

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended December 31, 2024

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-11071

**UGI CORPORATION**

(Exact name of registrant as specified in its charter)

**Pennsylvania**  
(State or other jurisdiction of  
incorporation or organization)

**23-2668356**  
(I.R.S. Employer  
Identification No.)

**500 North Gulph Road, King of Prussia, PA 19406**  
(Address of Principal Executive Offices) (Zip Code)

**(610) 337-1000**

(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Common Stock, without par value	UGI	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer   
Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

At January 31, 2025, there were 214,813,003 shares of UGI Corporation Common Stock, without par value, outstanding.

## UGI CORPORATION AND SUBSIDIARIES

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## GLOSSARY OF TERMS AND ABBREVIATIONS

Terms and abbreviations used in this Form 10-Q are defined below:

### *UGI Corporation and Related Entities*

***AmeriGas Finance Corp.*** - A wholly owned subsidiary of AmeriGas Partners

***AmeriGas OLP*** - AmeriGas Propane, L.P., the principal operating subsidiary of AmeriGas Partners

***AmeriGas Partners*** - AmeriGas Partners, L.P., an indirect wholly owned subsidiary of UGI; also referred to, together with its consolidated subsidiaries, as the “Partnership”

***AmeriGas Propane*** - Reportable segment comprising AmeriGas Propane, Inc. and its subsidiaries, including AmeriGas Partners and AmeriGas OLP

***AmeriGas Propane, Inc.*** - A wholly owned second-tier subsidiary of UGI and the general partner of AmeriGas Partners

***AvantiGas*** - AvantiGas Limited, an indirect wholly owned subsidiary of UGI International, LLC

***Company*** - UGI and its consolidated subsidiaries collectively

***DVEP*** - DVEP Investeringen B.V., an indirect wholly owned subsidiary of UGI International, LLC

***Electric Utility*** - UGI Utilities’ regulated electric distribution utility

***Energy Services*** - UGI Energy Services, LLC, a wholly owned subsidiary of Enterprises

***Enterprises*** - UGI Enterprises, LLC, a wholly owned subsidiary of UGI

***ESFC*** - Energy Services Funding Corporation, a wholly owned subsidiary of Energy Services

***Flaga*** - Flaga GmbH, an indirect wholly owned subsidiary of UGI International, LLC

***Gas Utility*** - UGI’s regulated natural gas businesses, inclusive of PA Gas Utility and WV Gas Utility

***MBL Bioenergy*** - MBL Bioenergy, LLC

***Midstream & Marketing*** - Reportable segment comprising Energy Services and subsidiaries including UGID

***Mountaineer*** - Mountaineer Gas Company, a natural gas distribution company in West Virginia and a wholly owned subsidiary of Mountaintop Energy Holdings, LLC

***Mountaintop Energy Holdings, LLC*** - Parent company of Mountaineer and wholly owned subsidiary of UGI

***PA Gas Utility*** - UGI Utilities’ regulated natural gas distribution business, primarily located in Pennsylvania

***Partnership*** - AmeriGas Partners and its consolidated subsidiaries, including AmeriGas OLP; also referred to as “AmeriGas Partners”

***Pine Run*** - Pine Run Gathering, LLC

***UGI*** - UGI Corporation or, collectively, UGI Corporation and its consolidated subsidiaries

***UGI France*** - UGI France SAS (*a Société par actions simplifiée*), an indirect wholly owned subsidiary of UGI International, LLC

***UGI International*** - Reportable segment principally comprising UGI International, LLC and its foreign operations

***UGI International, LLC*** - UGI International, LLC, a wholly owned subsidiary of Enterprises

***UGI Utilities*** - UGI Utilities, Inc., a wholly owned subsidiary of UGI comprising PA Gas Utility and Electric Utility

**UGID** - UGI Development Company, a wholly owned subsidiary of Energy Services prior to its sale on September 30, 2024

**UniverGas** - UniverGas Italia S.r.l, an indirect wholly owned subsidiary of UGI International, LLC

**Utilities** - Reportable segment comprising UGI Utilities and Mountaintop Energy Holdings, LLC

**WV Gas Utility** - Mountaineer’s regulated natural gas distribution business, located in West Virginia

**Other Terms and Abbreviations**

**2024 Annual Report** - UGI Annual Report on Form 10-K for the fiscal year ended September 30, 2024

**2023 three-month period** - Three months ended December 31, 2023

**2024 three-month period** - Three months ended December 31, 2024

**2024 Purchase Contract** - A forward stock purchase contract issued by UGI Corporation in May 2021, as a part of the issuance of Equity Units which obligated holders to purchase a number of shares of UGI Common Stock from the Company on June 1, 2024

**5.24% Senior Note** - A private placement of \$50 million principal amount of senior notes due November 30, 2029, issued by UGI Utilities

**5.52% Senior Note** - A private placement of \$125 million principal amount of senior notes due November 30, 2034, issued by UGI Utilities

**5.50% Senior Notes** - An underwritten private offering of senior notes due May 2025, co-issued by AmeriGas Partners and AmeriGas Finance Corp

**AmeriGas Senior Secured Revolving Credit Facility** - Revolving credit agreement entered into by AmeriGas OLP on August 2, 2024 and scheduled to expire in August 2029

**AOCI** - Accumulated Other Comprehensive Income (Loss)

**ASC** - Accounting Standards Codification

**ASC 606** - ASC 606, “Revenue from Contracts with Customers”

**ASU** - Accounting Standards Update

**Bcf** - Billions of cubic feet

**COA** - Consent Order and Agreement

**CODM** - Chief Operating Decision Maker as defined in ASC 280, “Segment Reporting”

**Common Stock** - Shares of UGI common stock

**Convertible Preferred Stock** - Preferred stock of UGI titled 0.125% series A cumulative perpetual convertible preferred stock without par value and having a liquidation preference of \$1,000 per share

**DS** - Default service

**DSIC** - Distribution System Improvement Charge

**Energy Services Term Loan Credit Agreement** - Term loan credit agreement entered into by Energy Services in August 2019, as amended, with a final maturity of February 2030

**Equity Unit** - A corporate unit consisting of a 2024 Purchase Contract and 1/10th or 10% undivided interest in one share of Convertible Preferred Stock

**Exchange Act** - Securities Exchange Act of 1934, as amended

**FASB** - Financial Accounting Standards Board

**FDIC** - Federal Deposit Insurance Corporation

**FERC** - Federal Energy Regulatory Commission

**Fiscal 2023** - The fiscal year ended September 30, 2023

**Fiscal 2024** - The fiscal year ended September 30, 2024

**Fiscal 2025** - The fiscal year ending September 30, 2025

**Fiscal 2026** - The fiscal year ending September 30, 2026

**GAAP** - U.S. generally accepted accounting principles

**Gwh** - Millions of kilowatt hours

**ICE** - Intercontinental Exchange

**IREP** - Infrastructure Replacement and Expansion Plan

**IRPA** - Interest rate protection agreement

**LNG** - Liquefied natural gas

**LPG** - Liquefied petroleum gas

**MDPSC** - Maryland Public Service Commission

**MGP** - Manufactured gas plant

**NOAA** - National Oceanic and Atmospheric Administration

**NPNS** - Normal purchase and normal sale

**NTSB** - National Transportation Safety Board

**NYDEC** - New York State Department of Environmental Conservation

**NYMEX** - New York Mercantile Exchange

**OSHA** - Occupational Safety and Health Administration

**PADEP** - Pennsylvania Department of Environmental Protection

**PAPUC** - Pennsylvania Public Utility Commission

**PGA** - Purchased gas adjustment

**PGC** - Purchased gas costs

**PRP** - Potentially responsible party

**Receivables Facility** - A receivables purchase facility of Energy Services with an issuer of receivables-backed commercial paper

**Retail core-market** - Comprises firm residential, commercial and industrial customers to whom Utilities has a statutory obligation to provide service that purchase their natural gas from Utilities

**RNG** - Renewable natural gas

**ROD** - Record of Decision

**SEC** - U.S. Securities and Exchange Commission

**U.K.** - United Kingdom

**U.S.** - United States of America

**UGI Corporation Senior Notes** - Aggregate \$700 million convertible senior notes entered into by UGI Corporation on June 11, 2024, with a final maturity date of June 2028

**UGI Corporation 2025 Credit Agreement** - Secured senior facilities agreement entered into by UGI Corporation on October 11, 2024, comprising a \$475 million revolving credit facility, with a maturity date of October, 11, 2028, and a \$400 million term loan facility with a maturity date of October 11, 2027.

**UGI Corporation Credit Facility Agreement** - An amended and restated unsecured senior credit facilities agreement entered into by UGI Corporation on May 4, 2021, comprising (1) a \$250 million term loan facility, (2) a \$300 million term loan facility, (3) a \$300 million delayed draw term loan facility, and (4) a \$300 million revolving credit facility, paid off in full and terminated in October 2024

**USD** - U.S. dollar

**WVPSC** - Public Service Commission of West Virginia

**UGI CORPORATION AND SUBSIDIARIES**
**PART I FINANCIAL INFORMATION**
**ITEM 1. FINANCIAL STATEMENTS**
**CONDENSED CONSOLIDATED BALANCE SHEETS**

 (unaudited)  
 (Millions of dollars)

	December 31, 2024	September 30, 2024	December 31, 2023
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 240	\$ 213	\$ 204
Restricted cash	6	15	98
Accounts receivable (less allowances for doubtful accounts of \$64, \$68 and \$77, respectively)	1,023	709	1,188
Accrued utility revenues	145	36	120
Inventories	381	411	441
Derivative instruments	52	29	41
Prepaid expenses and other current assets	200	238	193
Total current assets	2,047	1,651	2,285
Property, plant and equipment, (less accumulated depreciation of \$4,927, \$4,910 and \$4,709, respectively)	8,750	8,763	8,601
Goodwill	2,805	2,871	3,070
Intangible assets, net	371	391	430
Utility regulatory assets	300	301	298
Derivative instruments	35	9	15
Other assets	1,104	1,112	1,017
Total assets	<u>\$ 15,412</u>	<u>\$ 15,098</u>	<u>\$ 15,716</u>
<b>LIABILITIES AND EQUITY</b>			
Current liabilities:			
Current maturities of long-term debt	\$ 253	\$ 235	\$ 54
Short-term borrowings	415	465	557
Accounts payable	599	544	741
Derivative instruments	24	28	124
Other current liabilities	748	788	865
Total current liabilities	2,039	2,060	2,341
Long-term debt	6,596	6,443	6,769
Deferred income taxes	1,021	1,008	913
Derivative instruments	11	31	49
Other noncurrent liabilities	1,157	1,202	1,212
Total liabilities	10,824	10,744	11,284
Commitments and contingencies (Note 9)			
Equity:			
UGI Corporation stockholders' equity:			
Preferred stock, without par value (authorized – 5,000,000 shares; issued – 0, 0 and 220,000 Series A shares, respectively)	—	—	167
UGI Common Stock, without par value (authorized — 450,000,000 shares; issued — 216,214,547, 216,124,332 and 210,908,238 shares, respectively)	1,679	1,676	1,501
Retained earnings	3,272	2,978	3,042
Accumulated other comprehensive loss	(313)	(253)	(232)
Treasury stock, at cost	(58)	(56)	(55)
Total UGI Corporation stockholders' equity	4,580	4,345	4,423
Noncontrolling interests	8	9	9
Total equity	4,588	4,354	4,432
Total liabilities and equity	<u>\$ 15,412</u>	<u>\$ 15,098</u>	<u>\$ 15,716</u>

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(unaudited)

(Millions of dollars, except per share amounts)

	Three Months Ended December 31,	
	2024	2023
Revenues	\$ 2,030	\$ 2,121
Costs and expenses:		
Cost of sales (excluding depreciation and amortization shown below)	923	1,202
Operating and administrative expenses	497	530
Depreciation and amortization	138	137
Loss on disposal of business	—	28
Other operating expense (income), net	(15)	(8)
	<u>1,543</u>	<u>1,889</u>
Operating income	487	232
Income (loss) from equity investees	3	1
Other non-operating income (expense), net	29	(13)
Interest expense	(102)	(100)
Income before income taxes	417	120
Income tax benefit (expense)	(42)	(26)
Net income attributable to UGI Corporation	<u>\$ 375</u>	<u>\$ 94</u>
Earnings per common share attributable to UGI Corporation stockholders:		
Basic	<u>\$ 1.74</u>	<u>\$ 0.45</u>
Diluted	<u>\$ 1.74</u>	<u>\$ 0.44</u>
Weighted-average common shares outstanding (thousands):		
Basic	<u>214,933</u>	<u>209,782</u>
Diluted	<u>215,695</u>	<u>215,570</u>

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)  
(Millions of dollars)

	Three Months Ended December 31,	
	2024	2023
Net income attributable to UGI Corporation	\$ 375	\$ 94
Other comprehensive income (loss):		
Net gains (losses) on derivative instruments (net of tax of \$(5) and \$7, respectively)	15	(15)
Reclassifications of net (gains) losses on derivative instruments (net of tax of \$0 and \$3, respectively)	(2)	(10)
Foreign currency adjustments (net of tax of \$(20) and \$12, respectively)	(72)	49
Benefit plans (net of tax of \$0 and \$0, respectively)	(1)	—
Other comprehensive income (loss)	(60)	24
Comprehensive income attributable to UGI Corporation	\$ 315	\$ 118

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)  
(Millions of dollars)

	Three Months Ended December 31,	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income attributable to UGI Corporation	\$ 375	\$ 94
Adjustments to reconcile net income attributable to UGI Corporation to net cash provided by operating activities:		
Depreciation and amortization	138	137
Deferred income tax expense (benefit), net	2	(22)
Provision for uncollectible accounts	12	16
Changes in unrealized gains and losses on derivative instruments	(100)	141
Loss on disposal of business	—	28
Amortization of Energy Services interest rate swap settlement	—	(6)
Other, net	—	(12)
Net change in:		
Accounts receivable and accrued utility revenues	(460)	(393)
Inventories	20	2
Utility deferred fuel and power costs, net of changes in unsettled derivatives	(2)	26
Accounts payable	120	131
Derivative instruments collateral deposits received (paid)	47	(35)
Other current assets	36	45
Other current liabilities	(24)	(33)
Net cash provided by operating activities	164	119
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Expenditures for property, plant and equipment	(211)	(156)
Net proceeds from the disposition of assets	4	10
Investments in equity method investees	(25)	(19)
Net cash provided (used) by investing activities	(232)	(165)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends on UGI Common Stock	(81)	(79)
Issuances of long-term debt, net of discount and issuance costs	875	330
Repayments of long-term debt and finance leases, including redemption premiums	(659)	(144)
(Decrease) increase in short-term borrowings	(40)	(160)
Receivables Facility net (repayments) borrowings	—	60
Payments on Purchase Contracts	—	(4)
Net cash provided (used) by financing activities	95	3
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(9)	5
Cash, cash equivalents and restricted cash increase (decrease)	\$ 18	\$ (38)
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>		
Cash, cash equivalents and restricted cash at end of period	\$ 246	\$ 302
Cash, cash equivalents and restricted cash at beginning of period	228	340
Cash, cash equivalents and restricted cash increase (decrease)	\$ 18	\$ (38)

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(unaudited)

(Millions of dollars, except per share amounts)

	Three Months Ended December 31,	
	2024	2023
<b>Preferred stock, without par value</b>		
Balance, beginning of period	\$ —	\$ 167
Balance, end of period	\$ —	\$ 167
<b>Common stock, without par value</b>		
Balance, beginning of period	\$ 1,676	\$ 1,503
Equity-based compensation (income) expense	3	(2)
Balance, end of period	\$ 1,679	\$ 1,501
<b>Retained earnings</b>		
Balance, beginning of period	\$ 2,978	\$ 3,027
Net income attributable to UGI Corporation	375	94
Cash dividends on UGI Common Stock (\$0.375 and \$0.375, respectively)	(81)	(79)
Balance, end of period	\$ 3,272	\$ 3,042
<b>Accumulated other comprehensive income (loss)</b>		
Balance, beginning of period	\$ (253)	\$ (256)
Net gains (losses) on derivative instruments	15	(15)
Reclassification of net (gains) losses on derivative instruments	(2)	(10)
Benefit plans	(1)	—
Foreign currency adjustments	(72)	49
Balance, end of period	\$ (313)	\$ (232)
<b>Treasury stock</b>		
Balance, beginning of period	\$ (56)	\$ (55)
Reacquired UGI Common Stock - employee and director plans	(2)	—
Balance, end of period	\$ (58)	\$ (55)
<b>Total UGI stockholders' equity</b>	\$ 4,580	\$ 4,423
<b>Noncontrolling interests</b>		
Balance, beginning of period	\$ 9	\$ 8
Other	(1)	1
Balance, end of period	\$ 8	\$ 9
<b>Total equity</b>	\$ 4,588	\$ 4,432

See accompanying notes to condensed consolidated financial statements.

## UGI CORPORATION AND SUBSIDIARIES

**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

**Note 1 — Nature of Operations**

UGI is a holding company that, through subsidiaries and affiliates, distributes, stores, transports and markets energy products and related services in the U.S. and Europe. We own and operate (1) natural gas and electric distribution utilities; (2) energy marketing, midstream infrastructure, storage, natural gas gathering and processing, natural gas production, electricity generation and energy services businesses; and (3) retail propane and other LPG marketing and distribution businesses.

Our Utilities segment includes UGI Utilities and Mountaineer. PA Gas Utility serves customers in eastern and central Pennsylvania and in portions of one Maryland county, and WV Gas Utility serves customers in West Virginia. Electric Utility serves customers in portions of Luzerne and Wyoming counties in northeastern Pennsylvania. PA Gas Utility is subject to regulation by the PAPUC and FERC and, with respect to its customers in Maryland, the MDPSC. WV Gas Utility is subject to regulation by the WVPSC and FERC. Electric Utility is subject to regulation by the PAPUC and FERC.

Energy Services conducts, directly and through subsidiaries and affiliates, energy marketing, including RNG, midstream transmission, LNG storage, natural gas gathering and processing, natural gas and RNG production, electricity generation and energy services businesses primarily in the eastern region of the U.S., eastern Ohio, the panhandle of West Virginia and California. Energy Services and its subsidiaries' storage, LNG and portions of its midstream transmission operations are subject to regulation by the FERC. Prior to its sale in September 2024, UGID owned electricity generation facilities principally located in Pennsylvania.

UGI International, LLC, through its subsidiaries and affiliates, primarily conducts an LPG distribution business throughout much of Europe. The LPG business is conducted principally through our subsidiaries, UGI France, Flaga, AvantiGas, and UniverGas. As of the end of the first quarter of Fiscal 2024, UGI International had exited substantially all of its European energy marketing business which primarily marketed natural gas and electricity to customers through third-party distribution systems in France, Belgium, the Netherlands, and the United Kingdom. See Note 5 for additional information regarding the UGI International energy marketing business.

We conduct a domestic propane marketing and distribution business through AmeriGas Partners. AmeriGas Partners conducts its propane marketing and distribution business through its principal operating subsidiary AmeriGas OLP.

**Note 2 — Summary of Significant Accounting Policies**

The accompanying condensed consolidated financial statements and footnotes are unaudited and have been prepared in accordance with GAAP and the rules and regulations of the SEC. They include all adjustments that we consider necessary for a fair statement of the results for the interim periods presented. Such adjustments consisted only of normal recurring items unless otherwise disclosed. The September 30, 2024, Condensed Consolidated Balance Sheet was derived from audited financial statements but does not include all footnote disclosures from the annual financial statements.

These financial statements should be read in conjunction with the financial statements and related notes included in the Company's 2024 Annual Report. Due to the seasonal nature of our businesses, the results of operations for interim periods are not necessarily indicative of the results to be expected for a full year.

**Restricted Cash.** Restricted cash principally represents those cash balances in our commodity futures brokerage accounts and certain other cash balances that are restricted from withdrawal. The following table provides a reconciliation of the total cash, cash equivalents and restricted cash reported on the Condensed Consolidated Balance Sheets to the corresponding amounts reported on the Condensed Consolidated Statements of Cash Flows.

	December 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 240	\$ 204
Restricted cash	6	98
Cash, cash equivalents and restricted cash	<u>\$ 246</u>	<u>\$ 302</u>

## UGI CORPORATION AND SUBSIDIARIES

**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

**Earnings Per Common Share.** Basic earnings per share attributable to UGI stockholders reflect the weighted-average number of common shares outstanding. Diluted earnings per share attributable to UGI stockholders include the effects of dilutive stock options, common stock awards, UGI Corporation Senior Notes, and prior to their June 2024 settlement, Equity Units. Shares used in computing basic and diluted earnings per share are as follows:

	Three Months Ended December 31,	
	2024	2023
<b>Denominator (thousands of shares):</b>		
Weighted-average common shares outstanding — basic	214,933	209,782
Incremental shares issuable for stock options, common stock awards, UGI Corporation Senior Notes, and Equity Units (a)(b)	762	5,788
Weighted-average common shares outstanding — diluted	<u>215,695</u>	<u>215,570</u>

(a) For the three months ended December 31, 2024 and 2023, there were 7,792 and 8,285 shares, respectively, associated with outstanding stock option awards that were not included in the computation of diluted earnings per share above because their effect was antidilutive.

(b) The Equity Units were settled in June 2024. See Note 13 in the Company's 2024 Annual Report for additional information on the Equity Units.

**Derivative Instruments.** Derivative instruments are reported on the Condensed Consolidated Balance Sheets at their fair values, unless the NPNS exception is elected. The accounting for changes in fair value depends upon the purpose of the derivative instrument, whether it is subject to regulatory ratemaking mechanisms or if it qualifies and is designated as a hedge for accounting purposes.

Certain of our derivative instruments qualify and are designated as cash flow hedges. For cash flow hedges, changes in the fair values of the derivative instruments are recorded in AOCI, to the extent effective at offsetting changes in the hedged item, until earnings are affected by the hedged item. We discontinue cash flow hedge accounting if occurrence of the forecasted transaction is determined to be no longer probable. Hedge accounting is also discontinued for derivatives that cease to be highly effective. We do not designate our commodity and certain foreign currency derivative instruments as hedges under GAAP. Changes in the fair values of these derivative instruments are reflected in net income. Gains and losses on substantially all of the commodity derivative instruments used by Utilities are included in regulatory assets or liabilities because it is probable such gains or losses will be recoverable from, or refundable to, customers. From time to time, we also enter into net investment hedges. Gains and losses on net investment hedges that relate to our foreign operations are included in the cumulative translation adjustment component in AOCI until such foreign net investment is substantially sold or liquidated.

Cash flows from derivative instruments, other than certain net investment hedges, are included in cash flows from operating activities on the Condensed Consolidated Statements of Cash Flows. Cash flows from net investment hedges are included in cash flows from investing activities on the Condensed Consolidated Statements of Cash Flows.

For a more detailed description of the derivative instruments we use, our accounting for derivatives, our objectives for using them and other information, see Note 12.

**Use of Estimates.** The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and costs. These estimates are based on management's knowledge of current events, historical experience and various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results may be different from these estimates and assumptions.

**Goodwill.** We do not amortize goodwill, but test it at least annually for impairment at the reporting unit level. A reporting unit is an operating segment, or one level below an operating segment (a component) if it constitutes a business for which discrete financial information is available and regularly reviewed by segment management. Components are aggregated into a single reporting unit if they have similar economic characteristics. Each of our reporting units with goodwill is required to perform impairment tests annually or whenever events or circumstances indicate that the value of goodwill may be impaired.

## UGI CORPORATION AND SUBSIDIARIES

**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

As previously disclosed in Note 12 in the Company's 2024 Annual Report, a non-cash pre-tax goodwill impairment charge of \$195 was recognized in Fiscal 2024 to reduce the carrying value of the AmeriGas Propane reporting unit to its fair value. The Company continues to monitor the AmeriGas Propane reporting unit for any changes in facts and circumstances that would indicate it is more likely than not that the fair value of the AmeriGas Propane reporting unit is less than its carrying amount. No such indicators were identified at December 31, 2024, however if AmeriGas Propane were not able to achieve its anticipated results and/or if its discount rate were to increase, its fair value would be adversely affected, which may result in further impairment. There was \$1.1 billion of goodwill in this reporting unit as of December 31, 2024.

With respect to UGI International's Fiscal 2024 goodwill impairment test, we determined that UGI International's fair value exceeded its carrying value by less than 30%. While the Company believes that its judgments used in the quantitative assessment of UGI International's fair value are reasonable based upon currently available facts and circumstances, if UGI International were not able to achieve its anticipated results and/or if its discount rate were to increase, its fair value would be adversely affected, which may result in an impairment. There were no changes in facts and circumstances that would indicate that it is more likely than not that the fair value of the UGI International reporting unit may not be in excess of its book value at December 31, 2024. There was \$883 of goodwill in this reporting unit as of December 31, 2024.

The Company will continue to monitor its reporting units and related goodwill for any possible future non-cash impairment charges.

**Note 3 — Accounting Changes****Accounting Standards Not Yet Adopted**

**Disaggregation of Income Statement Expenses.** In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses (Subtopic 220-40)" which requires enhanced disclosure of income statement expense categories to improve transparency and provide financial statement users with more detailed information about the nature, amount and timing of expenses impacting financial performance. This new guidance is effective for the Company for annual periods beginning October 1, 2027 (Fiscal 2028) and interim periods beginning October 1, 2028 (Fiscal 2029). Early adoption is permitted. The amendments in this ASU may be adopted using the prospective or retrospective methods. The Company is in the process of assessing the impact on its financial statements and determining the transition method and the period in which the new guidance will be adopted.

**Segment Reporting.** In November 2023, the FASB issued ASU 2023-07, "Improvements to Reportable Segment Disclosures (Topic 280)" which requires enhanced disclosure of (1) significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss, (2) the amount and description of the composition of other segment items which reconcile to segment profit or loss, and (3) the title and position of the entity's CODM and an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and allocating resources. The amendments also expand the interim segment disclosure requirements. This new guidance is effective for the Company for annual periods beginning October 1, 2024 (Fiscal 2025) and interim periods beginning October 1, 2025 (Fiscal 2026). Early adoption is permitted. The amendments in this ASU apply retrospectively to all prior periods presented in the financial statements. The Company will adopt the new guidance effective for the year ending September 30, 2025 and provide the additional disclosures, if any, as required by the new guidance.

**Improvements to Income Tax Disclosures.** In December 2023, the FASB issued ASU 2023-09, "Improvements to Income Tax Disclosures (Topic 740)" which requires entities to disclose, among other items, disaggregated information about a reporting entity's effective tax rate reconciliation and income taxes paid. This new guidance is effective for the Company for annual periods beginning October 1, 2025 (Fiscal 2026). Early adoption is permitted. The amendments in this ASU may be adopted using the prospective or retrospective methods. The Company is in the process of assessing the impact on its financial statements and determining the transition method and the period in which the new guidance will be adopted.

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**Note 4 — Revenue from Contracts with Customers**

The Company recognizes revenue when control of promised goods or services is transferred to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. See Note 4 in the Company's 2024 Annual Report for additional information on our revenues from contracts with customers.

**Revenue Disaggregation**

The following tables present our disaggregated revenues by reportable segment:

<b>Three Months Ended December 31, 2024</b>	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
<b>Revenues from contracts with customers:</b>							
<u>Utility:</u>							
Core Market:							
Residential	\$ 276	\$ —	\$ 276	\$ —	\$ —	\$ —	\$ —
Commercial & Industrial	105	—	105	—	—	—	—
Large delivery service	52	—	52	—	—	—	—
Off-system sales and capacity releases	19	(15)	34	—	—	—	—
Other	8	—	8	—	—	—	—
Total Utility	460	(15)	475	—	—	—	—
<u>Non-Utility:</u>							
LPG:							
Retail	1,071	—	—	—	538	533	—
Wholesale	72	—	—	—	50	22	—
Energy Marketing	252	(31)	—	264	19	—	—
Midstream:							
Pipeline	58	—	—	58	—	—	—
Peaking	1	(40)	—	41	—	—	—
Other	4	—	—	4	—	—	—
Electricity Generation	—	—	—	—	—	—	—
Other	70	—	—	—	20	50	—
Total Non-Utility	1,528	(71)	—	367	627	605	—
<b>Total revenues from contracts with customers</b>	<b>1,988</b>	<b>(86)</b>	<b>475</b>	<b>367</b>	<b>627</b>	<b>605</b>	<b>—</b>
Other revenues (c)	42	—	10	—	11	22	(1)
<b>Total revenues</b>	<b>\$ 2,030</b>	<b>\$ (86)</b>	<b>\$ 485</b>	<b>\$ 367</b>	<b>\$ 638</b>	<b>\$ 627</b>	<b>\$ (1)</b>

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Three Months Ended December 31, 2023	Total	Eliminations (a)	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other
<b>Revenues from contracts with customers:</b>							
<b>Utility:</b>							
<b>Core Market:</b>							
Residential	\$ 282	\$ —	\$ 282	\$ —	\$ —	\$ —	\$ —
Commercial & Industrial	108	—	108	—	—	—	—
Large delivery service	49	—	49	—	—	—	—
Off-system sales and capacity releases	21	(12)	33	—	—	—	—
Other	9	—	9	—	—	—	—
<b>Total Utility</b>	<b>469</b>	<b>(12)</b>	<b>481</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Non-Utility:</b>							
<b>LPG:</b>							
Retail	1,057	—	—	—	524	533	—
Wholesale	71	—	—	—	49	22	—
Energy Marketing (b)	327	(26)	—	272	123	—	(42)
<b>Midstream:</b>							
Pipeline	65	—	—	65	—	—	—
Peaking	3	(42)	—	45	—	—	—
Other	3	—	—	3	—	—	—
Electricity Generation	8	—	—	8	—	—	—
Other	71	—	—	—	19	52	—
<b>Total Non-Utility</b>	<b>1,605</b>	<b>(68)</b>	<b>—</b>	<b>393</b>	<b>715</b>	<b>607</b>	<b>(42)</b>
<b>Total revenues from contracts with customers</b>	<b>2,074</b>	<b>(80)</b>	<b>481</b>	<b>393</b>	<b>715</b>	<b>607</b>	<b>(42)</b>
Other revenues (c)	47	—	12	1	10	22	2
<b>Total revenues</b>	<b>\$ 2,121</b>	<b>\$ (80)</b>	<b>\$ 493</b>	<b>\$ 394</b>	<b>\$ 725</b>	<b>\$ 629</b>	<b>\$ (40)</b>

(a) Includes intersegment revenues principally among Midstream & Marketing, and Utilities.

(b) Corporate & Other includes reduction of revenues of \$42 associated with the early termination of certain DVEP customer contracts. See Note 5 for additional information.

(c) Primarily represents (1) revenues from tank rentals at UGI International and AmeriGas Propane; (2) revenues from certain gathering assets at Midstream & Marketing; (3) revenues from alternative revenue programs at Utilities, including the weather normalization adjustment rider for PA Gas Utility beginning November 1, 2022 and for WV Gas Utility beginning October 1, 2024; and (4) gains and losses on commodity derivative instruments not associated with current-period transactions reflected in Corporate & Other, none of which are within the scope of ASC 606 and are accounted for in accordance with other GAAP.

**Contract Balances**

The timing of revenue recognition may differ from the timing of invoicing to customers or cash receipts. Contract assets represent our right to consideration after the performance obligations have been satisfied when such right is conditioned on something other than the passage of time. Contract assets were not material for all periods presented. Substantially all of our receivables are unconditional rights to consideration and are included in "Accounts receivable" and, in the case of Utilities, "Accrued utility revenues" on the Condensed Consolidated Balance Sheets. Amounts billed are generally due within the following month.

Contract liabilities arise when payment from a customer is received before the performance obligations have been satisfied and represent the Company's obligations to transfer goods or services to a customer for which we have received consideration. The balances of contract liabilities were \$123, \$140 and \$153 at December 31, 2024, September 30, 2024 and December 31, 2023,

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respectively, and are included in “Other current liabilities” and “Other noncurrent liabilities” on the Condensed Consolidated Balance Sheets. Revenues recognized for the three months ended December 31, 2024 and 2023, from the amounts included in contract liabilities at September 30, 2024 and 2023, were \$58 and \$75, respectively.

**Remaining Performance Obligations**

The Company excludes disclosures related to the aggregate amount of the transaction price allocated to certain performance obligations that are unsatisfied as of the end of the reporting period because these contracts have an initial expected term of one year or less, or we have a right to bill the customer in an amount that corresponds directly with the value of services provided to the customer to date. Certain contracts with customers at Midstream & Marketing and Utilities contain minimum future performance obligations through 2047 and 2053, respectively. At December 31, 2024, Midstream & Marketing and Utilities expect to record approximately \$2.3 billion and \$0.2 billion of revenues, respectively, related to the minimum future performance obligations over the remaining terms of the related contracts.

**Note 5 — Dispositions****UGI International Energy Marketing Transactions**

As of the end of the first quarter of Fiscal 2024, pursuant to its previously announced decision, the Company had exited substantially all of its European energy marketing business which primarily marketed natural gas and electricity to customers through third-party distribution systems in France, Belgium, the Netherlands, and the United Kingdom.

**France.** In October 2023, UGI International, through a wholly-owned subsidiary, sold substantially all of its energy marketing business located in France. In conjunction with the sale, during the first quarter of Fiscal 2024, the Company recorded a pre-tax loss of \$28, which amount is reflected in “Loss on disposal of business” on the Condensed Consolidated Statements of Income.

**Netherlands.** In September 2023, a substantial number of DVEP’s customers agreed to modify their energy marketing contracts whereby the Company would continue to provide the delivery of electricity and natural gas at fixed prices through December 31, 2023, with the Company’s obligations to provide future services terminated effective January 1, 2024. As consideration for the early termination of such contracts, the Company has agreed to make cash payments to the customers equal to the fair values of specific commodity derivative instruments associated with periods after December 31, 2023. The early termination agreements with DVEP customers are considered contract modifications and the cash consideration paid to these customers has been reflected as a reduction in revenues, on a pro-rata basis, over the remaining performance period of such agreements through December 31, 2023. During the first quarter of Fiscal 2024, the Company reduced its revenues from these customers by \$42, which represents the pro-rated performance obligation from October 1, 2023 through December 31, 2023.

Additionally, in December 2023, DVEP completed a sale of a substantial portion of its power purchase agreements for a total consideration to the buyer of \$5 and recorded a loss of \$5, which is reflected in “Other operating expense (income), net” on the Condensed Consolidated Statements of Income.

**Note 6 — Inventories**

Inventories comprise the following:

	December 31, 2024	September 30, 2024	December 31, 2023
Non-utility LPG and natural gas	\$ 184	\$ 195	\$ 217
Gas Utility natural gas	42	50	46
Energy certificates	59	69	71
Materials, supplies and other	96	97	107
<b>Total inventories</b>	<b>\$ 381</b>	<b>\$ 411</b>	<b>\$ 441</b>

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**Note 7 — Utility Regulatory Assets and Liabilities and Regulatory Matters**

For a description of the Company's regulatory assets and liabilities, other than those described below, see Note 9 in the Company's 2024 Annual Report. Other than removal costs, Utilities currently does not recover a rate of return on its regulatory assets listed below. The following regulatory assets and liabilities associated with Utilities are included on the Condensed Consolidated Balance Sheets:

	December 31, 2024	September 30, 2024	December 31, 2023
<b>Regulatory assets (a):</b>			
Income taxes recoverable	\$ 107	\$ 105	\$ 94
Underfunded pension plans	105	106	110
Environmental costs	26	28	26
Deferred fuel and power costs	—	—	17
Removal costs, net	30	28	23
Other	45	52	58
Total regulatory assets	<u>\$ 313</u>	<u>\$ 319</u>	<u>\$ 328</u>
<b>Regulatory liabilities (a):</b>			
Postretirement benefits	\$ 13	\$ 13	\$ 11
Deferred fuel and power refunds	12	17	59
State income tax benefits — distribution system repairs	45	44	43
Excess federal deferred income taxes	245	247	252
Other	7	8	2
Total regulatory liabilities	<u>\$ 322</u>	<u>\$ 329</u>	<u>\$ 367</u>

(a) Current regulatory assets are included in "Prepaid expenses and other current assets" and regulatory liabilities are included in "Other current liabilities" and "Other noncurrent liabilities" on the Condensed Consolidated Balance Sheets.

**Deferred fuel and power - costs and refunds.** Utilities' tariffs contain clauses that permit recovery of all prudently incurred purchased gas and power costs through the application of PGC rates, PGA rates and DS tariffs. These clauses provide for periodic adjustments to PGC, PGA and DS rates for differences between the total amount of purchased gas and electric generation supply costs billed to customers and recoverable costs incurred. Net unbilled costs are classified as a regulatory asset and net overbillings are classified as a regulatory liability.

PA Gas Utility uses derivative instruments to reduce volatility in the cost of gas it purchases for retail core-market customers. Realized and unrealized gains or losses on natural gas derivative instruments are included in deferred fuel and power costs or refunds. Net unrealized gains (losses) on such contracts at December 31, 2024, September 30, 2024 and December 31, 2023 were \$6, \$2 and \$(11), respectively.

**Other Regulatory Matters**

**UGI Utilities.** On January 27, 2025, PA Gas Utility filed a request with the PAPUC to increase its base operating revenues for residential, commercial and industrial customers by \$110 annually. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable natural gas service. PA Gas Utility requested the new gas rates become effective March 28, 2025. However, the PAPUC typically suspends the effective date for general base rate proceedings for a period not to exceed nine months after the filing date to allow for investigation and public hearings. We cannot predict the timing or the ultimate outcome of the rate case review process.

**Mountaineer.** On July 31, 2024, WV Gas Utility submitted its 2024 IREP filing to the WVPSC requesting recovery of \$19, which includes \$3 of prior year under-recovery, for costs associated with capital investments after December 31, 2022, that total \$197, including \$74 in calendar year 2025. The filing included capital investments totaling \$418 over the 2025 - 2029 period. On October 28, 2024, the WVPSC issued an order approving WV Gas Utility's request, with new rates effective January 1, 2025.

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On July 31, 2023, WV Gas Utility submitted its 2023 IREP filing to the WVPSC requesting recovery of \$10, an increase of \$6, for costs associated with capital investments after December 31, 2022, that total \$131, including \$67 in calendar year 2024. With new base rates expected to be effective January 1, 2024, revenues from IREP rates would decrease by \$12. The filing included capital investments totaling \$383 over the 2024 - 2028 period. On December 20, 2023, the WVPSC issued a final order approving a settlement effective January 1, 2024.

On March 6, 2023, WV Gas Utility submitted a base rate case filing with the WVPSC seeking a net revenue increase of \$20, which consisted of an increase in base rates of \$38 and a decrease in the IREP rates of \$18 annually to be effective on April 5, 2023. On March 31, 2023, the WVPSC suspended the effective date of the requested rate change increase until January 1, 2024 to allow for a full review of the filing. On October 6, 2023, WV Gas Utility filed a joint stipulation and agreement for settlement of the base rate case, which included a \$14 net revenue increase. On December 21, 2023, the WVPSC issued a final order approving the joint stipulation and agreement, except the WVPSC authorized WV Gas Utility to implement a weather normalization adjustment rider as a five-year pilot program beginning on October 1, 2024. The new rates went into effect on January 1, 2024. On April 11, 2024, the WVPSC approved the calculation methodology submitted by WV Gas Utility on March 28, 2024. Under this rider, when weather deviates from normal by more than 2%, for service rendered during the period October 1 through May 31, residential and small commercial customer billings for distribution services are adjusted for weather related impacts exceeding the 2% threshold.

**Note 8 — Debt****Significant Financing Activities**

The following significant financing activities occurred during the three months ended December 31, 2024.

**Utilities**

***UGI Utilities Senior Notes.*** In November 2024, UGI Utilities entered into a Note Purchase Agreement with a consortium of lenders. Pursuant to the Note Purchase Agreement, UGI Utilities issued \$50 aggregate principal amount of 5.24% Senior Notes due November 30, 2029, and \$125 aggregate principal amount of 5.52% Senior Notes due November 30, 2034. The Note Purchase Agreement contains customary covenants and default provisions and requires compliance with certain financial covenants including a leverage ratio and priority debt ratio as defined in the agreement. These senior notes are unsecured and rank equally with UGI Utilities' existing outstanding senior debt. The net proceeds from these issuances were used to reduce short-term borrowings and for general corporate purposes.

**Midstream & Marketing**

***Energy Services Receivables Facility.*** Energy Services has a Receivables Facility with an issuer of receivables-backed commercial paper. In October 2024, the expiration date of the Receivables Facility was extended to October 2025. The Receivables Facility provides Energy Services with the ability to borrow up to \$150 of eligible receivables during the period October 18, 2024 to April 30, 2025, and up to \$75 of eligible receivables during the period May 1, 2025 to October 17, 2025, with the option to request an increase of \$50. The interest rate of the Receivables Facility was replaced with a SOFR based interest rate effective with the extension in October 2024. Energy Services uses the Receivables Facility to fund working capital, margin calls under commodity futures contracts, capital expenditures, dividends and for general corporate purposes.

**AmeriGas Propane**

***AmeriGas Senior Secured Revolving Credit Facility.*** In October 2024, AmeriGas OLP amended the AmeriGas Senior Secured Revolving Credit Facility to increase total commitments from \$200 to a total of \$300. The maximum borrowings permitted to

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be made at any time under the Credit Agreement is equal to the lesser of (x) the Formula Amount for the borrowing base and (y) the Maximum Revolving Advance Amount, as defined in the agreement.

**UGI Corporation**

**UGI Corporation 2025 Credit Agreement.** In October 2024, UGI entered into a new UGI Corporation 2025 Credit Agreement, consisting of (1) a \$475 senior secured revolving credit facility, including a \$10 sublimit for letters of credit and (2) a \$400 senior secured variable-rate term loan. The revolving credit facility is scheduled to expire in October 2028 and the term loan facility is scheduled to mature in October 2027. Borrowings under the credit agreement are secured by a pledge of UGI's equity in its material subsidiaries, as defined in the UGI Corporation 2025 Credit Agreement, excluding UGI Utilities and Mountaintop Energy Holdings, LLC, subject to certain additional exceptions and carveouts. Proceeds from the UGI Corporation 2025 Credit Agreement were used to prepay all borrowings under the UGI Corporation Credit Facility Agreement due August 29, 2025 and, concurrent with such repayment, terminated the agreement.

Borrowings under the UGI Corporation 2025 Credit Agreement bear interest, subject to our election, at a rate per annum equal to (i) the alternative base rate plus the applicable rate as defined by the agreement or (ii) the adjusted Term SOFR rate plus the applicable rate as defined by the agreement. The Company has entered into an interest rate swap agreement that will generally fix the underlying market-based interest rate on the variable-rate loan through September 2027. Borrowings under the credit agreement can be used for general corporate purposes and ongoing working capital needs of the Company. Because management currently intends to maintain a substantial portion of the amounts outstanding under the \$475 revolving credit facility beyond twelve months, and has the ability to do so under the terms of the UGI Corporation 2025 Credit Agreement, borrowings under this revolving credit facility have been classified as "Long-term debt" on the Condensed Consolidated Balance Sheet.

**UGI Corporation Senior Notes**

In June 2024, UGI issued, in an underwritten private placement, an aggregate \$700 principal amount of 5.00% UGI Corporation Senior Notes due June 2028. The UGI Corporation Senior Notes are convertible subject to the occurrence of certain events and circumstances. As of December 31, 2024, none of the events permitting the noteholders to convert their notes early occurred. Accordingly, the UGI Corporation Senior Notes are classified as "Long-term debt" on the Condensed Consolidated Balance Sheets. For the three months ended December 31, 2024, the Company recognized \$10 of interest expense, including amortization of debt issuance costs, related to the UGI Corporation Senior Notes at the effective interest rate of 5.62%.

We estimate the fair value of long-term debt by using current market rates and by discounting future cash flows using rates available for similar type debt (Level 2). The estimated fair values of the UGI Corporation Senior Notes were \$797 and \$744 at December 31, 2024 and September 30, 2024, respectively.

See the Company's 2024 Annual Report for additional information on our UGI Corporation Senior Notes.

**Subsequent Events**

On February 4, 2025, UGI International borrowed \$221 under its revolving credit facility. The proceeds from these borrowings were subsequently used to fund an intercompany loan of \$221 to AmeriGas Partners. AmeriGas Partners expects to use the proceeds from the intercompany loan to redeem the outstanding principal balance of the 5.50% Senior Notes maturing in May 2025. Concurrent with the intercompany loan agreement, on February 5, 2025, AmeriGas Partners issued a notice of early redemption for the remaining 5.50% Senior Notes maturing in May 2025, having an aggregate principal balance of \$218, plus accrued and unpaid interest. These 5.50% Senior Notes are included in "Current maturities of long-term debt" on the Condensed Consolidated Balance Sheet.

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**Note 9 — Commitments and Contingencies****Environmental Matters*****UGI Utilities***

From the late 1800s through the mid-1900s, UGI Utilities and its former subsidiaries owned and operated a number of MGPs prior to the general availability of natural gas. Some constituents of coal tars and other residues of the manufactured gas process are today considered hazardous substances under the Superfund Law and may be present on the sites of former MGPs. Between 1882 and 1953, UGI Utilities owned the stock of subsidiary gas companies in Pennsylvania and elsewhere and also operated the businesses of some gas companies under agreement. By the early 1950s, UGI Utilities divested all of its utility operations other than certain gas and electric operations. Beginning in 2006 and 2008, UGI Utilities also owned and operated two acquired subsidiaries, with similar histories of owning, and in some cases operating, MGPs in Pennsylvania.

UGI Utilities is subject to a COA with the PADEP to address the remediation of specified former MGP sites in Pennsylvania, which is scheduled to terminate at the end of 2035. In accordance with the COA, UGI Utilities is required to either obtain a certain number of points per calendar year based on defined eligible environmental investigatory and/or remedial activities at the MGPs, or make expenditures for such activities in an amount equal to an annual environmental minimum expenditure threshold. The annual minimum expenditure threshold of the COA is \$5. At December 31, 2024, September 30, 2024 and December 31, 2023, our aggregate estimated accrued liabilities for environmental investigation and remediation costs related to the COA totaled \$52, \$54 and \$50, respectively.

We do not expect the costs for investigation and remediation of hazardous substances at Pennsylvania MGP sites to be material to UGI Utilities' results of operations because UGI Utilities receives ratemaking recovery of actual environmental investigation and remediation costs associated with the sites covered by the COA. This ratemaking recognition reconciles the accumulated difference between historical costs and rate recoveries with an estimate of future costs associated with the sites. As such, UGI Utilities has recorded an associated regulatory asset for these costs because recovery of these costs from customers is probable (see Note 7).

From time to time, UGI Utilities is notified of sites outside Pennsylvania on which private parties allege MGPs were formerly owned or operated by UGI Utilities or owned or operated by a former subsidiary. Such parties generally investigate the extent of environmental contamination or perform environmental remediation. Management believes that under applicable law, UGI Utilities should not be liable in those instances in which a former subsidiary owned or operated an MGP. There could be, however, significant future costs of an uncertain amount associated with environmental damage caused by MGPs outside Pennsylvania that UGI Utilities directly operated, or that were owned or operated by a former subsidiary of UGI Utilities if a court were to conclude that (1) the subsidiary's separate corporate form should be disregarded, or (2) UGI Utilities should be considered to have been an operator because of its conduct with respect to its subsidiary's MGP. Neither the undiscounted nor the accrued liability for environmental investigation and cleanup costs for UGI Utilities' MGP sites outside Pennsylvania were material for all periods presented.

***AmeriGas Propane***

***AmeriGas OLP Saranac Lake.*** In 2008, the NYDEC notified AmeriGas OLP that the NYDEC had placed property purportedly owned by AmeriGas OLP in Saranac Lake, New York on the New York State Registry of Inactive Hazardous Waste Disposal Sites. A site characterization study performed by the NYDEC disclosed contamination related to a former MGP. AmeriGas OLP responded to the NYDEC in 2009 to dispute the contention it was a PRP as it did not operate the MGP and appeared to only own a portion of the site. In 2017, the NYDEC communicated to AmeriGas OLP that the NYDEC had previously issued three RODs related to remediation of the site totaling approximately \$28 and requested additional information regarding AmeriGas OLP's purported ownership. AmeriGas OLP renewed its challenge to designation as a PRP and identified potential defenses. The NYDEC subsequently identified a third party PRP with respect to the site.

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The NYDEC commenced implementation of the remediation plan in the spring of 2018. In Fiscal 2024, the NYDEC informed AmeriGas OLP that the remediation plan had been completed at a total cost of approximately \$19. The New York Office of the Attorney General, as counsel for the NYDEC, invited AmeriGas OLP to participate in settlement discussions. Based on our evaluation of the available information as of December 31, 2024, the Partnership has an undiscounted environmental remediation liability of \$8 related to the site. Our share of the actual remediation costs could be significantly more or less than the accrued amount.

**Other Matters**

**West Reading, Pennsylvania Explosion.** On March 24, 2023, an explosion occurred in West Reading, Pennsylvania which resulted in seven fatalities, injuries to at least ten others, and extensive property damage to buildings owned by R.M. Palmer, a local chocolate manufacturer, and neighboring structures. The NTSB and the PAPUC are investigating the West Reading incident. On July 18, 2023, the NTSB issued an Investigative Update which identified a fracture in a retired UGI gas service tee and a fracture in a nearby R.M. Palmer steam system. The NTSB investigative team includes representatives from the Company, the local fire department and the Pipeline and Hazardous Materials Safety Administration. The Company is cooperating with the investigation. In September 2023, OSHA closed their investigation of this matter, without any finding pertaining to UGI Utilities. On December 10, 2024, the NTSB staff presented its draft findings to the NTSB Board.

While awaiting the final NTSB report, the Company has received claims as a result of the explosion and is involved in lawsuits relative to the incident. The Company maintains liability insurance for personal injury, property and casualty damages and believes that third-party claims associated with the explosion, in excess of the Company's deductible, are recoverable through the Company's insurance. The Company cannot predict the result of these pending or future claims and legal actions at this time.

Regarding these pending claims and legal actions, the Company does not believe, at this early stage, that there is sufficient information available to reasonably estimate a range of loss, if any, or conclude that the final outcome of these matters will or will not have a material effect on our financial statements.

In addition to the matters described above, there are other pending claims and legal actions arising in the normal course of our businesses. Although we cannot predict the final results of these pending claims and legal actions, including those described above, we believe, after consultation with counsel, that the final outcome of these matters will not have a material effect on our financial statements.

**Note 10 — Defined Benefit Pension and Other Postretirement Plans**

The Company maintains defined benefit pension plans and other postretirement plans for certain current and former employees. The service cost component of our pension and other postretirement plans, net of amounts capitalized, is reflected in "Operating and administrative expenses" on the Condensed Consolidated Statements of Income. The non-service cost components, net of amounts capitalized by Utilities as a regulatory asset, are reflected in "Other non-operating income (expense), net" on the Condensed Consolidated Statements of Income. Other postretirement benefit cost was not material for all periods presented.

Net periodic pension benefit cost (income) includes the following components:

Three Months Ended December 31,	Pension Benefits	
	2024	2023
Service cost	\$ 2	\$ 2
Interest cost	9	9
Expected return on plan assets	(12)	(11)
Amortization of:		
Actuarial loss (gain)	1	—
Net benefit cost (income)	\$ —	\$ —

**UGI CORPORATION AND SUBSIDIARIES**
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(unaudited)

(Currency in millions, except per share amounts and where indicated otherwise)

**Note 11 — Fair Value Measurements**
**Recurring Fair Value Measurements**

The following table presents, on a gross basis, our financial assets and liabilities, including both current and noncurrent portions, that are measured at fair value on a recurring basis within the fair value hierarchy:

	Asset (Liability)			Total
	Level 1	Level 2	Level 3	
<b>December 31, 2024:</b>				
Derivative instruments:				
Assets:				
Commodity contracts	\$ 130	\$ 33	\$ —	\$ 163
Foreign currency contracts	\$ —	\$ 33	\$ —	\$ 33
Interest rate contracts	\$ —	\$ 5	\$ —	\$ 5
Liabilities:				
Commodity contracts	\$ (98)	\$ (14)	\$ —	\$ (112)
Foreign currency contracts	\$ —	\$ (1)	\$ —	\$ (1)
Interest rate contracts	\$ —	\$ (9)	\$ —	\$ (9)
Non-qualified supplemental postretirement grantor trust investments (a)	\$ 44	\$ —	\$ —	\$ 44
<b>September 30, 2024:</b>				
Derivative instruments:				
Assets:				
Commodity contracts	\$ 106	\$ 27	\$ —	\$ 133
Foreign currency contracts	\$ —	\$ 6	\$ —	\$ 6
Interest rate contracts	\$ —	\$ 1	\$ —	\$ 1
Liabilities:				
Commodity contracts	\$ (120)	\$ (32)	\$ —	\$ (152)
Foreign currency contracts	\$ —	\$ (9)	\$ —	\$ (9)
Interest rate contracts	\$ —	\$ (22)	\$ —	\$ (22)
Non-qualified supplemental postretirement grantor trust investments (a)	\$ 43	\$ —	\$ —	\$ 43
<b>December 31, 2023:</b>				
Derivative instruments:				
Assets:				
Commodity contracts	\$ 112	\$ 50	\$ —	\$ 162
Foreign currency contracts	\$ —	\$ 12	\$ —	\$ 12
Interest rate contracts	\$ —	\$ 15	\$ —	\$ 15
Liabilities:				
Commodity contracts	\$ (227)	\$ (104)	\$ —	\$ (331)
Foreign currency contracts	\$ —	\$ (6)	\$ —	\$ (6)
Interest rate contracts	\$ —	\$ (16)	\$ —	\$ (16)
Non-qualified supplemental postretirement grantor trust investments (a)	\$ 42	\$ —	\$ —	\$ 42

(a) Consists primarily of mutual fund investments held in grantor trusts associated with non-qualified supplemental retirement plans.

The fair values of our Level 1 exchange-traded commodity futures and option contracts and non-exchange-traded commodity futures and forward contracts are based upon actively quoted market prices for identical assets and liabilities. Substantially all of the remaining derivative instruments are designated as Level 2. The fair values of certain non-exchange-traded commodity

## UGI CORPORATION AND SUBSIDIARIES

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derivatives designated as Level 2 are based upon indicative price quotations available through brokers, industry price publications or recent market transactions and related market indicators. The fair values of our Level 2 interest rate contracts and foreign currency contracts are based upon third-party quotes or indicative values based on recent market transactions. The fair values of investments held in grantor trusts are derived from quoted market prices as substantially all of the investments in these trusts have active markets.

**Other Financial Instruments**

The carrying amounts of other financial instruments included in current assets and current liabilities (except for current maturities of long-term debt) approximate their fair values because of their short-term nature. We estimate the fair value of long-term debt by using current market rates and by discounting future cash flows using rates available for similar type debt (Level 2). The carrying amounts and estimated fair values of our long-term debt (including current maturities but excluding unamortized debt issuance costs) were as follows:

	December 31, 2024	September 30, 2024	December 31, 2023
Carrying amount	\$ 6,907	\$ 6,733	\$ 6,866
Estimated fair value	\$ 6,523	\$ 6,663	\$ 6,644

Financial instruments other than derivative instruments, such as short-term investments and trade accounts receivable, could expose us to concentrations of credit risk. We limit credit risk from short-term investments by investing only in investment-grade commercial paper, money market mutual funds, securities guaranteed by the U.S. Government or its agencies and FDIC insured bank deposits. The credit risk arising from concentrations of trade accounts receivable is limited because we have a large customer base that extends across many different U.S. markets and a number of foreign countries. For information regarding concentrations of credit risk associated with our derivative instruments, see Note 12

**Note 12 — Derivative Instruments and Hedging Activities**

We are exposed to certain market risks related to our ongoing business operations. Management uses derivative financial and commodity instruments, among other things, to manage: (1) commodity price risk; (2) interest rate risk; and (3) foreign currency exchange rate risk. Although we use derivative financial and commodity instruments to reduce market risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes. The use of derivative instruments is controlled by our risk management and credit policies, which govern, among other things, the derivative instruments we can use, counterparty credit limits and contract authorization limits. Although our commodity derivative instruments extend over a number of years, a significant portion of our commodity derivative instruments economically hedge commodity price risk during the next twelve months. See Note 2 for information on the accounting for our derivative instruments.

The following sections summarize the types of derivative instruments used by the Company to manage these market risks.

**Commodity Price Risk****Regulated Utility Operations***Natural Gas*

PA Gas Utility's tariffs contain clauses that permit recovery of all prudently incurred costs of natural gas it sells to retail core-market customers, including the cost of financial instruments used to hedge purchased gas costs. As permitted and agreed to by the PAPUC pursuant to PA Gas Utility's annual PGC filings, PA Gas Utility currently uses NYMEX natural gas futures and option contracts to reduce commodity price volatility associated with a portion of the natural gas it purchases for its retail core-market customers. See Note 7 for further information on the regulatory accounting treatment for these derivative instruments.

**UGI CORPORATION AND SUBSIDIARIES****Notes to Condensed Consolidated Financial Statements**

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**Non-utility Operations***LPG*

In order to manage market price risk associated with the Partnership's fixed-price programs and to reduce the effects of short-term commodity price volatility, the Partnership uses over-the-counter derivative commodity instruments, principally price swap contracts. In addition, the Partnership and our UGI International operations also use over-the-counter price swap and option contracts to reduce commodity price volatility associated with a portion of their forecasted LPG purchases.

*Natural Gas*

In order to manage market price risk relating to fixed-price sales contracts for physical natural gas, Midstream & Marketing enters into NYMEX and over-the-counter natural gas futures and over-the-counter and ICE natural gas basis swap contracts. In addition, Midstream & Marketing uses NYMEX and over-the-counter futures and options contracts to economically hedge price volatility associated with the gross margin derived from the purchase and anticipated later near-term sale of natural gas storage inventories. Outside of the financial market, Midstream & Marketing also uses ICE and over-the-counter forward physical contracts. UGI International also uses natural gas futures and forward contracts to economically hedge market price risk associated with a substantial portion of anticipated volumes under fixed-price sales contracts with its customers. See Note 5 for information on the exit of substantially all of the Company's energy marketing business in Europe.

*Electricity*

In order to manage market price risk relating to fixed-price sales contracts for electricity, Midstream & Marketing enters into electricity futures and forward contracts. Midstream & Marketing, through UGID, also used NYMEX and over-the-counter electricity futures contracts to economically hedge the price of a portion of its anticipated future sales of electricity from its electric generation facilities, prior to its sale of UGID in September 2024. UGI International also uses electricity futures and forward contracts to economically hedge market price risk associated with fixed-price sales and purchase contracts for electricity. See Note 5 for information on the exit of substantially all of the Company's European energy marketing business.

**Interest Rate Risk**

Certain of our long-term debt agreements have interest rates that are generally indexed to short-term market interest rates. In order to fix the underlying short-term market interest rates, we may enter into pay-fixed, receive-variable interest rate swap agreements and designate such swaps as cash flow hedges. In March 2023, in connection with the Energy Services Amended Term Loan Credit Agreement, Energy Services terminated and settled its existing interest rate swap associated with the Energy Services Term Loan Credit Agreement at a \$32 gain. This gain was deferred in AOCI and was amortized to interest expense over the remaining term of the initial interest rate swap through July 2024.

The remainder of our long-term debt is typically issued at fixed rates of interest. As this long-term debt matures, we typically refinance such debt with new debt having interest rates reflecting then-current market conditions. In order to reduce market rate risk on the underlying benchmark rate of interest associated with near- to medium-term forecasted issuances of fixed-rate debt, from time to time we enter into IRPAs. We account for IRPAs as cash flow hedges. There were no unsettled IRPAs during any of the periods presented. At December 31, 2024, the amount of pre-tax net (gains) losses associated with interest rate hedges expected to be reclassified into earnings during the next twelve months is \$5.

**Foreign Currency Exchange Rate Risk****Forward Foreign Currency Exchange Contracts**

In order to reduce the volatility in net income associated with our foreign operations, principally as a result of changes in the USD exchange rate to the euro and British pound sterling, we enter into forward foreign currency exchange contracts. We layer in these foreign currency exchange contracts over multi-year periods to eventually equal approximately 90% of anticipated UGI International foreign currency earnings before income taxes. Because these contracts are not designated as hedging instruments,

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realized and unrealized gains and losses on these contracts are recorded in “Other non-operating income (expense), net” on the Condensed Consolidated Statements of Income.

**Net Investment Hedges**

From time to time, we also enter into certain forward foreign currency exchange contracts to reduce the volatility of the USD value of a portion of our UGI International euro-denominated net investments, including anticipated foreign currency denominated dividends. We account for these foreign currency exchange contracts as net investment hedges and all changes in the fair value of these contracts are reported in the cumulative translation adjustment component in AOCI. We use the spot rate method to measure ineffectiveness of our net investment hedges.

Our euro-denominated long-term debt has also been designated as net investment hedges, representing a portion of our UGI International euro-denominated net investment. We recognized pre-tax gains (losses) associated with these net investment hedges in the cumulative translation adjustment component in AOCI of \$55 and \$(32) during the three months ended December 31, 2024 and 2023, respectively.

**Quantitative Disclosures Related to Derivative Instruments**

The following table summarizes by derivative type the gross notional amounts related to open derivative contracts at December 31, 2024, September 30, 2024 and December 31, 2023, and the final settlement dates of the Company's open derivative contracts as of December 31, 2024, but excluding those derivatives that qualified for the NPNS exception:

Type	Units	Settlements Extending Through	Notional Amounts (in millions)		
			December 31, 2024	September 30, 2024	December 31, 2023
<b>Commodity Price Risk:</b>					
<i>Regulated Utility Operations</i>					
PA Gas Utility NYMEX natural gas futures and option contracts	Dekatherms	September 2025	22	26	16
<i>Non-utility Operations</i>					
LPG swaps	Gallons	September 2027	410	458	638
Natural gas futures, forward, basis swap, options and pipeline contracts	Dekatherms	December 2028	310	325	331
Electricity forward and futures contracts	Kilowatt hours	December 2027	1,031	1,113	634
<b>Interest Rate Risk:</b>					
Interest rate swaps	Euro	March 2026	€ 300	€ 300	€ 300
Interest rate swaps	USD	September 2027	\$ 1,228	\$ 1,231	\$ 1,267
<b>Foreign Currency Exchange Rate Risk:</b>					
Forward foreign currency exchange contracts	USD	September 2027	\$ 299	\$ 389	\$ 348
Net investment hedge forward foreign exchange contracts	Euro	December 2026	€ 181	€ 181	€ 256

**Derivative Instrument Credit Risk**

We are exposed to risk of loss in the event of nonperformance by our derivative instrument counterparties. Our derivative instrument counterparties principally comprise large energy companies and major U.S. and international financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include

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evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits or entering into netting agreements that allow for offsetting counterparty receivable and payable balances for certain financial transactions, as deemed appropriate.

We have concentrations of credit risk associated with derivative instruments and we evaluate the creditworthiness of our derivative counterparties on an ongoing basis. As of December 31, 2024, the maximum amount of loss, based upon the gross fair values of the derivative instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was \$201. In general, many of our over-the-counter derivative instruments and all exchange contracts call for the posting of collateral by the counterparty or by the Company in the forms of letters of credit, parental guarantees or cash. At December 31, 2024, we had received cash collateral from derivative instrument counterparties totaling \$31. In addition, we may have offsetting derivative liabilities and certain accounts payable balances with certain of these counterparties, which further mitigates the previously mentioned maximum amount of losses. Certain of the Partnership's derivative contracts have credit-risk-related contingent features that may require the posting of additional collateral in the event of a downgrade of the Partnership's debt rating. At December 31, 2024, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

**Offsetting Derivative Assets and Liabilities**

Derivative assets and liabilities are presented net by counterparty on the Condensed Consolidated Balance Sheets if the right of offset exists. We offset amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral against amounts recognized for derivative instruments executed with the same counterparty. Our derivative instruments include both those that are executed on an exchange through brokers and centrally cleared and over-the-counter transactions. Exchange contracts utilize a financial intermediary, exchange or clearinghouse to enter, execute or clear the transactions. Over-the-counter contracts are bilateral contracts that are transacted directly with a third party. Certain over-the-counter and exchange contracts contain contractual rights of offset through master netting arrangements, derivative clearing agreements and contract default provisions. In addition, the contracts are subject to conditional rights of offset through counterparty nonperformance, insolvency or other conditions.

In general, many of our over-the-counter transactions and all exchange contracts are subject to collateral requirements. Types of collateral generally include cash or letters of credit. Cash collateral paid by us to our over-the-counter derivative counterparties, if any, is reflected in the table below to offset derivative liabilities. Cash collateral received by us from our over-the-counter derivative counterparties, if any, is reflected in the table below to offset derivative assets. Certain other accounts receivable and accounts payable balances recognized on the Condensed Consolidated Balance Sheets with our derivative counterparties are not included in the table below but could reduce our net exposure to such counterparties because such balances are subject to master netting or similar arrangements.

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**Fair Value of Derivative Instruments**

The following table presents the Company's derivative assets and liabilities by type, as well as the effects of offsetting:

	December 31, 2024	September 30, 2024	December 31, 2023
<b>Derivative assets:</b>			
<b>Derivatives designated as hedging instruments:</b>			
Foreign currency contracts	\$ 19	\$ 6	\$ 5
Interest rate contracts	5	1	15
	<u>24</u>	<u>7</u>	<u>20</u>
<b>Derivatives subject to PGC and DS mechanisms:</b>			
Commodity contracts	6	4	11
<b>Derivatives not designated as hedging instruments:</b>			
Commodity contracts	157	129	151
Foreign currency contracts	14	—	7
	<u>171</u>	<u>129</u>	<u>158</u>
Total derivative assets — gross	201	140	189
Gross amounts offset in the balance sheet	(83)	(88)	(116)
Cash collateral received	(31)	(14)	(17)
Total derivative assets — net	<u>\$ 87</u>	<u>\$ 38</u>	<u>\$ 56</u>
<b>Derivative liabilities:</b>			
<b>Derivatives designated as hedging instruments:</b>			
Foreign currency contracts	\$ —	\$ —	\$ (1)
Interest rate contracts	(9)	(22)	(16)
	<u>(9)</u>	<u>(22)</u>	<u>(17)</u>
<b>Derivatives subject to PGC and DS mechanisms:</b>			
Commodity contracts	—	(1)	(22)
<b>Derivatives not designated as hedging instruments:</b>			
Commodity contracts	(112)	(151)	(309)
Foreign currency contracts	(1)	(9)	(5)
	<u>(113)</u>	<u>(160)</u>	<u>(314)</u>
Total derivative liabilities — gross	(122)	(183)	(353)
Gross amounts offset in the balance sheet	83	88	116
Cash collateral pledged	4	36	64
Total derivative liabilities — net	<u>\$ (35)</u>	<u>\$ (59)</u>	<u>\$ (173)</u>

## UGI CORPORATION AND SUBSIDIARIES

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**Effects of Derivative Instruments**

The following tables provide information on the effects of derivative instruments on the Condensed Consolidated Statements of Income and changes in AOCI:

**Three Months Ended December 31,:**

	Gain (Loss) Recognized in AOCI		Gain (Loss) Reclassified from AOCI into Income		Location of Gain (Loss) Reclassified from AOCI into Income
	2024	2023	2024	2023	
<b>Cash Flow Hedges:</b>					
Interest rate contracts	\$ 20	\$ (22)	\$ 2	\$ 13	Interest expense
<b>Net Investment Hedges:</b>					
Foreign currency contracts	\$ 13	\$ (10)			
	Gain (Loss) Recognized in Income				
<b>Derivatives Not Designated as Hedging Instruments:</b>	2024	2023	Location of Gain (Loss) Recognized in Income		
Commodity contracts	\$ (1)	\$ 2	Revenues		
Commodity contracts	69	(155)	Cost of sales		
Commodity contracts	(1)	3	Other operating expense (income), net		
Foreign currency contracts	25	(16)	Other non-operating income (expense), net		
Total	\$ 92	\$ (166)			

We are also a party to a number of other contracts that have elements of a derivative instrument. However, these contracts qualify for NPNS exception accounting because they provide for the delivery of products or services in quantities that are expected to be used in the normal course of operating our business and the price in these contracts are based on an underlying that is directly associated with the price of the product or service being purchased or sold. These contracts include, among others, binding purchase orders, contracts that provide for the purchase and delivery, or sale, of energy products, and service contracts that require the counterparty to provide commodity storage, transportation or capacity service to meet our normal sales commitments.

## UGI CORPORATION AND SUBSIDIARIES

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**Note 13 — Accumulated Other Comprehensive Income (Loss)**

The tables below present changes in AOCI, net of tax:

<b>Three Months Ended December 31, 2024</b>	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — September 30, 2024	\$ 10	\$ (23)	\$ (240)	\$ (253)
Other comprehensive income (loss) before reclassification adjustments	—	15	(72)	(57)
Amounts reclassified from AOCI	(1)	(2)	—	(3)
Other comprehensive income (loss) attributable to UGI	(1)	13	(72)	(60)
AOCI — December 31, 2024	\$ 9	\$ (10)	\$ (312)	\$ (313)

  

<b>Three Months Ended December 31, 2023</b>	Postretirement Benefit Plans	Derivative Instruments	Foreign Currency	Total
AOCI — September 30, 2023	\$ 17	\$ 26	\$ (299)	\$ (256)
Other comprehensive income (loss) before reclassification adjustments	—	(15)	49	34
Amounts reclassified from AOCI	—	(10)	—	(10)
Other comprehensive income (loss) attributable to UGI	—	(25)	49	24
AOCI — December 31, 2023	\$ 17	\$ 1	\$ (250)	\$ (232)

**UGI CORPORATION AND SUBSIDIARIES**
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**Note 14 — Equity Method Investments**

We account for privately held equity securities of entities without readily determinable fair values in which we do not have control, but have significant influence over operating and financial policies, under the equity method. Our equity method investments principally comprise a number of investments in biomass and other renewable energy projects at Midstream & Marketing. Equity method investments are included in "Other assets" on the Condensed Consolidated Balance Sheets and equity method earnings are included in "Income (loss) from equity investees" on the Condensed Consolidated Statements of Income.

Equity method investments comprise the following:

Investees	Carrying Value			Ownership Interest		
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	September 30, 2024	December 31, 2023
<b>Midstream &amp; Marketing:</b>						
Aurum Renewables	\$ 47	\$ 47	\$ 46	40%	40%	40%
Pine Run	86	86	80	49%	49%	49%
MBL Bioenergy	225	206	147	99.99%	99.99%	99.99%
Other	21	20	21	various	various	various
Total Midstream & Marketing	379	359	294			
UGI International (a)	10	10	35	various	various	various
Other	—	1	—	various	various	various
<b>Total investments in equity method investees</b>	<b>\$ 389</b>	<b>\$ 370</b>	<b>\$ 329</b>			

(a) During Fiscal 2024, UGI International recognized an other-than-temporary pre-tax impairment loss of \$26 related to its investment in a joint venture that invests in renewable energy projects.

See the Company's 2024 Annual Report for additional information on our equity method investments.

**Note 15 — Segment Information**

Our operations comprise four reportable segments generally based upon products or services sold, geographic location and regulatory environment: (1) Utilities; (2) Midstream & Marketing; (3) UGI International; and (4) AmeriGas Propane.

Corporate & Other includes certain items that are excluded from our CODM's assessment of segment performance (see below for further details on these items). Corporate & Other also includes the net expenses of UGI's captive general liability insurance company, UGI's corporate headquarters facility and UGI's unallocated corporate and general expenses as well as interest expense on UGI debt that is not allocated. Corporate & Other assets principally comprise cash and cash equivalents of UGI and its captive insurance company, and UGI corporate headquarters' assets. The accounting policies of our reportable segments are the same as those described in Note 2, "Summary of Significant Accounting Policies," in the Company's 2024 Annual Report.

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<b>Three Months Ended December 31, 2024</b>	Total	Eliminations	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corporate & Other (a)
Revenues from external customers	\$ 2,030	\$ —	\$ 470	\$ 296	\$ 638	\$ 627	\$ (1)
Intersegment revenues	\$ —	\$ (86) (b)	\$ 15	\$ 71	\$ —	\$ —	\$ —
Cost of sales	\$ 923	\$ (86) (b)	\$ 204	\$ 229	\$ 374	\$ 280	\$ (78)
Operating income	\$ 487	\$ 1	\$ 138	\$ 91	\$ 106	\$ 74	\$ 77
Income (loss) from equity investees	3	—	—	4	(1)	—	—
Other non-operating income (expense), net	29	—	3	—	5	—	21
Earnings before interest expense and income taxes	519	1	141	95	110	74	98
Interest expense	(102)	—	(26)	(12)	(10)	(33)	(21)
Income before income taxes	\$ 417	\$ 1	\$ 115	\$ 83	\$ 100	\$ 41	\$ 77
Depreciation and amortization	\$ 138	\$ —	\$ 44	\$ 20	\$ 29	\$ 45	\$ —
Capital expenditures (including the effects of accruals)	\$ 175	\$ —	\$ 106	\$ 32	\$ 14	\$ 23	\$ —
<b>As of December 31, 2024</b>							
Total assets	\$ 15,412	\$ (220)	\$ 6,183	\$ 3,321	\$ 2,835	\$ 3,082	\$ 211
<b>Three Months Ended December 31, 2023</b>							
Revenues from external customers	\$ 2,121	\$ —	\$ 480	\$ 327	\$ 725	\$ 629	\$ (40)
Intersegment revenues	\$ —	\$ (80) (b)	\$ 13	\$ 67	\$ —	\$ —	\$ —
Cost of sales	\$ 1,202	\$ (80) (b)	\$ 221	\$ 239	\$ 446	\$ 283	\$ 93
Operating income (loss)	\$ 232	\$ (1)	\$ 134	\$ 99	\$ 113	\$ 71	\$ (184)
Income (loss) from equity investees	1	—	—	3	(2)	—	—
Other non-operating income (expense), net	(13)	—	1	—	6	—	(20)
Earnings (loss) before interest expense and income taxes	220	(1)	135	102	117	71	(204)
Interest expense	(100)	—	(23)	(11)	(11)	(41)	(14)
Income (loss) before income taxes	\$ 120	\$ (1)	\$ 112	\$ 91	\$ 106	\$ 30	\$ (218)
Depreciation and amortization	\$ 137	\$ —	\$ 41	\$ 22	\$ 30	\$ 44	\$ —
Capital expenditures (including the effects of accruals)	\$ 133	\$ —	\$ 82	\$ 19	\$ 12	\$ 20	\$ —
<b>As of December 31, 2023</b>							
Total assets	\$ 15,716	\$ (190)	\$ 5,855	\$ 3,236	\$ 3,150	\$ 3,460	\$ 205

(a) Corporate & Other includes specific items attributable to our reportable segments that are not included in the segment profit measures used by our CODM in assessing our reportable segments' performance or allocating resources. The following table presents such pre-tax gains (losses) which have been included in Corporate & Other, and the reportable segments to which they relate:

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<b>Three Months Ended December 31, 2024</b>	Location on Income Statement	Midstream & Marketing	UGI International	AmeriGas Propane
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Revenues	\$ (1)	\$ —	\$ —
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Cost of sales	\$ 59	\$ 12	\$ 7
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Other operating expense (income), net	\$ —	\$ 1	\$ —
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	\$ —	\$ 22	\$ —
<b>Three Months Ended December 31, 2023</b>	Location on Income Statement	Midstream & Marketing	UGI International	AmeriGas Propane
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Revenues	\$ 1	\$ 1	\$ —
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Cost of sales	\$ (47)	\$ (41)	\$ (6)
Net gains (losses) on commodity derivative instruments not associated with current-period transactions	Other operating expense (income), net	\$ —	\$ (3)	\$ —
Unrealized gains (losses) on foreign currency derivative instruments	Other non-operating income (expense), net	\$ —	\$ (20)	\$ —
AmeriGas operations enhancement for growth project	Operating and administrative expenses	\$ —	\$ —	\$ (7)
Costs associated with exit of the UGI International energy marketing business	Revenues	\$ —	\$ (42)	\$ —
Costs associated with exit of the UGI International energy marketing business	Operating and administrative expenses/Other non-operating income (expense), net	\$ —	\$ (8)	\$ —
Costs associated with exit of the UGI International energy marketing business	Loss on disposal of business	\$ —	\$ (28)	\$ —

(b) Represents the elimination of intersegment transactions principally among Utilities, Midstream &amp; Marketing and AmeriGas Propane.

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS****Forward-Looking Statements**

Information contained in this Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements use forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," or other similar words and terms of similar meaning, although not all forward-looking statements contain such words. These statements discuss plans, strategies, events or developments that we expect or anticipate will or may occur in the future. All forward-looking statements made in this Quarterly Report on Form 10-Q rely upon the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995.

A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable. However, we caution you against relying on any forward-looking statement as these statements are subject to risks and uncertainties that may cause actual results to vary from assumed facts or bases, and the differences between actual results and assumed facts or bases can be material, depending on the circumstances. When considering forward-looking statements, you should keep in mind those factors set forth in Item 1A. Risk Factors in the Company's 2024 Annual Report and the following important factors that could affect our future results and could cause those results to differ materially from those expressed in our forward-looking statements: (1) weather conditions (including increasingly uncertain weather patterns due to climate change) resulting in reduced demand, the seasonal nature of our business, and disruptions in our operations and supply chain; (2) cost volatility and availability of energy products, including propane and other LPG, electricity, and natural gas, as well as the availability of LPG cylinders, and the capacity to transport product to our customers; (3) changes in domestic and foreign laws and regulations, including safety, health, tax, transportation, consumer protection, data privacy, accounting, and environmental matters, such as regulatory responses to climate change; (4) inability to timely recover costs through utility rate proceedings; (5) the impact of pending and future legal or regulatory proceedings, inquiries or investigations; (6) competitive pressures from the same and alternative energy sources; (7) failure to acquire new customers or retain current customers thereby reducing or limiting any increase in revenues; (8) liability for environmental claims; (9) increased customer conservation measures due to high energy prices and improvements in energy efficiency and technology resulting in reduced demand; (10) adverse labor relations and our ability to address existing or potential workforce shortages; (11) customer, counterparty, supplier, or vendor defaults; (12) liability for uninsured claims and for claims in excess of insurance coverage, including those for personal injury and property damage arising from explosions, acts of war, terrorism, natural disasters, pandemics, and other catastrophic events that may result from operating hazards and risks incidental to generating and distributing electricity and transporting, storing and distributing natural gas and LPG in all forms; (13) transmission or distribution system service interruptions; (14) political, regulatory and economic conditions in the United States, Europe and other foreign countries, including uncertainties related to the war between Russia and Ukraine, the conflict in the Middle East, the European energy crisis, and foreign currency exchange rate fluctuations, particularly the euro; (15) credit and capital market conditions, including reduced access to capital markets and interest rate fluctuations; (16) changes in commodity market prices resulting in significantly higher cash collateral requirements; (17) impacts of our indebtedness and the restrictive covenants in our debt agreements; (18) reduced distributions from subsidiaries impacting the ability to pay dividends or service debt; (19) changes in Marcellus and Utica Shale gas production; (20) the success of our strategic initiatives and investments intended to advance our business strategy; (21) our ability to successfully integrate acquired businesses and achieve anticipated synergies; (22) the interruption, disruption, failure, malfunction, or breach of our information technology systems, and those of our third-party vendors or service providers, including due to cyber attack; (23) the inability to complete pending or future energy infrastructure projects; (24) our ability to attract, develop, retain and engage key employees; (25) uncertainties related to global pandemics; (26) the impact of a material impairment of our assets, (27) the impact of proposed or future tax legislation; (28) the impact of declines in the stock market or bond market, and a low interest rate environment, on our pension liability; (29) our ability to protect our intellectual property; (30) our ability to overcome supply chain issues that may result in delays or shortages in, as well as increased costs of, equipment, materials or other resources that are critical to our business operations; and (31) our ability to control operating costs and realize cost savings.

These factors, and those factors set forth in Item 1A. Risk Factors in the Company's 2024 Annual Report, are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Any forward-looking statement speaks only as of the date on which such statement is made. We undertake no obligation (and expressly disclaim any obligation) to update publicly any forward-looking statement, whether as a result of new information or future events, except as required by the federal securities laws.

**ANALYSIS OF RESULTS OF OPERATIONS**

The following analyses compare the Company's results of operations for the 2024 three-month period with the 2023 three-month period. Our analysis of results of operations should be read in conjunction with the segment information included in Note 15 to Condensed Consolidated Financial Statements.

Because most of our businesses sell or distribute energy products used in large part for heating purposes, our results are significantly influenced by temperatures in our service territories, particularly during the heating-season months of October through March. Accordingly, our results of operations, after adjusting for the effects of gains and losses on derivative instruments not associated with current-period transactions as further discussed below, are significantly higher in our first and second fiscal quarters.

**Non-GAAP Financial Measures**

UGI management uses "adjusted net income attributable to UGI Corporation" and "adjusted diluted earnings per share," both of which are non-GAAP financial measures, when evaluating UGI's overall performance. Management believes that these non-GAAP measures provide meaningful information to investors about UGI's performance because they eliminate gains and losses on commodity and certain foreign currency derivative instruments not associated with current-period transactions and other significant discrete items that can affect the comparison of period-over-period results.

UGI does not designate its commodity and certain foreign currency derivative instruments as hedges under GAAP. Volatility in net income attributable to UGI Corporation can occur as a result of gains and losses on such derivative instruments not associated with current-period transactions. These gains and losses result principally from recording changes in unrealized gains and losses on unsettled commodity and certain foreign currency derivative instruments and, to a much lesser extent, certain realized gains and losses on settled commodity derivative instruments that are not associated with current-period transactions. However, because these derivative instruments economically hedge anticipated future purchases or sales of energy commodities, or in the case of certain foreign currency derivatives reduce volatility in anticipated future earnings associated with our foreign operations, we expect that such gains or losses will be largely offset by gains or losses on anticipated future energy commodity transactions or mitigate volatility in anticipated future earnings. Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures.

**UGI CORPORATION AND SUBSIDIARIES**

The following tables reflect the adjustments referred to above and reconcile net income attributable to UGI Corporation, the most directly comparable GAAP measure, to adjusted net income attributable to UGI Corporation, and reconcile diluted earnings per share, the most directly comparable GAAP measure, to adjusted diluted earnings per share:

<b>Adjusted net income attributable to UGI Corporation</b> (Dollars in millions)	Three Months Ended December 31,	
	2024	2023
Utilities	\$ 89	\$ 86
Midstream & Marketing	89	92
UGI International	100	83
AmeriGas Propane	(46)	16
Corporate & Other (a)	143	(183)
<b>Net income attributable to UGI Corporation</b>	<b>375</b>	<b>94</b>
Net (gains) losses on commodity derivative instruments not associated with current-period transactions (net of tax of \$14 and \$(18), respectively)	(64)	77
Unrealized (gains) losses on foreign currency derivative instruments (net of tax of \$6 and \$(6), respectively)	(16)	14
AmeriGas operations enhancement for growth project (net of tax of \$0 and \$(2), respectively)	—	5
Restructuring costs (net of tax of \$0 and \$(1), respectively)	—	3
Costs associated with exit of UGI International energy marketing business (net of tax of \$0 and \$(13), respectively)	—	65
Total adjustments (a) (b)	(80)	164
<b>Adjusted net income attributable to UGI Corporation</b>	<b>\$ 295</b>	<b>\$ 258</b>

<b>Adjusted diluted earnings per share</b>	Three Months Ended December 31,	
	2024	2023
Utilities	\$ 0.41	\$ 0.40
Midstream & Marketing	0.41	0.43
UGI International	0.46	0.39
AmeriGas Propane	(0.21)	0.07
Corporate & Other (a)	0.67	(0.85)
<b>Diluted earnings per share</b>	<b>1.74</b>	<b>0.44</b>
Net (gains) losses on commodity derivative instruments not associated with current-period transactions	(0.30)	0.37
Unrealized (gains) losses on foreign currency derivative instruments	(0.07)	0.06
AmeriGas operations enhancement for growth project	—	0.02
Restructuring costs	—	0.01
Costs associated with exit of UGI International energy marketing business	—	0.30
Total adjustments (a)	(0.37)	0.76
<b>Adjusted diluted earnings per share</b>	<b>\$ 1.37</b>	<b>\$ 1.20</b>

(a) Corporate & Other includes certain adjustments made to our reporting segments in arriving at net income attributable to UGI Corporation. These adjustments have been excluded from the segment results to align with the measure used by our CODM in assessing segment performance and allocating resources. See Note 15 to Condensed Consolidated Financial Statements for additional information related to these adjustments, as well as other items included within Corporate & Other.

(b) Income taxes associated with pre-tax adjustments determined using statutory business unit tax rates.

**Executive Overview****2024 three-month period compared with 2023 three-month period**

Net income attributable to UGI Corporation for the 2024 three-month period was \$375 million (equal to \$1.74 per diluted share) compared to \$94 million (equal to \$0.44 per diluted share) for the 2023 three-month period. These results include net gains (losses) from changes in unrealized commodity derivative instruments and certain foreign currency derivative instruments of \$80 million and \$(91) million during the 2024 and 2023 three-month periods, respectively.

Net income attributable to UGI Corporation during the 2023 three-month period also includes (1) \$65 million of costs associated with the exit of our UGI International energy marketing business in Europe, principally reflecting wind-down activities in the Netherlands and the loss on the sale of the energy marketing business located in France; (2) external advisory fees of \$5 million associated with AmeriGas operations enhancement for growth project; and (3) restructuring costs of \$3 million largely attributable to a reduction in workforce and related costs.

Adjusted net income attributable to UGI Corporation for the 2024 three-month period was \$295 million (equal to \$1.37 per diluted share) compared to \$258 million (equal to \$1.20 per diluted share) for the 2023 three-month period. The increase in adjusted net income attributable to UGI Corporation for the 2024 three-month period reflects higher earnings contributions from the UGI International and, to a much lesser extent, Utilities segments, offset by lower earnings contributions from the AmeriGas Propane and, to a much lesser extent, Midstream & Marketing segments. In addition, the increase in adjusted net income during the 2024 three-month period also reflects significantly lower income tax expenses primarily related to an increase in investment tax credits in our Midstream & Marketing segment and the release of a valuation allowance on deferred tax assets expected to be utilized in the current year in our UGI International segment. During the 2024 three-month period, temperatures in all of our segments were colder than the prior-year period, with significantly colder temperatures during the peak heating season month of December 2024.

Utilities' adjusted net income attributable to UGI Corporation increased \$3 million in the 2024 three-month period. The increase was largely attributable to higher total margin due in large part to increases in base rates at WV Gas Utility effective January 2024 and the impacts from growth in the core market customers.

Midstream & Marketing's adjusted net income attributable to UGI Corporation decreased \$3 million in the 2024 three-month period. The decrease is primarily attributable to lower total margin from natural gas marketing activities, partially offset by lower income tax expenses, reflecting higher investment tax credits in the 2024 three-month period.

UGI International's adjusted net income attributable to UGI Corporation increased \$17 million in the 2024 three-month period. The increase is mainly attributable to lower income tax expenses and lower operating and administrative expenses, partially offset by lower margin contributions primarily from our energy marketing activities, reflecting the exit of substantially all of UGI International's energy marketing business in Fiscal 2024.

AmeriGas Propane's adjusted net income attributable to UGI Corporation decreased \$62 million in the 2024 three-month period. The decrease principally reflects higher income tax expenses, partially offset by lower operating and administrative expenses in the 2024 three-month period.

**Analysis of Segment Results****2024 Three-Month Period Compared with the 2023 Three-Month Period****Utilities**

For the three months ended December 31, (Dollars in millions)	2024	2023	Increase (Decrease)	
Revenues	\$ 485	\$ 493	\$ (8)	(2)%
Total margin (a)	\$ 274	\$ 265	\$ 9	3 %
Operating and administrative expenses (a)	\$ 91	\$ 88	\$ 3	3 %
Operating income	\$ 138	\$ 134	\$ 4	3 %
Earnings before interest expense and income taxes	\$ 141	\$ 135	\$ 6	4 %
Gas Utility system throughput—bcf				
Core market	31	30	1	3 %
Total	98	104	(6)	(6)%
Electric Utility distribution sales - gwh	242	241	1	— %
Gas Utility degree days—% (warmer) colder than normal (b)	(3.2)%	(11.0)%	—	—

- (a) Total margin represents revenues less cost of sales and revenue-related taxes (i.e., gross receipts and business and occupation taxes) of \$7 million each during the 2024 and 2023 three-month periods. For financial statement purposes, revenue-related taxes are included in “Operating and administrative expenses” on the Condensed Consolidated Statements of Income (but are excluded from operating and administrative expenses presented above).
- (b) Deviation from average heating degree days is determined on a 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for airports located within Gas Utility’s service territories.

Temperatures in Gas Utility’s service territories during the 2024 three-month period were 3.2% warmer than normal and 3.1% colder than the prior-year period. The slight increase in Gas Utility core market volumes during the 2024 three-month period is largely related to the colder weather compared to the prior-year period. Total Gas Utility volume decreased 6% during the 2024 three-month period, notwithstanding the increase in core market volumes, primarily reflecting lower large firm delivery service volumes. Electric Utility distribution sales volumes were comparable to the prior-year period.

Utilities revenues decreased \$8 million in the 2024 three-month period, reflecting lower Gas Utility revenues. The decrease in Gas Utility revenues was largely attributable to lower PGC and PGA rates reflecting lower natural gas costs and, to a lesser extent, the effects of the weather normalization adjustments for Gas Utility. These decreases were partially offset by the effects of increases in base rates for WV Gas Utility effective January 1, 2024, the slightly higher core market volumes and higher off-system sales. Electric Utility revenues were comparable to the prior-year period.

Utilities cost of sales decreased \$17 million in the 2024 three-month period, reflecting lower Gas Utility cost of sales. The decrease in Gas Utility cost of sales was mainly attributable to lower PGC and PGA rates, partially offset by the slightly higher core market volumes and higher cost of sales associated with off-system sales. Electric Utility cost of sales was comparable to the prior-year period.

Utilities total margin increased \$9 million during the 2024 three-month period, reflecting higher Gas Utility total margin. The increase in Gas Utility total margin mainly reflects the effects of increases in base rates for WV Gas Utility effective January 1, 2024 and the impacts from growth in the core market customers, partially offset by the effects of the weather normalization adjustments for Gas Utility. Electric Utility margin was comparable to the prior-year period.

Utilities operating income and earnings before interest expense and income taxes increased \$4 million and \$6 million, respectively, during the 2024 three-month period. These increases largely reflect the previously mentioned increase in total margin (\$9 million), partially offset by higher operating and administrative expenses (\$3 million) and higher depreciation expense (\$3 million). The higher operating and administrative expenses reflect, among other things, higher personnel expenses and higher uncollectible accounts expenses. The higher depreciation expense compared to the prior-year period reflects the effects of continued distribution system capital expenditure activity.

**UGI CORPORATION AND SUBSIDIARIES**
**Midstream & Marketing**

For the three months ended December 31, (Dollars in millions)	2024		2023		Increase (Decrease)	
Revenues	\$	367	\$	394	\$	(27) (7)%
Total margin (a)	\$	138	\$	155	\$	(17) (11)%
Operating and administrative expenses	\$	29	\$	31	\$	(2) (6)%
Operating income	\$	91	\$	99	\$	(8) (8)%
Earnings before interest expense and income taxes	\$	95	\$	102	\$	(7) (7)%

(a) Total margin represents revenues less cost of sales.

Average temperatures across Midstream & Marketing's energy marketing territory during the 2024 three-month period were 3.9% warmer than normal and 4.2% colder than the prior-year period.

Midstream & Marketing revenues decreased \$27 million compared to the prior-year period, primarily reflecting (1) lower revenues from natural gas marketing activities (\$13 million) that were primarily impacted by lower natural gas prices; (2) lower midstream revenues (\$10 million), mainly from lower natural gas gathering and processing activities; and (3) absence of revenues from UGID that was sold in September 2024 (\$9 million). The decrease in revenues was partially offset by higher revenues from renewable energy (\$5 million).

Midstream & Marketing cost of sales decreased \$10 million compared to the prior-year period, primarily reflecting lower natural gas costs (\$8 million) related to the previously mentioned natural gas marketing activities and absence of cost of sales from UGID that was sold in September 2024 (\$5 million), partially offset by higher cost of sales from renewable energy (\$4 million).

Midstream & Marketing total margin decreased \$17 million compared to the prior-year period, primarily reflecting (1) lower midstream margins (\$10 million) mainly from lower natural gas gathering and processing activities, (2) absence of margins from UGID that was sold in September 2024 (\$4 million) and (3) lower margins from capacity management activities.

Midstream & Marketing operating income and earnings before interest expense and income taxes during the 2024 three-month period decreased \$8 million and \$7 million, respectively, compared to the prior-year period. The decrease in operating income is largely attributable to the lower total margin, partially offset by higher other operating income (\$5 million), slightly lower operating and administrative expenses (\$2 million) and depreciation and amortization expense (\$2 million). The decrease in earnings before interest expense and income taxes principally reflects the decrease in operating income.

**UGI International**

For the three months ended December 31, (Dollars in millions)	2024		2023		Increase (Decrease)	
Revenues	\$	638	\$	725	\$	(87) (12)%
Total margin (a)	\$	264	\$	279	\$	(15) (5)%
Operating and administrative expenses	\$	134	\$	147	\$	(13) (9)%
Operating income	\$	106	\$	113	\$	(7) (6)%
Earnings before interest expense and income taxes	\$	110	\$	117	\$	(7) (6)%
LPG retail gallons sold (millions)		218		214		4 2%
Degree days—% (warmer) colder than normal (b)		(3.5)%		(12.0)%		— —

(a) Total margin represents revenues less cost of sales.

(b) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data at locations in our UGI International service territories.

Average temperatures during the 2024 three-month period were 3.5% warmer than normal and 8.2% colder than the prior-year period. Total LPG retail gallons sold during the 2024 three-month period slightly increased compared to the prior-year period, largely attributable to higher crop drying campaigns and colder weather, partially offset by lower natural gas conversions to LPG.

**UGI CORPORATION AND SUBSIDIARIES**

UGI International base-currency results are translated into USD based upon exchange rates experienced during the reporting periods. The functional currency of a significant portion of our UGI International results is the euro and, to a much lesser extent, the British pound sterling. During the 2024 and 2023 three-month periods, the average unweighted euro-to-USD translation rates were approximately \$1.07 and \$1.08, respectively, and the average unweighted British pound sterling-to-USD translation rates were approximately \$1.28 and \$1.24, respectively. Fluctuations in these foreign currency exchange rates can have a significant impact on the individual financial statement components discussed below. The Company uses forward foreign currency exchange contracts entered into over multi-year periods to reduce the volatility in earnings that may result from such changes in foreign currency exchange rates. These forward foreign currency exchange contracts resulted in realized net gains of \$4 million each in the 2024 and 2023 three-month periods.

Average wholesale prices for propane and butane during the 2024 three-month period in northwest Europe were approximately 13.5% and 5.3% higher, respectively, compared with the prior-year period. UGI International revenues and cost of sales decreased \$87 million and \$72 million, respectively, during the 2024 three-month period compared to the prior-year period. The decrease in revenues and cost of sales principally reflects significantly lower energy marketing activities during the 2024 three-month period resulting from the exit of substantially all of UGI International's energy marketing business in Belgium, France and the Netherlands in Fiscal 2024. The decrease in revenues from the energy marketing activities was partially offset by LPG price increases across Europe. The decrease in cost of sales from the energy marketing activities was partially offset by higher LPG product costs.

UGI International total margin decreased \$15 million during the 2024 three-month period reflecting lower margin contributions primarily from our energy marketing activities and, to a much lesser extent, lower margin contributions from our LPG business. The lower margin from our energy marketing activities reflects the impact of the aforementioned exit of substantially all of UGI International's energy marketing business. The slightly lower margin from our LPG business primarily reflects the effects of lower average unit margins in the 2024 three-month period.

UGI International operating income and earnings before interest expense and income taxes decreased \$7 million each during the 2024 three-month period. The decrease in operating income principally reflects the previously mentioned \$15 million decrease in total margin and lower foreign currency transaction gains (\$2 million), partially offset by lower operating and administrative expenses (\$13 million). The lower operating and administrative expenses in the 2024 three-month period primarily reflects lower personnel and maintenance expenses in our LPG business and a decline in energy marketing-related operating expenses, partially offset by the effects of inflationary increases. The decrease in earnings before interest expense and income taxes in the 2024 three-month period largely reflects the \$7 million decrease in operating income.

***AmeriGas Propane***

For the three months ended December 31,	2024	2023	Increase (Decrease)	
(Dollars in millions)				
Revenues	\$ 627	\$ 629	\$ (2)	— %
Total margin (a)	\$ 347	\$ 346	\$ 1	— %
Operating and administrative expenses	\$ 236	\$ 243	\$ (7)	(3)%
Operating income / earnings before interest expense and income taxes	\$ 74	\$ 71	\$ 3	4 %
Retail gallons sold (millions)	204	206	(2)	(1)%
Degree days—% (warmer) colder than normal (b)	(6.3)%	(6.4)%	—	—

(a) Total margin represents total revenues less total cost of sales.

(b) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for 344 regions in the U.S., excluding Alaska and Hawaii.

Average temperatures during the 2024 three-month period were 6.3% warmer than normal and comparable to the prior-year period. Although average temperatures during the 2024 three-month period were comparable to the prior-year period, we experienced significantly colder temperatures during the peak heating season month of December 2024. Total retail gallons sold decreased 1% during the 2024 three-month period, primarily due to continuing customer attrition.

Average daily wholesale propane commodity prices during the 2024 three-month period at Mont Belvieu, Texas, one of the major supply points in the U.S., were approximately 14.9% higher than such prices during the 2023 three-month period. Total revenues decreased \$2 million during the 2024 three-month period reflecting the lower retail volumes sold (\$5 million) and slightly lower fee income that was largely offset by the effects of higher average retail propane selling prices (\$6 million).

## UGI CORPORATION AND SUBSIDIARIES

Total cost of sales decreased \$3 million during the 2024 three-month period largely reflecting the lower retail propane volumes sold.

Total margin increased \$1 million in the 2024 three-month period reflecting higher average retail propane unit margins (\$7 million) that was largely offset by the lower retail propane volumes sold (\$3 million) and slightly lower fee income.

Operating income and earnings before interest expense and income taxes each increased \$3 million during the 2024 three-month period primarily reflecting lower operating and administrative expenses (\$7 million), partially offset by slightly lower gains on asset sales. The decrease in operating and administrative expenses primarily reflects lower compensation expenses.

### ***Interest Expense and Income Taxes***

Our consolidated interest expense during the 2024 three-month period was \$102 million compared to \$100 million during the 2023 three-month period. The slight increase in interest expense reflects the effects of higher average long-term debt outstanding at Utilities and UGI Corporation, substantially offset by lower interest expense from lower average long-term debt outstanding at AmeriGas Propane and lower average credit agreement borrowings during the 2024 three-month period.

The decrease in the Company's income tax rate for the 2024 three-month period principally reflects an increase in investment tax credits in our Midstream & Marketing segment and the release of a valuation allowance on deferred tax assets expected to be utilized by our UGI International segment.

## **FINANCIAL CONDITION AND LIQUIDITY**

The Company expects to have sufficient liquidity including cash on hand and available borrowing capacity, to continue to support long-term commitments and ongoing operations. Our total available liquidity balance, comprising cash and cash equivalents and available borrowing capacity on our revolving credit facilities, totaled approximately \$1.5 billion at December 31, 2024 and September 30, 2024.

On February 4, 2025, UGI International borrowed \$221 million under its revolving credit facility. The proceeds from these borrowings were subsequently used to fund an intercompany loan of \$221 million to AmeriGas Partners. AmeriGas Partners expects to use the proceeds from the intercompany loan to redeem the outstanding principal balance of the 5.50% Senior Notes maturing in May 2025. Concurrent with the intercompany loan agreement, on February 5, 2025, AmeriGas Partners issued a notice of early redemption for the remaining 5.50% Senior Notes maturing in May 2025, having an aggregate principal balance of \$218 million, plus accrued and unpaid interest.

As of December 31, 2024, except for \$218 million outstanding principal balance of AmeriGas Partners 5.50% Senior Notes maturing in May 2025, the Company does not have any senior notes or term loans maturing in the next twelve months. UGI and its subsidiaries were in compliance with all of its debt covenants as of December 31, 2024.

We depend on both internal and external sources of liquidity to provide funds for working capital and to fund capital requirements. Our short-term cash requirements not met by cash from operations are generally satisfied with borrowings under credit facilities and, in the case of Midstream & Marketing, also from a Receivables Facility. Long-term cash requirements are generally met through the issuance of long-term debt or equity linked securities. We believe that each of our business units has sufficient liquidity in the forms of cash and cash equivalents on hand; cash expected to be generated from operations; credit facility and Receivables Facility borrowing capacity; and the ability to obtain long-term financing to meet anticipated contractual and projected cash commitments. Issuances of debt and equity securities in the capital markets and additional credit facilities may not, however, be available to us on acceptable terms.

The primary sources of UGI's cash and cash equivalents are the dividends and other cash payments made to UGI or its corporate subsidiaries by its principal business units. Our cash and cash equivalents totaled \$240 million at December 31, 2024, compared with \$213 million at September 30, 2024. Excluding cash and cash equivalents that reside at UGI's operating subsidiaries, at December 31, 2024 and September 30, 2024, UGI had \$102 million and \$72 million of cash and cash equivalents, respectively. Such cash is available to pay dividends on UGI Common Stock and for investment purposes.

**Long-term Debt and Credit Facilities**
**Long-term Debt**

The Company's debt outstanding at December 31, 2024 and September 30, 2024, comprises the following:

(Millions of dollars)	December 31, 2024						September 30, 2024
	Utilities	Midstream & Marketing	UGI International	AmeriGas Propane	Corp & Other	Total	Total
Short-term borrowings	\$ 232	\$ —	\$ 114	\$ 69	\$ —	\$ 415	\$ 465
<b>Long-term debt (including current maturities):</b>							
Senior notes	\$ 1,930	\$ —	\$ 414	\$ 1,887	\$ 700	\$ 4,931	\$ 4,788
Term loans	121	784	311	—	400	1,616	1,759
Other long-term debt	18	41	11	8	282	360	186
Unamortized debt issuance costs	(7)	(14)	(6)	(9)	(22)	(58)	(55)
Total long-term debt	\$ 2,062	\$ 811	\$ 730	\$ 1,886	\$ 1,360	\$ 6,849	\$ 6,678
Total debt	\$ 2,294	\$ 811	\$ 844	\$ 1,955	\$ 1,360	\$ 7,264	\$ 7,143

**Significant Financing Activities**

The following significant financing activities occurred during the 2024 three-month period. See Note 8 to Condensed Consolidated Financial Statements for additional information on these transactions.

**UGI Utilities Senior Notes.** In November 2024, UGI Utilities entered into a Note Purchase Agreement with a consortium of lenders. Pursuant to the Note Purchase Agreement, UGI Utilities issued \$50 million aggregate principal amount of 5.24% Senior Notes due November 30, 2029, and \$125 million aggregate principal amount of 5.52% Senior Notes due November 30, 2034. The net proceeds from these issuances were used to reduce short-term borrowings and for general corporate purposes.

**AmeriGas Senior Secured Revolving Credit Facility.** In October 2024, AmeriGas OLP amended the AmeriGas Senior Secured Revolving Credit Facility to increase total commitments from \$200 million to a total of \$300 million.

**UGI Corporation 2025 Credit Agreement.** In October 2024, UGI entered into the UGI Corporation 2025 Credit Agreement, providing a \$475 million revolving credit facility, including a \$10 million sublimit for letters of credit, and a \$400 million term loan facility. Borrowings under the credit agreement can be used for general corporate purposes, including refinancing a portion of the UGI Corporation Credit Facility Agreement and ongoing working capital needs of the Company. The revolving credit facility is scheduled to expire in October 2028, and the term loan facility is scheduled to mature in October 2027. In connection with entering into the UGI Corporation 2025 Credit Agreement, the Company paid off in full and terminated the UGI Corporation Credit Facility Agreement.

**Credit Facilities**

Additional information related to the Company's credit agreements can be found in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and Note 6 to Consolidated Financial Statements in the Company's 2024 Annual Report.

**UGI CORPORATION AND SUBSIDIARIES**

Information about the Company's principal credit agreements (excluding the Receivables Facility discussed below) as of December 31, 2024 and 2023, is presented in the table below.

(Millions of dollars or euros)	Total Capacity	Borrowings Outstanding	Letters of Credit and Guarantees Outstanding	Available Borrowing Capacity
<b>As of December 31, 2024</b>				
AmeriGas OLP (a)	\$ 170	\$ 69	\$ —	\$ 101
UGI International, LLC (b)	€ 500	€ 110	€ —	€ 390
Energy Services	\$ 300	\$ —	\$ —	\$ 300
UGI Utilities	\$ 375	\$ 115	\$ —	\$ 260
Mountaineer	\$ 150	\$ 117	\$ —	\$ 33
UGI Corporation (c)	\$ 475	\$ 282	\$ —	\$ 193
<b>As of December 31, 2023</b>				
AmeriGas OLP	\$ 400	\$ —	\$ 2	\$ 398
UGI International, LLC (b)	€ 500	€ 165	€ —	€ 335
Energy Services	\$ 260	\$ 35	\$ 30	\$ 195
UGI Utilities	\$ 375	\$ 180	\$ —	\$ 195
Mountaineer	\$ 150	\$ 100	\$ —	\$ 50
UGI Corporation (c)	\$ 300	\$ 232	\$ —	\$ 68

- (a) The maximum amount available for borrowing at any time under the AmeriGas Senior Secured Revolving Credit Facility is limited to the borrowing base valuation, as defined by the agreement.
- (b) Permits UGI International, LLC or UGI International Holdings B.V. to borrow in euros or USD. At December 31, 2024 and 2023, the amount borrowed consisted of euro-denominated borrowings equivalent to \$114 million and \$182 million, respectively.
- (c) Borrowings outstanding have been classified as "Long-term debt" on the Condensed Consolidated Balance Sheets. Subsequent to December 31, 2024, the Company made a net repayment of \$17 million of such borrowings and classified these net repayments as "Current maturities of long-term debt" on the December 31, 2024 Condensed Consolidated Balance Sheet.

The average daily and peak short-term borrowings under the Company's principal credit agreements are as follows:

(Millions of dollars or euros)	For the three months ended December 31, 2024		For the three months ended December 31, 2023	
	Average	Peak	Average	Peak
AmeriGas OLP	\$ 58	\$ 85	\$ 1	\$ 25
UGI International, LLC	€ 111	€ 115	€ 204	€ 229
Energy Services	\$ —	\$ —	\$ 49	\$ 62
UGI Utilities	\$ 167	\$ 263	\$ 247	\$ 316
Mountaineer	\$ 103	\$ 118	\$ 94	\$ 102
UGI Corporation	\$ 263	\$ 640	\$ 245	\$ 289

**Receivables Facility.** Energy Services has a Receivables Facility with an issuer of receivables-backed commercial paper. In October 2024, the expiration date of the Receivables Facility was extended to October 2025. The Receivables Facility provides Energy Services with the ability to borrow up to \$150 million of eligible receivables during the period October 18, 2024 to April 30, 2025, and up to \$75 million of eligible receivables during the period May 1, 2025 to October 17, 2025, with the option to request an increase of \$50 million. The interest rate of the Receivables Facility was replaced with a term SOFR based interest rate effective with the extension in October 2024. Energy Services uses the Receivables Facility to fund working capital, margin calls under commodity futures contracts, capital expenditures, dividends and for general corporate purposes.

Under the Receivables Facility, Energy Services transfers, on an ongoing basis and without recourse, its trade accounts receivable to its wholly owned, special purpose subsidiary, ESFC, which is consolidated for financial statement purposes. ESFC, in turn, has sold and, subject to certain conditions, may from time to time sell, an undivided interest in some or all of the

receivables to a major bank. Amounts sold to the bank are reflected as “Short-term borrowings” on the Condensed Consolidated Balance Sheets. ESFC was created and has been structured to isolate its assets from creditors of Energy Services and its affiliates, including UGI. Trade receivables sold to the bank remain on the Company’s balance sheet and the Company reflects a liability equal to the amount advanced by the bank. The Company records interest expense on amounts owed to the bank. Energy Services continues to service, administer and collect trade receivables on behalf of the bank, as applicable.

At December 31, 2024, the outstanding balance of ESFC trade receivables was \$82 million, none of which were sold to the bank. At December 31, 2023, the outstanding balance of ESFC trade receivables was \$95 million, \$60 million of which was sold to the bank. There were no sales of receivables under the Receivables Facility during the three months ended December 31, 2024. During the three months ended December 31, 2023, peak sales of receivables and average daily amounts sold were \$70 million and \$45 million, respectively.

### Dividends

On November 20, 2024, UGI’s Board of Directors declared a cash dividend equal to \$0.375 per common share. The dividend was paid on January 1, 2025, to shareholders of record on December 16, 2024. On February 5, 2025, UGI’s Board of Directors declared a cash dividend equal to \$0.375 per common share. The dividend will be payable on April 1, 2025, to shareholders of record on March 17, 2025.

### Cash Flows

Due to the seasonal nature of the Company’s businesses, cash flows from operating activities are generally strongest during the second and third fiscal quarters when customers pay for natural gas, LPG, electricity and other energy products and services consumed during the peak heating season months. Conversely, operating cash flows are generally at their lowest levels during the fourth and first fiscal quarters when the Company’s investment in working capital, principally inventories and accounts receivable, is generally greatest.

**Operating Activities.** Year-to-year variations in our cash flows from operating activities can be significantly affected by changes in operating working capital, especially during periods with significant changes in energy commodity prices. Cash flow provided by operating activities was \$164 million in the 2024 three-month period compared to cash provided by operating activities of \$119 million in the 2023 three-month period. Cash flow provided by operating activities before changes in operating working capital was \$427 million in the 2024 three-month period compared to \$376 million in the 2023 three-month period. Cash used to fund changes in operating working capital totaled \$263 million in the 2024 three-month period, as compared to the \$257 million of cash used to fund changes in operating working capital in the 2023 three-month period. The prior-year period includes \$35 million of derivative instrument collateral deposit net repayments principally at our UGI International and Midstream & Marketing segments compared to collateral received of \$47 million in the 2024 three-month period. The 2024 three-month period includes net refunds of deferred fuel and power costs of \$2 million compared to net recoveries of \$26 million in the prior-year period. Changes in operating working capital during the 2024 three-month period reflect, among other things, increases in cash used to fund accounts receivable and accounts payable offset by increased cash from changes in inventory.

**Investing Activities.** Investing activity cash flow is principally affected by cash expenditures for property, plant and equipment; cash paid for acquisitions of businesses and assets; investments in equity method investees; and cash activity associated with dispositions of businesses and assets. Cash flow used by investing activities was \$232 million in the 2024 three-month period compared to \$165 million in the 2023 three-month period. Cash expenditures for property, plant and equipment were \$211 million in the 2024 three-month period compared with \$156 million in the 2023 three-month period principally reflecting higher cash capital expenditures at our Midstream & Marketing and Utilities segments. Investments in equity method investments during the 2024 three-month period principally reflects our continuing investments in renewable energy projects at our Midstream & Marketing segment.

**Financing Activities.** Changes in cash flow from financing activities are primarily due to issuances and repayments of long-term debt; net short-term borrowings; dividends on UGI Common Stock; quarterly payments on outstanding Purchase Contracts; and issuances and repurchases of equity instruments.

Cash flow provided by financing activities was \$95 million in the 2024 three-month period compared to \$3 million in the 2023 three-month period. The 2024 three-month period includes the issuance by UGI Utilities of \$50 million and \$125 million principal amount of senior notes. The 2023 three-month period includes the issuance by UGI Utilities of \$250 million principal amount of senior notes. The net proceeds from these issuances were used to reduce short-term borrowings and for general corporate purposes. The 2024 three-month period activities also include, among other things, entering into the UGI Corporation

2025 Credit Agreement consisting of (1) a \$475 million revolving credit facility and (2) a \$400 million variable-rate term loan. Proceeds from the UGI Corporation 2025 Credit Agreement were used to prepay all borrowings under the UGI Corporation Credit Facility Agreement due August 29, 2025 and, concurrent with such repayment, terminated the agreement.

#### UTILITY REGULATORY MATTERS

**UGI Utilities.** On January 27, 2025, PA Gas Utility filed a request with the PAPUC to increase its base operating revenues for residential, commercial and industrial customers by \$110 million annually. The increased revenues would fund ongoing system improvements and operations necessary to maintain safe and reliable natural gas service. PA Gas Utility requested the new gas rates become effective March 28, 2025. However, the PAPUC typically suspends the effective date for general base rate proceedings for a period not to exceed nine months after the filing date to allow for investigation and public hearings. We cannot predict the timing or the ultimate outcome of the rate case review process.

**Mountaineer.** On July 31, 2024, WV Gas Utility submitted its 2024 IREP filing to the WVPSC requesting recovery of \$19 million, which includes \$3 million of prior year under-recovery, for costs associated with capital investments after December 31, 2022, that total \$197 million, including \$74 million in calendar year 2025. The filing included capital investments totaling \$418 million over the 2025 - 2029 period. On October 28, 2024, the WVPSC issued an order approving WV Gas Utility's request, with new rates effective January 1, 2025.

On July 31, 2023, WV Gas Utility submitted its 2023 IREP filing to the WVPSC requesting recovery of \$10 million, an increase of \$6 million, for costs associated with capital investments after December 31, 2022, that total \$131 million, including \$67 million in calendar year 2024. With new base rates expected to be effective January 1, 2024, revenues from IREP rates would decrease by \$12 million. The filing included capital investments totaling \$383 million over the 2024 - 2028 period. On December 20, 2023, the WVPSC issued a final order approving a settlement effective January 1, 2024.

On March 6, 2023, WV Gas Utility submitted a base rate case filing with the WVPSC seeking a net revenue increase of \$20 million, which consisted of an increase in base rates of \$38 million and a decrease in the IREP rates of \$18 million annually to be effective on April 5, 2023. On March 31, 2023, the WVPSC suspended the effective date of the requested rate change increase until January 1, 2024 to allow for a full review of the filing. On October 6, 2023, WV Gas Utility filed a joint stipulation and agreement for settlement of the base rate case, which included a \$14 million net revenue increase. On December 21, 2023, the WVPSC issued a final order approving the joint stipulation and agreement, except the WVPSC authorized WV Gas Utility to implement a weather normalization adjustment rider as a five-year pilot program beginning on October 1, 2024. The new rates went into effect on January 1, 2024. On April 11, 2024, the WVPSC approved the calculation methodology submitted by WV Gas Utility on March 28, 2024. Under this rider, when weather deviates from normal by more than 2%, for service rendered during the period October 1 through May 31, residential and small commercial customer billings for distribution services are adjusted for weather related impacts exceeding the 2% threshold.

#### OTHER MATTERS

**West Reading, Pennsylvania Explosion.** On March 24, 2023, an explosion occurred in West Reading, Pennsylvania which resulted in seven fatalities, injuries to at least ten others, and extensive property damage to buildings owned by R.M. Palmer, a local chocolate manufacturer, and neighboring structures. The NTSB and the PAPUC are investigating the West Reading incident. On July 18, 2023, the NTSB issued an Investigative Update which identified a fracture in a retired UGI gas service tee and a fracture in a nearby R.M. Palmer steam system. The NTSB investigative team includes representatives from the Company, the local fire department and the Pipeline and Hazardous Materials Safety Administration. The Company is cooperating with the investigation. In September 2023, OSHA closed their investigation of this matter, without any finding pertaining to UGI Utilities. On December 10, 2024, the NTSB staff presented its draft findings to the NTSB Board.

While awaiting the final NTSB report, the Company has received claims as a result of the explosion and is involved in lawsuits relative to the incident. The Company maintains liability insurance for personal injury, property and casualty damages and believes that third-party claims associated with the explosion, in excess of the Company's deductible, are recoverable through the Company's insurance. The Company cannot predict the result of these pending or future claims and legal actions at this time.

Regarding these pending claims and legal actions, the Company does not believe, at this early stage, that there is sufficient information available to reasonably estimate a range of loss, if any, or conclude that the final outcome of these matters will or will not have a material effect on our financial statements.

**UGI CORPORATION AND SUBSIDIARIES**

In addition to the matters described above, there are other pending claims and legal actions arising in the normal course of our businesses. Although we cannot predict the final results of these pending claims and legal actions, including those described above, we believe, after consultation with counsel, that the final outcome of these matters will not have a material effect on our financial statements.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Our primary market risk exposures are (1) commodity price risk; (2) interest rate risk; and (3) foreign currency exchange rate risk. Although we use derivative financial and commodity instruments to reduce market price risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes.

**Commodity Price Risk**

The risk associated with fluctuations in the prices the Partnership and our UGI International operations pay for LPG is principally a result of market forces reflecting changes in supply and demand for LPG and other energy commodities. Their profitability is sensitive to changes in LPG supply costs. Increases in supply costs are generally passed on to customers. The Partnership and UGI International may not, however, always be able to pass through product cost increases fully or on a timely basis, particularly when product costs rise rapidly. In order to reduce the volatility of LPG market price risk, the Partnership uses contracts for the forward purchase or sale of propane, propane fixed-price supply agreements and over-the-counter derivative commodity instruments including price swap and option contracts. Our UGI International operations use over-the-counter derivative commodity instruments and may from time to time enter into other derivative contracts, similar to those used by the Partnership, to reduce market risk associated with a portion of their LPG purchases. Over-the-counter derivative commodity instruments used to economically hedge forecasted purchases of LPG are generally settled at expiration of the contract.

Utilities' tariffs contain clauses that permit recovery of all prudently incurred costs of natural gas it sells to its retail core-market customers, including the cost of financial instruments used to hedge purchased gas costs. The recovery clauses provide for periodic adjustments for the difference between the total amounts actually billed to customers through PGC and PGA rates and the recoverable costs incurred. Because of this ratemaking mechanism, there is limited commodity price risk associated with our Utilities operations. PA Gas Utility uses derivative financial instruments, including natural gas futures and option contracts traded on the NYMEX, to reduce volatility in the cost of gas it purchases for its retail core-market customers. The cost of these derivative financial instruments, net of any associated gains or losses, is included in PA Gas Utility's PGC recovery mechanism.

In order to manage market price risk relating to substantially all of Midstream & Marketing's fixed-price sale contracts for physical natural gas and electricity, Midstream & Marketing enters into NYMEX, ICE and over-the-counter natural gas and electricity futures and option contracts, and natural gas basis swap contracts or enters into fixed-price supply arrangements. Midstream & Marketing also uses NYMEX and over-the-counter electricity futures contracts to economically hedge a portion of its anticipated sales of electricity from its electricity generation facilities. Although Midstream & Marketing's fixed-price supply arrangements mitigate most risks associated with its fixed-price sales contracts, should any of the suppliers under these arrangements fail to perform, increases, if any, in the cost of replacement natural gas or electricity would adversely impact Midstream & Marketing's results. In order to reduce this risk of supplier nonperformance, Midstream & Marketing has diversified its purchases across a number of suppliers. UGI International's natural gas and electricity marketing businesses also use natural gas and electricity futures and forward contracts to economically hedge market risk associated with a substantial portion of anticipated volumes under fixed-price sales and purchase contracts. See Note 5 to Condensed Consolidated Financial Statements for information on the exit of substantially all of the Company's European energy marketing business.

**Interest Rate Risk**

We have both fixed-rate and variable-rate debt. Changes in interest rates impact the cash flows of variable-rate debt but generally do not impact their fair value. Conversely, changes in interest rates impact the fair value of fixed-rate debt but do not impact their cash flows.

Our variable-rate debt at December 31, 2024, includes revolving credit facility borrowings and variable-rate term loans at UGI International, Utilities, Energy Services and UGI Corporation. These debt agreements have interest rates that are generally indexed to short-term market interest rates. We have entered into pay-fixed, receive-variable interest rate swap agreements on a significant portion of the term loans' principal balances and a significant portion of the term loans' tenor. We have designated these interest rate swaps as cash flow hedges. At December 31, 2024, combined borrowings outstanding under variable-rate debt agreements, excluding the previously mentioned effectively fixed-rate debt, totaled \$734 million.

Long-term debt associated with our domestic businesses is typically issued at fixed rates of interest based upon market rates for debt with similar terms and credit ratings. As these long-term debt issues mature, we may refinance such debt with new debt having interest rates reflecting then-current market conditions. In order to reduce interest rate risk associated with near- to medium-term forecasted issuances of fixed rate debt, from time to time we enter into IRPAs.

**Foreign Currency Exchange Rate Risk**

Our primary currency exchange rate risk is associated with the USD versus the euro and, to a lesser extent, the USD versus the British pound sterling. The USD value of our foreign currency denominated assets and liabilities will fluctuate with changes in the associated foreign currency exchange rates. From time to time, we use derivative instruments to hedge portions of our net investments in foreign subsidiaries, including anticipated foreign currency denominated dividends. Gains or losses on these net investment hedges remain in AOCI until such foreign operations are sold or liquidated. With respect to our net investments in our UGI International operations, a 10% decline in the value of the associated foreign currencies versus the USD would reduce their aggregate net book value at December 31, 2024, by approximately \$75 million, which amount would be reflected in other comprehensive income. We have designated certain euro-denominated borrowings as net investment hedges.

In order to reduce the volatility in net income associated with our foreign operations, principally as a result of changes in the USD exchange rate between the euro and British pound sterling, we enter into forward foreign currency exchange contracts. We layer in these foreign currency exchange contracts over a multi-year period to eventually equal approximately 90% of anticipated UGI International foreign currency earnings before income taxes.

**Derivative Instrument Credit Risk**

We are exposed to risk of loss in the event of nonperformance by our derivative instrument counterparties. Our derivative instrument counterparties principally comprise large energy companies and major U.S. and international financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits or entering into netting agreements that allow for offsetting counterparty receivable and payable balances for certain financial transactions, as deemed appropriate.

We have concentrations of credit risk associated with derivative instruments and we evaluate the creditworthiness of our derivative counterparties on an ongoing basis. As of December 31, 2024, the maximum amount of loss, based upon the gross fair values of the derivative instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was \$201 million. In general, many of our over-the-counter derivative instruments and all exchange contracts call for the posting of collateral by the counterparty or by the Company in the forms of letters of credit, parental guarantees or cash. At December 31, 2024, we had received cash collateral from derivative instrument counterparties totaling \$31 million. In addition, we may have offsetting derivative liabilities and certain accounts payable balances with certain of these counterparties, which further mitigates the previously mentioned maximum amount of losses. Certain of the Partnership's derivative contracts have credit-risk-related contingent features that may require the posting of additional collateral in the event of a downgrade of the Partnership's debt rating. At December 31, 2024, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

The following table summarizes the fair values of unsettled market risk sensitive derivative instrument assets (liabilities) held at December 31, 2024 and changes in their fair values due to market risks. Certain of UGI Utilities' commodity derivative instruments are excluded from the table below because any associated net gains or losses are refundable to or recoverable from customers in accordance with UGI Utilities ratemaking.

(Millions of dollars)	Asset (Liability)	
	Fair Value	Change in Fair Value
<b>December 31, 2024</b>		
Commodity price risk (1)	\$ 45	\$ (96)
Interest rate risk (2)	\$ (4)	\$ (13)
Foreign currency exchange rate risk (3)	\$ 32	\$ (32)

(1) Change in fair value represents a 10% adverse change in the market prices of certain commodities.

(2) Change in fair value represents a 50 basis point adverse change in prevailing market interest rates.

(3) Change in fair value represents a 10% adverse change in the value of the Euro and the British pound sterling versus the USD.

**ITEM 4. CONTROLS AND PROCEDURES****(a) Evaluation of Disclosure Controls and Procedures**

The Company's disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by the Company in reports filed or submitted under the Securities Exchange Act of 1934, as amended, is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures, as of the end of the period covered by this report, were not effective because of the material weakness in our internal control over financial reporting that was previously disclosed in our Annual Report on Form 10-K for the year ended September 30, 2024.

Notwithstanding the material weakness, we have concluded that the Company's unaudited interim consolidated financial statements included in this report are fairly stated in all material respects in accordance with U.S. generally accepted accounting principles for each of the periods presented.

*Internal Control over Financial Reporting*

As previously disclosed in our Annual Report on Form 10-K for the year ended September 30, 2024, management concluded that our internal control over financial reporting was not effective due to the material weakness. As of December 31, 2024, management is in the process of designing and implementing additional controls to timely validate cash flows used in the goodwill impairment test, including the engagement of a third-party specialist, to assist in developing valuation models and establishing sound and reasonable assumptions.

The material weakness identified in our Annual Report on Form 10-K for the year ended September 30, 2024, cannot be considered remediated until the applicable controls have operated for a sufficient period of time and management has concluded, through testing, that these controls are designed and operating effectively. Accordingly, we will continue to monitor and evaluate the effectiveness of our internal control over financial reporting.

**(b) Change in Internal Control over Financial Reporting**

Except for the material weakness as described above, during the most recent fiscal quarter, no change in the Company's internal control over financial reporting occurred that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II OTHER INFORMATION

## ITEM 1. LEGAL PROCEEDINGS

The information set forth in Note 9 to Condensed Consolidated Financial Statements included in Item 1 of Part I of this report, is incorporated herein by reference.

## ITEM 1A. RISK FACTORS

In addition to the information presented in this report, you should carefully consider the factors discussed in Part I, “Item 1A. Risk Factors” in our 2024 Annual Report, which could materially affect our business, financial condition or future results. The risks described in our 2024 Annual Report are not the only risks facing the Company. Other unknown or unpredictable factors could also have material adverse effects on future results.

## ITEM 6. EXHIBITS

The exhibits filed as part of this report are as follows (exhibits incorporated by reference are set forth with the name of the registrant, the type of report and last date of the period for which it was filed, and the exhibit number in such filing):

Exhibit No.	Incorporation by Reference			Exhibit
	Exhibit	Registrant	Filing	
10.1	<a href="#">Form of UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for US Employees (Fiscal 2025).</a>			
10.2	<a href="#">Form of UGI Corporation 2021 Incentive Award Plan Restricted Stock Unit Grant Letter for US Employees (Fiscal 2025).</a>			
10.3	<a href="#">UGI Corporation 2021 Incentive Award Plan Performance Unit Grant Letter for Mr. Mario Longhi.</a>			
10.4	<a href="#">UGI Corporation 2021 Incentive Award Plan Restricted Stock Unit Grant Letter for Mr. Mario Longhi.</a>			
31.1	<a href="#">Certification by the Chief Executive Officer relating to the Registrant’s Report on Form 10-Q for the quarter ended December 31, 2024, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>			
31.2	<a href="#">Certification by the Chief Financial Officer relating to the Registrant’s Report on Form 10-Q for the quarter ended December 31, 2024, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>			
32	<a href="#">Certification by the Chief Executive Officer and the Chief Financial Officer relating to the Registrant’s Report on Form 10-Q for the quarter ended December 31, 2024, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>			
101.INS	Inline XBRL Instance - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document			
101.SCH	Inline XBRL Taxonomy Extension Schema			
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase			
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase			
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase			
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)			

## UGI CORPORATION AND SUBSIDIARIES

## EXHIBIT INDEX

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101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

UGI CORPORATION AND SUBSIDIARIES

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 6, 2025

UGI Corporation  
(Registrant)

By: /s/ Sean P. O'Brien  
Sean P. O'Brien  
Chief Financial Officer

Date: February 6, 2025

By: /s/ Jean Felix Tematio Dontsop  
Jean Felix Tematio Dontsop  
Vice President, Chief Accounting Officer  
and Corporate Controller

FORM OF  
UGI CORPORATION  
2021 INCENTIVE AWARD PLAN  
PERFORMANCE UNIT AWARD AGREEMENT

This PERFORMANCE UNIT AWARD AGREEMENT (the “Award Agreement”), dated \_\_\_\_\_ (the “Date of Grant”), is delivered by UGI Corporation (“UGI”) to you (the “Participant”).

RECITALS

The UGI Corporation 2021 Incentive Award Plan (the “Plan”) provides for the grant of performance units (“Performance Units”) with respect to shares of Common Stock of UGI (“Shares”). UGI has decided to grant Performance Units to the Participant subject to the terms of the Plan. Each capitalized term not defined herein shall have the meaning assigned to such term in the Plan. The Participant’s portal in the Morgan Stanley website for Plan participants sets forth the number of Restricted Stock Units granted to the Participant in this grant (the “Grant Summary”).

NOW, THEREFORE, the parties to this Award Agreement, intending to be legally bound hereby, agree as follows:

1. Grant of Performance Units. Subject to the terms and conditions set forth in this Award Agreement and in the Plan, UGI hereby grants to the Participant the number of Performance Units specified above (the “Award”). The Performance Units are contingently awarded and will be earned and payable if and to the extent that the Annualized TSR and other conditions of this Award Agreement are met. The Performance Units are granted with Dividend Equivalents.
2. Definitions. For purposes of this Award Agreement, the following terms will have the meanings set forth below:
  - (a) “*Annualized TSR*” means annualized total shareholder return of UGI common stock, calculated as the ((A) Closing Stock Price for the relevant measurement period plus (B) Cumulative Dividends Paid to Date/Beginning Stock Price)^(1/Full + Partial Years) - 1.
  - (b) “*Beginning Stock Price*” means \$23.46 per share, UGI’s closing stock price on the New York Stock Exchange on the first day of the measurement period.
  - (c) “*Closing Stock Price*” means the average closing stock price of a Share on the New York Stock Exchange over the twenty (20) consecutive trading day period immediately preceding the conclusion of the First Measurement Period, Second Measurement Period and Third Measurement Period, as applicable.
  - (d) “*Committee*” means UGI’s Compensation and Management Development Committee of the Board of Directors or a successor committee thereto.

(e) “*Company*” means UGI and its Subsidiaries (as defined in the Plan).

(f) “*Cumulative Dividends Paid to Date*” means the cash value of all dividends paid with respect to an ex-dividend date that occurs during the relevant measurement period (whether or not the dividend payment occurs during the relevant measurement period) with no interest credited on such dividends.

(g) “*Disability*” means a long-term disability as defined in the Company’s long-term disability plan applicable to the Participant.

(h) “*Dividend Equivalent*” means an amount determined by multiplying the number of Shares underlying the Performance Units by the per-share cash dividend, or the per-share fair market value of any dividend in consideration other than cash, paid by UGI on its Common Stock.

(i) “*Good Reason Termination*” means a termination of employment or service initiated by the Participant upon or within two years after a Change in Control upon one or more of the following events:

(i) a material diminution in the authority, duties or responsibilities held by the Participant immediately prior to the Change in Control;

(ii) a material diminution in the Participant’s base salary as in effect immediately prior to the Change in Control; or

(iii) a material change in the geographic location at which the Participant must perform services (which, for purposes of this Agreement, means the Participant is required to report, other than on a temporary basis (less than 12 months), to a location which is more than 50 miles from the Participant’s principal place of business immediately before the Change in Control, without the Participant’s express written consent).

Notwithstanding the foregoing, the Participant shall be considered to have a Good Reason Termination only if the Participant provides written notice to the Company, pursuant to Section 16, specifying in reasonable detail the events or conditions upon which the Participant is basing such Good Reason Termination and the Participant provides such notice within 90 days after the event that gives rise to the Good Reason Termination. Within 30 days after notice has been provided, the Company shall have the opportunity, but shall have no obligation, to cure such events or conditions that give rise to the Good Reason Termination. If the Company does not cure such events or conditions within the 30-day period, the Participant may terminate employment or service with the Company based on Good Reason Termination within 30 days after the expiration of the cure period.

Notwithstanding the foregoing, if the Participant has in effect a Change in Control Agreement with the Company or an Affiliate, the term “Good Reason Termination” shall have the meaning given that term in the Change in Control Agreement.

(j) “*Performance Unit*” means a hypothetical unit that represents the value of one share of UGI Common Stock.

(k) “*Retirement*” means the Participant’s retirement under the Retirement Income Plan for Employees of UGI Utilities, Inc., if the Participant is covered by that Retirement Income Plan. “Retirement” for other Company employees means termination of employment or service after attaining (i) age 55 with ten or more years of service with the Company or (ii) age 65 with five or more years of service with the Company.

(l) “*Termination without Cause*” means termination of employment or service by the Company for the convenience of the Company for any reason other than (i) theft or misappropriation of funds or conduct that has an adverse effect on the reputation of the Company, (ii) conviction of a felony or a crime involving moral turpitude, (iii) material breach of the Company’s written code of conduct, or other material written employment policies, applicable to the Participant, (iv) breach of any written confidentiality, non-competition or non-solicitation covenant between the Participant and the Company, (v) gross misconduct in the performance of duties, or (vi) intentional refusal or failure to perform the material duties of the Participant’s position.

### 3. Performance Goals.

(a) The Participant shall earn the right to payment of the Performance Units in accordance with the cumulative performance vesting schedule set forth in the below schedule if (i) the Annualized TSR goals (the “Annualized TSR Goals”) in the below schedule are met for one or more of the measurement periods (defined below), and (ii) if the Participant continues to be employed by or provide service to the Company as a Director through \_\_\_\_\_, \_\_\_\_\_ (the “Vesting Date”). The first measurement period is the period beginning \_\_\_\_\_, \_\_\_\_\_ and ending \_\_\_\_\_, \_\_\_\_\_ (the “First Measurement Period”). The second measurement period is the period beginning \_\_\_\_\_, \_\_\_\_\_ and ending \_\_\_\_\_, \_\_\_\_\_ (the “Second Measurement Period”). The third measurement period is the period beginning \_\_\_\_\_, \_\_\_\_\_ and ending \_\_\_\_\_, \_\_\_\_\_ (the “Third Measurement Period”). For the avoidance of doubt, the Beginning Stock Price shall be used as the starting price in calculating the performance of each measurement period. Participant shall only be eligible to receive the highest of either the First Measurement Period, Second Measurement Period, or Third Measurement Period result as set forth in the table below:

Performance Level	Annualized TSR Goals	Cumulative Performance Vesting (as a % of target) if Annualized TSR Goals attained on the 1st/2nd/3rd grant date anniversaries <sup>1</sup>		
		End of Year 1	End of Year 2	End of Year 3
Below Threshold	<8.0%	0%	0%	0%
Threshold	8.0%	17%	33%	50%
Target	10.0%	33%	66%	100%
Maximum	16.0%	40%	80%	200%

<sup>1</sup> The cumulative performance vesting percentage between Annualized TSR Goals of (i) 8% and 10% and (ii) 10% and 16% will be determined by interpolation.

(b) The target amount of Performance Units (“Target Award”) will be earned if the Annualized TSR equals 10% at the end of the Third Measurement Period. The Participant can earn up to 200% of the Target Award if the Annualized TSR is equal to or greater than 16% at the end of the Third Measurement Period, according to the schedule in this Section 3 above.

(c) Following the end of each measurement period, the Committee will determine Annualized TSR performance.

(d) Except as described in Sections 4 and 7 below, the Participant must be employed by or providing service to the Company as a Director on the Vesting Date in order for the Participant to receive payment with respect to the Performance Units and Dividend Equivalents.

#### 4. Termination of Employment or Service.

(a) Except as described below, if the Participant ceases to be employed by or provide services to the Company as a Director through the Vesting Date, then the Performance Units and all Dividend Equivalents credited under this Award Agreement will be forfeited.

(b) If the Participant’s employment or service as a Director terminates on account of Retirement, Disability or death, the Participant will earn a pro-rata portion of the Participant’s outstanding Performance Units and Dividend Equivalents if the Annualized TSR Goals and the requirements of this Award Agreement are met. The prorated portion will be determined as the amount that would otherwise be paid after the end of the Third Measurement Period, based on achievement of the Annualized TSR Goals, multiplied by a fraction, the numerator of which is the number of completed months the Participant has been employed or provided service to the Company during the Third Measurement Period and the denominator of which is 36.

(c) In the event of termination of employment or service on account of Retirement, Disability or death, the prorated amount shall be paid after the end of the Third Measurement Period, pursuant to Section 5 below, except as provided in Section 7.

5. Payment with Respect to Performance Units. If the Committee determines that the conditions to payment of the Performance Units have been met, the Company shall pay to the Participant after the Vesting Date, Shares equal to the number of Performance Units earned during each measurement period according to attainment of the Annualized TSR Goals, provided that the Company may withhold Shares to cover required tax withholding in an amount equal to the minimum statutory tax withholding requirement in respect of the Performance Units earned.

#### 6. Dividend Equivalents with Respect to Performance Units.

(a) Dividend Equivalents shall accrue with respect to Performance Units and shall be payable subject to the same Annualized TSR Goals and terms as the Performance Units to which they relate. Dividend Equivalents shall be credited with respect to the Performance Units set forth in the Recital to this Award Agreement from the Date of Grant until the payment date. If and to the extent that the underlying Performance Units are forfeited, all related Dividend Equivalents shall also be forfeited.

(b) While the Performance Units are outstanding, the Company will keep records of Dividend Equivalents in a bookkeeping account for the Participant. On each payment date for a dividend paid by UGI on its Common Stock, the Company shall credit to the Participant's account an amount equal to the Dividend Equivalents associated with the number of Performance Units set forth in the Recital to this Award Agreement on the record date for the dividend. No interest will be credited to any such account.

(c) The target amount of Dividend Equivalents (100% of the Dividend Equivalents credited to the Participant's account) will be earned if the Target Award of Performance Units is earned at the end of the Third Measurement Period. The Participant can earn up to 200% of the target amount of Dividend Equivalents if the Annualized TSR is equal to or greater than 16% at the end of the Third Measurement Period, according to the schedule in Section 3. Except as described in Section 4 or Section 7, if the Participant's employment or service with the Company as a Director terminates before the Vesting Date, all Dividend Equivalents will be forfeited.

(d) Dividend Equivalents will be paid in cash at the same time as the underlying Performance Units are paid, after the Committee determines that the conditions to payment have been met. Notwithstanding anything in this Award Agreement to the contrary, the Participant may not accrue Dividend Equivalents in excess of \$1,000,000 during any calendar year under all grants under the Plan.

## 7. Change in Control.

(a) If a Change in Control occurs, the Performance Units and Dividend Equivalents shall not automatically become payable upon the Change in Control, but, instead, shall become payable as described in this Section 7. The Committee may take such other actions with respect to the Performance Units and Dividend Equivalents as it deems appropriate pursuant to the Plan. The term "Change in Control" shall mean a Change in Control of UGI as defined in the Plan.

(b) If a Change in Control occurs, the Committee shall calculate a Change in Control Amount as follows:

(i) The measurement period shall end as of the closing date of the Change in Control (the "Change in Control Date") and the Annualized TSR ending date calculation for the measurement period shall be based on the 20-calendar day period ending on the Change in Control Date.

(ii) The Committee shall calculate a "Change in Control Amount" equal to the greater of (i) the Target Award amount or (ii) the amount of Performance Units that would be payable based on the Company's achievement of the Annualized TSR Goals as of the Change in Control Date and reflecting the payout schedule in the "End of Year 3 column" above, as determined by the Committee. The Change in Control Amount shall include related Dividend Equivalents and, if applicable, interest as described below.

(iii) The Committee shall determine whether the Change in Control Amount attributable to Performance Units shall be (A) converted to units with respect to shares or other equity interests of the acquiring company or its parent ("Successor Units"), in which case Dividend Equivalents shall continue to be credited on the Successor Units, or (B) valued based on the Fair Market Value of the Performance Units as of the Change in Control Date and credited to a bookkeeping account for the Participant, in which case interest shall be credited on the amount so determined at a market rate for the period between the Change in Control Date and the applicable payment date. Notwithstanding the provisions of Section 5, all payments on and after a Change in Control shall be made

in cash. If alternative (A) above is used, the cash payment shall equal the Fair Market Value on the date of payment of the number of shares or other equity interests underlying the Successor Units, plus accrued Dividend Equivalents. All payments shall be subject to applicable tax withholding.

(c) If a Change in Control occurs and the Participant continues in employment or service through the last day of the Third Measurement Period, the Change in Control Amount shall be paid in cash within 2 ½ months following the last day of the Third Measurement Period.

(d) If a Change in Control occurs, and the Participant has a Termination without Cause or a Good Reason Termination upon or within two years after the Change in Control Date and before the end of the Third Measurement Period, the Change in Control Amount shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below.

(e) If a Change in Control occurs, and the Participant terminates employment or service on account of Retirement, Disability or death upon or after the Change in Control Date and before the end of the Third Measurement Period, the Change in Control Amount shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below; provided that, if required by section 409A, if the Participant's Retirement, Disability or death occurs more than two years after the Change in Control Date, payment will be made within 2 ½ months following the last day of the Third Measurement Period, and not upon the earlier separation from service.

(f) If a Participant's employment or service terminates on account of Retirement, death or Disability before a Change in Control, and a Change in Control subsequently occurs before the end of the Third Measurement Period, the prorated amount in Section 4(b) shall be calculated by multiplying the fraction described in Section 4(b) by the Change in Control Amount. The prorated Change in Control Amount shall be paid in cash within 30 days after the Change in Control Date, subject to Section 14 below.

#### 8. Restrictive Covenants.

(a) The Participant acknowledges and agrees that, in consideration for the grant of Performance Units, the Participant agrees to comply with all written restrictive covenants and agreements with the Company, including non-competition, non-solicitation and confidentiality covenants (collectively, the "Restrictive Covenants").

(b) The Participant acknowledges and agrees that in the event the Participant breaches any of the Restrictive Covenants:

(i) The Committee may in its discretion determine that the Participant shall forfeit the outstanding Performance Units (without regard to whether the Performance Units have vested), and the outstanding Performance Units shall immediately terminate; and

(ii) If the Participant breaches any of the Restrictive Covenants within 12 months following receipt of any Shares upon settlement of the Performance Units, the Committee may in its discretion require the Participant to return to the Company any such Shares; provided, that if the Participant has disposed of any such Shares received upon settlement of the Performance Units, then the Committee may require the Participant to pay to the Company, in cash, the fair market value of such Shares as of the date of disposition.

9. Withholding. All payments under this Award Agreement are subject to applicable tax withholding. The Participant shall be required to pay to the Company, or make other arrangements satisfactory to the Company to provide for the payment of, any federal (including FICA), state, local or other taxes that the Company is required to withhold with respect to the payments under this Award Agreement. The Company may withhold from cash distributions to cover required tax withholding, or may withhold Shares to cover required tax withholding in an amount equal to the minimum applicable tax withholding amount.

10. Grant Subject to Plan Provisions and Company Policies.

(a) This grant is made pursuant to the Plan, which is incorporated herein by reference, and in all respects shall be interpreted in accordance with the Plan. The grant and payment of Performance Units and Dividend Equivalents are subject to interpretations, regulations and determinations concerning the Plan established from time to time by the Committee in accordance with the provisions of the Plan, including, but not limited to, provisions pertaining to (i) the registration, qualification or listing of the Shares, (ii) adjustments pursuant to Article IX of the Plan, and (iii) other requirements of applicable law. The Committee shall have the authority to interpret and construe the grant pursuant to the terms of the Plan, and its decisions shall be conclusive as to any questions arising hereunder.

(b) This Performance Unit grant and Shares issued pursuant to this Performance Unit grant shall be subject to the UGI Corporation Stock Ownership Policy as adopted by the Board of Directors of UGI and any applicable clawback and other policies implemented by the Board of Directors of UGI, as in effect from time to time.

11. No Employment or Other Rights. The grant of Performance Units shall not confer upon the Participant any right to be retained by or in the employ or service of the Company and shall not interfere in any way with the right of the Company to terminate the Participant's employment or service at any time. The right of the Company to terminate at will the Participant's employment or service at any time for any reason is specifically reserved.

12. No Shareholder Rights. Neither the Participant, nor any person entitled to receive payment in the event of the Participant's death, shall have any of the rights and privileges of a shareholder with respect to the Shares related to the Performance Units, unless and until certificates for Shares have been distributed to the Participant or successor.

13. Assignment and Transfers. The rights and interests of the Participant under this Award Agreement may not be sold, assigned, encumbered or otherwise transferred except, in the event of the death of the Participant, by will or by the laws of descent and distribution. If the Participant dies, any payments to be made under this Award Agreement after the Participant's death shall be paid to the Participant's estate. The rights and protections of the Company hereunder shall extend to any successors or assigns of the Company and to the Company's parents, subsidiaries, and affiliates.

14. Compliance with Code Section 409A. Notwithstanding the other provisions hereof, this Award Agreement is intended to comply with the requirements of section 409A of the Internal

Revenue Code of 1986, as amended, or an exception, and shall be administered accordingly. Any reference to a Participant's termination of employment shall mean a Participant's "separation from service," as such term is defined under section 409A. For purposes of section 409A, each payment of compensation under this Award Agreement shall be treated as a separate payment. Notwithstanding anything in this Award Agreement to the contrary, if the Participant is a "key employee" under section 409A and if payment of any amount under this Award Agreement is required to be delayed for a period of six months after separation from service pursuant to section 409A, payment of such amount shall be delayed as required by section 409A and shall be paid within 10 days after the end of the six-month period. If the Participant dies during such six-month period, the amounts withheld on account of section 409A shall be paid to the personal representative of the Participant's estate within 60 days after the date of the Participant's death.

15. Applicable Law. The validity, construction, interpretation and effect of this Award Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the conflicts of laws provisions thereof.

16. Notice. Any notice to UGI provided for in this Award Agreement shall be addressed to UGI in care of the Corporate Secretary at UGI's headquarters, and any notice to the Participant shall be addressed to such Participant at the current address shown on the payroll of the Company, or to such other address as the Participant may designate to the Company in writing. Any notice shall be delivered by hand, sent by telecopy or enclosed in a properly sealed envelope addressed as stated above, registered and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

17. Acceptance. By accepting this grant through the Morgan Stanley on-line system, the Participant (i) acknowledges receipt of the Plan incorporated herein, (ii) acknowledges that Participant has read the Grant Summary and Award Agreement and understands the terms and conditions of them, (iii) accepts the Performance Units described in the Award Agreement, (iv) agrees to be bound by the terms of the Plan, including the Award Agreement, and (v) agrees that all the decisions and determinations of the Board or the Committee shall be final and binding on the Participant and any other person having or claiming a right under this Grant.

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FORM OF  
UGI CORPORATION  
2021 INCENTIVE AWARD PLAN  
RESTRICTED STOCK UNIT AWARD AGREEMENT

This RESTRICTED STOCK UNIT AWARD AGREEMENT (the “Award Agreement”), dated \_\_\_\_\_ (the “Grant Date”), is delivered by UGI Corporation (“UGI”) to you (the “Participant”).

RECITALS

The UGI Corporation 2021 Incentive Award Plan (the “Plan”) provides for the grant of Restricted Stock Units with respect to shares of Common Stock of UGI (“Shares”). UGI hereby grants Restricted Stock Units (the “Stock Units”) to the Participant, subject to the terms in the Plan and on the terms described below. Capitalized terms not otherwise defined in this Award Agreement shall have the meaning as set forth in the Plan. The Participant’s portal in the Morgan Stanley website for Plan participants sets forth the number of Restricted Stock Units granted to the Participant in this grant (the “Grant Summary”).

NOW, THEREFORE, the parties to this Award Agreement, intending to be legally bound hereby, agree as follows:

1. Grant of Restricted Stock Units. Subject to the terms and conditions set forth in this Award Agreement and in the Plan, UGI hereby grants to the Participant the Stock Units, which will be earned and payable if and to the extent that the conditions of this Award Agreement are met. The Stock Units are granted with Dividend Equivalents (as defined in the Plan).

2. Vesting. The Participant shall earn the right to payment of (i) fifty percent (50%) of the Stock Units subject to this Award Agreement (“Tranche 1 Units”) if the Participant is employed by or providing service to the Company as a Director through \_\_\_\_\_, \_\_\_\_\_ (the “Tranche 1 Vesting Date”) and (ii) fifty percent (50%) of the Stock Units subject to this Award Agreement (“Tranche 2 Units”) if the Participant is employed by or providing service to the Company as a Director through \_\_\_\_\_, \_\_\_\_\_ (the “Tranche 2 Vesting Date” and together with the Tranche 1 Vesting Date, the “Vesting Date”).

3. Termination of Employment or Service.

(a) Except as provided immediately below or in Section 6, if the Participant’s employment or service with the Company as a Director terminates for any reason (including Termination without Cause, as defined in Section 9) before the Stock Units are fully vested, the unvested Stock Units and all related Dividend Equivalents will be forfeited. If the Participant ceases to be employed by or provide service to the Company as a Director by reason of one of the following events, then the Participant shall vest in the Stock Units as follows:

(b) *Death.* In the event of the Participant's death while employed by or providing service to the Company as a Director, the Participant shall vest 100% in the Stock Units as of the date of death.

(c) *Disability.* If the Participant ceases to be employed by or provide service to the Company as a Director on account of Disability (as defined in Section 9) the Participant shall 100% vest in the Stock Units as of the date of Disability.

(d) *Retirement.* If the Participant ceases to be employed by or provide service to the Company as a Director on account of Retirement (as defined in Section 9), the Participant shall continue to vest on a pro rata basis in the Stock Units as if such Participant were still employed. The prorated portion shall be calculated in accordance with the following formula:

Tranche 1 Units multiplied by

$$\frac{\text{\# of full months between Grant Date and Termination Date}}{24}$$

+

Tranche 2 Units multiplied by

$$\frac{\text{\# of full months between Grant Date and Termination Date}}{36}$$

4. Payment with Respect to Stock Units. When the Stock Units vest in the event of death, Disability or Retirement, or on a Vesting Date, the Company shall pay to the Participant whole Shares equal to the number of Stock Units that have become vested on such date. Payment shall be made within 30 business days after the applicable Vesting Date (except as otherwise required by Section 6 below).

5. Dividend Equivalents with Respect to Stock Units.

(a) Dividend Equivalents shall accrue with respect to the Stock Units and shall be payable subject to the same vesting and other terms as the Stock Units to which they relate. Dividend Equivalents shall be credited with respect to the Stock Units from the Grant Date until the payment date of the Stock Units (or until they are forfeited). Dividend Equivalents will become vested as the underlying Stock Units vest. If and to the extent that the underlying Stock Units are forfeited, all related Dividend Equivalents shall also be forfeited.

(b) While the Stock Units are outstanding, the Company will keep records of Dividend Equivalents in a bookkeeping account for the Participant. On each payment date for a dividend paid by UGI on its Common Stock, the Company shall credit to the Participant's account an amount equal to the Dividend Equivalents associated with the Stock Units held by the Participant on the record date for the dividend. No interest will be credited to any such account.

(c) Vested Dividend Equivalents will be paid in cash at the same time and on the same terms as the underlying vested Stock Units are paid.

(d) Notwithstanding anything in this Award Agreement to the contrary, the Participant may not accrue Dividend Equivalents in excess of \$1,000,000 during any calendar year under all grants under the Plan.

6. Change in Control.

(a) If a Change in Control occurs, the Stock Units and Dividend Equivalents shall not automatically become payable upon the Change in Control but, instead, shall become payable as described in this Section 6. The Committee may take such other actions with respect to the Stock Units and Dividend Equivalents as it deems appropriate pursuant to the Plan.

(b) If a Change in Control occurs before the Vesting Date, the Committee shall determine whether the Stock Units shall be (i) converted to units with respect to shares or other equity interests of the acquiring company or its parent ("Successor Units"), in which case Dividend Equivalents shall continue to be credited on the Successor Units, or (ii) valued based on the Fair Market Value (as defined in the Plan) of the Stock Units as of the Change in Control date and credited to a bookkeeping account for the Participant, in which case interest shall be credited on the amount so determined at a market rate for the period between the Change in Control date and the applicable payment date. Notwithstanding the provisions of Section 4, all payments on and after a Change in Control shall be made in cash. If alternative (i) above is used, the cash payment shall equal the Fair Market Value on the date of payment of the number of shares or other equity interests underlying the Successor Units, plus accrued Dividend Equivalents. All payments shall be subject to applicable tax withholding.

(c) If a Change in Control occurs and the Participant continues in employment or service through the Vesting Date, the Stock Units (subject to subsection (b)) shall vest on the Vesting Date and shall be paid in cash within 30 days after the Vesting Date. The cash payment shall equal the Fair Market Value on the date of payment of the vested Stock Units (subject to subsection (b)).

(d) If a Change in Control occurs and the Participant has a Termination without Cause or a Good Reason Termination, in either case upon or within two years after the Change in Control date and before the Vesting Date, the Stock Units (subject to subsection (b)) shall vest on the Participant's separation from service date and shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below. The cash payment shall equal the Fair Market Value on the date of payment of the vested Stock Units (subject to subsection (b)).

(e) If a Change in Control occurs before the Vesting Date, and the Participant terminates employment or service on account of Retirement, Disability or death upon or after the Change in Control Date and before the Vesting Date, any vested Restricted Stock Units (calculated under Section 3) shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below; provided that, if required by section 409A, if the Participant's Retirement, Disability or death occurs more than two years after the Change in Control Date, payment will be made within 2 ½ months following the Vesting Date, and not upon the earlier separation from service.

(f) If a Participant's employment or service terminates on account of Retirement, death or Disability before a Change in Control, and a Change in Control subsequently occurs before the Vesting Date, any vested amounts (calculated under Section 3) shall be due the Participant. These vested Stock Units shall be paid in cash within 30 days after the Change in Control Date, subject to Section 14 below.

7. Restrictive Covenants.

(a) The Participant acknowledges and agrees that, in consideration for the grant of Stock Units, the Participant agrees to comply with all written restrictive covenants and

agreements with the Company, including non-competition, non-solicitation and confidentiality covenants (collectively, the “Restrictive Covenants”).

(b) The Participant acknowledges and agrees that in the event the Participant breaches any of the Restrictive Covenants:

(i) The Committee may in its discretion determine that the Participant shall forfeit the outstanding Stock Units (without regard to whether the Stock Units have vested), and the outstanding Stock Units shall immediately terminate; and

(ii) If the Participant breaches any of the Restrictive Covenants within 12 months following receipt of any shares of Common Stock upon settlement of the Stock Units, the Committee may in its discretion require the Participant to return to the Company any such shares of Common Stock; provided, that if the Participant has disposed of any such shares of Common Stock received upon settlement of the Stock Units, then the Committee may require the Participant to pay to the Company, in cash, the fair market value of such shares of Common Stock as of the date of disposition.

8. Withholding. All payments under this Award Agreement are subject to applicable tax withholding. The Participant shall be required to pay to the Company, or make other arrangements satisfactory to the Company to provide for the payment of, any federal (including FICA), state, local or other taxes that the Company is required to withhold with respect to the payments under this Award Agreement. The Company may withhold from cash distributions to cover required tax withholding, or may withhold Shares to cover required withholding in an amount equal to the minimum applicable withholding amount.

9. Definitions. For purposes of this Award Agreement, the following terms will have the meanings set forth below:

(a) “*Change in Control*” means a Change in Control of UGI as defined in the Plan.

(b) “*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

(c) “*Committee*” means the Compensation and Management Development Committee of the Board of Directors of UGI or a successor committee thereto.

(d) “*Company*” means UGI and its Subsidiaries (as defined in the Plan).

(e) “*Disability*” means a long-term disability as defined in the Company’s long-term disability plan applicable to the Participant.

(f) “*Good Reason Termination*” means a termination of employment or service initiated by the Participant upon or within two years after a Change in Control upon one or more of the following events:

(i) a material diminution in the authority, duties or responsibilities held by the Participant immediately prior to the Change in Control;

(ii) a material diminution in the Participant’s base salary as in effect immediately prior to the Change in Control; or

(iii) a material change in the geographic location at which the Participant must perform services (which, for purposes of this Award Agreement, means the Participant is required to report, other than on a temporary basis (less than 12 months), to a location which is more than 50 miles from the Participant's principal place of business immediately before the Change in Control, without the Participant's express written consent).

Notwithstanding the foregoing, the Participant shall be considered to have a Good Reason Termination only if the Participant provides written notice to the Company, pursuant to Section 16, specifying in reasonable detail the events or conditions upon which the Participant is basing such Good Reason Termination and the Participant provides such notice within 90 days after the event that gives rise to the Good Reason Termination. Within 30 days after notice has been provided, the Company shall have the opportunity, but shall have no obligation, to cure such events or conditions that give rise to the Good Reason Termination. If the Company does not cure such events or conditions within the 30-day period, the Participant may terminate employment or service with the Company based on Good Reason Termination within 30 days after the expiration of the cure period.

Notwithstanding the foregoing, if the Participant has in effect a Change in Control Agreement with the Company, the term "Good Reason Termination" shall have the meaning given that term in the Change in Control Agreement.

(g) "*Retirement*" means the Participant's retirement under the Retirement Income Plan for Employees of UGI Utilities, Inc., if the Participant is covered by that Retirement Income Plan. "Retirement" for other Company employees means termination of employment or service after attaining (i) age 55 with ten or more years of service with the Company or (ii) age 65 with five or more years of service with the Company.

(h) "*Termination Date*" means the date the Participant's employment or service with the Company as a Director terminates for any reason.

(i) "*Termination without Cause*" means termination of employment or service as a Director by the Company for the convenience of the Company for any reason other than (i) theft, misappropriation of funds or conduct that has an adverse effect on the reputation of the Company, (ii) conviction of a felony or a crime involving moral turpitude, (iii) material breach of the Company's written code of conduct, or other material written employment policies, applicable to the Participant, (iv) breach of any written confidentiality, non-competition or non-solicitation covenant between the Participant and the Company, (v) gross misconduct in the performance of duties, or (vi) intentional refusal or failure to perform the material duties of the Participant's position.

#### 10. Grant Subject to Plan Provisions and Company Policies.

(a) This grant is made pursuant to the Plan, which is incorporated herein by reference, and in all respects shall be interpreted in accordance with the Plan. The grant and payment of Stock Units and Dividend Equivalents are subject to interpretations, regulations and determinations concerning the Plan established from time to time by the Committee in accordance with the provisions of the Plan, including, but not limited to, provisions pertaining to (i) the registration, qualification or listing of the Shares, (ii) adjustments pursuant to Article IX of the Plan and (iii) other requirements of applicable law. The Committee shall have the authority

to interpret and construe the grant pursuant to the terms of the Plan, and its decisions shall be conclusive as to any questions arising hereunder.

(b) All Shares issued pursuant to this Stock Unit grant shall be subject to the UGI Corporation Stock Ownership Policy. This Stock Unit grant and all Shares issued pursuant to this Stock Unit grant shall be subject to any applicable clawback and other policies implemented by the Board of Directors (or a Committee thereof) of UGI, as in effect from time to time.

11. No Employment or Other Rights. The grant of Stock Units shall not confer upon the Participant any right to be retained by or in the employ or service of the Company and shall not interfere in any way with the right of the Company to terminate the Participant's employment or service at any time. The right of the Company to terminate at will the Participant's employment or service at any time for any reason is specifically reserved.

12. No Shareholder Rights. Neither the Participant, nor any person entitled to exercise the Participant's rights in the event of the Participant's death, shall have any of the rights and privileges of a shareholder with respect to the Shares related to the Stock Units, unless and until certificates for Shares have been issued to the Participant or successor.

13. Assignment and Transfers. The rights and interests of the Participant under this Award Agreement may not be sold, assigned, encumbered or otherwise transferred except, in the event of the death of the Participant, by will or by the laws of descent and distribution. If the Participant dies, any payments to be made under this Award Agreement after the Participant's death shall be paid to the personal representative of the Participant's estate, or the personal representative under applicable law if the Participant dies intestate. The rights and protections of the Company hereunder shall extend to any successors or assigns of the Company and to the Company's parents, subsidiaries, and affiliates. This Award Agreement may be assigned by the Company without the Participant's consent.

14. Compliance with Code Section 409A. Notwithstanding the other provisions hereof, this Award Agreement is intended to comply with the requirements of section 409A of the Code, if applicable or an exception, and shall be administered accordingly. Any reference to the Participant's termination of employment or service shall mean the Participant's "separation from service," as such term is defined under section 409A. For purposes of section 409A, each payment of compensation under this Award Agreement shall be treated as a separate payment. Notwithstanding anything in this Award Agreement to the contrary, if the Participant is a "key employee" under section 409A and if payment of any amount under this Award Agreement is required to be delayed for a period of six months after separation from service pursuant to section 409A, payment of such amount shall be delayed as required by section 409A and shall be paid within 10 days after the end of the six-month period. If the Participant dies during such six-month period, the amounts withheld on account of section 409A shall be paid to the personal representative of the Participant's estate within 60 days after the date of the Participant's death.

15. Applicable Law. The validity, construction, interpretation and effect of this Award Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the conflicts of laws provisions thereof.

16. Notice. Any notice to UGI provided for in this Award Agreement shall be addressed to UGI in care of the Corporate Secretary at UGI's headquarters, and any notice to the Participant shall be addressed to such Participant at the current address shown on the payroll of the Company, or to such other address as the Participant may designate to the Company in writing. Any notice shall be delivered by hand, sent by telecopy or enclosed in a properly sealed envelope

addressed as stated above, registered and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

17. Acknowledgment. By accepting this grant through the Morgan Stanley on-line system, the Participant (i) acknowledges receipt of the Plan incorporated herein, (ii) acknowledges that Participant has read the Grant Summary and Award Agreement and understands the terms and conditions of them, (iii) accepts the Stock Units described in this Award Agreement, (iv) agrees to be bound by the terms of the Plan and this Award Agreement, and (v) agrees that all the decisions and determinations of the Board or the Committee shall be final and binding on the Participant and any other person having or claiming a right under this grant.

UGI CORPORATION  
2021 INCENTIVE AWARD PLAN  
PERFORMANCE UNIT AWARD AGREEMENT

This PERFORMANCE UNIT AWARD AGREEMENT (the “Award Agreement”), dated November 1, 2024 (the “Date of Grant”), is delivered by UGI Corporation (“UGI”) to Mario Longhi (the “Participant”).

RECITALS

The UGI Corporation 2021 Incentive Award Plan (the “Plan”) provides for the grant of performance units (“Performance Units”) with respect to shares of Common Stock of UGI (“Shares”). UGI has decided to grant Performance Units to the Participant subject to the terms of the Plan. Each capitalized term not defined herein shall have the meaning assigned to such term in the Plan. The Participant’s portal in the Morgan Stanley website for Plan participants sets forth the number of Restricted Stock Units granted to the Participant in this grant (the “Grant Summary”).

NOW, THEREFORE, the parties to this Award Agreement, intending to be legally bound hereby, agree as follows:

1. Grant of Performance Units. Subject to the terms and conditions set forth in this Award Agreement and in the Plan, UGI hereby grants to the Participant the number of Performance Units specified above (the “Award”). The Performance Units are contingently awarded and will be earned and payable if and to the extent that the Annualized TSR and other conditions of this Award Agreement are met. The Performance Units are granted with Dividend Equivalents.

2. Definitions. For purposes of this Award Agreement, the following terms will have the meanings set forth below:

(a) “Annualized TSR” means annualized total shareholder return of UGI common stock, calculated as the ((A) Closing Stock Price for the relevant measurement period plus (B) Cumulative Dividends Paid to Date/Beginning Stock Price)^(1/Full + Partial Years) - 1.

(b) “Beginning Stock Price” means \$23.46 per share, UGI’s closing stock price on the New York Stock Exchange on the Date of Grant.

(c) “Closing Stock Price” means the average closing stock price of a Share on the New York Stock Exchange over the twenty (20) consecutive trading day period immediately preceding the conclusion of the First Measurement Period, Second Measurement Period and Third Measurement Period, as applicable.

(d) “Committee” means UGI’s Compensation and Management Development Committee of the Board of Directors or a successor committee thereto.

(e) “*Company*” means UGI and its Subsidiaries (as defined in the Plan).

(f) “*Cumulative Dividends Paid to Date*” means the cash value of all dividends paid with respect to an ex-dividend date that occurs during the relevant measurement period (whether or not the dividend payment occurs during the relevant measurement period) with no interest credited on such dividends.

(g) “*Disability*” means a long-term disability as defined in the Company’s long-term disability plan applicable to the Participant.

(h) “*Dividend Equivalent*” means an amount determined by multiplying the number of Shares underlying the Performance Units by the per-share cash dividend, or the per-share fair market value of any dividend in consideration other than cash, paid by UGI on its Common Stock.

(i) “*Good Reason Termination*” means a termination of employment or service initiated by the Participant upon or within two years after a Change in Control upon one or more of the following events:

(i) a material diminution in the authority, duties or responsibilities held by the Participant immediately prior to the Change in Control;

(ii) a material diminution in the Participant’s base salary as in effect immediately prior to the Change in Control; or

(iii) a material change in the geographic location at which the Participant must perform services (which, for purposes of this Agreement, means the Participant is required to report, other than on a temporary basis (less than 12 months), to a location which is more than 50 miles from the Participant’s principal place of business immediately before the Change in Control, without the Participant’s express written consent).

Notwithstanding the foregoing, the Participant shall be considered to have a Good Reason Termination only if the Participant provides written notice to the Company, pursuant to Section 16, specifying in reasonable detail the events or conditions upon which the Participant is basing such Good Reason Termination and the Participant provides such notice within 90 days after the event that gives rise to the Good Reason Termination. Within 30 days after notice has been provided, the Company shall have the opportunity, but shall have no obligation, to cure such events or conditions that give rise to the Good Reason Termination. If the Company does not cure such events or conditions within the 30-day period, the Participant may terminate employment or service with the Company based on Good Reason Termination within 30 days after the expiration of the cure period.

Notwithstanding the foregoing, if the Participant has in effect a Change in Control Agreement with the Company or an Affiliate, the term “*Good Reason Termination*” shall have the meaning given that term in the Change in Control Agreement.

(j) “*Performance Unit*” means a hypothetical unit that represents the value of one share of UGI Common Stock.

(k) “Retirement” means the Participant’s retirement under the Retirement Income Plan for Employees of UGI Utilities, Inc., if the Participant is covered by that Retirement Income Plan. “Retirement” for other Company employees means termination of employment or service after attaining (i) age 55 with ten or more years of service with the Company or (ii) age 65 with five or more years of service with the Company.

(l) “Termination without Cause” means termination of employment or service by the Company as a Director for the convenience of the Company for any reason other than for a “Termination for Cause” which means a termination of employment or service by the Company as a Director related to any of the following: (i) theft, misappropriation of funds or conduct that has an adverse effect on the reputation of the Company, (ii) conviction of a felony or a crime involving moral turpitude, (iii) material breach of the Company’s written code of conduct, or other material written employment policies, applicable to the Participant, (iv) breach of any written confidentiality, non-competition or non-solicitation covenant between the Participant and the Company, (v) gross misconduct in the performance of duties, or (vi) intentional refusal or failure to perform the material duties of the Participant’s position.

### 3. Performance Goals.

(a) The Participant shall earn the right to payment of the Performance Units in accordance with the cumulative performance vesting schedule set forth in the below schedule if (i) the Annualized TSR goals (the “Annualized TSR Goals”) in the below schedule are met for one or more of the measurement periods (defined below), and (ii) if the Participant continues to be employed by or provide service to the Company as a Director through October 31, 2027 (the “Vesting Date”). The first measurement period is the period beginning November 1, 2024 and ending November 1, 2025 (the “First Measurement Period”). The second measurement period is the period beginning November 1, 2024 and ending November 1, 2026 (the “Second Measurement Period”). The third measurement period is the period beginning November 1, 2024 and ending November 1, 2027 (the “Third Measurement Period”). For the avoidance of doubt, the Beginning Stock Price shall be used as the starting price in calculating the performance of each measurement period. Participant shall only be eligible to receive the highest of either the First Measurement Period, Second Measurement Period, or Third Measurement Period result as set forth in the table below:

Performance Level	Annualized TSR Goals	Cumulative Performance Vesting (as a % of target) if Annualized TSR Goals attained on the 1st/2nd/3rd grant date anniversaries <sup>1</sup>		
		End of Year 1	End of Year 2	End of Year 3
Below Threshold	<8.0%	0%	0%	0%
Threshold	8.0%	17%	33%	50%
Target	10.0%	33%	66%	100%
Maximum	16.0%	40%	80%	200%

<sup>1</sup> The cumulative performance vesting percentage between Annualized TSR Goals of (i) 8% and 10% and (ii) 10% and 16% will be determined by interpolation.

(b) The target amount of Performance Units (“Target Award”) will be earned if the Annualized TSR equals 10% at the end of the Third Measurement Period. The Participant can earn up to 200% of the Target Award if the Annualized TSR is equal to or greater than 16% at the end of the Third Measurement Period, according to the schedule in this Section 3 above.

(c) Following the end of each measurement period, the Committee will determine Annualized TSR performance.

(d) Except as described in Sections 4 and 7 below, the Participant must be employed by or providing service to the Company as a Director on the Vesting Date in order for the Participant to receive payment with respect to the Performance Units and Dividend Equivalents.

#### 4. Termination of Employment or Service.

(a) Except as provided below in the event of death or Disability, or as set forth in Section 7, if the Participant’s employment or service with the Company as a Director terminates for any reason other than for a Termination For Cause before the Performance Units are fully vested, the unvested Performance Units and all related Dividend Equivalents will continue to vest in accordance with Section 3.

(b) In the event of the Participant’s death while employed by or providing service to the Company as a Director, the Participant shall vest 100% in the Performance Units as of the date of death.

(c) If the Participant ceases to be employed by or provide service to the Company as a Director on account of Disability, the Participant shall 100% vest in the Performance Units as of the date of Disability.

(d) If the Participant’s employment or service with the Company as a Director terminates as a result of a Termination for Cause, then all Performance Units and all related Dividend Equivalents will be forfeited.

5. Payment with Respect to Performance Units. If the Committee determines that the conditions to payment of the Performance Units have been met, the Company shall pay to the Participant after the Vesting Date, Shares equal to the number of Performance Units earned during each measurement period according to attainment of the Annualized TSR Goals, provided that the Company may withhold Shares to cover required tax withholding in an amount equal to the minimum statutory tax withholding requirement in respect of the Performance Units earned.

#### 6. Dividend Equivalents with Respect to Performance Units.

(a) Dividend Equivalents shall accrue with respect to Performance Units and shall be payable subject to the same Annualized TSR Goals and terms as the Performance Units to which they relate. Dividend Equivalents shall be credited with respect to the Performance Units set forth in the Recital to this Award Agreement from the Date of Grant until the payment date. If and to the extent that the underlying Performance Units are forfeited, all related Dividend Equivalents shall also be forfeited.

(b) While the Performance Units are outstanding, the Company will keep records of Dividend Equivalents in a bookkeeping account for the Participant. On each payment date for a dividend paid by UGI on its Common Stock, the Company shall credit to the Participant’s account an amount equal to the Dividend Equivalents associated with the number of Performance

Units set forth in the Recital to this Award Agreement on the record date for the dividend. No interest will be credited to any such account.

(c) The target amount of Dividend Equivalents (100% of the Dividend Equivalents credited to the Participant's account) will be earned if the Target Award of Performance Units is earned at the end of the Third Measurement Period. The Participant can earn up to 200% of the target amount of Dividend Equivalents if the Annualized TSR is equal to or greater than 16% at the end of the Third Measurement Period, according to the schedule in Section 3. Except as described in Section 4 or Section 7, if the Participant's employment or service with the Company as a Director terminates before the Vesting Date, all Dividend Equivalents will be forfeited.

(d) Dividend Equivalents will be paid in cash at the same time as the underlying Performance Units are paid, after the Committee determines that the conditions to payment have been met. Notwithstanding anything in this Award Agreement to the contrary, the Participant may not accrue Dividend Equivalents in excess of \$1,000,000 during any calendar year under all grants under the Plan.

## 7. Change in Control.

(a) If a Change in Control occurs, the Performance Units and Dividend Equivalents shall not automatically become payable upon the Change in Control, but, instead, shall become payable as described in this Section 7. The Committee may take such other actions with respect to the Performance Units and Dividend Equivalents as it deems appropriate pursuant to the Plan. The term "Change in Control" shall mean a Change in Control of UGI as defined in the Plan.

(b) If a Change in Control occurs, the Committee shall calculate a Change in Control Amount as follows:

(i) The measurement period shall end as of the closing date of the Change in Control (the "Change in Control Date") and the Annualized TSR ending date calculation for the measurement period shall be based on the 20-calendar day period ending on the Change in Control Date.

(ii) The Committee shall calculate a "Change in Control Amount" equal to the greater of (i) the Target Award amount or (ii) the amount of Performance Units that would be payable based on the Company's achievement of the Annualized TSR Goals as of the Change in Control Date and reflecting the payout schedule in the "End of Year 3 column" above, as determined by the Committee. The Change in Control Amount shall include related Dividend Equivalents and, if applicable, interest as described below.

(iii) The Committee shall determine whether the Change in Control Amount attributable to Performance Units shall be (A) converted to units with respect to shares or other equity interests of the acquiring company or its parent ("Successor Units"), in which case Dividend Equivalents shall continue to be credited on the Successor Units, or (B) valued based on the Fair Market Value of the Performance Units as of the Change in Control Date and credited to a bookkeeping account for the Participant, in which case interest shall be credited on the amount so determined at a market rate for the period between the Change in Control Date and the applicable payment date. Notwithstanding the provisions of Section 5, all payments on and after a Change in Control shall be made in cash. If alternative (A) above is used, the cash payment shall equal the Fair Market Value on the date of payment of the number of shares or other equity interests underlying the Successor Units, plus accrued Dividend Equivalents. All payments shall be subject to applicable tax withholding.

(c) If a Change in Control occurs and the Participant continues in employment or service through the last day of the Third Measurement Period, the Change in Control Amount shall be paid in cash within 2 ½ months following the last day of the Third Measurement Period.

(d) If a Change in Control occurs, and the Participant has a Termination without Cause or a Good Reason Termination upon or within two years after the Change in Control Date and before the end of the Third Measurement Period, the Change in Control Amount shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below.

(e) If a Change in Control occurs, and the Participant terminates employment or service on account of Retirement, Disability or death upon or after the Change in Control Date and before the end of the Third Measurement Period, the Change in Control Amount shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below; provided that, if required by section 409A, if the Participant's Retirement, Disability or death occurs more than two years after the Change in Control Date, payment will be made within 2 ½ months following the last day of the Third Measurement Period, and not upon the earlier separation from service.

(f) If a Participant's employment or service terminates on account of Retirement, death or Disability before a Change in Control, and a Change in Control subsequently occurs before the end of the Third Measurement Period, the prorated amount in Section 4(b) shall be calculated by multiplying the fraction described in Section 4(b) by the Change in Control Amount. The prorated Change in Control Amount shall be paid in cash within 30 days after the Change in Control Date, subject to Section 14 below.

#### 8. Restrictive Covenants.

(a) The Participant acknowledges and agrees that, in consideration for the grant of Performance Units, the Participant agrees to comply with all written restrictive covenants and agreements with the Company, including non-competition, non-solicitation and confidentiality covenants (collectively, the "Restrictive Covenants").

(b) The Participant acknowledges and agrees that in the event the Participant breaches any of the Restrictive Covenants:

(i) The Committee may in its discretion determine that the Participant shall forfeit the outstanding Performance Units (without regard to whether the Performance Units have vested), and the outstanding Performance Units shall immediately terminate; and

(ii) If the Participant breaches any of the Restrictive Covenants within 12 months following receipt of any Shares upon settlement of the Performance Units, the Committee may in its discretion require the Participant to return to the Company any such Shares; provided, that if the Participant has disposed of any such Shares received upon settlement of the Performance Units, then the Committee may require the Participant to pay to the Company, in cash, the fair market value of such Shares as of the date of disposition.

9. Withholding. All payments under this Award Agreement are subject to applicable tax withholding. The Participant shall be required to pay to the Company, or make other arrangements satisfactory to the Company to provide for the payment of, any federal (including

FICA), state, local or other taxes that the Company is required to withhold with respect to the payments under this Award Agreement. The Company may withhold from cash distributions to cover required tax withholding, or may withhold Shares to cover required tax withholding in an amount equal to the minimum applicable tax withholding amount.

10. Grant Subject to Plan Provisions and Company Policies.

(a) This grant is made pursuant to the Plan, which is incorporated herein by reference, and in all respects shall be interpreted in accordance with the Plan. The grant and payment of Performance Units and Dividend Equivalents are subject to interpretations, regulations and determinations concerning the Plan established from time to time by the Committee in accordance with the provisions of the Plan, including, but not limited to, provisions pertaining to (i) the registration, qualification or listing of the Shares, (ii) adjustments pursuant to Article IX of the Plan, and (iii) other requirements of applicable law. The Committee shall have the authority to interpret and construe the grant pursuant to the terms of the Plan, and its decisions shall be conclusive as to any questions arising hereunder.

(b) This Performance Unit grant and Shares issued pursuant to this Performance Unit grant shall be subject to the UGI Corporation Stock Ownership Policy as adopted by the Board of Directors of UGI and any applicable clawback and other policies implemented by the Board of Directors of UGI, as in effect from time to time.

11. No Employment or Other Rights. The grant of Performance Units shall not confer upon the Participant any right to be retained by or in the employ or service of the Company and shall not interfere in any way with the right of the Company to terminate the Participant's employment or service at any time. The right of the Company to terminate at will the Participant's employment or service at any time for any reason is specifically reserved.

12. No Shareholder Rights. Neither the Participant, nor any person entitled to receive payment in the event of the Participant's death, shall have any of the rights and privileges of a shareholder with respect to the Shares related to the Performance Units, unless and until certificates for Shares have been distributed to the Participant or successor.

13. Assignment and Transfers. The rights and interests of the Participant under this Award Agreement may not be sold, assigned, encumbered or otherwise transferred except, in the event of the death of the Participant, by will or by the laws of descent and distribution. If the Participant dies, any payments to be made under this Award Agreement after the Participant's death shall be paid to the Participant's estate. The rights and protections of the Company hereunder shall extend to any successors or assigns of the Company and to the Company's parents, subsidiaries, and affiliates.

14. Compliance with Code Section 409A. Notwithstanding the other provisions hereof, this Award Agreement is intended to comply with the requirements of section 409A of the Internal Revenue Code of 1986, as amended, or an exception, and shall be administered accordingly. Any reference to a Participant's termination of employment shall mean a Participant's "separation from service," as such term is defined under section 409A. For purposes of section 409A, each

payment of compensation under this Award Agreement shall be treated as a separate payment. Notwithstanding anything in this Award Agreement to the contrary, if the Participant is a “key employee” under section 409A and if payment of any amount under this Award Agreement is required to be delayed for a period of six months after separation from service pursuant to section 409A, payment of such amount shall be delayed as required by section 409A and shall be paid within 10 days after the end of the six-month period. If the Participant dies during such six-month period, the amounts withheld on account of section 409A shall be paid to the personal representative of the Participant’s estate within 60 days after the date of the Participant’s death.

15. Applicable Law. The validity, construction, interpretation and effect of this Award Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the conflicts of laws provisions thereof.

16. Notice. Any notice to UGI provided for in this Award Agreement shall be addressed to UGI in care of the Corporate Secretary at UGI’s headquarters, and any notice to the Participant shall be addressed to such Participant at the current address shown on the payroll of the Company, or to such other address as the Participant may designate to the Company in writing. Any notice shall be delivered by hand, sent by telecopy or enclosed in a properly sealed envelope addressed as stated above, registered and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

17. Acceptance. By accepting this grant through the Morgan Stanley on-line system, the Participant (i) acknowledges receipt of the Plan incorporated herein, (ii) acknowledges that Participant has read the Grant Summary and Award Agreement and understands the terms and conditions of them, (iii) accepts the Performance Units described in the Award Agreement, (iv) agrees to be bound by the terms of the Plan, including the Award Agreement, and (v) agrees that all the decisions and determinations of the Board or the Committee shall be final and binding on the Participant and any other person having or claiming a right under this Grant.

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UGI CORPORATION  
2021 INCENTIVE AWARD PLAN  
RESTRICTED STOCK UNIT AWARD AGREEMENT

This RESTRICTED STOCK UNIT AWARD AGREEMENT (the Award Agreement”), dated November 1, 2024 (the “Date of Grant”), is delivered by UGI Corporation (“UGI”) to Mario Longhi (the “Participant”).

RECITALS

The UGI Corporation 2021 Incentive Award Plan (the “Plan”) provides for the grant of Restricted Stock Units with respect to shares of Common Stock of UGI (“Shares”). UGI hereby grants Restricted Stock Units (the “Stock Units”) to the Participant, subject to the terms in the Plan and on the terms described below. Capitalized terms not otherwise defined in this Award Agreement shall have the meaning as set forth in the Plan. The Participant’s portal in the Morgan Stanley website for Plan participants sets forth the number of Restricted Stock Units granted to the Participant in this grant (the “Grant Summary”).

NOW, THEREFORE, the parties to this Award Agreement, intending to be legally bound hereby, agree as follows:

1. Grant of Restricted Stock Units. Subject to the terms and conditions set forth in this Award Agreement and in the Plan, UGI hereby grants to the Participant the Stock Units, which will be earned and payable if and to the extent that the conditions of this Award Agreement are met. The Stock Units are granted with Dividend Equivalents (as defined in the Plan).
2. Vesting. The Participant shall earn the right to payment of (i) fifty percent (50%) of the Stock Units subject to this Award Agreement if the Participant is employed by or providing service to the Company as a Director through October 31, 2026 (the “Tranche 1 Vesting Date”) and (ii) fifty percent (50%) of the Stock Units subject to this Award Agreement if the Participant is employed by or providing service to the Company as a Director through October 31, 2027 (the “Tranche 2 Vesting Date” and together with the Tranche 1 Vesting Date, the “Vesting Date”).
3. Termination of Employment or Service.
  - (a) Except as provided below in the event of death or Disability, or as set forth in Section 6, if the Participant’s employment or service with the Company as a Director terminates for any reason other than for a Termination For Cause (as defined in Section 9) before the Stock Units are fully vested, the unvested Stock Units and all related Dividend Equivalents will continue to vest in accordance with Section 2.
  - (b) In the event of the Participant’s death while employed by or providing service to the Company as a Director, the Participant shall vest 100% in the Stock Units as of the date of death.

(c) If the Participant ceases to be employed by or provide service to the Company as a Director on account of Disability (as defined in Section 9), the Participant shall 100% vest in the Stock Units as of the date of Disability.

(d) If the Participant's employment or service with the Company as a Director terminates as a result of a Termination for Cause, then all unvested Stock Units and all related Dividend Equivalents will be forfeited.

4. Payment with Respect to Stock Units. When the Stock Units vest in the event of death, Disability or on a Vesting Date, the Company shall pay to the Participant whole Shares equal to the number of Stock Units that have become vested on such date. Payment shall be made within 30 business days after the applicable Vesting Date (except as otherwise required by Section 6 below).

5. Dividend Equivalents with Respect to Stock Units.

(a) Dividend Equivalents shall accrue with respect to the Stock Units and shall be payable subject to the same vesting and other terms as the Stock Units to which they relate. Dividend Equivalents shall be credited with respect to the Stock Units from the Date of Grant until the payment date of the Stock Units (or until they are forfeited). Dividend Equivalents will become vested as the underlying Stock Units vest. If and to the extent that the underlying Stock Units are forfeited, all related Dividend Equivalents shall also be forfeited.

(b) While the Stock Units are outstanding, the Company will keep records of Dividend Equivalents in a bookkeeping account for the Participant. On each payment date for a dividend paid by UGI on its Common Stock, the Company shall credit to the Participant's account an amount equal to the Dividend Equivalents associated with the Stock Units held by the Participant on the record date for the dividend. No interest will be credited to any such account.

(c) Vested Dividend Equivalents will be paid in cash at the same time and on the same terms as the underlying vested Stock Units are paid.

(d) Notwithstanding anything in this Award Agreement to the contrary, the Participant may not accrue Dividend Equivalents in excess of \$1,000,000 during any calendar year under all grants under the Plan.

6. Change in Control.

(a) If a Change in Control occurs, the Stock Units and Dividend Equivalents shall not automatically become payable upon the Change in Control but, instead, shall become payable as described in this Section 6. The Committee may take such other actions with respect to the Stock Units and Dividend Equivalents as it deems appropriate pursuant to the Plan.

(b) If a Change in Control occurs before the Vesting Date, the Committee shall determine whether the Stock Units shall be (i) converted to units with respect to shares or other equity interests of the acquiring company or its parent ("Successor Units"), in which case Dividend Equivalents shall continue to be credited on the Successor Units, or (ii) valued based on the Fair Market Value (as defined in the Plan) of the Stock Units as of the Change in Control date and credited to a bookkeeping account for the Participant, in which case interest shall be credited on the amount so determined at a market rate for the period between the Change in Control date and the applicable payment date. Notwithstanding the provisions of Section 4, all payments on and after a Change in Control shall be made in cash. If alternative (i) above is used, the cash payment shall equal the Fair Market Value on the date of payment of the number of

shares or other equity interests underlying the Successor Units, plus accrued Dividend Equivalents. All payments shall be subject to applicable tax withholding.

(c) If a Change in Control occurs and the Participant continues in employment or service through the Vesting Date, the Stock Units (subject to subsection (b)) shall vest on the Vesting Date and shall be paid in cash within 30 days after the Vesting Date. The cash payment shall equal the Fair Market Value on the date of payment of the vested Stock Units (subject to subsection (b)).

(d) If a Change in Control occurs and the Participant has a Termination without Cause or a Good Reason Termination, in either case upon or within two years after the Change in Control date and before the Vesting Date, the Stock Units (subject to subsection (b)) shall vest on the Participant's separation from service date and shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below. The cash payment shall equal the Fair Market Value on the date of payment of the vested Stock Units (subject to subsection (b)).

(e) If a Change in Control occurs before the Vesting Date, and the Participant terminates employment or service on account of Disability or death upon or after the Change in Control Date and before the Vesting Date, any vested Restricted Stock Units (calculated under Section 3) shall be paid in cash within 30 days after the Participant's separation from service, subject to Section 14 below; provided that, if required by section 409A, if the Participant's Disability or death occurs more than two years after the Change in Control Date, payment will be made within 2 ½ months following the Vesting Date, and not upon the earlier separation from service.

(f) If a Participant's employment or service terminates on account of death or Disability before a Change in Control, and a Change in Control subsequently occurs before the Vesting Date, any vested amounts (calculated under Section 3) shall be due the Participant. These vested Stock Units shall be paid in cash within 30 days after the Change in Control Date, subject to Section 14 below.

#### 7. Restrictive Covenants.

(a) The Participant acknowledges and agrees that, in consideration for the grant of Stock Units, the Participant agrees to comply with all written restrictive covenants and agreements with the Company, including non-competition, non-solicitation and confidentiality covenants (collectively, the "Restrictive Covenants").

(b) The Participant acknowledges and agrees that in the event the Participant breaches any of the Restrictive Covenants:

(i) The Committee may in its discretion determine that the Participant shall forfeit the outstanding Stock Units (without regard to whether the Stock Units have vested), and the outstanding Stock Units shall immediately terminate; and

(ii) If the Participant breaches any of the Restrictive Covenants within 12 months following receipt of any shares of Common Stock upon settlement of the Stock Units, the Committee may in its discretion require the Participant to return to the Company any such shares of Common Stock; provided, that if the Participant has disposed of any such shares of Common Stock received upon settlement of the Stock Units, then the Committee may require the Participant to pay to the Company, in cash, the fair market value of such shares of Common Stock as of the date of disposition.

8. Withholding. All payments under this Award Agreement are subject to applicable tax withholding. The Participant shall be required to pay to the Company, or make other arrangements satisfactory to the Company to provide for the payment of, any federal (including FICA), state, local or other taxes that the Company is required to withhold with respect to the payments under this Award Agreement. The Company may withhold from cash distributions to cover required tax withholding, or may withhold Shares to cover required withholding in an amount equal to the minimum applicable withholding amount.

9. Definitions. For purposes of this Award Agreement, the following terms will have the meanings set forth below:

- (a) “*Change in Control*” means a Change in Control of UGI as defined in the Plan.
- (b) “*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.
- (c) “*Committee*” means the Compensation and Management Development Committee of the Board of Directors of UGI or a successor committee thereto.
- (d) “*Company*” means UGI and its Subsidiaries (as defined in the Plan).
- (e) “*Disability*” means a long-term disability as defined in the Company’s long-term disability plan applicable to the Participant.
- (f) “*Good Reason Termination*” means a termination of employment or service initiated by the Participant upon or within two years after a Change in Control upon one or more of the following events:
  - (i) a material diminution in the authority, duties or responsibilities held by the Participant immediately prior to the Change in Control;
  - (ii) a material diminution in the Participant’s base salary as in effect immediately prior to the Change in Control; or
  - (iii) a material change in the geographic location at which the Participant must perform services (which, for purposes of this Award Agreement, means the Participant is required to report, other than on a temporary basis (less than 12 months), to a location which is more than 50 miles from the Participant’s principal place of business immediately before the Change in Control, without the Participant’s express written consent).

Notwithstanding the foregoing, the Participant shall be considered to have a Good Reason Termination only if the Participant provides written notice to the Company, pursuant to Section 16, specifying in reasonable detail the events or conditions upon which the Participant is basing such Good Reason Termination and the Participant provides such notice within 90 days after the event that gives rise to the Good Reason Termination. Within 30 days after notice has been provided, the Company shall have the opportunity, but shall have no obligation, to cure such events or conditions that give rise to the Good Reason Termination. If the Company does not cure such events or conditions within the 30-day

period, the Participant may terminate employment or service with the Company based on Good Reason Termination within 30 days after the expiration of the cure period.

Notwithstanding the foregoing, if the Participant has in effect a Change in Control Agreement with the Company, the term “Good Reason Termination” shall have the meaning given that term in the Change in Control Agreement.

(g) “*Termination Date*” means the date the Participant’s employment or service with the Company as a Director terminates for any reason.

(h) “*Termination without Cause*” means termination of employment or service by the Company as a Director for the convenience of the Company for any reason other than for a “*Termination for Cause*” which means a termination of employment or service by the Company as a Director related to any of the following: (i) theft, misappropriation of funds or conduct that has an adverse effect on the reputation of the Company, (ii) conviction of a felony or a crime involving moral turpitude, (iii) material breach of the Company’s written code of conduct, or other material written employment policies, applicable to the Participant, (iv) breach of any written confidentiality, non-competition or non-solicitation covenant between the Participant and the Company, (v) gross misconduct in the performance of duties, or (vi) intentional refusal or failure to perform the material duties of the Participant’s position.

10. Grant Subject to Plan Provisions and Company Policies.

(a) This grant is made pursuant to the Plan, which is incorporated herein by reference, and in all respects shall be interpreted in accordance with the Plan. The grant and payment of Stock Units and Dividend Equivalents are subject to interpretations, regulations and determinations concerning the Plan established from time to time by the Committee in accordance with the provisions of the Plan, including, but not limited to, provisions pertaining to (i) the registration, qualification or listing of the Shares, (ii) adjustments pursuant to Article IX of the Plan and (iii) other requirements of applicable law. The Committee shall have the authority to interpret and construe the grant pursuant to the terms of the Plan, and its decisions shall be conclusive as to any questions arising hereunder.

(b) All Shares issued pursuant to this Stock Unit grant shall be subject to the UGI Corporation Stock Ownership Policy. This Stock Unit grant and all Shares issued pursuant to this Stock Unit grant shall be subject to any applicable clawback and other policies implemented by the Board of Directors (or a Committee thereof) of UGI, as in effect from time to time.

11. No Employment or Other Rights. The grant of Stock Units shall not confer upon the Participant any right to be retained by or in the employ or service of the Company as a Director and shall not interfere in any way with the right of the Company to terminate the Participant’s employment or service as a Director at any time. The right of the Company to terminate at will the Participant’s employment or service as a Director at any time for any reason is specifically reserved.

12. No Shareholder Rights. Neither the Participant, nor any person entitled to exercise the Participant’s rights in the event of the Participant’s death, shall have any of the rights and privileges of a shareholder with respect to the Shares related to the Stock Units, unless and until certificates for Shares have been issued to the Participant or successor.

13. Assignment and Transfers. The rights and interests of the Participant under this Award Agreement may not be sold, assigned, encumbered or otherwise transferred except, in the event of the death of the Participant, by will or by the laws of descent and distribution. If the

Participant dies, any payments to be made under this Award Agreement after the Participant's death shall be paid to the personal representative of the Participant's estate, or the personal representative under applicable law if the Participant dies intestate. The rights and protections of the Company hereunder shall extend to any successors or assigns of the Company and to the Company's parents, subsidiaries, and affiliates. This Award Agreement may be assigned by the Company without the Participant's consent.

14. Compliance with Code Section 409A. Notwithstanding the other provisions hereof, this Award Agreement is intended to comply with the requirements of section 409A of the Code, if applicable or an exception, and shall be administered accordingly. Any reference to the Participant's termination of employment or service shall mean the Participant's "separation from service," as such term is defined under section 409A. For purposes of section 409A, each payment of compensation under this Award Agreement shall be treated as a separate payment. Notwithstanding anything in this Award Agreement to the contrary, if the Participant is a "key employee" under section 409A and if payment of any amount under this Award Agreement is required to be delayed for a period of six months after separation from service pursuant to section 409A, payment of such amount shall be delayed as required by section 409A and shall be paid within 10 days after the end of the six-month period. If the Participant dies during such six-month period, the amounts withheld on account of section 409A shall be paid to the personal representative of the Participant's estate within 60 days after the date of the Participant's death.

15. Applicable Law. The validity, construction, interpretation and effect of this Award Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to the conflicts of laws provisions thereof.

16. Notice. Any notice to UGI provided for in this Award Agreement shall be addressed to UGI in care of the Corporate Secretary at UGI's headquarters, and any notice to the Participant shall be addressed to such Participant at the current address shown on the payroll of the Company, or to such other address as the Participant may designate to the Company in writing. Any notice shall be delivered by hand, sent by telecopy or enclosed in a properly sealed envelope addressed as stated above, registered and deposited, postage prepaid, in a post office regularly maintained by the United States Postal Service.

17. Acknowledgment. By accepting this grant through the Morgan Stanley on-line system, the Participant (i) acknowledges receipt of the Plan incorporated herein, (ii) acknowledges that Participant has read the Grant Summary and Award Agreement and understands the terms and conditions of them, (iii) accepts the Stock Units described in this Award Agreement, (iv) agrees to be bound by the terms of the Plan and this Award Agreement, and (v) agrees that all the decisions and determinations of the Board or the Committee shall be final and binding on the Participant and any other person having or claiming a right under this grant.

## CERTIFICATION

I, Robert C. Flexon, certify that:

1. I have reviewed this periodic report on Form 10-Q of UGI Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 6, 2025

/s/ Robert C. Flexon

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Robert C. Flexon  
President and Chief Executive Officer of UGI Corporation

## CERTIFICATION

I, Sean P. O'Brien, certify that:

1. I have reviewed this periodic report on Form 10-Q of UGI Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 6, 2025

/s/ Sean P. O'Brien

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Sean P. O'Brien  
Chief Financial Officer of UGI Corporation

**Certification by the Chief Executive Officer and Chief Financial Officer  
Relating to a Periodic Report Containing Financial Statements**

I, Robert C. Flexon, Chief Executive Officer, and I, Sean P. O'Brien, Chief Financial Officer, of UGI Corporation, a Pennsylvania corporation (the "Company"), hereby certify that to our knowledge:

- (1) The Company's periodic report on Form 10-Q for the period ended December 31, 2024 (the "Form 10-Q") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

CHIEF EXECUTIVE OFFICER

/s/ Robert C. Flexon

Robert C. Flexon

Date: February 6, 2025

CHIEF FINANCIAL OFFICER

/s/ Sean P. O'Brien

Sean P. O'Brien

Date: February 6, 2025