2020 Faces of Philanthropy Awards Program for its sponsorship with the Museum of the American Revolution's citizenship program.

John L. Walsh, President and Chief Executive Officer of UGI Corporation said, "We are proud of the progress we have made on our ESG initiatives and the publication of our 3rd ESG report. UGI is well positioned to become a leader in the future of renewable energy by providing energy solutions that are sustainable, reliable, and affordable. Our strategic asset network and proven competencies allow us to address growing customer demand, while our teams continue to work hard at identifying new opportunities within the renewable space. We are very proud to announce our ambitious target to lower our direct carbon emissions by 55% over the next five years and plan to provide insight into our evolving capital expenditure program that features increasing investments in renewable solutions.

"UGI remains equally focused on the social aspect of our commitments to shareholders. We are pleased with the progress we have made in our diversity and inclusion initiatives through the establishment of BIDE and BOLD. By fostering an environment that values diversity, we can leverage talent, unique perspectives, and varying employee experiences to ensure continued long-term success. UGI remains committed to providing enhanced disclosure and communicating our progress on key ESG initiatives, as we continue to provide value for our stakeholders."

[1] Scope 1 emissions reduction target does not include emissions from the Mountaineer acquisition, which is expected to close in 2021. The emissions from the Pine Run acquisition, announced in February 2021, will be included in the baseline 2020 number as this investment will contribute to our five year goal. The 2020 base number also takes a 5-year emissions average from the Hunlock generation facility to account for year-over-year differences in run time.

[2]All domestic UGI companies use the OSHA definition for Total Recordable Injuries ("TRIR"). TRIR represents the number of work-related injuries or illness's requiring medical treatment beyond first aid, per 200,000 hours.

[3]UGI International reports rates in accordance with the Industrial Management System guidelines. A TRIR represents a work-related recordable injury to an employee or hired staff that requires medical treatment beyond first aid, as well as one that causes death, or days away from work.

[4]UGI Utilities and UGI Energy Services use the American Gas Association definition for AVI, which defines an AVI as a reportable motor vehicle incident in which the driver failed to do everything that reasonably could have been done to avoid the incident.

[5]UGI International reports rates in accordance with the Industrial Management System guidelines. An AVI represents an incident that caused or contributed to, in whole or in part, by actions of the company driver or contractor driver, or an incident that could have been avoided by the company driver, using reasonable defensive driving measures, which resulted in injury or damage, either to the vehicle, or to the object struck, regardless of value.

[6]AmeriGas defines an AVI as any incident that could have been preventable.

About UGI Corporation

UGI Corporation is a distributor and marketer of energy products and services. Through subsidiaries, UGI operates natural gas and electric utilities in Pennsylvania, distributes LPG both domestically (through AmeriGas) and internationally (through UGI International), manages midstream energy assets in Pennsylvania, Ohio, and West Virginia and electric generation assets in Pennsylvania, and engages in energy marketing, including renewable natural gas, in twelve states and the District of Columbia and internationally in France, Belgium, the Netherlands and the UK.

Comprehensive information about UGI Corporation is available on the Internet at https://www.ugicorp.com.



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