

Delivering Strong Results by Investing in the Future

International energy company **UGI** rewards its shareholders, takes care of its customers and employees, and promotes the welfare of the planet and its people.



UGI CORPORATION PRESIDENT & CEO JOHN WALSH (RIGHT) WILL TURN OVER THE REINS TO CEO-ELECT ROGER PERREAULT (LEFT) ON JUNE 26.

INCORPORATED IN PHILADELPHIA IN 1882 AS the first public utility holding company in the United States, and paying dividends for more than 137 years, it is perhaps no surprise that UGI, the international energy distribution and services company, came through 2020 in strong shape—and even made strides in increasing community outreach, doubling down on diversity within its ranks, and advancing renewable energy.

Decarbonization (or defossilization) is both a challenge and an imperative for

UGI, which has converted almost 100,000 households to cleaner natural gas in the past decade, saving customers about \$100 million annually. “Over the past year,” says Roger Perreault, CEO-elect, “we’ve made a number of investments to grow our portfolio of low-, zero-, and, in some cases, negative-carbon solutions.” These include its acquisition of GHI Energy, a leading renewable natural gas marketer in California, and a focus in the U.S. and Europe on other renewable solutions, such as bioLPG, a low-carbon alternative to conventional liquefied petroleum gas, and rDME (renewable dimethyl ether).

Much of UGI’s capital program is dedicated to replacing aging infrastructure as well. By upgrading its pipelines, the company has reduced methane emissions in its utility business by more than 30% since 2009, according to Perreault. And they expect an additional 35% reduction over the next 10 years, with a commitment to a 55% reduction in corporate-wide direct emissions by 2025.

Still headquartered in Pennsylvania, UGI has long valued community engagement; its partnership with United Way has endured almost a century. “The events of 2020 put an additional sense of urgency into our activities,” Perreault says. The company established new partnerships with the Urban Affairs Coalition and Big Brothers Big Sisters, and it launched its Belonging, Inclusion, Diversity & Equity (BIDE) Initiative to promote those qualities within UGI and address racism in the communities it serves. It also created two new positions: vice president, talent management and diversity & inclusion, and global head of supplier diversity and responsible sourcing.

Going forward, the company intends to continue the course it has charted, investing up to \$1 billion in renewable energy by 2025 while striving to deliver earnings-per-share growth of 6% to 10% annually, with 4% dividend growth. “To do this, we will remain disciplined, innovative, and entrepreneurial,” Perreault says. “We have a very bright future ahead of us.” ■

